





Operation Ice Tunnel. Using compressed air in a unique research project 120 miles north of the Arctic Circle, Stockholm University scientists together with Atlas Copco technical advisers literally cut out a 200-ft tunnel to study Sweden's Isfall glacier.

Front cover: Victors and the Vanquished. On August 3rd, 1962, the Italian drill crews completed their half of the Mont Blanc tunnel. Their triumph over the mountain was shared by Atlas Copco, whose compressed air equipment—and Sandvik Coromant steels—were used exclusively.

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 1962.

Sales and Deliveries

In spite of the diverse state of the world economy in 1962 the Company has more than held its own against increasingly keen competition. A record sales figure was achieved by the Group during the year. Although industry has continued to expand in some countries, such as Italy and France, other markets have been lacking in activity or shrunk. However, the Company has been able to counteract this by extending its activities to cover even more markets.

The Parent Company's invoiced deliveries in 1962 amounted to 246 million Kr. (£16,970,000) as opposed to 215 million Kr. (£14,830,000) in the previous year. Of these deliveries approximately 75 % were for markets abroad and 25 % for the Swedish market. Incoming orders, on the other hand, were not quite as high as in 1961. A more accurate picture of the development is shown in the corresponding figures for the Group as a whole, which cover sales to the final purchasers of products manufactured at all the Group's factories and by outside companies. Total invoicing during the year amounted to 582 million Kr. (£40,140,000) as opposed to 525 million Kr. (£36,210,000) in 1961. This represents an increase of approximately 13 %, allowing for the fact that invoiced deliveries from Injector-Hesselman AB, which was sold during the year, were included in Group results for 1961 but not for 1962. The total of incoming orders in 1962 was somewhat larger than invoiced deliveries and shows approximately the same increase as the latter.

Of markets in the individual countries, the Swedish is still the most important and, in 1962, accounted for about 15 % of Group invoicing. The slight decline in the willingness to invest has, however, prevented the Swedish sales company from further increasing its sales during 1962. Great efforts have been made during the year to meet the service requirements of the Swedish market. Field activities have been further expanded and new, modern office and service premises have been set up in Gothenburg and Malmö. Italy still retains second place with a sales increase of about 20 % over 1961. Other sales companies that have made major contributions to the success of 1962 are those in Brazil, Spain, France, U.S.A., Australia, South Africa, Norway and Belgium.

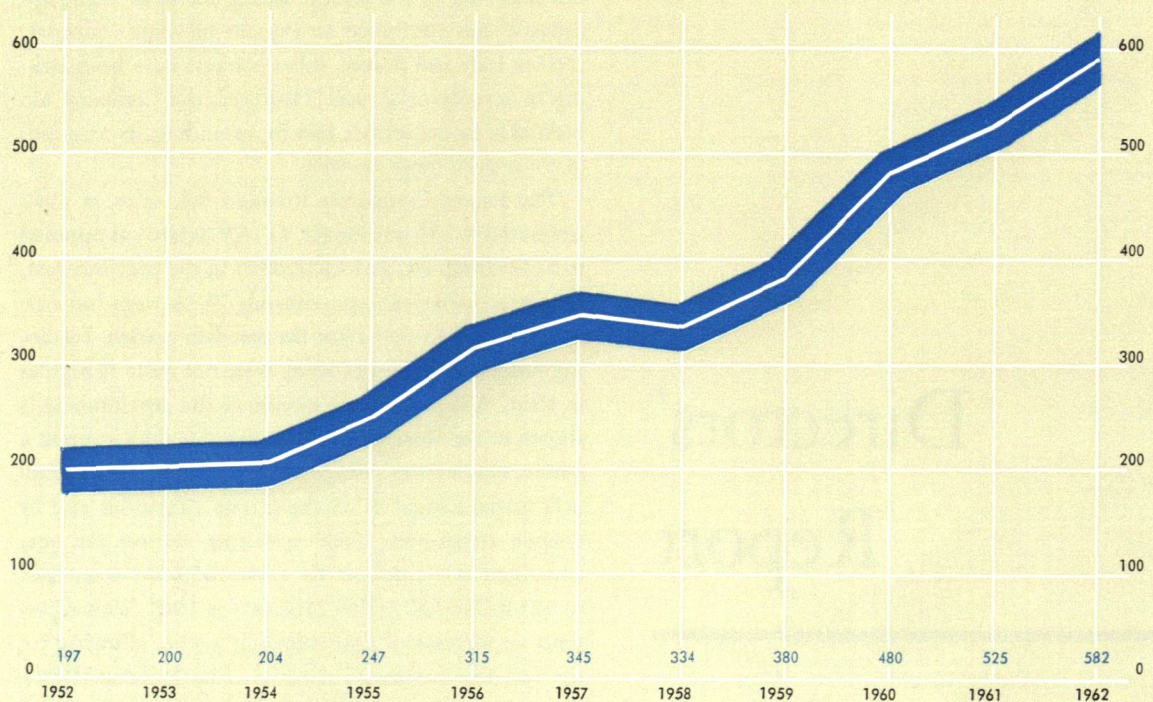
Of the various products, compressors continue to show the most substantial upswing. This is easily the largest product group and accounts for no less than 30 % of total sales. Particular success has been achieved with our portable compressors, and most encouraging progress has been made in a large number of countries, above all Brazil and France.

Interest in the Company's new series of industrial

The Development of Group Sales

INVOICING IN MILLIONS OF SW. KRONOR

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



tools is still great and sales have increased considerably during the year. Sales have been particularly successful in Italy, Holland, France and Brazil. Following the liberalization of imports to Spain a new market has been opened for sales of these tools.

Our contractors' tools are also successful, particularly the Cobra motor drill, which has won a well-earned reputation in the armed services of a number of countries.

Technical development has led to an increased interest in heavy drilling equipment. The larger types of drilling unit mentioned in last year's Annual Report have now been introduced on a number of new markets. In the summer of 1962 test drilling was carried out at AB Atomenergi's new open-cast uranium mine at Ransstad, Sweden, with a new crawler-mounted unit designed for drilling in soft rock. These tests proved satisfactory and resulted in an order. The trend towards heavier equipment explains in part why sales of the lighter rock drills have not increased as fast as previously. However, important orders for these rock drills have, for example, been received for electric power projects in Norway, the Philippines, Hong Kong and Rumania.

