COMMITTED TO SUSTAINABLE PRODUCTIVITY

Q1 2016 results

April 26, 2016

Q1 IN BRIEF

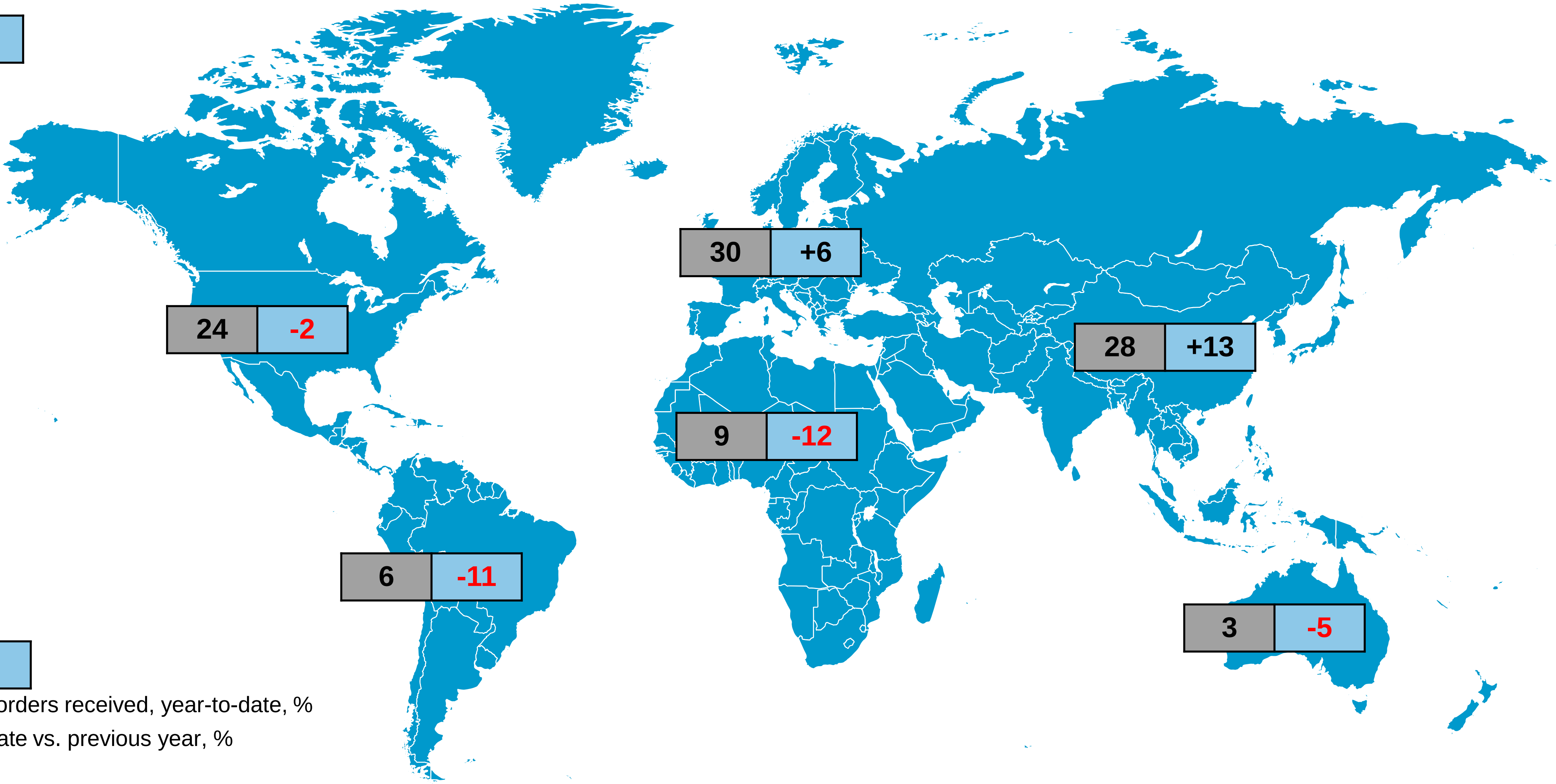
- Stable order intake – weak mining
  - Growth in service in all business areas, except in Mining and Rock Excavation
  - Strong quarter for vacuum
- Operating profit affected by lower revenue volume and currency
  - Negative currency effect of MSEK 415 compared to Q1 2015
- Five acquisitions year to date

Q1 FIGURES IN SUMMARY

- Orders received were MSEK 24 721, unchanged organically
- Revenues were MSEK 23 137, organic decline of 3%
- Adjusted operating profit of MSEK 4 157 (4 767), margin at 18.0% (19.3)
  - Items affecting comparability of MSEK +13 (-248)
  - Reported operating profit of MSEK 4 170 (4 519), margin at 18.0% (18.3)
- Profit for the period of MSEK 2 908 (3 236)
- Basic earnings per share SEK 2.39 (2.66)
- Operating cash flow at MSEK 3 127 (3 498)

