

The SAES[®] Group

Q3 2014 Consolidated Results

Conference Call – November 13, 2014



making **innovation happen**, together

- ❑ **Consolidated revenues** equal to €32.3 million, up both compared to Q3 2013 (+6.1%) and to Q2 2014 (+6.3%)
- ❑ Strong growth also for the **total revenues of the Group** equal to €34.3 million (+8% compared to Q3 2013 and up by 6.8% compared to Q2 2014)
- ❑ Significant **recovery** in the revenues and in the results of the **medical segment**
- ❑ Significant improvement in both the **gross margin** (from 37.7% to 44%) and the **operating margin** (from 1% to 12%) in Q3 2014 compared to Q3 2013
- ❑ **Consolidated EBITDA** doubled when compared to Q3 2013 (from €3 million to €6 million)
- ❑ **Consolidated net income** equal to €1.2 million, compared to a net loss of €1.6 million in Q3 2013, showing a strong increase also compared to Q2 2014 (+42.8%)
- ❑ Considerable improvement of the **net financial position** compared to June 30, 2014 (from -€39.9 million to -€38 million) thanks to the operating cash flow

Total revenues of the Group

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

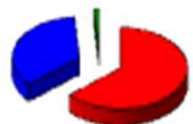
All figures in M€, unless otherwise stated

	3Q 2014	3Q 2013	Total difference	Difference %
Consolidated sales	32.3	30.5	1.9	6.1%
50% Actuator Solutions sales	2.1	1.4	0.7	53.7%
Eliminations	(0.1)	(0.1)	(0.0)	23.6%
Total revenues of the Group	34.3	31.7	2.6	8.1%

	September 2014	September 2013	Total difference	Difference %
Consolidated sales	95.9	99.6	(3.7)	-3.7%
50% Actuator Solutions sales	5.6	3.8	1.8	48.0%
Eliminations	(0.3)	(0.2)	(0.0)	16.3%
Total revenues of the Group	101.1	103.1	(1.9)	-1.9%

Industrial Applications BU Sales

All figures in M€, unless otherwise stated



Industrial Applications

63.5%

	3Q 2014	3Q 2013	Total difference	Price-quantity effect	Exchange rate effect
Electronic & Photonic Devices	3.5	2.8	22.2%	22.5%	-0.3%
Sensors & Detectors	2.3	2.0	14.9%	15.0%	-0.1%
Light Sources	2.4	2.4	-0.1%	0.5%	-0.6%
Vacuum Systems	1.8	1.8	1.8%	0.4%	1.4%
Thermal Insulation	1.5	1.4	6.8%	7.3%	-0.5%
Pure Gas Handling	9.0	10.6	-15.3%	-15.2%	-0.1%
Industrial Applications	20.5	21.1	-2.7%	-2.4%	-0.3%

	3Q 2014	2Q 2014	Total difference	Price-quantity effect	Exchange rate effect
Electronic & Photonic Devices	3.5	3.0	16.2%	13.6%	2.6%
Sensors & Detectors	2.3	2.5	-7.5%	-9.1%	1.6%
Light Sources	2.4	2.9	-17.2%	-18.7%	1.5%
Vacuum Systems	1.8	1.0	83.4%	81.5%	1.9%
Thermal Insulation	1.5	1.8	-14.7%	-17.3%	2.6%
Pure Gas Handling	9.0	8.4	7.1%	3.6%	3.5%
Industrial Applications	20.5	19.6	4.9%	2.2%	2.7%

✓ Compared to Q3 2013

- Recovery of the *Electronic and Photonic Devices Business*, driven by the products for night vision and image intensifier applications
- Growth in the *Sensors and Detectors Business*, supported by the products for infrared sensors
- Increased sales of getter solutions for vacuum bottles and for vacuum panels for the refrigeration (*Thermal Insulation Business*)
- Decrease in the gas purification business (*Pure Gas Handling Business*), mainly due to the decrease in the investments in the display sector

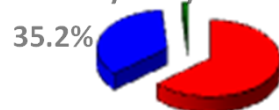
✓ Compared to Q2 2014

- Gradual growth in the *Pure Gas Handling Business*, driven by the increase in the investments in the semiconductor sector and of LEDs for lighting
- Growth also in the *Vacuum Systems Business* (thanks to higher sales in the field of particle accelerators and in that of big research laboratories) and the *Electronic and Photonic Devices Business*

