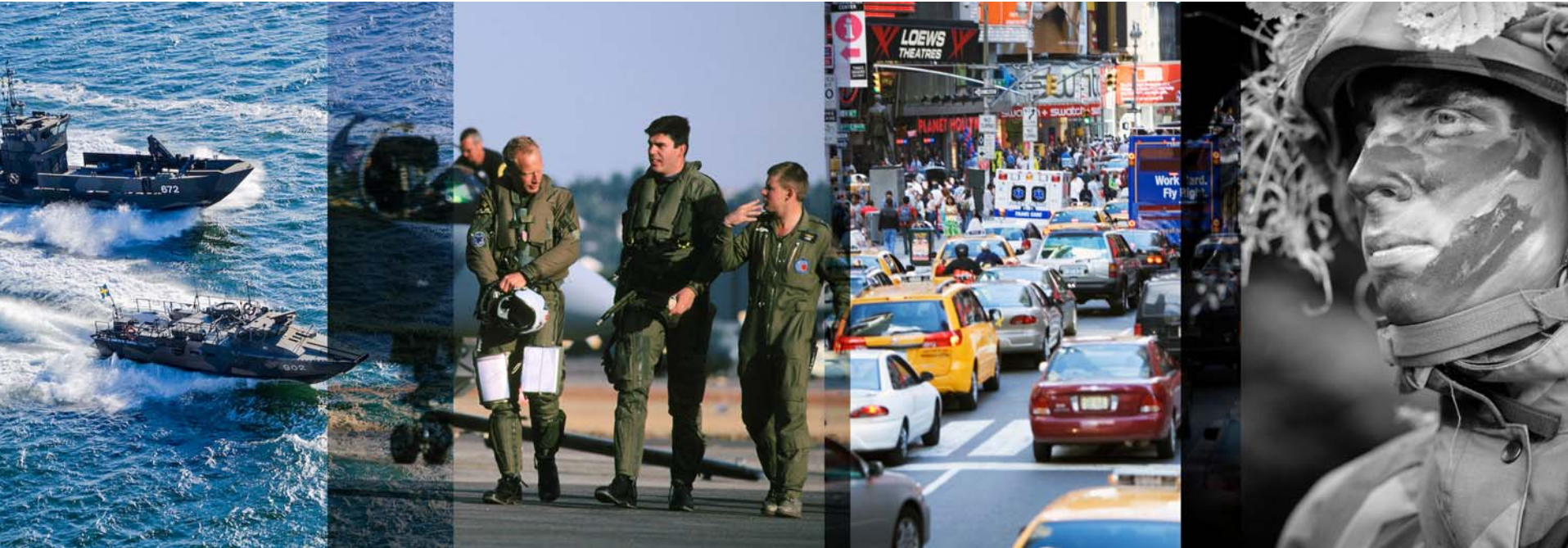


INTERIM REPORT

JANUARY - JUNE 2008



ÅKE SVENSSON, CEO AND LARS GRANLÖF, CFO

JULY 18, 2008

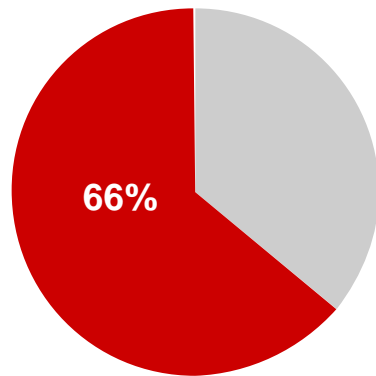
PRESS CONFERENCE PRESENTATION

JANUARY – JUNE IN BRIEF

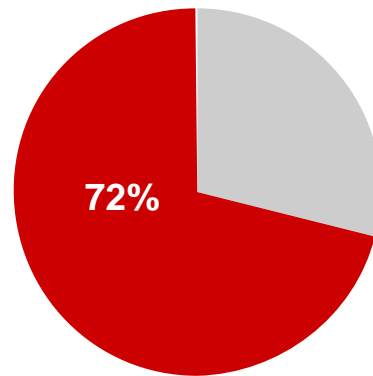
MSEK	2008	2007
Order bookings	12,955	8,345
Order backlog (SEK billion)	48.6	47.8
Sales	11,025	10,852
Operating income	944	1,044
Operating margin, %	8.6	9.6
Net income	569	708
Earnings per share (SEK)	5.25	6.37



