



3-month Report January – March 2003

Teleconference
April 14, 2003



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Highlights Jan – March 2003

- Hungary upgrades leased Gripen fighters
- Good order intake for anti-armor weapons
- Order bookings SEK 6 bn and order backlog all-time high at about SEK 45 bn
- Sales SEK 4 bn, organic growth of 14%
– all defense oriented
- Operating income SEK 226 m. (146)
- For full year 2003: *We expect continued growth and improved operating income and margin*



Hungary upgrades leased Gripens

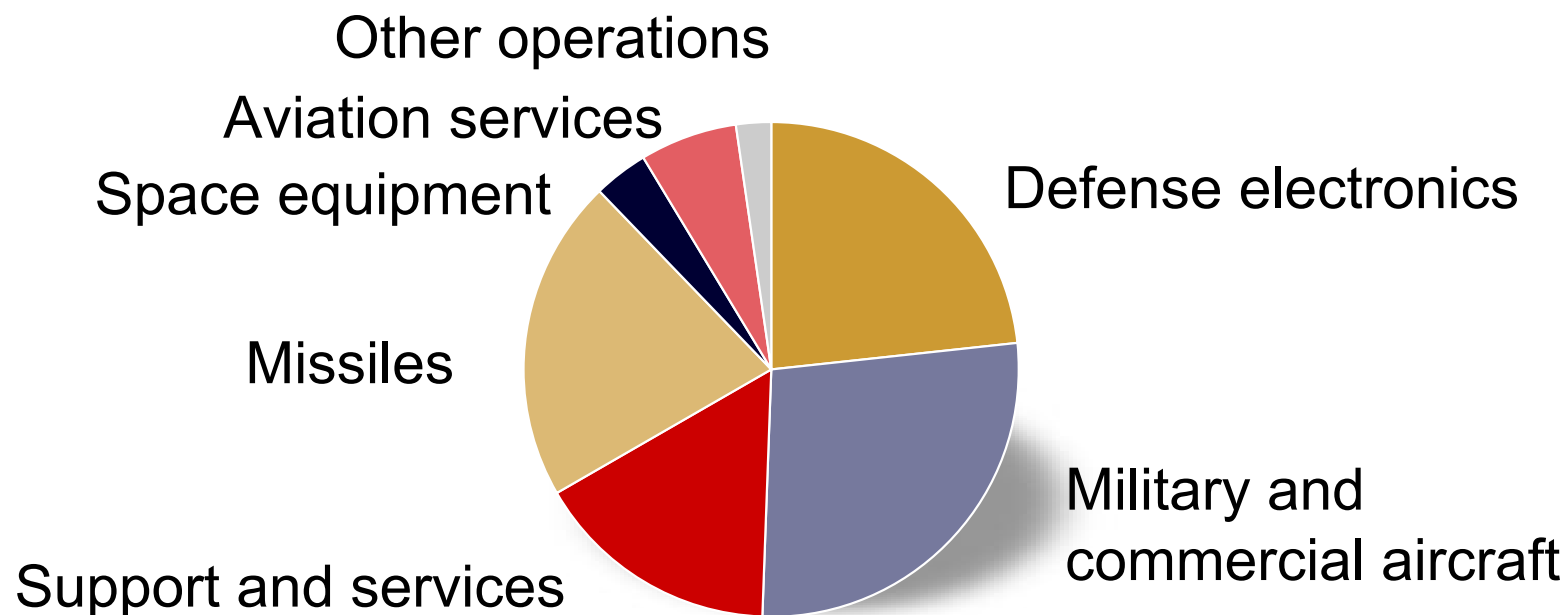


~SEK 3 bn
Deliveries 2006



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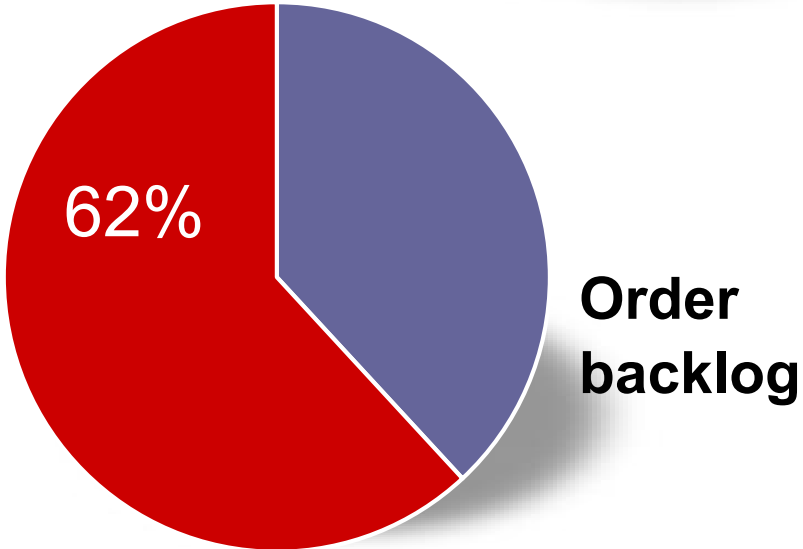
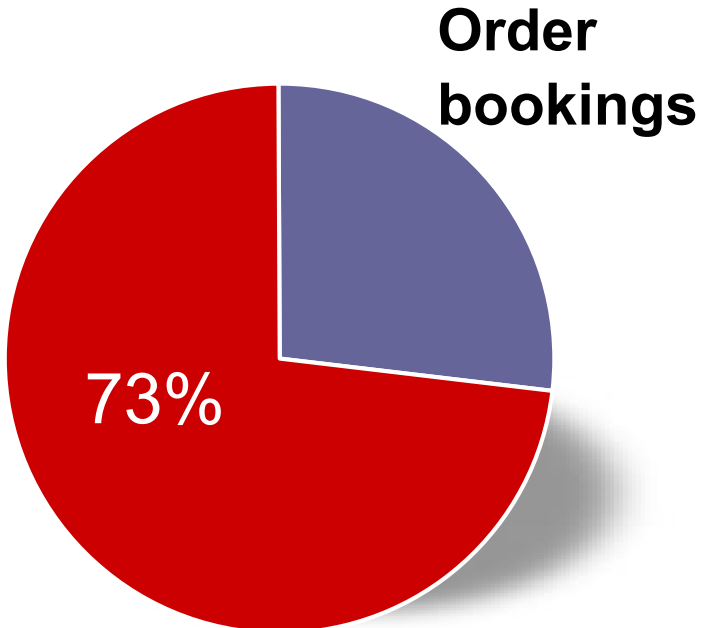
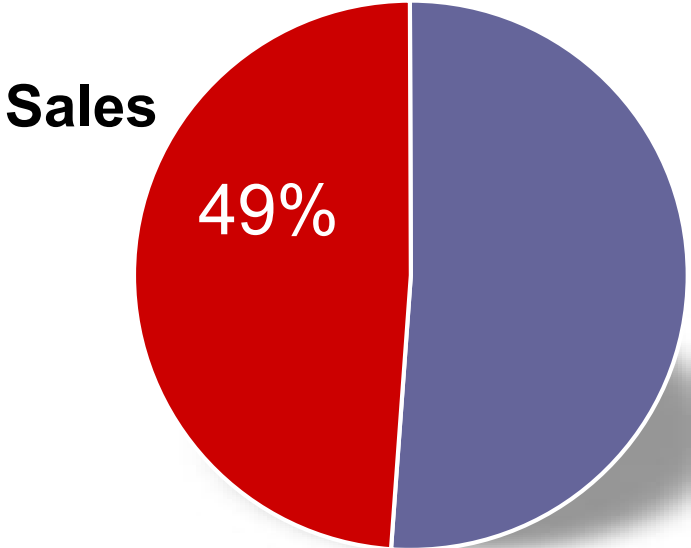
Saab



