

The SAES[®] Group

Q3 2016 Consolidated Results

Conference Call – November 10, 2016



making **innovation happen**, together

3Q 2016 Highlights

All figures in M€, unless otherwise stated

➤ **STRONG IMPROVEMENT OF MARGINALITY AND INCREASE IN REVENUES**

P&L figures	3Q 2016	3Q 2015	Total difference	Difference %
CONSOLIDATED SALES	41.5	41.3	0.2	0.4%
TOTAL REVENUES OF THE GROUP	44.0	43.5	0.5	1.1%
CONSOLIDATED GROSS PROFIT	19.3	17.7	1.6	9.3%
<i>% on sales</i>	<i>46.5%</i>	<i>42.8%</i>		
CONSOLIDATED OPERATING INCOME	6.2	5.9	0.3	5.1%
<i>% on sales</i>	<i>15.0%</i>	<i>14.3%</i>		
CONSOLIDATED EBITDA	8.5	8.1	0.3	4.3%
<i>% on sales</i>	<i>20.5%</i>	<i>19.7%</i>		
CONSOLIDATED NET INCOME	3.6	3.8	(0.2)	-4.1%
<i>% on sales</i>	<i>8.7%</i>	<i>9.1%</i>		
Other information	Sep 30, 2016	Jun 30, 2016	Total difference	Difference %
CONSOLIDATED NET FINANCIAL POSITION	(19.4)	(19.5)	0.2	0.8%

Total revenues of the Group

(achieved by incorporating the 50% JV Actuator Solutions and the 49% JV SAES RIAL Vacuum with the proportional method instead of the equity method)

	3Q 2016	3Q 2015	Total difference	Difference %
Consolidated sales	41.5	41.3	0.2	0.4%
50% Actuator Solutions sales	2.5	2.4	0.1	3.5%
49% SAES RIAL Vacuum sales	0.3	0.0	0.3	n.a
Eliminations	(0.2)	(0.2)	(0.0)	26.6%
Total revenues of the Group	44.0	43.5	0.5	1.1%

	1Q 2016	2Q 2016	3Q 2016	Sep. 2016
Consolidated sales	45.7	44.2	41.5	131.3
50% Actuator Solutions sales	2.3	2.3	2.5	7.0
49% SAES RIAL Vacuum sales	0.2	0.1	0.3	0.5
Eliminations	(0.2)	(0.2)	(0.2)	-0.6
Total revenues of the Group	47.9	46.4	44.0	138.2

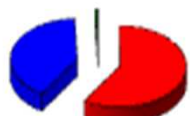
	Sep. 2016	Sep. 2015	Total difference	Difference %
Consolidated sales	131.3	123.1	8.2	6.6%
50% Actuator Solutions sales	7.0	6.3	0.6	9.9%
49% SAES RIAL Vacuum sales	0.5	0.0	0.5	n.a
Eliminations	(0.6)	(0.4)	(0.1)	32.5%
Total revenues of the Group	138.2	129.0	9.2	7.1%

- ✓ **Total revenues of the Group** equal to **€44 million** and up by 1.1% compared to 3Q 2015, thanks both to the increase in consolidated revenues (+0.4%) and to the revenues' growth of the joint venture Actuators Solutions (+3.5%), as well as to the consolidation of the new joint venture SAES RIAL Vacuum S.r.l.

All figures in M€, unless otherwise stated

Industrial Applications BU Sales

All figures in M€, unless otherwise stated



Industrial Applications

58.8%

	3Q 2016	3Q 2015	Total difference	Organic change	Exchange rate effect
Electronic & Photonic Devices	3.8	3.4	12.3%	11.3%	1.0%
Sensors & Detectors	3.5	2.9	20.7%	21.7%	-1.0%
Light Sources	1.8	2.1	-16.6%	-18.4%	1.8%
Vacuum Systems	1.7	2.1	-18.8%	-19.9%	1.1%
Thermal Insulation	1.5	1.4	6.8%	3.9%	2.9%
Pure Gas Handling	11.1	11.4	-3.0%	-2.5%	-0.5%
Industrial Applications	23.4	23.3	0.1%	-0.1%	0.2%

