



Atlas Copco



Q2 results 2021

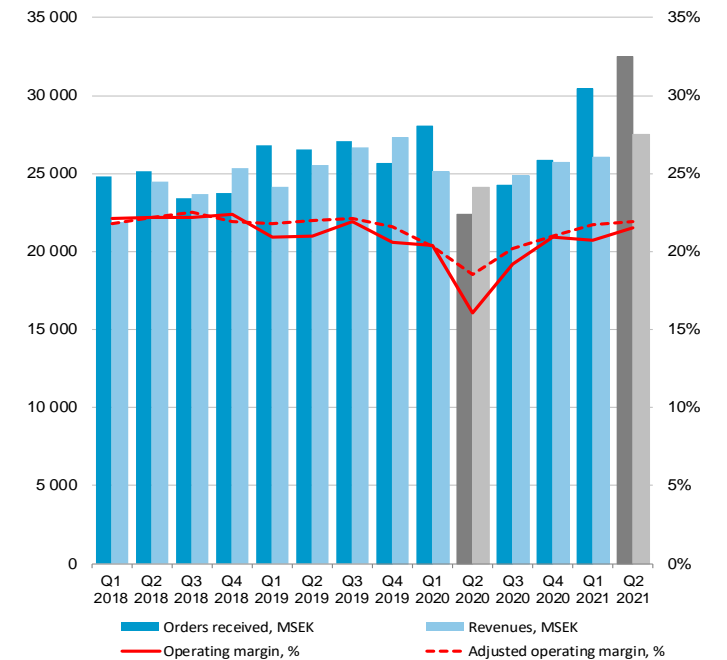
July 16, 2021

Q2 in brief

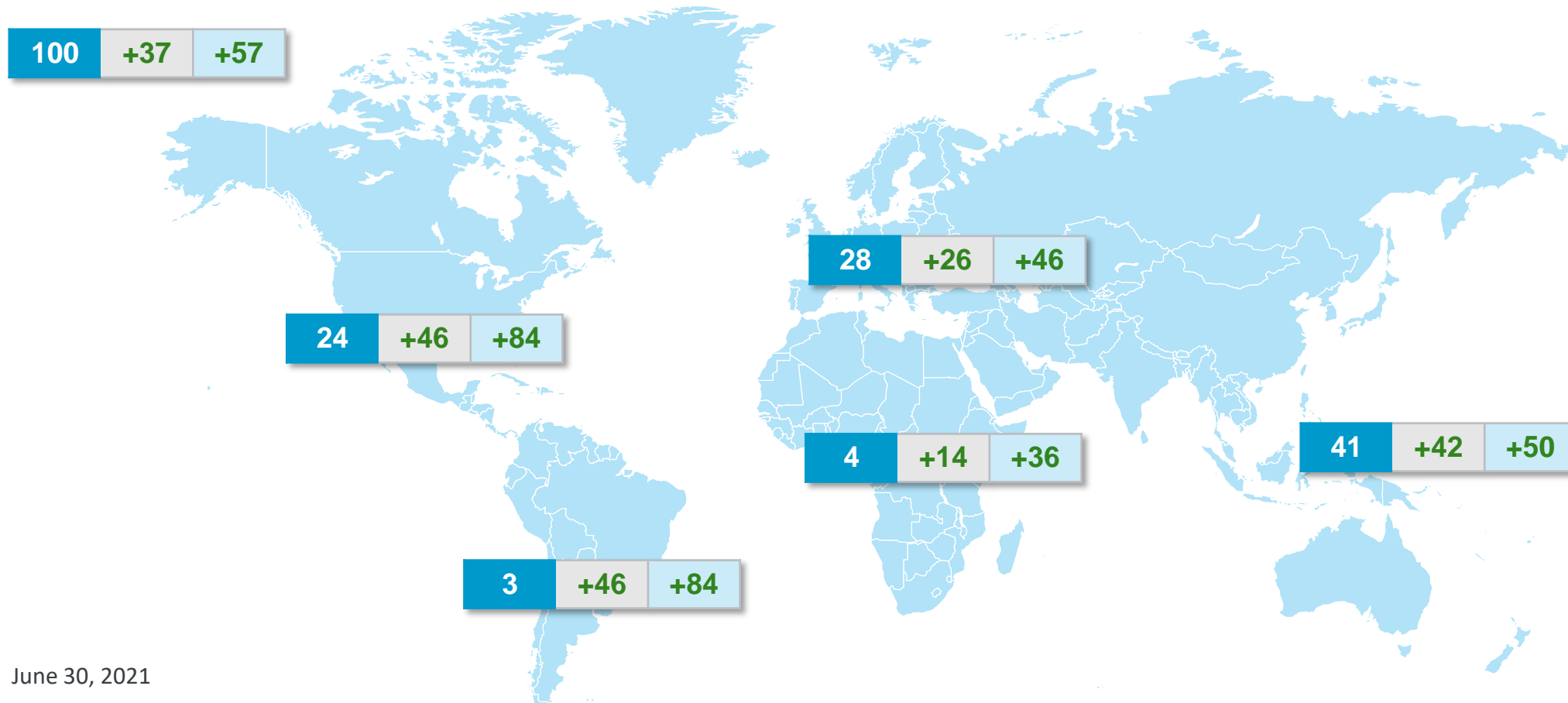
- Record order intake
 - Strong year-on-year order growth in all business areas and in all regions
 - Previous year heavily affected by COVID-19
- Sequential order growth for all business areas
 - For both equipment and service
- Record revenues
- Improved profitability and solid cash flow