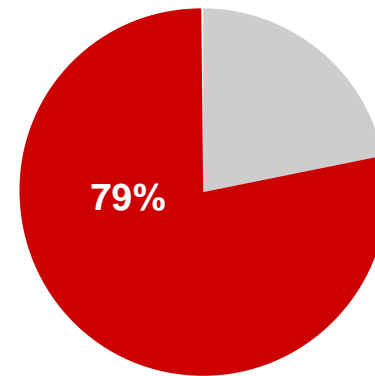
INTERNATIONAL BUSINESS



Sales



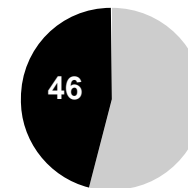
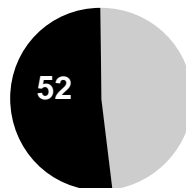
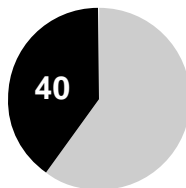
Order bookings



Order backlog

Jan-June 2008

- ▶ International
- ▶ Sweden



Full year 2001

- ▶ International
- ▶ Sweden

WORLD PREMIERE FOR GRIPEN DEMO

- An important step for Gripen to retain its position at the cutting edge of technology
- A month after Gripen Demo was presented it flew for the first time

April 23



May 27



ROLL-OUT AND MAIDEN FLIGHT

- The first Saab 2000 Erieye AEW&C aircraft for Pakistan was displayed and flew for the first time - all within a month

March 27



April 29



MONITORING PRISON

- Saab signed contract for surveillance systems at Swedish Prison and Probation Service institutions



NEW SUCCESSES FOR GIRAFFE

- Five GIRAFFE to Lockheed Martin UK
- A collaboration agreement with Sensis Corporation in the US



NEW ORDERS FOR CARL-GUSTAF AND AT4

- The US government once more purchased Carl-Gustaf weapon systems and ammunition
- Saab also signed a contract with the US government for the AT4 anti-armour system



