

# The SAES<sup>®</sup> Group

## H1 2013 Consolidated Results

*Conference Call – July 31, 2013*

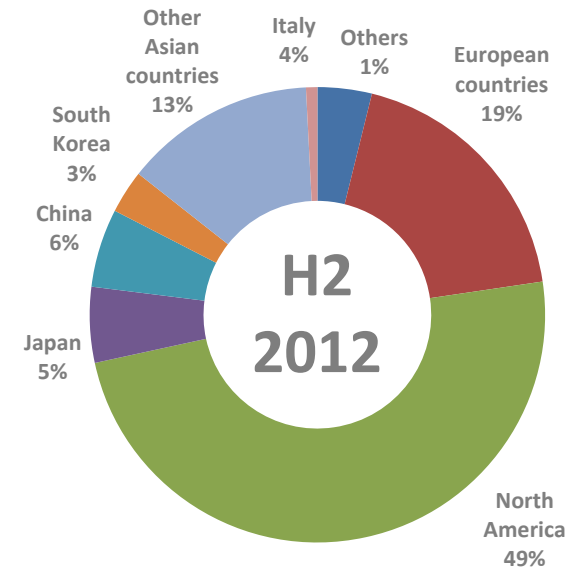
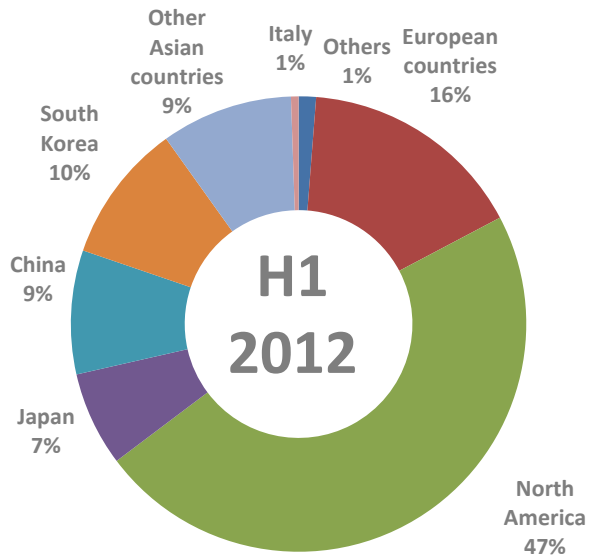
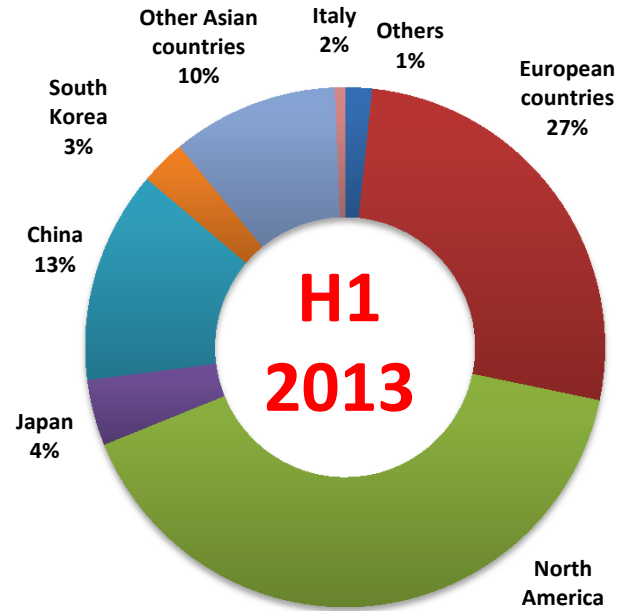


