

The SAES[®] Group

1H 2019 Consolidated Results



making **innovation happen**, together

1H 2019 Highlights

All figures in M€, unless otherwise stated

■ **TWO-DIGIT GROWTH IN REVENUES AND SIGNIFICANT IMPROVEMENT OF THE ECONOMIC INDICATORS**

P&L figures	1H 2019	1H 2018	Total difference	Difference %
CONSOLIDATED REVENUES	88.5	75.7	12.8	16.9%
TOTAL REVENUES OF THE GROUP	94.2	81.7	12.6	15.4%
CONSOLIDATED GROSS PROFIT	37.8	32.5	5.3	16.4%
<i>% on sales</i>	<i>42.7%</i>	<i>42.9%</i>		
CONSOLIDATED OPERATING INCOME	13.4	7.9	5.5	70.2%
<i>% on sales</i>	<i>15.2%</i>	<i>10.4%</i>		
CONSOLIDATED EBITDA	18.0	11.7	6.3	53.4%
<i>% on sales</i>	<i>20.3%</i>	<i>15.5%</i>		
NET INCOME (LOSS) FROM OPERATING ACTIVITIES	9.0	2.7	6.3	231.5%
<i>% on sales</i>	<i>10.1%</i>	<i>3.6%</i>		
NET INCOME FROM DISCONTINUED OPERATIONS	0.2	239.9	(239.7)	-99.9%
<i>% on sales</i>	<i>0.2%</i>	<i>316.8%</i>		
CONSOLIDATED NET INCOME	9.1	242.6	(233.4)	-96.2%
<i>% on sales</i>	<i>10.3%</i>	<i>320.4%</i>		

Other information	Jun 30, 2019	Dec 31, 2018	Total difference	Difference %
CONSOLIDATED NET FINANCIAL POSITION	105.0	223.3	(118.3)	-53.0%
CAPEX	11.0	15.0		

Total revenues of the Group

(achieved by incorporating the JVs with the proportional method instead of the equity method)

All figures in M€, unless otherwise stated

	1H 2019	1H 2018	Total difference	Difference %
Consolidated sales	88.5	75.7	12.8	16.9%
50% Actuator Solutions sales	5.5	5.9	(0.4)	-6.5%
49% SAES RIAL Vacuum S.r.l. sales	0.6	0.5	0.1	15.4%
46.73% Flexterra sales	0.0	0.0	0.0	0.0%
Eliminations & other adjs	(0.3)	(0.4)	0.1	-27.3%
Total revenues of the Group	94.2	81.7	12.6	15.4%

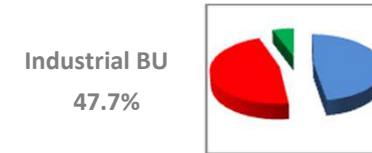
	1Q 2018	2Q 2018	3Q 2018	4Q 2018	1Q 2019	2Q 2019
Consolidated sales	37.6	38.1	42.1	42.5	43.1	45.4
50% Actuator Solutions sales	2.8	3.1	3.0	2.6	2.8	2.7
49% SAES RIAL Vacuum S.r.l. sales	0.3	0.2	0.3	0.5	0.3	0.3
46.73% Flexterra sales	0.0	0.0	0.0	0.0	0.0	0.0
Eliminations & other adjs	(0.2)	(0.3)	(0.2)	(0.2)	(0.2)	(0.2)
Total revenues of the Group	40.5	41.1	45.2	45.4	46.0	48.3

- ✓ Total revenues of the Group up by 15.4% thanks mainly to the increased **consolidated revenues** and to the growth of **sales of the joint venture SAES RIAL Vacuum S.r.l.**
- ✓ **Revenues of the joint venture Actuator Solutions** decreased by 6.5%, penalized by the slow-down of the automotive sector

Industrial BU Sales

All figures in M€, unless otherwise stated

	1H 2019	1H 2018	Total difference %	Organic change %	Exchange rate effect %
Security & Defense	6.4	6.1	3.5%	-1.7%	5.2%
Electronic Devices	10.5	7.7	36.2%	32.9%	3.3%
Healthcare Diagnostics	2.5	2.2	13.3%	9.7%	3.6%
Lamps	2.3	2.6	-13.3%	-16.2%	2.9%
Thermal Insulated Devices	1.8	1.8	2.3%	-3.7%	6.0%
Solutions for Vacuum Systems	5.5	5.4	1.9%	-1.1%	3.0%
Sintered Components for Electronic Devices & Lasers	4.5	3.6	27.8%	19.3%	8.5%
SMA Industrial	8.2	5.5	48.7%	43.4%	5.3%
Functional Chemical Systems	0.4	0.6	-24.0%	-28.7%	4.7%
Industrial	42.2	35.6	18.7%	14.1%	4.6%



	1Q 2018	2Q 2018	3Q 2018	4Q 2018	1Q 2019	2Q 2019
Security & Defense	3.0	3.2	3.4	3.0	3.6	2.7
Electronic Devices	3.3	4.4	6.7	6.7	4.3	6.3
Healthcare Diagnostics	1.0	1.1	1.0	1.4	1.2	1.2
Lamps	1.4	1.2	1.3	1.0	1.1	1.2
Thermal Insulated Devices	0.9	0.9	0.9	0.9	0.9	0.9
Solutions for Vacuum Systems	3.2	2.2	2.9	2.9	3.1	2.5
Sintered Components for Electronic Devices & Lasers	1.8	1.8	1.8	2.0	2.4	2.1
SMA Industrial	2.8	2.7	3.1	2.9	3.7	4.6
Functional Chemical Systems	0.3	0.2	0.3	0.2	0.2	0.3
Industrial	17.8	17.8	21.4	20.9	20.4	21.8