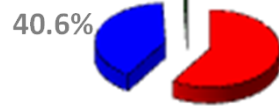
	1Q 2016	2Q 2016	3Q 2016	Sep. 2016
Electronic & Photonic Devices	3.4	3.9	3.8	11.1
Sensors & Detectors	3.7	3.7	3.5	10.9
Light Sources	2.1	1.9	1.8	5.8
Vacuum Systems	1.9	1.5	1.7	5.2
Thermal Insulation	1.4	1.1	1.5	3.9
Pure Gas Handling	15.1	14.3	11.1	40.4
Industrial Applications	27.6	26.3	23.4	77.3

- ✓ Organic growth mainly concentrated in the **Sensors & Detectors Business** (+21.7%) and in the **Electronic & Photonic Devices Business** (+11.3%), thanks to the investments in the security and defense sector
- ✓ Organic growth also in the **Thermal Insulation Business** (+3.9%), mainly driven by the sales of getters for vacuum bottles
- ✓ **Pure Gas Handling Business** penalized by the postponement of some deliveries to the beginning of the 4Q 2016 for an amount of €2.4 million
- ✓ Organic decrease in the **Vacuum Systems Business** (-19.9%), due to the general stagnation of the sales of vacuum pumps to research laboratories
- ✓ Structural organic decrease in the **Light Sources Business** (-18.4%) due to the growing penetration of LEDs

Shape Memory Alloys BU Sales

All figures in M€, unless otherwise stated

Shape Memory Alloys



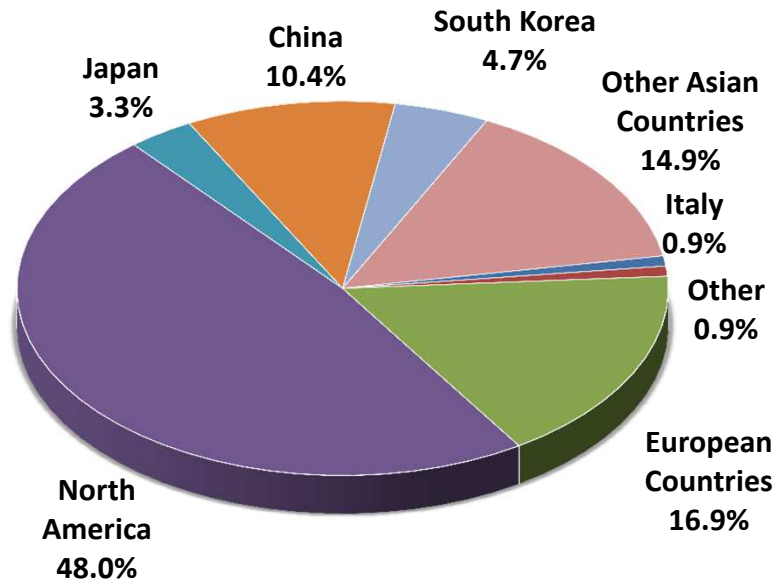
	3Q 2016	3Q 2015	Total difference	Organic change	Exchange rate effect
SMA Medical Applications	15.8	15.4	2.6%	3.0%	-0.4%
SMA Industrial Applications	2.1	2.4	-12.9%	-12.8%	-0.1%
Shape Memory Alloys	17.9	17.8	0.5%	0.9%	-0.4%

	1Q 2016	2Q 2016	3Q 2016	Sep. 2016
SMA Medical Applications	15.4	15.1	15.8	46.3
SMA Industrial Applications	2.4	2.6	2.1	7.0
Shape Memory Alloys	17.8	17.6	17.9	53.3

