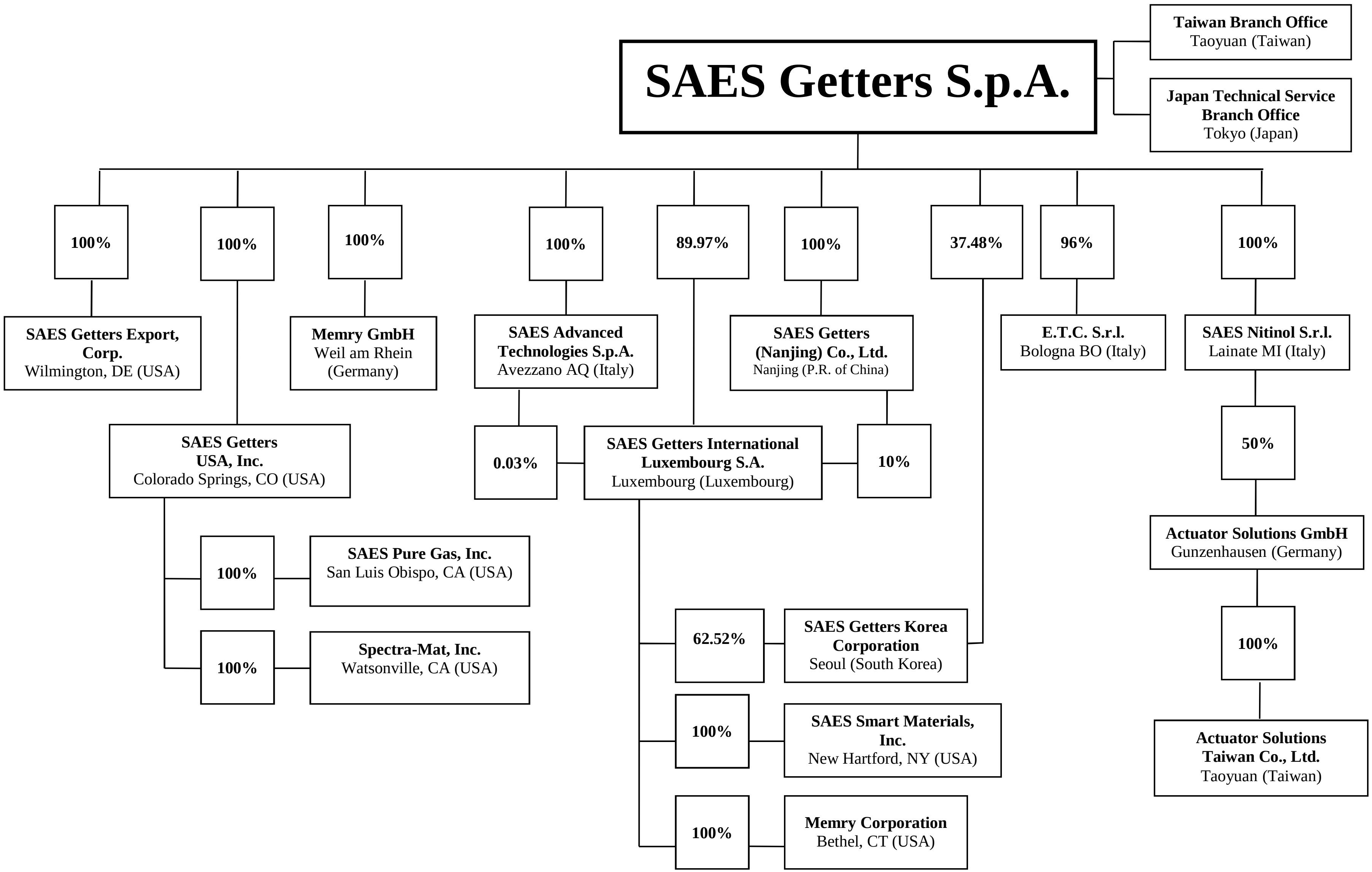
Interim Consolidated Financial Statements 2015


SAES Getters S.p.A.
Taiwan Branch Office
Taoyuan (Taiwan)
Japan Technical Service Branch Office
Tokyo (Japan)
100%
SAES Getters Export, Corp.
Wilmington, DE (USA)
100%
SAES Getters USA, Inc.
Colorado Springs, CO (USA)
100%
SAES Pure Gas, Inc.
San Luis Obispo, CA (USA)
100%
Spectra-Mat, Inc.
Watsonville, CA (USA)
100%
Memry GmbH
Weil am Rhein (Germany)
100%
SAES Advanced Technologies S.p.A.
Avezzano AQ (Italy)
0.03%
89.97%
SAES Getters International Luxembourg S.A.
Luxembourg (Luxembourg)
10%
100%
SAES Getters (Nanjing) Co., Ltd.
Nanjing (P.R. of China)
37.48%
62.52%
SAES Getters Korea Corporation
Seoul (South Korea)
100%
SAES Smart Materials, Inc.
New Hartford, NY (USA)
100%
Memry Corporation
Bethel, CT (USA)
96%
E.T.C. S.r.l.
Bologna BO (Italy)
100%
SAES Nitinol S.r.l.
Lainate MI (Italy)
50%
Actuator Solutions GmbH
Gunzenhausen (Germany)
100%
Actuator Solutions Taiwan Co., Ltd.
Taoyuan (Taiwan)

Interim Condensed Consolidated Financial Statements as at June 30, 2015

SAES Getters S.p.A.

Capital Stock of 12,220,000 fully paid-in

Corporate Headquarters:
Viale Italia, 77 – 20020 Lainate (Milan), Italy

Registered with the Milan Court
Companies Register no. 00774910152

Board of Directors

President	Massimo della Porta
Vice President and Managing Director	Giulio Canale
Directors	Alessandra della Porta (1) Luigi Lorenzo della Porta (1) Andrea Dogliotti (1) Roberto Orecchia (1) (2) (5) (6) (7) Luciana Rovelli (1) (2) (4) (6) (8) Pietro Mazzola (1) Adriano De Maio (1) (3) (4) Stefano Proverbio (1) (2) (5) (6) (8) Gaudiana Giusti (1) (2) (4) (5) (6) (8)

Board of Statutory Auditors

President	Pier Francesco Sportoletti
Statutory Auditors	Vincenzo Donnamaria (8) Sara Anita Speranza
Alternate Statutory Auditors	Angelo Rivolta Anna Fossati
Audit Firm	Deloitte & Touche S.p.A. (9)

Representative of holders of savings shares	Massimiliano Perletti (10) (e-mail: massimilano.perletti@roedl.it)

(1) Non-executive Director
(2) Independent Director, pursuant to the criteria of the Code of Conduct of the Italian Stock Exchange
(3) Independent Director, pursuant to the combined provisions of article 147-*ter*, paragraph 4, and article 148, paragraph 3, of Legislative Decree 58/1998
(4) Member of the Remuneration and Appointment Committee
(5) Member of the Audit and Risk Committee
(6) Member of the Committee for Transactions with Related Parties
(7) Lead Independent Director
(8) Member of the Supervisory Body
(9) Appointed for the years 2013-2021 by the Shareholders' Meeting held on April 23, 2013
(10) Appointed for the years 2014-2016 by the Special Meeting of Holders of Savings Shares on April 29, 2014

The mandate of the Board of Directors and of the Board of Statutory Auditors, elected on April 28, 2015, will expire on the same date of the Shareholders' Meeting in which the financial statements for the year ended December 31, 2017 are approved.

Powers

Pursuant to article 20 of the Articles of Association, the President and the Vice President and Managing Director are each of them separately entrusted with the legal representation of the Company, for the execution of Board of Directors' resolutions, within the limits of and for the exercise of the powers attributed to them by the Board itself.

