

# The SAES<sup>®</sup> Group

## 3Q & 9M 2020 Consolidated Results



making **innovation happen**, together

# Highlights - QTD

*All figures in M€, unless otherwise stated*

- **3Q 2020 REVENUES IN LINE WITH 2Q 2020 DESPITE THE PENALIZING EFFECT OF EXCHANGE RATES, SHOWING AN ORGANIC DECREASE COMPARED TO 3Q 2019 DUE TO COVID-19 AND INTERNATIONAL TENSIONS**

P&L figures	3Q 2020	3Q 2019	Total difference	Difference %
CONSOLIDATED REVENUES	39.0	49.0	(10.0)	-20.4%
TOTAL REVENUES OF THE GROUP	41.1	52.2	(11.2)	-21.4%
CONSOLIDATED GROSS PROFIT	16.0	22.7	(6.7)	-29.6%
<i>% on sales</i>	41.0%	46.4%		
CONSOLIDATED OPERATING INCOME	2.9	9.5	(6.6)	-69.7%
<i>% on sales</i>	7.4%	19.4%		
CONSOLIDATED EBITDA	5.7	11.9	(6.2)	-51.8%
<i>% on sales</i>	14.7%	24.4%		
CONSOLIDATED INCOME (LOSS) BEFORE TAXES	3.7	11.7	(8.0)	-68.6%
<i>% on sales</i>	9.4%	23.8%		
CONSOLIDATED NET INCOME (LOSS)	2.7	8.7	(6.0)	-69.1%
<i>% on sales</i>	6.9%	17.8%		

# Highlights - YTD

All figures in M€, unless otherwise stated

P&L figures	9M 2020	9M 2019	Total difference	Difference %
CONSOLIDATED REVENUES	128.1	137.5	(9.4)	-6.8%
TOTAL REVENUES OF THE GROUP	134.6	146.5	(11.9)	-8.1%
CONSOLIDATED GROSS PROFIT	54.2	60.5	(6.3)	-10.4%
<i>% on sales</i>	42.3%	44.0%		
CONSOLIDATED OPERATING INCOME	14.0	22.9	(8.9)	-38.8%
<i>% on sales</i>	10.9%	16.7%		
CONSOLIDATED EBITDA	22.2	29.9	(7.7)	-25.6%
<i>% on sales</i>	17.3%	21.7%		
CONSOLIDATED INCOME (LOSS) BEFORE TAXES	7.4	26.9	(19.4)	-72.3%
<i>% on sales</i>	5.8%	19.5%		
CONSOLIDATED NET INCOME (LOSS)	3.1	17.9	(14.7)	-82.5%
<i>% on sales</i>	2.4%	13.0%		

Other information	Sep 30, 2020	Dec 31, 2019	Total difference	Difference %
CONSOLIDATED NET FINANCIAL POSITION	94.0	115.3	(21.3)	-18.5%
CAPEX	9.2	24.2	(15.0)	-62.0%
SECURITIES FAIR VALUE	201.2	205.5	(4.2)	-2.1%

# Metallurgy Division Sales

All figures in M€, unless otherwise stated



Metallurgy Division  
37.6%

	3Q 2020	3Q 2019	Total difference %	Organic change %	Exchange rate effect %
Security & Defense	3.4	3.5	-4.2%	-0.9%	-3.3%
Electronic Devices	5.2	3.6	44.7%	50.0%	-5.3%
Healthcare Diagnostics	0.9	1.0	-14.6%	-12.5%	-2.1%
Lamps	0.6	1.0	-41.4%	-39.4%	-2.0%
Thermal Insulated Devices	0.6	0.7	-21.1%	-17.9%	-3.2%
Sintered Components for Electronic Devices & Lasers	1.8	1.8	-1.7%	3.3%	-5.0%
SMA Industrial	2.2	5.2	-56.7%	-55.7%	-1.0%
<b>Metallurgy Division</b>	<b>14.6</b>	<b>16.8</b>	<b>-13.1%</b>	<b>-10.0%</b>	<b>-3.1%</b>

	1Q 2019	2Q 2019	3Q 2019	4Q 2019	1Q 2020	2Q 2020	3Q 2020
Security & Defense	3.6	2.7	3.5	2.9	4.6	4.9	3.4
Electronic Devices	3.5	4.0	3.6	3.2	4.2	3.5	5.2
Healthcare Diagnostics	1.2	1.2	1.0	1.0	1.7	1.1	0.9
Lamps	1.1	1.2	1.0	0.8	1.1	0.9	0.6
Thermal Insulated Devices	0.9	0.9	0.7	0.8	1.0	0.7	0.6
Sintered Components for Electronic Devices & Lasers	2.4	2.1	1.8	2.1	2.1	1.7	1.8
SMA Industrial	3.7	4.6	5.2	3.5	3.9	2.3	2.2
<b>Metallurgy Division</b>	<b>16.4</b>	<b>16.8</b>	<b>16.8</b>	<b>14.4</b>	<b>18.4</b>	<b>15.1</b>	<b>14.6</b>

✓ **Revenues organically increased** only in:

- **Electronic Devices Business** (mainly driven by infrared applications in thermal sensors for temperature measurements), favored by the recent Covid-19 crisis
- **Sintered Components for Electronic Devices & Lasers Business** (higher sales in the thermal dissipation sector for semiconductor lasers)

✓ All the other sectors recorded an **organic decrease** (generally due to Covid-19 crisis, apart from the lamps business, because of the structural crisis in the market of fluorescent and discharge intensity lamps)

# Vacuum Technology Division Sales



Vacuum Technology Division  
6.5%

All figures in M€, unless otherwise stated

	3Q 2020	3Q 2019	Total difference %	Organic change %	Exchange rate effect %
Solutions for Vacuum Systems	3.0	2.0	48.8%	52.4%	-3.6%
<b>Vacuum Technology Division</b>	<b>3.0</b>	<b>2.0</b>	<b>48.8%</b>	<b>52.4%</b>	<b>-3.6%</b>

	1Q 2019	2Q 2019	3Q 2019	4Q 2019	1Q 2020	2Q 2020	3Q 2020
Solutions for Vacuum Systems	3.1	2.5	2.0	3.0	2.4	2.9	3.0
<b>Vacuum Technology Division</b>	<b>3.1</b>	<b>2.5</b>	<b>2.0</b>	<b>3.0</b>	<b>2.4</b>	<b>2.9</b>	<b>3.0</b>

- ✓ **Organic increase (+52.4%):** 3Q benefited from higher sales in the particle accelerators and electronic microscopes sectors, as well as from the recovery in sales of pumps to research laboratories, mainly in China

# Medical Division Sales

All figures in M€, unless otherwise stated



Medical Division  
44.2%

	3Q 2020	3Q 2019	Total difference %	Organic change %	Exchange rate effect %
Nitinol for Medical Devices	16.4	22.8	-28.0%	-24.3%	-3.7%
<b>Medical Division</b>	<b>16.4</b>	<b>22.8</b>	<b>-28.0%</b>	<b>-24.3%</b>	<b>-3.7%</b>

	1Q 2019	2Q 2019	3Q 2019	4Q 2019	1Q 2020	2Q 2020	3Q 2020
Nitinol for Medical Devices	20.1	21.2	22.8	20.9	21.6	18.6	16.4
<b>Medical Division</b>	<b>20.1</b>	<b>21.2</b>	<b>22.8</b>	<b>20.9</b>	<b>21.6</b>	<b>18.6</b>	<b>16.4</b>

- ✓ **Organic decrease (-24.3%)** mainly because of the strong reduction in the demand for medical devices following the suspension of elective surgeries by hospitals, in order to focus resources on Covid-19 cases

# Specialty Chemicals Division Sales



Specialty Chemicals Division  
6.6%

All figures in M€, unless otherwise stated

	3Q 2020	3Q 2019	Total difference %	Organic change %	Exchange rate effect %
Functional Dispensable Products	3.4	5.0	-31.9%	-31.5%	-0.4%
<b>Specialty Chemicals Division</b>	<b>3.4</b>	<b>5.0</b>	<b>-31.9%</b>	<b>-31.5%</b>	<b>-0.4%</b>

	1Q 2019	2Q 2019	3Q 2019	4Q 2019	1Q 2020	2Q 2020	3Q 2020
Functional Dispensable Products	0.9	2.5	5.0	3.9	4.3	0.7	3.4
<b>Specialty Chemicals Division</b>	<b>0.9</b>	<b>2.5</b>	<b>5.0</b>	<b>3.9</b>	<b>4.3</b>	<b>0.7</b>	<b>3.4</b>

