

The SAES[®] Group

First Quarter 2014 Consolidated Results

Conference Call – May 13, 2014

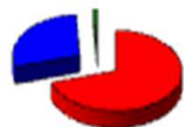


making **innovation happen**, together

- **All financial indicators showing a remarkable improvement compared to the last periods of 2013, despite the adverse exchange rate effect**
- **Net income** penalized by the tax burden, not comparable with that of the previous year
- **Total revenues of the Group** (including 50% of the revenues coming from the JV Actuator Solutions) equal to €34.7 million, with a strong growth of the joint venture (+36.2% compared to Q1 2013)
- **Consolidated revenues** equal to €33.2 million, down (-7.8%) compared to €36 million in Q1 2013, but up (+14.5%) compared to Q4 2013 (€29 million)
- **Consolidated gross margin** (42.1%) unchanged from Q1 2013, despite the decrease in revenues
- **Consolidated operating income** equal to €2.6 million, substantially stable thanks to the significant reduction of the operating expenses (-8.3%)
- **Consolidated EBITDA** equal to €4.7 million (14.2%) compared to €5.5 million (15.4%) in Q1 2013
- **Net financial position** slightly improved compared to December 31, 2013

Industrial Applications BU Sales

All figures in M€, unless otherwise stated



Industrial Applications

70.3%

	1Q 2014	1Q 2013	Total difference	Price-quantity effect	Exchange rate effect
Electronic & Photonic Devices	2.8	3.3	-15.6%	-13.0%	-2.6%
Sensors & Detectors	2.1	2.5	-12.7%	-10.9%	-1.8%
Light Sources	3.3	3.5	-5.1%	-2.3%	-2.8%
Vacuum Systems	1.7	1.8	-6.5%	-2.9%	-3.6%
Thermal Insulation	1.7	1.3	33.9%	39.0%	-5.1%
Pure Gas Handling	11.6	12.2	-4.8%	-1.3%	-3.5%
Industrial Applications	23.3	24.6	-5.2%	-2.0%	-3.2%

	1Q 2014	4Q 2013	Total difference	Price-quantity effect	Exchange rate effect
Electronic & Photonic Devices	2.8	2.8	1.0%	3.0%	-2.0%
Sensors & Detectors	2.1	2.0	7.9%	9.3%	-1.4%
Light Sources	3.3	3.3	1.1%	3.2%	-2.1%
Vacuum Systems	1.7	1.9	-9.8%	-7.5%	-2.3%
Thermal Insulation	1.7	1.4	22.5%	26.2%	-3.7%
Pure Gas Handling	11.6	10.1	15.0%	17.9%	-2.9%
Industrial Applications	23.3	21.5	8.7%	11.2%	-2.5%

✓ **Compared to Q1 2013**

- Significant growth only in the *Thermal Insulation Business* (+33.9%) thanks to higher sales of both getters for vacuum panels for the refrigeration industry and thermal insulation products for the consumer market (vacuum bottles)

✓ **Compared to Q4 2013**

- Significant turnaround, showing a growth in all segments, with the exception of the *Vacuum Systems Business* which continued to be affected by the cyclic nature of the research projects in the field of particle accelerators

Shape Memory Alloys BU Sales

All figures in M€, unless otherwise stated

Shape Memory Alloys

28.8%



	1Q 2014	1Q 2013	Total difference	Price-quantity effect	Exchange rate effect
SMA Medical Applications	8.8	10.4	-14.6%	-11.7%	-2.9%
SMA Industrial Applications	0.7	0.6	18.8%	20.8%	-2.0%
Shape Memory Alloys	9.6	11.0	-12.8%	-9.9%	-2.9%

	1Q 2014	4Q 2013	Total difference	Price-quantity effect	Exchange rate effect
SMA Medical Applications	8.8	6.5	36.3%	38.8%	-2.5%
SMA Industrial Applications	0.7	0.7	-3.2%	-1.5%	-1.7%
Shape Memory Alloys	9.6	7.2	32.2%	34.6%	-2.4%

