



## SAES GETTERS S.p.A.

Capital Stock Euro 12,220,000 fully paid-in  
Address of Principal Executive Offices:  
Viale Italia, 77 – 20020 Lainate (Milan), Italy  
Registered with the Milan Court Companies Register no. 00774910152

### Interim Management Report – 1<sup>st</sup> Quarter 2012

In the first quarter 2012, the SAES Getters Group achieved **consolidated net sales** equal to €39.6 million, up by 2.6% compared to €38.6 million achieved in the corresponding quarter 2011. The **exchange rate effect** was positive and equal to 4%, mainly due to the strengthening of the U.S. dollar in the first quarter 2012 compared to the same period of the previous year. Excluding the exchange rate effect, sales would have decreased by 1.4%. With reference to revenues, the **scope of consolidation** was unchanged compared to the first quarter 2011.

**Consolidated gross profit** of this quarter was €17.1 million, showing an increase (+7.9%) compared to €15.9 million in the first quarter 2011. The gross margin was equal to 43.2%, showing an improvement compared to 41.1% in the corresponding period of the previous year.

In the first quarter 2012, **consolidated operating income** was equal to €4.5 million, showing an increase (+21.2%) when compared to €3.7 million in the first quarter 2011.

**Consolidated income before taxes** was equal to €3.8 million compared to €3.5 million in the first quarter of the previous year (+10%).

**Consolidated net income** was equal to €1.7 million, compared to €1.4 million in the first quarter 2011, up by 17.8%.

**Consolidated EBITDA**<sup>1</sup> was equal to €7.2 million in the first quarter 2012, compared to €6.5 million in the first quarter 2011. As a percentage of revenues, EBITDA was equal to 18.2%, showing an improvement over the first quarter of the previous year (16.8% in the first quarter 2011).

In confirmation of what already previously announced, we would like to point out the excellent start of the fiscal year 2012 that ended the first quarter with increasing revenues and margins. In the forthcoming months, trusting in the stabilization of the world economy, we expect a revenues' growth generated by the new products developed by the research over the last few years, which is going to offset the downturn expected in the semiconductors sector. Moreover, in the second half 2012, we will start the mass production in Actuator Solutions GmbH.

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<sup>1</sup> EBITDA is not deemed a measure of performance under International Financial Reporting Standards (IFRS) and must not be considered as an alternative indicator of the Group's results. However, we believe that EBITDA is an important parameter for measuring the Group's performance. Since the calculation of EBITDA is not regulated by applicable accounting standards, the method applied by the Group may not be homogeneous with methods adopted by other groups. EBITDA is defined as "earnings before interests, taxes, depreciation and amortization".

**CONSOLIDATED FINANCIAL STATEMENTS****SAES Getters S.p.A. and Subsidiaries - Consolidated Income Statement**

Thousands of euro

	<b>1st Quarter 2012</b>	<b>1st Quarter 2011</b>
<b>Total net sales</b>	<b>39,625</b>	<b>38,628</b>
Cost of sales	(22,504)	(22,758)
<b>Gross profit</b>	<b>17,121</b>	<b>15,870</b>
R&D expenses	(3,759)	(3,518)
Selling expenses	(3,444)	(3,555)
G&A expenses	(6,066)	(5,633)
Total operating expenses	(13,269)	(12,706)
Other income (expenses), net	686	580
<b>Operating income</b>	<b>4,538</b>	<b>3,744</b>
Interest and other financial income, net	(500)	(303)
Income (loss) from equity method evaluated companies	(185)	0
Foreign exchange gains (losses), net	(9)	53
<b>Income before taxes</b>	<b>3,844</b>	<b>3,494</b>
Income taxes	(2,266)	(2,082)
<b>Net income from continuing operations</b>	<b>1,578</b>	<b>1,412</b>
Income (loss) from assets held for sale and discontinued operations	85	0
<b>Net income before minority interest</b>	<b>1,663</b>	<b>1,412</b>
Net income (loss) pertaining to minority interest	0	0
<b>Net income pertaining to the Group</b>	<b>1,663</b>	<b>1,412</b>

