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SAAB AB (publ) announces a tender offer for Medium Term Notes (MTN) loan and a potential new issue of MTN loan

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SAAB AB (publ) (the "**Issuer**") has mandated Nordea Bank AB (publ) and Swedbank AB (publ) (the "**Joint Bookrunners**" and/or "**Dealer Managers**") to arrange investor meetings starting on 19 September 2017. The Issuer has the intention to thereafter issue a SEK denominated senior unsecured capital markets transaction, subject to market conditions. Furthermore, SAAB AB (publ) today announces its invitations to the holders of its outstanding SEK 400,000,000 3.250% notes due 10 December 2018 (ISIN: SE0005567088) (the "**Fixed Rate Notes**") and SEK 950,000,000 3mS+137bps notes due 10 December 2018 (ISIN: SE0005567070) (the "**Floating Rate Notes**", and together with the Fixed Rate Notes, the "**Notes**") to tender their bonds for cash (the "**Tender Offer**") subject to the satisfaction of the New Financing Conditions (see below) being met.

The Tender Offer is made on the terms and subject to the conditions set out below.

Purchase price

Subject to the applicable minimum denomination in respect of the Notes, the Issuer offers to purchase the Notes as follows; purchase price payable per Fixed Rate Note having a nominal amount of SEK 1,000,000 will be 104.012 per cent (the "**Fixed Rate Purchase Price**") and the purchase price payable per Floating Rate Note having a nominal amount of SEK 1,000,000 will be 101.279 per cent (the "**Floating Rate Purchase Price**").

The Issuer will also pay an amount equal to any accrued and unpaid interest on the relevant Notes from, but excluding, the interest payment date for the Notes immediately preceding the settlement date for the purchase of the Notes (the "**Settlement Date**") up to, and including, the Settlement Date ("**Accrued Interest**").

New Financing Conditions

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Today the Issuer also announces its intention to issue new SEK denominated notes with an expected maturity of 5 years (the “**New Notes**”) in the near future.

The Issuer’s acceptance of Notes for purchase pursuant to the Tender Offer is conditional upon, in the absolute and sole discretion and determination of the Issuer, (i) the terms and conditions of the New Notes are satisfactory to the Issuer, including, but not limited to, as to the price of the New Notes, (ii) the successful completion (including the receipt of funds by or on behalf of the Issuer) of the issuance of New Notes, which will enable the Issuer to finance, in whole or in part, the Fixed Rate Purchase Price, Floating Rate Purchase Price and Accrued Interest of the total amount of Notes validly tendered and accepted for purchase pursuant to the Tender Offer (together “**New Financing Conditions**”).

Holders of the Notes (the “**Noteholders**”) can only participate in the Tender Offer by submitting a valid tender instruction (“**Tender Instruction**”) as further specified below under “Participation”. The Issuer’s acceptance of Notes validly tendered in accordance with the terms and conditions of the Tender Offer will be irrevocable, but in any case subject to the Transaction Cap described below and the satisfaction of the New Financing Conditions.

Transaction Cap

The tendered amount of Notes accepted by the Issuer will be capped at the total nominal amount of the issue of the New Notes (the “**Transaction Cap**”). If the Issuer decides to accept for purchase valid Tender Instructions made pursuant to the Tender Offer and the aggregate nominal amount of Notes validly tendered pursuant to the Tender Offer is greater than the nominal amount of the New Notes, the Issuer may accept such Notes for purchase on a pro rata basis (see below for further details), subject to the minimum denomination of SEK 1,000,000.

For the avoidance of doubt, in the event of any scaling in the acceptance of Notes to be purchased, the Issuer will (i) firstly accept in full Tender Instructions from investors who subscribe for New Notes, (ii) secondly accept either all or none of the Tender Instructions of Notes with a total nominal amount of SEK 1,000,000 and (iii) thirdly accept all other Tender Instructions of Notes with a total nominal size above SEK 1,000,000 on a pro rata basis. The acceptance of Tender Instructions of Notes will be rounded to a multiple of SEK 1,000,000 and any scaling made by the Issuer is binding on all Noteholders who validly tendered their Notes.

Purpose of the Tender Offer

The Tender Offer is being made as part of the Issuer’s commitment to exercise active management of its balance sheet. The purpose of the Tender Offer is to pro-actively manage the Issuer’s upcoming redemptions, to lengthen and diversify its debt maturity profile and to allow current holders to roll their current position into the New Notes.

Priority in New Notes

Noteholders who submit a valid Tender Instruction will be eligible to receive a priority in the allocation of New Notes. Such priority in allocation will match in size the nominal volume

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submitted for tender, subject to eligibility with the minimum denomination requirements of the New Notes.

This announcement does not constitute a sale of New Notes. Investors who wish to buy New Notes should contact their sales contact at one of the Joint Bookrunners to obtain all relevant documentation.

Deadline

The Tender Offer expires at 12:00 CET on 21 September 2017, unless extended, re-opened, withdrawn or terminated at the sole discretion of the Issuer. The Issuer will announce the results and whether any Notes will be accepted under the Tender Offer as soon as reasonably practicable after the pricing of the New Notes. Settlement of the Tender Offer is expected to occur at or around 28 September 2017. Settlement of the transactions pursuant to the Tender Offer will occur as a secondary trade via the Dealer Managers.

Subject to applicable law, the Issuer may, in its sole and absolute discretion, extend, re-open, amend or waive any condition of or terminate the Tender Offer at any time. Noteholders are advised to read carefully this announcement for the details of and information on the procedures for participating in the Tender Offer.

Noteholders will not receive any further documents regarding the Tender Offer and should instead contact one of the Dealer Managers on the details below.

Participation

Only Noteholders who are eligible counterparts to minimum one of the Dealer Managers may participate in this Tender Offer and Noteholders must contact one of the Dealer Managers to receive an application form that includes the details of how to participate in the Tender Offer. Tender Instructions given via the application form are irrevocable by the Noteholders, except for in the limited circumstances described in the application form.

Noteholders should consult their own tax, accounting, financial and legal advisers regarding the suitability to themselves of the tax or accounting consequences of participating in the Tender Offer.

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To obtain an application form and participate in the Tender Offer please contact one of the Dealer Managers at the details below:

CONTACT INFORMATION**Joint Bookrunners and Dealer Managers**

Nordea Bank AB (publ)

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