



*Atlas Copco*

ANNUAL REPORT FOR 1960





*Lisbon's new monument to commemorate Prince Henry the Navigator lends background to a VT4 portable compressor and paving breakers used in surrounding construction work.*

*Front Cover:*

*It takes little more than one minute for the Atlas Copco Air Partner screw compressor unit to start today's four-engined jet airliners. The cover shows an Air Partner in service at Arlanda—Stockholm's new airport.*



# Directors' Report

THE BOARD OF DIRECTORS AND THE MANAGING DIRECTOR OF ATLAS COPCO AB HAVE PLEASURE  
IN SUBMITTING HERewith THEIR REPORT ON THE COMPANY'S ACTIVITIES IN 1960.

## Sales and Deliveries

The current high business levels both in Sweden and in the leading countries of Western Europe have been clearly reflected in the Company's activities during 1960. As early as 1959 an increased demand was noted for products of the type manufactured by the Company, and this trend has continued throughout 1960. Both the Company and the Group as a whole have reached sales results far in excess of those of previous years. Group Sales, for instance, have more than doubled during the last six years.

The total value of incoming orders to the Company in 1960 amounted to 237 million Kr. (£16,300,000) as opposed to 203 million Kr. (£14,000,000) in 1959. Invoiced deliveries rose from 186 (£12,800,000) to 222 million Kr. (£15,300,000). As a result, the number of unfulfilled orders has again increased. Almost 70 % of the Parent Company's orders were for export.

A clearer picture of developments appears from the figure for the Group's total turnover, that is, for sales to purchasers outside the Group. A not inconsiderable proportion of these sales was made up of the portable compressors manufactured at the Belgian and English factories. The total value of invoiced sales by the Group in 1960 was 480 million Kr. (£33,100,000), which is 100 million Kr. (£6,900,000) above the figure for 1959. No signs of any slowing down in the influx of orders has been noticeable so far in 1961, and in view of the generally satisfactory forecasts from the different sales companies there is every reason to expect the rise in sales to continue, though perhaps at a somewhat quieter rate.

This marked increase would not have been possible without a continued extension of the sales and service organisations both in Sweden and elsewhere. The Company has thus sent out a large number of technical representatives to the more important markets in which our own sales organisations have not yet been established. In this way the maximum of technical information on the products of the Company has been placed at the disposal of agents and customers. Among the

areas that have been covered in this way are West Africa, South Africa, the Middle East, India, the Far East, Eastern Europe, Central America, Venezuela and Colombia.

The increase in sales that characterized 1960 can be said to have been a feature of every market. Only in a very few countries have sales remained unchanged, or been somewhat lower, and then mainly as a result of political factors. In absolute figures, sales have been particularly high in Sweden, Western Germany, Italy and the United States. The best sales results among subsidiaries abroad were achieved by the Italian company, while the most rapid rate of increase took place in Germany. Among the other countries that have shown a satisfactory relative increase are Denmark, Portugal, Switzerland, Spain, Austria, Turkey, Morocco, Algeria, Iran, Argentina and New Zealand.

A glance at the sales results for individual products shows that the highest figures have been achieved with portable and stationary compressors, and with pneumatic tools. Relatively, the increase in the sales of loaders has been the most striking, but deliveries here are on nothing like the same scale.

A great deal of work is being put into the designing of new and competitive machines to complement our present range, and into increasing the efficiency of existing types still further. At the same time we are striving to co-ordinate our products into series with as many details as possible in common; a system of close collaboration has been set up between the central technical offices and the sales departments with this aim in view.

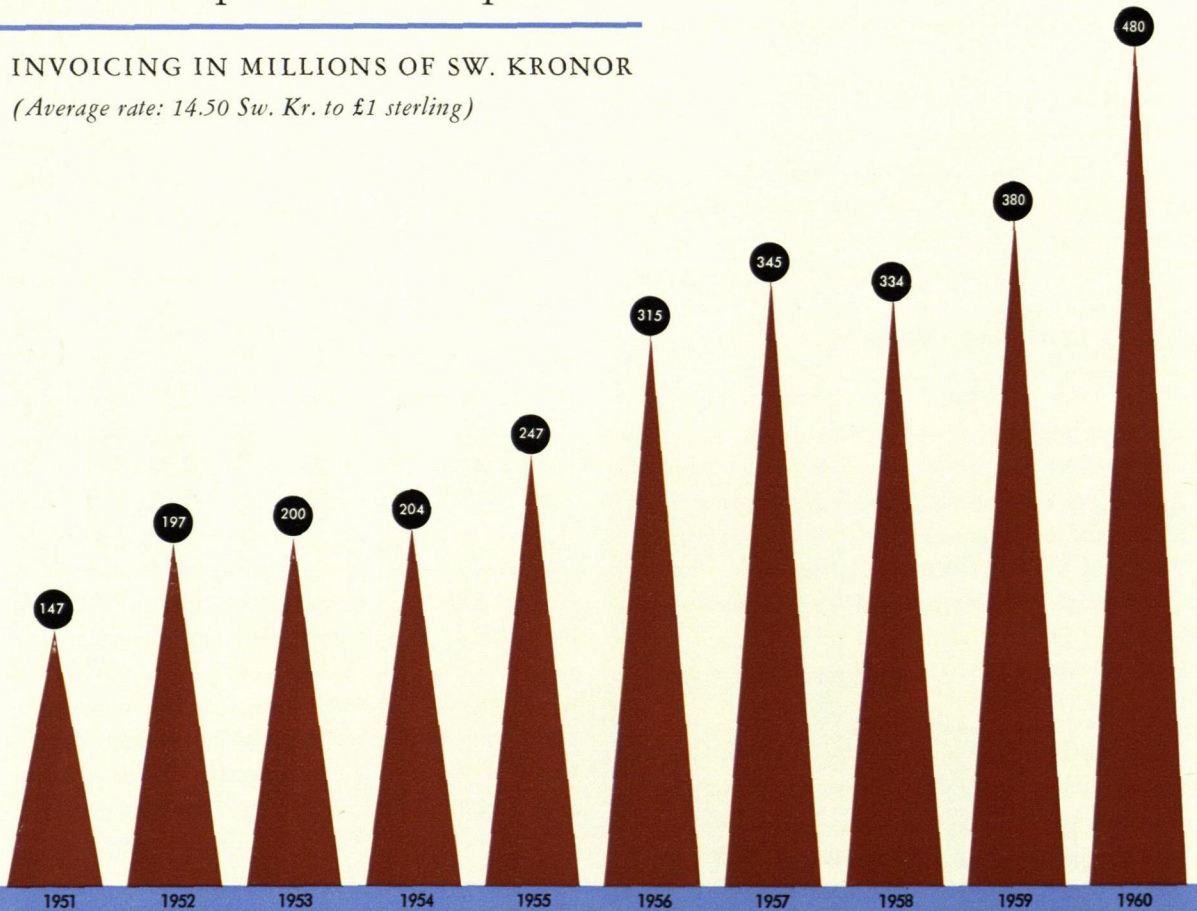
To our range of rock drills we are attempting to add heavy equipment designed to meet the growing demand on the part of mining companies and contractors for increased mechanization. Much work has also been put into the further development of our light drills. Thus during 1960 the "ladder drilling" method has been launched on the market; this automatic feed raises the efficiency of light drills considerably. A new method has also been introduced for drilling in rock without removal of the overburden. This "overburden drilling" method first attracted attention during the building of



# The Development of Group Sales

INVOICING IN MILLIONS OF SW. KRONOR

(Average rate: 14.50 Sw. Kr. to £1 sterling)



the Lindö canal, and has deservedly attracted a great deal of interest on other projects too.

Within the compressor field further progress has been achieved. During the year two large rotary screw compressor plants have been put into service, one in Kiruna and the other in Malmberget, comprising five units in all. Each one of these units is the largest of its kind to have been manufactured anywhere in the world for normal working pressure.

The Air Partner rotary screw compressor for starting and air conditioning jet airliners has continued to attract great interest. So far, orders have been received for more than 100 compressors of this type, and many of the big airlines that have bought and tested these machines have already returned with new orders.

## Production and Employment

The demands from the sales companies for increased deliveries of rock drills and stationary compressors have presented the Sickla works with new problems. The Simba workshop mentioned in last year's report has now been completed and put into service, thus in-

creasing production capacity. In addition, work has begun on the erection of yet another workshop. To be known as the Sirocco works, it is to be reserved entirely for the manufacture of rock drills and is scheduled to be completed during the second half of 1961. When this workshop is in service, our production capacity should be sufficient to allow a considerable rate of increase for some time to come, and in view of the thorough rationalization of activities that this new works should make possible, it is calculated that the need for new workers will also be kept within reasonable limits. This, however, does not mean that the Company's difficulties in this field have been overcome. The shortage of skilled labour is still a real barrier to the satisfactory development of production, and the shortage of housing in Nacka is a serious problem.

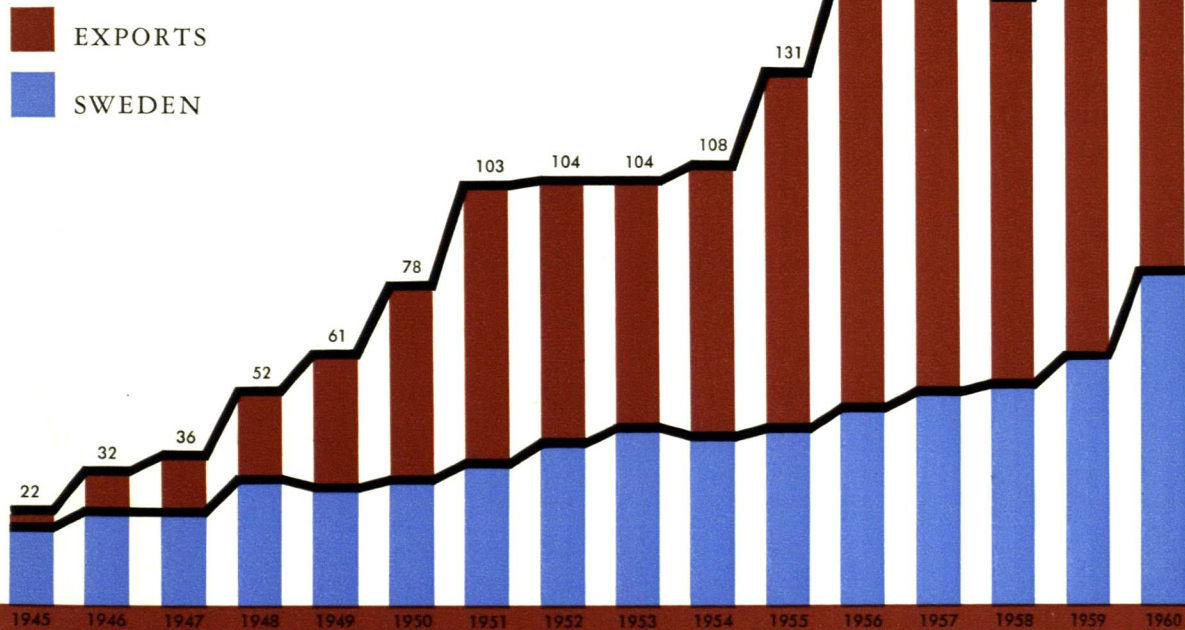
Nevertheless, during 1960, production at the Sickla works has been increased by 20 % as compared with the previous year, and already measures have been taken to bring about a further considerable increase in the production of stationary compressors. The average number of workers employed during the financial year was 1301.