	3 months 2003	3 months 2002	12 months 2002
Sales, SEK m.	4,033	3,530	16,538
EBIT, SEK m.	226	146	1,220
Operating margin, per cent	5.6	4.1	7.4
No. of employees, total	13,807	14,026	14,036



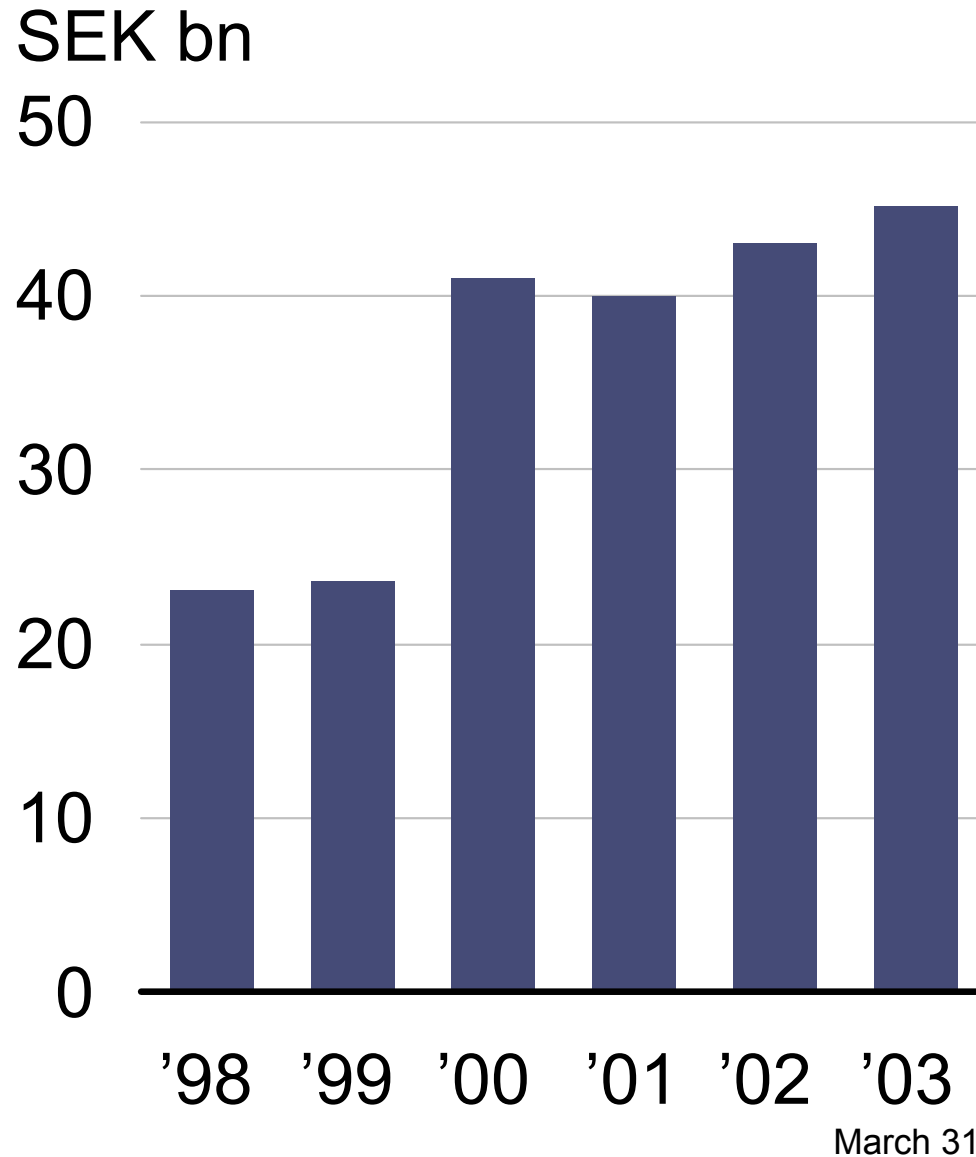
Foreign markets



■ International
■ Domestic



Substantial order backlog



- Order backlog all-time high, SEK 45 bn
- High-quality and firm orders
- Order backlog includes i.a.:
 - Gripen, Sweden and exports
 - TMS, sonar and EW systems & fuselage for helicopters
 - Command & Control systems
 - Display system (avionics)
 - Combat Training Centers, laser simulators & support/training
 - Electronic warfare
 - Reconnaissance pods
 - Air defense systems
 - Anti-armor systems
 - Torpedo systems
 - Anti-ship missiles