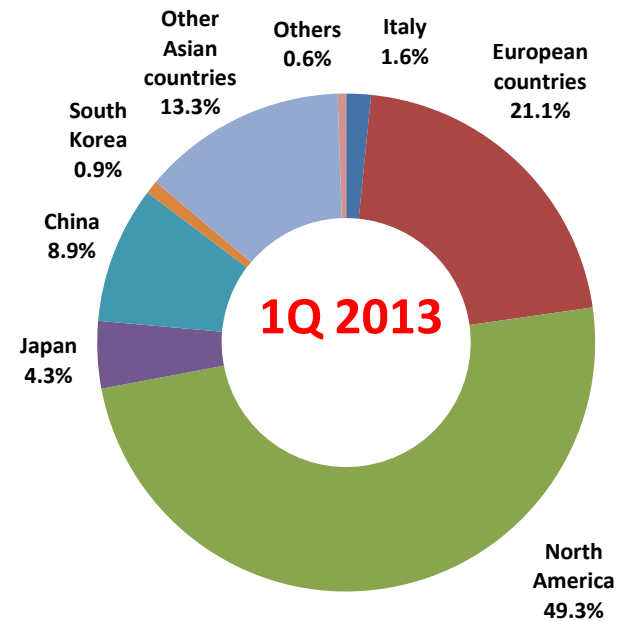
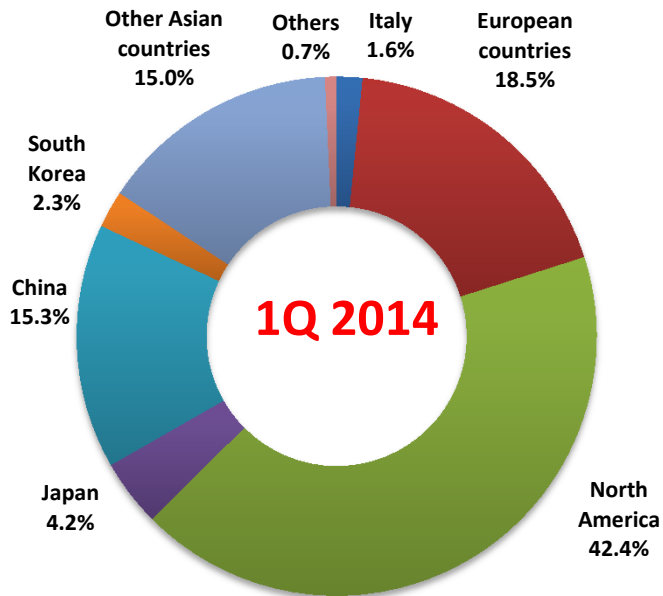
✓ Compared to Q1 2013

- **Medical SMAs:** decrease in sales due to some stock-building policies adopted by a major U.S. customer in the first months of 2013 in view of the launch of a new medical device, then postponed because of some delays in the FDA qualification
- **Industrial SMAs:** higher sales of SMA springs for engine cooling systems in automotive applications

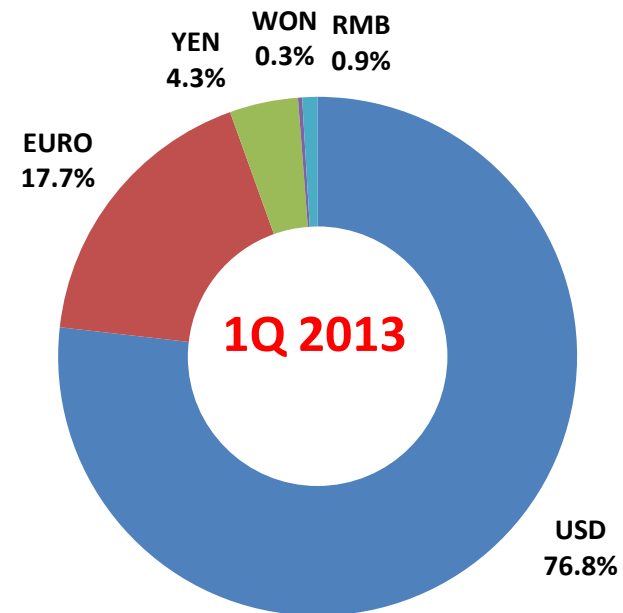
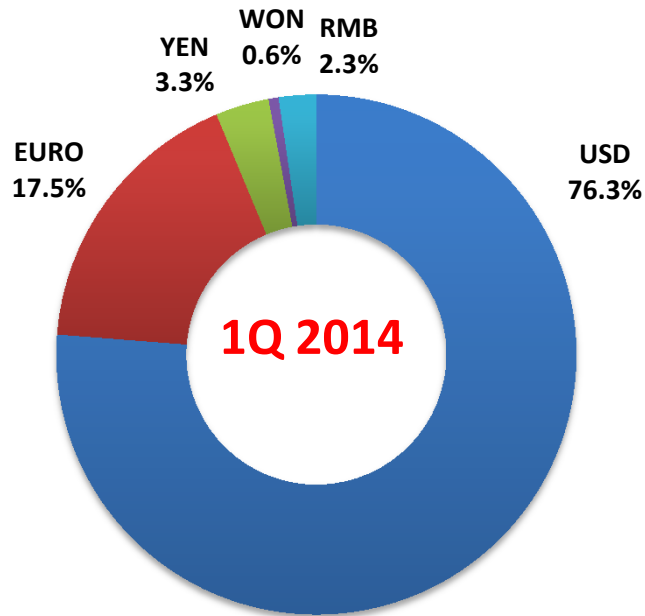
✓ Compared to Q4 2013