**SAES Getters S.p.A. and Subsidiaries - Consolidated Statement of Comprehensive Income**

Thousands of euro

	<b>1st Quarter 2012</b>	<b>1st Quarter 2011</b>
<b>Profit for the period</b>	<b>1,663</b>	<b>1,412</b>
Exchange differences on translation of foreign operations	(2,544)	(4,420)
<b>Other comprehensive income (loss) for the period</b>	<b>(2,544)</b>	<b>(4,420)</b>
<b>Total comprehensive income (loss) for the period, net of tax</b>	<b>(881)</b>	<b>(3,008)</b>
<i>attributable to:</i>		
- Equity holders of the parent	(881)	(3,008)
- Minority interests	0	0

**SAES Getters S.p.A. and Subsidiaries - Consolidated Income Statement per Business Unit**

Thousands of euro

	<b>Industrial Applications</b>		<b>Shape Memory Alloys</b>		<b>Information Displays</b>		<b>Business Development &amp; Corporate Costs</b>		<b>TOTAL</b>	
	<b>1st Quarter 2012</b>	<b>1st Quarter 2011</b>	<b>1st Quarter 2012</b>	<b>1st Quarter 2011</b>	<b>1st Quarter 2012</b>	<b>1st Quarter 2011</b>	<b>1st Quarter 2012</b>	<b>1st Quarter 2011</b>	<b>1st Quarter 2012</b>	<b>1st Quarter 2011</b>
<b>Total net sales</b>	<b>26,671</b>	<b>27,094</b>	<b>11,972</b>	<b>10,338</b>	<b>982</b>	<b>1,196</b>	<b>0</b>	<b>0</b>	<b>39,625</b>	<b>38,628</b>
Cost of sales	(14,001)	(14,133)	(7,617)	(7,287)	(805)	(1,267)	(81)	(71)	(22,504)	(22,758)
<b>Gross profit (loss)</b>	<b>12,670</b>	<b>12,961</b>	<b>4,355</b>	<b>3,051</b>	<b>177</b>	<b>(71)</b>	<b>(81)</b>	<b>(71)</b>	<b>17,121</b>	<b>15,870</b>
Operating expenses and other income (expenses)	(4,267)	(4,429)	(2,708)	(2,365)	(1,298)	(1,238)	(4,310)	(4,094)	(12,583)	(12,126)
<b>Operating income (loss)</b>	<b>8,403</b>	<b>8,532</b>	<b>1,647</b>	<b>686</b>	<b>(1,121)</b>	<b>(1,309)</b>	<b>(4,391)</b>	<b>(4,165)</b>	<b>4,538</b>	<b>3,744</b>

**SAES Getters S.p.A. and Subsidiaries - Consolidated Income (loss) per Share**

Euro

	1st Quarter 2012	1st Quarter 2011
Net income (loss) per ordinary share	0.0437	0.0266
Net income (loss) per savings share	0.1385	0.1385

**SAES Getters S.p.A. and Subsidiaries – Consolidated Statement of financial position**

Thousands of euro

	March 31, 2012	December 31, 2011
Property, plant and equipment, net	57,475	59,263
Intangible assets, net	42,334	44,009
Other non current assets	16,076	16,087
Current assets	78,939	77,493
Assets held for sale	0	648
<b>Total Assets</b>	<b>194,824</b>	<b>197,500</b>
Shareholders' equity	122,491	123,028
Minority interest in consolidated subsidiaries	3	3
<b>Total shareholders' equity</b>	<b>122,494</b>	<b>123,031</b>
Non current liabilities	38,003	22,404
Current liabilities	34,327	52,065
Liabilities held for sale	0	0
<b>Total Liabilities and Shareholders' Equity</b>	<b>194,824</b>	<b>197,500</b>

**SAES Getters S.p.A. and Subsidiaries - Consolidated Net Financial Position**

Thousands of euro

	March 31, 2012	December 31, 2011
Cash on hands	18	16
Cash equivalents	18,801	20,276
<b>Cash and cash equivalents</b>	<b>18,819</b>	<b>20,292</b>
<b>Current financial assets</b>	<b>301</b>	<b>0</b>
Bank overdraft	0	(1)
Current portion of long term debt	(7,561)	(26,156)
Other current financial liabilities	(1,704)	(1,335)
<b>Current financial liabilities</b>	<b>(9,265)</b>	<b>(27,492)</b>
<b>Current net financial position</b>	<b>9,855</b>	<b>(7,200)</b>
Long term debt, net of current portion	(23,619)	(7,621)
Other non current financial liabilities	(409)	(713)
<b>Non current liabilities</b>	<b>(24,028)</b>	<b>(8,334)</b>
<b>Net financial position</b>	<b>(14,173)</b>	<b>(15,534)</b>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### **Accounting Principles, Methods and Structure of the Group**

