

Saab interim report January – June 2025



Accelerating growth and strengthening our market position

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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.

Highlights

- Continued geopolitical tensions and increased focus on deterrence
- High customer interest for the entire portfolio and for future capabilities
- Important progress across key campaigns for Gripen and GlobalEye
- Continued high pace in project execution and deliveries in all business areas
- Investment activities for capacity build-up and R&D initiatives ongoing
- Focus on software transformation and AI-technologies to enable new capabilities



Key figures

Strong growth
in small and
medium-sized
orders YoY

Order intake, SEK bn

28.4

28% decrease YoY

Increased
sales volumes
in all BAs and
in Combitech,
particularly in
Dynamics

Sales, SEK bn

19.8

32% organic growth YoY

EBIT increase
driven by strong
sales volumes.
EBIT margin of
10.0% (8.8)

EBIT, SEK bn

2.0

49% EBIT growth YoY

Cash flow
reflecting
continued
investments
and timing of
customer
payments

Operational cash flow, SEK bn

-1.1

Q2 24: -2.3 SEK bn

Gripen & GlobalEye Opportunities

Increasing interest for the Gripen E/F

- Entered formal negotiations with Thailand
- Gripen selected by Colombia for negotiation of 16-24 aircraft
- Campaigns for Gripen to Philippines and Peru ongoing

Growing GlobalEye prospects

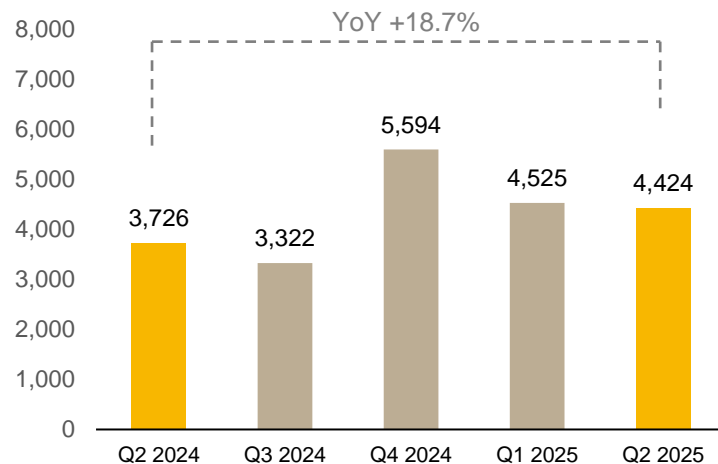
- Strategic agreement with France for a potential of 4 GlobalEye aircraft
- In dialogue with European/NATO and Asian countries both short term and beyond 2030+



Aeronautics

- Order for additional equipment for Gripen E to Sweden
- Successful milestone with Gripen E and AI
- Good progress on key programmes supporting growth
- Continued low production levels in T-7

Sales, SEK million



Order intake Q2

6.4

SEK bn

Order backlog

41.7

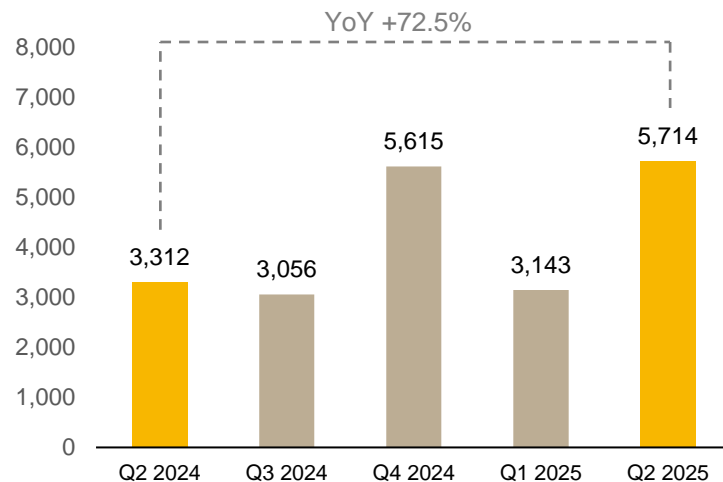
SEK bn



Dynamics

- Strengthened backlog with several medium-size orders
- Unusually strong growth driven by large deliveries
- Production capacity build-up efforts ongoing
- Securing long-term supply of explosives with suppliers