Production has increased in all the Company's other



# The Parent Company's Invoiced Deliveries

MILL. SW. KRONOR



works in Sweden. A particularly noteworthy turnover has been achieved in the plant at Antwerp, where the assembly and delivery of portable compressors was up by 22 % over 1959. During the year the assembly of portable diesel-powered screw compressors has been transferred to Antwerp and Hemel Hempstead.

## Technical Development

As in the previous year, work on the development of the Group's products continued according to schedule, and new ideas for future designs have been presented.

Two new pusher-leg rock drills have been put into production, one of these being specially designed for use in coal mines. Work on the design of mechanized drills has progressed rapidly, and the results from tests under working conditions have been very good. Two new chipping hammers have now been put into production.

During the year a new loader has been put into production, as have two new air hoists, with capacities of 500 and 1,000 kg (1,100 lbs and 2,200 lbs).

The redesigning of our rotary tools has progressed satisfactorily, and a number of new items are now in production, including grinders and drills in the "Delta" series. After considerable experimentation and thorough trials, the Company has now succeeded in designing and manufacturing a series of light but highly efficient tools, and already these have been very favourably received by our customers.

Improved paint-spraying equipment has also been evolved. Particular mention should be made of a new spray gun that is considerably more powerful than the existing models.

The Sickla works have started the delivery of three new types of stationary piston compressors. A feature of these is the considerably reduced cost of manufacture attained by cutting the weight by 40—60 %. These machines take up much less space than the older types they have been designed to succeed, and it has been found that their running costs are lower. The production programme has further been extended to cover medium-sized stationary piston compressors for special requirements, in particular for jobs in which it is essen-



tial that the compressed air is free from oil. In addition to these, a new type of screw compressor has been developed for use underground, particularly in coal mines, where compressed air is used to pack material back into the areas already worked.

## Administration

During the financial year two new issues have been made—the bonus issue of 14,000,000 Kr. (£966,000) agreed on at the 1960 ordinary general meeting, and the issue of 13,650,000 Kr. (£941,000) made in connection with the takeover of a majority of shares in Svenska Diamantbergborrnings AB. This latter involved the issue of 546,000 new shares in the Company in exchange for 109,200 shares in Svenska Diamantbergborrnings AB, plus 30 Kr. (£2.1.5) in cash for each of these shares. As a result of these two issues the share capital has increased from 49,000,000 Kr. (£3,380,000) to 76,650,000 Kr. (£5,290,000) at the same time as the Company has received a cash payment of 3,276,000 Kr. (£226,000).

Since this last issue had been effected at 80 Kr. (£5.10.4) per share, i.e. 55 Kr. (£3.15.10) above par, an appropriation of 30,030,000 Kr. (£2,070,000) was made to the legal reserve, in accordance with § 71 of the Corporation Act.

Apart from the shares in Svenska Diamantbergborrnings AB taken over as mentioned above, the Company has also made a direct acquisition of 1,902 shares.

Shares to a nominal value of 400,000 Kr. (£27,600) have been acquired in Atlas Copco Finans AB, and a debenture loan to this company of 5,000,000 Kr. (£345,000) has been subscribed. The aim of this corporation is to convert rapidly the Company's receivables from a number of subsidiaries into liquid assets. These receivables correspond to the subsidiaries' claims on their customers. In this way the Company's outstanding receivables from subsidiaries have decreased by an equal

amount. The Company holds 40 % of the share capital of Atlas Copco Finans AB.

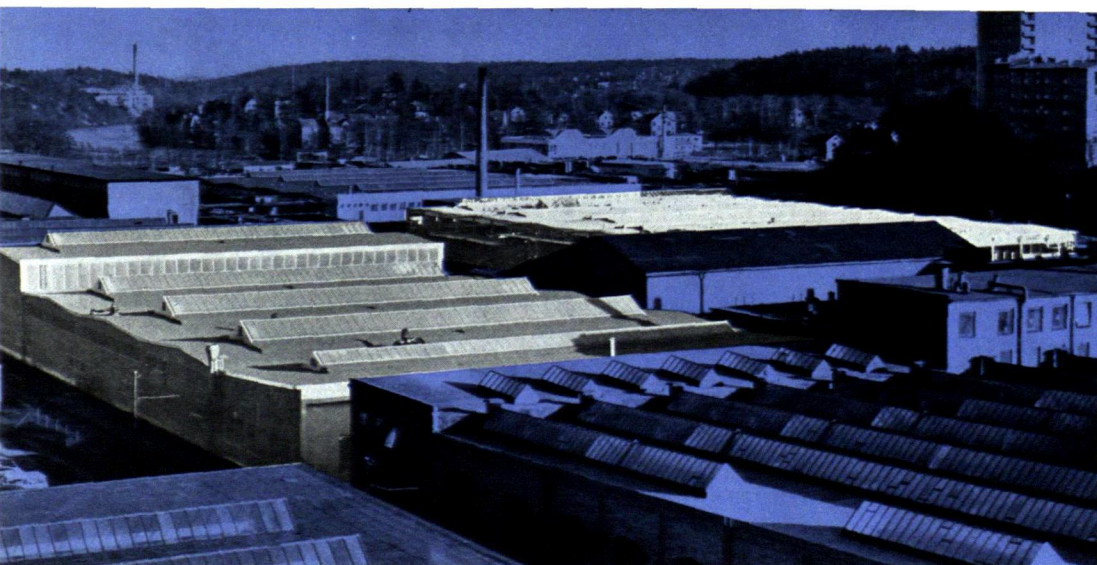
In the course of the year the Company has sold its interests in Björneborgs Jernverks AB. The Board considered it desirable that the Company's activities should be concentrated on the production and sale of pneumatic machines and rock drilling equipment. The ownership of Björneborgs Jernverks AB has been something of an exception to this rule; at the time the main reason for the Company's acquisition of this concern was to guarantee a supply of castings and forgings for the production of diesel engines, and now that the situation has changed, it was considered proper to take the opportunity of disengagement that was offered. A contract with the concern has assured the Company's supply of castings for the manufacture of compressors.

The increase in long-term advances to non-subsidiaries that appears in the balance sheet is due to the debenture loan of 5 million Kr. (£345,000) mentioned above, and to further payments to the Lamco Syndicate.

The amount that the Company, as an interested party in the Liberian American Minerals Company (LAMCO), has paid to the trading company the Swedish Lamco Syndicate, Trafikaktiebolaget Grängesberg-Oxelösund & Co., is entered at 400,000 Kr. (£27,600) as participation rights in the trading company under the heading "Shares and Participating Rights in Other Companies," and at 21.4 million Kr. (£1,480,000) under "Advances to Other Companies."

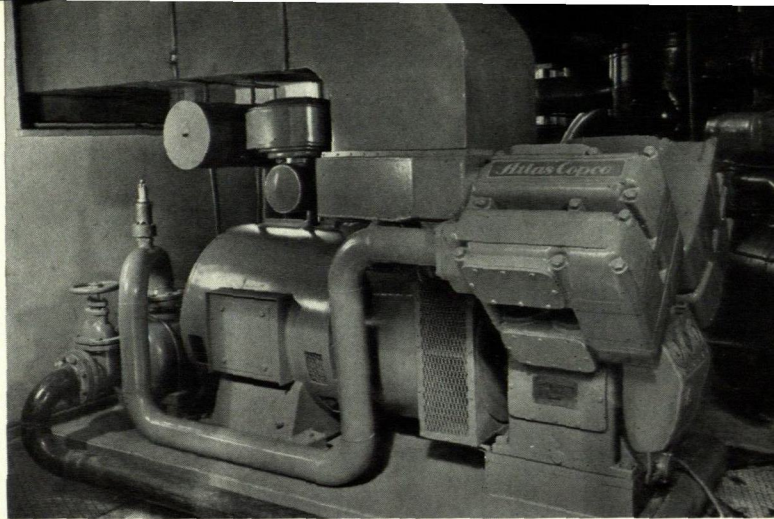
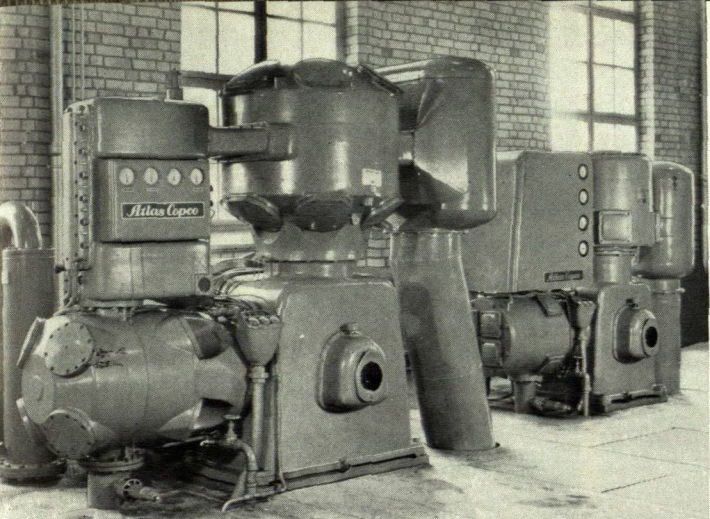
The increase in production during the year has meant greater stocks of raw materials and semi-finished products. In addition, the Company has in the course of the year taken over the surplus of spare parts from a number of sales companies; it is expected that these can largely be distributed to other sales companies in need of them, or else be used for the assembly of finished products at Sickla. In view of this increase in inventories, the Board has considered it advisable to further increase the stock adjustment account.

