

The SAES[®] Group

2013 Consolidated Results

Conference Call – March 13, 2014



making **innovation happen**, together

- FY 2013 **consolidated revenues** equal to €128.5 million, down (-9%) compared to €141.2 million in 2012, affected by the exchange rate effect and by short term adverse facts
- FY 2013 **total revenues of the Group** (including 50% of the revenues coming from the joint venture ASG) equal to €133.3 million
- **Gross profit** equal to €51.4 million (40% of revenues) compared to €58.4 million in 2012 (41.3% of revenues)
- **Operating income** equal to €5.5 million (4.3% of revenues) compared to €12.7 million in 2012 (9% of revenues) and **EBITDA** equal to €15.7 million (12.2%) compared to €22.9 million (16.2%)
- **Adjusted operating income** (excluding one-off costs) equal to €7.4 million (5.8% of revenues) and **Adjusted EBITDA** equal to €17.2 million (13.4%)
- **Net loss** equal to €0.6 million, penalized by non-recurring items equal to €3.1 (€1.7 million of restructuring charges, including the related fiscal effect + €1.4 million from discontinued operations)
- **Net financial position** equal to -€36.5 million, significantly improved when compared to the same figure as at September 30, 2013 (-€41.9 million)
- Proposed **dividend** of €0.150000 per ordinary share and of €0.166626 per savings share
- In the first two months of 2014 **total revenues of the Group** equal to €23.5 million, increased when compared to €23.2 million in the first two months of 2013, with stable consolidated revenues and growth of the joint venture Actuator Solutions
- Remarkable **growth in revenues** compared to the last two months of 2013

Industrial Applications BU Sales



All figures in M€, unless otherwise stated

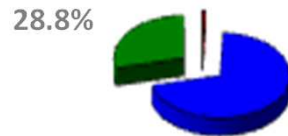
	2013	2012	Total difference	Price-quantity effect	Exchange rate effect	1Q 2013	2Q 2013	3Q 2013	4Q 2013	2013
Electronic Devices	21.2	20.8	1.5%	4.2%	-2.7%	5.8	5.8	4.8	4.8	21.2
Lamps	12.2	11.5	5.6%	9.7%	-4.1%	3.5	3.0	2.4	3.3	12.2
Vacuum Systems and Thermal Insulation	12.0	15.7	-23.2%	-16.8%	-6.4%	3.1	2.4	3.2	3.3	12.0
Energy Devices	0.4	0.4	-5.8%	-5.4%	-0.4%	0.3	0.1	0.0	0.0	0.4
Semiconductors	45.0	44.1	2.0%	5.4%	-3.4%	12.2	12.0	10.6	10.1	45.0
Industrial Applications	90.7	92.5	-2.0%	1.8%	-3.8%	24.8	23.2	21.1	21.5	90.7

- ✓ **Electronic Devices:** sales in the defence sector stabilized after the sharp decline of the previous year & growing sales of solutions for MEMS
- ✓ **Lamps:** higher sales of mercury dispensers for fluorescent lamps following both the running out of the stock accumulated in the last part of 2012 and the need to employ alternative solutions with reduced environmental impact
- ✓ **Vacuum Systems and Thermal Insulation:** decrease compared to the previous year characterized by strong investments made by some customers and as a consequence of the postponement of some research projects following the continuing global economic crisis
- ✓ **Energy Devices:** still penalized by the cuts in public incentives
- ✓ **Semiconductors:** growth driven by good sales both in the traditional semiconductors sector and in the field of displays

Shape Memory Alloys BU Sales

All figures in M€, unless otherwise stated

Shape Memory Alloys



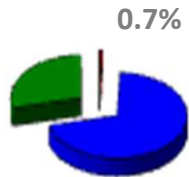
	2013	2012	Total difference	Price-quantity effect	Exchange rate effect	1Q 2013	2Q 2013	3Q 2013	4Q 2013	2013
Shape Memory Alloys	37.0	47.1	-21.4%	-19.0%	-2.4%	11.0	9.7	9.2	7.2	37.0