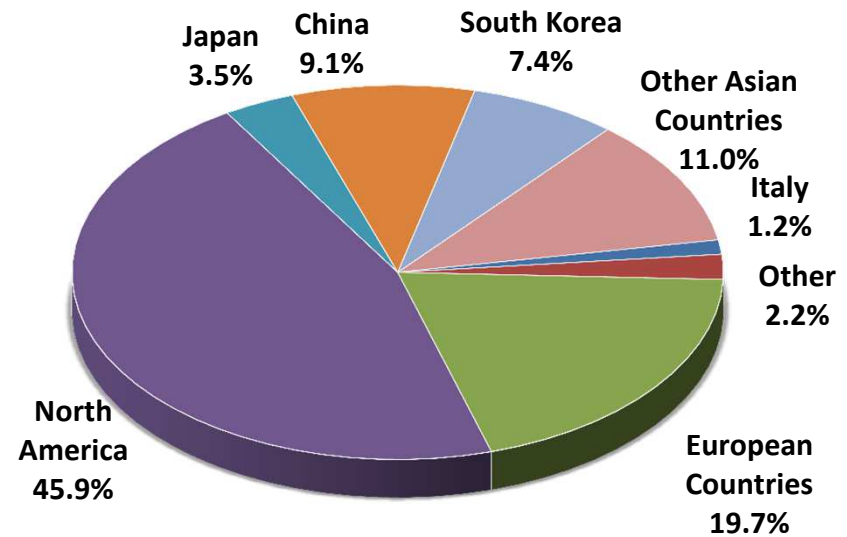
- ✓ **Medical SMA segment:** organic growth equal to +3%, thanks to increased sales of Nitinol high value added components, with lower sales of raw materials
- ✓ **Industrial SMA segment:** organic decrease equal to -12.8%, mainly due to the temporary slowdown of sales in the luxury goods market