Sales of loaders have met with increased difficulties

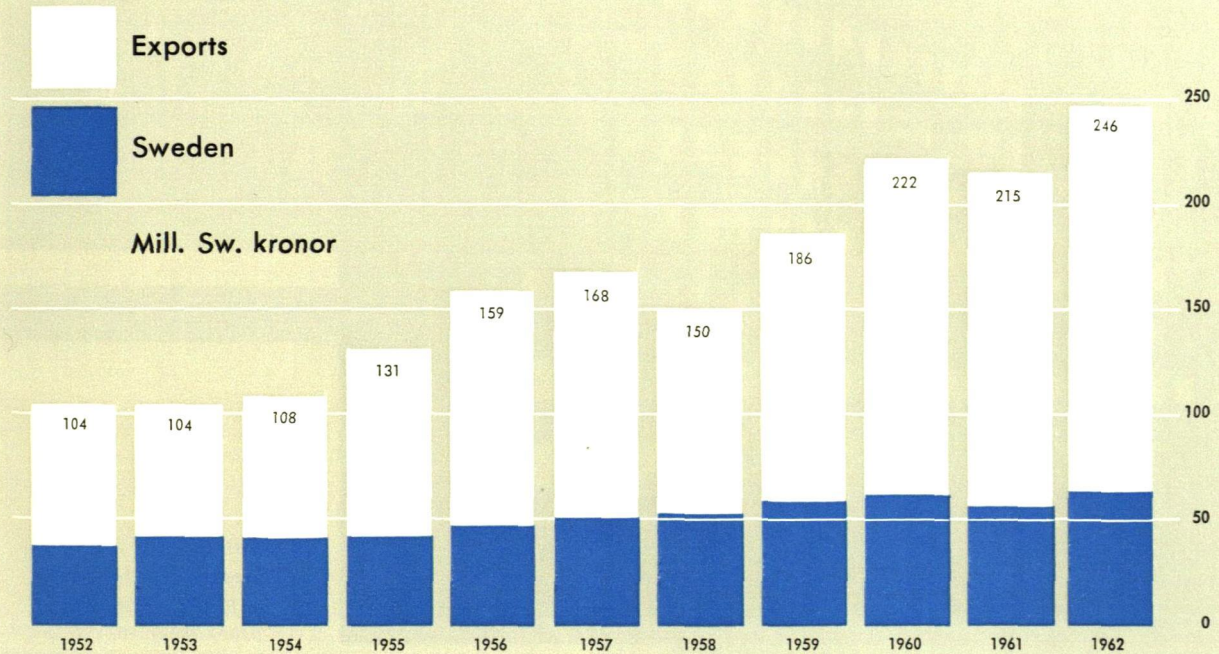
during the year. This is explained by the coal-mine crisis in Europe, particularly Western Germany, formerly our largest market for these machines. Great efforts have been made to win new markets and as a result orders have been received from mines in Canada and Rhodesia and from contractors in Norway and Brazil. In addition, large numbers of rubber-tyred loaders have been ordered for the Swedish market and for mines in Australia.

Sales of Sandvik tungsten-carbide tipped steels have increased considerably with, for instance, a large order for steels worth 2 million Kr. (£138,000) for the harbour under construction at Buchanan, Liberia.

Sales of paint-spraying equipment and small compressors have continued to increase during the year. Our leading markets in this field include Sweden, Holland, Italy and Norway. The Company has further developed its products for industrial finishing and our programme now includes high-pressure spray guns and paint circulating systems.

With increasing competition and a widening market, the Company has extended its sales organization and service activities. By means of methodical market surveys the need for compressed air equipment on differ-

The Parent Company's Invoiced Deliveries



ent markets is assessed. Through the well-developed Project Department and our organization in the field, the Company provides prospective and established customers with technical advice such as complete drilling patterns and carries out test drilling for power projects and tunnelling. Examples particularly worth mentioning are the Italian side of the Mont Blanc tunnel, the large Kaunertal power station project in Austria, and the Moselle waterway. In this way, by being able to offer not only equipment but also working methods, the Company has created confidence in its ability to provide customers with an over-all service and has earned valuable goodwill on many important markets. A concrete example of the value placed on the work of the Project Department is illustrated by the Gold Medal presented to the head of this Department by the contractors, Società Italiana per Condotte d'Acqua, after the break-through in the Mont Blanc tunnel.

Production and Employment

The increase in production that has been noted since 1959 has continued, although at a more subdued rate.

The Sirocco workshop, which was brought into service in the autumn of 1961, has not only provided valuable additional capacity but has contributed to improved financial results for 1962, in that more rational production methods have been possible. A tighter check on overheads has been made as part of the continued rationalization measures.

Production in the Group's other workshops in Sweden and abroad has, with one or two exceptions, continued to rise. Here also, extensive rationalization has been carried out.

Technical Development

The development of new products has proceeded according to plan in all sectors. A number of new stationary compressors have been introduced during the year. It is intended that they will replace successively the corresponding older types.

During the year a most successful introduction was made for a new series of high-efficiency pneumatic concrete breakers. The new rotary air tools introduced in 1961 have been supplemented by further types based



Entrance to the newly erected Headquarters' office building in Stockholm.

on the standardized component system introduced for these products. A new type of percussive wrench has also been developed and launched on the market.

The Company's work in technical research, which was reorganized just over a year ago, has now been further expanded and reinforced while research projects have largely been concentrated to a number of essential problems in the percussive tools sector. In this connection certain ergometric studies have been made to establish the constructional changes that can be carried out to reduce muscular fatigue when using these tools.

The research into noise problems undertaken in recent years resulted in 1962 in certain practical measures which are now being applied to tools fitted with silencers.

Finance and Administration

Major extensions to the Head Office and works office buildings at Sickla were completed during the year and it is these extensions that are mainly responsible for the increase in the value of buildings by 8 million Kr. (£552,000) as can be seen from the Balance Sheet.

A considerable increase in the value of shares and participating rights in subsidiaries is accounted for by a number of different measures. During the year the

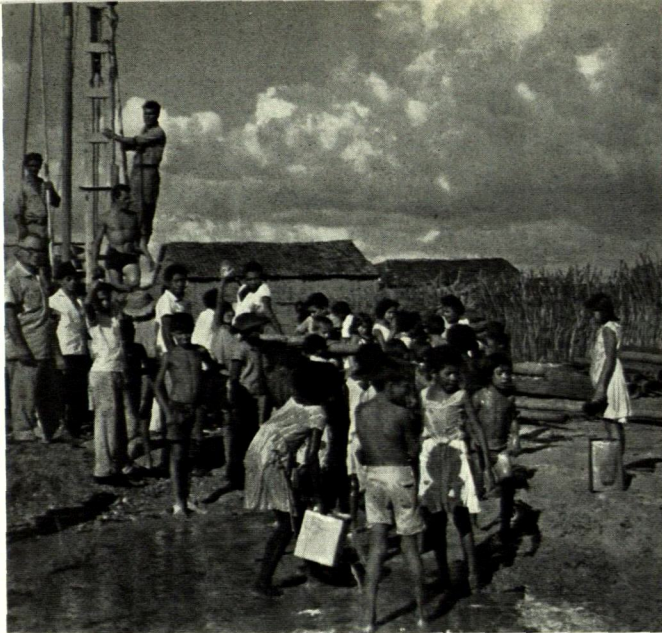
Company has acquired from Atlas Copco (Great Britain) Ltd. all shares, nominal value \$140,000, in Atlas Copco Inc., Paramus U.S.A., and all shares, nominal value £100,000, in Atlas Copco (Manufacturing) Ltd., Hemel Hempstead, for a total price of 2,667,000 Kr. (£184,000). The Company's claims on the English subsidiary have decreased by the same amount.

An option to buy all shares in Atlas Copco Italia S.p.A., Milan, has also been taken up during the year.

The Company has also subscribed for shares for a nominal sum of Ptas. 950,000 in a newly-formed manufacturing company in Madrid, Atlas Copco Industrial S.A.

