

A hot air balloon with the Atlas Copco logo is floating in the sky over a city at dusk. The balloon is blue with white stripes and the company name in white script. The city below is illuminated with lights, and a large industrial facility with a tall chimney is visible in the distance.

COMMITTED TO SUSTAINABLE PRODUCTIVITY

Q2 2015 results

July 16, 2015

The Atlas Copco logo, consisting of two horizontal white bars above and below the company name in a white script font.

Atlas Copco

Q2 IN BRIEF

- Growth in service
- Increased order intake in Europe – decreased in Asia
- Order volumes for equipment better than in Q1 2015
- Record orders received, revenues and operating profit
 - Strong impact from currency
- Solid operating cash flow

INNOVATION HIGHLIGHT

LT6005 / LT5005 compaction tool

- Significant sales increase
- Ergonomic and user-friendly design
- High impact force and speed give outstanding compaction efficiency
- Durable and service friendly

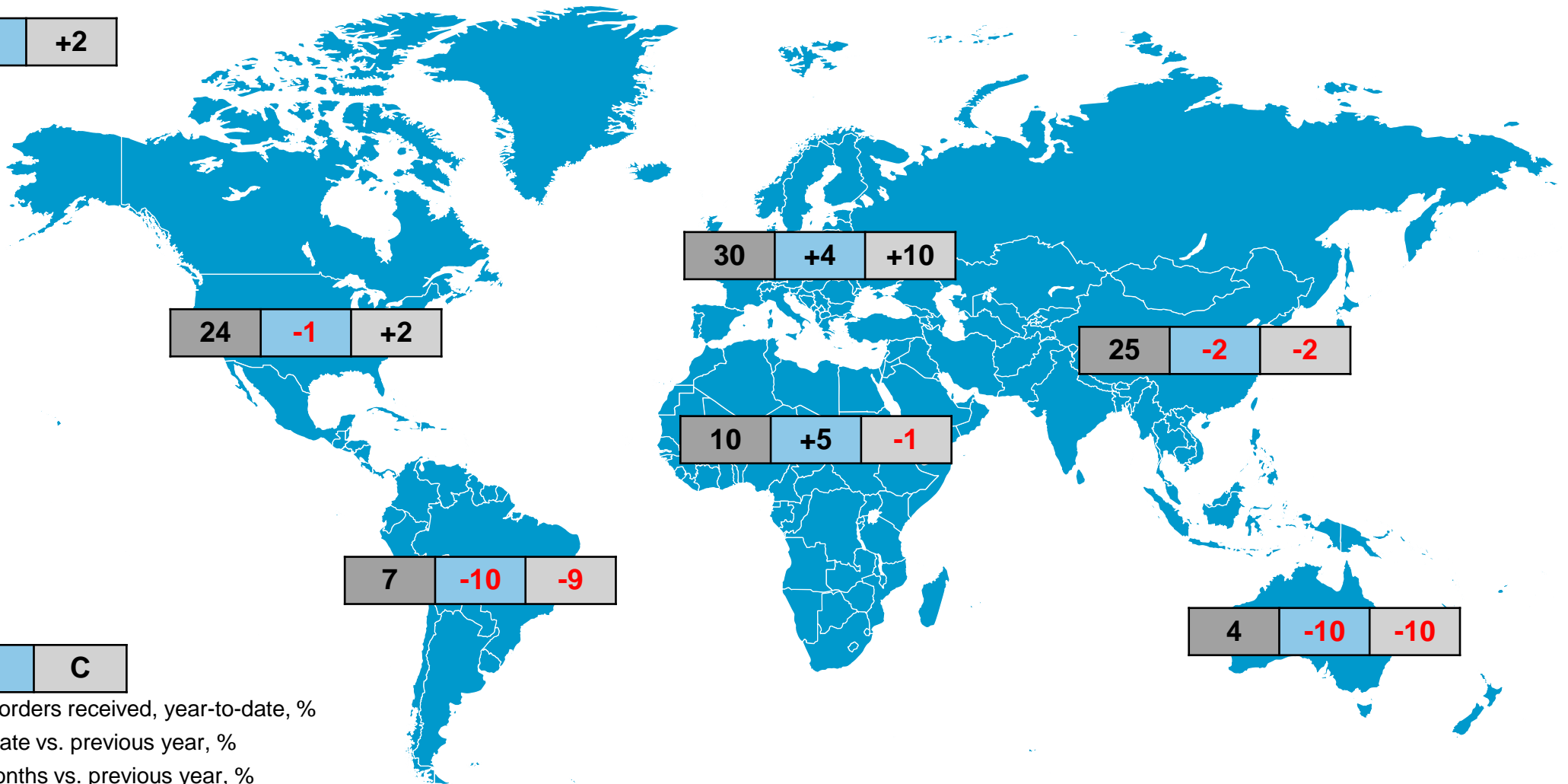


Q2 FIGURES IN SUMMARY

- Orders received increased 14% to MSEK 26 775, flat organically
- Revenues increased to MSEK 26 111, organic decline of 3%
- Adjusted operating profit was MSEK 5 162 (4 382), margin at 19.8% (18.8)
 - Reported operating profit was MSEK 5 072 (4 339), margin at 19.4% (18.6)
 - Change in provision for long-term incentive program MSEK +70 (-43)
 - Restructuring costs of MSEK 160 (0)
- Profit before tax at MSEK 4 850 (4 174)
- Basic earnings per share SEK 3.00 (2.64)
- Operating cash flow at MSEK 3 481 (3 102)

ORDERS RECEIVED - LOCAL CURRENCY

100	0	+2
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June 2015

A	B	C
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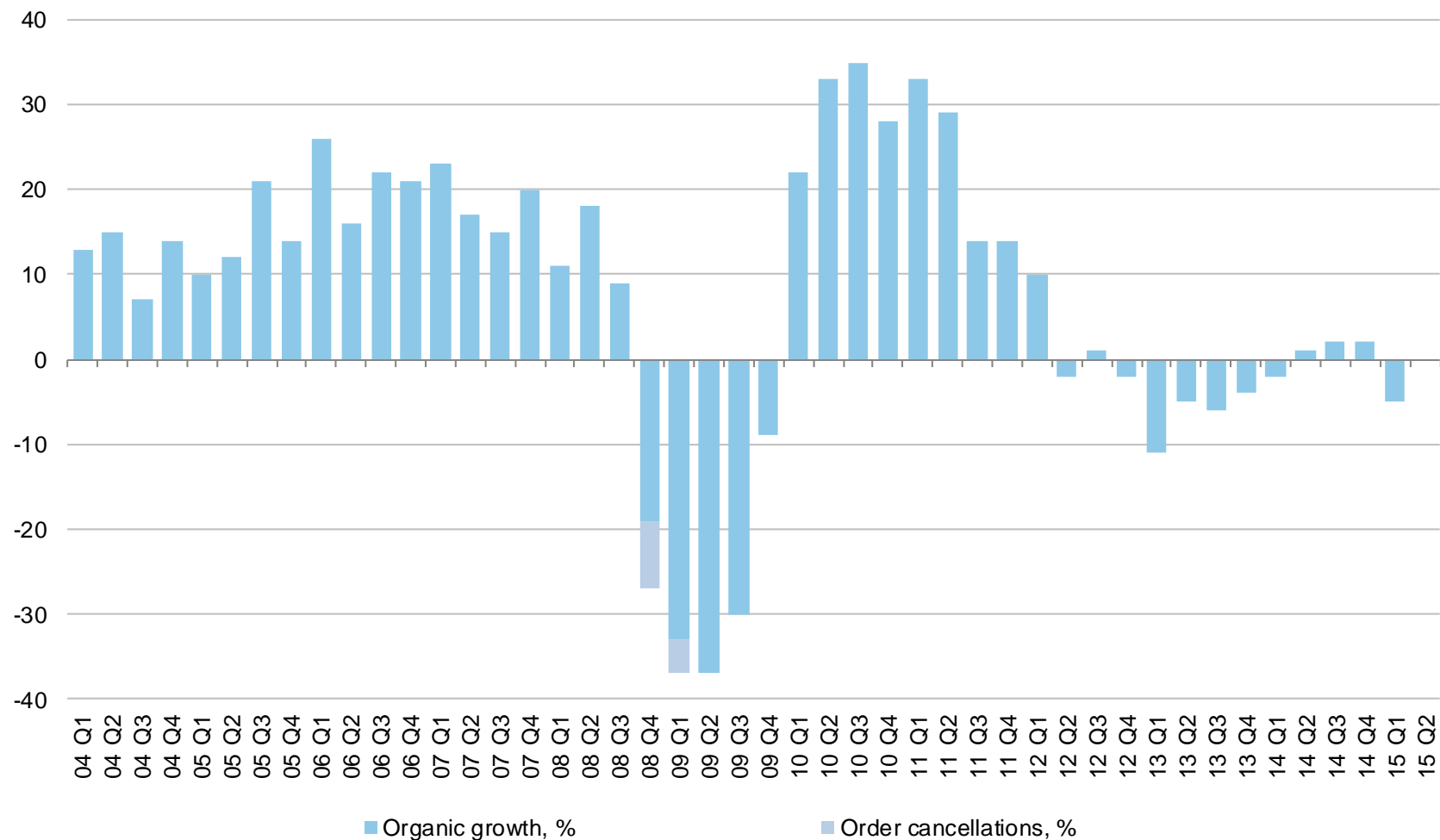
A = Share of orders received, year-to-date, %