Q2 financials

- Orders received were MSEK 32 529 (22 401), organic growth of 54%
- Revenues were MSEK 27 534 (24 102), organic growth of 21%
- Operating profit was MSEK 5 924 (3 889), margin at 21.5% (16.1)
 - Adjusted operating profit at MSEK 6 026 (4 476), margin of 21.9% (18.6)
- Profit for the period was MSEK 4 571 (3 129)
- Basic earnings per share were SEK 3.75 (2.58)
- Operating cash flow increased to MSEK 3 743 (3 483)
- Return on capital employed was 26% (26)



Orders received – local currency

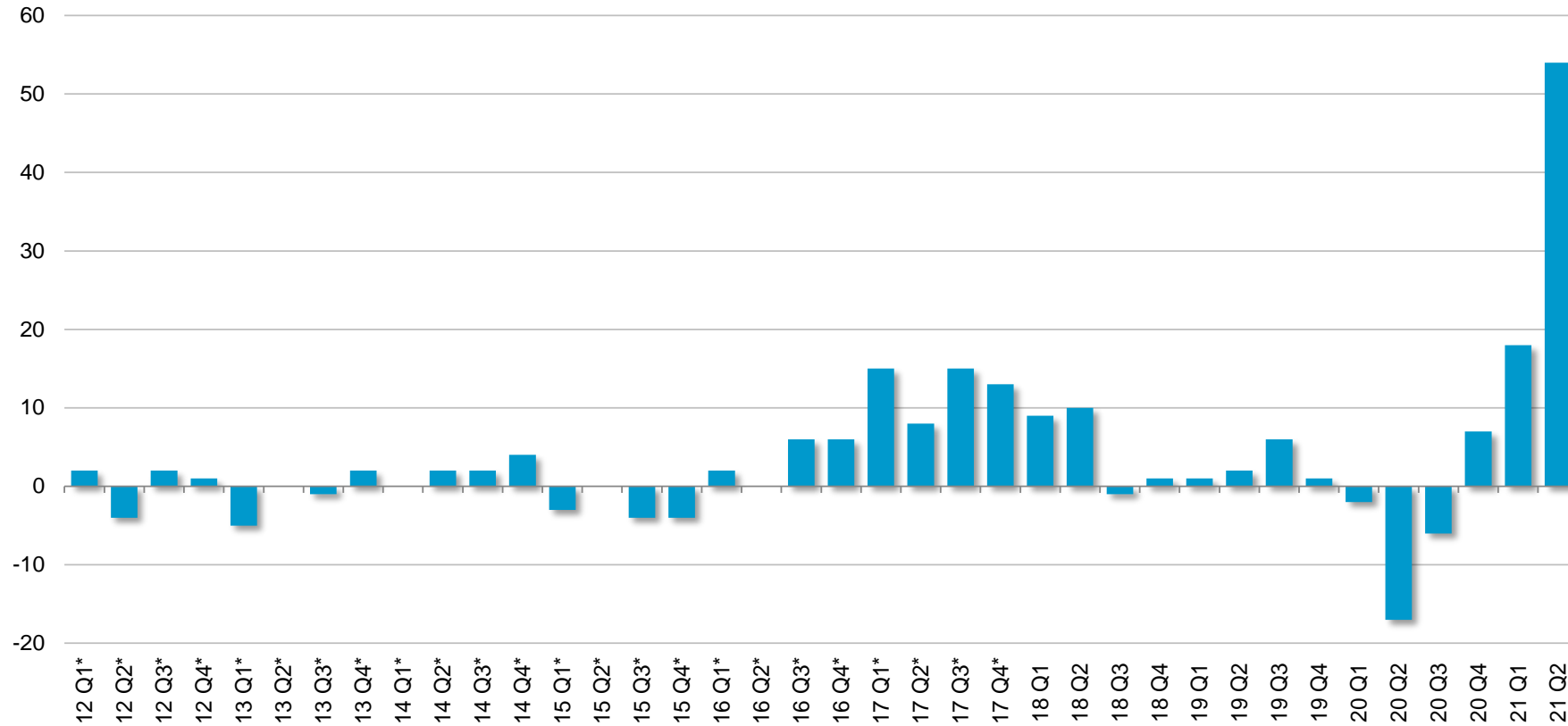


June 30, 2021

Share of orders received, year-to-date, %	Year-to-date vs. previous year, %	Last 3 months vs. previous year, %
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Order growth per quarter

Organic growth, %



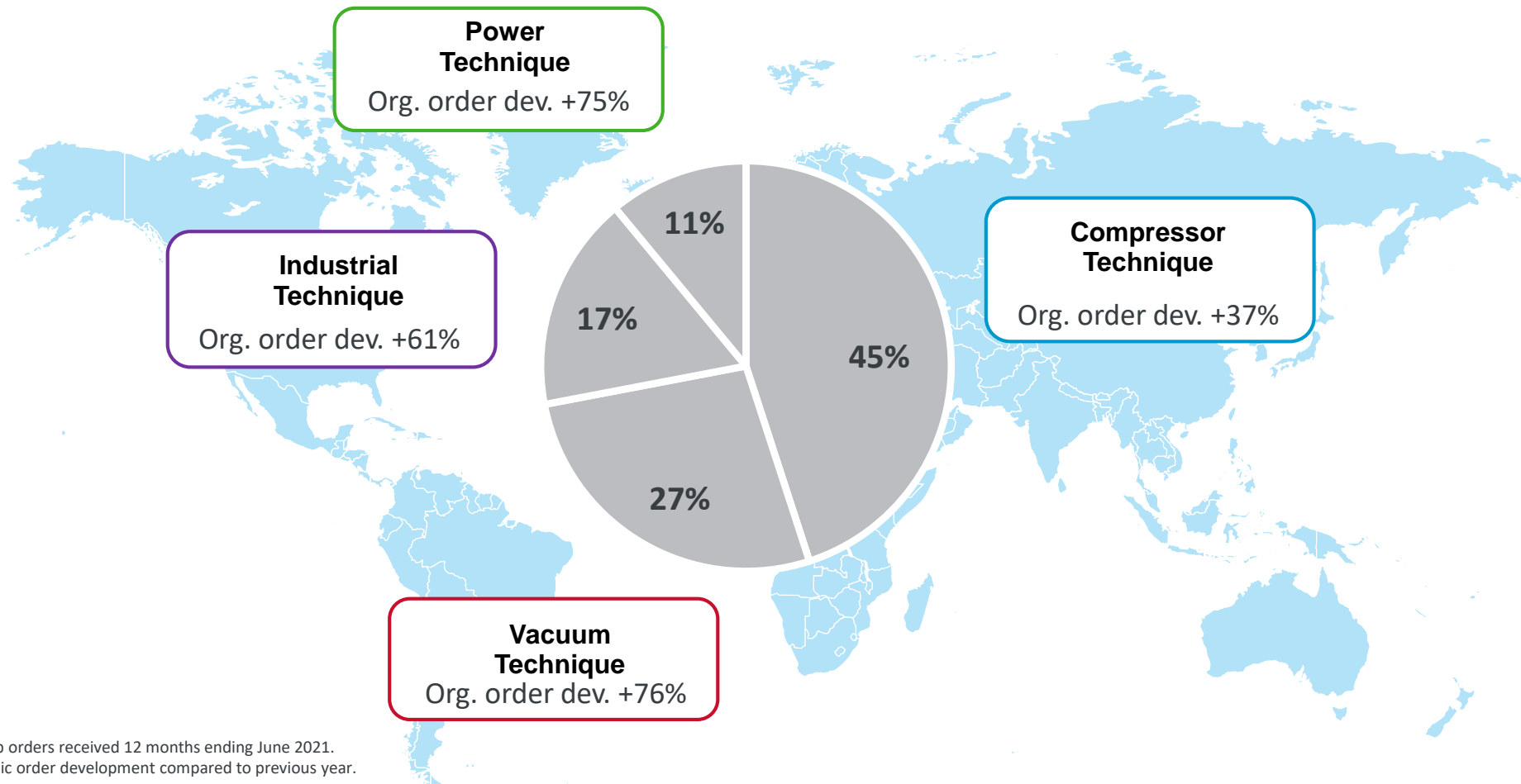
*2012-2017 excluding Mining and Rock Excavation Technique business area (now part of Epiroc AB).