✓ **Medical SMA sales** penalized by the exit from the market of a product at the end of its life cycle, as well as by some stock-building policies adopted in H2 2012 by a major US customer in view of the launch of a new medical device, initially expected in the first half of 2013 and then postponed due to some delays in the FDA qualification

Information Displays BU Sales

All figures in M€, unless otherwise stated

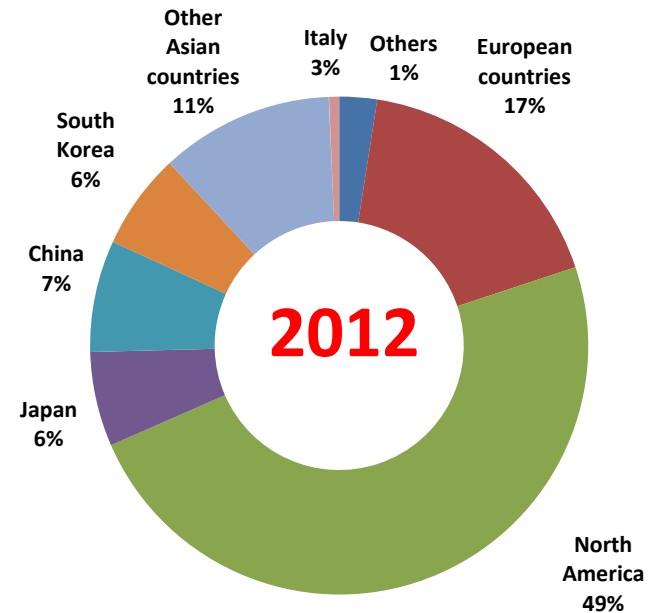
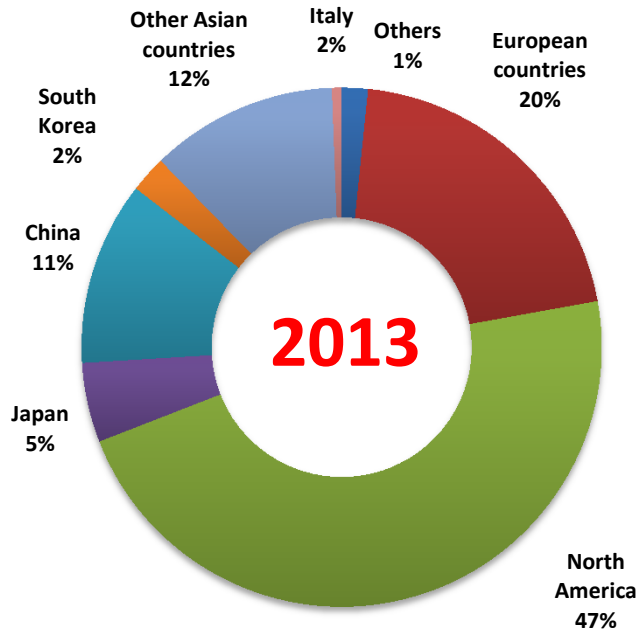
Information Displays



