



SAAB

A solid start to the year in a changing landscape

KEY HIGHLIGHTS Q1 2022

- Order intake of SEK 8,115m (5,871), corresponding to a growth of 38%, with increases in most business areas driven by medium-sized orders.
- Sales amounted to SEK 9,218m (9,088), with a growth of 1.4%.
- EBITDA increased and amounted to SEK 1,148m (1,066), with a margin of 12.5% (11.7).
- Operating income improved 10% and amounted to SEK 654m (597). The margin was 7.1% (6.6), driven by improved project execution and a favourable product mix.
- Operational cash flow in the quarter was SEK -179m (-160).
- Sustainability efforts continued with submittal of proposed targets to the Science-Based Targets initiative.
- The AGM decided on a dividend of SEK 4.90 per share to the shareholders.

FINANCIAL HIGHLIGHTS

MSEK	Jan-Mar 2022	Jan-Mar 2021	Change, %	Full Year 2021
Order bookings	8,115	5,871	38	43,569
Order backlog	104,537	97,211	8	105,177
Sales	9,218	9,088	1	39,154
Gross income	2,034	1,934	5	8,205
Gross margin, %	22.1	21.3		21.0
EBITDA	1,148	1,066	8	4,826
EBITDA margin, %	12.5	11.7		12.3
Operating income (EBIT)	654	597	10	2,888
Operating margin, %	7.1	6.6		7.4
Net income	372	396	-6	2,025
of which Parent Company's shareholders' interest	354	392	-10	1,926
Earnings per share after dilution, SEK	2.66	2.94		14.45
Return on equity, % ¹⁾	8.4	5.2		9.0
Operational cash flow	-179	-160		3,276
Free cash flow	-361	-265		2,737
Free cash flow per share after dilution, SEK	-2.71	-1.99		20.53
Average number of shares after dilution	133,267,371	133,213,468		133,293,340

¹⁾ Return on equity is measured over a rolling 12-month period.

Q1

Order bookings

8.1 BSEK

Sales growth

1.4 %

Operating margin

7.1 %

JANUARY-MARCH 2022

COMMENTS FROM THE CEO

A solid start to the year in a changing landscape



Micael Johansson
President & CEO

We entered the year with hopes of a return to normal after the pandemic, but we are now witnessing a humanitarian tragedy as a result of the war in Ukraine. This reminds us once again of the importance of countries' right to build their defences to protect their borders, citizens and societies. Our core belief is that peace, security and stability are fundamental for sustainability, human rights and freedom.

Early implications of the crisis have changed the security landscape in Europe. This has led to a structural shift with several countries, including Sweden, Germany, UK and Finland, announcing higher defence budgets over the coming years. Saab is well positioned and ready to support customers' growing needs. Given the long-term nature of the industry, however, the prospects for further growth in orders will take some time.

Due to the pandemic, we have worked intensively over the past years to manage our supply chain. With the growing geopolitical instability in the world, we see further supply chain challenges in our industry, as in many other businesses. We are working closely with our suppliers to mitigate future effects on shortages and ensure delivery of components. To meet a further demand, we will also steadily increase capacity.

In the first quarter of the year, we continued to see strong interest in Saab's portfolio, particularly in Dynamics and Surveillance. Order intake increased by 38%, driven by medium-sized orders across most business areas. Order intake in our international markets increased by 78%. Dynamics received orders for training systems to the U.S. and Finland, and Surveillance received a contract for a civil security solution in Australia. At Kockums, a large contract from Sweden for the Mid-Life Upgrade of the third Gotland-class submarine was received.

At the end of the quarter, the first two serially produced Gripen E fighters arrived in Brazil and their first flight in the country with Brazilian pilots has now been completed. This is an important achievement in the Gripen E programme where the two fighter jets are part of the 36 aircraft acquired by the Brazilian Air Force in 2014.

Sales increased compared to the first quarter last year and amounted to SEK 9,218 million (9,088). Reported growth was 1.4%, reflecting the delivery pattern for the year that is stronger in the second half. Dynamics, Kockums and Combitech reported sales growth while sales in Aeronautics and Surveillance declined. We reiterate our sales growth outlook of around 5% for the full year.

Operating income improved 10% and amounted to SEK 654m (597) in the quarter, corresponding to a margin of 7.1% (6.6). This was driven by higher gross margin as a result of improved project execution and a favourable product mix.

Operational cash flow in the quarter was in line with our milestone payments plan and amounted to SEK -179 million (-160).

During the quarter, we continued our extensive work on sustainability and strengthened our governance further. Consequently, we submitted proposed targets to the Science-Based Targets initiative connected to the Race to Zero commitment we announced last year.

As we leave a solid first quarter behind us, we will continue our journey with a focus on sustainable growth, strengthened profitability and cash flow.

Outlook 2022

SALES GROWTH:

Organic sales growth of around 5%.

OPERATING INCOME:

Operating income improvement between 8-12% compared to 2021.

OPERATIONAL CASH FLOW:

Operational cash flow to be positive for 2022 however at a lower level than in 2021.

Orders

JANUARY-MARCH 2022

Order bookings amounted to SEK 8,115 million (5,871), an increase of 38 per cent compared to the same quarter last year. Large orders declined slightly to SEK 1,168 million (1,571) while medium-sized orders contributed to order growth with an increase of 271 per cent and amounted to 3,892 (1,049). Bookings of small orders in the period was somewhat lower than last year and amounted to SEK 3,055 million (3,251). Growth in order bookings was attributable to almost all regions. Large and medium-sized orders included orders in Aeronautics related to ongoing Gripen projects, training systems to the U.S. Marine Corps and Finland in Dynamics, order for a security solution to Australia in Surveillance, and a contract for the Mid-Life upgrade of the third Gotland class submarine to Sweden.

The order backlog at the end of the period amounted to SEK 104,537 million, compared to SEK 105,177 million at the beginning of the year. In total, 67 per cent of the order backlog is attributable to markets outside Sweden, compared to 67 per cent at the beginning of the year.

For more information on orders received, see the business area comments on pages 7, 8 and 9.

Sales

JANUARY-MARCH 2022

Sales amounted to SEK 9,218 million (9,088) in the first quarter and corresponded to a growth of 1.4 per cent. The business areas Dynamics, Kockums and Combitech reported sales growth driven by continued high activity in projects and deliveries. Sales decreased slightly in Aeronautics due to timing effects on project execution. Sales also declined in Surveillance, due to a strong comparison quarter.

Sales from markets outside Sweden amounted to SEK 5,658 million (5,849) and corresponded to 61 per cent (64) of total sales. In the period, all regions except Asia, Africa and Latin America reported sales growth. 89 per cent (91) of sales were related to the defence business.

SALES GROWTH

Per cent	Jan-Mar 2022	Jan-Mar 2021	Full Year 2021
Organic sales growth	0	14	11
Acquisitions	-	-	-
Currency effects regarding revaluation of foreign subsidiaries	1	-1	0
Total sales growth	1	13	11

SALES PER REGION

MSEK	Jan-Mar 2022	Jan-Mar 2021	Change, %
Sweden	3,560	3,239	10
Rest of Europe	1,617	1,465	10
North America	1,054	768	37
Latin America	1,099	1,567	-30
Asia	1,246	1,526	-18
Africa	18	51	-65
Australia, etc.	624	472	32
Total	9,218	9,088	1

Classification of orders	MSEK
Small orders	<100
Medium-sized orders	100-1000
Large orders	>1000

Order distribution

Orders exceeding MSEK 100 accounted for 62% (45) of total orders during the period.



Order backlog duration:

2022: SEK **27.1** billion
 2023: SEK **27.2** billion
 2024: SEK **18.6** billion
 2025: SEK **14.1** billion
 After 2025: SEK **17.5** billion

Defence/Civil

A total of 83% (87) of order bookings was attributable to defence-related operations during the period.

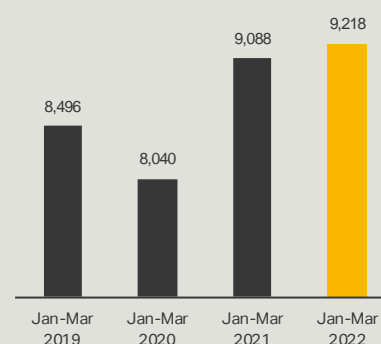


Market

A total of 50% (39) of order bookings was related to markets outside Sweden during the period.



Sales Jan-Mar, MSEK



Income

JANUARY-MARCH 2022

The gross margin improved in the first quarter 2022 compared to Q1 2021 and was 22.1 per cent (21.3), mainly driven by solid project execution and favourable product mix in Surveillance and Dynamics.

Total depreciation, amortisation and write-downs amounted to SEK 494 million (469). Depreciation of tangible fixed assets amounted to SEK 321 million (303).

Expenditures for internally funded investments in R&D amounted to SEK 402 million (530), of which SEK 128 million (261) has been capitalised. Capitalised expenditures are mainly attributable to the development of Gripen E/F.

Amortisation and write-downs of intangible fixed assets amounted to SEK 173 million (166) for the first quarter of the year, of which amortisation and write-downs of capitalised development expenditures amounted to SEK 142 million (137). This was mainly related to R&D amortisation of GlobalEye, amounting to SEK 94 million (94) in the first quarter 2022.

The share of income in associated companies and joint ventures amounted to SEK -23 million (-12).

EBITDA amounted to SEK 1,148 million (1,066). The EBITDA margin was 12.5 per cent (11.7).

Operating income increased by 10 per cent and amounted to SEK 654 million (597). The operating margin was 7.1 per cent (6.6) driven by improved gross margin and favourable product mix.

Financial net

MSEK	Jan-Mar 2022	Jan-Mar 2021
Financial net related to pensions	-18	-13
Net interest items	-20	-16
Currency gains/losses	2	-22
Lease liability interest	-23	-25
Other financial items	-110	-16
Total	-169	-92

The financial net related to pensions is the financial cost for net pension obligations recognised in the balance sheet. See note 12 for more information regarding defined-benefit pension plans.

Net interest items refer to interest on liquid assets, short-term investments and interest expenses on short- and long-term interest bearing liabilities and interest on interest-rate swaps. Currency gains/losses recognised in the financial net are mainly related to currency hedges of the tender portfolio, which are measured at fair value through profit and loss.

