

The SAES[®] Group

1Q 2020 Consolidated Results



making **innovation happen**, together

Highlights

All figures in M€, unless otherwise stated

- **ORGANIC GROWTH OF REVENUES (+12.2%)**
- **LIMITED IMPACT OF COVID-19 CRISIS ON THE GROUP'S OPERATING RESULTS SO FAR**

P&L figures	1Q 2020	1Q 2019	Total difference	Difference %
CONSOLIDATED REVENUES	49.3	43.1	6.2	14.4%
TOTAL REVENUES OF THE GROUP	51.5	46.0	5.5	12.0%
CONSOLIDATED GROSS PROFIT	20.4	18.2	2.2	11.9%
<i>% on sales</i>	<i>41.3%</i>	<i>42.2%</i>		
CONSOLIDATED OPERATING INCOME	6.8	4.6	2.2	47.4%
<i>% on sales</i>	<i>13.9%</i>	<i>10.8%</i>		
CONSOLIDATED EBITDA	9.4	6.6	2.8	42.7%
<i>% on sales</i>	<i>19.0%</i>	<i>15.3%</i>		
CONSOLIDATED INCOME (LOSS) BEFORE TAXES	(4.1)	5.6	(9.7)	-172.3%
<i>% on sales</i>	<i>-8.2%</i>	<i>13.0%</i>		
CONSOLIDATED NET INCOME (LOSS)	(5.1)	3.2	(8.3)	-259.7%
<i>% on sales</i>	<i>-10.3%</i>	<i>7.4%</i>		

Other information	Mar 31, 2020	Dec 31, 2019	Total difference	Difference %
CONSOLIDATED NET FINANCIAL POSITION	102.8	115.3	(12.5)	-10.9%
CAPEX	3.2	24.2	(21.0)	-86.8%
SECURITIES FAIR VALUE	195.9	205.5	(9.6)	-4.7%

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

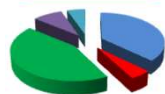
	1Q 2020	1Q 2019	Total difference	Difference %
Consolidated sales	49.3	43.1	6.2	14.4%
50% Actuator Solutions sales	2.2	2.8	(0.6)	-18.7%
49% SAES RIAL Vacuum S.r.l. sales	0.2	0.3	(0.1)	-36.3%
46.73% Flexterra sales	0.0	0.0	0.0	361.2%
Eliminations & other adjs	(0.2)	(0.2)	(0.0)	39.0%
Total revenues of the Group	51.5	46.0	5.5	12.0%

	1Q 2019	2Q 2019	3Q 2019	4Q 2019	1Q 2020
Consolidated sales	43.1	45.4	49.0	44.9	49.3
50% Actuator Solutions sales	2.8	2.7	2.9	2.2	2.2
49% SAES RIAL Vacuum S.r.l. sales	0.3	0.3	0.5	0.6	0.2
46.73% Flexterra sales	0.0	0.0	0.0	0.0	0.0
Eliminations & other adjs	(0.2)	(0.2)	(0.2)	(0.1)	(0.2)
Total revenues of the Group	46.0	48.4	52.2	47.6	51.5

- ✓ **Total revenues of the Group** up by 12%, thanks exclusively to the increased **consolidated revenues**
- ✓ The **revenues of the joint ventures Actuator Solutions** and **SAES RIAL Vacuum S.r.l.** decreased, penalized also by the Covid-19 pandemic



Metallurgy Division Sales



Metallurgy Division
37.3%

All figures in M€, unless otherwise stated

	1Q 2020	1Q 2019	Total difference %	Organic change %	Exchange rate effect %
Security & Defense	4.6	3.6	26.8%	24.9%	1.9%
Electronic Devices	4.2	3.5	17.8%	16.5%	1.3%
Healthcare Diagnostics	1.7	1.2	38.5%	36.5%	2.0%
Lamps	1.1	1.1	-1.6%	-3.0%	1.4%
Thermal Insulated Devices	1.0	0.9	1.8%	-1.3%	3.1%
Sintered Components for Electronic Devices & Lasers	2.1	2.4	-13.4%	-15.9%	2.5%
SMA Industrial	3.9	3.7	6.0%	4.4%	1.6%
Metallurgy Division	18.4	16.4	12.0%	10.2%	1.8%

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

✓ Two-digit **organic growth (+10.2%)** mainly driven by:

- **Security and Defense Business** (higher sales of getter components for infrared sensors and night vision systems for defense applications)
- **Electronic Devices Business** (driven by infrared applications in thermal sensors used in temperature measurements and thermography, also thanks to the Covid-19 crisis)
- **Healthcare Diagnostics Business** (stock advances and increase in demand by some large customers in the image diagnostic sector, related to the Covid-19 crisis)
- **SMA Industrial Business** (higher sales in the consumer electronics sector, also in this case probably favored by stock advances requested by some customers)

