



3-month Report January – March 2002

Teleconference
April 24, 2002



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Highlights 1st quarter 2002

- Czech government approved the procurement of 24 Gripen fighters
- Order bookings SEK 6 bn and all-time high order backlog: over SEK 42 bn
- Sales SEK 3.5 bn, increase of 5%
- Operating income SEK 146 m. (153)
- Acquisitions
 - Signature management business in the US
 - Outstanding minority in Combitech Systems



Czech Republic selects Gripen

- Government approved
- Pending parliamentary approval
- 24 Gripen
- First division operational by end of 2005



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SEK 6 bn order bookings



- Tactical mission system for NH90
- 200 forward fuselages



British Army laser simulator maintenance



Separate orders and spare parts for Gripen



Anti-armor weapons



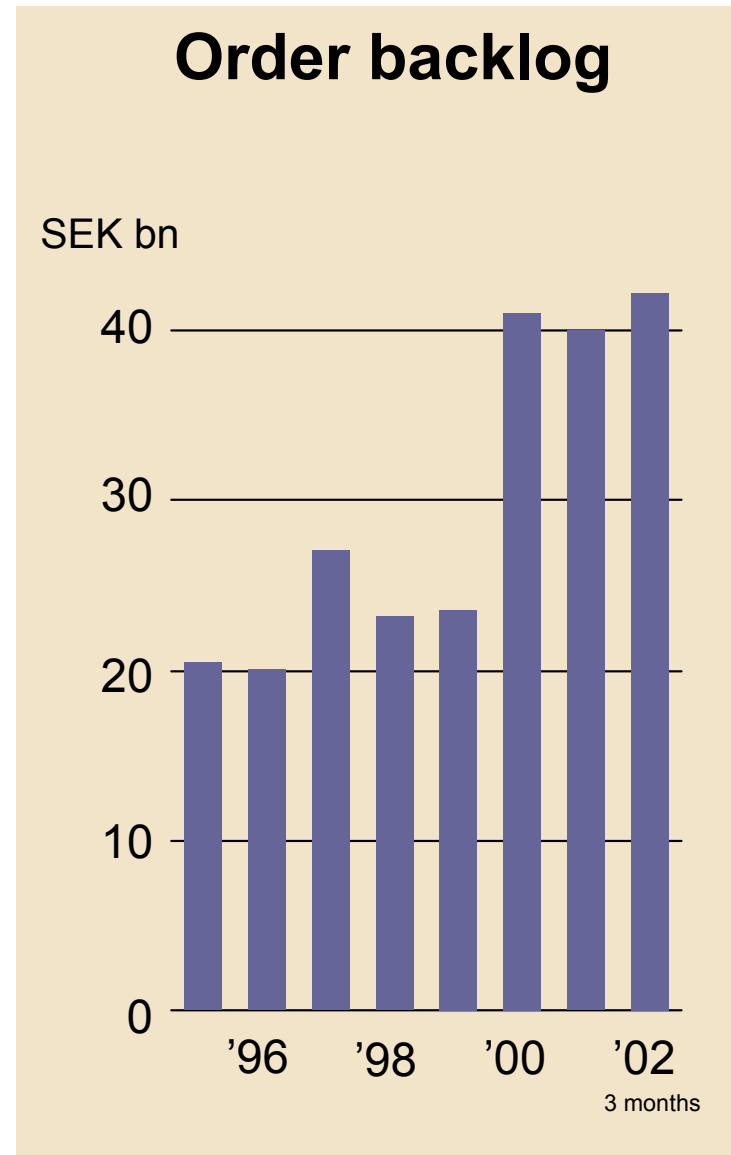
Underwater vehicles



Computer equipment for scientific satellites

Order backlog

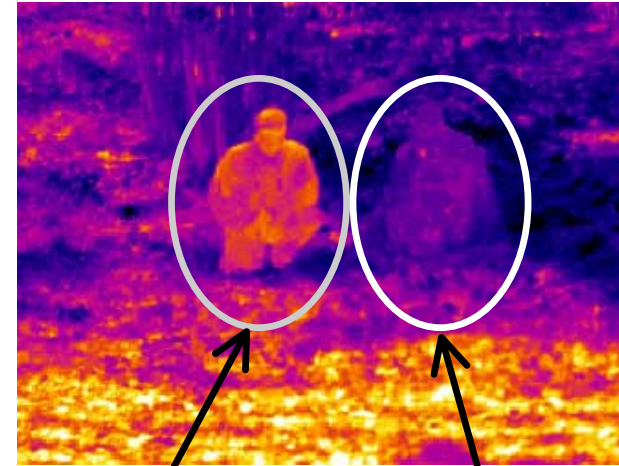
- Order backlog all-time high, SEK 42 bn
- High-quality and firm orders



Acquisitions

- Acquisition of signature management business in Lillington, NC, USA
- License manufacturing for Saab Barracuda since 1994
- Acquisition of outstanding 35 per cent minority in Combitech Systems for SEK 87.5 m.