Following the resolution adopted on April 28, 2015, the Board of Directors granted the President and the Vice President and Managing Director the powers of ordinary and extraordinary administration, with the exception of the powers strictly reserved to the competence of the Board or of those powers reserved by law to the Shareholders' Meeting.

The President Massimo della Porta is also Group Chief Executive Officer. The Vice President and Managing Director Giulio Canale is also Deputy Group Chief Executive Officer and Group Chief Financial Officer.

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Interim Group Financial Highlights

INTERIM GROUP FINANCIAL HIGHLIGHTS

(thousands of euro)

Income statement figures	**1st Half 2015**	**1st Half 2014**	**Difference**	**Difference %**
NET SALES				
- Industrial Applications	51,496	42,892	8,604	20.1%
- Shape Memory Alloys	29,250	20,065	9,185	45.8%
- Business Development	742	599	143	23.9%
Total	**81,488**	**63,556**	**17,932**	**28.2%**
GROSS PROFIT (1)				
- Industrial Applications	24,678	21,039	3,639	17.3%
- Shape Memory Alloys	10,178	6,015	4,163	69.2%
- Business Development & Corporate Costs (2)	222	98	124	126.5%
Total	**35,078**	**27,152**	**7,926**	**29.2%**
% on sales	*43.0%*	*42.7%*		
EBITDA (3)	**13,245**	**9,439**	**3,806**	**40.3%**
% on sales	*16.3%*	*14.9%*		
OPERATING INCOME (LOSS)	**8,790**	**5,191**	**3,599**	**69.3%**
% on sales	*10.8%*	*8.2%*		
Group NET INCOME (LOSS) (4)	**4,088**	**1,321**	**2,767**	**209.5%**
% on sales	*5.0%*	*2.1%*		

Balance sheet and financial figures	**June 30, 2015**	**December 31, 2014**	**Difference**	**Difference %**
Tangible fixed assets	51,112	50,684	428	0.8%
Group shareholders' equity	119,474	112,685	6,789	6.0%
Net financial position	(24,501)	(26,945)	2,444	9.1%

Other information	**1st Half 2015**	**1st Half 2014**	**Difference**	**Difference %**
Cash flow from operating activities	7,935	1,644	6,291	382.7%
Research and development expenses	7,438	7,304	134	1.8%
Number of employees as at June 30 (5)	982	938	44	4.7%
Personnel cost (6)	31,059	25,549	5,510	21.6%
Disbursement for acquisition of tangible assets	2,436	1,782	654	36.7%

(1) This item is calculated as the difference between the net sales and the industrial costs directly and indirectly attributable to the products sold.

(2) This item includes costs that cannot be directly attributed or allocated in a reasonable way to the Business Units, but which refer to the Group as a whole.

(3) EBITDA is not deemed as an accounting measure under International Financial Reporting Standards (IFRSs); however, we believe that EBITDA is an important parameter for measuring the Group's performance and therefore it is presented as an alternative indicator. Since its calculation is not regulated by applicable accounting standards, the method applied by the Group may not be homogeneous with the ones adopted by other Groups. EBITDA is calculated as "Earnings before interests, taxes, depreciation and amortization".

(thousands of euro)

	1st Half 2015	**1st Half 2014**
Operating income	8,790	5,191
Depreciation and amortization	4,167	4,252
Write-down of assets	11	0
Bad debt provision accrual (release)	277	(4)
EBITDA	**13,245**	**9,439**
% on sales	***16.3%***	***14.9%***

(4) In the first half of 2014 it includes the net income from assets held for sale and discontinued operations equal to +232 thousand euro.

(5) As at June 30, 2015 this item includes:
- employees for 931 units (893 units as at June 30, 2014);
- personnel employed in the Group's Italian companies with contract types other than employment agreements, equal to 51 units (45 units as at June 30, 2014).

This figure does not include the personnel (employees and temporary workers) of the joint venture Actuator Solutions amounting, according to the percentage of ownership held by the Group, to 41 units as at June 30, 2015 (28 units at the end of the first half of the previous year, always according to the percentage of ownership held by the SAES Group).

(6) As at June 30, 2015 the severance costs, included in the personnel costs, are equal to 131 thousand euro; instead, the use of social security provisions in the Group's Italian companies has led a reduction in the personnel cost equal to 1,195 thousand euro.
In the first half of 2014 the severance costs were equal to 50 thousand euro, while the use of social security provisions led a reduction in the personnel cost equal to 1,095 thousand euro.

Interim Report on Operations of SAES Group

INTERIM REPORT ON OPERATIONS

A pioneer in the development of getter technology, the Company SAES Getters S.p.A., together with its subsidiaries (hereinafter "SAES® Group"), is the world leader in a variety of scientific and industrial applications where stringent vacuum conditions or ultra-pure gases are required. In more than 70 years of activity, the Group's getter solutions have been supporting innovation in the information display and lamp industries, in sophisticated high vacuum systems and in vacuum thermal insulation, in technologies spanning from large vacuum power tubes to miniaturized silicon-based microelectronic and micromechanical devices. The Group also holds a leading position in ultra-pure gas refinement for the semiconductor and other high-tech markets.

Starting in 2004, by leveraging the core competencies in special metallurgy and in the materials science, the SAES Group has expanded its business into the advanced material markets, in particular the market of shape memory alloys, a family of materials characterized by super elasticity and by the property of assuming predefined forms when subjected to heat treatment. These special alloys, which today are mainly applied in the biomedical sector, are also perfectly suited to the realization of actuator devices for the industrial sector (domotics, white goods industry, consumer electronics and automotive sector).

More recently, SAES has expanded its business by developing components whose getter functions, traditionally obtained from the exploitation of the special features of some metals, are instead generated by chemical processes. Thanks to these new developments, SAES is evolving, adding to its competencies in the field of special metallurgy also those of organic chemicals.

A total production capacity distributed in ten facilities, a worldwide-based sales & service network and nearly 900 employees allow the Group to combine multicultural skills and expertise to form a truly global enterprise.

SAES Group is headquartered in the Milan area (Italy).

SAES Getters S.p.A. is listed on the Italian Stock Exchange Market, STAR segment, since 1986.
The Parent Company is controlled by S.G.G. Holding S.p.A., which does not exercise any management and coordination activity in accordance with article 2497 of the Civil Code (as better explained in the Report on corporate governance and ownership for the year 2014).

Group's structure

The Group's business structure identifies two Business Units: the Industrial Applications Business Unit and the Shape Memory Alloys Business Unit. The corporate costs (expenses that cannot be directly attributed or allocated in a reasonable way to the business units, but which refer to the Group as a whole) and the costs related to the basic research projects or undertaken to achieve the diversification into innovative businesses (Business Development Unit) are shown separately from the two Business Units.

The following table illustrates the Group's business structure:

Industrial Applications Business Unit	
Electronic & Photonic Devices	Getters and metal dispensers for electronic vacuum devices
Sensors & Detectors	Getters for microelectronic and micromechanical systems (MEMS)
Light Sources	Getters and metal dispensers used in discharge lamps and fluorescent lamps
Vacuum Systems	Pumps for vacuum systems
Thermal Insulation	Products for thermal insulation
Pure Gas Handling	Gas purifier systems for semiconductor industry and other industries
Shape Memory Alloys (SMA) Business Unit	
SMA Medical applications	NiTinol Shape memory alloys for the biomedical sector
SMA Industrial applications	SMA actuator devices for the industrial sector (domotics, white goods industry, consumer electronics and automotive sector)
Business Development Unit	
Business Development	Innovative hybrid technologies that integrate getter materials in polymer matrices

This structure is unchanged compared to the previous year.