Vacuum Technology Division Sales



Vacuum Technology Division

5%

All figures in M€, unless otherwise stated

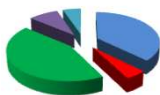
	1Q 2020	1Q 2019	Total difference %	Organic change %	Exchange rate effect %
Solutions for Vacuum Systems	2.4	3.1	-20.4%	-21.5%	1.1%
Vacuum Technology Division	2.4	3.1	-20.4%	-21.5%	1.1%

	1Q 2019	2Q 2019	3Q 2019	4Q 2019	1Q 2020
Solutions for Vacuum Systems	3.1	2.5	2.0	3.0	2.4
Vacuum Technology Division	3.1	2.5	2.0	3.0	2.4

- ✓ **Organic decrease (-21.5%)** due to lower sales in the field of analytical instrumentation, as well as in that of research and universities
- ✓ Decrease mainly concentrated in **China**, due to Covid-19

Medical Division Sales

All figures in M€, unless otherwise stated



Medical Division
43.8%

	1Q 2020	1Q 2019	Total difference %	Organic change %	Exchange rate effect %
Nitinol for Medical Devices	21.6	20.1	7.6%	4.5%	3.1%
Medical Division	21.6	20.1	7.6%	4.5%	3.1%

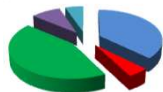
	1Q 2019	2Q 2019	3Q 2019	4Q 2019	1Q 2020
Nitinol for Medical Devices	20.1	21.2	22.8	20.9	21.6
Medical Division	20.1	21.2	22.8	20.9	21.6

- ✓ **Organic growth (+4.5%)** mainly concentrated in the first two months, despite the sharp reduction of an important US customer due to its high levels of stock
- ✓ Slowdown in the demand for medical devices in the last part of the quarter, because of the suspension of the elective surgery

Specialty Chemicals Division Sales

Specialty Chemicals Division

8.7%



All figures in M€, unless otherwise stated

	1Q 2020	1Q 2019	Total difference %	Organic change %	Exchange rate effect %
Functional Dispensable Products	4.3	0.9	365.7%	364.6%	1.1%
Specialty Chemicals Division	4.3	0.9	365.7%	364.6%	1.1%

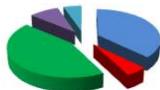
	1Q 2019	2Q 2019	3Q 2019	4Q 2019	1Q 2020
Functional Dispensable Products	0.9	2.5	5.0	3.9	4.3
Specialty Chemicals Division	0.9	2.5	5.0	3.9	4.3

- ✓ **Strong organic growth (+364.6%)** mainly driven by higher sales of advanced components for the consumer electronics market
- ✓ Higher volumes also thanks to the advance orders from Chinese and Taiwanese customers, in order to deal with any supply risk due to Covid-19

Advanced Packaging Division Sales

Advanced Packaging Division

5.2%



All figures in M€, unless otherwise stated

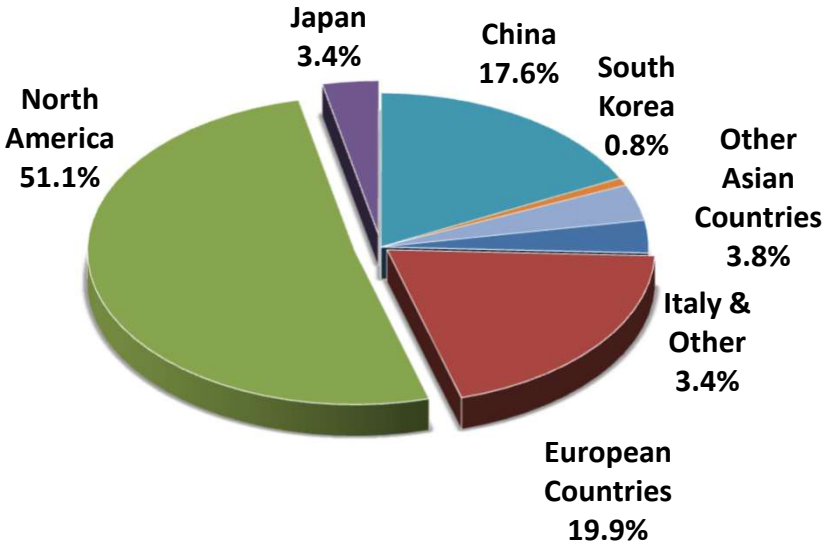
	1Q 2020	1Q 2019	Total difference %	Organic change %	Exchange rate effect %
Advanced Coatings	2.6	2.6	-1.4%	-1.4%	0.0%
Advanced Packaging Division	2.6	2.6	-1.4%	-1.4%	0.0%

