

The SAES[®] Group

FY 2015 Consolidated Results

Conference Call – March 14, 2016



making **innovation happen**, together

FY 2015 Highlights

- ❑ **Strong increase in revenues and improvement of all economic and financial indicators**
- ❑ **Consolidated revenues:** €166 million, up by 26.1% compared to €131.7 million in 2014
- ❑ **Organic sales growth** (+9.1%) mainly driven by Shape Memory Alloys, Gas Purification and Vacuum Systems
- ❑ **Total revenues of the Group:** €174.1 million, up by 25.3% compared to €138.9 million in 2014
- ❑ **Consolidated gross profit:** €72 million (or 43.4%), up by 27.0% compared to €56.7 million (or 43.0%) in 2014
- ❑ **Consolidated operating income:** €20.5 million, significantly increased (+57.5%) compared to €13 million in 2014
- ❑ **Consolidated EBITDA:** €29.4 million (or 17.7%), compared to €21.6 million (or 16.4%) in 2014
- ❑ **Consolidated net income:** €8.8 million, almost doubled compared to €4.8 million in 2014. Net of negative adjustment of -€1.7 million for the redetermination of deferred tax assets of the Group's Italian companies, consolidated net income equal to €10.5 million
- ❑ **Consolidated net financial position** significantly improved: -€17.3 million as at December 31, 2015 compared to -€26.9 million as at December 31, 2014
- ❑ Proposed a **dividend** of €0.38 per ordinary share and of €0.396626 per savings share

Total revenues of the Group

(achieved by incorporating the 50% joint venture Actuator Solutions with the proportional method instead of the equity method)

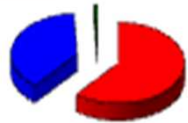
All figures in M€, unless otherwise stated

	2015	2014	Total difference	Difference %
Consolidated sales	166.0	131.7	34.3	26.1%
50% Actuator Solutions sales	8.6	7.6	1.0	13.0%
Eliminations	-0.6	-0.4	-0.1	32.2%
Total revenues of the Group	174.1	138.9	35.2	25.3%

	1Q 2015	2Q 2015	3Q 2015	4Q 2015	2015
Consolidated sales	41.0	40.5	41.0	43.6	166.0
50% Actuator Solutions sales	2.1	1.9	2.4	2.3	8.6
Eliminations	-0.1	-0.1	-0.2	-0.1	-0.6
Total revenues of the Group	43.0	42.2	43.2	45.7	174.1

Total revenues of the Group up by 25.3% compared to 2014, thanks both to the strong increase in consolidated revenues (+26.1%) and to the revenues' growth of the joint venture (+13.0%), marking the historical record for SAES Group (€174.1 million)

Industrial Applications BU Sales



Industrial Applications

60.9%

All figures in M€, unless otherwise stated

	2015	2014	Total difference	Price-quantity effect	Exchange rate effect
Electronic & Photonic Devices	13.5	12.1	11.2%	-2.2%	13.4%
Sensors & Detectors	10.3	8.8	16.3%	4.9%	11.4%
Light Sources	9.2	11.0	-16.0%	-22.0%	6.0%
Vacuum Systems	8.6	7.0	22.5%	15.6%	6.9%
Thermal Insulation	6.4	6.5	-1.1%	-12.1%	11.0%
Pure Gas Handling	53.2	40.5	31.5%	10.0%	21.5%
Industrial Applications	101.1	85.8	17.8%	2.4%	15.4%

	1Q 2015	2Q 2015	3Q 2015	4Q 2015	2015
Electronic & Photonic Devices	3.2	3.4	3.4	3.5	13.5
Sensors & Detectors	2.5	2.6	2.5	2.7	10.3
Light Sources	2.5	2.5	2.1	2.1	9.2
Vacuum Systems	1.9	2.2	2.1	2.4	8.6
Thermal Insulation	1.5	1.6	1.4	1.8	6.4
Pure Gas Handling	15.0	12.6	11.4	14.2	53.2
Industrial Applications	26.6	24.9	23.0	26.6	101.1

