

The SAES[®] Group

First Quarter 2017 Consolidated Results



making **innovation happen**, together

Q1 2017 Highlights

All figures in M€, unless otherwise stated

➤ **INCREASE IN REVENUES, SIGNIFICANT IMPROVEMENT OF THE OPERATING INDICATORS AND OF THE NET FINANCIAL POSITION**

P&L figures	Q1 2017	Q1 2016	Total difference	Difference %
CONSOLIDATED SALES	58.7	45.7	13.0	28.5%
TOTAL REVENUES OF THE GROUP	62.1	47.9	14.2	29.6%
CONSOLIDATED GROSS PROFIT	24.9	20.0	4.8	24.2%
<i>% on sales</i>	<i>42.4%</i>	<i>43.9%</i>		
CONSOLIDATED OPERATING INCOME	9.5	6.5	3.0	46.5%
<i>% on sales</i>	<i>16.3%</i>	<i>14.3%</i>		
CONSOLIDATED EBITDA	11.8	8.5	3.3	38.1%
<i>% on sales</i>	<i>20.1%</i>	<i>18.7%</i>		
Adjusted EBITDA (*)	12.0	n.a.		
<i>% on sales</i>	<i>20.4%</i>			
CONSOLIDATED NET INCOME	5.8	3.0	2.8	90.8%
<i>% on sales</i>	<i>9.9%</i>	<i>6.7%</i>		

Other information	Mar 31, 2017	Dec 31, 2016	Total difference	Difference %
CONSOLIDATED NET FINANCIAL POSITION	(25.2)	(33.8)	8.6	-25.3%

(*) Excluding the personnel costs related to the liquidation of Memry GmbH (about €0.2 million)

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

	Q1 2017	Q1 2016	Total difference	Difference %
Consolidated sales	58.7	45.7	13.0	28.5%
50% Actuator Solutions sales	3.5	2.2	1.3	57.1%
49% SAES RIAL Vacuum S.r.l. sales	0.1	0.2	(0.0)	-19.3%
Eliminations	(0.2)	(0.2)	(0.1)	30.9%
Total revenues of the Group	62.1	47.9	14.2	29.6%

	Q1 2016	Q2 2016	Q3 2016	Q4 2016	Q1 2017
Consolidated sales	45.7	44.2	41.5	57.7	58.7
50% Actuator Solutions sales	2.2	2.3	2.5	2.4	3.5
49% SAES RIAL Vacuum S.r.l. sales	0.2	0.1	0.3	0.2	0.1
Eliminations	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)
Total revenues of the Group	47.9	46.4	44.0	60.1	62.1

- ✓ Growth attributable to the increase in consolidated revenues (+28.5%), as well as to the strong increase in the revenues of the joint venture Actuator Solutions (+57.1%)

Industrial Applications BU Sales



Industrial Applications
59.5%

All figures in M€, unless otherwise stated

	Q1 2017	Q1 2016	Total difference	Organic change	Exchange rate effect					
Security & Defense	2.2	2.5	-14.1%	-16.0%	1.9%					
Electronic Devices	2.6	1.9	39.2%	37.0%	2.2%					
Healthcare Diagnostics	1.0	0.9	9.5%	7.5%	2.0%					
Getters & Dispensers for Lamps	1.8	2.1	-12.6%	-14.0%	1.4%					
Thermal Insulation	1.3	1.4	-8.6%	-10.8%	2.2%					
Systems for UH Vacuum	2.1	1.9	8.1%	5.8%	2.3%					
Sintered Components for Electronic Devices & Lasers	1.7	1.7	0.9%	-2.5%	3.4%					
Systems for Gas Purification & Handling	22.2	15.1	46.8%	41.9%	4.9%					
Industrial Applications	34.9	27.6	26.6%	22.9%	3.7%					
						Q1 2016	Q2 2016	Q3 2016	Q4 2016	Q1 2017
Security & Defense						2.5	3.0	2.2	2.8	2.2
Electronic Devices						1.9	1.9	2.3	2.5	2.6
Healthcare Diagnostics						0.9	1.0	1.0	0.9	1.0
Getters & Dispensers for Lamps						2.1	1.9	1.8	2.0	1.8
Thermal Insulation						1.4	1.1	1.5	1.2	1.3
Systems for UH Vacuum						1.9	1.5	1.7	3.6	2.1
Sintered Components for Electronic Devices & Lasers						1.7	1.7	1.8	1.6	1.7
Systems for Gas Purification & Handling						15.1	14.3	11.1	21.2	22.2
Industrial Applications						27.6	26.3	23.4	35.8	34.9

