



Sweden Views on Defense Industrial Restructuring and Globalization - a Saab perspective

Åke Svensson
President and CEO
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Saab's roots



Saab 2003 – Defense, Aviation and Space

Svenska Aeroplan Aktiebolaget



1937

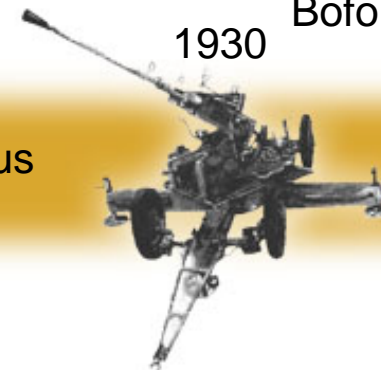
Military aircraft

Commercial aircraft

Celsius

1930

Bofors



1883

Alfred Nobel

● This is Saab



SAAB

Contribution to 100 years of aviation: Over 4300 aircraft built during 60 years



Saab B17



Saab B 18



Saab J 21



Saab 91 Safir



Saab 90 Scandia



Saab J 21R



Saab J 29/S 29



Saab 32 Lanser



Saab 35 Draken



Saab 105/SK 60



Saab 37 Viggen



Saab Safari/Supporter



Saab 340



Saab 2000



Saab 39 Gripen

● This is Saab



The world is changing....

1989-11-09



2001-09-11



- Change in world situation, technology and customer preferences

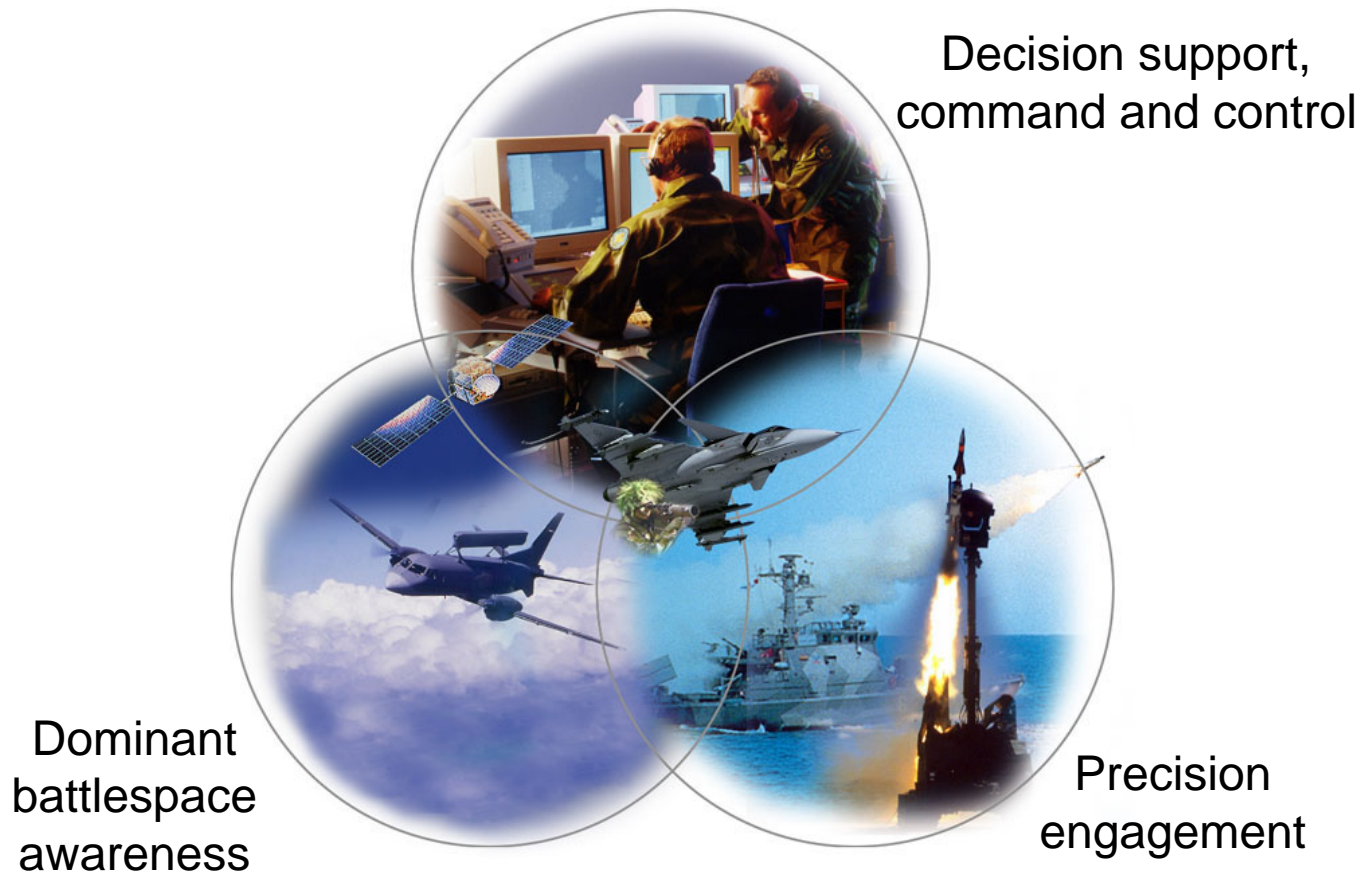
Sweden has changed its focus in the international arena