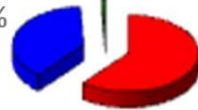
- ✓ **Pure Gas Handling Business:** positive performance linked to the increased investments in silicon foundries and in memories, as well as to the recovery of the display segment
- ✓ **Vacuum Systems Business:** increasing volumes of the traditional NEG pumps both for industrial applications and for the research field, as well as more and more increasing penetration of the recently introduced NEXTorr® vacuum pumps
- ✓ **Sensors and Detectors Business:** increased sales of getter solutions for consumer and industrial applications in the surveillance and security sector
- ✓ **Electronic & Photonic Devices Business:** substantial stability of volumes with positive exchange rate effect
- ✓ **Light Sources Business:** penalized by the technological competition of the Solid State Lighting (LED) towards fluorescent lamps
- ✓ **Thermal Insulation Business:** weak demand of getter solutions for oil extraction and contraction of the sales in the refrigeration market

Shape Memory Alloys BU Sales

All figures in M€, unless otherwise stated

Shape Memory Alloys

38.4%



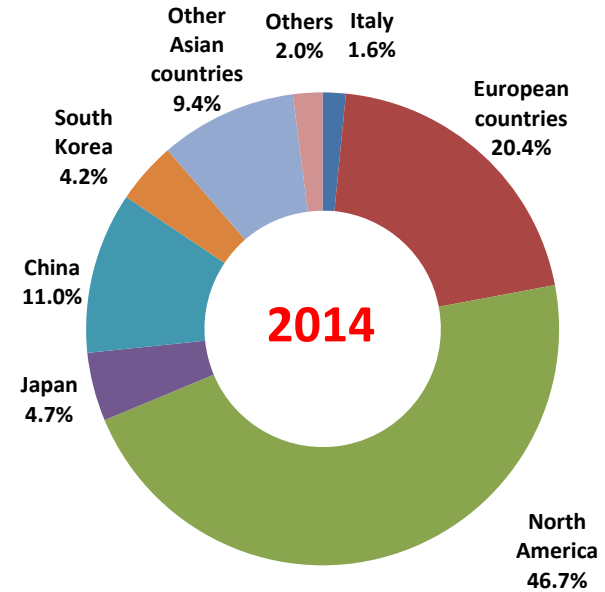
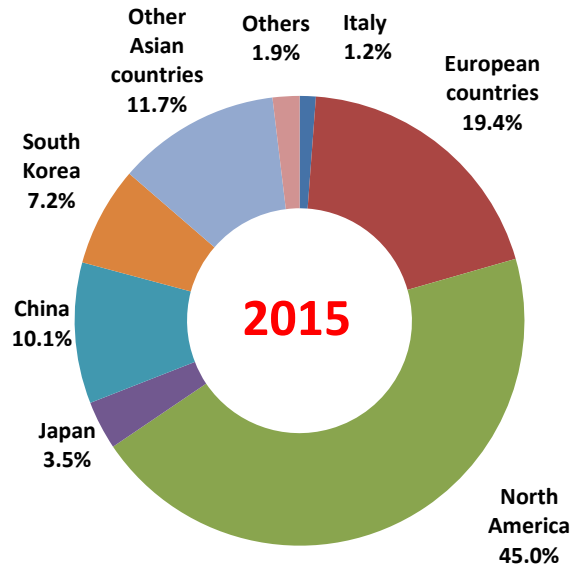
	2015	2014	Total difference	Price-quantity effect	Exchange rate effect
SMA Medical Applications	56.0	40.1	39.6%	17.9%	21.7%
SMA Industrial Applications	7.7	4.4	76.2%	69.5%	6.7%
Shape Memory Alloys	63.7	44.5	43.2%	23.0%	20.2%

