



SAAB

INTERIM REPORT

JANUARY–SEPTEMBER
2009

RESULTS AND SUMMARY JANUARY–SEPTEMBER 2009

- Order bookings amounted to MSEK 11,381 (16,050) and the order backlog to SEK 40.3 billion (46.7 billion)
- Sales rose by 8 percent to MSEK 16,879 (15,608), an increase of 9 percent adjusted for divestments and exchange rate effects
- Gross income amounted to MSEK 4,252 (3,990), corresponding to a gross margin of 25.2 percent (25.6)
- Operating income was MSEK 871 (975), corresponding to an operating margin of 5.2 percent (6.2). Adjusted for non-recurring items, the operating margin was 4.9 percent (5.9). The operating margin was reduced by approximately 3 percentage points during the first nine months due to the more conservative view on the application of accounting for development costs as of January 1, 2009
- Net income for the period was MSEK 376 (466), with earnings per share after dilution of SEK 3.42 (4.36)
- Revised outlook for 2009*:
For the full-year 2009, sales will increase by about 5 percent when compared to 2008

* The previous outlook for 2009:
Saab's future development is dependent on Swedish defence plans and will continue to be affected by the global economy. Saab is therefore facing uncertainties in its business environment. For the full year 2009 sales will increase compared to 2008, however we remain cautious in our outlook for the full year. The operating margin will be reduced by about 4 percentage points due to our more conservative accounting for development costs.

STATEMENT BY THE CEO

“The Swedish defence plans and the global economic environment is important for Saab’s future development. During the first nine months we saw delays in customer decision-making processes globally, which impacted larger order bookings. At the same time, we saw a steady inflow of small and medium-sized orders and we signed important strategic contracts, including Public-Private Partnership agreements with the Swedish Armed Forces.

Continued strong sales growth has led us to improve our outlook for 2009.

Our focus on improving profitability and cash flow remains. During the third quarter, we presented a new management and operational structure aimed at strengthening our market focus and product portfolio and creating a more efficient organisation. Preparations for the new organisation, which will be implemented as of January 1, 2010, are under way,” says CEO Åke Svensson.

GROUP

MSEK	Jan–Sep 2009	Jan–Sep 2008	Change, %	July–Sep 2009	July–Sep 2008	Jan–Dec 2008
Order bookings	11,381	16,050	-29	3,285	3,095	23,212
Order backlog	40,307	46,652	-14	-2,107 ^③	-1,919 ^③	45,324
Sales	16,879	15,608	8	5,184	4,583	23,796
Gross income	4,252	3,990	7	1,215	945	4,634
Gross margin, %	25.2	25.6		23.4	20.6	19.5
Adjusted gross margin, ¹ %	24.7	25.8		23.4	20.6	26.5
Internally funded investments in research and development	824	952	-13	266	267	1,439
Operating income before depreciation/amortisation and impairments (EBITDA)	1,746	1,645	6	533	224	1,515
Margin, %	10.3	10.5		10.3	4.9	6.4
Operating income (EBIT)	871	975	-11	249	31	166
Operating margin, %	5.2	6.2		4.8	0.7	0.7
Adjusted operating margin, ¹⁾²⁾ %	4.9	5.9		4.8	-1.5	8.4
Income/loss before tax (EBT)	515	624	-17	152	-178	-406
Net income/loss	376	466	-19	111	-103	-242
Earnings per share after dilution	3.42	4.36		0.96	-0.89	-2.31
Operating cash flow	177	-379		420	557	659
Net liquidity/debt (-)	-1,907	-2,728		250 ^③	235 ^③	-1,693
Defence/Civil (% of sales)	84/16	82/18		76/24	81/19	83/17
No. of employees	13,245	13,406	-1	-31 ^③	-387 ^③	13,294

¹ Non-recurring items impacting gross income

Revaluation of remaining risks in regional aircraft portfolio	150		
Structural costs of lay-offs in Aeronautics	-75		
Gain on regional aircraft contracts at closure		196	196
Write-downs in commercial aircraft programs		-234	-1,187
Loss provisions			-582
Goodwill impairment			-103

² Additional non-recurring items impacting operating income

Structural costs of lay-offs in Aeronautics	-25		
Write-down of capitalised development costs in Systems and Products			-250
Capital gains		98	98

³ Refers to quarterly change

Saab's business units are divided into the three business segments Defence and Security Solutions, Systems and Products and Aeronautics for control and reporting purposes. In addition, Corporate comprises Group staff and departments and secondary operations. It also includes the leasing fleet of Saab 340 and Saab 2000 aircraft.

On September 9, 2009, Saab announced a new operating and management structure effective as of January 1, 2010. The Group will be reorganised into five business areas: Aeronautics, Dynamics, Electronic Defence Systems, Security and Defence Solutions, and Support and Services. See pages 29-31 of this report for preliminary quarterly pro forma financial information.

SALES, INCOME AND ORDERS

Orders

Third quarter 2009

Order bookings for the third quarter amounted to MSEK 3,285 (3,095) and included an order from FMV (the Swedish Defence Materiel Administration) for further development of the Gripen system, an order to provide a security solution for a prison in Australia, a contract to deliver training systems in support of British Army training exercises in Kenya, two production and delivery contracts for ultra lightweight camouflage net systems from the U.S. Department of Defense, an order for the BOL dispenser system from the Finnish Air Force and an order from FMV for an upgrade of the Armed Forces' SK60 training aircraft.

January–September 2009

In addition to the orders mentioned above, the first nine months of 2009 included a contract to produce training systems for the U.S. Marine Corps, an order from FMV for a modular medical system, a contract to produce and field simulators and targets for five gunnery ranges for the U.S. Army, a contract from FMV for studies and concept work in 2009 regarding Gripen's future capabilities and two civil security contracts: to deliver technology and installation services for a South African command and control network and to develop solutions to protect important public institutions and critical infrastructure. Saab also signed contracts for an air defence system and to develop a multi-link communication capability in Australia.

The first nine months of 2008 included an order from FMV for an integrated air surveillance system for Thailand valued at SEK 2 billion. In addition, index and price changes that positively affected the previous period by SEK 1.5 billion were not repeated in 2009.

In all, 76 percent of order bookings (69) is attributable to defence-related operations and 56 percent (69) is from customers outside Sweden.

Orders valued at more than MSEK 100 and those of lesser value represented 36 percent (52) and 64 percent (48), respectively.

The order backlog at the end of the period was MSEK 40,307 (46,652).

ORDER BACKLOG DURATION:

2009: SEK 6.9 billion
 2010: SEK 16.2 billion
 2011: SEK 6.7 billion
 2012: SEK 3.5 billion
 After 2012: SEK 7.0 billion

THE ORDER BACKLOG PRIMARILY INCLUDES:

- Gripen to Sweden and on export
- Airborne early warning systems
- Active and passive countermeasure systems
- Missile systems for air, sea and land
- Structures and subsystems for the aircraft producers Airbus and Boeing
- Anti-tank systems
- Command and control, avionics and fire control systems
- Radar systems
- Civil security solutions

Sales

Third quarter 2009

Adjusted for the divestment of Saab Space in September 2008 and exchange rate effects, sales increased by 13 percent.

Sales were positively affected during the third quarter by 2 percentage points owing to the appreciation of the currencies USD, EUR and ZAR against the SEK.

January–September 2009

Adjusted for the divestment of Saab Space in September 2008 and exchange rate effects, sales increased by 9 percent.

Sales were positively affected by about 2 percentage points during the period due to the appreciation of the USD, EUR and ZAR against the SEK.

Sales in markets outside Sweden amounted to MSEK 11,839 (10,519), or 70 percent (67) of total sales.

Of sales, 84 percent (82) was related to the defence market.

TOTAL SALES BY REGION

MSEK	Jan–Sep 2009	Jan–Sep 2008
Sweden	5,040	5,090
EU excluding Sweden	4,039	3,963
Rest of Europe	201	178
Americas	1,414	1,001
Asia	3,090	2,128
Africa	2,491	2,764
Rest of the World	604	484
Total	16,879	15,608

TOTAL SALES BY MARKET AREA

MSEK	Jan–Sep 2009	% of total sales
Air	6,294	37
Land	4,403	26
Naval	1,485	9
Joint Operations	1,790	11
Civil Security	1,113	7
Commercial Aeronautics	867	5
Other	927	5
Total	16,879	100

Income, margin and profitability

Third quarter 2009

Operating income in the third quarter amounted to MSEK 249 (31), corresponding to an operating margin of 4.8 percent (0.7). Adjusted for non-recurring items, the operating margin was 4.8 percent (-1.5).

January–September 2009

The gross margin for the first nine months amounted to 25.2 percent (25.6). Adjusted for non-recurring items, the gross margin was 24.7 percent (25.8).

Internally funded investments in research and development amounted to MSEK 824 (952), of which a total of MSEK 63 (449) has been capitalised.

Amortisation of intangible fixed assets amounted to MSEK 622 (421) in the period, of which amortisation of capitalised product development amounted to MSEK 485 (291).

As of January 1, 2009, Saab has changed its application of the accounting principles for development costs. As a result of this more conservative approach, development costs are now capitalised at a later stage in all projects, resulting in a lower rate of capitalisation. All development costs on the balance sheet are amortised over not more than ten years.

Depreciation of tangible fixed assets amounted to MSEK 253 (249) in the period, while depreciation of the leasing fleet amounted to MSEK 138 (119).

A revaluation of the remaining risks associated with the regional aircraft portfolio had a positive impact of MSEK 150 on Saab's operating income during the second

KEY INDICATORS

MSEK	Sep 30 2009	Dec 31 2008	Change	Sep 30 2008
Net debt ¹⁾	1,907	1,693	214	2,728
Intangible fixed assets	7,321	7,690	-369	8,079
Goodwill	3,452	3,438	14	3,516
Other intangible fixed assets	639	624	15	680
Capitalised development costs	3,230	3,628	-398	3,883
Tangible fixed assets	5,034	5,724	-690	5,485
Inventories	5,236	4,305	931	6,011
Accounts receivable	2,482	4,194	-1,712	3,805
Accrued revenues ²⁾	3,417	3,354	63	3,047
Advance payments	654	897	-243	1,387
Equity/assets ratio (%)	32.9	28.4		31.2
Return on equity (%) ³⁾	-3.3	-2.4		14.5

¹⁾ The Group's net debt refers to interest-bearing liabilities and provisions for pensions less cash, short-term investments and interest-bearing receivables.

