

# The SAES<sup>®</sup> Group

First Quarter 2015 Consolidated Results

*Conference Call – May 13, 2015*



making **innovation happen**, together

# Q1 2015 Highlights

- **Strong increase in revenues**, also supported by the strengthening of the dollar against the euro, and **improvement of all economic indicators**
- **Consolidated revenues** equal to €41 million, up by 23.7% compared to €33.2 million in Q1 2014
- **Total revenues of the Group** equal to €43 million, up by 23.7% compared to €34.7 million in Q1 2014
- **Gross profit** equal to €17.2 million, up by 23.3% compared to €14 million in Q1 2014
- **Operating income** equal to €4.5 million, with a significant increase (+71.7%) compared to €2.6 million in Q1 2014
- **EBITDA** equal to €6.5 million (15.9%) compared to €4.7 million (14.2%) in Q1 2014
- **Net income** equal to €0.8 million, almost doubled compared to €0.5 million in Q1 2014, despite non-cash exchange rate losses (approximately €1 million) deriving from hedging transactions

# Total revenues of the Group

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

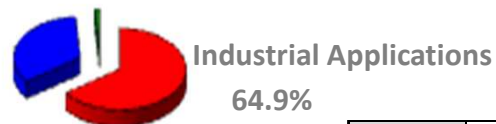
*All figures in M€, unless otherwise stated*

	1Q 2015	1Q 2014	Total difference	Difference %
<b>Consolidated sales</b>	<b>41.0</b>	<b>33.2</b>	<b>7.857</b>	<b>23.7%</b>
50% Actuator Solutions sales	2.1	1.6	0.4	26.8%
Eliminations	(0.1)	(0.1)	(0.1)	91.5%
<b>Total revenues of the Group</b>	<b>43.0</b>	<b>34.7</b>	<b>8.2</b>	<b>23.7%</b>

- ✓ **Total revenues of the Group** equal to **€43 million, up by 23.7%** compared to Q1 2014, thanks both to the increase in consolidated revenues (+23.7%) and to the revenues' growth of the joint venture Actuator Solutions (+26.8%)

# Industrial Applications BU Sales

All figures in M€, unless otherwise stated



	1Q 2015	1Q 2014	Total difference	Price-quantity effect	Exchange rate effect
Electronic & Photonic Devices	3.2	2.8	13.2%	-1.4%	14.6%
Sensors & Detectors	2.5	2.1	15.9%	4.6%	11.3%
Light Sources	2.5	3.3	-24.2%	-30.1%	5.9%
Vacuum Systems	1.9	1.7	11.8%	2.6%	9.2%
Thermal Insulation	1.5	1.7	-12.0%	-21.7%	9.7%
Pure Gas Handling	15.0	11.6	29.3%	6.4%	22.9%
<b>Industrial Applications</b>	<b>26.6</b>	<b>23.3</b>	<b>14.2%</b>	<b>-2.2%</b>	<b>16.4%</b>

	1Q 2014	2Q 2014	3Q 2014	4Q 2014	1Q 2015
Electronic & Photonic Devices	2.8	3.0	3.5	2.9	3.2
Sensors & Detectors	2.1	2.5	2.3	1.9	2.5
Light Sources	3.3	2.9	2.4	2.3	2.5
Vacuum Systems	1.7	1.0	1.8	2.5	1.9
Thermal Insulation	1.7	1.8	1.5	1.4	1.5
Pure Gas Handling	11.6	8.4	9.0	11.5	15.0
<b>Industrial Applications</b>	<b>23.3</b>	<b>19.6</b>	<b>20.5</b>	<b>22.4</b>	<b>26.6</b>

- ✓ Double-digit increase in the revenues of almost all businesses, also supported by the **strengthening of the dollar**
- ✓ Organic growth mainly concentrated in the **Pure Gas Handling Business (+6.4%)** thanks to higher investments in silicon foundries and in memories, in particular dynamic RAMs

