Saab interim report January – September 2025

# Delivering sustained growth


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# 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.

Q3 2025

# Highlights

- High market activity with strong demand
- Good development in ongoing campaigns
- Solid project execution with high level of customer deliveries
- Continued investments in capacity expansion and new capabilities
- Upgrading the outlook for 2025

Q3 2025

# Key figures

Strong growth in medium-sized orders YoY

**Order intake, SEK bn**

# 20.9

1% decrease YoY

Increased sales in all BAs, particularly in Aeronautics

**Sales, SEK bn**

# 15.9

18% organic growth YoY

EBIT growth driven by higher sales and improved gross margin. EBIT margin of 8.7% (8.8)

**EBIT, SEK bn**

# 1.4

16% EBIT growth YoY

Cash flow reflecting ongoing investments and timing of customer payments

**Operational cash flow, SEK bn**

# 0.1

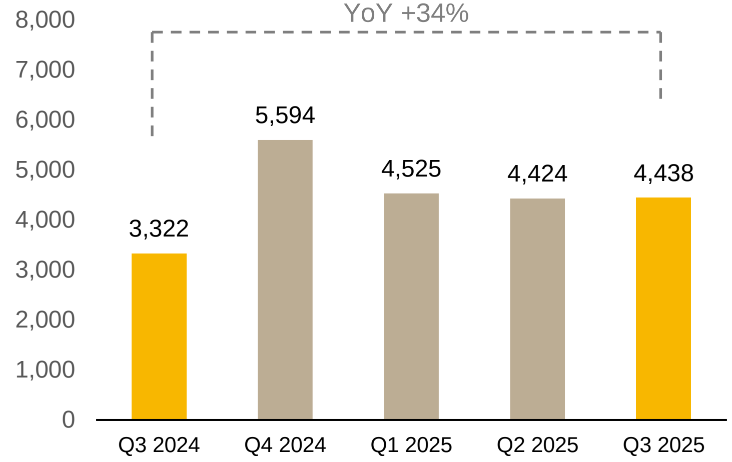
Q3 2024: 3.2 SEK bn

Business Area

# Aeronautics

- High international interest for the Gripen E/F
- Gripen E/F contract signed with Thailand
- Strong sales growth driven by project execution
- Several customer deliveries in Q3, including Gripen E/F and T-7A

**Sales,** SEK million




**Order bookings Q3**

**7.4**

SEK bn

**Order backlog**

**44.7**

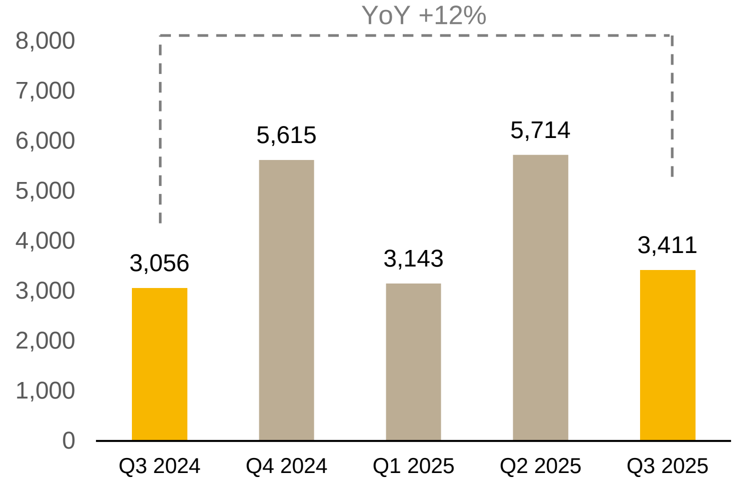
SEK bn

Business Area

# Dynamics

- Strong market demand for the entire product portfolio
- Large order for the MSHORAD system from the Czech Republic
- Further strengthening the backlog with several medium-sized orders
- Sales growth driven by increased deliveries and capacity expansion

