

Atlas Copco has agreed to divest its road construction equipment business

Stockholm, Sweden, January 19, 2017: Atlas Copco, a leading provider of sustainable productivity solutions, has agreed to sell its Road Construction Equipment division to French industrial and construction company Fayat Group.

The reason for the decision to divest the business is that the division does not have the economies of scale to become number one or two in this market segment.

“We have taken a lot of steps over the past years to improve the efficiency of the business, install lean production structures, innovate the product portfolio, and we have strived for improved profitability,” said Andrew Walker, President for the Construction Technique business area. *“We believe we have found a good owner in Fayat Group that can develop the business further.”*

The deal includes sales and service operations in 37 countries and production units in five countries; Sweden, Germany, Brazil, India and China. The business has 1 265 employees and revenues of approximately MSEK 2 900 (MEUR 309) in 2016.

The divestment is subject to regulatory approvals and is expected to be completed during the second quarter 2017.

The divestment will result in a loss of approximately BSEK 2 (BEUR 0.2), primarily related to impairment of intangible assets. The two parties have agreed not to disclose the purchase price.

In Atlas Copco Group accounts, the divested business will be accounted for as discontinued operations as from 2016 accounts.

Atlas Copco’s Road Construction Equipment division, part of the Construction Technique business area, manufactures rollers for asphalt and soil applications, planers and pavers. The products are sold under the Dynapac trade name. Atlas Copco has since the acquisition of Dynapac in 2007 integrated light compaction and concrete products into other divisions in the business area.

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This information is information that Atlas Copco AB is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the contact persons set out above, at 8.30 am CET on January 19, 2016.

Atlas Copco is a world-leading provider of sustainable productivity solutions. The Group serves customers with innovative compressors, vacuum solutions and air treatment systems, construction and mining equipment, power tools and assembly systems. Atlas Copco develops products and services focused on productivity, energy efficiency, safety and ergonomics. The company was founded in 1873, is based in Stockholm, Sweden, and has a global reach spanning more than 180 countries. In 2015, Atlas Copco had revenues of BSEK 102 (BEUR 11) and more than 43 000 employees. Learn more at www.atlascopcogroup.com.

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The logo for Atlas Copco, featuring the company name in a stylized, italicized serif font. The text is centered between two thick, solid black horizontal bars.

Atlas Copco's Construction Technique business area provides construction and demolition tools, portable compressors, pumps and generators, lighting towers, and compaction and paving equipment. The business area offers specialty rental and provides service through a global network. Construction Technique innovates for sustainable productivity in infrastructure, civil works, oil and gas, energy, drilling and road construction projects. Principal product development and manufacturing units are located in Belgium, Spain, Germany, Sweden, the United States, China, India and Brazil.