Main events of the semester (January 1, 2015 – June 30, 2015)

The first half of 2015 was characterized by a sharp increase in revenues compared to the corresponding period of 2014, even excluding the positive effect generated by the strengthening of the dollar, and by the improvement of all economic and financial indicators.
In particular, consolidated net sales were equal to 81.5 million euro, up by 28.2% compared to 63.6 million euro achieved in the corresponding period of 2014. The growth was mainly driven by the shape memory alloys (SMAs) business, confirming the success of the already made and ongoing investments. The success of SMAs comes along with the stability in the most consolidated and traditional sectors.
In the Shape Memory Alloys Business Unit both segments recorded a significant growth: the medical SMA segment (NiTinol raw materials and components) showed an organic growth of 16%, with business volumes aligned with those registered in the last months of 2014; also the industrial SMA segment recorded a significant growth (organic growth equal to 95.2% or 1.6 million euro) thanks to the increase in sales of SMA springs and trained wires for automotive and consumer applications. This growth, in absolute terms, was even higher (1.9 million euro) consolidating, on a pro-forma basis, the revenues of the joint venture Actuator Solutions, achieved entirely with the sales of SMA devices for industrial applications.
In the Industrial Applications Business Unit the growth, driven by the positive exchange rate effect (+17.9%) and by higher volumes in the gas purification business (+12.6%) and in that of vacuum pumps (+39.8%), more than offset the organic decrease in the other sectors, mainly concentrated in the lamps segment (-26.3%), penalized by the competitive pressure of LEDs and by the uncertainties caused by the strategic repositioning of the major players of the lighting industry. Also the volumes of the segment of products for thermal insulation decreased (recording an organic decrease of 22.6%), in particular getter solutions for oil applications and for the refrigeration market.

Total revenues of the Group, achieved by incorporating the 50% joint venture Actuator Solutions with the proportional method instead of the equity method, were equal to 85.2 million euro, up by 27.4% compared to 66.9 million euro in the first half of 2014, thanks both to the increase in consolidated revenues (+28.2%) and to the revenues' growth of the joint venture (+13.8%).

Please note the improvement in the net financial position in the second quarter of 2015 (-24.5 million euro, as at June 30 compared with -29.4 million euro as at March 31) despite the payment of dividends equal to 3.5 million euro. In addition, the process of rebalancing the structure of the Group's financial debt has continued in the last few months, with a progressive increase of the incidence of medium to long term loans, compared to the short-term bank debt.

The significant events occurred in the first half of 2015 are highlighted in the following paragraphs:

At the end of 2014 Memry Corporation officially signed an agreement with the State of Connecticut to obtain a soft financing in several tranches, for a total amount of 2.8 million USD. The loan will have a duration of ten years with an annual subsidized interest rate of 2% and it will be used to purchase new machinery and equipment necessary to expand the production plant in Bethel.
50% of the financing (1.4 million USD) might be converted into a non refundable grant provided that, by November 2017, Memry Corporation increases its staff of 76 employees in Bethel for at least one year; in addition, the employees in Bethel will have to earn an average annual salary of not less than a specific threshold established by the agreement.
If only 50% of the new employees were hired within the fixed term, also the non refundable grant would be halved (about 0.7 million USD).
The first tranche of the soft financing, equal to 2 million USD, was paid by the State of Connecticut to the US subsidiary on February 20, 2015.

On January 23, 2015 as envisaged by the contract, the third and final tranche of the fixed consideration for the acquisition of the hydrogen purifiers business has been paid to Power & Energy, Inc. (1.8 million USD).

On May 12, 2015 the process to reduce the share capital of the Chinese subsidiary SAES Getters (Nanjing) Co., Ltd. from 13.6 million USD to 6.6 million USD was finalized, following the reduced required capitalization after the transformation of its activity from production into a commercial one, completed in 2014. This transaction generated a non-recurring foreign exchange rate gain into the income statement (previously already included in the consolidated shareholders' equity in the item "Translation reserve") of 1.9 million euro.

On May 27, 2015, following the decrease of the stake of S.G.G. Holding S.p.A. in SAES Getters S.p.A. below the threshold of 50%, the prerequisite to access to the tax consolidation program with S.G.G. Holding S.p.A. as consolidating company ended, as envisaged by the combined provisions of articles 117 and 120 of the Income Tax Code ("TUIR").
The option to join a new tax consolidation program between SAES Getters S.p.A., SAES Advanced Technologies S.p.A., E.T.C. S.r.l. and SAES Nitinol S.r.l., with the Parent Company as consolidator, will be exercised by September 30, 2015. This new tax consolidation will be valid starting from January 1, 2015.

On May 31, 2015 the last installment of the loan held by the US subsidiary SAES Smart Materials, Inc., equal to 1.7 million USD, was repaid.

On June 10, 2015 the company announced the signature of a loan with EIB (European Investment Bank) worth 10 million euro to support R&D projects in the field of vacuum technologies, shape memory alloys (SMAs) and Organic Light Emitting Transistor (OLET) solutions. The transaction is supported by the new generation of financial instruments of "InnovFin - EU Finance for Innovators", dedicated to innovative and growing companies that make use of the financial support of the European Union under the project "Horizon 2020" (the European outline program for Research and Innovation, 2014-2020).
The medium-term loan consists of two tranches of the same amount, one secured by SACE, has a five-year term and will be used to cover part of a research program for a total value of 45 million euro to be carried out in Italy, started in 2014 and that will end in 2017.

SAES Advanced Technologies S.p.A. continued throughout the first half of 2015, and will continue for the remainder of the year, to use the defensive job-security agreements.

On June 17, 2015 SAES Getters S.p.A. signed a letter of intent with the company Rodofil s.n.c., based in the province of Parma, for the acquisition within the end of the first quarter of 2016 of 49% of a vehicle company, to be established by Rodofil, where the latter will move the RIAL business unit (assets, customers' list and trademark) specialized in the design and manufacture of vacuum chambers for the construction of accelerators and synchrotrons, used in the major research laboratories worldwide. The total value of this business unit was set at 3 million euro, an amount that will have to be confirmed by a due diligence. Consequently, the price of the shares sold to SAES will be equal to approximately 1.5 million euro (49% of 3 million euro). Alessandro Zanichelli, current shareholder and CEO of Rodofil, will assume the role of CEO of the new company.
The letter of intent defines some shareholders' agreements that govern the relationship between the parties and they include a put and call option among the shareholders, according to a schedule to be agreed. In particular, Rodofil will have the possibility to sell its shares to SAES, in whole or in part, at a predetermined price; if Rodofil doesn't exercise that option, SAES will have the right to exercise a call option for a percentage of shares equal to 30% of the share capital.
The aim of the agreement is the creation of an Italian technological and manufacturing hub of the highest level, for the design and production of integrated vacuum systems for synchrotrons and accelerators, able to successfully compete in the international markets.

Sales and economical results of the first half of 2015

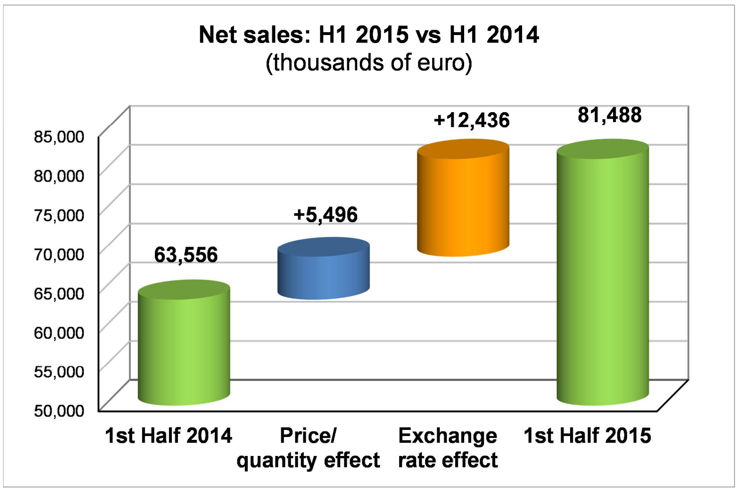
In the first half of 2015 the SAES Group achieved **consolidated net sales** equal to 81,488 thousand euro, up by 28.2% compared to 63,556 thousand euro achieved in the corresponding period of 2014. The **exchange rate effect** was positive and equal to +19.6%, thanks to the strengthening of the US dollar against the euro, while the **organic growth** amounted to +8.6%, mainly driven by the shape memory alloys (SMAs) business, the gas purification business and by that of vacuum systems.