²⁾ Amounts due from customers (long-term customer contracts according to the percentage of completion method).

³⁾ The return on equity is measured over a rolling 12-month period.

quarter of 2009. On the other hand, structural costs of MSEK 100 were reported in Aeronautics for announced lay-offs during the same period.

Other operating expenses of MSEK 44 (38) mainly consist of exchange rate differences.

The Billion+ programme is progressing. During the first nine months of 2009, the cost reductions contributed about 2 percentage points to the reported profit margin.

The share of income in associated companies, MSEK -64 (9), primarily relates to net income in Denel Saab Aerostructures and associated companies in the Saab Ventures portfolio.

Net financial income and expenses amounted to MSEK -356 (-351), of which project interest from unutilised advance payments reduced financial income by MSEK 33 (94), while also reducing the cost of goods sold correspondingly. Other net interest items for the Group amounted to MSEK -54 (-107). Currency losses of MSEK -97 (-55) related to the tender portfolio further redu-

ced the financial net. The share in income of associated companies held as financial assets amounted to MSEK 1 (-25). Other net interest items amounted to MSEK -173 (-70) and mainly consisted of exchange rate effects and amortisation of actuarial losses for pensions.

Current and deferred taxes during the period amounted to MSEK -139 (-158), or an effective tax rate of 27 percent (25).

The pre-tax return on capital employed was 0.6 percent (16.2) and the after-tax return on equity was -3.3 percent (14.5), both measured over a rolling 12-month period.

FINANCIAL POSITION AND LIQUIDITY

Financial position

Since the start of the year, net debt has increased by MSEK 214 and amounted to MSEK 1,907 at the end of the period. The increase is mainly related to minor acquisitions and the dividend paid.

Intangible assets have decreased due to higher amortisation of capitalised product

development.

Inventories increased during the period due to delivery preparations for major projects and delays in other projects. Inventories are recognised after deducting utilised advances. Other receivables mainly relate to accrued revenues (after deducting utilised advances).

Accounts receivable decreased due to milestone payments received and a continued focus on working capital management in the period. During the third quarter, Saab launched an accounts receivable sales programme to strengthen its financial position and increase financial flexibility. The customers in most cases are nations with high credit worthiness. In the programme one hundred percent of the value of the accounts receivable is sold at attractive funding levels.

Accounts receivable of about MSEK 600 were sold during the third quarter of 2009. During 2009, Saab's goal is to sell accounts receivable on a non-recourse basis for about SEK 1.2 billion.

The equity/assets ratio improved mainly due to exchange rate effects.

Provisions for pensions amounted to MSEK 4 (1). During the period, the Saab Pension Fund was capitalised with a total of MSEK 121. The purpose of the fund is to secure defined-benefit pension plans. The market value of the Saab Pension Fund was MSEK 3,517 at end of the period, compared to an obligation of MSEK 4,572 according to IAS 19. The solvency margin was 76.9 percent. In a comparison with the obligation according to the FPG/PRI system, the solvency margin was 92.5 percent.

Cash flow

Operating cash flow amounted to MSEK 177 (-379) during the first nine months and was distributed between cash-flow from core operating activities of MSEK -58 (-960), acquisitions and divestments of subsidiaries and associated companies of MSEK -56 (420) and the regional aircraft business, MSEK 291 (161).

ACQUISITIONS AND DIVESTMENTS

On June 29, 2009, Saab acquired Tieto's holding of 60 percent of the shares in the former joint venture TietoSaab Systems in Finland. The company is now fully owned by Saab and has been integrated in Saab Systems. The purchase price was MSEK 74, resulting in a surplus value of MSEK 60. The overall impact on Saab's net debt was MSEK 67. The acquisition has a marginal effect on future sales and income.

No other significant acquisitions or divestments were made during the period.

CAPITAL EXPENDITURES AND PERSONNEL

Capital expenditures

Gross capital expenditures in property, plant and equipment, excluding lease assets, amounted to MSEK 161 (180).

Investments in intangible assets amounted to MSEK 74 (449) and related primarily to capitalised product development.

Personnel

At the end of the period, the Group had 13,245 employees, compared to 13,294 at the beginning of 2009.

On April 23, Saab announced the lay-off of 300 employees of Saab AB in Linköping. Salaried and factory employees were both affected. A charge of MSEK 100 related to the lay-offs was included in the second quarter of 2009 as the process went faster than expected.

On June 2, Saab announced the lay-off of 370 employees of Saab Bofors Dynamics AB in four locations. Only office personnel will be affected. The total structural cost, estimated at MSEK 200, will be reported during the fourth quarter of 2009.

RISKS AND UNCERTAINTIES

Saab's operations primarily involve the development, production and supply of technologically advanced hardware and software to customers around the world. The international part of the business is growing. Projects generally entail significant investments, long periods of time and technological development or refinement of the product. 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 significant risk-taking in various respects. The key risk areas are political, operating and financial risks. Various policies and instructions govern the management of significant risks.

Saab conducts significant development projects and manages the associated risks. Saab applies the percentage-of-completion method to recognise revenue from long-term customer projects. An estimation of total costs is critical to this method, and the outcome of technical and commercial risks may affect income.

For a general description of the risk areas for 2009, see pages 58-60 of the annual report for 2008.

IMPORTANT EVENTS JANUARY – JUNE 2009

- An offer was submitted for 36 Gripen NG (Next Generation) fighter aircraft to the Brazilian Air Force. Saab offered a strong industrial co-operation package with positive impacts on the national defence industry, e.g., direct involvement in the development, production and maintenance of the aircraft. Gripen NG also generates transfers of key technology, which will allow full involvement in future capability development.
- An order was received from FMV for studies of Gripen's future capabilities in 2009. The contract value is MSEK 400.
- A contract was received in the civil security field worth approximately MZAR 200 (MSEK 165) to deliver technology and installation services for a command and control network in South Africa.
- Saab signed a contract valued at MSEK 700 within civil security. The contract, which runs over four years and comprises a number of installations, is part of Saab's efforts to develop solutions for the protection of important public institutions and critical infrastructure.
- An export contract was signed for air defence systems for delivery in 2010-2013 valued at approximately MSEK 340.
- A contract was signed with the Australian Defence Material Organisation to develop a multi-link communication capability for the ANZAC and Canberra class ships. The value of the contract is approximately MSEK 195, within a project worth a total of MSEK 252.
- As a result of low production volumes in commercial aircraft production, Saab served notice of lay-offs to 300 employees of Saab AB in Linköping.
- Saab signed a contract to produce training systems for the U.S. Marine Corps. Within the framework of the contract, which has a potential value of MUSD 29 (MSEK 238), an initial order worth MUSD 22 (MSEK 181) has been placed.
- An order was received from FMV for a modular medical care system. The contract value is approximately MSEK 120 with options through 2013.
- A contract worth approximately MSEK 180 was signed with Lockheed Martin Canada to upgrade the 2D radar, Sea Giraffe 150 HC for modernisation of the Canadian Navy's Halifax Class frigates. Deliveries are scheduled for 2010-2017.
- Saab served notice of redundancy to 370 employees of Saab Bofors Dynamics AB in four locations.
- The Swedish Chief Prosecutor Christer van der Kwast closed the preliminary investigation into Saab concerning alleged illegal methods in connection with the sale of Gripen.
- Saab received a MUSD 12.4 (MSEK 96) contract to produce and field simulators and targets for five gunnery ranges for the U.S. Army.

IMPORTANT EVENTS JULY-SEPTEMBER 2009

- An order valued at approximately MSEK 350 was received from FMV for further development of the Gripen system. The contract is part of Gripen's continuous development and upgrade.
- A contract was signed to provide security services for the South Queensland Correctional Precinct near Gatton, Queensland, Australia. This contract represents a major international breakthrough for Saab's security solutions for high-security locations and establishes Saab in the civil security field in Australia.
- Saab was awarded a contract by the UK Ministry of Defense (MOD) to deliver training systems in support of British Army Training exercises in Kenya. The order value is between MSEK 250 to MSEK 300 dependent upon options.
- Two production and delivery contracts with an order value of MUSD 18.4 (approximately MSEK 130) for ultra lightweight camouflage net systems were received from the U.S. Department of Defense.
- Saab presented a new operating and management structure, reorganising into five business areas. The new structure will be effective January 1, 2010.
- An integration and production contract with an order value of MEUR 14 (approximately MSEK 137) for the BOL dispenser system was received from the Finnish Air Force (Air Force Command Finland, AFCOMFIN).
- Saab's contract for provision of spare parts to the Swedish Armed Forces was extended for an additional 3 years. The order is valued at MSEK 162.
- An order valued at MSEK 130 was received from FMV for the development and upgrade of the Armed Forces' SK60 training aircraft.
- Saab announced it has entered into a trade receivables sales programme in order to strengthen its financial position and increase financial flexibility.

IMPORTANT EVENTS AFTER THE CONCLUSION OF THE PERIOD

- An update of the proposal offering 36 Gripen Next Generation (NG) was submitted to the Brazilian Air Force (FAB) on October 2.
- Representatives of the nomination committee of Saab AB for the Annual General Meeting 2010 were announced on October 14, 2009.

DEFENCE AND SECURITY SOLUTIONS

MSEK	Jan–Sep 2009	Jan–Sep 2008	Change, %	July–Sep 2009	July–Sep 2008	Jan–Dec 2008
Order bookings	6,039	5,587	8	1,893	1,489	9,997
Order backlog	10,801	9,778	10	-277 ²⁾	-430 ²⁾	10,918
Sales	6,583	6,365	3	2,114	1,904	9,443
Operating income before depreciation/amortisation and impairments (EBITDA)	616	619	-	190	149	1,019
Margin, %	9.4	9.7		9.0	7.8	10.8
Operating income (EBIT)	480	492	-2	146	112	732
Operating margin, %	7.3	7.7		6.9	5.9	7.8
Adjusted operating margin, ¹⁾ %	7.3	7.7		6.9	5.9	8.8
Operating cash flow	251	-121	-	-67	227	-322
Defence/Civil (% of sales)	68/32	71/29		52/48	68/32	70/30
No. of employees	4,720	4,891	-3	24 ²⁾	79 ²⁾	4,666

¹⁾ Non-recurring items

Goodwill impairment

-103

²⁾ Refers to quarterly change

For a description of the business segment activities, see note 3.