The book value of buildings has increased as a result



*Extension of the main works at Stockholm. The new "Simba" workshop for assembling heavy drill rigs and screw compressors is now in production. In the background is another new workshop "Sirocco" (under construction) for manufacturing rock drill components.*





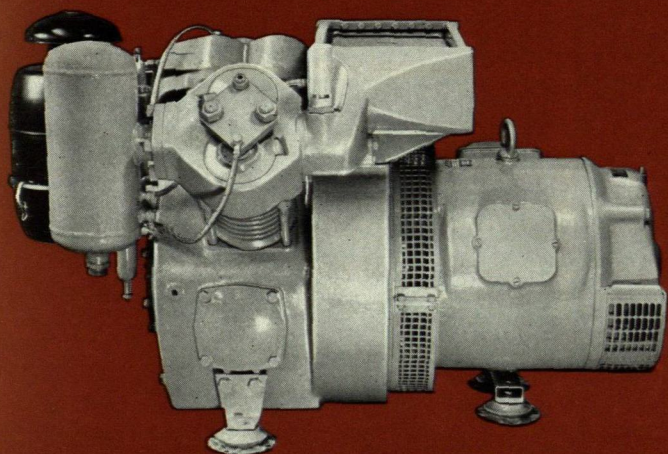
## Three new heavy-duty compressors

*New principles of piston compressor design have set fresh standards for compactness, running economy, and capacity-for-size ratios.*

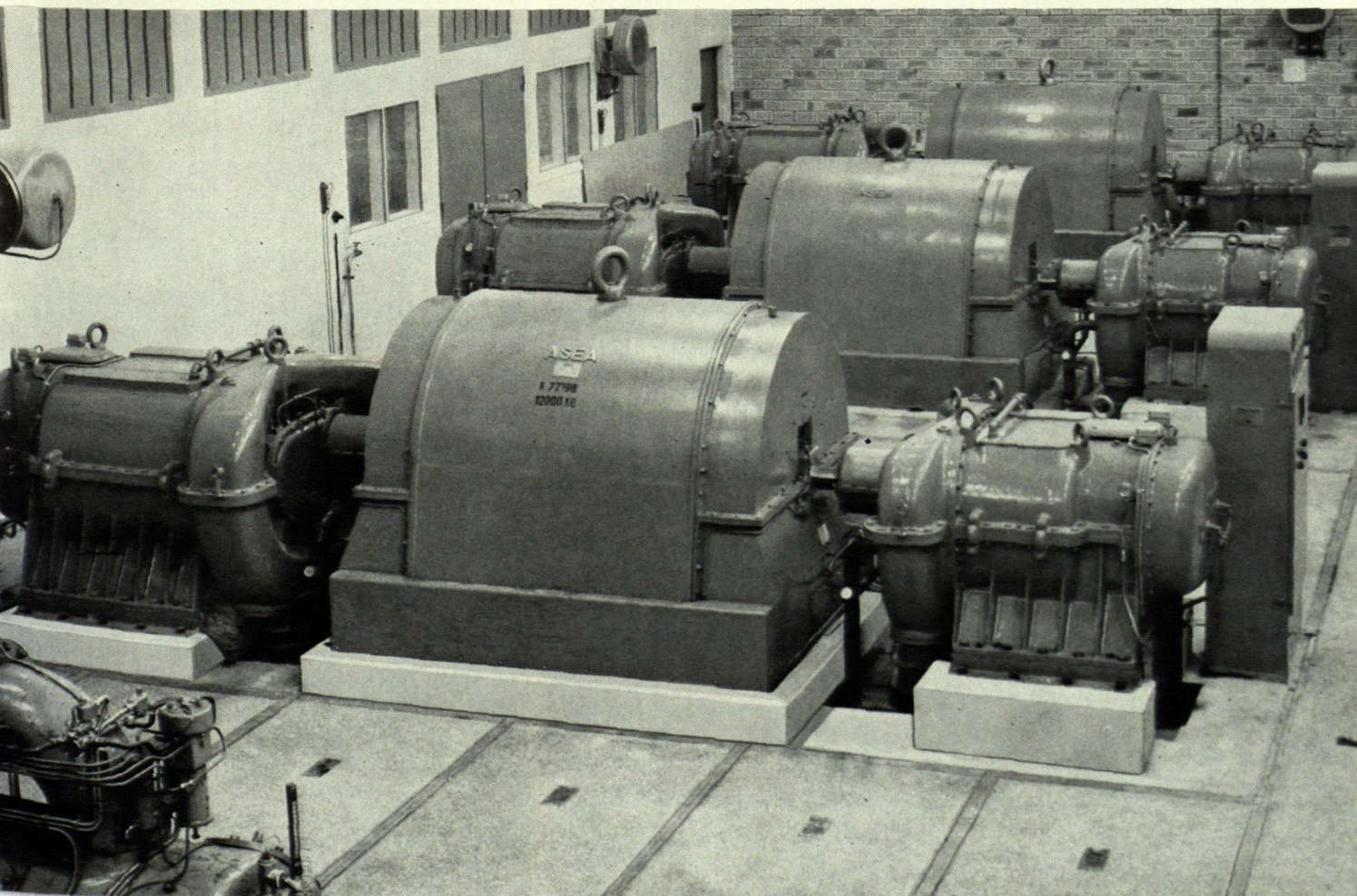
*(Above, left) The high-capacity ER 8 installed in one of Europe's largest industrial plants.*

*(Above, right) The medium-size DT 4 needs 30-40 per cent less space than is usual for similar capacity machines.*

*(Left) Ideal for both temporary and permanent installation, the TT 6 medium-size power-pack unit is foot-mounted on bonded rubber.*



*(Below) Three "Twin-Air" rotary screw compressor units supplying air power for the world's largest underground mine at Kiruna in Northern Sweden.*





of the extensions to workshops already mentioned. Purchases of plant and machinery have been larger than in the previous year, which is a natural result of the pronounced increase in production.

Factory and Office Buildings are insured against fire risks for 28.5 million Kr. (£1,970,000), Housing Properties for 1.5 million Kr. (£103,000) and Machinery, Furniture, Fittings and Vehicles for 50.2 million Kr. (£3,460,000). The taxation values of the Factory and Office Premises are 12.5 million Kr. (£862,000) and for Housing Properties 1.3 million Kr. (£89,700).

Headquarters personnel have increased from an average of 712 in 1959 to 812 in 1960. During the financial year 1.0 million Kr. (£69,000) was paid to the Board of Directors, the Managing Director and the Senior Executives. Payment of 18.8 million Kr. (£1,300,000) was made to industrial employees and 17.6 million Kr. (£1,210,000) to the staff.

In addition to normal depreciation set aside on Buildings, Plant & Machinery, and Furniture—which has been provided on the same basis as last year—an amount of 2,552,000 Kr. (£176,000) has, with the approval of the State Labour Board, been disposed of from the Company's Investment Fund for Buildings. This amount has been credited to Accumulated Depreciation on Buildings.

Attention should be drawn to the effect on the Consolidated Balance Sheet of the take-over of the majority of the shares in Svenska Diamantbergborrnings AB. In the Company's Balance Sheet the shares held in Svenska Diamantbergborrnings AB have been entered at their actual purchase value, namely, 41,270,000 Kr. (£2,850,000). Since the nominal share capital in the above-mentioned company is 11,250,000 Kr. (£776,000) this means that an above-par value of 30

million Kr. (£2,070,000) has been incorporated in the Consolidated Balance Sheet. This is one of the explanations for the drop in the Group Contingency Reserve from 51 million (£3,520,000) to 35 million Kr. (£2,410,000). The sale of the Company's interests in Björneborgs Jernverks AB has had a similar though less pronounced effect on the Consolidated Balance Sheet.

## The Year's Result

The results of the Company's operations for 1960 have been satisfactory. The continued rise in invoiced sales has considerably increased the Company's gross income, and the increased employment in the workshops has contributed to a further reduction in the cost per manufactured unit. As a result of the stiff international competition, prices have if anything been lower than previously, while some increase in selling expenses has been unavoidable.

The Swedish and foreign subsidiaries alike have shown satisfactory results in practically every case. Dividends on the Company's relatively large investments in shares have increased as the individual concerns have succeeded in consolidating their financial positions.

The Balance Sheets as at December 31st, 1960, for Tryckluft AB Atlas Copco, Svenska Diamantbergborrnings AB, Injector Company AB, AB Avos, AB Ecco-verken, Injector-Hesselman AB and AB Sicklahus are appended.

The disposable profit according to the appended Consolidated Balance Sheet amounts to 54,543,000 Kr. (£3,760,000).

## Appropriation of Profits

The position of the Company and the results of its operations are shown in the appended balance sheet and profit and loss account.

According to the attached accounts unappropriated earnings from the previous year amount to	Kr.	658,975
To which should be added the net profit for the year . . . . .	„	11,710,215*
Total at the disposal of the shareholders in general meeting . . . . .	Kr.	<u>12,369,190</u>

The Board of Directors and the Managing Director propose that		
a dividend of 3 Kr. per share be declared, totalling . . . . .	Kr.	9,198,000
Leaving a balance to be carried forward of . . . . .	„	3,171,190
	Kr.	<u>12,369,190</u>

The profit on sales arising from the sale of the Company's interests in the Björneborgs Jernverks AB, after a small deduction for a minor loss on shares sold, leaving 4,416,820 Kr., has been directly transferred to a general reserve fund, subject to the approval of the General Meeting.

