



COMMITTED TO SUSTAINABLE PRODUCTIVITY

We stand by our responsibilities towards our customers,
towards the environment and the people around us.
We make performance stand the test of time.
This is what we call – Sustainable Productivity.

AGENDA

1. Business overview
2. Global trends
3. The strategic pillars for profitable growth
4. Summary



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FACTS IN BRIEF


Established	1873 in Stockholm, Sweden									
Four focused business areas	<ul style="list-style-type: none"> ▪ Compressor Technique ▪ Industrial Technique ▪ Mining and Rock Excavation Technique ▪ Construction Technique 									
Global presence	Customers in more than 180 countries									
Employees¹⁾	44 242 in more than 90 countries									
Revenues²⁾	BSEK 90									
Market Cap.¹⁾	BSEK 247									
Trading information	<table border="1"> <thead> <tr> <th></th> <th>A share</th> <th>B share</th> </tr> </thead> <tbody> <tr> <td>NASDAQ OMX</td> <td>ATCO A</td> <td>ATCO B</td> </tr> <tr> <td>ISIN code</td> <td>SE0000101032</td> <td>SE0000122467</td> </tr> </tbody> </table>		A share	B share	NASDAQ OMX	ATCO A	ATCO B	ISIN code	SE0000101032	SE0000122467
	A share	B share								
NASDAQ OMX	ATCO A	ATCO B								
ISIN code	SE0000101032	SE0000122467								



1) End of September 2014
2) 12 months until September 2014
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BUSINESS OVERVIEW

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ATLAS COPCO

- A **world leading** provider of sustainable productivity solutions
- **Agile** and **resilient** operations
- Strong global **service** business
- Strong **value creation** track record
- **Consistent strategy**


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CONSISTENT STRATEGY

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GOALS FOR SUSTAINABLE, PROFITABLE DEVELOPMENT

Products, services and solutions	First in Mind—First in Choice® for customers and prospects for all brands.	Increase customer loyalty.	Increase customer energy efficiency by 20% by 2020*.	Offer safe and reliable products and services.
Operations	First in Mind—First in Choice® employer for today's and future employees.	Competence development to achieve good results and yearly coaching/ appraisals to all employees.	Increase diversity in both gender and nationality. Encourage internal mobility.	Safe and healthy working environment for all employees. Zero work-related accidents. Sick leave below 2.5%.
	No corruption or bribes.	Work with business partners committed to high ethical, environmental and social standards.	Develop new products and services with a lifecycle perspective.	Construct Atlas Copco buildings according to sustainable building standards**.
	Decrease CO ₂ emissions from operations by 20% in relation to cost of sales by 2020*.	Decrease CO ₂ emissions from transport of goods by 20% in relation to cost of sales by 2020*.	Keep water consumption at current level.	Reuse or recycle waste.
Financials	Annual revenue growth of 8% over a business cycle.	Sustained high return on capital employed.	All acquired businesses to contribute to economic value added.	Annual dividend distribution about 50% of earnings per share.

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* Base year 2010.
** Leadership in Energy and Environmental Design (LEED) or comparable green building criteria.



PERFORMANCE SUMMARY 2013

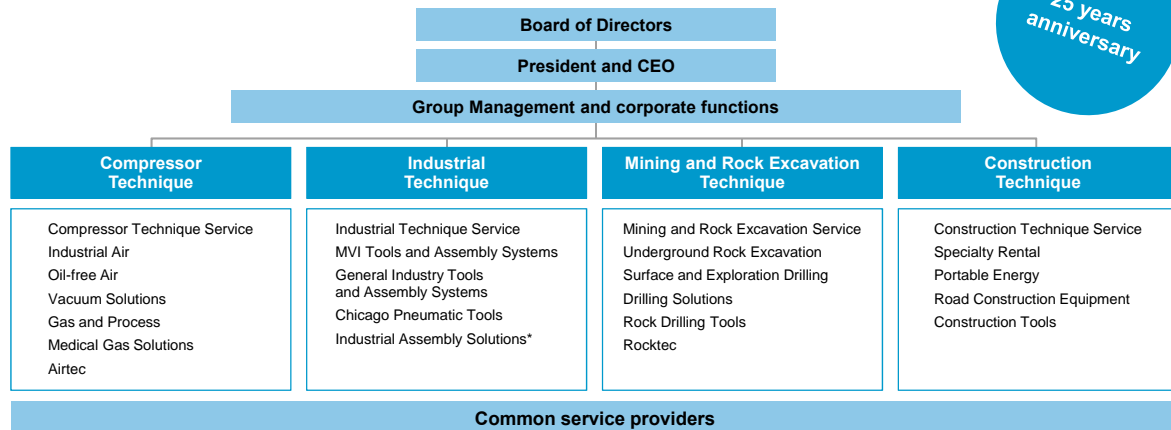
ENVIRONMENTAL	Units	Goal	2013	2012	Change
CO ₂ emissions	'000 tonnes		309	332	-23
– from operations (Scope 1+2)	'000 tonnes	-20%/COS	109	105	+4
– from transport (Scope 3)	'000 tonnes	-20%/COS	200	227	-27
Water consumption	'000 m ³	+/-0 m ³ /COS	714	623	+91
Proportion of reused or recycled waste	%	100	93	92	+1
Sustainable construction	number	Increase	4	4	0
ISO 14001 environmental management systems	% of cost of sales	100	97	94	+3
EMPLOYEES, HEALTH AND SAFETY	Units	Goal	2013	2012	Change
Average number of employees	number		40 159	39 113	+1 046
Competence development	hours/employee		40	42	-2
Yearly appraisals	%	100	82	83	-1
Internal mobility	%	Encourage	27	8.2	-0.5
Proportion of women employees	%	Increase	16.8	16.9	-0.1
Diversity in nationality among senior managers	number	Increase	52	49	+3
Sick leave	%	<2.5	2.0	2.1	-0.1
Accidents	number/one million hours	0	5.4	5.4	0
Fatalities	number	0	0	3	-3
OHSAS 18001 health and safety systems	% of cost of sales	100	89	72	+17
GOVERNANCE	Units	Goal	2013	2012	Change
Reports to the hotline	number	Encourage	47	39	+8
Significant suppliers committed to Business Code of Practice ²⁾	%	100	72	N/a	-