	1Q 2015	2Q 2015	3Q 2015	4Q 2015	2015
SMA Medical Applications	12.5	13.5	15.4	14.6	56.0
SMA Industrial Applications	1.5	1.9	2.4	2.0	7.7
Shape Memory Alloys	14.0	15.3	17.8	16.7	63.7

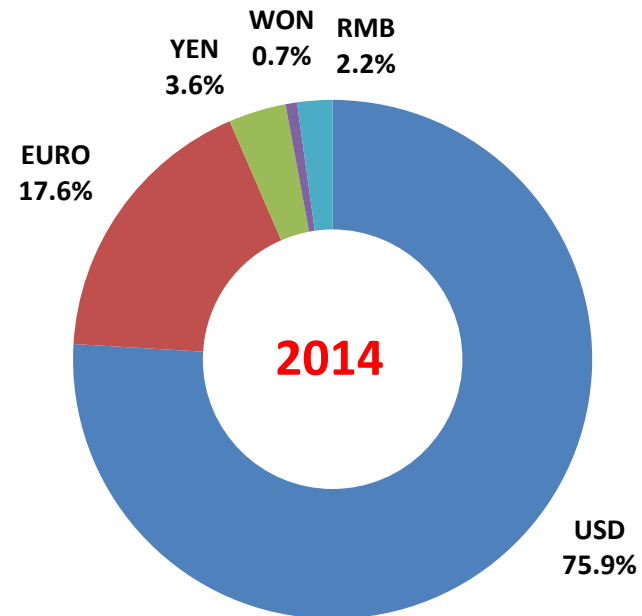
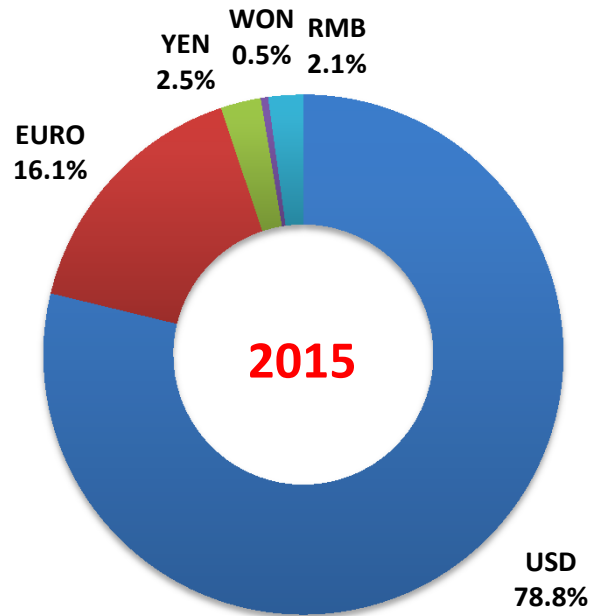
✓ **Medical SMA segment:** organic growth of 17.9%, driven by the introduction in the market of new and more sophisticated Nitinol-based medical devices by some important SAES customers

✓ **Industrial SMA segment:** strong organic growth of 69.5%, thanks to the increased sales of SMA springs and trained wires across all the sectors in which the Group operates (automotive, consumer applications, luxury goods)