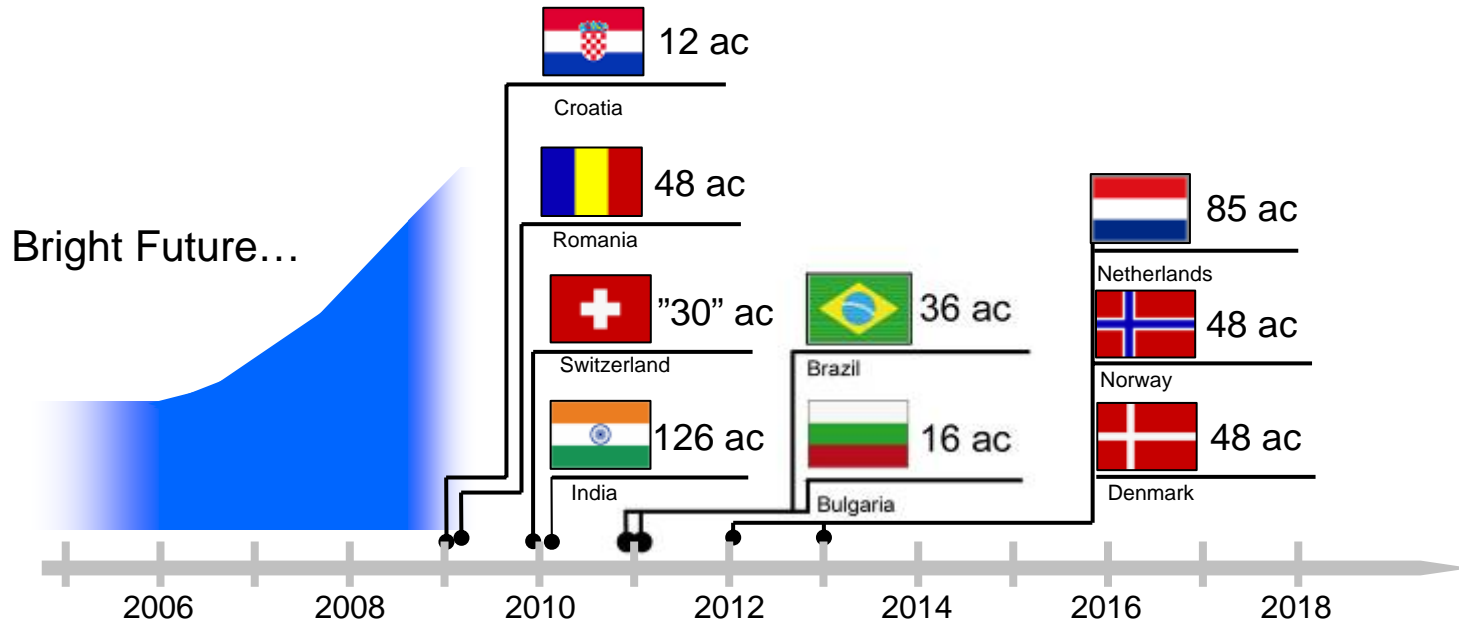
NEW GRIPEN TENDERS

- Three major Gripen tenders were submitted to Norway, India Switzerland



A GREAT INTEREST IN GRIPEN

Captured Business



Additional Opportunities...



NEW GRIPEN ORDER FROM SWEDEN

- The Swedish Armed Forces order electronic warfare systems and supplements for the weapons pylons for Gripen



A STRONGER BRAND WITHIN CIVIL SECURITY

- Saab creates a new business unit for the civil security product and service portfolio
- Gunilla Fransson was appointed President and Managing Director for Saab Security



NEW PARTNERS IN SAAB SOUTH AFRICA

- An agreement on Black Economic Empowerment (BEE) partner was signed for Saab Grintek Technologies
- Imbani Amandaba (Pty) Ltd acquired 25 percent plus one share of Saab Grintek Defence (Pty) Ltd of Saab Grintek Defence



SAAB DIVESTS SAAB SPACE

- Saab divests Saab Space to Swiss Aerospace and Defence group RUAG



NEW EXECUTIVE VICE PRESIDENT

- Lena Olving has been appointed new Executive Vice President at Saab, a member of Group Management and head of the System and Products segment from December 1





SAAB

January-June 2008 FINANCIALS

PRESS CONFERENCE

NAME Lars Granlöv

DATE July 18, 2008

TITLE January-June 2008 Financials

ORDER BOOKINGS AND ORDER BACKLOG

MSEK	Order bookings	Order bookings	Order backlog
	Jan-June 2008	Jan-June 2007	June 30, 2008
Defence & Security Solutions	4,098	2,933	10,208
Systems & Products	5,043	4,069	18,530
Aeronautics	5,425	2,221	22,767
Corporate/Internal	-1,611	-878	-2,934
Saab Group	12,955	8,345	48,571

SALES

MSEK	Jan-June 2008	Jan-June 2007	Change
Defence & Security Solutions	4,461	4,317	3%
Systems & Products	3,972	4,302	-8%
Aeronautics	3,652	3,004	22%
Corporate/Internal	-1,060	-771	
Saab Group	11,025	10,852	2%

OPERATING INCOME, EBIT

MSEK	Jan-June		Jan-June	
	2008	<i>margin</i>	2007	<i>margin</i>
Defence & Security Solutions	380	8.5%	446	10.3%
Systems & Products	366	9.2%	403	9.4%
Aeronautics	45	1.2%	188	6.3%
Corporate	153		7	
Saab Group*	944	8.6%	1,044	9.6%

*Explanatory items	+38		-154	
Saab Group adjusted EBIT	982	8.9%	890	8.2%

The Billion SEK Program positively affected the operating margin by more than 1 percentage point during the first half year.

INCOME STATEMENT

MSEK	Jan-June 2008	Jan-June 2007
Sales	11,025	10,852
Cost of goods sold	-7,980	-8,038
Gross income	3,045	2,814
<i>Gross margin</i>	27.6%	25.9%
Other operating income	99	218
Marketing expenses	-925	-817
Administrative expenses	-711	-701
Research and development costs	-551	-471
Other operating expenses	-20	-23
Share in income of associated companies	7	24
Operating income	944	1,044
<i>Operating margin</i>	8.6%	9.6%
Result from financial investments	-142	-92
Income before taxes	802	952
Taxes	-233	-244
Net income	569	708
Earnings per share after dilution, SEK	5.25	6.37
Tax rate	29%	26%