- ✓ **Organic decrease (-31.5%)** due to the different timing of orders in the segment of advanced components for the consumer electronics market

# Advanced Packaging Division Sales



Advanced Packaging Division  
5.1%

All figures in M€, unless otherwise stated

	3Q 2020	3Q 2019	Total difference %	Organic change %	Exchange rate effect %
Advanced Coatings	1.5	2.3	-33.2%	-33.2%	0.0%
<b>Advanced Packaging Division</b>	<b>1.5</b>	<b>2.3</b>	<b>-33.2%</b>	<b>-33.2%</b>	<b>0.0%</b>

	1Q 2019	2Q 2019	3Q 2019	4Q 2019	1Q 2020	2Q 2020	3Q 2020
Advanced Coatings	2.6	2.4	2.3	2.7	2.6	2.4	1.5
<b>Advanced Packaging Division</b>	<b>2.6</b>	<b>2.4</b>	<b>2.3</b>	<b>2.7</b>	<b>2.6</b>	<b>2.4</b>	<b>1.5</b>

- ✓ **3Q 2020 and 3Q 2019 figures are not comparable**, since the offer of 3Q 2020 no longer included traditional metallized products, whose production was suspended at the end of June
- ✓ **3Q 2020 sales completely attributable to innovative lacquered products** for recyclable and compostable applications, for which a significant double-digit growth was recorded compared to 3Q 2019



# Consolidated Net Sales – 2020 quarterly trend

All figures in M€, unless otherwise stated

	1Q 2020	2Q 2020	3Q 2020
Security & Defense	4.6	4.9	3.4
Electronic Devices	4.2	3.5	5.2
Healthcare Diagnostics	1.7	1.1	0.9
Lamps	1.1	0.9	0.6
Thermal Insulated Devices	1.0	0.7	0.6
Sintered Components for Electronic Devices & Lasers	2.1	1.7	1.8
SMA Industrial	3.9	2.3	2.2
<b>Metallurgy Division</b>	<b>18.4</b>	<b>15.1</b>	<b>14.6</b>
Solutions for Vacuum Systems	2.4	2.9	3.0
<b>Vacuum Technology Division</b>	<b>2.4</b>	<b>2.9</b>	<b>3.0</b>
Nitinol for Medical Devices	21.6	18.6	16.4
<b>Medical Division</b>	<b>21.6</b>	<b>18.6</b>	<b>16.4</b>
Functional Dispensable Products	4.3	0.7	3.4
<b>Specialty Chemicals Division</b>	<b>4.3</b>	<b>0.7</b>	<b>3.4</b>
Advanced Coatings	2.6	2.4	1.5
<b>Advanced Packaging Division</b>	<b>2.6</b>	<b>2.4</b>	<b>1.5</b>
<b>Consolidated net sales</b>	<b>49.3</b>	<b>39.8</b>	<b>39.0</b>

# Consolidated Net Sales – 3Q 2020 vs. 2Q 2020

All figures in M€, unless otherwise stated

	3Q 2020	2Q 2020	Total difference %	Organic change %	Exchange rate effect %
Security & Defense	3.4	4.9	-31.7%	-29.1%	-2.6%
Electronic Devices	5.2	3.5	47.8%	54.0%	-6.2%
Healthcare Diagnostics	0.9	1.1	-19.6%	-17.2%	-2.4%
Lamps	0.6	0.9	-34.7%	-32.2%	-2.5%
Thermal Insulated Devices	0.6	0.7	-22.8%	-19.1%	-3.7%
Sintered Components for Electronic Devices & Lasers	1.8	1.7	7.7%	14.3%	-6.6%
SMA Industrial	2.2	2.3	-3.6%	-1.0%	-2.6%
<b>Metallurgy Division</b>	<b>14.6</b>	<b>15.1</b>	<b>-3.4%</b>	<b>0.5%</b>	<b>-3.9%</b>
Solutions for Vacuum Systems	3.0	2.9	3.3%	6.2%	-2.9%
<b>Vacuum Technology Division</b>	<b>3.0</b>	<b>2.9</b>	<b>3.3%</b>	<b>6.2%</b>	<b>-2.9%</b>
Nitinol for Medical Devices	16.4	18.6	-11.4%	-6.0%	-5.4%
<b>Medical Division</b>	<b>16.4</b>	<b>18.6</b>	<b>-11.4%</b>	<b>-6.0%</b>	<b>-5.4%</b>
Functional Dispensable Products	3.4	0.7	354.6%	357.8%	-3.2%
<b>Specialty Chemicals Division</b>	<b>3.4</b>	<b>0.7</b>	<b>354.6%</b>	<b>357.8%</b>	<b>-3.2%</b>
Advanced Coatings	1.5	2.4	-38.0%	-38.0%	0.0%
<b>Advanced Packaging Division</b>	<b>1.5</b>	<b>2.4</b>	<b>-38.0%</b>	<b>-38.0%</b>	<b>0.0%</b>
<b>Consolidated net sales</b>	<b>39.0</b>	<b>39.8</b>	<b>-2.1%</b>	<b>2.2%</b>	<b>-4.3%</b>

- ✓ **Net revenues** substantially in line with 2Q 2020, despite the negative **exchange rate effect** (+2.2% increase in revenues by excluding such effect)
- ✓ Likewise 2Q 2020, also 3Q negatively impacted by the effects of the **Covid-19 pandemic** (in particular the **medical segment of Nitinol**, penalized by the elective surgeries postponements)
- ✓ The **industrial SMAs segment** also affected by international tensions between USA and China

# 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

	3Q 2020	3Q 2019	Total difference	Difference %
<b>Consolidated sales</b>	<b>39.0</b>	<b>49.0</b>	<b>(10.0)</b>	<b>-20.4%</b>
50% Actuator Solutions sales	1.5	2.9	(1.4)	-49.2%
49% SAES RIAL Vacuum S.r.l. sales	0.8	0.5	0.3	45.7%
46.73% Flexterra sales	0.0	0.0	0.0	0.0%
Eliminations & other adjs	(0.2)	(0.2)	(0.0)	28.1%
<b>Total revenues of the Group</b>	<b>41.1</b>	<b>52.2</b>	<b>(11.2)</b>	<b>-21.4%</b>

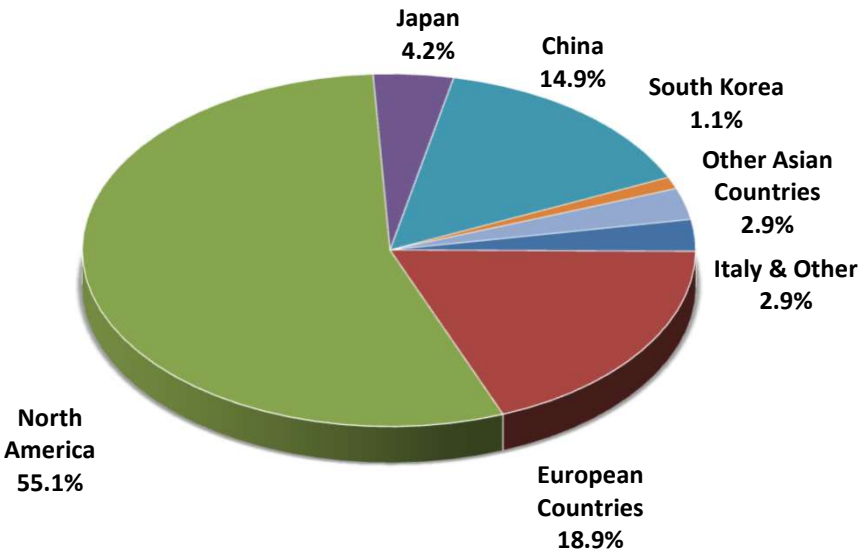
	1Q 2020	2Q 2020	3Q 2020	9M 2020
<b>Consolidated sales</b>	<b>49.3</b>	<b>39.8</b>	<b>39.0</b>	<b>128.1</b>
50% Actuator Solutions sales	2.2	1.7	1.5	5.4
49% SAES RIAL Vacuum S.r.l. sales	0.2	0.7	0.8	1.7
46.73% Flexterra sales	0.0	0.0	0.0	0.0
Eliminations & other adjs	(0.2)	(0.2)	(0.2)	(0.6)
<b>Total revenues of the Group</b>	<b>51.5</b>	<b>42.0</b>	<b>41.1</b>	<b>134.6</b>