	1Q 2019	2Q 2019	3Q 2019	4Q 2019	1Q 2020
Advanced Coatings	2.6	2.4	2.3	2.7	2.6
Advanced Packaging Division	2.6	2.4	2.3	2.7	2.6

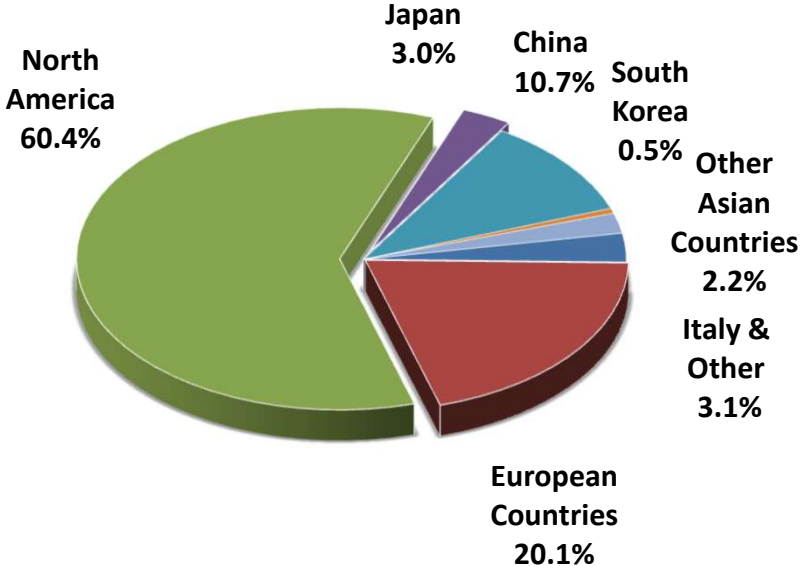
- ✓ Revenues substantially **stable** with 1Q 2019
- ✓ **Different mix of the product portfolio:** prevalence of lacquered products intended for sustainable and compostable applications, compared to metallized ones, confirming the strategy of repositioning the offer on products with higher added value

