

# The SAES<sup>®</sup> Group

## 3Q 2018 Consolidated Results



making **innovation happen**, together

# 3Q 2018 Highlights

All figures in M€, unless otherwise stated

➤ **DOUBLE-DIGIT INCREASE IN REVENUES COMPARED TO 3Q 2017 AND INCREASE IN MARGINS**

| P&L figures   |                   | 3Q 2018 | 3Q 2017 | Total difference | Difference % |
|---|-------------------|---------|---------|------------------|--------------|
| CONSOLIDATED SALES  |                   | 42.1    | 36.4    | 5.6              | 15.5%        |
| TOTAL REVENUES OF THE GROUP   |                   | 45.2    | 40.2    | 5.0              | 12.4%        |
| CONSOLIDATED GROSS PROFIT   |                   | 19.0    | 14.6    | 4.4              | 30.0%        |
|   | <i>% on sales</i> | 45.2%   | 40.1%   |                  |              |
| CONSOLIDATED OPERATING INCOME   |                   | 5.7     | 1.7     | 3.9              | 225.0%       |
|   | <i>% on sales</i> | 13.5%   | 4.8%    |                  |              |
| CONSOLIDATED EBITDA   |                   | 7.7     | 3.7     | 4.0              | 108.7%       |
|   | <i>% on sales</i> | 18.2%   | 10.1%   |                  |              |
| NET INCOME (LOSS) FROM CONTINUED OPERATIONS                             |                   | 3.0     | 0.1     | 2.8              | 2,279.0%     |
|   | <i>% on sales</i> | 7.0%    | 0.3%    |                  |              |
| NET INCOME (LOSS) FROM ASSETS HELD FOR SALE AND DISCONTINUED OPERATIONS |                   | (0.6)   | 5.6     | (6.2)            | -111.1%      |
|   | <i>% on sales</i> | -1.5%   | 15.3%   |                  |              |
| CONSOLIDATED NET INCOME (LOSS)  |                   | 2.3     | 5.7     | (3.4)            | -59.2%       |
|   | <i>% on sales</i> | 5.5%    | 15.7%   |                  |              |

# September 2018 Highlights

*All figures in M€, unless otherwise stated*

| P&L figures  | September 2018 | September 2017 | Total difference | Difference %     |
|--|----------------|----------------|------------------|------------------|
| <b>CONSOLIDATED SALES</b>  | <b>117.8</b>   | <b>110.3</b>   | <b>7.5</b>       | <b>6.8%</b>      |
| <b>TOTAL REVENUES OF THE GROUP</b>   | <b>126.8</b>   | <b>120.7</b>   | <b>6.1</b>       | <b>5.0%</b>      |
| <b>CONSOLIDATED GROSS PROFIT</b>   | <b>51.5</b>    | <b>45.9</b>    | <b>5.6</b>       | <b>12.2%</b>     |
| <i>% on sales</i>  | <i>43.7%</i>   | <i>41.6%</i>   |                  |                  |
| <b>CONSOLIDATED OPERATING INCOME</b>   | <b>13.5</b>    | <b>6.8</b>     | <b>6.7</b>       | <b>99.3%</b>     |
| <i>% on sales</i>  | <i>11.5%</i>   | <i>6.2%</i>    |                  |                  |
| <b>CONSOLIDATED EBITDA</b>   | <b>19.4</b>    | <b>13.2</b>    | <b>6.2</b>       | <b>47.0%</b>     |
| <i>% on sales</i>  | <i>16.4%</i>   | <i>11.9%</i>   |                  |                  |
| <b>NET INCOME (LOSS) FROM CONTINUED OPERATIONS</b>                             | <b>5.7</b>     | <b>(1.9)</b>   | <b>7.5</b>       | <b>-404.1%</b>   |
| <i>% on sales</i>  | <i>4.8%</i>    | <i>-1.7%</i>   |                  |                  |
| <b>NET INCOME (LOSS) FROM ASSETS HELD FOR SALE AND DISCONTINUED OPERATIONS</b> | <b>239.3</b>   | <b>18.6</b>    | <b>220.7</b>     | <b>1,188.7%</b>  |
| <i>% on sales</i>  | <i>203.1%</i>  | <i>16.8%</i>   |                  |                  |
| <b>CONSOLIDATED NET INCOME (LOSS)</b>  | <b>244.9</b>   | <b>16.7</b>    | <b>228.2</b>     | <b>1,366.0%</b>  |
| <i>% on sales</i>  | <i>207.9%</i>  | <i>15.1%</i>   |                  |                  |
| Other information  | Sep 30, 2018   | Dec 31, 2017   | Total difference | Difference %     |
| <b>CONSOLIDATED NET FINANCIAL POSITION</b>                                     | <b>234.6</b>   | <b>(16.5)</b>  | <b>251.2</b>     | <b>-1,520.6%</b> |

# Total revenues of the Group

(achieved by incorporating the JVs with the proportional method instead of the equity method)

All figures in M€, unless otherwise stated

|                                    | 3Q 2018     | 3Q 2017     | Total difference | Difference % |
|------------------------------------|-------------|-------------|------------------|--------------|
| <b>Consolidated sales</b>          | <b>42.1</b> | <b>36.4</b> | <b>5.6</b>       | <b>15.5%</b> |
| 50% Actuator Solutions sales       | 3.0         | 3.6         | (0.6)            | -17.2%       |
| 49% SAES RIAL Vacuum S.r.l. sales  | 0.3         | 0.3         | (0.0)            | -13.6%       |
| 33.79% Flexterra sales             | 0.0         | 0.0         | 0.0              | 100.0%       |
| Eliminations & other adjs          | (0.2)       | (0.2)       | 0.0              | -4.6%        |
| <b>Total revenues of the Group</b> | <b>45.2</b> | <b>40.2</b> | <b>5.0</b>       | <b>12.4%</b> |

|                                    | September 2018 | September 2017 | Total difference | Difference % |
|------------------------------------|----------------|----------------|------------------|--------------|
| <b>Consolidated sales</b>          | <b>117.8</b>   | <b>110.3</b>   | <b>7.5</b>       | <b>6.8%</b>  |
| 50% Actuator Solutions sales       | 8.9            | 10.5           | (1.6)            | -15.5%       |
| 49% SAES RIAL Vacuum S.r.l. sales  | 0.8            | 0.6            | 0.2              | 28.0%        |
| 33.79% Flexterra sales             | 0.0            | 0.0            | 0.0              | 50.0%        |
| Eliminations & other adjs          | (0.7)          | (0.7)          | 0.0              | -1.9%        |
| <b>Total revenues of the Group</b> | <b>126.8</b>   | <b>120.7</b>   | <b>6.1</b>       | <b>5.0%</b>  |

|                                    | 1Q 2018     | 2Q 2018     | 3Q 2018     | September 2018 |
|------------------------------------|-------------|-------------|-------------|----------------|
| <b>Consolidated sales</b>          | <b>37.6</b> | <b>38.1</b> | <b>42.1</b> | <b>117.8</b>   |
| 50% Actuator Solutions sales       | 2.8         | 3.1         | 3.0         | 8.9            |
| 49% SAES RIAL Vacuum S.r.l. sales  | 0.3         | 0.2         | 0.3         | 0.8            |
| 33.79% Flexterra sales             | 0.0         | 0.0         | 0.0         | 0.0            |
| Eliminations & other adjs          | (0.2)       | (0.3)       | (0.2)       | (0.7)          |
| <b>Total revenues of the Group</b> | <b>40.5</b> | <b>41.1</b> | <b>45.2</b> | <b>126.8</b>   |

- ✓ **Total revenues of the Group** up by 12.4% compared to 3Q 2017, mainly thanks to the increased consolidated revenues (+15.5%)

# Industrial Applications BU Sales



Industrial Applications  
42.9%

All figures in M€, unless otherwise stated

|   | 3Q 2018     | 3Q 2017     | Total difference % | Organic change % | Exchange rate effect % |
|---|-------------|-------------|--------------------|------------------|------------------------|
| Security & Defense                                  | 3.4         | 1.9         | 78.0%              | 77.0%            | 1.0%                   |
| Electronic Devices                                  | 6.0         | 6.6         | -8.2%              | -8.2%            | 0.0%                   |
| Healthcare Diagnostics                              | 1.0         | 0.9         | 12.0%              | 11.5%            | 0.5%                   |
| Getters & Dispensers for Lamps                      | 1.3         | 1.2         | 5.5%               | 5.2%             | 0.3%                   |
| Thermal Insulation                                  | 0.9         | 1.1         | -14.1%             | -14.8%           | 0.7%                   |
| Solutions for Vacuum Systems                        | 2.9         | 1.6         | 79.5%              | 78.8%            | 0.7%                   |
| Sintered Components for Electronic Devices & Lasers | 1.8         | 1.7         | 6.7%               | 5.6%             | 1.1%                   |
| Systems for Gas Purification & Handling (*)         | 0.6         | 0.1         | 700.0%             | 700.0%           | 0.0%                   |
| <b>Industrial Applications</b>                      | <b>18.0</b> | <b>15.1</b> | <b>19.4%</b>       | <b>18.9%</b>     | <b>0.5%</b>            |

(\*) After the sale of the gas purification business to Entegris on June 25, 2018, the Systems for Gas Purification & Handling Business includes the sales of raw materials and getter components made by the Parent Company for the purifiers mainly addressed to the semiconductor industry.