● Positive trend/goal achieved ● Neutral ● Negative trend/goal not achieved

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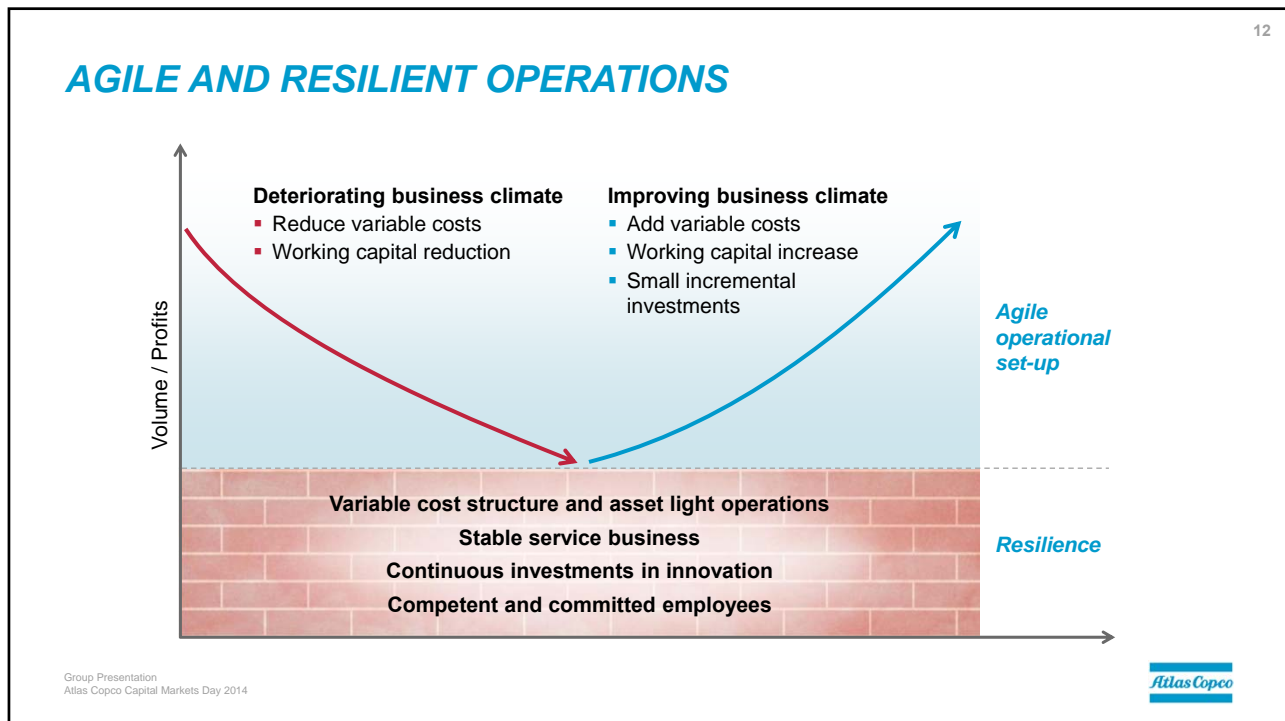
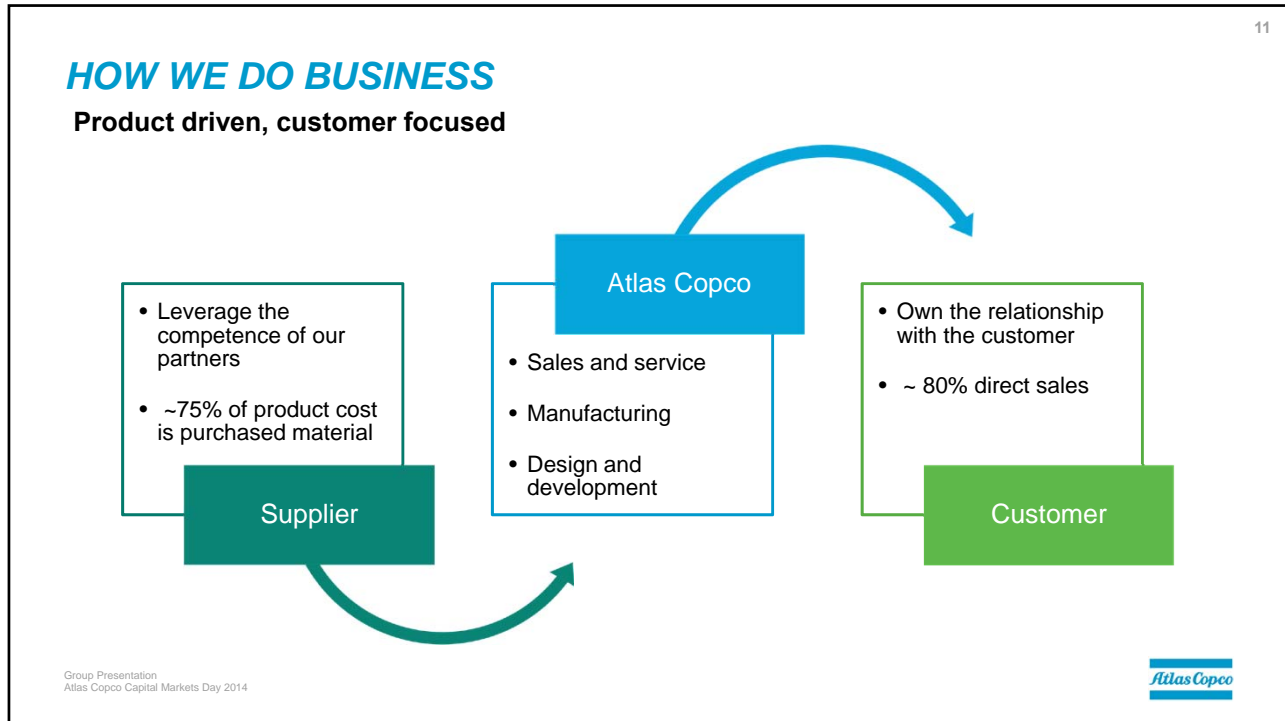
FOUR BUSINESS AREAS AND 23* DIVISIONS



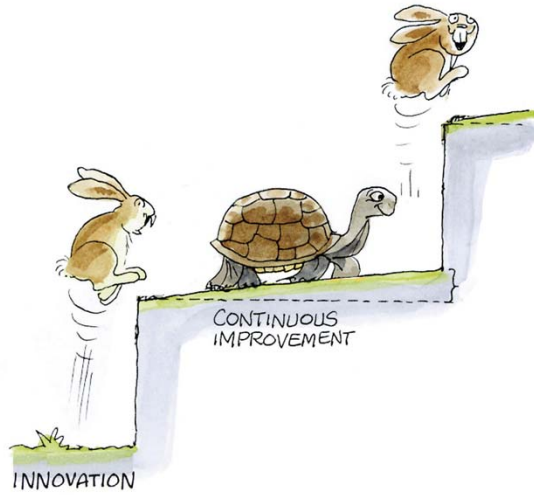
*Industrial Assembly Solutions – new from January 1, 2015

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THERE IS ALWAYS A BETTER WAY



PERFORMANCE

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LEADERSHIP IN SUSTAINABLE PRODUCTIVITY

MEMBER OF
Dow Jones Sustainability Indices
In Collaboration with RobecoSAM

Member 2012/2013
STOXX
ESG LEADERS INDICES


THE GLOBAL COMPACT
WE SUPPORT

ECPI Sense in sustainability

ETHIBEL
EXCELLENCE label
The standard in sustainable investment

GLOBAL100

FTSE4Good



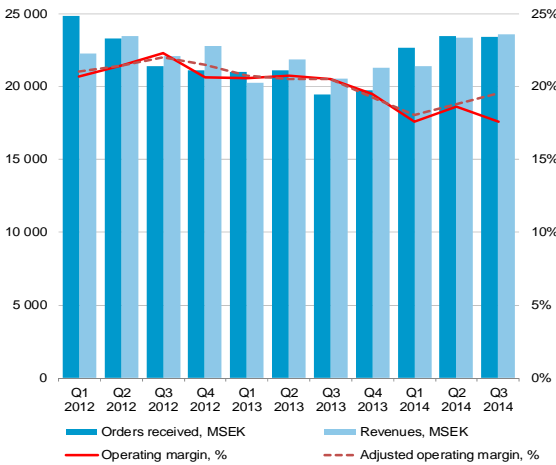
November 28, 2014
Atlas Copco Group Presentation

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Q3 IN BRIEF

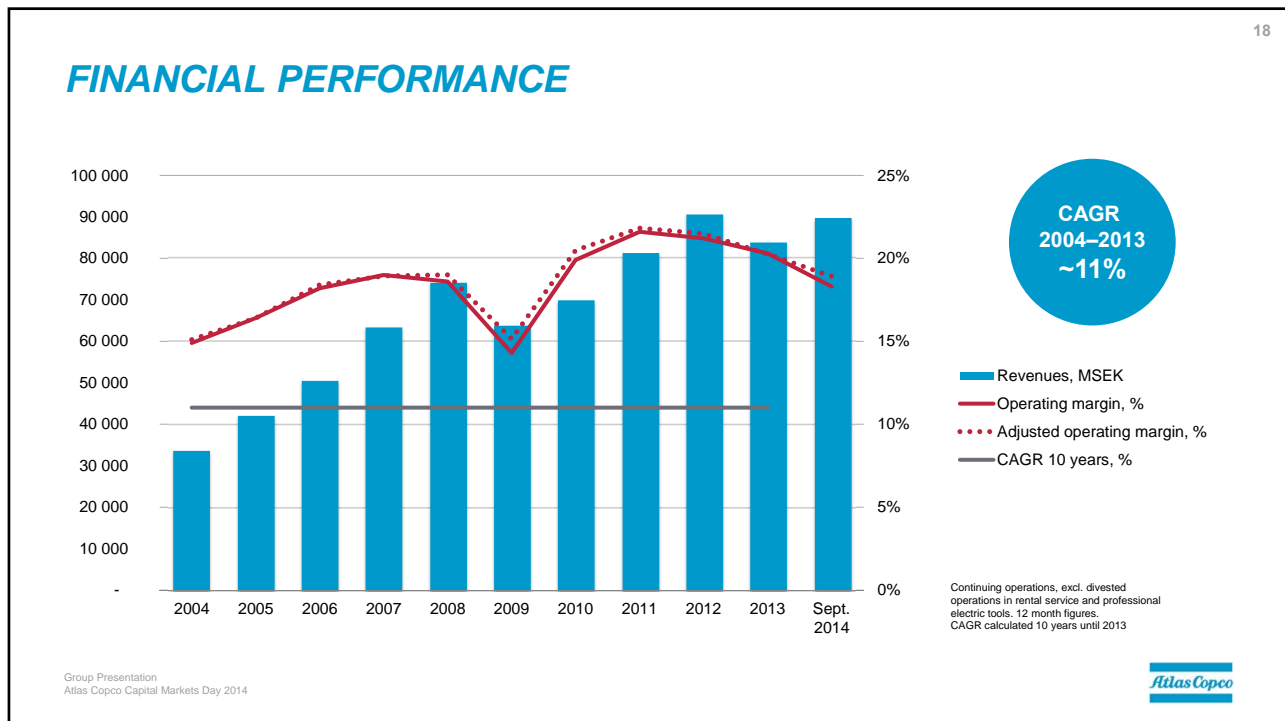
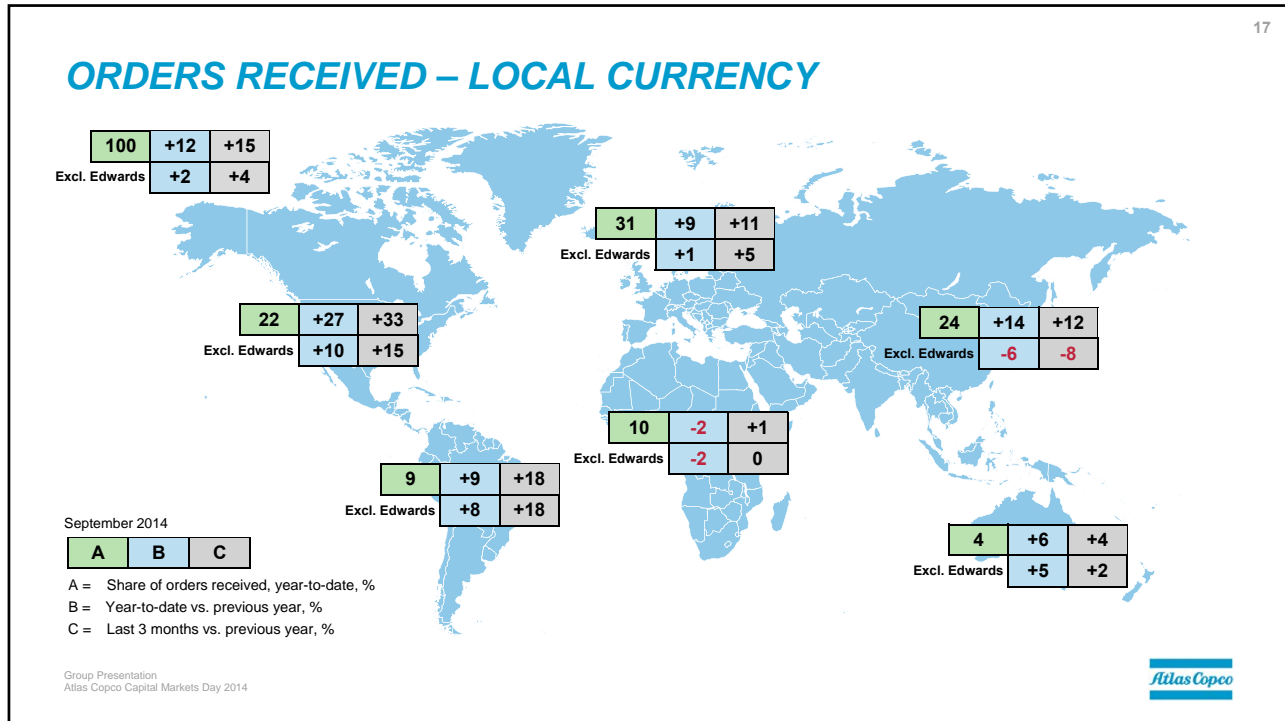
- Improved industrial demand
 - Order growth for industrial tools and small industrial compressors
 - Strong quarter for vacuum solutions
- Unchanged demand for mining equipment
- The service business continued to develop well
- Strong North America, weak Asia
- Record revenues and strong operating cash flow
- Acquisition of Henrob
 - A market leader in self-pierce riveting