Sales bridge

MSEK	April - June		January - June	
	Orders received	Revenues	Orders received	Revenues
2020	22 401	24 102	50 440	49 200
Structural change, %	+3	+3	+3	+2
Currency, %	-12	-10	-12	-10
Organic*, %	+54	+21	+34	+17
Total, %	+45	+14	+25	+9
2021	32 529	27 534	62 997	53 555

*Volume, price and mix.

Orders by business area and organic order development*



* Share of Group orders received 12 months ending June 2021.
3 month organic order development compared to previous year.

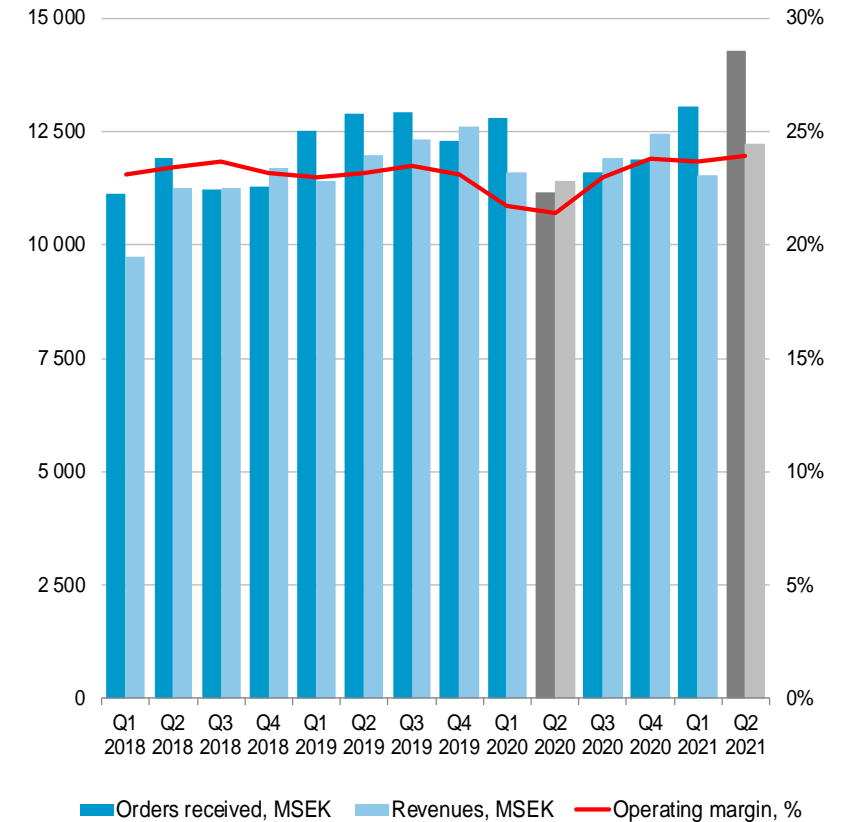
Compressor Technique

- Record order level, organic growth of 37%
 - Strong y-o-y growth for all equipment types and service
 - Sequential order increase in most areas
- Revenues increased 14% organically
- Operating profit margin increased to 23.9% (21.4)
 - Supported by increased volumes
- ROCE at 91% (76)



Innovation:

A new oil-free screw blower, the ZS 5 VSD, offering 20% more energy efficiency than previous generations.