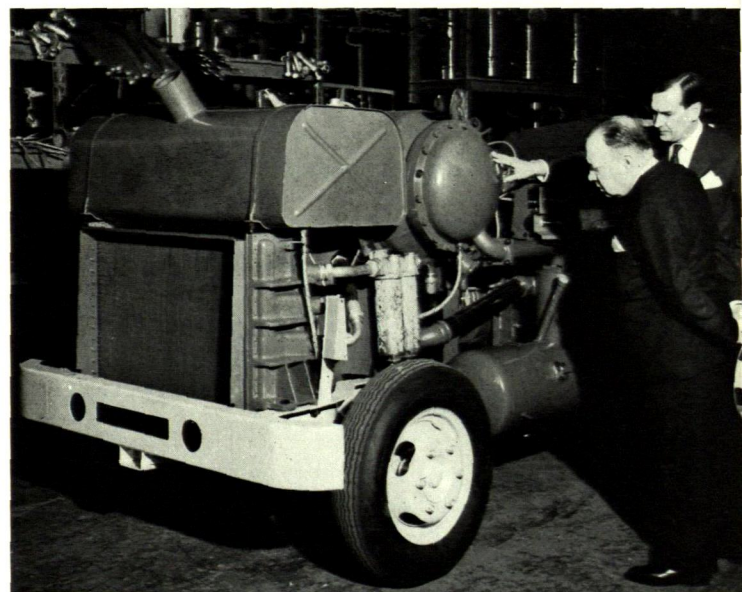
The capital of the Danish company has been increased by a new issue of 2 million Dan.Kr., that of the French company by an issue of 3 million Frs., that of the American by \$860,000, that of the Indian by 0.5 million Rs., that of the Belgian by 2.5 million Belg. Frs., and that of the German by DM 500,000. These have resulted in corresponding reductions in the claims of the Company on the respective subsidiaries.

The Dutch company has increased its share capital by Fl. 375,000 to Fl. 500,000 partly by a new issue of Fl. 300,000 and partly by a bonus issue of Fl. 75,000. The cash issue was subscribed for entirely by the Company, a corresponding reduction being made in its claims on the subsidiary.



A group within the Group. In 1960, the international Craelius Organization became part of the Atlas Copco Group. Specialists in diamond core drilling and equipment, Craelius also plays a leading role in the development of geophysical methods of exploration through its subsidiary company ABEM.

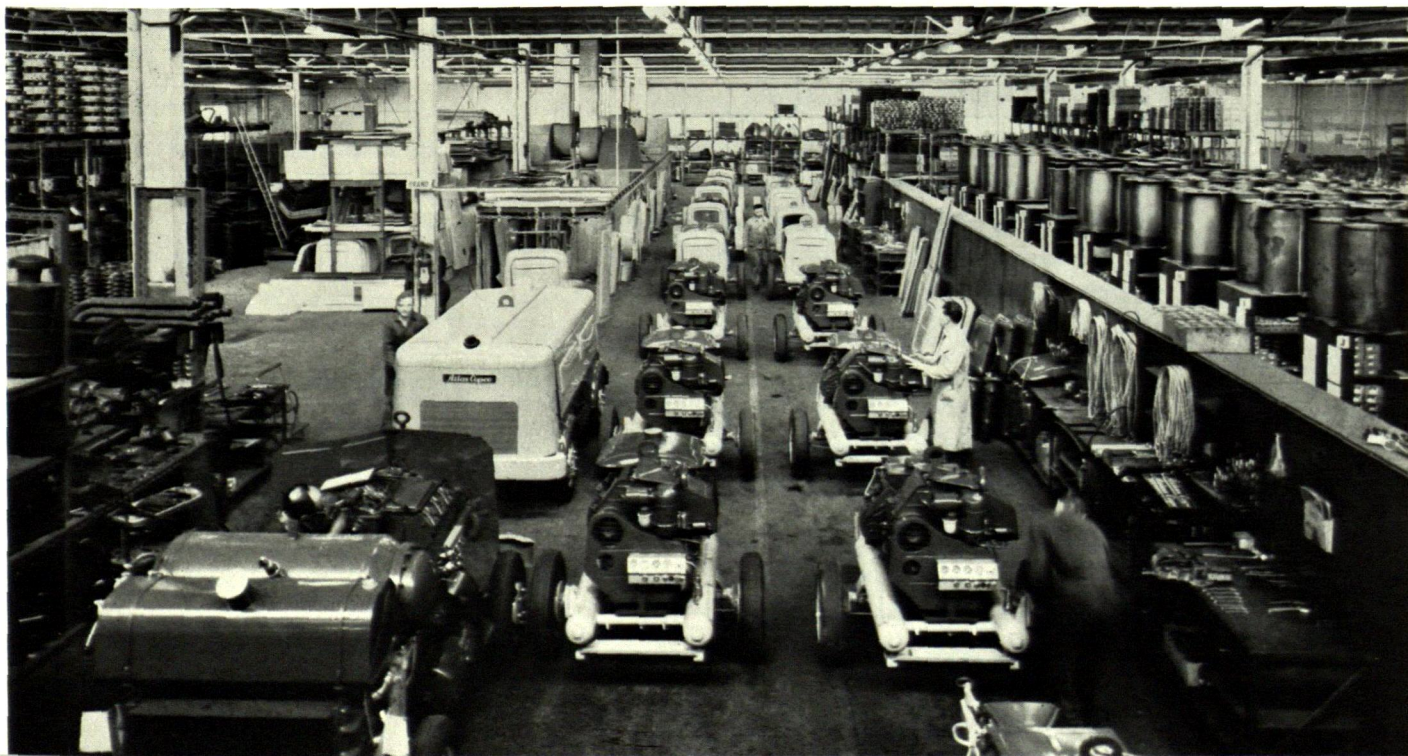
Drilling for water is another Craelius activity to the extent of more than a thousand boreholes a year. (Left) A hole is sunk and clean fresh water gushes to provide a new experience for villagers of São João de Piauí, northern Brazil.



Arpic Engineering at Antwerp, the Company's main international production centre for portable compressors, has rapidly become a show-place for Atlas Copco within the Common Market. A keen interest is taken in the development of Arpic's highly efficient production techniques by its Chairman of the Board Henri Philippe Crombé, Managing Director of the Banque de la Société Générale de Belgique.

M. Crombé inspects a rotary screw compressor on a recent visit to the centre (right).

Interior of the Arpic works showing the assembly line for portable compressors (below).



The following increases in share capital have been made by bonus issues: Injector Company AB, Stockholm, from 3.5 million Kr. to 5.0 million Kr.; Arpic Engineering S.A., Antwerp, from Belg. Frs. 55 million to Belg. Frs. 82.5 million; Atlas Copco Industrial Paulista S.A., São Paulo, from Cruz. 70 million to Cruz. 100 million; Atlas Copco Chilena S.A.C., Santiago, from Esc. 70,000 to Esc. 400,000; Atlas Copco Maroc S.A., Casablanca, from Dirh. 400,000 to Dirh. 800,000; Atlas Copco A/S, Oslo, from Norw. Kr. 2.1 million to Norw. Kr. 3.0 million.

The Company has sold its holdings in Injector-Hesselman AB.

The considerable increase in contingent liabilities has mainly been due to the way in which certain foreign subsidiaries have been able to obtain local bank loans on the guarantee of the Parent Company.

On April 1st, 1963, the Company will issue at par, through the Stockholms Enskilda Bank, Mortgage Bonds for 15 million Kr. at 4¾ % maturing after twenty years, and Debentures for 25 million Kr. at 5½ % maturing after fifteen years.

Factory and Office Buildings are insured against fire risks for 42.6 million Kr. (£2,940,000), Housing Properties for 2.0 million Kr. (£138,000) and Machinery, Furniture, Fittings and Vehicles for 58.0 million Kr. (£4,000,000). The taxation values of the Factory and Office Premises are 20.4 million Kr. (£1,410,000) and for Housing Properties 0.7 million Kr. (£48,000). The new buildings mentioned in this report have not yet been assessed for tax.

