



**For Immediate Release**

**SAES Getters: the Board of Directors approves first half 2006 results.**

**Consolidated sales equal to €83.9 million, up by 26.2% with respect to €66.4 million in the first half 2005 (+30.6% on a comparable consolidation basis\*).**

**Consolidated operating income up to €27.8 million from €12.7 million in the same half 2005.**

**Consolidated net income equal to €14.4 million against €8 million in the first half 2005.**

(September 26, 2006, Milan - Italy) SAES Getters S.p.A. today announced that the Board of Directors approved the results for the first half 2006, ratifying figures issued on July 28, 2006.

For the first half ended June 30, 2006, **consolidated net sales** were €83.9 million compared with €66.4 million in the year-ago period, reflecting an increase by 26.2%. The rise on a comparable consolidation basis was equal to 30.6% including the effect of the sale of the subsidiary FST Consulting International, Inc. in July 2005 and the acquisition of the 35% shareholding in Nanjing SAES Huadong Getters Co. Ltd. in January 2006.

**Consolidated operating income** increased to €27.8 million from €12.7 million in the first half 2005.

**Consolidated net income** was €14.4 million against €8 million in the first half 2005. Net income per ordinary share and savings share was equal to €0.6352 and €0.6512 respectively, compared with €0.3518 for ordinary share and €0.3679 per savings share in the first half 2005.

Sales of **SAES Getters S.p.A.**, the parent company, were equal to €12.4 million (€11.1 million in the first half 2005). In the first six months of 2006 SAES Getters S.p.A. net income was equal to €16.5 million with respect to €20 million in the same period of the previous year.

**Information Displays Business Unit**

**Consolidated revenues** of the Information Displays Business Unit were €55.2 million in the first half 2006 compared with €39.7 million in the same period one year-ago, representing an increase by 39%. In particular, revenues of the Flat Panel Displays Business Area increased by 69.4% thanks to the rise of sales of mercury dispensers for cold cathode lamps used as back-lighting of liquid crystal displays. On the contrary

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\* It is to be recalled the sale of the subsidiary FST Consulting International, Inc. in July 2005 and the acquisition of the 35% shareholding in Nanjing SAES Huadong Getters Co. Ltd. in January 2006.

sales of the Cathode Ray Tubes Business Area decreased by 5% because of the drop in the cathode ray tube market.

**Gross profit** for the Information Displays Business Unit grew to €40.6 million in the first half 2006 from €24.9 million in the same period of 2005.

**Operating income** for the Information Displays Business Unit was equal to €30.7 million in the first half 2006 compared with €17.1 million in the corresponding half of 2005. The growth was due to higher sales and a more favorable sales mix.

### **Industrial Applications Business Unit**

**Consolidated revenues** of the Industrial Applications Business Unit were €27.9 million in the first half 2006 with respect to €26.5 million in the same period one year-ago, reflecting an increase by 5.4%. The rise was mainly due to higher sales in the Lamps Business Area of components for fluorescent lamps (+18.1%). Sales of the Semiconductors Business Area, basically stable compared with the first half of 2005, were up by 40.7% on a comparable consolidation basis. It is to be recalled the sale of the subsidiary FST Consulting International, Inc. in July 2005 within a program aimed at exiting from non synergic activities. Sales of the other business areas were slightly higher compared with the first half 2005.

**Gross profit** for the Industrial Applications Business Unit was €11.9 million in the first half 2006 compared with €10.1 million in the same period of 2005.

**Operating income** for the Industrial Applications Business Unit was €3.6 million in the first half 2006 compared with €1 million in the corresponding half of 2005. The increase was mainly due to a better sales mix, also thanks to the exit from some non profitable business in 2005.

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

**Consolidated revenues** of the Advanced Materials Business Development Unit were €0.8 million in the first half 2006, thanks to sales of getter films for MEMS applications and crystals for laser applications. Sales were €0.3 million in the first half 2005.

Operating corporate costs and operating costs for the Advanced Materials Business Development Unit were equal to €6.5 million in the first half 2006 compared with €5.1 million in the year-ago period. The increase was mainly due to higher corporate costs in comparison with the first half 2005.

**Consolidated gross profit** was equal to €52.5 million in the first half 2006 compared with €34.7 million in the same half of 2005. Consolidated gross profit in terms of sales was 62.6% against 52.2% in the first half 2005.

**Consolidated EBITDA** was €34.1 million in the first half 2006 against €18.7 million in the same period of 2005. Consolidated EBITDA in terms of sales was 40.6% compared with 28.1% in the first half 2005.

**Consolidated operating income** was €27.8 million in the six months ended June 30, 2006 from €12.7 million in the year-ago period. The rise was due to higher sales and a better sales mix. The R.O.S. (Return on Sales) ratio was equal to 33.1% in the first half 2006 compared with 19.1% in the same period of 2005.