**Sales,** SEK million




**Order bookings Q3**

# 6.5

SEK bn

**Order backlog**

# 87.7

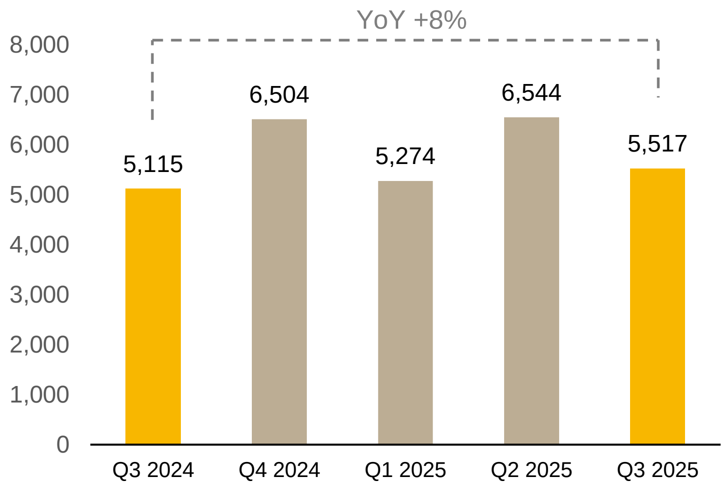
SEK bn

Business Area

# Surveillance

- Strong international interest for the Surveillance portfolio
- Several ongoing campaigns for GlobalEye
- Multiple medium-size orders in Q3, including Giraffe 4A and Arthur radar
- Good project execution and system deliveries, including Giraffe 1X radars
- Divestment of TransponderTech

**Sales,** SEK million




**Order bookings Q3**

**5.9**

SEK bn

**Order backlog**

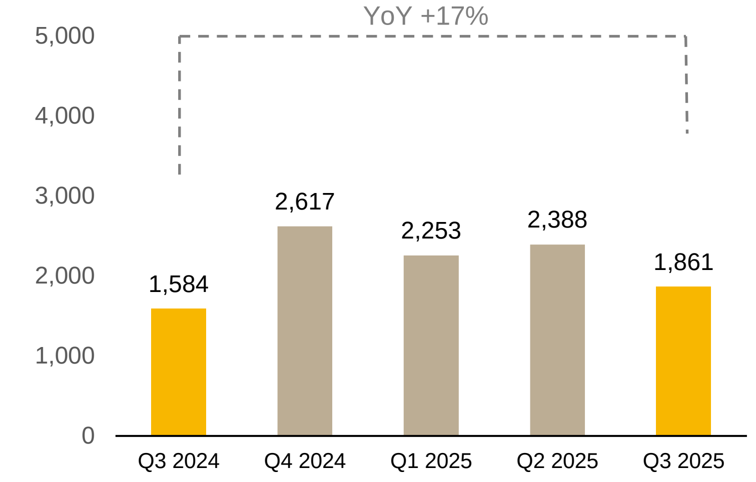
**55.2**

SEK bn

Business Area
# Kockums

- High customer interest in all segments
- Contract for development of large unmanned underwater vehicle (LUUV)
- Saab-led consortium to lead NATO's new underwater battlespace project
- Sales growth driven by project execution and export business

**Kockums,** SEK million




**Order bookings Q3**
**1.2**
SEK bn

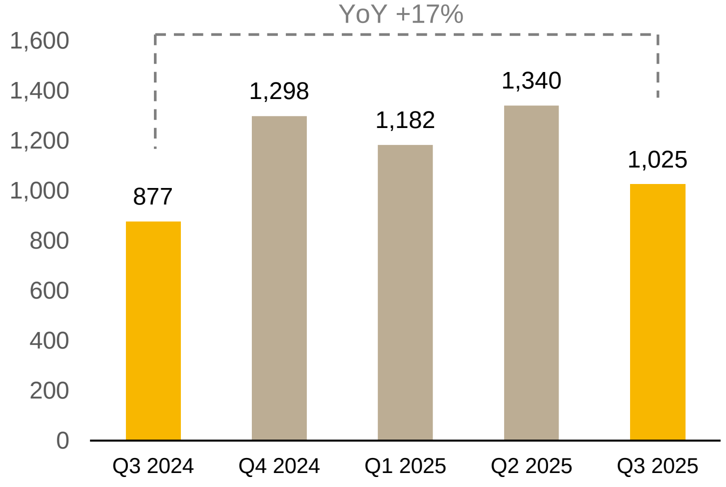
**Order backlog**
**15.1**
SEK bn

Business Area

# Combitech

- High customer interest for defence-related solutions
- New framework agreements with industry and public sectors
- Good growth in cybersecurity and telecom/critical communication
- Sales growth driven by higher utilisation and increased number of consultants in projects