- Significant increase in the medical sector thanks to higher sales of both raw materials and components, favoured by some stock reduction policies started from the fourth quarter of 2013

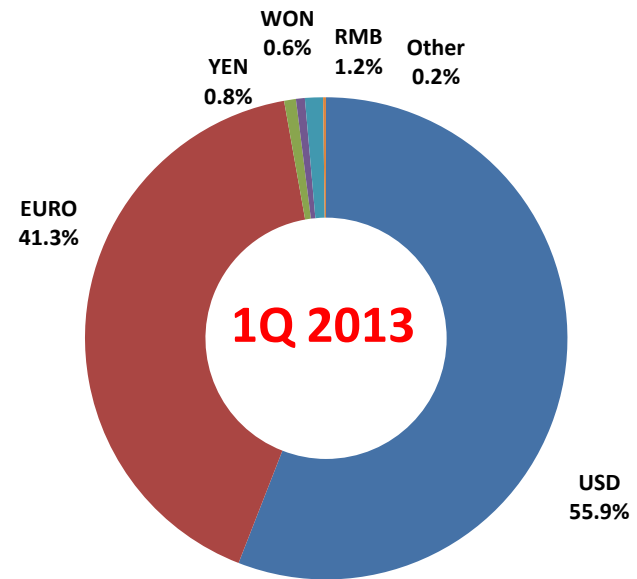
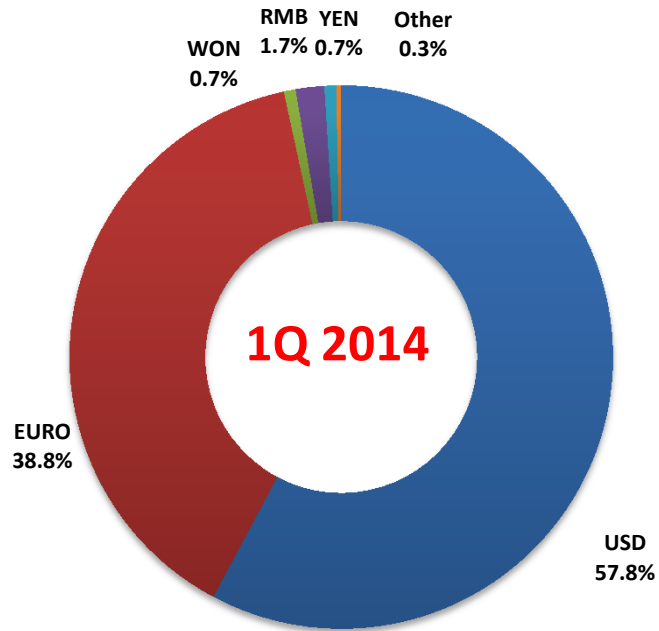
Consolidated Sales by Geographic Area



Consolidated Sales by Invoicing Currency



Consolidated Costs by Currency



Industrial Applications Margins

All figures in M€, unless otherwise stated

	1Q 2014	1Q 2013	Total difference
NET SALES	23.3	24.6	-1.3
GROSS PROFIT	11.3	11.4	-0.1
<i>Gross Margin</i>	48.7%	46.4%	
OPERATING INCOME	6.6	6.9	-0.4
<i>Operating Margin</i>	28.2%	28.2%	

- ✓ **Gross margin:** increased, due to the containment of labour cost (following the staff rationalization measures implemented in the second half of 2013) and lower depreciation (extension of the useful life of the production facilities of SAES Advanced Technologies S.p.A. implemented in the second half of 2013)
- ✓ **Operating income:** slight decrease, due to lower lump-sums for the licensing of the thin film getter technology for MEMS (unchanged the amount of royalties)
- ✓ **Operating margin** unchanged and equal to 28.2%