HIGHLIGHTS

ORDERS RECEIVED

- Order bookings during the third quarter of 2009 increased by 27 percent compared to the same period of 2008. Large orders received during the quarter included a contract to provide a security solution for an Australian prison and an order from FMV for the development and upgrade of the Armed Forces' SK60 training aircraft.
- Orders received during the first nine months 2009 increased by 8 percent compared to the same period in 2008. In addition to the orders mentioned above, major orders during the period included two contracts in the civil security field, a multi-link communication capability for the ANZAC and Canberra class ships in Australia and orders from FMV for medical care systems.
- Orders valued at more than MSEK 100 and those of lesser value represented 31 percent (19) and 69 percent (81), respectively, in the first nine months of 2009.

SALES

- Sales in the third quarter of 2009 increased by 11 percent and sales in the first nine months of 2009 increased 3 percent compared to the respective periods of 2008. The improvement was driven by positive sales trends in Grintek Technology, command and control, and the support and services business.
- Markets outside Sweden accounted for 52 percent (54) of sales during the first nine months of 2009.

INCOME AND MARGIN

- During the first nine months of 2009 profitability was impacted by an unfavourable project mix.

CASH FLOW

- Operating cash flow improved during the first nine months 2009 compared to 2008 due to a major milestone payment received in the second quarter of 2009, whereas working capital increased in the third quarter of 2009.

EMPLOYEES

- The number of employees increased by 54 during the first nine months mainly due to the acquisition of 60 percent of the shares in the former joint venture TietoSaab Systems in Finland.

SYSTEMS AND PRODUCTS

MSEK	Jan–Sep 2009	Jan–Sep 2008	Change, %	July–Sep 2009	July–Sep 2008	Jan–Dec 2008
Order bookings	4,790	6,340	-24	1,564	1,297	9,345
Order backlog	15,846	17,572	-10	-661 ²⁾	-958 ²⁾	17,390
Sales	6,408	5,743	12	2,078	1,771	9,095
Operating income before depreciation/amortisation and impairments (EBITDA)	812	768	6	216	161	1,518
Margin, %	12.7	13.4		10.4	9.1	16.7
Operating income (EBIT)	335	428	-22	63	62	756
Operating margin, %	5.2	7.5		3.0	3.5	8.3
Adjusted operating margin, ¹⁾ %	5.2	7.5		3.0	3.5	11.1
Operating cash flow	113	330	-66	-9	-397	1,484
Defence/Civil (% of sales)	95/5	88/12		95/5	90/10	91/9
No. of employees	4,768	4,824	-1	-15 ²⁾	-506 ²⁾	4,869

¹⁾ Non-recurring items

Write-down of capitalised development costs

-250

²⁾ Refers to quarterly change

For a description of business segment activities, see note 3.

HIGHLIGHTS

ORDERS RECEIVED

- Order bookings during the third quarter increased by 21 percent compared to the same period of 2008. Orders received in the third quarter included a contract from the UK Ministry of Defense (MOD) to deliver training systems in support of British Army training exercises in Kenya, two production and delivery contracts for ultraweight camouflage net systems from the U.S. Department of Defense and a contract for the BOL dispenser system from the Finnish Air Force (Air Force Command Finland, AFCOMFIN).
- Orders received during the first nine months decreased by 24 percent compared to the same period in 2008. In addition to the orders mentioned above, major orders during the period included several contracts for Carl Gustaf and AT4, an order for an air defence system, an upgrade of the 2D radar for the Canadian Navy's Halifax Class frigates and an order to produce training systems for the U.S. Marine Corps.
- Orders valued at more than MSEK 100 and those of lesser value represented 30 percent (38) and 70 percent (62), respectively, in the first nine months of 2009.

SALES

- Sales in the third quarter of 2009 increased by 17 percent compared to the same period of 2008 due to higher activity in most areas.
- Sales in the first nine months of 2009 increased year-on-year by 12 percent. Adjusted for the divestment of Saab Space on September 1, 2008 and exchange rate effects, sales increased by about 20 percent.

- Markets outside Sweden accounted for 78 percent (74) of sales during the first nine months of 2009.

INCOME AND MARGIN

- Profitability was negatively impacted by higher development costs due to Saab's more conservative view on the application of accounting for development costs as of January 1, 2009.

CASH FLOW

- Operating cash flow was lower during the first nine months of 2009 compared to the same period in 2008 due to differences in the timing of payments in large projects.

REORGANISATION

- On June 2, Saab announced the lay-off of 370 employees at Saab Bofors Dynamics AB in four locations. The estimated structural cost of MSEK 200 is expected to be reported during the fourth quarter this year.

EMPLOYEES

- The number of employees was reduced by 101 during the first nine months as a result of ongoing efficiency improvement initiatives.

AERONAUTICS

MSEK	Jan–Sep 2009	Jan–Sep 2008	Change, %	July–Sep 2009	July–Sep 2008	Jan–Dec 2008
Order bookings	1,628	5,620	-71	160	195	6,153
Order backlog	15,819	21,733	-27	-1,360 ²⁾	-1,034 ²⁾	19,626
Sales	5,438	4,913	11	1,482	1,261	7,269
Operating income before depreciation/amortisation and impairments (EBITDA)	117	45	160	35	-103	-1,313
Margin, %	2.2	0.9		2.4	-8.2	-18.1
Operating income/loss (EBIT)	-67	-92	27	-26	-137	-1,508
Operating margin, %	-1.2	-1.9		-1.8	-10.9	-20.7
Adjusted operating margin, ¹⁾ %	0.6	2.9		-1.8	-10.9	3.6
Operating cash flow	-502	-1,068	53	-27	94	-1,007
Defence/Civil (% of sales)	92/8	94/6		90/10	92/8	93/7
No. of employees	3,040	3,043	-	-25 ²⁾	20 ²⁾	3,100

¹⁾ Non-recurring items

Structural costs for lay-offs in Aeronautics	-100		
Write-downs in commercial aircraft programs		-234	-1,187
Provisions for commercial aircraft programs			-232
Provisions for helicopter project			-350

²⁾ Refers to quarterly change

For a description of business segment activities, see note 3.

HIGHLIGHTS

ORDERS RECEIVED

- Order bookings during the third quarter as well as the first nine months of 2009 decreased significantly compared to the previous year. The first nine months of 2008 included an order from FMV for an integrated air surveillance system for Thailand worth SEK 2 billion. In addition, index and price changes that positively affected the previous period by SEK 1.5 billion were not repeated in 2009. 2008 also included orders of MSEK 750 from Airbus and Boeing related to commercial aircraft projects. The commercial aircraft market has remained weak in 2009. Orders valued at about MSEK 280 were cancelled during the first nine months of 2009.
- Major orders during the first nine months of 2009 included two contracts from FMV for studies of Gripen's future capabilities.
- Orders valued at more than MSEK 100 and those of lesser value represented 73 percent (94) and 27 percent (6), respectively, in the first nine months of 2009.

SALES

- Sales in the third quarter of 2009 increased by 18 percent and sales in the first nine months increased by 11 percent compared to the respective periods of 2008. The increase is mainly due to a higher level of deliveries of Gripen to South Africa and a higher activity related to the order from FMV for an integrated air surveillance system for Thailand.
- Markets outside Sweden accounted for 63 percent (59) of sales during the first nine months of 2009.

INCOME AND MARGIN

- Profitability during the third quarter and the first nine months of 2009 was negatively affected by a charge of MSEK 100 related to lay-offs.
- The operating margin remains under pressure from low capacity utilisation in commercial aircraft projects and a change in project mix compared to previous period.

CASH FLOW

- Operating cash flow continued to be impacted by an increase of working capital due to utilisation of milestone payments during the first nine months 2009.

REORGANISATION

- The Aeronautics segment and its business units Aerostructures, Aero-systems and Gripen International are currently being reorganised. This will strengthen Gripen operations, while ensuring that key assets and competencies are retained. As a consequence, Saab served notice of lay-offs to 300 employees of Saab AB in Linköping on April 24, 2009. The costs of MSEK 100 related to lay-offs were taken in the second quarter of 2009. The remaining structural cost, estimated at MSEK 100, will be reported primarily in 2010.

EMPLOYEES

- The number of employees was reduced by 60 during the first nine months of 2009.

CORPORATE

Corporate reported operating income of MSEK 123 (147).

THE BILLION+ PROGRAMME

Saab's market situation is changing rapidly. We will continue to invest in marketing, product and service development. The programme was launched at the start of 2008 to improve internal efficiency, so that we can remain profitable in keeping with the company's long-term objective. The programme was expanded in the fall of 2008 to avoid replacing employees who leave the Group.

When introduced, the programme aimed to reduce costs by MSEK 250 in 2008, which was achieved. The target is to reduce costs by additional MSEK 600 in 2009 and MSEK 650 in 2010, including the effects of the reduction of 500 employees over a two-year period, mainly through attrition. By the start of 2011, annual costs will be SEK 1.5 billion lower than at the end of 2007.

Previously, Saab estimated that around 70 percent of the cost reductions would be generated by reducing the cost of goods sold (development, project implementation, purchasing and production). Based on the results already achieved, as well as the estimation of the future impact of the reduction of 500 employees, Saab now estimates that the distribution of the cost reduction will be less than 70 percent through a reduction of cost of goods sold for 2009 and 2010.

The programme is progressing. During the first nine months of 2009, the cost reductions contributed about 2 percentage points to the reported profit margin. A major part of the cost reductions was achieved in aligned administrative processes across the company as well as within the segments.

PARENT COMPANY

Sales and income

The Parent Company includes the business units Saab Aerosystems and Saab Aerostructures and the Swedish units within Saab Systems, Saab Avionics, Saab Aerotech, Saab Microwave Systems, Saab Surveillance Systems and Saab Security. Group staffs and Group support are included as well. The Parent Company's sales for the period amounted to MSEK 10,574 (10,250). Operating income was MSEK 960 (198).