**Sales,** SEK million




**Order bookings Q3**

**0.7**

SEK bn

**Order backlog**

**1.7**

SEK bn

# Expanding our drone system capabilities

- → Strengthening our drone and counter-drone capabilities together with defence forces and international partners
- → Accelerated development ongoing as showcased with the Loke system
- → Rapidly maturing solutions deployed at NATO-mission in Poland, safeguarding critical infrastructure

### C-UAS*: Loke / Gute

Initiatives in close cooperation with our customers, integrating sensors and effectors into a system that detects and counters the small drone threat

### Interceptor solutions

Cost-effective, flexible and modular interceptors as missiles, drones and nets creates a layered protection against the UAS threat

### Loitering munition

Family of systems with lethal solutions, combining missiles technology with AI and providing swarming capability

*Counter-Unmanned Aerial Systems

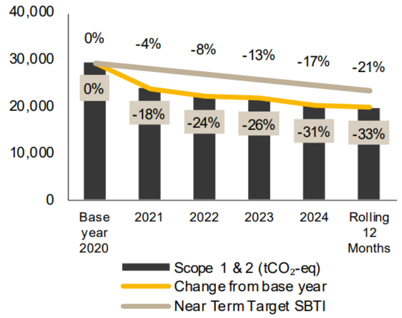
Q3 2025

# Sustainability highlights

- Installation of a biogas facility at the Gamleby site, Sweden.
  Aim to reduce fossil fuel dependence and ensure security of supply
- Scope 1 & 2 $CO_2$-eq emissions decreased 4% year-to-date
- The overall reduction progress since base year 2020 is -33%
- Saab published a new Supplier Code of Conduct

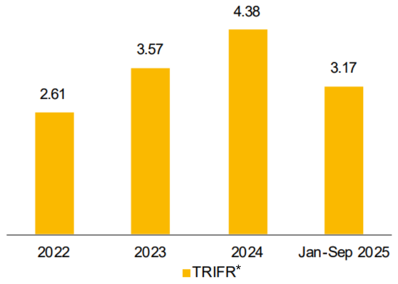
**Climate**

GHG emissions[2]