making **innovation happen**, together

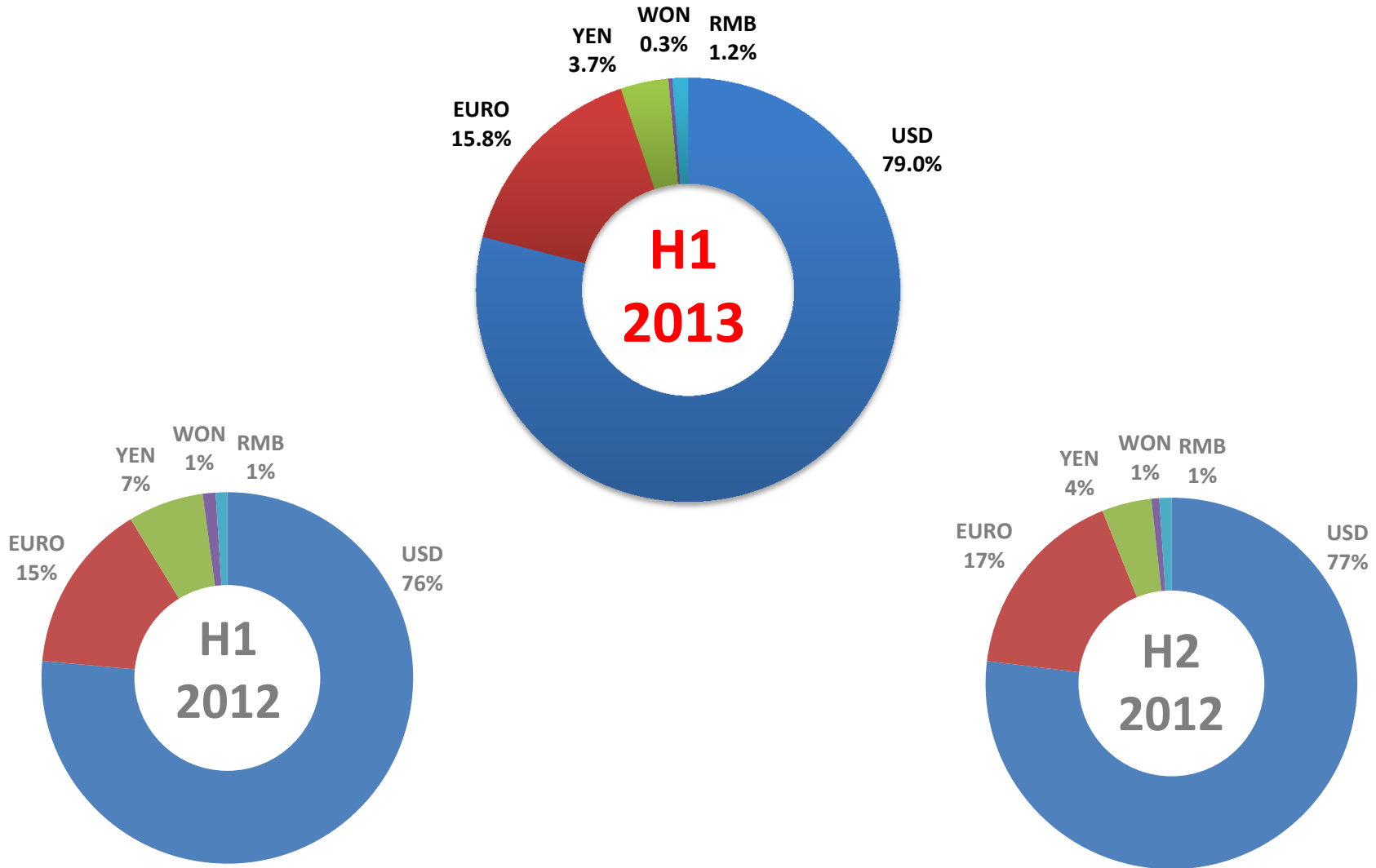
- H1 2013 results show a **marked turnaround** compared to H2 2012, highlighting the consolidation of the recovery
- **Total revenues of the Group**<sup>(1)</sup> equal to €71.8 million
- **Consolidated revenues** equal to €69.5 million, down (-10.3%) compared to €77.5 million in H1 2012, but growing (+7%) compared to €65 million in H2 2012
- **Gross profit** equal to €28.3 million (40.7%), down compared to €32.8 million (42.3%) in H1 2012, but up compared to €25.6 million (39.5%) in H2 2012
- **Operating income** equal to €4.3 million, down compared to €8.3 million in H1 2012, but showing a significant increase compared to €3 million in H2 2012
- **EBITDA** equal to €9.2 million (13.3%), penalized by severance costs (net of which it would have been equal to €10.1 million or 14.6%)
- **Net income** equal to €1.7 million, down compared to €3.6 million in H1 2012, but showing a significant increase compared to a loss of -€0.2 million recorded in H2 2012

(1) Including 50% of revenues coming from the joint venture Actuator Solutions GmbH

