Financial Targets

Hans Ola Meyer
Chief Financial Officer
Revenue Source

Evolution 1997 to 2000

1997
- Equipment Sales: 60%
- Consumables & After Market: 40%
- Total: 26 b SEK

2000
- Equipment Sales: 45%
- Consumables & After Market: 55%
- Total: 43 b SEK
Revenues by Business Area

**1997**
- Industrial Technique: 26 b SEK
- Construction and Mining Technique
- Compressor Technique
- Rental

**2000**
- Compressor Technique
- Construction and Mining Technique
- Industrial Technique
- Rental: 43 b SEK

**Evolution 1997 to 2000**
<table>
<thead>
<tr>
<th>SEK m.</th>
<th>March 31, 1997</th>
<th>%</th>
<th>March 31, 2000</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Intangible fixed assets</td>
<td>4,087</td>
<td>16</td>
<td>19,060</td>
<td>35</td>
</tr>
<tr>
<td>Other fixed assets</td>
<td>6,726</td>
<td>27</td>
<td>18,688</td>
<td>35</td>
</tr>
<tr>
<td>Inventories</td>
<td>5,159</td>
<td>20</td>
<td>5,592</td>
<td>10</td>
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<tr>
<td>Receivables</td>
<td>5,984</td>
<td>25</td>
<td>9,502</td>
<td>18</td>
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<tr>
<td>Cash, bank, and short-term investments</td>
<td>3,037</td>
<td>12</td>
<td>857</td>
<td>2</td>
</tr>
<tr>
<td><strong>Total assets</strong></td>
<td><strong>24,993</strong></td>
<td></td>
<td><strong>53,699</strong></td>
<td></td>
</tr>
<tr>
<td>Equity</td>
<td>12,469</td>
<td>41</td>
<td>21,512</td>
<td>40</td>
</tr>
<tr>
<td>Minority interest</td>
<td>173</td>
<td>1</td>
<td>202</td>
<td>0</td>
</tr>
<tr>
<td>Interest-bearing liabilities and provisions</td>
<td>4,697</td>
<td>33</td>
<td>19,639</td>
<td>37</td>
</tr>
<tr>
<td>Non-interest-bearing liabilities and provisions</td>
<td>7,654</td>
<td>25</td>
<td>12,346</td>
<td>23</td>
</tr>
<tr>
<td><strong>Total liabilities and equity</strong></td>
<td><strong>24,993</strong></td>
<td></td>
<td><strong>53,699</strong></td>
<td></td>
</tr>
</tbody>
</table>
Financial Targets

Return on Revenue vs. Capital Turnover

- 15% Return on Revenue
- 8% Growth
- Total Cost of Capital (WACC)
Atlas Copco Group

Inventories, Customer Receivables and Net Hire Fleet, Percent of Sales

12 Month Values

- Inventories (excl. hire fleet)
- Customer receivables
- Net Hire Fleet

Graph showing trends from 1995 to 2000.
Atlas Copco Group
Financial Targets

”Our overall objective as a Group is to achieve a return on capital employed that will always exceed the Group's total cost of capital. Our targets over the next business cycle are to have an annual revenue growth of 8 percent, to have an average operating margin of 15 percent, and to continuously challenge our operating capital efficiency in terms of stock, receivables, and hire fleet utilization. Overall, this will ensure that shareholder value is created and continuously increased.”