Total revenues of the Group, achieved by incorporating the 50% joint venture Actuator Solutions with the proportional method instead of the equity method, were equal to 85,179 thousand euro, up by 27.4% compared to 66,852 thousand euro in the first half of 2014, thanks both to the increase in consolidated revenues (+28.2%) and to the revenues' growth of the joint venture (+13.8%).

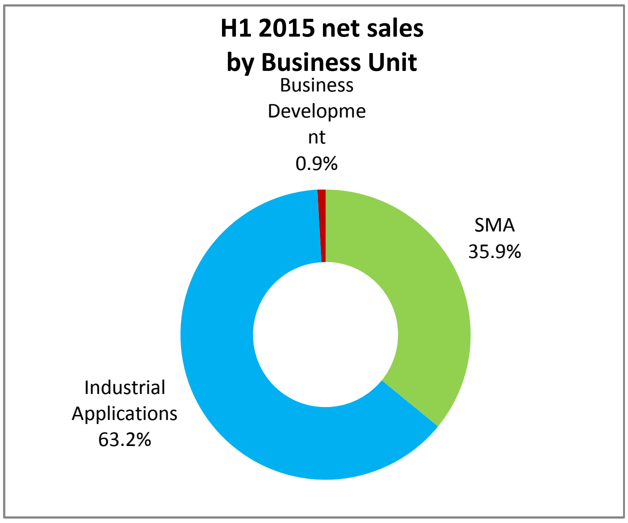
(thousands of euro)

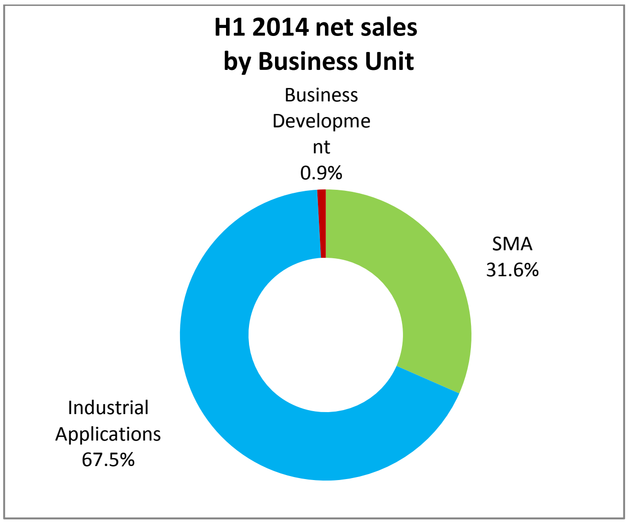
	1st Half 2015	1st Half 2014	Difference	Difference %
Consolidated net sales	**81,488**	**63,556**	**17,932**	**28.2%**
50% Actuator Solutions' sales	3,952	3,472	480	13.8%
Eliminations	(290)	(224)	(66)	29.5%
Other adjustments	29	48	(19)	-39.6%
Total revenues of the Group	**85,179**	**66,852**	**18,327**	**27.4%**

The following chart shows the consolidated net sales of the first half of 2015, compared with the corresponding period of 2014, highlighting the effect of exchange rates and the variation due to changes in selling prices and sales volumes:



Compared to the first half of 2014, the strong sales' growth recorded in both segments of the **SMA Business Unit**, whose total turnover has almost doubled (+45.8%), led to the increase of the **percentage** of the net sales of this operating segment (from 31.6% to 35.9%), compared to that of the **Industrial Applications Business Unit** (from 67.5% to 63.2%), the latter operating in more traditional business sectors.





The following table contains a breakdown of the consolidated net sales, in the first half of 2015 and in the same period of 2014, by business segment, along with the percent change at current and comparable exchange rates:

(thousands of euro)

Business	1st Half 2015	1st Half 2014	Difference	Difference %	Exchange rate effect %	Price/quantity effect %
Electronic & Photonic Devices	6,563	5,785	778	13.4%	15.3%	-1.9%
Sensors & Detectors	5,044	4,628	416	9.0%	11.7%	-2.7%
Light Sources	5,020	6,229	(1,209)	-19.4%	6.9%	-26.3%
Vacuum Systems	4,090	2,718	1,372	50.5%	10.7%	39.8%
Thermal Insulation	3,149	3,518	(369)	-10.5%	12.1%	-22.6%
Pure Gas Handling	27,630	20,014	7,616	38.1%	25.5%	12.6%
Industrial Applications	**51,496**	**42,892**	**8,604**	**20.1%**	**17.9%**	**2.2%**
SMA Medical Applications	25,942	18,436	7,506	40.7%	24.7%	16.0%
SMA Industrial Applications	3,308	1,629	1,679	103.1%	7.9%	95.2%
Shape Memory Alloys	**29,250**	**20,065**	**9,185**	**45.8%**	**23.3%**	**22.5%**
Business Development	**742**	**599**	**143**	**23.9%**	**15.0%**	**8.9%**
Total net sales	**81,488**	**63,556**	**17,932**	**28.2%**	**19.6%**	**8.6%**

Consolidated revenues of the **Industrial Applications Business Unit** amounted to 51,496 thousand euro in the first half of 2015, up by 20.1% compared to 42,892 thousand euro in the first half of 2014. The trend of the euro against the major foreign currencies led to a positive exchange rate effect equal to 17.9%, net of which revenues would have increased by 2.2%.
The organic growth was concentrated in the Pure Gas Handling Business (+12.6%), whose excellent performance is linked to the increased investments in silicon foundries and in memories, in particular dynamic RAMs, as well as to the recovery of the display segment. Also the Vacuum Systems Business recorded a significant organic growth (+39.8%), thanks to the favorable trend of the major research projects in all geographical regions.
Please note the substantial stability in the volumes of the Sensors and Detectors and Electronic & Photonic Devices segments (with a price/quantity effect equal respectively to -2.7% and -1.9%), that went along with a positive exchange rate effect and led to an increase in revenues of 9% in the sensors segment and of 13.4% in that of electronic and photonic devices.
On the other hand, despite the favorable currency effect, the following segments decreased: the lighting systems segment (-19.4%), due to the increasing competitive pressure, especially the technological one exerted by LEDs on fluorescent lamps, with penalizing effects on both volumes and prices of sold getters; the products for Thermal Insulation Business, in which the growth of the vacuum bottles sector was not enough to offset the decrease in sales of getter solutions for oil applications and for the refrigeration market.