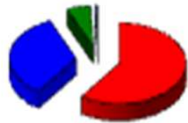
- ✓ Organic growth mainly concentrated in the gas purification sector (**Systems for Gas Purification & Handling Business**), driven by the investments in China for new semiconductor fabs
- ✓ In the **Electronic Devices Business** higher sales of both film getters and traditional getters, favored by the increasing penetration of the infrared technology for surveillance and industrial applications
- ✓ **Getters & Dispensers for Lamps Business** structurally penalized by the technological competition of LEDs
- ✓ **Thermal Insulation Business** suffering from the weak sales in the refrigeration market

Shape Memory Alloys BU Sales

All figures in M€, unless otherwise stated

Shape Memory Alloys

34.1%



	Q1 2017	Q1 2016	Total difference	Organic change	Exchange rate effect
Nitinol for Medical Devices	17.9	15.4	15.7%	12.1%	3.6%
SMA for Thermal & Electro Mechanical Devices	2.1	2.4	-9.7%	-10.7%	1.0%
Shape Memory Alloys	20.0	17.8	12.3%	9.0%	3.3%

	Q1 2016	Q2 2016	Q3 2016	Q4 2016	Q1 2017
Nitinol for Medical Devices	15.4	15.1	15.8	16.4	17.9
SMA for Thermal & Electro Mechanical Devices	2.4	2.6	2.1	2.0	2.1
Shape Memory Alloys	17.8	17.6	17.9	18.3	20.0

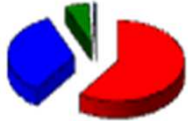
- ✓ **Nitinol for Medical Devices Business:** organic growth in line with the positive trend of the previous year
- ✓ **SMA for Thermal & Electro Mechanical Business:** temporary slowdown in the sales of the luxury goods segment

Solutions for Advanced Packaging BU Sales

All figures in M€, unless otherwise stated

Solutions for Advanced Packaging

5.7%



	Q1 2017	Q1 2016	Total difference	Consolid. area effect	Organic change	Exchange rate effect
Solutions for Advanced Packaging	3.4	0.0	100.0%	100.0%	0.0%	0.0%

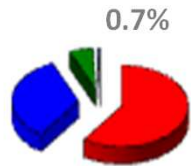
	Q1 2016	Q2 2016	Q3 2016	Q4 2016	Q1 2017
Solutions for Advanced Packaging	0.0	0.0	0.0	3.1	3.4

- ✓ The newly acquired **Metalvuoto S.p.A.** recorded sales equal to €3.4 million in the Q1 2017

Business Development Unit Sales

All figures in M€, unless otherwise stated

Business Development Unit



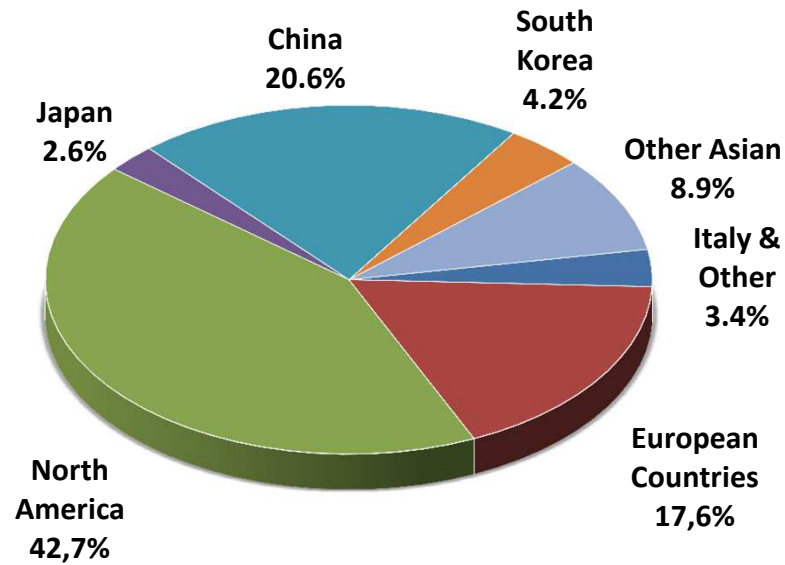
	Q1 2017	Q1 2016	Total difference	Organic change	Exchange rate effect
Business Development	0.4	0.3	41.7%	36.4%	5.3%