✓ Strong **organic growth (+14.1%)** mainly driven by:

- **Electronic Devices Business** (higher sales of getter components for infrared sensors for surveillance and building maintenance applications and of advanced getters for the consumer electronics market)
- **SMA Industrial Business** (revenues from educated wires for consumer electronics applications and components for aerospace and automotive applications)
- **Sintered Components for Electronic Devices & Lasers Business** (growth of the sector of thermal dissipation in semiconductor-based lasers – defense sector, and of higher sales of electron emitters for medical applications – devices dedicated to cancer treatments)
- **Healthcare Diagnostics Business** (expansion of medical diagnostic systems in markets with a lower development rate – Asia and Africa)

Medical BU Sales



Medical BU
46.6%

All figures in M€, unless otherwise stated

	1H 2019	1H 2018	Total difference %	Organic change %	Exchange rate effect %
Nitinol for Medical Devices	41.3	34.2	20.7%	12.8%	7.9%
Medical	41.3	34.2	20.7%	12.8%	7.9%

	1Q 2018	2Q 2018	3Q 2018	4Q 2018	1Q 2019	2Q 2019
Nitinol for Medical Devices	16.3	17.9	17.7	19.1	20.1	21.2
Medical	16.3	17.9	17.7	19.1	20.1	21.2

- ✓ **Two-digit organic growth (+12.8%)** in line with the average increase trends of the last periods and related to volume increases in the different product lines

Packaging BU Sales

Packaging
5.7%



All figures in M€, unless otherwise stated

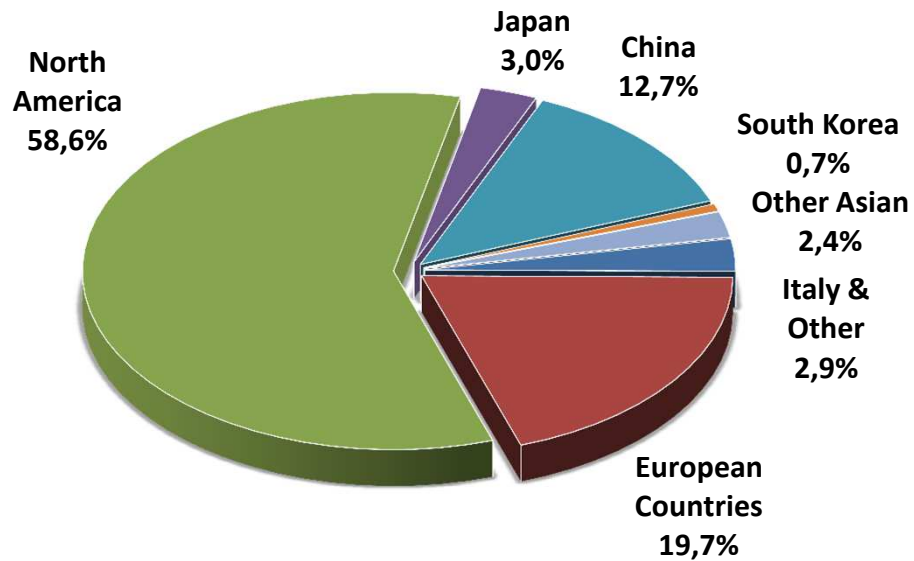
	1H 2019	1H 2018	Total difference %	Organic change %	Exchange rate effect %
Solutions for Advanced Packaging	5.0	6.0	-15.7%	-15.7%	0.0%
Packaging	5.0	6.0	-15.7%	-15.7%	0.0%

	1Q 2018	2Q 2018	3Q 2018	4Q 2018	1Q 2019	2Q 2019
Solutions for Advanced Packaging	3.5	2.5	3.0	2.6	2.6	2.4
Packaging	3.5	2.5	3.0	2.6	2.6	2.392

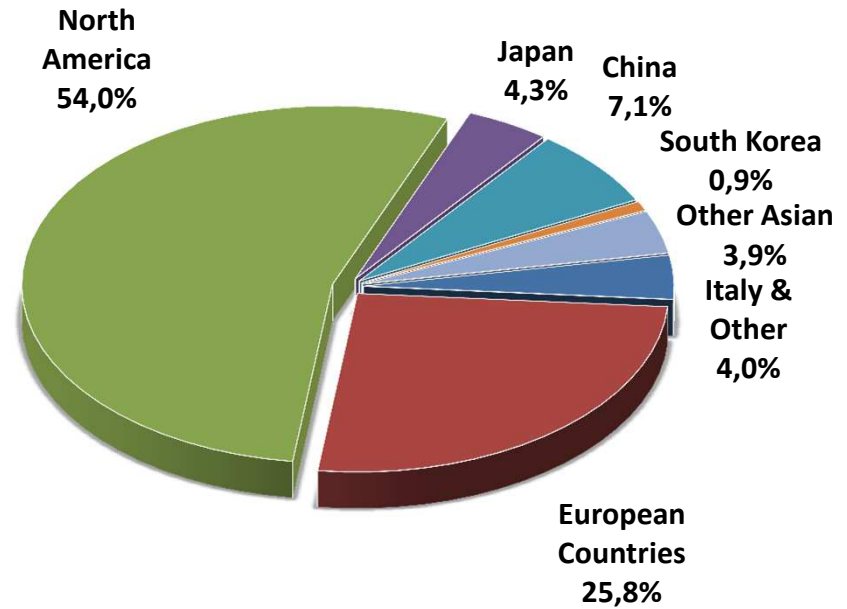
- ✓ Decrease partly due to the still ongoing **rationalization of the products portfolio**, aimed at reducing the incidence of metalized products compared to lacquered ones (the latter having higher margins)