Shape Memory Alloys BU Sales

All figures in M€, unless otherwise stated

Shape Memory Alloys



	3Q 2014	3Q 2013	Total difference	Price-quantity effect	Exchange rate effect
SMA Medical Applications	10.2	8.4	21.2%	21.3%	-0.1%
SMA Industrial Applications	1.1	0.7	59.2%	59.3%	-0.1%
Shape Memory Alloys	11.4	9.2	24.2%	24.3%	-0.1%

	3Q 2014	2Q 2014	Total difference	Price-quantity effect	Exchange rate effect
SMA Medical Applications	10.2	9.6	6.7%	3.4%	3.3%
SMA Industrial Applications	1.1	0.9	25.1%	23.1%	2.0%
Shape Memory Alloys	11.4	10.5	8.3%	5.1%	3.2%

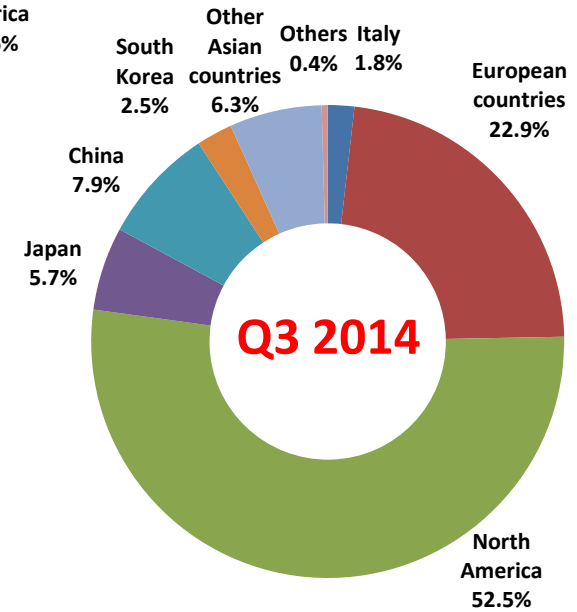
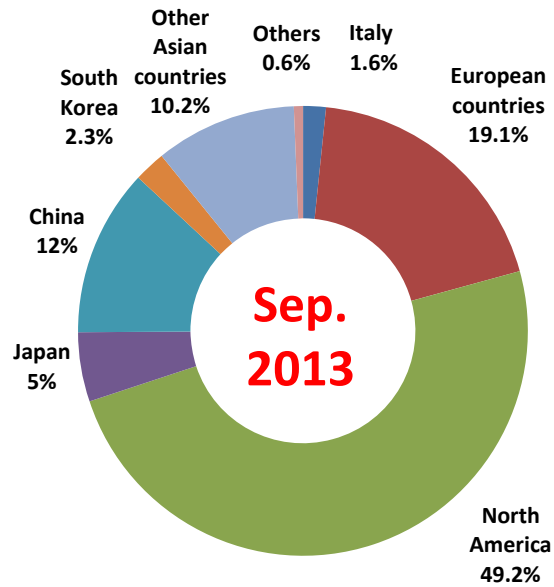
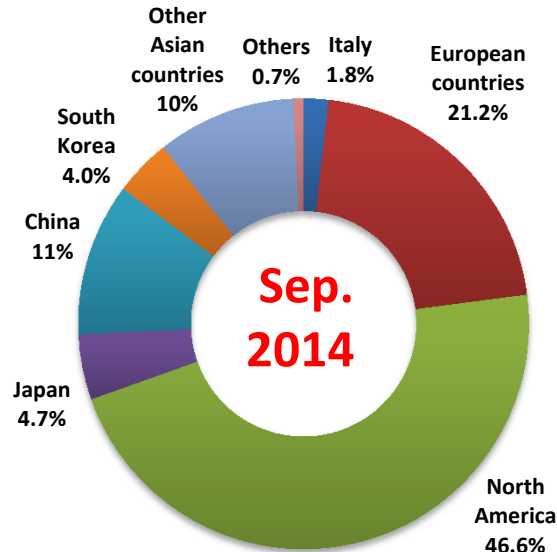
✓ Compared to Q3 2013

- *Medical business*: increase supported by the recovery in the demand in the US and in Europe
- *Industrial business*: higher sales of SMA springs for automotive application and of educated wires for consumer electronic applications

