



PRESS RELEASE

Milan, September 14, 2016

SAES Group: CONTINUOUS IMPROVEMENT OF ALL ECONOMIC AND FINANCIAL INDICATORS IN THE FIRST HALF OF 2016, THANKS TO THE PROGRESSIVE GROWTH OF THE SHAPE MEMORY ALLOYS AND THE STABILITY OF THE INDUSTRIAL APPLICATIONS BUSINESS

- **Record half year revenues equal to €89.8 million; organic growth of 9.8% compared to €81.8 million in 1H 2015**
- **Total revenues of the Group equal to €94.2 million, up by 10.2% compared to €85.5 million in 1H 2015**
- **Consolidated gross profit equal to €40 million, up by 14.2% compared to €35 million in the 1H of 2015; increase of the gross margin from 42.8% to 44.5%**
- **Consolidated operating income equal to €11.9 million, significantly increased (+35.7%) compared to €8.8 million in 1H 2015**
- **Consolidated EBITDA equal to €16.1 million (or 17.9%) compared to €13.2 million (or 16.2%) in 1H 2015; adjusted EBITDA equal to €16.5 million (or 18.4%), by excluding the cost of the settlement agreement for the resolution of the environmental dispute regarding the Onondaga Lake (NY-USA)**
- **Consolidated net income equal to €5.5 million, up by 33.8% compared to €4.1 million in 1H 2015**
- **Strong generation of operating cash-flow allowing the substantial stability of the net financial position (-€19.5 million compared to -€17.3 million at the end of 2015), despite the payment of dividends equal to €8.5 million**

The Board of Directors of SAES Getters S.p.A., gathered today in Lainate (MI), approved the consolidated results of the first half of 2016 (January 1 – June 30).

“There is a strong satisfaction for the results of the semester, marking an historical record for the Group, as well as for the strong generation of operating cash flows. Such results are the consequence of the outstanding performance of the most recent and innovative businesses and confirm the stability of the more traditional and consolidated sectors.”- Eng. **Massimo della Porta, President of SAES Getters S.p.A.**, said - “We expect this to continue also in the remaining part of the year, with a future progressive growth, thanks also to the contribution of the acquisition of Metalvuoto S.p.A., which we expect to complete in the next few weeks. With this operation the Group will bring to completion a new and important entrepreneurial initiative in the innovative and fast growing market of active packaging. This project will leverage on the strong know-how in the nano- and micro-structured active materials, developed by our laboratories and dedicated to organic electronics applications.”

In the first half of 2016 the SAES® Group achieved **consolidated net revenues** equal to **€89.8 million up by 9.8%** compared to €81.8 million achieved in the corresponding period of 2015. The **exchange rate effect** was substantially null and therefore the growth has to be considered mainly as **organic growth**, mainly driven by the **Shape Memory Alloys (SMAs)** segment, both for medical and industrial applications, by the **gas purification** sector, as well as by the recovery in the **security & defense market** (Business Electronic & Photonic Devices and Business Sensors & Detectors).

Total revenues of the Group¹ were equal to **€94.2 million** compared to €85.5 million in the first half of 2015: the **growth, equal to +10.2%**, was attributable, in addition to the increase in consolidated revenues (+9.8%), to the higher revenues of the joint venture Actuator Solutions (+13.7%) and to the consolidation of the new joint venture SAES RIAL Vacuum S.r.l.

Consolidated gross profit² was equal to **€40.0 million** in the first half of 2016, **up by 14.2%** compared to €35 million in the corresponding period of 2015. The growth was mainly attributable to increased revenues, in addition to the improvement in the **gross margin**³ (from 42.8% in the first semester of 2015 to **44.5%** in the current period) mainly driven by the Shape Memory Alloys Business Unit.

Consolidated operating income amounted to **€11.9 million** (13.3% of consolidated revenues) in the first half of 2016, **significantly increased (+35.7%)** compared to €8.8 million in the corresponding period of the previous year (10.7% of consolidated revenues): the increase in revenues and in the gross margin, together with the reduction of the operating expenses in percentage terms (from 31.9% to 30.3%) enabled the strong improvement in the operating indicators compared to the previous year.

Consolidated EBITDA⁴ was equal to **€16.1 million (17.9% of revenues)** in the first half of 2016, **up by 21.7%** compared to €13.2 million (16.2% of consolidated revenues) in the corresponding semester of 2015, mainly driven by the shape memory alloys sector.

By excluding the cost of €0.4 million⁵, following the signature of a settlement agreement for the definition of the environmental dispute regarding the compensation for the environmental damages and the water and below sediment purification of the Onondaga Lake (NY-USA), the **adjusted EBITDA** was equal to **€16.5 million** or **18.4% of consolidated revenues**.

Consolidated net income amounted to **€5.5 million** in the first half of 2016 (6.1% of consolidated revenues), **strongly increased (+33.8%)** compared to a consolidated net income of €4.1 million in the first half of 2015.

The **consolidated net financial position** as at June 30, 2016 was negative and equal to **-€19.5 million** compared to -€17.3 million as at December 31, 2015: despite the payment of dividends (equal to about €8.5 million), please note the substantial stability of the net financial position, thanks to the cash flows generated from the operating activities, continuing the positive trend of 2015.

For further details, please refer to the following sections of this press release.

Relevant events occurred in the first half of 2016

The relevant events occurred in the first half of 2016 are highlighted below.

On January 15, 2016 SAES Nitinol S.r.l. made a further capital injection in favor of the joint venture Actuator Solutions GmbH equal to €1 million to support its investments. The 50% joint partner Alfmeier paid the same amount through the company SMA Holding GmbH.

On January 19, 2016, as envisaged by the contract signed on December 23, 2015 between SAES Getters S.p.A. and Rodofil s.n.c., the Parent Company acquired a further 39% of the joint venture SAES RIAL Vacuum S.r.l. for a pre-determined price equal to €1.3 million. The total investment of SAES Getters S.p.A. in the joint venture is currently equal to 49%⁶ of its share capital.