Net financial income and expenses was MSEK -198 (453). After appropriations of MSEK 0 (0) and income tax of MSEK -212 (12), net income for the period amounted to MSEK 550 (663).

Liquidity, finance, capital expenditures and number of employees

The Parent Company's net debt amounted to MSEK 7,707 (8,065). Gross capital expenditures in property, plant and equipment amounted to MSEK 96 (125). At the end of the period, the Parent Company had 8,379 employees, compared to 8,317 at the beginning of the year.

SHARE REPURCHASE

The number of repurchased treasury shares as of December 31, 2008 was 2,320,451. The Annual General Meeting on April 16, 2009 authorised the Board of Directors to repurchase 1,340,000 shares to hedge the year's share matching plan and performance share plan. As proposed, the mandate would apply until the next Annual General Meeting.

On June 23, 2009, Saab announced that the Board has decided to utilise its authorisation for this purpose. Between July 28, 2009 and August 28, 2009, 1,340,000 shares were acquired on NASDAQ OMX Stockholm at an average price of SEK 82.10.

Saab held 3,649,030 treasury shares as of September 30, 2009.

Nomination committee of Saab AB for the Annual General Meeting 2010

In accordance with a resolution taken at the Annual General Meeting of Saab AB on April 16, 2009, Saab has announced the names of the shareholder representatives, together with the Chairman of the Board, who will provide proposals to be submitted to the Annual General Meeting for the Board of Directors, the Chairman of the Board and of the Annual General Meeting, and proposals for remuneration to the Board and fees to the auditors.

Representatives: Marcus Wallenberg, Chairman of Saab AB, Petra Hedengran, Investor, Peter Wallenberg Jr, Knut and Alice Wallenberg's Foundation, Mats Lagerqvist, Swedbank Robur Funds, Erik Feldt, Nordea Funds.

The Annual General Meeting of Saab AB will be held on Thursday, April 15, 2010.

Owners

Saab's largest shareholders as of September 30, 2009 are Investor AB, BAE Systems, the Wallenberg foundations, Swedbank Robur funds, Nordea funds, SEB Investment Management, Odin funds, 4th AP fund, Orkla ASA and JP Morgan Chase.

This interim report has not been reviewed by the company's auditors.

Linköping, October 23, 2009.

ÅKE SVENSSON
PRESIDENT AND CEO

Saab AB is disclosing the information herein pursuant to the Securities Markets Act and/or the Financial Instruments Trading Act. The information was submitted for publication at 7:30 a.m. on October 23, 2009.

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Press and financial analyst conference and web-cast

with CEO Åke Svensson and CFO Lars Granlöv
Today, Friday, October 23, 2009, 10:00 a.m. (CET)

World Trade Center, Stockholm
Contact Annika Widell to register
and for further information

Tel. +46-8-463 01 47, +46-734-18 71 47

YEAR-END REPORT 2009

PUBLISHED FEBRUARY 12, 2010

ANNUAL GENERAL MEETING 2010

APRIL 15, 2010

INTERIM REPORT JANUARY–MARCH 2010

PUBLISHED APRIL 23, 2010

INTERIM REPORT JANUARY–JUNE 2010

PUBLISHED JULY 23, 2010

INTERIM REPORT JANUARY–SEPTEMBER 2010

PUBLISHED OCTOBER 20, 2010

CONSOLIDATED INCOME STATEMENT

MSEK	Note	Jan–Sep 2009	Jan–Sep 2008	Rolling 12 months	Jan–Dec 2008
Sales	3	16,879	15,608	25,067	23,796
Cost of goods sold		-12,627	-11,618	-20,171	-19,162
Gross income		4,252	3,990	4,896	4,634
Gross margin, %		25.2	25.6	19.5	19.5
Other operating income		147	188	250	291
Marketing expenses		-1,261	-1,333	-1,733	-1,805
Administrative expenses		-913	-1,047	-1,270	-1,404
Research and development costs		-1,246	-794	-1,984	-1,532
Other operating expenses		-44	-38	-74	-68
Share in income of associated companies		-64	9	-23	50
Operating income/loss (EBIT) ¹⁾	3	871	975	62	166
Operating margin, %		5.2	6.2	0.2	0.7
Share in income of associated companies		1	-25	-10	-36
Financial income		30	35	24	29
Financial expenses		-387	-361	-591	-565
Net financial items		-356	-351	-577	-572
Income/loss before taxes		515	624	-515	-406
Taxes	4	-139	-158	183	164
Net income/loss for the period		376	466	-332	-242
of which Parent Company's shareholders' interest		373	476	-351	-248
of which minority interest		3	10	-1	6
Earnings per share before dilution, SEK ²⁾		3.50	4.42	-3.29	-2.31
Earnings per share after dilution, SEK ³⁾		3.42	4.36	-3.29	-2.31
¹⁾ INCLUDES DEPRECIATION/AMORTIZATION AND IMPAIRMENT OF WHICH DEPRECIATION OF LEASE ASSETS		-1,013 -138	-789 -119	-1,738 -184	-1,514 -165
²⁾ AVERAGE NUMBER OF SHARES BEFORE DILUTION		106,611,997	107,763,198	106,666,217	107,515,049
³⁾ AVERAGE NUMBER OF SHARES AFTER DILUTION. THERE IS NO DILUTION IMPACT IF THE RESULT FOR THE PERIOD IS NEGATIVE.		109,150,344	109,150,344	106,666,217	107,515,049

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

MSEK	Jan–Sep 2009	Jan–Sep 2008	Rolling 12 months	Jan–Dec 2008
Net income/loss for the period	376	466	-332	-242
Other comprehensive income:				
Translation differences for the period	112	-196	196	-112
Net gain/loss on cash flow hedges	929	-671	674	-926
Revaluation in connection with reclassification of fixed assets	-	-	51	51
Share of other comprehensive income in associated companies	30	-	30	-
Tax attributable to comprehensive income	-248	176	-200	224
Other comprehensive income/loss for the period	823	-691	751	-763
Net comprehensive income/loss for the period	1,199	-225	419	-1,005
OF WHICH PARENT COMPANY'S SHAREHOLDERS' INTEREST	1,142	-215	356	-1,001
OF WHICH MINORITY INTEREST	57	-10	63	-4

QUARTERLY INCOME STATEMENT

MSEK	Q3 2009	Q2 2009	Q1 2009	Q4 2008	Q3 2008	Q2 2008	Q1 2008
Sales	5,184	6,283	5,412	8,188	4,583	6,046	4,979
Cost of goods sold	-3,969	-4,611	-4,047	-7,544	-3,638	-4,381	-3,599
Gross income	1,215	1,672	1,365	644	945	1,665	1,380
Gross margin, %	23.4	26.6	25.2	7.9	20.6	27.5	27.7
Other operating income	74	33	40	103	89	61	38
Marketing expenses	-371	-466	-424	-472	-408	-483	-442
Administrative expenses	-249	-330	-334	-357	-336	-368	-343
Research and development costs	-405	-434	-407	-738	-243	-306	-245
Other operating expenses	-4	19	-59	-30	-18	-10	-10
Share in income of associated companies	-11	-22	-31	41	2	-	7
Operating income/loss (EBIT) ¹⁾	249	472	150	-809	31	559	385
Operating margin, %	4.8	7.5	2.8	-9.9	0.7	9.2	7.7
Share in income of associated companies	-	1	-	-11	-6	-13	-6
Financial income	12	-15	33	-6	-12	25	22
Financial expenses	-109	-58	-220	-204	-191	-93	-77
Net financial items	-97	-72	-187	-221	-209	-81	-61
Income/loss before taxes	152	400	-37	-1,030	-178	478	324
Taxes	-41	-108	10	322	75	-140	-93
Net income/loss for the period	111	292	-27	-708	-103	338	231
of which Parent Company's shareholders' interest	105	294	-26	-724	-97	341	232
of which minority interest	6	-2	-1	16	-6	-3	-1
Earnings per share before dilution, SEK ²⁾	0.99	2.75	-0.24	-6.78	-0.89	3.15	2.15
Earnings per share after dilution, SEK ³⁾	0.96	2.69	-0.24	-6.78	-0.89	3.12	2.13
¹⁾ INCLUDES DEPRECIATION/AMORTIZATION AND IMPAIRMENT	-326	-352	-335	-725	-232	-315	-242
OF WHICH DEPRECIATION OF LEASE ASSETS	-42	-46	-50	-46	-39	-40	-40
²⁾ AVERAGE NUMBER OF SHARES BEFORE DILUTION	106,169,379	106,835,194	106,831,419	106,828,876	107,094,803	108,150,517	108,150,421
³⁾ AVERAGE NUMBER OF SHARES AFTER DILUTION	109,150,344	109,150,344	106,831,419	106,828,876	107,094,803	109,150,344	109,150,344

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

MSEK	Note	30/9/2009	31/12/2008	30/9/2008
ASSETS				
Fixed assets				
Intangible fixed assets	6	7,321	7,690	8,079
Tangible fixed assets		3,254	3,407	3,280
Lease assets		1,508	1,835	1,676
Biological assets		245	243	242
Investment properties		27	239	287
Shares in associated companies		323	334	268
Financial investments		108	142	191
Long-term receivables		1,353	1,321	986
Deferred tax assets		503	841	535
Total fixed assets		14,642	16,052	15,544
Current assets				
Inventories		5,236	4,305	6,011
Derivatives		1,252	1,315	584
Tax receivables		37	55	107
Accounts receivable		2,482	4,194	3,805
Prepaid expenses and accrued income		660	503	553
Other receivables		5,082	5,567	5,114
Liquid assets	8	1,439	822	822
Total current assets		16,188	16,761	16,996
Assets held for sale	9	288	77	-
TOTAL ASSETS	14	31,118	32,890	32,540

