

Saab interim report January – March 2025



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# Growing in a dynamic market reality

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Merton Kaplan, Head of IR





## Important information

This presentation may contain forward-looking statements which reflect Saab AB's current view on future events and financial and operational development. Words such as "intend", "expect", "anticipate", "may", "believe", "plan", "estimate" and other expressions which imply indications or predictions of future development or trends, and which are not based on historical facts, are intended to identify forward-looking statements. Forward-looking statements inherently involve both known and unknown risks and uncertainties as they depend on future events and circumstances. Forward-looking statements do not guarantee future results or development and the actual outcome could differ materially from the forward-looking statements.

# Highlights

- Strong customer activity in the market
- Increased focus on European industrial-defence base
- Well-positioned with a broad portfolio in prioritised areas
- Capacity ramp-up progressing at high pace
- Expanded operations with more than 800 new employees

# Key figures

Order growth driven by balanced mix of small, medium, and large-sized orders

Order intake, SEK bn

**19.1**

4% increase YoY

Increased sales volumes in all BAs and in Combitech

Sales, SEK bn

**15.8**

11% organic growth YoY

EBIT improvement driven by higher sales volumes, project completions and deliveries. EBIT margin of 9.2% (8.4)

EBIT, SEK bn

**1.5**

22% EBIT growth YoY

Cash flow Improvement YoY driven by customer payments

Operational cash flow, SEK bn

**0.0**

Q1 24: -2.0 SEK bn



# Market

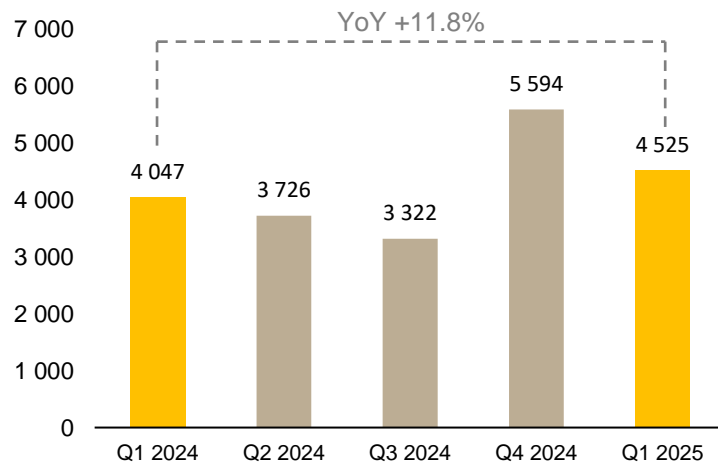
- Ongoing global uncertainty drives long-term defence needs
- ReArm Europe / Resilience 2030 adding additional spending of EUR 800 billion
- New Swedish defence spend target of 3.5% of GDP by 2030
- Recently announced Swedish spring budget 2025 adds SEK 25 billion in defence procurement commitments
- NATO summit in The Hague, June 24-25, expected to define new defence spending targets



# Aeronautics

- High customer interest in Gripen E/F fighter
- Gripen E/F selected for negotiation in Colombia
- Good pace in project activity across business units
- Continued low production levels in T-7

Sales, SEK million



Order intake Q1

**2.8**

SEK bn

Order backlog

**39.8**

SEK bn

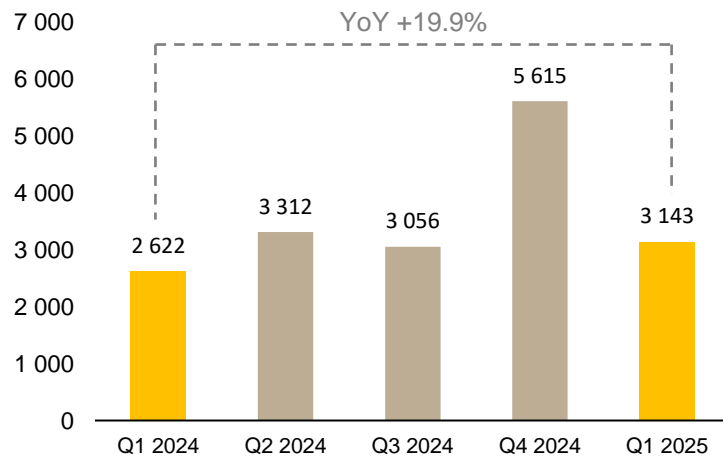




# Dynamics

- High demand for the entire Dynamics portfolio
- Several missile-related orders in the quarter including the RBS 70 NG, TAURUS and IRIS-T
- Live Training equipment order for the U.S. Marine Corps
- Capacity expansion progressing at high pace