Consolidated Sales by Geographic Area

September 2016 - Total 131,321

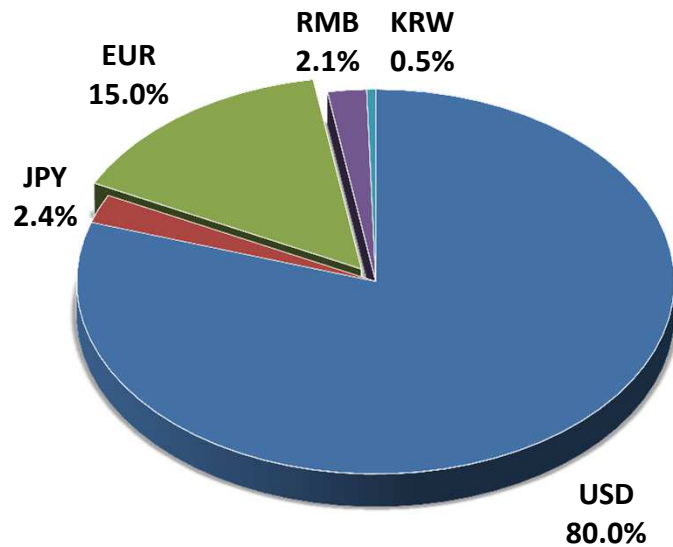


September 2015 - Total 123,143

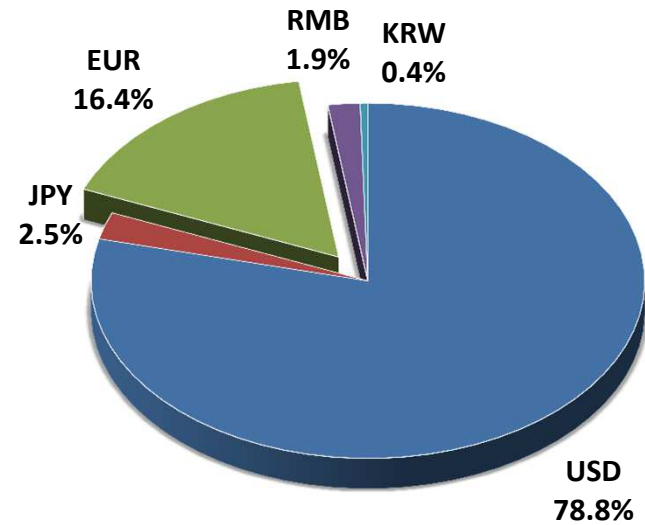


Consolidated Sales by Invoicing Currency

September 2016 – Total 131,321

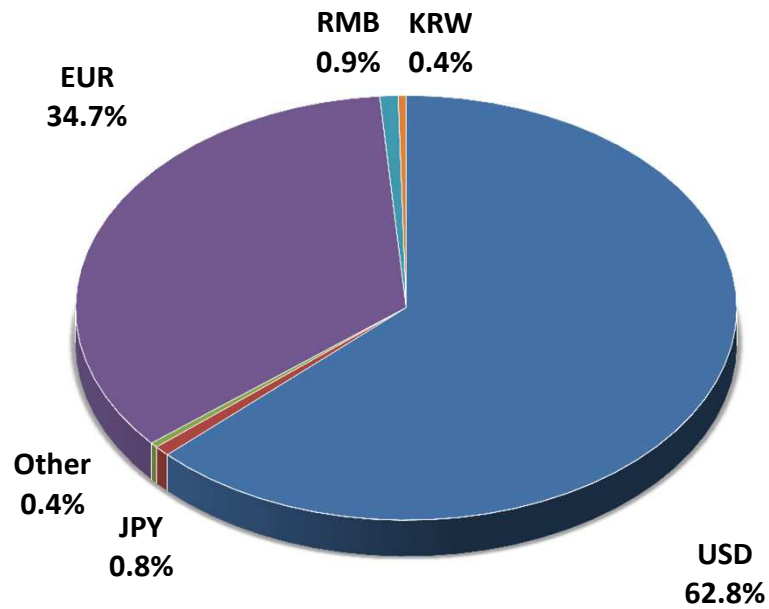


September 2015 - Total 123,143

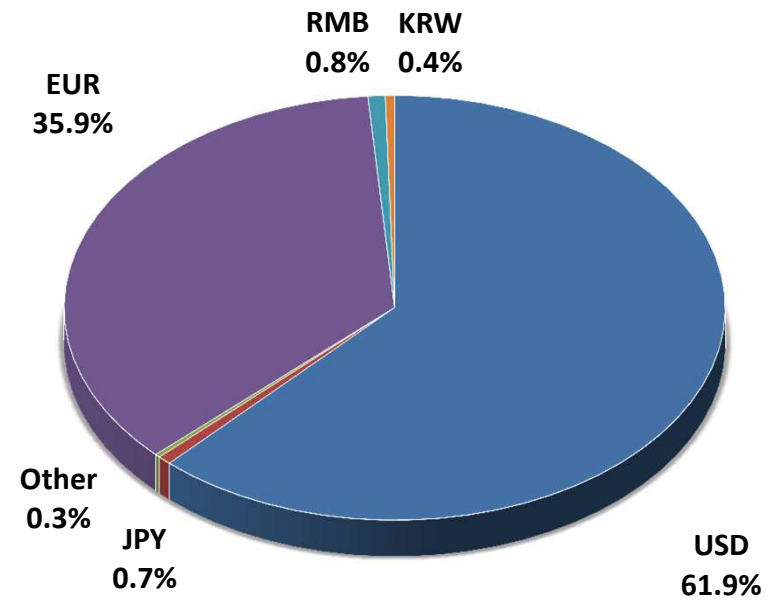


Consolidated Costs by Currency

September 2016 – Total 113,478



September 2015 – Total 108,726



Industrial Applications Margins

All figures in M€, unless otherwise stated

	3Q 2016	3Q 2015	Total difference
NET SALES	23.4	23.3	0.0
GROSS PROFIT	11.9	10.7	1.2
<i>Gross Margin</i>	50.7%	45.7%	
OPERATING INCOME	6.2	5.9	0.2
<i>Operating Margin</i>	26.4%	25.4%	

	1Q 2016	2Q 2016	3Q 2016	Sep. 2016
NET SALES	27.6	26.3	23.4	77.3
GROSS PROFIT	13.3	12.4	11.9	37.6
<i>Gross Margin</i>	48.1%	47.3%	50.7%	48.6%
OPERATING INCOME	7.5	6.5	6.2	20.2
<i>Operating Margin</i>	27.2%	24.8%	26.4%	26.2%

- ✓ **Gross profit** up by 11.1% compared to 3Q 2015 and strong increase in the **gross margin** to 50.7%: although facing unchanged sales, growth due to a different product mix, as well as to the strong contribution of the gas purification business
- ✓ **Operating income** up by 4.1% and **operating margin** increased to 26.4%
- ✓ Increase in gross profit partly offset by the increased sales expenses related to the different product mix

