Q1 in brief

- Strong order growth in all business areas
  - Record order levels for both equipment and service
  - Double-digit growth in all regions
  - Particularly strong quarter for vacuum and mining

- Solid operating profit
  - Up 37%, positively affected by volume and currency
Q1 figures in summary – continuing operations

- Orders received were MSEK 31 710, organic growth of 18%
- Revenues were MSEK 28 027, organic growth of 11%
- Operating profit up 37% to MSEK 5 711
- Adjusted operating profit was MSEK 5 878 (4 157), margin at 21.0% (18.5)
  - Items affecting comparability of MSEK -167 (+13)
  - Reported operating profit of MSEK 5 711 (4 170), margin at 20.4% (18.6)
- Profit for the period was MSEK 3 989 (2 897)
- Basic earnings per share were SEK 3.28 (2.38)
- Operating cash flow* was MSEK 3 510 (3 127)

*Including discontinued operations
Orders received – local currency

<table>
<thead>
<tr>
<th>Share of orders received, year-to-date, %</th>
<th>Year-to-date vs. previous year, %</th>
</tr>
</thead>
<tbody>
<tr>
<td>100</td>
<td>+25</td>
</tr>
<tr>
<td>24</td>
<td>+28</td>
</tr>
<tr>
<td>28</td>
<td>+21</td>
</tr>
<tr>
<td>8</td>
<td>+10</td>
</tr>
<tr>
<td>6</td>
<td>+18</td>
</tr>
<tr>
<td>30</td>
<td>+35</td>
</tr>
<tr>
<td>4</td>
<td>+33</td>
</tr>
</tbody>
</table>

March 31, 2017

April 26, 2017
Atlas Copco - Q1 results 2017
Order growth per quarter

Organic growth

![Graph showing organic growth percentage for each quarter from Q1 2011 to Q4 2017.](image-url)
## Sales bridge

<table>
<thead>
<tr>
<th></th>
<th>January - March</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Orders received</td>
<td>Revenues</td>
</tr>
<tr>
<td>MSEK</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2016</td>
<td>23 950</td>
<td>22 453</td>
</tr>
<tr>
<td>Structural change, %</td>
<td>+7</td>
<td>+7</td>
</tr>
<tr>
<td>Currency, %</td>
<td>+7</td>
<td>+7</td>
</tr>
<tr>
<td>Price, %</td>
<td>+0</td>
<td>+0</td>
</tr>
<tr>
<td>Volume, %</td>
<td>+18</td>
<td>+11</td>
</tr>
<tr>
<td>Total, %</td>
<td>+32</td>
<td>+25</td>
</tr>
<tr>
<td>2017</td>
<td>31 710</td>
<td>28 027</td>
</tr>
</tbody>
</table>

Sales bridge is a tool used to analyze and adjust the performance of various components or aspects of a business. It is particularly useful in identifying areas where improvements can be made. It is also a powerful tool for making strategic decisions.
Atlas Copco Group

Revenues by business area

- Construction Technique: 11%
- Mining and Rock Excavation Technique: 24%
- Industrial Technique: 15%
- Vacuum Technique: 15%
- Compressor Technique: 35%

12 months ending March 2017
Compressor Technique

- Robust organic growth
  - Steady growth for service
  - Double-digit growth for small-sized compressors
  - Increased order intake in all regions
- Operating margin at 22.5% (22.0)

New range of quiet and performance-enhancing oil-injected screw compressors.
Vacuum Technique

- Record orders, revenues and profit
  - Continued strong growth in semiconductor
  - Strong growth for industrial and high vacuum
- Leybold integration on track
- Operating margin at 24.8% (19.9)

Vacuum pump for laboratories and research facilities, offering energy savings and reduced noise level.
Industrial Technique

- Record order intake, up 16% organically
  - Continued growth for service
  - Strong demand from automotive and general industry
- Operating margin at 23.1% (21.6)
Mining and Rock Excavation Technique

- Organic order growth of 28%
  - Double-digit growth for service and consumables
  - Equipment orders almost doubled vs. Q1 2016
- Operating margin at 19.8% (15.1)
Construction Technique – continuing operations

- Orders up 10% organically
  - Primarily due to stronger equipment demand
  - Growth for specialty rental and service
- Operating margin at 16.4% (15.0)

New range of electric dewatering pumps with up to 20% less energy consumption than comparable models.
## Group total