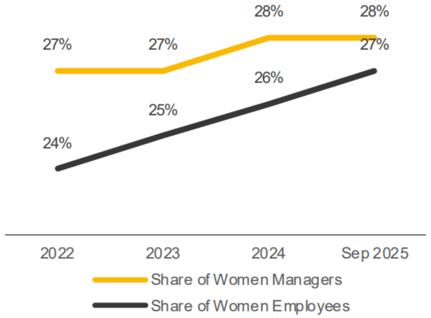

**Occupational Health and Safety**

Injury frequency rate




**Diversity and Inclusion**

Share of women employees




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

# Outlook full year 2025

Organic sales growth between **20-24%**

**Previous outlook**
Organic sales growth between **16-20%**

EBIT growth higher than organic sales growth

Positive operational cash flow

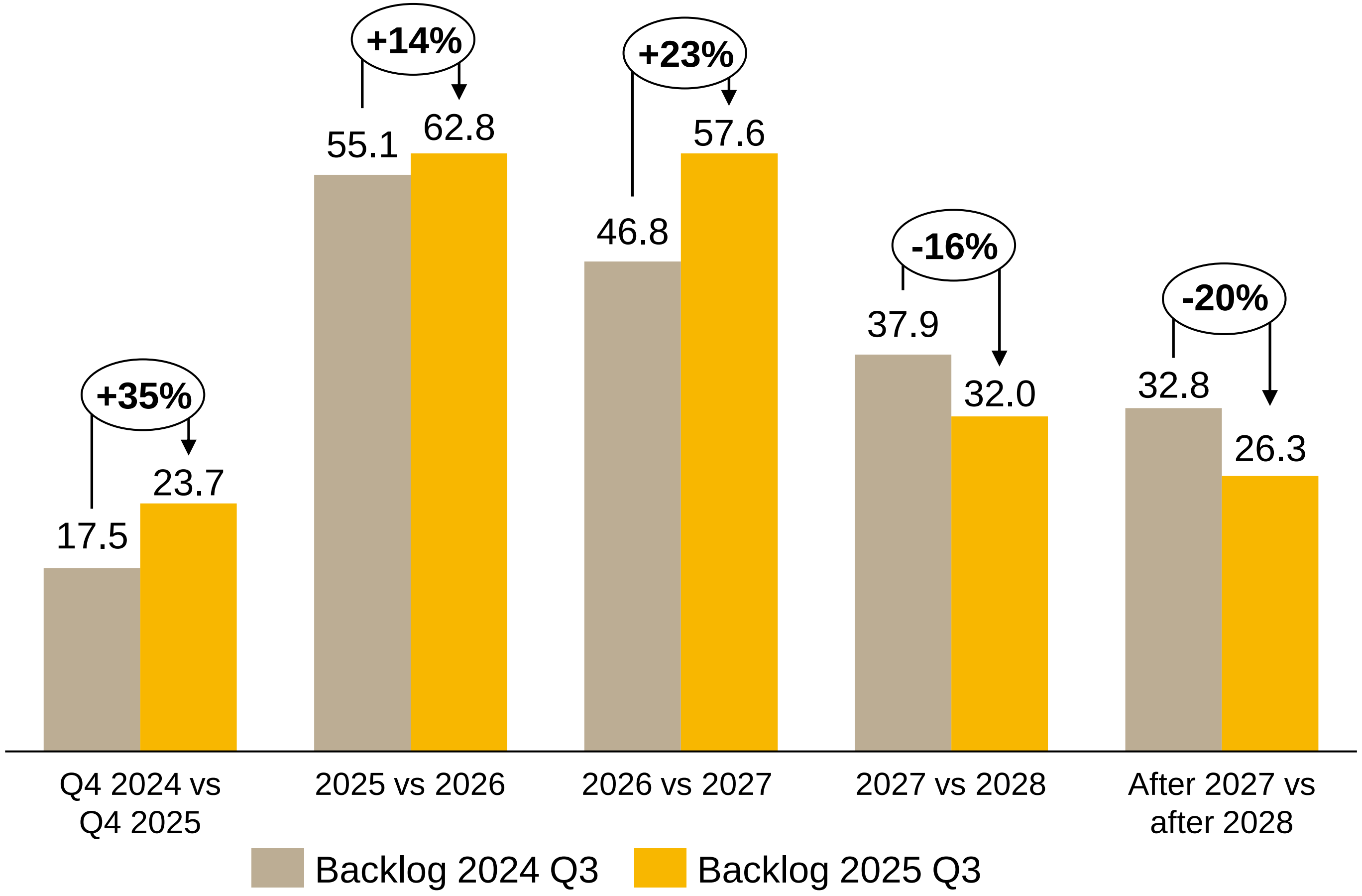

SAAB

# Financial summary

Anna Wijkander
CFO

# Strengthened backlog supporting future growth

**Order Backlog Duration,** SEK billion




**Jan-Sep 2025**

**202**

Order backlog, SEK bn
(SEK 190 bn in Jan-Sep 2024)