- A massive invasion is no longer the dimensioning threat
- Sweden participates in international peace keeping operations
- EU membership – (no to EMU)
- International governmental co-operations through Bi- and Multi-Lateral Agreements
- Strong political support for defense equipment exports
- Defense Force restructuring within smaller defense budgets



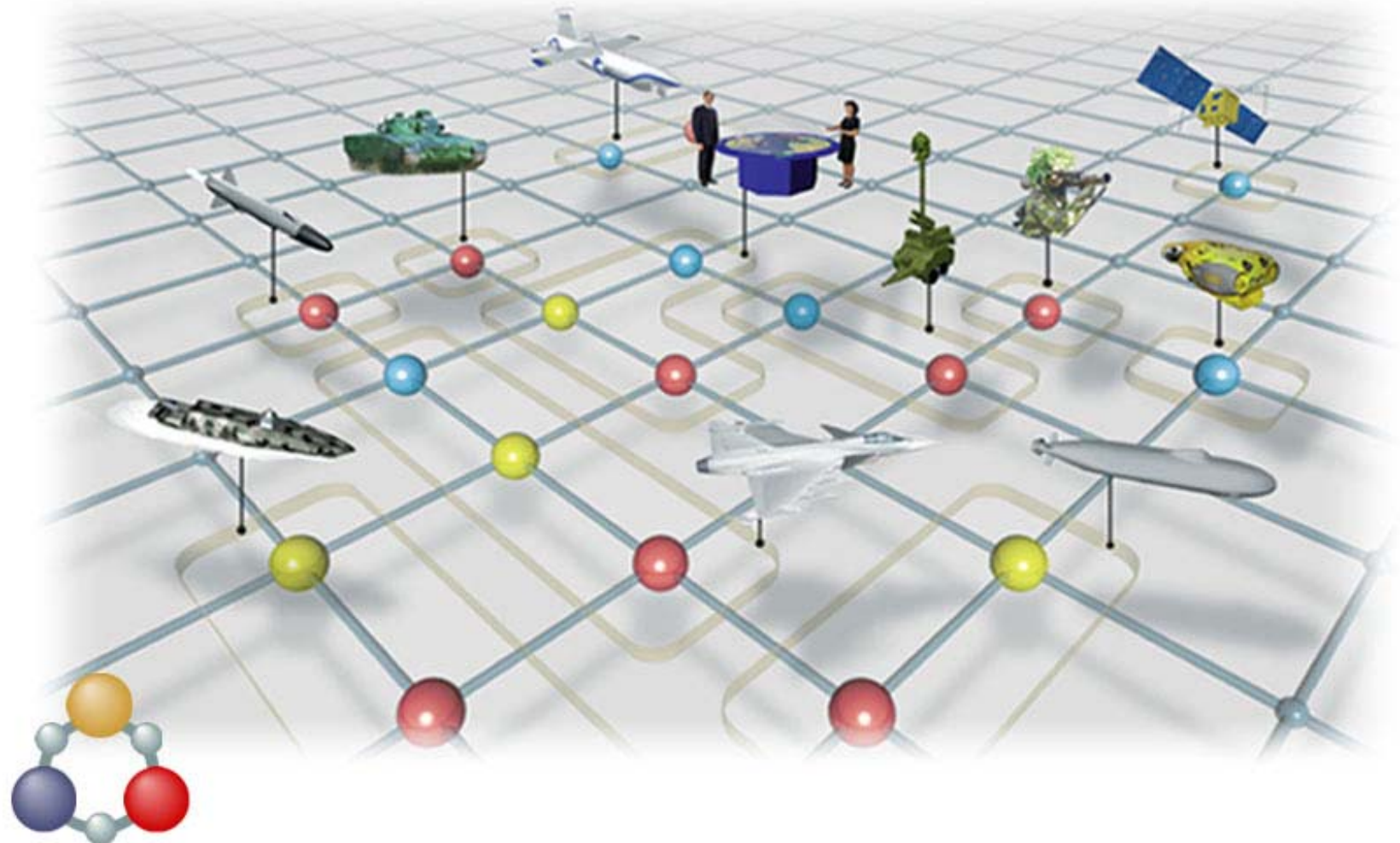
- Change in world situation, technology and customer preferences