The average number of industrial employees during the year was 1326 as compared with 1391 in 1961. Administrative personnel have increased from an average of 911 in 1961 to 935 in 1962. During the financial year 0.9 million Kr. (£62,000) was paid to the Board of Directors, the Managing Director and the Senior Executives. Payment of 21.7 million Kr.

(£1,500,000) was made to industrial employees and 23.7 million Kr. (£1,630,000) to the staff.

Depreciation on Buildings, Machinery, Furniture and Fixtures has been set aside on an unchanged basis.

In the year's accounts, the Board has found it advisable to write down the inventory value to a somewhat larger extent than was the case for the previous year.

The Year's Result

Thanks to the increase in invoicing, the Company in 1962 attained a gross profit in excess of that for 1961. The improved sales results have, on the other hand, been counteracted to a certain extent by increased overheads, mainly as a result of higher wages, so that the profit from operations shows a relatively modest improvement. In view of the uncertainty that appeared in 1962 as to international business levels and in view of the current stiffening of competition, this development must be regarded as less than satisfactory. Continued rationalization is therefore called for throughout the Company's entire activities. The Company's great dependence on demands from abroad makes it particularly sensitive to any unfavourable development of costs in Sweden.

Practically all the Company's subsidiaries, both Swedish and foreign, have shown satisfactory results. An increase in dividends from some subsidiaries is shown in the Profit and Loss Account.

The Balance Sheets as at December 31st, 1962, for Atlas Copco Svenska Försäljnings AB (formerly Tryckluft AB Atlas Copco), Svenska Diamantbergborrnings AB, Injector Company AB, AB Avos, AB Eccoverken and AB Sicklahus are appended.

The disposable profit according to the appended Consolidated Balance Sheet amounts to 73,692,000 Kr. (£5,082,000).

Appropriation of profits

Further details as to 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 these accounts unappropriated earnings from

the previous year amounted to	Kr.	3,897,723
To which should be added the net profit for the year	„	12,383,007*
Total at the disposal of the shareholders in general meeting	Kronor	16,280,730

The Board of Directors and the Managing Director propose that unappropriated earnings be distributed

by paying a dividend of 3 Kr. per share, totalling	Kr.	9,198,000
Leaving a balance to be carried forward of	„	7,082,730

Kronor 16,280,730

* Profit for the year £854,000.



Loading underground in a Canadian mine. With the outstanding success of the Company's loader sales in Canada—more than doubled in 1962—Atlas Copco, during the past two years, has secured by far the largest share of the total number of loaders sold to mines in this competitive market.

Balance Sheet

ASSETS	1962	1961
<i>Fixed Assets</i>	Kronor	
Land	1,335,590	1,251,812
Factory and Office Buildings	30,274,688	22,237,042
Less: Accumulated Depreciation	9,854,748	9,100,492
	<u>20,419,940</u>	<u>13,136,550</u>
Dwellings	1,725,469	1,725,469
Less: Accumulated Depreciation	694,237	675,405
	<u>1,031,232</u>	<u>1,050,064</u>
Machinery, Furniture and Fixtures	42,036,407	38,559,250
Less: Accumulated Depreciation	33,802,491	30,701,737
	<u>8,233,916</u>	<u>7,857,513</u>
Installation and plant under construction	638,875	2,550,179
	<u>31,659,553</u>	<u>25,846,118</u>
<i>Investments in Subsidiaries and Other Companies</i>		
Shares and Participating Rights in Subsidiaries	75,460,015	64,762,516
Shares and Participating Rights in Other Companies	3,519,371	3,519,371
Advances to Subsidiaries	7,414,572	10,606,812
„ „ Other Companies	41,960,426	43,479,748
	<u>128,354,384</u>	<u>122,368,447</u>
<i>Current Assets</i>		
Raw materials, Finished and Semi-Finished Products	50,055,259	52,592,962
Short-Term Advances to Subsidiaries	11,102,515	16,114,205
Accounts Receivable from Customers	6,865,548	6,446,811
Other Accounts Receivable	1,471,235	1,619,427
Acceptances	3,460,293	2,097,493
Cash in Hand and at Banks	995,481	255,142
	<u>73,950,331</u>	<u>79,126,040</u>
<i>Pledged Assets</i>		
	1962	1961
Mortgages on Land and Buildings	8,058,750	8,058,750
Chattel Mortgages	13,100,000	13,100,000
Other Pledged Assets	27,284,052	1,085,710
	<u>48,442,802</u>	<u>22,244,460</u>
	Kronor	
	<u>233,964,268</u>	<u>227,340,605</u>

as at 31st December, 1962

LIABILITIES	1962	1961
	Kronor	
<i>Capital, Reserves and Surplus</i>		
Share Capital	76,650,000	76,650,000
Legal Reserve Fund	40,830,000	40,830,000
General Reserve	5,000,000	4,416,820
	<u>122,480,000</u>	<u>121,896,820</u>
Surplus		
Profit brought forward	13,678,903	12,369,190
Less:		
Dividend	9,198,000	9,198,000
Appropriation to General Reserve	583,180	—
	<u>3,897,723</u>	<u>3,171,190</u>
Profit for the Year	12,383,007	10,507,713
	<u>16,280,730</u>	<u>13,678,903</u>
	<u>138,760,730</u>	<u>135,575,723</u>
<i>Contingency Reserve</i>	<u>4,000,000</u>	<u>2,000,000</u>
<i>Building Investment Fund</i>	<u>1,143,137</u>	<u>1,143,137</u>
<i>Long-Term Liabilities</i>		
Atlas Copco AB's Pension Foundation Reserves	13,495,500	13,301,770
Mortgage Loans	203,050	207,050
Promissory Notes	17,867,518	17,554,518
	<u>31,566,068</u>	<u>31,063,338</u>
<i>Short-Term Liabilities</i>		
Accounts Payable to Suppliers	8,255,197	7,618,822
Bills Payable	21,523,467	22,034,679
Prepayments from Customers	147,090	25,347
Due to Subsidiaries	11,576,331	9,745,393
Sundry Accounts Payable	10,027,060	6,895,710
Employees' Preliminary Taxes	2,276,828	2,405,695
Unpaid and Estimated Taxes	3,257,742	1,849,859
Bank Loans	1,430,618	6,982,902
	<u>58,494,333</u>	<u>57,558,407</u>
<i>Contingent Liabilities</i>		
	1962	1961
Bills Discounted	17,587,461	24,160,938
Other Contingent Liabilities	74,446,195	43,311,744
Pensions disbursed in accordance with Swedish Company Law § 101:7	162,246	157,963
	<u>92,195,902</u>	<u>67,630,645</u>
	<u>Kronor 233,964,268</u>	<u>227,340,605</u>

Profit and Loss Account for the Year 1962

	1962	1961
	Kronor	
<i>Gross Operating Profit</i>	37,921,993	35,935,829
<i>General Administrative Expenses</i>	8,550,750	7,456,605
	<u>29,371,243</u>	<u>28,479,224</u>
 <i>Depreciation</i>		
Buildings	776,468	571,079
Machinery, Furniture and Fixtures	3,557,405	3,321,814
	<u>4,333,873</u>	<u>3,892,893</u>
 <i>Interest Received, etc.</i>		
Interest Received from Subsidiaries	879,065	406,429
" " " Other Companies	485,108	651,274
Dividends from Subsidiaries	3,947,867	3,403,861
" " Other Companies	265,000	6,080
	<u>5,577,040</u>	<u>4,467,644</u>
 <i>Interest Paid</i>		
Interest Paid to Subsidiaries	21,898	69,190
Other Interest Paid	7,009,505	7,277,072
	<u>7,031,403</u>	<u>7,346,262</u>
 <i>Other Expenditures</i>		
Appropriation to Contingency Reserve	<u>2,000,000</u>	<u>2,000,000</u>
 <i>Profit before taxes</i>	21,583,007	19,707,713
<i>Taxes</i>	9,200,000	9,200,000
	<u>12,383,007*</u>	<u>10,507,713</u>