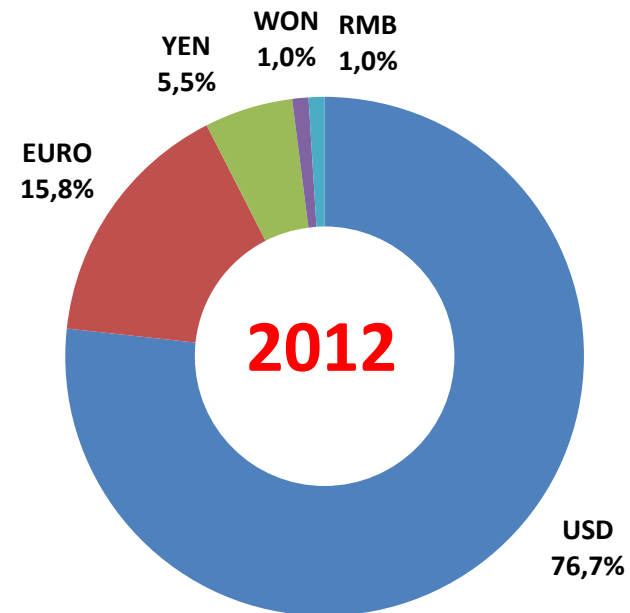
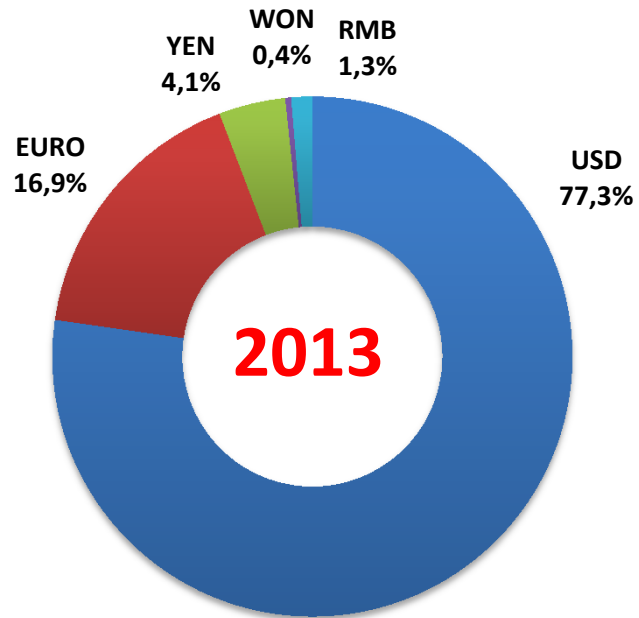
	2013	2012	Total difference	Price-quantity effect	Exchange rate effect	1Q 2013	2Q 2013	3Q 2013	4Q 2013	2013
Liquid Crystal Displays	0.0	0.8	-96.1%	-95.6%	-0.5%	0.0	0.0	0.0	0.0	0.0
Organic Light Emitting Diodes	0.8	0.9	-9.4%	0.4%	-9.8%	0.1	0.2	0.2	0.3	0.8
Information Displays	0.8	1.6	-49.5%	-44.0%	-5.5%	0.1	0.2	0.2	0.3	0.8

- ✓ Disappearance of the **LCD** revenues and sales volumes in the **OLED** sector still low
- ✓ **CRT** sales classified as discontinued operations

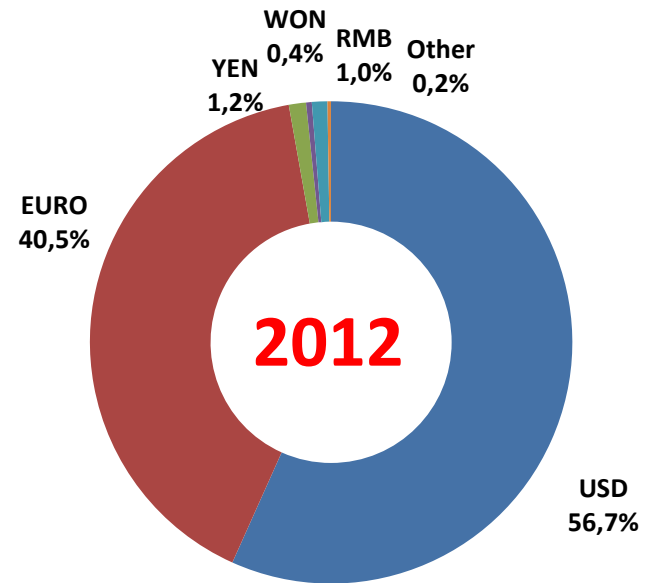
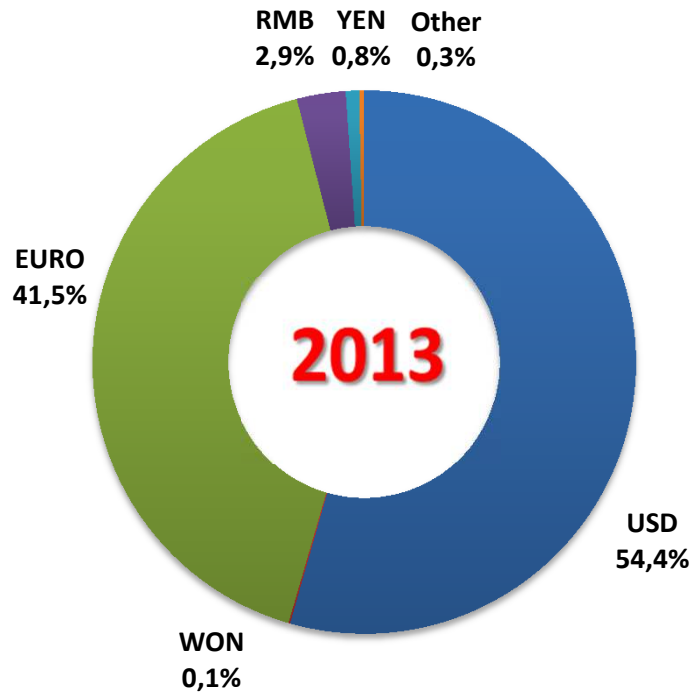
Consolidated Sales by Geographic Area