|   | 1Q 2017     | 2Q 2017     | 3Q 2017     | 4Q 2017     | 1Q 2018     | 2Q 2018     | 3Q 2018     |
|---|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| Security & Defense                                  | 2.2         | 2.0         | 1.9         | 2.4         | 3.0         | 3.2         | 3.4         |
| Electronic Devices                                  | 2.6         | 4.2         | 6.6         | 6.1         | 3.1         | 4.2         | 6.0         |
| Healthcare Diagnostics                              | 1.0         | 1.0         | 0.9         | 0.9         | 1.0         | 1.1         | 1.0         |
| Getters & Dispensers for Lamps                      | 1.8         | 1.4         | 1.2         | 1.2         | 1.4         | 1.2         | 1.3         |
| Thermal Insulation                                  | 1.3         | 0.8         | 1.1         | 1.2         | 0.9         | 0.9         | 0.9         |
| Solutions for Vacuum Systems                        | 2.1         | 2.0         | 1.6         | 2.6         | 3.2         | 2.2         | 2.9         |
| Sintered Components for Electronic Devices & Lasers | 1.7         | 1.9         | 1.7         | 1.5         | 1.8         | 1.8         | 1.8         |
| Systems for Gas Purification & Handling (*)         | 0.1         | 0.1         | 0.1         | 0.1         | 0.2         | 0.2         | 0.6         |
| <b>Industrial Applications</b>                      | <b>12.8</b> | <b>13.3</b> | <b>15.1</b> | <b>16.0</b> | <b>14.6</b> | <b>14.8</b> | <b>18.0</b> |

- ✓ Organic growth mainly driven by the **Security & Defense Business**, thanks to higher investments in the defense sector, mainly in North America
- ✓ Strong increase in the **Solutions for Vacuum Systems Business** (higher sales in the business of analytic devices and new projects in the field of particle accelerators)
- ✓ Slight organic growth in the **Healthcare Diagnostics Business** (higher sales of getters for X-ray tubes for image diagnostics and surveillance applications)
- ✓ The **Sintered Components for Electronic Devices & Lasers Business** also showed an organic growth, favored by the sales of heat dissipation devices and laser application products, particularly in the defense sector
- ✓ Decrease in the **Thermal Insulation Business** (weak sales in the refrigeration market as well as in that of thermodynamic solar power plants) and in the **Getters & Dispensers for Lamps Business** on year-to-date figures (persistent technological competition of LEDs), despite a slight organic growth in 3Q 2018
- ✓ Organic decrease in the **Electronic Devices Business** (higher sales of getters in the infrared sensor market, especially in Asia, not enough to offset the weakness of advanced materials for the electronic consumer market, related to seasonal factors)

# Shape Memory Alloys BU Sales



Shape Memory Alloys (SMA)  
49.4%

All figures in M€, unless otherwise stated

|  | 3Q 2018     | 3Q 2017     | Total difference % | Organic change % | Exchange rate effect % |
|--|-------------|-------------|--------------------|------------------|------------------------|
| Nitinol for Medical Devices                  | 17.7        | 15.4        | 14.5%              | 13.4%            | 1.1%                   |
| SMA for Thermal & Electro Mechanical Devices | 3.1         | 2.7         | 14.4%              | 14.1%            | 0.3%                   |
| <b>Shape Memory Alloys</b>                   | <b>20.8</b> | <b>18.1</b> | <b>14.5%</b>       | <b>13.5%</b>     | <b>1.0%</b>            |

|  | 1Q 2017     | 2Q 2017     | 3Q 2017     | 4Q 2017     | 1Q 2018     | 2Q 2018     | 3Q 2018     |
|--|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| Nitinol for Medical Devices                  | 17.9        | 17.5        | 15.4        | 15.4        | 16.3        | 17.9        | 17.7        |
| SMA for Thermal & Electro Mechanical Devices | 2.1         | 2.5         | 2.7         | 2.3         | 2.8         | 2.7         | 3.1         |
| <b>Shape Memory Alloys</b>                   | <b>20.0</b> | <b>20.0</b> | <b>18.1</b> | <b>17.7</b> | <b>19.2</b> | <b>20.6</b> | <b>20.8</b> |

- ✓ **Nitinol for Medical Devices Business:** organic growth (+13.4%) supported by products in end-market segments with a double-digit growth, such as neurovascular medical devices and devices for the treatment of atrial fibrillation
- ✓ **SMA for Thermal and Electro Mechanical Devices Business:** organic growth (+14.1%) driven by the continuing expansion in the field of luxury goods and by higher sales in the automotive sector

# Solutions for Advanced Packaging BU Sales



Solutions for Advanced Packaging  
7.0%

All figures in M€, unless otherwise stated

|                                  | 3Q 2018 | 3Q 2017 | Total difference % | Organic change % | Exchange rate effect % |
|----------------------------------|---------|---------|--------------------|------------------|------------------------|
| Solutions for Advanced Packaging | 3.0     | 2.8     | 5.6%               | 5.6%             | 0.0%                   |

|                                  | 1Q 2017 | 2Q 2017 | 3Q 2017 | 4Q 2017 | 1Q 2018 | 2Q 2018 | 3Q 2018 |
|----------------------------------|---------|---------|---------|---------|---------|---------|---------|
| Solutions for Advanced Packaging | 3.4     | 3.6     | 2.8     | 2.7     | 3.5     | 2.5     | 3.0     |

- ✓ Slight increase mainly due to the higher contribution of lacquered products, that more than offset the reduction in the sales of metalized ones

# Business Development Unit Sales

All figures in M€, unless otherwise stated



Business Development Unit  
0.7%

|                      | 3Q 2018 | 3Q 2017 | Total difference % | Organic change % | Exchange rate effect % |
|----------------------|---------|---------|--------------------|------------------|------------------------|
| Business Development | 0.3     | 0.4     | -22.4%             | -23.1%           | 0.7%                   |

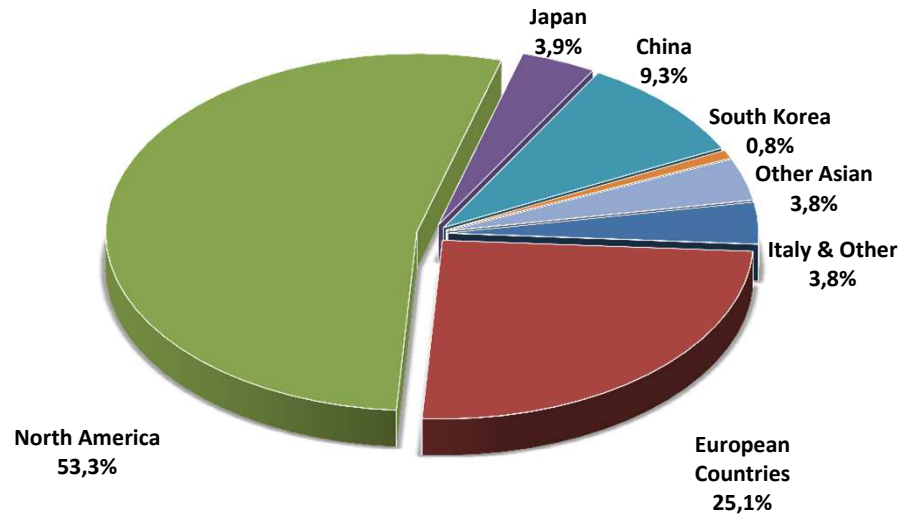
|                      | 1Q 2017 | 2Q 2017 | 3Q 2017 | 4Q 2017 | 1Q 2018 | 2Q 2018 | 3Q 2018 |
|----------------------|---------|---------|---------|---------|---------|---------|---------|
| Business Development | 0.4     | 0.4     | 0.4     | 0.5     | 0.3     | 0.2     | 0.3     |

- ✓ Organic decrease mainly attributable both to the pricing effect related to an increased competition, as well as to lower sales in the passive matrix OLED sector, that is the main market for SAES' function chemicals