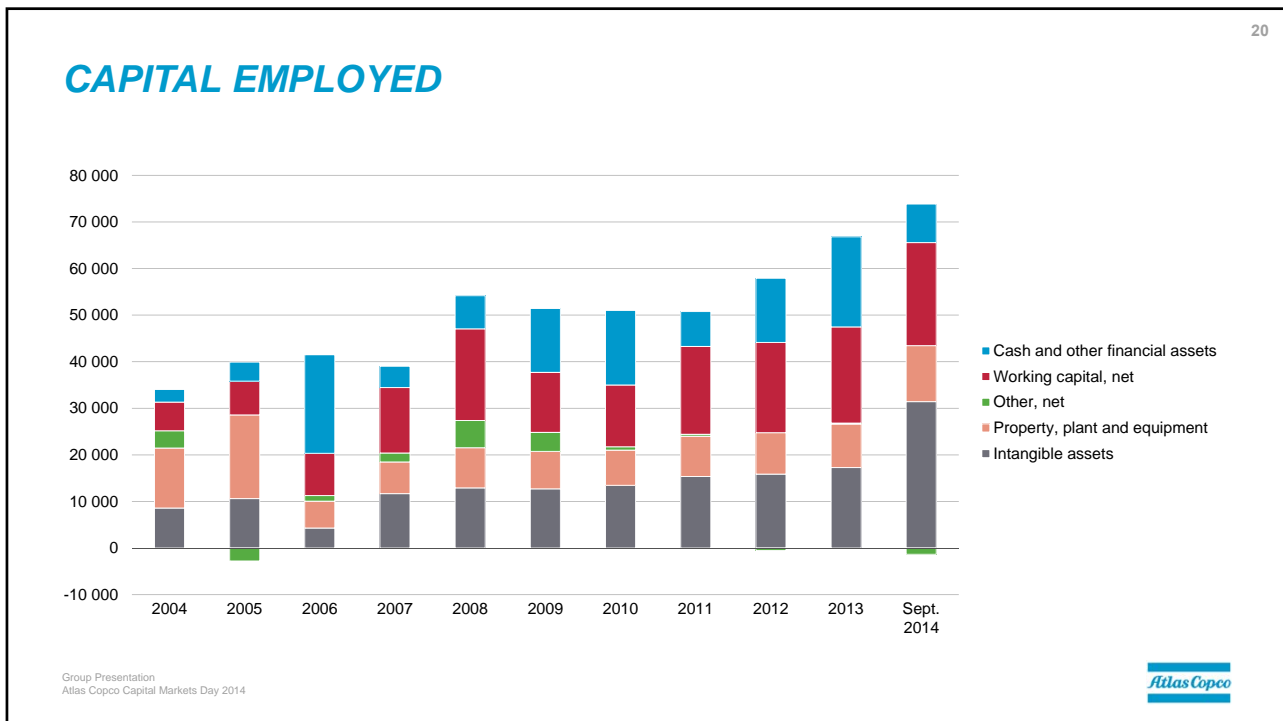
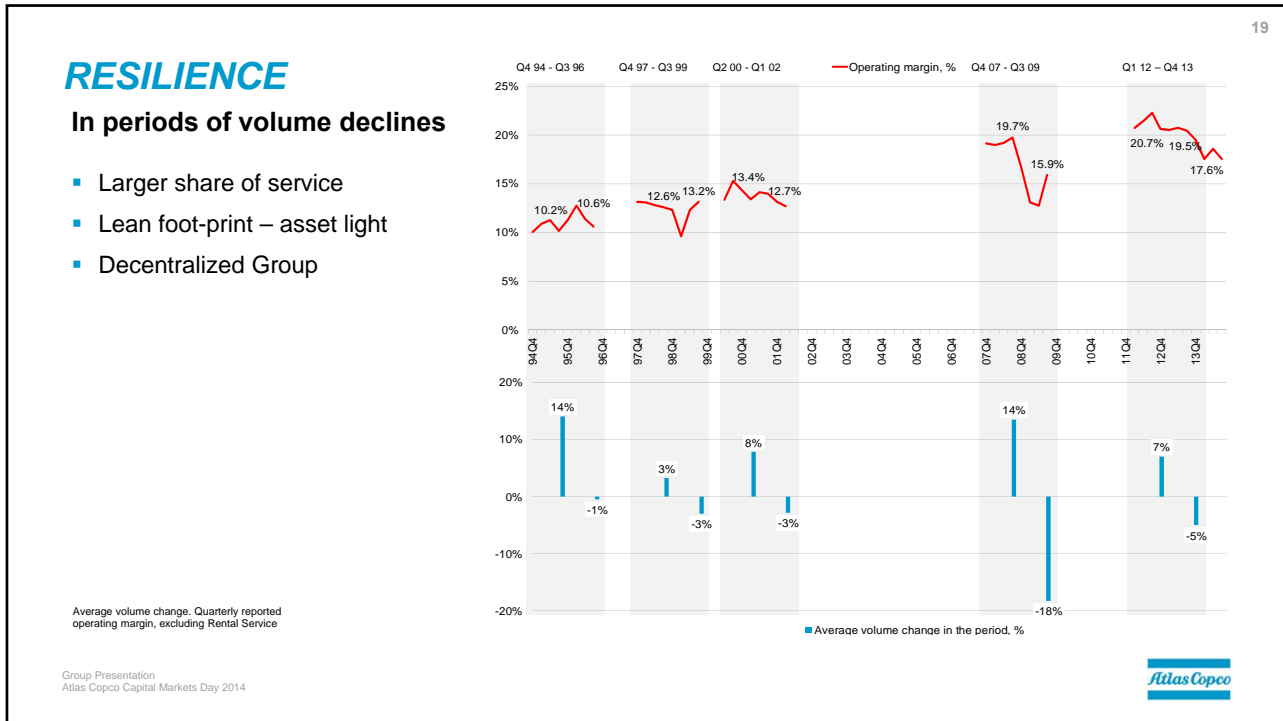