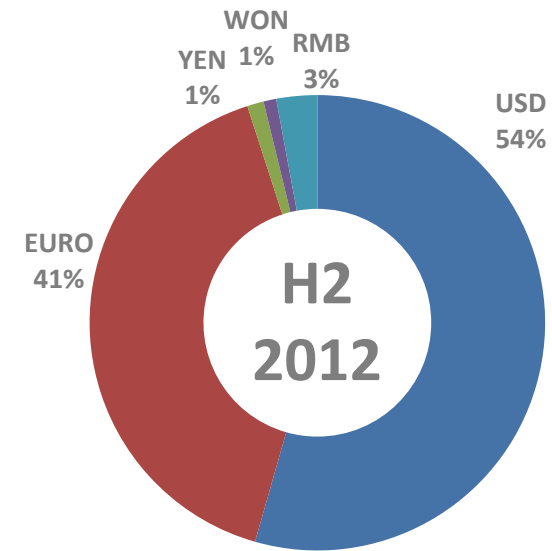
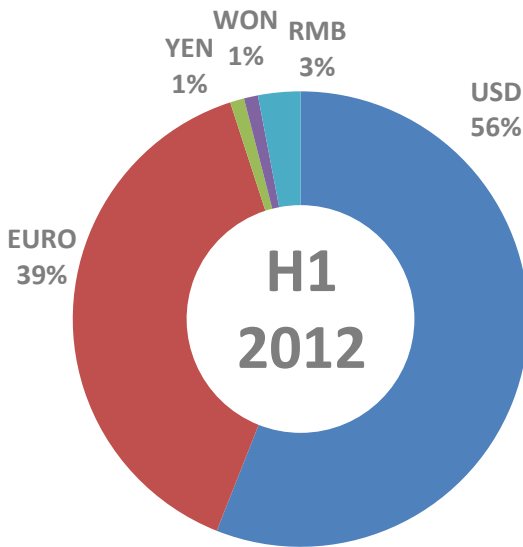
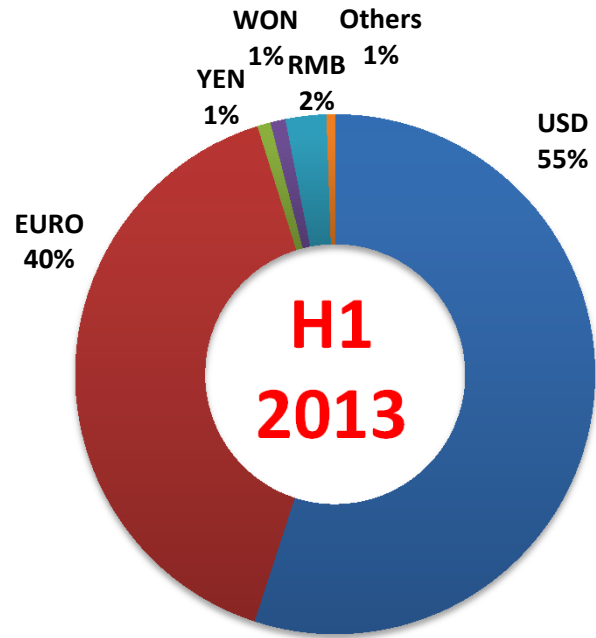
# Consolidated Sales by Geographic Area



# Consolidated Sales by Invoicing Currency



# Consolidated Costs by Currency



# Industrial Applications BU Sales



Industrial Applications  
69%

All figures in M€, unless otherwise stated

	1H 2013	1H 2012	Total difference	Price-quantity effect	Exchange rate effect
Electronic Devices	11.6	10.6	9.5%	10.9%	-1.4%
Lamps	6.5	6.2	4.4%	6.8%	-2.4%
Vacuum Systems and Thermal Insulation	5.5	8.8	-37.5%	-33.4%	-4.1%
Energy Devices	0.3	0.1	n.s.	n.s.	n.s.
Semiconductors	24.2	25.2	-3.7%	-2.4%	-1.3%
<b>Industrial Applications</b>	<b>48.1</b>	<b>50.8</b>	<b>-5.3%</b>	<b>-3.4%</b>	<b>-1.9%</b>

	1H 2013	2H 2012	Total difference	Price-quantity effect	Exchange rate effect
Electronic Devices	11.6	10.3	12.4%	15.1%	-2.7%
Lamps	6.5	5.3	21.8%	25.9%	-4.1%
Vacuum Systems and Thermal Insulation	5.5	6.9	-20.4%	-14.1%	-6.3%
Energy Devices	0.3	0.3	3.0%	3.0%	0.0%
Semiconductors	24.2	18.9	28.0%	32.0%	-4.0%
<b>Industrial Applications</b>	<b>48.1</b>	<b>41.7</b>	<b>15.2%</b>	<b>19.3%</b>	<b>-4.1%</b>