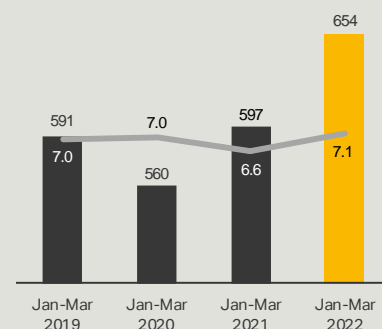
Lease liability interest consists of the interest portion related to lease liabilities recognised in the balance sheet.

Other net financial items consist of realised and unrealised results from short-term investments and derivatives as well as other currency effects, e.g. changes in exchange rates for liquid assets in currencies other than SEK. The loss in the first quarter 2022 is largely attributable to negative results from short-term investments due to movements in market interest rates.

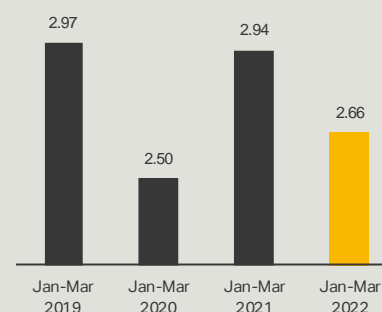
Tax

Current and deferred taxes amounted to SEK -113 million (-109), which means that the effective tax rate amounted to 23 (22) per cent in the quarter.

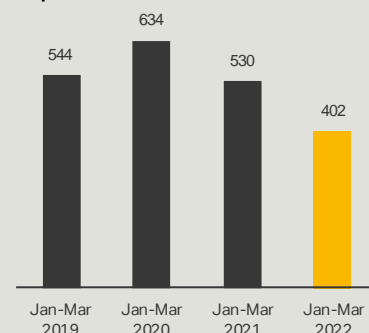
Operating income (MSEK) and margin (%), Jan-Mar



Earnings per share after dilution, SEK



Internally funded R&D expenditures, MSEK



Financial position and liquidity

At the end of March 2022, net debt was SEK 1,375 million, a decrease of SEK 750 million compared to year-end 2021, when net debt amounted to SEK 2,125 million.

Cash flow from operating activities amounted to SEK 249 million (534).

Contract assets increased by SEK 689 million following lower milestone payments while contract liabilities decreased by SEK 511 million compared to year-end 2021. Inventories increased by SEK 1,036 million during the period, mainly related to future deliveries within Dynamics and Surveillance.

Net provisions for pensions, excluding special employer's contribution, amounted to SEK 3,670 million as of 31 March 2022, compared to SEK 4,774 million at year-end 2021. Changes in actuarial assumptions regarding discount rate, inflation and demographics had a net positive effect on net debt of SEK 1,104 million. For further information on Saab's benefit pension plans, see note 12.

Tangible fixed assets amounted to SEK 7,321 million at period end compared to 7,147 at the end of 2021.

Right-of-use assets recognised in the balance sheet amounted to SEK 2,364 million compared to 2,472 million at the end of 2021.

Net investments in the first quarter amounted to SEK 490 million (683). Investments in tangible fixed assets amounted to SEK 308 million (342).

Investments in intangible fixed assets amounted to SEK 186 million (342), of which SEK 128 million (261) related to capitalised R&D expenditures. The investments were mainly related to the development of Gripen E/F. Of the total investments in intangible fixed assets, SEK 58 million (81) related to other intangible fixed assets.

As of 31 March 2022, short-term investments and liquid assets amounted to SEK 11,348 million, a decrease of SEK 493 million compared to year-end 2021.

Capital employed increased by SEK 765 million during the period to SEK 38,542 million. The return on capital employed was 8.1 per cent (4.3) and the return on equity was 8.4 per cent (5.2), both measured over a rolling 12-month period.

Change in net debt Jan-Mar 2022

	MSEK
Net liquidity (+) / net debt (-), 31 Dec 2021 ¹⁾	-2,125
Cash flow from operating activities	249
Change in net pension obligation	1,104
Net investments	-490
Dividend to and transactions with non-controlling interest	-25
Additional lease liabilities	-10
Other items, currency impact and unrealised results from financial investments	-78
Net liquidity (+) / net debt (-), 31 Mar 2022 ¹⁾	-1,375
¹⁾ Net liquidity (+) / net debt (-) excluding net provisions for pensions, lease liabilities and interest-bearing receivables, 31 Mar 2022	4,182

Key indicators of financial position and liquidity

MSEK	31 Mar 2022	31 Dec 2021	Change	31 Mar 2021
Net liquidity / debt ²⁾	-1,375	-2,125	750	-4,119
Intangible fixed assets	12,216	12,162	54	11,782
Goodwill	5,293	5,253	40	5,228
Capitalised development costs	6,026	6,040	-14	5,823
Other intangible fixed assets	897	869	28	731
Tangible fixed assets, etc ³⁾	7,707	7,533	174	7,165
Right of use assets ⁴⁾	2,364	2,472	-108	2,457
Inventories	12,645	11,609	1,036	11,258
Accounts receivable	5,102	5,884	-782	5,313
Contract assets	9,941	9,252	689	9,451
Contract liabilities	10,176	10,687	-511	8,982
Equity/assets ratio, %	38.0	35.7	-	36.8
Return on equity, %	8.4	9.0	-	5.2
Equity per share, SEK ¹⁾	188.85	174.31	-	167.59

1) Number of shares excluding treasury shares

131,965,259

131,810,178

155,081

132,396,540

2) The Group's net liquidity/debt refers to liquid assets, short-term investments and interest-bearing receivables less interest-bearing liabilities and provisions for pensions excluding provisions for special employers' contribution attributable to pensions. For a detailed break-down of interest-bearing receivables and interest-bearing liabilities, see note 7.

3) Including tangible fixed assets and biological assets.

4) Relate to right-of-use assets for leases.

Cash flow

JANUARY-MARCH 2022

Cash flow from operating activities, excluding taxes and other financial items, amounted to SEK 311 million (523).

Operational cash flow amounted to SEK -179 million (-160), in line with the same quarter last year and according to our milestone payments plan. A slightly increased working capital was offset by lower investments compared to the same period last year.

Free cash flow amounted to SEK -361 million (-265). For more detailed information on cash flow, see note 10.

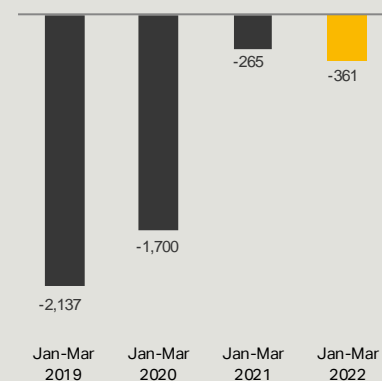
There can be large fluctuations in cash flow between reporting periods as the timing of milestone payments in large projects greatly varies depending on when milestones are reached.

	Jan-Mar 2022	Jan-Mar 2021
Cash flow from operating activities before changes in working capital, excluding taxes and other financial items ¹⁾	1,229	1,260
Change in working capital	-918	-737
Cash flow from operating activities excluding taxes and other financial items	311	523
Cash flow from investing activities ²⁾	-490	-683
Operational cash flow	-179	-160
Taxes and other financial items	-180	-102
Sale of and investments in financial assets and operations	-2	-3
Free cash flow	-361	-265

1) Including amortisation of lease liabilities

2) Cash flow from investing activities excluding change in short-term investments and other interest-bearing financial assets and excluding sale of and investment in financial assets, investments in operations and sale of subsidiaries. If investments in and sale of financial fixed assets are considered to be of operating nature, the item is included in investing activities.

Free cash flow, MSEK



Business Area Aeronautics

BUSINESS UNITS: Gripen Design, Gripen Sustainment, Aviation Services, Aerospace Systems

MSEK	Jan-Mar 2022	Jan-Mar 2021	Change, %	Full Year 2021
Order bookings	1,299	2,041	-36	7,828
Order backlog	40,677	45,788	-11	42,429
Sales	3,056	3,103	-2	12,263
EBITDA	240	241	0	871
EBITDA margin, %	7.9	7.8		7.1
Operating income (EBIT)	199	213	-7	746
Operating margin, %	6.5	6.9		6.1
Operational cash flow	-446	-785		-768

ORDER DISTRIBUTION

Orders exceeding MSEK 100 accounted for 72% (83) of total orders during the period.



MARKET

Sales in markets outside Sweden amounted to 50% (60) during the period.



Market and orders

- Several medium-sized orders related to ongoing Gripen projects received in Q1.
- Canada selected competitor although Gripen meeting all capability requirements.
- Market efforts continue for the Gripen fighter.

Sales, income and margin

- Sales declined slightly due to timing effects on project execution.
- Operating income declined, due to the lower volumes and negative effect from start-up of T-7 operations.

Cash flow

- Cash flow improved compared to the same quarter in the previous year and amounted to MSEK -446.

Business Area Dynamics

BUSINESS UNITS: Ground Combat, Missile Systems, Underwater Systems, Barracuda, Training and Simulation, Tactical Support Solutions.

MSEK	Jan-Mar 2022	Jan-Mar 2021	Change, %	Full Year 2021
Order bookings	2,633	1,341	96	10,909
Order backlog	22,825	19,261	19	21,831
Sales	1,793	1,655	8	8,690
EBITDA	278	182	53	1,201
EBITDA margin, %	15.5	11.0		13.8
Operating income (EBIT)	256	161	59	1,113
Operating margin, %	14.3	9.7		12.8
Operational cash flow	232	-532		705

ORDER DISTRIBUTION

Orders exceeding MSEK 100 accounted for 51% (18) of total orders during the period.



MARKET

Sales in markets outside Sweden amounted to 81% (69) during the period.



Market and orders

- High demand and strong interest for Dynamics product portfolio.
- Several training orders to the U.S. and Finland as well as RBS 70 NG to Argentina and orders within Underwater Systems.

Sales, income and margin

- Sales volumes increased by 8% compared to the same quarter last year.
- Significant increase in operating income and margin due to higher volumes and favourable product mix in the quarter.

Cash flow

- Improved operational cash flow compared to last year due to timing of customer payments.

Business Area Surveillance

BUSINESS UNITS: Radar Solutions, Electronic Warfare and Aircraft Systems, Combat Systems, Traffic Management.

MSEK	Jan-Mar 2022	Jan-Mar 2021	Change, %	Full Year 2021
Order bookings	2,309	1,703	36	14,065
Order backlog	31,540	29,501	7	32,012
Sales	3,109	3,299	-6	13,373
EBITDA	433	355	22	1,684
EBITDA margin, %	13.9	10.8		12.6
Operating income (EBIT)	234	166	41	917
Operating margin, %	7.5	5.0		6.9
Operational cash flow	135	1,740		4,040

2021 has been restated due to a minor structural change as parts of a department within Combitech have been migrated to Surveillance.