ORDERS RECEIVED - LOCAL CURRENCY

100	+2



March 2016

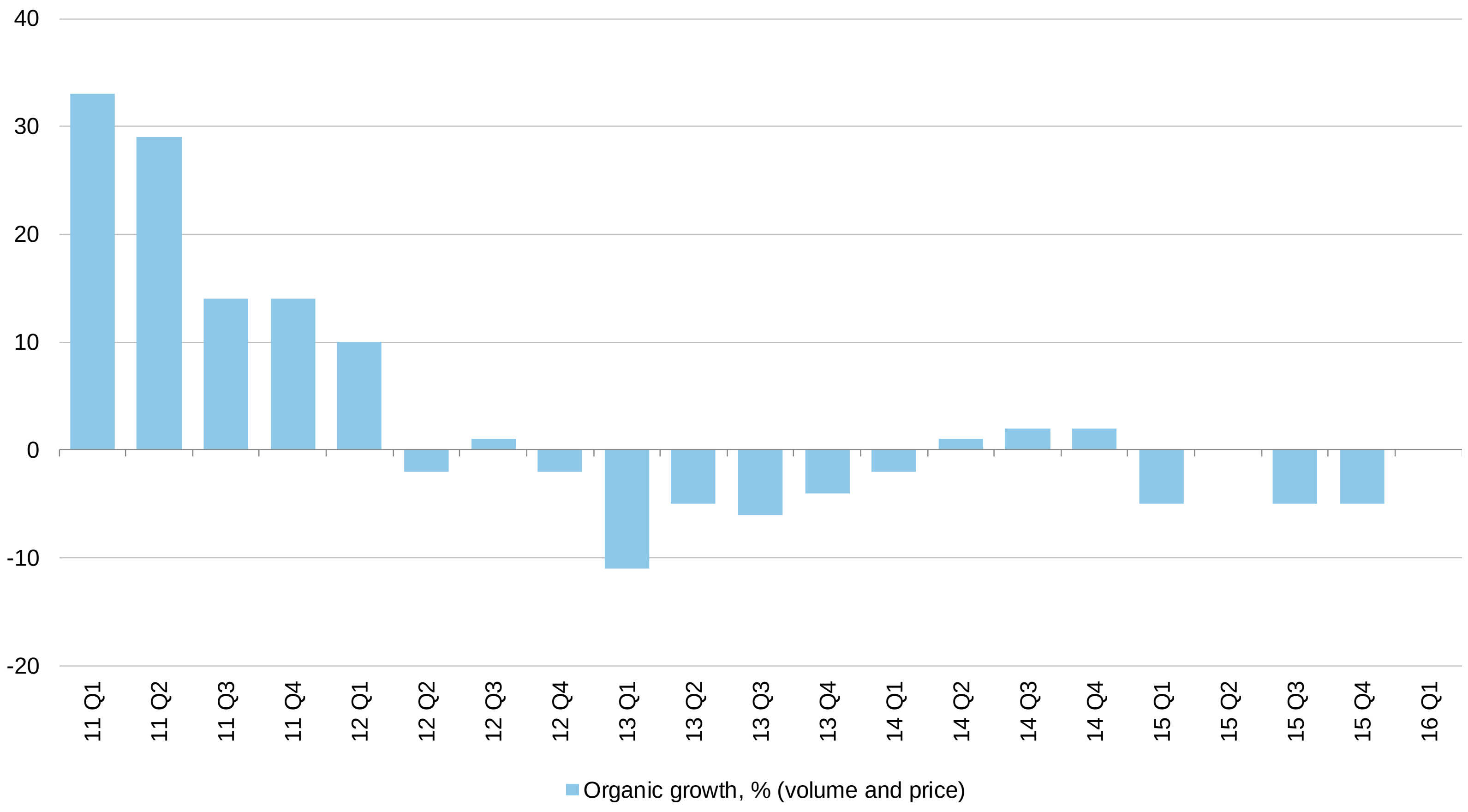
A	B

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

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

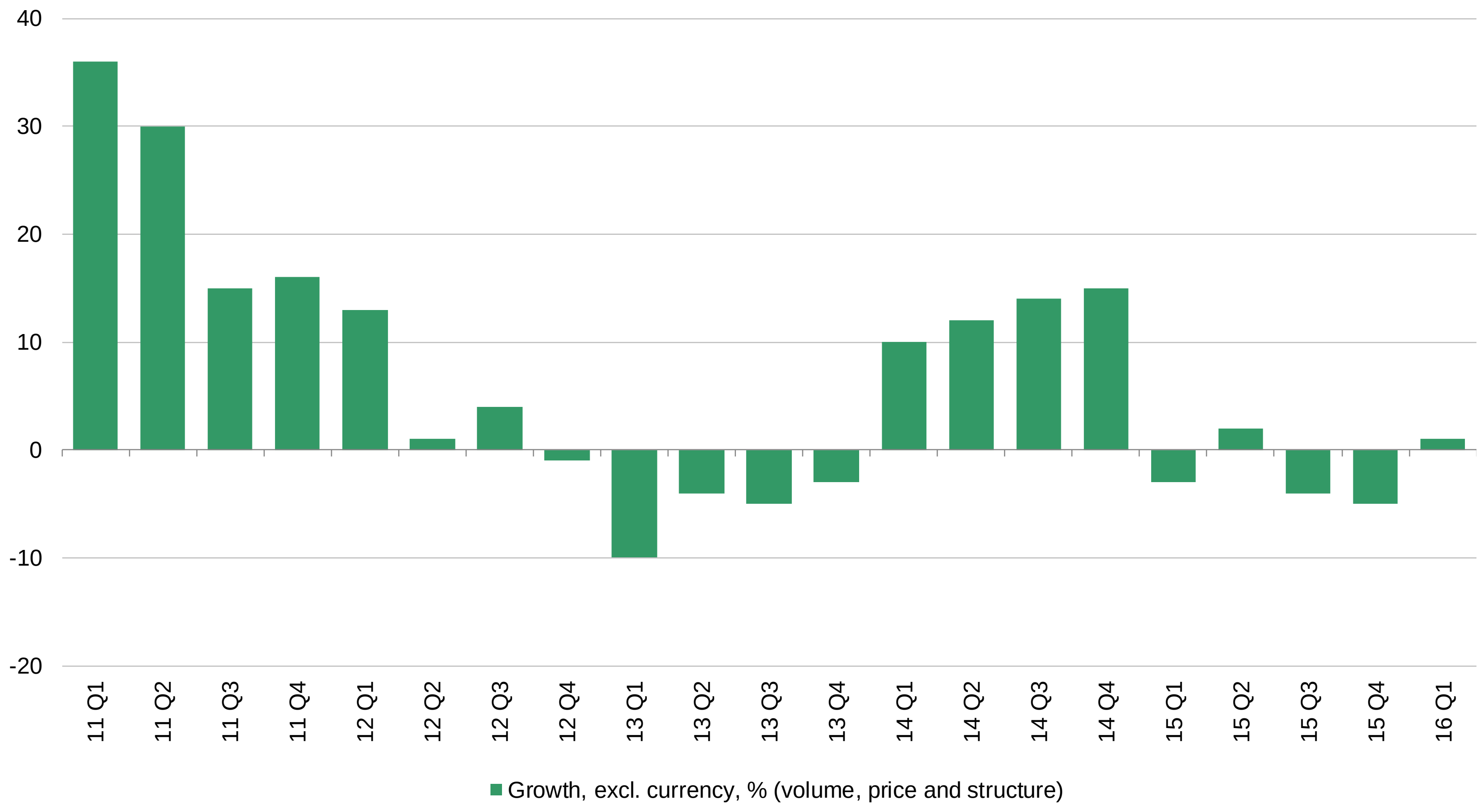
ORDER GROWTH PER QUARTER

Organic growth



