

Annual General Meeting of Saab AB on 10 April 2018

The Board's proposal for approval of the Board resolution on transfer of shares in the subsidiary AD Navigation AS.

Agenda Item 15

The Board of Directors proposes that the Annual General Meeting approves the transfer of Saab Technologies B.V.'s ("Saab Tech") shares in the Norwegian subsidiary AD Navigation AS (org.no. 985 253 846) (the "Company") to TTL Holding AS, a company controlled by Lorentz Ryan and his wife. Lorentz Ryan is a member of the Board of Directors and CEO in the Company. Saab AB holds 100% of the shares in Saab Tech, which owns 51% of the shares in the Company.

Saab Tech has entered into a share purchase agreement regarding transfer of 51% of the shares in the Company to TTL Holding AS. The share purchase agreement is subject to Chapter 16 of the Swedish Companies Act (the so-called Leo regulations) and is thus conditional upon the approval by the Shareholders' Meeting of Saab AB.

AD Navigation is a producer and supplier of navigation products mainly for portable navigation applications for larger ships used in harbors. AD Navigation is an entrepreneurial driven company with four employees. The average annual turnover amounts to approx. 12 MNOK over the last five years. Saab became a shareholder in the Company in 2012, through the acquisition of the Dutch group HITT (currently Saab Technologies B.V.).

Since the Company is not within the core business of Saab, Saab has for a period of time conducted a sale process in respect of the Company. Several external potential buyers have been approached without receiving any bid at a higher level than the current agreed purchase price.

The purchase price for Saab's shares in the Company (51%) amounts to 5.1 MNOK (approx. 5.2 MSEK) corresponding to a company value of 10 MNOK (approx. 10.2 MSEK) for 100 % of the shares. Making reference to conventional valuation multiples, the company valuation amounts to 2.6 times the Company's equity, and based on the average financial result over the last five years, the valuation amounts to 5.6 times the average EBITDA and 0.81 times the average turnover. In 2017, the Company's turnover and EBIT amounted to 12.4 MNOK and 0.46 MNOK, respectively.

The divestment will result in a capital gain of approx. 3 MNOK (approx. 3.1 MSEK). The share purchase agreement contains no warranties and its terms and conditions, including the purchase price, are considered to be on market terms by the Board.

Given that Lorentz Ryan is a member of the Board of Directors and CEO in AD Navigation AS and thus belongs to the category of persons covered by Chapter 16 of the Swedish Companies Act, the resolution to approve a transfer in accordance with the Board's proposal requires the support by shareholders representing at least nine-tenths of both the votes cast and the shares represented at the Shareholders' Meeting.

Linköping in March 2018

The Board of Directors of Saab Aktiebolag (publ)