ORDER DISTRIBUTION

Orders exceeding MSEK 100 accounted for 70% (34) of total orders during the period.



MARKET

Sales in markets outside Sweden amounted to 83% (83) during the period.



Market and orders

- Main orders in the quarter included an order for security solution to Australia and air traffic management solutions to airports in the U.S. and Romania.

Sales, income and margin

- Sales growth was negative due to last year's very high growth levels in the first quarter.
- Operating income increased in the quarter due to improved project execution and favourable project mix.

Cash flow

- Operational cash flow was positive in the quarter and amounted to 135 MSEK.
- The strong cash flow in Q1 2021 included large milestones payments from the GlobalEye project.

Business Area Kockums

BUSINESS UNITS: Submarines, Surface Ships, Docksta.

MSEK	Jan-Mar 2022	Jan-Mar 2021	Change, %	Full Year 2021
Order bookings	1,385	452	206	8,853
Order backlog	9,667	3,430	182	9,099
Sales	817	654	25	3,388
EBITDA	53	36	47	243
EBITDA margin, %	6.5	5.5		7.2
Operating income (EBIT)	46	27	70	208
Operating margin, %	5.6	4.1		6.1
Operational cash flow	-126	-115		-13

ORDER DISTRIBUTION

Orders exceeding MSEK 100 accounted for 84% (24) of total orders during the period.



MARKET

Sales in markets outside Sweden amounted to 4% (9) during the period.



Market and orders

- Strong order intake in the quarter with large order received for the mid-life upgrade of the third Gotland-class submarine to Sweden.

Sales, income and margin

- Sales increase of 25% following high activity in the business unit Surface Ships but also due to a weak comparison period.
- Operating income increased in the quarter as a result of higher sales and efficiency.

Cash flow

- Operational cash flow was in line with last year and amounted to -126 MSEK.
- Negative cash flow as no major milestone payments were received in the quarter.

Combitech

MSEK	Jan-Mar 2022	Jan-Mar 2021	Change, %	Full Year 2021
Order bookings	806	844	-5	3,344
Order backlog	1,171	1,078	9	1,226
Sales	795	766	4	3,116
EBITDA	83	89	-7	273
EBITDA margin, %	10.4	11.6	-	8.8
Operating income (EBIT)	81	87	-7	265
Operating margin, %	10.2	11.4	-	8.5
Operational cash flow	2	76	-	271

2021 has been restated due to a minor structural change as parts of a department within Combitech have been migrated to Surveillance.

ORDER DISTRIBUTION

Orders exceeding MSEK 100 accounted for 0% (0) of total orders during the period.



MARKET

Sales in markets outside Sweden amounted to 7% (6) during the period.



Market and orders

- Continued high market demand.
- Contract signed for delivery of data system to the Swedish Defence Materiel Administration (FMV).
- New projects in cyber security within the finance industry linked to European TIBER framework.

Sales, income and margin

- Sales increase of 4% driven by higher project deliveries in the period.
- Operating income down slightly due to slightly higher cost.
- Key focus on securing competencies to meet increased competition and demand.

Cash flow

- Operational cash flow declined somewhat compared to last year, mainly due to lower customer payments in the quarter.

Corporate

Corporate comprises Group staff, Group departments and other operations including Saab's minority portfolio in Corporate, outside the core operations. The minority portfolio contains Saab's interests in UMS Skeldar AG and Ventures. Corporate reported operating income of SEK -162 million (-57) in the first quarter 2022.

Operational cash flow attributable to Corporate amounted to SEK 24 million (-543) in the period.

Acquisitions and divestments 2022

There were no major acquisitions or divestments in the period.

Share repurchase

Saab held 3,880,588 treasury shares as of 31 March 2022, compared to 4,035,669 at year-end 2021. The Annual General Meeting in 2022 authorised the Board of Directors to repurchase a maximum of 1,730,000 Series B shares to secure delivery of shares to participants in Saab's long-term incentive programmes 2023. The Annual General Meeting also decided to authorise the Board, before the next Annual General Meeting, to decide on the acquisition of Series B shares up to a maximum of 10 percent of the total number of shares in the company. The purpose of the authorisation is to be able to adjust the company's capital structure and thereby contribute to increased shareholder value as well as to enable continued use of repurchased shares in connection with potential acquisitions of companies and for the company's share-related incentive programmes.

Risks and uncertainties

Saab's operations primarily involve the development, production and supply of technologically advanced hardware and software to military and civilian customers around the world. Operations largely consist of major projects carried out over long periods of time, usually several years, in close cooperation with customers, suppliers, partners and institutions. Projects generally entail significant investments, long periods of time and technological development or refinement of products. In addition to customer and supplier relations, international operations involve joint ventures and collaborations with other industries as well as the establishment of operations abroad. Operations entail risk in various respects. The key risk areas are strategic, market and political, operating, financial and compliance. Various policies and instructions govern the management of material risks. Saab today conducts more projects involving larger share of development than before, and their inherent complexity entails a higher level of risk. The market is characterised by challenging conditions where orders can be deferred to the future partly for financial and political reasons. For a general description of the risk areas, see the annual report 2021, pages 44-49.

COVID-19 risk

For Saab, the uncertainty surrounding COVID-19 has primarily been linked to customer access, Saab employee availability, disruptions in the supply chain, lock-downs in society and the market conditions in civil operations. Saab is closely monitoring the prolonged effects of the pandemic and cannot rule out direct or indirect future risks related to a prolonged pandemic situation or new variants of the covid virus that could affect society and businesses.

Risks related to the armed conflict in Ukraine

Saab is closely monitoring the effects on the business in light of the war in Ukraine and has as a consequence of this activated Saab's crisis management organization with focus on security, embargo and sanction practises. Saab is operating on a highly regulated market and it is essential for Saab as a responsible defence company to comply with all applicable regulations and commitments regarding export control and sanctions, i.e. sanctions from EU, UN, OSCE or other applicable country specific sanctions. Saab has no defence related sales exposure to Belarus and Russia.

Supply chain actions initiated during the pandemic to handle shortage are still in place and have been further strengthened. For example, orders are placed earlier to ensure availability and manage potential delays. Actions are also taken to secure stock for production and to spare parts in support contracts.

OWNERS

Saab's largest shareholders as of 31 March 2022:

	% of capital	% of votes
Investor AB	30.2	40.7
Wallenberg Investments	8.7	7.7
Swedbank Robur Funds	3.0	2.7
Vanguard	2.1	1.9
National Pension Fund	2.0	1.8
Nordea Funds	1.6	1.4
AllianceBernstein	1.6	1.4
Norges Bank	1.4	1.3
Unionen	1.2	1.1
Life Insurance Skandia	1.2	1.1

Source: Modular Finance

The percentage of votes is calculated on the number of shares excluding treasury shares.

Personnel

	31 Mar 2022	31 Dec 2021
Number of employees	18,180	18,153
FTE's	18,129	18,011

Sustainability

SUSTAINABILITY AT SAAB

A commitment to society has been at the core of Saab's business since its founding, supporting states to keep people and society safe. The foundation of Saab's sustainability commitment is to create value for all its stakeholders in a responsible way, as maintaining high ethical standards is vital for Saab. Sustainability is integrated in all aspects of the strategy and operations and lays the foundation for the company's long-term development and growth. In 2021, Saab renewed its sustainability strategy and strengthened the governance structure to enable the execution of the framework. Saab is encouraged by stakeholders' willingness to engage with Saab related to sustainability and to have a dialogue on how Saab contributes to a sustainable development.

Saab's updated sustainability strategy



HIGHLIGHTS DURING THE FIRST QUARTER

- ➔ Saab's Annual and Sustainability Report 2021 was published on the Group's website. The report contains information about Saab's sustainability work, such as the new sustainability strategy, new anti-corruption performance indicators and new policies. Read the report at www.saab.com/investors/annual-and-sustainability-report-2021.
- ➔ During the period, extensive work was undertaken by the internal Climate Task Forces to develop new climate targets in line with Saab's commitment to set Science-Based Targets. These targets have been submitted to the Science-Based Targets initiative and are awaiting approval.
- ➔ During the period, Saab started implementing the new Responsible Sales Policy, which will further strengthen Saab's internal processes and risk management with regard to the sales of Saab's products. This will contribute to increased transparency on anti-corruption performance indicators.
- ➔ On Saab's AGM 2022, it was decided that Saab should introduce CO₂ reduction targets into its Performance Share Plan 2023, in line with the Company's objective to reduce its climate impact. The proposed performance target will have a weight of 10 percent. The threshold for generating performance matching in relation to the CO₂ reduction target will be a reduction level of at least 4.2 per cent annually, in line with the Science-Based Targets initiative.

CLIMATE

During the first quarter, Saab submitted its proposed targets to the Science-Based Targets initiative. These targets are now awaiting approval, which is expected by the end of the year. In the meantime, our Climate Task Forces within identified areas are initiating work to ensure that carbon reductions are achieved in line with these proposed targets.

Furthermore, Saab is working towards its goal of phasing out vehicles fueled only by fossil fuels and used for business travel by 2025. Together with our suppliers of rental cars and taxi services, we are expanding our efforts and working with them to increase the amount of electrified and emission-free vehicles in their line-up. We are also ensuring that instructions on charging are supplied to our employees and that rental vehicles include simplified payment methods to enable charging on route.

To make it easier for our employees to know where chargers are located while visiting other Saab sites, we have developed an internal application that displays the locations and charging speed of charging infrastructure at our facilities. This development has been financed through the Saab Climate Fund. Read more about the Saab Climate Fund and Sustainable Innovations at www.saab.com.

PEOPLE

Employees are the driving force that will ensure that Saab can stay at the forefront of technology. Occupational health and safety is one of Saab's most material sustainability areas according to our most recent materiality analysis. Saab will therefore in Q2 2022 introduce a new performance indicator for occupational health and safety in the quarterly reports – Total Recordable Injuries. This indicator complements the LTIFR performance indicator, as it specifies the total recordable injuries, while the LTIFR performance indicator specifies the rate of so called "lost time injuries". The improved reporting will enable Saab's stakeholders to follow the outcome of Saab's work on health and safety more closely.

Performance Indicators	2020	2021	22Q1
Lost Time Injury Frequency Rate ¹ (LTIFR) (global)	N/A	0.59	0.37
Reported incidents per workplace injury ²	4.5	5.1	4.9
Share of women managers globally	26%	27%	27%
Share of women employees globally	23%	24%	24%

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

² Increased incidence reporting leads to fewer accidents.