Sales, SEK million



Order intake Q2

7.0

SEK bn

Order backlog

84.8

SEK bn



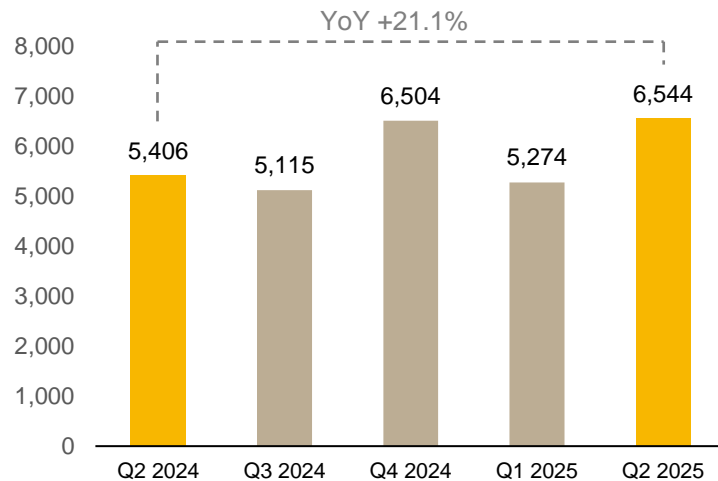
SAAB



Surveillance

- Order for Giraffe 4A radar systems from Sweden
- Agreement with France for the GlobalEye and cooperation with Sabena Technics on aircraft modification
- Cooperation with General Atomics for future UAEW solution
- High pace in project activity across the business units

Sales, SEK million



Order intake Q2

8.2

SEK bn

Order backlog

54.9

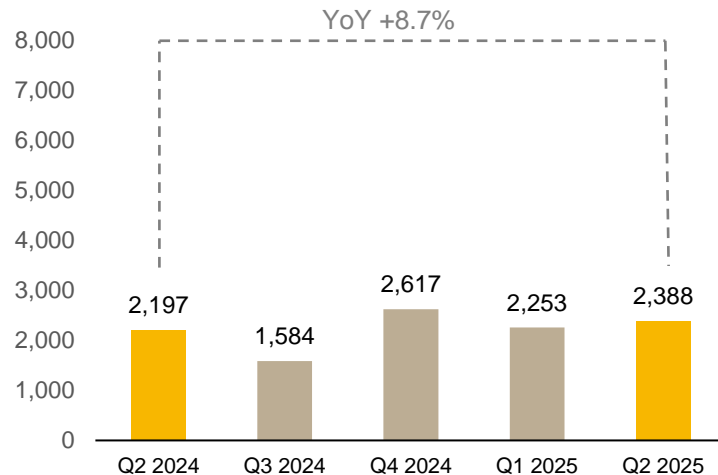
SEK bn



Kockums

- Strong order intake driven by Sweden for 22 combat boats, lightweight torpedoes system and modification of the Navy's 5 Visby corvettes
- Ship launching milestones of the first Polish SIGINT ship
- Successful sea-trials with the HMS Halland post mid-life upgrade
- Unfavourable impact from business unit Underwater Systems

Kockums, SEK million



Order intake Q2

5.0

SEK bn

Order backlog

15.7

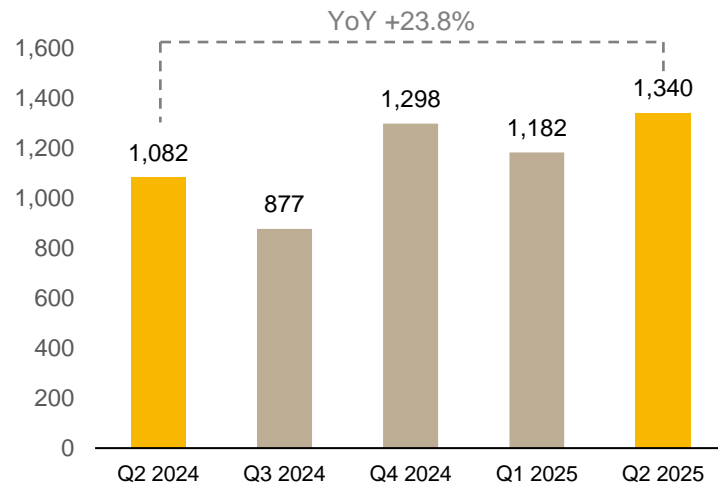
SEK bn



Combitech

- High demand for Combitech's solutions within defence with growing interest for AI, cybersecurity and digitalisation
- New AI and security related contracts signed in the quarter
- Growth from higher number of consultants in projects

Sales, SEK million



Order intake Q2

1.3

SEK bn

Order backlog

2.1

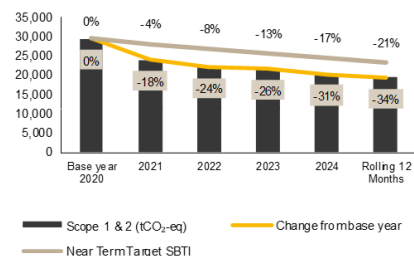
SEK bn

Sustainability highlights

- First SAF fuelling of Special Flight Operations aircraft operated by Saab with the potential to reduce overall Scope 1 by 150 tonnes in 2025
- Scope 1 & 2 CO₂-eq emissions decreased by 34% compared to base year 2020
- Injury frequency rate decreased by 23% year-to-date vs 2024
- Increased share of women among new Saab hires, raising share of women employees to 27% (26)