Sales, SEK million



Order intake Q1

**8.1**

SEK bn

Order backlog

**83.5**

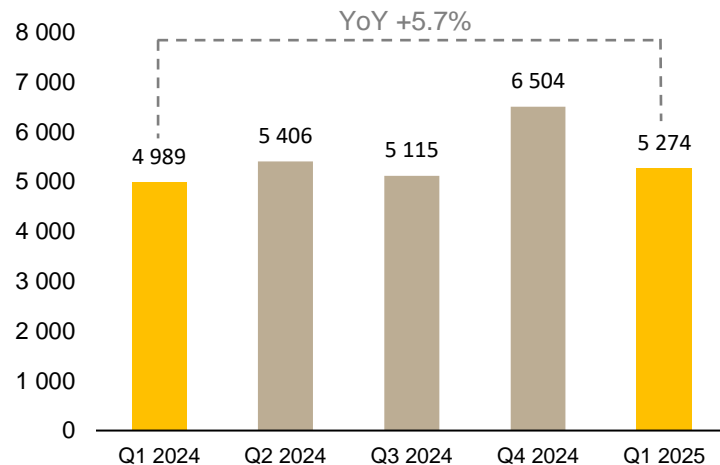
SEK bn



# Surveillance

- Strong order intake driven by Arthur and Giraffe radar systems
- Additional orders for the sight and fire control systems for CV90
- Started first serial production of the passive EW sensor Sirius Compact in new facility in Finland
- Increased production capacity of the G1X
- Good activity levels in several business units

Sales, SEK million



Order intake Q1

**7.1**

SEK bn

Order backlog

**53.6**

SEK bn



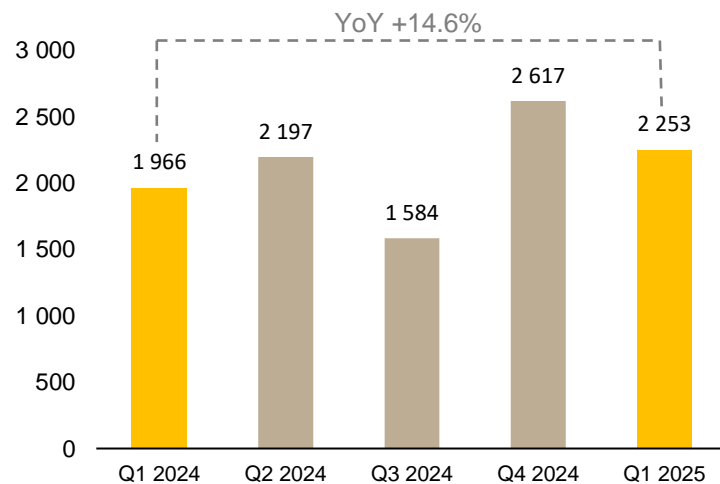
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# Kockums

- High customer activity with several smaller orders booked in Q1
- Important milestones reached within submarines and surface ships
- Deliveries of underwater vehicles to international customers

Sales, SEK million



Order intake Q1

**1.0**

SEK bn

Order backlog

**13.0**

SEK bn



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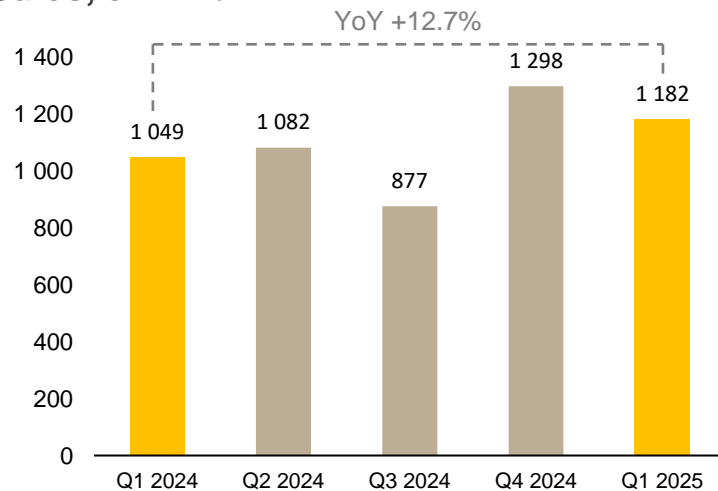




# Combitech

- Continued strong customer activity resulting in several agreements in the defence area
- Significant interest in autonomy, AI, and security solutions
- Sales growth driven by increased number of consultants in projects
- Partnership with the Swedish Defence Conscription and Assessment Agency in the field of IT security