	Q1 2016	Q2 2016	Q3 2016	Q4 2016	Q1 2017
Business Development	0.3	0.3	0.3	0.4	0.4

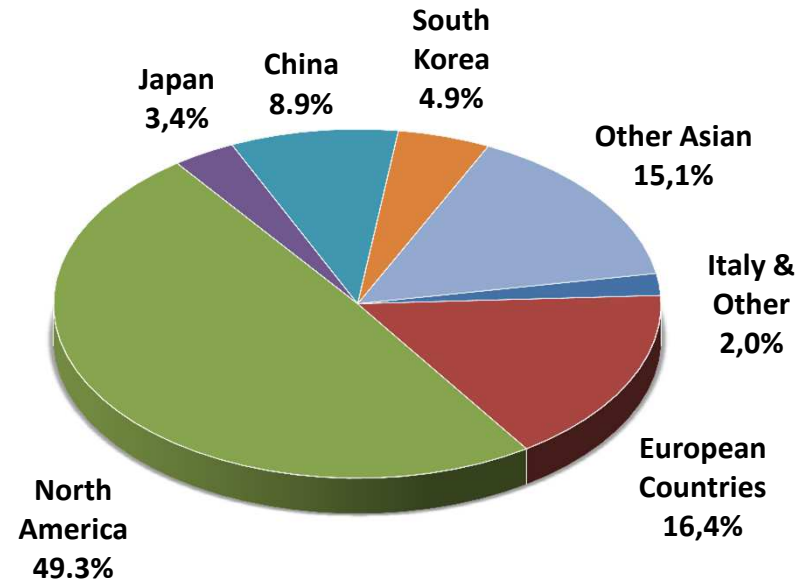
- ✓ Higher sales of functional polymers for OLED applications
- ✓ The sales for OLED displays for portable applications improved in Taiwan, while the first sales of polymers for OLED displays and lighting started to appear in China