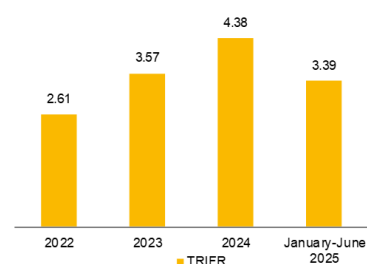
Green and Social Transition

GHG emissions²



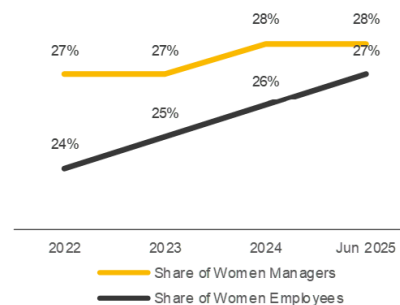
Occupational Health and Safety

Injury frequency rate



Diversity and Inclusion

Share of women employees



²Number of recordable injuries / total hours worked x 1,000,000



Outlook full year 2025



Organic sales
growth between
16-20%

EBIT growth higher
than organic sales
growth

Positive operational
cash flow

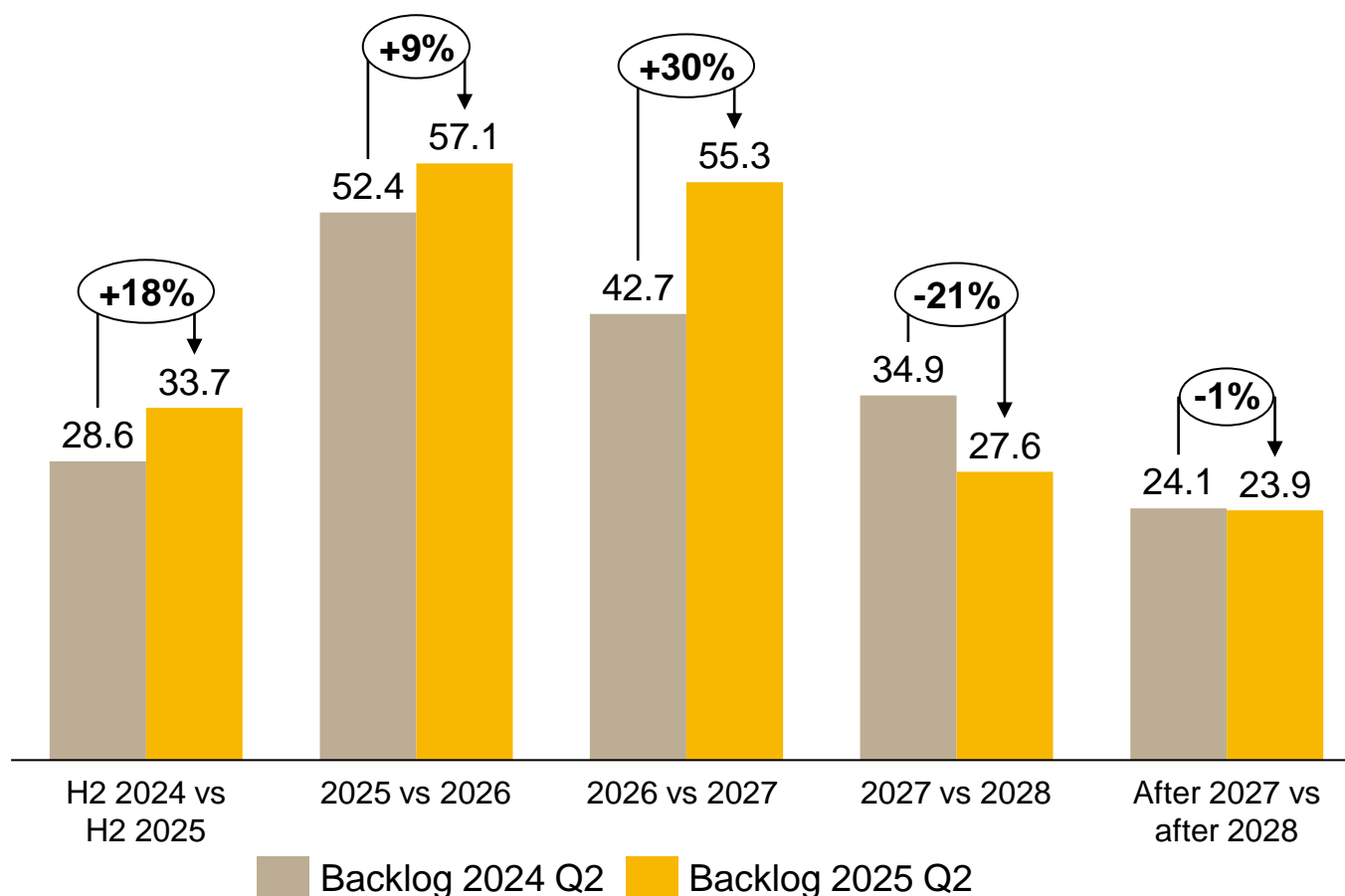
Previous sales growth outlook
Organic sales growth between **12-16%**