Operating income

SEK millions	3 months 2003		3 months 2002	
		<i>margin</i>		<i>margin</i>
Defense	307	8.3%	203	6.3%
Space & Aviation Serv	19	4.6%	27	5.4%
Corporate/Other op.	-25		-44	
Structural provisions	-75		-40	
Total	226	5.6%	146	4.1%

Order bookings and order backlog

SEK millions	Order bookings 3 months		Order backlog
	2003	2002	March 31, 2003
Systems and Electronics	931	1.996	9,552
Aerospace	2,957	1,781	26,486
Technical Support and Services	877	1,014	1,184
Dynamics	1.134	922	8,573
Space	76	132	662
Aviation Services	505	388	448
Corporate/ Other operations	77	100	196
Internal	-241	-273	-1,847
Saab Group	6,316	6,060	45,254



Sales

SEK millions	3 months 2003	3 months 2002	Change	12 months 2002
Systems and Electronics	981	893	10%	4,499
Aerospace	1,145	1,086	5%	4,782
Technical Support and Services	676	671	1%	2,922
Dynamics	882	580	52%	2,825
Space	149	135	10%	605
Aviations Services	267	362	-26%	1,328
Corporate/ Other operations	98	136		493
Internal	-165	-333		-916
Saab Group	4,033	3,530	14%	16,538

Operating income EBIT

SEK millions	3 months		3 months		12 months	
	2003	<i>margin</i>	2002	<i>margin</i>	2002	<i>margin</i>
Systems and Electronics	51	5.2%	34	3.8%	311	6.9%
Aerospace	158	13.8%	133	12.2%	579	12.1%
Technical Supp & Serv	59	8.7%	41	6.1%	207	7.1%
Dynamics	39	4.4%	-5	-0.9%	102	3.6%
Space	0	-	-42	<i>neg</i>	-62	<i>neg</i>
Aviation Services	19	7.1%	29	8.0%	136	10.2%
Corporate/Other op.	-100	N/a	-44	N/a	-53	N/a
Saab Group	226	5.6%	146	4.1%	1,220	7.4%

Operating income EBITA

SEK millions	3 months		3 months		12 months	
	2003	<i>margin</i>	2002	<i>margin</i>	2002	<i>margin</i>
Systems and Electronics	75	7.6%	57	6.4%	406	9.0%
Aerospace	160	14.0%	136	12.5%	589	12.3%
Technical Supp & Serv	68	10.1%	50	7.5%	243	8.3%
Dynamics	46	5.2%	2	0.3%	131	4.6%
Space	0	-	-42	<i>neg</i>	-61	<i>neg</i>
Aviation Services	19	7.1%	29	8.0%	137	10.3%
Corporate/Other op.	-99	N/a	-42	N/a	-49	N/a
Subtotal	269	6.7%	190	5.4%	1,396	8.4%
Goodwill amortization	-43		-44		-176	
Saab Group	226	5.6%	146	4.1 %	1,220	7.4%

Income statement

SEK millions	3 months 2003	3 months 2002	12 months 2002
Sales	4,033	3,530	16,538
Cost of goods sold	-3,070	-2,690	-12,496
Gross margin	963	840	4,042
<i>Gross margin</i>	23.9%	23.8%	24.4%
Marketing expenses	-305	-303	-1,325
Administrative expenses	-256	-260	-1,043
Research and development costs	-97	-120	-457
Other operating income	18	53	282
Other operating expenses	-95	-64	-274
Share in income of associated companies	-2	-	-5
Operating income	226	146	1,220
<i>Operating margin</i>	5.6%	4.1%	7.4%
Result from financial investments	-48	-48	-227
Income after financial items	178	98	993
Taxes	-57	-32	-273
Minority interest	-2	12	12
Net income	119	78	732
Earnings per share, SEK	1.12	0.73	6.87