Consolidated Sales by Geographic Area

March 2017 – Total 58,668

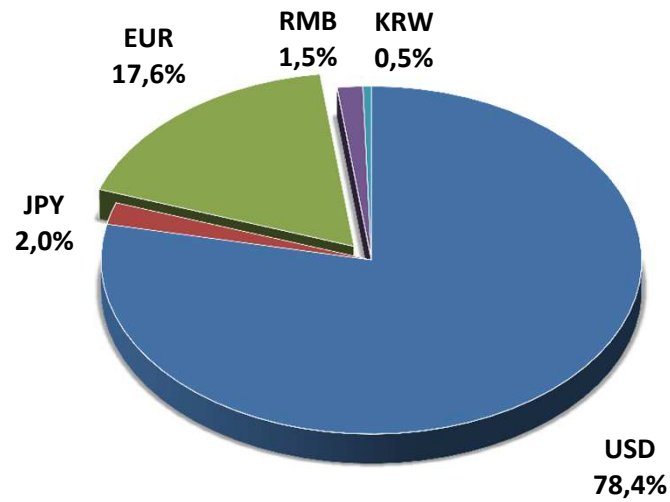


March 2016 – Total 45,662

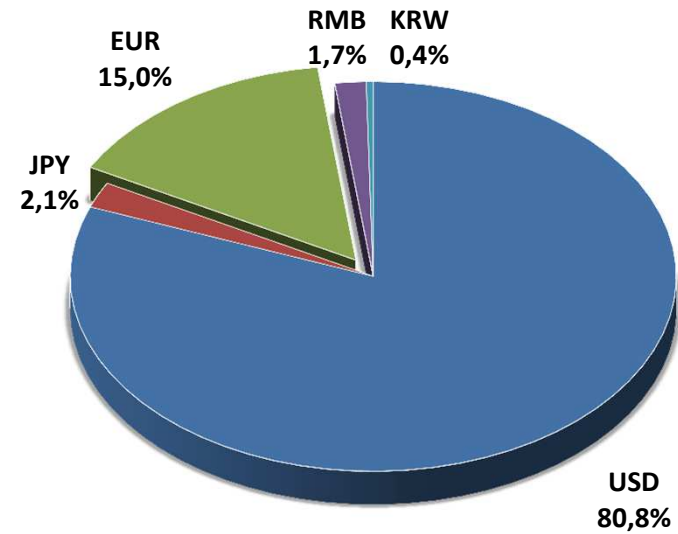


Consolidated Sales by Invoicing Currency

March 2017 – Total 58,668

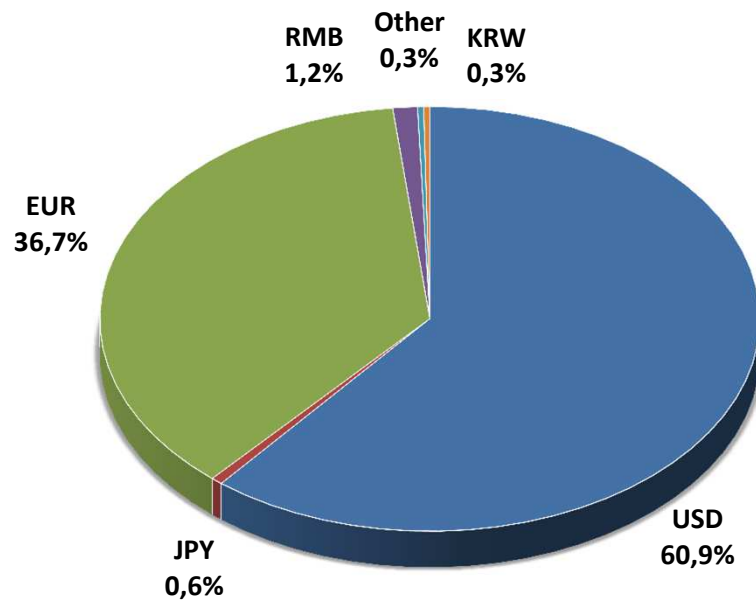


March 2016 – Total 45,662

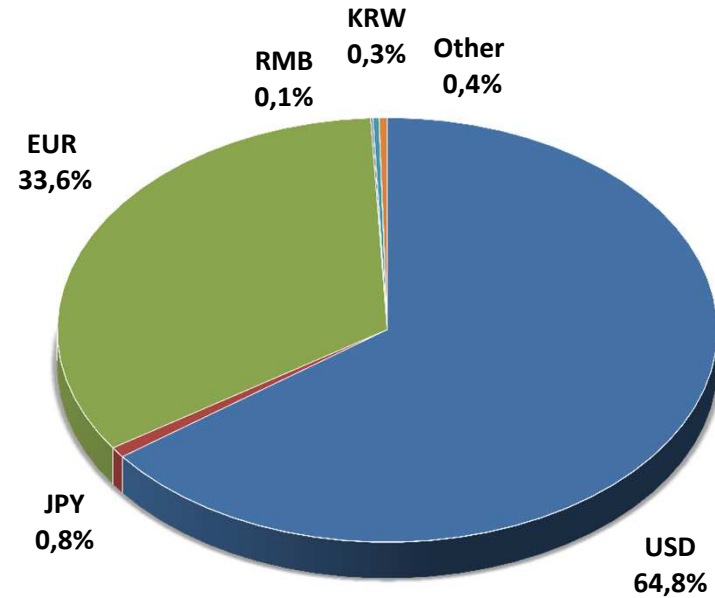


Consolidated Costs by Currency

March 2017 – Total 49,174



March 2016 – Total 39,181



Industrial Applications Margins

All figures in M€, unless otherwise stated

	Q1 2017	Q1 2016	Total difference
NET SALES	34.9	27.6	7.3
GROSS PROFIT	15.9	13.3	2.6
<i>Gross Margin</i>	45.6%	48.1%	
OPERATING INCOME	9.9	7.5	2.4
<i>Operating Margin</i>	28.4%	27.2%	

	Q1 2016	Q2 2016	Q3 2016	Q4 2016	Q1 2017
NET SALES	27.6	26.3	23.4	35.8	34.9
GROSS PROFIT	13.3	12.4	11.9	17.8	15.9
<i>Gross Margin</i>	48.1%	47.3%	50.7%	49.6%	45.6%
OPERATING INCOME	7.5	6.5	6.2	11.0	9.9
<i>Operating Margin</i>	27.2%	24.8%	26.4%	30.7%	28.4%