Nacka, 18th March, 1963

M. Wallenberg

Nils von Steyern

Ove Borlind

Marc Wallenberg Jr

Tore Nilson

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 Public Accountant

Wilhelm Moberg

* Net profit for the Year £854,000

List of Shares and Participating Rights as at 31 st December 1962

Shares and Participating Rights in Subsidiary Companies			Kronor
111,479 shares @	Kr. 100 each in Svenska Diamantbergborrnings AB	Stockholm	41,427,000
8,000 shares @	Kr. 250 each in AB Avos	Örebro	3,062,000
20,000 shares @	Kr. 100 each in AB Eccoverken	Skara	1,970,000
50,000 shares @	Kr. 100 each in Injector Company AB	Stockholm	3,500,000
2,000 shares @	Kr. 100 each in AB Sicklahus	Nacka	200,000
10,000 shares @	Kr. 100 each in Atlas Copco Svenska Försäljnings AB	Nacka	1,000,000
54,500 shares @	Belg. Frs. 1,500 each in Arpic Engineering S.A.	Antwerp	8,045,000
99,998 shares @	£1 each in Atlas Copco (Manufacturing) Ltd.	Hemel Hempstead	2,023,000
2,997 shares @	Dan. Kr. 1,000 each in Atlas Copco A/S	Copenhagen	2,247,000
650,640 shares @	R0.50 each in Delfos & Atlas Copco (Pty.) Ltd.	Benoni	1,315,000
99,994 shares @	Cruz. 1,000 each in Atlas Copco Industrial Paulista S.A.	São Paulo	381,000
1,200 shares @	Rs. 1,000 each in Atlas Copco (India) Private Ltd.	Bombay	1,295,000
95 shares @	Ptas. 10,000 each in Atlas Copco Industrial S.A.	Madrid	82,000
1,400 shares @	U.S. \$100 each in Atlas Copco, Inc.	Paramus	5,090,000
12,470 shares @	Frs. 400 each in Atlas Copco France S.A.	Saint Cloud	3,158,000
500 shares @	Fl. 1,000 each in Atlas Copco Holland N.V.	Rotterdam	562,000
45,000 shares @	Lire 10,000 each in Atlas Copco S.p.A.	Milan	103,000
299 part. rts @	Drs. 10,000 each in Atlas Copco Greece Ltd.	Athens	1
190 part. rts @	Col. Pes. 100 each in Atlas Copco Colombiana Ltda.	Bogota	1
7,494 shares @	Belg. Frs. 1,000 each in Atlas Copco Belgique S.A.	Brussels	1
940 shares @	Dirh. 800 each in Atlas Copco Maroc	Casablanca	1
994 part. rts @	Kat. Frs. 1,000 each in Atlas Copco Congo S.P.R.L.	Elisabethville	1
999 part. rts @	DM 1,000 each in Deutsche Atlas Copco GmbH	Essen	1
30,000 shares @	F. Mk. 1,000 each in OY Atlas Copco AB	Helsinki	1
99,996 shares @	£1 each in Atlas Copco (Great Britain) Ltd	Hemel Hempstead	1
940 shares @	Turk. £500 each in Atlas Copco Ticaret ve Sanayi T.A.S.	Istanbul	1
497 part. rts @	Esc. 1,000 each in Sociedade Atlas Copco de Portugal, Lda	Lisbon	1
998 shares @	£1 each in Atlas Diesel Company Ltd.	London	1
1,500 shares @	Ptas. 500 each in Atlas Copco S.A.E.	Madrid	1
300 shares @	Norw. Kr. 10,000 each in Atlas Copco A/S	Oslo	1
400,000 shares @	Escudos 1 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
			Kronor 75,460,015

Shares and Participating Rights in Other Companies			Kronor
5,460 shares @	Aust. Sch. 1,000 each in Strager Maschinenfabrik A/G	Vienna	1,892,000
4,000 shares @	Kr. 100 each in Atlas Copco Finans AB	Stockholm	406,370
	Parts corresponding to 6/28 of the capital of Kr. 2,100,000 in The Swedish Lamco Syndicate, Trafik AB Grängesberg-Oxelösund & Co	Stockholm	450,000
7,050 shares @	Kr. 100 each in SILA	Stockholm	705,000
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 MIDEC Consortium, Allmänna Svenska Elektriska AB & Co	Stockholm	12,000
2 shares @	Kr. 500 each in Tekniska Röntgencentralen AB	Stockholm	1
			Kronor 3,519,371

Auditors' Report

In our capacity of auditors to ATLAS COPCO AKTIEBOLAG we hereby submit the following report for the year 1962.

We have examined the Annual Report, studied the accounts, the minutes and other documents containing information as to the financial position and the management of the corporation, and made such other inquiries as we considered necessary.

The detailed checking of the records has been carried out by the Corporation's internal audit department who have reported to us on their examination.

The provisions of the Corporation Act concerning shareholdings and group reporting have been complied with.

In the course of the audit there appeared no reason for remarks to be made upon the Annual Report, the book-keeping or the verification of assets, or upon the management.

The Board of Directors and the Managing Director propose that the profits according to the balance sheet be appropriated as follows:

Dividend to Shareholders of Kr. 3.00	
per Share	Kr. 9,198,000
Carried forward	„ 7,082,730
	<hr/>
	Kronor 16,280,730

This proposal does not conflict with the provisions of the Corporation Act concerning appropriations to legal reserves or with sound business practice.

We recommend:

that the balance sheet as at 31st December 1962, included in the Annual Report and signed by us, be adopted,

that the profits be appropriated as proposed above, and

that the Board of Directors and the Managing Director be granted discharge from liability for their management for the period covered by the annual report.

Stockholm, 28th March, 1963

Ebbe Rybeck

Authorized Public Accountant

Wilhelm Moberg

Consolidated Balance Sheet — as at 31st December, 1962

The Atlas Copco Group of Companies

ASSETS	1962	1961
<i>Fixed Assets</i>		1,000 Kr.
Land and Buildings	80,210	71,007
Machinery, Furniture and Fixtures	34,900	35,405
Shares	3,558	4,583
Other Investments	41,961	43,480
	<hr/>	<hr/>
<i>Current Assets</i>	160,629	154,475
Stocks and Work in Progress	256,395	235,190
Shares and Bonds	299	166
Accounts Receivable	129,125	111,656
Acceptances	10,868	10,274
Cash in Hand and at Banks	26,040	19,942
	<hr/>	<hr/>
	422,727	377,228
	<hr/>	<hr/>
	1,000 Kr. 583,356	531,703
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LIABILITIES		
<i>Capital, Reserves and Surplus</i>		
Share Capital	76,650	76,650
Legal Reserves	52,577	51,721
General Reserve	5,000	4,417
Profit Brought Forward	50,663*	45,360
Profit for the Year	23,029*	21,596
	<hr/>	<hr/>
	207,919	199,744
<i>Investment Funds</i>	1,643	1,643
<i>Group Contingency Reserve</i>	57,409	41,464
<i>Minority Holdings</i>	1,579	1,494
<i>Long-Term Liabilities</i>		
Mortgage Loans and Other Long-Term Debts	34,640	35,562
Employees' Pension Foundations	33,737	32,999
<i>Short-Term Liabilities</i>	68,377	68,561
Accounts Payable to Suppliers etc.	65,381	62,479
Bills Payable	101,267	103,232
Customers' Prepayments	4,027	3,091
Provision for Taxes	12,582	10,835
Bank Overdrafts	63,172	39,160
	<hr/>	<hr/>
	246,429	218,797
<i>Pledged Assets</i>	83,741	53,401
<i>Contingent Liabilities</i>		
Bills Discounted	16,845	15,173
Other Contingent Liabilities	24,699	22,285
	<hr/>	<hr/>
	1,000 Kr. 583,356	531,703
	<hr/>	<hr/>