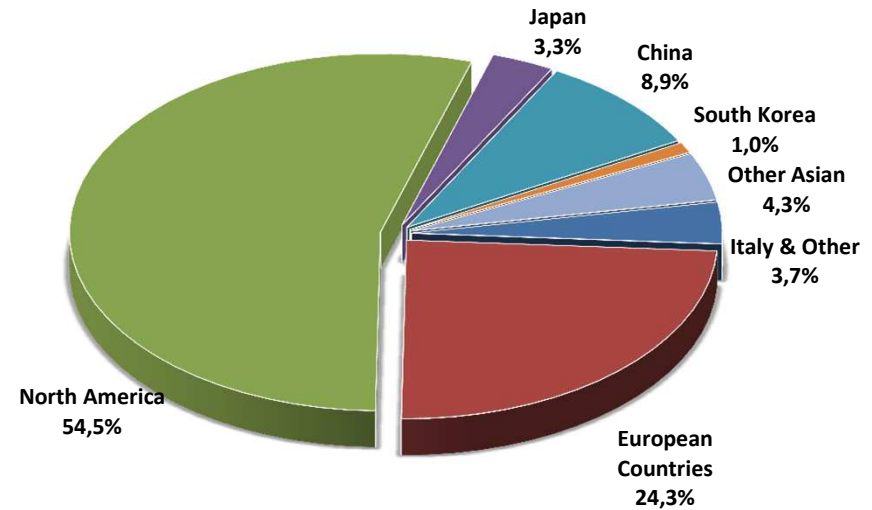


# Consolidated Sales by Geographic Area

September 2018 – Total 117,780

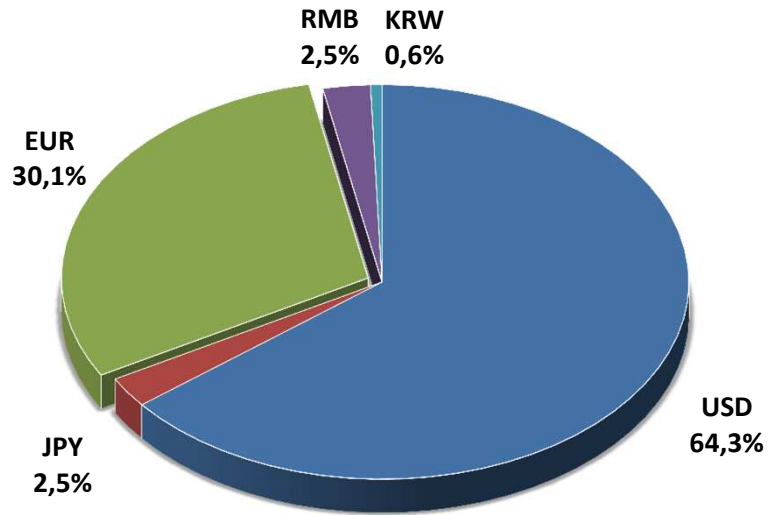


September 2017 – Total 110,273

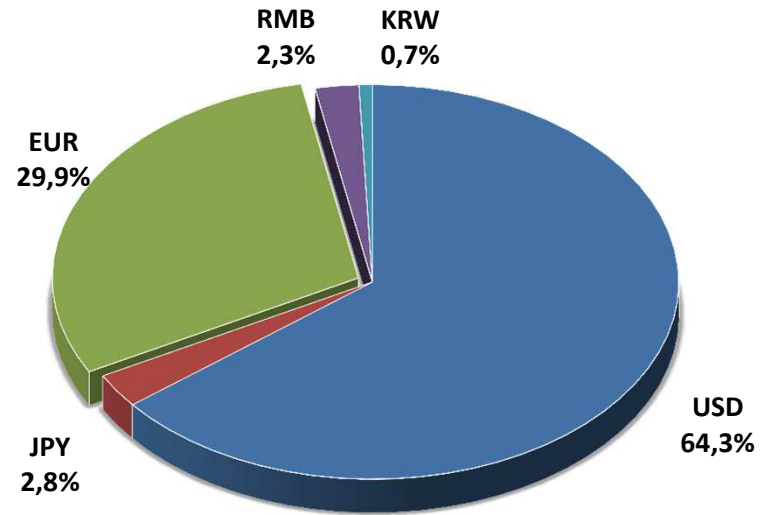


# Consolidated Sales by Invoicing Currency

September 2018 - Total 117,780

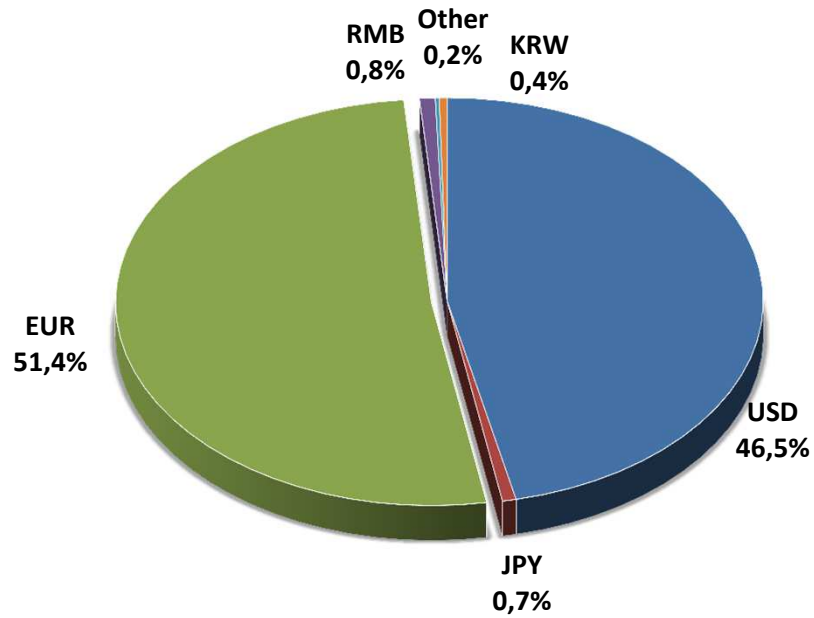


September 2017 - Total 110,273

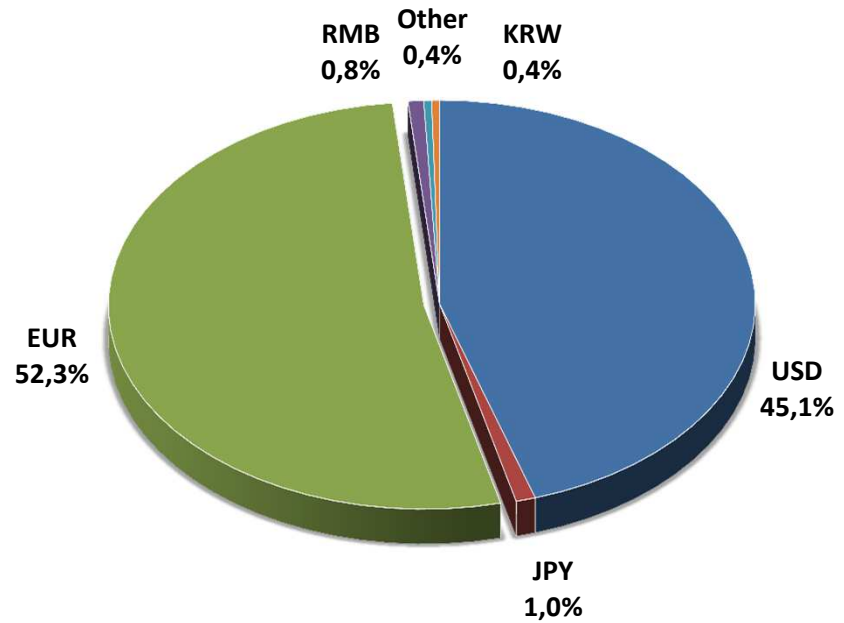


# Consolidated Costs by Currency

September 2018 – Total 105,693



September 2017 – Total 103,754



# Industrial Applications Margins

All figures in M€, unless otherwise stated

|                         | 3Q 2018     | 3Q 2017     | Total difference |
|-------------------------|-------------|-------------|------------------|
| <b>NET SALES</b>        | <b>18.0</b> | <b>15.1</b> | <b>2.9</b>       |
| <b>GROSS PROFIT</b>     | <b>9.5</b>  | <b>7.2</b>  | <b>2.3</b>       |
| <i>Gross Margin</i>     | 52.5%       | 47.6%       |                  |
| <b>OPERATING INCOME</b> | <b>6.1</b>  | <b>4.0</b>  | <b>2.1</b>       |
| <i>Operating Margin</i> | 33.6%       | 26.3%       |                  |

|                         | September 2018 | September 2017 | Total difference |
|-------------------------|----------------|----------------|------------------|
| <b>NET SALES</b>        | <b>47.5</b>    | <b>41.2</b>    | <b>6.3</b>       |
| <b>GROSS PROFIT</b>     | <b>24.7</b>    | <b>20.2</b>    | <b>4.4</b>       |
| <i>Gross Margin</i>     | 52.0%          | 49.1%          |                  |
| <b>OPERATING INCOME</b> | <b>14.1</b>    | <b>10.1</b>    | <b>4.0</b>       |
| <i>Operating Margin</i> | 29.7%          | 24.5%          |                  |

|                         | 3Q 2017     | 4Q 2017     | 1Q 2018     | 2Q 2018     | 3Q 2018     |
|-------------------------|-------------|-------------|-------------|-------------|-------------|
| <b>NET SALES</b>        | <b>15.1</b> | <b>16.0</b> | <b>14.6</b> | <b>14.8</b> | <b>18.0</b> |
| <b>GROSS PROFIT</b>     | <b>7.2</b>  | <b>8.1</b>  | <b>7.7</b>  | <b>7.5</b>  | <b>9.5</b>  |
| <i>Gross Margin</i>     | 47.6%       | 50.8%       | 52.9%       | 50.5%       | 52.5%       |
| <b>OPERATING INCOME</b> | <b>4.0</b>  | <b>4.9</b>  | <b>4.1</b>  | <b>3.9</b>  | <b>6.1</b>  |
| <i>Operating Margin</i> | 26.3%       | 30.6%       | 28.4%       | 26.3%       | 33.6%       |

- ✓ **Gross profit** up by 31.7%, mainly thanks to higher sales in the security and defense sector and in the vacuum systems one
- ✓ **Gross margin** increased from 47.6% to 52.5%, thanks to the increase in sales, mainly in the most profitable sectors
- ✓ **Operating income** up by 52.5% and **operating margin** increased from 26.3% to 33.6%, thanks to the increase in revenues and in the gross profit, with substantially equal operating expenses

# Shape Memory Alloys Margins

All figures in M€, unless otherwise stated

|                         | 3Q 2018      | 3Q 2017      | Total difference |
|-------------------------|--------------|--------------|------------------|
| <b>NET SALES</b>        | <b>20.8</b>  | <b>18.1</b>  | <b>2.6</b>       |
| <b>GROSS PROFIT</b>     | <b>9.2</b>   | <b>7.1</b>   | <b>2.0</b>       |
| <i>Gross Margin</i>     | <i>44.1%</i> | <i>39.3%</i> |                  |
| <b>OPERATING INCOME</b> | <b>6.4</b>   | <b>4.5</b>   | <b>1.9</b>       |
| <i>Operating Margin</i> | <i>30.9%</i> | <i>24.7%</i> |                  |

|                         | September 2018 | September 2017 | Total difference |
|-------------------------|----------------|----------------|------------------|
| <b>NET SALES</b>        | <b>60.5</b>    | <b>58.2</b>    | <b>2.4</b>       |
| <b>GROSS PROFIT</b>     | <b>25.8</b>    | <b>24.1</b>    | <b>1.6</b>       |
| <i>Gross Margin</i>     | <i>42.6%</i>   | <i>41.5%</i>   |                  |
| <b>OPERATING INCOME</b> | <b>18.7</b>    | <b>14.8</b>    | <b>3.9</b>       |
| <i>Operating Margin</i> | <i>30.9%</i>   | <i>25.4%</i>   |                  |

|                         | 3Q 2017      | 4Q 2017      | 1Q 2018      | 2Q 2018      | 3Q 2018      |
|-------------------------|--------------|--------------|--------------|--------------|--------------|
| <b>NET SALES</b>        | <b>18.1</b>  | <b>17.7</b>  | <b>19.2</b>  | <b>20.6</b>  | <b>20.8</b>  |
| <b>GROSS PROFIT</b>     | <b>7.1</b>   | <b>7.8</b>   | <b>7.8</b>   | <b>8.8</b>   | <b>9.2</b>   |
| <i>Gross Margin</i>     | <i>39.3%</i> | <i>43.9%</i> | <i>40.8%</i> | <i>42.7%</i> | <i>44.1%</i> |
| <b>OPERATING INCOME</b> | <b>4.5</b>   | <b>5.3</b>   | <b>6.1</b>   | <b>6.1</b>   | <b>6.4</b>   |
| <i>Operating Margin</i> | <i>24.7%</i> | <i>29.7%</i> | <i>32.0%</i> | <i>29.8%</i> | <i>30.9%</i> |