Shape Memory Alloys Margins

All figures in M€, unless otherwise stated

	1Q 2014	1Q 2013	Total difference
NET SALES	9.6	11.0	-1.4
GROSS PROFIT	2.6	3.8	-1.2
<i>Gross Margin</i>	26.8%	34.7%	
OPERATING INCOME	0.5	1.2	-0.7
<i>Operating Margin</i>	5.4%	10.8%	

- ✓ Lower **gross margin** due to increased incidence of manufacturing fixed costs, in addition to start-up costs related to the launch of a new medical component scheduled for H2 2014
- ✓ Containment of **operating expenses** not enough to offset the decrease in revenues and the consequent decline in the gross profit

Income Statement

All figures in M€, unless otherwise stated

	1Q 2014	1Q 2013	Total difference
NET SALES	33.2	36.0	-2.8
GROSS PROFIT	14.0	15.2	-1.2
<i>Gross Margin</i>	42.1%	42.1%	
R&D expenses	-3.5	-3.8	0.3
Selling expenses	-3.2	-3.3	0.1
G&A expenses	-4.9	-5.7	0.7
Total operating expenses	-11.7	-12.7	1.1
Royalties	0.4	0.6	-0.2
Other income (expenses), net	-0.1	0.1	-0.2
OPERATING INCOME	2.6	3.1	-0.5
<i>Operating Margin</i>	7.8%	8.7%	
Interest and other financial income (expenses), net	-0.4	-0.2	-0.2
Income (loss) from equity method evaluated companies	-0.2	-0.2	-0.1
Foreign exchange gains (losses), net	0.0	-0.1	0.2
INCOME BEFORE TAXES	2.0	2.6	-0.6
Income Taxes	-1.7	-1.4	-0.3
NET INCOME from continued operations	0.3	1.2	-0.9
<i>Net Margin</i>	1.0%	3.3%	
Net income (loss) from discontinued operations	0.2	-0.2	0.3
NET INCOME before minority interests	0.5	1.0	-0.6
<i>Net Margin</i>	1.5%	2.9%	
Minority interests	0.0	0.0	0.0
GROUP NET INCOME	0.5	1.0	-0.6
<i>Net Margin</i>	1.5%	2.9%	

Actuator Solutions - Income Statements (50%)

All figures in M€, unless otherwise stated

	1Q 2014	1Q 2013	Total difference	1Q 2013	2Q 2013	3Q 2013	4Q 2013
NET SALES	1.6	1.2	0.5	1.173	1.209	1.380	1.337
Cost of goods sold	-1.5	-1.1	-0.5	-1.058	-1.203	-1.231	-1.305
Operating expenses	-0.4	-0.4	-0.1	-0.389	-0.357	-0.459	-0.348
Other income (expenses), net	0.0	0.0	0.0	0.003	0.064	0.057	0.163
OPERATING INCOME	-0.3	-0.3	0.0	-0.271	-0.287	-0.253	-0.153
Interest and other financial income (expenses), net	0.0	0.0	0.0	0.008	0.012	0.003	-0.021
INCOME BEFORE TAXES	-0.3	-0.3	0.0	-0.263	-0.275	-0.250	-0.174
Income Taxes	0.1	0.1	0.0	0.078	0.109	0.053	0.010
NET INCOME (LOSS)	-0.2	-0.2	-0.1	-0.185	-0.166	-0.197	-0.164

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

Net Financial Position

All figures in M€, unless otherwise stated

	Mar 31, 2014	Dec 31, 2013	Sep 30, 2013	Jun 30, 2013	Mar 31, 2013
Cash and cash equivalents	19.2	20.3	14.0	15.8	15.2
Current financial assets	0.5	0.0	1.2	0.1	0.0
Current financial liabilities	(42.3)	(54.1)	(53.5)	(51.5)	(22.1)
Current net financial position	(22.5)	(33.8)	(38.3)	(35.6)	(6.9)
Non current financial liabilities	(13.7)	(2.8)	(3.6)	(3.7)	(18.1)
NET FINANCIAL POSITION	(36.3)	(36.5)	(41.9)	(39.3)	(25.0)

- ✓ Slight improvement compared to Dec 31, 2013, primarily due to the cash generated by the operating activities which more than offset the investments in fixed assets and the expenses related to the 2013 restructuring plan whose payment has been deferred to the first quarter of 2014

- In 2014 the growth of volumes and results will be consolidated
- A growth is expected in the Shape Memory Alloys Business, both for Medical applications and for Industrial applications

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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