The Interim Management Report has been prepared applying the international accounting standards (IFRS) and in accordance with article 154-ter of “Financial Consolidation Act”, introduced by the Legislative Decree 195/2007, through which the Italian Lawyer has given execution to the Directive 2004/109/CE on subject of periodical information. This article substituted the article 82 (“Quarterly reports”) and the Annex 3D (“Guidance for the editing of Quarterly Reports”) of the Issuers Regulations.

The Interim Management Report is consistent with the accounting principles that govern the preparation of the annual and consolidated financial statements, insofar as they are applicable. Evaluation procedures adopted in the Interim Management Report are substantially similar to those usually applied to prepare the annual and consolidated financial statements.

With regard to the changes in the consolidation area occurred during the first quarter 2012, please note that, on January 1, 2012 it has been finalized the merger of SAES Getters America, Inc. into SAES Getters USA, Inc. (the former was already 100% owned by the latter).

This transaction will enable the achievement of economies of scale and the pursuit of operational efficiency between the two companies. In this regard, please note that SAES Getters America, Inc. already made use of the production facilities and of the resources of SAES Getters USA, Inc. for the carrying out of its manufacturing activities.

As regards to the other significant events occurred in the first quarter 2012, it should be noted that on March 30, 2012 SAES Getters USA, Inc. finalized the sale of its plant located in Ohio (former plant of SAES Getters America, Inc.) and of the equipment located therein, for a price of approximately USD 950 thousand. This sale generated a capital gain of €85 thousand, classified in the item “Income from assets held for sale and discontinued operations”.

It should be noted that the Interim Management Report on 1<sup>st</sup> quarter 2012 is unaudited.

### **Reclassifications of the income statement as at March 31, 2011**

Please note that during the fiscal year 2012, following their transfer to production:

- revenues and costs related to dispensable dryers and to alkaline metal dispensers for OLED displays have been transferred from the Business Development Unit to the Information Displays Business Unit (Organic Light Emitting Diodes Business);
- similarly, revenues and costs of getter sealants for photovoltaic modules and of sophisticated getters for energy storage devices have been transferred from the Business Development Unit to the Industrial Applications Business Unit (Renewable Energies Business).

2011 figures were subject to the same reclassifications in order to enable a homogeneous comparison with 2012.

**Net Sales by Business and by Geographic Location of Customers****SAES Getters S.p.A. and Subsidiaries - Consolidated Net Sales per Business**

Thousands of euro (except %)

Business	1st Quarter 2012	1st Quarter 2011	Total difference (%)	Price-Quantity effect (%)	Exchange rate effect (%)
Electronic Devices	4,957	6,752	-26.6%	-28.5%	1.9%
Lamps	3,087	3,603	-14.3%	-16.3%	2.0%
Vacuum Systems and Thermal Insulation	5,418	3,220	68.3%	59.6%	8.7%
Semiconductors	13,174	13,509	-2.5%	-6.6%	4.1%
Renewable Energies	35	10	250.0%	250.0%	0.0%
<b>Industrial Applications</b>	<b>26,671</b>	<b>27,094</b>	<b>-1.6%</b>	<b>-5.4%</b>	<b>3.8%</b>
<b>Shape Memory Alloys</b>	<b>11,972</b>	<b>10,338</b>	<b>15.8%</b>	<b>11.2%</b>	<b>4.6%</b>
Liquid Crystal Displays	405	571	-29.1%	-32.9%	3.8%
Cathode Ray Tubes	341	505	-32.5%	-35.9%	3.4%
Organic Light Emitting Diodes	236	120	96.7%	90.4%	6.3%
<b>Information Displays</b>	<b>982</b>	<b>1,196</b>	<b>-17.9%</b>	<b>-21.8%</b>	<b>3.9%</b>
<b>Business Development</b>	<b>0</b>	<b>0</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>
<b>Total Net Sales</b>	<b>39,625</b>	<b>38,628</b>	<b>2.6%</b>	<b>-1.4%</b>	<b>4.0%</b>

