Q1 IN BRIEF

- Stable order intake – weak mining
  - Growth in service in all business areas, except in Mining and Rock Excavation
  - Strong quarter for vacuum

- Operating profit affected by lower revenue volume and currency
  - Negative currency effect of MSEK 415 compared to Q1 2015

- Five acquisitions year to date
Q1 FIGURES IN SUMMARY

- Orders received were MSEK 24,721, unchanged organically
- Revenues were MSEK 23,137, organic decline of 3%
- Adjusted operating profit of MSEK 4,157 (4,767), margin at 18.0% (19.3)
  - Items affecting comparability of MSEK +13 (-248)
  - Reported operating profit of MSEK 4,170 (4,519), margin at 18.0% (18.3)
- Profit for the period of MSEK 2,908 (3,236)
- Basic earnings per share SEK 2.39 (2.66)
- Operating cash flow at MSEK 3,127 (3,498)
ORDERS RECEIVED - LOCAL CURRENCY

A = Share of orders received, year-to-date, %
B = Year-to-date vs. previous year, %

March 2016

- 24 -2
- 9 -12
- 6 -11
- 3 -5
- 28 +13
- 30 +6
- 100 +2

April 26, 2016
Atlas Copco - Q1 results 2016
ORDER GROWTH PER QUARTER

Organic growth
ORDER GROWTH PER QUARTER

Growth excl. currency

Growth, excl. currency, % (volume, price and structure)
## SALES BRIDGE

**April 26, 2016**  
**Atlas Copco**  
**Q1 results 2016**

<table>
<thead>
<tr>
<th></th>
<th>January - March</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Orders received</td>
</tr>
<tr>
<td><strong>MSEK</strong></td>
<td></td>
</tr>
<tr>
<td><strong>2015</strong></td>
<td>25 470</td>
</tr>
<tr>
<td>Structural change, %</td>
<td>+1</td>
</tr>
<tr>
<td>Currency, %</td>
<td>-4</td>
</tr>
<tr>
<td>Price, %</td>
<td>+0</td>
</tr>
<tr>
<td>Volume, %</td>
<td>+0</td>
</tr>
<tr>
<td>Total, %</td>
<td>-3</td>
</tr>
<tr>
<td><strong>2016</strong></td>
<td>24 721</td>
</tr>
</tbody>
</table>
Revenues by business area

- Compressor Technique: 45%
- Construction Technique: 15%
- Mining and Rock Excavation Technique: 25%
- Industrial Technique: 15%

12 months through March 2016
COMPRRESSOR TECHNIQUE

- Organic order growth of 7%
  - Record order intake for vacuum solutions
  - Stable orders for industrial compressors – lower orders for gas and process compressors
  - Solid growth for compressor service

- Acquisitions of FIAC and several distributors

- Leybold acquisition expected to be finalized in the third quarter

- Operating margin at 21.5% (21.6)
INDUSTRIAL TECHNIQUE

- Healthy demand level, but fewer large projects in the motor vehicle industry
- Stable order intake from general industry
- Robust growth in the service business
- Operating margin at 21.6% (22.7), negatively affected by currency
- Continued weak demand
- Equipment orders somewhat lower
- Service and consumables orders lower
  - Several closed mines
- Operating margin at 15.1% (18.9), negatively impacted by volume and currency
- Further efficiency measures required

Concrete sprayer for underground construction and mining projects with increased precision and efficiency.
CONSTRUCTION TECHNIQUE

- Lower order intake for equipment
  - Strong growth in India, but significant decline in Brazil
- Specialty rental business grew
- Service business increased
- Operating margin at 12.0% (12.2), negatively affected by volume and currency

New range of portable compressors use an average of 12% less fuel than comparable models.
GROUP TOTAL
January – March 2016 vs. 2015