ORDER GROWTH PER QUARTER

Growth excl. currency

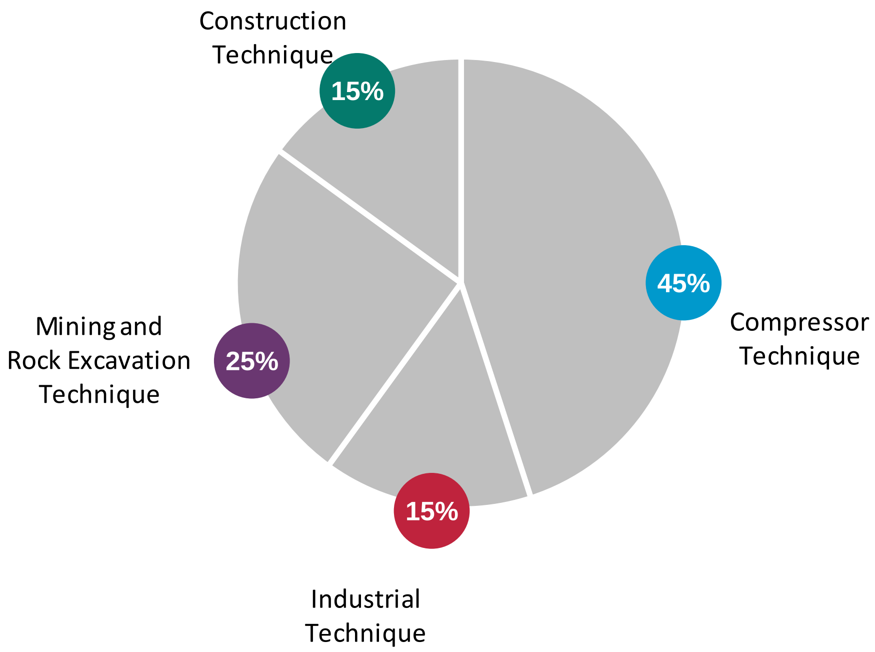


SALES BRIDGE

MSEK	January - March Orders received	Revenues
2015	25 470	24 745
Structural change, %	+1	+1
Currency, %	-4	-4
Price, %	+0	+0
Volume, %	+0	-3
Total, %	-3	-6
2016	24 721	23 137