Financial summary

Anna Wijkander
CFO

Strengthened backlog supporting future growth

Order Backlog Duration, SEK billion



Q2 2025

198

Order backlog, SEK bn
(SEK 183 bn in Q2 2024)

Q2 2025

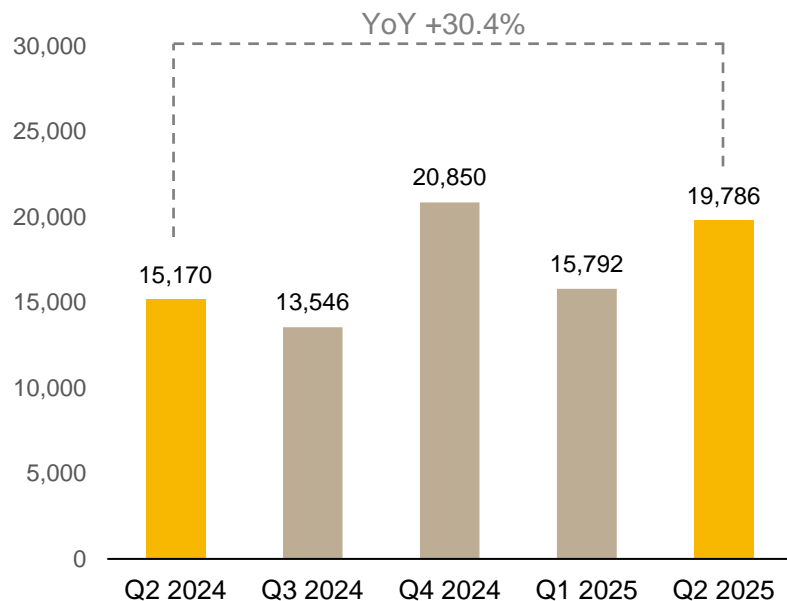
71%

Share of international orders in backlog,
(70% in Q2 2024)

- Order backlog increased 8% YoY
- 2.8x of 2025 R12 sales level in the backlog
- Dynamics and Surveillance accounting for 71% of the backlog
- Solid order intake with a book-to-bill of 1.4x
- More than half of order intake in Q2 was from Sweden

Sales

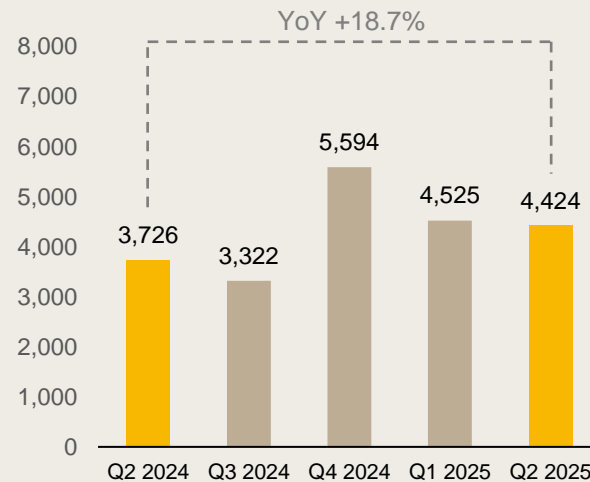
Group Sales, SEK million



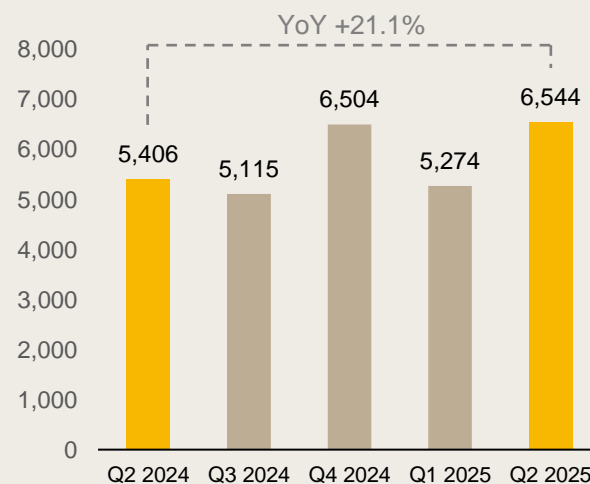
- Positive sales growth trend supported by sales growth in all business areas and Combitech
- Unusually strong growth from Dynamics, driven by large number of customer deliveries in the quarter
- Sales may vary due to delivery and seasonal factors