Consolidated Sales by Invoicing Currency



Consolidated Costs by Currency



Income Statement FY13 vs FY12

All figures in M€, unless otherwise stated

	2013	Non recurring items	2013 adjusted	2012
NET SALES	128.5		128.5	141.2
GROSS PROFIT	51.4	0.0	51.4	58.4
<i>Gross Margin</i>	40.0%		40.0%	0.4
R&D expenses	-14.9	-0.1	-14.7	-14.5
Selling expenses	-11.9	-0.4	-11.5	-12.6
G&A expenses	-21.7	-1.4	-20.3	-21.7
Total operating expenses	-48.4	-1.9	-46.5	-48.8
Royalties	2.1		2.1	2.5
Other income (expenses), net	0.4		0.4	0.6
OPERATING INCOME	5.5	-1.9	7.4	12.7
<i>Operating Margin</i>	4.3%		5.8%	9.0%
Interest and other financial income (expenses), net	-1.3		-1.3	-1.7
Income (loss) from equity method evaluated companies	-0.7		-0.7	-0.8
Foreign exchange gains (losses), net	0.0		0.0	-0.1
INCOME BEFORE TAXES	3.4	-1.9	5.3	10.1
Income Taxes	-2.6	0.2	-2.8	-5.5
NET INCOME from continued operations	0.8	-1.7	2.5	4.6
<i>Net Margin</i>	0.6%		1.9%	3.3%
Net income (loss) from discontinued operations	-1.4	-0.8	-0.6	-1.3
NET INCOME before minority interests	-0.6	-2.5	1.9	3.3
<i>Net Margin</i>	-0.4%		1.5%	2.4%
Minority interests	0.0		0.0	0.0
GROUP NET INCOME	-0.6	-2.5	1.9	3.3
<i>Net Margin</i>	-0.4%		1.5%	2.4%

One-off items

All figures in M€, unless otherwise stated

	Income	Expenses	Total
Cost of sales			
Write down of assets		(0.0)	(0.0)
Write down of inventory		(0.3)	(0.3)
Personnel restructuring	1.3 (*)	(0.9)	0.4
Total effect on cost of sales	1.3	(1.2)	0.0
Operating expenses			
Write down of assets		(0.5)	(0.5)
Write down of inventory		0.0	0.0
Personnel restructuring	0.5 (*)	(2.0)	(1.5)
Total effect on operating expenses	0.5	(2.4)	(1.9)
Total effect on income (loss) before taxes	1.8	(3.7)	(1.9)
Income taxes			0.2
Net income (loss) from continued operations			(1.7)

(*) Personnel cost decrease resulting from the use of the social security provisions in the Italian Group companies, the use of which will continue for the full year 2014.