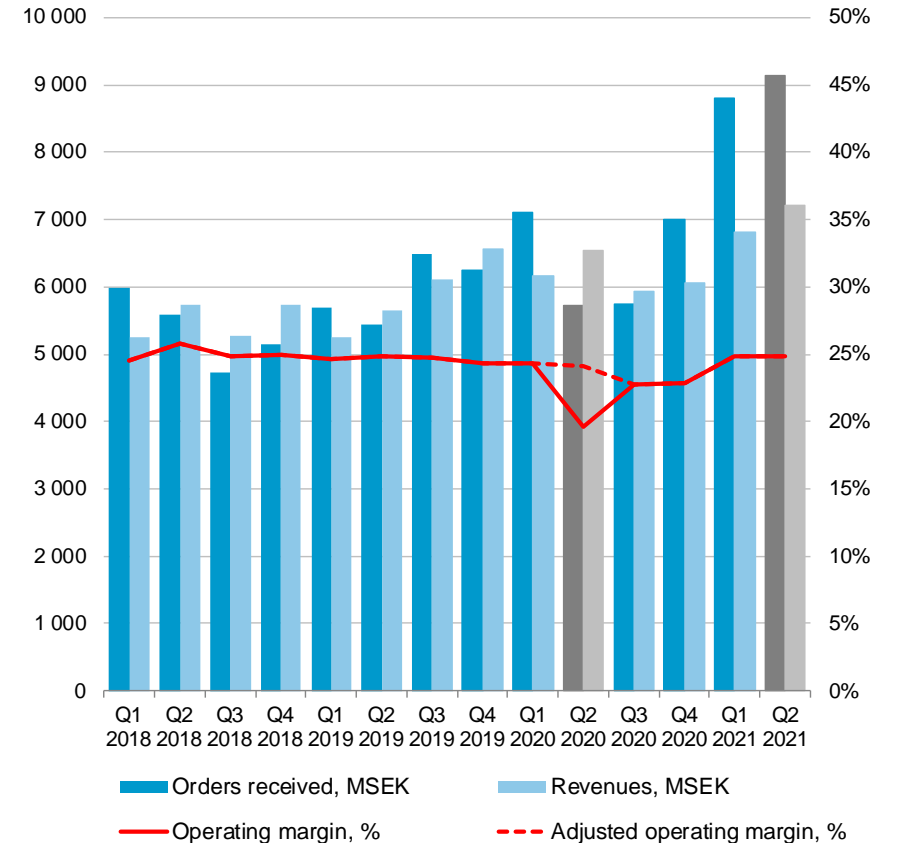
Vacuum Technique

- Record orders and 76% organic growth
 - Strong growth for both semiconductor and industrial equipment, and steady increase for service
 - Sequential growth for industrial equipment, semiconductor flat
- Record revenues, up 21% organically
- Operating profit margin at 24.8% (19.6, adjusted 24.1)
 - Supported by increased volumes, negative currency effect
- ROCE at 23% (20)



Innovation:

A new range of advanced vacuum gauges, the Leybold THERMOVAC, supporting customer's processes optimization and increased process throughputs through reliable sensor measuring.



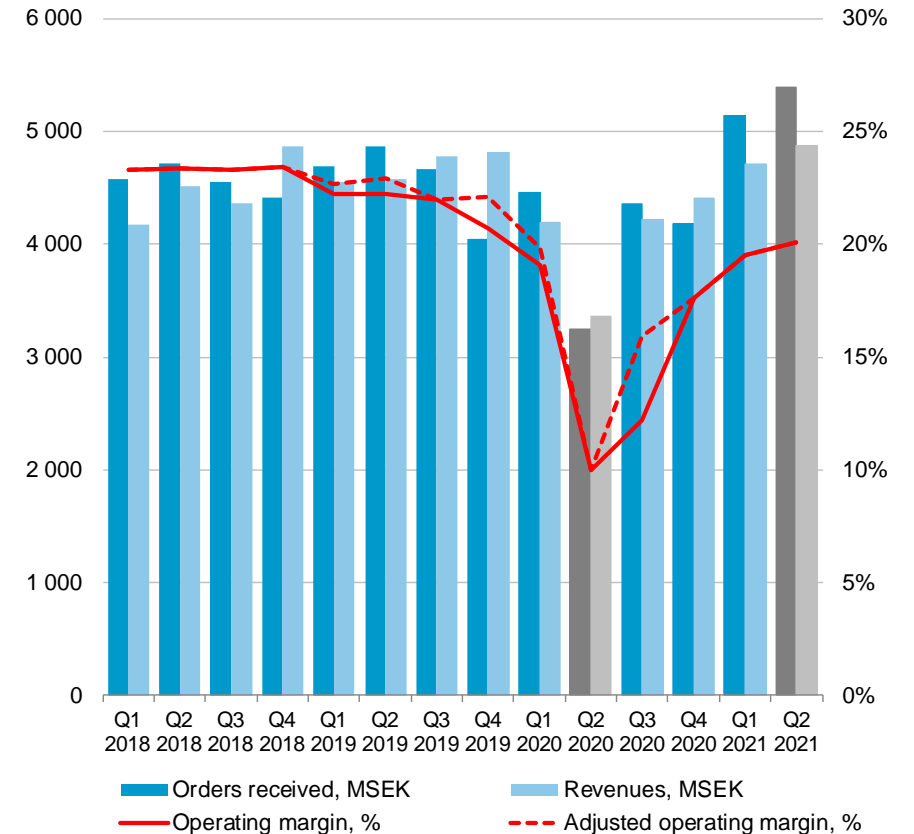
Industrial Technique

- Record order intake, up 61% organically
 - Strong growth for equipment to automotive and general industry
 - Strong growth for service
- Sequential growth for equipment to automotive and general industry
- Revenues increased 39% organically
- Operating margin recovery to 20.1% (10.0)
 - Driven by increased volumes
- ROCE at 13% (23)
 - Negatively affected by recent acquisitions