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION
(CONT.)**

MSEK	Note	30/9/2009	31/12/2008	30/9/2008
SHAREHOLDERS' EQUITY AND LIABILITIES				
Shareholders' equity				
Parent Company's shareholders' interest		10,089	9,240	10,076
Minority interest		145	90	78
Total shareholders' equity		10,234	9,330	10,154
Long-term liabilities				
Long-term interest-bearing liabilities	7	29	13	1
Other liabilities		288	336	236
Provisions for pensions	11	4	4	1
Other provisions		2,176	2,402	1,999
Deferred tax liabilities		956	1,105	1,279
Total long-term liabilities		3,453	3,860	3,516
Current liabilities				
Short-term interest-bearing liabilities	7	4,260	3,870	4,668
Advance payments from customers		654	897	1,387
Accounts payable		1,516	1,712	1,383
Lease obligations		-	-	70
Derivatives		1,274	2,363	1,196
Tax liabilities		204	149	277
Other liabilities		837	1,131	1,137
Accrued expenses and deferred income		8,011	8,868	8,190
Provisions		646	710	562
Total current liabilities		17,402	19,700	18,870
Liabilities attributable to assets held for sale	9	29	-	-
Total liabilities		20,884	23,560	22,386
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	14	31,118	32,890	32,540

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

MSEK	CAPITAL STOCK	OTHER CAPITAL CONTRIBUTIONS	NET RESULT OF CASH FLOW HEDGES	TRANSLATION RESERVE	REVALUATION RESERVE	RETAINED EARNINGS	TOTAL	MINORITY INTEREST	TOTAL
Opening balance, January 1, 2009	1,746	543	-612	-222	51	7,734	9,240	90	9,330
Net comprehensive income for the period			666	103		373	1,142	57	1,199
Transactions with shareholders:									
Repurchase of shares						-110	-110		-110
Share matching plan						23	23		23
Dividend						-187	-187		-187
Acquisition and sale of operations						-19	-19	-2	-21
Closing balance, September 30, 2009	1,746	543	54	-119	51	7,814	10,089	145	10,234
Opening balance, January 1, 2008	1,746	543	80	-110	-	8,722	10,981	27	11,008
Net comprehensive income for the period			-495	-196		476	-215	-10	-225
Transactions with shareholders:									
Repurchase of shares						-209	-209		-209
Share matching plan						6	6		6
Dividend						-487	-487		-487
Acquisition and sale of operations							-	61	61
Closing balance, September 30, 2008	1,746	543	-415	-306	-	8,508	10,076	78	10,154

CONSOLIDATED STATEMENT OF CASH FLOWS

MSEK	Note	Jan–Sep 2009	Jan–Sep 2008	Jan–Dec 2008
Operating activities				
Income after financial items		515	624	-406
Transferred to pension fund		-121	-222	-408
Adjustments for items not affecting cash flows		1,194	832	3,068
Income tax paid		-106	-165	-182
Cash flow from operating activities before changes in working capital		1,482	1,069	2,072
Cash flow from changes in working capital				
Increase(-)/Decrease(+) in inventories		-910	-819	-27
Increase(-)/Decrease(+) in current receivables		1,834	711	312
Increase(+)/Decrease(-) in advance payments from customers		-266	-1,120	-1,618
Increase(+)/Decrease(-) in lease obligations		-	-147	-220
Increase(+)/Decrease(-) in other current liabilities		-1,485	167	708
Increase(+)/Decrease(-) in provisions		-211	-229	-273
Cash flow from operating activities		444	-368	954
Investing activities				
Investments in intangible fixed assets		-11	-	-1
Capitalised development expenditure		-63	-449	-635
Investments in tangible fixed assets		-161	-180	-386
Sale of tangible fixed assets		8	33	41
Sale of lease assets		47	103	212
Investments in and sale of financial assets		309	218	-58
Investment in subsidiaries, net effect on liquidity	10	-67	-	-
Sale of subsidiaries, net effect on liquidity	10	11	420	443
Cash flow from investing activities		73	145	-384
Financing activities				
Loans raised		368	889	85
Repurchase of shares		-110	-209	-209
Dividend paid to Parent Company's shareholders		-187	-487	-487
Contribution from/dividend to minority interest		4	7	10
Cash flow from financing activities		75	200	-601
Cash flow for the period				
		592	-23	-31
Liquid assets at the beginning of the year		822	858	858
Exchange rate difference in liquid assets		25	-13	-5
Liquid assets at end of period	8	1,439	822	822

MSEK	QUARTERLY INFORMATION				JANUARY–MARCH		APRIL–JUNE	
	2009	Operating margin	2008	Operating margin	2009	Operating margin	2008	Operating margin
Sales								
Defence and Security Solutions	2,042		2,096		2,427		2,365	
Systems and Products	1,994		1,734		2,336		2,238	
Aeronautics	1,843		1,612		2,113		2,040	
Corporate	12		10		61		12	
Internal sales	-479		-473		-654		-609	
Total	5,412		4,979		6,283		6,046	
Operating income								
Defence and Security Solutions	136	6.7%	193	9.2%	198	8.2%	187	7.9%
Systems and Products	104	5.2%	138	8.0%	168	7.2%	228	10.2%
Aeronautics	3	0.2%	111	6.9%	-44	-2.1%	-66	-3.2%
Corporate	-93		-57		150		210	
Total	150	2.8%	385	7.7%	472	7.5%	559	9.2%
Net financial items	-187		-61		-72		-81	
Income/loss before taxes	-37		324		400		478	
Net income/loss for the period	-27		231		292		338	
Attributable to Parent Company's shareholders	-26		232		294		341	
Earnings per share after dilution	-0.24		2.13		2.69		3.12	
Average no. of shares after dilution, thousands	106,831		109,150		109,150		109,150	
JULY–SEPTEMBER								
MSEK	2009	Operating margin	2008	Operating margin	2009	Operating margin	2008	Operating margin
Sales								
Defence and Security Solutions	2,114		1,904				3,078	
Systems and Products	2,078		1,771				3,352	
Aeronautics	1,482		1,261				2,356	
Corporate	53		11				100	
Internal sales	-543		-364				-698	
Total	5,184		4,583				8,188	
Operating income								
Defence and Security Solutions	146	6.9%	112	5.9%			240	7.8%
Systems and Products	63	3.0%	62	3.5%			328	9.8%
Aeronautics	-26	-1.8%	-137	-10.9%			-1,416	-60.1%
Corporate	66		-6				39	
Total	249	4.8%	31	0.7%			-809	-9.9%
Net financial items	-97		-209				-221	
Income/loss before taxes	152		-178				-1,030	
Net income/loss for the period	111		-103				-708	
Attributable to Parent Company's shareholders	105		-97				-724	
Earnings per share after dilution	0.96		-0.89				-6.78	
Average no. of shares after dilution, thousands	109,150		107,095				106,829	
OCTOBER–DECEMBER								

MULTI-YEAR OVERVIEW

MSEK	2008	2007	2006	2005	2004 ⁵⁾
Order bookings	23,212	20,846	27,575	17,512	16,444
Order backlog at Dec. 31	45,324	47,316	50,445	42,198	43,162
Sales	23,796	23,021	21,063	19,314	17,848
Sales in Sweden, %	32	35	35	44	52
Sales in EU excluding Sweden, %	25	28	29	28	26
Sales in Americas, %	6	7	9	9	8
Sales in Rest of the World, %	37	30	27	19	14
Operating income	166	2,607	1,745	1,652	1,853
Operating margin, %	0.7	11.3	8.3	8.6	10.4
Operating margin before depreciation/amortization and impairments, excluding leasing, %	6.4	16.0	12.0	11.3	13.1
Income/loss after financial items	-406	2,449	1,693	1,551	1,712
Net income/loss for the year	-242	1,941	1,347	1,199	1,310
Total assets	32,890	33,801	32,771	30,594	27,509
Operating cash flow	659	-1,603	-1,900	2,645	325
Return on capital employed, %	1.4	19.4	14.5	14.6	17.3
Return on equity, %	-2.4	18.5	13.8	13.5	16.7
Equity/assets ratio, %	28.4	32.6	30.6	31.0	29.9
Earnings per share, SEK ^{2) 4)}	-2.31	17.68	11.91	10.89	11.78
After dilution, SEK ^{3) 4)}	-2.31	17.60	11.91	10.89	11.78
Dividend per share, SEK	1.75	4.50	4.25	4.00	3.75
Equity per share, SEK ¹⁾	86.49	101.53	89.80	84.10	74.89
Number of employees at year-end	13,294	13,757	13,577	12,830	11,936

¹⁾ NUMBER OF SHARES AS OF DECEMBER 31, 2008: 106,829,893; 2007: 108,150,344; 2006/2005/2004: 109,150,344

²⁾ AVERAGE NUMBER OF SHARES 2008: 107,515,049; 2007: 108,668,700; 2006/2005: 109,150,344; 2004: 108,234,126

³⁾ AVERAGE NUMBER OF SHARES AFTER DILUTION 2008: 107,515,049; 2007/2006/2005: 109,150,344; 2004: 108,234,126. CONVERSION OF THE DEBENTURE LOAN CONCLUDED ON JULY 15, 2004.

⁴⁾ NET INCOME FOR THE YEAR LESS MINORITY INTEREST DIVIDED BY THE AVERAGE NUMBER OF SHARES

⁵⁾ RESTATED ACCORDING TO IFRS.