	9M 2020	9M 2019	Total difference	Difference %
<b>Consolidated sales</b>	<b>128.1</b>	<b>137.5</b>	<b>(9.4)</b>	<b>-6.8%</b>
50% Actuator Solutions sales	5.4	8.4	(3.0)	-35.4%
49% SAES RIAL Vacuum S.r.l. sales	1.7	1.1	0.5	48.0%
46.73% Flexterra sales	0.0	0.0	0.0	242.9%
Eliminations & other adjs	(0.6)	(0.5)	(0.1)	29.3%
<b>Total revenues of the Group</b>	<b>134.6</b>	<b>146.5</b>	<b>(11.9)</b>	<b>-8.1%</b>

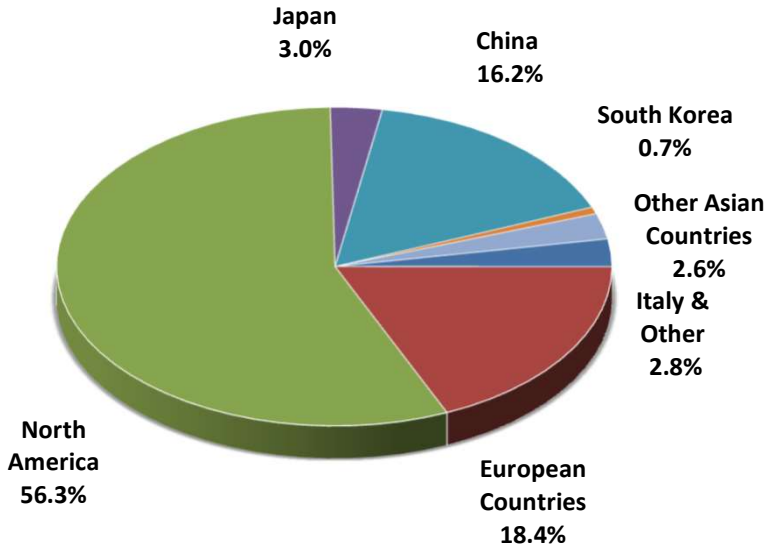
- ✓ **3Q 2020 total revenues of the Group** substantially in line with **2Q 2020**
- ✓ The **comparison with 3Q 2019** shows a decrease mainly due to the decrease in consolidated revenues (-20.4%) and to the decrease in the revenues of Actuator Solutions (-49.2%), despite higher sales in SAES RIAL Vacuum S.r.l. (+45.7%)

# Consolidated Sales by Geographic Area

9M 2020 - Total 128,096

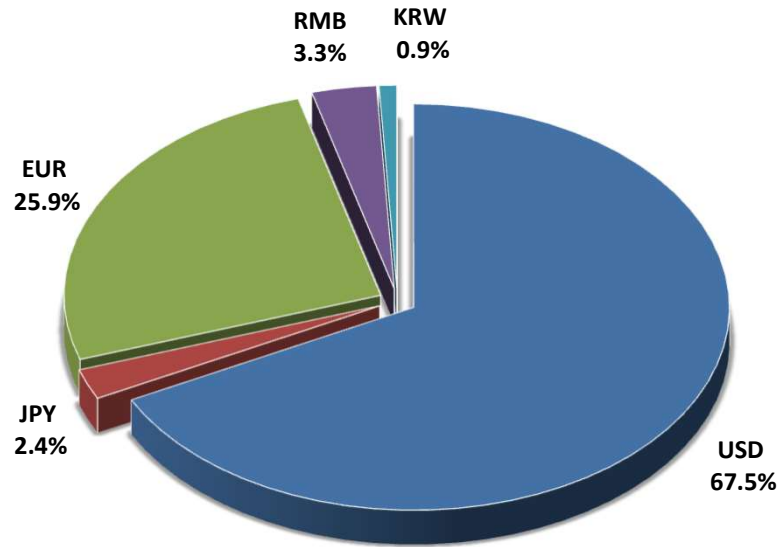


9M 2019 - Total 137,451

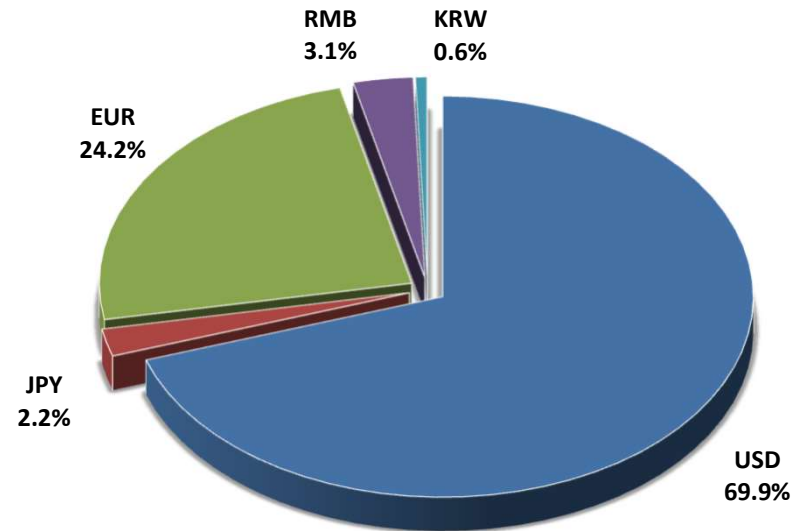


# Consolidated Sales by Invoicing Currency

9M 2020 - Total 128,096

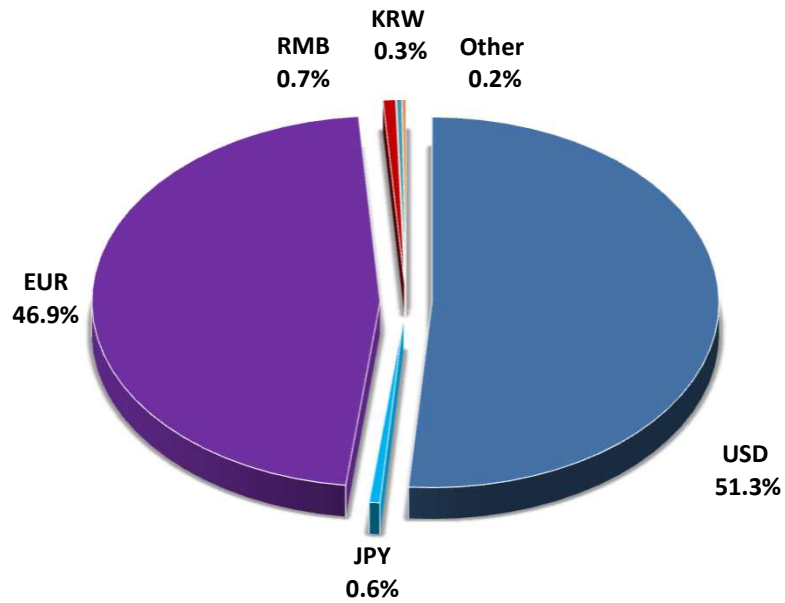


9M 2019 - Total 137,451

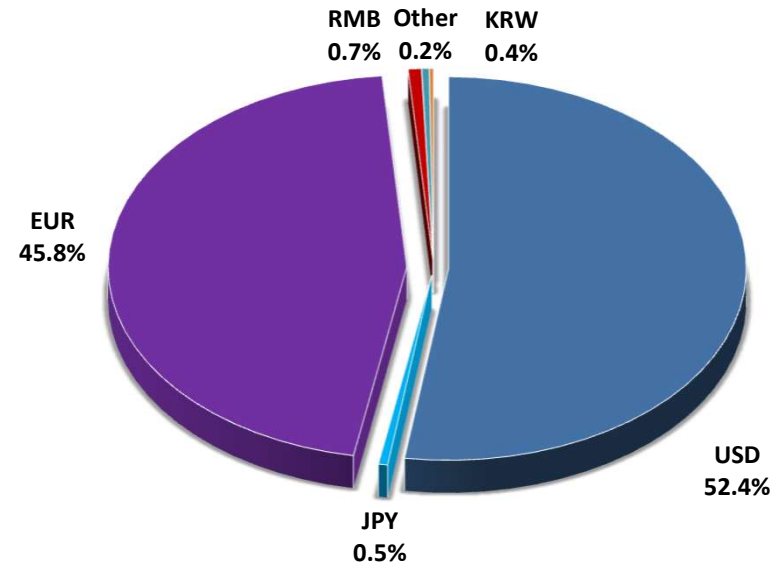


# Consolidated Costs\* by Currency

9M 2020 - Total 113,254



9M 2019 – Total 117,231



\* COGS and OPEX

# Metallurgy Division Margins

All figures in M€, unless otherwise stated

	3Q 2020	3Q 2019	Total difference
<b>NET SALES</b>	<b>14.6</b>	<b>16.8</b>	<b>(2.2)</b>
<b>GROSS PROFIT</b>	<b>6.9</b>	<b>9.2</b>	<b>(2.3)</b>
<i>Gross Margin</i>	47.2%	54.8%	
<b>OPERATING INCOME</b>	<b>4.3</b>	<b>6.6</b>	<b>(2.3)</b>
<i>Operating Margin</i>	29.3%	39.2%	