### January – March 2017 vs. 2016

<table>
<thead>
<tr>
<th>Continuing operations</th>
<th>January - March</th>
<th>2017</th>
<th>2016</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Orders received</td>
<td></td>
<td>31 710</td>
<td>23 950</td>
<td>32%</td>
</tr>
<tr>
<td>Revenues</td>
<td></td>
<td>28 027</td>
<td>22 453</td>
<td>25%</td>
</tr>
<tr>
<td>Operating profit</td>
<td></td>
<td>5 711</td>
<td>4 170</td>
<td>37%</td>
</tr>
<tr>
<td>– as a percentage of revenues</td>
<td></td>
<td>20.4</td>
<td>18.6</td>
<td></td>
</tr>
<tr>
<td>Profit before tax</td>
<td></td>
<td>5 496</td>
<td>3 989</td>
<td>38%</td>
</tr>
<tr>
<td>– as a percentage of revenues</td>
<td></td>
<td>19.6</td>
<td>17.8</td>
<td></td>
</tr>
<tr>
<td>Income tax expense</td>
<td></td>
<td>-1 507</td>
<td>-1 092</td>
<td>38%</td>
</tr>
<tr>
<td>Profit for the period from continuing operations</td>
<td></td>
<td>3 989</td>
<td>2 897</td>
<td>38%</td>
</tr>
<tr>
<td>Basic earnings per share, SEK</td>
<td></td>
<td>3.28</td>
<td>2.38</td>
<td></td>
</tr>
<tr>
<td>Return on capital employed, %</td>
<td></td>
<td>28</td>
<td>28</td>
<td></td>
</tr>
</tbody>
</table>

### Graph

- Orders received, MSEK
- Revenues, MSEK
- Operating margin, %
### Profit bridge

**January – March 2017 vs. 2016**

<table>
<thead>
<tr>
<th>MSEK</th>
<th>Q1 2017</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 2016</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>28 027</td>
<td>2 434</td>
<td>1 490</td>
<td>1 650</td>
<td></td>
<td>22 453</td>
</tr>
<tr>
<td>Operating profit</td>
<td>5 711</td>
<td>966</td>
<td>570</td>
<td>185</td>
<td>-180</td>
<td>4 170</td>
</tr>
<tr>
<td>%</td>
<td>20.4%</td>
<td>39.7%</td>
<td></td>
<td></td>
<td></td>
<td>18.6%</td>
</tr>
</tbody>
</table>

*LTI = Long Term Incentive*
## Profit bridge – by business area

January – March 2017 vs. 2016

<table>
<thead>
<tr>
<th>MSEK</th>
<th>Volume, price, mix and other</th>
<th>Currency</th>
<th>One-time items Acquisitions</th>
<th>Q1 2016</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Compressor Technique</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Revenues</td>
<td>9 361</td>
<td>530</td>
<td>400</td>
<td>275</td>
</tr>
<tr>
<td>Operating profit</td>
<td>2 102</td>
<td>165</td>
<td>140</td>
<td>5</td>
</tr>
<tr>
<td>%</td>
<td>22.5%</td>
<td>31.1%</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Vacuum Technique</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Revenues</td>
<td>4 768</td>
<td>692</td>
<td>220</td>
<td>1 320</td>
</tr>
<tr>
<td>Operating profit</td>
<td>1 181</td>
<td>352</td>
<td>150</td>
<td>175</td>
</tr>
<tr>
<td>%</td>
<td>24.8%</td>
<td>50.9%</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Industrial Technique</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Revenues</td>
<td>4 031</td>
<td>414</td>
<td>175</td>
<td>25</td>
</tr>
<tr>
<td>Operating profit</td>
<td>933</td>
<td>146</td>
<td>50</td>
<td>0</td>
</tr>
<tr>
<td>%</td>
<td>23.1%</td>
<td>35.3%</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Mining and Rock Excavation Technique</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Revenues</td>
<td>6 882</td>
<td>616</td>
<td>525</td>
<td>5</td>
</tr>
<tr>
<td>Operating profit</td>
<td>1 361</td>
<td>285</td>
<td>210</td>
<td>0</td>
</tr>
<tr>
<td>%</td>
<td>19.8%</td>
<td>46.3%</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Construction Technique</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Revenues</td>
<td>3 177</td>
<td>264</td>
<td>170</td>
<td>25</td>
</tr>
<tr>
<td>Operating profit</td>
<td>520</td>
<td>62</td>
<td>45</td>
<td>5</td>
</tr>
<tr>
<td>%</td>
<td>16.4%</td>
<td>23.5%</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
# Balance sheet