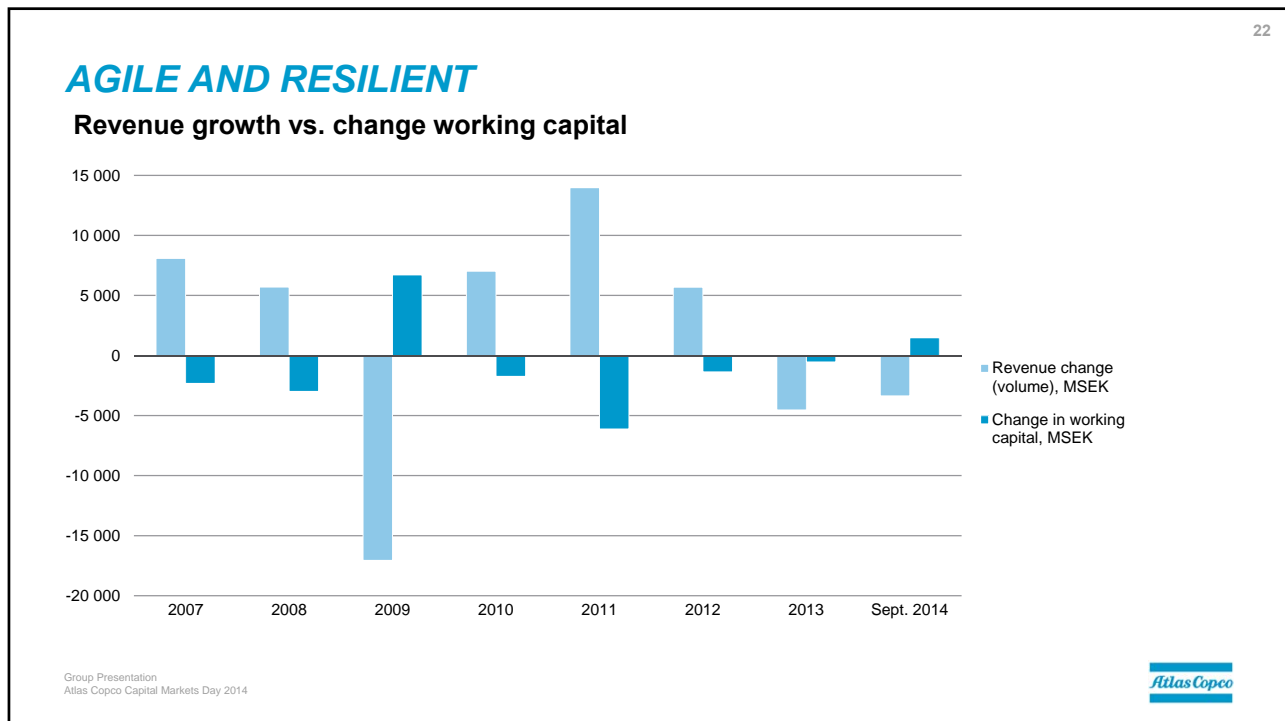
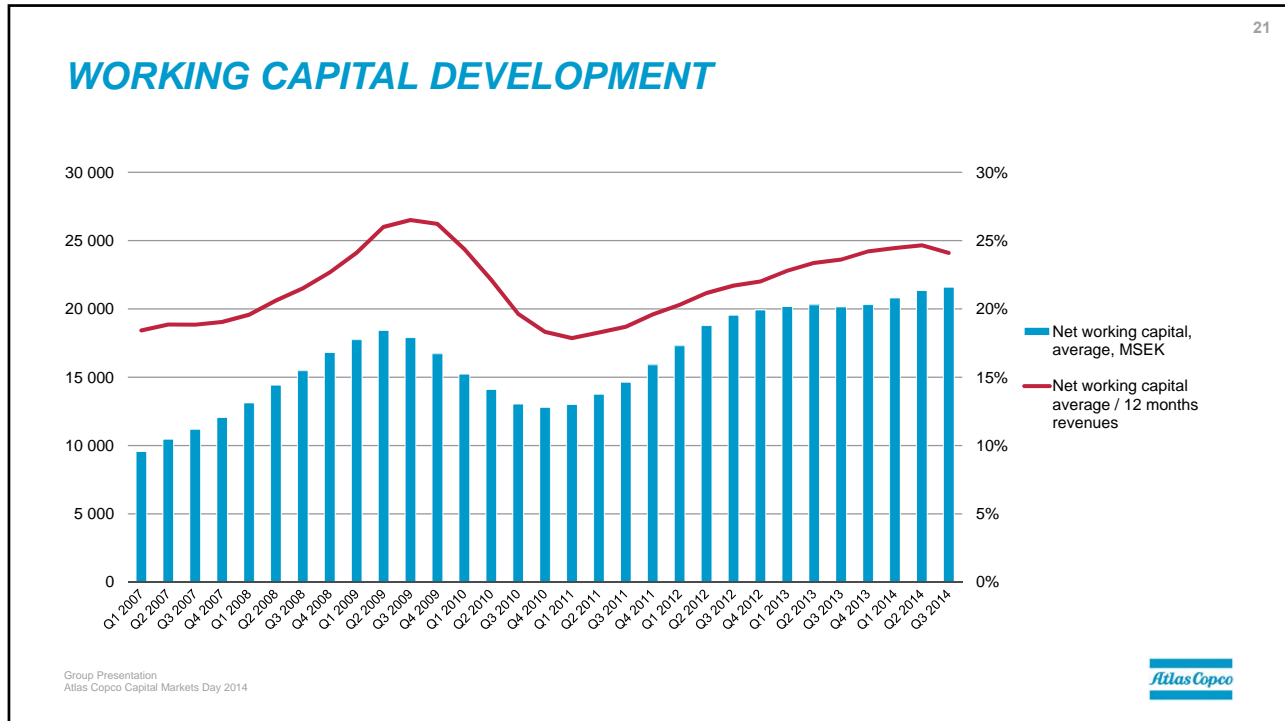
Quarter	Orders received, MSEK	Revenues, MSEK	Operating margin, %	Adjusted operating margin, %
Q1 2012	24,500	22,000	20.5%	20.5%
Q2 2012	23,000	22,500	21.0%	21.0%
Q3 2012	21,500	22,000	21.5%	21.5%
Q4 2012	22,500	21,500	20.5%	20.5%
Q1 2013	21,000	21,000	20.5%	20.5%
Q2 2013	21,500	21,500	20.5%	20.5%
Q3 2013	19,500	21,000	20.5%	20.5%
Q4 2013	21,500	21,500	20.0%	20.0%
Q1 2014	23,000	21,500	18.0%	18.0%
Q2 2014	23,500	23,500	18.5%	18.5%
Q3 2014	23,500	23,500	18.0%	18.5%

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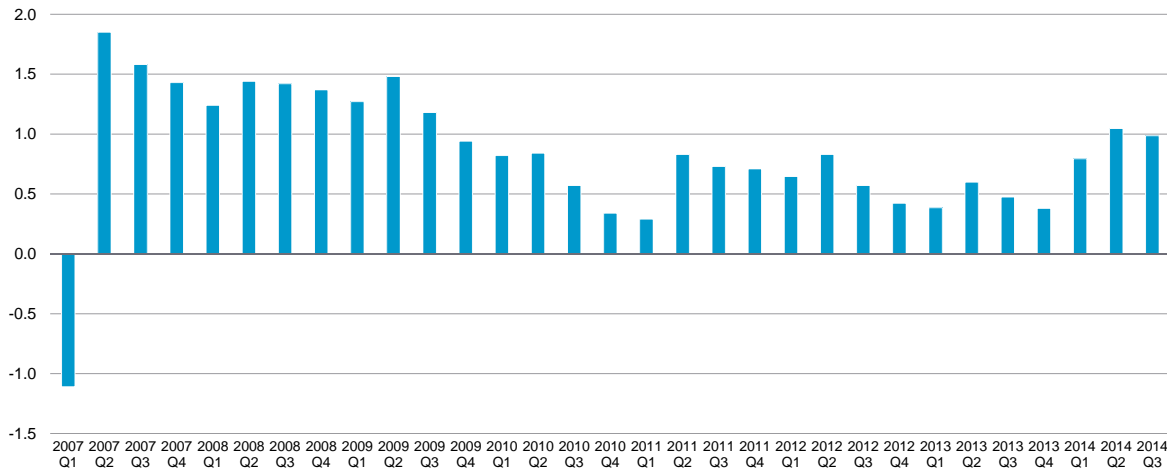