Nacka, 18th March, 1963

K.-A. Belfrage

Presented to the Auditors on 28th March, 1963

Ebbe Rybeck

Wilhelm Moberg

* Profit Brought Forward £3,494,000

Profit for the Year 1962 £1,588,000

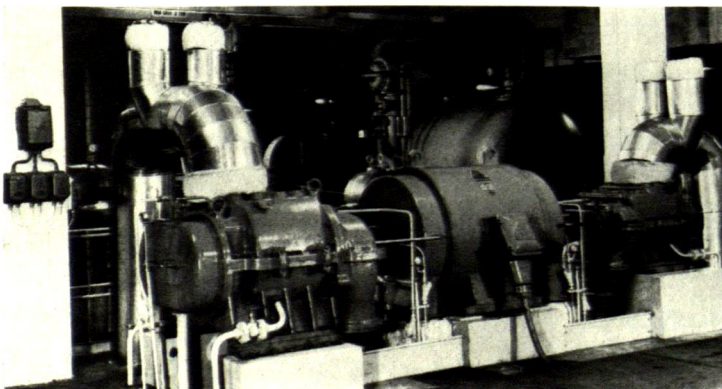
Disposable Profit £5,082,000



Atlas Copco round the world

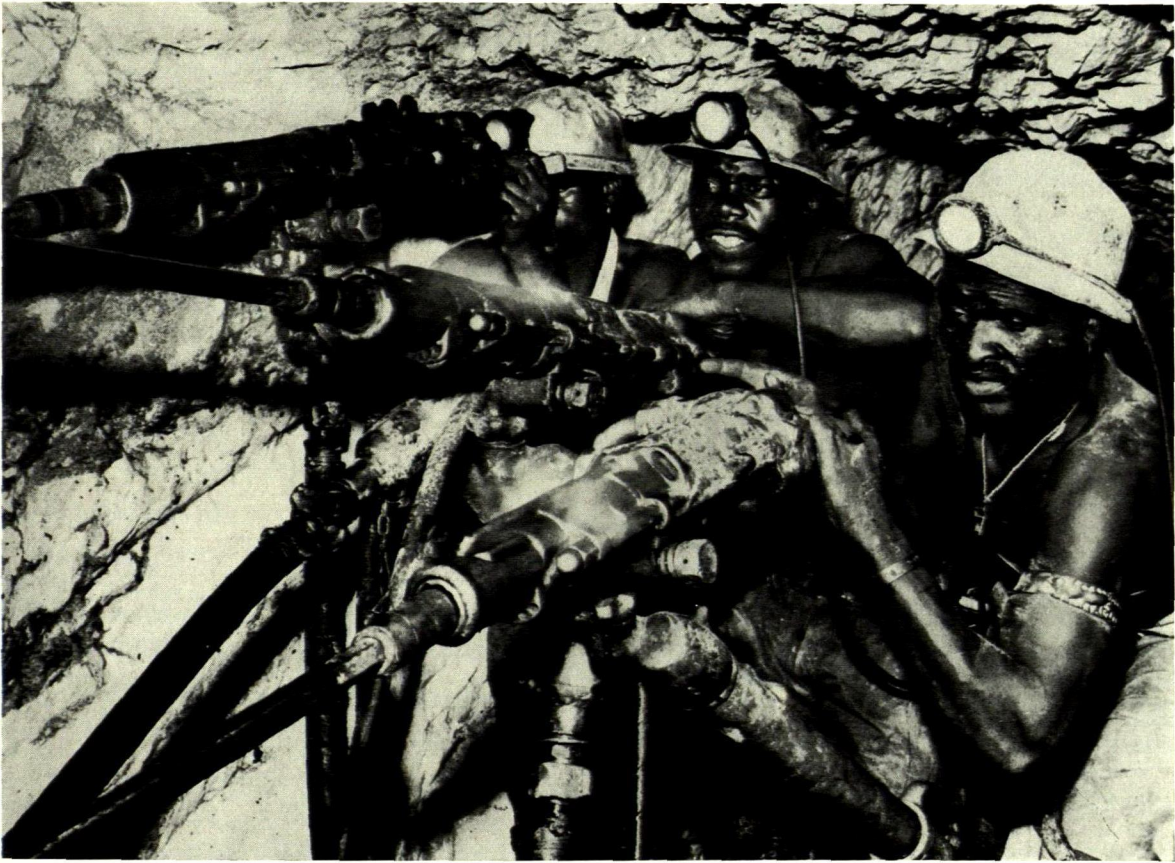


Above: The Aswan High Dam—the most ambitious project in the history of the development of the Nile valley—will provide more than one and a half million acres of extra land for cultivation plus vast electric power. Portable compressors and wagon drills are included in the Company's equipment used by the Egyptian contractor, Osman Ahmed Osman.



Centre: Contestants at the Goldfields Rock-Drilling Championship, Kalgoorlie. Atlas Copco equipment brought home both winner and runner-up of this spectacular event sponsored by the Western Australian Chamber of Mines.

Bottom: Glass-blowing with compressed air. Installed four years ago at Surte Glassworks, Sweden, this rotary screw compressor has since been working twenty-four hours a day forming glass containers.



Tunnelling towards a world record. With hard rock temperatures around 42°C, drill crews at South Africa's Loraine Gold Mine drove a record 2317 ft in 27 days using Atlas Copco rock drills and Sandvik Coromant tungsten-carbide tipped steels. Our loaders also played an important part in this achievement.

Compressed air at work on the world's largest island. Spread along Greenland's coasts, our Danish Company's largest consignment of VT portable compressors as well as drilling equipment are playing a vital part in the island's current expansion of their fishing and canning industries involving a variety of projects such as road and harbour construction.