ATLAS COPCO GROUP

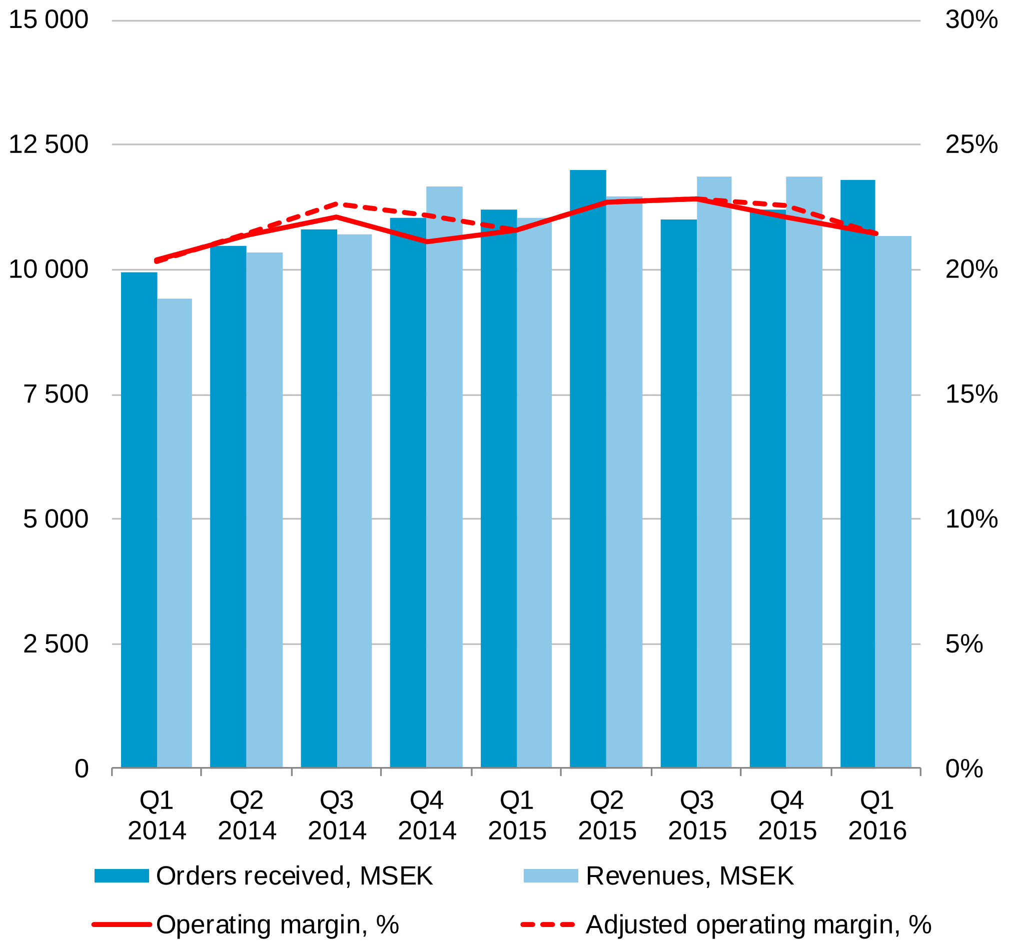
Revenues by business area



12 months through March 2016

COMPRESSOR TECHNIQUE

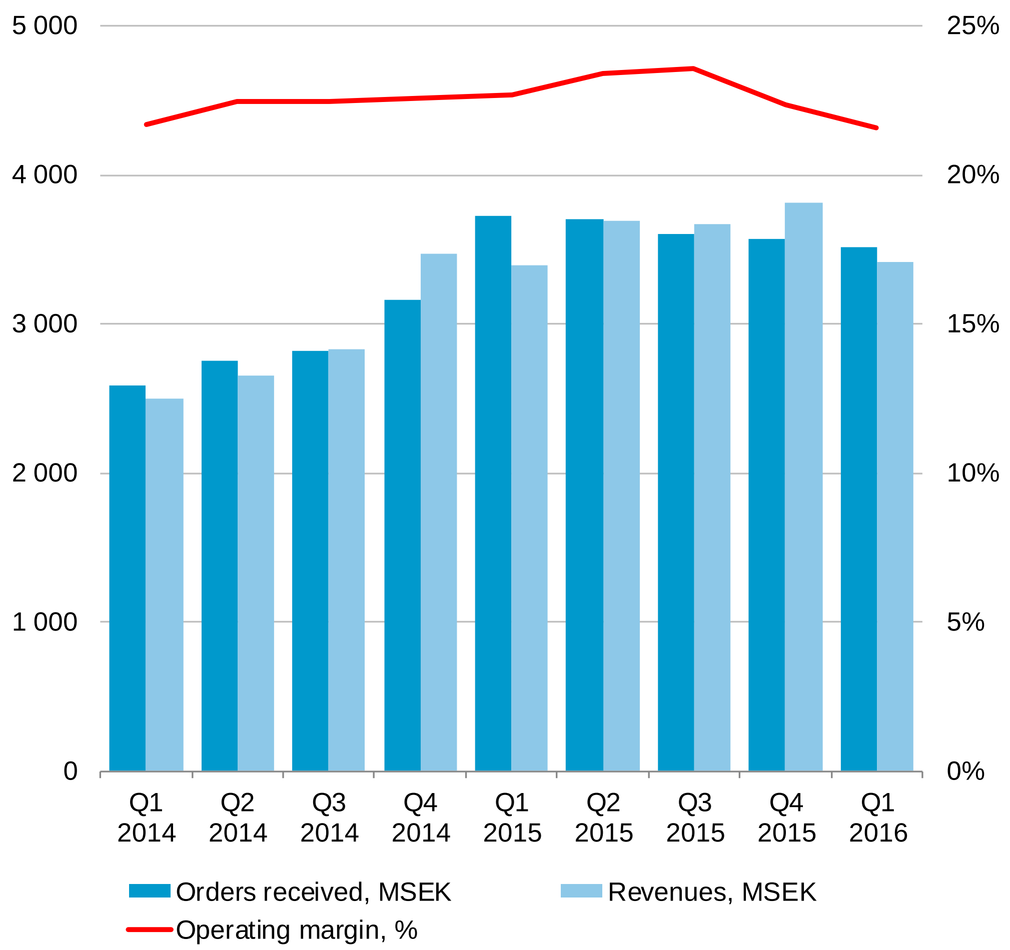
- Organic order growth of 7%
  - Record order intake for vacuum solutions
  - Stable orders for industrial compressors – lower orders for gas and process compressors
  - Solid growth for compressor service
- Acquisitions of FIAC and several distributors
- Leybold acquisition expected to be finalized in the third quarter
- Operating margin at 21.5% (21.6)