	9M 2020	9M 2019	Total difference
<b>NET SALES</b>	<b>48.2</b>	<b>50.1</b>	<b>(1.9)</b>
<b>GROSS PROFIT</b>	<b>24.0</b>	<b>26.4</b>	<b>(2.5)</b>
<i>Gross Margin</i>	49.8%	52.8%	
<b>OPERATING INCOME</b>	<b>15.5</b>	<b>18.3</b>	<b>(2.8)</b>
<i>Operating Margin</i>	32.2%	36.5%	

	1Q 2019	2Q 2019	3Q 2019	4Q 2019	1Q 2020	2Q 2020	3Q 2020
<b>NET SALES</b>	<b>16.4</b>	<b>16.8</b>	<b>16.8</b>	<b>14.4</b>	<b>18.4</b>	<b>15.1</b>	<b>14.6</b>
<b>GROSS PROFIT</b>	<b>8.8</b>	<b>8.4</b>	<b>9.2</b>	<b>7.3</b>	<b>9.6</b>	<b>7.5</b>	<b>6.9</b>
<i>Gross Margin</i>	53.5%	50.1%	54.8%	50.5%	52.0%	49.6%	47.2%
<b>OPERATING INCOME</b>	<b>5.8</b>	<b>5.9</b>	<b>6.6</b>	<b>4.3</b>	<b>6.6</b>	<b>4.6</b>	<b>4.3</b>
<i>Operating Margin</i>	35.1%	35.2%	39.2%	30.2%	36.0%	30.3%	29.3%

- ✓ Decrease in **gross profit** and **gross margin** almost entirely due to the **industrial SMAs sector**, heavily penalized by the Covid-19 effect, as well as by the international tensions between USA and China
- ✓ Decrease in **operating income** and **operating margin** due to the reduction in both revenues and gross profit, against unchanged operating expenses

# Vacuum Technology Division Margins

All figures in M€, unless otherwise stated

	3Q 2020	3Q 2019	Total difference
<b>NET SALES</b>	<b>3.0</b>	<b>2.0</b>	<b>1.0</b>
<b>GROSS PROFIT</b>	<b>1.9</b>	<b>1.3</b>	<b>0.5</b>
<i>Gross Margin</i>	62.0%	65.6%	
<b>OPERATING INCOME</b>	<b>1.0</b>	<b>0.5</b>	<b>0.5</b>
<i>Operating Margin</i>	34.3%	24.5%	

	9M 2020	9M 2019	Total difference
<b>NET SALES</b>	<b>8.4</b>	<b>7.5</b>	<b>0.8</b>
<b>GROSS PROFIT</b>	<b>5.2</b>	<b>4.2</b>	<b>1.0</b>
<i>Gross Margin</i>	61.5%	55.4%	
<b>OPERATING INCOME</b>	<b>2.5</b>	<b>1.5</b>	<b>1.0</b>
<i>Operating Margin</i>	29.3%	19.3%	

	1Q 2019	2Q 2019	3Q 2019	4Q 2019	1Q 2020	2Q 2020	3Q 2020
<b>NET SALES</b>	<b>3.1</b>	<b>2.5</b>	<b>2.0</b>	<b>3.0</b>	<b>2.4</b>	<b>2.9</b>	<b>3.0</b>
<b>GROSS PROFIT</b>	<b>1.7</b>	<b>1.2</b>	<b>1.3</b>	<b>1.5</b>	<b>1.4</b>	<b>1.9</b>	<b>1.9</b>
<i>Gross Margin</i>	54.2%	48.5%	65.6%	48.7%	58.7%	63.5%	62.0%
<b>OPERATING INCOME</b>	<b>0.7</b>	<b>0.2</b>	<b>0.5</b>	<b>0.3</b>	<b>0.5</b>	<b>0.9</b>	<b>1.0</b>
<i>Operating Margin</i>	23.4%	9.8%	24.5%	10.0%	20.9%	31.1%	34.3%

- ✓ Strong increase in the **gross profit** (+40.6%), while the **gross margin** was slightly down (from 65.6% to 62%) due to a different product mix
- ✓ **Operating income** doubled as the result of the increase in revenues and also the **operating margin** increased from 24.5% to 34.3%



# Medical Division Margins

All figures in M€, unless otherwise stated

	3Q 2020	3Q 2019	Total difference
<b>NET SALES</b>	16.4	22.8	(6.4)
<b>GROSS PROFIT</b>	6.1	10.0	(3.9)
<i>Gross Margin</i>	37.1%	43.7%	
<b>OPERATING INCOME</b>	4.2	7.4	(3.2)
<i>Operating Margin</i>	25.4%	32.4%	

	9M 2020	9M 2019	Total difference
<b>NET SALES</b>	56.6	64.1	(7.5)
<b>GROSS PROFIT</b>	22.0	26.5	(4.6)
<i>Gross Margin</i>	38.8%	41.4%	
<b>OPERATING INCOME</b>	15.7	19.4	(3.6)
<i>Operating Margin</i>	27.8%	30.2%	

	1Q 2019	2Q 2019	3Q 2019	4Q 2019	1Q 2020	2Q 2020	3Q 2020
<b>NET SALES</b>	20.1	21.2	22.8	20.9	21.6	18.6	16.4
<b>GROSS PROFIT</b>	7.5	9.1	10.0	9.1	8.0	7.8	6.1
<i>Gross Margin</i>	37.3%	42.7%	43.7%	43.5%	37.2%	42.1%	37.1%
<b>OPERATING INCOME</b>	5.4	6.6	7.4	6.8	5.8	5.8	4.2
<i>Operating Margin</i>	26.7%	31.2%	32.4%	32.5%	26.8%	31.1%	25.4%

- ✓ **Gross profit** down by 38.8% mainly due to the effect of the Covid-19 pandemic on revenues and to the costs related to the construction of a new tube production department in Bethel
- ✓ **Gross margin** decreased from 43.7% to 37.1% for the aforementioned reasons
- ✓ **Operating income**, as well as **operating margin** decreased as a consequence of the decrease in gross profit

# Specialty Chemicals Division Margins

All figures in M€, unless otherwise stated

	3Q 2020	3Q 2019	Total difference
<b>NET SALES</b>	3.4	5.0	(1.6)
<b>GROSS PROFIT</b>	1.0	2.0	(1.0)
<i>Gross Margin</i>	30.5%	41.0%	
<b>OPERATING INCOME</b>	0.6	1.5	(0.9)
<i>Operating Margin</i>	17.4%	29.9%	

	9M 2020	9M 2019	Total difference
<b>NET SALES</b>	8.4	8.5	(0.0)
<b>GROSS PROFIT</b>	2.4	2.8	(0.4)
<i>Gross Margin</i>	28.9%	33.2%	
<b>OPERATING INCOME</b>	1.1	3.9	(2.7)
<i>Operating Margin</i>	13.6%	45.6%	

	1Q 2019	2Q 2019	3Q 2019	4Q 2019	1Q 2020	2Q 2020	3Q 2020
<b>NET SALES</b>	0.9	2.5	5.0	3.9	4.3	0.7	3.4
<b>GROSS PROFIT</b>	(0.1)	0.8	2.0	(0.0)	1.1	0.3	1.0
<i>Gross Margin</i>	-8.8%	33.0%	41.0%	-0.1%	25.1%	43.0%	30.5%
<b>OPERATING INCOME</b>	(0.4)	2.7	1.5	(0.9)	0.6	0.0	0.6
<i>Operating Margin</i>	-41.2%	107.6%	29.9%	-23.6%	12.9%	0.4%	17.4%