<table>
<thead>
<tr>
<th>MSEK</th>
<th>January - March</th>
<th>2016</th>
<th>2015</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Orders received</td>
<td>24 721</td>
<td>25 470</td>
<td>-3%</td>
<td></td>
</tr>
<tr>
<td>Revenues</td>
<td>23 137</td>
<td>24 745</td>
<td>-6%</td>
<td></td>
</tr>
<tr>
<td>Operating profit</td>
<td>4 170</td>
<td>4 519</td>
<td>-8%</td>
<td></td>
</tr>
<tr>
<td>– as a percentage of revenues</td>
<td>18.0</td>
<td>18.3</td>
<td>-8%</td>
<td></td>
</tr>
<tr>
<td>Profit before tax</td>
<td>3 997</td>
<td>4 287</td>
<td>-7%</td>
<td></td>
</tr>
<tr>
<td>– as a percentage of revenues</td>
<td>17.3</td>
<td>17.3</td>
<td>-7%</td>
<td></td>
</tr>
<tr>
<td>Income tax expense</td>
<td>-1 089</td>
<td>-1 051</td>
<td>4%</td>
<td></td>
</tr>
<tr>
<td>– as a percentage of profit before tax</td>
<td>-27.2</td>
<td>-24.5</td>
<td>4%</td>
<td></td>
</tr>
<tr>
<td>Profit for the period</td>
<td>2 908</td>
<td>3 236</td>
<td>-10%</td>
<td></td>
</tr>
<tr>
<td>Basic earnings per share, SEK</td>
<td>2.39</td>
<td>2.66</td>
<td>-10%</td>
<td></td>
</tr>
<tr>
<td>Return on capital employed, %</td>
<td>26</td>
<td>24</td>
<td>-10%</td>
<td></td>
</tr>
</tbody>
</table>
## PROFIT BRIDGE
January – March 2016 vs. 2015

<table>
<thead>
<tr>
<th>MSEK</th>
<th>Q1 2016</th>
<th>Volume, price, mix and other</th>
<th>Currency</th>
<th>One-time items acquisitions</th>
<th>Share based LTI programs</th>
<th>Q1 2015</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Atlas Copco Group</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Revenues</td>
<td>23 137</td>
<td>-798</td>
<td>-965</td>
<td>155</td>
<td></td>
<td>24 745</td>
</tr>
<tr>
<td>Operating profit</td>
<td>4 170</td>
<td>-205</td>
<td>-415</td>
<td>10</td>
<td>261</td>
<td>4 519</td>
</tr>
<tr>
<td>%</td>
<td>18.0%</td>
<td>25.7%</td>
<td></td>
<td></td>
<td></td>
<td>18.3%</td>
</tr>
</tbody>
</table>

### Revenues
![Graph showing revenues comparison between Q1 2015 and Q1 2016](chart)

### Operating profit
![Graph showing operating profit comparison between Q1 2015 and Q1 2016](chart)
## PROFIT BRIDGE – BY BUSINESS AREA

January – March 2016 vs. 2015

<table>
<thead>
<tr>
<th>Business Area</th>
<th>Revenues</th>
<th>Volume, price, mix and other</th>
<th>Currency</th>
<th>One-time items</th>
<th>Acquisitions</th>
<th>Q1 2015</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Compressor Technique</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Revenues</td>
<td>10,692</td>
<td>-172</td>
<td>-260</td>
<td>75</td>
<td>11,049</td>
<td></td>
</tr>
<tr>
<td>Operating profit</td>
<td>2,296</td>
<td>-56</td>
<td>-40</td>
<td>0</td>
<td>2,392</td>
<td></td>
</tr>
<tr>
<td>%</td>
<td>21.5%</td>
<td>32.6%</td>
<td></td>
<td></td>
<td>21.6%</td>
<td></td>
</tr>
<tr>
<td><strong>Industrial Technique</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Revenues</td>
<td>3,417</td>
<td>93</td>
<td>-75</td>
<td>5</td>
<td>3,394</td>
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</tr>
<tr>
<td>Operating profit</td>
<td>737</td>
<td>52</td>
<td>-85</td>
<td>0</td>
<td>770</td>
<td></td>
</tr>
<tr>
<td>%</td>
<td>21.6%</td>
<td>55.9%</td>
<td></td>
<td></td>
<td>22.7%</td>
<td></td>
</tr>
<tr>
<td><strong>Mining and Rock Excavation Technique</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Revenues</td>
<td>5,736</td>
<td>-525</td>
<td>-495</td>
<td>0</td>
<td>6,756</td>
<td></td>
</tr>
<tr>
<td>Operating profit</td>
<td>866</td>
<td>-230</td>
<td>-180</td>
<td>0</td>
<td>1,276</td>
<td></td>
</tr>
<tr>
<td>%</td>
<td>15.1%</td>
<td>43.8%</td>
<td></td>
<td></td>
<td>18.9%</td>
<td></td>
</tr>
<tr>
<td><strong>Construction Technique</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Revenues</td>
<td>3,402</td>
<td>-236</td>
<td>-135</td>
<td>75</td>
<td>3,698</td>
<td></td>
</tr>
<tr>
<td>Operating profit</td>
<td>408</td>
<td>33</td>
<td>-85</td>
<td>10</td>
<td>450</td>
<td></td>
</tr>
<tr>
<td>%</td>
<td>12.0%</td>
<td>nm</td>
<td></td>
<td></td>
<td>12.2%</td>
<td></td>
</tr>
</tbody>
</table>
# BALANCE SHEET