Vacuum pump, which offers energy savings of up to 50%

INDUSTRIAL TECHNIQUE

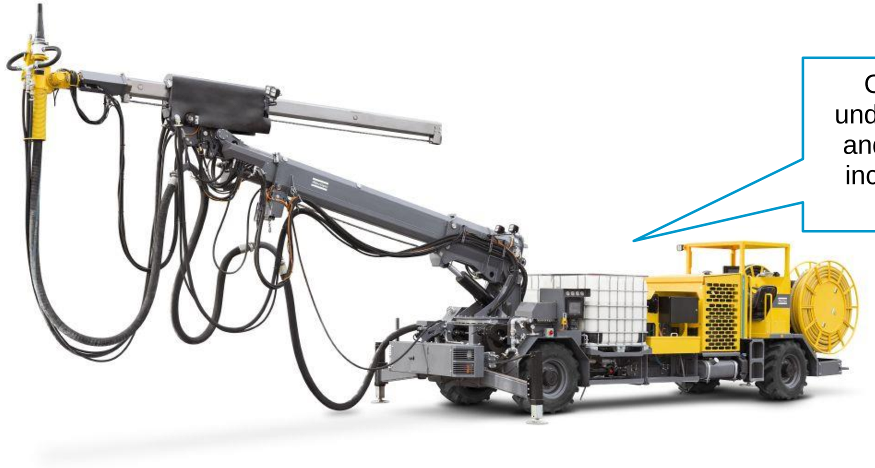
- Healthy demand level, but fewer large projects in the motor vehicle industry
- Stable order intake from general industry
- Robust growth in the service business
- Operating margin at 21.6% (22.7), negatively affected by currency



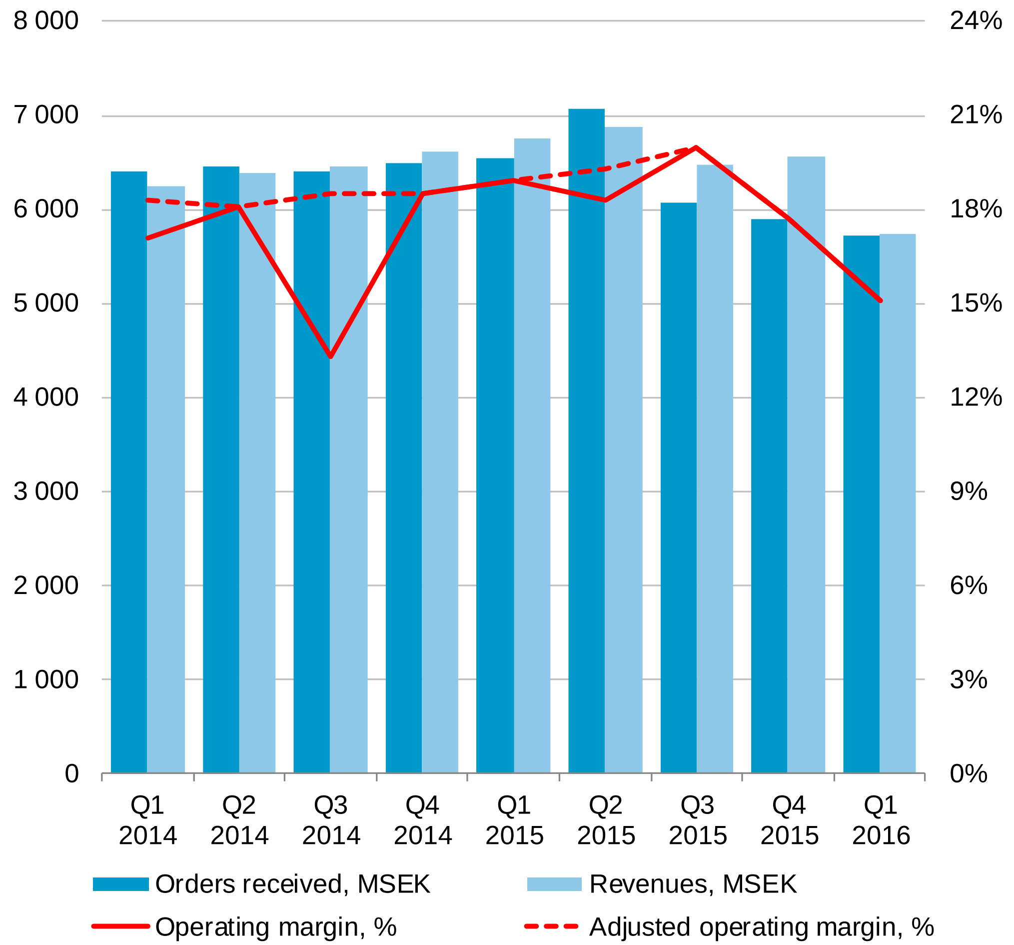
Very compact and light weight angle impact wrench