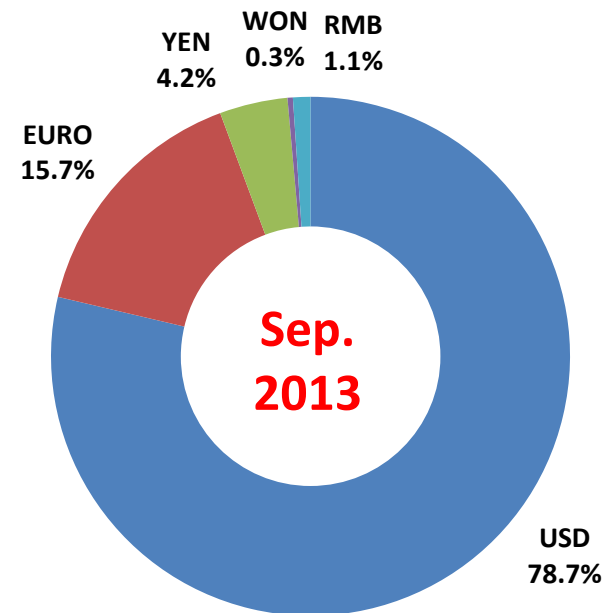
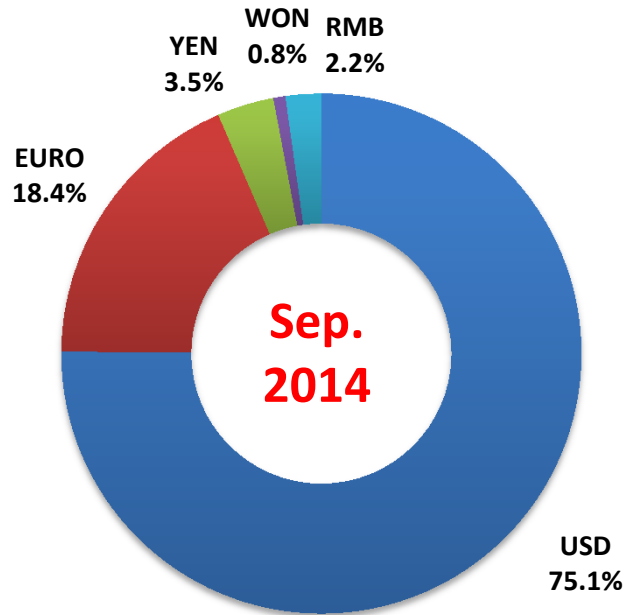
✓ Compared to Q2 2014

- *Medical business*: +6.7% increase confirming the positive trend recorded in the previous quarters of the current year
- *Industrial business*: progressive growth confirmed

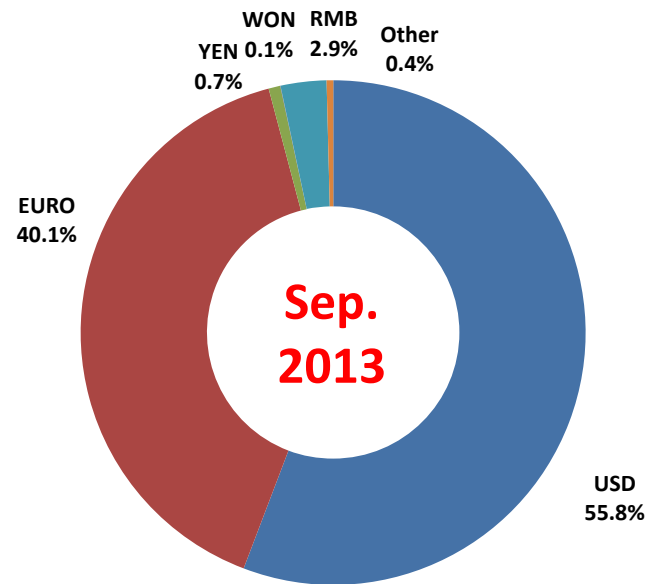
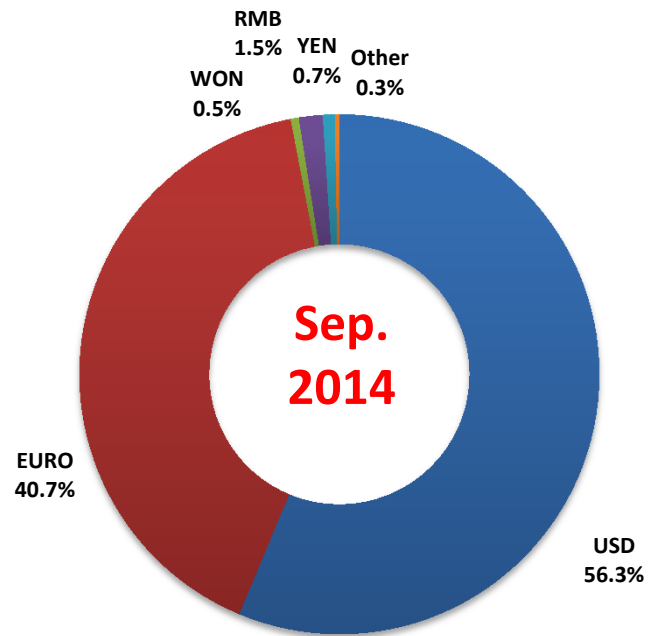
Consolidated Sales by Geographic Area