\* Profit for the Year £807,601



## Some new Atlas Copco air tools

*Outstanding capacity and atomization mark the success of the Ecco 40 spray gun for new applications and for use with all types of sprayable material. With a gravity cup the gun is in general use for applying enamel, polyester and epoxy finishes.*



*The new R-series chipping hammers are giving high efficiency and output per tool for chipping, trimming and cleaning operations in the metal-working industry.*

*Drilling with one of the new-type air drills. These drills have interchangeable parts and are specially designed to eliminate operator fatigue.*





# Balance Sheet

ASSETS	1960	1959
<i>Fixed Assets</i>		Kr.
Land . . . . .	1,211,530	1,527,910
Factory and Office Buildings . . . . .	18,084,930	15,105,087
Less: Accumulated Depreciation . . . . .	8,516,255	5,535,064
	<u>9,568,675</u>	<u>9,570,023</u>
Dwellings . . . . .	1,505,469	1,505,469
Less: Accumulated Depreciation . . . . .	656,573	641,916
	<u>848,896</u>	<u>863,553</u>
Machinery, Furniture and Fixtures . . . . .	33,236,130	30,614,697
Less: Accumulated Depreciation . . . . .	28,006,043	25,736,426
	<u>5,230,087</u>	<u>4,878,271</u>
Installation and plant under construction . . . . .	1,648,029	894,759
	<u>18,507,217</u>	<u>17,734,516</u>
<i>Investments in Subsidiaries and Other Companies</i>		
Shares and Participating Rights in Subsidiaries . . . . .	62,586,515	20,663,515
„ „ „ „ „ Other Companies . . . . .	1,172,371	366,001
Advances to Subsidiaries . . . . .	15,159,157	23,936,279
„ „ „ Other Companies . . . . .	26,387,212	11,187,208
	<u>105,305,255</u>	<u>56,153,003</u>
<i>Current Assets</i>		
Raw materials, Finished and Semi-Finished Products . . . . .	39,362,532	31,540,335
Short-Term Advances to Subsidiaries . . . . .	23,050,699	30,905,462
Accounts Receivable from Customers . . . . .	5,615,175	4,646,943
Other Accounts Receivable . . . . .	1,489,514	854,165
Acceptances . . . . .	830,879	1,615,744
Cash in Hand and at Banks . . . . .	5,306,064	277,646
	<u>75,654,863</u>	<u>69,840,295</u>
<i>Pledged Assets</i>		
	1960	1959
Mortgages on Land and Buildings . . . . .	7,950,000	8,098,000
Chattel Mortgages . . . . .	13,100,000	13,100,000
Other Pledged Assets . . . . .	—	1,000,000
	<u>21,050,000</u>	<u>22,198,000</u>
	Kr.	Kr.
	<u>199,467,335</u>	<u>143,727,814</u>



# as at 31st December, 1960

LIABILITIES	1960	1959
<i>Capital, Reserves and Surplus</i>		Kr.
Share Capital . . . . .	76,650,000	49,000,000
Legal Reserve Fund . . . . .	40,830,000	9,800,000
General Reserve . . . . .	4,416,820	—
Building Investment Fund . . . . .	1,216,627	3,768,770
	<u>123,113,447</u>	<u>62,568,770</u>
Surplus		
Profit brought forward . . . . .	21,538,975	18,314,567
Less:		
Dividend . . . . .	5,880,000	4,900,000
Transfer to Share Capital . . . . .	14,000,000	—
Appropriation to Legal Reserve . . . . .	1,000,000	—
	<u>658,975</u>	<u>13,414,567</u>
Profit for the Year . . . . .	11,710,215	8,124,408
	<u>12,369,190</u>	<u>21,538,975</u>
	<u>135,482,637</u>	<u>84,107,745</u>
<i>Long-Term Liabilities</i>		
3½ % Bond Loan of 1941 . . . . .	—	310,000
Atlas Copco AB's Pension Foundation Reserves . . . . .	13,018,340	13,956,883
Mortgage Loans . . . . .	197,050	242,750
Promissory Notes . . . . .	110,195	105,195
	<u>13,325,585</u>	<u>14,614,828</u>
<i>Short-Term Liabilities</i>		
Accounts Payable to Suppliers . . . . .	9,563,138	4,754,077
Bills Payable . . . . .	16,585,357	19,296,064
Prepayments from Customers . . . . .	25,347	64,117
Due to Subsidiaries . . . . .	10,517,882	7,798,172
Sundry Accounts Payable . . . . .	7,252,318	5,048,497
Employees' Preliminary Taxes . . . . .	2,280,561	1,626,513
Instalment due on 3½ % Bond Loan . . . . .	310,000	300,000
Unpaid and Estimated Taxes . . . . .	4,124,510	3,014,571
Bank Loans . . . . .	—	3,103,230
	<u>50,659,113</u>	<u>45,005,241</u>
<i>Contingent Liabilities</i>		
	1960	1959
Bills Discounted . . . . .	12,528,877	8,437,599
Other Contingent Liabilities . . . . .	25,513,033	25,187,494
Pensions disbursed in accordance with AL § 101:7 . . . . .	145,016	150,917
	<u>199,467,335</u>	<u>143,727,814</u>



# Profit and Loss Account for the Year 1960

	1960	1959
		Kr.
<i>Gross Operating Profit</i> . . . . .	36,895,538	30,904,164
<i>General Administrative Expenses</i> . . . . .	6,830,061	5,353,796
	<u>30,065,477</u>	<u>25,550,368</u>
<i>Profit on Fixed Assets Sold</i>		
Buildings . . . . .	—	9,753
Machinery, Furniture and Fixtures . . . . .	103,586	44,521
	<u>103,586</u>	<u>54,274</u>
<i>Depreciation</i>		
Buildings . . . . .	443,705	448,521
Machinery, Furniture and Fixtures . . . . .	2,594,317	2,135,209
	<u>3,038,022</u>	<u>2,583,730</u>
<i>Interest Received, etc.</i>		
Interest Received from Subsidiaries . . . . .	339,979	386,518
„ „ „ Other Companies . . . . .	17,483	7,428
Dividends from Subsidiaries . . . . .	1,436,043	823,392
„ „ Other Companies . . . . .	175,040	—
	<u>1,968,545</u>	<u>1,217,338</u>
<i>Interest Paid</i>		
Interest Paid to Subsidiaries . . . . .	240,480	97,306
Other Interest Paid . . . . .	4,411,891	2,116,536
	<u>4,652,371</u>	<u>2,213,842</u>
<i>Other Expenditures</i>		
Appropriation to Pension Foundation Reserve . . . . .	912,000	3,000,000
<i>Profit before Taxes</i> . . . . .	23,535,215	19,024,408
<i>Taxes</i> . . . . .	11,825,000	10,900,000
	<u>11,710,215*</u>	<u>8,124,408</u>

Nacka, 21st February, 1961

*M. Wallenberg*

*Nils von Steyern*

*M. Wallenberg Jr*

*Ove Borlind*

*K.-A. Belfrage*

Managing Director

With reference to the Auditors' Report, it is hereby certified that the above Balance Sheet and Profit and Loss Account agree with those recorded on the books.

*Ebbe Rybeck*

Authorized Accountant

*Wilhelm Moberg*

\* Net Profit for the Year £807,601



## List of Shares and Participating Rights

### Shares and Participating Rights in Subsidiary Companies

	Kr.
111,102 shares @ Kr. 100 each in Svenska Diamantbergborrnings AB, Stockholm . . . . .	41,270,000
8,000 shares @ Kr. 250 each in AB Avos, Örebro . . . . .	3,062,000
15,000 shares @ Kr. 100 each in AB Eccoverken, Skara . . . . .	1,470,000
25,000 shares @ Kr. 100 each in Injector Company AB, Stockholm . . . . .	2,500,000
2,000 shares @ Kr. 100 each in AB Sicklahus, Nacka . . . . .	200,000
10,000 shares @ Kr. 100 each in Tryckluft AB Atlas Copco, Nacka . . . . .	1,000,000
37,500 shares @ Kr. 60 each in Injector-Hesselman AB, Stockholm . . . . .	2,250,000
54,500 shares @ Belg. Frs. 1,000 each in Arpic Engineering S.A., Antwerp . . . . .	8,045,000
997 shares @ Dan. Kr. 1,000 each in Atlas Copco A/S, Copenhagen . . . . .	751,000
650,640 shares @ 5/- each in Delfos & Atlas Copco (Pty.) Ltd., Benoni, South Africa . . . . .	1,315,000
15,994 shares @ Cruz. 1,000 each in Atlas Copco Industrial Paulista S.A., São Paulo . . . . .	381,500
170 shares @ Rs. 1,000 each in Atlas Copco (India) Private Ltd., Bombay . . . . .	189,000
125 shares @ Fl. 1,000 each in Atlas Copco Holland N.V., Rotterdam . . . . .	153,000
994 part. rts @ Belg. Frs. 1,000 each in Atlas Copco Congo S.C.A.R.L., Elisabethville . . . . .	1
497 part. rts @ Esc. 1,000 each in Sociedade Atlas Copco de Portugal, Lda, Lisbon . . . . .	1
1,500 shares @ Ptas. 500 each in Atlas Copco S.A.E., Madrid . . . . .	1
300 shares @ Norw. Kr. 7,000 each in Atlas Copco A/S, Oslo . . . . .	1
99,996 shares @ £1 each in Atlas Copco (Great Britain) Ltd., Hemel Hempstead . . . . .	1
4,970 shares @ N. Frs. 400 each in Atlas Copco France S.A., Saint Cloud . . . . .	1
30,000 shares @ F. Mk. 1,000 each in Oy Atlas Copco Ab, Helsinki . . . . .	1
940 shares @ Turk. £500 each in Atlas Copco Ticaret ve Sanayi T.A.S., Istanbul . . . . .	1
499 part. rts @ DM 1,000 each in Deutsche Atlas Copco GmbH, Essen . . . . .	1
998 shares @ £1 each in Atlas Diesel Company Ltd., London . . . . .	1
940 shares @ Mar. Frs. 40,000 each in Atlas Copco Maroc, Casablanca . . . . .	1
4,994 shares @ Belg. Frs. 1,000 each in Atlas Copco Belgique S.A., Brussels . . . . .	1
69,670 shares @ Pes. 1,000 each in Atlas Copco Chilena S.A.C., Santiago de Chile . . . . .	1
2,990 part. rts @ Aust. Sch. 1,000 each in Atlas Copco Ges.m.b.H., Vienna . . . . .	1
20 part. rts @ Drs 10,000 each in Atlas Copco Greece Ltd., Athens . . . . .	1
	Kr. 62,586,515

### Shares and Participating Rights in Other Companies

400 shares @ Kr. 100 each in Atlas Copco Finans AB, Stockholm . . . . .	406,370
4 part. rts @ Kr. 100,000 each in Swedish Lamco Syndicate, Trafik AB Grängesberg-Oxelö- sund & Co, Stockholm . . . . .	400,000
3,000 shares @ Kr. 100 each in SILA, Stockholm . . . . .	300,000
40 shares @ Kr. 100 each in AB Byggnadsgaranti, Stockholm . . . . .	4,000
75 shares @ Ptas. 5,000 each in Casa de Suecia S.A., Madrid . . . . .	50,000
Participating rights totalling Kr. 12,000 in Swedish MIDECON Consortium, All- männa Svenska Elektriska AB & Co, Stockholm . . . . .	12,000
2 shares @ Kr. 500 each in Tekniska Röntgencentralen AB, Stockholm . . . . .	1
	Kr. 1,172,371



# Auditors' Report

---

In our capacity of auditors to ATLAS COPCO AKTIEBOLAG we beg hereby to submit the following Report for the year 1960.