MINING AND ROCK EXCAVATION TECHNIQUE

- Continued weak demand
- Equipment orders somewhat lower
- Service and consumables orders lower
  - Several closed mines
- Operating margin at 15.1% (18.9), negatively impacted by volume and currency
- Further efficiency measures required



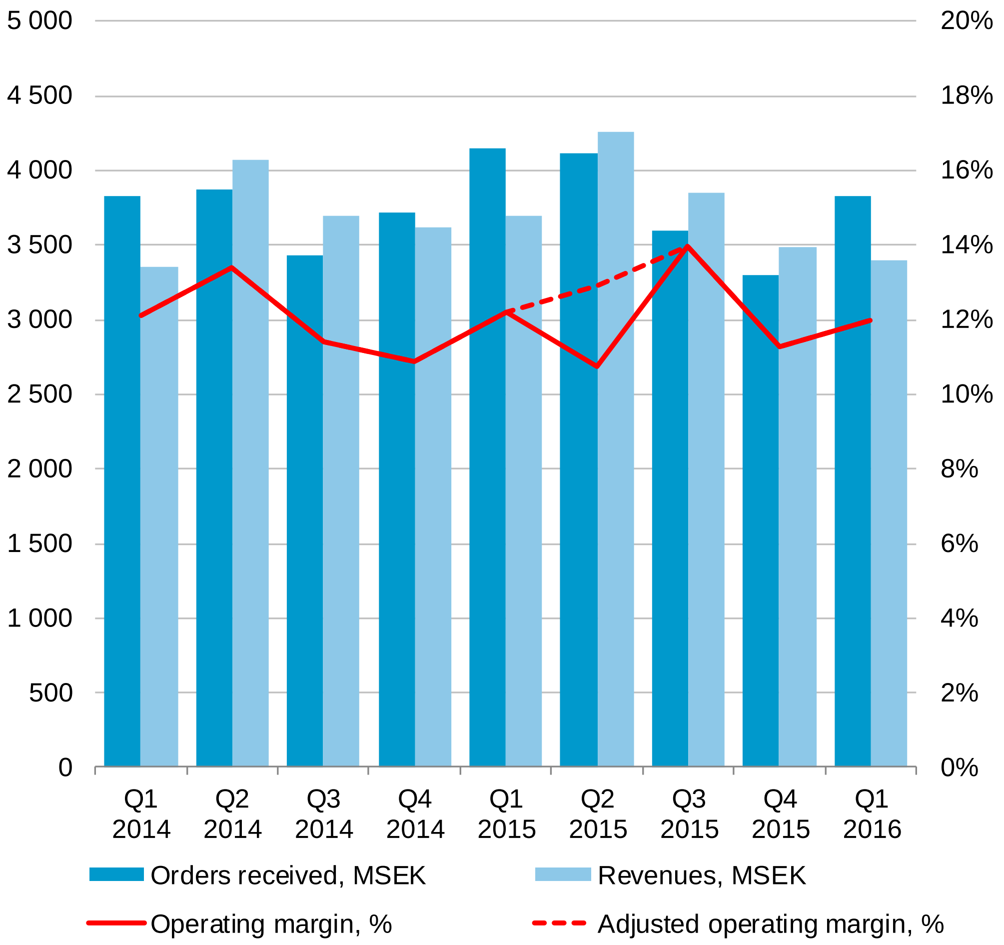
Concrete sprayer for underground construction and mining projects with increased precision and efficiency.