CAPITAL STRUCTURE

Net Debt*/EBITDA

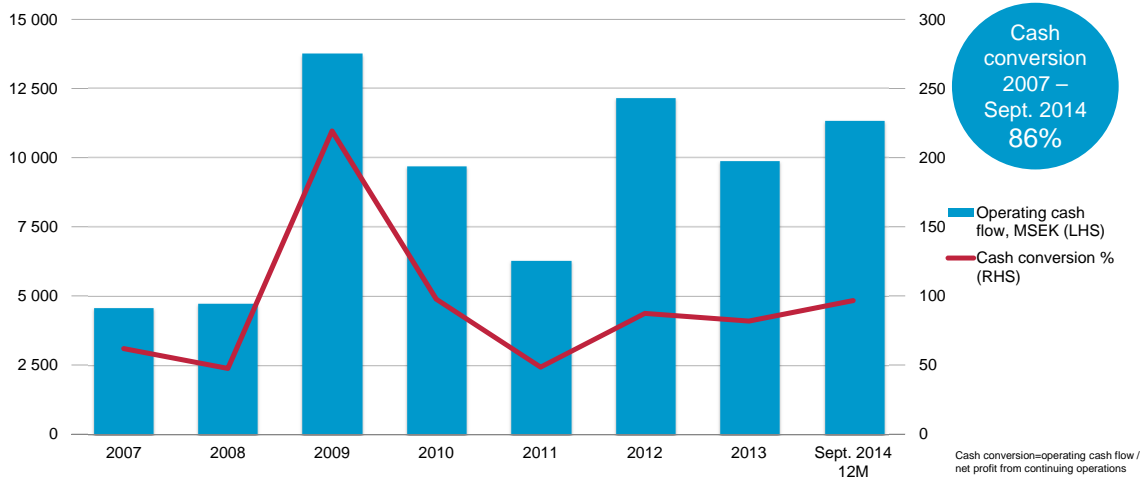


* Net Debt adjusted for the fair value of interest rate swaps

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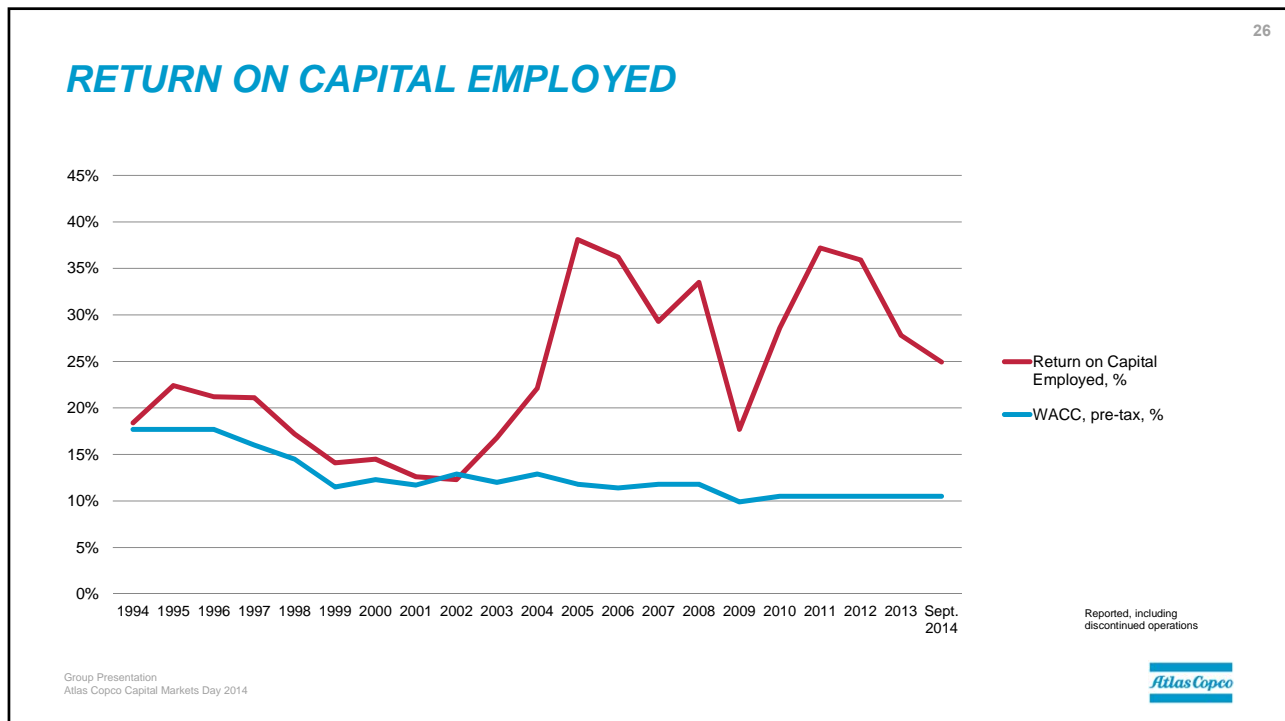
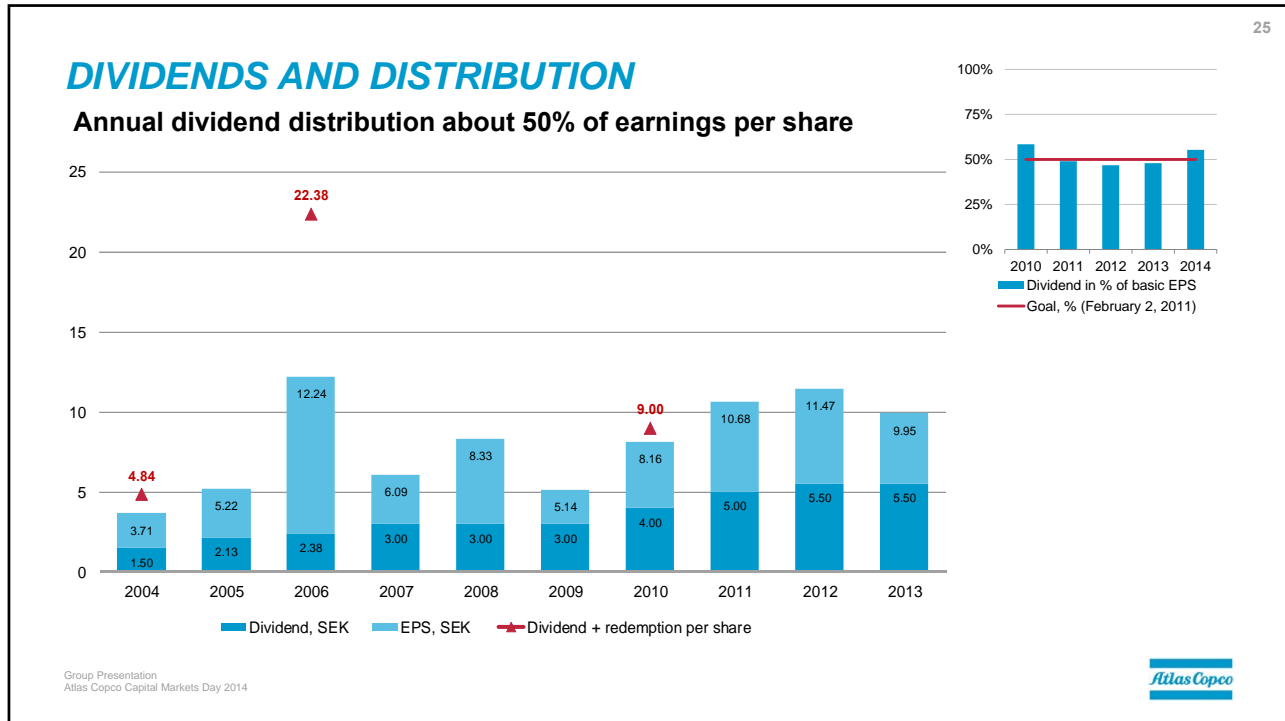
CASH GENERATION