KEY RATIOS AND TARGETS

	Long-term target	Jan-Sep 2009	Jan-Sep 2008	Jan-Dec 2008
Operating margin before depreciation/amortization and impairments, excluding leasing, %	15	10.3	10.5	6.4
Operating margin, %	10	5.2	6.2	0.7
Earnings per share after dilution, SEK ¹⁾		3.42	4.36	-2.31
Return on capital employed, % ²⁾		0.6	16.2	1.4
Return on equity, % ²⁾	15	-3.3	14.5	-2.4
Equity/assets ratio, %	30	32.9	31.2	28.4

¹⁾ AVERAGE NUMBER OF SHARES AFTER DILUTION JAN-SEPT 2009: 109,150,344; JAN-SEPT 2008: 109,150,344; 2008: 107,515,049

²⁾ RETURN ON CAPITAL EMPLOYED AND RETURN ON EQUITY ARE MEASURED OVER A ROLLING 12-MONTH PERIOD

PARENT COMPANY INCOME STATEMENT

MSEK	Jan–Sep 2009	Jan–Sep 2008	Jan–Dec 2008
Sales	10,574	10,250	15,496
Cost of goods sold	-7,781	-8,023	-13,927
Gross income	2,793	2,227	1,569
Gross margin, %	26.4	21.7	10.1
Marketing expenses	-790	-819	-1,115
Administrative expenses	-517	-612	-841
Research and development costs	-566	-653	-931
Other operating income	91	89	58
Other operating expenses	-51	-34	-33
Operating income/loss (EBIT)	960	198	-1,293
Operating margin, %	9.1	1.9	-8.3
Financial income and expenses:			
Results from securities and receivables held as fixed assets	-16	777	972
Other interest income and similar items	20	20	101
Interest expenses and similar items	-202	-344	-818
Income/loss after financial items	762	651	-1,038
Appropriations	-	-	41
Income/loss before taxes	762	651	-997
Taxes	-212	12	342
Net income/loss for the period	550	663	-655

PARENT COMPANY STATEMENT OF FINANCIAL POSITION

MSEK

30/9/2009

31/12/2008

30/9/2008

	30/9/2009	31/12/2008	30/9/2008
ASSETS			
Fixed assets			
Intangible fixed assets	105	51	55
Tangible fixed assets	2,327	2,478	2,416
Shares in Group companies	10,480	11,662	11,830
Receivables from Group companies	763	140	156
Shares in associated companies and joint ventures	329	317	249
Receivables from associated companies and joint ventures	91	31	11
Other long-term securities holdings	1,499	1,512	1,542
Other long-term receivables	43	44	25
Deferred tax assets	995	1,207	498
Total fixed assets	16,632	17,442	16,782
Current assets			
Inventories, etc.	3,892	2,649	4,120
Receivables from Group companies	2,221	2,877	2,963
Receivables from associated companies and joint ventures	130	513	416
Other receivables	7,595	9,032	7,754
Liquid assets	751	237	104
Total current assets	14,589	15,308	15,357
TOTAL ASSETS	31,221	32,750	32,139
SHAREHOLDERS' EQUITY AND LIABILITIES			
Equity			
Shareholders' equity	4,550	5,479	6,554
Net income for the period	550	-655	663
Total shareholders' equity	5,100	4,824	7,217
Untaxed reserves	422	422	463
Provisions			
Provisions for pensions and similar commitments	437	606	465
Other provisions	1,817	1,929	1,374
Total provisions	2,254	2,535	1,839
Liabilities			
Interest-bearing liabilities	4,702	3,832	4,438
Liabilities to Group companies	8,376	9,939	7,082
Advance payments from customers	3,200	3,310	3,538
Liabilities to associated companies and joint ventures	151	126	842
Other liabilities	7,016	7,762	6,720
Total liabilities	23,445	24,969	22,620
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	31,221	32,750	32,139

NOTES

TO THE FINANCIAL STATEMENTS

NOTE 1

CORPORATE INFORMATION

Saab AB (publ), corporate identity no. 556036-0793, with its registered office in Linköping, Sweden. The address of the company's head office is Kungsbron 1, Stockholm, with the mailing address Box 70 363, SE-107 24 Stockholm, Sweden, and the telephone number +46-8-463 00 00. Saab has been listed on NASDAQ OMX Stockholm since 1998 and on the large cap list from October 2006. The company's operations, including subsidiaries and associated companies, are described in the annual report for 2008.

NOTE 2

ACCOUNTING PRINCIPLES

The consolidated accounts for the first nine months 2009 are prepared according to IAS 34 Interim Financial Reporting and the Annual Accounts Act. The Parent Company's accounts have been prepared according to the Annual Accounts Act and the Swedish Financial Reporting Board's recommendation RFR 2.2 Reporting by Legal Entities. The accounting principles have been prepared in accordance with the International Financial Reporting Standards (IFRS) as adopted by the EU. The Group applies the same accounting principles as described in the annual report for 2008, with the exception of new or revised standards as adopted by the EU for application as of January 1, 2009, as shown below. The Group's accounting principles are described on pages 72-78 of the annual report 2008.

The interim report is abbreviated and does not contain all the information and disclosures available in the annual report and as such should be read together with the annual report for 2008.

IAS 1 Presentation of Financial Statements (revised)

The changes in IAS 1 mean that items previously reported directly against equity are now reported in the income statement as a part of comprehensive income. This refers to items in equity that are not transactions with shareholders. Saab has chosen to report the result down to net income for the period in one statement and the result below this down to comprehensive income in a separate statement.

IAS 23 Borrowing Costs (revised)

The revised standard requires the capitalisation of borrowing costs directly attributable to the acquisition, construction or production of an asset which takes a substantial period of time to prepare for its intended use or sale. As indicated in the Group's accounting principles in the annual report for 2008, the Group's previous principle was to expense borrowing costs as they arose. The type of assets that could qualify for capitalisation of borrowing costs includes self-financed long-term projects and intangible assets. Saab will capitalise borrowing costs on projects beginning after January 1, 2009 in accordance with the transitional rules in IAS 23. No assets that qualify for

capitalisation of borrowing costs were reported during the first nine months 2009.

IFRS 8 Operating Segments

As of January 1, 2009, the Group applies the new standard IFRS 8 Operating Segments for its segment reporting. According to the previous standard, IAS 14 Segment Reporting, two types of segments (business segments and geographical areas) were identified using a model based on risks and opportunities. According to IFRS 8, segment information is presented from management's perspective and operating segments are identified based on internal reporting to the company's chief operating decision maker. The Group has identified the Chief Executive Officer as its chief operating decision maker. The internal reporting used by the CEO to monitor operations and decide on resource allocations serves as the basis of the segment information that is presented. Application of IFRS 8 has not necessitated a change in the Group's reportable segments.

The Group has the following three reportable segments:

- Defence and Security Solutions
- Systems and Products
- Aeronautics

A detailed description of the segments can be found in note 3 as well as on pages 39-45 of the annual report for 2008.

The definition of segment assets has not changed compared with the most recent annual report.

Application of IFRS 8 has not required a reallocation of goodwill to new cash-generating units.

NOTE 3

SEGMENT REPORTING

Saab is one of the world's leading high-technology companies, with its main operations in defence, aviation and civil security. Operations are primarily focused on well-defined areas in defence electronics and missile systems as well as military and commercial aviation. Saab is also active in technical services and maintenance. While Europe is its main market, Saab has growing markets in Australia, South Africa and Asia. The business segments are described below.

Defence and Security Solutions

The Defence and Security Solutions business segment brings together Saab's capabilities in the development and integration of high-technology systems for reconnaissance, surveillance, communication and command and control. In the international market, Saab has especially strong positions in the areas of tactical command and combat systems for land, sea and airborne forces.

NOTE 3 CONTINUED

The segment offers a wide range of life-cycle support solutions. The portfolio also includes consulting services in systems development, systems integration and information and system security for customers mainly in the defence and telecommunication industries as well as government agencies with responsibility for infrastructure.

Growth in the civil security market continues, creating new opportunities for Saab in the areas for crisis management systems and protection of infrastructure.

Systems and Products

Customers in the Systems and Products business segment mainly consist of defence authorities and other defence contractors around the world. Saab has a broad-based portfolio of products and systems.

In avionics (aeronautical electronics), Saab is a leading supplier to both military and commercial aviation manufacturers. In weapon systems, Saab's portfolio ranges from man-portable weapons such as the Carl-Gustaf anti-armour weapon and its successors AT4 and NLAW to the missile systems RBS 15, RBS 70 and BAMSE as well as torpedo systems.

Electronic warfare – warning, jamming and protection against detection and weapons – is another area where Saab has developed world-leading products for a large number of combat vehicles, aircraft, helicopters, submarines and surface vessels around the world. Radar and sensor operations contribute vital components to Saab's major systems solutions such as the BAMSE missile platform, the Gripen combat fighter and Saab's airborne surveillance system. But they also include products that individually command a leading position in the global market. The weapon detecting radar ARTHUR and the search radar GIRAFFE are two examples.

Signature management, camouflage which prevents detection by even the most advanced technical equipment, is another area where Saab has a world-leading position. Saab also has a strong position in advanced training systems for land-based forces and now lists special police units among its customers.

Underwater technology for shallow water and harbours is another area where Saab has leading expertise. Significant potential exists in autonomous, unmanned underwater vehicles for both military and commercial applications.

Aeronautics

Saab's aeronautics operations are dominated by the Gripen programme. Gripen, one of the world's most modern fighter aircraft in operational service, is currently used in Sweden and NATO members Czech Republic and Hungary as well as South Africa. During 2008, Saab commenced test flights within the Gripen demonstrator programme.

The objective is to develop next generation of Gripen aircraft and enhance existing Gripen versions. Export potential is high, and Saab is working actively in a number of markets to win new contracts. The Gripen programme includes significant sales of modifications, training and maintenance.

Saab is also a leader in the development of unmanned aerial vehicles, UAVs. In-house products are combined with participation in international development programmes. Saab has primary responsibility for key subsystems in the Neuron programme, a European project to develop an unmanned combat air vehicle and next generation fighter aircraft.

In its role as a subsystem supplier, Saab develops complex structural units and subsystems for commercial and military aircraft manufacturers.

SALES AND ORDER INFORMATION

Sales by business segment

MSEK	Jan-Sep 2009	Jan-Sep 2008	Change, %	July-Sep 2009	July-Sep 2008	Rolling 12 months	Jan-Dec 2008
Defence and Security Solutions	6,583	6,365	3	2,114	1,904	9,661	9,443
of which external sales	5,928	5,763	3	1,899	1,739	8,656	8,491
of which internal sales	655	602	9	215	165	1,005	952
Systems and Products	6,408	5,743	12	2,078	1,771	9,760	9,095
of which external sales	5,622	5,101	10	1,821	1,578	8,684	8,163
of which internal sales	786	642	22	257	193	1,076	932
Aeronautics	5,438	4,913	11	1,482	1,261	7,794	7,269
of which external sales	5,234	4,661	12	1,421	1,192	7,540	6,967
of which internal sales	204	252	-19	61	69	254	302
Corporate/eliminations	-1,550	-1,413	-	-490	-353	-2,148	-2,011
of which external sales	95	83	14	43	74	187	175
of which internal sales	-1,645	-1,496	10	-533	-427	-2,335	-2,186
Total	16,879	15,608	8	5,184	4,583	25,067	23,796

Sales by geographical market

MSEK	Jan-Sep 2009	% of sales	Jan-Sep 2008	% of sales	Jan-Dec 2008	% of sales
Sweden	5,040	30	5,090	33	7,549	32
Rest of EU	4,039	24	3,963	25	6,000	25
Rest of Europe	201	1	178	1	300	1
Total Europe	9,280	55	9,231	59	13,849	58
North America	1,284	8	946	6	1,346	6
Latin America	131	1	55	-	181	1
Asia	3,089	18	2,128	14	3,381	14
Australia, etc.	604	3	484	3	838	3
Africa	2,491	15	2,764	18	4,201	18
Total	16,879	100	15,608	100	23,796	100

Information on large customers

Saab has two customers that account for 10 percent or more of the Group's sales: the Swedish Defense Materiel Administration (FMV) and the South African state through its procurement agency. FMV is a customer of all our segments, and total sales during the first three quarters amounted to approximately MSEK 3,520 (3,480). Deliveries to South Africa are made primarily by the Aeronautics segment; sales during the first three quarters amounted to approximately MSEK 1,598 (1,965).