The need: A task-oriented defense force



- Change in world situation, technology and customer preferences

The solution: Network-centric defense

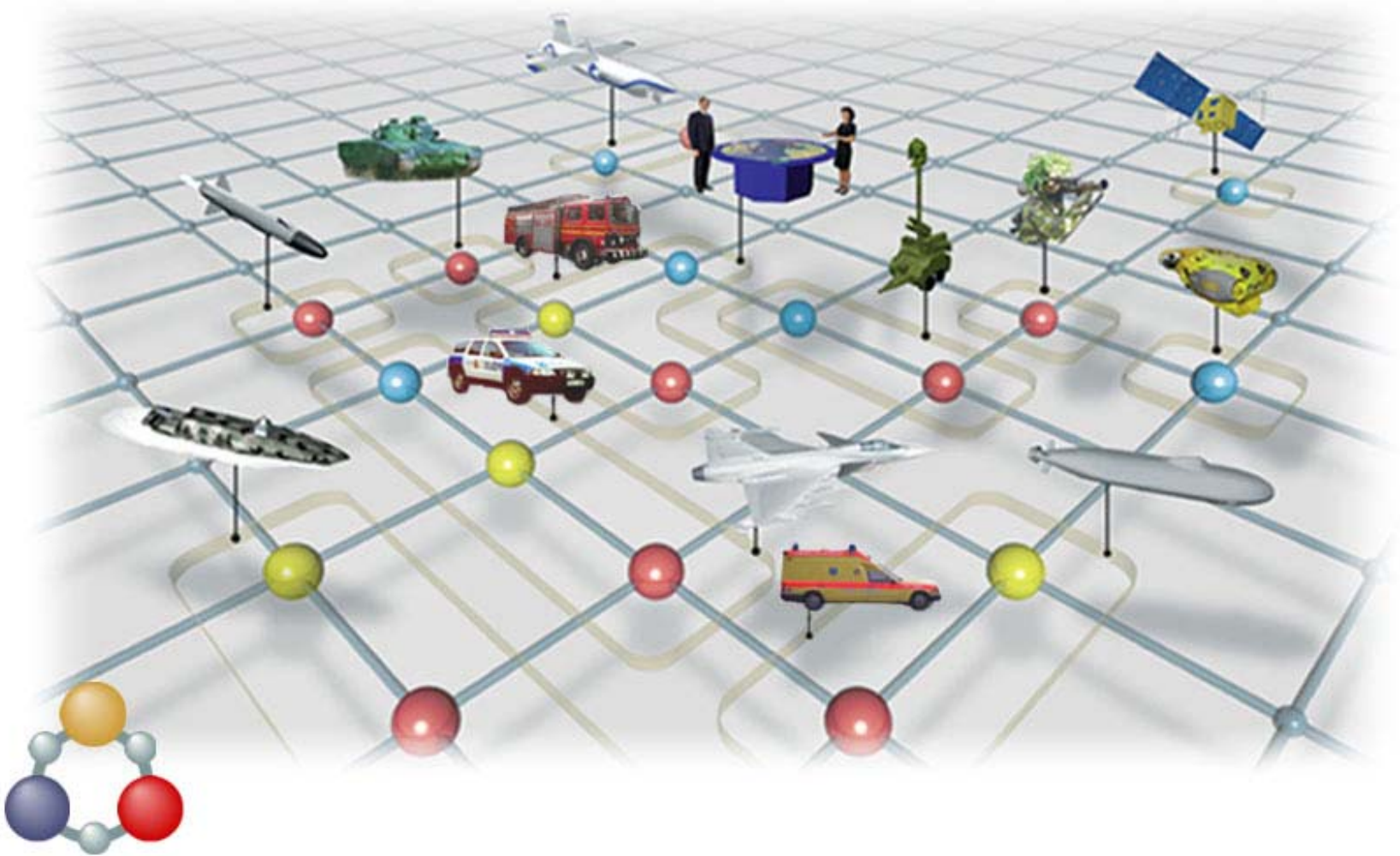


- Change in world situation, technology and customer preferences



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...supporting society



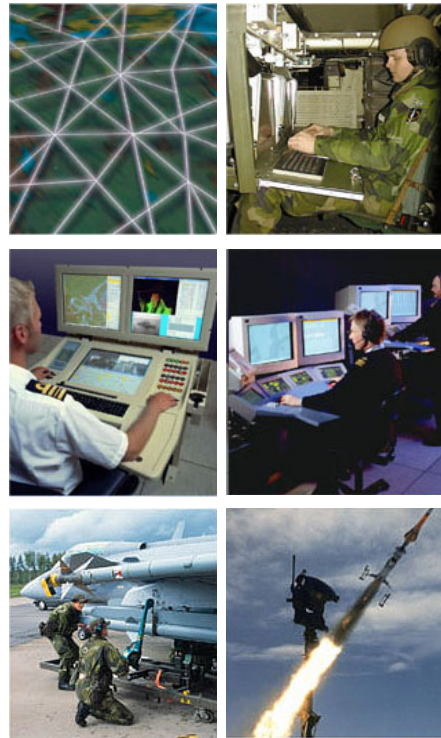
- Change in world situation, technology and customer preferences