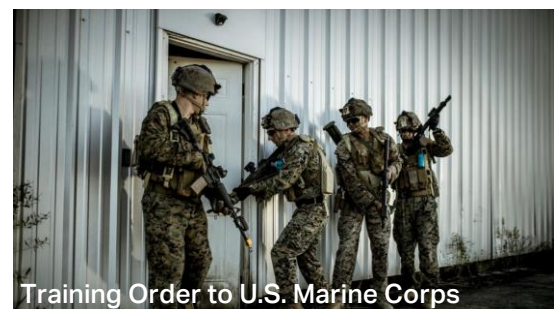
Significant events in January-March 2022:

- On 20 January, Saab announced a contract for AT4 support weapon to the Indian Armed Forces. The Indian Armed Forces are new customers for AT4.
- On 8 February, Saab received an order of the short-range air defence system RBS 70 NG to the Argentine Armed Forces. The Argentine Navy has been a user of the RBS 70 since 1984 but this contract also entails an expansion of usage to the Air Force and the Army.
- On 9 March, Saab announced a contract modification from the U.S. Marine Corps within the Force on Force Training Systems – Next program. The modification value is approximately USD 122 million, where USD 68 million was booked in Q1 2022 and USD 54 million in 2021. The contract modification also includes options, which increases the potential total contract value to USD 248 million.
- On 9 March, Saab Australia was awarded a multi-million dollar government grant for the expansion of its national facility near Adelaide. The funding amounts to AUD 22.6 million, which is a complement to Saab's own investment of AUD 55 million. This further secures Saab's commitment to Australia and the company's multi-domestic strategy.
- On 18 March, Saab signed a contract with the Swedish Defence Material Administration (FMV) for the Mid-Life Upgrade of the third Gotland-class submarine, HMS Halland. The total order value is SEK 1.1 billion.
- On 21 March, Saab and the Danish Ministry of Defence, Acquisition and Logistics Organisation (DALO) entered into a framework agreement for live training solutions. The potential order value is approximately DKK 550 million over a period of 15 years, with an option for a further 5 years.

For more information on significant order received during the year, see page 3 and the comments on the business areas on page 7-9 and in note 3. All press releases can be found on <https://www.saab.com/newsroom>.

Events after the conclusion of the period:

- On April 6, Saab held its Annual General Meeting in Linköping, Sweden. The Annual General Meeting decided on a dividend of SEK 4.90 per share to the shareholders. Read more on <https://www.saab.com/agm>.
- On April 7, Saab announced it had achieved a regulatory approval required to supply the United Kingdom's Armed Forces with Air Traffic Management Digital Tower technology.
- On April 11, Saab received an order from the Swedish Defence Materiel Administration (FMV) to ensure the continued operation of JAS 39 Gripen C/D and to provide capability enhancements to preserve the operational relevance of the fighter aircraft. The order value is SEK 500 million and was booked in Q2 2022.



Training Order to U.S. Marine Corps

"The system will enhance Marines' performance and survivability on the battlefield by developing and reinforcing proper tactics, techniques, and procedures. Saab is proud to be the U.S. Marine Corps training partner for the next generation of Marine warfighters," said Erik Smith, President and CEO of Saab in the U.S.



Contract for Mid-Life Upgrade of the third Gotland-class Submarine

"This contract shows that an extensive Mid-Life Upgrade is a reliable, cost- and time-efficient solution for the Swedish Navy to receive essential new capabilities. It is also a proof point of Saab's commitment to provide Sweden with cutting-edge underwater technology," said Lars Tossman, Saab's Head of Business Area Kockums.

Consolidated income statement

MSEK	Note	Jan-Mar 2022	Jan-Mar 2021	Rolling 12 Months	Full Year 2021
Sales	4	9,218	9,088	39,284	39,154
Cost of goods sold		-7,184	-7,154	-30,979	-30,949
Gross income		2,034	1,934	8,305	8,205
Gross margin, %		22.1	21.3	21.1	21.0
Other operating income		18	22	142	146
Marketing expenses		-553	-553	-2,266	-2,266
Administrative expenses		-362	-336	-1,460	-1,434
Research and development costs		-416	-406	-1,669	-1,659
Other operating expenses		-44	-52	-68	-76
Share in income of associated companies and joint ventures		-23	-12	-39	-28
Operating income (EBIT) ¹⁾	3	654	597	2,945	2,888
Operating margin, %		7.1	6.6	7.5	7.4
Financial income		32	63	93	124
Financial expenses		-201	-155	-481	-435
Net financial items		-169	-92	-388	-311
Income before taxes		485	505	2,557	2,577
Taxes		-113	-109	-556	-552
Net income for the period		372	396	2,001	2,025
of which Parent Company's shareholders' interest		354	392	1,888	1,926
of which non-controlling interest		18	4	113	99
Earnings per share before dilution, SEK ²⁾		2.68	2.96	14.30	14.57
Earnings per share after dilution, SEK ³⁾		2.66	2.94	14.17	14.45
1) Of which depreciation/amortisation and write-downs		-494	-469	-1,963	-1,938
2) Average number of shares before dilution		131,887,719	132,321,807	132,056,077	132,164,599
3) Average number of shares after dilution		133,267,371	133,213,468	133,193,016	133,293,340

Consolidated statement of comprehensive income

MSEK	Jan-Mar 2022	Jan-Mar 2021	Rolling 12 Months	Full Year 2021
Net income for the period	372	396	2,001	2,025
Other comprehensive income/loss:				
Items that will not be reversed in the income statement:				
Revaluation of net pension obligations	1,403	408	1,480	485
Tax attributable to revaluation of net pension obligations	-290	-84	-306	-100
Total	1,113	324	1,174	385
Items that may be reversed in the income statement:				
Translation differences	269	307	364	402
Cash flow hedges	214	-462	54	-622
Tax attributable to cash flow hedges	-44	106	-20	130
Total	439	-49	398	-90
Other comprehensive income/loss for the period	1,552	275	1,572	295
Net comprehensive income/loss for the period	1,924	671	3,573	2,320
of which Parent Company's shareholders' interest	1,902	661	3,448	2,207
of which non-controlling interest	22	10	125	113

Consolidated statement of financial position

MSEK	Note	31 Mar 2022	31 Dec 2021	31 Mar 2021
ASSETS				
Fixed assets:				
Intangible fixed assets	6	12,216	12,162	11,782
Tangible fixed assets		7,321	7,147	6,791
Biological assets		385	385	374
Right of use assets		2,364	2,472	2,457
Shares in associated companies and joint ventures		382	404	484
Financial investments		43	37	31
Long-term receivables		632	595	731
Deferred tax assets		320	305	264
Total fixed assets		23,663	23,507	22,914
Current assets:				
Inventories		12,645	11,609	11,258
Derivatives		1,158	779	971
Tax receivables		134	35	72
Accounts receivable		5,102	5,884	5,313
Contract assets		9,941	9,252	9,451
Other receivables		1,215	1,179	655
Prepaid expenses and accrued income		1,134	953	962
Short-term investments		9,745	10,140	7,861
Liquid assets	10	1,603	1,701	1,461
Total current assets		42,677	41,532	38,004
TOTAL ASSETS		66,340	65,039	60,918
SHAREHOLDERS' EQUITY AND LIABILITIES				
Shareholders' equity:				
Parent Company's shareholders' interest		24,922	22,976	22,188
Non-controlling interest		295	273	230
Total shareholders' equity		25,217	23,249	22,418
Long-term liabilities:				
Long-term lease liabilities		1,969	2,061	2,062
Other long-term interest-bearing liabilities	7	5,456	5,752	5,245
Other liabilities		88	81	82
Provisions for pensions	12	4,548	5,918	6,144
Other provisions		2,534	2,529	2,268
Deferred tax liabilities		439	137	47
Total long-term liabilities		15,034	16,478	15,848
Current liabilities:				
Short-term lease liabilities		481	482	447
Other short-term interest-bearing liabilities	7	1,710	1,421	1,369
Contract liabilities		10,176	10,687	8,982
Accounts payable		3,865	3,534	2,894
Derivatives		657	615	772
Tax liabilities		285	179	147
Other liabilities		745	945	411
Accrued expenses and deferred income		7,105	6,377	6,866
Provisions		1,065	1,072	764
Total current liabilities		26,089	25,312	22,652
Total liabilities		41,123	41,790	38,500
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		66,340	65,039	60,918

Consolidated statement of changes in equity

MSEK	Capital stock	Other capital contributions	Net result of cash flow hedges	Translation reserve	Retained earnings	Total parent company's shareholders' interest	Non-controlling interest	Total shareholders' equity
Opening balance, 1 January 2021	2,174	6,099	458	16	12,719	21,466	178	21,644
Net comprehensive income/loss for the period January-March 2021			-356	301	716	661	10	671
Transactions with shareholders:								
Share matching plan					42	42		42
Acquisition and sale of non-controlling interest					19	19	42	61
Closing balance, 31 March 2021	2,174	6,099	102	317	13,496	22,188	230	22,418
Net comprehensive income/loss for the period April-December 2021			-136	87	1,595	1,546	103	1,649
Transactions with shareholders:								
Repurchase of shares					-246	-246		-246
Share matching plan					148	148		148
Dividend					-622	-622	-53	-675
Acquisition and sale of non-controlling interest					-38	-38	-7	-45
Closing balance, 31 December 2021	2,174	6,099	-34	404	14,333	22,976	273	23,249
Opening balance, 1 January 2022	2,174	6,099	-34	404	14,333	22,976	273	23,249
Net comprehensive income/loss for the period January-March 2022			170	265	1,467	1,902	22	1,924
Transactions with shareholders:								
Share matching plan					44	44		44
Closing balance, 31 March 2022	2,174	6,099	136	669	15,844	24,922	295	25,217