# Shape Memory Alloys BU Sales

All figures in M€, unless otherwise stated

## Shape Memory Alloys

34.0%

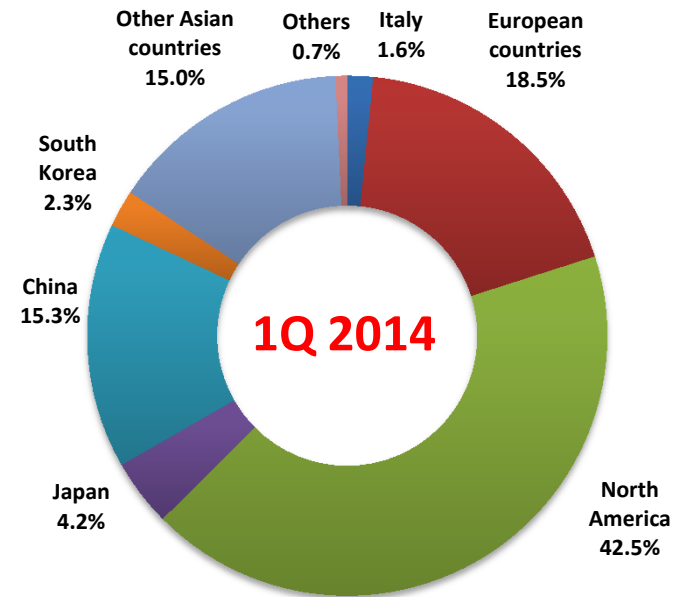
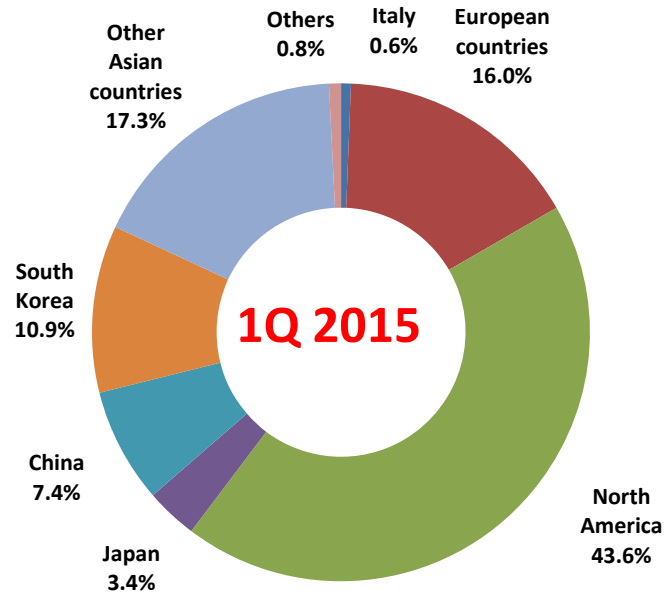


	1Q 2015	1Q 2014	Total difference	Price-quantity effect	Exchange rate effect
SMA Medical Applications	12.5	8.8	41.3%	17.6%	23.7%
SMA Industrial Applications	1.5	0.7	102.8%	95.1%	7.7%
<b>Shape Memory Alloys</b>	<b>14.0</b>	<b>9.6</b>	<b>46.0%</b>	<b>23.5%</b>	<b>22.5%</b>