Shape Memory Alloys Margins

All figures in M€, unless otherwise stated

	3Q 2016	3Q 2015	Total difference
NET SALES	17.9	17.8	0.1
GROSS PROFIT	7.4	7.1	0.3
<i>Gross Margin</i>	41.6%	39.9%	
OPERATING INCOME	4.8	4.7	0.2
<i>Operating Margin</i>	27.1%	26.4%	

	1Q 2016	2Q 2016	3Q 2016	Sep. 2016
NET SALES	17.8	17.6	17.9	53.3
GROSS PROFIT	6.7	7.5	7.4	21.6
<i>Gross Margin</i>	37.4%	42.7%	41.6%	40.5%
OPERATING INCOME	3.7	5.0	4.8	13.6
<i>Operating Margin</i>	21.1%	28.4%	27.1%	25.5%

- ✓ Increase in **gross profit**, as well as in the **gross margin**, attributable to the higher sales of Nitinol high value added components in the SMA medical sector
- ✓ **Operating income** up by +3.4% and **operating margin** increased to 27.1%, thanks to the increased gross margin of the SMA medical sector

Business Development & Corporate Costs Margins

All figures in M€, unless otherwise stated

	3Q 2016	3Q 2015	Total difference
NET SALES	0.3	0.2	0.0
GROSS PROFIT	0.0	-0.1	0.1
<i>Gross Margin</i>	12.0%	-47.1%	
OPERATING INCOME (LOSS)	-4.8	-4.7	-0.1
<i>Operating Margin</i>	n.s.	n.s.	

	1Q 2016	2Q 2016	3Q 2016	Sep. 2016
NET SALES	0.3	0.3	0.3	0.8
GROSS PROFIT	0.1	0.0	0.0	0.1
<i>Gross Margin</i>	43.8%	-15.9%	12.0%	14.0%
OPERATING INCOME (LOSS)	-4.7	-6.1	-4.8	-15.7
<i>Operating Margin</i>	n.a	n.a	n.a	n.a

- ✓ Increased **sales** of moisture absorber functional polymers for the OLEDs applications, confirming the trend already recorded in the previous quarters
- ✓ Improvement in **gross profit** and **gross margin**, mainly thanks to the increased sales
- ✓ Decrease in the **operating result**, mainly due to higher consultant fees for research projects

Consolidated Income Statements – 3Q 2016

All figures in M€, unless otherwise stated

	3Q 2016	3Q 2015	Total difference
NET SALES	41.5	41.3	0.2
GROSS PROFIT	19.3	17.7	1.6
<i>Gross Margin</i>	46.5%	42.8%	
R&D expenses	-3.5	-3.1	-0.4
Selling expenses	-3.5	-2.9	-0.6
G&A expenses	-6.1	-5.8	-0.4
Total operating expenses	-13.1	-11.8	-1.4
Other income (expenses), net	0.1	0.0	0.0
OPERATING INCOME	6.2	5.9	0.3
<i>Operating Margin</i>	15.0%	14.3%	
Interest and other financial income (expenses), net	-0.3	-0.3	0.1
Income (loss) from equity method evaluated companies	-0.8	-0.5	-0.3
Foreign exchange gains (losses), net	0.0	0.0	0.0
INCOME BEFORE TAXES	5.2	5.1	0.1
Income Taxes	-1.6	-1.3	-0.3
NET INCOME from continued operations	3.6	3.8	-0.2
<i>Net Margin</i>	8.7%	9.1%	
Net income (loss) from discontinued operations	0.0	0.0	0.0
NET INCOME before minority interests	3.6	3.8	-0.2
<i>Net Margin</i>	8.7%	9.1%	
Minority interests	0.0	0.0	0.0
GROUP NET INCOME	3.6	3.8	-0.2
<i>Net Margin</i>	8.7%	9.1%	