**Consolidated net income** was €14.4 million in the first six months of 2006, with respect to €8 million in the same period of the previous year.

The Group's **net financial position** was equal to €66.2 million as of June 30, 2006 from €85.9 million as of December 31, 2005. In the first half 2006 dividends distributed were equal to €29.3 million and expenditures of property, plant and equipment were equal to €5.7 million. The disbursement for the acquisition of 35% shareholding in Nanjing SAES Huadong Getters Co. Ltd. was equal to €9 million and for the acquisition of 50% shareholding in Memory Metalle GmbH was equal to €1.85 million (including the increase in the company capital stock equal to €0.15 million). Cash provided by operating activities was equal to €24.4 million.

It is to be noted that data are abstracted from interim Consolidated Financial Statements for the six months ending June 30, 2006 subjected to limited review by Reconta Ernst & Young S.p.A.

#### **Events subsequent to the end of the period and business performance outlook**

On August 29, 2006 SAES Getters International Luxembourg S.A. acquired the 51% shareholding in Huadong Electronic Vacuum Material Co. Ltd. by purchasing 12.2% and 7.8% of the ownership interest in the company respectively from Nanjing Huadong Electronic Information Technology Company Limited and Nanjing Dingjiu Electronic Co., Ltd., previous Shareholders, for a purchase price of RMB 2.4 million and RMB 1.6 million respectively, and by mean of subscription of a RMB 12.7 million registered capital increase. Immediately after, the company, located in Nanjing, China, was converted into a sino-foreign contractual joint venture company, under the name Nanjing SAES Huadong Vacuum Material Co. Ltd.

The joint venture company that produces and supplies components for displays and industrial applications will allow synergies and further strengthens the presence in one of the most important markets for the SAES Getters Group.

In September 2006 the joint venture company was granted the prescribed authorizations by the competent Chinese authorities.

Expectations for 2006 are positive in particular with reference to the estimated ongoing growth in sales of components for liquid crystal displays. On the opposite, the cathode ray tube market is expected to decrease because of the maturity of the business. The Company will evaluate possible rationalizations to face market scenarios.

Other industrial markets in which the Group operates should confirm slight growth rates.

The Group forecasts higher sales coming from the launch into the market of some products in the advanced materials field.

*Pioneering the development of getter technology, the SAES Getters Group is the world leader in a variety of scientific and industrial applications where stringent vacuum conditions or ultra-pure gases are required. For 60 years its getter solutions have been supporting innovation in the information display and lamp industries, in technologies spanning from large vacuum power tubes to miniaturized silicon-based micromechanical devices, as well as in sophisticated high vacuum systems and in vacuum thermal insulation.*

*The Group also holds a leading position in ultra pure gas handling for the semiconductor and other hi-tech markets.*

*Starting in 2004, by leveraging the core competencies in special metallurgy and materials science, the SAES Getters Group has expanded its business into advanced material markets, with the introduction of new optical crystal, shape memory alloy and metalorganic precursor product lines.*

*A total production capacity distributed at 8 manufacturing plants across 3 continents, a worldwide-based sales & service network, over 800 employees allow the Group to combine multicultural skills and expertise to form a truly global enterprise.*

*SAES Getters is headquartered in the Milan area (Italy) and has been listed on the Italian Stock Exchange Market, STAR segment, since 1986.*

*More information is available at [www.saesgetters.com](http://www.saesgetters.com)*

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### **Forward-Looking Statements**

This news release 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.

- tables to follow -

**SAES Getters S.p.A. and Subsidiaries - Consolidated Net Sales per Business Area**

Thousands of euro (except %)

Business Area	1 <sup>st</sup> half 2006	1 <sup>st</sup> half 2005	Total difference (%)	Price-qty effect (%)	Exchange rate effect (%)
Cathode Ray Tubes	15,374	16,176	-5.0%	-9.3%	4.3%
Flat Panel Displays	39,781	23,490	69.4%	67.6%	1.8%
<b>Subtotal Information Displays</b>	<b>55,155</b>	<b>39,666</b>	<b>39.0%</b>	<b>36.5%</b>	<b>2.5%</b>
Lamps	6,686	5,661	18.1%	17.5%	0.6%
Electronic Devices	6,560	6,240	5.1%	3.3%	1.8%
Vacuum Systems and Thermal Insulation	3,409	3,222	5.8%	5.0%	0.8%
Semiconductors	11,264	11,370	-0.9%	-4.9%	4.0%
<b>Subtotal Industrial Applications</b>	<b>27,918</b>	<b>26,493</b>	<b>5.4%</b>	<b>3.1%</b>	<b>2.3%</b>
<b>Subtotal Advanced Materials</b>	<b>784</b>	<b>288</b>	<b>172.2%</b>	<b>171.6%</b>	<b>0.6%</b>
<b>Total Net Sales</b>	<b>83,857</b>	<b>66,447</b>	<b>26.2%</b>	<b>23.8%</b>	<b>2.4%</b>