Consolidated Sales by Geographic Area

1H 2019 - Total 88.487

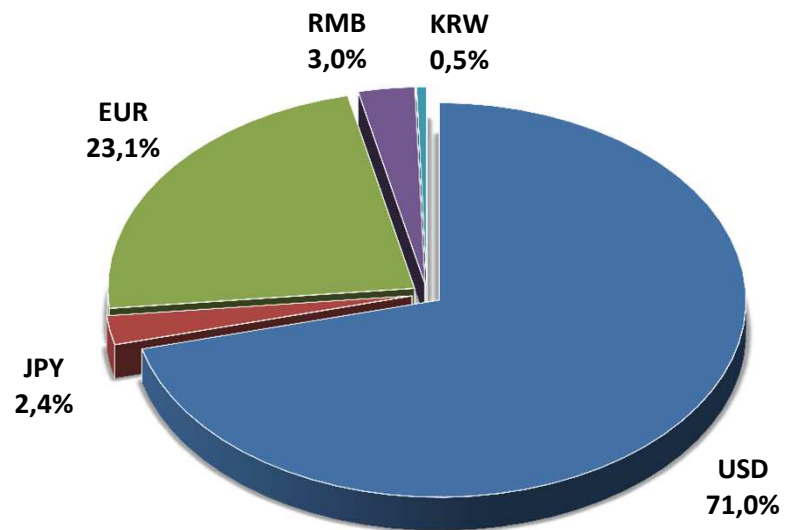


1H 2018 - Total 75.709

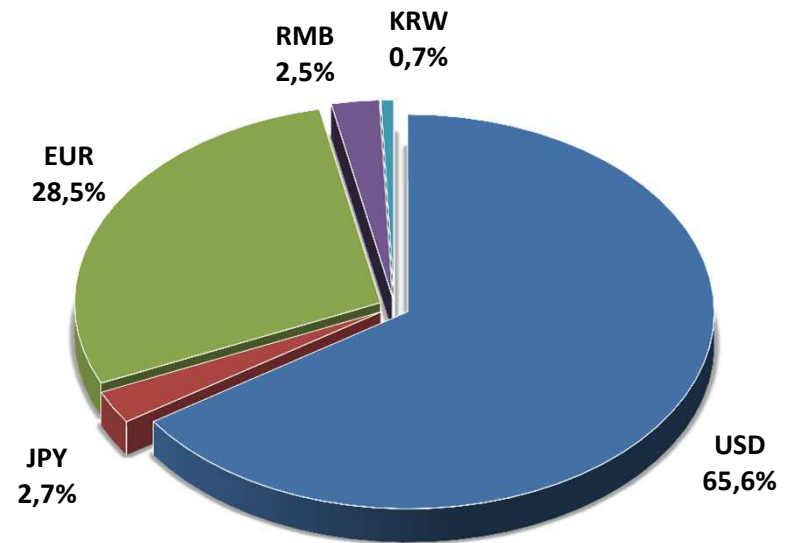


Consolidated Sales by Invoicing Currency

1H 2019 - Total 88.487

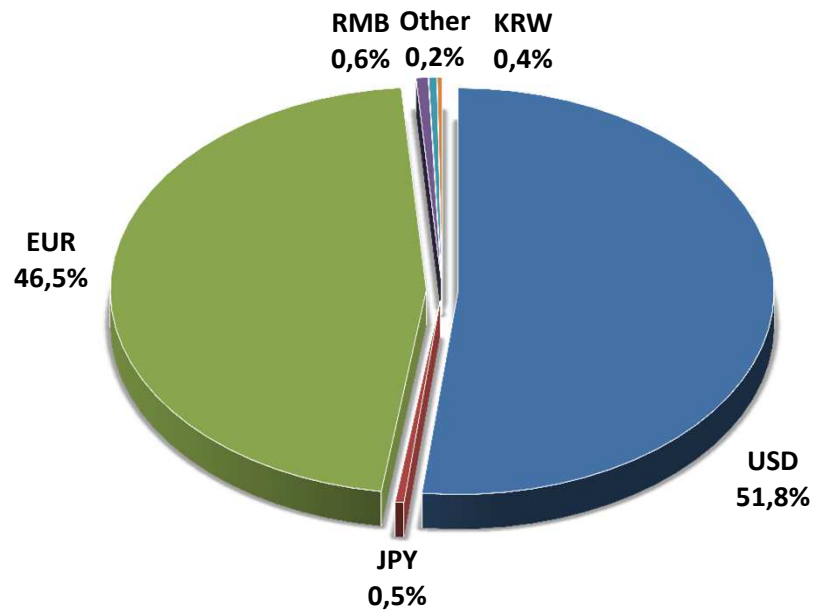


1H 2018 - Total 75.709

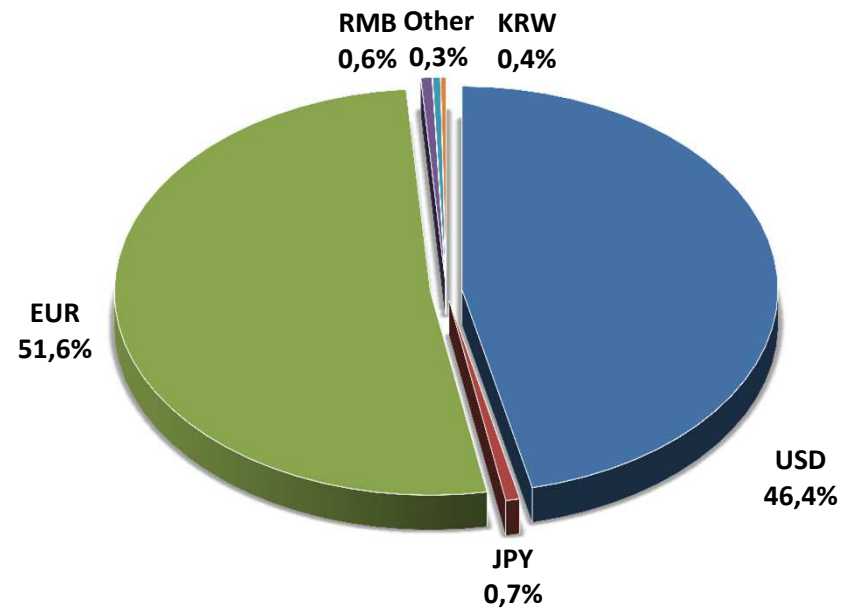


Consolidated Costs by Currency

1H 2019 – Total 77.679



1H 2018 – Total 69.221



Industrial BU Margins

All figures in M€, unless otherwise stated

	1H 2019	1H 2018	Total difference
NET SALES	42.2	35.6	6.6
GROSS PROFIT	20.8	17.4	3.4
<i>Gross Margin</i>	49.3%	49.0%	
OPERATING INCOME	12.7	8.6	4.1
<i>Operating Margin</i>	30.1%	24.2%	

	1Q 2018	2Q 2018	3Q 2018	4Q 2018	1Q 2019	2Q 2019
NET SALES	17.8	17.8	21.4	20.9	20.4	21.8
GROSS PROFIT	9.0	8.4	10.6	10.2	10.4	10.4
<i>Gross Margin</i>	50.5%	47.5%	49.5%	49.1%	50.8%	47.9%
OPERATING INCOME	4.6	4.0	6.5	5.5	6.1	6.6
<i>Operating Margin</i>	25.8%	22.7%	30.1%	26.3%	29.9%	30.3%

- ✓ **Gross profit** up by 19.5%, mainly thanks to the significant performance of the sales in the electronic devices sector and in the SMAs for industrial applications
- ✓ **Gross margin** slightly increased (from 49% to 49.3%) thanks to the increase in margins in the same above mentioned sectors
- ✓ **Operating income** significantly up (+47.5%)
- ✓ **Operating margin** increased from 24.2% to 30.1%

Medical BU Margins

All figures in M€, unless otherwise stated

	1H 2019	1H 2018	Total difference
NET SALES	41.3	34.2	7.1
GROSS PROFIT	16.5	14.6	2.0
<i>Gross Margin</i>	<i>40.1%</i>	<i>42.6%</i>	