Consolidated Income Statements – September 2016

All figures in M€, unless otherwise stated

	Sep. 2016	Sep. 2015	Total difference	1Q 2016	2Q 2016	3Q 2016	Sep. 2016
NET SALES	131.3	123.1	8.2	45.7	44.2	41.5	131.3
GROSS PROFIT	59.3	52.7	6.6	20.0	19.9	19.3	59.3
<i>Gross Margin</i>	45.1%	42.8%		43.9%	45.1%	46.5%	45.1%
R&D expenses	-10.8	-10.1	-0.7	-3.5	-3.8	-3.5	-10.8
Selling expenses	-10.7	-10.0	-0.7	-3.6	-3.6	-3.5	-10.7
G&A expenses	-18.8	-17.7	-1.1	-6.3	-6.4	-6.1	-18.8
Total operating expenses	-40.4	-37.9	-2.5	-13.5	-13.7	-13.1	-40.4
Other income (expenses), net	-0.8	-0.1	-0.7	0.0	-0.8	0.1	-0.8
OPERATING INCOME	18.1	14.7	3.4	6.5	5.4	6.2	18.1
<i>Operating Margin</i>	13.8%	11.9%		14.3%	12.3%	15.0%	13.8%
Interest and other financial income (expenses), net	-1.0	-1.1	0.1	-0.4	-0.4	-0.3	-1.0
Income (loss) from equity method evaluated companies	-2.0	-1.5	-0.5	-0.5	-0.7	-0.8	-2.0
Foreign exchange gains (losses), net	-0.2	1.1	-1.3	-0.1	-0.2	0.0	-0.2
INCOME BEFORE TAXES	15.0	13.3	1.7	5.6	4.2	5.2	15.0
Income Taxes	-5.9	-5.4	-0.5	-2.6	-1.7	-1.6	-5.9
NET INCOME from continued operations	9.1	7.9	1.2	3.0	2.4	3.6	9.1
<i>Net Margin</i>	6.9%	6.4%		6.7%	5.5%	8.7%	6.9%
Net income (loss) from discontinued operations	0.0	0.0	0.0	0.0	0.0	0.0	0.0
NET INCOME before minority interests	9.1	7.9	1.2	3.0	2.4	3.6	9.1
<i>Net Margin</i>	6.9%	6.4%		6.7%	5.5%	8.7%	6.9%
Minority interests	0.0	0.0	0.0	0.0	0.0	0.0	0.0
GROUP NET INCOME	9.1	7.9	1.2	3.0	2.4	3.6	9.1
<i>Net Margin</i>	6.9%	6.4%		6.7%	5.5%	8.7%	6.9%

Actuator Solutions - Income Statement (50%)

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

	3Q 2016	3Q 2015	Total difference
NET SALES	2.5	2.4	0.1
Cost of goods sold	-2.7	-2.4	-0.3
GROSS PROFIT	-0.2	0.0	-0.2
<i>Gross Margin</i>	-8.7%	1.1%	
Operating expenses	-0.8	-0.5	-0.3
Other income (expenses), net	0.1	0.1	0.0
OPERATING INCOME	-0.9	-0.4	-0.5
<i>Operating Margin</i>	-36.8%	-17.8%	
Interest and other financial income (expenses), net	0.0	0.0	0.0
Foreign exchange gains (losses), net	0.1	-0.1	0.2
INCOME BEFORE TAXES	-0.9	-0.6	-0.5
Income Taxes	0.2	0.1	0.1
NET INCOME (LOSS)	-0.7	-0.5	-0.4

✓ **Automotive Business:** sales up by 9.3%, but still low margins

✓ **Mobile Devices Business:** signed a contract for the delivery of some million units during the next twelve months