**Index:**

<b>Information Displays Business Unit</b>	
Cathode Ray Tubes	Barium getters for cathode ray tubes
Flat Panel Displays	Getters and metal dispensers for flat panel displays
<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
Vacuum Systems and Thermal Insulation	Pumps for vacuum systems and products for thermal insulation
Semiconductors	Gas purifier systems for semiconductor industry and other industries
<b>Advanced Materials Business Development Unit</b>	
Advanced Materials	Getters for microelectronic and micromechanical systems, optical crystals, shape memory alloys and metalorganic precursors

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

Thousands of euro

	1 <sup>st</sup> half 2006	1 <sup>st</sup> half 2005
Italy	539	371
Other EU and European countries	9,456	10,163
North America	8,710	11,551
Japan	21,269	17,839
Asia (excluding Japan)	42,073	25,231
Rest of the World	1,810	1,292
<b>Total Net Sales</b>	<b>83,857</b>	<b>66,447</b>

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

Thousands of euro

	1 <sup>st</sup> half 2006	1 <sup>st</sup> half 2005
<b>Total net sales</b>	<b>83,857</b>	<b>66,447</b>
Cost of sales	(31,352)	(31,768)
<b>Gross profit</b>	<b>52,505</b>	<b>34,679</b>
R & D expenses	(7,351)	(7,188)
Selling expenses	(8,319)	(7,770)
G&A expenses	(9,251)	(6,899)
Total operating expenses	(24,921)	(21,857)
Other income (expenses), net	199	(154)
<b>Operating income</b>	<b>27,783</b>	<b>12,668</b>
Interest and other financial income, net	781	621
Foreign exchange gains (losses), net	(1,376)	846
<b>Income before taxes</b>	<b>27,188</b>	<b>14,135</b>
Income taxes	(12,828)	(6,127)
<b>Net income</b>	<b>14,360</b>	<b>8,008</b>

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

Thousands of euro

	Information Displays		Industrial Applications		Advanced Materials & Corporate Costs	
	1 <sup>st</sup> half 2006	1 <sup>st</sup> half 2005	1 <sup>st</sup> half 2006	1 <sup>st</sup> half 2005	1 <sup>st</sup> half 2006	1 <sup>st</sup> half 2005
<b>Total net sales</b>	<b>55,155</b>	<b>39,666</b>	<b>27,918</b>	<b>26,493</b>	<b>784</b>	<b>288</b>
Cost of sales	(14,596)	(14,766)	(15,978)	(16,422)	(778)	(580)
<b>Gross profit (loss)</b>	<b>40,559</b>	<b>24,900</b>	<b>11,940</b>	<b>10,071</b>	<b>6</b>	<b>(292)</b>
Operating expenses and other income/expenses	(9,857)	(7,797)	(8,351)	(9,114)	(6,514)	(5,100)
<b>Operating income (loss)</b>	<b>30,702</b>	<b>17,103</b>	<b>3,589</b>	<b>957</b>	<b>(6,508)</b>	<b>(5,392)</b>

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

Euro

	1 <sup>st</sup> half 2006	1 <sup>st</sup> half 2005
Net income per ordinary share	0.6352	0.3518
Net income per savings share	0.6512	0.3679

**SAES Getters S.p.A. and Subsidiaries – Consolidated Balance Sheet**

Thousands of euro

	Jun 30, 2006	Dec 31, 2005
Property, plant and equipment, net	62,023	60,493
Intangible assets, net	5,107	2,695
Other non current assets	9,913	10,141
Current assets	127,613	151,069
<b>Total Assets</b>	<b>204,656</b>	<b>224,398</b>
Shareholders' equity	153,553	170,597
Non current liabilities	20,650	19,122
Current liabilities	30,453	34,679
<b>Total Liabilities and Shareholders' Equity</b>	<b>204,656</b>	<b>224,398</b>