Innovation:

A new multi-stereo 3D scanner, the ISRA X-GAGE3D, offering peerless measurement accuracy and fast image processing for robot guidance and in-line metrology application in vehicle production.



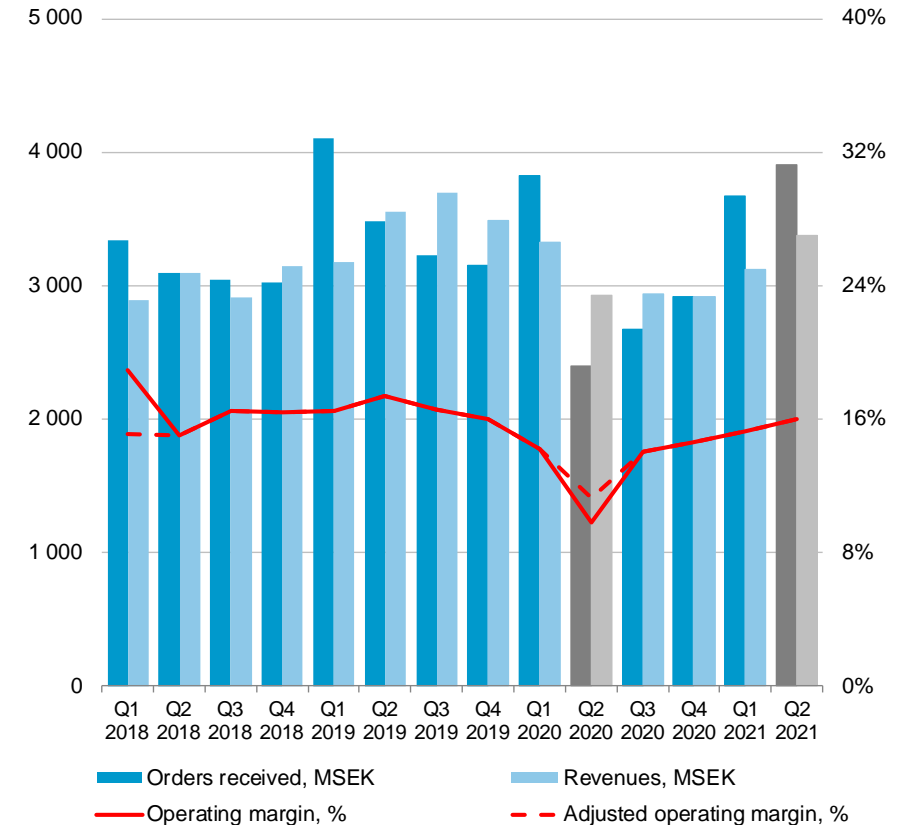
Power Technique

- Organic order growth of 75%
 - Strong y-o-y growth for equipment, service and specialty rental
 - Sequential growth for all business types
- Revenues increased 23% organically
- Operating profit margin at 16.0% (9.8, adjusted 11.5)
 - Supported by increased volumes, negative currency
- ROCE at 23% (21)



Innovation:

A new energy storage system, the Zenergie range, that can be used combined with generators or renewables to make hybrid power solutions as well as to create microgrids for several applications.