B = Year-to-date vs. previous year, %

C = Last 3 months vs. previous year, %

ORGANIC* ORDER GROWTH PER QUARTER

Atlas Copco Group, continuing operations



* Volume and price

■ Organic growth, %

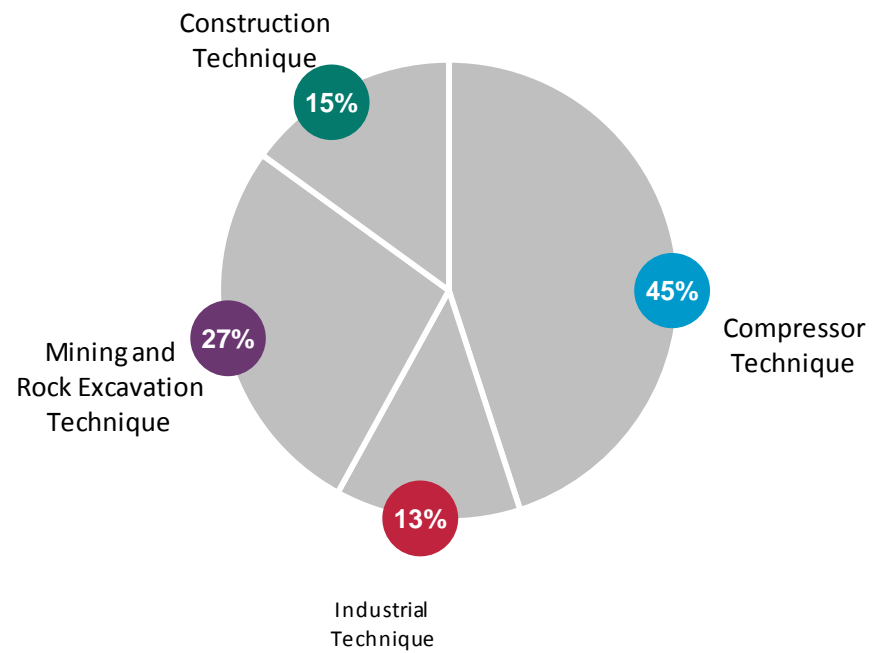
■ Order cancellations, %

ATLAS COPCO GROUP – SALES BRIDGE

MSEK	April - June	
	Orders received	Revenues
2014	23 450	23 348
Structural change, %	+2	+2
Currency, %	+12	+13
Price, %	+1	+0
Volume, %	-1	-3
Total, %	+14	+12
2015	26 775	26 111