Sales, SEK million



Order intake Q1

**1.3**

SEK bn

Order backlog

**2.1**

SEK bn

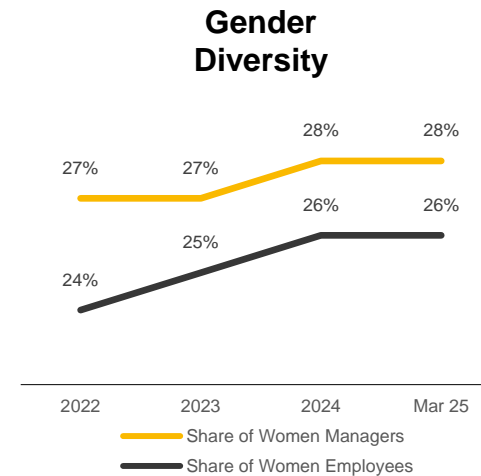
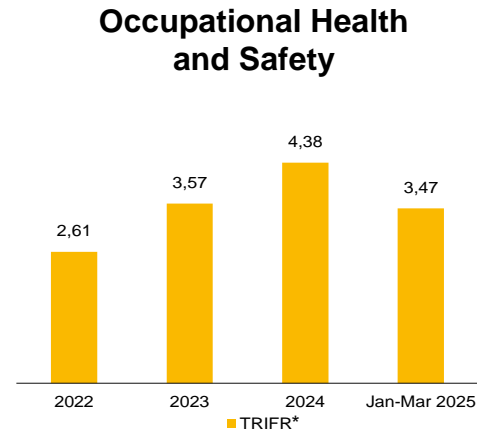
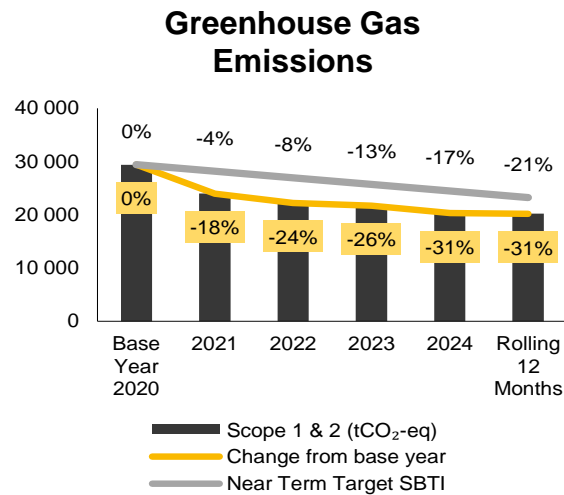




Q1 2025

# Sustainability highlights

- Scope 1 & 2 CO<sub>2</sub>-eq emissions decreased by 31% last 12 months vs base year
- Injury frequency rate decreased by 21% compared to year-end 2024
- Share of women employees at 26% and the share of women managers at 28%