BALANCE SHEET

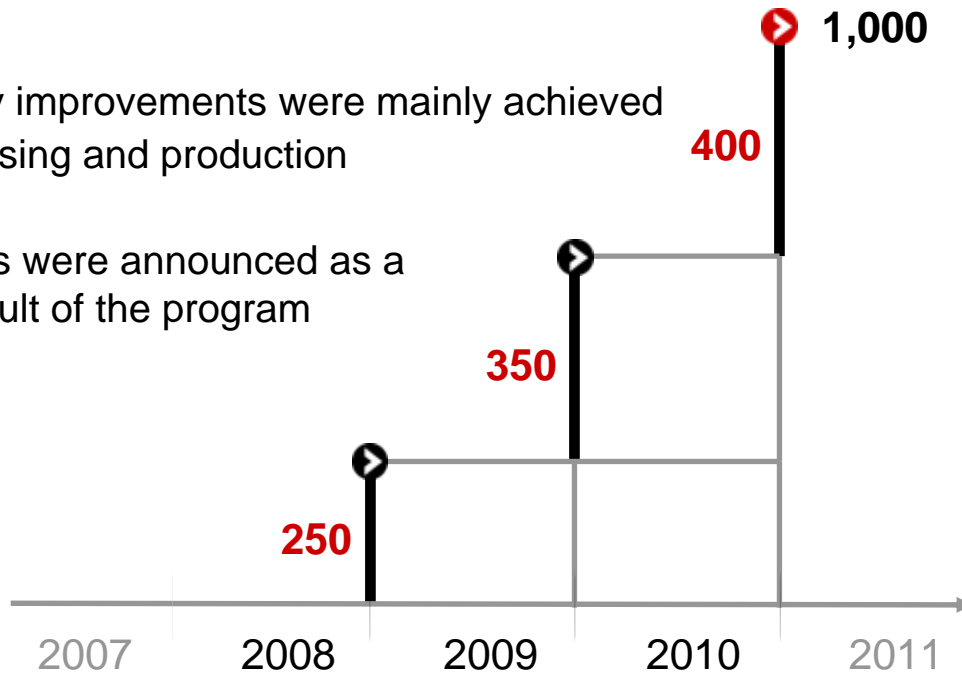
MSEK	June 30 2008	Dec 31 2007	Change 2008	June 30 2007
Assets				
Fixed assets	15,223	15,747	-524	16,590
Current assets	18,164	18,054	110	16,196
Total assets	33,387	33,801	-414	32,786
Shareholders' equity and liabilities				
Shareholders' equity	10,859	11,008	-149	10,124
Long-term liabilities	3,488	3,652	-164	4,391
Short-term liabilities	19,040	19,141	-101	18,271
Total liabilities	22,528	22,793	-265	22,662
Total shareholders' equity & liabilities	33,387	33,801	-414	32,786
Equity/assets ratio	32.5%	32.6%		30.9%
Total net debt (-)	-2,963	-1,627	-1,336	190

SUMMARISED CASH FLOW January-June

MSEK	Saab	SAL	Divestments/ Investments	Actual 2008	2007
Cash flow from operations	988	96	0	1,084	1,393
Inventories	-429	1	-	-428	-455
Receivables	-110	230	-	120	-642
Advances	-520	-	-	-520	210
Lease obligations	-	-142	-	-142	-193
Liabilities	-431	-161	-	-592	-73
Provisions	-97	-95	-	-192	-210
Change in working capital	-1,587	-167	0	-1,754	-1,363
Intangible assets	-349	-	-	-349	-313
Fixed assets	-117	-	-	-117	-178
Leasing assets	-	85	-	85	307
Acquisitions	-	-	-	-	-138
Divestments	-	-	40	40	308
Acq/sales of financial assets	7	68	-	75	-7
Cash flow from investments	-459	153	40	-266	-21
Operating cash flow	-1,058	82	40	-936	9