ATLAS COPCO GROUP

Revenues by business area



12 months until June 2015

July 16, 2015
Atlas Copco - Q2 results 2015

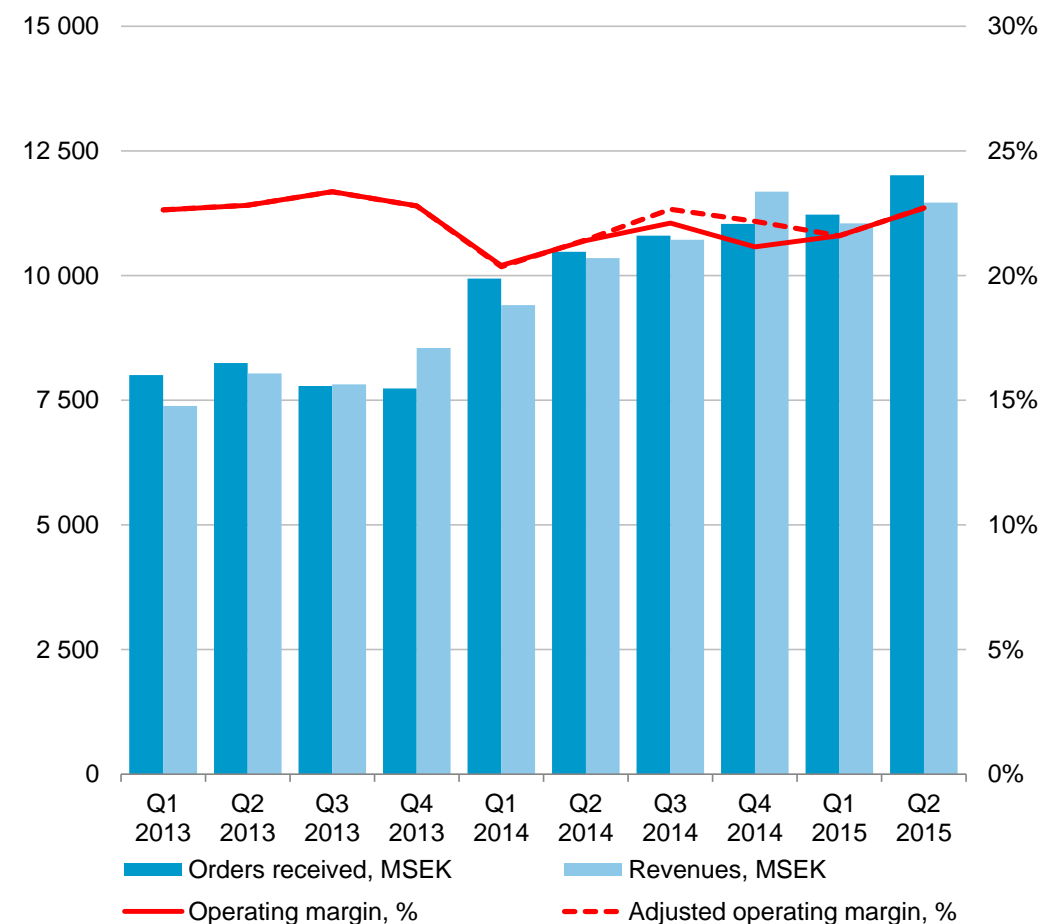


COMPRESSOR TECHNIQUE

- Record order intake, supported by currency
 - Growth in service
 - Stable demand for small and medium-sized compressors, low for large
 - Increased order intake for vacuum solutions
- Record operating profit
 - Operating margin at 22.7% (21.4)