\*Number of recordable injuries / total hours worked x 1,000,000





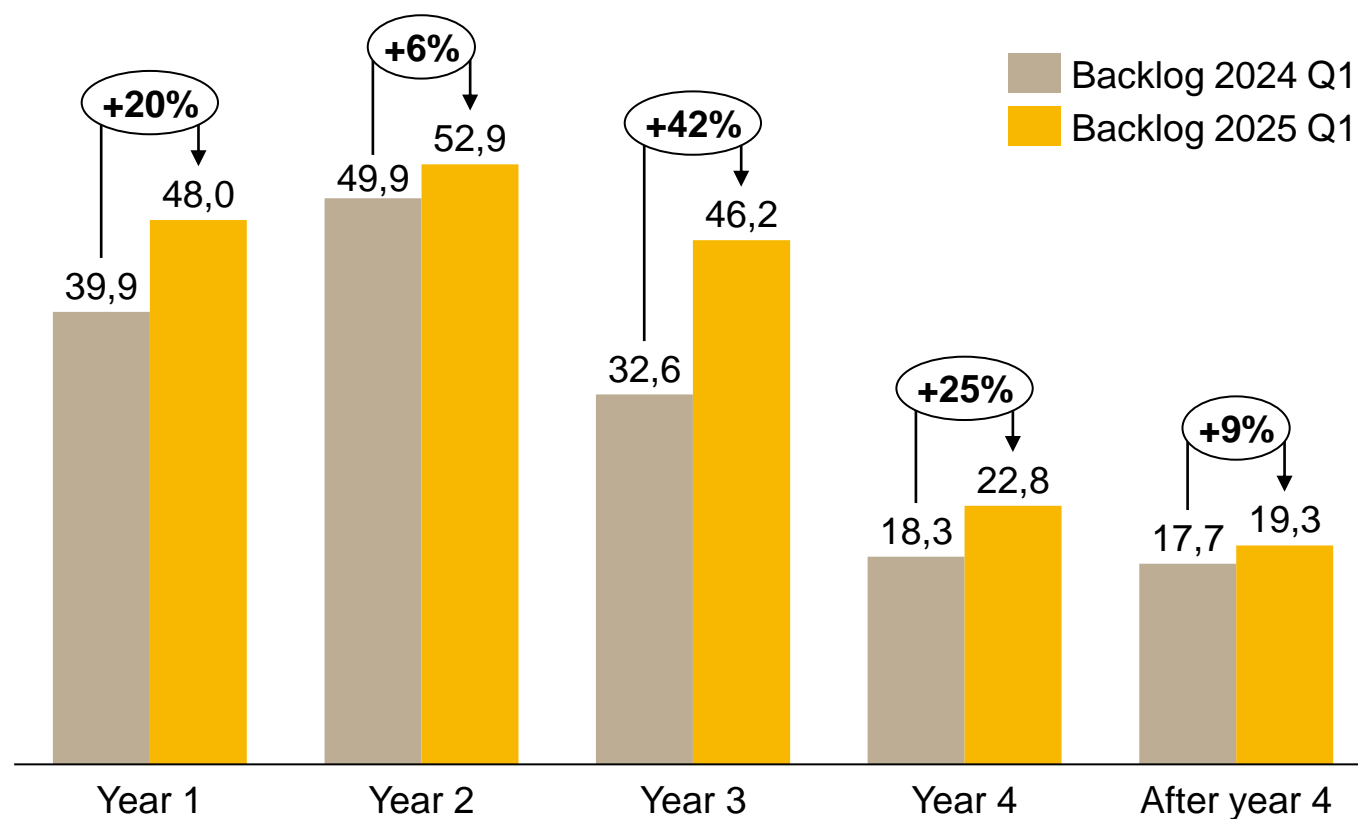
# Financial summary

Anna Wijkander, CFO



# Backlog supporting long-term growth

Order Backlog Duration, SEK billion



Q1 2025

# 189

Order backlog, SEK bn  
(SEK 158 bn in Q1 2024)

Q1 2025

# 74%

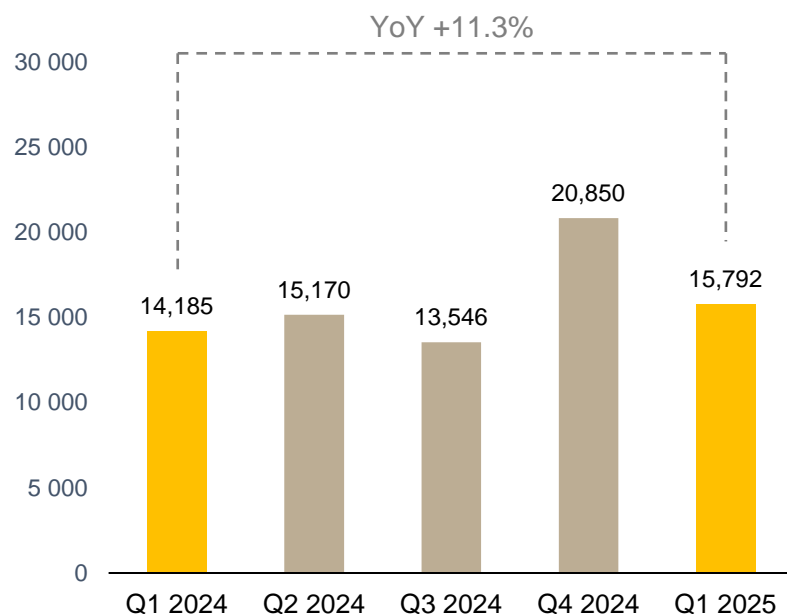
Share of international in order backlog,  
(66% in Q1 2024)

- Order backlog increase 19% YoY
- Book-to-bill 1.2x in Q1
- Dynamics and Surveillance driving backlog growth, now at 72% (59% Q1 2024)
- 2.9x 2025 R12 sales level in backlog