- ✓ **Gross profit** up by 19.9%, mainly thanks to the performance of the sales in the gas purification sector
- ✓ Decrease in the **gross margin** (from 48.1% to 45.6%), penalized by a product mix with an increased absorption of raw materials, mainly in the sector of vacuum pumps, and by the decreased gross margin of the lamps business
- ✓ **Operating income** up by 31.9% and **operating margin** increased from 27.2% to 28.4%, mainly thanks to the industrial performance in the purification sector
- ✓ **Operating expenses** in absolute value substantially in line with those of the previous year

Shape Memory Alloys Margins

All figures in M€, unless otherwise stated

	Q1 2017	Q1 2016	Total difference
NET SALES	20.0	17.8	2.2
GROSS PROFIT	8.3	6.7	1.6
<i>Gross Margin</i>	<i>41.3%</i>	<i>37.4%</i>	
OPERATING INCOME	4.8	3.7	1.0
<i>Operating Margin</i>	<i>23.8%</i>	<i>21.1%</i>	

	Q1 2016	Q2 2016	Q3 2016	Q4 2016	Q1 2017
NET SALES	17.8	17.6	17.9	18.3	20.0
GROSS PROFIT	6.7	7.5	7.4	7.7	8.3
<i>Gross Margin</i>	<i>37.4%</i>	<i>42.7%</i>	<i>41.6%</i>	<i>41.8%</i>	<i>41.3%</i>
OPERATING INCOME	3.7	5.0	4.8	3.6	4.8
<i>Operating Margin</i>	<i>21.1%</i>	<i>28.4%</i>	<i>27.1%</i>	<i>19.9%</i>	<i>23.8%</i>

- ✓ **Gross profit** up to €8.3 million (41.3% of consolidated sales)
- ✓ Increase as result of greater economies of scale, following the sales' increase in the sector of Nitinol for medical devices
- ✓ Improvement in the **operating income** (+27%) and in the **operating margin** (up to 23.8%), thanks to the increase in revenues and gross margin

Solutions for Advanced Packaging Margins

All figures in M€, unless otherwise stated

	Q1 2017	Q1 2016	Total difference
NET SALES	3.4	0.0	3.4
GROSS PROFIT	0.6	0.0	0.6
<i>Gross Margin</i>	<i>18.0%</i>	<i>n.a.</i>	
OPERATING INCOME	(0.0)	0.0	0.0
<i>Operating Margin</i>	<i>-0.5%</i>	<i>n.a.</i>	

	Q1 2016	Q2 2016	Q3 2016	Q4 2016	Q1 2017
NET SALES	0.0	0.0	0.0	3.1	3.4
GROSS PROFIT	0.0	0.0	0.0	0.3	0.6
<i>Gross Margin</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>9.8%</i>	<i>18.0%</i>
OPERATING INCOME	0.0	0.0	0.0	(0.1)	(0.0)
<i>Operating Margin</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>-4.5%</i>	<i>-0.5%</i>

- ✓ **Gross profit** equal to €0.6 million (18% of consolidated sales), mainly comprising the contribution of the newly acquired Metalvuoto S.p.A.
- ✓ Industrial activity currently characterized by a different structure of variable production costs, compared to that of the traditional perimeter of the Group
- ✓ Q1 2017 ended substantially in **operating breakeven**

Business Development & Corporate Costs Margins

All figures in M€, unless otherwise stated

	Q1 2017	Q1 2016	Total difference
NET SALES	0.4	0.3	0.1
GROSS PROFIT	0.1	0.1	0.0
<i>Gross Margin</i>	27.6%	43.8%	
Total operating expenses	(5.1)	(4.8)	(0.3)
Other income (expenses), net	(0.1)	(0.1)	(0.0)
OPERATING INCOME	(5.1)	(4.7)	(0.4)
<i>Operating Margin</i>	n.s.	n.s.	

	Q1 2016	Q2 2016	Q3 2016	Q4 2016	Q1 2017
NET SALES	0.3	0.3	0.3	0.4	0.4
GROSS PROFIT	0.1	(0.0)	0.0	0.1	0.1
<i>Gross Margin</i>	43.8%	-15.9%	12.0%	23.0%	27.6%
Total operating expenses	(4.8)	(5.3)	(4.8)	(6.5)	(5.1)
Other income (expenses), net	(0.1)	(0.8)	(0.1)	(0.1)	(0.1)
OPERATING INCOME	(4.7)	(6.1)	(4.8)	(6.5)	(5.1)
<i>Operating Margin</i>	n.s.	n.s.	n.s.	n.s.	n.s.