- ✓ **Electronic Devices:** growth supported by the strength of the medical diagnostics and telecommunications markets, by the continued growth of the MEMS market, as well as by the first signs of recovery in the defense market
- ✓ **Lamps:** growth after the depletion of the stocks of the previous periods and the recovery of the lighting business
- ✓ **Vacuum Systems and Thermal Insulation:** still penalized by the periodicity of the research projects and by the spending postponement of some research laboratories
- ✓ **Energy Devices:** penalized by the growing crisis in the energy market, mainly affecting the European manufacturers
- ✓ **Semiconductors:** end of the negative cyclical trend

# Shape Memory Alloys BU Sales

All figures in M€, unless otherwise stated

Shape Memory Alloys  
30%

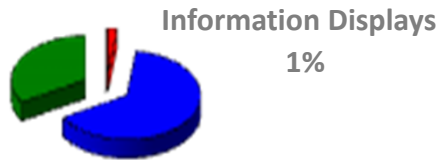


	1H 2013	1H 2012	Total difference	Price-quantity effect	Exchange rate effect
Shape Memory Alloys	20.6	24.9	-17.2%	-16.2%	-1.0%

	1H 2013	2H 2012	Total difference	Price-quantity effect	Exchange rate effect
Shape Memory Alloys	20.6	22.2	-7.0%	-4.3%	-2.7%

- ✓ **Medical SMAs:** reduction of revenues penalized by the postponement of the FDA approval for a medical device recently developed by an important customer
- ✓ **Industrial SMAs:** positive contribution of the industrial SMAs, that represent an important development opportunity for SAES

# Information Displays BU Sales



All figures in M€, unless otherwise stated

	1H 2013	1H 2012	Total difference	Price-quantity effect	Exchange rate effect
Liquid Crystal Displays	0.0	0.6	-96.5%	-96.1%	-0.4%
Cathode Ray Tubes	0.4	0.7	-35.1%	-34.5%	-0.6%
Organic Light Emitting Diodes	0.3	0.6	-39.1%	-35.4%	-3.7%
<b>Information Displays</b>	<b>0.8</b>	<b>1.8</b>	<b>-56.6%</b>	<b>-55.1%</b>	<b>-1.5%</b>

	1H 2013	2H 2012	Total difference	Price-quantity effect	Exchange rate effect
Liquid Crystal Displays	0.0	0.2	-86.7%	-84.8%	-1.9%
Cathode Ray Tubes	0.4	0.6	-22.5%	-20.4%	-2.1%
Organic Light Emitting Diodes	0.3	0.3	2.4%	10.2%	-7.8%
<b>Information Displays</b>	<b>0.8</b>	<b>1.0</b>	<b>-24.3%</b>	<b>-20.4%</b>	<b>-3.9%</b>

- ✓ Progressive setting at zero of Group's sales both in the **LCD** segment and in the **CRT** one
- ✓ **OLEDs**: stabilization of orders in the Korean market, but with limited volumes, typical of a start-up business
- ✓ First OLED prototyping samples sold also in the Japanese market



# Industrial Applications Margins

All figures in M€, unless otherwise stated

	1H 2013	1H 2012	Total difference
<b>NET SALES</b>	<b>48.1</b>	<b>50.8</b>	<b>-2.7</b>
<b>GROSS PROFIT</b>	<b>21.8</b>	<b>23.7</b>	<b>-1.9</b>
Gross Margin	45.3%	46.6%	
<b>OPERATING INCOME</b>	<b>12.5</b>	<b>15.7</b>	<b>-3.2</b>
Operating Margin	26.1%	30.9%	

	1H 2013	2H 2012	Total difference
<b>NET SALES</b>	<b>48.1</b>	<b>41.7</b>	<b>6.3</b>
<b>GROSS PROFIT</b>	<b>21.8</b>	<b>17.9</b>	<b>3.9</b>
Gross Margin	45.3%	42.8%	
<b>OPERATING INCOME</b>	<b>12.5</b>	<b>10.7</b>	<b>1.9</b>
Operating Margin	26.1%	25.6%	

- ✓ **Compared to H1 2012**, gross margin slightly down: the reduction of margins in the vacuum pump business only partially offset by higher margins in the purification business
- ✓ Decrease in operating income due to both the reduction in sales that caused the contraction of gross profit and the increase in operating expenses (in particular, personnel costs and severance costs)
- ✓ **Compared to H2 2012**, increase in gross margin (from 42.8% to 45.3%), as well as in operating income (from €10.7 million to €12.5 million)