**Jan-Sep 2025**

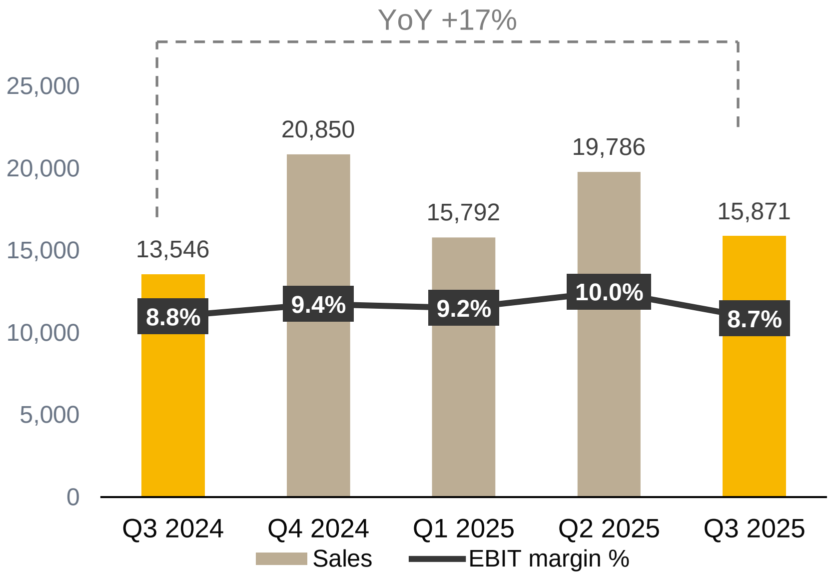
**73%**

Share of international orders in backlog,
(72% in Jan-Sep 2024)

- Book-to-bill ratio of 1.3x in Q3
- Backlog representing 2.8x of 2025 R12 sales level
- 82% of order bookings in Q3 from international markets
- Dynamics and Surveillance accounting for 71% of the backlog

# Sales and profitability

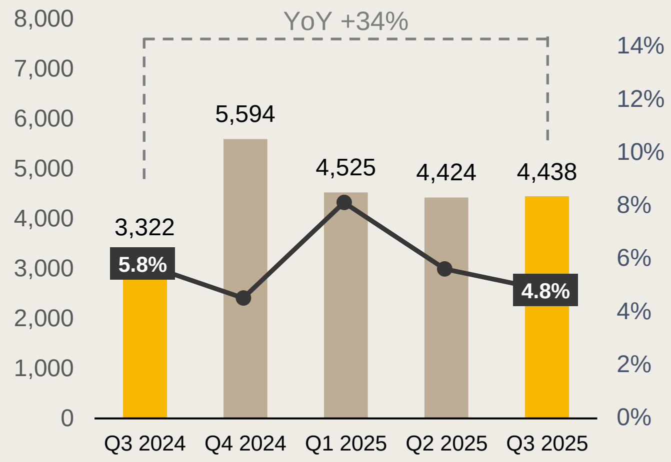
## Group sales & EBIT %, SEK million



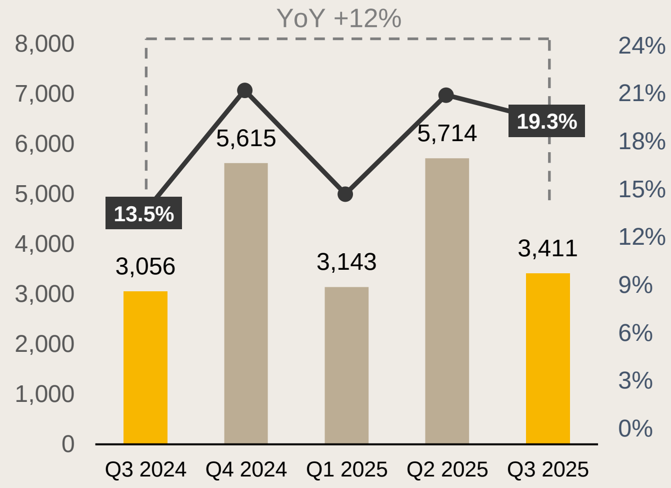

- Sales growth in all business areas and Combitech
- EBIT growth driven by increased sales and improved gross margin, partly offset by higher costs for marketing and R&D activities
- Strong margin development in Dynamics, driven by good project execution and favourable business mix