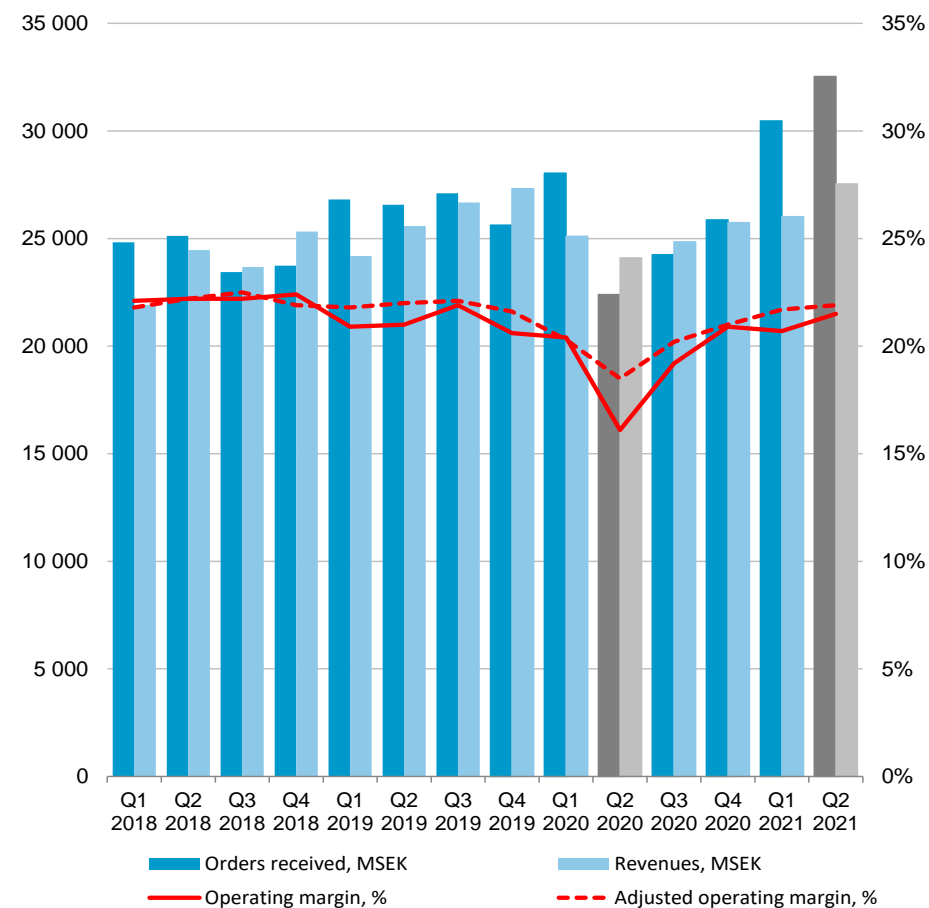


Group total

April – June 2021 vs. 2020

MSEK	April - June		
	2021	2020	
Orders received	32 529	22 401	45%
Revenues	27 534	24 102	14%
EBITA*	6 285	4 201	50%
– as a percentage of revenues	22.8	17.4	
Operating profit	5 924	3 889	52%
– as a percentage of revenues	21.5	16.1	
Net financial items	-52	-63	
Profit before tax	5 872	3 826	53%
– as a percentage of revenues	21.3	15.9	
Income tax expense	-1 301	-697	87%
– as a percentage of profit before tax	22.2	18.2	
Profit for the period	4 571	3 129	46%
Basic earnings per share, SEK	3.75	2.58	
Return on capital employed, %	26	26	
Return on equity, %	29	30	

* Operating profit excluding a amortization of intangibles related to acquisitions.



Profit bridge

April – June 2021 vs. 2020

MSEK	Q2 2021	Volume, price, mix and other	Currency	Acquisitions	Items affecting comparability	Share-based LTI* programs	Q2 2020
Atlas Copco Group							
Revenues	27 534	4 992	-2 280	720			24 102
Operating profit	5 924	2 210	-715	55	350	135	3 889
	21.5%						16.1%

*LTI= Long term incentive

Profit bridge – by business area

April – June 2021 vs. 2020

MSEK	Q2 2021	Volume, price, mix and other	Currency	Acquisitions	Items affecting comparability	Q2 2020
Compressor Technique						
Revenues	12 212	1 642	-975	140		11 405
Operating profit	2 916	742	-275	5	0	2 444
	23.9%					21.4%
Vacuum Technique						
Revenues	7 220	1 385	-720	20		6 535
Operating profit	1 789	481	-265	-5	300	1 278
	24.8%					19.6%
Industrial Technique						
Revenues	4 880	1 330	-335	530		3 355
Operating profit	981	717	-120	50	0	334
	20.1%					10.0%
Power Technique						
Revenues	3 377	677	-260	30		2 930
Operating profit	539	263	-65	5	50	286
	16.0%					9.8%

Balance sheet

MSEK	Jun. 30, 2021	Jun. 30, 2020	Dec. 31, 2020
Intangible assets	47 528	49 606	45 840
Rental equipment	2 438	2 678	2 255
Other property, plant and equipment	11 432	11 732	11 136
Other non-current assets	3 204	3 399	3 190
Inventories	15 242	16 036	13 450
Receivables	29 682	28 049	25 777
Current financial assets	624	167	58
Cash and cash equivalents	13 720	5 277	11 655
Assets classified as held for sale	5	6	5
TOTAL ASSETS	123 875	116 950	113 366
Total equity	55 730	54 482	53 534
Interest-bearing liabilities	27 420	29 216	28 134
Non-interest-bearing liabilities	40 725	33 252	31 698
TOTAL EQUITY AND LIABILITIES	123 875	116 950	113 366