Consolidated statement of cash flows

MSEK	Note	Jan-Mar 2022	Jan-Mar 2021	Full Year 2021
Operating activities:				
Income after financial items		485	505	2,577
Adjustments for items not affecting cash flows		802	832	3,513
Dividend from associated companies and joint ventures		9	-	72
Income tax paid		-129	-66	-373
Cash flow from operating activities before changes in working capital		1,167	1,271	5,789
Cash flow from changes in working capital:				
Contract assets and liabilities		-1,223	1,016	2,929
Inventories		-1,001	-958	-1,320
Other current receivables		572	-749	-1,636
Other current liabilities		819	92	401
Provisions		-85	-138	-450
Cash flow from operating activities		249	534	5,713
Investing activities:				
Capitalised development costs		-128	-261	-891
Investments in other intangible fixed assets		-58	-81	-406
Investments in tangible fixed assets		-308	-342	-1,223
Sales and disposals of tangible fixed assets		4	1	26
Investments in and sale of short-term investments		292	231	-2,085
Investments in financial assets, associated companies and joint ventures		-36	-25	-125
Sale of financial assets, associated companies and joint ventures		2	-	3
Investments in operations		-	-20	-21
Sale of subsidiaries		-	19	19
Cash flow from investing activities		-232	-478	-4,703
Financing activities:				
Repayments of loans		-7	-853	-2,538
Amortisation of lease liabilities		-119	-113	-469
Raising of loans		-	4	2,248
Repurchase of shares		-	-	-246
Dividend paid to Parent Company's shareholders		-	-	-622
Dividend paid to non-controlling interest		-25	-	-27
Transactions with non-controlling interest		-	62	15
Cash flow from financing activities		-151	-900	-1,639
Cash flow for the period		-134	-844	-629
Liquid assets at the beginning of the period		1,701	2,273	2,273
Exchange rate difference in liquid assets		36	32	57
Liquid assets at end of period	10	1,603	1,461	1,701

Quarterly consolidated income statement

MSEK	Q1 2022	Q4 2021	Q3 2021	Q2 2021	Q1 2021	Q4 2020	Q3 2020	Q2 2020
Sales	9,218	11,943	7,992	10,131	9,088	12,491	6,064	8,836
Cost of goods sold	-7,184	-9,531	-6,246	-8,018	-7,154	-10,352	-6,238	-7,005
Gross income	2,034	2,412	1,746	2,113	1,934	2,139	-174	1,831
Gross margin, %	22.1	20.2	21.8	20.9	21.3	17.1	-2.9	20.7
Other operating income	18	98	23	3	22	102	1,103	67
Marketing expenses	-553	-620	-523	-570	-553	-629	-492	-579
Administrative expenses	-362	-407	-340	-351	-336	-336	-348	-360
Research and development costs	-416	-416	-372	-465	-406	-441	-264	-317
Other operating expenses	-44	-6	-18	-	-52	-23	-359	5
Share of income in associated companies and joint ventures	-23	15	-16	-15	-12	-46	-129	5
Operating income (EBIT) ¹⁾	654	1,076	500	715	597	766	-663	652
Operating margin, %	7.1	9.0	6.3	7.1	6.6	6.1	-10.9	7.4
Financial income	32	28	31	2	63	94	37	39
Financial expenses	-201	-103	-109	-68	-155	-142	-94	-19
Net financial items	-169	-75	-78	-66	-92	-48	-57	20
Income before taxes	485	1,001	422	649	505	718	-720	672
Taxes	-113	-210	-98	-135	-109	-115	349	-154
Net income for the period	372	791	324	514	396	603	-371	518
of which Parent Company's shareholders' interest	354	733	296	505	392	598	-380	521
of which non-controlling interest	18	58	28	9	4	5	9	-3
Earnings per share before dilution, SEK ²⁾	2.68	5.56	2.24	3.81	2.96	4.50	-2.85	3.91
Earnings per share after dilution, SEK ³⁾	2.66	5.52	2.22	3.78	2.94	4.48	-2.83	3.90
1) Of which depreciation/amortisation and write-downs	-494	-511	-477	-481	-469	-463	-349	-352
2) Average number of shares before dilution	131,887,719	131,743,033	132,116,615	132,476,942	132,321,807	132,762,787	133,226,313	133,087,362
3) Average number of shares after dilution	133,267,371	132,861,467	133,198,087	133,446,047	133,213,468	133,553,781	134,048,466	133,625,118

Quarterly consolidated statement of comprehensive income

MSEK	Q1 2022	Q4 2021	Q3 2021	Q2 2021	Q1 2021	Q4 2020	Q3 2020	Q2 2020
Net income for the period	372	791	324	514	396	603	-371	518
Other comprehensive income/loss:								
Items that will not be reversed in the income statement:								
Revaluation of net pension obligations	1,403	-345	94	328	408	326	-514	-706
Tax attributable to revaluation of net pension obligations	-290	71	-19	-68	-84	-65	106	145
Total	1,113	-274	75	260	324	261	-408	-561
Items that may be reversed in the income statement:								
Translation differences	269	123	58	-86	307	-293	-141	-301
Net gain/loss on cash flow hedges	214	-69	-170	79	-462	819	-54	254
Tax attributable to net gain/loss on cash flow hedges	-44	15	37	-28	106	-166	4	-52
Total	439	69	-75	-35	-49	360	-191	-99
Other comprehensive income/loss for the period	1,552	-205	0	225	275	621	-599	-660
Net comprehensive income/loss for the period	1,924	586	324	739	671	1,224	-970	-142
of which Parent Company's shareholders' interest	1,902	522	292	732	661	1,213	-976	-131
of which non-controlling interest	22	64	32	7	10	11	6	-11

Key ratios by quarter

MSEK	Q1 2022	Q4 2021	Q3 2021	Q2 2021	Q1 2021	Q4 2020	Q3 2020	Q2 2020
Equity/assets ratio, (%)	38.0	35.7	36.4	36.3	36.8	35.7	35.5	36.2
Return on capital employed, % ³⁾	8.1	8.1	7.7	4.4	4.3	4.3	5.4	8.7
Return on equity, % ³⁾	8.4	9.0	8.5	5.2	5.2	5.1	7.0	10.0
Equity per share, SEK ^{1) 3)}	188.85	174.31	170.42	168.50	167.59	162.32	152.91	160.03
Free cash flow, MSEK ³⁾	-361	1,377	-1,403	3,028	-265	3,055	676	1,722
Free cash flow per share after dilution, SEK ^{2) 3)}	-2.71	10.36	-10.53	22.69	-1.99	22.87	5.04	12.89
1) Number of shares excluding treasury shares	131,965,259	131,810,178	131,675,887	132,557,343	132,396,540	132,247,073	133,278,501	133,174,124
2) Average number of shares after dilution	133,267,371	132,861,467	133,198,087	133,446,047	133,213,468	133,553,781	134,048,466	133,625,118
3) For more information and explanations regarding the usage of these key ratios, please see saabgroup.com, investor, financial data, key ratios.								

Quarterly information per operating segment

MSEK	Q1 2022	Operating margin	Q4 2021	Operating margin	Q3 2021	Operating margin	Q2 2021	Operating margin
Sales								
Aeronautics	3,056		3,637		2,479		3,044	
Dynamics	1,793		2,790		1,456		2,789	
Surveillance	3,109		4,008		3,031		3,035	
Kockums	817		1,128		707		899	
Combitech	795		904		621		825	
Corporate/elimination	-352		-524		-302		-461	
Total	9,218		11,943		7,992		10,131	
Operating income/loss								
Aeronautics	199	6.5%	267	7.3%	47	1.9%	219	7.2%
Dynamics	256	14.3%	371	13.3%	201	13.8%	380	13.6%
Surveillance	234	7.5%	400	10.0%	204	6.7%	147	4.8%
Kockums	46	5.6%	116	10.3%	33	4.7%	32	3.6%
Combitech	81	10.2%	69	7.6%	34	5.5%	75	9.1%
Corporate	-162		-147		-19		-138	
Total	654	7.1%	1,076	9.0%	500	6.3%	715	7.1%
MSEK	Q1 2021	Operating margin	Q4 2020	Operating margin	Q3 2020	Operating margin	Q2 2020	Operating margin
Sales								
Aeronautics	3,103		3,577		1,770		2,937	
Dynamics	1,655		2,924		1,480		1,882	
Surveillance	3,299		4,438		2,410		2,918	
Kockums	654		876		589		756	
Combitech	766		865		621		797	
Corporate/elimination	-389		-189		-806		-454	
Total	9,088		12,491		6,064		8,836	
Operating income/loss								
Aeronautics	213	6.9%	-315	-8.8%	-970	-54.8%	154	5.2%
Dynamics	161	9.7%	431	14.7%	112	7.6%	259	13.8%
Surveillance	166	5.0%	312	7.0%	165	6.8%	146	5.0%
Kockums	27	4.1%	46	5.3%	22	3.7%	25	3.3%
Combitech	87	11.4%	112	12.9%	25	4.0%	79	9.9%
Corporate	-57		180		-17		-11	
Total	597	6.6%	766	6.1%	-663	-10.9%	652	7.4%

2021 has been restated due to a minor structural change as parts of a department within Combitech has been migrated to Surveillance. 2020 has not been restated.

Multi-year overview

MSEK	2021	2020	2019	2018	2017
Order bookings	43,569	42,328	27,216	27,975	30,841
Order backlog at 31 December	105,177	99,816	93,293	102,184	107,233
Sales	39,154	35,431	35,433	33,156	31,666
<i>Sales in Sweden, %</i>	38	36	37	41	42
<i>Sales in Europe excluding Sweden, %</i>	17	18	16	14	14
<i>Sales in North America, %</i>	11	11	11	10	9
<i>Sales in Latin America, %</i>	15	13	12	12	8
<i>Sales in Rest of the World, %</i>	19	22	24	24	27
Operating income (EBIT)	2,888	1,315	2,937	2,266	2,250
<i>Operating margin, %</i>	7.4	3.7	8.3	6.8	7.1
Adjusted operating income	2,888	2,738	2,937	2,564	2,250
<i>Adjusted operating margin, %</i>	7.4	7.4	8.3	7.7	7.1
Depreciation/amortisation and write-downs	1,938	1,518	1,368	916	839
EBITDA	4,826	2,833	4,305	3,182	3,089
<i>EBITDA margin, %</i>	12.3	8.0	12.1	9.6	9.8
Income after financial items	2,577	1,112	2,607	1,796	2,099
Net income for the year	2,025	1,092	2,025	1,366	1,508
Total assets	65,039	60,568	59,858	56,128	44,998
Equity	23,249	21,644	20,809	19,633	14,285
Free cash flow ¹⁾	2,737	3,753	-2,036	-3,195	852
<i>Return on capital employed, % ¹⁾</i>	8.1	4.3	9.1	8.7	10.5
<i>Return on equity, % ¹⁾</i>	9.0	5.1	10.0	8.1	10.9
<i>Equity/assets ratio, %</i>	35.7	35.7	34.8	35.0	31.7
Earnings per share before dilution, SEK ¹⁾²⁾	14.57	8.07	14.88	11.27	12.79
Earnings per share after dilution, SEK ¹⁾²⁾	14.45	8.01	14.81	11.21	12.70
Dividend per share, SEK	4.90	4.70	-	4.50	5.50
Equity per share, SEK ¹⁾²⁾	174.31	162.32	154.48	145.43	121.86
Number of employees at year-end	18,153	18,073	17,420	17,096	16,427
Number of shares excluding treasury shares as of 31 December ²⁾	131,810,178	132,247,073	132,926,363	133,482,880	115,685,451
Average number of shares before dilution ²⁾	132,164,599	133,009,986	133,245,360	116,467,822	115,444,915
Average number of shares after dilution ²⁾	133,293,340	133,877,141	133,929,292	117,144,915	116,310,466

1) For more information and explanations regarding the usage of these key ratios, please see saabgroup.com, investor, financial data, key ratios.