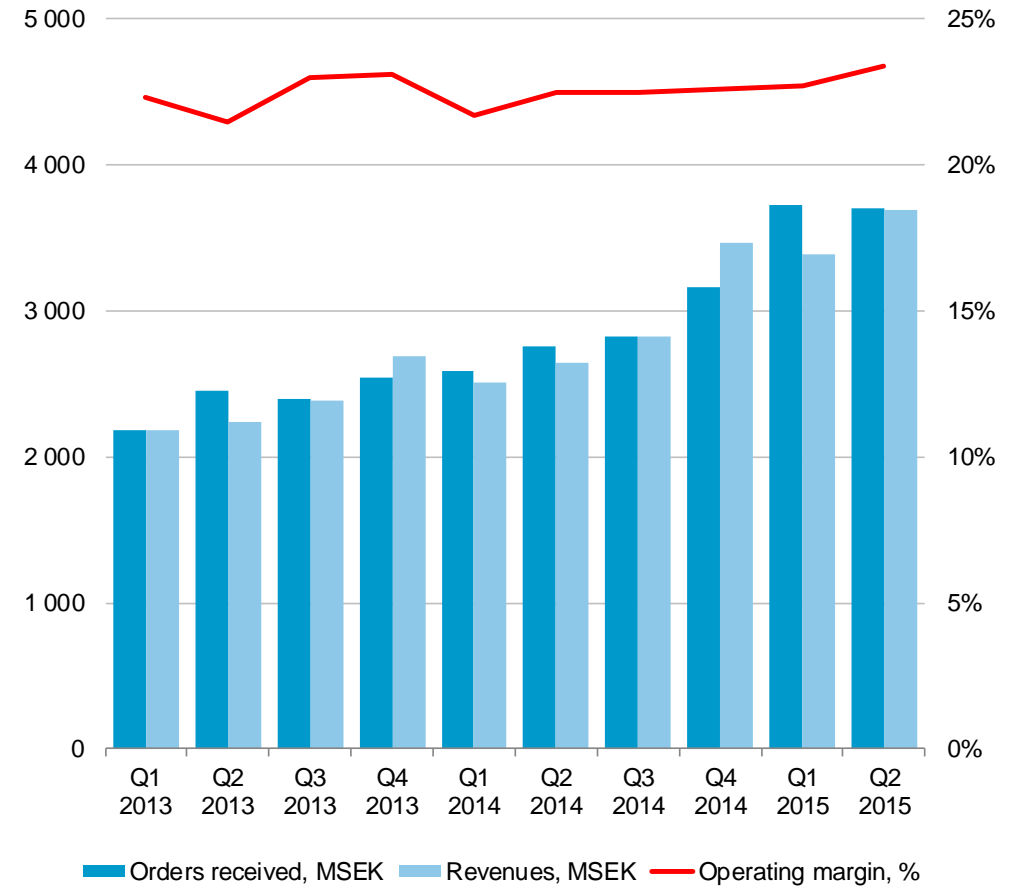
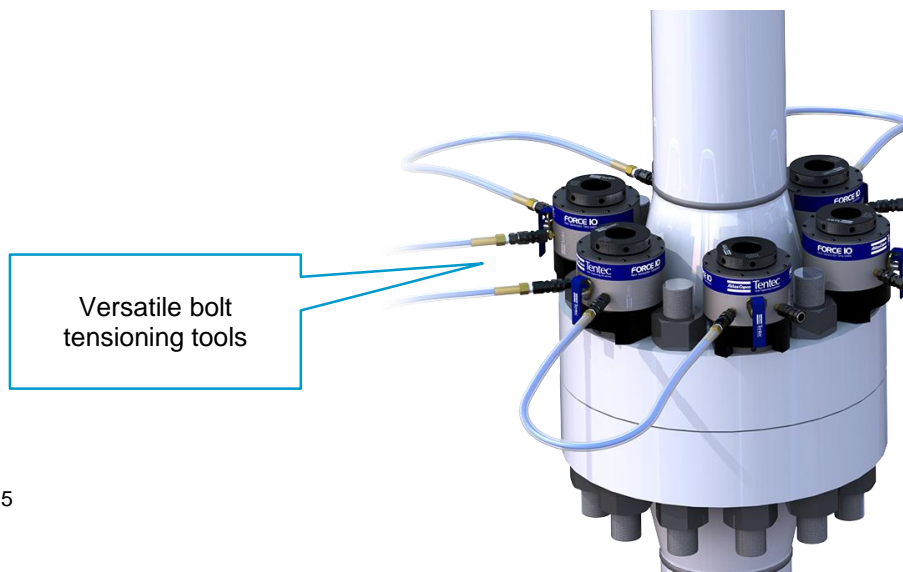


