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Saab Signs Contracts for A26 Submarines and Mid-life Upgrade for Gotland-class Submarines

Defence and security company Saab has signed contracts with the Swedish Defence Materiel Administration (FMV) for the construction of two new Type A26 submarines and a mid-life upgrade for two Gotland-class submarines. The orders, signed with FMV today, cover the period 2015-2024 and the total order value is SEK8.6 billion.

Saab will construct, verify and deliver two new Type A26 submarines for the Swedish Navy to a total order value of SEK7.6 billion. Deliveries will start in 2022 and be finalized in 2024.

Saab will also conduct a mid-life upgrade on two of Sweden's existing Gotland-class submarines, including an overhaul and upgrade of the combat system. The total value of this work is SEK2.1 billion. The two upgraded Gotland-class submarines will be delivered to FMV in late 2018 and late 2019, respectively.

Saab has already received orders in 2014 and 2015 for the procurement of subsystems related to these contracts. These existing orders have a total value of SEK1.1 billion. Hence, the total order value related to today's orders amounts to SEK8.6 billion.

The orders are a part of the 9 June 2014 Letter of Intent regarding Swedish armed forces' underwater capabilities.

“Saab will deliver world-class submarines to Sweden. Our ability to work closely with customers, to meet their needs with modern manufacturing and products, is one of Saab's greatest skills. Saab is also exploring export opportunities to provide complete submarine systems to a select number of countries, plus subsystems across the wider market,” says Håkan Buskhe, President and CEO of Saab.

“The A26 will be a unique and high-tech submarine with proven modular design, which gives the platform a high level of availability at a low life-cycle cost. The submarine will have long-endurance submerged performance and excellent manoeuvrability in all waters. Safety is paramount and A26 will be highly survivable thanks to modern underwater stealth technology and a unique heritage of shock resistant design. It is a privilege to lead this development,” says Gunilla Fransson, head of Saab business area Security and Defence Solutions.

The Type A26 submarine for the Swedish Navy is the world's most modern submarine programme. The submarines will be powered by conventional diesel-electric propulsion machinery and equipped with the Kockums Stirling AIP (air-independent propulsion) system. The Stirling system will make the Type A26 very stealthy and difficult to detect.

Saab AB (publ)Postal address
SE-581 88 Linköping
SwedenTelephone
+46 (0)13 18 00 00Telefax
+46 (0)13 18 72 00Registered office
LinköpingRegistered No
556036-0793VAT No
SE556036079301Internet address
www.saabgroup.com



The mid-life upgrade of the two Gotland-class submarines includes improvements necessary to meet future operational requirements. The order also comprises procurement of material, platform modifications, system upgrades and testing.

The submarines will be designed and constructed at Saab's facilities in Malmö, Karlskrona, Järfälla and Linköping, Sweden.

Video of Type A26 submarine <http://saab.picsearch.tv/?mediaid=CQISokcgEQUX30VkpXjrlq>
Images of A26, Gotland class, Håkan Buskhe President and CEO Saab and Gunilla Fransson, Head of Security and Defence Solutions, attached and in [Saab's media portal](#).

[Read more about A26](#)
[Read more about Gotland-class](#)

For further information, please contact:

Saab Press Centre,
+46 (0)734 180 018,
presscentre@saabgroup.com

www.saabgroup.com
www.saabgroup.com/YouTube
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Saab serves the global market with world-leading products, services and solutions within military defence and civil security. Saab has operations and employees on all continents around the world. Through innovative, collaborative and pragmatic thinking, Saab develops, adopts and improves new technology to meet customers' changing needs.

The information is that which Saab AB is required to declare by the Securities Business Act and/or the Financial Instruments Trading Act. The information was submitted for publication on 30 June 2015 at 08.50 (CET).

Saab AB (publ)

Postal address
SE-581 88 Linköping
Sweden

Telephone
+46 (0)13 18 00 00

Telefax
+46 (0)13 18 72 00

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Linköping

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VAT No
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www.saabgroup.com