**Index:**

<b>Industrial Applications Business Unit</b>	
Lamps	Getters and metal dispensers used in discharge lamps and fluorescent lamps
Electronic Devices	Getters and metal dispensers for electron vacuum devices and getters for microelectronic and micromechanical systems (MEMS)
Vacuum Systems and Thermal Insulation	Pumps for vacuum systems, getters for solar collectors and products for thermal insulation
Semiconductors	Gas purifier systems for semiconductor industry and other industries
Renewable Energies	Getter sealants for photovoltaic modules and sophisticated getters for energy storage devices
<b>Shape Memory Alloys Business Unit</b>	
Shape Memory Alloys (SMA)	Shape memory alloys both for medical and for industrial applications
<b>Information Displays Business Unit</b>	
Liquid Crystal Displays (LCD)	Getters and metal dispensers for liquid crystal displays
Cathode Ray Tubes (CRT)	Barium getters for cathode ray tubes
Organic Light Emitting Diodes (OLED)	Dispensable dryers and alkaline metal dispensers for OLED displays and lighting systems
<b>Business Development Unit</b>	
Business Development	Projects under development (among which, components for High-Brightness LEDs)

**SAES Getters S.p.A. and Subsidiaries - Consolidated Net Sales by Geographic Location of Customer**

Thousands of euro

<b>Geographic Area</b>	<b>1st Quarter 2012</b>	<b>1st Quarter 2011</b>
Italy	539	323
European countries	6,217	7,454
North America	18,871	16,731
Japan	3,736	1,419
South Korea	5,478	4,317
China	2,809	4,710
Rest of Asia	1,766	3,553
Rest of the World	209	121
<b>Total Net Sales</b>	<b>39,625</b>	<b>38,628</b>

In the first quarter 2012, the SAES Getters Group achieved **consolidated net sales** equal to €39.6 million, up by 2.6% compared to €38.6 million achieved in the corresponding quarter 2011. The **exchange rate effect** was positive and equal to 4%, mainly due to the strengthening of the U.S. dollar in the first quarter 2012 compared to the same period of the previous year. Excluding the exchange rate effect, sales would have decreased by 1.4%.

With reference to revenues, the **scope of consolidation** was unchanged compared to the first quarter 2011.

**Industrial Applications Business Unit**

In the first quarter 2012, **consolidated revenues** of the Industrial Applications Business Unit were equal to €26.7 million, slightly down (-1.6%) when compared to €27.1 million in the first quarter 2011. The currency trend led to a positive exchange rate effect of 3.8%, net of which the decrease would have been equal to -5.4%.

The excellent recovery of the sales of getter pumps for particle accelerators, fostered by the start of a new special project in Japan, and the success of the new family of NEXTorr® pumps (Vacuum Systems Business), together with the growth of volumes of getter solutions for MEMS devices for the consumer electronics market (Electronic Devices Business), produced directly by the Group, allowed to offset the reduction in the other sectors, particularly the solar thermodynamic one (penalized both by the cut in government incentives and by the strengthening of competition) and the military one (penalized by the slowdown of the U.S. public investments). Also the Lamps Business showed a decrease, whose revenues have been penalized both by the long-term effects of the earthquake that hit Japan last year and by the slowdown of the Chinese domestic economy.

In the field of gas purification (Semiconductors Business), sales began to mark a slight decrease (-2.5%) due to the semiconductors' economic cycle, after a long period of uninterrupted growth.

Sales of the Electronic Devices Business amounted to €5 million in the first quarter 2012, down by 26.6% compared to €6.8 million in the corresponding quarter 2011. The currency trend led to an exchange rate effect equal to +1.9%.

Sales of the Lamps Business were equal to €3.1 million, compared to €3.6 million in the first quarter 2011 (-14.3%). The currency trend led to a positive exchange rate effect equal to 2%.

Sales of the Vacuum Systems and Thermal Insulation Business were equal to €5.4 million in the first quarter 2012, showing an increase of 68.3% compared to €3.2 million in the first quarter

2011. The exchange rate effect was equal to +8.7%, net of which organic growth would have been equal to 59.6%.

Sales of the Semiconductors Business were equal to €13.2 million in the first quarter 2012, down by 2.5% compared to €13.5 million in the first quarter 2011. The exchange rate effect was positive and equal to +4.1%.

Sales of the Renewable Energies Business amounted to €35 thousand, compared to €10 thousand in the previous year.