On February 26, 2016 SAES Getters S.p.A. acquired the residual 4% of the share capital of E.T.C. S.r.l. from the minority shareholder, for a consideration of €0.2 million. Following such purchase, SAES Getters S.p.A. is now the sole shareholder of E.T.C. S.r.l.

¹ Total revenues of the Group are achieved by incorporating with the proportional method, instead of the equity method, the 50% joint venture Actuator Solutions, as well as the new joint venture SAES RIAL Vacuum S.r.l., of which SAES currently owns 49% of the share capital.

² Calculated as the difference between net sales and industrial costs directly and indirectly attributable to the products sold.

³ Calculated as the ratio between gross profit and consolidated net revenues.

⁴ EBITDA is not deemed as an accounting measure under International Financial Reporting Standards (IFRSs); however, we believe that EBITDA is an important parameter for measuring the Group's performance and therefore it is presented as an alternative indicator. Since its calculation is not regulated by applicable accounting standards, the method applied by the Group may not be homogeneous with the ones adopted by other Groups. EBITDA is calculated as "Earnings before interests, taxes, depreciation and amortization".

⁵ In addition to the accrual of €0.7 million accounted for at the end of 2015.

⁶ Please note that this percentage had already been used for consolidation purposes as at December 31, 2015, representing the substantial interpretation of the purchase agreement signed on December 23, 2015, which provided for the mutual commitment of the parties to increase the investment of SAES Getters S.p.A. in SAES RIAL Vacuum S.r.l. of an additional 39% by the end of January 2016.

At the end of April 2016 SAES Nitinol S.r.l. granted an additional €1 million loan to Actuator Solutions GmbH, aimed at financially supporting the operating activities of the joint venture. The loan expires on April 30, 2019 and provides for a flexible repayment schedule within the maturity date and a fixed annual interest rate equal to 6%. A loan of the same amount and conditions was granted by the 50% joint partner Alfmeier, through the company SMA Holding GmbH.

On June 23, 2016 the terms of the corporate merger of the wholly owned subsidiary SAES Advanced Technologies S.p.A., based in Avezzano (Aquila), into SAES Getters S.p.A were approved.

The transaction aims at optimizing the Group's industrial policy, as part of an aggregating process aimed at improving and integrating the Group's Italian manufacturing factories, simplifying their business processes and R&D activities. At the same time, the merger aims at the optimization of the financial flows and at the improvement of the equity structure, thanks to the streamlining of the corporate structure, as well as to the strengthening of the market presence and of the competitiveness of the Parent Company.

The merger will produce its legal effects starting from December 31, 2016. For fiscal and accounting purposes only, the merger operation will be backdated at January 1, 2016. The merger will produce no equity, economic or financial effect into the Group's consolidated financial statements, nor will provide any share swap, being the incorporated company already wholly owned by SAES Getters S.p.A.

Industrial Applications Business Unit

Consolidated revenues of the Industrial Applications Business Unit amounted to **€53.9 million** in the first half of 2016, **up by 4%** compared to €51.8 million in the corresponding period of 2015. The exchange rate effect was equal to zero, therefore the recorded growth was fully organic.

Compared to the first half of the previous year, please note the strong increase in the sales of the Sensors and Detectors Business (organic growth of +38.5%), as well as of the Electronic & Photonic Devices Business (organic growth of +10.4%), thanks to the recovery of the investments in the security and defense sector: such growth was spread across all the geographic areas and involved products for both military and consumer applications. An organic growth was recorded also by the Pure Gas Handling Business (+6.2%), whose outstanding performance was linked both to the investments for foundries in the semiconductor sector and to new investments in the display market in Asia. In line with the last periods of 2015, the following segments decreased: the Light Sources Business (with a structural decrease of -21.3%, spread across all geographic areas) penalized by the technological competition of LEDs towards fluorescent lamps, and the Thermal Insulation Business (organic decrease of -23.7%), that suffered from the weak sales of getters for insulation panels in the refrigeration market. Also the Vacuum Systems Business decreased (organic decrease equal to -15.8%), due to a slowing down related to the current economic situation.

The table below shows the revenues in the first half of 2016 related to the various business areas, with evidence of the exchange rate effect and of the organic change compared to the corresponding period of 2015.

Thousands of euro (except %)

Business	1st half 2016	1st half 2015	Total difference (%)	Organic change (%)	Exchange rate effect (%)
Electronic & Photonic Devices	7,264	6,563	10.7%	10.4%	0.3%
Sensors & Detectors	7,397	5,375	37.6%	38.5%	-0.9%
Light Sources	3,967	5,020	-21.0%	-21.3%	0.3%
Vacuum Systems	3,461	4,090	-15.4%	-15.8%	0.4%
Thermal Insulation	2,442	3,149	-22.5%	-23.7%	1.2%
Pure Gas Handling	29,354	27,630	6.2%	6.2%	0.0%
Industrial Applications	53,885	51,827	4.0%	4.0%	0.0%

Gross profit of the Industrial Applications Business Unit was equal to **€25.7 million** in the first half of 2016, compared to €24.9 million in the corresponding semester of 2015. The **growth (+3.4%)** was entirely due to the increased sales, while the **gross margin** was substantially stable (from 48% to **47.7%**) despite the different product mix.

Operating income of the Industrial Applications Business Unit was equal to **€14 million slightly up (+0.2%)** compared to the first semester of 2015; the **operating margin** was equal to **26%**, slightly down compared to

27% in the first half of 2015, despite the increase in sales and the stability of the gross margin, mainly due to some product development costs in the gas purification sector.

Shape Memory Alloys (SMAs) Business Unit

Consolidated revenues of the Shape Memory Alloys Business Unit were equal to **€35.4 million** in the first half of 2016, showing a **significant increase (+21.1%)** compared to €29.3 million in the corresponding period of 2015. Here again, the exchange rate effect was equal to zero and the recorded growth was fully organic.

Both segments of this Business Unit recorded a strong growth. The medical SMAs segment (Nitinol raw material and components) recorded an organic growth of 17.5%, continuing the positive trend that has characterized the previous year, driven by the increased sales of more sophisticated Nitinol-based medical devices recently introduced, accompanied by substantially stable sales of more consolidated products.