## Business areas

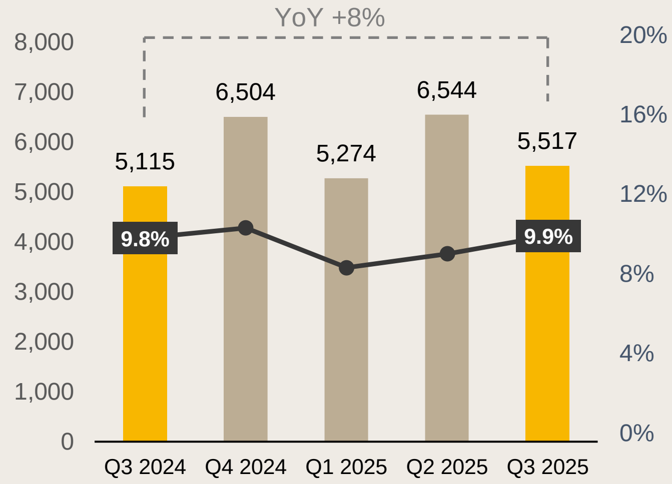
### Aeronautics, SEK million



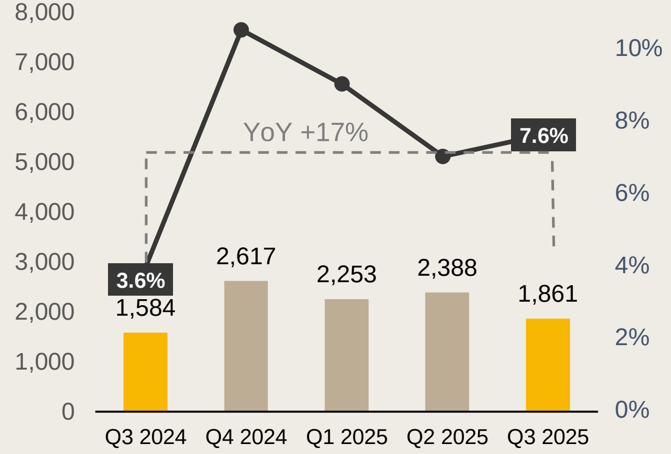

### Dynamics, SEK million




### Surveillance, SEK million




### Kockums, SEK million



# Financial summary
## Q3 2025

**Saab Group,** SEK million unless otherwise stated

| | Q3 2025 | Q3 2024 | Change |
|---|---|---|---|
| Sales | 15,871 | 13,546 | *17%* |
| **Gross Income** | **3,642** | **2,912** | *25%* |
| *Gross margin* | *22.9%* | *21.5%* | |
| **EBITDA** | **2,173** | **1,888** | *15%* |
| *EBITDA margin* | *13.7%* | *13.9%* | |
| **EBIT** | **1,374** | **1,187** | *16%* |
| *EBIT margin* | *8.7%* | *8.8%* | |
| Financial net | -115 | 60 | |
| *Tax rate* | *22.6%* | *22.1%* | |
| **Net income** | **975** | **972** | *0%* |
| EPS (SEK) | 1.77 | 1.79 | *-1%* |

### Comments

- Sales growth of 17.2%, of which 18.3% organic (-1.1 %p currency)
- Increased gross margin driven by project execution
- EBIT margin on par with last year. Results from increased sales were offset by higher costs from increased marketing and R&D activities
- Financial net impacted by negative revaluation of shares in financial investments and lower results from the tender hedge portfolio compared to last year
- Higher effective tax rate related to the revaluation
- Net income and EPS in line with last year