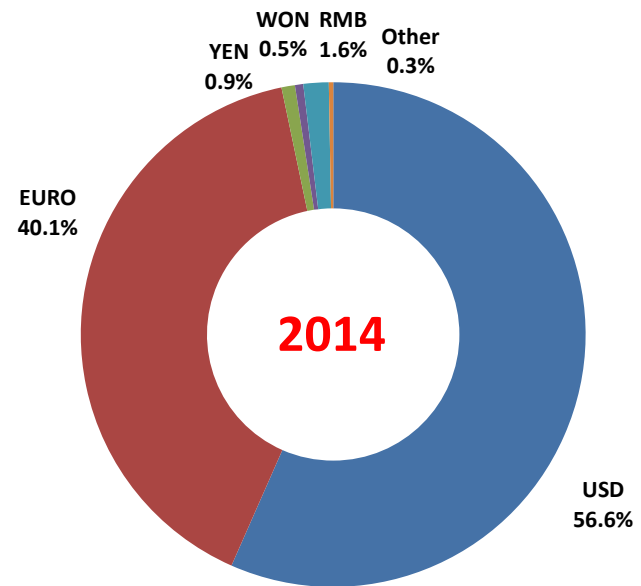
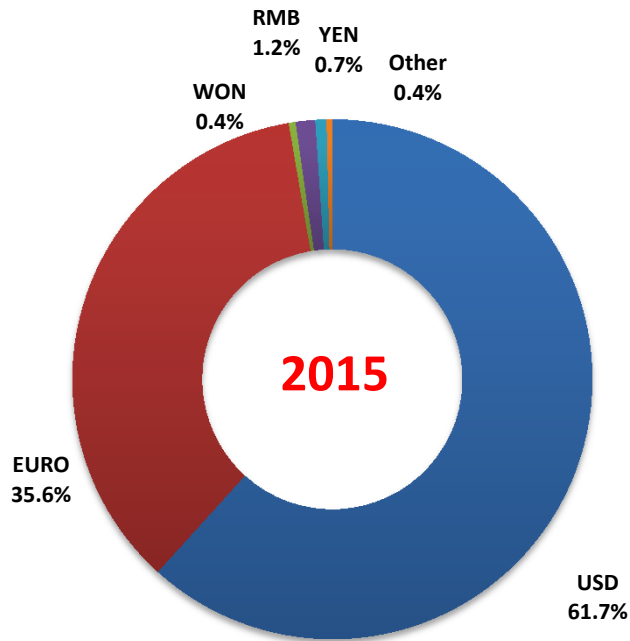
Consolidated Sales by Geographic Area



Consolidated Sales by Invoicing Currency



Consolidated Costs by Currency



Industrial Applications Margins

All figures in M€, unless otherwise stated

	2015	2014	Total difference
NET SALES	101.1	85.8	15.3
GROSS PROFIT	47.5	41.9	5.6
<i>Gross Margin</i>	<i>47.0%</i>	<i>48.8%</i>	
OPERATING INCOME	27.5	24.8	2.6
<i>Operating Margin</i>	<i>27.2%</i>	<i>28.9%</i>	

	1Q 2015	2Q 2015	3Q 2015	4Q 2015	2015
NET SALES	26.6	24.9	23.0	26.6	101.1
GROSS PROFIT	12.3	12.4	10.3	12.5	47.5
<i>Gross Margin</i>	<i>46.3%</i>	<i>49.7%</i>	<i>45.0%</i>	<i>46.8%</i>	<i>47.0%</i>
OPERATING INCOME	6.8	7.2	5.9	7.5	27.5
<i>Operating Margin</i>	<i>25.3%</i>	<i>29.2%</i>	<i>25.8%</i>	<i>28.2%</i>	<i>27.2%</i>

- ✓ **Gross margin:** 47.0% compared to 48.8% in 2014, mainly penalized by the increasing competitive pressure within the gas purification business in the Asian markets
- ✓ **Gross profit** increased by 13.5%: sales increase more than offset decreasing profitability
- ✓ **Operating income:** the increase in revenues and the subsequent increase in the gross profit more than offset the reduction of the royalties and the increase in the operating expenses (in particular, those items mostly related with the volumes of sales)

Shape Memory Alloys Margins

All figures in M€, unless otherwise stated

	2015	2014	Total difference
NET SALES	63.7	44.5	19.2
GROSS PROFIT	24.2	14.3	9.9
<i>Gross Margin</i>	<i>38.0%</i>	<i>32.2%</i>	
OPERATING INCOME	13.6	5.6	8.0
<i>Operating Margin</i>	<i>21.3%</i>	<i>12.6%</i>	