CONSTRUCTION TECHNIQUE

- Lower order intake for equipment
  - Strong growth in India, but significant decline in Brazil
- Specialty rental business grew
- Service business increased
- Operating margin at 12.0% (12.2), negatively affected by volume and currency

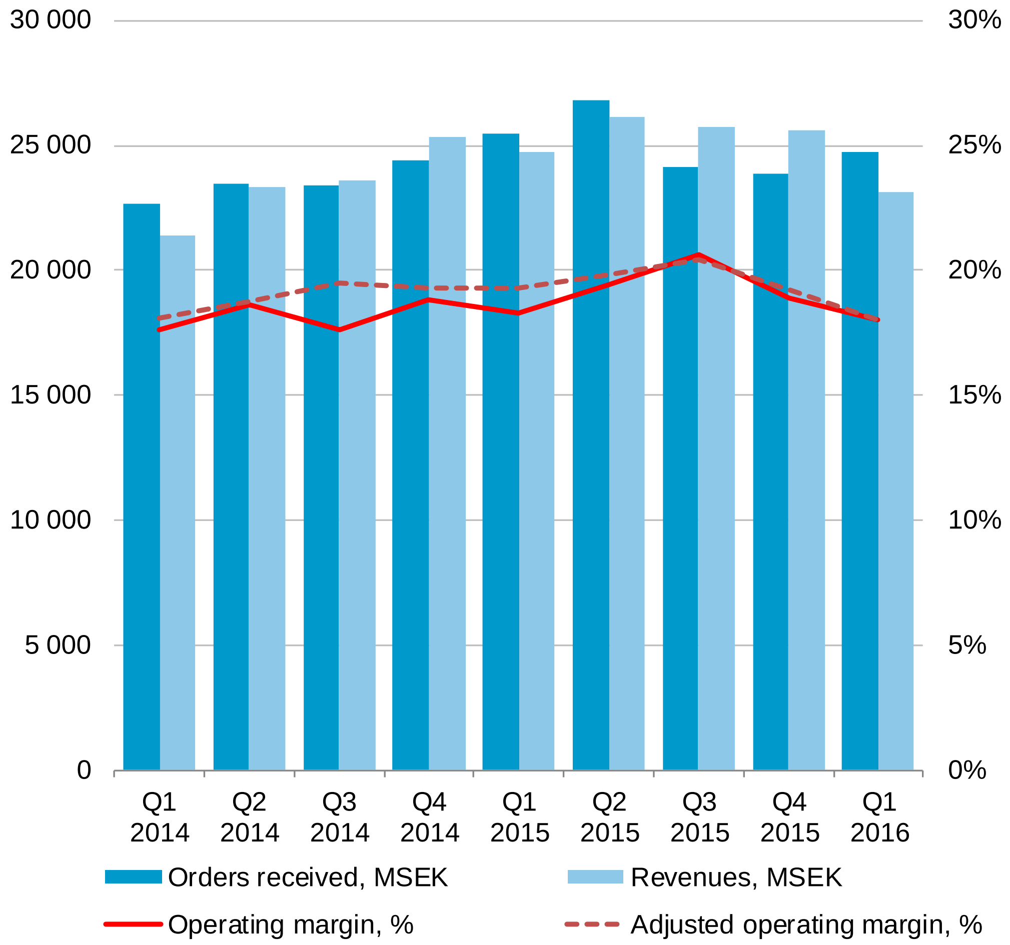
New range of portable compressors use an average of 12% less fuel than comparable models.



GROUP TOTAL

January – March 2016 vs. 2015

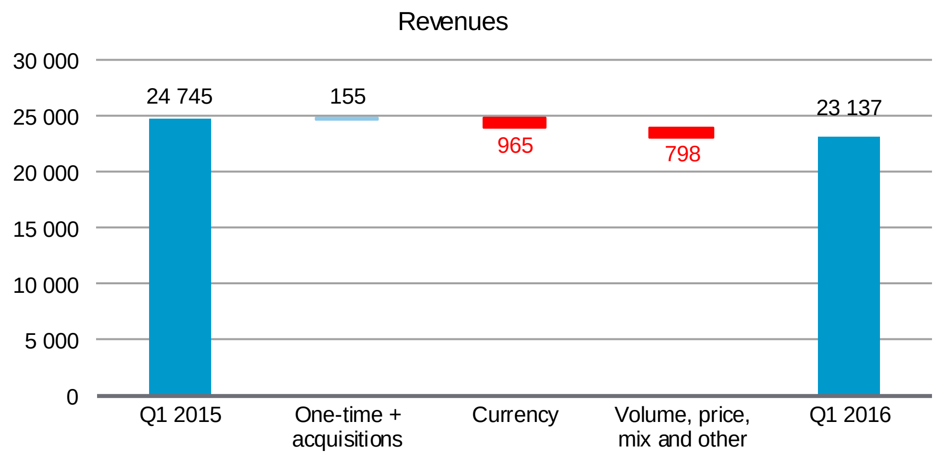
MSEK	January - March 2016	2015	%
Orders received	**24 721**	**25 470**	**-3%**
Revenues	**23 137**	**24 745**	**-6%**
Operating profit	**4 170**	**4 519**	**-8%**
– as a percentage of revenues	*18.0*	*18.3*	
Profit before tax	**3 997**	**4 287**	**-7%**
– as a percentage of revenues	*17.3*	*17.3*	
Income tax expense	**-1 089**	**-1 051**	**4%**
– as a percentage of profit before tax	*-27.2*	*-24.5*	
Profit for the period	**2 908**	**3 236**	**-10%**
Basic earnings per share, SEK	**2.39**	**2.66**	
Return on capital employed, %	**26**	**24**	