Consolidated Sales by Invoicing Currency



Consolidated Costs by Currency



Industrial Applications Margins

All figures in M€, unless otherwise stated

	3Q 2014	3Q 2013	Total difference
NET SALES	20.5	21.1	-0.6
GROSS PROFIT	10.2	8.2	2.0
<i>Gross Margin</i>	<i>49.8%</i>	<i>39.0%</i>	
OPERATING INCOME	6.2	3.7	2.5
<i>Operating Margin</i>	<i>30.1%</i>	<i>17.3%</i>	

	3Q 2014	3Q 2013 Adjusted	Total difference
NET SALES	20.5	21.1	-0.6
GROSS PROFIT	10.2	9.2	1.0
<i>Gross Margin</i>	<i>49.8%</i>	<i>43.8%</i>	
OPERATING INCOME	6.2	5.3	0.9
<i>Operating Margin</i>	<i>30.1%</i>	<i>25.2%</i>	

- ✓ **Gross margin** growing in almost all the segments, thanks both to the shift in the sales mix towards products with higher margins and as a result of the rationalization of the production structure implemented in the second half of last year
- ✓ Considerable increase in the **operating income** thanks to the improvement in margins, together with the reduction of general and administrative expenses

Shape Memory Alloys Margins

All figures in M€, unless otherwise stated

	3Q 2014	3Q 2013	Total difference
NET SALES	11.4	9.2	2.2
GROSS PROFIT	3.8	3.3	0.5
<i>Gross Margin</i>	33.6%	35.9%	
OPERATING INCOME	1.8	1.1	0.7
<i>Operating Margin</i>	15.8%	12.0%	

	3Q 2014	3Q 2013 Adjusted	Total difference
NET SALES	11.4	9.2	2.2
GROSS PROFIT	3.8	3.3	0.5
<i>Gross Margin</i>	33.6%	36.0%	
OPERATING INCOME	1.8	1.1	0.7
<i>Operating Margin</i>	15.8%	12.2%	

- ✓ Slight decrease in **gross margin**, penalized by some start-up expenses related to the start of new productions in both the medical segment and in the industrial one
- ✓ **Gross margin** gradually improved during the year 2014 (26.8% in Q1 2014 and 32.9% in Q2 2014)
- ✓ Improvement in **operating margin** thanks to the increase in revenues and the continued control of operating expenses

Consolidated Income Statements – 3Q 2014

All figures in M€, unless otherwise stated

	3Q 2014	3Q 2013	Total difference	3Q 2014	3Q 2013 adjusted	Total difference
NET SALES	32.3	30.5	1.9	32.3	30.5	1.9
GROSS PROFIT	14.2	11.5	2.7	14.2	12.5	1.7
<i>Gross Margin</i>	<i>44.0%</i>	<i>37.7%</i>		<i>44.0%</i>	<i>41.1%</i>	
R&D expenses	-3.3	-3.3	0.0	-3.3	-3.3	-0.1
Selling expenses	-2.7	-2.8	0.1	-2.7	-2.8	0.1
G&A expenses	-4.5	-5.7	1.2	-4.5	-4.7	0.2
Total operating expenses	-10.6	-11.8	1.2	-10.6	-10.8	0.2
Royalties	0.3	0.5	-0.2	0.3	0.5	-0.2
Other income (expenses), net	0.0	0.2	-0.2	0.0	0.2	-0.2
OPERATING INCOME	3.9	0.3	3.6	3.9	2.3	1.6
<i>Operating Margin</i>	<i>12.0%</i>	<i>1.0%</i>		<i>12.0%</i>	<i>7.6%</i>	
Interest and other financial income (expenses), net	-0.5	-0.3	-0.2	-0.5	-0.3	-0.2
Income (loss) from equity method evaluated companies	-0.5	-0.2	-0.3	-0.5	-0.2	-0.3
Foreign exchange gains (losses), net	0.1	0.1	0.0	0.1	0.1	0.0
INCOME BEFORE TAXES	3.0	-0.1	3.1	3.0	1.9	1.1
Income Taxes	-1.8	-0.7	-1.1	-1.8	-1.0	-0.8
NET INCOME from continued operations	1.2	-0.8	2.0	1.2	0.9	0.3
<i>Net Margin</i>	<i>3.6%</i>	<i>-2.7%</i>		<i>3.6%</i>	<i>2.9%</i>	
Net income (loss) from discontinued operations	0.0	-0.7	0.8	0.0	-0.1	0.2
NET INCOME before minority interests	1.2	-1.6	2.8	1.2	0.8	0.4
<i>Net Margin</i>	<i>3.7%</i>	<i>-5.1%</i>		<i>3.7%</i>	<i>2.5%</i>	
Minority interests	0.0	0.0	0.0	0.0	0.0	0.0
GROUP NET INCOME	1.2	-1.6	2.8	1.2	0.8	0.4
<i>Net Margin</i>	<i>3.7%</i>	<i>-5.1%</i>		<i>3.7%</i>	<i>2.5%</i>	