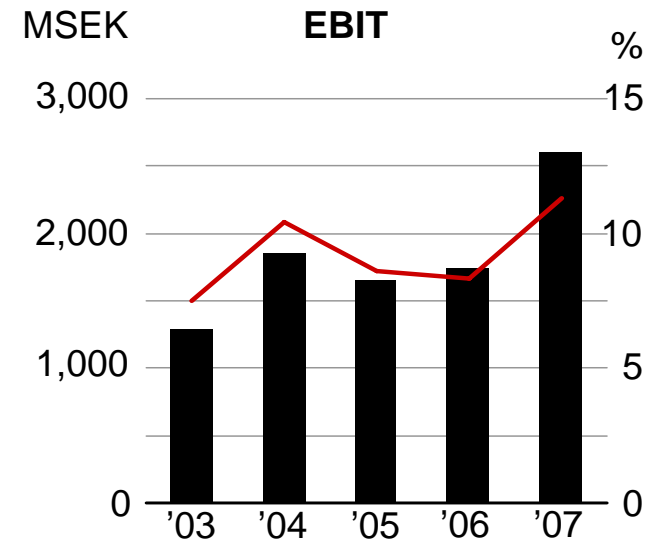
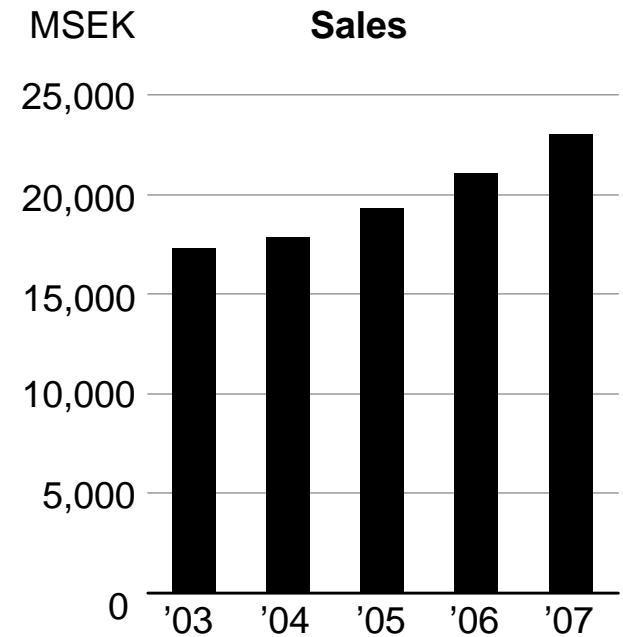
Billion SEK Program

- The Billion SEK program improved the margin by approximately 1 percentage point in the period
- System & Products accounted for a majority of the savings
- Efficiency improvements were mainly achieved in purchasing and production
- No layoffs were announced as a direct result of the program



OUTLOOK 2008

- ▶ For 2008 we expect development in line with Saab's long-term financial objectives: 5 percent organic sales growth and an operating margin of 10 percent excluding non-recurring items