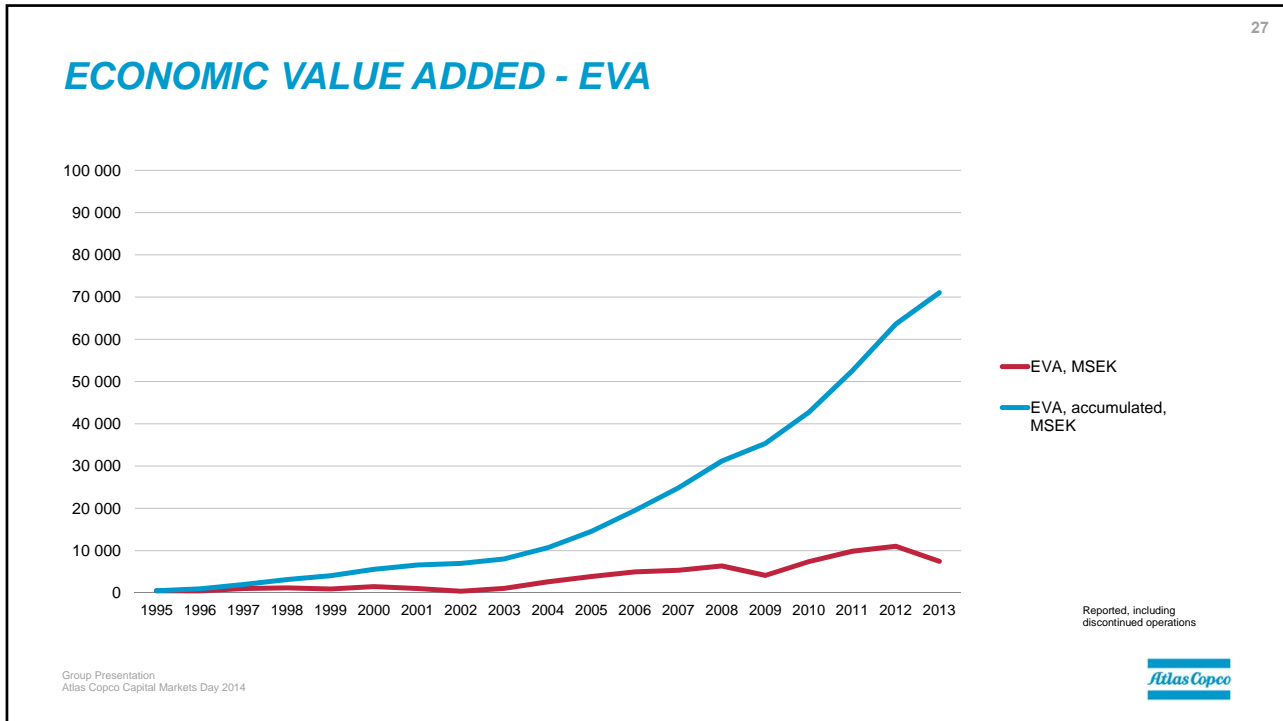


Cash conversion = operating cash flow / net profit from continuing operations

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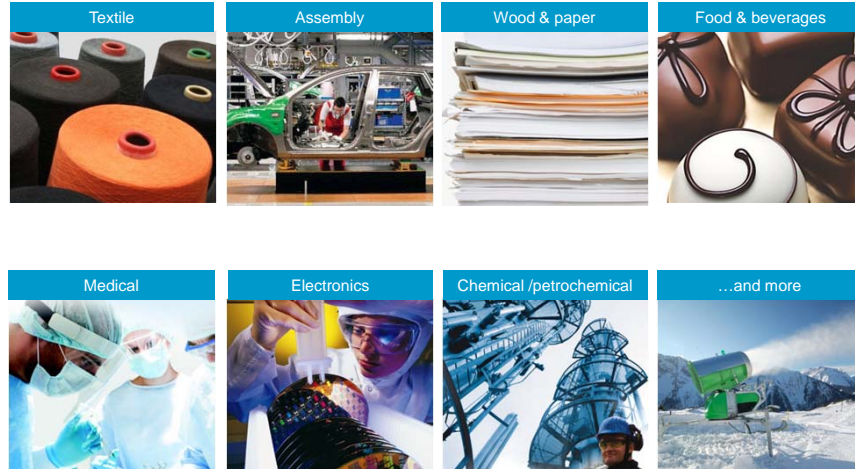


COMPRESSOR TECHNIQUE

Compressors & vacuum pumps



Medical gas solutions & air treatment eq.

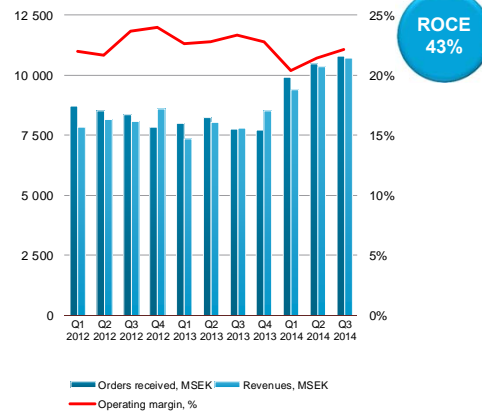


COMPRESSOR TECHNIQUE

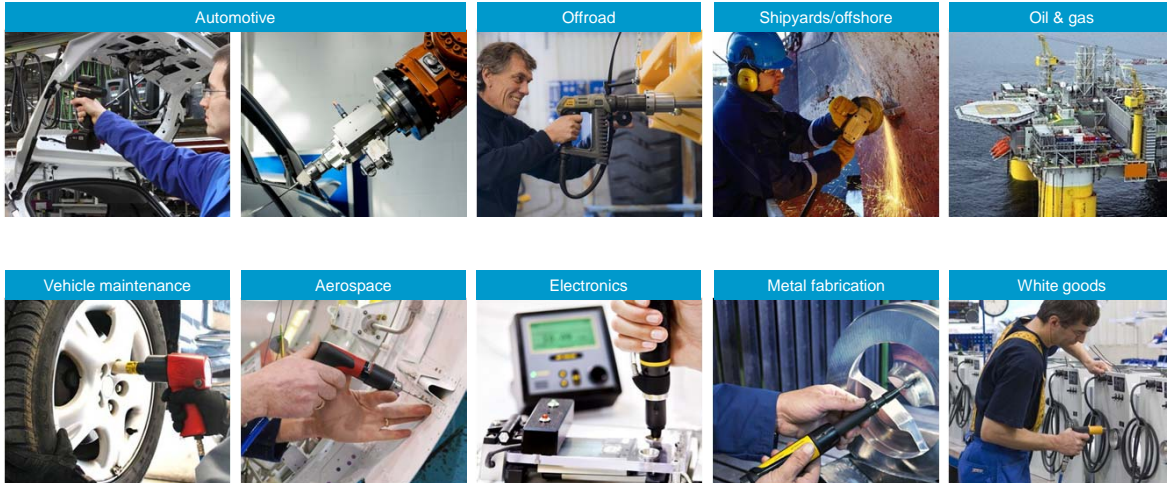
In Brief

- Leverage investments in presence and innovation
- Grow the vacuum solutions business
- Strengthen the service platform

Orders, revenues and operating margin



INDUSTRIAL TECHNIQUE



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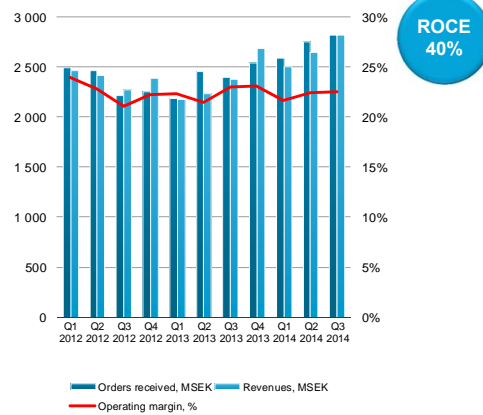


INDUSTRIAL TECHNIQUE

In Brief

- Focus on further developing the offer within assembly technologies
- Innovation is key
- Extend the service offer

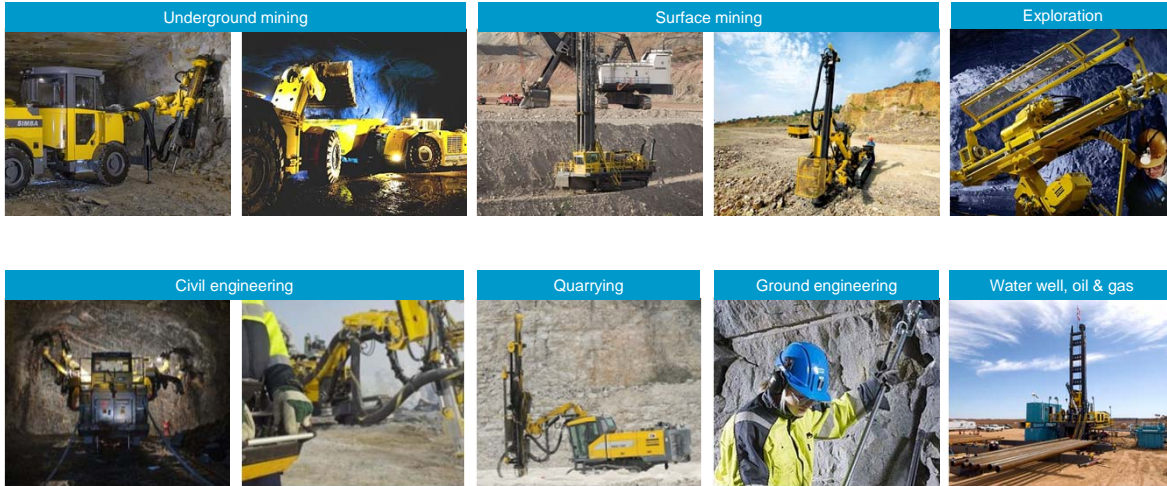
Orders, revenues and operating margin



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MINING AND ROCK EXCAVATION TECHNIQUE



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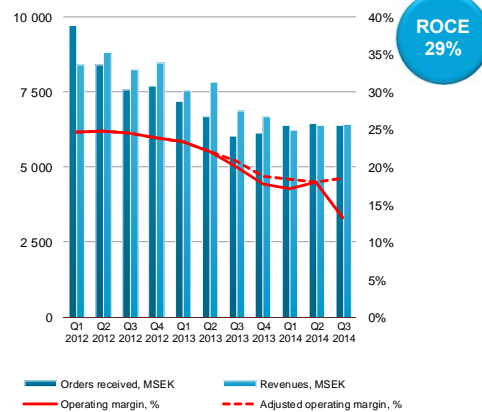


MINING AND ROCK EXCAVATION TECHNIQUE

In Brief

- Innovation and automation is key
- High focus on service and consumables
- Strengthen the agility and resilience