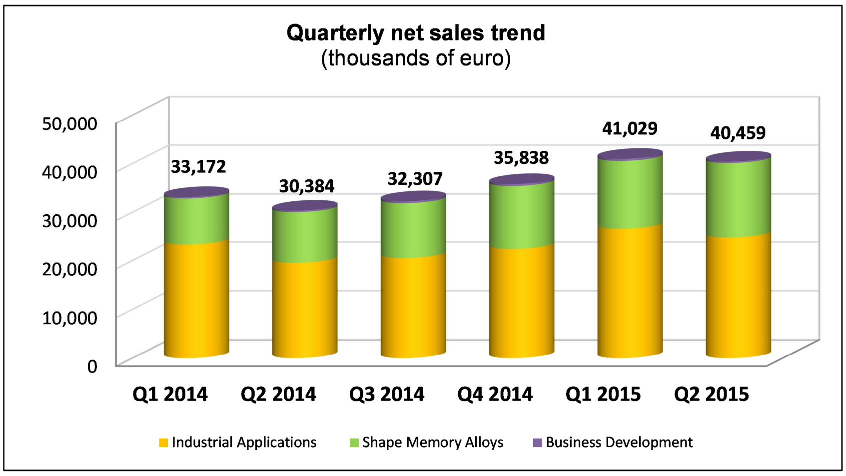
Consolidated revenues of the **Shape Memory Alloys Business Unit** were equal to 29,250 thousand euro in the first half of 2015, showing a significant increase (+45.8%) compared to 20,065 thousand euro in the corresponding period of 2014. The exchange rate effect was positive and equal to +23.3%, net of which the organic growth was equal to +22.5%.
In particular, both segments of this Business Unit recorded a strong growth. The medical SMA segment recorded an organic growth of 16%, in line with the business volumes of the last periods of 2014. Also the industrial SMA segment recorded a strong organic growth (+95.2%), thanks to the increased sales of SMA springs and trained wires for automotive and consumer applications.

The **Business Development Unit**, that includes projects of basic research or development aimed at diversifying into innovative businesses, closed the first half of 2015 with revenues equal to 742 thousand euro, made almost exclusively of sales of components for OLED displays. The exchange rate effect was positive and equal to +15%, net of which revenues would have increased by 8.9%.

The **quarterly trend of consolidated revenues** confirmed the continuous and progressive growth of the **shape memory alloys** the increase in the second quarter of 2015 was equal to +9.7%, compared to the first one), for both medical and industrial applications. Within the **Industrial Applications Business Unit**, in the second quarter of 2015 all segments grew with the exception of the Pure Gas Handling Business, penalized by the postponement of some deliveries and by the cyclicality typical of this business.

(thousands of euro)

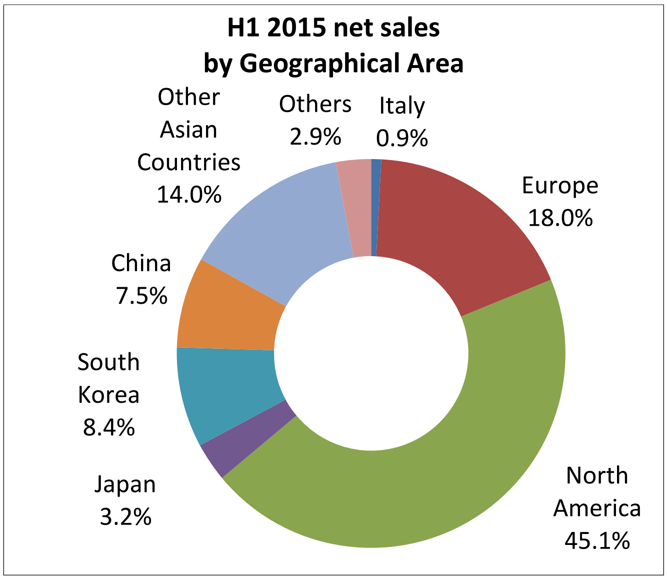
Business	2nd Quarter 2015	1st Quarter 2015	4th Quarter 2014	3rd Quarter 2014	2nd Quarter 2014	1st Quarter 2014
Electronic & Photonic Devices	3,386	3,177	2,859	3,461	2,979	2,806
Sensors & Detectors	2,563	2,481	1,885	2,301	2,488	2,140
Light Sources	2,521	2,499	2,333	2,427	2,931	3,298
Vacuum Systems	2,173	1,917	2,456	1,841	1,004	1,714
Thermal Insulation	1,615	1,534	1,425	1,513	1,774	1,744
Pure Gas Handling	12,601	15,029	11,461	8,988	8,390	11,624
Industrial Applications	**24,859**	**26,637**	**22,419**	**20,531**	**19,566**	**23,326**
SMA Medical Applications	13,450	12,492	11,399	10,241	9,597	8,839
SMA Industrial Applications	1,850	1,458	1,617	1,138	910	719
Shape Memory Alloys	**15,300**	**13,950**	**13,016**	**11,379**	**10,507**	**9,558**
Business Development	**300**	**442**	**403**	**397**	**311**	**288**
Total net sales	**40,459**	**41,029**	**35,838**	**32,307**	**30,384**	**33,172**



A breakdown of **revenues by geographical location of customers** is provided below:

(thousands of euro)

Geographical area	1st Half 2015	%	1st Half 2014	%	Difference	Difference %
Italy	674	0.9%	1,111	1.7%	(437)	-39.3%
Europe	14,653	18.0%	12,903	20.3%	1,750	13.6%
North America	36,779	45.1%	27,734	43.6%	9,045	32.6%
Japan	2,611	3.2%	2,644	4.2%	(33)	-1.2%
South Korea	6,813	8.4%	3,091	4.9%	3,722	120.4%
China	6,135	7.5%	7,967	12.5%	(1,832)	-23.0%
Other Asian countries	11,439	14.0%	7,547	11.9%	3,892	51.6%
Others	2,384	2.9%	559	0.9%	1,825	326.5%
Total net sales	**81,488**	**100%**	**63,556**	**100%**	**17,932**	**28.2%**



The main changes related to the **geographical distribution of sales** refer to the gas purification segment, whose sales' decline in China was more than offset by higher sales in South Korea, Taiwan and Singapore ("Other Asian Countries") and Israel ("Others").
The sales in USA increased compared to the first half of 2014 (+ 32.6%) thanks to the aforementioned growth in the medical SMA sector and in that of vacuum pumps. The growth in these sectors, together with the increased sales of SMA springs and SMA trained wires for industrial use, also led to the increase in revenues in the "Europe" market.

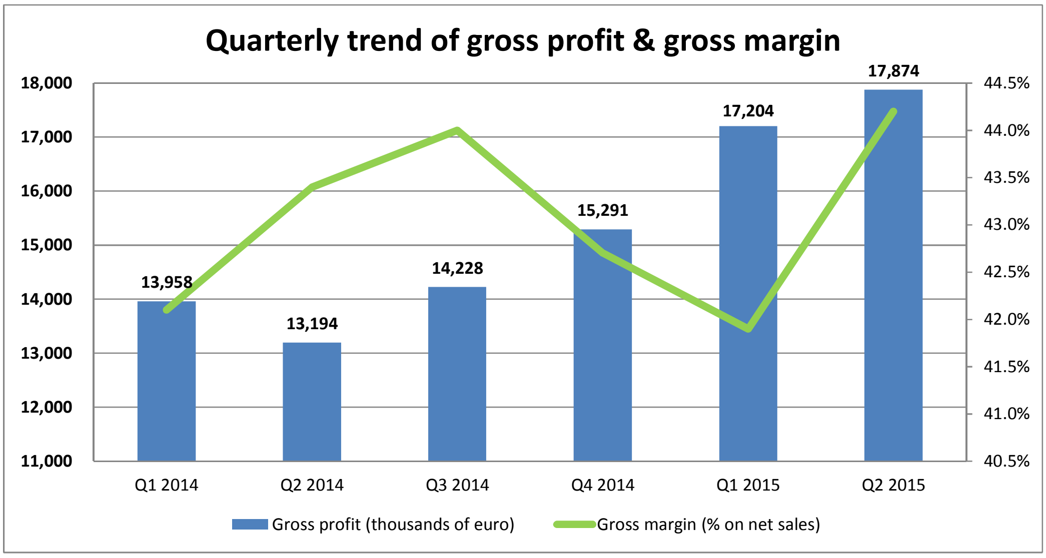
Consolidated gross profit amounted to 35,078 thousand euro in first half 2015, compared to 27,152 thousand euro in the first half of 2014. The increase (+29.2%), also favored by the positive currency effect, was mainly due to increased revenues, as well as to the slight improvement in the gross margin (from 42.7% in the first half of 2014 to 43% in the current period), made possible mainly by the contribution of the Shape Memory Alloys Business Unit.
In particular, in the **Industrial Applications Business Unit**, despite the increase in sales allowed the growth of the gross profit (+17.3%), the overall marginality decreased (from 49.1% to 47.9%), penalized both by the sectors that have suffered most from the competitive pressure, resulting in a decrease in their turnover (Light Sources Business and Thermal Insulation Business), and by the electronic devices and gas purification businesses, both characterized by a product mix with a higher absorption of raw materials.
Conversely, the **Shape Memory Alloys Business Unit**, in addition to the increase in revenues, recorded a growth of the gross margin (from 30% in the first half of 2014 to 34.8% in the current period) thanks to the greater economies of scale following the sales' increase in both the medical and industrial segments, and the improved efficiency of new productions.
Finally, the **Business Development Unit and Corporate Costs** ended the first half of 2015 with an increase in the gross profit (from 16.4% to 29.9%) supported by the increase in revenues, which in turn led to a reduction in the incidence of manufacturing fixed costs.