- ✓ **Gross profit** equal to €0.1 million, in line with Q1 2016
- ✓ **Operating result** equal to -€5.1 million (-€4.7 million in Q1 2016), penalized by higher costs of staff personnel

Consolidated Income Statement

All figures in M€, unless otherwise stated

	Q1 2017	Q1 2016	Total difference
NET SALES	58.7	45.7	13.0
GROSS PROFIT	24.9	20.0	4.8
<i>Gross Margin</i>	42.4%	43.9%	
R&D expenses	(3.8)	(3.5)	(0.3)
Selling expenses	(4.2)	(3.6)	(0.6)
G&A expenses	(7.3)	(6.3)	(0.9)
Total operating expenses	(15.3)	(13.5)	(1.8)
Other income (expenses), net	(0.1)	(0.0)	(0.0)
OPERATING INCOME	9.5	6.5	3.0
<i>Operating Margin</i>	16.3%	14.3%	
Interest and other financial income (expenses), net	(0.3)	(0.4)	0.1
Income (loss) from equity method evaluated companies	(0.4)	(0.5)	0.1
Foreign exchange gains (losses), net	(0.1)	(0.1)	(0.0)
INCOME BEFORE TAXES	8.8	5.6	3.2
Income Taxes	(3.0)	(2.6)	(0.4)
NET INCOME from continued operations	5.8	3.0	2.8
<i>Net Margin</i>	9.9%	6.7%	
Net income (loss) from discontinued operations	0.0	0.0	0.0
NET INCOME before minority interests	5.8	3.0	2.8
<i>Net Margin</i>	9.9%	6.7%	
Minority interests	0.0	0.0	0.0
GROUP NET INCOME	5.8	3.0	2.8
<i>Net Margin</i>	9.9%	6.7%	

	Q1 2016	Q2 2016	Q3 2016	Q4 2016	Q1 2017
	45.7	44.2	41.5	57.7	58.7
	20.0	19.9	19.3	25.8	24.9
<i>Gross Margin</i>	43.9%	45.1%	46.5%	44.8%	42.4%
R&D expenses	(3.5)	(3.8)	(3.5)	(4.0)	(3.8)
Selling expenses	(3.6)	(3.6)	(3.5)	(4.9)	(4.2)
G&A expenses	(6.3)	(6.4)	(6.1)	(9.0)	(7.3)
Total operating expenses	(13.5)	(13.7)	(13.1)	(17.9)	(15.3)
Other income (expenses), net	(0.0)	(0.8)	0.1	0.0	(0.1)
OPERATING INCOME	6.5	5.4	6.2	8.0	9.5
<i>Operating Margin</i>	14.3%	12.3%	15.0%	13.9%	16.3%
Interest and other financial income (expenses), net	(0.4)	(0.4)	(0.3)	(0.2)	(0.3)
Income (loss) from equity method evaluated companies	(0.5)	(0.7)	(0.8)	(1.4)	(0.4)
Foreign exchange gains (losses), net	(0.1)	(0.2)	0.0	0.2	(0.1)
INCOME BEFORE TAXES	5.6	4.2	5.2	6.7	8.8
Income Taxes	(2.6)	(1.7)	(1.6)	(1.7)	(3.0)
NET INCOME from continued operations	3.0	2.4	3.6	5.0	5.8
<i>Net Margin</i>	6.7%	5.5%	8.7%	8.7%	9.9%
Net income (loss) from discontinued operations	0.0	0.0	0.0	0.0	0.0
NET INCOME before minority interests	3.0	2.4	3.6	5.0	5.8
<i>Net Margin</i>	6.7%	5.5%	8.7%	8.7%	9.9%
Minority interests	0.0	0.0	0.0	0.0	0.0
GROUP NET INCOME	3.0	2.4	3.6	5.0	5.8
<i>Net Margin</i>	6.7%	5.5%	8.7%	8.7%	9.9%

Actuator Solutions - Income Statement (50%)