- ✓ Increase in **gross profit** (+28.6%) related both to the increase in revenues and to the improvement in the **gross margin** (from 39.3% to 44.1%) particularly in the industrial segment
- ✓ **Operating income** up by 42.8%, thanks to the increase in gross profit

# Solutions for Advanced Packaging Margins

All figures in M€, unless otherwise stated

|                         | 3Q 2018     | 3Q 2017     | Total difference |
|-------------------------|-------------|-------------|------------------|
| <b>NET SALES</b>        | <b>3.0</b>  | <b>2.8</b>  | <b>0.2</b>       |
| <b>GROSS PROFIT</b>     | <b>0.4</b>  | <b>0.3</b>  | <b>0.1</b>       |
| <i>Gross Margin</i>     | 13.0%       | 10.9%       |                  |
| <b>OPERATING INCOME</b> | <b>-0.6</b> | <b>-0.3</b> | <b>-0.3</b>      |
| <i>Operating Margin</i> | -20.7%      | -12.0%      |                  |

|                         | September 2018 | September 2017 | Total difference |
|-------------------------|----------------|----------------|------------------|
| <b>NET SALES</b>        | <b>8.9</b>     | <b>9.8</b>     | <b>-0.9</b>      |
| <b>GROSS PROFIT</b>     | <b>1.0</b>     | <b>1.4</b>     | <b>-0.4</b>      |
| <i>Gross Margin</i>     | 11.3%          | 14.0%          |                  |
| <b>OPERATING INCOME</b> | <b>-2.0</b>    | <b>-0.6</b>    | <b>-1.4</b>      |
| <i>Operating Margin</i> | -21.9%         | -5.7%          |                  |

|                         | 3Q 2017      | 4Q 2017      | 1Q 2018      | 2Q 2018      | 3Q 2018      |
|-------------------------|--------------|--------------|--------------|--------------|--------------|
| <b>NET SALES</b>        | <b>2.8</b>   | <b>2.7</b>   | <b>3.5</b>   | <b>2.5</b>   | <b>3.0</b>   |
| <b>GROSS PROFIT</b>     | <b>0.3</b>   | <b>0.3</b>   | <b>0.4</b>   | <b>0.2</b>   | <b>0.4</b>   |
| <i>Gross Margin</i>     | 10.9%        | 10.5%        | 12.8%        | 7.2%         | 13.0%        |
| <b>OPERATING INCOME</b> | <b>(0.3)</b> | <b>(0.4)</b> | <b>(0.5)</b> | <b>(0.8)</b> | <b>(0.6)</b> |
| <i>Operating Margin</i> | -12.0%       | -13.3%       | -14.6%       | -33.6%       | -20.7%       |

- ✓ **Gross profit** equal to €0.4 million (13% of revenues), compared to €0.3 million (10.9% of revenues) in 3Q 2017, confirming the strategy of making the product portfolio evolve towards higher margins
- ✓ **Operating loss** equal to -€0.6 million, compared to a loss of -€0.3 million in 3Q 2017, due to higher R&D expenses (in particular, R&D personnel and consultancy costs), as well as higher G&A expenses (strategic consultancy for the development of the business)

# Business Development & Corporate Costs Margins

All figures in M€, unless otherwise stated

|                              | 3Q 2018      | 3Q 2017      | Total difference |
|------------------------------|--------------|--------------|------------------|
| <b>NET SALES</b>             | <b>0.3</b>   | <b>0.4</b>   | <b>-0.1</b>      |
| <b>GROSS PROFIT</b>          | <b>0.0</b>   | <b>0.0</b>   | <b>0.0</b>       |
| <i>Gross Margin</i>          | 1.0%         | 3.1%         |                  |
| Total operating expenses     | (6.1)        | (6.3)        | 0.2              |
| Other income (expenses), net | (0.1)        | (0.1)        | (0.0)            |
| <b>OPERATING INCOME</b>      | <b>(6.2)</b> | <b>(6.4)</b> | <b>0.2</b>       |
| <i>Operating Margin</i>      | <i>n.s.</i>  | <i>n.s.</i>  |                  |

|                              | September 2018 | September 2017 | Total difference |
|------------------------------|----------------|----------------|------------------|
| <b>NET SALES</b>             | <b>0.9</b>     | <b>1.1</b>     | <b>-0.3</b>      |
| <b>GROSS PROFIT</b>          | <b>0.1</b>     | <b>0.1</b>     | <b>-0.1</b>      |
| <i>Gross Margin</i>          | 7.7%           | 12.2%          |                  |
| Total operating expenses     | (17.1)         | (17.4)         | 0.2              |
| Other income (expenses), net | (0.2)          | (0.3)          | 0.1              |
| <b>OPERATING INCOME</b>      | <b>(17.3)</b>  | <b>(17.5)</b>  | <b>0.2</b>       |
| <i>Operating Margin</i>      | <i>n.s.</i>    | <i>n.s.</i>    |                  |

|                              | 3Q 2017      | 4Q 2017      | 1Q 2018      | 2Q 2018      | 3Q 2018      |
|------------------------------|--------------|--------------|--------------|--------------|--------------|
| <b>NET SALES</b>             | <b>0.4</b>   | <b>0.5</b>   | <b>0.3</b>   | <b>0.2</b>   | <b>0.3</b>   |
| <b>GROSS PROFIT</b>          | <b>0.0</b>   | <b>0.1</b>   | <b>0.1</b>   | <b>(0.0)</b> | <b>0.0</b>   |
| <i>Gross Margin</i>          | 3.1%         | 30.3%        | 26.9%        | -11.4%       | 1.0%         |
| Total operating expenses     | (6.3)        | (7.6)        | (5.6)        | (5.4)        | (6.1)        |
| Other income (expenses), net | (0.1)        | (0.1)        | (0.1)        | (0.1)        | (0.1)        |
| <b>OPERATING INCOME</b>      | <b>(6.4)</b> | <b>(7.5)</b> | <b>(5.6)</b> | <b>(5.5)</b> | <b>(6.2)</b> |
| <i>Operating Margin</i>      | <i>n.s.</i>  | <i>n.s.</i>  | <i>n.s.</i>  | <i>n.s.</i>  | <i>n.s.</i>  |

- ✓ **Gross profit** in line with 3Q 2017
- ✓ **Operating result** still negative but improved compared to 3Q 2017 thanks to lower consultant fees and personnel costs in the R&D area, only partially offset by the severance expenses related to the reduction of the staff personnel of the Parent Company

# Consolidated Income Statement - September 2018

All figures in M€, unless otherwise stated

|  | September 2018 | September 2017 | Total difference | 1Q 2018       | 2Q 2018       | 3Q 2018       |
|--|----------------|----------------|------------------|---------------|---------------|---------------|
| <b>NET SALES</b>   | <b>117.8</b>   | <b>110.3</b>   | <b>7.5</b>       | <b>37.6</b>   | <b>38.1</b>   | <b>42.1</b>   |
| <b>GROSS PROFIT</b>  | <b>51.5</b>    | <b>45.9</b>    | <b>5.6</b>       | <b>16.1</b>   | <b>16.4</b>   | <b>19.0</b>   |
| <i>Gross Margin</i>  | 43.7%          | 41.6%          |                  | 42.8%         | 43.1%         | 45.2%         |
| R&D expenses   | (8.1)          | (8.7)          | 0.6              | (2.7)         | (2.7)         | (2.7)         |
| Selling expenses   | (9.0)          | (8.7)          | (0.3)            | (3.0)         | (3.0)         | (2.9)         |
| G&A expenses   | (21.8)         | (21.5)         | (0.3)            | (7.2)         | (6.9)         | (7.7)         |
| <b>Total operating expenses</b>  | <b>(38.9)</b>  | <b>(38.9)</b>  | <b>0.0</b>       | <b>(12.9)</b> | <b>(12.7)</b> | <b>(13.3)</b> |
| Other income (expenses), net   | 1.0            | (0.2)          | 1.1              | 1.0           | 0.0           | (0.1)         |
| <b>OPERATING INCOME</b>  | <b>13.5</b>    | <b>6.8</b>     | <b>6.7</b>       | <b>4.2</b>    | <b>3.7</b>    | <b>5.7</b>    |
| <i>Operating Margin</i>  | 11.5%          | 6.2%           |                  | 11.1%         | 9.7%          | 13.5%         |
| Interest and other financial income (expenses), net                      | (0.2)          | (0.9)          | 0.7              | (0.1)         | (0.2)         | 0.1           |
| Income (loss) from equity method evaluated companies                     | (1.1)          | (1.3)          | 0.3              | (0.2)         | (0.5)         | (0.3)         |
| Foreign exchange gains (losses), net                                     | (0.1)          | (0.8)          | 0.7              | (0.2)         | 0.2           | (0.2)         |
| <b>INCOME BEFORE TAXES</b>   | <b>12.1</b>    | <b>3.7</b>     | <b>8.4</b>       | <b>3.6</b>    | <b>3.3</b>    | <b>5.3</b>    |
| Income Taxes   | (6.5)          | (5.6)          | (0.9)            | (1.7)         | (2.4)         | (2.3)         |
| <b>NET INCOME from continued operations</b>                              | <b>5.7</b>     | <b>(1.9)</b>   | <b>7.5</b>       | <b>1.9</b>    | <b>0.8</b>    | <b>3.0</b>    |
| <i>Net Margin</i>  | 4.8%           | -1.7%          |                  | 5.0%          | 2.2%          | 7.0%          |
| Net income (loss) from assets held for sales and discontinued operations | 239.3          | 18.6           | 220.7            | 7.0           | 232.9         | (0.6)         |
| <b>NET INCOME before minority interests</b>                              | <b>244.9</b>   | <b>16.7</b>    | <b>228.2</b>     | <b>8.9</b>    | <b>233.7</b>  | <b>2.3</b>    |
| <i>Net Margin</i>  | 207.9%         | 15.1%          |                  | 23.6%         | 612.9%        | 5.5%          |
| Minority interests   | 0.0            | 0.0            | 0.0              | 0.0           | 0.0           | 0.0           |
| <b>GROUP NET INCOME</b>  | <b>244.9</b>   | <b>16.7</b>    | <b>228.2</b>     | <b>8.9</b>    | <b>233.7</b>  | <b>2.3</b>    |
| <i>Net Margin</i>  | 207.9%         | 15.1%          |                  | 23.6%         | 612.9%        | 5.5%          |