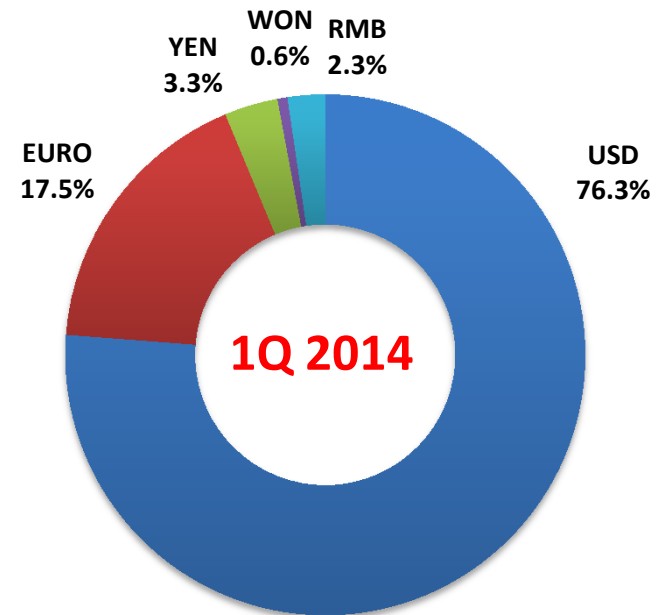
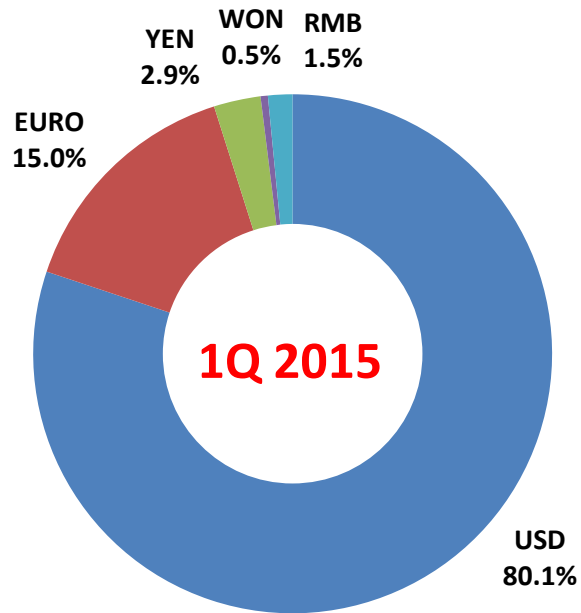
	1Q 2014	2Q 2014	3Q 2014	4Q 2014	1Q 2015
SMA Medical Applications	8.8	9.6	10.2	11.4	12.5
SMA Industrial Applications	0.7	0.9	1.1	1.6	1.5
<b>Shape Memory Alloys</b>	<b>9.6</b>	<b>10.5</b>	<b>11.4</b>	<b>13.0</b>	<b>14.0</b>

- ✓ **Strong organic growth** in both segments of this BU compared to Q1 2014 (+17.6% in the **Medical SMAs** and +102.8% in the **Industrial SMAs**)
- ✓ **Growth in the Industrial SMAs even higher** (from +€0.7 million to +€1.1 million) consolidating the revenues of the joint venture Actuator Solutions, achieved entirely with the sale of SMA devices for industrial applications

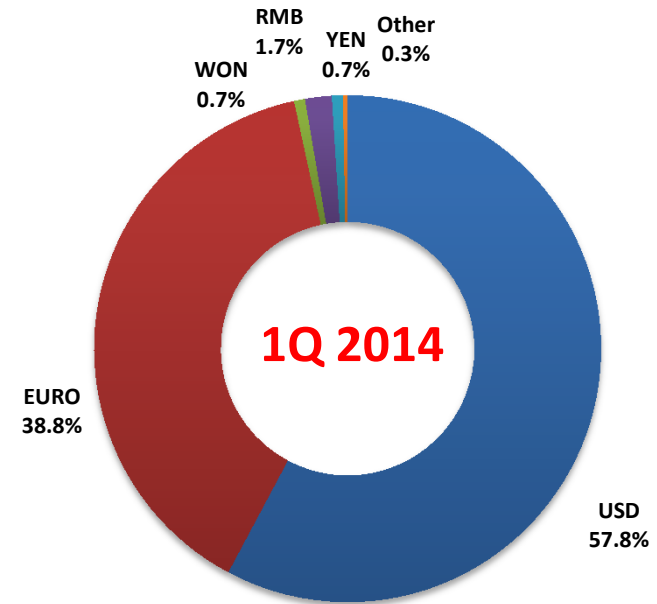
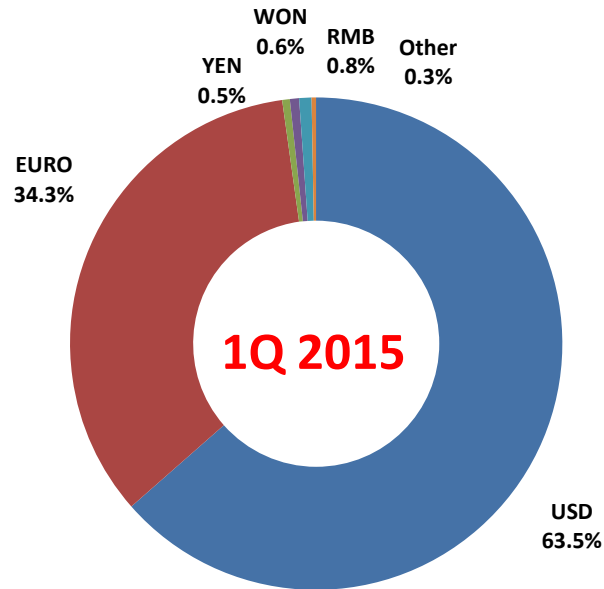
# Consolidated Sales by Geographic Area



