

Final Terms dated 25 August 2016

Atlas Copco AB

Issue of EUR 500,000,000 0.625 per cent. Fixed Rate Notes due 30 August 2026

under the U.S.\$3,000,000,000

Euro Medium Term Note Programme

The Base Prospectus referred to below (as completed by these Final Terms) has been prepared on the basis that any offer of Notes in any Member State of the European Economic Area which has implemented the Prospectus Directive (2003/71/EC, as amended) (each, a “**Relevant Member State**”) will be made pursuant to an exemption under the Prospectus Directive, as implemented in that Relevant Member State, from the requirement to publish a prospectus for offers of the Notes. Accordingly any person making or intending to make an offer in that Relevant Member State of the Notes may only do so in circumstances in which no obligation arises for the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Directive (as defined below) or supplement a prospectus pursuant to Article 16 of the Prospectus Directive, in each case, in relation to such offer. Neither the Issuer nor any Dealer have authorised, nor do they authorise, the making of any offer of Notes in circumstances in which an obligation arises for the Issuer or any Dealer to publish or supplement a prospectus for such offer. The expression “**Prospectus Directive**” means Directive 2003/71/EC (and amendments thereto) and includes any relevant implementing measure in the Relevant Member State.

The Notes have not been, and will not be, registered under the United States Securities Act of 1933, as amended (the “**Securities Act**”) or with any securities regulatory authority of any state or other jurisdiction of the United States, and Notes in bearer form are subject to U.S. tax law requirements. The Notes may not be offered, sold or (in the case of Notes in bearer form) delivered within the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S under the Securities Act (“**Regulation S**”)) except in certain transactions exempt from the registration requirements of the Securities Act.

PART A – CONTRACTUAL TERMS

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth in the Base Prospectus dated 19 August 2016 which constitutes a base prospectus (the “**Base Prospectus**”) for the purposes of the Prospectus Directive. This document constitutes the Final Terms relating to the issue of Notes described herein for the purposes of Article 5.4 of the Prospectus Directive. These Final Terms contain the final terms of the Notes and must be read in conjunction with the Base Prospectus.

Full information on the Issuer and the offer of the Notes described herein is only available on the basis of a combination of these Final Terms and the Base Prospectus. The Base Prospectus is available for viewing during normal business hours at the offices of the Issuer and copies may be obtained from www.londonstockexchange.com.

1. Issuer: Atlas Copco AB
2. (i) Series Number: 6
(ii) Tranche Number: 1

(iii) Date on which the Notes become fungible: Not Applicable
3. Specified Currency or Currencies: Euro (**EUR**)
4. Aggregate Nominal Amount:
(i) Series: EUR 500,000,000
(ii) Tranche: EUR 500,000,000
5. Issue Price: 99.807 per cent. of the Aggregate Nominal Amount
6. (i) Specified Denominations: EUR 100,000 and integral multiples of EUR 1,000 in excess thereof up to and including EUR 199,000. No Notes in definitive form will be issued with a denomination above EUR 199,000.

(ii) Calculation Amount: EUR 1,000
7. (i) Issue Date: 30 August 2016
(ii) Interest Commencement Date: Issue Date
8. Maturity Date: 30 August 2026
9. Interest Basis: 0.625 per cent. Fixed Rate
(See paragraph 14 below)
10. Redemption/Payment Basis: Subject to any purchase and cancellation or early redemption, the Notes will be redeemed on the Maturity Date at 100 per cent. of their nominal amount.
11. Change of Interest or Redemption/Payment Basis: Not applicable

12. Put/Call Options: Issuer Call
Make-Whole Call
(further particulars specified below – see paragraphs 17 and 18 below)
13. Date of Board approval for issuance of Notes obtained: 15 July 2016

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

14. **Fixed Rate Note Provisions** Applicable
- (i) Rate of Interest: 0.625 per cent. per annum payable in arrear on each Interest Payment Date
 - (ii) Interest Payment Date(s): 30 August in each year from and including 30 August 2017 to, and including, the Maturity Date
 - (iii) Fixed Coupon Amount: EUR 6.25 per Calculation Amount
 - (iv) Broken Amount(s): Not Applicable
 - (v) Day Count Fraction: Actual/Actual (ICMA)
 - (vi) Determination Date(s): 30 August in each year
15. **Floating Rate Note Provisions** Not Applicable
16. **Zero Coupon Note Provisions** Not Applicable