Also the industrial SMAs segment recorded a strong organic growth (equal to +49.1%), thanks to the increased sales of springs, wires and other SMA components, across all the sectors in which the Group operates (in particular, the automotive and the luxury goods markets).

The table below shows the revenues in the first semester of 2016 related to the various business areas, with evidence of the exchange rate effect and of the organic change compared to the corresponding period of 2015.

Thousands of euro (except %)

Business	1st half 2016	1st half 2015	Total difference (%)	Organic change (%)	Exchange rate effect (%)
SMA Medical Applications	30,481	25,942	17.5%	17.5%	0.0%
SMA Industrial Applications	4,932	3,308	49.1%	49.1%	0.0%
Shape Memory Alloys	35,413	29,250	21.1%	21.1%	0.0%

Gross profit of the Shape Memory Alloys Business Unit was equal to **€14.2 million (40% of consolidated revenues)** in the first half of 2016, compared to €10.1 million (34.4% of revenues) in the corresponding period of 2015. This **strong increase** was the result of both the increased revenues, as well as of the economies of scale and of the improved efficiency within the segments, both the medical and the industrial one.

Operating income of the Shape Memory Alloys Business Unit amounted to **€8.8 million almost doubled (+84.4%)** compared to €4.7 million in the first half of 2015. The strong increase in sales and in the gross margin, combined with the stability of the operating expenses, substantially unchanged compared to the first half of 2015, supported the significant improvement in the operating income, as well as in the **operating margin**, which rose from 16.2% to **24.7%**.

Business Development Unit & Corporate Costs

The Business Development Unit & Corporate Costs includes projects of basic research or development aimed at diversifying into innovative businesses, in addition to the corporate costs (costs that cannot be directly attributed or reasonably allocated to any business but that refer to the Group as a whole).

In the first half of 2016 **consolidated revenues** were equal to **€0.5 million** compared to €0.7 million in the corresponding period of the previous year: revenues were substantially in line with the figure recorded in the second half of 2015, while their decrease compared to the first half of 2015 (organic decrease equal to -27.8%) was due to lower sales of alkaline metal dispensers for OLEDs, following the decision of a technological repositioning taken by the main customer, only partially offset by the excellent sales of moisture absorber functional polymers for the same applications.

Gross profit was equal to **€0.1 million (15% of revenues)** in the first half of 2016, substantially unchanged when compared to the corresponding period of 2015.

Operating result was negative and equal to **-€10.9 million** compared to a negative figure equal to -€10 million in the first half of 2015. This worsening was mainly due to higher corporate general and administrative expenses (namely, higher consultant fees).

Consolidated gross profit amounted to **€40 million** in the first half of 2016, compared to €35 million in the first half of 2015. The **growth (+14.2%)** was mainly due to increased sales, in addition to the improvement of the **gross margin**

(from 42.8% in the first semester of 2015 to **44.5%** in the current period), mainly driven by the Shape Memory Alloys Business Unit.

Consolidated operating income amounted to **€11.9 million (13.3% of consolidated revenues)** in the first half of 2016, showing a **strong growth (+35.7%)** compared to €8.8 million (10.7% of revenues) in the corresponding period of the previous year: the increase in revenues and in the gross margin, together with the reduction of the operating expenses in percentage terms (from 31.9% to 30.3%) enabled the strong improvement in the operating indicators compared to the previous year.

Consolidated operating expenses were equal to **€27.2 million (30.3% of revenues)** in the first six months of 2016, compared to €26.1 million in the corresponding period of 2015 (31.9% of revenues), showing a physiological growth related to the increase in sales. The increase mainly regarded the general and administrative expenses (in particular, increased consultant fees for corporate extraordinary projects developed during the semester, in addition to the higher accrual for the variable remuneration of the Executive Directors). Both the R&D expenses and the selling expenses were instead substantially in line with those of the first half of the previous year.

Consolidated EBITDA was equal to **€16.1 million (17.9% of revenues)** in the first semester of 2016, **up by 21.7%** compared to €13.2 million (16.2% of consolidated revenues) in the corresponding semester of 2015, mainly driven by the shape memory alloys sector.

By excluding the cost of €0.4 million⁷, following the signature of a settlement agreement for the definition of the environmental dispute regarding the compensation for the environmental damages and the water and below sediment purification of the Onondaga Lake (NY-USA), the **adjusted EBITDA** was equal to **€16.5 million** or **18.4% of consolidated revenues**.

The balance of the **other net income (expenses)** was negative and equal to **-€0.8 million** compared to -€0.1 million in the first half of 2015. The decrease was mainly due to the above mentioned cost related to the signature of a settlement agreement for the purification of the Onondaga Lake (equal to €0.4 million) and to the cost related to the purchase, from Polyera Corporation, of a license on 50% of the OLET technology jointly developed by the Group with Polyera itself (€0.2 million).

The net balance of **financial income and expenses** was negative and equal to **-€0.7 million** (substantially in line with -€0.8 million in the corresponding period of 2015) and it mainly included interest expenses on loans, both short and long term ones, held by the Parent Company and by the US subsidiary Memry Corporation, as well as the bank fees related to the credit lines held by SAES Getters S.p.A.

The sum of the **exchange rate differences** recorded a negative balance equal to **-€0.2 million** in the first six months of 2016, compared to a positive balance equal to €1.1 million in the first half of 2015. The positive balance of the previous year was mainly due to foreign exchange gains (€1.9 million) following the partial release into the income statement of the translation reserve generated by the consolidation of SAES Getters (Nanjing) Co., Ltd., following the partial reduction of the share capital of the Chinese subsidiary and its reimbursement to the Parent Company. Instead, the negative balance in the current semester was mainly due to the losses related to the fair value evaluation of forward contracts entered into to hedge business transactions in dollar and yen scheduled for the second part of the year.