# Financial summary
## 9M 2025

**Saab Group,** SEK million unless otherwise stated

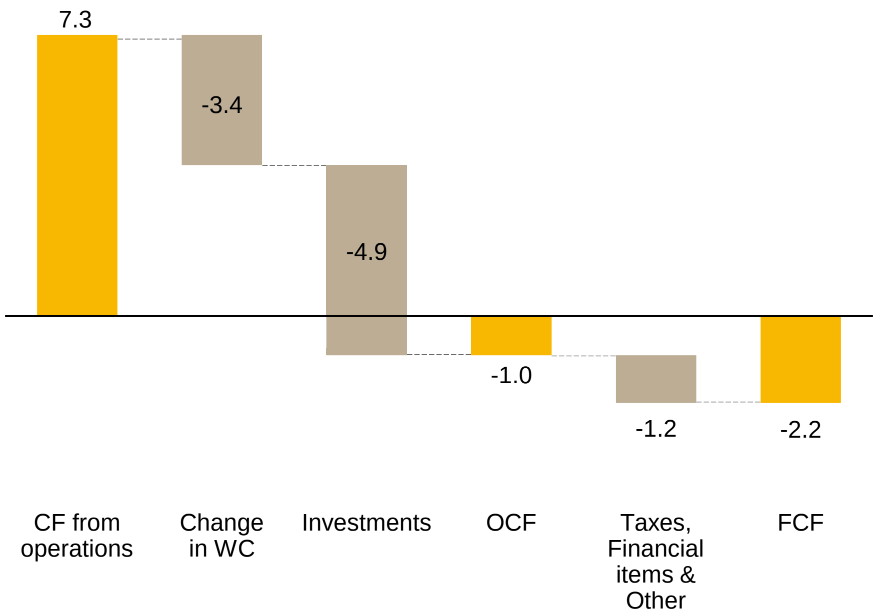
| | Jan-Sep 2025 | Jan-Sep 2024 | Change |
|---|---|---|---|
| Sales | 51,449 | 42,901 | *20%* |
| **Gross Income** | **11,617** | **9,377** | *24%* |
| *Gross margin* | *22.6%* | *21.9%* | |
| **EBITDA** | **7,144** | **5,668** | *26%* |
| *EBITDA margin* | *13.9%* | *13.2%* | |
| **EBIT** | **4,805** | **3,709** | *30%* |
| *EBIT margin* | *9.3%* | *8.6%* | |
| Financial net | 40 | -145 | |
| *Tax rate* | *21.8%* | *22.3%* | |
| **Net income** | **3,788** | **2,768** | *37%* |
| EPS (SEK) | 6.95 | 5.08 | *37%* |

**Comments**

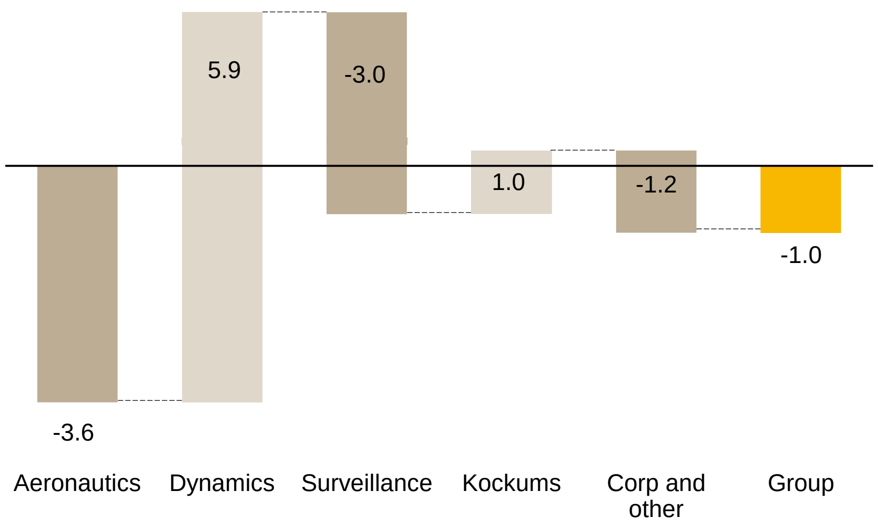
- Sales growth of 19.9%, of which 21.0% organic (-1.2 %p currency, +0.1 %p M&A)
- Increased gross margin following improvements mainly in Dynamics and Surveillance
- EBIT margin improvement driven by higher gross margin
- Financial net supported by the SEK appreciation impacting currency hedges related to the tender portfolio
- Lower tax rate due to decreased share of taxable income from foreign operations
- Net income and EPS improvements driven by the EBIT growth and improved financial net

# Cash flow

### **Group Cash Flow September YTD,** SEK billion




### **Operational Cash Flow per BA September YTD,** SEK billion




- Strong cash flow from operations despite increased working capital driven by business growth
- Higher investments relates to the ongoing capacity ramp-up
- Improved ROCE driven by higher profitability and higher capital turnover