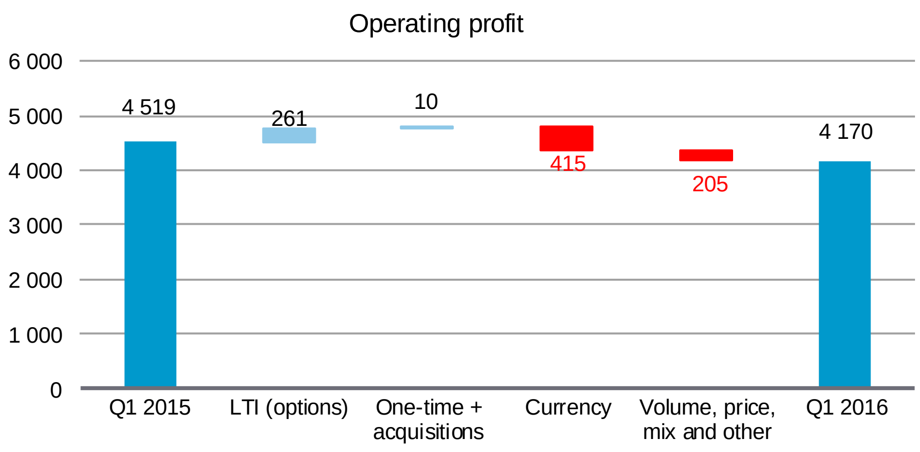


PROFIT BRIDGE

January – March 2016 vs. 2015

MSEK	Q1 2016	Volume, price, mix and other	Currency	One-time items Acquisitions	Share based LTI programs	Q1 2015
Atlas Copco Group						
Revenues	23 137	-798	-965	155		24 745
Operating profit	4 170	-205	-415	10	261	4 519
%	18.0%	25.7%				18.3%





PROFIT BRIDGE – BY BUSINESS AREA

January – March 2016 vs. 2015

MSEK	Q1 2016	Volume, price, mix and other	Currency	One-time items Acquisitions	Q1 2015
Compressor Technique					
Revenues	10 692	-172	-260	75	11 049
Operating profit	2 296	-56	-40	0	2 392
%	21.5%	32.6%			21.6%
Industrial Technique					
Revenues	3 417	93	-75	5	3 394
Operating profit	737	52	-85	0	770
%	21.6%	55.9%			22.7%
Mining and Rock Excavation Technique					
Revenues	5 736	-525	-495	0	6 756
Operating profit	866	-230	-180	0	1 276
%	15.1%	43.8%			18.9%
Construction Technique					
Revenues	3 402	-236	-135	75	3 698
Operating profit	408	33	-85	10	450
%	12.0%	nm			12.2%

BALANCE SHEET

MSEK	Mar. 31, 2016		Mar. 31, 2015		Dec. 31, 2015	
Intangible assets	33 522	32%	34 878	31%	33 520	33%
Rental equipment	2 960	3%	3 201	3%	3 076	3%
Other property, plant and equipment	8 932	8%	9 770	9%	8 947	9%
Other non-current assets	3 942	4%	3 824	3%	4 128	4%
Inventories	17 711	17%	19 805	18%	16 906	16%
Receivables	25 979	24%	27 121	24%	25 985	25%
Current financial assets	1 639	2%	2 156	2%	1 576	2%
Cash and cash equivalents	11 490	11%	10 329	9%	8 861	9%
Assets classified as held for sale	11	0%	35	0%	11	0%
TOTAL ASSETS	**106 186**		**111 119**		**103 010**	
Total equity	49 236	46%	54 995	49%	46 750	45%
Interest-bearing liabilities	25 644	24%	26 879	24%	25 214	24%
Non-interest-bearing liabilities	31 306	29%	29 245	26%	31 046	30%
TOTAL EQUITY AND LIABILITIES	**106 186**		**111 119**		**103 010**	

CASH FLOW

	January - March	
MSEK	**2016**	**2015**
Operating cash surplus	5 278	5 295
of which depreciation added back	*1 035*	*1 035*
Net financial items	9	-1 679
Taxes paid	-1 390	-972
Pension funding	-1	23
Change in working capital	113	180
Increase in rental equipment, net	-113	-163
Cash flows from operating activities	**3 896**	**2 684**
Investments of property, plant & eq., net	-263	-371
Other investments, net	-329	-235
Cash flow from investments	-592	-606
Adjustment, currency hedges of loans	-177	1 420
Operating cash flow	**3 127**	**3 498**
Company acquisitions/ divestments	-607	-1 592

NEAR-TERM OUTLOOK

The overall demand for the Group is expected to remain at current level.

COMMITTED TO SUSTAINABLE PRODUCTIVITY.

Atlas Copco

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."