

## SCHEDULE OF OUTSTANDING SHARE VALUE BASED INCENTIVE PROGRAMS IN ATLAS COPCO AB

### Stock options and share appreciation rights

In 2000 the Board of Directors resolved to implement a worldwide incentive program aimed at key employees in the Group. The incentive plan mainly includes stock options, which entitle holders to acquire Atlas Copco A shares at a pre-determined exercise price. In some countries (the United States, Belgium, Brazil, Canada, India, Malaysia and the Philippines) Share Appreciation Rights (rights) were granted instead due to legal and tax reasons. Rights do not entitle the holder to acquire shares, but only to receive the difference between the share price of the A-share at exercise and a fixed price, corresponding to the exercise price of the stock options. Stock options/right grants were offered each year during the period of 2000-2003. The 2000 grant expired last year. No stock options or rights were granted in 2004 and 2005.

The terms of the stock options/rights are mainly the following. They are issued by Atlas Copco AB, have a term of 6 years from grant date and vest at rates of one third per year as from the date of grant. Unvested stock options/rights expire at termination of employment, while vested stock options/rights are exercisable within one month (grant year 2001) or three months (grant year 2002 and 2003) after termination of employment (12 months in case of retirement). They have been granted free of charge as a part of the compensation package and are not transferable. The exercise price/grant value is equal to 110% of the average share price during a limited period before the grant date. In order to secure delivery of shares under the stock options, for cash payment and for social security that may occur, agreements have been entered into with banks. According to these agreements the banks are obligated to pay if the share price exceeds the agreed values that were SEK 73, SEK 83, and SEK 66 for grant under year 2001, 2002 respective 2003. Atlas Copco must compensate the bank for loss in case the share price goes beneath the agreed value at the end of the option term. At 1 March 2007, the share price [exceeded] the agreed value for the years 2001-2003. The agreements further regulate that Atlas Copco shall compensate the banks for the financing cost. Term, exercise price and number of granted and outstanding stock options and rights are evident from the schedule below.

Grant year	Stock options			Share Appreciation Rights		
	2001	2002	2003	2001	2002	2003
Initial number of employees	142	145	138	118	125	127
Initial number of options	1.411.188	1.437.648	1.420.088	1.164.230	1.261.249	1.234.789
Expiration date	May 13, 2007	May 12, 2008	May 11, 2009	May 13, 2007	May 12, 2008	May 11, 2009
Exercise price/grant value (SEK)	76	86	68	76	86	68
Type of share	A	A	A	A	A	A
Outstanding options 2007-03-01	114.659	350.334	494.848	20.579	95.452	279.436