	Gross profit	EBITDA	Operating income (loss)	Income (loss) before taxes	Net income (loss) from continued operations
2013	51.4	15.7	5.5	3.4	0.8
<i>% on sales</i>	<i>40.0%</i>	<i>12.2%</i>	<i>4.3%</i>	<i>2.7%</i>	<i>0.6%</i>
Non recurring income (expenses)	0.0	(1.4)	(1.9)	(1.9)	(1.7)
2013 adjusted	51.4	17.2	7.4	5.3	2.5
<i>% on sales</i>	<i>40.0%</i>	<i>13.4%</i>	<i>5.8%</i>	<i>4.2%</i>	<i>1.9%</i>
2012	58.4	22.9	12.7	10.1	4.6
<i>% on sales</i>	<i>41.3%</i>	<i>16.2%</i>	<i>9.0%</i>	<i>7.2%</i>	<i>3.3%</i>

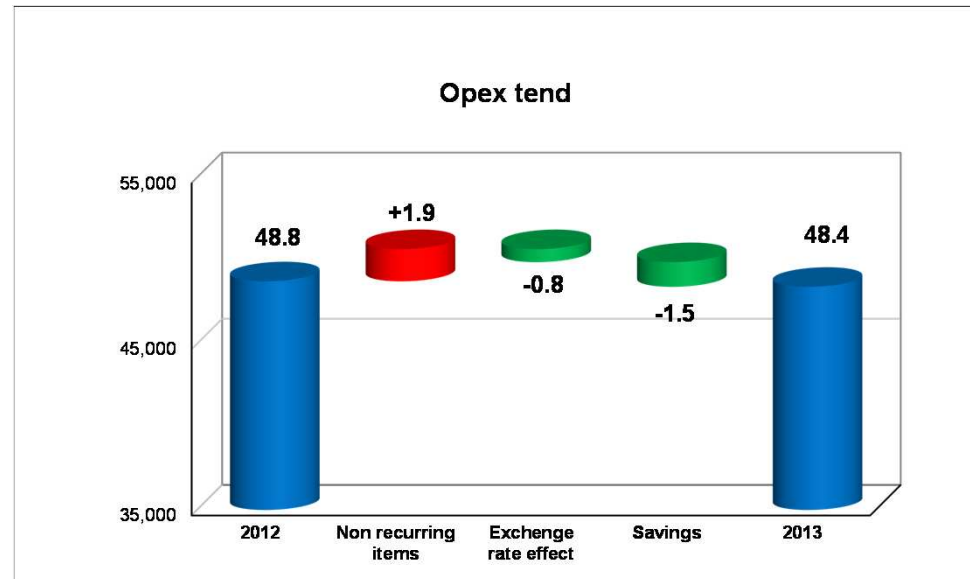
- ✓ **Restructuring charges of €1.9 million** concentrated at the operating profit level, to which a **loss from discontinued operations of €1.4 million** needs to be added
- ✓ Excluding these non-recurring items, the main FY 2013 financial indicators showed a substantial maintenance

Operating Expenses

All figures in M€, unless otherwise stated

	2013	Non recurring items	2013 adjusted	2012
R&D expenses	-14.9	-0.1	-14.7	-14.5
Selling expenses	-11.9	-0.4	-11.5	-12.6
G&A expenses	-21.7	-1.4	-20.3	-21.7
Total operating expenses	-48.4	-1.9	-46.5	-48.8

- ✓ **OPEX** equal to €48.4 million
- ✓ **Restructuring charges** of approximately €1.9 million
- ✓ Excluding the one-offs, **decrease** in OPEX equal to -4.6%



