

Order level remained high before the COVID-19 downturn

Stockholm, Sweden, April 23, 2020: Mats Rahmström, President and CEO of the Atlas Copco Group, comments on the report for the first quarter of 2020 that was released today. The global COVID-19 pandemic affected the demand increasingly during the quarter and the order intake for most types of equipment decreased.

“We are helped by being a global, diversified company, present in almost all industries, but we are in no way immune to the economic impact this crisis might lead to”, said Mats Rahmström. “These are challenging times and our operations were increasingly affected during the quarter. To keep our production and offices going, where we can and where it is allowed, is the best way we can support our people, our customers, our suppliers and critical functions in society.”

The order development for vacuum equipment was strong in the quarter, reflecting several global digitalization trends. The other business areas, Compressor Technique, Industrial Technique and Power Technique were all, in various degrees, affected negatively by the developing economic situation during the quarter.

Orders received in the first quarter grew to MSEK 28 039 (26 812), an organic decline of 2%. Revenues reached MSEK 25 098 (24 181), an organic decline of 3%. Reported operating profit increased 2% to MSEK 5 124 (5 048). Excluding items affecting comparability, the adjusted operating profit decreased 3% to MSEK 5 099 (5 262), corresponding to a margin of 20.3% (21.8). The return on capital employed was 29% (33).

The current economic situation makes the near-term outlook very uncertain, but demand for Atlas Copco’s products and services is expected to deteriorate significantly in most industries and regions.

“We plan for different scenarios and have action plans for each of them, and we put the safety of our employees first in everything we do. We continue to prioritize investments in strategic R&D projects and in digital solutions for service and sales to ensure the success of our customers and business partners,” said Mats Rahmström.

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Atlas Copco Group

Great ideas accelerate innovation. At Atlas Copco we have been turning industrial ideas into business-critical benefits since 1873. By listening to our customers and knowing their needs, we deliver value and innovate with the future in mind.

In 2019, Atlas Copco had revenues of BSEK104 (BEUR 10) and at year end about 39 000 employees.

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