Oil-injected screw compressors with up to 5% improved performance



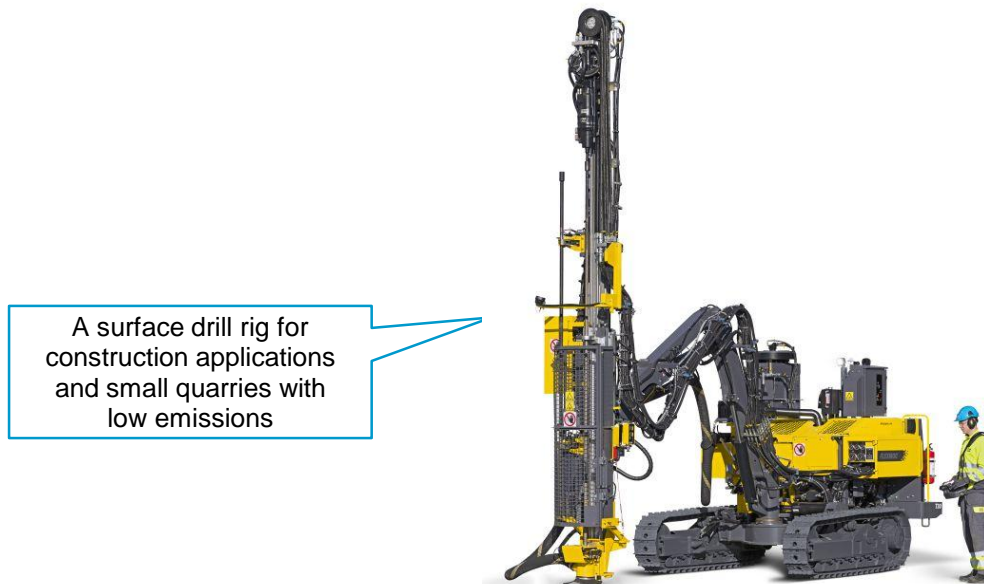
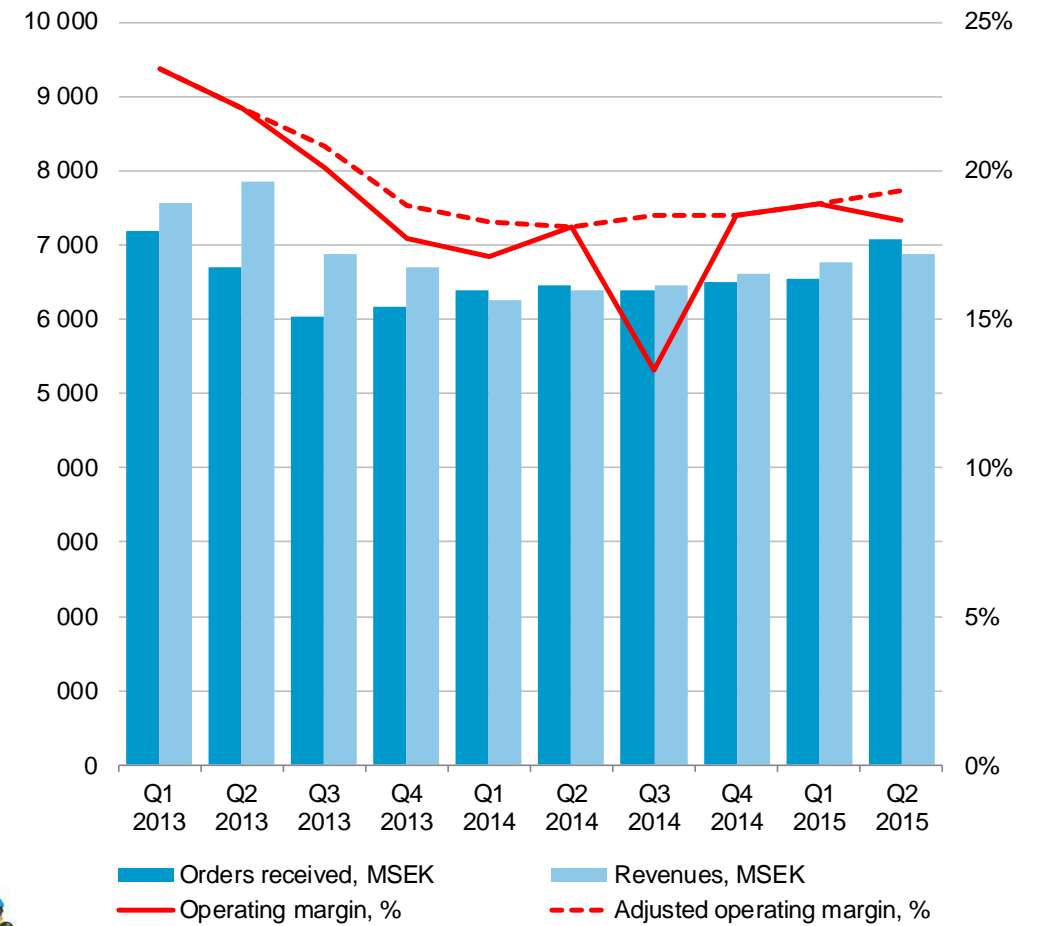
INDUSTRIAL TECHNIQUE