Balance Sheets for Swedish Subsidiaries

as at 31st December, 1962

ATLAS COPCO
SVENSKA FÖRSÄLJNING AB
(Swedish Sales Company)

ASSETS		Kr.
Fixed Assets	3,263,861	
Current Assets	30,722,844	
	Kr.	<u>33,986,705</u>

LIABILITIES		Kr.
Share Capital	1,000,000	
Reserves and Surplus	3,428,288	
Long-Term Liabilities	1,817,917	
Short-Term Liabilities	27,740,500	
	Kr.	<u>33,986,705</u>

SVENSKA
DIAMANTBERGBORRNINGS AB
(Craelius)

ASSETS		Kr.
Fixed Assets	18,197,281	
Current Assets	19,978,003	
	Kr.	<u>38,175,284</u>

LIABILITIES		Kr.
Share Capital	11,250,000	
Reserves and Surplus	7,492,918	
Long-Term Liabilities	14,686,989	
Short-Term Liabilities	4,745,377	
	Kr.	<u>38,175,284</u>

AB AVOS

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

ASSETS		Kr.
Fixed Assets		2,031,235
Current Assets		7,215,856
	Kr.	<u>9,247,091</u>

LIABILITIES		Kr.
Share Capital		2,000,000
Reserves and Surplus		1,715,769
Long-Term Liabilities		4,185,272
Short-Term Liabilities		1,346,050
	Kr.	<u>9,247,091</u>

INJECTOR COMPANY AB

ASSETS		Kr.
Fixed Assets		4,055,900
Current Assets		7,701,651
	Kr.	<u>11,757,551</u>

LIABILITIES		Kr.
Share Capital		5,000,000
Reserves and Surplus		1,620,257
Investment Fund		500,000
Long-Term Liabilities		2,775,720
Short-Term Liabilities		1,861,574
	Kr.	<u>11,757,551</u>

AB ECCOVERKEN

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

ASSETS		Kr.
Fixed Assets		2,650,306
Current Assets		3,792,652
	Kr.	<u>6,442,958</u>

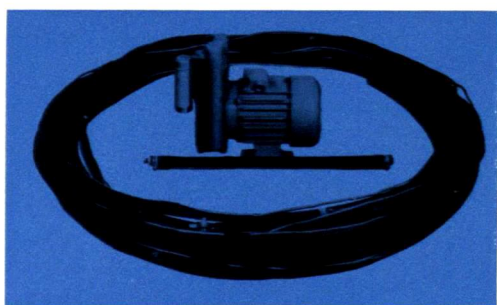
LIABILITIES		Kr.
Share Capital		2,000,000
Reserves and Surplus		1,233,076
Long-Term Liabilities		1,838,899
Short-Term Liabilities		1,370,983
	Kr.	<u>6,442,958</u>

AB SICKLAHUS

(Real estate company)

ASSETS		Kr.
Fixed Assets		9,701,520
Current Assets		84,180
	Kr.	<u>9,785,700</u>

LIABILITIES		Kr.
Share Capital		200,000
Reserves and Surplus		8,982
Long-Term Liabilities		9,406,677
Short-Term Liabilities		170,041
	Kr.	<u>9,785,700</u>

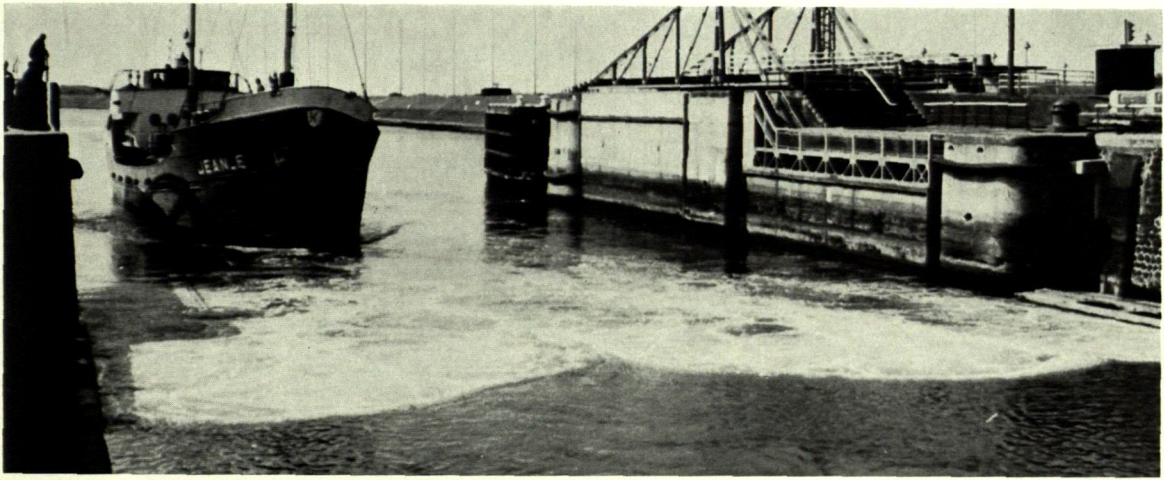


Air bubbles hold back the ice . . .

Minus 35°C—and compressed air brings the warmer bottom waters to the surface as Atlas Copco's Bubbler System helps keep a timber bundling bay in central Sweden free from the grip of ice (above).

The "package-unit" (left) with its small compressor and perforated hose, ensures ice free "living" room for bird life (below). In Belgium and Holland the Bubbler System has saved thousands of migratory birds from the recent freeze.





... and guard Holland's fresh water

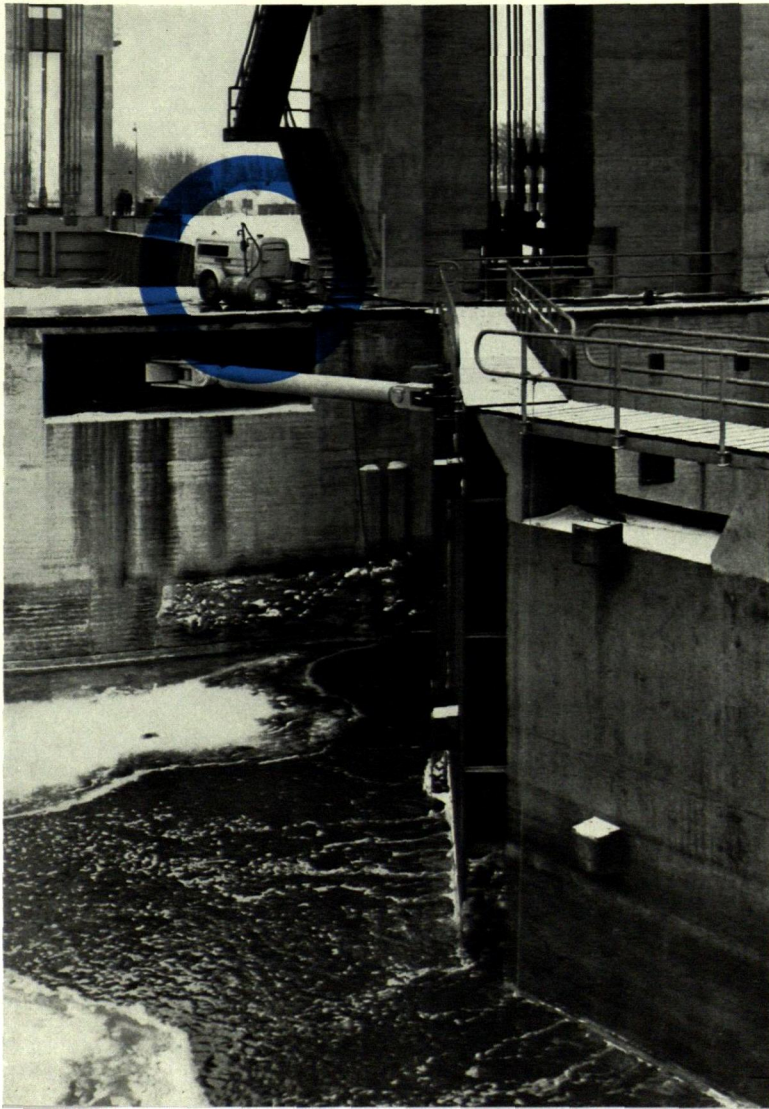
With the saline pollution of Holland's drinking water an acute national problem, the Company's Bubbler System has brought new hope to engineers in their struggle to stop salt infiltrating through to their underground sources of fresh water.

At Terneuzen, engineers of the Rijkswaterstaat "laid" a curtain of air bubbles across the entrance to the main lock gates. Tests proved that this method will stem the yearly influx of thousands of tons of salt due to constant traffic through the locks.