We have examined the report accounting for the year's activities, taken note of the accounts, minutes of meetings and other documents throwing light on the Company's finances and administration, besides making such other examinations as we have deemed necessary.

The figures contained in the books have, through extensive test checks, been scrutinized by Bohlins Revisionsbyrå Aktiebolag.

The provisions of the Corporation Act governing statements concerning shares and inter-company financial relationships have been duly observed.

In the course of the audit we have had no cause to comment adversely on the accounting documents, the accountancy, the inventory of assets or the administration generally.

The Board and the Managing Director have, before closing the year's accounts and subject to the approval of the General Meeting, transferred a capital gain of Kr. 4,416,820 to a General Reserve.

The Board and the Managing Director recommend that the profit according to the Balance Sheet be disposed of as follows:

Dividend to Shareholders of Kr. 3.00	
per share . . . . .	Kr. 9,198,000
Carried forward . . . . .	„ 3,171,190
	<u>Kr. 12,369,190</u>

This proposal does not conflict with the regulations of the Corporation Act regarding the transferring of funds to the reserve or with sound business practice.

We recommend that the General Meeting *approve* the Balance Sheet as at 31st December, 1960, included in the statement of account for the year and signed by us, *approve* the measure taken and the recommendation with regard to the Company's profit, and *grant* the Board of Directors and the Managing Director discharge from liability for their administration in 1960 for the period covered by the statement of account.

Stockholm, 23rd March, 1961.

*Ebbe Rybeck*  
Authorized Accountant

*Wilhelm Moberg*



# Consolidated Balance Sheet — as at 31st December, 1960

## The Atlas Copco Group of Companies

ASSETS	1960	1959
<i>Fixed Assets</i>	1,000 Kr.	
Land and Buildings . . . . .	61,729	55,908
Machinery, Furniture and Fixtures . . . . .	27,399	22,302
Goodwill . . . . .	47	118
Shares . . . . .	2,632	387
Other Investments . . . . .	26,387	11,187
	<u>118,194</u>	<u>89,902</u>
<i>Current Assets</i>		
Stocks and Work in Progress . . . . .	198,292	145,680
Shares and Bonds . . . . .	270	520
Accounts Receivable . . . . .	105,016	70,033
Acceptances . . . . .	8,271	7,825
Cash in Hand and at Banks . . . . .	20,994	17,335
	<u>332,843</u>	<u>241,393</u>
	<u>1,000 Kr. 451,037</u>	<u>331,295</u>
 <b>LIABILITIES</b> 		
<i>Capital, Reserves and Surplus</i>		
Share Capital . . . . .	76,650	49,000
Legal Reserves . . . . .	49,414	11,827
Building Investment Fund . . . . .	1,217	3,769
General Reserve . . . . .	4,417	—
Profit Brought Forward . . . . .	27,858*	40,942
Profit for the Year . . . . .	26,685*	13,663
	<u>186,241</u>	<u>119,201</u>
<i>Group Contingency Reserve</i> . . . . .	<u>35,111</u>	<u>51,235</u>
<i>Minority Holdings</i> . . . . .	<u>1,570</u>	<u>110</u>
<i>Long-Term Liabilities</i>		
Bond, Debenture and Mortgage Loans . . . . .	16,326	17,841
Employees' Pension Foundations . . . . .	31,098	19,395
	<u>47,424</u>	<u>37,236</u>
<i>Short-Term Liabilities</i>		
Accounts Payable to Suppliers etc. . . . .	60,850	41,167
Bills Payable . . . . .	82,877	31,404
Customers' Prepayments . . . . .	3,544	6,781
Provision for Taxes . . . . .	10,570	9,164
Bank Overdrafts . . . . .	22,850	34,997
	<u>180,691</u>	<u>123,513</u>
<i>Pledged Assets</i> . . . . .	1960 51,175	1959 56,520
<i>Contingent Liabilities</i>		
Bills Discounted . . . . .	10,367	13,274
Other Contingent Liabilities . . . . .	6,729	6,519
	<u>1,000 Kr. 451,037</u>	<u>331,295</u>

Nacka, 22nd March, 1961

*K.-A. Belfrage*

Presented to the Auditors on 23rd March, 1961

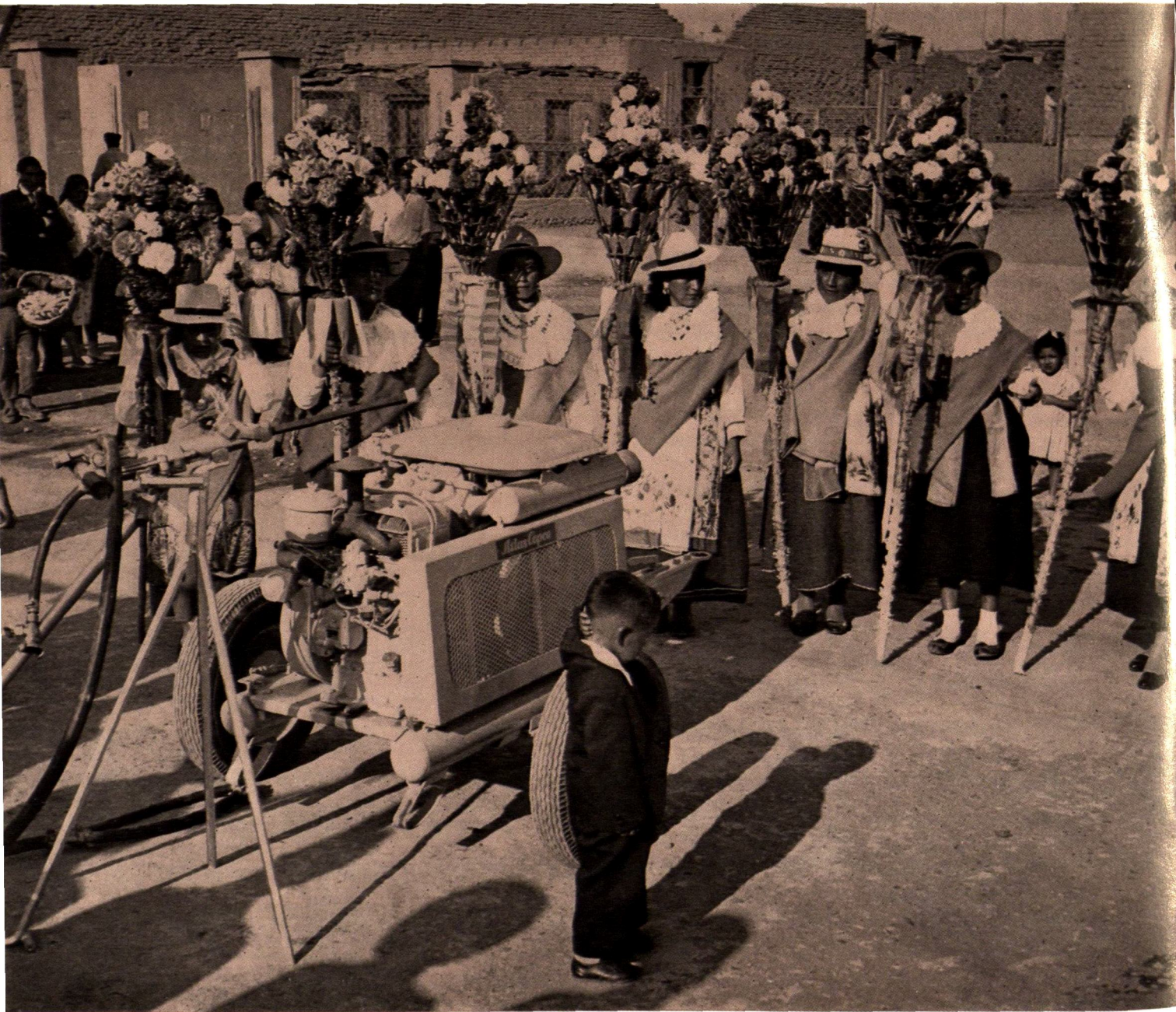
*Ebbe Rybeck*

*Wilhelm Moberg*

\* Profit Brought Forward £1,920,000  
 Profit for the Year 1960 £1,840,000  
 Disposable Profit £3,760,000



## Atlas Copco round the World



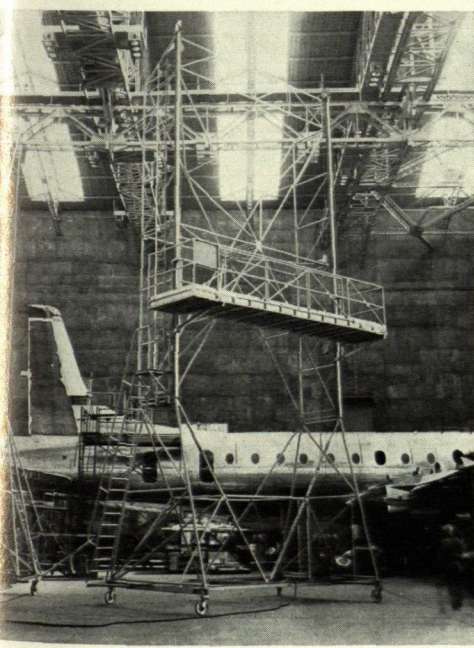
*In the small Peruvian community of Yaugos, women dancers in traditional costume lend colour to the fiesta to raise funds for the construction of irrigation canals. The residents gave pride of place to the Atlas Copco compressor and rock drill purchased to further this project.*