- Increased order intake
 - Strong demand from motor vehicle industry and aerospace, weak from off-road
 - Growth in service
- Record revenues and operating profit
 - Operating margin at 23.4% (22.5)



MINING AND ROCK EXCAVATION TECHNIQUE

- Order intake for equipment higher than Q1 2015
- Strong service business
- Further efficiency measures
 - Restructuring costs of MSEK 65
- Adjusted operating margin at 19.3% (18.1)

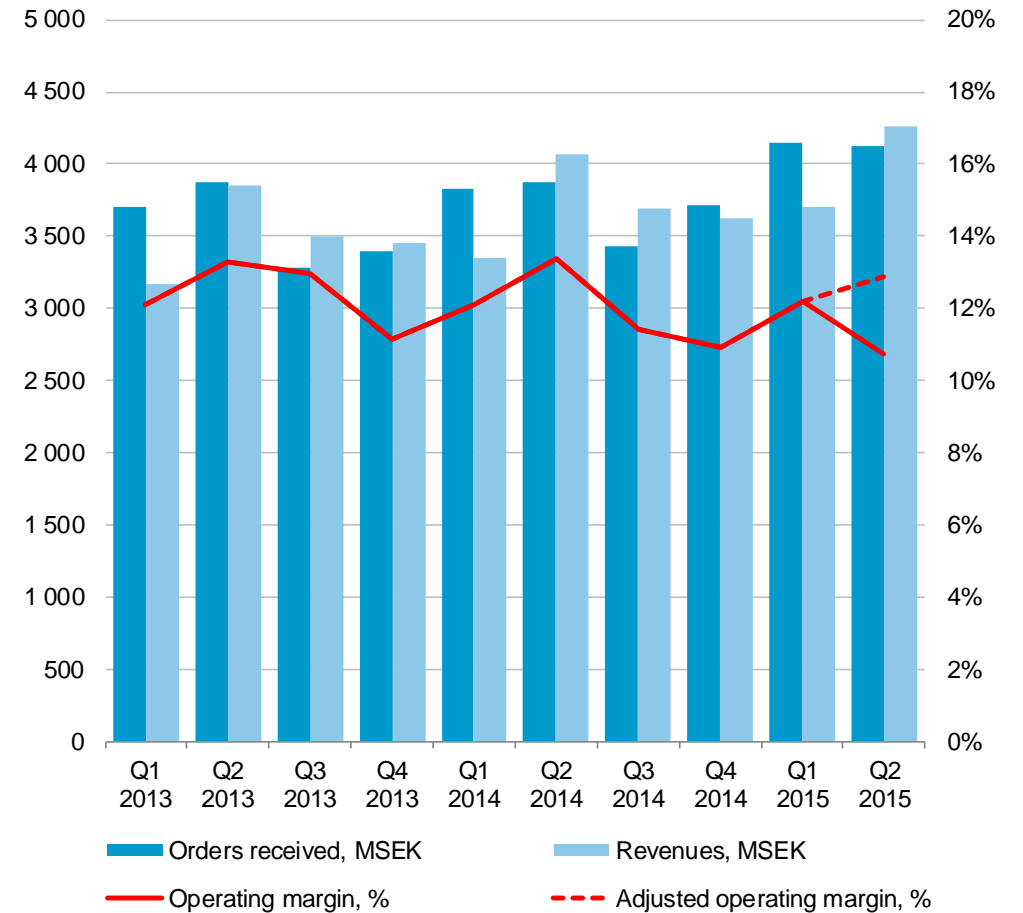


CONSTRUCTION TECHNIQUE

- Decreased order intake
 - Weak portable compressors and road construction
 - Growth in Europe, decrease in all other regions
- Restructuring costs of MSEK 95
 - Adjusted operating margin 13.0% (13.4)