Business areas

Aeronautics, SEK million

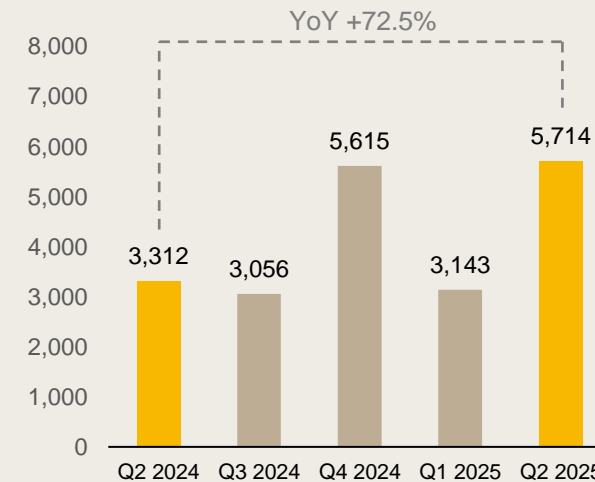


Surveillance, SEK million

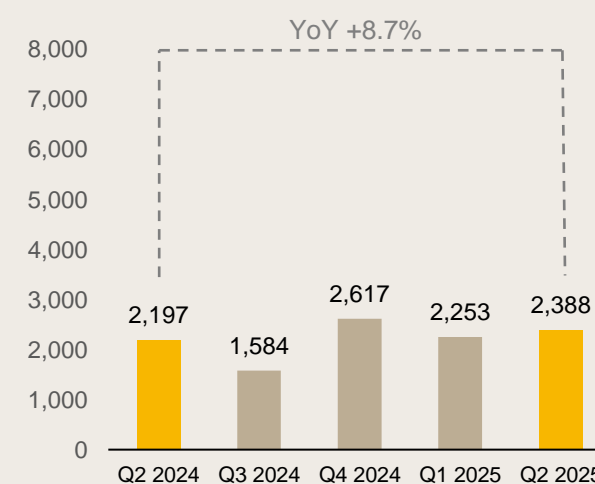


SAAB

Dynamics, SEK million

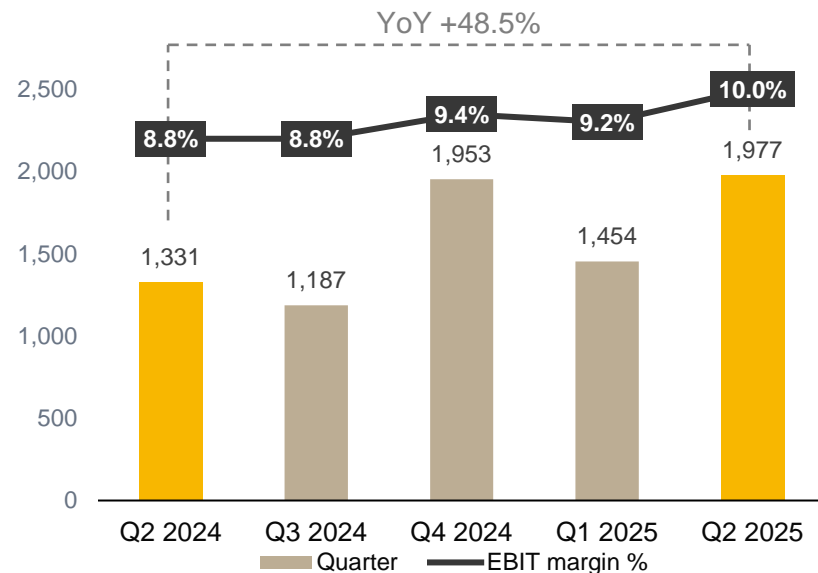


Kockums, SEK million



Profitability

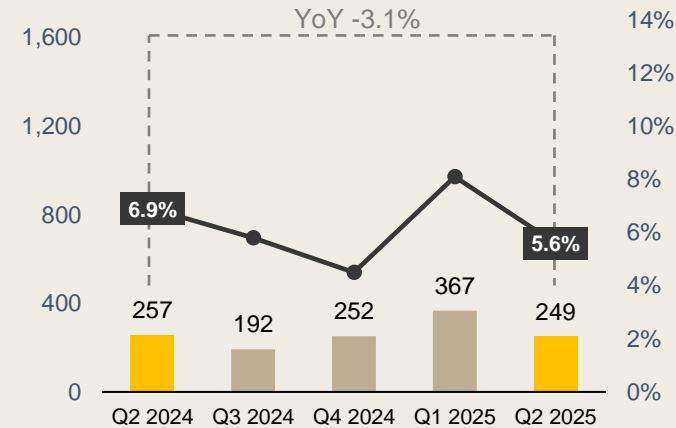
Group EBIT, SEK million



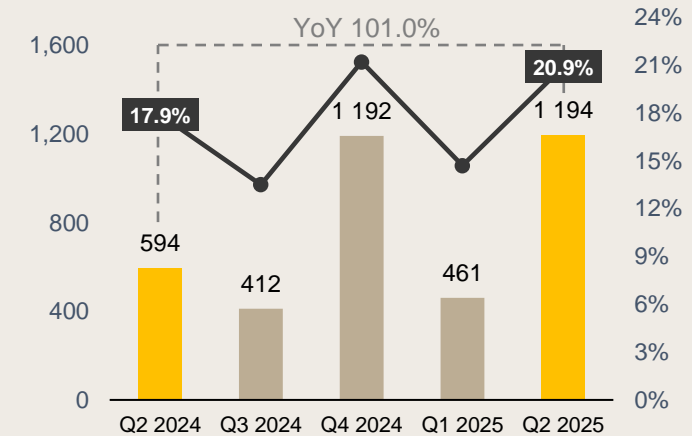
- Positive EBIT and EBIT margin trend YoY and R12
- Supported by improvements in Dynamics and Surveillance, but lower in Aeronautics and Kockums
- Positive EBIT impact from a non-recurring contribution in the minority portfolio of SEK 105 million