# Consolidated Sales by Invoicing Currency



# Consolidated Costs by Currency





# Industrial Applications Margins

All figures in M€, unless otherwise stated

	1Q 2015	1Q 2014	Total difference
<b>NET SALES</b>	<b>26.6</b>	<b>23.3</b>	<b>3.3</b>
<b>GROSS PROFIT</b>	<b>12.3</b>	<b>11.3</b>	<b>1.0</b>
<i>Gross Margin</i>	<i>46.3%</i>	<i>48.7%</i>	
<b>OPERATING INCOME</b>	<b>6.8</b>	<b>6.6</b>	<b>0.2</b>
<i>Operating Margin</i>	<i>25.3%</i>	<i>28.2%</i>	

- ✓ **Gross profit** up to €12.3 million, mainly thanks to the growth of sales
- ✓ Decrease in **gross margin** mainly concentrated in the gas purification business, penalized by the different sales mix and by the increasing price pressure in the Asian market
- ✓ Slight increase in **operating income**: the increase in gross profit partially offset by higher variable operating expenses and by the reduction of MEMS royalties

# Shape Memory Alloys Margins

All figures in M€, unless otherwise stated

	1Q 2015	1Q 2014	Total difference
<b>NET SALES</b>	<b>14.0</b>	<b>9.6</b>	<b>4.4</b>
<b>GROSS PROFIT</b>	<b>4.7</b>	<b>2.6</b>	<b>2.1</b>
<i>Gross Margin</i>	33.6%	26.8%	
<b>OPERATING INCOME</b>	<b>2.0</b>	<b>0.5</b>	<b>1.5</b>
<i>Operating Margin</i>	14.3%	5.4%	

- ✓ **Gross profit** up to €4.7 million
- ✓ Higher **gross margin** as the result of greater economies of scale achieved with the increased sales and with the improved efficiency of the new productions
- ✓ Significant improvement in **operating margin** - from 5.4% to 14.3% - favored by the increase in gross profit and by the substantial stability of the incidence of operating expenses

# Business Development & Corporate Costs Margins

*All figures in M€, unless otherwise stated*

	1Q 2015	1Q 2014	Total difference
<b>NET SALES</b>	<b>0.4</b>	<b>0.3</b>	<b>0.2</b>
<b>GROSS PROFIT</b>	<b>0.2</b>	<b>0.0</b>	<b>0.1</b>
<i>Gross Margin</i>	<i>43.7%</i>	<i>16.0%</i>	
<b>OPERATING INCOME (LOSS)</b>	<b>-4.3</b>	<b>-4.5</b>	<b>0.2</b>
<i>Operating Margin</i>	<i>n.s.</i>	<i>n.s.</i>	

- ✓ **Gross profit** up to €0.2 million (or 43.7% of revenues)
- ✓ **Operating expenses** equal to €4.3 million, in line with Q1 2014