Industrial Applications Margins

All figures in M€, unless otherwise stated

	2013	Non recurring items	2013 adjusted	2012
NET SALES	90.7		90.7	92.5
GROSS PROFIT	39.4	0.1	39.4	41.5
<i>Gross Margin</i>	43.5%		43.4%	44.9%
OPERATING INCOME	21.1	-0.9	22.0	26.4
<i>Operating Margin</i>	23.3%		24.3%	28.5%

- ✓ **Gross margin:** increasing pricing pressure in the lamps business and decrease in the sales of the vacuum pumps business offset by a more favourable product mix in the business of electronic devices and gas purification
- ✓ **Operating income:** decrease mainly due to the reduction in sales

Shape Memory Alloys Margins

All figures in M€, unless otherwise stated

	2013	Non recurring items	2013 adjusted	2012
NET SALES	37.0		37.0	47.1
GROSS PROFIT	12.0	0.0	12.0	16.7
<i>Gross Margin</i>	32.4%		32.4%	35.5%
OPERATING INCOME	2.9	-0.1	3.0	6.2
<i>Operating Margin</i>	7.8%		8.2%	13.2%

- ✓ Despite the shift in the sales-mix towards medical solutions with a lower absorption of raw materials, the decrease in revenues and the consequent higher incidence of manufacturing fixed costs led to a reduction of the **gross margin**
- ✓ Containment of **operating expenses** not enough to offset the decrease in revenues and the consequent decline in the gross profit

Information Displays Margins

All figures in M€, unless otherwise stated

	2013	Non recurring items	2013 adjusted	2012
NET SALES	0.8		0.8	1.6
GROSS PROFIT	0.3	0.0	0.3	0.5
<i>Gross Margin</i>	<i>32.7%</i>		<i>31.7%</i>	<i>28.7%</i>
OPERATING INCOME	-2.0	-0.1	-1.9	-1.9
<i>Operating Margin</i>	<i>-238.0%</i>		<i>-229.4%</i>	<i>-112.4%</i>

- ✓ **Gross margin** increased from 28.7% to 32.7%
- ✓ **Operating loss** equal to €2 million to be compared with €1.9 million in the previous year

Actuator Solutions - Income Statements (50%)

All figures in M€, unless otherwise stated

	2013	2012	Delta
NET SALES	5.1	3.0	2.1
Cost of goods sold	-4.8	-3.0	-1.8
Operating expenses	-1.6	-1.2	-0.3
Other income (expenses), net	0.3	0.0	0.3
OPERATING INCOME	-1.0	-1.1	0.2
Interest and other financial income (expenses), net	0.0	0.0	0.0
INCOME BEFORE TAXES	-1.0	-1.1	0.2
Income Taxes	0.3	0.3	-0.1
NET INCOME (LOSS)	-0.7	-0.8	0.1

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

Net Financial Position

All figures in M€, unless otherwise stated

	Dec 31, 2013	Sep 30, 2013	Jun 30, 2013	Mar 31, 2013	Dec 31, 2012
Cash and cash equivalents	20.3	14.0	15.8	15.2	22.6
Current financial assets	0.0	1.2	0.1	0.0	0.1
Current financial liabilities	(54.1)	(53.5)	(51.5)	(22.1)	(19.8)
Current net financial position	(33.8)	(38.3)	(35.6)	(6.9)	2.9
Non current financial liabilities	(2.8)	(3.6)	(3.7)	(18.1)	(19.2)
NET FINANCIAL POSITION	(36.5)	(41.9)	(39.3)	(25.0)	(16.3)

- ✓ Worsening compared to Dec 31, 2012, primarily due to the expenditures aimed at the technological strengthening of the Semiconductors Business (€7.5 million) and to the payment of dividends (about €10 million)
- ✓ Remarkable improvement in the Q4 2013 (+€5.3 million), fully attributable to the cash flows generated from the operating activities

- After the stabilization recorded in 2013, we expect a recovery of the traditional businesses in 2014
- The significant growth of the joint venture Actuator Solutions will continue, contributing to the overall strengthening of the Group

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
Michele Di Marco

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E-mail: investor_relations@saes-group.com

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