**Gross profit** of the Industrial Applications Business Unit was equal to €12.7 million, compared to €13 million in the first quarter 2011. As a percentage of revenues, the gross margin was equal to 47.5%, substantially aligned to 47.8% in the corresponding period 2011 despite the decline in revenues, mainly thanks to the shift in the sales mix towards products with a higher profitability.

**Operating income** of the Industrial Applications Business Unit was equal to €8.4 million (31.5% of consolidated revenues) in the first quarter 2012, in line with the first quarter 2011 (€8.5 million or 31.5% of consolidated revenues). Despite the slight decline of the gross profit, the containment of selling expenses (in particular, lower commissions resulting from the decline in the sales of purifiers), allowed to close the quarter with an operating income in line with that of the previous year

#### **Shape Memory Alloys (SMA) Business Unit**

**Consolidated revenues** of the Business Unit dedicated to the shape memory alloys were equal to €12 million in the first quarter 2012, up by 15.8% compared to €10.3 million in the corresponding period 2011. The exchange rate effect was positive and equal to +4.6%, net of which the organic growth was equal to 11.2%, a result of the enlargement both of the portfolio of products and of the customer base in the medical field, made possible by the investments in research and development made by the Group in the last few years.

**Gross profit** of the Shape Memory Alloys Business Unit was equal to €4.4 million in the first quarter 2012, corresponding to 36.4% of revenues in percentage terms, showing a significant increase compared to €3.1 million in the first quarter 2011 (29.5% of revenues). The increase of the gross margin is attributable not only to the growth of revenues, but also to the shift of the sales mix towards medical solutions innovative and with a higher profitability, which have replaced components almost mature and outgoing from the market.

The **operating income** of the Shape Memory Alloys Business Unit was equal to €1.6 million in the first quarter 2012 (13.8% of consolidated revenues), more than doubled compared to €0.7 million in the first quarter 2011 (6.6% of revenues).

#### **Information Displays Business Unit**

**Consolidated revenues** of the Information Displays Business Unit were equal to €1 million in the first quarter 2012, down by 17.9% compared to €1.2 million in the corresponding period 2011. The exchange rate effect was positive and equal to +3.9%.

The decrease of revenues in the business of dispensers for fluorescent lamps for the backlighting of liquid crystal displays (LCD) and in that of getters for cathode ray tubes (CRT) was partially offset by increased sales of the new highly sophisticated getter solutions for OLED displays (Organic Light Emitting Diodes), whose revenues, starting from the first quarter 2012, are classified in the Information Displays Business Unit (whereas previously they were classified in the Advanced Materials Business Development Unit).

Sales of the Liquid Crystal Displays Business were equal to €0.4 million in the first quarter 2012, compared to €0.6 million in the first quarter 2011 (-29.1%). The currency trend led to a positive exchange rate effect equal to 3.8%.

The Cathode Ray Tubes Business recorded sales equal to €0.3 million, compared to €0.5 million in the first quarter 2011 (-32.5%). The currency trend led to an exchange rate effect equal to +3.4%.

The Organic Light Emitting Diodes Business recorded sales equal to €0.2 million, compared to €0.1 million in the corresponding period 2011 (+96.7%). The exchange rate effect was equal to +6.3%.

The Information Displays Business Unit ended the first quarter 2012 with a **gross profit** of €0.2 million, compared with a loss of €0.07 million in the first quarter of the previous year. The gross margin was equal to 18% (compared to a negative gross margin equal to -5.9% in 2011); the improvement in profitability is due both to the growth of revenues in the OLED Business and to the rationalization of the LCD production facilities that was completed at the end of the first half 2011 with the shutdown of the LCD plant located in South Korea.

The **operating result** of the Information Displays Business Unit was negative and amounted to -€1.1 million in the first quarter 2012 (compared to an operating loss of -€1.3 million in the corresponding quarter 2011) due to operating expenses, in particular research and development expenses related to the OLED field, not yet balanced by a sufficient volume of sales.

### **Business Development Unit & Corporate Costs**

The Business Development Unit, after the reclassification of the revenues related to components for OLED and to getter solutions for photovoltaic panels, now classified in the Information Displays Business Unit and in the Industrial Applications Business Unit respectively, includes projects under development, among which components for High-Brightness LEDs. Following this reclassification, this business unit did not produce any **revenues** in the quarter just ended.