Business areas

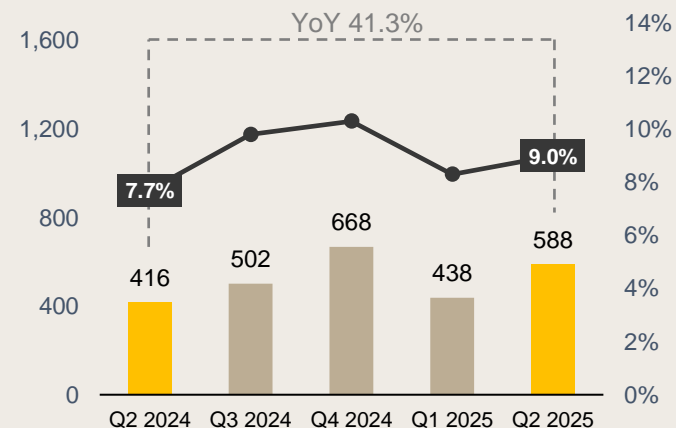
Aeronautics, SEK million



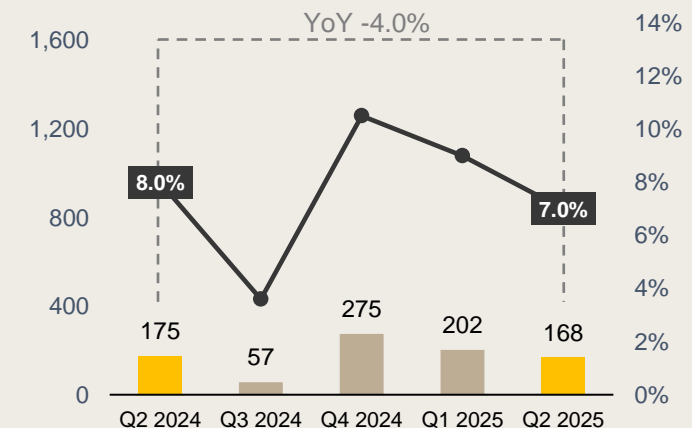
Dynamics, SEK million



Surveillance, SEK million



Kockums, SEK million



Financial summary

Q2 2025

Saab Group, SEK million unless otherwise stated

	Q2 2025	Q2 2024	Change
Sales	19,786	15,170	30.4%
Gross Income	4,256	3,380	25.9%
<i>Gross margin</i>	21.5%	22.3%	
EBITDA	2,831	1,961	44.4%
<i>EBITDA margin</i>	14.3%	12.9%	
EBIT	1,977	1,331	48.5%
<i>EBIT margin</i>	10.0%	8.8%	
Financial net	-12	-23	
<i>Tax rate</i>	21.8%	22.6%	
Net income	1,536	1,012	51.8%
EPS (SEK)	2.83	1.85	53.0%