NOTE 3 CONTINUED
Order bookings by business segment

MSEK	Jan– Sep 2009	Jan– Sep 2008	July– Sep 2009	July– Sep 2008	Jan– Dec 2008
Defence and Security Solutions	6,039	5,587	1,893	1,489	9,997
Systems and Products	4,790	6,340	1,564	1,297	9,345
Aeronautics	1,628	5,620	160	195	6,153
Corporate	98	138	54	12	156
Internal	-1,174	-1,635	-386	102	-2,439
Total	11,381	16,050	3,285	3,095	23,212

Order backlog by business segment

MSEK	30/9/2009	31/12/2008	30/9/2008
Defence and Security Solutions	10,801	10,918	9,778
Systems and Products	15,846	17,390	17,572
Aeronautics	15,819	19,626	21,733
Corporate	-	28	112
Internal	-2,159	-2,638	-2,543
Total	40,307	45,324	46,652

OPERATING INCOME
Operating income by business segment

MSEK	Jan– Sep 2009	% of sales	Jan– Sep 2008	% of sales	Roll- ing 12 months	% of sales	Jan– Dec 2008	% of sales
Defence and Security Solutions	480	7.3	492	7.7	720	7.5	732	7.8
Systems and Products	335	5.2	428	7.5	663	6.8	756	8.3
Aeronautics	-67	-1.2	-92	-1.9	-1,483	-19.0	-1,508	-20.7
The segments' total operating income	748	4.1	828	4.9	-100	-0.4	-20	-0.1
Corporate	123	-	147	-	162	-	186	-
Total operating income	871	5.2	975	6.2	62	0.2	166	0.7

Depreciation/amortization and impairments by business segment

MSEK	Jan– Sep 2009	Jan– Sep 2008	July– Sep 2009	July– Sep 2008	Roll- ing 12 months	Jan– Dec 2008
Defence and Security Solutions	136	127	44	37	296	287
Systems and Products	477	340	153	99	899	762
Aeronautics	184	137	61	34	242	195
Corporate – lease assets	138	119	42	39	184	165
Corporate – other	78	66	26	23	117	105
Total	1,013	789	326	232	1,738	1,514

OPERATING CASH FLOW AND CAPITAL EMPLOYED
Operating cash flow by business segment

MSEK	Jan– Sep 2009	Jan– Sep 2008	Rolling 12 months	Jan– Dec 2008
Defence and Security Solutions	251	-121	50	-322
Systems and Products	113	330	1,267	1,484
Aeronautics	-502	-1,068	-441	-1,007
Corporate	315	480	339	504
Total	177	-379	1,215	659

Capital employed by business segment

MSEK	30/9/2009	31/12/2008	30/9/2008
Defence and Security Solutions	5,173	4,510	4,173
Systems and Products	8,581	8,431	8,797
Aeronautics	2,675	3,022	4,180
Corporate	-1,902	-2,745	-2,325
Total	14,527	13,218	14,825

PERSONNEL
Personnel by business segment

Number at end of period	30/9/2009	31/12/2008	Change	30/9/2008
Defence and Security Solutions	4,720	4,666	54	4,891
Systems and Products	4,768	4,869	-101	4,824
Aeronautics	3,040	3,100	-60	3,043
Corporate	717	659	58	648
Total	13,245	13,294	-49	13,406

NOTE 4
TAXES

MSEK	Jan– Sep 2009	Jan– Sep 2008
Current tax	-106	-187
Deferred tax	-33	29
Total	-139	-158

NOTE 5
DIVIDEND TO PARENT COMPANY'S SHAREHOLDERS

At its meeting on February 12, 2009, the Board of Directors decided to propose to the Annual General Meeting that the Parent Company's shareholders receive a dividend of SEK 1.75 per share, totaling MSEK 187.

The Annual General Meeting on April 16, 2009 approved the Board's proposal and set April 20, 2009 as the record day and decided that the dividend would be paid on April 23, 2009.

NOTE 6

INTANGIBLE FIXED ASSETS

MSEK	30/9/2009	31/12/2008	30/9/2008
Goodwill	3,452	3,438	3,516
Capitalised development costs	3,230	3,628	3,883
Other intangible assets	639	624	680
Total	7,321	7,690	8,079

NOTE 7

INTEREST-BEARING LIABILITIES

MSEK	30/9/2009	31/12/2008	30/9/2008
Liabilities to credit institutions	3,609	2,832	3,420
Liabilities to associates and JVs	642	1,029	1,236
Other interest-bearing liabilities	38	22	13
Total	4,289	3,883	4,669

Committed credit lines

MSEK	Facilities	Drawings	Available
Revolving credit facility (Maturity 2012)	4,000	1,100	2,900
Back-up facility (Maturity 2010)	2,100	-	2,100
Overdraft facility (Maturity 2010)	119	6	113
Total	6,219	1,106	5,113

Parent Company

MSEK	30/9/2009	31/12/2008	30/9/2008
Long-term liabilities to credit institutions	1,171	1,076	1,138
Short-term liabilities to credit institutions	3,531	2,756	3,300
Total	4,702	3,832	4,438

Of liabilities to credit institutions, MSEK 1,931 are issued under the Commercial Paper program with the limit of MSEK 5,000. The trade receivables sales programme generated MSEK 622 in September, the amortization on loans was performed in the beginning of October. The average funding cost for Saab during the first nine months 2009 was 3.23 percent (4.68).

NOTE 8

SUPPLEMENTAL INFORMATION ON STATEMENT OF CASH FLOWS

Liquid assets

MSEK	30/9/2009	31/12/2008	30/9/2008
The following components are included in liquid assets:			
Cash and bank balances (incl. available overdraft facilities)	1,420	795	794
Deposits	19	27	28
Total according to balance sheet	1,439	822	822
Total according to statement of cash flows	1,439	822	822

Operating cash flow vs. statement of cash flows

MSEK	Jan-Sep 2009	Jan-Dec 2008	Jan-Sep 2008
Operating cash flow	177	659	-379
Investing activities – interest-bearing:			
Financial investments and receivables	340	-89	156
Financing activities:			
Loans raised	368	85	889
Repurchase of shares	-110	-209	-209
Dividend paid to the Parent Company's shareholders	-187	-487	-487
Contribution from/dividend to minority interest	4	10	7
Cash flow for the period	592	-31	-23

Specification of operating cash flow for Jan-Sep 2009

MSEK	Saab excl. acquisitions / divestments and SAL	Acquisitions and divestments	Saab Aircraft Leasing	Total Group
Cash flow from operating activities before changes in working capital	1,361	-	121	1,482
CASH FLOW FROM CHANGES IN WORKING CAPITAL				
Inventories	-936	-	26	-910
Receivables	1,805	-	29	1,834
Advance payments from customers	-259	-	-7	-266
Other liabilities	-1,697	-	212	-1,485
Provisions	-67	-	-144	-211
Change in working capital	-1,154	-	116	-1,038
Cash flow from operating activities	207	-	237	444

INVESTING ACTIVITIES

Investments in intangible fixed assets	-74	-	-	-74
Investments in tangible fixed assets	-161	-	-	-161
Sale of tangible fixed assets	8	-	-	8
Sale of lease assets	-	-	47	47
Sale of and investment in shares, etc.	-38	-	7	-31
Investments in subsidiaries, net effect on liquidity	-	-67	-	-67
Sale of subsidiaries, net effect on liquidity	-	11	-	11

Cash flow from investing activities excluding change in interest-bearing financial assets	-265	-56	54	-267
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OPERATING CASH FLOW	-58	-56	291	177
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NOTE 9

ASSETS AND LIABILITIES HELD FOR SALE

Assets and liabilities held for sale comprise investment properties and a real estate company.

NOTE 10

ACQUISITIONS AND DIVESTMENTS OF OPERATIONS

On June 29, 2009, Saab acquired Tieto's 60 percent of the shares in the former joint venture TietoSaab Systems in Finland. After the transaction, the company is fully owned by Saab and has been integrated in Saab Systems. The purchase price was MSEK 74, resulting in a surplus value of MSEK 60. The overall impact on Saabs' net debt was MSEK 67. The acquisition has a marginal effect on future sales and income.

No other significant acquisitions or divestments were made during the period.

NOTE 11

DEFINED-BENEFIT PLANS

Saab has defined-benefit pension plans where post-employment compensation is based on a percentage of the recipient's salary. The predominant plan is the ITP plan, which is secured through a pension fund. The Saab Pension Fund had assets of MSEK 3,517 as of September 30, 2009, compared to an obligation of MSEK 4,572 according to IAS 19, or a solvency margin of 76.9 percent. In a comparison with the obligation according to the FPG/PRI system, the solvency margin was 92.5 percent.

NOTE 12

CONTINGENT LIABILITIES

No additional obligations have been added during the year. With regard to the Group's so-called fulfillment guarantees regarding commitments to customers, the likelihood of an outflow of resources is extremely small and, as a result, no value is recognized.

NOTE 13

TRANSACTIONS WITH RELATED PARTIES

No significant transactions have occurred during the first three quarters of 2009.

Related parties with which the Group has transactions are described in the annual report for 2008, note 43.