# Consolidated Income Statements

All figures in M€, unless otherwise stated

	1Q 2015	1Q 2014	Total difference
<b>NET SALES</b>	<b>41.0</b>	<b>33.2</b>	<b>7.9</b>
<b>GROSS PROFIT</b>	<b>17.2</b>	<b>14.0</b>	<b>3.2</b>
<i>Gross Margin</i>	41.9%	42.1%	
R&D expenses	-3.9	-3.5	-0.3
Selling expenses	-3.7	-3.2	-0.5
G&A expenses	-5.2	-4.9	-0.3
<b>Total operating expenses</b>	<b>-12.8</b>	<b>-11.7</b>	<b>-1.1</b>
Royalties	0.1	0.4	-0.3
Other income (expenses), net	-0.1	-0.1	0.0
<b>OPERATING INCOME</b>	<b>4.5</b>	<b>2.6</b>	<b>1.9</b>
<i>Operating Margin</i>	10.9%	7.8%	
Interest and other financial income (expenses), net	-0.4	-0.4	0.0
Income (loss) from equity method evaluated companies	-0.3	-0.2	0.0
Foreign exchange gains (losses), net	-1.0	0.0	-1.0
<b>INCOME BEFORE TAXES</b>	<b>2.8</b>	<b>2.0</b>	<b>0.8</b>
Income Taxes	-2.0	-1.7	-0.3
<b>NET INCOME from continued operations</b>	<b>0.9</b>	<b>0.3</b>	<b>0.5</b>
<i>Net Margin</i>	2.1%	1.0%	
Net income (loss) from discontinued operations	0.0	0.2	-0.2
<b>NET INCOME before minority interests</b>	<b>0.9</b>	<b>0.5</b>	<b>0.4</b>
<i>Net Margin</i>	2.1%	1.5%	
Minority interests	0.0	0.0	0.0
<b>GROUP NET INCOME</b>	<b>0.9</b>	<b>0.5</b>	<b>0.4</b>
<i>Net Margin</i>	2.1%	1.5%	

# Actuator Solutions - Income Statements (50%)

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

	1Q 2015	1Q 2014	Total difference
<b>NET SALES</b>	<b>2.1</b>	<b>1.6</b>	<b>0.4</b>
Cost of goods sold	-2.1	-1.5	-0.6
<b>GROSS PROFIT</b>	<b>0.0</b>	<b>0.1</b>	<b>-0.1</b>
<i>Gross Margin</i>	<i>-1.6%</i>	<i>6.4%</i>	
Operating expenses	-0.5	-0.4	0.0
Other income (expenses), net	0.0	0.0	0.0
<b>OPERATING INCOME</b>	<b>-0.5</b>	<b>-0.3</b>	<b>-0.2</b>
<i>Operating Margin</i>	<i>-22.2%</i>	<i>-18.5%</i>	
Interest and other financial income (expenses), net	0.0	0.0	0.0
Foreign exchange gains (losses), net	0.2	0.0	0.2
<b>INCOME BEFORE TAXES</b>	<b>-0.3</b>	<b>-0.3</b>	<b>-0.2</b>
Income Taxes	0.1	0.1	0.0
<b>NET INCOME (LOSS)</b>	<b>-0.3</b>	<b>-0.2</b>	<b>-0.2</b>

1Q 2014	2Q 2014	3Q 2014	4Q 2014
1.6	1.8	2.1	2.1
-1.5	-1.8	-2.2	-2.1
<b>0.1</b>	<b>0.1</b>	<b>-0.1</b>	<b>0.0</b>
<i>6.4%</i>	<i>3.6%</i>	<i>-4.9%</i>	<i>-1.2%</i>
-0.4	-0.5	-0.4	-0.4
0.0	0.0	0.0	0.2
<b>-0.3</b>	<b>-0.4</b>	<b>-0.5</b>	<b>-0.2</b>
<i>-18.5%</i>	<i>-20.2%</i>	<i>-26.2%</i>	<i>-11.6%</i>
0.0	0.0	0.0	-0.1
0.0	0.0	0.0	0.1
<b>-0.3</b>	<b>-0.4</b>	<b>-0.6</b>	<b>-0.3</b>
0.1	0.1	0.1	0.0
<b>-0.2</b>	<b>-0.3</b>	<b>-0.5</b>	<b>-0.3</b>