The Saab Strategy

- **Domestic market** – further development of future systems and systems of systems
- Increased **exports** of existing systems and products
- Focused **acquisition** and divestment strategy including technology spin-offs

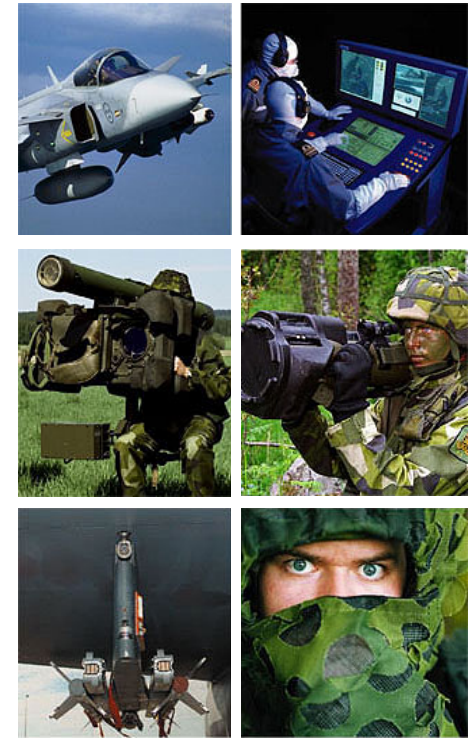
Home market

Broad-based systems competence



Global market

World-class systems and products



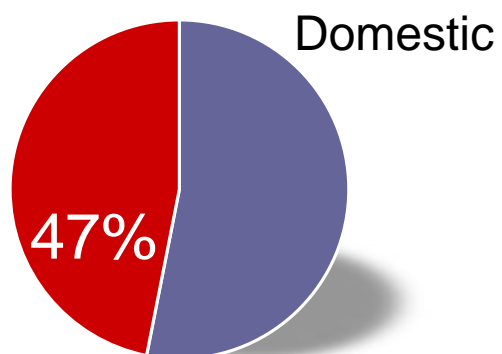
Saab in the international marketplace

- BAES 35% ownership
- BAES 50-50 partnership for Gripen export
- Saab Tech Australia
- Grintek Joint Venture in South Africa
- Barracuda in the US
- Business driven partnerships
 - Airbus
 - Missiles
 - UAV studies
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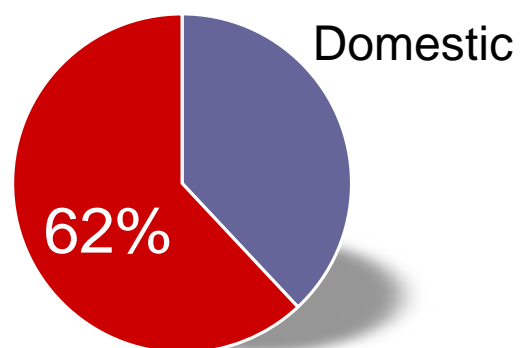
Increasing share of exports

Sales



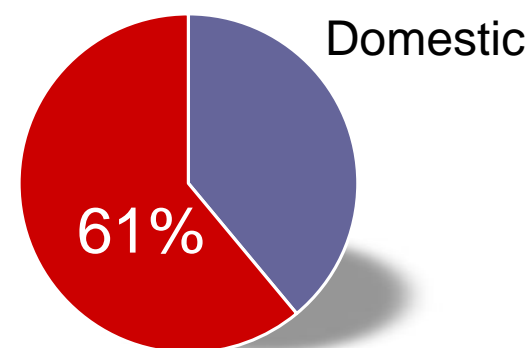
International

Order backlog



International

Order bookings



International

U.S. business and co-operations

- **Shoulder Fired Weapons (Alliant Tech Systems)**
- **Short Range Radio (Telephonics)**
- **BOL Dispenser (BAE, Chemring)**
- **Underwater Systems (United Defense)**
- **Signature management equipment**
- **Combat Training Simulators**
- **Studies – examples: Auto GCAS, Auto ACAS**