Consolidated Income Statements – Sep. 30, 2014

All figures in M€, unless otherwise stated

	Sep 30, 2014	Sep 30, 2013	Total difference	Sep 30, 2014	Sep 30, 2013 adjusted	Total difference
NET SALES	95.9	99.6	-3.7	95.9	99.6	-3.7
GROSS PROFIT	41.4	39.8	1.6	41.4	40.3	1.1
<i>Gross Margin</i>	43.2%	40.0%		43.2%	40.4%	
R&D expenses	-10.6	-11.2	0.5	-10.6	-11.0	0.4
Selling expenses	-8.8	-9.1	0.3	-8.8	-8.8	0.0
G&A expenses	-14.1	-16.3	2.2	-14.1	-15.2	1.1
Total operating expenses	-33.5	-36.5	3.0	-33.5	-35.0	1.5
Royalties	1.3	1.6	-0.3	1.3	1.6	-0.3
Other income (expenses), net	-0.1	0.2	-0.3	-0.1	0.2	-0.3
OPERATING INCOME	9.1	5.1	4.0	9.1	7.1	2.0
<i>Operating Margin</i>	9.5%	5.1%		9.5%	7.1%	
Interest and other financial income (expenses), net	-1.4	-0.7	-0.6	-1.4	-0.7	-0.6
Income (loss) from equity method evaluated companies	-1.0	-0.6	-0.5	-1.0	-0.6	-0.5
Foreign exchange gains (losses), net	0.1	0.1	0.1	0.1	0.1	0.1
INCOME BEFORE TAXES	6.8	3.8	3.0	6.8	5.8	1.0
Income Taxes	-4.6	-2.5	-2.1	-4.6	-2.8	-1.8
NET INCOME from continued operations	2.2	1.3	0.9	2.2	3.0	-0.8
<i>Net Margin</i>	2.3%	1.3%		2.3%	3.1%	
Net income (loss) from discontinued operations	0.3	-1.2	1.5	0.3	-0.5	0.7
NET INCOME before minority interests	2.5	0.1	2.4	2.5	2.6	0.0
<i>Net Margin</i>	2.6%	0.1%		2.6%	2.6%	
Minority interests	0.0	0.0	0.0	0.0	0.0	0.0
GROUP NET INCOME	2.5	0.1	2.4	2.5	2.6	0.0
<i>Net Margin</i>	2.6%	0.1%		2.6%	2.6%	

Actuator Solutions - Income Statement (50%)

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

	3Q 2014	3Q 2013	Total difference
NET SALES	2.1	1.4	0.7
Cost of goods sold	-2.2	-1.2	-1.0
Operating expenses	-0.4	-0.5	0.0
Other income (expenses), net	0.0	0.1	-0.1
OPERATING INCOME	-0.5	-0.3	-0.3
Interest and other financial income (expenses), net	0.0	0.0	0.0
INCOME BEFORE TAXES	-0.6	-0.3	-0.3
Income Taxes	0.1	0.1	0.1
NET INCOME (LOSS)	-0.5	-0.2	-0.3

	Sep 30, 2014	Sep 30, 2013	Total difference
	5.6	3.8	1.8
	-5.5	-3.5	-2.0
	-1.3	-1.2	-0.1
	0.1	0.1	-0.1
	-1.2	-0.8	-0.4
	0.0	0.0	-0.1
	-1.3	-0.8	-0.5
	0.2	0.2	0.0
	-1.0	-0.5	-0.5