Consolidated Sales by Geographic Area

1Q 2020 - Total 49,285

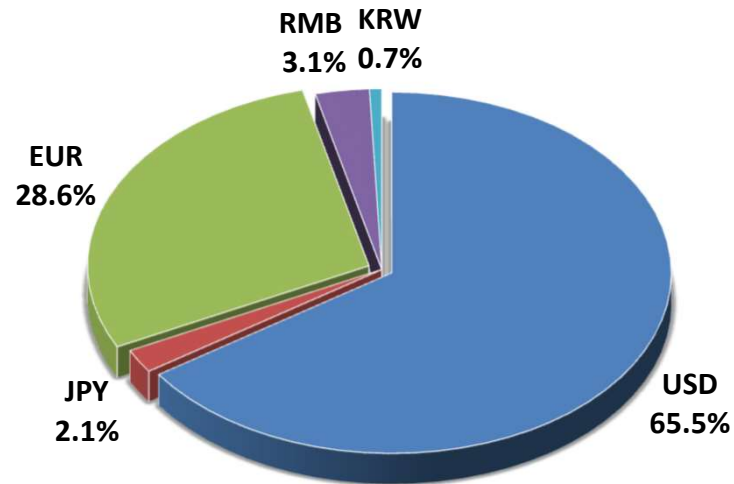


1Q 2019 - Total 43,099

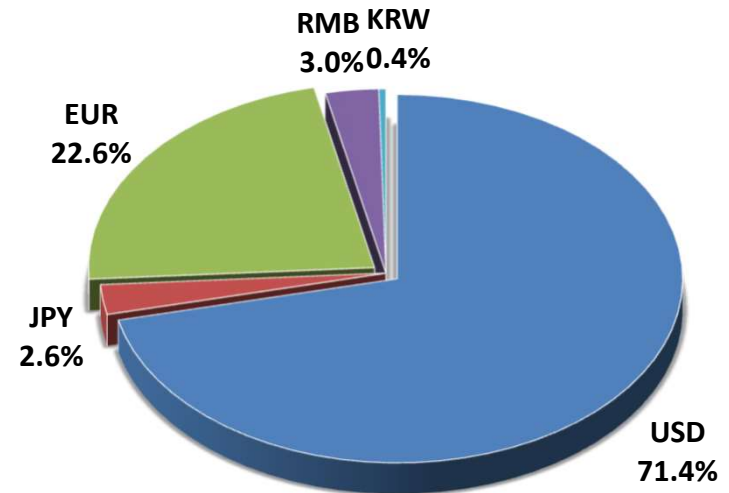


Consolidated Sales by Invoicing Currency

1Q 2020 - Total 49,285

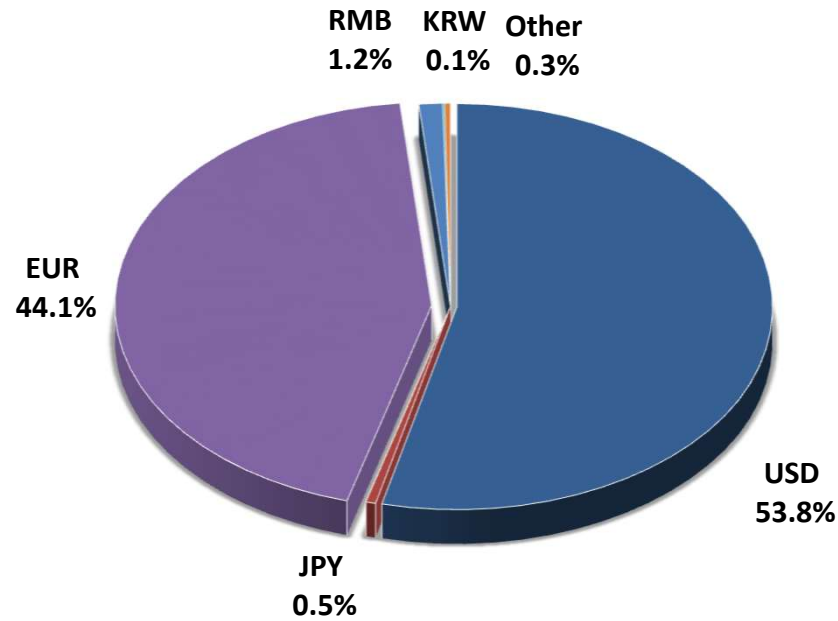


1Q 2019 - Total 43,099

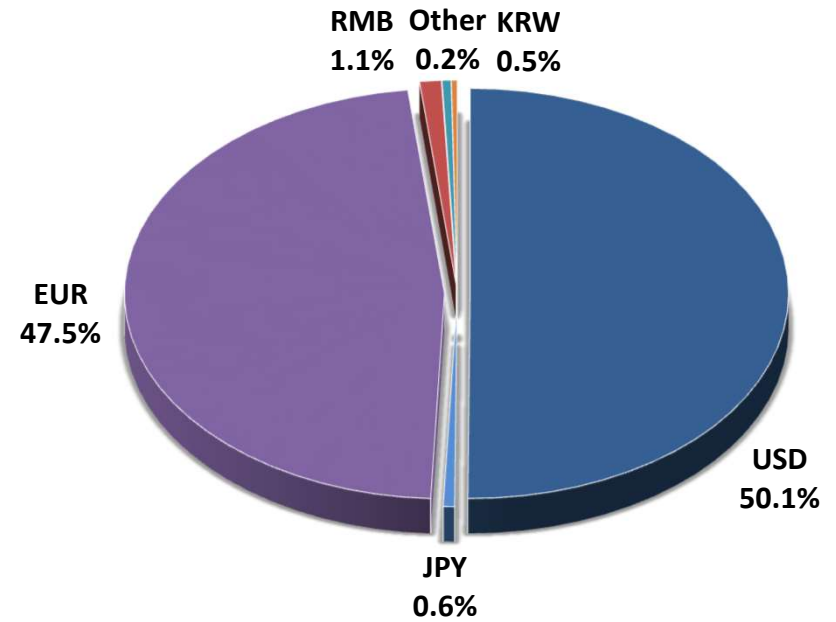


Consolidated Costs by Currency

1Q 2020 - Total 42,484



1Q 2019 – Total 38,584



Metallurgy Division Margins

All figures in M€, unless otherwise stated

	1Q 2020	1Q 2019	Total difference
NET SALES	18.4	16.4	2.0
GROSS PROFIT	9.6	8.8	0.8
<i>Gross Margin</i>	52.0%	53.5%	
OPERATING INCOME	6.6	5.8	0.9
<i>Operating Margin</i>	36.0%	35.1%	

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

- ✓ **Gross profit** up by 8.8%, mainly thanks to the significant performance of the sales of getter for infrared applications in the security and defense sector as well as in the thermography one, in addition to higher sales in the healthcare diagnostics sector
- ✓ **Gross margin** decrease (from 53.5% to 52%) concentrated in the SMA for industrial applications sector, penalized by an increased incidence of raw materials
- ✓ **Operating income** significantly up (+14.9%), thanks to the increase in gross profit and to almost unchanged operating expenses
- ✓ **Operating margin** increased from 35.1% to 36%

Vacuum Technology Division Margins

All figures in M€, unless otherwise stated

	1Q 2020	1Q 2019	Total difference
NET SALES	2.4	3.1	(0.6)
GROSS PROFIT	1.4	1.7	(0.2)
<i>Gross Margin</i>	<i>58.7%</i>	<i>54.2%</i>	
OPERATING INCOME	0.5	0.7	(0.2)
<i>Operating Margin</i>	<i>20.9%</i>	<i>23.4%</i>	