Thermal picture

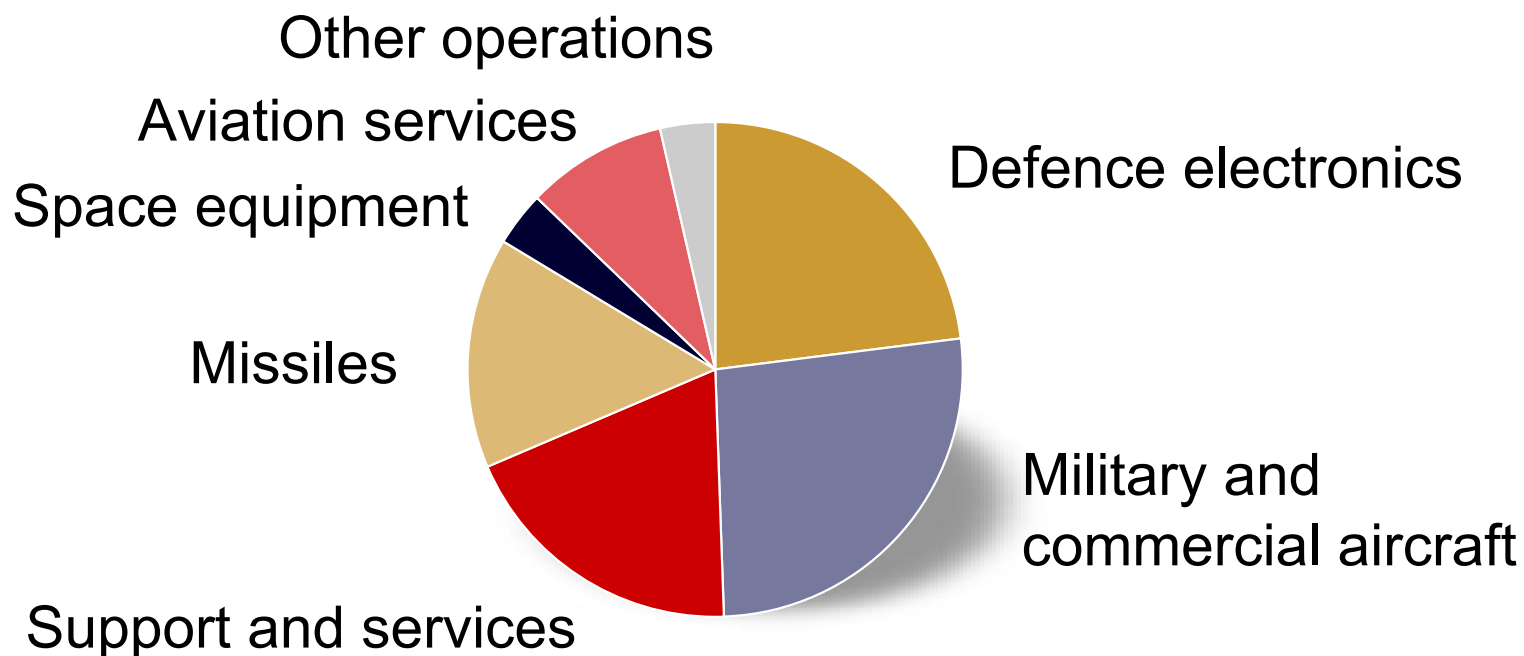


Standard
combat
uniform

Signature
adapted
equipment



Saab



	3 months 2002	3 months 2001	12 months 2001
Sales, SEK m.	3,530	3,362	15,689
EBIT, SEK m. *	146	153	944
Operating margin, per cent	4.1	4.6	6.0
No. of employees, total	14,026	14,845	14,028

* Before capital gains



Order bookings and order backlog

SEK million	Order bookings 3 months		Order backlog
	2002	2001	Mar. 31, 2002
Systems and Electronics	1,996	860	9,764
Aerospace	1,781	1,015	27,888
Technical Support and Services	1,014	980	1,360
Dynamics	922	482	4,428
Space	132	209	394
Aviation Services	388	384	142
Corporate/ Other operations	100	139	368
Internal	-273	-275	-2,108
Saab Group	6,060	3,794	42,236



Sales

SEK millions	3 months 2002	3 months 2001	12 months 2001
Systems and Electronics	893	831	3,964
Aerospace	1,015	659	4,097
Technical Support and Services	742	777	3,144
Dynamics	580	572	2,493
Space	135	204	800
Aviations Services	362	392	1,539
Corporate/ Other operations	136	161	615
Internal	-333	-234	-963
Saab Group	3,530	3,362	15,689

Operating income

SEK millions	3 months		3 months		12 months	
	2002	margin	2001	margin	2001	margin
Systems and Electronics	57	6.4%	57	6.9%	330	8.3%
Aerospace	131	12.9%	64	9.7%	351	8.6%
Technical Supp & Serv	55	7.4%	55	7.1%	241	7.7%
Dynamics	2	0.3%	14	2.4%	85	3.4%
Space	-42	neg.	14	6.9%	30	3.8%
Aviation Services	29	8.0%	52	13.3%	140	9.1%
Corporate/Other op.	-42		-65		-71	
Total before goodwill	190	5.4%	191	5.7%	1,106	7.0%
Goodwill amortization	-44		-38		-162	
Capital gains etc	-		650		650	
Saab Group	146	4.1%	803	23.9 %	1,594	10.2%

