

The present is the English translation of the Italian official report approved by the Board of Directors on March 24, 2005. For any difference between the two texts, the Italian text shall prevail.

SAES GETTERS S.p.A.

Ordinary Shareholders' Meeting of April 27, 2005 – April 28, 2005

Directors' illustrative report on the proposal of integration of the audit assignment for the three-year period 2004-2006 to Reconta Ernst & Young S.p.A. and on updating the relative compensation

Issued pursuant to Consob Regulation no. 11971 of 14/5/1999

Shareholders,

The Board of Directors has convened this Ordinary Shareholders' Meeting to resolve on the proposal to integrate the audit assignment for the three-year period 2004-2006 to Reconta Ernst & Young S.p.A. and to update the relative compensation.

The Shareholders' Meeting on April 27, 2004 resolved to award the company Reconta Ernst & Young S.p.A., for the three years 2004, 2005, 2006, a contract:

- for accounting audit of the Company financial statements and the consolidated financial statements of the SAES Getters Group pursuant to Article 159 of the Legislative Decree No. 58/1998;
- for periodic audits of proper bookkeeping and reporting of management activities in the account ledgers, pursuant to Article 155, paragraph 1 of the Legislative Decree 58/1998;
- for limited audit of the half year report also consolidated.

The Shareholders' Meeting also established the remuneration of Reconta Ernst & Young S.p.A. for performing the tasks above mentioned, for each of said financial years in the total amount of € 52,000 other than expenses and the adjustment upon the variation in the ISTAT consumer price index, at the condition contained in the proposal issued by the audit company on December 11, 2003.

In light of the above, it should be remembered that, pursuant to the Regulation (EC) No. 1606/2002 on the application of international accounting standards, starting from the financial statement for the year ended at December 31, 2005, European companies publicly traded in a European regulated market, shall prepare their consolidated financial statements complying with the international accounting standards. Therefore, the consolidated financial statements of SAES Getters S.p.A. for the year ended at December 31, 2005 shall comply with the new IFRS's accounting principles.

The implementation of said principles has been requiring, in addition to considerable internal activities carried out by the Company in order to be compliant, an increase of the activities originally scheduled by the audit company for the annual audit as set forth in the proposal dated December 11, 2003, as attached to the minutes of the Shareholders' Meeting on April 27, 2004.

In particular, it is deemed to be useful, also so to let the audit company express its own opinion on the financial statements for the year ended at December 31, 2005, to have Reconta Ernst & Young S.p.A. audit also the consolidated preliminary opening balance sheet at January 1, 2004 and the comparing balance sheet at December 31, 2004 in order to check that such documents are prepared pursuant to the new Group's accounting principles, compliant with the IFRS.

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This integrative activity purports one of those specific circumstances suitable to cause a compensation adjustment for the audit assignment approved by the Shareholders' Meeting on April 27, 2004.

The above integration and adjustment is better described in a specific integrative proposal set forth by Reconta Ernst & Young S.p.A. on March 18, 2005. The proposal presented by the audit company details, *inter alia*, the nature and way of implementation of the task, terms and resources to be employed, as well as fees.

The Board of Directors considers the proposal to be reasonable in terms of the auditing principles and methodology adopted, objectives, estimated number of hours to be employed, and overall fee; the estimates for the latter two being 120 hours overall and € 25,000, only for the year ended at December 31, 2004 (with an overall yearly amount of € 77,000) while the fees already established for the years 2005 and 2006 remain unchanged (each of € 52,000 corresponding to 733 annual working hours).

It should be remembered that the estimate for the number of hours was determined taking into account information as company's organization, company's size, degree of reliability of the systems and audit risk. The amount indicated does not include expenses incurred in the performance of the task, to be invoiced separately on the basis of cost, or secretarial or communication services quantified at a flat rate of 5%, or the supervisory contribution of 4% of the fees payable to CONSOB, to be debited annually.

Fees are indicated with reference to the tariffs in force until June 30, 2005. On July 1, 2005 and each subsequent July 1, the fees will be adjusted annually on the basis of the total variation in the ISTAT consumer price index over the previous year (base year June 2004).

It is confirmed that the fees are determinate in accordance to the criteria indicated in CONSOB Notification no. 96003556 on April 18, 1996. The remuneration indicated above may be adjusted only where exceptional or unforeseeable circumstances are verified in the course of the task, rendering an adjustment of fees necessary in accordance with the criteria indicated in CONSOB Notification no. 96003556 on April 18, 1996.

The integrative audit proposal issued by Reconta Ernst & Young S.p.A. remains deposited with the company deeds and will be annexed to the minutes of the Shareholders' Meeting.

The Board of Directors has provided the Board of Statutory Auditors and the Audit Committee with a copy of the proposal set out above. The Board of Statutory Auditors has issued its own favorable opinion on the proposal, included in the financial statements file.

Lainate, March 24, 2005

for the Board of Directors

Dr. Paolo della Porta
Chairman