# Shape Memory Alloys Margins

All figures in M€, unless otherwise stated

	1H 2013	1H 2012	Total difference
<b>NET SALES</b>	20.6	24.9	-4.3
<b>GROSS PROFIT</b>	6.7	8.8	-2.2
Gross Margin	32.3%	35.4%	
<b>OPERATING INCOME</b>	1.8	3.4	-1.5
Operating Margin	8.9%	13.5%	

	1H 2013	2H 2012	Total difference
<b>NET SALES</b>	20.6	22.2	-1.5
<b>GROSS PROFIT</b>	6.7	7.9	-1.2
Gross Margin	32.3%	35.6%	
<b>OPERATING INCOME</b>	1.8	2.8	-1.0
Operating Margin	8.9%	12.8%	

- ✓ **Compared to H1 2012**, reduction in gross profit mainly due to the decrease in revenues and, only to a lesser extent, to the shift in the sales mix towards products with lower margins
- ✓ The decrease in revenues, despite the decline of operating expenses in absolute terms, led to the consequent reduction in the operating income
- ✓ **In H2 2012** gross margin equal to 35.6% and operating income equal to €2.8 million (12.8%)

# Information Displays Margins

All figures in M€, unless otherwise stated

	1H 2013	1H 2012	Total difference
<b>NET SALES</b>	<b>0.8</b>	<b>1.8</b>	<b>-1.0</b>
<b>GROSS PROFIT</b>	<b>0.1</b>	<b>0.4</b>	<b>-0.4</b>
Gross Margin	7.8%	22.9%	
<b>OPERATING INCOME</b>	<b>-1.7</b>	<b>-1.4</b>	<b>-0.4</b>
Operating Margin	-215.2%	-74.2%	

	1H 2013	2H 2012	Total difference
<b>NET SALES</b>	<b>0,8</b>	<b>1,0</b>	<b>-0,3</b>
<b>GROSS PROFIT</b>	<b>0,1</b>	<b>0,1</b>	<b>0,0</b>
Gross Margin	7,8%	7,0%	
<b>OPERATING INCOME</b>	<b>-1,7</b>	<b>-1,8</b>	<b>0,1</b>
Operating Margin	-215,2%	-175,9%	

- ✓ In H1 2013 gross profit substantially at breakeven
- ✓ Operating loss equal to -€1.7 million: despite the positive gross profit, the volumes of the OLED business were not yet enough to support the operating expenses (in particular, R&D expenses)
- ✓ H2 2012 substantially aligned to H1 2013

# Consolidated Income Statements

All figures in M€, unless otherwise stated

	1H 2013	1H 2012	Total difference	1H 2013	2H 2012	Total difference
<b>NET SALES</b>	<b>69.5</b>	<b>77.5</b>	<b>-8.0</b>	<b>69.5</b>	<b>65.0</b>	<b>4.6</b>
<b>GROSS PROFIT</b>	<b>28.3</b>	<b>32.8</b>	<b>-4.4</b>	<b>28.3</b>	<b>25.6</b>	<b>2.7</b>
Gross Margin	40.7%	42.3%		40.7%	39.5%	
R&D expenses	-7.9	-7.4	-0.5	-7.9	-7.0	-0.8
Selling expenses	-6.4	-6.7	0.3	-6.4	-6.3	-0.2
G&A expenses	-10.9	-12.0	1.2	-10.9	-10.7	-0.1
Total operating expenses	-25.2	-26.2	1.0	-25.2	-24.0	-1.2
Royalties	1.1	1.2	-0.1	1.1	1.3	-0.2
Other income (expenses), net	0.1	0.6	-0.5	0.1	0.1	0.0
<b>OPERATING INCOME</b>	<b>4.3</b>	<b>8.3</b>	<b>-4.0</b>	<b>4.3</b>	<b>3.0</b>	<b>1.3</b>
Operating Margin	6.2%	10.7%		6.2%	4.7%	
Interest and other financial income (expenses), net	-0.5	-0.9	0.5	-0.5	-0.8	0.3
Income (loss) from equity method evaluated companies	-0.4	-0.4	0.1	-0.4	-0.4	0.1
Foreign exchange gains (losses), net	0.0	-0.2	0.2	0.0	0.1	-0.1
<b>INCOME BEFORE TAXES</b>	<b>3.5</b>	<b>6.8</b>	<b>-3.3</b>	<b>3.5</b>	<b>1.9</b>	<b>1.6</b>
Income Taxes	-1.8	-3.3	1.5	-1.8	-2.2	0.3
<b>NET INCOME on continued operations</b>	<b>1.7</b>	<b>3.5</b>	<b>-1.8</b>	<b>1.7</b>	<b>-0.2</b>	<b>1.9</b>
Net Margin	2.4%	4.5%		2.4%	-0.3%	
Net income (loss) on discontinued operations	0.0	0.1	-0.1	0.0	0.0	0.0
<b>NET INCOME before minority interests</b>	<b>1.7</b>	<b>3.6</b>	<b>-1.9</b>	<b>1.7</b>	<b>-0.2</b>	<b>1.9</b>
Net Margin	2.4%	4.6%		2.4%	-0.3%	
Minority interests	0.0	0.0	0.0	0.0	0.0	0.0
<b>GROUP NET INCOME</b>	<b>1.7</b>	<b>3.6</b>	<b>-1.9</b>	<b>1.7</b>	<b>-0.2</b>	<b>1.9</b>
Net Margin	2.4%	4.6%		2.4%	-0.3%	