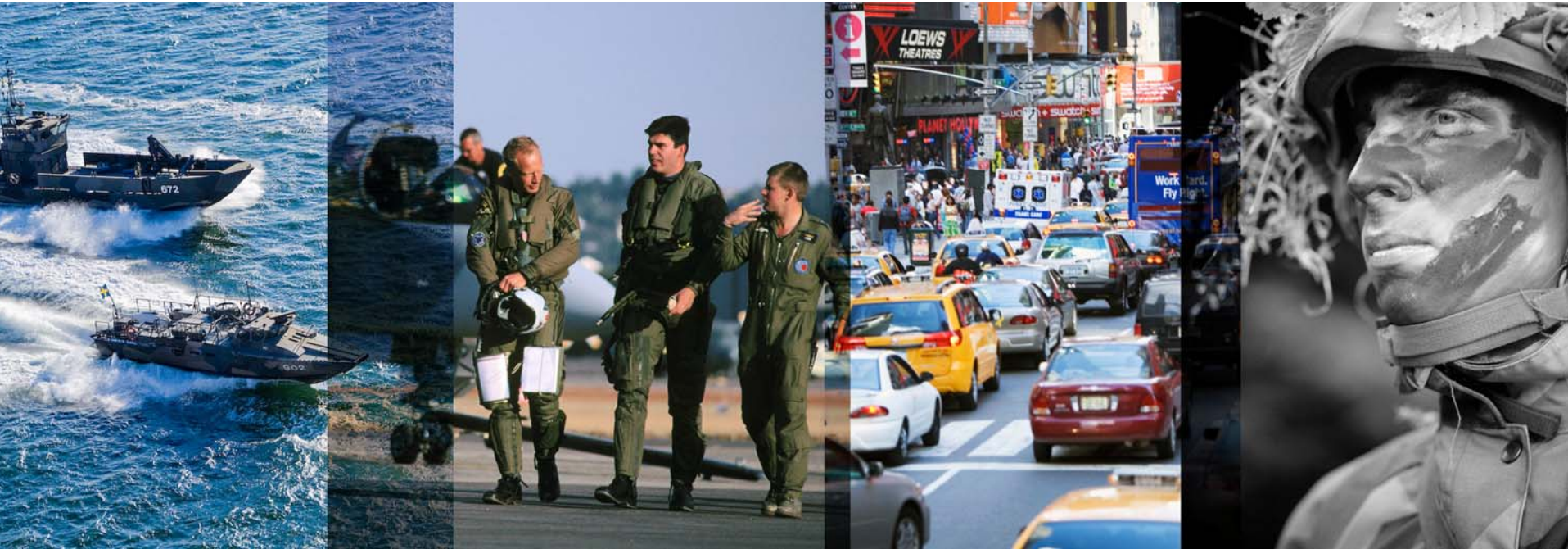
- Operating margin
- Operating income



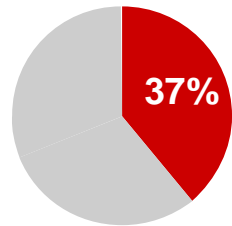
SAAB

SAABGROUP.COM

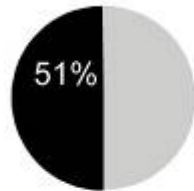
APPENDIX



DEFENCE AND SECURITY SOLUTIONS



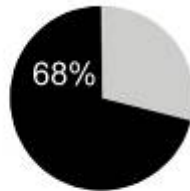
▶ Sales, % of total



Sales



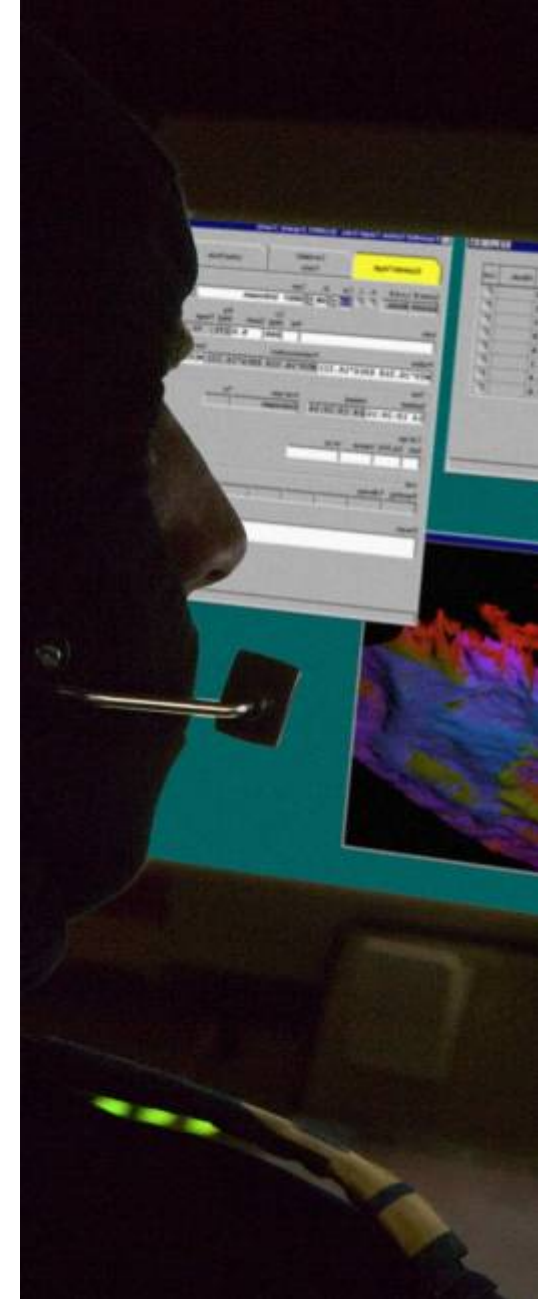
Order bookings



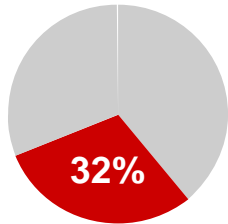
Order backlog

▶ International

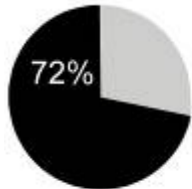
	Jan-June	Jan-June
MSEK	2008	2007
Sales	4,461	4,317
EBIT	380	446
Operating margin, %	8.5	10.3
Order bookings	4,098	2,933
Order backlog	10,208	12,255