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Intangible assets</td>
<td>37 383</td>
<td>33 522</td>
<td>37 828</td>
</tr>
<tr>
<td>Rental equipment</td>
<td>2 954</td>
<td>2 960</td>
<td>3 095</td>
</tr>
<tr>
<td>Other property, plant and equipment</td>
<td>9 720</td>
<td>8 932</td>
<td>9 793</td>
</tr>
<tr>
<td>Other non-current assets</td>
<td>3 817</td>
<td>3 942</td>
<td>4 175</td>
</tr>
<tr>
<td>Inventories</td>
<td>17 769</td>
<td>17 711</td>
<td>16 912</td>
</tr>
<tr>
<td>Receivables</td>
<td>30 139</td>
<td>25 979</td>
<td>27 685</td>
</tr>
<tr>
<td>Current financial assets</td>
<td>1 645</td>
<td>1 639</td>
<td>2 455</td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>15 191</td>
<td>11 490</td>
<td>11 458</td>
</tr>
<tr>
<td>Assets classified as held for sale</td>
<td>2 800</td>
<td>11 0%</td>
<td>2 491</td>
</tr>
<tr>
<td><strong>TOTAL ASSETS</strong></td>
<td><strong>121 418</strong></td>
<td><strong>106 186</strong></td>
<td><strong>115 892</strong></td>
</tr>
</tbody>
</table>

<p>| | | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Total equity</td>
<td>56 593</td>
<td>49 236</td>
<td>53 177</td>
</tr>
<tr>
<td>Interest-bearing liabilities</td>
<td>29 169</td>
<td>25 644</td>
<td>28 629</td>
</tr>
<tr>
<td>Non-interest-bearing liabilities</td>
<td>34 681</td>
<td>31 306</td>
<td>33 275</td>
</tr>
<tr>
<td>Liabilities directly associated with assets classified as held for sale</td>
<td>975</td>
<td>-</td>
<td>811</td>
</tr>
<tr>
<td><strong>TOTAL EQUITY AND LIABILITIES</strong></td>
<td><strong>121 418</strong></td>
<td><strong>106 186</strong></td>
<td><strong>115 892</strong></td>
</tr>
</tbody>
</table>

*Including assets and liabilities related to discontinued operations
## Cash flow – including discontinued operations

<table>
<thead>
<tr>
<th>MSEK</th>
<th>January - March</th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating cash surplus</td>
<td>7 161</td>
<td>5 278</td>
<td></td>
</tr>
<tr>
<td>of which depreciation added back</td>
<td>1 158</td>
<td>1 035</td>
<td></td>
</tr>
<tr>
<td>Net financial items</td>
<td>-823</td>
<td>9</td>
<td></td>
</tr>
<tr>
<td>Taxes paid</td>
<td>-1 820</td>
<td>-1 390</td>
<td></td>
</tr>
<tr>
<td>Pension funding</td>
<td>-109</td>
<td>-1</td>
<td></td>
</tr>
<tr>
<td>Change in working capital</td>
<td>-525</td>
<td>113</td>
<td></td>
</tr>
<tr>
<td>Increase in rental equipment, net</td>
<td>-145</td>
<td>-113</td>
<td></td>
</tr>
<tr>
<td><strong>Cash flows from operating activities</strong></td>
<td><strong>3 739</strong></td>
<td><strong>3 896</strong></td>
<td></td>
</tr>
<tr>
<td>Investments of property, plant &amp; eq., net</td>
<td>-348</td>
<td>-263</td>
<td></td>
</tr>
<tr>
<td>Other investments, net</td>
<td>-241</td>
<td>-329</td>
<td></td>
</tr>
<tr>
<td>Cash flow from investments</td>
<td>-589</td>
<td>-592</td>
<td></td>
</tr>
<tr>
<td>Adjustment, currency hedges of loans</td>
<td>360</td>
<td>-177</td>
<td></td>
</tr>
<tr>
<td><strong>Operating cash flow</strong></td>
<td><strong>3 510</strong></td>
<td><strong>3 127</strong></td>
<td></td>
</tr>
<tr>
<td>Company acquisitions/ divestments</td>
<td>-61</td>
<td>-607</td>
<td></td>
</tr>
</tbody>
</table>
Near-term outlook

The overall demand for the Group is expected to improve somewhat.
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.”