- ✓ **Gross profit** decreased following the decrease in revenues
- ✓ **Gross margin** penalized also by the increased commercial pressure
- ✓ Decrease in gross profit also reflected in the **operating indicators**, only partially offset by a slight reduction in G&A expenses

# Advanced Packaging Division Margins

All figures in M€, unless otherwise stated

	3Q 2020	3Q 2019	Total difference		9M 2020	9M 2019	Total difference
NET SALES	1.5	2.3	(0.8)	NET SALES	6.5	7.3	(0.7)
GROSS PROFIT	0.1	0.1	0.0	GROSS PROFIT	0.7	0.6	0.1
<i>Gross Margin</i>	5.5%	5.9%		<i>Gross Margin</i>	10.6%	8.1%	
OPERATING INCOME	(0.6)	(0.7)	0.1	OPERATING INCOME	(1.7)	(2.0)	0.3
<i>Operating Margin</i>	-39.2%	-32.7%		<i>Operating Margin</i>	-26.3%	-27.8%	

	1Q 2019	2Q 2019	3Q 2019	4Q 2019	1Q 2020	2Q 2020	3Q 2020
NET SALES	2.6	2.4	2.3	2.7	2.6	2.4	1.5
GROSS PROFIT	0.3	0.1	0.1	0.0	0.2	0.4	0.1
<i>Gross Margin</i>	12.0%	6.1%	5.9%	0.2%	9.6%	14.7%	5.5%
OPERATING INCOME	(0.6)	(0.7)	(0.7)	(1.2)	(0.6)	(0.6)	(0.6)
<i>Operating Margin</i>	-23.5%	-27.7%	-32.7%	-44.7%	-22.1%	-22.6%	-39.2%

- ✓ **Gross margin** substantially unchanged despite the decrease in sales, thanks to the replacement of metallized products with lacquered ones, characterized by a higher industrial added value
- ✓ **Operating loss** slightly decreased as a result of the reduction in operating expenses, in particular selling expenses, which reflected the trend in revenues

# Not Allocated Costs

All figures in M€, unless otherwise stated

	3Q 2020	3Q 2019	Total difference
<b>NET SALES</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>GROSS PROFIT</b>	<b>0.0</b>	<b>0.0</b>	<b>(0.0)</b>
<i>Gross Margin</i>	<i>n.a.</i>	<i>n.a.</i>	
Total operating expenses	(6.6)	(5.7)	(0.9)
Other income (expenses), net	(0.0)	(0.1)	0.0
<b>OPERATING INCOME</b>	<b>(6.6)</b>	<b>(5.8)</b>	<b>(0.9)</b>
<i>Operating Margin</i>	<i>n.a.</i>	<i>n.a.</i>	

	9M 2020	9M 2019	Total difference
<b>NET SALES</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>GROSS PROFIT</b>	<b>0.0</b>	<b>0.0</b>	<b>(0.0)</b>
<i>Gross Margin</i>	<i>n.a.</i>	<i>n.a.</i>	
Total operating expenses	(18.3)	(17.8)	(0.5)
Other income (expenses), net	(0.8)	(0.2)	(0.6)
<b>OPERATING INCOME</b>	<b>(19.1)</b>	<b>(18.0)</b>	<b>(1.1)</b>
<i>Operating Margin</i>	<i>n.a.</i>	<i>n.a.</i>	

	1Q 2019	2Q 2019	3Q 2019	4Q 2019	1Q 2020	2Q 2020	3Q 2020
<b>NET SALES</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>GROSS PROFIT</b>	<b>0.0</b>	<b>(0.0)</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>(0.0)</b>	<b>(0.0)</b>
<i>Gross Margin</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>
Total operating expenses	(6.1)	(6.0)	(5.7)	(5.4)	(5.5)	(6.2)	(6.6)
Other income (expenses), net	(0.1)	(0.1)	(0.1)	(0.0)	(0.6)	(0.2)	(0.0)
<b>OPERATING INCOME</b>	<b>(6.2)</b>	<b>(6.1)</b>	<b>(5.8)</b>	<b>(5.4)</b>	<b>(6.1)</b>	<b>(6.4)</b>	<b>(6.6)</b>
<i>Operating Margin</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>

- ✓ Increase in the **operating costs** mainly attributable to the **extraordinary expenses for the Covid-19 pandemic** (about €0.2 million) and **consultancy costs** (especially in the IT area for the implementation of new information systems)

# Consolidated Income Statement – 3Q 2020

All figures in M€, unless otherwise stated

	3Q 2020	3Q 2019	Total difference
<b>NET SALES</b>	<b>39.0</b>	<b>49.0</b>	<b>(10.0)</b>
<b>GROSS PROFIT</b>	<b>16.0</b>	<b>22.7</b>	<b>(6.7)</b>
<i>Gross Margin</i>	41.0%	46.4%	
R&D expenses	(2.5)	(2.7)	0.2
Selling expenses	(2.6)	(3.2)	0.6
G&A expenses	(8.0)	(7.3)	(0.7)
<b>Total operating expenses</b>	<b>(13.0)</b>	<b>(13.2)</b>	<b>0.2</b>
Other income (expenses), net	(0.1)	(0.0)	(0.0)
<b>OPERATING INCOME</b>	<b>2.9</b>	<b>9.5</b>	<b>(6.6)</b>
<i>Operating Margin</i>	7.4%	19.4%	
Interest and other financial income (expenses), net	1.7	2.6	(0.9)
Write down of financial receivables and other financial assets	(0.1)	(0.1)	0.0
Income (loss) from equity method evaluated companies	(0.6)	(0.3)	(0.2)
Write down of investments accounted for using the equity method	0.0	0.0	0.0
Foreign exchange gains (losses), net	(0.2)	0.1	(0.3)
<b>INCOME BEFORE TAXES</b>	<b>3.7</b>	<b>11.7</b>	<b>(8.0)</b>
Income taxes	(1.0)	(2.9)	2.0
<b>NET INCOME from continued operations</b>	<b>2.7</b>	<b>8.8</b>	<b>(6.1)</b>
<i>Net Margin</i>	6.9%	17.9%	
Net income from discontinued operations	0.0	(0.0)	0.0
<b>NET INCOME before minority interests</b>	<b>2.7</b>	<b>8.7</b>	<b>(6.0)</b>
<i>Net Margin</i>	6.9%	17.8%	
Minority interests	0.0	0.0	0.0
<b>GROUP NET INCOME</b>	<b>2.7</b>	<b>8.7</b>	<b>(6.0)</b>
<i>Net Margin</i>	6.9%	17.8%	

# Consolidated Income Statement – 9M 2020

All figures in M€, unless otherwise stated

	9M 2020	9M 2019	Total difference	1Q 2020	2Q 2020	3Q 2020
<b>NET SALES</b>	<b>128.1</b>	<b>137.5</b>	<b>(9.4)</b>	<b>49.3</b>	<b>39.8</b>	<b>39.0</b>
<b>GROSS PROFIT</b>	<b>54.2</b>	<b>60.5</b>	<b>(6.3)</b>	<b>20.4</b>	<b>17.9</b>	<b>16.0</b>
<i>Gross Margin</i>	42.3%	44.0%		41.3%	44.9%	41.0%
R&D expenses	(7.8)	(8.3)	0.5	(2.6)	(2.7)	(2.5)
Selling expenses	(8.2)	(9.4)	1.2	(3.0)	(2.6)	(2.6)
G&A expenses	(23.3)	(22.3)	(1.1)	(7.3)	(8.1)	(8.0)
<b>Total operating expenses</b>	<b>(39.4)</b>	<b>(40.0)</b>	<b>0.6</b>	<b>(12.9)</b>	<b>(13.4)</b>	<b>(13.0)</b>
Other income (expenses), net	(0.8)	2.3	(3.1)	(0.6)	(0.2)	(0.1)
<b>OPERATING INCOME</b>	<b>14.0</b>	<b>22.9</b>	<b>(8.9)</b>	<b>6.8</b>	<b>4.3</b>	<b>2.9</b>
<i>Operating Margin</i>	10.9%	16.7%		13.9%	10.8%	7.4%
Interest and other financial income (expenses), net	(4.6)	5.6	(10.2)	(10.2)	4.0	1.7
Write down of financial receivables and other financial assets	(0.3)	(0.3)	(0.0)	(0.1)	(0.1)	(0.1)
Income (loss) from equity method evaluated companies	(1.5)	(1.4)	(0.1)	(0.6)	(0.3)	(0.6)
Write down of investments accounted for using the equity method	0.0	0.0	0.0	0.0	0.0	0.0
Foreign exchange gains (losses), net	(0.2)	0.1	(0.3)	0.0	(0.1)	(0.2)
<b>INCOME BEFORE TAXES</b>	<b>7.4</b>	<b>26.9</b>	<b>(19.4)</b>	<b>(4.1)</b>	<b>7.8</b>	<b>3.7</b>
Income taxes	(4.3)	(9.1)	4.9	(1.0)	(2.3)	(1.0)
<b>NET INCOME from continued operations</b>	<b>3.1</b>	<b>17.7</b>	<b>(14.6)</b>	<b>(5.1)</b>	<b>5.5</b>	<b>2.7</b>
<i>Net Margin</i>	2.4%	12.9%		-10.3%	13.8%	6.9%
Net income from discontinued operations	0.0	0.1	(0.1)	0.0	0.0	0.0
<b>NET INCOME before minority interests</b>	<b>3.1</b>	<b>17.9</b>	<b>(14.7)</b>	<b>(5.1)</b>	<b>5.5</b>	<b>2.7</b>
<i>Net Margin</i>	2.4%	13.0%		-10.3%	13.8%	6.9%
Minority interests	0.0	0.0	0.0	0.0	0.0	0.0
<b>GROUP NET INCOME</b>	<b>3.1</b>	<b>17.9</b>	<b>(14.7)</b>	<b>(5.1)</b>	<b>5.5</b>	<b>2.7</b>
<i>Net Margin</i>	2.4%	13.0%		-10.3%	13.8%	6.9%

