

Date  
11 February 2022Reference  
CU 22:003 E

## Saab Year-End Report 2021: A year with growth and strong cash flow generation

Saab presents the year-end results for 2021.

### Key highlights Q4 2021

- Order intake of SEK 12,218m with strong growth in small and medium orders of 41% and 50%, respectively. Order backlog amounted to SEK 105bn (100).
- Sales amounted to SEK 11,943m (12,491) with continued good activity in the defence business while civil aviation business remained weak.
- EBITDA showed an improvement and amounted to SEK 1,587m (1,229), corresponding to a margin of 13.3% (9.8). EBITDA also improved compared to adjusted EBITDA of 1,544 in Q4 2020 with a margin of 12.5%.
- Operating income amounted to SEK 1,076m (766), and corresponded to a margin of 9.0% (6.1). The operating margin improved compared to the adjusted operating income of 8.8% in Q4 2020.
- Operational cash flow in the quarter was SEK 1,522m (2,901) and came in at SEK 3,276m (2,773) for the full year.
- The Board proposes a dividend for 2021 of SEK 4.90 (4.70) per share.
- Outlook 2022: organic growth to be around 5%, an operating income improvement between 8-12% and operational cash flow to be positive for 2022, however at a lower level than in 2021.

Statement by Micael Johansson, President and CEO, Saab:

In 2021, we strengthened our platform for future growth by continuing to grow our order intake. This was despite the fact that the HX-fighter campaign in Finland favoured a U.S. capability over a strong Swedish offer. With a consistent focus on improved project execution and efficiency, we delivered on our targets for 2021. We achieved sales growth of 11%, an improvement in earnings, corresponding to an operating margin of 7.4% and we continued to deliver strong positive cash flow for the second year in a row. In contrast to 2020, Saab's financials were not affected by items affecting comparability in 2021.

In the fourth quarter, demand for our products remained high with small and medium sized orders growing 41% and 50%, respectively. Order intake was particularly strong in Sweden and Europe in the quarter. This added to our order book, which is now amounting to SEK 105 billion (100). Key orders during the quarter was the Gripen E new equipment contract to Sweden, several Carl-Gustaf orders including the next generation round to Sweden and a launch contract for the new G1X radar in the air defence segment.

---

**Saab AB (publ)**Postal address  
SE-581 88 Linköping  
SwedenTelephone  
+46 (0)13 18 00 00Registered office  
Linköping  
Registered No  
556036-0793VAT No  
SE556036079301  
Internet address  
[www.saab.com](http://www.saab.com)

Sales declined in the fourth quarter and was down -4%, in line with our outlook. Aeronautics and Kockums reported growth while Dynamics and Surveillance had lower sales. In Surveillance, sales declined mainly due to the strong volumes related to GlobalEye in Q4 2020 and in Dynamics due to a more even sales pattern in 2021. Looking ahead, capitalizing on the strong market, executing on our backlog and work to restore stability in the civil aviation business will continue to be our key focus. For the full year 2022, we expect organic sales growth to be around 5%.

Operating income amounted to SEK 1,076m in the quarter, corresponding to a margin of 9.0%. Even though sales in the quarter was lower, operational performance contributed to improved gross margin. For 2022, we expect continued growth and higher efficiency, which will support earnings growth. We expect EBIT to grow between 8% and 12% for the full year 2022.

Operational cash flow in the quarter amounted to SEK 1.5 billion (2.9). For the full year operational cash flow was positive and came in strong at SEK 3.3 billion (2.8). This was mainly due to higher EBITDA and cash flow from large milestone payments during the year. Looking ahead, we estimate operational cash flow to continue to be positive, however at a lower level than in 2021 for the coming two years. Based on Saab's financial results and future outlook, the Board proposes an increase of the dividend to SEK 4.90 (4.70) per share for 2021.

The risks related to the global pandemic remains to some extent, and there is a continued risk for resource and supply chain shortages. We proactively manage the challenges by new ways of working, which we learned and implemented during the pandemic. By this, we have largely mitigated the impact on our business. We continue to be cautious in our planning and have a close dialogue with our suppliers to mitigate potential future effects.

We are accelerating our sustainability agenda and firmly believe that defence and security capabilities are prerequisites for peace, security and stability. We are especially reminded by this in times where geopolitical tensions and security threats are increasing. Our sustainability commitment is based on Saab's mission to keep people and society safe, and we contribute to the global community by focusing on key UN goals for sustainable development identified in our strategy. During the period, we made further progress in our work to manage sustainability risks and decided to implement a Responsible Sales Policy. Saab is committed to work with future sustainability challenges, including driving corporate climate action by setting Science-Based Targets and through transparent reporting. I am confident that this journey will support long-term value creation for all our stakeholders.