The following table shows the consolidated gross profit for the first half of 2015 by Business Unit, compared with the corresponding period of the previous year:

(thousands of euro)

Business Unit	1st Half 2015	1st Half 2014	Difference	Difference %
Industrial Applications	24,678	21,039	3,639	17.3%
% on Business Unit net sales	*47.9%*	*49.1%*		
Shape Memory Alloys	10,178	6,015	4,163	69.2%
% on Business Unit net sales	*34.8%*	*30.0%*		
Business Development & Corporate Costs	222	98	124	126.5%
% on Business Unit net sales	*29.9%*	*16.4%*		
Gross profit	**35,078**	**27,152**	**7,926**	**29.2%**
% on net sales	**43.0%**	**42.7%**		

The following chart shows the quarterly trend of both the consolidated gross profit and gross margin. Please note the gradual improvement in the gross profit as well as the strong increase of the gross margin in the second quarter of 2015 (from 41.9% in the first quarter to 44.2% in the second quarter), made possible by the recovery of margins of the Pure Gas Handling Business and by the continued growth in the Shape Memory Alloys sector.



Consolidated operating income of the semester amounted to 8,790 thousand euro (10.8% of consolidated revenues), showing a significant increase (+69.3%) compared to 5,191 thousand euro in the corresponding period of the previous year (8.2% of consolidated revenues): the increase in revenues and the reduction of operating expenses in percentage terms (from 36.1% to 32.5%) have made possible the strong improvement in the operating indicators compared to the previous year.

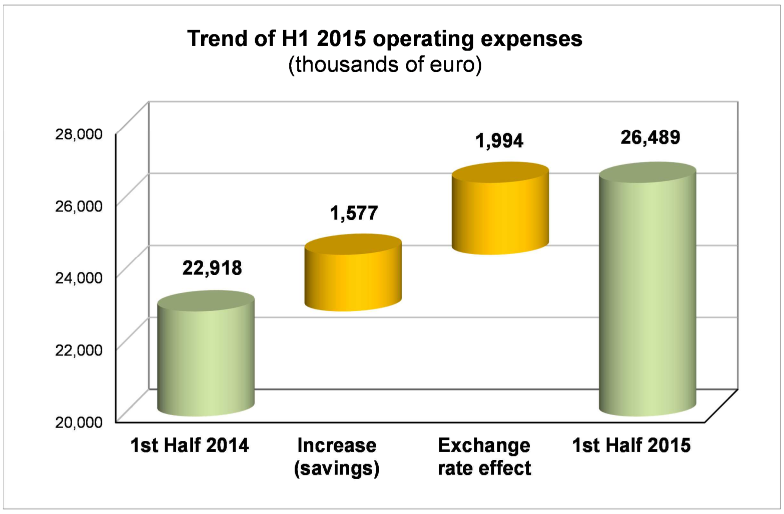
The following table shows the consolidated operating income of the first half of 2015 by Business Unit, compared with the corresponding period of the previous year:

(thousands of euro)

Business Unit	1st Half 2015	1st Half 2014	Difference	Difference %
Industrial Applications	14,001	11,962	2,039	17.0%
Shape Memory Alloys	4,747	1,888	2,859	151.4%
Business Development & Corporate Costs	(9,958)	(8,659)	(1,299)	-15.0%
Operating income (loss)	**8,790**	**5,191**	**3,599**	**69.3%**

Consolidated operating expenses were equal to 26,489 thousand euro (32.5% of revenues), compared to 22,918 thousand euro in the corresponding period of 2014 (36.1% of revenues), and they show a physiological growth related to the increase in revenues and to the inflation, as well as to the currency effect (appreciation of the dollar against the euro).
Excluding the currency effect, the increase mainly regarded the **general and administrative expenses** (in particular, higher costs for fixed salaries and higher accruals for bonuses to employees, higher consultant fees and an increased accrual for the variable component of the remuneration of the Executive Directors). Instead, both **research and development expenses** and **selling expenses** were substantially in line with those of the first half of 2014.

The following chart shows the trend of the consolidated operating expenses in the first half of 2015:



The total **labor cost** was equal to 31,059 thousand euro, compared to 25,549 thousand euro in the corresponding period of the previous year: excluding the exchange rate effect that led to an increase in labor costs of around 3.3 million euro, the growth is mainly due both to the increase in the average number of the Group's employees and to wage increases aimed at the recovery of inflation, as well as higher accruals for the variable components of salaries, estimated to grow in line with the trend of the economic performance.

The result of the semester includes **depreciation and amortization** equal to 4,167 thousand euro, compared to 4,252 thousand euro in the same period of 2014. The reduction in depreciation is mainly due to the fact that during the period the item benefited from a reduction (210 thousand euro) following the review, based on the appraisal of an independent third party, of the remaining useful life of the production plant and machinery, as well as of the tools and instruments used in the research department of the Parent Company.

Consolidated EBITDA amounted to 13,245 thousand euro (16.3% as a percentage of revenues) in the first half of 2015, up by 40.3% compared to 9,439 thousand euro (14.9% of consolidated revenues) in the same semester of 2014. The following table shows an EBITDA detail for the first half of 2015, compared with the corresponding period of the previous year:

(thousands of euro)

	1st Half 2015	1st Half 2014	Difference	Difference %
Operating income	8,790	5,191	3,599	69.3%
Depreciation and amortization	4,167	4,252	(85)	-2.0%
Write-down of assets	11	0	11	n.s.
Bad debt provision accrual (release)	277	(4)	281	n.s.
EBITDA	**13,245**	**9,439**	**3,806**	**40.3%**
% on sales	***16.3%***	***14.9%***		

The **royalties** accrued in the first half of 2015 for the licensing of the thin film getter technology for MEMS of new generation amounted to 331 thousand euro, compared to 1,043 thousand euro in the corresponding period of the previous year; the decrease is due to both lower commissions for the semester (due to the price erosion that is affecting the gyroscopes market, as well as to the decrease in volumes) and to the fact that this item, as at June 30, 2014, included a lump-sum resulting from the signature of a new licensing agreement.

The balance of **other net income (expenses)** was negative and equal to 130 thousand euro, compared to a negative balance of 86 thousand euro in the first half of 2014.