# Covid-19 One-offs YTD

All figures in M€, unless otherwise stated

Covid-19 one-offs	9M 2020					Total
	Direct Labor	Manufacturing Overhead	R&D expenses	SE expenses	G&A expenses	
Personnel cost	(0.1)	(0.1)	(0.0)	(0.0)	0.0	(0.2) (*)
Maintenance and repairs					0.1	0.1
Material and office material					0.1	0.1
Transports					0.0	0.0
Consultant fees					0.1	0.1
General services (canteen, cleaning, vigilance, etc.)					0.1	0.1
Training					0.0	0.0
<b>Total COGS and OPEX</b>	<b>(0.1)</b>	<b>(0.1)</b>	<b>(0.0)</b>	<b>(0.0)</b>	<b>0.5</b>	<b>0.3</b>

(\*) The amount is composed by:

- CIGO savings in the Lainate plant of the Parent Company, equal to -55 thousands of euro;
- savings for the US governmental measures to support companies and families, equal to -186 thousands of euro;
- additional personnel costs, equal to 42 thousands of euro.

Covid-19 one-offs	9M 2020
Other income	0.0
Other expenses	(0.7)
<b>Total other income (expenses)</b>	<b>(0.7)</b>

# Covid-19 One-offs QTD

*All figures in M€, unless otherwise stated*

Covid-19 one-offs	3Q 2020					Total
	Direct Labor	Manufacturing Overhead	R&D expenses	SE expenses	G&A expenses	
Personnel cost	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)
Maintenance and repairs					0.1	0.1
Material and office material					0.0	0.0
Transports					0.0	0.0
Consultant fees					0.1	0.1
General services (canteen, cleaning, vigilance, etc.)					0.1	0.1
Training					0.0	0.0
<b>Total COGS and OPEX</b>	<b>(0.0)</b>	<b>(0.0)</b>	<b>(0.0)</b>	<b>(0.0)</b>	<b>0.2</b>	<b>0.2</b>

Covid-19 one-offs	3Q 2020
Other income	0.0
Other expenses	(0.0)
<b>Total other income (expenses)</b>	<b>0.0</b>



# Actuator Solutions - Income Statement

All figures in M€, unless otherwise stated

	9M 2020	9M 2019	Total difference	1Q 2019	2Q 2019	3Q 2019	4Q 2019	1Q 2020	2Q 2020	3Q 2020
<b>NET SALES</b>	<b>10.8</b>	<b>16.7</b>	<b>(5.9)</b>	<b>5.5</b>	<b>5.5</b>	<b>5.8</b>	<b>4.5</b>	<b>4.5</b>	<b>3.4</b>	<b>2.9</b>
Cost of goods sold	(8.0)	(13.7)	5.7	(4.4)	(4.5)	(4.7)	(3.7)	(3.6)	(2.1)	(2.3)
<b>GROSS PROFIT</b>	<b>2.8</b>	<b>2.0</b>	<b>(0.2)</b>	<b>1.1</b>	<b>0.9</b>	<b>1.0</b>	<b>0.8</b>	<b>0.9</b>	<b>1.3</b>	<b>0.7</b>
<i>Gross Margin</i>	26.1%	12.1%		19.9%	17.1%	17.5%	17.3%	19.2%	38.0%	22.7%
Operating expenses	(2.0)	(3.2)	1.2	(1.1)	(1.0)	(1.1)	(0.7)	(0.6)	(0.7)	(0.7)
Other income (expenses), net	0.2	(0.3)	0.5	0.0	(0.4)	0.0	(0.1)	0.0	0.1	0.0
<b>OPERATING INCOME</b>	<b>1.0</b>	<b>(0.4)</b>	<b>1.5</b>	<b>0.1</b>	<b>(0.5)</b>	<b>(0.0)</b>	<b>(0.0)</b>	<b>0.2</b>	<b>0.8</b>	<b>(0.0)</b>
<i>Operating Margin</i>	9.5%	-2.6%		1.3%	-8.6%	-0.5%	-0.2%	5.5%	23.0%	-0.1%
Interest and other financial income (expenses), net	(0.5)	(0.4)	(0.0)	(0.1)	(0.2)	(0.1)	(0.2)	(0.2)	(0.1)	(0.1)
Foreign exchange gains (losses), net	(0.2)	(0.0)	(0.1)	0.0	(0.1)	0.0	(0.0)	(0.0)	(0.0)	(0.1)
<b>INCOME BEFORE TAXES</b>	<b>0.4</b>	<b>(0.9)</b>	<b>1.3</b>	<b>(0.0)</b>	<b>(0.7)</b>	<b>(0.1)</b>	<b>(0.3)</b>	<b>0.1</b>	<b>0.6</b>	<b>(0.3)</b>
Income Taxes	0.0	0.0	(0.0)	(0.0)	0.0	0.0	(1.7)	0.0	0.0	(0.0)
<b>NET INCOME (LOSS)</b>	<b>0.4</b>	<b>(0.9)</b>	<b>1.3</b>	<b>(0.1)</b>	<b>(0.7)</b>	<b>(0.1)</b>	<b>(1.9)</b>	<b>0.1</b>	<b>0.6</b>	<b>(0.3)</b>

- ✓ **Net sales** down by -35.4% in 9M 2020: the slowdown in the **automotive market**, significantly penalized by the Covid-19 crisis in the first two quarters of 2020, showed signs of a slight recovery only in the current quarter
- ✓ **Opportunity from Covid-19 in the medical sector**: €1.5 million sales from a contract for development, assembly and sale of devices for Covid-19 rapid diagnostic tests
- ✓ **Positive net result** in 9M 2020: despite the decrease in sales, the **gross margin** significantly improved, thanks both to the proceeds from third party engineering contracts characterized by higher margins and to the good margins of the medical business related to the Covid-19 pandemic. Also **operating expenses** decreased following the closing-down of the business of the two Asian subsidiaries