Finally, I would like to thank our over 18,000 employees for their commitment and hard work in a challenging but successful 2021.

---

**Saab AB (publ)**Postal address  
SE-581 88 Linköping  
SwedenTelephone  
+46 (0)13 18 00 00Registered office  
Linköping  
Registered No  
556036-0793VAT No  
SE556036079301  
Internet address  
[www.saab.com](http://www.saab.com)

## Financial highlights

MSEK	Full Year 2021	Full Year 2020	Change, %	Q4 2021	Q4 2020	Change, %
Order bookings	43,569	42,328	3	12,218	18,106	-33
Order backlog	105,177	99,816	5			
Sales	39,154	35,431	11	11,943	12,491	-4
Gross income	8,205	5,676	45	2,412	2,139	13
Gross margin, %	21.0	16.0		20.2	17.1	
EBITDA	4,826	2,833	70	1,587	1,229	29
EBITDA margin, %	12.3	8.0		13.3	9.8	
Operating income (EBIT)	2,888	1,315	120	1,076	766	40
Operating margin, %	7.4	3.7		9.0	6.1	
Adjusted operating income <sup>1)</sup>	2,888	2,738	5	1,076	1,081	0
Adjusted operating margin, % <sup>1)</sup>	7.4	7.4		9.0	8.8	
Net income	2,025	1,092	85	791	603	31
of which Parent Company's shareholders' interest	1,926	1,073	79	733	598	23
Earnings per share after dilution, SEK	14.45	8.01		5.52	4.48	
Return on equity, % <sup>2)</sup>	9.0	5.1				
Operational cash flow	3,276	2,773		1,522	2,901	
Free cash flow	2,737	3,753		1,377	3,055	
Free cash flow per share after dilution, SEK	20.53	28.03		10.36	22.87	
Average number of shares after dilution	133,293,340	133,877,141		132,861,467	133,553,781	
<sup>1)</sup> Items affecting comparability, see note 5						
<sup>2)</sup> Return on equity is measured over a rolling 12-month period.						

For more information and explanations regarding the usage of these key ratios, please see <http://saab.com/investors/financial-data/key-ratios/>

**Saab AB (publ)**

Postal address  
SE-581 88 Linköping  
Sweden

Telephone  
+46 (0)13 18 00 00

Registered office  
Linköping

Registered No  
556036-0793

VAT No  
SE556036079301

Internet address  
[www.saab.com](http://www.saab.com)

**Saab's Year-End Report 2021 Presentation**

Saab's CEO and President Micael Johansson and CFO and deputy CEO Christian Luiga will present the Saab year-end results for 2021.

**Date:** Friday, 11 February at 10:00 (CET).

You are welcome to watch the live webcast or dial in to the conference call. It is possible to post questions over the conference call and the web.

**Live webcast:** <https://www.saab.com/investors/webcast/Q4-2021>

**Conference call:**

Please, dial in using one of the numbers below.

Sweden: +46 8 566 427 06

United Kingdom: +44 333 300 9261

United States: +1 631 913 1422 (U.S. PIN: 51345232#)

The presentation material and the webcast will be available on <http://www.saab.com/investors>

**For further information, please contact:**

*Mattias Rådström, Head of Media Relations*

+46 (0)734 180 018

[presscentre@saabgroup.com](mailto:presscentre@saabgroup.com)

*Merton Kaplan, Head of Investor Relations*

+46 (0)734 182 071

[merton.kaplan@saabgroup.com](mailto:merton.kaplan@saabgroup.com)

[www.saab.com](http://www.saab.com)

Follow us on twitter: [@saab](https://twitter.com/saab)

*Saab is a leading defence and security company with an enduring mission, to help nations keep their people and society safe. Empowered by its 18,000 talented people, Saab constantly pushes the boundaries of technology to create a safer, more sustainable and more equitable world. Saab designs, manufactures and maintains advanced systems in aeronautics, weapons, command and control, sensors and underwater systems. Saab is headquartered in Sweden. It has major operations all over the world and is part of the domestic defence capability of several nations.*

*The information is such that Saab AB is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact person set out above, on 11 February 2022 at 07.30 (CET).*

---

**Saab AB (publ)**

Postal address  
SE-581 88 Linköping  
Sweden

Telephone  
+46 (0)13 18 00 00

Registered office  
Linköping  
Registered No  
556036-0793

VAT No  
SE556036079301  
Internet address  
[www.saab.com](http://www.saab.com)