## Result from discontinued operations – September 2018

*All figures in M€, unless otherwise stated*

|  | Consolidated statement of profit or loss - gas purification business | Capital gain on purification business disposal, net of the related costs | September 2018 | Consolidated statement of profit or loss - gas purification business | Capital gain on purification business disposal, net of the related costs | September 2017 |
|--|--|--|----------------|--|--|----------------|
| <b>Total net sales</b>   | <b>45.2</b>  | <b>0.0</b>   | <b>45.2</b>    | <b>59.6</b>  |  | <b>59.6</b>    |
| Cost of sales  | (26.2)   | (1.3)  | (27.5)         | (30.9)   |  | (30.9)         |
| <b>Gross profit</b>  | <b>18.9</b>  | <b>(1.3)</b>   | <b>17.6</b>    | <b>28.7</b>  | <b>0</b>   | <b>28.7</b>    |
| R&D expenses   | (1.9)  | (0.9)  | (2.8)          | (2.5)  |  | (2.5)          |
| Selling expenses   | (2.6)  | (1.0)  | (3.6)          | (3.3)  |  | (3.3)          |
| G&A expenses   | (1.0)  | (26.6)   | (27.6)         | (1.4)  | (0.2)  | (1.6)          |
| <b>Total operating expenses</b>  | <b>(5.5)</b>   | <b>(28.4)</b>  | <b>(34.0)</b>  | <b>(7.2)</b>   | <b>(0.2)</b>   | <b>(7.4)</b>   |
| Other income   | 0.0  | 261.8  | 261.8          | 0.1  |  | 0.1            |
| Other expenses   | (0.0)  | (0.1)  | (0.1)          | (0.1)  |  | (0.1)          |
| <b>Operating income (loss)</b>   | <b>13.4</b>  | <b>232.0</b>   | <b>245.4</b>   | <b>21.4</b>  | <b>(0.2)</b>   | <b>21.3</b>    |
| Financial income   | 0.0  | 0.0  | 0.0            | 0  |  | 0.0            |
| Financial expenses   | (0.0)  | (0.2)  | (0.3)          | (0.1)  |  | (0.1)          |
| Foreign exchange gains (losses), net                                       | 0.0  | (3.5)  | (3.5)          | (0.0)  |  | (0.0)          |
| <b>Income (loss) before taxes</b>  | <b>13.4</b>  | <b>228.3</b>   | <b>241.7</b>   | <b>21.3</b>  | <b>(0.2)</b>   | <b>21.1</b>    |
| Income taxes   | (0.7)  | (1.7)  | (2.4)          | (2.6)  |  | (2.6)          |
| <b>Income (loss) from assets held for sale and discontinued operations</b> | <b>12.7</b>  | <b>226.6</b>   | <b>239.3</b>   | <b>18.8</b>  | <b>(0.2)</b>   | <b>18.6</b>    |

# Capital gain on gas purification business disposal

*All figures in M€, unless otherwise stated*

|  |               |
|--|---------------|
| Consideration  | 304.1         |
| Price adjustments  | (1.8)         |
| <b>Total consideration</b>   | <b>302.4</b>  |
| <b>Book value of the sold net assets</b>                             | <b>(40.5)</b> |
| <b>Gross capital gain</b>  | <b>261.8</b>  |
| Legal & consultant expenses  | (5.9)         |
| Bonus & severance  | (8.0)         |
| Asset Plan remuneration  | (15.8)        |
| Other costs  | (0.1)         |
| Interests  | (0.2)         |
| Realized exchange losses on hedging contracts                        | (4.3)         |
| Exchange losses on the USD collection                                | (1.4)         |
| Release of the conversion reserve generated by the US companies sold | 2.1           |
| Taxes  | (1.7)         |
| <b>Total costs</b>   | <b>(35.3)</b> |
| <b>Net capital gain</b>  | <b>226.6</b>  |

# Consolidated Income Statement – 3Q 2018

All figures in M€, unless otherwise stated

|  | 3Q 2018       | 3Q 2017       | Total difference |
|--|---------------|---------------|------------------|
| <b>NET SALES</b>   | <b>42.1</b>   | <b>36.4</b>   | <b>5.6</b>       |
| <b>GROSS PROFIT</b>  | <b>19.0</b>   | <b>14.6</b>   | <b>4.4</b>       |
| <i>Gross Margin</i>  | 45.2%         | 40.1%         |                  |
| R&D expenses   | (2.7)         | (2.7)         | 0.1              |
| Selling expenses   | (2.9)         | (2.8)         | (0.2)            |
| G&A expenses   | (7.7)         | (7.3)         | (0.4)            |
| <b>Total operating expenses</b>  | <b>(13.3)</b> | <b>(12.8)</b> | <b>(0.5)</b>     |
| Other income (expenses), net   | (0.1)         | (0.1)         | 0.0              |
| <b>OPERATING INCOME</b>  | <b>5.7</b>    | <b>1.7</b>    | <b>3.9</b>       |
| <i>Operating Margin</i>  | 13.5%         | 4.8%          |                  |
| Interest and other financial income (expenses), net                      | 0.1           | (0.2)         | 0.2              |
| Income (loss) from equity method evaluated companies                     | (0.3)         | (0.3)         | (0.1)            |
| Foreign exchange gains (losses), net                                     | (0.2)         | (0.1)         | (0.1)            |
| <b>INCOME BEFORE TAXES</b>   | <b>5.3</b>    | <b>1.2</b>    | <b>4.1</b>       |
| Income Taxes   | (2.3)         | (1.1)         | (1.2)            |
| <b>NET INCOME from continued operations</b>                              | <b>3.0</b>    | <b>0.1</b>    | <b>2.8</b>       |
| <i>Net Margin</i>  | 7.0%          | 0.3%          |                  |
| Net income (loss) from assets held for sales and discontinued operations | (0.6)         | 5.6           | (6.2)            |
| <b>NET INCOME before minority interests</b>                              | <b>2.3</b>    | <b>5.7</b>    | <b>(3.4)</b>     |
| <i>Net Margin</i>  | 5.5%          | 15.7%         |                  |
| Minority interests   | 0.0           | 0.0           | 0.0              |
| <b>GROUP NET INCOME</b>  | <b>2.3</b>    | <b>5.7</b>    | <b>(3.4)</b>     |
| <i>Net Margin</i>  | 5.5%          | 15.7%         |                  |

## Result from discontinued operations – 3Q 2018

All figures in M€, unless otherwise stated

|  | Consolidated<br>statement of profit<br>or loss - gas<br>purification<br>business | Capital gain on<br>purification<br>business disposal,<br>net of the related<br>costs | 3Q 2018      | Consolidated<br>statement of profit<br>or loss - gas<br>purification<br>business | Capital gain on<br>purification<br>business disposal,<br>net of the related<br>costs | 3Q 2017      |
|--|--|--|--------------|--|--|--------------|
| <b>Total net sales</b>   | <b>0.6</b>   | <b>0.0</b>   | <b>0.6</b>   | <b>16.1</b>  |  | <b>16.1</b>  |
| Cost of sales  | (0.4)  | (0.0)  | (0.4)        | (7.8)  |  | (7.8)        |
| <b>Gross profit</b>  | <b>0.3</b>   | <b>(0.0)</b>   | <b>0.2</b>   | <b>8.3</b>   | <b>0</b>   | <b>8.3</b>   |
| R&D expenses   | (0.0)  | (0.0)  | (0.0)        | (0.8)  |  | (0.8)        |
| Selling expenses   | (0.1)  | (0.0)  | (0.1)        | (1.1)  |  | (1.1)        |
| G&A expenses   | (0.1)  | (1.5)  | (1.6)        | (0.5)  | 0.0  | (0.5)        |
| <b>Total operating expenses</b>  | <b>(0.3)</b>   | <b>(1.5)</b>   | <b>(1.8)</b> | <b>(2.3)</b>   | <b>0.0</b>   | <b>(2.3)</b> |
| Other income   | 0.0  | 0.4  | 0.4          | 0.0  |  | 0.0          |
| Other expenses   | 0.0  | 0.0  | 0.0          | (0.0)  |  | (0.0)        |
| <b>Operating income (loss)</b>   | <b>(0.0)</b>   | <b>(1.1)</b>   | <b>(1.1)</b> | <b>6.0</b>   | <b>0.0</b>   | <b>6.0</b>   |
| Financial income   | 0.0  | 0.0  | 0.0          | 0  |  | 0.0          |
| Financial expenses   | 0.0  | 0.0  | 0.0          | (0.0)  |  | (0.0)        |
| Foreign exchange gains (losses), net   | 0.0  | 0.2  | 0.2          | 0.0  |  | 0.0          |
| <b>Income (loss) before taxes</b>  | <b>(0.0)</b>   | <b>(0.9)</b>   | <b>(0.9)</b> | <b>6.0</b>   | <b>0.0</b>   | <b>6.0</b>   |
| Income taxes   | 0.3  | 0.0  | 0.3          | (0.4)  |  | (0.4)        |
| <b>Income (loss) from assets held for<br/>sale and discontinued operations</b> | <b>0.3</b>   | <b>(0.9)</b>   | <b>(0.6)</b> | <b>5.6</b>   | <b>0.0</b>   | <b>5.6</b>   |