# SAES RIAL Vacuum - Income Statement

All figures in M€, unless otherwise stated

	9M 2020	9M 2019	Total difference	1Q 2019	2Q 2019	3Q 2019	4Q 2019	1Q 2020	2Q 2020	3Q 2020
<b>NET SALES</b>	<b>3.4</b>	<b>2.3</b>	<b>1.1</b>	<b>0.6</b>	<b>0.6</b>	<b>1.1</b>	<b>1.1</b>	<b>0.4</b>	<b>1.4</b>	<b>1.6</b>
Cost of goods sold	(2.6)	(1.5)	(1.2)	(0.5)	(0.5)	(0.5)	(1.0)	(0.5)	(1.0)	(1.2)
<b>GROSS PROFIT</b>	<b>0.8</b>	<b>0.8</b>	<b>(0.1)</b>	<b>0.1</b>	<b>0.1</b>	<b>0.6</b>	<b>0.1</b>	<b>(0.1)</b>	<b>0.4</b>	<b>0.5</b>
<i>Gross Margin</i>	22.8%	36.7%		16.9%	18.2%	56.9%	10.2%	-27.6%	29.2%	28.4%
Operating expenses	(0.4)	(0.3)	(0.1)	(0.1)	(0.1)	(0.1)	(0.2)	(0.1)	(0.1)	(0.1)
Other income (expenses), net	0.0	0.1	(0.0)	0.0	0.0	0.0	0.1	0.0	0.0	0.0
<b>OPERATING INCOME</b>	<b>0.4</b>	<b>0.6</b>	<b>(0.2)</b>	<b>0.0</b>	<b>0.1</b>	<b>0.5</b>	<b>0.0</b>	<b>(0.2)</b>	<b>0.3</b>	<b>0.3</b>
<i>Operating Margin</i>	12.1%	24.7%		0.2%	8.3%	46.1%	2.1%	-59.6%	20.5%	20.7%
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)	(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	0.0
<b>INCOME BEFORE TAXES</b>	<b>0.4</b>	<b>0.5</b>	<b>(0.2)</b>	<b>(0.0)</b>	<b>0.0</b>	<b>0.5</b>	<b>0.0</b>	<b>(0.2)</b>	<b>0.3</b>	<b>0.3</b>
Income Taxes	(0.1)	(0.2)	0.1	0.0	(0.0)	(0.1)	(0.0)	0.1	(0.1)	(0.1)
<b>NET INCOME (LOSS)</b>	<b>0.3</b>	<b>0.4</b>	<b>(0.1)</b>	<b>0.0</b>	<b>0.0</b>	<b>0.4</b>	<b>0.0</b>	<b>(0.2)</b>	<b>0.2</b>	<b>0.2</b>

- ✓ **Net sales** up by 48.1% in 9M 2020: after a 1Q 2020 heavily penalized by the delay of some large research projects, also due to the Covid-19 pandemic, in the following quarters the turnover increased, returning to the initially expected progressive levels
- ✓ Despite the increase in revenues, the decline in **gross margin** due to a different product mix caused a reduction in the **net income**

# Flexterra - Income Statement

All figures in M€, unless otherwise stated

	9M 2020	9M 2019	Total difference	1Q 2019	2Q 2019	3Q 2019	4Q 2019	1Q 2020	2Q 2020	3Q 2020
<b>NET SALES</b>	<b>0.1</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
Cost of goods sold	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	0.0	0.0	(0.0)	(0.0)	0.0
<b>GROSS PROFIT</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<i>Gross Margin</i>	47.1%	80.0%		85.7%	60.0%	100.0%	n.s.	46.7%	45.0%	100.0%
Operating expenses	(3.1)	(3.4)	0.3	(1.1)	(1.1)	(1.1)	(0.5)	(1.1)	(1.1)	(1.0)
Other income (expenses), net	0.0	0.0	0.0	0.0	(0.0)	0.0	(0.0)	0.0	0.0	0.0
<b>OPERATING INCOME</b>	<b>(3.1)</b>	<b>(3.4)</b>	<b>0.3</b>	<b>(1.1)</b>	<b>(1.1)</b>	<b>(1.1)</b>	<b>(0.5)</b>	<b>(1.1)</b>	<b>(1.1)</b>	<b>(1.0)</b>
<i>Operating Margin</i>	n.s.	n.s.		n.s.	n.s.	n.s.	n.s.	n.s.	n.s.	n.s.
Interest and other financial income (expenses), net	(0.1)	0.0	(0.1)	0.0	0.0	0.0	(0.0)	0.0	(0.0)	(0.0)
Foreign exchange gains (losses), net	0.1	(0.0)	0.2	(0.0)	(0.0)	0.0	0.1	(0.0)	0.1	0.1
<b>INCOME BEFORE TAXES</b>	<b>(3.0)</b>	<b>(3.4)</b>	<b>0.4</b>	<b>(1.1)</b>	<b>(1.1)</b>	<b>(1.1)</b>	<b>(0.5)</b>	<b>(1.1)</b>	<b>(1.0)</b>	<b>(0.9)</b>
Income Taxes	0.0	0.0	(0.0)	(0.2)	0.2	0.0	0.0	0.0	0.0	0.0
<b>NET INCOME (LOSS)</b>	<b>(3.0)</b>	<b>(3.4)</b>	<b>0.4</b>	<b>(1.3)</b>	<b>(0.9)</b>	<b>(1.1)</b>	<b>(0.5)</b>	<b>(1.1)</b>	<b>(0.9)</b>	<b>(0.9)</b>

- ✓ **Net loss** equal to -€3 million in 9M 2020, mainly due to 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
- ✓ Although with longer time than initially estimated, also due to the Covid-19 crisis, the start of the **production** and **sale activities** expected to begin at the end of the current year

# Total Income Statement of the Group YTD

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

All figures in M€, unless otherwise stated

	9M 2020	Actuator Solutions		SAES RIAL Vacuum S.r.l.		Flexterra		9M 2020 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	
<b>NET SALES</b>	<b>128.1</b>	<b>5.4</b>	<b>(0.2)</b>	<b>1.7</b>	<b>(0.4)</b>	<b>0.0</b>		<b>134.6</b>
Cost of sales	(73.9)	(4.0)	0.2	(1.3)	0.4	0.0		(78.6)
<b>GROSS PROFIT</b>	<b>54.2</b>	<b>1.4</b>	<b>0.0</b>	<b>0.4</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>56.0</b>
<i>Gross Margin</i>	42.3%	26.1%		22.8%		<i>n.s.</i>		41.6%
Total operating expenses	(39.4)	(1.0)	0.0	(0.2)	0.0	(1.4)	0.1	(41.9)
Other income (expenses), net	(0.8)	0.1		0.0		0.0		(0.7)
<b>OPERATING INCOME</b>	<b>14.0</b>	<b>0.5</b>	<b>0.0</b>	<b>0.2</b>	<b>0.0</b>	<b>(1.4)</b>	<b>0.1</b>	<b>13.4</b>
<i>Operating Margin</i>	10.9%	9.5%		12.1%		<i>n.s.</i>		9.9%
Interest and other financial income (expenses), net	(4.9)	(0.2)	0.2	(0.0)	0.0	(0.0)	0.0	(5.0)
Income (loss) from equity method evaluated companies	(1.5)		0.3		(0.1)		1.3	0.0
Write down of investments accounted for using the equity method	0.0							0.0
Foreign exchange gains (losses), net	(0.2)	(0.1)	(0.1)	0.0		0.1		(0.3)
<b>INCOME BEFORE TAXES</b>	<b>7.4</b>	<b>0.2</b>	<b>0.4</b>	<b>0.2</b>	<b>(0.1)</b>	<b>(1.4)</b>	<b>1.4</b>	<b>8.0</b>
Income Taxes	(4.3)	0.0		0.0		0.0		(4.3)
<b>NET INCOME from continued operations</b>	<b>3.1</b>	<b>0.2</b>	<b>0.4</b>	<b>0.1</b>	<b>(0.1)</b>	<b>(1.4)</b>	<b>1.4</b>	<b>3.7</b>
<i>Net Margin</i>	2.4%	3.8%		8.5%		<i>n.s.</i>		2.8%
Net income (loss) from discontinued operations	0.0							0.0
<b>NET INCOME before minority interests</b>	<b>3.1</b>	<b>0.2</b>	<b>0.4</b>	<b>0.1</b>	<b>(0.1)</b>	<b>(1.4)</b>	<b>1.4</b>	<b>3.7</b>
<i>Net Margin</i>	2.4%	3.8%		8.5%		<i>n.s.</i>		2.8%
Minority interests	0.0							0.0
<b>GROUP NET INCOME</b>	<b>3.1</b>	<b>0.2</b>	<b>0.4</b>	<b>0.1</b>	<b>(0.1)</b>	<b>(1.4)</b>	<b>1.4</b>	<b>3.7</b>
<i>Net Margin</i>	2.4%	3.8%		8.5%		<i>n.s.</i>		2.8%