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)

	1Q 2015	50% Actuator Solutions	Eliminations	1Q 2015 Total IS of the Group
<b>NET SALES</b>	<b>41.0</b>	<b>2.1</b>	<b>-0.1</b>	<b>43.0</b>
<b>GROSS PROFIT</b>	<b>17.2</b>	<b>0.0</b>	<b>0.0</b>	<b>17.2</b>
<i>Gross Margin</i>	<i>41.9%</i>			<i>40.0%</i>
Total operating expenses	-12.8	-0.5		-13.2
Royalties	0.1	0.0		0.1
Other income (expenses), net	-0.1	0.0		-0.1
<b>OPERATING INCOME</b>	<b>4.5</b>	<b>-0.5</b>	<b>0.0</b>	<b>4.0</b>
<i>Operating Margin</i>	<i>10.9%</i>			<i>9.3%</i>
Interest and other financial income (expenses), net	-0.4	0.0		-0.4
Income (loss) from equity method evaluated companies	-0.3	0.0	0.3	0.0
Foreign exchange gains (losses), net	-1.0	0.2		-0.8
<b>INCOME BEFORE TAXES</b>	<b>2.8</b>	<b>-0.3</b>	<b>0.3</b>	<b>2.8</b>
Income Taxes	-2.0	0.1		-1.9
<b>NET INCOME from continued operations</b>	<b>0.9</b>	<b>-0.3</b>	<b>0.3</b>	<b>0.9</b>
<i>Net Margin</i>	<i>2.1%</i>			<i>2.0%</i>
Net income (loss) from discontinued operations	0.0	0.0		0.0
<b>NET INCOME before minority interests</b>	<b>0.9</b>	<b>-0.3</b>	<b>0.3</b>	<b>0.9</b>
<i>Net Margin</i>	<i>2.1%</i>			<i>2.0%</i>
Minority interests	0.0	0.0		0.0
<b>GROUP NET INCOME</b>	<b>0.9</b>	<b>-0.3</b>	<b>0.3</b>	<b>0.9</b>
<i>Net Margin</i>	<i>2.1%</i>			<i>2.0%</i>

All figures in M€, unless otherwise stated

# Net Financial Position

All figures in M€, unless otherwise stated

	Mar 31, 2015	Dec 31, 2014	Sep 30, 2014	Jun 30, 2014	Mar 31, 2014
Cash and cash equivalents	22.7	25.6	17.0	17.5	19.2
Current financial assets	3.6	3.0	2.2	1.2	0.5
Current financial liabilities	(37.8)	(39.5)	(47.0)	(57.2)	(42.3)
<b>Current net financial position</b>	<b>(11.5)</b>	<b>(10.9)</b>	<b>(27.8)</b>	<b>(38.6)</b>	<b>(22.5)</b>
<b>Non current financial liabilities</b>	<b>(18.0)</b>	<b>(16.0)</b>	<b>(10.1)</b>	<b>(1.3)</b>	<b>(13.7)</b>
<b>NET FINANCIAL POSITION</b>	<b>(29.4)</b>	<b>(26.9)</b>	<b>(38.0)</b>	<b>(39.9)</b>	<b>(36.3)</b>

- ✓ **PFN** penalized by the **increase in net working capital**, related to the growth in revenues mainly in the gas purification business
- ✓ **Operating cash flows** negative for -€1.9 million, as a result both of the increase in the working capital and of some disbursements for personnel that usually occur in the first quarter of the year
- ✓ **Capital expenditure** equal to approximately -€1 million
- ✓ Impact of **exchange rates** equal to +€0.4 million, mainly generated by the appreciation of all currencies on the cash of the Group

# Business Outlook

- In the remaining part of 2015 we expect results substantially in line with the ones of the first months of the year, assuming that the exchange rates maintain the current levels
- The net financial position will progressively improve in the forthcoming months



# 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.

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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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Thanks for your attention



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