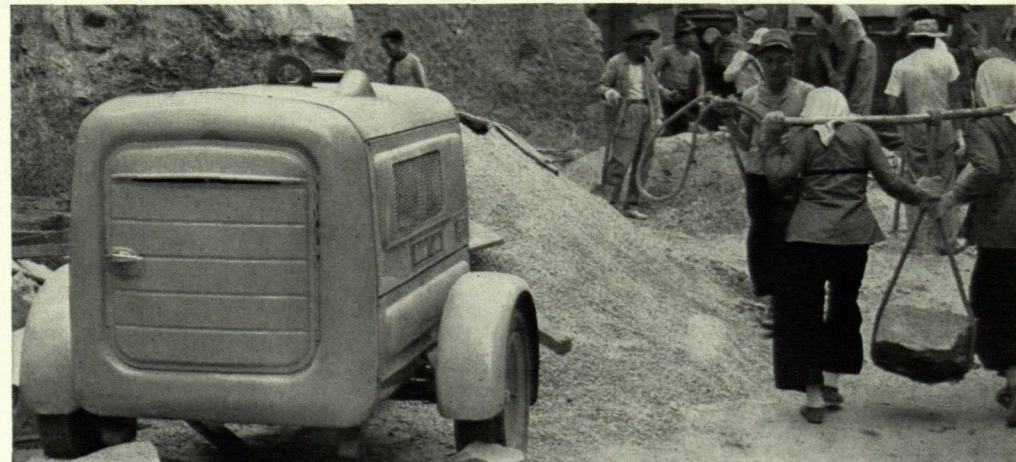


*Drilling for initial blasting on a large hydro-electric project in Norway. A "Twin-Air" screw compressor operating two Atlas Copco "Bencher" drilling units.*

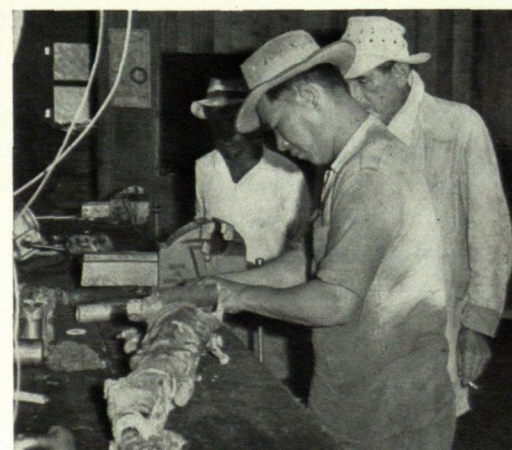
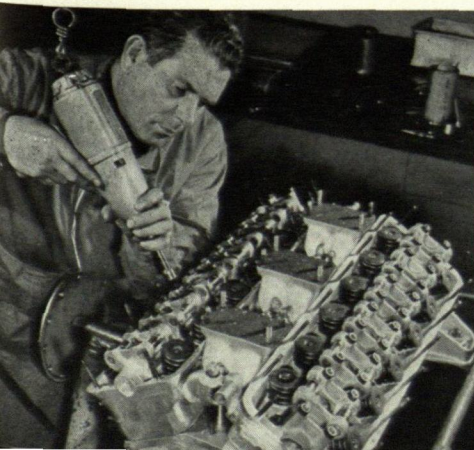
*Driving the mile long "Inner Loop" drainage system 60 feet below the heart of Rochester, New York, using "Lion" rock drills with Sandvik Coromant drill steels.*



*For servicing the Britannia tail units, Bristol Aircraft of England have developed a mobile adjustable rig powered by Atlas Copco air hoists.*



*At the Ferrari works at Maranello, Italy, LMS impact wrenches are used in the assembly of the famous Ferrari engines.*



*A VT compressor giving efficient help at a work-site in Hong Kong.*

*Servicing Atlas Copco rock drills at the Cameron Highlands hydro-electric project in Malaya.*



# Balance Sheets for Swedish Subsidiaries

as at

31st December, 1960

## TRYCKLUFT AB ATLAS COPCO

(Swedish Sales Company)

ASSETS		Kr.
Fixed Assets . . . . .		660,951
Current Assets . . . . .		26,023,925
	Kr.	<u>26,684,876</u>

LIABILITIES		Kr.
Share Capital . . . . .		1,000,000
Reserves and Surplus . . . . .		2,679,868
Long-Term Liabilities . . . . .		12,000
Short-Term Liabilities . . . . .		22,993,008
	Kr.	<u>26,684,876</u>

## SVENSKA DIAMANTBERGBORRNINGS AB

ASSETS		Kr.
Fixed Assets . . . . .		20,510,367
Current Assets . . . . .		16,752,010
	Kr.	<u>37,262,377</u>

LIABILITIES		Kr.
Share Capital . . . . .		11,250,000
Reserves and Surplus . . . . .		7,887,923
Long-Term Liabilities . . . . .		13,939,339
Short-Term Liabilities . . . . .		4,185,115
	Kr.	<u>37,262,377</u>

## INJECTOR COMPANY AB

ASSETS		Kr.
Fixed Assets . . . . .		2,249,722
Current Assets . . . . .		6,807,243
	Kr.	<u>9,056,965</u>

LIABILITIES		Kr.
Share Capital . . . . .		2,500,000
Reserves and Surplus . . . . .		1,200,223
Long-Term Liabilities . . . . .		2,476,568
Short-Term Liabilities . . . . .		2,880,174
	Kr.	<u>9,056,965</u>



**AB AVOS**(Including wholly-owned Bostads AB Klärkäng,  
real estate company)

<b>ASSETS</b>		Kr.
Fixed Assets . . . . .		1,785,972
Current Assets . . . . .		4,148,209
	Kr.	<u>5,934,181</u>

<b>LIABILITIES</b>		Kr.
Share Capital . . . . .		2,000,000
Reserves and Surplus . . . . .		938,137
Long-Term Liabilities . . . . .		929,045
Short-Term Liabilities . . . . .		2,066,999
	Kr.	<u>5,934,181</u>

**AB ECCOVERKEN**(Including wholly-owned Fastighets AB  
Kämpagården, real estate company)

<b>ASSETS</b>		Kr.
Fixed Assets . . . . .		1,963,416
Current Assets . . . . .		2,753,849
	Kr.	<u>4,717,265</u>

<b>LIABILITIES</b>		Kr.
Share Capital . . . . .		1,500,000
Reserves and Surplus . . . . .		638,087
Long-Term Liabilities . . . . .		618,296
Short-Term Liabilities . . . . .		1,960,882
	Kr.	<u>4,717,265</u>

**INJECTOR-HESSELMAN AB**

<b>ASSETS</b>		Kr.
Fixed Assets . . . . .		259,993
Current Assets . . . . .		4,953,273
	Kr.	<u>5,213,266</u>

<b>LIABILITIES</b>		Kr.
Share Capital . . . . .		2,250,000
Reserves and Surplus . . . . .		563,473
Long-Term Liabilities . . . . .		1,225,808
Short-Term Liabilities . . . . .		1,173,985
	Kr.	<u>5,213,266</u>

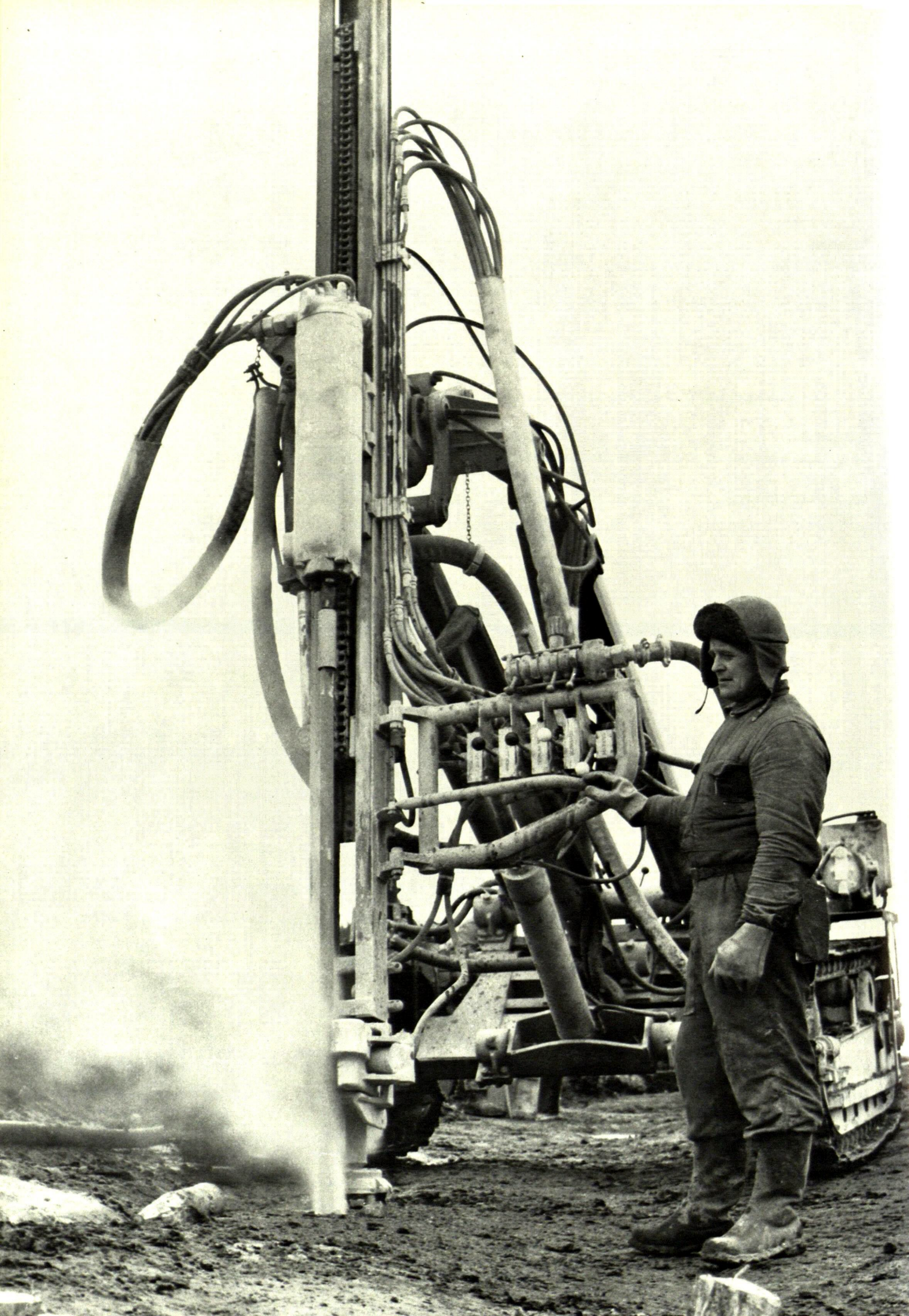
**AB SICKLAHUS**

(Real estate company)