Cash flow

MSEK	April - June		January - June	
	2021	2020	2021	2020
Operating cash surplus	7 268	5 780	14 041	12 200
<i>of which depreciation added back</i>	1 338	1 286	2 616	2 577
Net financial items	-5	-194	133	-242
Taxes paid	-2 266	-1 101	-3 332	-2 176
Pension funding	-71	-77	-146	-158
Change in working capital	-345	-387	-845	-723
Increase in rental equipment, net	-124	-118	-208	-268
Cash flows from operating activities	4 457	3 903	9 643	8 633
Investments of property, plant & eq., net	-396	-303	-736	-714
Other investments, net	-372	-295	-690	-576
Cash flow from investments	-768	-598	-1 426	-1 290
Adjustment, currency hedges of loans	54	178	-153	-35
Operating cash flow	3 743	3 483	8 064	7 308
Company acquisitions/ divestments	-594	-8 714	-718	-12 798

Near-term outlook

Atlas Copco expects that the customers' business activity level will remain at the high current level.

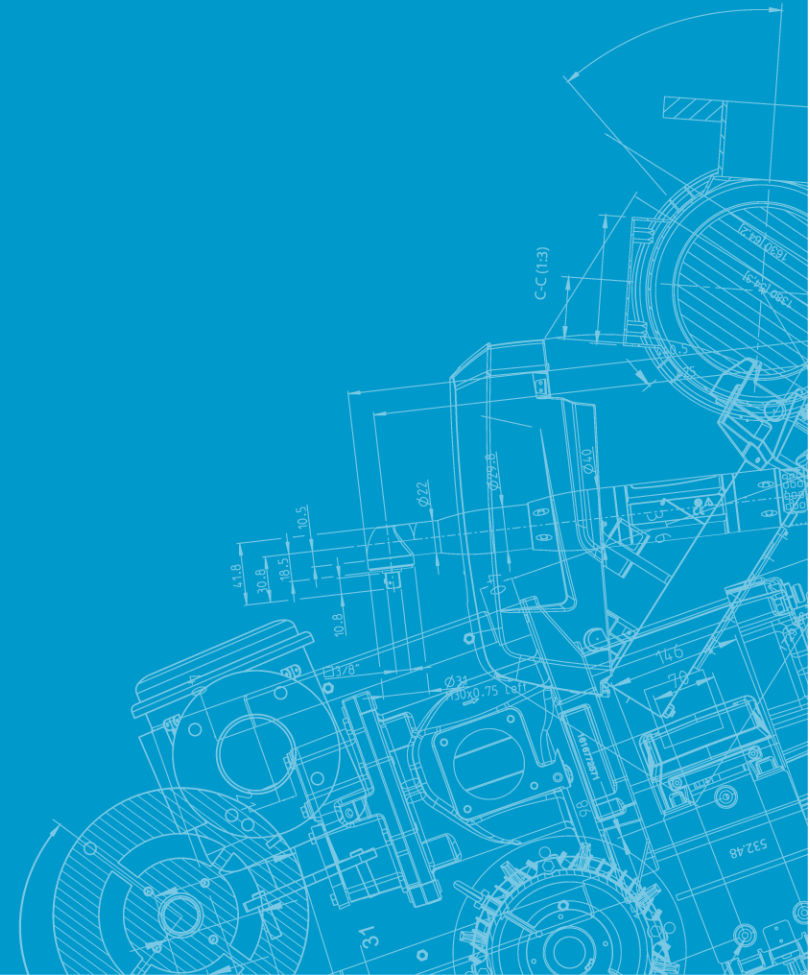
Thank you Hans Ola!



The logo features the brand name 'Atlas Copco' in a white, elegant script font, centered between two thick white horizontal bars.

Atlas Copco

atlas-copco.com



Forward-looking statements

“Some statements herein are forward-looking and the actual outcome could be materially different. In addition to the factors explicitly commented upon other factors could have a material effect on the actual outcome. Such factors include, but are not limited to, general business conditions, fluctuations in exchange rates and interest rates, political developments, the impact of competing products and their pricing, product development, commercialization and technological difficulties, interruptions in supply, and major customer credit losses.”