An intelligent monitoring system for road construction equipment saves time and cost for the customers



GROUP TOTAL

April – June 2015 vs. 2014

MSEK	April - June		
	2015	2014	%
Orders received	26 775	23 450	14%
Revenues	26 111	23 348	12%
Operating profit	5 072	4 339	17%
<i>– as a percentage of revenues</i>	<i>19.4</i>	<i>18.6</i>	
Profit before tax	4 850	4 174	16%
<i>– as a percentage of revenues</i>	<i>18.6</i>	<i>17.9</i>	
Profit for the period	3 651	3 207	14%
Basic earnings per share, SEK	3.00	2.64	
Return on capital employed, %	25	25	

PROFIT BRIDGE

April – June 2015 vs. 2014

MSEK	Q2 2015	Volume, price, mix and other	Currency	One-time items Acquisitions	Share based LTI programs	Q2 2014
Atlas Copco Group						
Revenues	26 111	-667	2 900	530		23 348
EBIT	5 072	-255	945	-70	113	4 339
%	19.4%	38.2%				18.6%

PROFIT BRIDGE – BY BUSINESS AREA

April – June 2015 vs. 2014

MSEK	Q2 2015	Volume, price, mix and other	Currency	One-time items Acquisitions	Q2 2014
Compressor Technique					
Revenues	11 462	-361	1 395	75	10 353
EBIT	2 603	-26	405	5	2 219
%	22.7%	7.2%			21.4%
Industrial Technique					
Revenues	3 697	242	350	455	2 650
EBIT	865	70	110	90	595
%	23.4%	28.9%			22.5%
Mining and Rock Excavation Technique					
Revenues	6 870	-216	690	0	6 396
EBIT	1 258	-187	355	-65	1 155
%	18.3%	86.6%			18.1%
Construction Technique					
Revenues	4 256	-272	460	0	4 068
EBIT	457	-93	100	-95	545
%	10.7%	34.2%			13.4%

BALANCE SHEET

MSEK	Jun. 30, 2015		Dec. 31, 2014		Jun. 30, 2014	
Intangible assets	33 860	32%	33 197	32%	27 232	29%
Rental equipment	3 113	3%	3 177	3%	2 815	3%
Other property, plant and equipment	9 508	9%	9 433	9%	8 324	9%
Other non-current assets	3 690	4%	3 530	3%	3 631	4%
Inventories	18 968	18%	18 364	17%	18 643	20%
Receivables	27 398	26%	26 015	25%	24 786	27%
Current financial assets	1 910	2%	2 150	2%	1 943	2%
Cash and cash equivalents	6 301	6%	9 404	9%	5 364	6%
Assets classified as held for sale	34	0%	11	0%	12	0%
TOTAL ASSETS	104 782		105 281		92 750	
Total equity	43 074	41%	50 753	48%	40 220	43%
Interest-bearing liabilities	28 943	28%	26 997	26%	27 793	30%
Non-interest-bearing liabilities	32 765	31%	27 531	26%	24 737	27%
TOTAL EQUITY AND LIABILITIES	104 782		105 281		92 750	

CASH FLOW

MSEK	April - June	
	2015	2014
Operating cash surplus	6 170	4 999
<i>of which depreciation added back</i>	1 059	847
Net financial items	367	-422
Taxes paid	-1 199	-1 037
Pension funding	36	-14
Change in working capital	-520	409
Increase in rental equipment, net	-272	-318
Cash flows from operating activities	4 582	3 617
Investments of property, plant & eq., net	-399	-331
Other investments, net	-194	-378
Cash flow from investments	-593	-709
Adjustment, currency hedges of loans	-508	194
Operating cash flow	3 481	3 102
Company acquisitions/ divestments	-22	-356

NEAR-TERM OUTLOOK

The overall demand for the Group is expected to increase somewhat.

***COMMITTED TO
SUSTAINABLE PRODUCTIVITY.***



Atlas Copco