<b>ASSETS</b>		Kr.
Fixed Assets . . . . .		9,913,476
Current Assets . . . . .		32,769
	Kr.	<u>9,946,245</u>

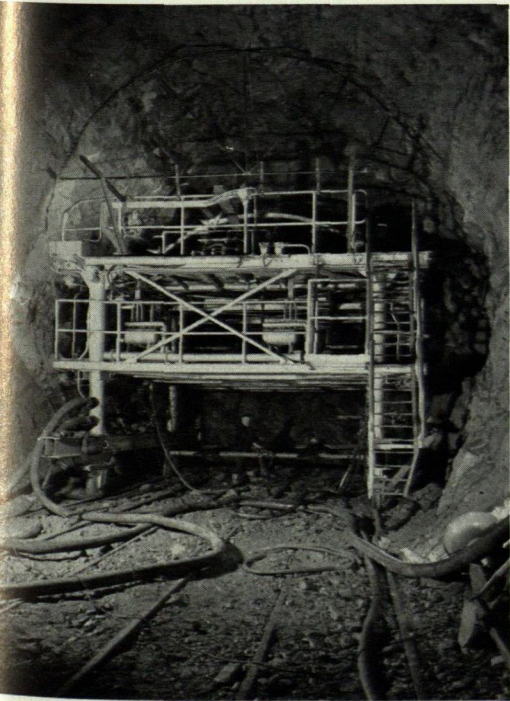
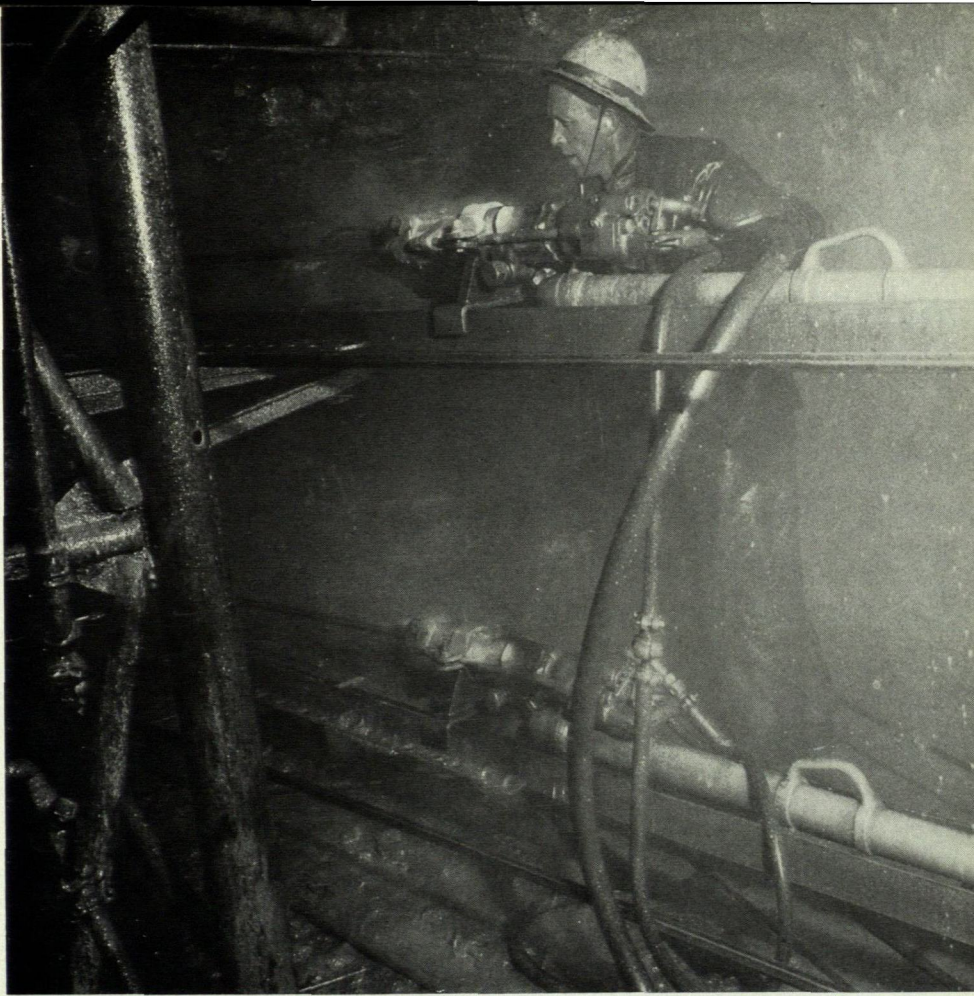
<b>LIABILITIES</b>		Kr.
Share Capital . . . . .		200,000
Reserves and Surplus . . . . .		6,628
Long-Term Liabilities . . . . .		9,634,951
Short-Term Liabilities . . . . .		104,666
	Kr.	<u>9,946,245</u>







Only one man is needed to operate the new BVB 81 crawler-mounted drill rig used here for heavy road construction work. Hydraulic positioning of booms enables this self-propelled unit to be used for parallel hole-spotting from the straight-down position to the horizontal.



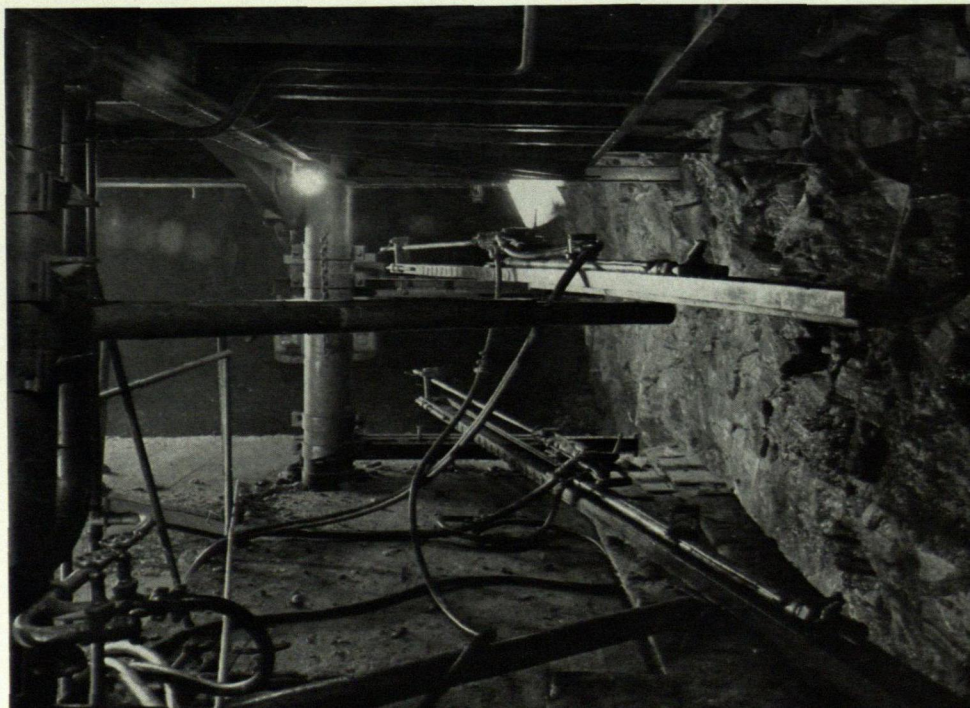
A typical ladder drilling platform at the Loch Awe hydro-electric project in Scotland.

## The Swedish Ladder Drilling Method –

is a new tunnelling technique involving the use of rock drills with retractable air-legs operated by push-button control and mounted on horizontal "ladders." This method has opened the way to a new conception of drill-crew output.

*Above: One man operating two ladder-fed rock drills at a Swedish hydro-electric project.*

*Below: A drilling platform showing two ladder-rigs mounted on hinged beams.*

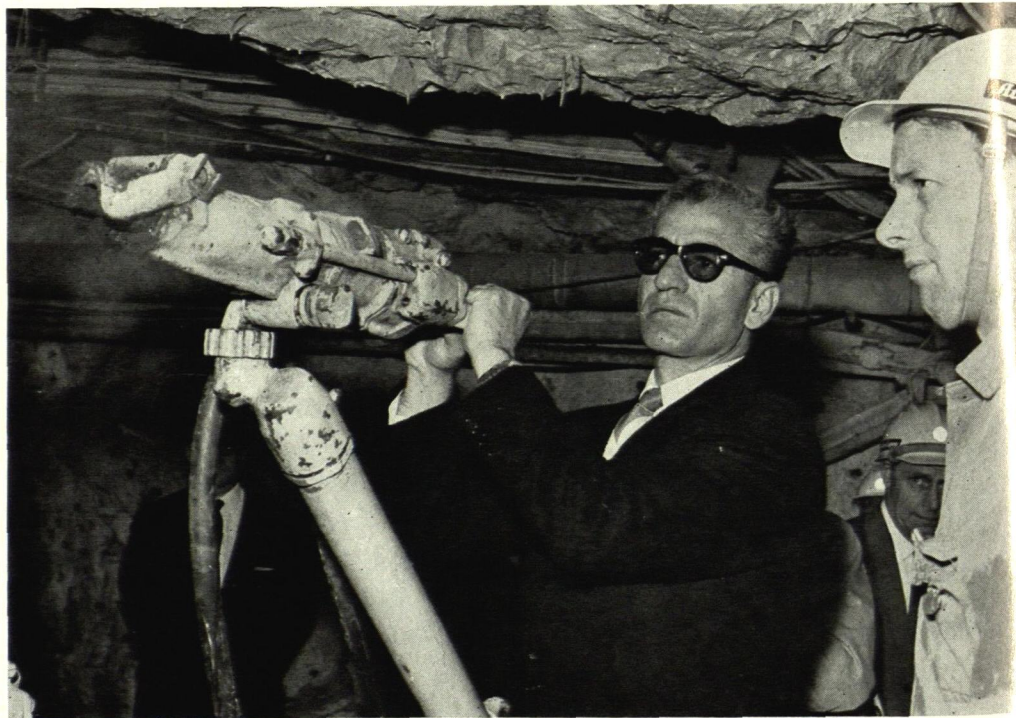




## Visitors from abroad

During the course of a year visitors from practically every country in the world are received at Group Headquarters in Stockholm.