	1Q 2019	2Q 2019	3Q 2019	4Q 2019	1Q 2020
NET SALES	3.1	2.5	2.0	3.0	2.4
GROSS PROFIT	1.7	1.2	1.3	1.6	1.4
<i>Gross Margin</i>	<i>54.2%</i>	<i>48.5%</i>	<i>65.6%</i>	<i>51.3%</i>	<i>58.7%</i>
OPERATING INCOME	0.7	0.2	0.5	0.3	0.5
<i>Operating Margin</i>	<i>23.4%</i>	<i>9.8%</i>	<i>24.5%</i>	<i>10.0%</i>	<i>20.9%</i>

- ✓ Decrease in **gross profit** (-13.9%) due to the reduction in sales, but increase in **gross margin** (from 54.2% to 58.7%) thanks to the different product mix
- ✓ Decrease in **operating income** due to the contraction in volumes and in the gross profit, despite operating expenses down by 11.8%
- ✓ Decrease in **operating margin** from 23.4% to 20.9%

Medical Division Margins

All figures in M€, unless otherwise stated

	1Q 2020	1Q 2019	Total difference
NET SALES	21.6	20.1	1.5
GROSS PROFIT	8.0	7.5	0.5
<i>Gross Margin</i>	37.2%	37.3%	
OPERATING INCOME	5.8	5.4	0.4
<i>Operating Margin</i>	26.8%	26.7%	

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

- ✓ **Gross profit** up by 7.2%, thanks to higher volumes
- ✓ **Gross margin** substantially unchanged (37.2% compared to 37.3%)
- ✓ Increase in the **operating income** in line with the increase in gross profit
- ✓ **Operating margin** in line with 1Q 2019

Specialty Chemicals Division Margins

All figures in M€, unless otherwise stated

	1Q 2020	1Q 2019	Total difference
NET SALES	4.3	0.9	3.4
GROSS PROFIT	1.1	(0.1)	1.2
<i>Gross Margin</i>	25.1%	-8.8%	
OPERATING INCOME	0.6	(0.4)	0.9
<i>Operating Margin</i>	12.9%	-41.2%	

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

- ✓ **Gross profit** strongly up compared to a loss of -€0.1 million in 1Q 2019 thanks to the extremely higher turnover of chemicals for the consumer electronics market
- ✓ **Gross margin** equal to +25.1% (8.8% in 1Q 2019 penalized by engineering costs of new products and a higher incidence of fixed industrial costs related to low volumes)
- ✓ **Operating income** equal to €0.6 million (12.9% of revenues), compared to an operating loss of -€0.4 million in 1Q 2019: increase in gross profit partially offset by higher operating expenses (especially the G&A)

Advanced Packaging Division Margins

All figures in M€, unless otherwise stated

	1Q 2020	1Q 2019	Total difference
NET SALES	2.6	2.6	(0.0)
GROSS PROFIT	0.2	0.3	(0.1)
<i>Gross Margin</i>	9.6%	12.0%	
OPERATING INCOME	(0.6)	(0.6)	0.0
<i>Operating Margin</i>	-22.1%	-23.5%	

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

- ✓ **Gross profit** substantially in line with 1Q 2019
- ✓ Drop in the **gross margin** mainly due to the initial operating phase of the second lacquering line, whose investment was finalized only at the end of last year
- ✓ **Operating loss** unchanged compared to 1Q 2019

Not Allocated Costs

All figures in M€, unless otherwise stated

	1Q 2020	1Q 2019	Total difference
NET SALES	0.0	0.0	0.0
GROSS PROFIT	0.0	0.0	(0.0)
<i>Gross Margin</i>	<i>n.s.</i>	<i>n.s.</i>	
Total operating expenses	(5.5)	(6.1)	0.6
Other income (expenses), net	(0.6)	(0.1)	(0.5)
OPERATING INCOME	(6.1)	(6.2)	0.2
<i>Operating Margin</i>	<i>n.s.</i>	<i>n.s.</i>	

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

- ✓ Decrease in **G&A expenses** (around -€0.5 million, thanks to lower severance and less legal costs) offset by the **cost for the Covid-19 donation** to specialized research (€0.5 million, classified in the item “Other income (expenses) net”)