Comments

- Sales growth of 30.4%, of which 31.5% organic (-1.1 %p currency)
- Gross margin decline due to higher corporate cost related to IT security and digitalisation
- EBITDA improvement driven by higher sales volumes
- EBIT margin improvement mainly driven by increased margins in Dynamics and Surveillance as well as business mix
- Positive EBIT impact from non-recurring contribution of SEK 105m in the minority portfolio
- The less negative financial net was supported by the SEK appreciation from currency hedges related to the tender portfolio
- Lower tax rate due to decreased share of taxable results from foreign operations
- Net income and EPS improvements primarily driven by EBIT growth

Financial summary

H1 2025

Saab Group, SEK million unless otherwise stated

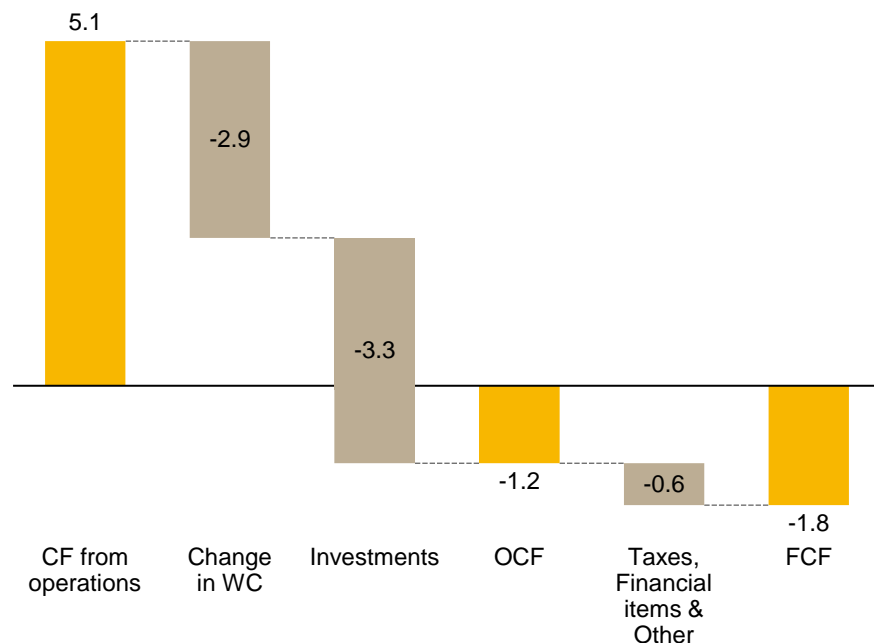
	Jan-Jun 2025	Jan-Jun 2024	Change	FY 2024
Sales	35,578	29,355	21.2%	63,751
Gross Income	7,975	6,465	23.4%	13,663
<i>Gross margin</i>	22.4%	22.0%		21.4%
EBITDA	4,971	3,780	31.5%	8,402
<i>EBITDA margin</i>	14.0%	12.9%		13.2%
EBIT	3,431	2,522	36.0%	5,662
<i>EBIT margin</i>	9.6%	8.6%		8.9%
Financial net	155	-205		-373
<i>Tax rate</i>	21.6%	22.5%		20.4%
Net income	2,813	1,796	56.6%	4,210
EPS (SEK)	5.17	3.28	57.6%	7.74

Comments

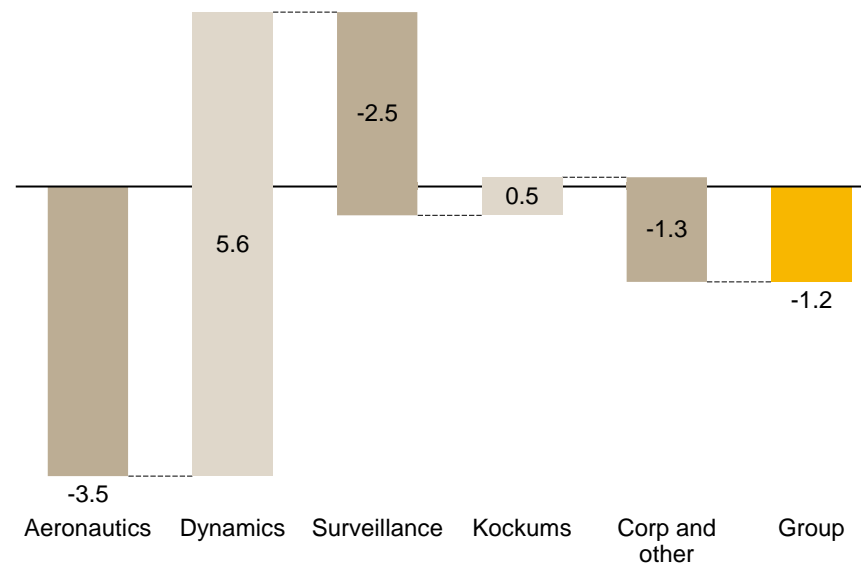
- Sales growth of 21.2%, of which 21.9% organic (-0.8 %p currency, +0.1 %p M&A)
- Increased gross margin following improvements in Dynamics and Surveillance
- EBITDA improvement driven mainly by higher sales volume
- EBIT margin improvement from the gross margin improvement and scale effects on operating expenses
- Financial net supported by the SEK appreciation from currency hedges related to the tender portfolio
- Lower tax rate due to decreased share of taxable results from foreign operations
- Net income and EPS improvements driven by the EBIT growth and improved financial net