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)

	3Q 2014 IS	50% Actuator Solutions	Eliminations	3Q 2014 Total IS of the Group
NET SALES	32.3	2.1	-0.1	34.3
GROSS PROFIT	14.2	-0.1	0.0	14.1
<i>Gross Margin</i>	44.0%	-4.9%		41.2%
Total operating expenses	-10.6	-0.4	0.0	-11.0
Royalties	0.3			0.3
Other income (expenses), net	0.0	0.0		0.0
OPERATING INCOME	3.9	-0.5	0.0	3.3
<i>Operating Margin</i>	12.0%	-26.2%		9.7%
Interest and other financial income (expenses), net	-0.5	0.0		-0.5
Income (loss) from equity method evaluated companies	-0.5		0.5	0.0
Foreign exchange gains (losses), net	0.1			0.1
INCOME BEFORE TAXES	3.0	-0.6	0.5	2.9
Income Taxes	-1.8	0.1		-1.7
NET INCOME from continued operations	1.2	-0.5	0.5	1.2
<i>Net Margin</i>	3.6%	-22.8%		3.4%
Net income (loss) from discontinued operations	0.0			0.0
NET INCOME before minority interests	1.2	-0.5	0.5	1.2
<i>Net Margin</i>	3.7%	-22.8%		3.5%
Minority interests	0.0			0.0
GROUP NET INCOME	1.2	-0.5	0.5	1.2
<i>Net Margin</i>	3.7%	-22.8%		3.5%

	Sep 30, 2014 IS	50% Actuator Solutions	Eliminations	Sep 30, 2014 Total IS of the Group
NET SALES	95.9	5.6	-0.3	101.1
GROSS PROFIT	41.4	0.1	0.0	41.4
<i>Gross Margin</i>	43.2%	1.2%		41.0%
Total operating expenses	-33.5	-1.3	0.0	-34.9
Royalties	1.3			1.3
Other income (expenses), net	-0.1	0.1		0.0
OPERATING INCOME	9.1	-1.2	0.0	7.9
<i>Operating Margin</i>	9.5%	-22.0%		7.8%
Interest and other financial income (expenses), net	-1.4	0.0		-1.4
Income (loss) from equity method evaluated companies	-1.0		1.0	0.0
Foreign exchange gains (losses), net	0.1			0.1
INCOME BEFORE TAXES	6.8	-1.3	1.0	6.6
Income Taxes	-4.6	0.2		-4.3
NET INCOME from continued operations	2.2	-1.0	1.0	2.2
<i>Net Margin</i>	2.3%	-18.5%		2.2%
Net income (loss) from discontinued operations	0.3			0.3
NET INCOME before minority interests	2.5	-1.0	1.0	2.5
<i>Net Margin</i>	2.6%	-18.5%		2.5%
Minority interests	0.0			0.0
GROUP NET INCOME	2.5	-1.0	1.0	2.5
<i>Net Margin</i>	2.6%	-18.5%		2.5%

All figures in M€, unless otherwise stated

Net Financial Position

All figures in M€, unless otherwise stated

	Sep 30, 2014	Jun 30, 2014	Mar 31, 2014	Dec 31, 2013
Cash and cash equivalents	17.0	17.5	19.2	20.3
Current financial assets	2.2	1.2	0.5	0.0
Current financial liabilities	(47.0)	(57.2)	(42.3)	(54.1)
Current net financial position	(27.8)	(38.6)	(22.5)	(33.8)
Non current financial liabilities	(10.1)	(1.3)	(13.7)	(2.8)
NET FINANCIAL POSITION	(38.0)	(39.9)	(36.3)	(36.5)

- ✓ Compared to Jun 2014, improvement only due to the cash-flow generated from the operating activities (+€3.8 million)
- ✓ Outflow for investment activity equal to -€1.3 million
- ✓ Penalizing effect of the revaluation of the dollar on the Group's indebtedness denominated in foreign currencies (-€0.6 million)

- In the next months the current positive trend is expected to continue
- The positive trend of the gas purification business will continue, as well as the one of the medical segment and of the industrial segment of the shape memory alloys business
- The net financial position will benefit from the positive impact of the operating activities' trend and from the closing of the transaction regarding the Chinese subsidiary SAES Getters (Nanjing) Co., Ltd. (approximately €3.7 million, at current exchange rates)

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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