# Actuator Solutions - Income Statement (50%)

(figures based on the % of ownership held by SAES Group)

All figures in M€, unless otherwise stated

|   | September 2018 | September 2017 | Total difference | 1Q 2017      | 2Q 2017      | 3Q 2017      | 4Q 2017      | 1Q 2018      | 2Q 2018      | 3Q 2018    |
|---|----------------|----------------|------------------|--------------|--------------|--------------|--------------|--------------|--------------|------------|
| <b>NET SALES</b>                                    | <b>8.9</b>     | <b>10.5</b>    | <b>(1.6)</b>     | <b>3.5</b>   | <b>3.4</b>   | <b>3.6</b>   | <b>3.0</b>   | <b>2.8</b>   | <b>3.1</b>   | <b>3.0</b> |
| Cost of goods sold                                  | (7.3)          | (9.6)          | 2.3              | (3.6)        | (2.9)        | (3.1)        | (2.6)        | (2.2)        | (2.5)        | (2.6)      |
| <b>GROSS PROFIT</b>                                 | <b>1.6</b>     | <b>0.9</b>     | <b>0.7</b>       | <b>(0.1)</b> | <b>0.5</b>   | <b>0.5</b>   | <b>0.4</b>   | <b>0.6</b>   | <b>0.5</b>   | <b>0.4</b> |
| <i>Gross Margin</i>                                 | 17.6%          | 8.5%           |                  | -2.1%        | 13.8%        | 13.7%        | 13.6%        | 21.6%        | 17.5%        | 13.8%      |
| Operating expenses                                  | (1.7)          | (2.1)          | 0.4              | (0.6)        | (0.7)        | (0.8)        | (0.6)        | (0.6)        | (0.6)        | (0.5)      |
| Other income (expenses), net                        | 0.2            | (0.0)          | 0.2              | (0.1)        | (0.4)        | 0.5          | 0.0          | 0.1          | (0.2)        | 0.2        |
| <b>OPERATING INCOME</b>                             | <b>0.1</b>     | <b>(1.2)</b>   | <b>1.3</b>       | <b>(0.8)</b> | <b>(0.7)</b> | <b>0.2</b>   | <b>(0.2)</b> | <b>0.2</b>   | <b>(0.2)</b> | <b>0.1</b> |
| <i>Operating Margin</i>                             | 0.6%           | -11.7%         |                  | -21.9%       | -19.7%       | 5.4%         | -5.3%        | 5.9%         | -7.3%        | 3.6%       |
| Interest and other financial income (expenses), net | (0.2)          | (0.3)          | 0.1              | (0.1)        | (0.1)        | (0.1)        | (0.1)        | (0.1)        | (0.1)        | (0.1)      |
| Foreign exchange gains (losses), net                | (0.0)          | (0.3)          | 0.2              | 0.2          | (0.3)        | (0.1)        | 0.0          | (0.0)        | 0.0          | 0.0        |
| <b>INCOME BEFORE TAXES</b>                          | <b>(0.2)</b>   | <b>(1.8)</b>   | <b>1.6</b>       | <b>(0.6)</b> | <b>(1.1)</b> | <b>(0.0)</b> | <b>(0.2)</b> | <b>0.1</b>   | <b>(0.3)</b> | <b>0.1</b> |
| Income Taxes  | (0.2)          | (0.0)          | (0.1)            | 0.0          | (0.0)        | (0.1)        | (0.0)        | (0.1)        | (0.1)        | (0.0)      |
| <b>NET INCOME (LOSS)</b>                            | <b>(0.4)</b>   | <b>(1.8)</b>   | <b>1.4</b>       | <b>(0.6)</b> | <b>(1.1)</b> | <b>(0.1)</b> | <b>(0.2)</b> | <b>(0.0)</b> | <b>(0.3)</b> | <b>0.0</b> |

- ✓ **Net sales** almost entirely attributable to the German business of seat comfort, which continued to record a progressive growth, against a decrease in sales of the AF for action cameras of the Taiwanese subsidiary
- ✓ Improvement in **net result** mainly due to the recovery of the margin in the German business (also favored by the economies of scale related to the increased sales), as well as to the reduction of the costs of the Taiwanese subsidiary (subsequent to the reorganization carried out in the previous year and aimed at the closure of the Zhubei factory, at the outsourcing of the production activities and the focus of Actuator Solutions Taiwan Co., Ltd. in R&D activities)
- ✓ Excluding the extraordinary charges of (€0.7 million) related to the continuation of the process of the production outsourcing also at the Chinese subsidiary, **net result** of the first nine months of 2018 at break-even

# SAES RIAL Vacuum - Income Statement (49%)

(figures based on the % of ownership held by SAES Group)

All figures in M€, unless otherwise stated

|   | September 2018 | September 2017 | Total difference |
|---|----------------|----------------|------------------|
| <b>NET SALES</b>                                    | <b>0.8</b>     | <b>0.6</b>     | <b>0.2</b>       |
| Cost of goods sold                                  | (0.6)          | (0.6)          | (0.0)            |
| <b>GROSS PROFIT</b>                                 | <b>0.2</b>     | <b>0.1</b>     | <b>0.1</b>       |
| <i>Gross Margin</i>                                 | 24.1%          | 10.6%          |                  |
| Operating expenses                                  | (0.1)          | (0.1)          | (0.0)            |
| Other income (expenses), net                        | (0.0)          | 0.1            | (0.1)            |
| <b>OPERATING INCOME</b>                             | <b>0.0</b>     | <b>0.0</b>     | <b>0.0</b>       |
| <i>Operating Margin</i>                             | 5.5%           | 3.2%           |                  |
| Interest and other financial income (expenses), net | (0.0)          | (0.0)          | 0.0              |
| Foreign exchange gains (losses), net                | 0.0            | 0.0            | 0.0              |
| <b>INCOME BEFORE TAXES</b>                          | <b>0.0</b>     | <b>0.0</b>     | <b>0.0</b>       |
| Income Taxes  | (0.0)          | 0.0            | (0.0)            |
| <b>NET INCOME (LOSS)</b>                            | <b>0.0</b>     | <b>0.0</b>     | <b>0.0</b>       |

|   | 1Q 2017      | 2Q 2017      | 3Q 2017    | 4Q 2017    | 1Q 2018    | 2Q 2018      | 3Q 2018    |
|---|--------------|--------------|------------|------------|------------|--------------|------------|
| <b>NET SALES</b>                                    | <b>0.1</b>   | <b>0.1</b>   | <b>0.3</b> | <b>0.6</b> | <b>0.3</b> | <b>0.2</b>   | <b>0.3</b> |
| Cost of goods sold                                  | (0.2)        | (0.2)        | (0.2)      | (0.3)      | (0.2)      | (0.2)        | (0.2)      |
| <b>GROSS PROFIT</b>                                 | <b>(0.0)</b> | <b>(0.0)</b> | <b>0.1</b> | <b>0.2</b> | <b>0.1</b> | <b>0.0</b>   | <b>0.1</b> |
| <i>Gross Margin</i>                                 | -23.9%       | -31.4%       | 41.3%      | 39.0%      | 31.1%      | 17.2%        | 22.7%      |
| Operating expenses                                  | (0.0)        | (0.0)        | (0.0)      | (0.1)      | (0.0)      | (0.1)        | (0.0)      |
| Other income (expenses), net                        | 0.1          | (0.0)        | 0.0        | (0.0)      | (0.0)      | (0.0)        | (0.0)      |
| <b>OPERATING INCOME</b>                             | <b>(0.0)</b> | <b>(0.1)</b> | <b>0.1</b> | <b>0.1</b> | <b>0.0</b> | <b>(0.0)</b> | <b>0.0</b> |
| <i>Operating Margin</i>                             | -11.3%       | -51.8%       | 30.9%      | 26.3%      | 17.1%      | -15.4%       | 10.0%      |
| Interest and other financial income (expenses), net | (0.0)        | (0.0)        | (0.0)      | (0.0)      | (0.0)      | (0.0)        | (0.0)      |
| Foreign exchange gains (losses), net                | 0.0          | 0.0          | 0.0        | 0.0        | 0.0        | 0.0          | 0.0        |
| <b>INCOME BEFORE TAXES</b>                          | <b>(0.0)</b> | <b>(0.1)</b> | <b>0.1</b> | <b>0.1</b> | <b>0.0</b> | <b>(0.0)</b> | <b>0.0</b> |
| Income Taxes  | 0.0          | 0.0          | 0.0        | (0.0)      | (0.0)      | 0.0          | (0.0)      |
| <b>NET INCOME (LOSS)</b>                            | <b>(0.0)</b> | <b>(0.1)</b> | <b>0.1</b> | <b>0.1</b> | <b>0.0</b> | <b>(0.0)</b> | <b>0.0</b> |

- ✓ **Net sales** of the first nine months of 2018 up by 28.1%
- ✓ Increase in the **gross margin** (from 10.6% to 24.1%) only partially offset by higher G&A expenses
- ✓ **Net result** at break-even

# Flexterra - Income Statement (33.79%)

(figures based on the % of ownership held by SAES Group)