Consolidated Income Statement

All figures in M€, unless otherwise stated

	1Q 2020	1Q 2019	Total difference
NET SALES	49.3	43.1	6.2
GROSS PROFIT	20.4	18.2	2.2
<i>Gross Margin</i>	41.3%	42.2%	
R&D expenses	(2.6)	(2.7)	0.1
Selling expenses	(3.0)	(3.1)	0.1
G&A expenses	(7.3)	(7.7)	0.4
Total operating expenses	(12.9)	(13.5)	0.6
Other income (expenses), net	(0.6)	(0.0)	(0.6)
OPERATING INCOME	6.8	4.6	2.2
<i>Operating Margin</i>	13.9%	10.8%	
Interest and other financial income (expenses), net	(10.2)	1.7	(11.9)
Write down of financial receivables from related parties	(0.1)	(0.1)	(0.0)
Income (loss) from equity method evaluated companies	(0.6)	(0.6)	0.0
Write down of investments accounted for using the equity method	0.0	0.0	0.0
Foreign exchange gains (losses), net	0.0	0.0	(0.0)
INCOME BEFORE TAXES	(4.1)	5.6	(9.7)
Income Taxes	(1.0)	(2.4)	1.4
NET INCOME from continued operations	(5.1)	3.2	(8.3)
<i>Net Margin</i>	-10.3%	7.4%	
Net income from discontinued operations	0.0	0.0	0.0
NET INCOME before minority interests	(5.1)	3.2	(8.3)
<i>Net Margin</i>	-10.3%	7.4%	
Minority interests	0.0	0.0	0.0
GROUP NET INCOME	(5.1)	3.2	(8.3)
<i>Net Margin</i>	-10.3%	7.4%	

1Q 2019	2Q 2019	3Q 2019	4Q 2019	1Q 2020
43.1	45.4	49.0	44.9	49.3
18.2	19.6	22.7	17.8	20.4
42.2%	43.3%	46.4%	39.7%	41.3%
(2.7)	(2.9)	(2.7)	(2.8)	(2.6)
(3.1)	(3.1)	(3.2)	(3.6)	(3.0)
(7.7)	(7.2)	(7.3)	(7.0)	(7.3)
(13.5)	(13.2)	(13.2)	(13.4)	(12.9)
(0.0)	2.4	(0.0)	(0.5)	(0.6)
4.6	8.8	9.5	3.9	6.8
10.8%	19.3%	19.4%	8.6%	13.9%
1.7	1.4	2.6	0.9	(10.2)
(0.1)	(0.1)	(0.1)	(0.1)	(0.1)
(0.6)	(0.4)	(0.3)	(0.4)	(0.6)
0.0	0.0	0.0	(1.2)	0.0
0.0	(0.1)	0.1	(0.2)	0.0
5.6	9.6	11.7	3.1	(4.1)
(2.4)	(3.8)	(2.9)	(1.1)	(1.0)
3.2	5.8	8.8	2.0	(5.1)
7.4%	12.7%	17.9%	4.4%	-10.3%
0.0	0.2	(0.0)	0.0	0.0
3.2	6.0	8.7	2.0	(5.1)
7.4%	13.1%	17.8%	4.4%	-10.3%
0.0	0.0	0.0	0.0	0.0
3.2	6.0	8.7	2.0	(5.1)
7.4%	13.1%	17.8%	4.4%	-10.3%

Actuator Solutions - Income Statement (50%)

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

All figures in M€, unless otherwise stated

	1Q 2020	1Q 2019	Total difference	1Q 2019	2Q 2019	3Q 2019	4Q 2019	1Q 2020
NET SALES	2.2	2.8	(0.5)	2.8	2.7	2.9	2.2	2.2
Cost of goods sold	(1.8)	(2.2)	0.4	(2.2)	(2.3)	(2.4)	(1.9)	(1.8)
GROSS PROFIT	0.4	0.5	(0.1)	0.5	0.5	0.5	0.4	0.4
<i>Gross Margin</i>	<i>19.2%</i>	<i>19.9%</i>		<i>19.9%</i>	<i>17.1%</i>	<i>17.5%</i>	<i>17.3%</i>	<i>19.2%</i>
Operating expenses	(0.3)	(0.5)	0.2	(0.5)	(0.5)	(0.5)	(0.4)	(0.3)
Other income (expenses), net	0.0	0.0	(0.0)	0.0	(0.2)	0.0	(0.0)	0.0
OPERATING INCOME	0.1	0.0	0.1	0.0	(0.2)	(0.0)	(0.0)	0.1
<i>Operating Margin</i>	<i>5.5%</i>	<i>1.3%</i>		<i>1.3%</i>	<i>-8.7%</i>	<i>-0.5%</i>	<i>-0.2%</i>	<i>5.5%</i>
Interest and other financial income (expenses), net	(0.0)	(0.1)	0.1	(0.1)	(0.1)	(0.1)	(0.1)	(0.0)
Foreign exchange gains (losses), net	(0.1)	0.0	(0.1)	0.0	(0.0)	0.0	(0.0)	(0.1)
INCOME BEFORE TAXES	0.0	(0.0)	0.1	(0.0)	(0.4)	(0.1)	(0.1)	0.0
Income Taxes	0.0	(0.0)	0.0	(0.0)	0.0	0.0	(0.8)	0.0
NET INCOME (LOSS)	0.0	(0.0)	0.1	(0.0)	(0.3)	(0.1)	(1.0)	0.0