The loss deriving from the **evaluation with the equity method** of the joint ventures totally amounted to **-€1.2 million** (compared to -€0.9 million in the corresponding period of the previous year). This loss was mainly attributable to the joint venture Actuator Solutions, while the joint venture SAES RIAL Vacuum S.r.l. ended the semester substantially at breakeven.

Consolidated income before taxes amounted to **€9.8 million** in the first semester of 2016, **up by 19.4%** compared to an income before taxes of €8.2 million in the first half of 2015.

Income taxes amounted to **€4.3 million** in the first half of 2016, compared to €4.1 million in the corresponding semester of the previous year. The **Group's tax rate** was equal to **44.1%** compared to 50.1% in the corresponding period of 2015: the improvement was due to some positive and recurring effects related to the US subsidiaries' tax calculations, as well as to some tax refunds received by the Italian companies and related to taxes expensed in previous fiscal years.

The **consolidated net income** was equal to **€5.5 million** in the first half of 2016 (**6.1% of consolidated revenues**), **significantly increased (+33.8%)** compared to a consolidated net income equal to €4.1 million in the first half of 2015.

⁷ In addition to the accrual of €0.7 million accounted for at the end of 2015.

The **net income per ordinary share and per savings share** amounted respectively to **€0.2425** and **€0.2591** in the first half of 2016; this figure compares with a net income per ordinary share and per savings share respectively equal to €0.1798 and €0.1965 in the first half of 2015.

The **consolidated net financial position** was negative and equal to **-€19.5 million** as at June 30, 2016, compared to -€17.3 million as at December 31, 2015.

The substantial stability compared to the figure as at December 31, 2015 (the difference in the net financial position was -€2.2 million) despite the payment of dividends occurred at the beginning of May 2016 (-€8.5 million), was attributable to the incoming cash-flow generated from the operating activities and related to the increase in both revenues and economic results, mainly in the shape memory alloys business.

The outflows for investments in tangible and intangible assets were equal to -€3.4 million; the investment activities included also the acquisition of the minority interest of E.T.C. S.r.l. (-€0.2 million), as well as the capital injection made to support the operations of the joint venture Actuator Solutions GmbH (-€1 million).

Actuator Solutions

Actuator Solutions GmbH is 50% jointly owned by SAES and Alfmeier Präzision. This joint venture, which consolidates its wholly owned subsidiary Actuator Solutions Taiwan Co., Ltd., is focused on the development, production and distribution of actuators using shape memory alloys, in place of engines.

Actuator Solutions recorded net revenues equal to €9 million in the first half of 2016; its turnover, almost totally generated by the sales in the seat comfort business (valves based on the SMA technology and used in the lumbar control systems of car seats) increased by 13.7% compared to €7.9 million in the first half of 2015, thanks to the increasing use of lumbar control systems on an increasing number of car models.

The net result of the semester was negative (-€2.2 million), compared to a loss of -€1.9 million as at June 30, 2015: the worsening was due both to the decreasing gross margin in the seat comfort sector (in turn, due not only to decreasing unit prices, but also to the still low yield of the new lines related to the expansion of the production capacity, as well as to the planned reduction of the production costs, not yet at full operating speed) and to higher research, development and prototyping expenses for autofocus (AF) actuators. With reference to the latter, please note that, during the first semester of 2016, the autofocus system was qualified for its application in a high-end drone model and received its first commercial order; the production is currently in its starting phase and the first deliveries are expected after the summer. With regard to the mobile phones devices, both the systems for image focus (AF), as well as the infrared filters for the iris recognition are in an advanced qualification phase.

Thousands of euro			
Actuator Solutions	(100%)	1st half 2016	1st half 2015
Total net sales		8,988	7,904
Cost of sales		(9,659)	(8,393)
Gross profit		(671)	(489)
Total operating expenses		(2,281)	(1,887)
Other income (expenses), net		132	80
Operating income (loss)		(2,820)	(2,296)
Interests and other financial income, net		(93)	(159)
Foreign exchange gains (losses), net		35	198
Income taxes		694	391
Net income (loss)		(2,184)	(1,866)

The share of the SAES Group in the result of the joint venture amounted to -€1.1 million in the first half of 2016 (the loss deriving from the evaluation with the equity method amounted to -€0.9 million as at June 30, 2015).

SAES RIAL Vacuum S.r.l.

SAES RIAL Vacuum S.r.l. was established at the end of 2015 through the transfer by Rodofil s.n.c. of the Rial Vacuum business (assets, trademark and customers list, as well as inventory and employed personnel), specialized in the design and manufacture of vacuum chambers for accelerators, synchrotrons and colliders, used in the major research laboratories worldwide.

In particular, on December 23, 2015 SAES Getters S.p.A. acquired by Rodofil s.n.c. a first tranche, equal to 10% of the newco SAES RIAL Vacuum S.r.l., while the acquisition of a further 39% was finalized on January 19, 2016.

The aim of the joint venture is to create an Italian technological and manufacturing hub of the highest level, for the design and production of integrated vacuum systems for accelerators, to be used for the research field, as well as for

industrial systems and devices. The joint venture will combine at the highest level the competences of SAES in the field of materials, vacuum applications and innovation, with the experience of Rial and Rodofil in the design, assembling and fine mechanical productions, with the aim of offering absolutely excellent quality products and of successfully competing in the international markets.

SAES RIAL Vacuum S.r.l. ended the first half of 2016 with sales equal to €0.6 million and a loss equal to €0.2 million, the latter related to some organization and integration expenses that are typical of any company in its start-up phase.

Thousands of euro	
SAES RIAL Vacuum S.r.l. (100%)	1 st half 2016
Total net sales	558
Cost of sales	(619)
Gross profit	(61)
Total operating expenses	(113)
Other income (expenses), net	0
Operating income (loss)	(174)
Interests and other financial income, net	(2)
Foreign exchange gains (losses), net	0
Income taxes	0
Net income (loss)	(176)

The share of the SAES Group in the result of this joint venture amounted to -€0.1 million in the first half of 2016.