OPERATING INCOME	12.0	11.6	0.4
<i>Operating Margin</i>	<i>29.0%</i>	<i>33.8%</i>	

	1Q 2018	2Q 2018	3Q 2018	4Q 2018	1Q 2019	2Q 2019
NET SALES	16.3	17.9	17.7	19.1	20.1	21.2
GROSS PROFIT	6.7	7.9	8.1	8.4	7.5	9.1
<i>Gross Margin</i>	<i>41.1%</i>	<i>44.0%</i>	<i>46.0%</i>	<i>43.9%</i>	<i>37.3%</i>	<i>42.7%</i>
OPERATING INCOME	5.7	5.9	6.0	6.1	5.4	6.6
<i>Operating Margin</i>	<i>34.8%</i>	<i>32.9%</i>	<i>33.8%</i>	<i>32.0%</i>	<i>26.7%</i>	<i>31.2%</i>

- ✓ Increase in **gross profit** (+13.5%) thanks to higher sales volumes
- ✓ **Gross margin** (from 42.6% to 40.1%) penalized by temporary manufacturing inefficiencies at Memry Corp
- ✓ **PY operating income** and **operating margin** favored by the non-repayable contribution provided to Memry Corp by the State of CT (€1.1 million)

Packaging BU Margins

All figures in M€, unless otherwise stated

	1H 2019	1H 2018	Total difference
NET SALES	5.0	6.0	(0.9)
GROSS PROFIT	0.5	0.6	(0.2)
<i>Gross Margin</i>	9.2%	10.5%	
OPERATING INCOME	(1.3)	(1.3)	0.1
<i>Operating Margin</i>	-25.5%	-22.5%	

	1Q 2018	2Q 2018	3Q 2018	4Q 2018	1Q 2019	2Q 2019
NET SALES	3.5	2.5	3.0	2.6	2.6	2.4
GROSS PROFIT	0.4	0.2	0.4	0.2	0.3	0.1
<i>Gross Margin</i>	12.8%	7.2%	13.0%	6.8%	12.0%	6.1%
OPERATING INCOME	(0.5)	(0.8)	(0.6)	(3.9)	(0.6)	(0.7)
<i>Operating Margin</i>	-14.6%	-33.6%	-20.7%	-153.1%	-23.5%	-27.7%

- ✓ Decrease in **gross profit** and **gross margin** mainly due to the decrease in sales, while the phase-out process of non-strategic products has not shown its effects completely
- ✓ **Operating loss** substantially in line with 1H 2018