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

All figures in M€, unless otherwise stated

	Q1 2017	Q1 2016	Total difference	Q1 2016	Q2 2016	Q3 2016	Q4 2016	Q1 2017
NET SALES	3.5	2.2	1.3	2.2	2.3	2.5	2.4	3.5
Cost of goods sold	(3.6)	(2.3)	(1.3)	(2.3)	(2.6)	(2.7)	(2.6)	(3.6)
GROSS PROFIT	(0.1)	(0.0)	(0.0)	(0.0)	(0.3)	(0.2)	(0.3)	(0.1)
<i>Gross Margin</i>	-2.1%	-2.1%		-2.1%	-12.7%	-8.7%	-12.2%	-2.1%
Operating expenses	(0.6)	(0.6)	(0.1)	(0.6)	(0.6)	(0.8)	(0.8)	(0.6)
Other income (expenses), net	(0.1)	0.1	(0.2)	0.1	(0.1)	0.1	(0.1)	(0.1)
OPERATING INCOME	(0.8)	(0.5)	(0.3)	(0.5)	(0.9)	(0.9)	(1.1)	(0.8)
<i>Operating Margin</i>	-21.9%	-22.0%		-22.0%	-40.6%	-36.8%	-47.9%	-21.9%
Interest and other financial income (expenses), net	(0.1)	(0.0)	(0.1)	(0.0)	(0.0)	(0.0)	(0.1)	(0.1)
Foreign exchange gains (losses), net	0.2	(0.0)	0.3	(0.0)	0.1	0.1	0.0	0.2
INCOME BEFORE TAXES	(0.6)	(0.6)	(0.3)	(0.6)	(0.9)	(0.9)	(1.2)	(0.6)
Income Taxes	0.0	0.1	(0.1)	0.1	0.2	0.2	(0.4)	0.0
NET INCOME (LOSS)	(0.6)	(0.4)	(0.4)	(0.4)	(0.7)	(0.7)	(1.6)	(0.6)

- ✓ Strong improvement in **revenues** (+57.1%), thanks both to the increase of sales in the traditional seat comfort business and to the contribution of the new segment of AF systems for high-end action cameras (with revenues equal to €1.4 million in Q1 2017)
- ✓ Still negative **net result**, fully concentrated in the **Taiwanese subsidiary** (production inefficiencies due to the initial phase of operation)
- ✓ The **German controlling company** substantially at breakeven, thanks to the reorganization announced at the end of 2016 and still in progress
- ✓ In accordance with IAS 28, the share of SAES in Actuator Solutions' net loss not recognized as at March 31, 2017

Flexterra - Income Statement (34.66%)

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

All figures in M€, unless otherwise stated

	Q1 2017
NET SALES	0.0
Cost of goods sold	0.0
GROSS PROFIT	0.0
<i>Gross Margin</i>	<i>n.a.</i>
Operating expenses	(0.3)
Other income (expenses), net	(0.0)
OPERATING INCOME	(0.4)
<i>Operating Margin</i>	<i>n.a.</i>
Interest and other financial income (expenses), net	(0.0)
Foreign exchange gains (losses), net	0.0
INCOME BEFORE TAXES	(0.3)
Income Taxes	0.0
NET INCOME (LOSS)	(0.3)

- ✓ Newco established at the end of 2016, whose objective is the design, manufacturing and commercialization of materials and components for the manufacturing of truly flexible displays
- ✓ Development start-up, with costs equal to around €1 million in Q1 2017 (SAES Group's share equal to -€0.3 million)

Net Financial Position

All figures in M€, unless otherwise stated

	Mar 31, 2017	Dec 31, 2016	Sep 30, 2016	Jun 30, 2016	Mar 31, 2016
Cash and cash equivalents	21.2	14.3	20.8	28.3	26.7
Current financial assets	0.7	0.6	2.9	0.4	0.6
Current financial liabilities	(19.2)	(16.2)	(23.5)	(24.6)	(17.2)
Current net financial position	2.8	(1.3)	0.2	4.2	10.1
Non current financial assets	8.1	5.2	4.3	1.4	0.5
Non current financial liabilities	(36.1)	(37.7)	(23.9)	(25.2)	(26.7)
Non current financial position	(28.0)	(32.5)	(19.6)	(23.7)	(26.2)
NET FINANCIAL POSITION	(25.2)	(33.8)	(19.4)	(19.5)	(16.0)

- ✓ Strong improvement thanks to the positive trend of the operating activities, as well as to the reabsorption of the net working capital, mainly in the gas purification sector
- ✓ Level of the net working capital still high as at March 31, 2017, to support the future growth

- At the same current exchange rates, the positive results of the first quarter of 2017 are expected to be maintained also in the following quarters
- SAES Group will be strongly committed to the integration and development of the new business initiatives

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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E-mail: investor_relations@saes-group.com

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