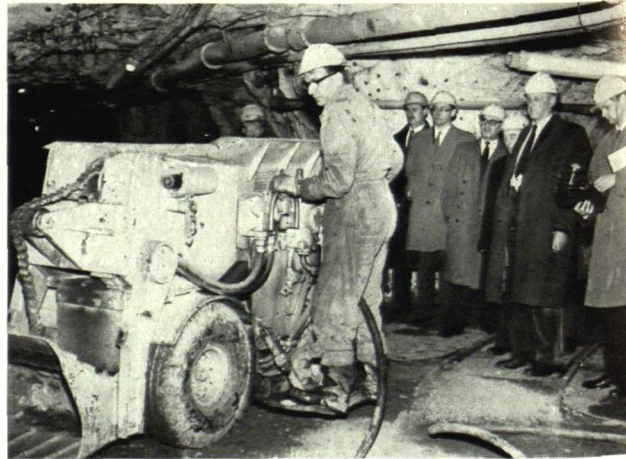
*On May 10th, 1960, the Shah of Persia spent a day with Atlas Copco during his visit to Sweden. This picture shows the Shah trying a "Tiger" rock drill in the company's test mine.*



*Each year Atlas Copco awards a bursary for qualified mining engineers to study Swedish mining practice. Our picture shows the 1960 winners "below ground" at the Stråssa mine.*

*The chief technician of Associated Cement (India) on an inspection tour of the main works.*

*In November, a party of British pressmen visited Sweden to learn at first hand about one of the senior EFTA partners. The London Times and The Financial Times were represented in the party which spent a day with Atlas Copco.*





# THE *Atlas Copco* ORGANIZATION

## NORTH AMERICA

*Canada:* Atlas Copco Canada Ltd., Montreal, P.Q.  
*México:* Atlas Copco Mexicana, S.A., Torreón, Coahuila  
*U.S.A.:* Atlas Copco, Inc., New York 17, N.Y.  
*U.S.A.:* Atlas Copco, Inc., Eastern Division, Paramus, N.J.  
*U.S.A.:* Atlas Copco, Inc., Pacific Division, San Carlos, California

## CENTRAL AMÉRICA

*Costa Rica:* El Gallito Comercial, Ltda., San José  
*Cuba:* Fábrica Nacional de Implementos Agrícolas, S.A., La Habana  
*El Salvador:* Keilhauer, Pagram & Cía., Ltda., Suc., San Salvador  
*Guatemala:* Juan U. Maegli & Cía. Ltda., Guatemala City  
*Haiti:* Caribbean Trading Co. S.A., Port-au-Prince  
*Honduras:* Casa Comercial Mathews, S.A., Tegucigalpa, D.C.  
*Jamaica:* W.J. Bog Walk Auto Supplies Ltd., Kingston  
*Nicaragua:* Cía. Automotriz y Equipos Industriales S.A., Managua  
*Panama:* Vacant  
*Puerto Rico:* M. Castro Fernández & Co., Inc., San Juan  
*Trinidad and Tobago:* Sandbach, Eckel & Co., Ltd., Port-of-Spain

## SOUTH AMERICA

*Argentina:* Itec S.R.L., Buenos Aires  
*Bolivia:* Johanson & Cía. S.A., La Paz  
*Brazil:* Atlas Copco Brasileira S.A., São Paulo  
*Brazil:* Atlas Copco Industrial Paulista S.A., São Paulo  
*Chile:* Atlas Copco Chilena S.A.C., Santiago de Chile  
*Colombia:* Bogotá District: L. y R. Peláez & Vélez Angel Ltda., Bogotá  
*Colombia:* Medellín District: L. y R. Peláez Ltda., Medellín

*Colombia:* Barranquilla District: General Sales Corporation Ltda., Barranquilla  
*Colombia:* Cali District: General Sales Corporation Ltda., Cali  
*Ecuador:* Ivan Bohman & Co., Guayaquil  
*Ecuador:* Sociedad Financiera y Comercial del Pacífico "Fincom", Guayaquil  
*Perú:* Atlas Copco Peruana S.A., Lima  
*Suriname:* N.V. Ingenieursbureau H.N. van Dijk, Paramaribo  
*Uruguay:* Regusci & Voulminot Ingenieros, Montevideo  
*Venezuela:* Carlos Tejera, Caracas

## EUROPE

*Austria:* Atlas Copco Ges.m.b.H. Vienna  
*Belgium:* Atlas Copco Belgique S.A., Brussels  
*Belgium:* Arpic Engineering S.A., Antwerp  
*Denmark:* Atlas Copco A/S, Copenhagen  
*Finland:* OY Atlas Copco AB, Helsinki  
*Finland:* OY Julius Tallberg AB, Helsinki  
*France:* Atlas Copco France S.A., Saint-Cloud (S. & O.)  
*Germany:* Deutsche Atlas Copco GmbH, Essen-Kupferdreh  
*Great Britain:* Atlas Copco (Great Britain) Ltd., Hemel Hempstead  
*Great Britain:* Atlas Copco (Manufacturing) Ltd., Hemel Hempstead  
*Greece:* Atlas Copco Greece Ltd., Athens  
*Holland:* Atlas Copco Holland N.V., Rotterdam  
*Iceland:* Landssmidjan, The Government Engineering Works, Reykjavik  
*Italy:* Atlas Copco Italia S.p.A., Milan  
*Norway:* Atlas Copco A/S, Oslo  
*Portugal:* Soc. Atlas Copco de Portugal, Lda., Lisbon  
*Spain:* Atlas Copco S.A.E., Madrid  
*Sweden:* Atlas Copco AB, Stockholm  
*Sweden:* Tryckluft AB Atlas Copco, Stockholm  
*Sweden:* AB Avos, Örebro  
*Sweden:* AB Eccoverken, Skara

*Sweden:* Injector Company AB, Stockholm  
*Switzerland:* Notz & Co. A.G., Biel  
*Turkey:* Atlas Copco Ticaret ve Sanayi T.A.S., Istanbul  
*Yugoslavia:* Elektrobiro, Belgrade

## MIDDLE EAST AND AFRICA

*Algeria, Tunisia:* Atlas Copco France S.A., Algiers, Algeria  
*Angola:* Blackwood Hodge (Angola) Lda., Luanda  
*Congo:* Atlas Copco Congo S.C.A.R.L., Elisabethville  
*Cyprus:* Atlas Copco (Cyprus) Ltd., Nicosia  
*Egypt:* The Egyptian-Swedish Trading Company, Cairo  
*Eritrea:* Seferian & Co. (Eritrea) Ltd., Asmara  
*Ethiopia:* Seferian & Co. (Ethiopia) Ltd., Addis-Ababa  
*Iran:* Irano Swedish Co. AB, Section Atlas Copco, Teheran  
*Iraq:* F.A. Kettaneh & Co., Baghdad  
*Jordan:* F.A. Kettaneh & Co. Ltd., Amman  
*Kenya, Tanganyika, Uganda, Zanzibar:* Twentsche Overseas Trading Company Ltd., Nairobi, Kenya  
*Kuwait:* Latiff Supplies Limited, Kuwait  
*Lebanon:* Ets. F.A. Kettaneh S.A., Beirut  
*Liberia:* Liberia Tractor & Equipment Company, Monrovia  
*Libya:* Gordon, Woodroffe (Libya) Ltd., Tripoli  
*Morocco:* Atlas Copco Maroc, Casablanca  
*Mozambique:* Empresa de Comércio Sul-Africana Ltda., Lourenço Marques  
*Nigeria:* Nigerian Tool & Die Co. Ltd., Lagos  
*Rhodesia:* Atlas Copco Rhodesia (Private) Ltd., Salisbury  
*South Africa:* Delfos & Atlas Copco (Pty.) Ltd., Benoni, Transvaal  
*Sudan:* Boxall Engineering Ltd., Khartoum  
*Syria:* Technical Supplies & Trading Co. S.A., Damascus

## FAR EAST

*Afghanistan:* Indamer Afghan Industries Inc., Kabul  
*Brunei, North Borneo, Sarawak:* Jardine Waugh (Brunei) Ltd., Brunei Town  
*Burma:* Vulcan Trading Company, Ltd., Rangoon  
*Cambodia:* Sté des Riz d'Indochine Denis Frères, S.A., Pnom-Penh  
*Ceylon:* Equipment and Construction Company Ltd., Colombo  
*Formosa:* Taiwan Trading Corporation, Taipei, Taiwan  
*Hong Kong:* The China Engineers, Ltd., Hong Kong  
*India:* Atlas Copco (India) Private Limited, Poona  
*India:* Vulcan Trading Company (Private) Ltd., Bombay  
*Indonesia:* P.T. Indevita Ltd., Jakarta  
*Japan:* Gadelius & Co., Ltd., Tokyo  
*Korea:* Hae Nim Commerce Company, Inc., Seoul  
*Malaya:* Jardine Waugh (Malaya) Ltd., Kuala Lumpur  
*Pakistan East:* The Pakbay Company, Ltd., Dacca  
*Pakistan West:* Vulcan Industries Ltd., Karachi  
*Philippine Islands:* Scandia Incorporated, Manila  
*Portuguese India:* Agencia E. Sequeira, Campal, Nova-Goa  
*Singapore:* Jardine Waugh (Singapore) Ltd., Singapore  
*Thailand, Laos:* Diethelm & Co., Ltd., Technical Dept., Bangkok, Thailand  
*Vietnam:* Sté des Riz d'Indochine Denis Frères, S.A., Saigon

## AUSTRALIA AND PACIFIC TERRITORIES

*Australia:* Atlas Copco Australia Pty. Ltd., Auburn, N.S.W.  
*New Guinea (Papua):* Hastings Deering (New Guinea) Pty. Ltd., Lae, Papua  
*New Zealand:* Atlas Copco (N.Z.) Ltd., Wellington





*Spraying safety for pedestrians.*

*Atlas Copco*