# Sales

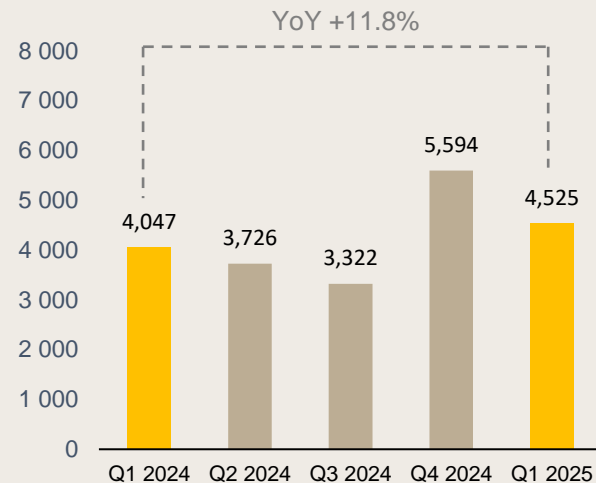
Group Sales, SEK million



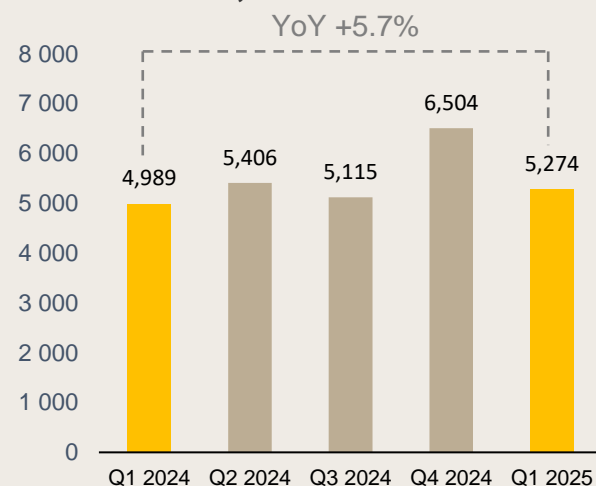
- Strong sales growth supported by all business areas
- Largest growth contribution from Dynamics and Aeronautics
- Sales between quarters varies due to timing of project executions and deliveries