- ✓ **Net revenues** down by -18.7%: the slowdown in the automotive market, begun in 2019, worsened in 1Q 2020 due to the Covid-19 crisis that negatively impacted the sales in the end market and caused uncertainty in the supply chain, especially in China
- ✓ **Opportunity from the Covid-19** crisis for ASG to sell actuators for testing systems applied to the medical market: the first order was received in April 2020 for contract assembly and sale of Covid-19 testing equipment
- ✓ Despite the decrease in sales, the **gross margin** remained substantially aligned, while the **operating margin** significantly improved, thanks to the reduction in operating expenses due to the liquidation of the two Asian subsidiaries and income from third party engineering contracts

SAES Rial Vacuum - Income Statement (49%)

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

All figures in M€, unless otherwise stated

	1Q 2020	1Q 2019	Total difference	1Q 2019	2Q 2019	3Q 2019	4Q 2019	1Q 2020
NET SALES	0.2	0.3	(0.1)	0.3	0.3	0.5	0.6	0.2
Cost of goods sold	(0.2)	(0.2)	0.0	(0.2)	(0.2)	(0.2)	(0.5)	(0.2)
GROSS PROFIT	(0.0)	0.0	(0.1)	0.0	0.1	0.3	0.1	(0.0)
<i>Gross Margin</i>	<i>-27.8%</i>	<i>17.0%</i>		<i>17.0%</i>	<i>18.2%</i>	<i>56.9%</i>	<i>10.3%</i>	<i>-27.8%</i>
Operating expenses	(0.1)	(0.0)	(0.0)	(0.0)	(0.0)	(0.1)	(0.1)	(0.1)
Other income (expenses), net	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
OPERATING INCOME	(0.1)	0.0	(0.1)	0.0	0.0	0.3	0.0	(0.1)
<i>Operating Margin</i>	<i>-59.7%</i>	<i>0.7%</i>		<i>0.7%</i>	<i>7.9%</i>	<i>46.3%</i>	<i>2.0%</i>	<i>-59.7%</i>
Interest and other financial income (expenses), net	(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
INCOME BEFORE TAXES	(0.1)	(0.0)	(0.1)	(0.0)	0.0	0.3	0.0	(0.1)
Income Taxes	0.0	0.0	0.0	0.0	(0.0)	(0.1)	(0.0)	0.0
NET INCOME (LOSS)	(0.1)	0.0	(0.1)	0.0	0.0	0.2	0.0	(0.1)

- ✓ **Net sales** decreased compared to 1Q 2019 due to the Covid-19 pandemic
- ✓ **Net loss** equal to -€0.2 million caused by unchanged industrial fixed costs and increased operating expenses

Flexterra - Income Statement (46.73%)

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

All figures in M€, unless otherwise stated

	1Q 2020	1Q 2019	Total difference	1Q 2019	2Q 2019	3Q 2019	4Q 2019	1Q 2020
NET SALES	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)
GROSS PROFIT	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>
Operating expenses	(0.5)	(0.5)	0.0	(0.5)	(0.5)	(0.5)	(0.5)	(0.5)
Other income (expenses), net	0.0	0.0	0.0	0.0	0.0	0.0	(0.0)	0.0
OPERATING INCOME	(0.5)	(0.5)	0.0	(0.5)	(0.5)	(0.5)	(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>
Interest and other financial income (expenses), net	(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	0.1	(0.0)
INCOME BEFORE TAXES	(0.5)	(0.5)	0.0	(0.5)	(0.5)	(0.5)	(0.5)	(0.5)
Income Taxes	0.0	(0.1)	0.1	(0.1)	0.1	0.0	0.0	0.0
NET INCOME (LOSS)	(0.5)	(0.6)	0.1	(0.6)	(0.4)	(0.5)	(0.5)	(0.5)

- ✓ **Net loss** equal to -€1.1 million (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)
- ✓ Flexterra continued the **development activities** on its organic materials
- ✓ Although longer than initially estimated, also due to the Covid-19 crisis, the start of the **production and sale activities** expected at the end of the year