Gripen – a transatlantic fighter program

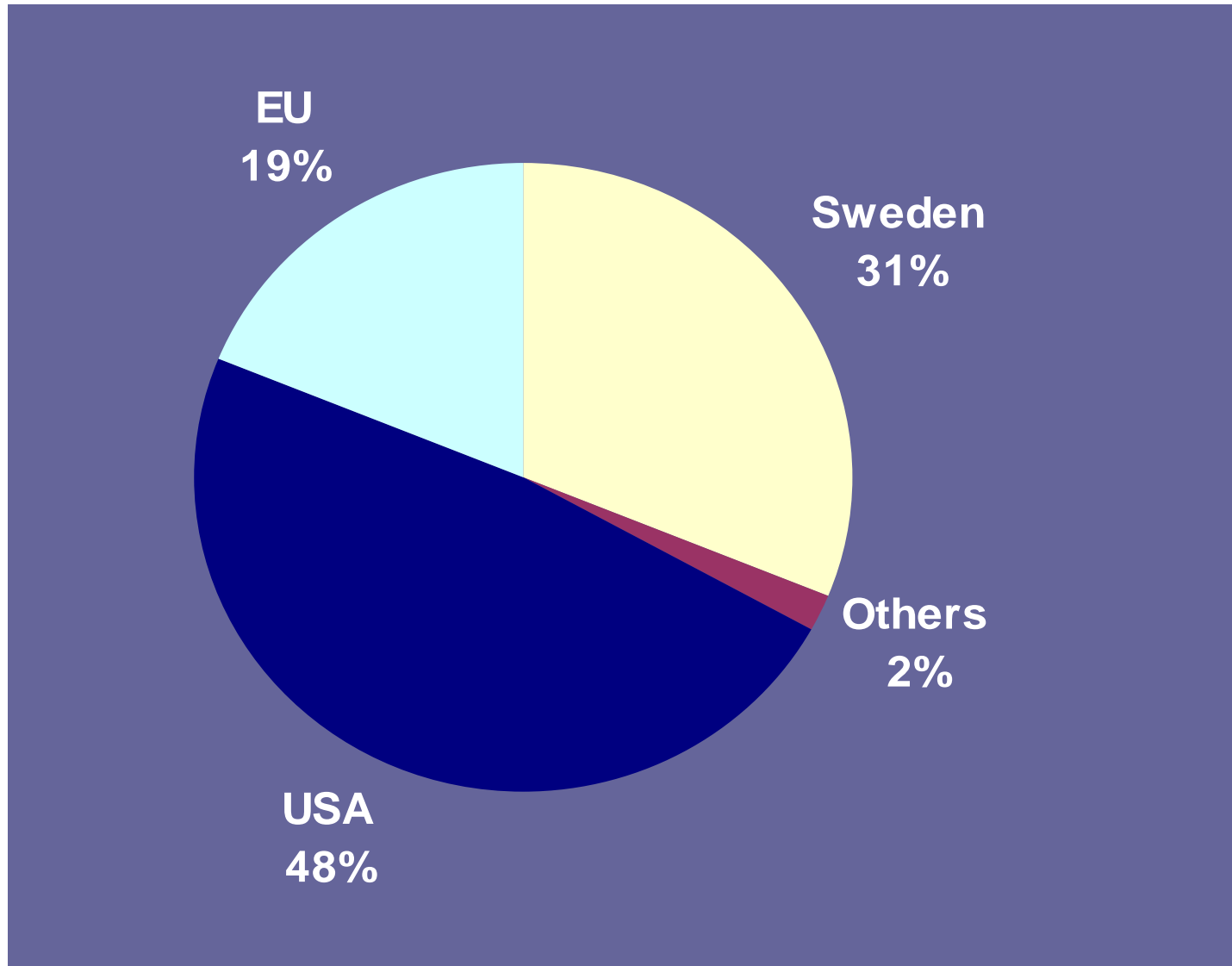
The first 4th generation fighter in operational service

- Full swing-role capability
- Complete information, command and control and weapon system
- Built for the future