The **gross profit** of the Business Development Unit & Corporate Costs was negative and equal to -€0.08 million (compared to -€0.07 million in the first quarter 2011).

The **operating result** of the Business Development Unit & Corporate Costs (equal to -€4.4 million in the first quarter 2012 compared to -€4.2 million in the previous year) includes the costs that cannot be directly attributed or reasonably allocated to any business sector but that refer to the Group as a whole. The slight decline in the operating result compared to the first quarter 2011 was due to higher operating costs, especially G&A expenses.

**Total consolidated gross profit** was equal to €7.1 million in the first quarter 2012, showing an increase (+7.9%) compared to €5.9 million in the corresponding quarter 2011. The gross margin was equal to 43.2% in first quarter 2012, compared to 41.1% in the first quarter 2011. This improvement was due both to the increase of revenues and to the shifting of the sales mix towards new products with a higher profitability.

**Total consolidated operating expenses** were equal to €3.3 million (33.5% of revenues) compared to €2.7 million in the corresponding quarter 2011 (32.9% of revenues). The increase in general and administrative expenses (+€0.4 million) and in research & development expenses (+€0.2 million), related to the increase of the staff of the Parent Company, was partly offset by a reduction of selling expenses (-€0.1 million, due to lower commissions resulting from the decline in the sales of purifiers).



Total **consolidated operating income** was positive and equal to €4.5 million in the quarter, up by 21.2% compared to €3.7 million in the corresponding period of the previous year. As a percentage of revenues, the operating margin was equal to 11.5%, compared to 9.7% in 2011.

Total **consolidated EBITDA** was equal to €7.2 million in first quarter 2012, compared to €6.5 million in the same quarter 2011. As a percentage of revenues, EBITDA was equal to 18.2%, showing an improvement compared to 16.8% in 2011.

The balance of **other net income (expenses)** was positive and equal to €0.7 million against a positive balance equal to €0.6 million in the first quarter 2011.

The net balance of **financial income (expenses)** was negative for €0.7 million, compared to a negative figure equal to €0.3 million in the first quarter 2011. The worsening of this item compared to the previous year is due partly to the evaluation of the joint venture Actuator Solutions GmbH with the equity method (-€0.2 million) and partly to the commissions related to a new stand-by credit line signed by the Parent Company.

In the first quarter 2012, the sum of the **exchange rate differences** recorded a balance substantially at break-even, similar to that of the previous year (-€ thousand against +€3 thousands). The Group's hedging policy allowed to end both years with a result related to the exchange rates close to zero.

**Income before taxes** was positive and amounted to €3.8 million, compared to €3.5 million in the first quarter 2011.

**Income taxes** of the quarter were equal to €2.3 million, compared to €2.1 million in the corresponding quarter of the previous year. The Group's tax rate was slightly down (from 59.6% to 58.9%) due to the recognition by the Parent Company of deferred taxes on the fiscal losses realized in the first quarter 2012 (in 2011, these deferred tax assets were recognized only at the end of the fiscal year).

**Consolidated net income** was equal to €1.7 million (4.2% of consolidated revenues) in the first quarter 2012, up by 17.8% compared to a net income of €1.4 million in the first quarter 2011 (3.7% of consolidated revenues).

In this quarter, net income per ordinary share and per savings share were equal to €0.0437 and €0.1385 respectively; in the corresponding period of the previous year, net income per ordinary share was equal to €0.0266, while income per savings share was equal to €0.1385.

The **consolidated net financial position** as at March 31, 2012 was negative and equal to €14.2 million (cash equal to +€8.8 million and net financial liabilities equal to -€3 million), compared with a negative net financial position as at the December 31, 2011 equal to -€15.5 million (cash equal to +€20.3 million and net financial liabilities equal to -€35.8 million).

This improvement is due in part to the resources generated by operating activities (+€1.6 million) and partly to the positive exchange rate effect (approximately +€0.5 million, following the devaluation of the U.S. dollar as at March 31, 2012 compared to December 31, 2011). The investment activities recorded an expenditure equal to -€0.7 million (-€0.5 million for the share capital increase of the joint venture Actuator Solutions GmbH on February 15, 2012 and approximately -€0.2 million for net investments in fixed assets).