**September 2025**

**13.6**

Return on equity, %

(11.8% in Sep 2024)

**September 2025**

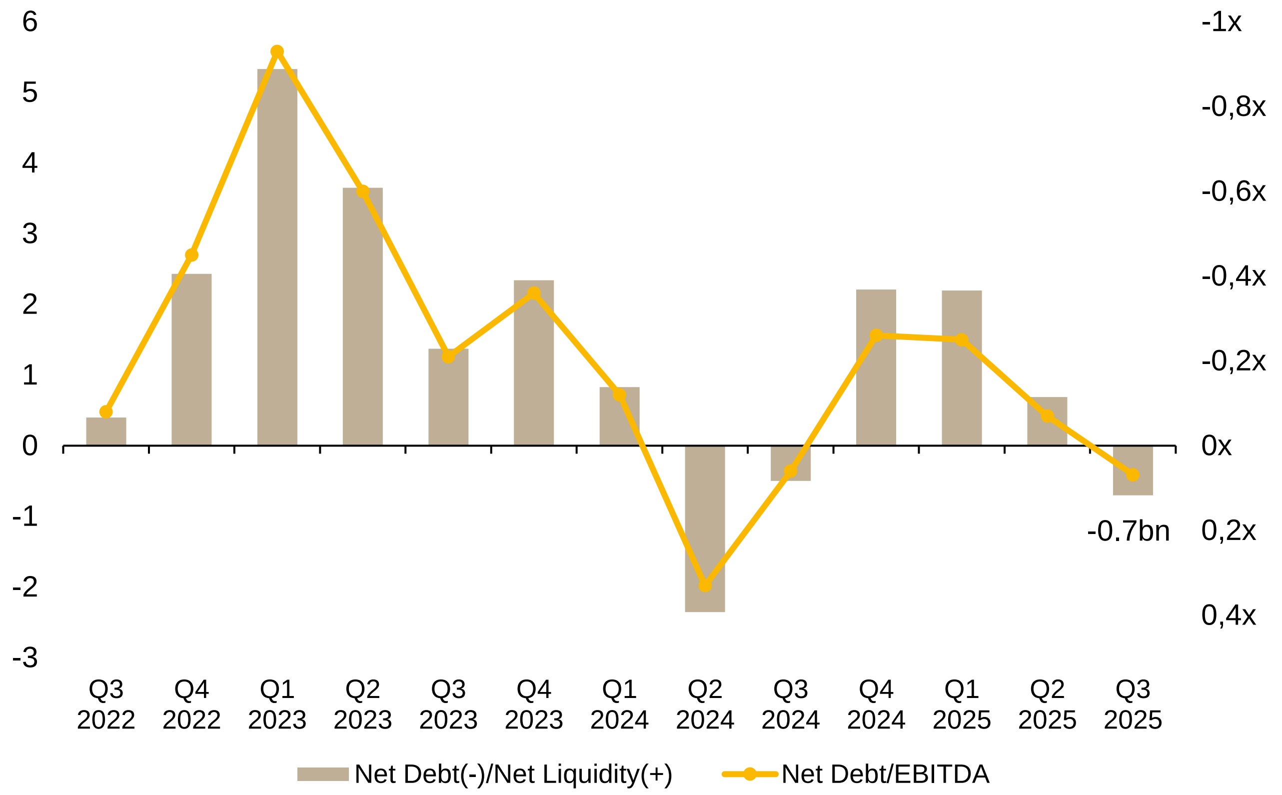
**14.6**

Return on capital employed, %

(13.2% in Sep 2024)

# Solid balance sheet

**Liquidity / Debt position**, SEK billion




**September 2025**
**0.1x**
Net debt/EBITDA*

**September 2025**
**37.8%**
Equity/Asset ratio

**September 2025**
**12.2**
Cash and liquid investments, SEK bn

**September 2025**
**6.0**
Unutilised Revolving Credit Facility, SEK bn

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

# Q&A