Not Allocated Costs

All figures in M€, unless otherwise stated

	1H 2019	1H 2018	Total difference
NET SALES	0.0	0.0	0.0
GROSS PROFIT	0.0	(0.1)	0.1
<i>Gross Margin</i>	<i>n.s.</i>	<i>n.s.</i>	
Total operating expenses	(12.1)	(10.7)	(1.4)
Other income (expenses), net	2.1	(0.1)	2.2
OPERATING INCOME	(10.0)	(11.0)	0.9
<i>Operating Margin</i>	<i>n.s.</i>	<i>n.s.</i>	

	1Q 2018	2Q 2018	3Q 2018	4Q 2018	1Q 2019	2Q 2019
NET SALES	0.0	0.0	0.0	0.0	0.0	0.0
GROSS PROFIT	(0.1)	(0.1)	(0.1)	(0.0)	0.0	(0.0)
<i>Gross Margin</i>	<i>n.s.</i>	<i>n.s.</i>	<i>n.s.</i>	<i>n.s.</i>	<i>n.s.</i>	<i>n.s.</i>
Total operating expenses	(5.4)	(5.3)	(5.9)	(6.2)	(6.1)	(6.0)
Other income (expenses), net	(0.1)	(0.1)	(0.1)	0.1	(0.1)	2.2
OPERATING INCOME	(5.6)	(5.4)	(6.2)	(6.2)	(6.2)	(3.8)
<i>Operating Margin</i>	<i>n.s.</i>	<i>n.s.</i>	<i>n.s.</i>	<i>n.s.</i>	<i>n.s.</i>	<i>n.s.</i>

- ✓ **Operating costs** up by €1.4 million (higher remunerations to the Executive Directors and severance costs equal to €0.3 million, as well as increased consultancy fees)
- ✓ **Extraordinary capital gain** from the sale of the IP to the joint venture Flexterra (€2.3 million)

Consolidated Income Statement

All figures in M€, unless otherwise stated

	1H 2019	1H 2018	Total difference	1Q 2018	2Q 2018	3Q 2018	4Q 2018	1Q 2019	2Q 2019
NET SALES	88.5	75.7	12.8	37.6	38.1	42.1	42.5	43.1	45.4
GROSS PROFIT	37.8	32.5	5.3	16.1	16.4	19.0	18.8	18.2	19.6
<i>Gross Margin</i>	42.7%	42.9%		42.8%	43.1%	45.2%	44.1%	42.2%	43.3%
R&D expenses	(5.5)	(5.5)	(0.1)	(2.7)	(2.7)	(2.7)	(2.9)	(2.7)	(2.9)
Selling expenses	(6.3)	(6.1)	(0.2)	(3.0)	(3.0)	(2.9)	(3.7)	(3.1)	(3.1)
G&A expenses	(15.0)	(14.1)	(0.8)	(7.2)	(6.9)	(7.7)	(10.7)	(7.7)	(7.2)
Total operating expenses	(26.8)	(25.7)	(1.1)	(12.9)	(12.7)	(13.3)	(17.2)	(13.5)	(13.2)
Other income (expenses), net	2.3	1.1	1.3	1.0	0.0	(0.1)	(0.0)	(0.0)	2.4
OPERATING INCOME	13.4	7.9	5.5	4.2	3.7	5.7	1.5	4.6	8.8
<i>Operating Margin</i>	15.2%	10.4%		11.1%	9.7%	13.5%	3.6%	10.8%	19.3%
Interest and other financial income (expenses), net	3.1	(0.3)	3.4	(0.1)	(0.2)	0.1	(0.2)	1.7	1.4
Write down of financial receivables from related parties	(0.2)	0.0	(0.2)	0.0	0.0	0.0	(9.1)	(0.1)	(0.1)
Income (loss) from equity method evaluated companies	(1.0)	(0.7)	(0.3)	(0.2)	(0.5)	(0.3)	(0.4)	(0.6)	(0.4)
Write down of investments accounted for using the equity method	0.0	0.0	0.0	0.0	0.0	0.0	(4.3)	0.0	0.0
Foreign exchange gains (losses), net	(0.0)	0.0	(0.0)	(0.2)	0.2	(0.2)	0.7	0.0	(0.1)
INCOME BEFORE TAXES	15.2	6.9	8.6	3.6	3.3	5.3	(11.8)	5.6	9.6
Income Taxes	(6.2)	(4.2)	(2.1)	(1.7)	(2.4)	(2.3)	(1.5)	(2.4)	(3.8)
NET INCOME from continued operations	9.0	2.7	6.5	1.9	0.8	3.0	(13.3)	3.2	5.8
<i>Net Margin</i>	10.1%	3.6%		5.0%	2.2%	7.0%	-31.4%	7.4%	12.7%
Net income from discontinued operations	0.2	239.9	(239.7)	7.0	232.9	(0.6)	0.8	0.0	0.2
NET INCOME before minority interests	9.1	242.6	(233.2)	8.9	233.7	2.3	(12.6)	3.2	6.0
<i>Net Margin</i>	10.3%	320.4%		23.6%	612.9%	5.5%	-29.6%	7.4%	13.1%
Minority interests	0.0	0.0	0.0	0.0	0.000	0.0	0.000	0.0	0.0
GROUP NET INCOME	9.1	242.6	(233.2)	8.9	233.7	2.3	(12.6)	3.2	6.0
<i>Net Margin</i>	10.3%	320.4%		23.6%	612.9%	5.5%	-29.6%	7.4%	13.1%