## Business areas

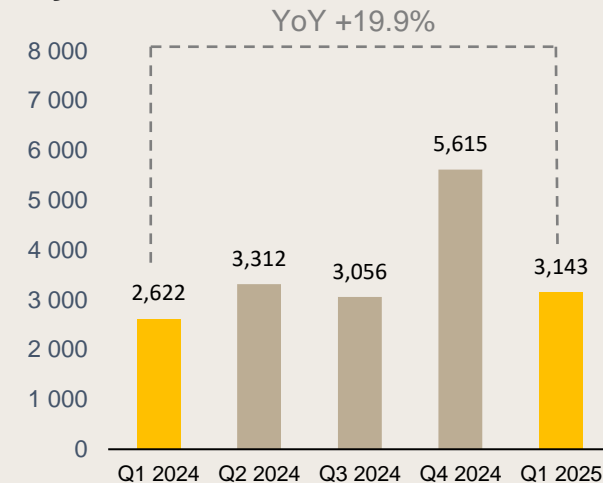
Aeronautics, SEK million



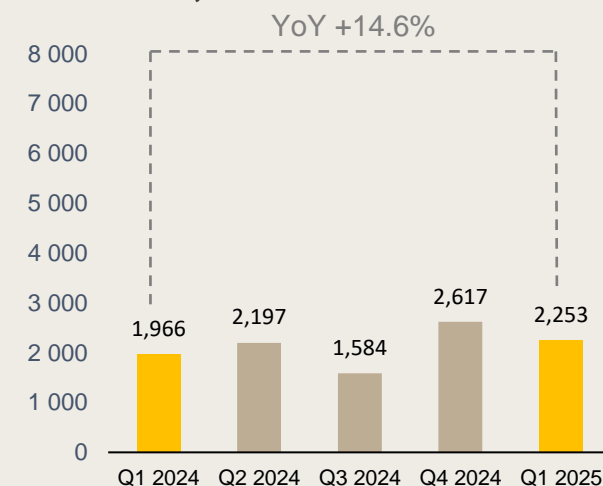
Surveillance, SEK million



Dynamics, SEK million

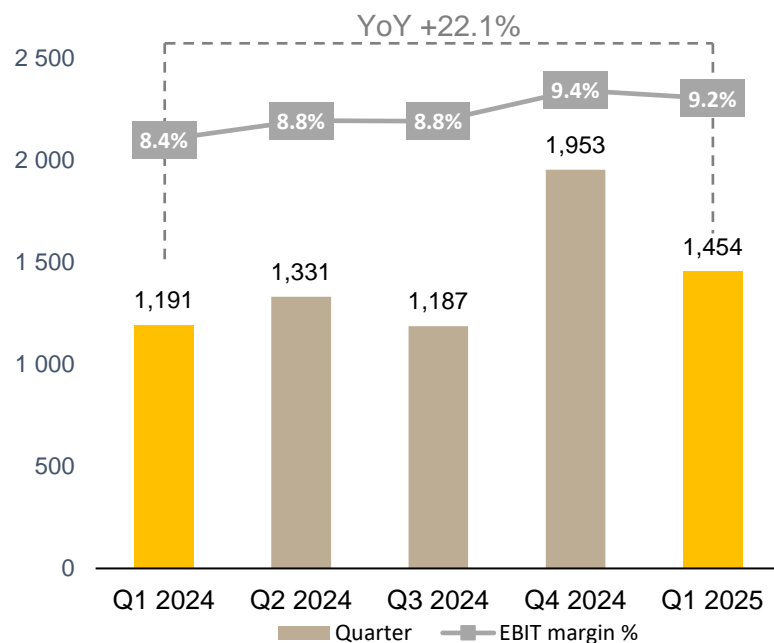


Kockums, SEK million



# EBIT and EBIT-margin

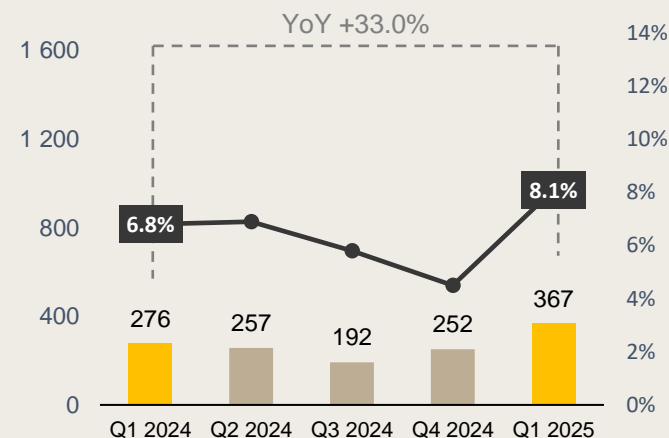
Group EBIT, SEK million



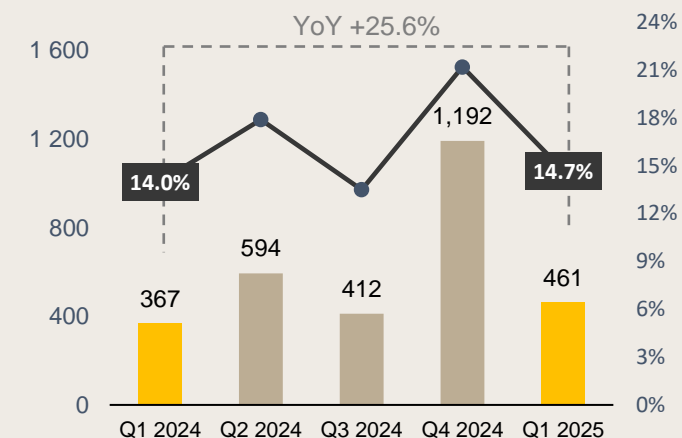
- EBIT growth (22.1%) exceeding sales growth and driving margin improvement
- EBIT between quarters varies due to timing of project execution, deliveries and business mix