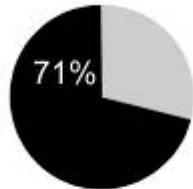
SYSTEMS AND PRODUCTS



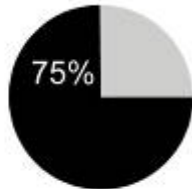
▶ Sales, % of total



Sales



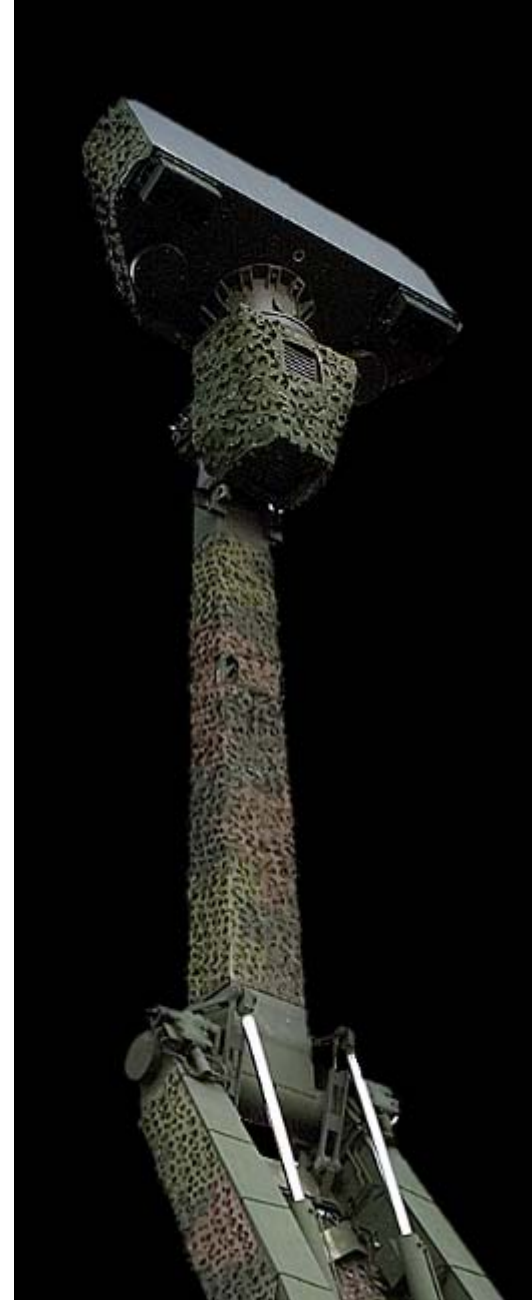
Order bookings



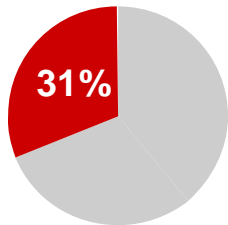
Order backlog

▶ International

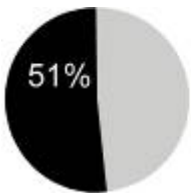
MSEK	Jan-June	Jan-June
	2008	2007
Sales	3,972	4,302
EBIT	366	403
Operating margin, %	9.2	9.4
Order bookings	5,043	4,069
Order backlog	18,530	18,107



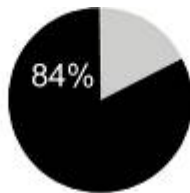
AERONAUTICS



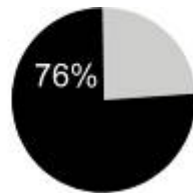
▶ Sales, % of total



Sales



Order bookings



Order backlog

▶ International

MSEK	Jan-June	Jan-June
	2008	2007
Sales	3,652	3,004
EBIT	45	188
Operating margin, %	1.2	6.3
Order bookings	5,425	2,221
Order backlog	22,767	19,507



ORDER BACKLOG



NLAW



Meteor/
Iris-T



Airborne
surveillance
system



RBS70



Tornado



Boeing



RBS15



ANZAC



Airbus



AT4/
Carl-Gustaf



Arthur

OPERATING INCOME, EBIT/EBITDA

MSEK		Jan-June		Jan-June	
		2008	margin	2007	margin
Defence & Security	EBIT	380	8.5%	446	10.3%
	EBITDA	470	10.5%	544	12.6%
Systems & Products	EBIT	366	9.2%	403	9.4%
	EBITDA	607	15.3%	626	14.6%
Aeronautics	EBIT	45	1.2%	188	6.3%
	EBITDA	148	4.1%	254	8.5%
Corporate	EBIT	153		7	
	EBITDA	196		77	
Saab Group	EBIT	944	8.6%	1,044	9.6%
	EBITDA	1,421	12.9%	1,501	13.8%