	1Q 2015	2Q 2015	3Q 2015	4Q 2015	2015
NET SALES	14.0	15.3	17.8	16.7	63.7
GROSS PROFIT	4.7	5.5	7.1	6.9	24.2
<i>Gross Margin</i>	<i>33.6%</i>	<i>35.9%</i>	<i>40.2%</i>	<i>41.4%</i>	<i>38.0%</i>
OPERATING INCOME	2.0	2.8	4.7	4.1	13.6
<i>Operating Margin</i>	<i>14.3%</i>	<i>18.0%</i>	<i>26.4%</i>	<i>24.8%</i>	<i>21.3%</i>

- ✓ **Gross profit** increased by 69.2%
- ✓ **Gross margin** strongly improved in both the medical and industrial segments as the result of the greater economies of scale and of the improved efficiency of the new productions
- ✓ **Operating income** more than doubled (+142%)
- ✓ Improvement in **operating margin** (raised from 12.6% to 21.3%) thanks to the strong increase in sales and gross margin, together with the lower incidence of operating expenses (from 19.7% to 16.9%)

Business Development & Corporate Costs Margins

All figures in M€, unless otherwise stated

	2015	2014	Total difference
NET SALES	1.2	1.4	-0.2
GROSS PROFIT	0.3	0.5	-0.2
<i>Gross Margin</i>	21.3%	35.2%	
Total operating expenses	-19.8	-17.7	-2.1
Other income (expenses), net	-1.0	-0.2	-0.8
OPERATING INCOME	-20.5	-17.4	-3.1
<i>Operating Margin</i>	<i>n.s.</i>	<i>n.s.</i>	

	1Q 2015	2Q 2015	3Q 2015	4Q 2015	2015
NET SALES	0.4	0.3	0.2	0.3	1.2
GROSS PROFIT	0.2	0.0	0.0	0.0	0.3
<i>Gross Margin</i>	43.7%	9.7%	0.5%	14.0%	21.3%
Total operating expenses	-4.4	-5.6	-4.7	-5.1	-19.8
Other income (expenses), net	-0.1	-0.1	0.0	-0.8	-1.0
OPERATING INCOME	-4.3	-5.7	-4.7	-5.9	-20.5
<i>Operating Margin</i>	<i>n.s.</i>	<i>n.s.</i>	<i>n.s.</i>	<i>n.s.</i>	<i>n.s.</i>

- ✓ Positive **gross profit**, but decrease compared to 2014 because of lower sales, which in turn led to a higher incidence of manufacturing fixed costs
- ✓ Negative **operating result**, with higher corporate G&A expenses

Consolidated Income Statements

All figures in M€, unless otherwise stated

	2015	2014	Total difference
NET SALES	166.0	131.7	34.3
GROSS PROFIT	72.0	56.7	15.3
<i>Gross Margin</i>	43.4%	43.0%	
R&D expenses	-14.6	-14.4	-0.2
Selling expenses	-13.2	-11.9	-1.4
G&A expenses	-23.7	-19.1	-4.6
Total operating expenses	-51.6	-45.3	-6.2
Royalties	0.9	1.8	-0.9
Other income (expenses), net	-0.8	-0.2	-0.7
OPERATING INCOME	20.5	13.0	7.5
<i>Operating Margin</i>	12.3%	9.9%	
Interest and other financial income (expenses), net	-1.5	-1.6	0.1
Income (loss) from equity method evaluated companies	-1.8	-1.3	-0.6
Foreign exchange gains (losses), net	0.7	0.1	0.5
INCOME BEFORE TAXES	17.8	10.3	7.6
Income Taxes	-9.0	-6.8	-2.2
NET INCOME from continued operations	8.8	3.4	5.4
<i>Net Margin</i>	5.3%	2.6%	
Net income (loss) from discontinued operations	0.0	1.4	-1.4
NET INCOME before minority interests	8.8	4.8	4.0
<i>Net Margin</i>	5.3%	3.7%	
Minority interests	0.0	0.0	0.0
GROUP NET INCOME	8.8	4.8	4.0
<i>Net Margin</i>	5.3%	3.7%	