PROVISIONS RELATING TO REDEMPTION

17. **Call Option** Applicable
- (i) Optional Redemption Date(s): On any date from and including 30 May 2026 up to the Maturity Date
 - (ii) Optional Redemption Amount(s) of each Note and method, if any, of calculation of such amount(s): EUR 1,000 per Calculation Amount
 - (iii) Notice period: As set out in the Conditions
18. **Make Whole Call Option** Applicable, up to but excluding 30 May 2026
- (i) Make Whole Redemption Margin: 0.15 per cent.

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|-------|----------------|---|
| (ii) | Reference Bond | DBR 0% due August 2026 (ISIN: DE0001102408) |
| (iii) | Quotation Time | 11:00 CET |
19. **Put Option** Not Applicable
20. **Final Redemption Amount of each Note** EUR 1,000 per Calculation Amount
21. **Early Redemption Amount**
- Early Redemption Amount(s) per Calculation Amount payable on redemption for taxation reasons or on event of default and/or the method of calculating the same (if required or if different from that set out in the Conditions):
- EUR 1,000 per Calculation Amount

GENERAL PROVISIONS APPLICABLE TO THE NOTES

22. Form of Notes: Bearer Notes:
- Temporary Global Note exchangeable for a Permanent Global Note which is exchangeable for Definitive Notes in the limited circumstances specified in the Permanent Global Note.
23. New Global Note Form: Yes
24. Additional Financial Centre(s) or other special provisions relating to Payment Dates: Not Applicable
25. Talons for future Coupons to be attached to Definitive Notes: No


PURPOSE OF FINAL TERMS

These Final Terms comprise the final terms required for issue and admission to trading on the Regulated Market of the London Stock Exchange plc of the Notes described herein pursuant to the U.S.\$3,000,000,000 Euro Medium Term Note Programme of Atlas Copco AB.

Signed on behalf of the Issuer:

By:

Duly authorised


KENNETH MACGREGOR

Signed on behalf of the Issuer:

By:

Duly authorised


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PART B – OTHER INFORMATION

1. LISTING

- (i) Admission to trading: Application has been made by the Issuer (or on its behalf) for the Notes to be admitted to trading on the Regulated Market of the London Stock Exchange plc with effect from 30 August 2016.
- (ii) Estimate of total expenses related to admission to trading: £3,650

2. RATINGS

Ratings: The Notes to be issued have been rated:

S&P: A (Stable Outlook)

Fitch: A (Stable Outlook)

3. INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE

Save for any fees payable to the Managers, so far as the Issuer is aware, no person involved in the offer of the Notes has an interest material to the offer. The Managers and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform other services for, the Issuer and its affiliates in the ordinary course of business.

4. REASONS FOR THE OFFER

Reasons for the offer: The net proceeds from the issue of the Notes will be used by the Issuer for general corporate purposes, including repayment of debt.

5. YIELD

Indication of yield: 0.645 per cent. per annum.

As set out above, the yield is calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future yield.

6. OPERATIONAL INFORMATION

ISIN Code:	XS1482736185
Common Code:	148273618
New Global Note intended to be held in a manner which would allow Eurosystem eligibility:	Yes. Note that the designation “Yes” simply means that the Notes are intended upon issue to be deposited with one of the ICSDs as common safekeeper and does not necessarily mean that the Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.
Any clearing system(s) other than Euroclear Bank SA/NV and Clearstream Banking S.A. and the relevant identification number(s):	Not Applicable
Delivery:	Delivery against payment
Names and addresses of additional Paying Agent(s) (if any):	Not Applicable

7. DISTRIBUTION

(i) Method of distribution:	Syndicated
(ii) If syndicated:	
(a) Names of Managers:	Citigroup Global Markets Limited Danske Bank A/S Deutsche Bank AG, London Branch Skandinaviska Enskilda Banken AB (publ)
(b) Stabilisation Manager(s) (if any):	Not Applicable
(iii) If non-syndicated, name of Dealer:	Not Applicable
(iv) U.S. Selling Restrictions:	Reg S; Compliance category 2; TEFRA D