2) The average number of shares outstanding have for the comparative periods 2018-2017 been adjusted in accordance with IAS 33, Earnings per share, in accordance with the terms of the rights issue completed in 2018.

2017 has been restated according to the accounting principles regarding revenue recognition (IFRS 15).

Key ratios and goals

	Long-term target	Jan-Mar 2022	Jan-Mar 2021	Full Year 2021
Organic sales growth, %	5	0	14	11
Operating margin, %	10	7.1	6.6	7.4
Equity/assets ratio, %	30	38.0	36.8	35.7

Parent company

The Parent Company includes units within the business areas Aeronautics, Surveillance, Dynamics as well as one unit within Combitech. Group staff and Group support are also included. A major part of the Group's operations is included in the Parent Company. Separate notes to the Parent Company's financial statements and a separate description of risks and uncertainties for the Parent Company have therefore not been included in this interim report.

Parent company income statement

MSEK	Jan-Mar 2022	Jan-Mar 2021	Full Year 2021
Sales	5,531	6,032	23,430
Cost of goods sold	-4,543	-4,874	-19,129
Gross income	988	1,158	4,301
Gross margin, %	17.9	19.2	18.4
Operating income and expenses	-796	-946	-3,662
Operating income (EBIT)	192	212	639
Operating margin, %	3.5	3.5	2.7
Financial income and expenses	148	62	1,248
Income after financial items	340	274	1,887
Appropriations	-	-	-487
Income before taxes	340	274	1,400
Taxes	-18	-51	-284
Net income for the period	322	223	1,116

Parent company balance sheet

MSEK	Note	31 Mar 2022	31 Dec 2021	31 Mar 2021
ASSETS				
Fixed assets:				
Intangible fixed assets		942	920	825
Tangible fixed assets		4,478	4,427	4,256
Financial fixed assets		7,980	7,969	7,567
Total fixed assets		13,400	13,316	12,648
Current assets:				
Inventories		7,935	7,696	6,999
Current receivables		16,718	16,920	16,827
Short term investments		9,745	10,135	7,838
Liquid assets		916	805	747
Total current assets		35,314	35,556	32,411
TOTAL ASSETS		48,714	48,872	45,059
SHAREHOLDERS' EQUITY AND LIABILITIES				
Equity:				
Restricted equity		3,366	3,366	3,373
Unrestricted equity		11,590	11,235	11,054
Total shareholders' equity		14,956	14,601	14,427
Untaxed reserves, provisions and liabilities:				
Untaxed reserves		2,686	2,686	2,199
Provisions		2,757	2,765	2,606
Liabilities	7	28,315	28,820	25,827
Total untaxed reserves, provisions and liabilities		33,758	34,271	30,632
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		48,714	48,872	45,059

LIQUIDITY, FINANCING, CAPITAL EXPENDITURES AND NUMBER OF EMPLOYEES

The Parent Company's net debt amounted to SEK 1,439 million as of 31 March 2022 compared to SEK 1,542 million as of 31 December 2021.

Investments in tangible fixed assets amounted to SEK 187 million (202). Investments in intangible assets amounted to SEK 55 million (79). At the end of the period, the Parent Company had 10,011 employees compared to 10,064 at the beginning of the year.

Notes to the financial statements

NOTE 1 CORPORATE INFORMATION

Saab AB (publ.), corporate identity no. 556036-0793, has its registered office in Linköping, Sweden. The company's head office is located at Olof Palmes gata 17, 5tr, SE-111 22 Stockholm, Sweden, telephone number +46-8-463 00 00. Saab's B shares are listed on Nasdaq Stockholm since 1998 and on the large cap list as of October 2006. The company's operations, including subsidiaries, associated companies and joint ventures, are described in the annual and sustainability report 2021.

NOTE 2 ACCOUNTING PRINCIPLES

The consolidated accounts for the first quarter 2022 have been prepared in accordance with IAS 34 Interim Reporting and the Annual Accounts Act. The Parent Company's accounts have been prepared in accordance with the Annual Accounts Act and the Swedish Financial Reporting Board's recommendation RFR 2, Accounting for Legal Entities. The Group's and Parent Company's accounting principles are described on pages 106-107, and concerning significant income statement and balance sheet items in each note disclosure in the annual report 2021.

The interim report is condensed and does not contain all the information and disclosures in the annual report and should therefore be read together with the annual report 2021. All the information on pages 1-28 constitutes the report for the first quarter 2022.

The Group and the Parent Company use the accounting principles and calculation methods as described in the annual report 2021.

Important estimates and assumptions are disclosed in note 2 in the annual report 2021. As a consequence of COVID-19 has Saab during the first quarter 2022 analysed whether to revise the estimates and assumptions for these areas as well as measurements of financial instruments including impairment of accounts receivable and contract assets. This has not resulted in any significant adjustments.

NOTE 3 SEGMENT REPORTING

Saab is a leading high-technology company, with its main operations in defence, aviation and civil security. Operations are primarily focused on well-defined areas in defence electronics, missile systems, and naval systems as well as military and commercial aviation. Saab is also active in technical services and maintenance. Saab has a strong position in Sweden and the main part of sales is generated in Europe. In addition, Saab has a local presence in Australia, the U.S., South Africa, and in other selected countries. Saab's operating and management structure is divided into four business areas, which are also operating segments: Aeronautics, Dynamics, Surveillance and Kockums. In addition Combitech, which provides consulting services, is an independent, wholly owned subsidiary of Saab. Corporate comprises Group staff and departments, a minority portfolio containing Saab's ownership interests in companies in various stages of development as well as other operations outside the core operations.

2021 has been restated due to a minor structural change as parts of a department within Combitech has been migrated to Surveillance.

The Group's operating segments recognise all lease contracts as expenses on straight-line basis over the lease term.

Aeronautics

Aeronautics is a world-leading manufacturer of innovative aerial systems and is engaged in development of military aviation technology. It also conducts long-term future studies of manned and unmanned aircraft as preparation for new systems and further development of existing products.

Dynamics

Dynamics offers a market-leading product portfolio comprising ground combat weapons, missile systems, torpedoes, unmanned underwater vehicles, systems for training and simulation, signature management systems for armed forces around the world, and niche products for the civil and defence markets.

Surveillance

Surveillance provides efficient solutions for safety and security, for surveillance and decision support, and for threat detection, location, and protection. The portfolio covers airborne, ground-based and naval radar, electronic warfare and combat systems and C4I solutions.

Kockums

Kockums develops, delivers, and maintains world-class solutions for naval environments. Its portfolio includes submarines with the Stirling system for air independent propulsion, surface combatants, mine hunting systems and autonomous vessels. Kockums' unique competence is in signature management, impact strength and advanced stealth technology.

Combitech

Combitech is an independent subsidiary of Saab and from 1 July 2021 reported as an operating segment outside the business area structure within Saab Group. Combitech is one of Sweden's largest technology consulting firms, combining technology with cutting-edge expertise to create solutions for our customers' specific needs. Combitech is active in aviation, defence, telecom and other industries as well as the public sector. Combitech offers services in systems development, systems integration, information security, systems security, communications, mechanics, technical product information and logistics.

Order bookings per operating segment

MSEK	Jan-Mar 2022	Jan-Mar 2021	Change, % 12 Months	Rolling 12 Months	Full Year 2021
Aeronautics	1,299	2,041	-36	7,086	7,828
Dynamics	2,633	1,341	96	12,201	10,909
Surveillance	2,309	1,703	36	14,671	14,065
Kockums	1,385	452	206	9,786	8,853
Combitech	806	844	-5	3,306	3,344
Corporate/elimination	-317	-510		-1,237	-1,430
Total	8,115	5,871	38	45,813	43,569

Order bookings per region

MSEK	Jan-Mar 2022	Jan-Mar 2021	Change, %	Full Year 2021
Sweden	4,081	3,610	13	20,188
Rest of Europe	1,208	1,258	-4	13,880
North America	1,148	434	165	3,178
Latin America	457	67	582	525
Asia	627	213	194	3,997
Africa	39	1	3,800	187
Australia, etc.	555	288	93	1,614
Total	8,115	5,871	38	43,569

Order backlog per operating segment

MSEK	31 Mar 2022	31 Dec 2021	31 Mar 2021
Aeronautics	40,677	42,429	45,788
Dynamics	22,825	21,831	19,261
Surveillance	31,540	32,012	29,501
Kockums	9,667	9,099	3,430
Combitech	1,171	1,226	1,078
Corporate/elimination	-1,343	-1,420	-1,847
Total	104,537	105,177	97,211

Order backlog per region

MSEK	31 Mar 2022	31 Dec 2021	31 Mar 2021
Sweden	34,735	34,207	29,210
Rest of Europe	25,404	25,782	18,205
North America	6,239	6,054	6,638
Latin America	21,233	21,870	25,635
Asia	11,323	11,895	11,868
Africa	361	334	269
Australia etc.	5,242	5,035	5,386
Total	104,537	105,177	97,211

Sales per operating segment

	Jan-Mar 2022	Jan-Mar 2021	Change, %	Rolling 12 Months	Full Year 2021
MSEK					
Aeronautics	3,056	3,103	-2	12,216	12,263
Dynamics	1,793	1,655	8	8,828	8,690
Surveillance	3,109	3,299	-6	13,183	13,373
Kockums	817	654	25	3,551	3,388
Combitech	795	766	4	3,145	3,116
Corporate/elimination	-352	-389		-1,639	-1,676
Total	9,218	9,088	1	39,284	39,154

Sales per region

	Jan-Mar 2022	% of sales	Jan-Mar 2021	% of sales	Full Year 2021	% of sales
MSEK						
Sweden	3,560	39	3,239	36	14,841	38
Rest of Europe	1,617	18	1,465	16	6,553	17
North America	1,054	11	768	8	4,203	11
Latin America	1,099	12	1,567	17	5,786	15
Asia	1,246	14	1,526	17	5,507	14
Africa	18	0	51	1	175	0
Australia, etc.	624	7	472	5	2,089	5
Total	9,218	100	9,088	100	39,154	100

Information on large customers

During the first quarter 2022, Saab had two customers that separately accounted for 10 per cent or more of the Group's sales. The Swedish Defence is a customer of all business areas and total sales amounted to SEK 3,106 million (2,670). The Brazilian State is a customer primarily to business area Aeronautics and total sales amounted to SEK 1,046 million (1,469).