All figures in M€, unless otherwise stated

|   | September 2018 | September 2017 | Total difference | 1Q 2017      | 2Q 2017      | 3Q 2017      | 4Q 2017      | 1Q 2018      | 2Q 2018      | 3Q 2018        |
|---|----------------|----------------|------------------|--------------|--------------|--------------|--------------|--------------|--------------|----------------|
| <b>NET SALES</b>                                    | <b>0.0</b>     | <b>0.0</b>     | <b>0.0</b>       | <b>0.0</b>   | <b>0.0</b>   | <b>0.0</b>   | <b>0.0</b>   | <b>0.0</b>   | <b>0.0</b>   | <b>0.0</b>     |
| Cost of goods sold                                  | (0.0)          | 0.0            | (0.0)            | 0.0          | 0.0          | 0.0          | (0.0)        | 0.0          | (0.0)        |                |
| <b>GROSS PROFIT</b>                                 | <b>0.0</b>     | <b>0.0</b>     | <b>0.0</b>       | <b>0.0</b>   | <b>0.0</b>   | <b>0.0</b>   | <b>0.0</b>   | <b>0.0</b>   | <b>0.0</b>   | <b>0.0</b>     |
| <i>Gross Margin</i>                                 | <i>n.s.</i>    | <i>n.s.</i>    |                  | <i>n.s.</i>  | <i>n.s.</i>  | <i>n.s.</i>  | <i>n.s.</i>  | <i>n.s.</i>  | <i>n.s.</i>  | <i>1.0</i>     |
| Operating expenses                                  | (1.1)          | (1.3)          | 0.3              | (0.3)        | (0.6)        | (0.4)        | (0.6)        | (0.3)        | (0.4)        | (0.3)          |
| Other income (expenses), net                        | 0.0            | (0.1)          | 0.1              | (0.0)        | (0.0)        | 0.0          | 0.0          | 0.0          | (0.0)        | 0.0            |
| <b>OPERATING INCOME</b>                             | <b>(1.1)</b>   | <b>(1.4)</b>   | <b>0.3</b>       | <b>(0.4)</b> | <b>(0.6)</b> | <b>(0.4)</b> | <b>(0.6)</b> | <b>(0.3)</b> | <b>(0.4)</b> | <b>(0.3)</b>   |
| <i>Operating Margin</i>                             | <i>n.s.</i>    | <i>n.s.</i>    |                  | <i>n.s.</i>  | <i>n.s.</i>  | <i>n.s.</i>  | <i>n.s.</i>  | <i>n.s.</i>  | <i>n.s.</i>  | <i>(114.3)</i> |
| Interest and other financial income (expenses), net | (0.0)          | 0.0            | (0.0)            | (0.0)        | 0.0          | (0.0)        | 0.0          | (0.0)        | 0.0          | 0.0            |
| Foreign exchange gains (losses), net                | (0.0)          | 0.0            | (0.0)            | 0.0          | (0.0)        | 0.0          | 0.0          | 0.0          | (0.0)        | 0.0            |
| <b>INCOME BEFORE TAXES</b>                          | <b>(1.1)</b>   | <b>(1.4)</b>   | <b>0.3</b>       | <b>(0.3)</b> | <b>(0.6)</b> | <b>(0.4)</b> | <b>(0.6)</b> | <b>(0.3)</b> | <b>(0.5)</b> | <b>(0.3)</b>   |
| Income Taxes  | 0.0            | 0.0            | 0.0              | 0.0          | 0.0          | 0.0          | 0.0          | 0.0          | 0.0          | 0.0            |
| <b>NET INCOME (LOSS)</b>                            | <b>(1.1)</b>   | <b>(1.3)</b>   | <b>0.3</b>       | <b>(0.3)</b> | <b>(0.6)</b> | <b>(0.4)</b> | <b>(0.6)</b> | <b>(0.3)</b> | <b>(0.5)</b> | <b>(0.3)</b>   |

- ✓ The **development start-up** ended the first nine months of 2018 with a **net loss** equal to -€3.2 million (mainly, costs for personnel employed in research activities and in general and administrative activities, consultancy, costs related to the management of patents and amortization of intangible assets conferred by some third-party shareholders upon establishment of the company)
- ✓ **Containment of the loss** mainly attributable to lower personnel costs, as a result of the progressively more efficient use of the resources, together with the reduction in consultancy, only partially offset by higher costs for the management of patents
- ✓ The **first fully flexible electrophoretic display**, which uses technology and materials developed by Flexterra, presented at **SID in Los Angeles** at the end of May 2018

# Total Income Statement of the Group

(achieved by incorporating the JVs with the proportional method instead of the equity method)

All figures in M€, unless otherwise stated

|  | September 2018 | Actuator Solutions     |                           | SAES RIAL Vacuum S.r.l.     |                           | Flexterra        |                           | September 2018 Total IS of the Group |
|--|----------------|------------------------|---------------------------|-----------------------------|---------------------------|------------------|---------------------------|--------------------------------------|
|  |                | 50% Actuator Solutions | Eliminations & other adjs | 49% SAES RIAL Vacuum S.r.l. | Eliminations & other adjs | 33.79% Flexterra | Eliminations & other adjs |                                      |
| <b>NET SALES</b>                                     | <b>117.8</b>   | <b>8.9</b>             | <b>-0.6</b>               | <b>0.8</b>                  | <b>-0.1</b>               | <b>0.0</b>       |                           | <b>126.8</b>                         |
| <b>GROSS PROFIT</b>                                  | <b>51.5</b>    | <b>1.6</b>             | <b>0.0</b>                | <b>0.2</b>                  | <b>0.0</b>                | <b>0.0</b>       | <b>0.0</b>                | <b>53.3</b>                          |
| <i>Gross Margin</i>                                  | 43.7%          | 17.6%                  |                           | 24.1%                       |                           | n.s.             |                           | 42.0%                                |
| Total operating expenses                             | -38.9          | -1.7                   |                           | -0.1                        |                           | -1.1             |                           | -41.8                                |
| Other income (expenses), net                         | 1.0            | 0.2                    |                           | 0.0                         |                           | 0.0              |                           | 1.1                                  |
| <b>OPERATING INCOME</b>                              | <b>13.5</b>    | <b>0.1</b>             | <b>0.0</b>                | <b>0.0</b>                  | <b>0.0</b>                | <b>-1.1</b>      | <b>0.0</b>                | <b>12.6</b>                          |
| <i>Operating Margin</i>                              | 11.5%          | 0.6%                   |                           | 5.5%                        |                           | n.s.             |                           | 9.9%                                 |
| Interest and other financial income (expenses), net  | -0.2           | -0.2                   |                           | 0.0                         |                           | 0.0              |                           | -0.4                                 |
| Income (loss) from equity method evaluated companies | -1.1           |                        | 0.0                       |                             | 0.0                       |                  | 1.1                       | 0.0                                  |
| Foreign exchange gains (losses), net                 | -0.1           | 0.0                    |                           | 0.0                         |                           | 0.0              |                           | -0.2                                 |
| <b>INCOME BEFORE TAXES</b>                           | <b>12.1</b>    | <b>-0.2</b>            | <b>0.0</b>                | <b>0.0</b>                  | <b>0.0</b>                | <b>-1.1</b>      | <b>1.1</b>                | <b>12.0</b>                          |
| Income Taxes   | -6.5           | -0.2                   |                           | 0.0                         |                           | 0.0              |                           | -6.6                                 |
| <b>NET INCOME from continued operations</b>          | <b>5.7</b>     | <b>-0.4</b>            | <b>0.0</b>                | <b>0.0</b>                  | <b>0.0</b>                | <b>-1.1</b>      | <b>1.1</b>                | <b>5.3</b>                           |
| <i>Net Margin</i>                                    | 4.8%           | -4.0%                  |                           | 2.4%                        |                           | n.s.             |                           | 4.2%                                 |
| Net income (loss) from discontinued operations       | 239.3          |                        |                           |                             |                           |                  |                           | 239.3                                |
| <b>NET INCOME before minority interests</b>          | <b>244.9</b>   | <b>-0.4</b>            | <b>0.0</b>                | <b>0.0</b>                  | <b>0.0</b>                | <b>-1.1</b>      | <b>1.1</b>                | <b>244.6</b>                         |
| <i>Net Margin</i>                                    | 207.9%         | -4.0%                  |                           | 2.4%                        |                           | n.s.             |                           | 192.8%                               |
| Minority interests                                   | 0.0            |                        |                           |                             |                           |                  |                           | 0.0                                  |
| <b>GROUP NET INCOME</b>                              | <b>244.9</b>   | <b>-0.4</b>            | <b>0.0</b>                | <b>0.0</b>                  | <b>0.0</b>                | <b>-1.1</b>      | <b>1.1</b>                | <b>244.6</b>                         |
| <i>Net Margin</i>                                    | 207.9%         | -4.0%                  |                           | 2.4%                        |                           | n.s.             |                           | 192.8%                               |



# Net Financial Position

All figures in M€, unless otherwise stated

|                                       | Sep 30,<br>2018 | Jun 30,<br>2018 | Mar 31,<br>2018 | Dec 31,<br>2017 |
|---------------------------------------|-----------------|-----------------|-----------------|-----------------|
| Cash and cash equivalents             | 275.0           | 302.6           | 24.1            | 27.6            |
| Current financial assets              | 1.0             | 0.9             | 0.9             | 0.9             |
| Current financial liabilities         | (34.2)          | (40.6)          | (23.7)          | (24.5)          |
| <b>Current net financial position</b> | <b>241.8</b>    | <b>262.9</b>    | <b>1.2</b>      | <b>4.0</b>      |
| Non current financial assets          | 8.0             | 8.0             | 8.0             | 7.5             |
| Non current financial liabilities     | (15.2)          | (22.0)          | (24.8)          | (28.1)          |
| <b>Non current financial position</b> | <b>(7.2)</b>    | <b>(13.9)</b>   | <b>(16.8)</b>   | <b>(20.5)</b>   |
| <b>NET FINANCIAL POSITION</b>         | <b>234.6</b>    | <b>249.0</b>    | <b>(15.5)</b>   | <b>(16.5)</b>   |