Income statement

SEK millions	3 months 2002	3 months 2001	12 months 2001
Sales	3,530	3,362	15,689
Cost of goods sold	-2,690	-2,480	-11,697
Gross margin	840	882	3,992
<i>Gross margin</i>	23.8%	26.2%	25.4%
Marketing expenses	-303	-341	-1,385
Administrative expenses	-260	-284	-1,062
Research and development costs	-120	-188	-718
Other operating income	53	756	827
Other operating expenses	-64	-16	-94
Share in income of associated companies	-	-6	34
Operating income	146	803	1,594
<i>Operating margin</i>	4.1%	23.9%	10.2%
Result from financial investments	-48	-1	-40
Income after financial items	98	802	1,554
Taxes	-32	-144	-379
Minority interest	12	-27	-48
Net income	78	631	1,127
Earnings per share, SEK	0.73	5.93	10.59

Balance sheet

SEK millions	Mar. 31, 2002	Mar. 31, 2001	Dec. 31, 2001
Assets			
Goodwill and other intangible assets	2,090	1,451	1,978
Property, plant and equipment, etc.	4,201	4,658	4,369
Lease assets	5,991	5,902	6,103
Long-term interest bearing receivables	1,250	1,678	1,296
Shares, etc	470	945	466
Deferred tax receivables	1,485	1,340	1,521
Inventories, etc.	3,945	3,818	3,729
Short-term interest bearing receivables	276	220	332
Other receivables	4,779	5,677	5,401
Cash and marketable securities	4,485	4,847	4,706
Total assets	28,972	30,536	29,901
Shareholders' equity and liabilities			
Shareholders' equity	6,723	6,387	6,679
Minority interest in subsidiaries	139	842	168
Provision for pensions	3,751	3,543	3,678
Other provisions	2,760	3,695	2,983
Liabilities to credit institutions	1,609	1,786	1,539
Convertible debenture loan	233	228	232
Lease obligations	3,120	3,748	3,121
Advance payments from customers, net	3,557	3,372	4,194
Other liabilities	7,080	6,935	7,307
Total shareholders' equity and liabilities	28,972	30,536	29,901
Equity/assets ratio,%	23.2	20.9	22.3



Balance sheet, Mar. 31, 2002, subdivided

SEK millions	Saab	Saab Aircraft Leasing	Elimi- nations	Saab Group
Goodwill and other intangible assets	2,090			2,090
Property, plant and equipment	4,197	4		4,201
Lease assets		5,991		5,991
Long-term interest bearing receivables	1,250			1,250
Shares, etc	1,970		-1,500	470
Deferred tax receivables	1,704		-219	1,485
Inventories, etc.	3,945			3,945
Short-term interest bearing receivables	276			276
Other receivables	3,729	1,050		4,779
Cash and marketable securities	4,485			4,485
Total assets	23,646	7,045	-1,719	28,972
Shareholders' equity	6,368	1,855	-1,500	6,723
Minority interest in subsidiaries	141	-2		139
Provision for pensions	3,751			3,751
Other provisions	2,314	665	-219	2,760
Liabilities to credit institutions	1,253	356		1,609
Convertible debenture loan	233			233
Lease obligations		3,120		3,120
Advance payments from customers, net	3,557			3,557
Other liabilities	6,029	1,051		7,080
Total shareholders' equity & liabilities	23,646	7,045	-1,719	28,972



Cash flow

SEK millions	3 months 2002	3 months 2001	12 months 2001
Cash flow from operating activities			
Income after financial items excl share in income of associated companies	98	808	1,520
Depreciation and write-down charged to income	303	300	1,227
Tax	-5	-46	-95
Cash flow from operating activities before changes in working capital	396	1,062	2,652
Working capital			
Inventories etc.	-216	-134	-45
Receivables	633	400	671
Advance payments from customers	-637	-247	575
Other liabilities	-227	-619	-247
Lease obligations	-1	-168	-795
Provisions	-223	-126	-838
Change in working capital	-671	-894	-679
Cash flow from operating activities	-275	168	1,973
Investments in intangible fixed assets	-156	130	-568
Investments in shares etc.	-4	-2	506
Investments in tangible fixed assets	44	-82	-156
Investments in lease assets	-23	474	-120
Change in long-term receivables	-11	2	7
Cash flow from investments	-150	522	-331
Operating cash flow	-425	690	1,642



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Cash flow

SEK millions	3 months 2002
Operations	-130
Acquisitions	-77
Saab Aircraft Leasing and regional aircraft	-218
Total	-425

Strengths

- Sophisticated home market
- Product portfolio
- Always in the finals
- Substantial high-quality order book
- International partnerships
- Focus on growth areas
- Strong financials



Weaknesses

- Company size
- Domestic market size

Opportunities

- Market growth
- Export opportunities
- Industry consolidation / acquisitions
- Outsourcing
- Technology spin-offs
value creation