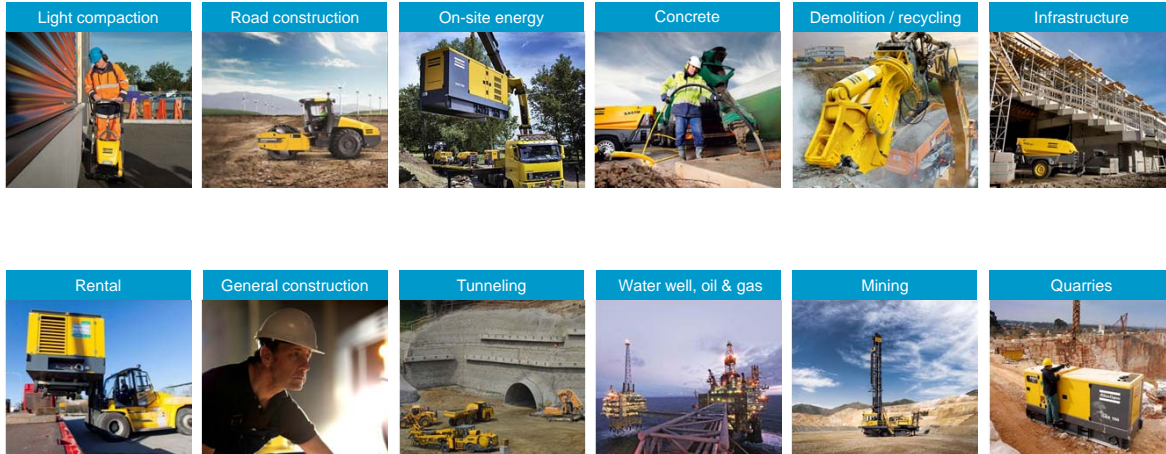
Orders, revenues and operating margin



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CONSTRUCTION TECHNIQUE



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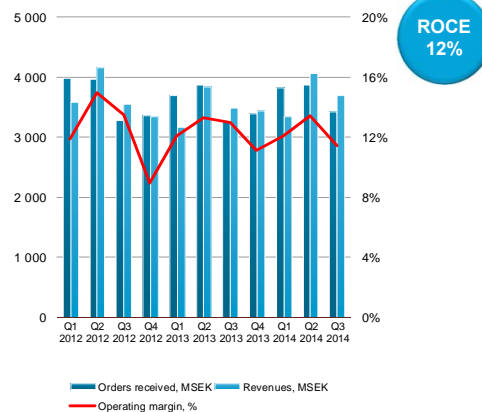


CONSTRUCTION TECHNIQUE

In Brief

- Focus on growth
- Strengthen market position in our niches
- Innovation is key
- Develop a service network for an indirect channel

Orders, revenues and operating margin



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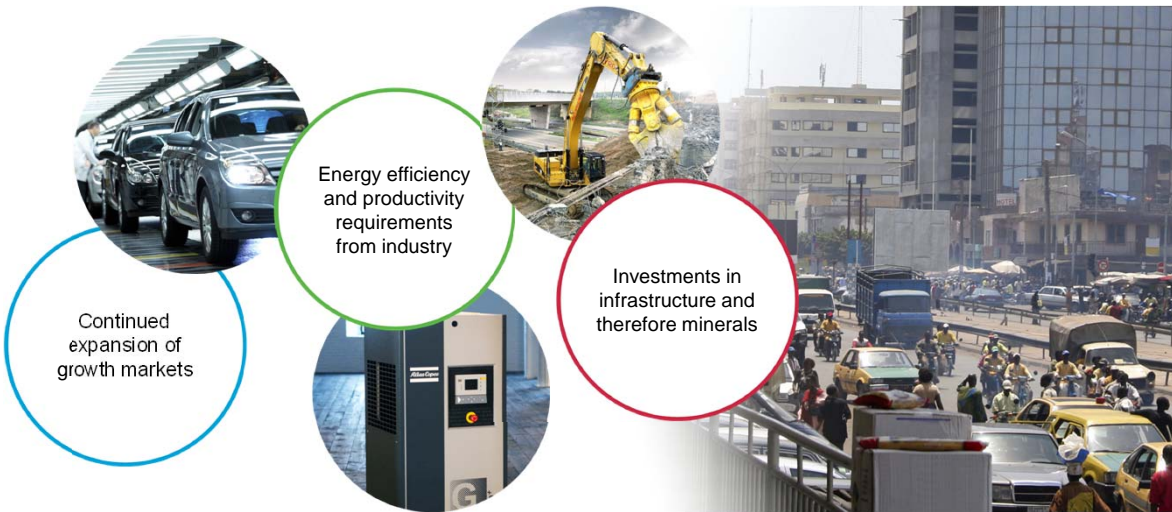


GLOBAL TRENDS

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CAPITALIZING ON GLOBAL TRENDS



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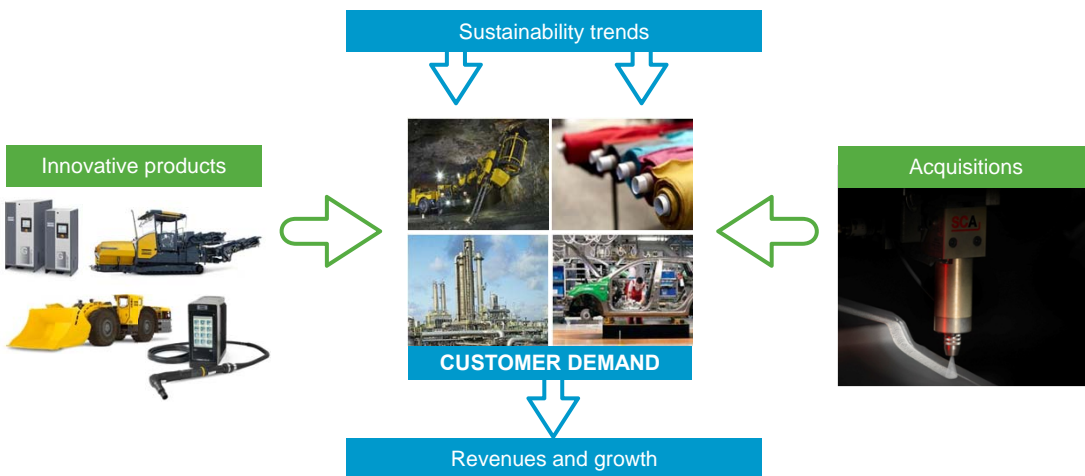


PRIMARY DRIVERS OF REVENUES

	Equipment		Service	
Industry		Industrial machinery investment		Industrial production
Construction		Investments in infrastructure		Construction activity
Mining		Mining machinery investments		Metal and ore production

SUSTAINABILITY TRENDS ARE BUSINESS DRIVERS


Energy efficiency, safety, legislation...



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THE STRATEGIC PILLARS FOR PROFITABLE GROWTH

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THE STRATEGIC PILLARS FOR PROFITABLE GROWTH



- Presence
- Innovation
- Service
- Operational excellence
- People

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INCREASE PRESENCE IN FAST GROWING ECONOMIES ...AND STRENGTHEN IN MATURE MARKETS

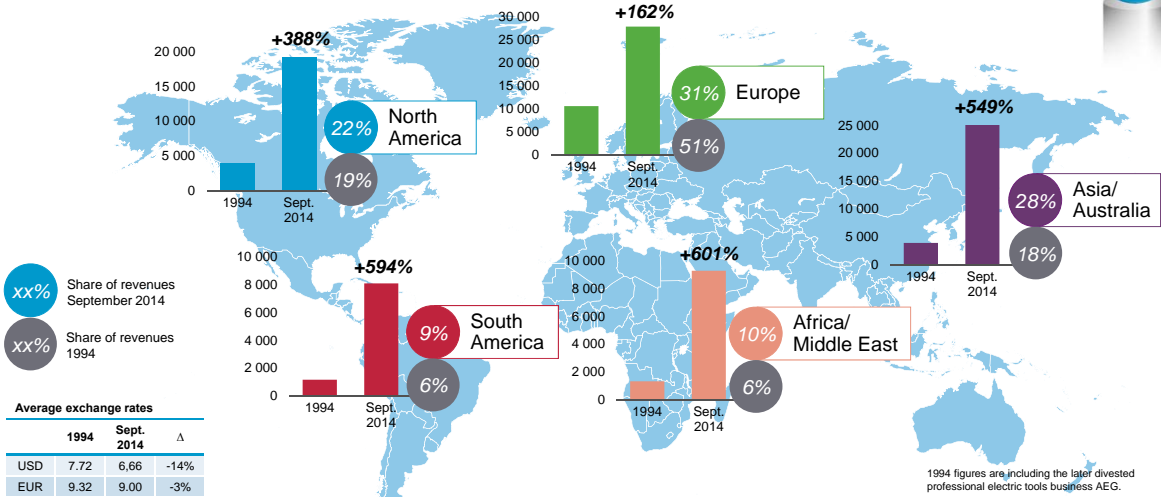
- Direct presence
- Develop local competence
- Create high brand awareness



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REVENUE SPLIT SEPTEMBER 2014 VERSUS 1994



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ACQUISITION STRATEGY



Acquisitions are primarily done in, or very close to, the already existing core businesses.

All acquired businesses are expected to make a positive contribution to economic value added.