One-offs

All figures in M€, unless otherwise stated

	1H 2019	1H 2019 one-offs	1H 2019 net of one-offs	1H 2018	1H 2018 one-offs	1H 2018 net of one-offs
NET SALES	88.5	0.0	88.5	75.7	0.0	75.7
GROSS PROFIT	37.8	0.0	37.8	32.5	0.0	32.5
<i>Gross Margin</i>	42.7%	<i>n.s.</i>	42.7%	42.9%	<i>n.s.</i>	42.9%
R&D expenses	(5.5)	0.0	(5.5)	(5.5)	0.0	(5.5)
Selling expenses	(6.3)	0.0	(6.3)	(6.1)	0.0	(6.1)
G&A expenses	(15.0)	0.3 (*)	(14.7)	(14.1)	0.0	(14.15)
Total operating expenses	(26.8)	0.3	(26.4)	(25.7)	0.0	(25.7)
Other income (expenses), net	2.3	(2.3) (**)	0.1	1.1	(1.1) (***)	(0.1)
OPERATING INCOME	13.4	(2.0)	11.5	7.9	(1.1)	6.7
<i>Operating Margin</i>	15.2%	<i>n.s.</i>	12.9%	10.4%	<i>n.s.</i>	8.9%
CONSOLIDATED EBITDA	18.0	(2.0)	16.0	11.7	(1.1)	10.6
<i>% on sales</i>	20.3%		18.1%	15.5%		14.0%

(*) Severance costs.

(**) Capital gain for the sale of the OLET patents to the joint venture Flexterra, Inc.

(***) Non-repayable grant provided by the State of Connecticut (CT) to Memry Corporation.

Actuator Solutions - Income Statement (50%)

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

All figures in M€, unless otherwise stated

	1H 2019	1H 2018	Total difference	1Q 2018	2Q 2018	3Q 2018	4Q 2018	1Q 2019	2Q 2019
NET SALES	5.5	5.9	(0.4)	2.8	3.1	3.0	2.6	2.8	2.7
Cost of goods sold	(4.5)	(4.7)	0.3	(2.2)	(2.5)	(2.6)	(2.1)	(2.2)	(2.3)
GROSS PROFIT	1.0	1.1	(0.1)	0.6	0.5	0.4	0.5	0.5	0.5
<i>Gross Margin</i>	18.5%	19.5%		21.6%	17.5%	13.8%	18.2%	19.9%	17.1%
Operating expenses	(1.0)	(1.1)	0.1	(0.6)	(0.6)	(0.5)	(0.6)	(0.5)	(0.5)
Other income (expenses), net	(0.2)	(0.1)	(0.1)	0.1	(0.2)	0.2	0.0	0.0	(0.2)
OPERATING INCOME	(0.2)	(0.1)	(0.1)	0.2	(0.2)	0.1	(0.1)	0.0	(0.2)
<i>Operating Margin</i>	-3.7%	-1.0%		5.9%	-7.3%	3.6%	-3.3%	1.3%	-8.7%
Interest and other financial income (expenses), net	(0.1)	(0.1)	(0.0)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)
Foreign exchange gains (losses), net	(0.0)	(0.0)	0.0	(0.0)	0.0	0.0	0.0	0.0	(0.0)
INCOME BEFORE TAXES	(0.4)	(0.2)	(0.2)	0.1	(0.3)	0.1	(0.2)	(0.0)	(0.4)
Income Taxes	(0.0)	(0.1)	0.1	(0.1)	(0.1)	(0.0)	(0.0)	(0.0)	0.0
NET INCOME (LOSS)	(0.4)	(0.4)	(0.0)	(0.0)	(0.3)	0.0	(0.2)	(0.0)	(0.3)

- ✓ **Revenues** down by 6.5% following the slow-down in the automotive sector and only partially offset by the revenues deriving from the product developments in the telecom sector
- ✓ **Net result** substantially in line with 1H 2018: the decrease in gross profit of the automotive business offset by the increase in the telecom sector and by the operating savings following the reorganization implemented in the previous year within the Asian subsidiaries and aimed at outsourcing some production processes

SAES RIAL Vacuum - Income Statement (49%)

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

All figures in M€, unless otherwise stated

	1H 2019	1H 2018	Total difference	1Q 2018	2Q 2018	3Q 2018	4Q 2018	1Q 2019	2Q 2019
NET SALES	0.6	0.5	0.1	0.3	0.2	0.3	0.5	0.3	0.3
Cost of goods sold	(0.5)	(0.4)	(0.1)	(0.2)	(0.2)	(0.2)	(0.4)	(0.2)	(0.2)
GROSS PROFIT	0.1	0.1	(0.0)	0.1	0.0	0.1	0.1	0.0	0.1
<i>Gross Margin</i>	17.6%	25.0%		31.1%	17.2%	22.7%	11.6%	17.0%	18.2%
Operating expenses	(0.1)	(0.1)	(0.0)	(0.0)	(0.1)	(0.0)	(0.0)	(0.0)	(0.0)
Other income (expenses), net	0.0	(0.0)	0.0	(0.0)	(0.0)	(0.0)	0.0	0.0	0.0
OPERATING INCOME	0.0	0.0	0.0	0.0	(0.0)	0.0	0.0	0.0	0.0
<i>Operating Margin</i>	4.5%	2.8%		17.1%	-15.4%	10.0%	2.6%	0.7%	7.9%
Interest and other financial income (expenses), net	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)
Foreign exchange gains (losses), net	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
INCOME BEFORE TAXES	0.0	0.0	0.0	0.0	(0.0)	0.0	0.0	(0.0)	0.0
Income Taxes	(0.0)	(0.0)	0.0	(0.0)	0.0	(0.0)	(0.0)	0.0	(0.0)
NET INCOME (LOSS)	0.0	(0.0)	0.0	0.0	(0.0)	0.0	0.0	0.0	0.0