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

	1Q 2020	Actuator Solutions		SAES RIAL Vacuum S.r.l.		Flexterra		1Q 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	
NET SALES	49.3	2.2	(0.1)	0.2	-0.1	0.0	0.0	51.493
GROSS PROFIT	20.4	0.4	0.0	(0.0)	0.0	0.0	0.0	20.7
<i>Gross Margin</i>	41.3%	19.2%		-27.8%		n.s.		40.3%
Total operating expenses	(12.9)	(0.3)	0.0	(0.1)	0.0	(0.5)	0.0	(13.8)
Other income (expenses), net	(0.6)	0.0		0.0		0.0		(0.6)
OPERATING INCOME	6.8	0.1	0.0	(0.1)	0.0	(0.5)	0.0	6.4
<i>Operating Margin</i>	13.9%	5.5%		-59.7%		n.s.		12.4%
Interest and other financial income (expenses), net	(10.2)	(0.0)	0.1	0.0	0.0	0.0	0.0	(10.2)
Write down of financial receivables from related parties	(0.1)		0.0					(0.1)
Income (loss) from equity method evaluated companies	(0.6)		0.0		0.1		0.5	0.0
Foreign exchange gains (losses), net	0.0	(0.1)		0.0		0.0		(0.0)
INCOME BEFORE TAXES	(4.1)	0.0	0.1	(0.1)	0.1	(0.5)	0.5	(4.0)
Income Taxes	(1.0)	0.0		0.0		0.0		(1.0)
NET INCOME from continued operations	(5.1)	0.0	0.1	(0.1)	0.1	(0.5)	0.5	(5.0)
<i>Net Margin</i>	-10.3%	2.0%		-47.7%		n.s.		-9.7%
Net income (loss) from discontinued operations	0.0							0.0
NET INCOME before minority interests	(5.1)	0.0	0.1	(0.1)	0.1	(0.5)	0.5	(5.0)
<i>Net Margin</i>	-10.3%	2.0%		-47.7%		n.s.		-9.7%
Minority interests	0.0							0.0
GROUP NET INCOME	(5.1)	0.0	0.1	(0.1)	0.1	(0.5)	0.5	(5.0)
<i>Net Margin</i>	-10.3%	1.9%		-47.7%		n.s.		-9.7%

Net Financial Position

All figures in M€, unless otherwise stated

	Mar 31, 2020	Dec 31, 2019	Sep 30, 2019	Jun 30, 2019
Cash and cash equivalents	46.0	48.6	47.2	41.8
Current financial assets	67.7	70.8	71.0	71.3
Current financial liabilities	(36.7)	(35.4)	(34.7)	(34.3)
Current net financial position	77.0	84.0	83.5	78.9
Non current financial assets	128.2	134.7	133.9	131.3
Non current financial liabilities	(102.4)	(103.4)	(105.6)	(105.2)
Non current financial position	25.8	31.3	28.3	26.1
NET FINANCIAL POSITION	102.8	115.3	111.8	105.0

- ✓ Decrease mainly due to the **decrease** in the **fair value** of the **securities** portfolio
- ✓ **Self-financing** mostly absorbed by the increase in **net working capital**
- ✓ **Capex** equal to €3.2 million in 1Q 2020 and **cash coupons from securities** equal to €0.6 million
- ✓ **Exchange rates effect** positive for about €0.5 million

Cash Flows

All figures in M€, unless otherwise stated

	1Q 2020	1Q 2019
Net income (loss) from continued operations	(5.1)	3.2
Net income (loss) from discontinued operations	0.0	0.0
Current income taxes	1.7	2.8
Change in deferred income taxes	(0.6)	(0.3)
Depreciation, amortization and write down of non current assets	2.5	1.9
Interests and other financial income, net	10.9	(0.9)
Other non-monetary costs	(0.6)	(1.2)
	8.8	5.4
Change in operating assets and liabilities	(8.0)	(3.1)
Payments of termination indemnities and similar obligations	(0.0)	(0.1)
Financial income received, net of payment of interests	(0.2)	(0.1)
Payment of income taxes	(0.3)	(0.4)
Net cash flows from operating activities	0.3	1.8
Purchase of tangible and intangible assets, net of proceeds from sales	(3.2)	(3.5)
Adjustment on consideration for the purification business disposal	0.0	(1.1)
Purchase of securities, net of disinvestments	(0.8)	(95.8)
Income from securities, net of commissions	0.5	0.3
Net cash flows from investing activities	(3.4)	(100.2)
Proceeds from debts, net of repayments	0.4	(0.6)
Interests on financing receivables from related parties	0.0	0.0
Dividends payment	0.0	0.0
Interests and other expenses paid on loans	(0.3)	(0.0)
Repayment of financial liabilities for leased assets (interests included)	(0.6)	0.0
Other financial liabilities/assets	0.0	0.0
Net cash flows from financing activities	(0.4)	(0.6)
Effect of exchange rate differences	0.8	0.9
TOTAL CASH FLOWS	(2.8)	(98.0)

- To date we expect a second quarter of 2020 down by about 15-20%, that will be gradually reabsorbed in the second half of the year

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

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E-mail: investor_relations@saes-group.com

www.saesgetters.com