1Q 2015	2Q 2015	3Q 2015	4Q 2015	2015
41.0	40.5	41.0	43.6	166.0
17.2	17.9	17.5	19.4	72.0
41.9%	44.2%	42.7%	44.6%	43.4%
-3.9	-3.6	-3.3	-3.9	-14.6
-3.7	-3.4	-2.9	-3.2	-13.2
-5.2	-6.7	-5.8	-6.0	-23.7
-12.8	-13.7	-12.0	-13.1	-51.6
0.1	0.2	0.4	0.2	0.9
-0.1	0.0	0.0	-0.7	-0.8
4.5	4.3	5.9	5.8	20.5
10.9%	10.7%	14.4%	13.3%	12.3%
-0.4	-0.4	-0.3	-0.4	-1.5
-0.3	-0.7	-0.5	-0.4	-1.8
-1.0	2.1	0.0	-0.4	0.7
2.8	5.4	5.1	4.6	17.8
-2.0	-2.1	-1.3	-3.6	-9.0
0.9	3.2	3.8	1.0	8.8
2.1%	8.0%	9.2%	2.2%	5.3%
0.0	0.0	0.0	0.0	0.0
0.9	3.2	3.8	1.0	8.8
2.1%	8.0%	9.2%	2.2%	5.3%
0.0	0.0	0.0	0.0	0.0
0.9	3.2	3.8	1.0	8.8
2.1%	8.0%	9.2%	2.2%	5.3%

Actuator Solutions - Income Statement (50%)

(figures based on % of ownership held by SAES Group)

	2015	2014	Total difference
NET SALES	8.6	7.6	1.0
Cost of goods sold	-8.9	-7.6	-1.3
GROSS PROFIT	-0.2	0.0	-0.3
<i>Gross Margin</i>	-2.6%	0.6%	
Operating expenses	-2.1	-1.8	-0.3
Other income (expenses), net	0.1	0.3	-0.2
OPERATING INCOME	-2.3	-1.5	-0.8
<i>Operating Margin</i>	-26.4%	-19.1%	
Interest and other financial income (expenses), net	-0.2	-0.1	-0.1
Foreign exchange gains (losses), net	0.0	0.0	0.0
INCOME BEFORE TAXES	-2.4	-1.5	-0.9
Income Taxes	0.6	0.2	0.3
NET INCOME (LOSS)	-1.8	-1.3	-0.6

1Q 2015	2Q 2015	3Q 2015	4Q 2015	2015
2.1	1.9	2.4	2.3	8.6
-2.1	-2.1	-2.4	-2.3	-8.9
0.0	-0.2	0.0	0.0	-0.226
-1.6%	-11.2%	1.1%	-0.4%	-2.6%
-0.5	-0.5	-0.5	-0.7	-2.1
0.0	0.0	0.1	0.0	0.1
-0.5	-0.7	-0.4	-0.7	-2.282
-22.2%	-36.6%	-17.8%	-30.8%	-26.4%
0.0	0.0	0.0	0.0	-0.2
0.2	-0.1	-0.1	0.0	0.0
-0.3	-0.8	-0.6	-0.7	-2.4
0.1	0.1	0.1	0.3	0.6
-0.3	-0.7	-0.5	-0.4	-1.8

All figures in M€, unless otherwise stated

Total Income Statement of the Group

(achieved by incorporating the 50% joint venture Actuator Solutions with the proportional method instead of the equity method)