## Business areas

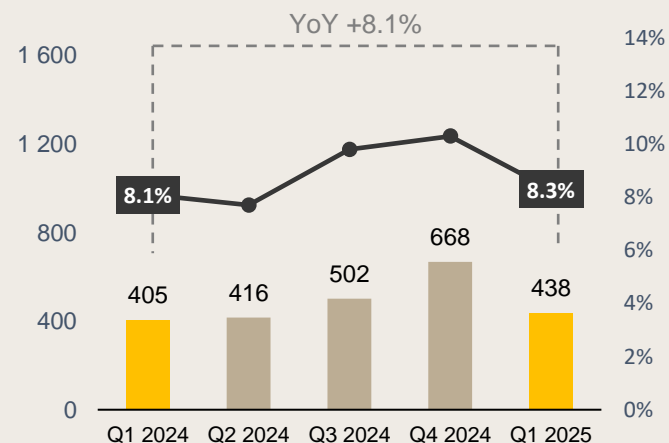
Aeronautics, SEK million



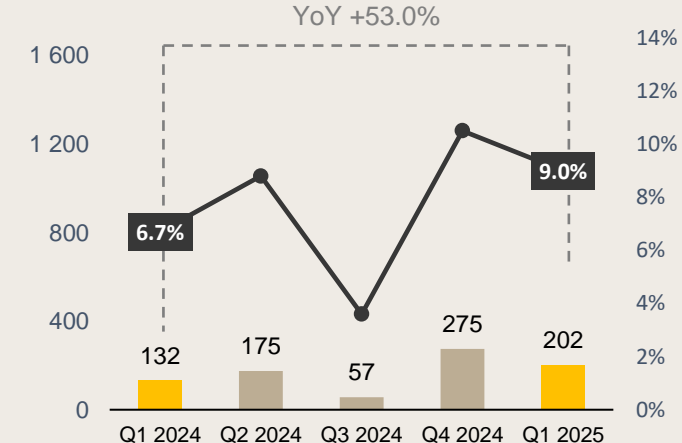
Dynamics, SEK million



Surveillance, SEK million



Kockums, SEK million





# Financial summary

Saab Group, SEK million unless otherwise stated

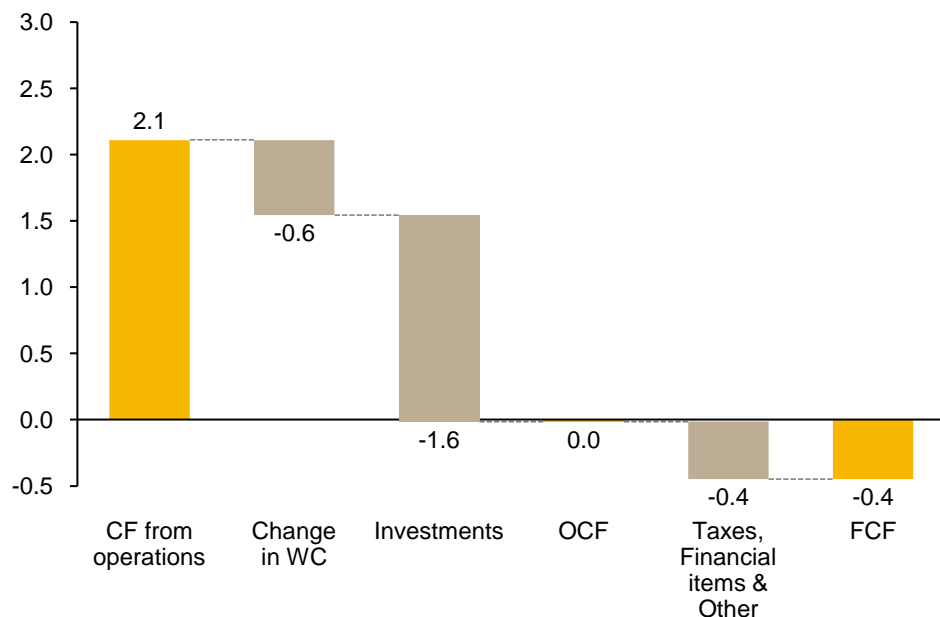
	Q1 2025	Q1 2024	Change
Sales	15,792	14,185	11.3%
<b>Gross Income</b>	<b>3,719</b>	<b>3,085</b>	20.6%
<i>Gross margin</i>	23.5%	21.7%	
<b>EBITDA</b>	<b>2,140</b>	<b>1,819</b>	17.6%
<i>EBITDA margin</i>	13.6%	12.8%	
<b>EBIT</b>	<b>1,454</b>	<b>1,191</b>	22.1%
<i>EBIT margin</i>	9.2%	8.4%	
Financial net	167	-182	
<i>Tax rate</i>	21,2%	22,3%	
<b>Net income</b>	<b>1,277</b>	<b>784</b>	62.9%
EPS (SEK)	2.35	1.43	64.3%

## Comments

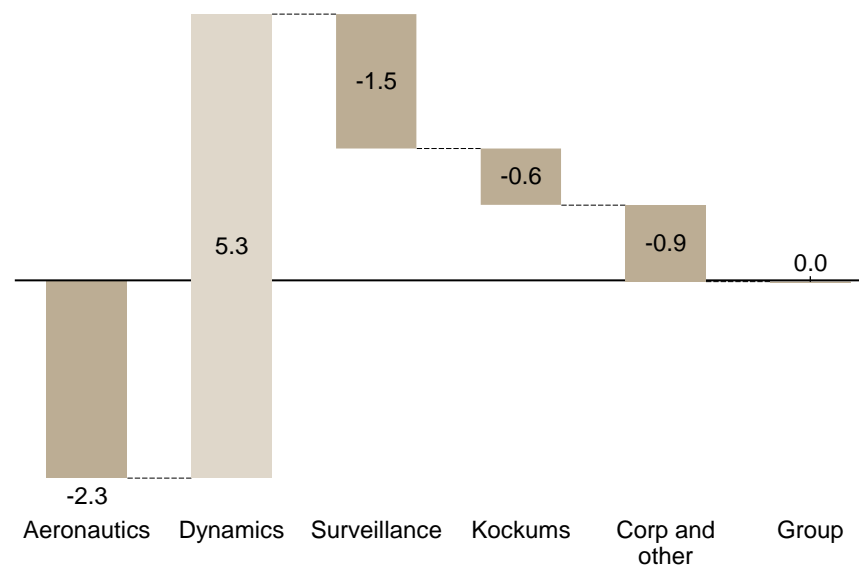
- Organic sales growth of 10.9% (+0.2% M&A and 0.2% currency)
- Gross margin improvement of 1.8 pp driven by good project execution and project completions
- EBIT margin improvement driven by profitability improvements across all BAs
- Financial net supported by SEK appreciation from currency hedges related to the tender portfolio
- Lower tax rate due to lowered share of taxable results from foreign operations
- Net income and EPS improvements primarily driven by EBIT growth and improved financial net