Significant events occurred after the end of the semester

On July 18, 2016 a settlement agreement was signed to close the environmental dispute related to presumed harmful emissions of mercury in the Onondaga Lake (located in the city of Syracuse, NY-USA) by a company of the Group (King Laboratories, Inc. acquired by SAES Getters USA, Inc. in the eighties and no longer existing since decades), concerning the compensation for the environmental damages and the purification of the water and of the sediment below the lake. The total cost of the agreement, without the recognition of any liability for the SAES Group, amounted to \$1,250 thousand⁸, that will be paid by SAES Getters USA, Inc. to the other party within sixty days from the signing of the agreement.

On July 28, 2016 SAES Nitinol S.r.l. signed a new loan contract in favor of Actuator Solutions GmbH, aimed at financially supporting the operating activities of the subsidiary Actuator Solutions Taiwan Co., Ltd. The first tranche of the financing, equal to €2 million, was paid by SAES Nitinol S.r.l. on the day following the date of the signature (July 29, 2016), while the second tranche, equal to €1 million, will be paid within September 29, 2016. The loan expires on April 30, 2019 and provides for a flexible repayment schedule within the maturity date and a fixed annual interest rate equal to 6%. 50% of the loan is granted by a letter of patronage jointly signed by Alfmeier S.E. and SMA Holding GmbH, in favor of SAES Nitinol S.r.l.

On July 29, 2016 the related Board of Directors approved the corporate merger of the wholly owned subsidiary SAES Advanced Technologies S.p.A. into SAES Getters S.p.A. The resolutions related to the corporate merger had been made available to the public and deposited for their filing within the Italian Corporate Register of the two companies participating in the merger on August 24, 2016.

Always on July 29, 2016 SAES Getters S.p.A. signed an agreement with Mirante S.r.l for the acquisition of the majority interest in the share capital of Metalvuoto S.p.A., based in the province of Monza Brianza, a well-established player in the field of advanced packaging, producing metallized and innovative plastic films for food preservation. Thanks to such acquisition, SAES, that already cooperates with Metalvuoto S.p.A. in testing the application of SAES' functional polymer composites on the plastic films for food preservation made by Metalvuoto S.p.A., aims at competing in the smart food packaging sector, entering the market with a complete and innovative range of products, thanks to the development of high performance active plastics, characterized by biocompatibility and a reduced environmental impact.

The signed agreement provides for the acquisition of 70% of Metalvuoto S.p.A. by SAES Getters S.p.A. for a price based on a multiple of the EBITDA, adjusted according to some predefined financial parameters (including the net financial position and the value of the finished goods inventory at the date of the closing). The total consideration (expected to be in the range of €6 million), will be paid in cash in three tranches: the first one, equal to €1.5 million,

⁸ Equal to €1,120 thousand, of which €689 thousand already accounted for as a provision at the end of 2015, and the remaining €431 thousand recorded in the current semester.

was paid upon the signature of the agreement as advance payment; the second tranche, equal to €2 million, will be paid at the date of the closing, expected within the end of the year; the balance will be paid within one month after the closing of the acquisition, once the updated financial statements at the date of the closing, as well as the price adjustment related to the agreed parameters, have been defined.

The agreement is subject to a series of condition precedents for its execution, and as such also the closing of the transaction (with the transfer of the acquired equity participation).

In addition, the agreement includes a *put* and *call* option between the shareholders, to be exercised starting from the twelfth month and within eighteen months after the closing date, for the acquisition of the remaining 30% of the share capital of Metalvuoto S.p.A. by SAES Getters S.p.A., at a price calculated with a similar method applied to the first purchase. In case the options are not exercised within the agreed terms, SAES Getters S.p.A. is in any case committed to acquire the remaining 30% of the share capital of the company within 24 months after the closing date.

Finally, the agreement includes the subscription of some shareholders' agreements that govern the governance of the company with its new shareholding structure, assigning the majority of the Board of Directors of Metalvuoto S.p.A to the controlling company SAES Getters S.p.A. (two members, with the right to appoint the Chief Executive Officer) and the appointment of one Director to the minority shareholder, Mirante S.r.l., namely the founder Eng. Giovanni Ronchi, that will be the Executive Chairman of the Board itself.

Business outlook

For the remainder of 2016 we expect results in line with those of the first half of the year. The progressive future growth will be allowed also thanks to the contribution of the next acquisition of Metalvuoto S.p.A., a company operating in the fast growing business of active packaging, by leveraging on the know-how developed within the SAES' laboratories and dedicated to organic electronics applications.

Reclassifications of the income statement figures of the first half of 2015

Please note that, following the completion of the transfer of the PageWafer[®] technology related to the last contract signed at the end of 2014, the technology licensing activity can be considered as a core business of the Group; therefore, starting from January 1, 2016, the royalties for the licensing of the thin film getter technology for MEMS of new generation are classified within the consolidated revenues. The figures related to 2015⁹ have been reclassified accordingly, for a homogeneous comparison.

Furthermore, following a change in the organizational structure of the Parent Company, as well as for a better representation of the costs by allocation, starting from 2016 the engineering and industrialization costs of the new products are classified as cost of sales, instead of being recorded as operating expenses. Also the figures related to the previous year, presented for comparative purposes, have been reclassified.

The details of these reclassifications on the income statement figures of the first half of 2015 are shown in the following tables.

⁹ In the first half of 2015 the royalties amounted to €0.3 million, compared to €0.6 million as at June30, 2016 (of which €0.2 million deriving from lump-sums related to the technology transfer).