Top: A cargo ship passes through the bubbler curtain laid by six VT compressors via a perforated hose at the bottom of the lock basin.

Centre: A sensometer is used to measure saline content to determine the amount of high-density sea water brought into the locks.

Left: During the recent big freeze the Bubbler System enabled ice-free operation of the big boom at Capelle-aan-de-IJssel, lowered as seawater drove far inland to taint Rotterdam's sources of fresh water—partially blocked by pack-ice on the Rhine.





The final breakthrough 8,200 feet under the ice-capped granite of Mont Blanc. On August 14th, 1962, tunnellers on the French side fired the round that brought them through to the waiting Italians—a moment that culminated nearly four years of collaboration between the Italian contractor, Società Italiana per Condotte d'Acqua, and Atlas Copco.

Atlas Copco

puts compressed air to work for the world

NORTH AMERICA

Canada: Atlas Copco Canada Ltd., *Montreal, P.Q.*
Mexico: Atlas Copco Mexicana, S.A., *México, D.F.*
U.S.A.: Atlas Copco, Inc., Eastern Division, *Paramus, N.J.*
U.S.A.: Atlas Copco, Inc., Pacific Division, *San Carlos, California*

CENTRAL AMERICA

Costa Rica: El Gallito Comercial, Ltda., *San José*
El Salvador: Keilhauer, Pagram & Cia., Ltda., Suc., *San Salvador*
Guatemala: Juan U. Maegli y Cia. Ltda., *Guatemala City*
Haiti: Caribbean Trading Co. S.A., *Port-au-Prince*
Honduras: Casa Comercial Mathews, S.A., *Tegucigalpa, D.C.*
Jamaica, W.I.: Jamaica Tractor & Equipment Co., *Kingston*
Netherlands Antilles: Próspero Baiz & Co. Inc., *Curaçao*
Nicaragua: Atlas Copco Colombiana Ltda, *Bogotá, Colombia*
Panama: Cardoze & Lindo S.A., *Panamá*
Puerto Rico: Atlas Copco Colombiana Ltda., *Bogotá, Colombia*
Trinidad and Tobago: Sandbach Trinidad Ltd., *Port-of-Spain*

SOUTH AMERICA

Argentina: Itec S.A., *Buenos Aires*
Bolivia: Johansson & Cia. S.A., *La Paz*
Brazil: Atlas Copco Brasileira S.A., *São Paulo*
Brazil: Atlas Copco Industrial Paulista S.A., *São Paulo*
British Guiana: Wieting & Richter Ltd., *Georgetown*
Chile: Atlas Copco Chilena S.A.C., *Santiago de Chile*
Colombia: Atlas Copco Colombiana Ltda., *Bogotá*
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*

Peru: Atlas Copco Peruana S.A., *Lima*
Surinam: N.V. Ingenieursbureau H.N. van Dijk, *Paramaribo*
Uruguay: Regusci y Voulminot Ingenieros S.A., *Montevideo*
Venezuela: Sánchez & Cia S.A., *Caracas*
Venezuela: State of Bolivar: Orinoco Supply Service C.A., *Puerto Ordaz, Estado Bolívar*

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*
Luxemburg: Atlas Copco Belgique S.A., *Luxemburg*
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: Atlas Copco Svenska Försäljnings AB, *Stockholm*
Sweden: AB Avos, *Örebro*
Sweden: AB Eccoverken, *Skara*
Sweden: Injector Company AB, *Stockholm*
Sweden: Craelius (Svenska Diamantbergborrnings AB), *Stockholm*
Switzerland: Notz & Co. A.G., *Biel*

Turkey: Atlas Copco Ticaret ve Sanayi T.A.S., *Istanbul*
Yugoslavia: Univerzal, *Belgrade*

MIDDLE EAST AND AFRICA

Algeria: Atlas Copco France S.A., *Algiers*
Angola: Blackwood Hodge (Angola) Lda., *Luanda*
Comoro Islands: Sté Industrielle & Commerciale de l'Émyrne, *Tananarive*
Congo: Atlas Copco Congo S.P.R.L., *Elisabethville*
Cyprus: Atlas Copco (Cyprus) Ltd., *Nicosia*
Egypt: Swedish Industries Information Office, *Cairo*
Eritrea: Seferian & Co. (Eritrea) Ltd., *Asmara*
Ethiopia: Seferian & Co. (Ethiopia) Ltd., *Addis-Ababa*
Ghana: Paterson, Simons & Co. (West Africa) Ltd., *Accra*
Iran: Irano Swedish Co. AB, *Tebran*
Iraq: F.A. Kettaneh & Co., *Baghdad*
Jordan: F.A. Kettaneh & Co. Ltd., *Amman*
Kenya, Tanganyika, Uganda, Zanzibar: Twentsche Overseas Trading Co. Ltd. in *Nairobi, Dar-es-Salaam, Kampala and Zanzibar*, respectively
Kuwait: General Transportation Enterprises, *Kuwait*
Lebanon: Étis, F.A. Kettaneh S.A., *Beirut*
Liberia: Liberia Tractor & Equipment Company, *Monrovia*
Libya: Automotive and Engineering Co., *Tripoli*
Madagascar: Sté Industrielle & Commerciale de l'Émyrne, *Tananarive*
Morocco: Atlas Copco Maroc, *Casablanca*
Mozambique: Empresa de Comércio Sul-Africana Lda., *Lowrenço Marques*
Nigeria: R.T. Briscoe (Nigeria) Ltd., *Lagos*
Qatar: Arab Commercial Enterprises, *Doha*
Réunion: Sté Industrielle & Commerciale de l'Émyrne, *Tananarive*
Rhodesia: Atlas Copco Rhodesia (Private) Ltd., *Salisbury*
Saudi Arabia: General Contracting Company, *Al Khobar*
South Africa: Delfos & Atlas Copco (Pty.) Ltd., *Benoni*
Transvaal

Sudan: Boxall Engineering Ltd., *Khartoum*
Syria: Technical Supplies & Trading Co., *Aleppo*
Trucial Coast: General Transportation Enterprises, *Abu Dhabi*
Tunisia: Union Générale, Filiale de la Sté Tunisienne des Banques, *Tunis*

FAR EAST

Afghanistan: Indamer Afghan Industries Inc., *Kabul*
British North Borneo, Brunei, Sarawak: Jardine Waugh (B) Ltd., in *Jesselton, Brunei Town and Kuching*, respectively
Burma: Burma Asiatic Company Ltd., *Rangoon*
Cambodia: Denis Frères, S.A., *Phnom-Penh*
Ceylon: Equipment and Construction Company Ltd., *Colombo*
Goa: Agencia E. Sequeira, *Campal, Goa, India*
Hong Kong: The China Engineers, Ltd., *Hong Kong*
India: Atlas Copco (India) Private Limited, *Bombay and Poona*
Indonesia: P.N. Budi Bhakti, *Djakarta*
Japan: Gadelius & Co., Ltd., *Tokyo*
Korea: U Young Industrial Co. Ltd., *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*
Singapore: Jardine Waugh (Singapore) Ltd., *Singapore*
Taiwan: Taiwan Trading Corporation Federal Inc. U.S.A., *Taipei*
Thailand, Laos: Diethelm & Co., Ltd., *Bangkok, Thailand*
Vietnam: Société Anonyme pour le Riz et l'Industrie, *Saigon*

AUSTRALASIA 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*



Forces that drive — air power builds ships at Burmeister & Wain

Atlas Copco