# Cash flow

Group Cash Flow Q1, SEK billion



Operational Cash Flow per BA Q1, SEK billion



- Operational cash flow improvement, high contribution from Dynamics
- Continued high inventory levels, supporting growth and deliveries
- Increased investments driven by continued capacity ramp-up
- Improved return on capital employed (ROCE) driven by EBIT and higher capital turnover

March 2025

**13.0**

Return on equity, %

(10.9% in 2024)

March 2025

**14.2**

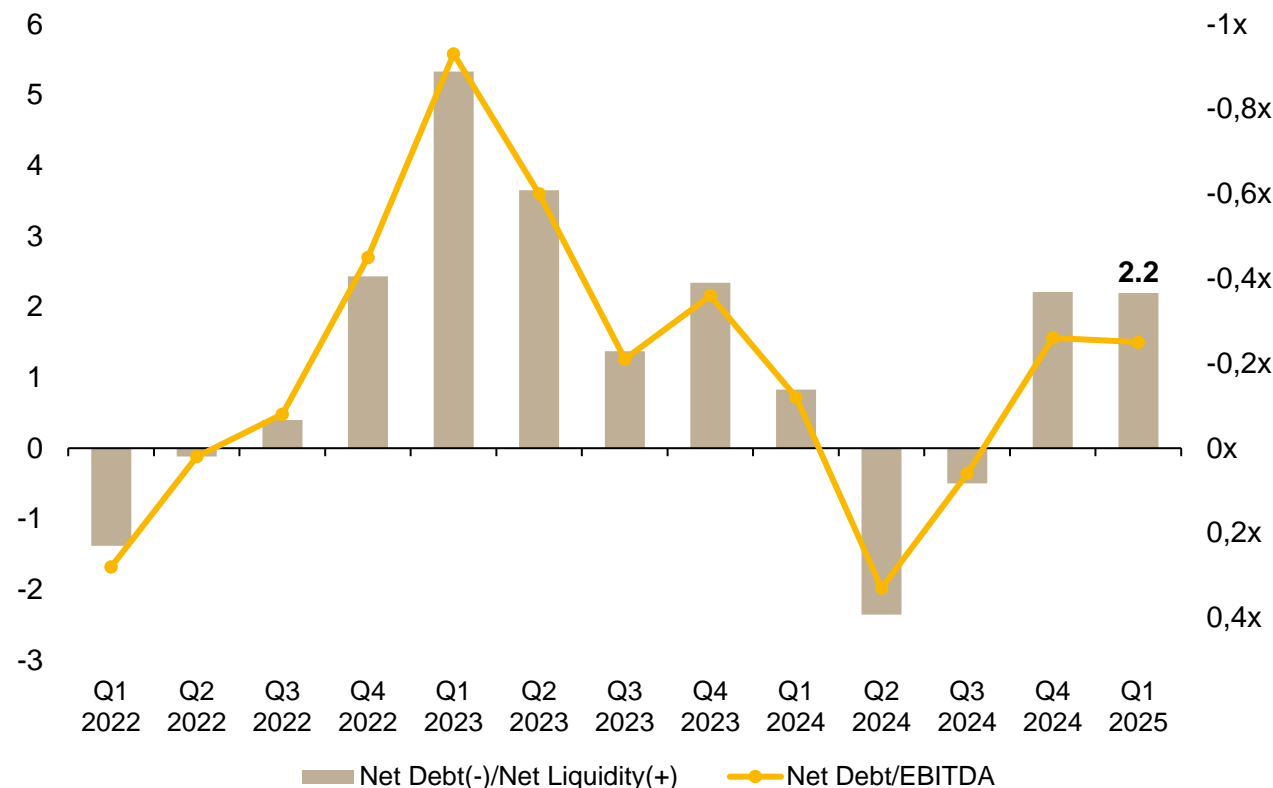
Return on capital employed, %

(12.6% in 2024)



# Solid balance sheet

## Liquidity / Debt position, SEK billion



\*EBITDA rolling 12 months, adjusted for items affecting comparability

Q1 2025

**-0.25x**

Net debt/EBITDA\*

Q1 2025

**37.8%**

Equity/Asset ratio

Q1 2025

**12.7**

Cash and liquid investments, SEK bn

Q1 2025

**6.0**

Unutilised Revolving Credit Facilities, SEK bn

Dividend per share for 2024

SEK

**2.00**

(1.6)

# Summary

**Micael Johansson**  
President and CEO



# Outlook 2025



Organic sales  
growth between  
**12-16%**

EBIT growth higher  
than organic sales  
growth

Positive operational  
cash flow





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# Capital Markets Day 2025

## Key topics

- Saab's view on the defence market
- Strategy execution
- Capacity investments
- Focused future capabilities
- Dynamics and Surveillance deep-dive

Date: 26-27 May

Please visit [saab.com/cmd](https://saab.com/cmd) for more information

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# Q&A



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