Thousands of euro

	1 st half 2015	Royalties reclassification	Industrialization costs reclassification	1 st half 2015 reclassified
Total net sales	81,488	331		81,819
Cost of sales	(46,410)		(416)	(46,826)
Gross profit	35,078	331	(416)	34,993
	R&D expenses		416	(7,022)
	Selling expenses			(7,067)
	G&A expenses			(11,984)
Total operating expenses	(26,489)	0	416	(26,073)
Royalties	331	(331)		0
Other income (expenses), net	(130)			(130)
Operating income (loss)	8,790	0	0	8,790
Interest and other financial income, net	(771)			(771)
Income (loss) from equity method evaluated companies	(933)			(933)
Foreign exchange gains (losses), net	1,114			1,114
Income (loss) before taxes	8,200	0	0	8,200
Income taxes	(4,112)			(4,112)
Net income (loss) from continued operations	4,088	0	0	4,088
Income (loss) from assets held for sale and discontinued operations	0			0
Net income (loss) before minority interest	4,088	0	0	4,088
Net income (loss) pertaining to minority interest	0			0
Net income (loss) pertaining to the Group	4,088	0	0	4,088

Thousands of euro

	Industrial Applications			Shape Memory Alloys			Business Development & Corporate Costs			TOTAL		
	1 st half 2015	Reclass.	1 st half 2015 reclassified	1 st half 2015	Reclass.	1 st half 2015 reclassified	1 st half 2015	Reclass.	1 st half 2015 reclassified	1 st half 2015	Reclass.	1 st half 2015 reclassified
Total net sales	51,496	331	51,827	29,250		29,250	742		742	81,488	331	81,819
Cost of sales	(26,818)	(142)	(26,960)	(19,072)	(110)	(19,182)	(520)	(164)	(684)	(46,410)	(416)	(46,826)
Gross profit (loss)	24,678	189	24,867	10,178	(110)	10,068	222	(164)	58	35,078	(85)	34,993
Operating expenses and other income	(10,677)	(189)	(10,866)	(5,431)	110	(5,321)	(10,180)	164	(10,016)	(26,288)	85	(26,203)
Operating income (loss)	14,001	0	14,001	4,747	0	4,747	(9,958)	0	(9,958)	8,790	0	8,790

The figures are drawn from the interim consolidated financial statements as at June 30, 2016 (including the interim condensed consolidated financial statements, the interim management report and the certification required by article 154-bis, paragraph 5 of TUF) that was approved by the Board of Directors of SAES Getters S.p.A. today and simultaneously transmitted to the auditing firm to perform the related legal requirements. This document, together with the results of the audit check, will be available to the public both on the Company's website (www.saesgetters.com/investor/report-account/half-year-reports) and on the centralized storage mechanism IInfo (www.linfo.it) starting from September 15, 2016.

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

SAES Group

A pioneer in the development of getter technology, the SAES® Group is the world leader in a variety of scientific and industrial applications where stringent vacuum conditions or ultra-pure gases are required. In more than 70 years of activity, the Group's getter solutions have been supporting innovation in the information display and lamp industries, in sophisticated high vacuum systems and in vacuum thermal insulation, in technologies spanning from large vacuum power tubes to miniaturized silicon-based microelectronic and micromechanical devices. The Group also holds a leading position in ultra-pure gas refinement for the semiconductor and other high-tech markets.

Starting in 2004, by leveraging the core competencies in special metallurgy and in the materials science, the SAES Group has expanded its business into the advanced material markets, in particular the market of shape memory alloys, a family of materials

characterized by super elasticity and by the property of assuming predefined forms when subjected to heat treatment. These special alloys, which today are mainly applied in the biomedical sector, are also perfectly suited to the realization of actuator devices for the industrial sector (domotics, white goods industry, consumer electronics and automotive sector).

More recently, SAES has expanded its business by developing components whose getter functions, traditionally obtained from the exploitation of the special features of some metals, are instead generated by chemical processes. Thanks to these new developments, SAES is evolving, adding to its competencies in the field of special metallurgy also those of organic chemicals.

A total production capacity distributed in twelve facilities, a worldwide-based sale & service network and more than 1,000 employees allow the Group to combine multicultural skills and expertise to form a truly global enterprise.

SAES Group is headquartered in the Milan area (Italy).

SAES Getters S.p.A. is listed on the Italian Stock Exchange Market, STAR segment, since 1986.

More information on the SAES Group are available in the website www.saesgetters.com.

Contacts:

Emanuela Foglia

Investor Relations Manager

Tel. +39 02 93178 273

E-mail: investor_relations@saes-group.com

Laura Magni

Group Marketing and Communication Manager

Tel. +39 02 93178 252

E-mail: laura_magni@saes-group.com

Corporate Media Relations

Close to Media

Tel. +39 02 70006237

Giancarlo Boi

E-mail: Giancarlo.boi@closetomedia.it

Loredana Caponio

E-mail: Loredana.caponio@closetomedia.it

SAES will host a conference call today at 15:30 CET.

The numbers in order to access it are the following:

From Italy: +39 02 802 09 11

From the UK: +44 1212 818004

From the USA: +1 718 705 8796

The presentation will be available at www.saesgetters.com at the following link:

www.saesgetters.com/investor/presentation

Those interested are asked to call a few minutes before the conference call begins.

The conference call will be available for replay for the next 24 hours:

From Italy: +39 02 72495

From the UK: +44 1212 818005

From the USA: +1 718 705 8797

Access code: 794#

Legend:

Industrial Applications Business Unit	
Electronic & Photonic Devices	Getters and metal dispensers for electronic vacuum devices
Sensors & Detectors	Getters for microelectronic and micromechanical systems (MEMS)
Light Sources	Getters and metal dispensers used in discharge lamps and fluorescent lamps
Vacuum Systems	Pumps for vacuum systems
Thermal Insulation	Products for thermal insulation
Pure Gas Handling	Gas purifier systems for semiconductor industry and other industries
Shape Memory Alloys (SMA) Business Unit	
SMA Medical applications	Nitinol shape memory alloys for the biomedical sector
SMA Industrial applications	SMA actuator devices for the industrial sector (domotics, white goods industry, consumer electronics and automotive sector)
Business Development Unit	
Functional Polymer Composites	Innovative technologies that integrate getter materials in polymer matrices

Consolidated Net Sales by Business

Thousands of euro (except %)