Characteristics

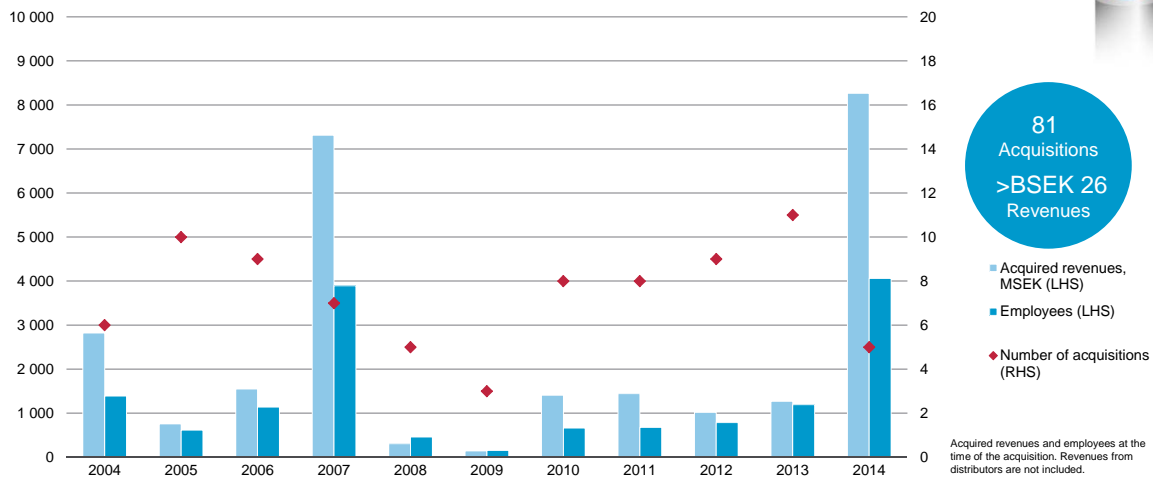
- Industry-to-industry
- Geographically spread customer base
- Leadership in niche markets
- Differentiated core technology
- Strong base of business partners
- Healthy service potential

Leveraging...

- Application knowledge
- Efficient manufacturing and product development processes
- Capacity to swiftly market products and services globally

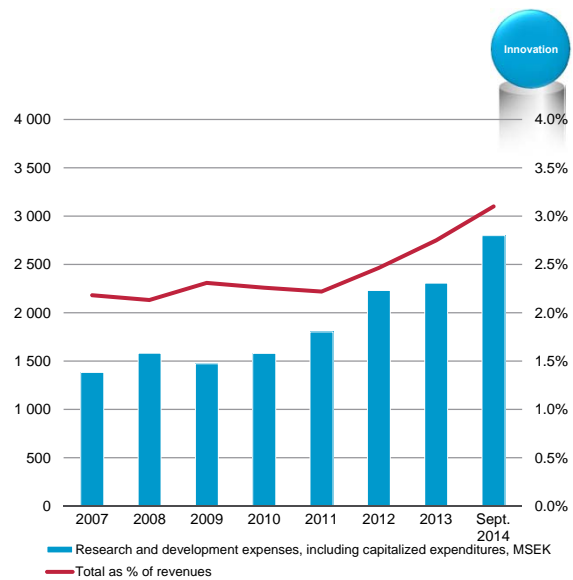


ACQUISITIONS

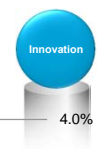


WHY DRIVE FOR INNOVATION?

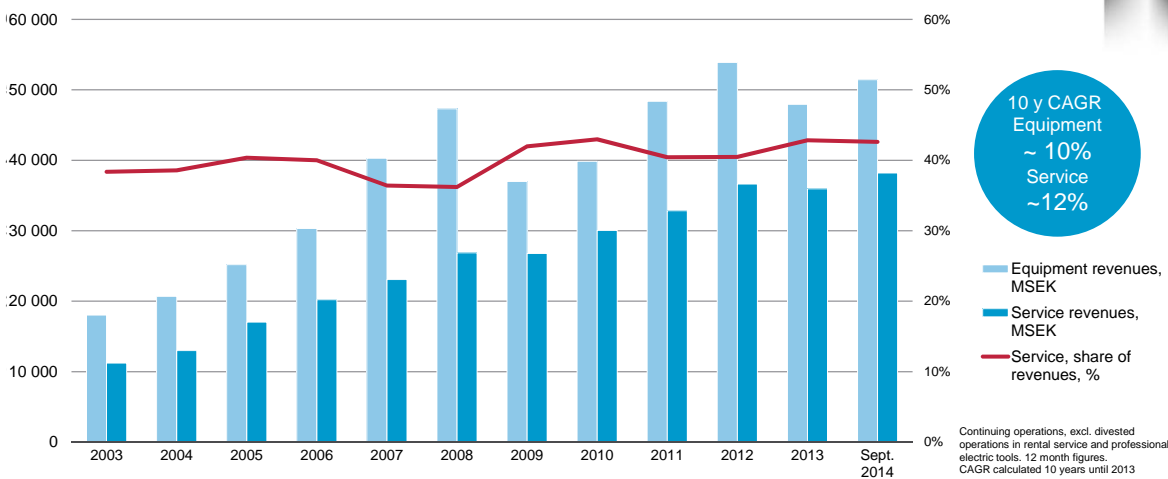
- Creates sustainable customer productivity
- Reduces life cycle cost
 - Drives energy efficiency
 - Increase safety
- Drives organic growth
- Supports/drives profitability
 - Pricing power
 - Cost savings



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GROWTH IN EQUIPMENT AND SERVICE



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10 y CAGR
Equipment ~ 10%
Service ~ 12%

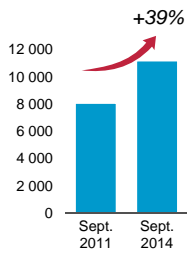
Continuing operations, excl. divested operations in rental service and professional electric tools. 12 month figures. CAGR calculated 10 years until 2013

FOCUS ON SERVICE

2014 vs. 2011 – Service, consumables and rental

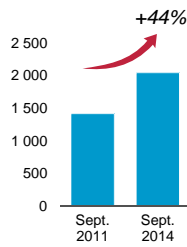


Compressor Technique



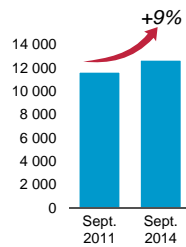
- + Service agreements
- + Connectivity
- + Focus on core

Industrial Technique



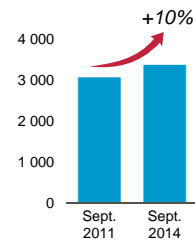
- + Service agreements
- + Calibration
- + Focus on core

Mining and Rock Excavation Tech



- + Productivity and efficiency
- + Focus on core
- Exploration activity

Construction Technique



- + Specialty rental
- + Focus on core
- Construction activity

OPERATIONAL EXCELLENCE



- Lean production
- Cost and capital efficiency
- Utilizing technology for efficiency

INCREASE CUSTOMER SERVICE



Work more efficiently through **standardized** solutions and processes



Spend less time on administration and more **time with customers**



Have **consistent** business processes



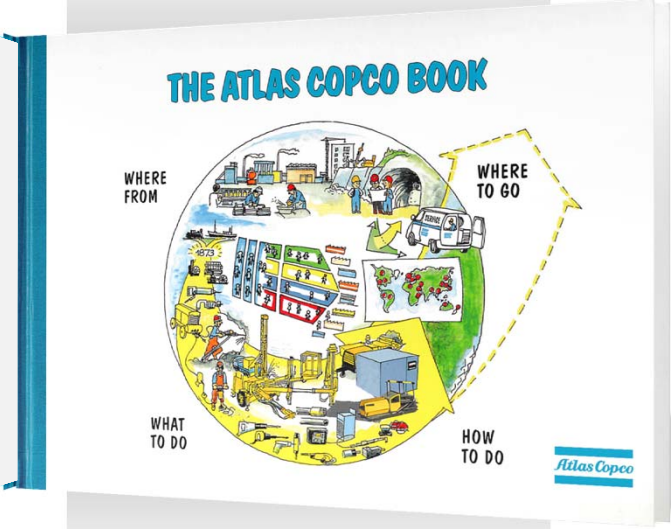
Improve **financial performance** and increase **customer loyalty!**

RESULTS-DRIVEN AND COMMITTED CULTURE



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CULTURE, VALUES AND BUSINESS PRINCIPLES



“We grow loyal and experienced local leaders in all countries”

People

Atlas Copco

Atlas Copco

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SUMMARY

- A **world leading** provider of sustainable productivity solutions
- **Agile** and **resilient** operations
- Strong global **service** business
- **Consistent strategy**
- Strong **value creation** track record

- **Fit for more**




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PEOPLE MAKE IT HAPPEN



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**COMMITTED TO
SUSTAINABLE PRODUCTIVITY.**

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The Atlas Copco logo is centered on a white background within a black-bordered box. It features the company name "Atlas Copco" in a blue, cursive script font. The text is flanked by two thick, solid blue horizontal bars, one positioned above and one below the script.

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CAUTIONARY STATEMENT

“Some statements herein are forward-looking and the actual outcome could be materially different. In addition to the factors explicitly commented upon, the actual outcome could be materially and adversely affected by other factors such as the effect of economic conditions, exchange-rate and interest-rate movements, political risks, the impact of competing products and their pricing, product development, commercialization and technological difficulties, supply disturbances, and major customer credit losses.”