Seasonal variation

A major part of Saab's business is related to large projects where the revenue is recognised by using the percentage of completion method. The costs incurred in these projects are normally lower during the third quarter compared to other quarters. The fourth quarter is also usually affected by a higher number of deliveries, mainly within Dynamics.

Operating income per operating segment

	Jan-Mar 2022	% of sales	Jan-Mar 2021	% of sales	Rolling 12 Months	Full Year 2021
MSEK						
Aeronautics	199	6.5	213	6.9	732	746
Dynamics	256	14.3	161	9.7	1,208	1,113
Surveillance	234	7.5	166	5.0	985	917
Kockums	46	5.6	27	4.1	227	208
Combitech	81	10.2	87	11.4	259	265
The operating segments' operating income	816	8.9	654	7.2	3,411	3,249
Corporate	-162		-57		-466	-361
Total	654	7.1	597	6.6	2,945	2,888

Depreciation/amortisation and write-downs per operating segment

	Jan-Mar 2022	Jan-Mar 2021	Change, %	Rolling 12 Months	Full Year 2021
MSEK					
Aeronautics	41	28	46	138	125
Dynamics	22	21	5	89	88
Surveillance	199	189	5	777	767
Kockums	7	9	-22	33	35
Combitech	2	2	-	8	8
Corporate	223	220	1	918	915
Total	494	469	5	1,963	1,938

Operational cash flow per operating segment

	Jan-Mar 2022	Jan-Mar 2021	Rolling 12 Months	Full Year 2021
MSEK				
Aeronautics	-446	-785	-429	-768
Dynamics	232	-532	1,469	705
Surveillance	135	1,740	2,435	4,040
Kockums	-126	-115	-24	-13
Combitech	2	75	198	271
Corporate	24	-543	-392	-959
Total	-179	-160	3,257	3,276

Capital employed per operating segment

	31 Mar 2022	31 Dec 2021	31 Mar 2021
MSEK			
Aeronautics	9,381	8,888	9,518
Dynamics	5,369	5,629	5,164
Surveillance	10,435	12,287	12,285
Kockums	1,262	1,391	1,219
Combitech	1,363	1,057	762
Corporate/elimination	10,732	8,525	7,358
Total	38,542	37,777	36,306

Full time equivalents (FTE's) per operating segment

	31 Mar 2022	31 Dec 2021	31 Mar 2021
Number at end of the period			
Aeronautics	5,138	5,201	5,458
Dynamics	3,189	3,123	3,049
Surveillance	5,302	5,254	5,223
Kockums	1,265	1,216	1,225
Combitech	1,963	1,968	1,938
Corporate	1,272	1,249	1,146
Total	18,129	18,011	18,039

NOTE 4 DISTRIBUTION OF SALES

MSEK	Aeronautics		Dynamics		Surveillance		Kockums		Combitech		Corporate/ elimination		Group	
	Jan-Mar 2022	Jan-Mar 2021	Jan-Mar 2022	Jan-Mar 2021	Jan-Mar 2022	Jan-Mar 2021	Jan-Mar 2022	Jan-Mar 2021	Jan-Mar 2022	Jan-Mar 2021	Jan-Mar 2022	Jan-Mar 2021	Jan-Mar 2022	Jan-Mar 2021
External sales	3,044	3,088	1,754	1,611	3,016	3,196	810	646	560	500	34	47	9,218	9,088
Internal sales	12	15	39	44	93	103	7	8	235	266	-386	-436	-	-
Total sales	3,056	3,103	1,793	1,655	3,109	3,299	817	654	795	766	-352	-389	9,218	9,088
Sales by customer:														
Military customers	2,890	2,943	1,659	1,541	2,567	2,859	810	646	232	214	17	24	8,175	8,227
Civilian customers	154	145	95	70	449	337	-	-	328	286	17	23	1,043	861
Total external sales	3,044	3,088	1,754	1,611	3,016	3,196	810	646	560	500	34	47	9,218	9,088
Sales by significant source:														
Long-term customer contracts	2,490	2,560	467	614	2,161	2,339	605	433	23	33	16	25	5,762	6,004
Services	512	508	281	265	648	628	202	213	529	467	12	15	2,184	2,096
Products	42	20	1,006	732	207	229	3	-	8	-	6	7	1,272	988
Total external sales	3,044	3,088	1,754	1,611	3,016	3,196	810	646	560	500	34	47	9,218	9,088
Sales by domain:														
Air	2,809	2,891	59	32	1,130	1,697	-	-	12	7	11	18	4,021	4,645
Land	25	21	1,356	1,026	539	464	-	-	232	217	1	4	2,153	1,732
Naval	-	-	332	533	869	656	810	646	3	3	14	14	2,028	1,852
Civil Security	13	17	5	17	473	369	-	-	71	69	4	7	566	479
Commercial Aeronautics	196	159	-	-	-	-	-	-	2	-	4	4	202	163
Other/not distributed	1	-	2	3	5	10	-	-	240	204	-	-	248	217
Total external sales	3,044	3,088	1,754	1,611	3,016	3,196	810	646	560	500	34	47	9,218	9,088
Sales recognition method:														
Over time	2,796	2,887	674	807	2,581	2,807	782	632	534	468	23	39	7,390	7,640
Point in time	248	201	1,080	804	435	389	28	14	26	32	11	8	1,828	1,448
Total external sales	3,044	3,088	1,754	1,611	3,016	3,196	810	646	560	500	34	47	9,218	9,088

NOTE 5 DIVIDEND TO PARENT COMPANY'S SHAREHOLDERS

The Annual General Meeting 2022 held on April 6 decided on a dividend to the Parent Company's shareholders of SEK 4.90 per share, corresponding to a total dividend of SEK 646 million. Record date for the dividend was April 8 2022 and the dividend was paid out on April 13 2022.

NOTE 6 INTANGIBLE FIXED ASSETS

MSEK	31 Mar 2022	31 Dec 2021	31 Mar 2021
Goodwill	5,293	5,253	5,228
Capitalised development costs	6,026	6,040	5,823
Other intangible assets	897	869	731
Total	12,216	12,162	11,782

NOTE 7 NET LIQUIDITY/DEBT

MSEK	31 Mar 2022	31 Dec 2021	31 Mar 2021
Assets:			
Liquid assets	1,603	1,701	1,461
Short-term investments	9,745	10,140	7,861
Total liquid investments	11,348	11,841	9,322
Short-term interest-bearing receivables	70	66	70
Long-term interest-bearing receivables	493	457	376
Long-term receivables attributable to pensions	39	39	-
Total interest-bearing assets	11,950	12,403	9,768
Liabilities:			
Lease liabilities	2,450	2,543	2,509
Bonds and other debt instruments	7,086	7,085	6,562
Liabilities to associated companies and joint ventures	44	43	42
Other interest-bearing liabilities	36	44	10
Provisions for pensions ¹⁾	3,709	4,813	4,764
Total interest-bearing liabilities and provisions for pensions	13,325	14,528	13,887
Net liquidity (+) / net debt (-)	-1,375	-2,125	-4,119

1) Excluding provisions for special employers' contribution attributable to pensions.

Committed credit lines

MSEK	Facilities	Drawings	Available
Revolving credit facility (Maturity 2026 SEK 4 billion, 2023, SEK 2 billion)	6,000	-	6,000
Overdraft facility (Maturity 2022)	63	-	63
Total	6,063	-	6,063

Parent Company

MSEK	31 Mar 2022	31 Dec 2021	31 Mar 2021
Long-term bonds and other debt instruments	5,411	5,707	5,244
Short-term bonds and other debt instruments	1,675	1,378	1,318
Total	7,086	7,085	6,562

Since 2009, Saab has a Medium Term Note programme (MTN) to enable issuance of bonds in the capital market. During 2018 the MTN programme was increased to MSEK 10,000. A major part of the bonds are issued as Floating Rate Notes (FRN). No activities have taken place during the period, which means that bonds outstanding within the MTN programme amounts to SEK 6,933 million at the end of the first quarter 2022.

In December 2015, Saab signed a Schuldschein loan amounting to EUR 100 million. Remaining Schuldschein loans amounts to EUR 15 million.

No credit facilities have been utilised during the period.

NOTE 8 CAPITAL EMPLOYED

MSEK	31 Mar 2022	31 Dec 2021	31 Mar 2021
Total assets	66,340	65,039	60,918
Less non-interest bearing liabilities	27,798	27,262	24,612
Capital employed	38,542	37,777	36,306

NOTE 9 FINANCIAL INSTRUMENTS

Classification and categorisation of financial assets and liabilities ²⁾

Carrying amount	31 Mar 2022	31 Dec 2021	31 Mar 2021
Financial assets:			
Valued at amortised cost ⁴⁾ :			
Accounts receivable, contract assets and other receivables	16,348	16,255	15,523
Liquid assets	1,603	1,701	1,461
Long-term receivables	593	556	731
Valued at fair value through profit and loss ³⁾ :			
Short-term investments	9,745	10,140	7,861
Derivatives for trading	103	29	74
Financial investments	43	37	31
Valued at fair value through other comprehensive income ³⁾ :			
Derivatives identified as hedges	1,055	750	897
Total financial assets	29,490	29,468	26,578
Financial liabilities:			
Valued at amortised cost:			
Interest-bearing liabilities ¹⁾	9,616	9,716	9,123
Other liabilities ⁴⁾	9,705	8,750	8,484
Valued at fair value through profit and loss ³⁾ :			
Derivatives for trading	25	9	27
Valued at fair value through other comprehensive income ³⁾ :			
Derivatives identified as hedges	632	606	745
Total financial liabilities	19,978	19,081	18,379
¹⁾ Fair value	9,653	9,734	9,138

²⁾ Derivatives with positive values are recognised as assets and derivatives with negative values are recognised as liabilities. Derivatives with a legal right of offset amount to MSEK 473.

³⁾ The impact of credit risk on these instruments is considered low given the limits in the current investment policy.

