

# Atlas Copco Financials



Atlas Copco Capital Markets Day, December 2, 2008

Hans Ola Meyer, CFO

## Income Statement

| MSEK  | 12M Sep 30, 2008 |              | 12M Sep 30, 2007 |              |
|---|------------------|--------------|------------------|--------------|
| Revenues  | 71 995           |              | 59 388           |              |
| Cost of goods sold                                | -45 839          |              | -37 400          |              |
| <b>Gross profit</b>                               | <b>26 156</b>    | <b>36.3%</b> | <b>21 988</b>    | <b>37.0%</b> |
| Marketing expenses                                | -7 215           | -10.0%       | -6 197           | -10.4%       |
| Administration expenses                           | -3 757           | -5.2%        | -3 423           | -5.8%        |
| Research and development costs                    | -1 468           | -2.0%        | -1 230           | -2.1%        |
| Other income and expense from operations          | 163              |              | 31               |              |
| <b>Operating profit</b>                           | <b>13 879</b>    | <b>19.3%</b> | <b>11 169</b>    | <b>18.8%</b> |
| Net financial items                               | -2 141           | -3.0%        | -387             | -0.7%        |
| <b>Profit before tax</b>                          | <b>11 738</b>    | <b>16.3%</b> | <b>10 782</b>    | <b>18.2%</b> |
| Income tax expenses                               | -3 275           |              | -2 975           |              |
| Profit for the period from continuing operations  | 8 463            |              | 7 807            |              |
| Profit for the period from discontinued operation | 194              |              | 7 458            |              |
| <b>Profit for the period</b>                      | <b>8 647</b>     | <b>12.0%</b> | <b>15 265</b>    | <b>25.7%</b> |
| - attributable to equity holders of the parent    | 8 614            |              | 15 238           |              |
| - attributable to minority interest               | 33               |              | 27               |              |
| <b>Basic earnings per share, SEK</b>              | <b>7.06</b>      |              | <b>12.42</b>     |              |
| - of which continuing operations, SEK             | 6.91             |              | 6.35             |              |

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## Profit Bridge

12 month numbers

| MSEK                     | Q3 2008 12M | Organic Growth<br>Price/Volume | Currency | One-time Items<br>Acq./Div. | Q3 2007 12M |
|--------------------------|-------------|--------------------------------|----------|-----------------------------|-------------|
| <b>Atlas Copco Group</b> |             |                                |          |                             |             |
| Revenues                 | 71 995      | 9 367                          | -1 495   | 4 735                       | 59 388      |
| EBIT                     | 13 879      | 3 340                          | -910     | 280                         | 11 169      |
| %                        | 19.3%       | 36%                            | -        | -                           | 18.8%       |

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## Profit Bridge – by Business Area

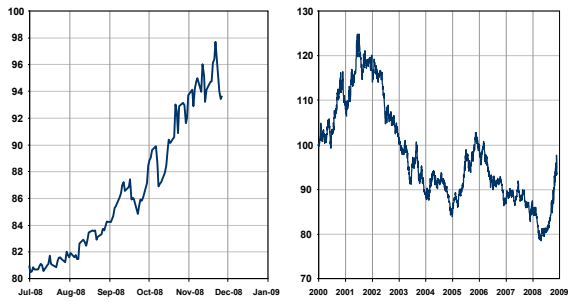
12 month numbers

| MSEK                                       | Q3 2008 12M | Organic Growth<br>Price/Volume | Currency | One-time Items<br>Acq./Div. | Q3 2007 12M |
|--|-------------|--------------------------------|----------|-----------------------------|-------------|
| <b>Compressor Technique</b>                |             |                                |          |                             |             |
| Revenues                                   | 34 397      | 3 689                          | -550     | 1 090                       | 30 168      |
| EBIT                                       | 7 161       | 1 297                          | -505     | 95                          | 6 274       |
| %  | 20.8%       | 35%                            | -        | -                           | 20.8%       |
| <b>Construction &amp; Mining Technique</b> |             |                                |          |                             |             |
| Revenues                                   | 30 774      | 5 030                          | -830     | 3 495                       | 23 079      |
| EBIT                                       | 5 550       | 1 839                          | -545     | 262                         | 3 994       |
| %  | 18.0%       | 37%                            | -        | 7%                          | 17.3%       |
| <b>Industrial Technique</b>                |             |                                |          |                             |             |
| Revenues                                   | 7 369       | 728                            | -102     | 150                         | 6 593       |
| EBIT                                       | 1 493       | 112                            | -56      | -25                         | 1 461       |
| %  | 20.3%       | 15%                            | -        | -                           | 22.2%       |

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## Atlas Copco Currency Index



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## Atlas Copco Group - Currency Effects

### Policy

- Transaction exposure: Match the currency flows as much as possible.  
Remaining exposure:
  - Surplus: USD, AUD, CAD, HKD, ZAR, GBP etc
  - Deficit: SEK, EUR

The Group does not hedge this transaction exposure on a regular basis. However, the Financial Risk Management Committee decides from time to time to hedge specific currency exposures.