**April 26, 2016**

**Atlas Copco**

- **Q1 results 2016**

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Intangible assets</td>
<td>33 522</td>
<td>34 878</td>
<td>33 520</td>
</tr>
<tr>
<td>Rental equipment</td>
<td>2 960</td>
<td>3 201</td>
<td>3 076</td>
</tr>
<tr>
<td>Other property, plant and equipment</td>
<td>8 932</td>
<td>9 770</td>
<td>8 947</td>
</tr>
<tr>
<td>Other non-current assets</td>
<td>3 942</td>
<td>3 824</td>
<td>4 128</td>
</tr>
<tr>
<td>Inventories</td>
<td>17 711</td>
<td>19 805</td>
<td>16 906</td>
</tr>
<tr>
<td>Receivables</td>
<td>25 979</td>
<td>27 121</td>
<td>25 985</td>
</tr>
<tr>
<td>Current financial assets</td>
<td>1 639</td>
<td>2 156</td>
<td>1 576</td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>11 490</td>
<td>10 329</td>
<td>8 861</td>
</tr>
<tr>
<td>Assets classified as held for sale</td>
<td>11</td>
<td>35</td>
<td>11</td>
</tr>
<tr>
<td><strong>TOTAL ASSETS</strong></td>
<td>106 186</td>
<td>111 119</td>
<td>103 010</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Total equity</td>
<td>49 236</td>
<td>54 995</td>
<td>46 750</td>
</tr>
<tr>
<td>Interest-bearing liabilities</td>
<td>25 644</td>
<td>26 879</td>
<td>25 214</td>
</tr>
<tr>
<td>Non-interest-bearing liabilities</td>
<td>31 306</td>
<td>29 245</td>
<td>31 046</td>
</tr>
<tr>
<td><strong>TOTAL EQUITY AND LIABILITIES</strong></td>
<td>106 186</td>
<td>111 119</td>
<td>103 010</td>
</tr>
</tbody>
</table>
### Cash Flow

**January - March**

<table>
<thead>
<tr>
<th>Description</th>
<th>MSEK 2016</th>
<th>MSEK 2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating cash surplus</td>
<td>5 278</td>
<td>5 295</td>
</tr>
<tr>
<td>of which depreciation added back</td>
<td>1 035</td>
<td>1 035</td>
</tr>
<tr>
<td>Net financial items</td>
<td>9</td>
<td>-1 679</td>
</tr>
<tr>
<td>Taxes paid</td>
<td>-1 390</td>
<td>-972</td>
</tr>
<tr>
<td>Pension funding</td>
<td>-1</td>
<td>23</td>
</tr>
<tr>
<td>Change in working capital</td>
<td>113</td>
<td>180</td>
</tr>
<tr>
<td>Increase in rental equipment, net</td>
<td>-113</td>
<td>-163</td>
</tr>
<tr>
<td><strong>Cash flows from operating activities</strong></td>
<td><strong>3 896</strong></td>
<td><strong>2 684</strong></td>
</tr>
<tr>
<td>Investments of property, plant &amp; eq., net</td>
<td>-263</td>
<td>-371</td>
</tr>
<tr>
<td>Other investments, net</td>
<td>-329</td>
<td>-235</td>
</tr>
<tr>
<td>Cash flow from investments</td>
<td>-592</td>
<td>-606</td>
</tr>
<tr>
<td>Adjustment, currency hedges of loans</td>
<td>-1 77</td>
<td>1 420</td>
</tr>
<tr>
<td><strong>Operating cash flow</strong></td>
<td><strong>3 127</strong></td>
<td><strong>3 498</strong></td>
</tr>
<tr>
<td>Company acquisitions/ divestments</td>
<td>-607</td>
<td>-1 592</td>
</tr>
</tbody>
</table>
NEAR-TERM OUTLOOK

The overall demand for the Group is expected to remain at current level.
COMMITTED TO
SUSTAINABLE PRODUCTIVITY.
CAUTIONARY STATEMENT

“Some statements herein are forward-looking and the actual outcome could be materially different. In addition to the factors explicitly commented upon, the actual outcome could be materially and adversely affected by other factors such as the effect of economic conditions, exchange-rate and interest-rate movements, political risks, the impact of competing products and their pricing, product development, commercialization and technological difficulties, supply disturbances, and major customer credit losses.”