Business	1st half 2016	1st half 2015	Total difference (%)	Organic change (%)	Exchange rate effect (%)
Electronic & Photonic Devices	7,264	6,563	10.7%	10.4%	0.3%
Sensors & Detectors	7,397	5,375	37.6%	38.5%	-0.9%
Light Sources	3,967	5,020	-21.0%	-21.3%	0.3%
Vacuum Systems	3,461	4,090	-15.4%	-15.8%	0.4%
Thermal Insulation	2,442	3,149	-22.5%	-23.7%	1.2%
Pure Gas Handling	29,354	27,630	6.2%	6.2%	0.0%
Industrial Applications	53,885	51,827	4.0%	4.0%	0.0%
SMA Medical Applications	30,481	25,942	17.5%	17.5%	0.0%
SMA Industrial Applications	4,932	3,308	49.1%	49.1%	0.0%
Shape Memory Alloys	35,413	29,250	21.1%	21.1%	0.0%
Business Development	534	742	-28.0%	-27.8%	-0.2%
Total Net Sales	89,832	81,819	9.8%	9.8%	0.0%

Consolidated Net Sales by Geographic Location of Customer

Thousands of euro

Geographic Area	1st half 2016	1st half 2015
Italy	752	674
European countries	15,479	14,968
North America	42,200	36,795
Japan	2,702	2,611
South Korea	3,765	6,813
China	10,818	6,135
Rest of Asia	13,329	11,439
Rest of the World	787	2,384
Total Net Sales	89,832	81,819

Total revenues of the Group

Thousands of euro

	1 st half 2016	1 st half 2015	Difference
Consolidated sales	89,832	81,819	8,013
50% sales of the joint venture Actuator Solutions	4,494	3,952	542
49% sales of the joint venture SAES RIAL Vacuum S.r.l.	273	0	273
Intercompany eliminations and other adjustments	(355)	(261)	(94)
Total revenues of the Group	94,244	85,510	8,734

Consolidated statement of profit or loss

Thousands of euro

	1 st half 2016	1 st half 2015
Total net sales	89,832	81,819
Cost of sales	(49,872)	(46,826)
Gross profit	39,960	34,993
R&D expenses	(7,302)	(7,022)
Selling expenses	(7,185)	(7,067)
G&A expenses	(12,728)	(11,984)
Total operating expenses	(27,215)	(26,073)
Other income (expenses), net	(819)	(130)
Operating income (loss)	11,926	8,790
Interest and other financial income, net	(737)	(771)
Income (loss) from equity method evaluated companies	(1,178)	(933)
Foreign exchange gains (losses), net	(224)	1,114
Income (loss) before taxes	9,787	8,200
Income taxes	(4,317)	(4,112)
Net income (loss) from continued operations	5,470	4,088
Income (loss) from assets held for sale and discontinued operations	0	0
Net income (loss) before minority interest	5,470	4,088
Net income (loss) pertaining to minority interest	0	0
Net income (loss) pertaining to the Group	5,470	4,088

Consolidated statement of other comprehensive income

Thousands of euro

	1 st half 2016	1 st half 2015
Net income (loss) for the period	5,470	4,088
Exchange differences on translation of foreign operations	(2,027)	8,156
Exchange differences on equity method evaluated companies	(11)	(101)
Total exchange differences	(2,038)	8,055
Total components that will be reclassified to the profit (loss) in the future	(2,038)	8,055
Reversal of currency conversion reserve after the reduction of the share capital of the subsidiaries	0	(1,877)
Total components that have been reclassified to the profit (loss)	0	(1,877)
Other comprehensive income (loss), net of taxes	(2,038)	6,178
Total comprehensive income (loss), net of taxes	3,432	10,266
<i>attributable to:</i>		
- Equity holders of the Parent Company	3,432	10,266
- Minority interests	0	0

Consolidated statement of profit or loss by Business Unit

Thousands of euro

	Industrial Applications		Shape Memory Alloys		Business Development & Corporate Costs		TOTAL	
	1 st half 2016	1 st half 2015	1 st half 2016	1 st half 2015	1 st half 2016	1 st half 2015	1 st half 2016	1 st half 2015
Total net sales	53,885	51,827	35,413	29,250	534	742	89,832	81,819
Cost of sales	(28,171)	(26,960)	(21,247)	(19,182)	(454)	(684)	(49,872)	(46,826)
Gross profit (loss)	25,714	24,867	14,166	10,068	80	58	39,960	34,993
Operating expenses and other income (expenses)	(11,685)	(10,866)	(5,413)	(5,321)	(10,936)	(10,016)	(28,034)	(26,203)
Operating income (loss)	14,029	14,001	8,753	4,747	(10,856)	(9,958)	11,926	8,790

EBITDA

Thousands of euro

	1 st half 2016	1 st half 2015
Operating income (loss)	11,926	8,790
Depreciation & amortization	4,150	4,167
Write-down	37	11
Other	0	277
EBITDA	16,113	13,245
<i>% on sales</i>	<i>17.9%</i>	<i>16.2%</i>
Settlement agreement Onondaga Lake	431	n.a.
EBITDA adjusted	16,544	n.a.
<i>% on sales</i>	<i>18.4%</i>	

Consolidated income (loss) per share

Euro

	1 st half 2016	1 st half 2015
Net income (loss) per ordinary share	0.2425	0.1798
Net income (loss) per savings share	0.2591	0.1965

Consolidated Statement of Financial Position

Thousands of euro

	June 30, 2016	December 31, 2015
Property, plant and equipment, net	49,825	50,383
Intangible assets	50,819	52,322
Other non current assets	19,872	19,382
Current assets	94,835	91,092
Total Assets	215,351	213,179
Shareholders' equity	121,169	126,485
Minority interest in consolidated subsidiaries	0	3
Total Shareholders' Equity	121,169	126,488
Non current liabilities	41,272	43,570
Current liabilities	52,910	43,121
Total Liabilities and Shareholders' Equity	215,351	213,179