- ✓ Decrease in the NFP compared to June 30, 2018 as result of the **residual disbursements related to the completion of the sale of the purification business**, occurred after the closing date (June 25, 2018)
- ✓ With regards to **continuing operations**, in 3Q 2018 cash flows by **operating activities** equal to +€7 million and **net investments in tangible and intangible assets** equal to -€4 million

# Cash Flows – September 2018

All figures in M€, unless otherwise stated

|  | Cash Flows<br>September<br>2018 | From discontinued operations    |                      |              | From<br>continued<br>operations |
|--|---------------------------------|---------------------------------|----------------------|--------------|---------------------------------|
|  |                                 | gas<br>purification<br>business | business<br>disposal | total        |                                 |
| Net income (loss) from continued operations                                    | 5.7                             |                                 |                      | 0.0          | 5.7                             |
| Net income (loss) from discontinued operations                                 | 239.3                           | 12.7                            | 226.6                | 239.3        | 0.0                             |
| Current income taxes   | 11.5                            | 0.7                             |                      | 0.7          | 10.8                            |
| Change in deferred income taxes  | (4.1)                           | 0.0                             |                      | 0.0          | (4.1)                           |
| Depreciation, amortization and write down of non current assets                | 6.2                             | 0.4                             |                      | 0.4          | 5.8                             |
| Net capital gain on purification business disposal                             | (225.9)                         |                                 | (226.6)              | (226.6)      | 0.7                             |
| Interests and other financial income, net                                      | 0.2                             |                                 |                      | 0.0          | 0.2                             |
| Other non-monetary costs   | (0.7)                           | (0.4)                           |                      | (0.4)        | (0.3)                           |
|  | <b>32.1</b>                     | <b>13.4</b>                     | <b>0.0</b>           | <b>13.4</b>  | <b>18.7</b>                     |
| Change in operating assets and liabilities                                     | (7.1)                           | (1.0)                           |                      | (1.0)        | (6.2)                           |
| Payments of termination indemnities and similar obligations                    | (0.3)                           |                                 |                      | 0.0          | (0.3)                           |
| Financial income received, net of payment of interests                         | (0.1)                           |                                 |                      | 0.0          | (0.1)                           |
| Payment of income taxes  | (11.0)                          | (1.0)                           |                      | (1.0)        | (10.0)                          |
| <b>Net cash flows from operating activities</b>                                | <b>13.6</b>                     | <b>11.5</b>                     | <b>0.0</b>           | <b>11.5</b>  | <b>2.1</b>                      |
| Purchase of tangible and intangible assets, net of proceeds from sales         | (11.2)                          | (0.2)                           |                      | (0.2)        | (11.1)                          |
| Consideration for the acquisition of minority interests in subsidiaries        | (0.1)                           |                                 |                      | 0.0          | (0.1)                           |
| Price paid for the acquisition of businesses                                   | (0.1)                           | (0.1)                           |                      | (0.1)        | 0.0                             |
| Consideration for the purification business disposal, net of the disposed cash | 300.8                           |                                 | 300.8                | 300.8        | 0.0                             |
| Ancillary monetary charges for the purification business disposal              | (36.6)                          |                                 | (36.6)               | (36.6)       | 0.0                             |
| <b>Net cash flows from investing activities</b>                                | <b>252.7</b>                    | <b>(0.3)</b>                    | <b>264.2</b>         | <b>263.9</b> | <b>(11.1)</b>                   |
| Proceeds from debts, net of repayments   | (2.9)                           |                                 |                      | 0.0          | (2.9)                           |
| Dividends payment  | (15.4)                          |                                 |                      | 0.0          | (15.4)                          |
| Interests and other expenses paid on loans                                     | (0.5)                           |                                 |                      | 0.0          | (0.5)                           |
| Financing receivables from related parties                                     | (0.2)                           |                                 |                      | 0.0          | (0.2)                           |
| Other financial liabilities  | 0.0                             |                                 |                      | 0.0          | 0.0                             |
| <b>Net cash flows from financing activities</b>                                | <b>(19.0)</b>                   | <b>0.0</b>                      | <b>0.0</b>           | <b>0.0</b>   | <b>(19.0)</b>                   |
| Effect of exchange rate differences  | 0.4                             | (1.1)                           |                      | (1.1)        | 1.5                             |
| <b>TOTAL CASH FLOWS</b>  | <b>247.7</b>                    | <b>10.0</b>                     | <b>264.2</b>         | <b>274.2</b> | <b>(26.5)</b>                   |

# Cash Flows – 3Q 2018

All figures in M€, unless otherwise stated

|  | Cash Flows<br>3Q 2018 | From discontinued operations    |                      |               | From<br>continued<br>operations |
|--|-----------------------|---------------------------------|----------------------|---------------|---------------------------------|
|  |                       | gas<br>purification<br>business | business<br>disposal | total         |                                 |
| Net income (loss) from continued operations                                    | 3.0                   |                                 |                      | 0.0           | 3.0                             |
| Net income (loss) from discontinued operations                                 | (0.6)                 | 0.3                             | (0.9)                | (0.6)         | (0.0)                           |
| Current income taxes   | 1.1                   | (0.2)                           |                      | (0.2)         | 1.3                             |
| Change in deferred income taxes  | 1.1                   | (0.1)                           |                      | (0.1)         | 1.2                             |
| Depreciation, amortization and write down of non current assets                | 2.0                   | 0.0                             |                      | 0.0           | 2.0                             |
| Net capital gain on purification business disposal                             | 1.6                   |                                 | 0.9                  | 0.9           | 0.7                             |
| Interests and other financial income, net                                      | (0.9)                 |                                 |                      | 0.0           | (0.9)                           |
| Other non-monetary costs   | 1.9                   | (0.0)                           |                      | (0.0)         | 1.9                             |
|  | <b>9.2</b>            | <b>0.0</b>                      | <b>0.0</b>           | <b>0.0</b>    | <b>9.2</b>                      |
| Change in operating assets and liabilities                                     | (0.6)                 | (0.1)                           |                      | (0.1)         | (0.5)                           |
| Payments of termination indemnities and similar obligations                    | (0.1)                 |                                 |                      | 0.0           | (0.1)                           |
| Financial income received, net of payment of interests                         | 0.1                   |                                 |                      | 0.0           | 0.1                             |
| Payment of income taxes  | (1.6)                 | (0.0)                           |                      | (0.0)         | (1.6)                           |
| <b>Net cash flows from operating activities</b>                                | <b>6.9</b>            | <b>(0.1)</b>                    | <b>0.0</b>           | <b>(0.1)</b>  | <b>7.0</b>                      |
| Purchase of tangible and intangible assets, net of proceeds from sales         | (4.0)                 | (0.0)                           |                      | (0.0)         | (4.0)                           |
| Consideration for the acquisition of minority interests in subsidiaries        | 0.0                   |                                 |                      | 0.0           | 0.0                             |
| Price paid for the acquisition of businesses                                   | (0.0)                 | (0.0)                           |                      | (0.0)         | 0.0                             |
| Consideration for the purification business disposal, net of the disposed cash | 0.0                   |                                 | 0.0                  | 0.0           | 0.0                             |
| Ancillary monetary charges for the purification business disposal              | (17.0)                |                                 | (17.0)               | (17.0)        | 0.0                             |
| <b>Net cash flows from investing activities</b>                                | <b>(21.0)</b>         | <b>(0.0)</b>                    | <b>(17.0)</b>        | <b>(17.0)</b> | <b>(4.0)</b>                    |
| Proceeds from debts, net of repayments   | (12.5)                |                                 |                      | 0.0           | (12.5)                          |
| Dividends payment  | 0.0                   |                                 |                      | 0.0           | 0.0                             |
| Interests and other expenses paid on loans                                     | (0.1)                 |                                 |                      | 0.0           | (0.1)                           |
| Financing receivables from related parties                                     | 0.0                   |                                 |                      | 0.0           | 0.0                             |
| Other financial liabilities  | 0.0                   |                                 |                      | 0.0           | 0.0                             |
| <b>Net cash flows from financing activities</b>                                | <b>(12.7)</b>         | <b>0.0</b>                      | <b>0.0</b>           | <b>0.0</b>    | <b>(12.7)</b>                   |
| Effect of exchange rate differences  | (0.2)                 | (0.2)                           |                      | (0.2)         | (0.0)                           |
| <b>TOTAL CASH FLOWS</b>  | <b>(26.9)</b>         | <b>(0.3)</b>                    | <b>(17.0)</b>        | <b>(17.3)</b> | <b>(9.6)</b>                    |

- Results are expected in line with the current ones in the coming months

# Disclaimer and Attestation

This presentation contains forward-looking statements which are based upon current expectations and involve a number of risks and uncertainties. There are a number of important factors that could cause actual results to differ materially from those expressed in any forward-looking statements made by the Company. These factors include the Company's ability to introduce new products at planned costs and on planned schedules, the Company's ability to maintain key client relationships and the environments of the various economies in the countries the Company conducts business. The Company cautions that the foregoing list of important factors is not exclusive. The Company undertakes no obligation to publicly release the result of any revision to these forward-looking statements which may be made to reflect events or circumstances after the date hereof or to reflect the occurrence of unanticipated events.

\*\*\*

The Officer Responsible for the preparation of corporate financial reports of SAES Getters S.p.A. certifies that, in accordance with the second subsection of article 154-*bis*, part IV, title III, second paragraph, section V-*bis*, of Legislative Decree February 24, 1998, no. 58, the financial information included in the present document corresponds to book of account and book-keeping entries.

*The Officer Responsible for the preparation of corporate financial reports*  
*Giulio Canale*

SAES® is a registered trademark of SAES Getters S.p.A.

Thanks for your attention



E-mail: [investor\\_relations@saes-group.com](mailto:investor_relations@saes-group.com)

[www.saesgetters.com](http://www.saesgetters.com)