✓ Revenues up by 15.4%

✓ Despite the decrease in gross margin resulting from the different product mix, slightly positive **net income** in 1H 2019 (break-even in 1H 2018)

Flexterra - Income Statement (46.73% *)

* equal to 33.79% at the beginning of the FY 2018 and to 46.73% from December 31, 2018, following the capital increases subscribed by the Group on October 5 and December 12 respectively

All figures in M€, unless otherwise stated

	1H 2019	1H 2018	Total difference	1Q 2018	2Q 2018	3Q 2018	4Q 2018	1Q 2019	2Q 2019
NET SALES	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Cost of goods sold	(0.0)	(0.0)	0.0	0.0	(0.0)	(0.0)	0.0	0.0	(0.0)
GROSS PROFIT	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<i>Gross Margin</i>	<i>n.s.</i>	<i>n.s.</i>		<i>n.s.</i>	<i>n.s.</i>	<i>n.s.</i>	<i>n.s.</i>	<i>n.s.</i>	<i>n.s.</i>
Operating expenses	(1.1)	(0.7)	(0.3)	(0.3)	(0.4)	(0.3)	(0.4)	(0.5)	(0.5)
Other income (expenses), net	0.0	(0.0)	0.0	0.0	(0.0)	0.0	(0.0)	0.0	0.0
OPERATING INCOME	(1.1)	(0.7)	(0.3)	(0.3)	(0.4)	(0.3)	(0.4)	(0.5)	(0.5)
<i>Operating Margin</i>	<i>n.s.</i>	<i>n.s.</i>		<i>n.s.</i>	<i>n.s.</i>	<i>n.s.</i>	<i>n.s.</i>	<i>n.s.</i>	<i>n.s.</i>
Interest and other financial income (expenses), net	0.0	(0.0)	0.0	(0.0)	0.0	0.0	0.0	0.0	0.0
Foreign exchange gains (losses), net	(0.0)	(0.0)	0.0	0.0	(0.0)	0.0	0.0	(0.0)	(0.0)
INCOME BEFORE TAXES	(1.1)	(0.7)	(0.3)	(0.3)	(0.5)	(0.3)	(0.4)	(0.5)	(0.5)
Income Taxes	0.0	0.0	0.0	0.0	0.0	0.0	0.0	(0.1)	0.1
NET INCOME (LOSS)	(1.1)	(0.7)	(0.3)	(0.3)	(0.5)	(0.3)	(0.4)	(0.6)	(0.4)

- ✓ **Net loss** equal to -€2.3 million in 1H 2019 (mainly, costs for personnel employed in research activities and in general and administrative activities, consultancy fees, costs related to the management of patents and amortization of intangible assets, including intellectual property)
- ✓ Higher loss, compared to 1H 2018, mainly due to the depreciation of the IP sold during the current semester to the JV by E.T.C. S.r.l. in liquidation

Total Income Statement of the Group

(achieved by incorporating the JVs with the proportional method instead of the equity method)

All figures in M€, unless otherwise stated

	1H 2019	Actuator Solutions		SAES RIAL Vacuum S.r.l.		Flexterra		1H 2019 Total IS of the Group
		50% Actuator Solutions	Eliminations & other adjs	49% SAES RIAL Vacuum S.r.l.	Eliminations & other adjs	46.73% Flexterra	Eliminations & other adjs	
NET SALES	88.5	5.5	-0.3	0.6	0.0	0.0	0.0	94.2
GROSS PROFIT	37.8	1.0	0.0	0.1	0.0	0.0	0.0	38.9
<i>Gross Margin</i>	<i>42.7%</i>	<i>18.5%</i>		<i>17.6%</i>		<i>n.s.</i>		<i>41.3%</i>
Total operating expenses	-26.8	-1.0		-0.1		-1.1		-28.9
Other income (expenses), net	2.3	-0.2		0.0		0.0		2.2
OPERATING INCOME	13.4	-0.2	0.0	0.0	0.0	-1.1	0.0	12.2
<i>Operating Margin</i>	<i>15.2%</i>	<i>-3.7%</i>		<i>4.5%</i>		<i>n.s.</i>		<i>12.9%</i>
Interest and other financial income (expenses), net	3.1	-0.1		0.0		0.0		2.94
Write down of financial receivables from related parties	-0.2		0.0					-0.2
Income (loss) from equity method evaluated companies	-1.0				0.0		1.1	0.0
Foreign exchange gains (losses), net	0.0	0.0		0.0		0.0		-0.1
INCOME BEFORE TAXES	15.2	-0.4	0.0	0.0	0.0	-1.1	1.1	14.8
Income Taxes	-6.2	0.0		0.0		0.0		-6.2
NET INCOME from continued operations	9.0	-0.4	0.0	0.0	0.0	-1.1	1.1	8.6
<i>Net Margin</i>	<i>10.1%</i>	<i>-6.8%</i>		<i>2.6%</i>		<i>n.s.</i>		<i>9.1%</i>
Net income (loss) from discontinued operations	0.2							0.2
NET INCOME before minority interests	9.1	-0.4	0.0	0.0	0.0	-1.1	1.1	8.8
<i>Net Margin</i>	<i>10.3%</i>	<i>-6.8%</i>		<i>2.6%</i>		<i>n.s.</i>		<i>9.3%</i>
Minority interests	0.0							0.0
GROUP NET INCOME	9.1	-0.4	0.0	0.0	0.0	-1.1	1.1	8.8
<i>Net Margin</i>	<i>10.3%</i>	<i>-6.8%</i>		<i>2.6%</i>		<i>n.s.</i>		<i>9.3%</i>