	Sep. 2016	Sep. 2015	Total difference	1Q 2016	2Q 2016	3Q 2016	Sep. 2016
NET SALES	7.0	6.3	0.6	2.2	2.3	2.5	7.0
Cost of goods sold	-7.5	-6.6	-1.0	-2.3	-2.6	-2.7	-7.5
GROSS PROFIT	-0.6	-0.2	-0.3	0.0	-0.3	-0.2	-0.6
<i>Gross Margin</i>	-7.9%	-3.4%		-2.1%	-12.7%	-8.7%	-7.9%
Operating expenses	-1.9	-1.5	-0.5	-0.6	-0.6	-0.8	-1.9
Other income (expenses), net	0.1	0.1	0.0	0.1	-0.1	0.1	0.1
OPERATING INCOME	-2.3	-1.6	-0.7	-0.5	-0.9	-0.9	-2.3
<i>Operating Margin</i>	-33.3%	-24.8%		-22.0%	-40.6%	-36.8%	-33.3%
Interest and other financial income (expenses), net	-0.1	-0.1	0.0	0.0	0.0	0.0	-0.1
Foreign exchange gains (losses), net	0.1	0.0	0.1	0.0	0.1	0.1	0.1
INCOME BEFORE TAXES	-2.3	-1.7	-0.7	-0.6	-0.9	-0.9	-2.3
Income Taxes	0.5	0.2	0.3	0.1	0.2	0.2	0.5
NET INCOME (LOSS)	-1.8	-1.5	-0.4	-0.4	-0.7	-0.7	-1.8

All figures in M€, unless otherwise stated

YTD Total Income Statement of the Group

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

	September 2016	Actuator Solutions		SAES RIAL Vacuum S.r.l.		September 2016 Total IS of the Group
		50% Actuator Solutions	Eliminations & other adjs	49% SAES RIAL Vacuum	Eliminations & other adjs	
NET SALES	131.3	7.0	-0.5	0.5	0.0	138.2
GROSS PROFIT	59.3	-0.6	0.0	0.0	0.0	58.7
<i>Gross Margin</i>	45.1%	-7.9%		-8.4%		42.4%
Total operating expenses	-40.4	-1.9		-0.1	0.0	-42.3
Other income (expenses), net	-0.8	0.1		0.0		-0.7
OPERATING INCOME	18.1	-2.3	0.0	-0.2	0.0	15.7
<i>Operating Margin</i>	13.8%	-33.3%		-29.6%		11.3%
Interest and other financial income (expenses), net	-1.0	-0.1		0.0		-1.1
Income (loss) from equity method evaluated companies	-2.0		1.8		0.2	0.0
Foreign exchange gains (losses), net	-0.2	0.1		0.0		-0.1
INCOME BEFORE TAXES	15.0	-2.3	1.8	-0.2	0.2	14.4
Income Taxes	-5.9	0.5		0.0		-5.4
NET INCOME from continued operations	9.1	-1.8	1.8	-0.2	0.2	9.1
<i>Net Margin</i>	6.9%	-26.0%		-30.7%		6.6%
Net income (loss) from discontinued operations	0.0					0.0
NET INCOME before minority interests	9.1	-1.8	1.8	-0.2	0.2	9.1
<i>Net Margin</i>	6.9%	-26.0%		-30.7%		6.6%
Minority interests	0.0					0.0
GROUP NET INCOME	9.1	-1.8	1.8	-0.2	0.2	9.1
<i>Net Margin</i>	6.9%	-26.0%		-30.7%		6.6%

All figures in M€, unless otherwise stated

Net Financial Position

All figures in M€, unless otherwise stated

	Sep 30, 2016	Jun 30, 2016	Mar 31, 2016	Dec 31, 2015
Cash and cash equivalents	20.8	28.3	26.7	24.0
Current financial assets	2.9	0.4	0.6	0.6
Current financial liabilities	(23.5)	(24.6)	(17.2)	(14.1)
Current net financial position	0.2	4.2	10.1	10.5
Non current financial assets	4.3	1.4	0.5	0.6
Non current financial liabilities	(23.9)	(25.2)	(26.7)	(28.4)
Non current financial position	(19.6)	(23.7)	(26.2)	(27.8)
NET FINANCIAL POSITION	(19.4)	(19.5)	(16.0)	(17.3)

- ✓ Net financial position penalized by the increase in working capital
- ✓ Self-financing partially absorbed by the increase in the working capital, mainly due to an increase in the stock of the gas purification sector, in anticipation of the sales in the Q4

- We expect the fourth quarter of 2016 to be particularly strong, thanks also to the contribution of the newly acquired Metalvuoto S.p.A.
- The Group significantly relies on the acquisition of Metalvuoto to secure its future growth in the innovative market of active packaging

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.

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