# Total Income Statement of the Group QTD

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

All figures in M€, unless otherwise stated

	3Q 2020	Actuator Solutions		SAES RIAL Vacuum S.r.l.		Flexterra		3Q 2020 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	
<b>NET SALES</b>	<b>39.0</b>	<b>1.5</b>	<b>(0.1)</b>	<b>0.8</b>	<b>(0.1)</b>	<b>0.0</b>		<b>41.1</b>
Cost of sales	(23.0)	(1.1)	0.1	(0.6)	0.1	0.0		(24.5)
<b>GROSS PROFIT</b>	<b>16.0</b>	<b>0.3</b>	<b>0.0</b>	<b>0.2</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>16.6</b>
<i>Gross Margin</i>	41.0%	22.7%		28.5%		<i>n.s.</i>		40.3%
Total operating expenses	(13.0)	(0.3)	0.0	(0.1)	0.0	(0.4)	0.0	(13.9)
Other income (expenses), net	(0.1)	0.0		0.0		0.0		(0.1)
<b>OPERATING INCOME</b>	<b>2.9</b>	<b>(0.0)</b>	<b>0.0</b>	<b>0.2</b>	<b>0.0</b>	<b>(0.4)</b>	<b>0.0</b>	<b>2.6</b>
<i>Operating Margin</i>	7.4%	-0.1%		20.7%		<i>n.s.</i>		6.4%
Interest and other financial income (expenses), net	1.6	(0.1)	0.1	(0.0)	0.0	(0.0)	0.0	1.5
Income (loss) from equity method evaluated companies	(0.6)		0.3		(0.1)		0.4	0.0
Write down of investments accounted for using the equity method	0.0							0.0
Foreign exchange gains (losses), net	(0.2)	(0.1)	(0.1)	0.0		0.0		(0.3)
<b>INCOME BEFORE TAXES</b>	<b>3.7</b>	<b>(0.1)</b>	<b>0.3</b>	<b>0.2</b>	<b>(0.1)</b>	<b>(0.4)</b>	<b>0.4</b>	<b>3.8</b>
Income Taxes	(1.0)	(0.0)		0.0		0.0		(1.0)
<b>NET INCOME from continued operations</b>	<b>2.7</b>	<b>(0.2)</b>	<b>0.3</b>	<b>0.1</b>	<b>(0.1)</b>	<b>(0.4)</b>	<b>0.4</b>	<b>2.8</b>
<i>Net Margin</i>	6.9%	-10.3%		14.9%		<i>n.s.</i>		6.8%
Net income (loss) from discontinued operations	0.0							0.0
<b>NET INCOME before minority interests</b>	<b>2.7</b>	<b>(0.2)</b>	<b>0.3</b>	<b>0.1</b>	<b>(0.1)</b>	<b>(0.4)</b>	<b>0.4</b>	<b>2.8</b>
<i>Net Margin</i>	6.9%	-10.3%		14.9%		<i>n.s.</i>		6.8%
Minority interests	0.0							0.0
<b>GROUP NET INCOME</b>	<b>2.7</b>	<b>(0.2)</b>	<b>0.3</b>	<b>0.1</b>	<b>(0.1)</b>	<b>(0.4)</b>	<b>0.4</b>	<b>2.8</b>
<i>Net Margin</i>	6.9%	-10.3%		14.9%		<i>n.s.</i>		6.8%

# Net Financial Position

All figures in M€, unless otherwise stated

	Sep 30, 2020	Jun 30, 2020	Mar 31, 2020	Dec 31, 2019
Cash and cash equivalents	32.9	31.2	46.0	48.6
Current financial assets	72.4	70.1	67.8	70.8
Current financial liabilities	(41.8)	(35.8)	(36.7)	(35.4)
<b>Current net financial position</b>	<b>63.5</b>	<b>65.6</b>	<b>77.0</b>	<b>84.0</b>
Non current financial assets	131.5	130.3	128.2	134.7
Non current financial liabilities	(101.0)	(100.2)	(102.4)	(103.4)
<b>Non current financial position</b>	<b>30.5</b>	<b>30.1</b>	<b>25.8</b>	<b>31.3</b>
<b>NET FINANCIAL POSITION</b>	<b>94.0</b>	<b>95.6</b>	<b>102.8</b>	<b>115.3</b>

- ✓ Compared to the end of June, NFP penalized by **exchange rates** (-€0.9 million) and by extraordinary **notional debts for new leases** (-€2.5 million)
- ✓ Partial recovery of the **fair value of securities** (+€1.5 million)
- ✓ **Cash flows from operations** equal to €2.1 million

# Cash Flows YTD

All figures in M€, unless otherwise stated

	9M 2020	9M 2019
Net income (loss) from continued operations	3.1	17.7
Net income (loss) from discontinued operations	0.0	0.1
Current income taxes	4.2	6.2
Change in deferred income taxes	0.1	2.9
Depreciation, amortization and write down of non current assets	8.1	4.7
Net gain on purification business disposal	0.0	(0.1)
Interest and other financial (income) expenses, net	6.4	(3.9)
Other non-monetary costs (revenues)	0.9	1.5
	<b>22.8</b>	<b>29.2</b>
Change in operating assets and liabilities	(11.9)	(6.8)
Payments of termination indemnities and similar obligations	(0.4)	(0.4)
Financial income received, net of payment of interests	(0.5)	(0.1)
Payment of income taxes	(4.7)	(7.6)
<b>Net cash flows from operating activities</b>	<b>5.3</b>	<b>14.3</b>
Purchase of tangible and intangible assets, net of proceeds from sales	(9.2)	(15.5)
Adjustment on consideration for the purification business disposal	0.0	(0.4)
Purchase of securities, net of disinvestments	(0.8)	(100.4)
Income from securities, net of commissions	1.7	1.4
Advances paid for the purchase of investments	0.0	(1.1)
Purchase of other investments	(0.3)	0.0
<b>Net cash flows from investing activities</b>	<b>(8.5)</b>	<b>(116.0)</b>
Proceeds from financial liabilities, net of repayments	2.9	88.8
Financial receivables repaid (granted) from related parties	(2.6)	0.0
Interests on financing receivables from related parties	0.0	0.0
Dividends payment	(9.2)	(16.6)
Interests and other expenses paid on loans	(1.0)	(0.5)
Repayment of financial liabilities for leased assets (interests included)	(1.7)	(1.2)
Purchase of treasury shares and related accessory costs	0.0	(93.4)
Other financial liabilities/assets	0.0	0.0
<b>Net cash flows from financing activities</b>	<b>(11.6)</b>	<b>(22.8)</b>
Effect of exchange rate differences	(1.0)	1.3
<b>TOTAL CASH FLOWS</b>	<b>(15.8)</b>	<b>(123.3)</b>

# Cash Flows QTD

All figures in M€, unless otherwise stated

	3Q 2020	3Q 2019
Net income (loss) from continued operations	2.7	8.8
Net income (loss) from discontinued operations	0.0	(0.0)
Current income taxes	1.3	1.6
Change in deferred income taxes	(0.4)	1.3
Depreciation, amortization and write down of non current assets	2.8	2.5
Net gain on purification business disposal	0.0	0.0
Interest and other financial (income) expenses, net	(1.0)	(2.1)
Other non-monetary costs (revenues)	1.7	2.1
	<b>7.2</b>	<b>14.1</b>
Change in operating assets and liabilities	(0.9)	0.2
Payments of termination indemnities and similar obligations	(0.0)	(0.1)
Financial income received, net of payment of interests	(0.0)	(0.1)
Payment of income taxes	(3.6)	(2.0)
<b>Net cash flows from operating activities</b>	<b>2.6</b>	<b>12.0</b>
Purchase of tangible and intangible assets, net of proceeds from sales	(2.2)	(6.8)
Adjustment on consideration for the purification business disposal	0.0	(0.0)
Purchase of securities, net of disinvestments	0.7	0.1
Income from securities, net of commissions	0.5	0.5
Advances paid for the purchase of investments	0.0	0.0
Purchase of other investments	(0.3)	0.0
<b>Net cash flows from investing activities</b>	<b>(1.3)</b>	<b>(6.3)</b>
Proceeds from financial liabilities, net of repayments	4.9	(0.7)
Financial receivables repaid (granted) from related parties	(2.6)	0.0
Interests on financing receivables from related parties	0.0	0.0
Dividends payment	0.0	0.0
Interests and other expenses paid on loans	(0.4)	(0.4)
Repayment of financial liabilities for leased assets (interests included)	(0.5)	(0.5)
Purchase of treasury shares and related accessory costs	0.0	0.0
Other financial liabilities/assets	(0.0)	(0.0)
<b>Net cash flows from financing activities</b>	<b>1.4</b>	<b>(1.6)</b>
Effect of exchange rate differences	(1.0)	1.1
<b>TOTAL CASH FLOWS</b>	<b>1.6</b>	<b>5.2</b>



- In the fourth quarter of 2020 there was an initial recovery in the medical market

# 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*  
*Giulio Canale*

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