Balance sheet

SEK millions	March 31, 2003	Dec. 31, 2002	Change
Assets			
Goodwill and other intangible assets	2,370	2,297	73
Property, plant and equipment, etc.	4,305	4,325	-20
Lease assets	5,521	5,672	-151
Long-term interest bearing receivables	1,006	1,053	-47
Shares, etc	401	413	-12
Deferred tax receivables	1,212	1,279	-67
Inventories, etc.	3,773	3,745	28
Short-term interest bearing receivables	51	55	-4
Other receivables	5,539	5,413	126
Cash and marketable securities	3,961	3,857	104
Total assets	28,139	28,109	30
Shareholders' equity and liabilities			
Shareholders' equity	6,921	6,833	88
Minority interest in subsidiaries	113	110	3
Provision for pensions	3,441	3,411	30
Other provisions	2,588	2,600	-12
Liabilities to credit institutions	1,281	972	309
Convertible debenture loan	230	230	
Lease obligations	2,843	2,926	-83
Advance payments from customers, net	3,317	3,775	-458
Other liabilities	7,405	7,252	153
Total shareholders' equity and liabilities	28,139	28,109	30
Equity/assets ratio,%	24.6	24.3	



Balance sheet, March 31, 2003, subdivided

SEK millions	Saab	Saab Aircraft Leasing	Eliminations	Saab Group
Goodwill and other intangible assets	2,370			2,370
Property, plant and equipment	4,303	2		4,305
Lease assets		5,521		5,521
Long-term interest bearing receivables	1,006			1,006
Shares, etc	1,901		-1,500	401
Deferred tax receivables	1,525		-313	1,212
Inventories, etc.	3,738	35		3,773
Short-term interest bearing receivables	51			51
Other receivables	4,579	960		5,539
Cash and marketable securities	3,961			3,961
Total assets	23,434	6,518	-1,813	28,139
Shareholders' equity	6,606	1,815	-1,500	6,921
Minority interest in subsidiaries	115	-2		113
Provision for pensions	3,441			3,441
Other provisions	2,150	751	-313	2,588
Liabilities to credit institutions	1,211	70		1,281
Convertible debenture loan	230			230
Lease obligations		2,843		2,843
Advance payments from customers, net	3,317			3,317
Other liabilities	6,364	1,041		7,405
Total shareholders' equity & liabilities	23,434	6,518	-1,813	28,139



Cash flow

SEK millions	3 months 2003	3 months 2002	12 months 2002
Cash flow from operating activities			
Income after financial items excl share in income of associated companies	180	98	998
Depreciation and write-down charged to income	308	303	1,176
Tax	-5	-5	-18
Cash flow from operating activities before changes in working capital	483	396	2,156
Working capital			
Inventories etc.	-28	-216	-16
Receivables	-118	633	6
Advance payments from customers	-458	-637	-419
Other liabilities	153	-227	-55
Lease obligations	-83	-1	-195
Provisions	-12	-223	-383
Change in working capital	-546	-671	-1,062
Cash flow from operating activities	-63	-275	1,094
Investments in intangible fixed assets	-116	-156	-508
Investments in shares etc.	10	-4	36
Investments in tangible fixed assets	-90	-44	-415
Investments in lease assets	-4	-23	-97
Change in long-term receivables	-8	-11	-18
Cash flow from investments	-208	-150	-1,002
Operating cash flow	-271	-425	92



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Cash flow

SEK millions	3 months 2003
Operations	-140
Acquisitions	-
Saab Aircraft Leasing and regional aircraft	-131
Total	-271



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