	2015 IS	50% Actuator Solutions	Eliminations	2015 Total IS of the Group
NET SALES	166.0	8.6	-0.6	174.1
GROSS PROFIT	72.0	-0.2	0.0	71.8
<i>Gross Margin</i>	43.4%	-2.6%		41.2%
Total operating expenses	-51.6	-2.1		-53.7
Royalties	0.9	0.0		0.9
Other income (expenses), net	-0.8	0.1		-0.8
OPERATING INCOME	20.5	-2.3	0.0	18.2
<i>Operating Margin</i>	12.3%	-26.4%		10.5%
Interest and other financial income (expenses), net	-1.5	-0.2		-1.7
Income (loss) from equity method evaluated companies	-1.8	0.0	1.8	0.0
Foreign exchange gains (losses), net	0.7	0.0		0.7
INCOME BEFORE TAXES	17.8	-2.4	1.8	17.3
Income Taxes	-9.0	0.6		-8.4
NET INCOME from continued operations	8.8	-1.8	1.8	8.8
<i>Net Margin</i>	5.3%	-21.3%		5.1%
Net income (loss) from discontinued operations	0.0	0.0		0.0
NET INCOME before minority interests	8.8	-1.8	1.8	8.8
<i>Net Margin</i>	5.3%	-21.3%		5.1%
Minority interests	0.0	0.0		0.0
GROUP NET INCOME	8.8	-1.8	1.8	8.8
<i>Net Margin</i>	5.3%	-21.3%		5.1%

All figures in M€, unless otherwise stated

Net Financial Position

All figures in M€, unless otherwise stated

	Dec 31, 2015	Sep 30, 2015	Jun 30, 2015	Mar 31, 2015	Dec 31, 2014
Cash and cash equivalents	24.0	18.8	19.3	22.7	25.6
Current financial assets	0.6	0.5	0.8	3.6	3.0
Current financial liabilities	(14.1)	(19.9)	(22.2)	(37.8)	(39.5)
Current net financial position	10.5	(0.6)	(2.1)	(11.5)	(10.9)
Non current financial assets	0.6	2.2	2.3	0.0	0.0
Non current financial liabilities	(28.4)	(24.8)	(24.7)	(18.0)	(16.0)
Non current financial position	(27.8)	(22.6)	(22.4)	(18.0)	(16.0)
NET FINANCIAL POSITION	(17.3)	(23.2)	(24.5)	(29.4)	(26.9)

- ✓ **Strong improvement** compared to the end of 2014 (+35.9%) mainly due to the cash-inflows generated from the operating activities and related to the increase in both revenues and economic results
- ✓ **Capex** equal to -€5 million
- ✓ **Other investing activities:** SAES RIAL Vacuum acquisition (€1.6 million) and capital injection in favor of the JV Actuator Solutions (€2.9 million)
- ✓ **Cash-out** for dividends equal to €3.5 million
- ✓ **Exchange rate effect** slightly positive (+€0.5 million)

Business Outlook

	Feb-16	Feb-15	Total difference	Price-quantity effect	Exchange rate effect
Electronic & Photonic Devices	2.2	2.0	12.3%	8.3%	4.0%
Sensors & Detectors	2.5	1.5	61.9%	58.7%	3.2%
Light Sources	1.3	1.6	-20.3%	-21.8%	1.5%
Vacuum Systems	1.4	1.2	12.7%	10.0%	2.7%
Thermal Insulation	0.9	1.1	-18.8%	-21.8%	3.0%
Pure Gas Handling	8.0	5.6	41.5%	35.3%	6.2%
Industrial Applications	16.3	13.1	24.0%	19.7%	4.3%
SMA Medical Applications	9.8	8.2	20.0%	14.9%	5.1%
SMA Industrial Applications	1.6	0.9	69.5%	67.6%	1.9%
Shape Memory Alloys	11.4	9.1	25.1%	20.4%	4.7%
Business Development	0.2	0.3	-28.1%	-30.6%	2.5%
Total net sales	27.8	22.5	23.8%	19.3%	4.5%

- **Shape Memory Alloys Business Unit:** significant organic sales growth in the first two months of 2016, both in the medical segment (+14.9%) and in the industrial one (+67.6%)
- **Industrial Applications Business Unit:** sales increase concentrated in the gas purification business and favored by the recovery in the security and defense sectors
- **Total revenues of the Group** equal to €29.2, up by 23.1%, with the revenues of the joint-venture Actuator Solutions increased by 8.2%
- **A very solid first semester is expected, that allows to be optimistic for the full year 2016**

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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