**SAES Getters S.p.A. and Subsidiaries - Consolidated Statement of Cash Flows**

Thousands of euro

	1 <sup>st</sup> half 2006	1 <sup>st</sup> half 2005
Net income	14,360	8,008
Current income taxes	9,748	3,974
Change in deferred income tax expense	3,454	1,316
Depreciation, amortization and write down of non current assets	6,292	5,840
Net loss (gain) on disposal of property, plant and equipment	(4)	0
Interest and other financial income, net	(781)	(621)
Accrual for termination indemnities	1,378	937
Accrual (utilization) for risks and contingencies	139	(682)
	34,586	18,772
Change in operating assets and liabilities	(3,141)	44
Payments of termination indemnities	(1,151)	(396)
Financial income received, net of payment of interest	920	672
Payment of income taxes	(6,791)	(5,996)
<b>Net cash provided by operating activities</b>	<b>24,423</b>	<b>13,096</b>
Purchase of property, plant and equipment, net of proceeds	(5,681)	(4,217)
Purchase of intangible assets	(308)	(123)
Decrease (increase) of non current financial assets	(1,850)	0
Purchase of controlled subsidiary, net of cash	(7,124)	0
<b>Cash flows used by investing activities</b>	<b>(14,963)</b>	<b>(4,340)</b>
Dividends paid	(29,265)	(22,548)
Purchase of treasury shares	0	(121)
Repayments of long term debt	(127)	(128)
<b>Net cash used by financing activities</b>	<b>(29,392)</b>	<b>(22,797)</b>
Effect of exchange rate differences	(1,079)	2,722
<b>Increase (decrease) in cash and cash equivalents</b>	<b>(21,011)</b>	<b>(11,319)</b>
Cash and cash equivalents at beginning of the year	90,445	84,400
<b>Cash and cash equivalents at end of the period</b>	<b>69,434</b>	<b>73,081</b>

**SAES Getters S.p.A. - Income Statement**

Thousands of euro

	1 <sup>st</sup> half 2006	1 <sup>st</sup> half 2005
<b>Total net sales</b>	<b>12,372</b>	<b>11,135</b>
Cost of sales	(9,623)	(8,090)
<b>Gross profit</b>	<b>2,749</b>	<b>3,045</b>
R & D expenses	(5,897)	(5,793)
Selling expenses	(2,843)	(2,438)
G&A expenses	(5,472)	(3,523)
Total operating expenses	(14,212)	(11,754)
Other income (expenses), net	2,598	1,486
<b>Operating income</b>	<b>(8,865)</b>	<b>(7,223)</b>
Dividends	24,089	25,035
Interest and other financial income, net	332	427
Foreign exchange gains (losses), net	(89)	80
<b>Income before taxes</b>	<b>15,467</b>	<b>18,319</b>
Income taxes	1,070	1,709
<b>Net income</b>	<b>16,537</b>	<b>20,028</b>

**SAES Getters S.p.A. – Balance Sheet**

Thousands of euro

	Jun 30, 2006	Dec 31, 2005
Property, plant and equipment, net	22,487	23,032
Intangible assets, net	1,189	1,265
Other non current assets	59,161	49,713
Current assets	58,551	83,523
<b>Total Assets</b>	<b>141,388</b>	<b>157,533</b>
Shareholders' equity	106,081	118,599
Non current liabilities	8,989	8,638
Current liabilities	26,318	30,296
<b>Total Liabilities and Shareholders' Equity</b>	<b>141,388</b>	<b>157,533</b>

**SAES Getters S.p.A. - Statement of Cash Flows**

Thousands of euro

	1 <sup>st</sup> half 2006	1 <sup>st</sup> half 2005
Net income	16,537	20,028
Current income taxes	(2,349)	(2,491)
Change in deferred income tax expense	1,404	765
Depreciation, amortization and write down of non current assets	2,480	2,601
Dividends	(24,089)	(25,035)
Interest and other financial income, net	(332)	(428)
Accrual for termination indemnities	567	428
Accrual (utilization) for risks and contingencies	0	(343)
	(5,782)	4,475
Change in operating assets and liabilities	2,440	3,682
Payments of termination indemnities	(86)	(155)
Financial income received, net of payment of interest	331	596
Payment of income taxes	0	(421)
<b>Net cash provided by operating activities</b>	<b>(3,097)</b>	<b>(773)</b>
Purchase of property, plant and equipment, net of proceeds	(1,630)	(1,829)
Purchase of intangible assets	(225)	(83)
Decrease (increase) of non current financial assets	(1,850)	0
Purchase of controlled subsidiary	(9,000)	0
<b>Cash flows used by investing activities</b>	<b>(12,705)</b>	<b>(1,912)</b>
Dividends received	24,089	25,035
Dividends paid	(29,265)	(22,548)
Purchase of treasury shares	0	(121)
Repayments of financial debt	(4,446)	(11,464)
<b>Net cash used by financing activities</b>	<b>(9,622)</b>	<b>(9,098)</b>
<b>Increase (decrease) in cash and cash equivalents</b>	<b>(25,424)</b>	<b>(11,783)</b>
Cash and cash equivalents at beginning of the year	66,701	70,833
<b>Cash and cash equivalents at end of the period</b>	<b>41,277</b>	<b>59,050</b>