The net balance of **financial income and expenses** was negative for -771 thousand euro (compared to -866 thousand euro in the corresponding period of 2014) and it mainly included interest expenses on loans, both short and long term ones, held by the Parent Company and by the US subsidiaries, as well as the bank fees related to the credit lines held by SAES Getters S.p.A.
Compared to June 30, 2014, following the change in the financial indebtedness of the Group, with a higher percentage of medium-long term loans compared to short-term bank debt, the increase in interests related to the signing of new long-term financing by the Parent Company was offset by lower costs on loans in the form of "hot money" and on the use of bank credit lines.

The loss deriving from the **evaluation with the equity method** of the joint venture Actuator Solutions amounted to -933 thousand euro, compared to -551 thousand euro in the corresponding period of the previous year. For further details on the composition of this loss please refer to the Note no. 9 and to the Note no. 17.

The sum of the **exchange rate differences** recorded a positive balance of 1,114 thousand euro in the first six months of 2015, compared with exchange rate differences close to zero (+74 thousand euro) in the first half of 2014. The positive balance of the current semester was mainly due to foreign exchange gains (1,877 thousand euro) following the release into the income statement of the translation reserve generated by the consolidation of SAES Getters (Nanjing) Co., Ltd., after the partial reduction of the share capital of the Chinese subsidiary and the related repayment to the Parent Company. These exchange rate gains were partially offset by both monetary and non-cash losses (for a total amount of -907 thousand euro) related to forward contracts entered to hedge commercial transactions in dollars and yen.

Consolidated income before taxes amounted to 8,200 thousand euro in the first half of 2015, more than doubled compared to an income before taxes of 3,848 thousand euro in the first half of 2014.

Income taxes amounted to 4,112 thousand euro in the semester, compared to 2,759 thousand euro in the corresponding period of the previous year. The Group’s tax rate was equal to 50.1%, compared to 71.7% in the first half of 2014: the improvement in the tax rate was the result of lower tax losses realized in the period by the Group's Italian companies and Asian subsidiaries, on which deferred tax assets were not recognized.

Consolidated net income amounted to 4,088 thousand euro (5% of consolidated revenues) in the first half of 2015, tripled compared to a net income of 1,321 thousand euro in the first half of 2014.

Please note that the net income of the first half of 2014 included a **net income from discontinued operations** of 232 thousand euro, related to the residual proceeds deriving from the disposal of the factory of SAES Getters (Nanjing) Co., Ltd.

Net financial position – Investments – Other information

A breakdown of the items making up the consolidated net financial position is provided below:

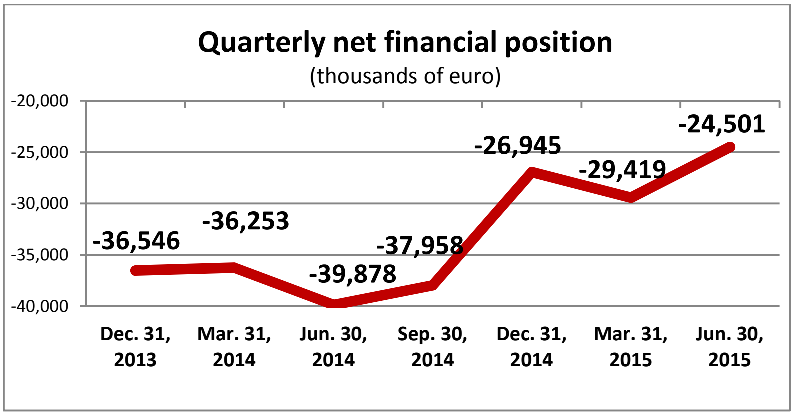
(thousands of euro)

	June 30, 2015	March 31, 2015	December 31, 2014
Cash on hands	21	23	19
Cash equivalents	19,315	22,712	25,583
Cash and cash equivalents	**19,336**	**22,735**	**25,602**
Related parties current financial assets	480	2,740	2,762
Other current financial assets	323	873	189
Current financial assets	**803**	**3,613**	**2,951**
Bank overdraft	(14,831)	(30,094)	(30,722)
Current portion of long term debt	(6,452)	(6,093)	(6,690)
Other current financial liabilities	(966)	(1,619)	(2,069)
Current financial liabilities	**(22,249)**	**(37,806)**	**(39,481)**
Current net financial position	**(2,110)**	**(11,458)**	**(10,928)**
Related parties non current financial assets	**2,300**	**0**	**0**
Long term debt, net of current portion	(23,310)	(16,470)	(14,689)
Other non current financial liabilities	(1,381)	(1,491)	(1,328)
Non current liabilities	**(24,691)**	**(17,961)**	**(16,017)**
Non current net financial position	**(22,391)**	**(17,961)**	**(16,017)**
Net financial position	**(24,501)**	**(29,419)**	**(26,945)**

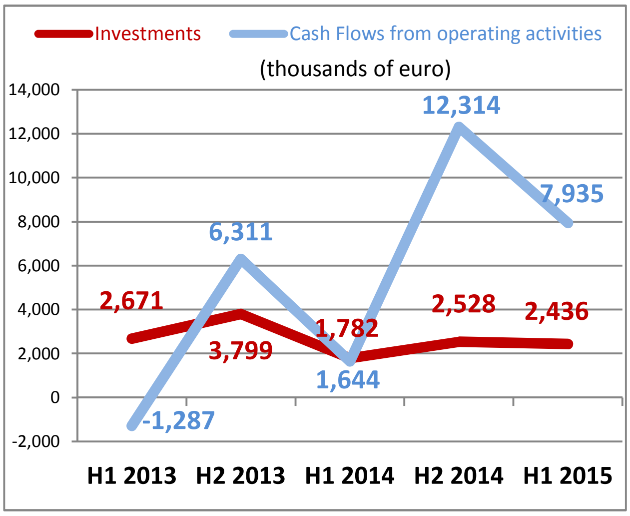
The **consolidated net financial position** as at June 30, 2015 was negative and equal to -24,501 thousand euro (cash equal to 19,336 thousand euro and net financial liabilities of 43,837 thousand euro), compared to a negative net financial position as at December 31, 2014 equal to -26,945 thousand euro (cash equal to 25,602 thousand euro and net financial liabilities of 52,547 thousand euro). The improvement compared to December 31, 2014 (+2,444 thousand euro), despite the payment of dividends in the first semester (-3,477 thousand euro), was mainly due to the cash-in flows generated from the operating activities and related to the improvement in both revenues and economic results. The capital expenditure on tangible and intangible assets amounted to -2,459 thousand euro, while the effect on the net financial position of the revaluation of the US dollar compared to December 31, 2014 was almost equal to zero: in fact, the negative effect generated on the debt denominated in dollars was offset by the positive effect on the cash denominated in the same currency and held by the US subsidiaries.

Please note that, in the last few months, the composition of the Group's financial debt evolved in order to have a more appropriate balance, with an increasing incidence of medium to long term loans, compared to the short-term bank debt.

The chart below shows the quarterly trend of the net financial position:



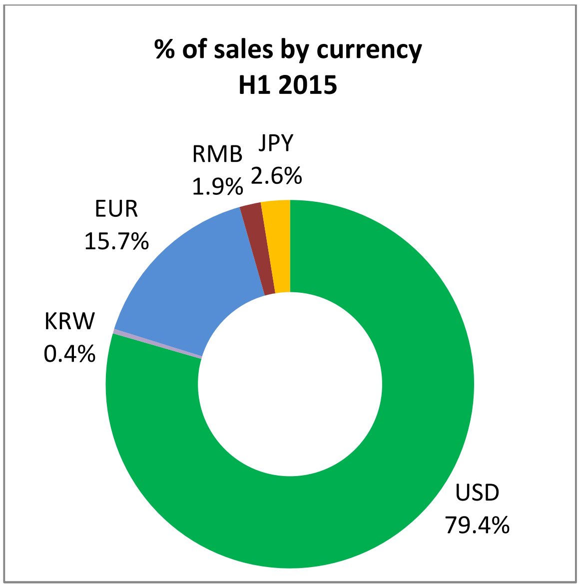
Please note the strong improvement of the net financial position in the second quarter of the current period, despite the cash-out of dividends recorded in May, thanks to the self-financing, on which also the changes in the working capital have played a key role, in particular the proceeds from customers in the gas purification business.