OPERATING CASH FLOW VS STATEMENT OF CASH FLOW

MSEK	Jan-June 2008	Jan-June 2007
Operating cash flow	-936	9
Cash flow from financing:		
Establishment of pension fund	-	-43
Loans raised/amortized	1,576	-18
Dividend	-487	-464
Share repurchase	-	-58
Cash flow from investments – interest bearing:		
Short-term investments	-	-
Financial investments	308	-29
Statement of Cash flow	461	-603

BALANCE SHEET

MSEK	June 30 2008	Dec, 31 2007	Change
Assets			
Intangible fixed assets	8,090	7,940	150
Tangible fixed assets	3,527	3,619	-92
Lease assets	1,574	1,822	-248
Biological assets	241	241	-
Investment properties	72	72	-
Shares in associated companies	284	318	-34
Financial investments	168	233	-65
Long-term receivables	749	960	-211
Deferred tax receivables	518	542	-24
Total fixed assets	15,223	15,747	-524
Inventories	5,608	5,383	225
Derivatives	784	479	305
Tax receivables	139	122	17
Accounts receivables	3,002	3,724	-722
Prepaid expenses and accrued income	824	556	268
Other receivables	5,899	5,862	37
Liquid assets	1,311	858	453
Total current assets	17,567	16,984	583
Assets held for sale	597	1,070	-473
Total assets	33,387	33,801	-414

BALANCE SHEET

MSEK	June 30 2008	Dec. 31 2007	Change
Shareholders' equity and liabilities			
Parent Company's shareholders' interest	10,830	10,981	-151
Minority interest	29	27	2
Total shareholders' equity	10,859	11,008	-149
Long-term interest-bearing liabilities	21	25	-4
Other liabilities	251	284	-33
Provision for pensions	26	101	-75
Other provisions	1,937	1,979	-42
Deferred tax liabilities	1,253	1,263	-10
Total long-term liabilities	3,488	3,652	-164
Short-term interest-bearing liabilities	5,202	3,635	1,567
Advance payments from customers	2,009	2,558	-549
Accounts payable	1,208	1,229	-21
Lease obligations	72	204	-132
Derivatives	598	414	184
Tax liabilities	345	368	-23
Other liabilities	825	806	19
Accrued expenses and deferred income	7,978	8,788	-810
Provisions	561	752	-191
Total current liabilities	18,798	18,754	44
Liabilities related to fixed assets held for sale	242	387	-145
Total shareholders' equity and liabilities	33,387	33,801	-414
Equity/assets ratio,%	32.5	32.6	

BALANCE SHEET, JUNE 30, 2008

SUBDIVIDED

MSEK	Saab	Saab Aircraft Leasing	Elimi- nations	Saab Group
Intangible assets	8,090	-	-	8,090
Tangible assets	3,840	-	-	3,840
Lease assets	-	1,574	-	1,574
Long-term interest-bearing receivables	354	-	-	354
Shares, etc	1,916	2	-1,500	418
Deferred tax assets	365	153	-	518
Inventories	5,598	10	-	5,608
Short-term interest-bearing receivables	621	1,053	-1,053	621
Other receivables	10,859	194	-	11,053
Cash and marketable securities	1,283	28	-	1,311
Total assets	32,926	3,014	-2,553	33,387
Shareholders' equity	10,565	1,794	-1,500	10,859
Provision for pensions	26	-	-	26
Other provisions	1,774	724	-	2,498
Deferred tax liabilities	1,253	-	-	1,253
Interest-bearing liabilities	6,276	-	-1,053	5,223
Lease obligations	-	72	-	72
Advance payments from customers	2,009	-	-	2,009
Other liabilities	11,023	424	-	11,447
Total shareholders' equity & liabilities	32,926	3,014	-2,553	33,387

NET LIQUIDITY / NET DEBT

MSEK	June 30 2008	Year-End 2007
Liabilities		
Long-term interest-bearing liabilities	-21	-25
Short-term interest-bearing liabilities	-5,202	-3,635
Provisions for pensions	-26	-101
Total interest-bearing liabilities	-5,249	-3,761
Assets		
Short-term investments	-	-
Liquid assets	1,311	858
Interest-bearing receivables	975	1,276
Total liquid investments	2,286	2,134
Total net liquidity/debt (-)	-2,963	-1,627

LIQUIDITY

MSEK	June 30 2008
Liquid investments at the beginning of the year	858
Operating cash flow from operations	-976
Acquisition and divestments of companies	40
Financial investments	308
Loans raised/amortized	1,576
Share repurchase	-
Dividend to shareholders	-487
Other changes, translation differences etc	-8
Liquid investments June 30	1,311



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