● US relations

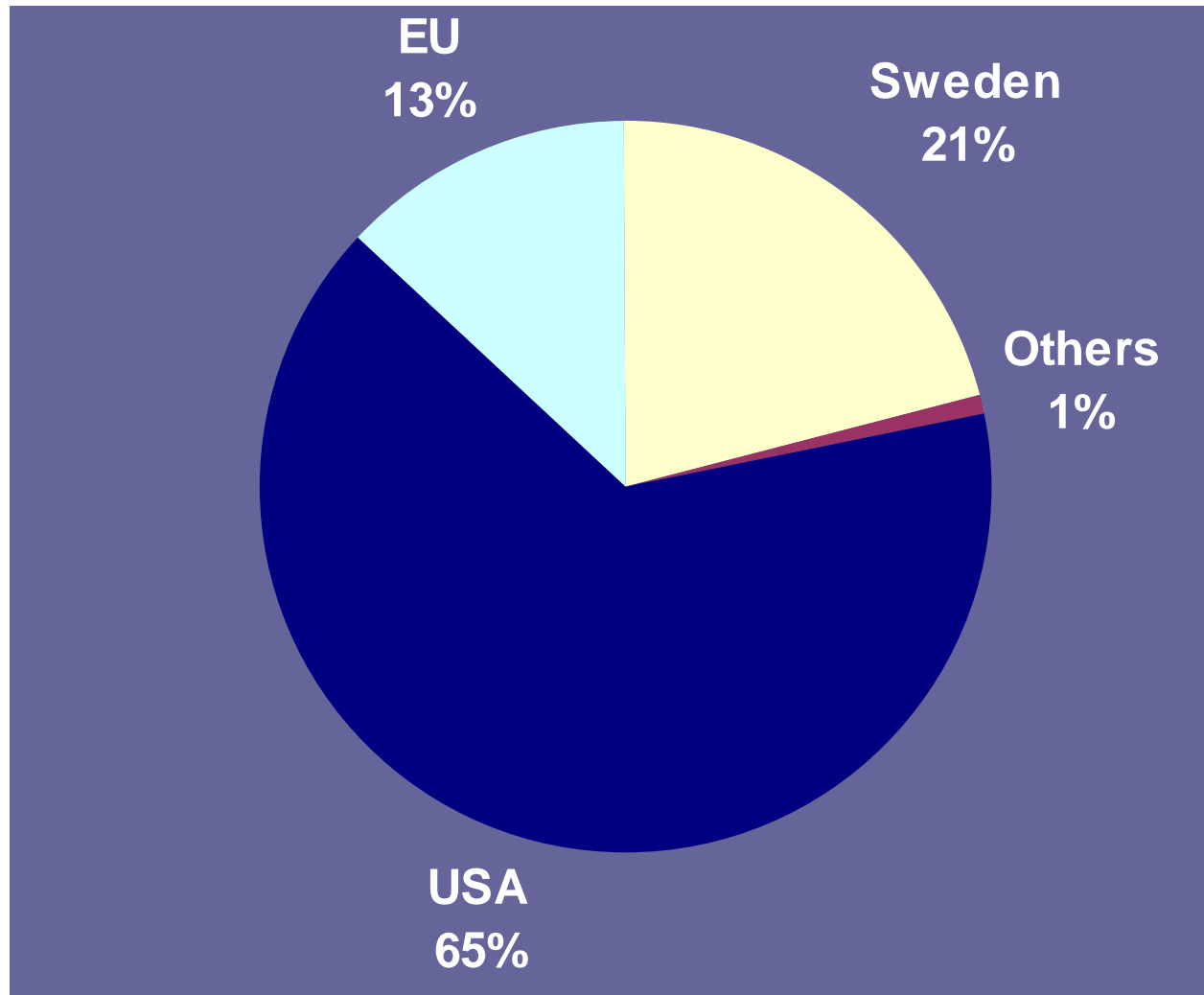


Gripen Platform – Bought out equipment



Gripen Platform – Bought out equipment

Weapons and role equipment included



AMRAAM	4
AIM9	4
AGM-65	8
Paveway LGB	6
JDAM GPS	6
JSOW	2

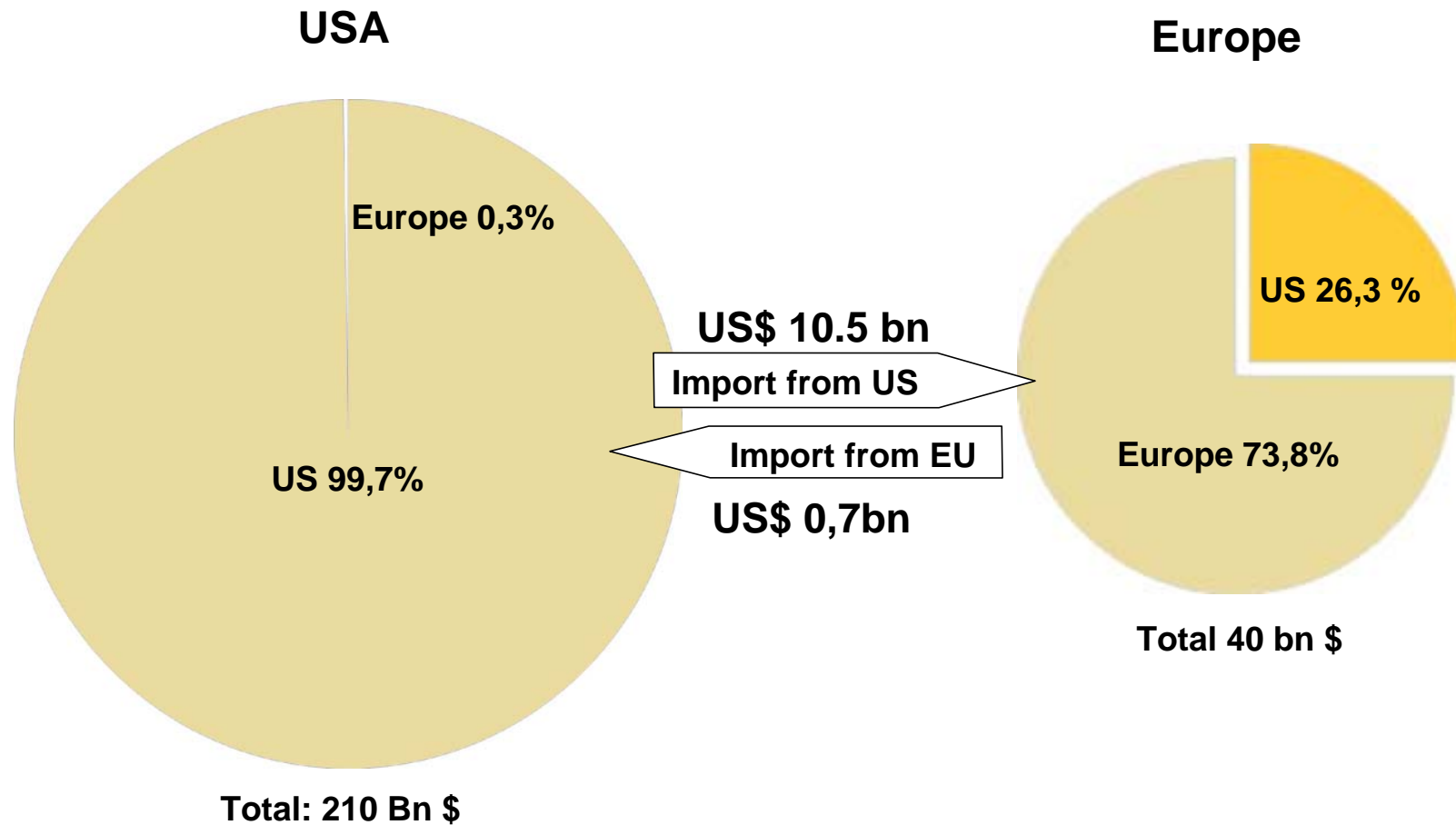
A strong team for Swedish NCW development:

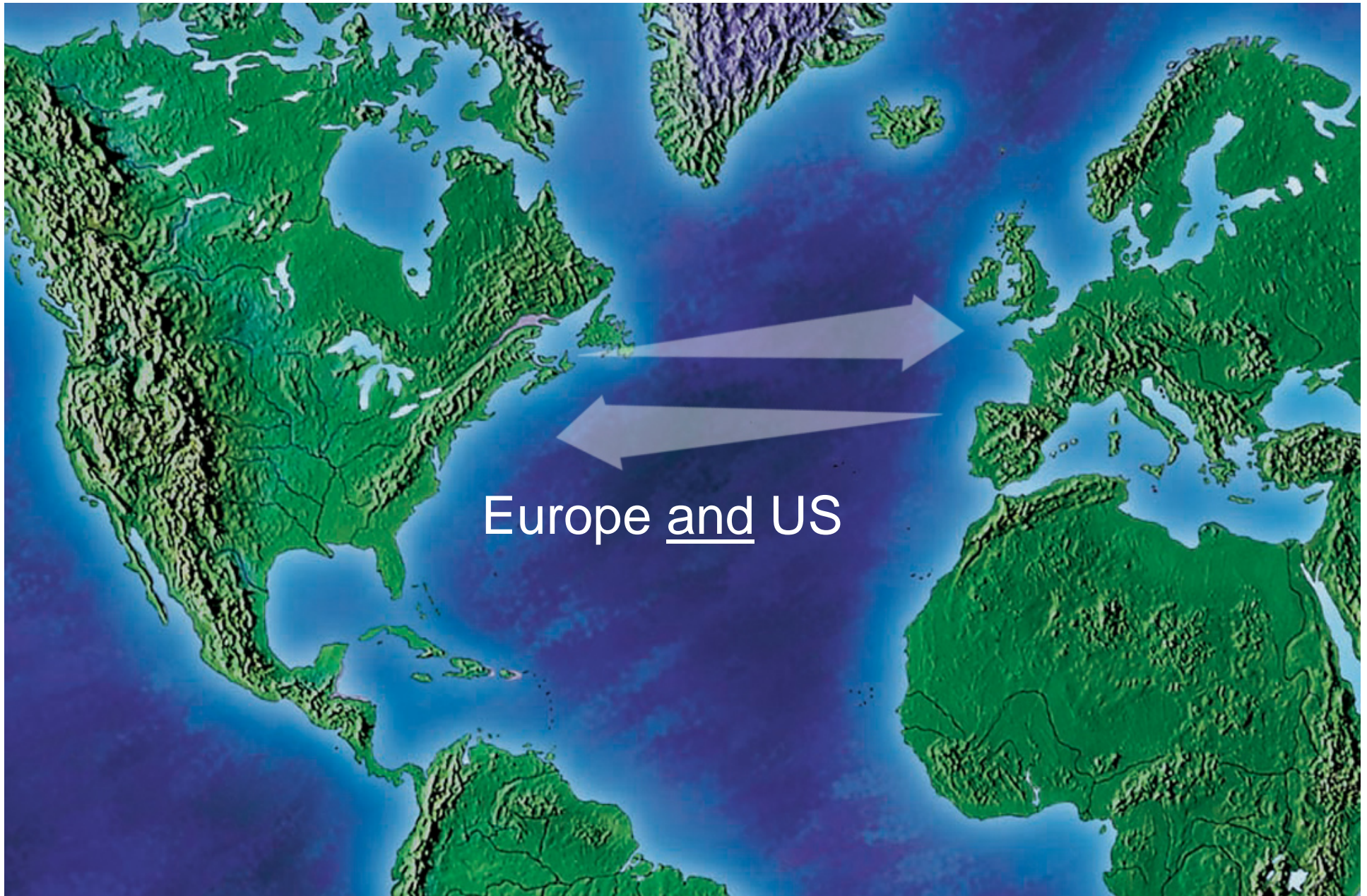


- Change in world situation, technology and customer preferences



Defense procurement an increasing transatlantic gap

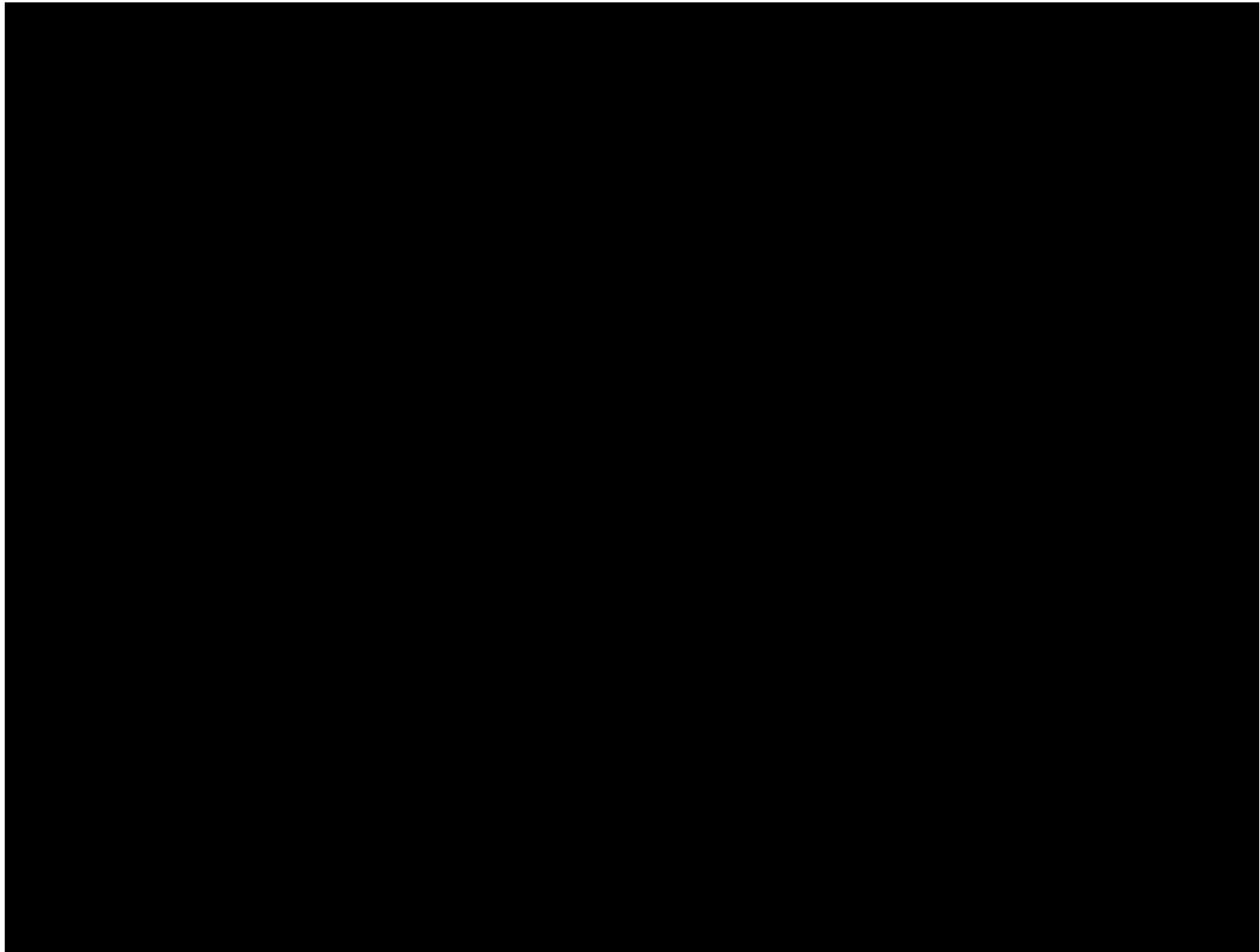




Europe and US

Conclusions

- Changes in the European market place and Swedish home market – a new business environment for Saab
- Saab is taking positive steps through acquisitions, divestments and international co-operations
- New focus and re-organization to meet customer's effect-based procurements incl. network-enabling capabilities
- Proposal for development of future Swedish network-centric defense with significant international partnerships
- Developed business concept highlights both broad defense systems solutions in home markets and advanced technical systems and products in the global market place



- Fasten seatbelts!



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