NOTE 14

CONDENSED SUBDIVIDED FINANCIAL POSITION AS OF SEPTEMBER 30, 2009

MSEK	Saab	Saab Aircraft Leasing	Eliminations	Saab Group
ASSETS				
Intangible fixed assets	7,321	-	-	7,321
Tangible fixed assets, etc.	3,526	-	-	3,526
Lease assets	2	1,506	-	1,508
Long-term interest-bearing receivables	405	-	-	405
Shares, etc.	1,905	-	-1,500	405
Other long-term receivables	956	18	-	974
Deferred tax assets	289	214	-	503
Inventories	5,224	12	-	5,236
Short-term interest-bearing receivables	542	1,636	-1,636	542
Other current assets	7,700	19	-	7,719
Derivatives	1,252	-	-	1,252
Liquid assets	1,417	22	-	1,439
Assets held for sale	288	-	-	288
Total assets	30,827	3,427	-3,136	31,118
SHAREHOLDERS' EQUITY AND LIABILITIES				
Shareholders' equity	9,927	1,807	-1,500	10,234
Provisions for pensions	4	-	-	4
Deferred tax liabilities	956	-	-	956
Other provisions	2,128	694	-	2,822
Interest-bearing liabilities	5,925	-	-1,636	4,289
Advance payments from customers	654	-	-	654
Derivatives	1,274	-	-	1,274
Other liabilities	9,930	926	-	10,856
Liabilities regarding assets held for sale	29	-	-	29
Total shareholders' equity and liabilities	30,827	3,427	-3,136	31,118

NOTE 15

FORECAST 2009

For the full-year 2009, sales will increase by about 5 percent when compared to 2008.

NOTE 16

On September 9, 2009 Saab announced a new operating and management structure that will be effective as of January 1, 2010. The Group will be reorganized into five business areas: Aeronautics, Dynamics, Electronic Defence Systems, Security and Defence Solutions and Support and Services.

PRELIMINARY PRO-FORMA SUMMARY

MSEK	Jan-Sep 2009	Jan-June 2009	Jan-Mar 2009	Jan-Dec 2008	Jan-Sep 2008	Jan-June 2008	Jan-Mar 2008	Jan-Dec 2007
ORDER BOOKINGS								
Aeronautics	1,628	1,468	1,090	6,153	5,620	5,425	3,322	7,516
Dynamics	2,395	1,789	969	3,743	2,374	1,834	704	3,870
Electronic Defence Systems	1,541	1,002	403	4,534	3,022	2,575	1,792	2,421
Security and Defence Solutions	4,180	2,742	1,509	6,240	3,655	2,499	1,360	5,566
Support and Services	2,300	1,469	620	3,800	1,990	1,517	909	2,629
Corporate	722	515	247	1,588	1,293	1,050	511	1,532
Internal	-1,385	-889	-737	-2,846	-1,904	-1,945	-849	-2,688
Saab Group	11,381	8,096	4,101	23,212	16,050	12,955	7,749	20,846
ORDER BACKLOG								
Aeronautics	15,819	17,179	18,780	19,626	21,733	22,767	22,871	21,158
Dynamics	7,708	8,103	8,447	8,453	8,821	8,938	8,795	8,882
Electronic Defence Systems	7,673	8,374	8,775	9,248	9,132	9,608	10,083	9,390
Security and Defence Solutions	8,045	7,944	7,676	7,129	6,676	6,645	6,709	6,659
Support and Services	3,223	3,143	3,262	3,455	2,663	2,873	3,092	3,016
Corporate	170	187	224	201	275	1,014	911	815
Internal	-2,331	-2,516	-3,006	-2,788	-2,648	-3,274	-2,853	-2,604
Saab Group	40,307	42,414	44,158	45,324	46,652	48,571	49,608	47,316
SALES								
Aeronautics	5,438	3,956	1,843	7,269	4,913	3,652	1,612	6,510
Dynamics	3,099	2,155	1,005	4,281	2,489	1,785	775	3,812
Electronic Defence Systems	3,267	2,087	988	4,474	2,984	1,983	808	4,440
Security and Defence Solutions	3,560	2,399	1,060	5,278	3,367	2,288	1,055	5,665
Support and Services	2,532	1,780	814	3,439	2,341	1,659	820	3,212
Corporate	753	530	226	1,511	1,163	871	442	1,590
Internal	-1,770	-1,212	-524	-2,456	-1,649	-1,213	-533	-2,208
Saab Group	16,879	11,695	5,412	23,796	15,608	11,025	4,979	23,021
EBITDA								
Aeronautics	117	82	65	-1,313	45	148	146	617
Dynamics	387	259	118	497	225	181	86	494
Electronic Defence Systems	498	342	151	997	531	411	164	776
Security and Defence Solutions	217	155	37	501	260	171	61	715
Support and Services	274	223	107	433	289	235	123	338
Corporate	253	152	-43	400	295	275	7	745
Saab Group	1,746	1,213	435	1,515	1,645	1,421	587	3,685

NOTE 16 CONTINUED

PRELIMINARY PRO-FORMA SUMMARY

MSEK	Jan-Sep 2009	Jan-June 2009	Jan-Mar 2009	Jan-Dec 2008	Jan-Sep 2008	Jan-June 2008	Jan-Mar 2008	Jan-Dec 2007
EBITDA MARGIN, %								
Aeronautics	2.2	2.1	3.5	-18.1	0.9	4.1	9.1	9.5
Dynamics	12.5	12	11.7	11.6	9	10.1	11.1	13
Electronic Defence Systems	15.2	16.4	15.3	22.3	17.8	20.7	20.3	17.5
Security and Defence Solutions	6.1	6.5	3.5	9.5	7.7	7.5	5.8	12.6
Support and Services	10.8	12.5	13.1	12.6	12.3	14.2	15	10.5
Saab Group	10.3	10.4	8	6.4	10.5	12.9	11.8	16
OPERATING INCOME								
Aeronautics	-67	-41	3	-1,508	-92	45	111	454
Dynamics	252	169	75	112	149	129	59	406
Electronic Defence Systems	93	75	27	524	213	184	75	216
Security and Defence Solutions	157	105	11	331	213	137	38	615
Support and Services	262	215	103	413	274	225	118	321
Corporate	174	99	-69	294	218	224	-16	595
Saab Group	871	622	150	166	975	944	385	2,607
EBIT MARGIN, %								
Aeronautics	-1.2	-1	0.2	-20.7	-1.9	1.2	6.9	7
Dynamics	8.1	7.8	7.5	2.6	6	7.2	7.6	10.7
Electronic Defence Systems	2.8	3.6	2.7	11.7	7.1	9.3	9.3	4.9
Security and Defence Solutions	4.4	4.4	1	6.3	6.3	6	3.6	10.9
Support and Services	10.3	12.1	12.7	12	11.7	13.6	14.4	10
Saab Group	5.2	5.3	2.8	0.7	6.2	8.6	7.7	11.3
ADJUSTED OPERATING MARGIN, %								
Aeronautics	0.6	1.5	0.2	3.6	2.9	7.6	6.9	7
Dynamics	8.1	7.8	7.5	8.5	6	7.2	7.6	9.5
Electronic Defence Systems	2.8	3.6	2.7	11.7	7.1	9.3	9.3	7.3
Security and Defence Solutions	4.4	4.4	1	8.2	6.3	6	3.6	10.3
Support and Services	10.3	12.1	12.7	12	11.7	13.6	14.4	10
Saab Group	4.9	4.9	2.8	8.4	5.9	8.9	7.7	9.4
OPERATING CASH FLOW								
Aeronautics	-502	-475	-310	-1,007	-1,068	-1,162	-169	-773
Dynamics	-21	-75	103	830	186	301	438	-822
Electronic Defence Systems	199	168	333	175	-340	136	437	-521
Security and Defence Solutions	-41	370	-193	308	561	222	92	55
Support and Services	145	-88	60	-285	-281	-269	-182	243
Corporate	397	-143	-449	638	563	-164	-313	215
Saab Group	177	-243	-456	659	-379	-936	303	-1,603

NOTE 16 CONTINUED

PRELIMINARY PRO-FORMA SUMMARY

MSEK	Jan-Sep 2009	Jan-June 2009	Jan-Mar 2009	Jan-Dec 2008	Jan-Sep 2008	Jan-June 2008	Jan-Mar 2008	Jan-Dec 2007
CAPITAL EMPLOYED								
Aeronautics	2,675	2,665	2,648	3,022	4,180	4,168	3,984	4,202
Dynamics	3,169	3,175	2,873	2,942	3,533	3,435	3,187	3,698
Electronic Defence Systems	5,789	5,564	5,206	5,571	5,401	5,235	4,981	5,130
Security and Defence Solutions	2,841	2,858	2,599	2,496	2,291	2,806	2,597	2,979
Support and Services	1,620	1,836	1,623	1,518	1,413	1,414	1,209	977
Corporate	-1,567	-1,647	-1,672	-2,331	-1,993	-950	-2,084	-2,217
Saab Group	14,527	14,451	13,277	13,218	14,825	16,108	13,874	14,769
NUMBER OF EMPLOYEES								
Aeronautics	3,040	3,065	3,091	3,100	3,043	3,023	2,979	2,911
Dynamics	1,765	1,781	1,805	1,805	1,793	1,812	1,851	1,849
Electronic Defence Systems	2,633	2,632	2,615	2,670	2,638	2,631	2,613	2,491
Security and Defence Solutions	2,543	2,518	2,462	2,449	2,657	2,656	2,769	2,875
Support and Services	1,757	1,765	1,796	1,814	1,839	1,718	1,742	1,734
Corporate	1,507	1,515	1,509	1,456	1,436	1,953	1,909	1,897
Saab Group	13,245	13,276	13,278	13,294	13,406	13,793	13,863	13,757
SPLIT OF SALES (%)								
DEFENCE/CIVIL								
Aeronautics	92/8	93/7	93/7	93/7	94/6	95/5	93/7	94/6
Dynamics	90/10	90/10	91/9	90/10	89/11	90/10	87/13	92/8
Electronic Defence Systems	99/1	99/1	100/0	100/0	100/0	100/0	100/0	100/0
Security and Defence Solutions	65/35	68/32	65/35	72/28	73/27	76/24	77/23	74/26
Support and Services	77/23	70/30	67/33	74/26	75/25	72/28	71/29	61/39
Saab Group	84/16	87/13	83/17	83/17	82/18	83/17	81/19	81/19