Net Financial Position

All figures in M€, unless otherwise stated

	Jun 30, 2019	Mar 31, 2019	Dec 31, 2018	Sep 30, 2018	Jun 30, 2018
Cash and cash equivalents	41.8	72.7	170.6	275.0	302.6
Current financial assets	71.3	96.4	0.0	1.0	0.9
Current financial liabilities	(34.3)	(33.8)	(33.8)	(34.2)	(40.6)
Current net financial position	78.9	135.3	136.8	241.8	262.9
Non current financial assets	131.3	101.3	99.9	8.0	8.0
Non current financial liabilities	(105.2)	(12.5)	(13.3)	(15.2)	(22.0)
Non current financial position	26.1	88.8	86.5	(7.2)	(13.9)
NET FINANCIAL POSITION	105.0	224.1	223.3	234.6	249.0

✓ Worsening compared to March 31, 2019 mainly due to:

- **purchase of treasury shares** (-€93.4 million, including ancillary expenses)
- payment of **dividends** at the beginning of May 2019 (-€16.6 million)
- purchase of the **Memry Corp building** at the beginning of May (-€4.9 million, net of the advance payment of €0.3 million paid at the end of 2018)

Cash Flows

All figures in M€, unless otherwise stated

	1H 2019	1H 2018
Net income (loss) from continued operations	9.0	2.7
Net income (loss) from discontinued operations	0.2	239.9
Current income taxes	4.6	10.4
Change in deferred income taxes	1.6	(5.3)
Depreciation, amortization and write down of non current assets	4.6	4.2
Net loss (gain) on disposal of assets	(2.3)	0.0
Net gain on purification business disposal	(0.2)	(227.5)
Interests and other financial income, net	(1.8)	1.0
Other non-monetary costs	(0.5)	(2.6)
	15.1	22.9
Change in operating assets and liabilities	(7.0)	(6.5)
Payments of termination indemnities and similar obligations	(0.2)	(0.1)
Financial income received, net of payment of interests	(0.1)	(0.2)
Payment of income taxes	(5.5)	(9.4)
Net cash flows from operating activities	2.3	6.7 (*)
Purchase of tangible and intangible assets, net of proceeds from sales	(11.0)	(7.3)
Sale of intellectual property to related parties	2.3	0.0
Purchase of securities, net of disinvestments	(100.5)	0.0
Income from securities, net of commissions	0.9	0.0
Advances paid for the purchase of investments	(1.1)	0.0
Adjustment on price paid for the acquisition of shareholding in subsidiaries	0.0	(0.1)
Price paid for the acquisition of businesses	0.0	(0.1)
Consideration for the purification business disposal, net of the disposed cash	0.0	300.8
Ancillary monetary charges for the purification business disposal	0.0	(19.6)
Adjustment on consideration for the purification business disposal	(0.4)	0.0
Net cash flows from investing activities	(109.7)	273.7 (**)
Proceeds from debts, net of repayments	89.5	9.7
Dividends payment	(16.6)	(15.4)
Interests and other expenses paid on loans	(0.1)	(0.3)
Financing receivables from related parties	0.0	(0.2)
Repayment of financial liabilities for leased assets (interests included)	(0.7)	0.0
Purchase of treasury shares and related accessory costs	(93.4)	0.0
Other financial liabilities/assets	0.0	0.0
Net cash flows from financing activities	(21.2)	(6.3)
Effect of exchange rate differences	0.2	0.6
TOTAL CASH FLOWS	(128.5)	274.7

(*) of which €11.6 million from discontinued operations.

(**) of which €280.8 million from discontinued operations.

IFRS 16-Leases – first time adoption

All figures in M€, unless otherwise stated

✓ Main effects at June 30, 2019:

- lower rental costs for €0.7 million
- increase in amortization for €0.7 million
- recording among the non-current assets of a right of use of €3.4 million
- recording of financial debts amounting to €3.4 million

P&L figures	1H 2019	1H 2019 without IFRS 16 adoption	1H 2018
CONSOLIDATED OPERATING INCOME	13.4	13.4	7.9
<i>% on sales</i>	<i>15.2%</i>	<i>15.1%</i>	<i>10.4%</i>
CONSOLIDATED EBITDA	18.0	17.3	11.7
<i>% on sales</i>	<i>20.3%</i>	<i>19.5%</i>	<i>15.5%</i>
CONSOLIDATED INCOME (LOSS) BEFORE TAXES	15.2	15.2	6.9
<i>% on sales</i>	<i>17.2%</i>	<i>17.2%</i>	<i>9.1%</i>

Other information	Jun 30, 2019	Jun 30, 2019 without IFRS 16 adoption	Dec 31, 2018
CONSOLIDATED NET FINANCIAL POSITION	105.0	108.4	223.3

- We maintain a cautious optimism over the coming months, given the current uncertainties and tensions at international level

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
Giulio Canale

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

Thanks for your attention



E-mail: investor_relations@saes-group.com

www.saesgetters.com