The result of such Group hedges is reported as a corporate item, while the Business Area results always show an "un-hedged" situation.

- Translation exposure: match assets and liabilities in the same currencies as much as possible. A mismatch is left unhedged.

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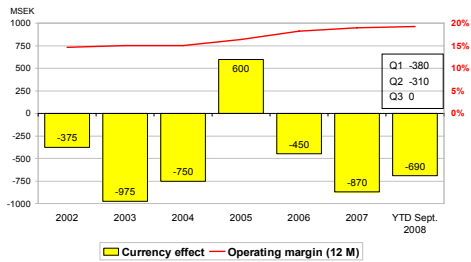
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## Currency

### Effect on operating profit



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Continuing operations, pro-forma 2002-2005  
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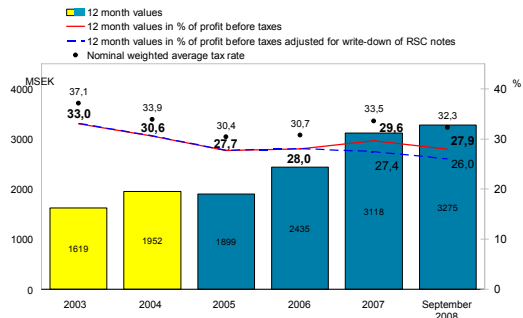
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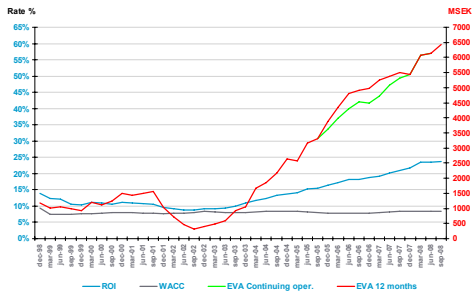
## Taxes



Adjusted for IFRS from 2004. Figures from 2005 and onwards are for continuing operations.

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## Economic Value Added (EVA)



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## Balance Sheet

| MSEK                                | Sep 30, 2008  | Dec 31, 2007  | Sep 30, 2007  |
|-------------------------------------|---------------|---------------|---------------|
| Intangible assets                   | 12 177        | 11 665        | 11 578        |
| Rental equipment                    | 1 992         | 1 906         | 1 920         |
| Other property, plant and equipment | 5 698         | 4 894         | 4 629         |
| Other fixed assets                  | 4 797         | 4 245         | 4 793         |
| Inventories                         | 16 371        | 12 725        | 11 962        |
| Receivables                         | 19 770        | 16 627        | 16 141        |
| Current financial assets            | 1 531         | 1 124         | 1 131         |
| Cash and cash equivalents           | 3 403         | 3 473         | 4 020         |
| Assets classified as held for sale  | 39            | 0             | 0             |
| <b>TOTAL ASSETS</b>                 | <b>65 778</b> | <b>56 659</b> | <b>56 174</b> |
| Total equity                        | 18 759        | 14 640        | 13 054        |
| Interest-bearing liabilities        | 27 694        | 24 397        | 25 403        |
| Non-interest-bearing liabilities    | 19 325        | 17 622        | 17 717        |
| <b>TOTAL EQUITY AND LIABILITIES</b> | <b>65 778</b> | <b>56 659</b> | <b>56 174</b> |

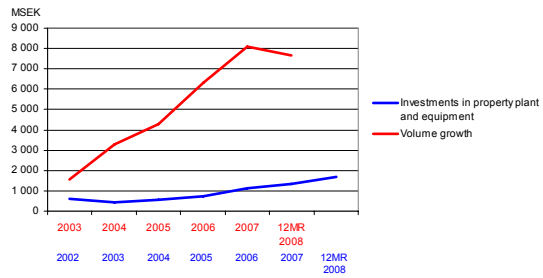
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## Capital efficiency



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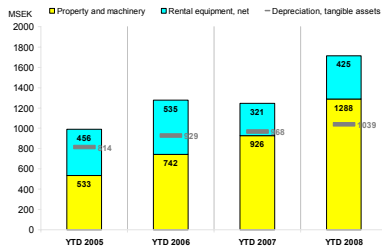
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## Capital Expenditures and Depreciation

Tangible fixed assets, continuing operations



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YTD until September

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## 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 effected by other factors like for example, the effect of economic conditions, exchange-rate and interest-rate movements, political risks, impact of competing products and their pricing, product development, commercialization and technological difficulties, supply disturbances, and major customer credit losses."

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