Cash flow

Group Cash Flow June YTD, SEK billion



Operational Cash Flow per BA June YTD, SEK billion



- Strong cash flow from operations and increased working capital from high business growth
- Increased investments relates to the ongoing capacity ramp-up
- Improved ROCE driven by the profitability increase as well as capital turnover

June 2025

14.0

Return on equity, %

(11.2% in June 2024)

June 2025

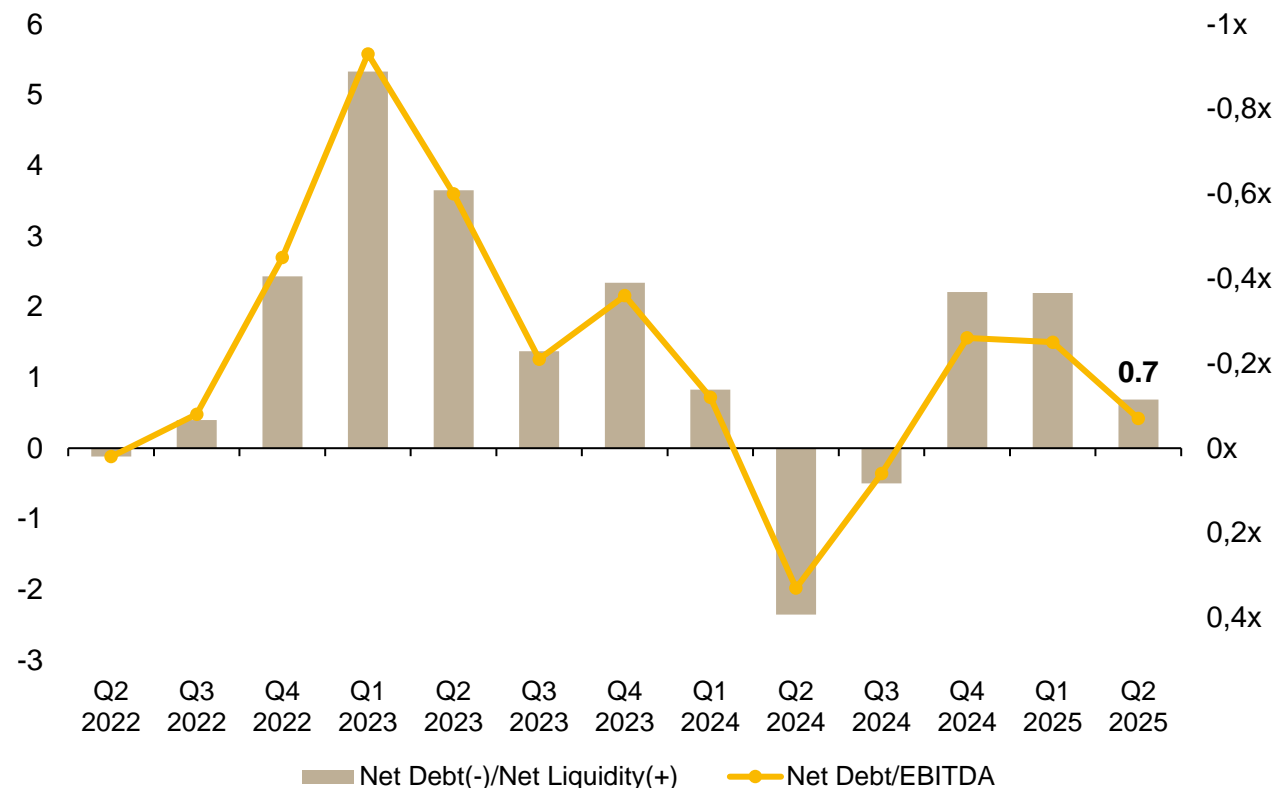
15.3

Return on capital employed, %

(12.8% in June 2024)

Solid balance sheet

Liquidity / Debt position, SEK billion



June 2025

-0.07x

Net debt/EBITDA*

June 2025

37.7%

Equity/Asset ratio

June 2025

10.7

Cash and liquid investments, SEK bn

June 2025

6.0

Unutilised Revolving Credit Facility, SEK bn

*EBITDA rolling 12 months, adjusted for items affecting comparability

Q&A