⁴⁾ Carrying amount, in Saab's assessment, essentially corresponds to fair value.

The Group has used the same valuation methods as in the year-end closing of 2021, as described in the annual report 2021 on page 139, note 35. As of March 31 2022, the Group had the following financial assets and liabilities at fair value:

Financial assets at fair value

MSEK	31 Mar 2022	Level 1	Level 2	Level 3
Bonds and interest-bearing securities	9,745	9,745	-	-
Forward exchange contracts	851	-	851	-
Currency options	7	-	7	-
Interest rate swaps	196	-	196	-
Cross currency basis swaps	16	-	16	-
Electricity derivatives	88	88	-	-
Shares, participations and long-term receivables	43	-	-	43
Total	10,946	9,833	1,070	43

Financial liabilities at fair value

MSEK	31 Mar 2022	Level 1	Level 2	Level 3
Forward exchange contracts	640	-	640	-
Currency options	4	-	4	-
Interest rate swaps	13	-	13	-
Total	657	-	657	-

NOTE 10 SUPPLEMENTAL INFORMATION ON STATEMENT OF CASH FLOWS

Free cash flow

MSEK	Jan-Mar 2022	Jan-Mar 2021	Full year 2021
Cash flow from operating activities before changes in working capital, excluding taxes and other financial items ¹⁾	1,229	1,260	5,846
Cash flow from changes in working capital:			
Contract assets and liabilities	-1,223	1,016	2,929
Inventories	-1,001	-958	-1,320
Other current receivables	572	-749	-1,636
Other current liabilities	819	92	401
Provisions	-85	-138	-450
Change in working capital	-918	-737	-76
Cash flow from operating activities excluding taxes and other financial items	311	523	5,770
Investing activities:			
Investments in intangible fixed assets	-186	-342	-1,297
Investments in tangible fixed assets	-308	-342	-1,223
Sales and disposals of tangible fixed assets	4	1	26
Cash flow from investing activities ²⁾	-490	-683	-2,494
Operational cash flow	-179	-160	3,276
Taxes and other financial items	-180	-102	-526
Sale of and investments in financial assets, associated companies and joint ventures	-2	-2	-11
Investments in operations	-	-20	-21
Sale of subsidiaries	-	19	19
Free cash flow	-361	-265	2,737

1) Including amortisation of lease liabilities

2) Cash flow from investing activities excluding change in short-term investments and other interest-bearing financial assets and excluding sale of and investment in financial assets, investments in operations and sale of subsidiaries. If investments in and sale of financial fixed assets are considered to be of operating nature, the item is included in investing activities.

Free cash flow vs. statement of cash flows

MSEK	Jan-Mar 2022	Jan-Mar 2021	Full Year 2021
Free cash flow	-361	-265	2,737
Investing activities – interest-bearing:			
Short-term investments	292	231	-2,085
Other financial investments and receivables	-33	-23	-111
Financing activities:			
Repayments of loans	-7	-853	-2,538
Raising of loans	-	4	2,248
Repurchase of shares	-	-	-246
Dividend paid to the Parent Company's shareholders	-	-	-622
Dividend paid to non-controlling interest	-25	-	-27
Transactions with non-controlling interest	-	62	15
Cash flow for the period	-134	-844	-629

Liquid assets

MSEK	31 Mar 2022	31 Dec 2021	31 Mar 2021
The following components are included in liquid assets:			
Cash and bank balances	903	1,401	961
Bank deposits	700	300	500
Total according to balance sheet	1,603	1,701	1,461
Total according to statement of cash flows	1,603	1,701	1,461

NOTE 11 BUSINESS COMBINATIONS

No significant acquisitions through business combinations were made during the first quarter 2022.

NOTE 12 DEFINED-BENEFIT PLANS

Saab has defined-benefit pension plans where post-employment compensation is based on a percentage of the recipient's salary. Defined-benefit plans mainly relate to the Swedish operations, where the ITP2 plan accounts for more than 90 per cent of the total obligation.

Pension obligation according to IAS 19

MSEK	31 Mar 2022	31 Dec 2021	31 Mar 2021
Defined-benefit obligation	12,597	13,729	12,825
Special employers' contribution	839	1,105	1,380
Less assets under management	8,927	8,955	8,061
Total provisions for pensions	4,509	5,879	6,144
of which reported as long-term receivable	39	39	-

Actuarial gains and losses are recognised in other comprehensive income. Actuarial gain related to the Swedish pension plans amounted to SEK 1,402 million net in the first quarter 2022 primarily due to the following:

Assumed discount rate has increased by 125 basis points, from 1.50% to 2.75% and the inflation assumption has increased by 50 basis points, from 2.25% to 2.75% compared to the beginning of the year. The net of these revised assumptions amounted to a gain of SEK 1,862 million.

Revised demographical assumptions led to an actuarial loss of SEK 491 million.

Negative experience adjustment has resulted in an actuarial loss of SEK 181 million.

The actuarial gain related to the special employer's contribution amounted to SEK 274 million.

The return on assets under management was lower than expected which led to an actuarial loss of SEK 62 million.

NOTE 13 CONTINGENT LIABILITIES

No additional significant commitments have arisen during the first quarter 2022. With regard to the Group's so-called performance guarantees for commitments to customers, the likelihood of an outflow of resources is estimated as remote and, as a result, no value is recognised.

NOTE 14 TRANSACTIONS WITH RELATED PARTIES

No significant transactions have occurred during the first quarter 2022. Related parties with which the Group has transactions are described in note 37 in the Annual Report 2021.

NOTE 15 DEFINITIONS

Below are definitions of financial key ratios that are used in the report. For more information and explanations regarding the usage of these key ratios, please see saabgroup.com, investor, financial data, key ratios.

Capital employed

Total assets less non-interest-bearing liabilities.

Earnings per share

Net income for the period attributable to the Parent Company's shareholders, divided by the average number of shares before and after full dilution.

EBITDA

Operating income before depreciation/amortisation and write-downs.

EBITDA adjusted for items affecting comparability

Operating income before depreciation/amortisation and write-downs adjusted for items classified as affecting comparability.

EBITDA margin

Operating income before depreciation/amortisation and write-downs as a percentage of sales.

EBITDA margin adjusted for items affecting comparability

Operating income before depreciation/amortisation and write-downs adjusted for items affecting comparability as a percentage of adjusted sales.

Effective tax rate

Current and deferred taxes as a percentage of income before tax.

Equity/assets ratio

Equity in relation to total assets.

Equity per share

Equity attributable to the Parent Company's shareholders divided by the number of shares, excluding treasury shares, at the end of the period.

Free cash flow

Cash flow from operating activities including amortisation of lease liabilities and cash flow from investing activities, excluding acquisitions and divestments of short-term investments and other interest-bearing financial assets.

Free cash flow per share

Free cash flow divided by the average number of shares after dilution.

Gross income adjusted for items affecting comparability

Gross income adjusted for items classified as affecting comparability.

Gross margin

Gross income as a percentage of sales.

Gross margin adjusted for items affecting comparability

Gross income adjusted for items affecting comparability as a percentage of adjusted sales.

Net investments

Investments, sales and disposals of intangible and tangible fixed assets.

Net liquidity/net debt

Liquid assets, short-term investments and interest-bearing receivables less interest-bearing liabilities and provisions for pensions excluding provisions for pensions attributable to special employers' contribution.

Items affecting comparability

Items affecting comparability comprise the financial effects from events or transactions with material impact that are relevant to understand the result when comparing periods. Such events or transactions can relate to restructuring programs, costs related to disputes and legal proceedings, macroeconomic developments, impairment charges and gains and losses from divestments of group companies, joint ventures or associated companies.

Operating income

Income before financial items and tax.

Operating income adjusted for items affecting comparability

Operating income (EBIT) adjusted for items classified as affecting comparability.

Operating margin adjusted for items affecting comparability

Operating income adjusted for items affecting comparability as a percentage of adjusted sales.

Operating margin

Operating income (EBIT) as a percentage of sales.

Operational cash flow

Cash flow from operating activities, excluding taxes and other financial items, amortisation of lease liabilities and investments, sales and disposals of intangible and tangible fixed assets.

Order backlog

Total value of orders at the end of the period.

Order bookings

Total value of orders received during the period.

Organic sales growth

Change in sales in percentage adjusted for effects from exchange rate due to the translation of foreign subsidiaries, and structural changes such as acquisitions and divestments of subsidiaries.

Research and development

Research and development costs are recognised separately in the income statement and comprise the cost of self-financed new and continued product development as well as amortisation and any write-down of capitalised development costs.

Research and development expenses comprise both expenses incurred as costs excluding amortization and write-downs, and expenses capitalised as development costs in the statement of financial position.

Return on capital employed

Operating income plus financial income (rolling 12 months) as a percentage of average capital employed.

Return on equity

Net income for the period (rolling 12 months) as a percentage of average equity.

Sales adjusted for items affecting comparability

Sales adjusted for items classified as affecting comparability

Glossary

AEW&CS	Airborne Early Warning & Control System
C4I	Command, Control, Communications, Computers, and Intelligence
FMV	Swedish Defence Materiel Administration, Sw, "Försvarets Materielverk"
FRN	Floating Rate Note
FTE	Full Time Equivalent, corresponds to one employee working full-time for one year
IAS	International Accounting Standards
IFRS	International Financial Reporting Standards
MTN	Medium Term Note, loan facility for issuance of bonds with a duration of 1-15 years

The Board of Directors and the President have ensured that the interim report provides an accurate overview of the Parent Company's and the Group's operations, financial position and results, and that it describes the significant risks and uncertainties faced by the Parent Company and the companies in the Group.

STOCKHOLM 22 APRIL 2022

Saab AB (publ)

Micael Johansson

President and CEO

This interim report has not been subject to review by the company's auditors



SAAB

CONTACT

Media:

Saab press center
ph +46 734 18 00 18

Financial market:

Merton Kaplan, Head of Investor Relations
ph +46 734 18 20 71

Press and financial analyst conference:

22 April 2022 at 10.00 (CET)

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

Live webcast:

<https://www.saab.com/investors/webcast/Q1-2022>

Conference call:

Please dial in using one of the numbers below:

Sweden: +46 8 566 427 06

UK: +44 333 300 9268

US: +1 646 722 4903

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

CALENDAR

Half-year report 2022

Published 21 July 2022

Q3 Interim report 2022

Published 28 October 2022

Year-end report 2022

Published 10 February 2023

IMPORTANT INFORMATION

This interim report 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.

This 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 below, on 22 April 2022 at 07.30 (CET)

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