Consolidated Net Financial Position

Thousands of euro

	June 30, 2016	March 31, 2016	December 31, 2015
Cash on hands	22	24	23
Cash equivalents	28,291	26,697	24,021
Cash and cash equivalents	28,313	26,721	24,044
Related parties financial assets	437	463	555
Other current financial assets	0	134	0
Current financial assets	437	597	555
Bank overdraft	(16,504)	(9,504)	(5,012)
Current portion of long term debt	(7,252)	(7,235)	(7,136)
Related parties financial liabilities	0	0	0
Other current financial liabilities	(801)	(460)	(1,957)
Current financial liabilities	(24,557)	(17,199)	(14,105)
Current net financial position	4,193	10,119	10,494
Related parties non current financial assets	1,449	500	600
Long term debt, net of current portion	(23,882)	(25,359)	(27,019)
Other non current financial liabilities	(1,271)	(1,296)	(1,355)
Non current liabilities	(25,153)	(26,655)	(28,374)
Non current net financial position	(23,704)	(26,155)	(27,774)
Net financial position	(19,511)	(16,036)	(17,280)

Consolidated Cash Flows Statement

Thousands of euro

	1 st half 2016	1 st half 2015
Net income (loss) from continued operations	5,470	4,088
Net income (loss) from discontinued operations	0	0
Current income taxes	3,958	4,138
Change in deferred income taxes	359	(26)
Depreciation, amortization and write down of non current assets	4,187	4,178
Net loss (gain) on disposal of assets	1	0
Interests and other financial income, net	1,917	1,706
Other non-monetary costs	225	(1,770)
	16,117	12,314
Change in operating assets and liabilities	391	(945)
Payments of termination indemnities and similar obligations	(52)	(36)
Financial income received, net of payment of interests	(131)	(162)
Payment of income taxes	(4,332)	(3,236)
Net cash provided by (used by) operating activities	11,993	7,935
Purchase of tangible and intangible assets, net of proceeds from sales	(3,449)	(2,459)
Consideration for the acquisition of minority interests in subsidiaries	(249)	0
Consideration for the acquisition of investments in joint ventures	(1,284)	0
Capital injection into joint ventures	(1,000)	0
Price paid for the acquisition of businesses	(82)	(1,742)
Cash flows provided by (used by) investing activities	(6,064)	(4,201)
Proceeds from debts, net of repayments	8,639	(8,089)
Financing receivables from related parties	(849)	0
Interests on financing receivables from related parties	155	62
Dividends paid	(8,502)	(3,477)
Other financial liabilities	(108)	0
Other financial receivables	0	163
Interests and other expenses paid on loans	(501)	(787)
Cash flows provided by (used by) financing activities	(1,166)	(12,128)
Effect of exchange rate differences	(492)	2,657
Increase (decrease) in cash and cash equivalents	4,271	(5,737)
Cash and cash equivalents at the beginning of the period	24,041	25,071
Cash and cash equivalents at the end of the period	28,312	19,334

Actuator Solutions - SAES Group interest (50%)

Thousands of euro

Statement of financial position	June 30, 2016	December 31, 2015
Non current assets	4,626	4,130
Current assets	2,839	2,448
Total Assets	7,465	6,578
Non current liabilities	1,694	740
Current liabilities	3,498	3,462
Total Liabilities	5,192	4,202
Capital Stock, Reserves and Retained Earnings	3,376	4,270
Net income (loss) for the period	(1,092)	(1,843)
Other comprehensive income (loss) for the period	(11)	(51)
Total Equity	2,273	2,376

Statement of profit or loss	1st half 2016	1st half 2015
Total net sales	4,494	3,952
Cost of sales	(4,830)	(4,196)
Gross profit	(336)	(244)
Total operating expenses	(1,141)	(944)
Other income (expenses), net	67	40
Operating income (loss)	(1,410)	(1,148)
Interests and other financial income, net	(47)	(80)
Foreign exchange gains (losses), net	18	99
Income taxes	347	196
Net income (loss)	(1,092)	(933)
Exchange differences	(11)	(101)
Total comprehensive income (loss) for the period	(1,103)	(1,034)

SAES RIAL Vacuum S.r.l. - SAES Group interest (49%)

Thousands of euro

Statement of financial position	June 30, 2016	December 31, 2015
Non current assets	47	47
Current assets	398	239
Total Assets	445	286
Non current liabilities	86	0
Current liabilities	224	65
Total Liabilities	310	65
Capital Stock, Reserves and Retained Earnings	221	221
Net income (loss) for the period	(86)	0
Total Equity	135	221

Statement of profit or loss	1st half 2016
Total net sales	273
Cost of sales	(303)
Gross profit	(30)
Total operating expenses	(55)
Other income (expenses), net	0
Operating income (loss)	(85)
Interests and other financial income, net	(1)
Foreign exchange gains (losses), net	0
Income taxes	0
Net income (loss)	(86)

Total statement of profit or loss of the Group

Thousands of euro

	1 st half 2016					Total profit or loss of the Group
	Consolidated profit or loss	50% Actuator Solutions	Intercoy eliminations & other adjustments	49% SAES RIAL Vacuum S.r.l.	Intercoy eliminations & other adjustments	
Total net sales	89,832	4,494	(350)	273	(5)	94,244
Cost of sales	(49,872)	(4,830)	350	(303)	5	(54,650)
Gross profit	39,960	(336)	0	(30)	0	39,594
Total operating expenses	(27,215)	(1,141)		(55)	0	(28,411)
Other income (expenses), net	(819)	67		0		(752)
Operating income (loss)	11,926	(1,410)	0	(85)	0	10,431
Interest and other financial income, net	(737)	(47)		(1)		(785)
Income (loss) from equity method evaluated companies	(1,178)		1,092		86	0
Foreign exchange gains (losses), net	(224)	18				(206)
Income (loss) before taxes	9,787	(1,439)	1,092	(86)	86	9,440
Income taxes	(4,317)	347				(3,970)
Net income (loss) from continued operations	5,470	(1,092)	1,092	(86)	86	5,470
Income (loss) from assets held for sale and discontinued operations	0					0
Net income (loss) before minority interest	5,470	(1,092)	1,092	(86)	86	5,470
Net income (loss) pertaining to minority interest	0					0
Net income (loss) pertaining to the Group	5,470	(1,092)	1,092	(86)	86	5,470