Please note that in the first quarter 2012 the financial covenant on the loan held by the subsidiary Memry Corporation, not complied with as at December 31, 2011, was renegotiated and the financing institution has formally accepted the request of the Group for the waiver of the recall of that debt. Therefore this liability, that had been classified as a current liability as at December 31, 2011, was reclassified as a long-term financial liability as at March 31, 2012. The redefinition of the covenants to

be applied in future years is currently underway and it is expected to be completed in a reasonably short time.

### **Events subsequent to the end of the period**

On April 1, 2012 the joint venture **Actuator Solutions GmbH (ASG)** has finalized the acquisition of the manufacturing business of Alfmeier Präzision AG (Alfmeier) related to the production and distribution of SMA actuators for the automotive market.

The agreement also provides for side contracts, at market conditions, for the supply to ASG, for a period of at least three years, of both SMA components in the form of wires or springs by SAES and of plastic materials, electronic devices and design support by Alfmeier. Finally, ASG will be the exclusive supplier, always for a period of at least three years and at market conditions, of the automotive actuator to Alfmeier, which will continue to manage its distribution to its end customers, being bound by an exclusive right contract.

The purchase price was equal to €3.7 million, paid in cash at a rate of €3.3 million within 30 days from the closing of the transaction and the remainder, equal to €0.4 million, upon the approval by Alfmeier of the SMA actuator made by ASG. In order to provide ASG with an adequate cash to finance the expected growth and to execute the transaction, the share capital of the joint venture will be increased by €7 million, through the payment of €3.5 million by each of the two partners, SAES Nitinol S.r.l. (SAES Getters) and SMA Holding GmbH (Alfmeier).

The manufacturing business involved in the sale had approximately 12 employees as at December 31, 2011. The turnover for the year 2012 is expected to be equal to around €8 million, with an EBIT margin of around 11%.

This sale strengthens the ASG joint venture, engaged in the development of SMA actuators in various markets including, in addition to the automotive one, those of consumer electronics and white goods, and it allows ASG to become an operating manufacturing company, in view of the launch of the new SMA actuator for consumer electronic applications.

On April 12, 2012, the Parent Company signed an agreement of collaboration, technology license and supply with a leading semiconductor manufacturer operating in the global market and specialized, among other things, in the production and distribution of MEMS (micro electro-mechanical systems). This agreement provides for the integration of the thin film getter technology of SAES in the vacuum packaging of MEMS devices for the consumer market.

This cooperation confirms the high strategic value of the integration of the getter technology in vacuum-encapsulated MEMS devices. The thin film getter solution offers superior performance and a stable environment for integrated sensors in various applications, such as smart phones, tablets, electronic games and other devices for the consumer electronics market.

### **Business performance outlook**

Trusting in the stabilization of the world economy, we confirm the outlook for the current year. In 2012 the weakness of the military sector will continue and we expect the downturn in the cyclical business of semiconductors, mainly concentrated in the second half of the year. These trends will be offset by the revenues' growth generated by the new products of the Group.

In addition, Actuator Solutions GmbH is ready to start mass production of actuators for automotive and will generate revenue in the second part of the year.

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In order to manage the economic impact generated by the fluctuations in the exchange rates, primarily EUR/USD and EUR/JPY, the Group enters into hedges on current and future receivables related to the sales transactions denominated in currencies other than the euro of the main Group Italian companies.

Particularly, as at March 31, 2012, the Group has entered into forward contracts on the U.S. dollar which have a total notional value equal to USD 5.8 million. The average forward exchange rate for these contracts is USD 1.3032 to the euro.

The average forward exchange rate for contracts on the Japanese yen (which have a total notional value of JPY 270 million) is JPY 101.39 to the euro.

All these contracts will extend throughout the remaining part of the fiscal year 2012.

Furthermore, in the first quarter 2012, the Group has entered into two forward sale contracts in euros in order to mitigate the risk of fluctuation of the exchange rate of the Korean won on the balance of the financial credit in euros which the Korean subsidiary has with the Parent Company. Such contracts (for a notional value equal to 7.5 million of euro) expire on December 28, 2012 and provide for a forward exchange rate equal to 1,502.28 against the euro.

Subsequent to March 31, 2012 no further forward contracts have been entered into.

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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*  
*Michele Di Marco*

Lainate, Milan - Italy, May 9, 2012

On behalf of the Board of Directors  
Dr Ing. Massimo della Porta  
President