

## **ATLAS COPCO AB**

### **Proposal regarding the sale of own shares in relation to performance stock option plans 2006, 2007, 2008 and 2009 to cover SARs, cash settlements in Sweden and costs, primarily social security payments.**

**It is proposed** that the AGM gives the Board the mandate for the period until the next AGM, to resolve on the sale, at one or more occasions, of a maximum of 4,700,000 series A shares in the Company in order to cover the obligations under the performance stock option plans 2008 and 2009 and maximum 1,500,000 series B shares to cover the corresponding costs for the plans 2006 and 2007. The costs primarily relates to cash settlements in Sweden, SARs and social security payments.

The shares to be sold were repurchased the respective years in accordance with a mandate from each AGM to repurchase shares for this specific purpose.

The transfers are to be made in cash over the Nasdaq OMX Stockholm stock exchange at a price within the registered price interval from time to time.

The reason for deviation from the shareholders' preferential rights and the basis for determination of transfer prices for transfers of own shares is that the transfer of the shares is an integrated part of previously decided and implemented personnel option plans. The basis for determination of the applicable transfer prices follows from the proposals by the Board set out above.

In order for a resolution by the AGM in accordance with the Board's proposal above to be valid, the resolution must be supported by shareholders holding at least two-thirds of the votes cast as well as the shares represented at the AGM.

Nacka February 2, 2011

**Atlas Copco AB**

(publ)

**THE BOARD OF DIRECTORS**