# Actuator Solutions GmbH - Income Statements (50%)

All figures in M€, unless otherwise stated

	1H 2013	1H 2012	Total difference	1H 2013	2H 2012	Total difference
<b>NET SALES</b>	<b>2.4</b>	<b>1.0</b>	<b>1.4</b>	<b>2.4</b>	<b>2.0</b>	<b>0.3</b>
Cost of goods sold	-1.9	-1.1	-0.8	-1.9	-1.9	0.0
Operating expenses	-0.7	-0.5	-0.3	-0.7	-0.7	0.0
Other income (expenses), net	0.1	0.0	0.1	0.1	0.0	0.1
<b>OPERATING INCOME</b>	<b>-0.2</b>	<b>-0.6</b>	<b>0.4</b>	<b>-0.2</b>	<b>-0.6</b>	<b>0.4</b>
Interest and other financial income (expenses), net	0.0	0.0	0.0	0.0	0.0	0.0
<b>INCOME BEFORE TAXES</b>	<b>-0.2</b>	<b>-0.6</b>	<b>0.4</b>	<b>-0.2</b>	<b>-0.6</b>	<b>0.4</b>
Income Taxes	-0.2	0.2	-0.3	-0.2	0.1	-0.3
<b>NET INCOME (LOSS)</b>	<b>-0.4</b>	<b>-0.4</b>	<b>0.1</b>	<b>-0.4</b>	<b>-0.4</b>	<b>0.1</b>

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

# Net Financial Position

All figures in M€, unless otherwise stated

	Jun 30, 2013	Mar 31, 2013	Dec 31, 2012
Cash and cash equivalents	15.8	15.2	22.6
Current financial assets	0.1	0.0	0.1
Current financial liabilities	(51.5)	(22.1)	(19.8)
<b>Current net financial position</b>	<b>(35.6)</b>	<b>(6.9)</b>	<b>2.9</b>
<b>Non current financial liabilities</b>	<b>(3.7)</b>	<b>(18.1)</b>	<b>(19.2)</b>
<b>NET FINANCIAL POSITION</b>	<b>(39.3)</b>	<b>(25.0)</b>	<b>(16.3)</b>

- ✓ Negative **operating cash flow** (-€1.3 million in H1 2013): the self-financing was not enough to offset the negative change in the net working capital, heavily affected by the increase in the volume of activities in the Semiconductors Business and by the operating weakness that characterized the last period of 2012
- ✓ Further decrease of **NFP** due to the payment of dividends (about -€10 million) and to the expenditure for the acquisition of the “hydrogen purifiers” business by Power & Energy, Inc. (-€7.6 million)
- ✓ Investment activities in tangible and intangible assets equal to -€2.9 million

- **H2 2013 performance** in line with H1 2013 with a further consolidation of the recovery compared to H2 2012
  
- Increase in **total revenues of the Group**<sup>(1)</sup>
  
- Management continues its actions to **contain costs** and to **increase the operating efficiency**, which could generate non recurring expenses

(1) Including 50% of revenues coming from the joint venture Actuator Solutions GmbH

# 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*

SAES® is a registered trademark of SAES Getters S.p.A.



Thanks for your attention



E-mail: [investor\\_relations@saes-group.com](mailto:investor_relations@saes-group.com)

[www.saesgetters.com](http://www.saesgetters.com)