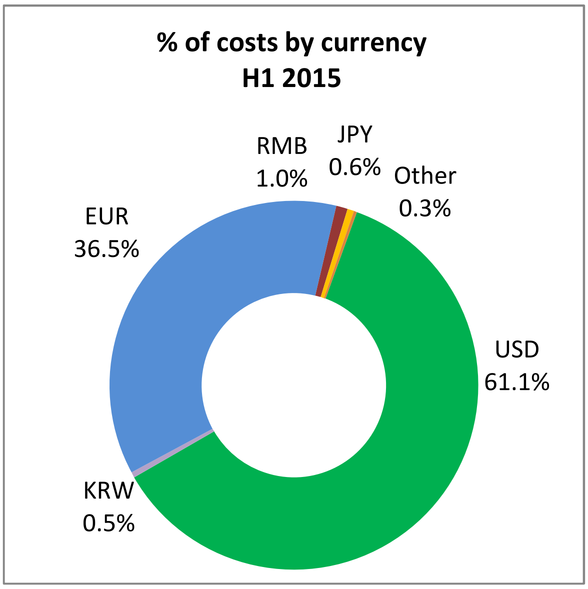


The cash flow **from operating activities** was positive and equal to 7,935 thousand euro in the first half of 2015, compared to a positive 1,644 thousand euro in the corresponding period of the previous year: the cash flow as at June 30, 2015 is entirely attributable to the self-financing of the semester, differently from what happened in the first half of 2014, when the self-financing was partially offset by the negative change in the net working capital, as consequence of the increase in the volume of activities in the Pure Gas Handling and SMA Businesses.

In the first half of 2015 the cash out for **investments in tangible assets** was equal to 2,436 thousand euro (1,782 thousand euro in the corresponding period of 2014); instead, the investments in intangible assets were not significant (23 thousand euro compared to 21 thousand euro as at June 30, 2014). For further details on the capital expenditure of the semester, please refer to the Note no. 15 and to the Note no. 16.
In addition, within the investment activities, please note the cash-out of 1,742 thousand euro linked to the payment of the last tranche of the fixed consideration and the commissions related to the technological upgrading of the purification business implemented during the year 2013, but whose payment has been deferred; as at June 30, 2014 this deferred payment was equal to 1,692 thousand euro and, within the cash flows from investing activities, it partially offset the proceeds, equal to 2,786 thousand euro, derived from the advance payment received for the sale of the land use right, the building and the related appurtenances of the Chinese subsidiary SAES Getters (Nanjing) Co., Ltd.

The **composition of net sales and costs** (cost of sales and operating expenses) **by currency** is provided below:





Performance of SAES Getters S.p.A. and its subsidiaries during the first half of 2015

SAES GETTERS S.p.A. – Lainate, MI (Italy)

In the first half of 2015 the Parent Company reported revenues of 3,973 thousand euro, increased by 774 thousand euro compared to the corresponding period of the previous year (3,199 thousand euro) mainly thanks to the higher sales of shape memory alloy components for industrial applications (SMA springs for engine cooling systems in automotive applications and trained wire for the realization of actuators for the consumer market).
Despite the reduction of royalties accrued for the licensing of the getter technology for MEMS and the increase in general and administrative expenses (higher accruals for the variable component of the remuneration of the Executive Directors and higher consultant fees), the increase in revenues, together with increased dividends received in the first half of the year from the subsidiaries and the foreign exchange gains[1] following the reduction of the share capital of the Chinese subsidiary SAES Getters (Nanjing) Co., Ltd., helped to close the current half year with a net income of 10,132 thousand euro, up by 13% compared to 8,967 thousand euro in the first half of 2014.

SAES ADVANCED TECHNOLOGIES S.p.A., Avezzano, AQ (Italy)

In the first half of 2015 the company achieved revenues equal to 16,990 thousand euro, slightly increased (+ 2.5%) compared to 16,571 thousand euro in the corresponding period of the previous year: the increase of revenues in the business of getter pumps for particle accelerators and the higher intercompany sales of getter alloys for purification systems to the subsidiary SAES Pure Gas, Inc. have more than offset the decrease of sales in the other sectors of the Industrial Applications Business Unit (in particular, lower sales of getter solutions for lamps and for thermal insulation, both penalized by the increasing competitive pressure).
The net income for the period amounted to 2,842 thousand euro, substantially in line with the corresponding period of 2014 (2,777 thousand euro): the increase in revenues (+2.5%), also favoured by the appreciation of the US dollar, and the shift in the sales mix towards products with a higher gross margin have been offset by both monetary and non-cash losses on forward contracts entered to hedge the volatility in exchange rates.

[1] Equal to around 1.9 million euro.

The use of defensive job-security agreements, that will continue in the second half of 2015, led to a reduction in personnel costs equal to -1,195 thousand euro in the semester (in the first half of 2014, the reduction was equal to 946 thousand euro).

SAES GETTERS USA, Inc., Colorado Springs, CO (USA)

The company reported consolidated revenues equal to 41,378 thousand USD (37,084 thousand euro at the average exchange rate of the period) in the first half of 2015, compared to 38,960 thousand USD (28,431 thousand euro at the average exchange rate) and a consolidated net income of 3,327 thousand USD (2,982 thousand euro), compared to a consolidated net income of 3,466 thousand USD in the corresponding period of 2014 (2,529 thousand euro).

Further notes are provided below.

The US parent company ***SAES Getters USA, Inc.*** (which operates primarily in the Industrial Applications Business Unit) reported sales of 7,457 thousand USD, compared to 8,752 thousand USD in the first half of the previous year: the decrease is concentrated in the business of getter components for fluorescent lamps, caused by a discount policy resulting from the increasing technological competition of LEDs on fluorescent lamps. Instead, the sales in the other sectors of the Industrial Applications Business Unit were substantially stable.
The company ended the period with a net income of 3,327 thousand USD, slightly down compared to a net income of 3,466 thousand USD in the first half of 2014: the decrease of sales and of the gross margin, penalized by the price pressure, was partially offset by a higher income deriving from the evaluation of the shareholdings in the subsidiaries SAES Pure Gas, Inc. and Spectra-Mat, Inc., that have ended the current semester with a net income higher than that of the previous year.

The subsidiary ***SAES Pure Gas, Inc.*** based in San Luis Obispo, CA (USA) (active in the Pure Gas Handling Business) achieved sales of 30,589 thousand USD (compared to 27,075 thousand USD in the first half of 2014) and a net income equal to 2,330 thousand USD (compared with a net income of 2,178 thousand USD as at June 30, 2014). The growth in sales (favored by increased investments in the factories of microprocessors, as well as by the recovery of the investments in the display segment), despite partially offset by the lower gross margin and increased selling expenses (in particular, higher transport costs and higher sales commissions), allowed to end the semester with a net income higher than that of the corresponding period of 2014. Please also note that the net result of the current period was penalized by the write-down of a 313 thousand USD trade receivable deemed unrecoverable.
Finally, please note that on January 23, 2015, as envisaged by the contract, the third and final tranche of the fixed consideration for the acquisition of the hydrogen purifiers business has been paid to Power & Energy, Inc. (1.8 million USD).

The subsidiary ***Spectra-Mat, Inc.***, Watsonville, CA (USA), operating in the Electronic & Photonic Devices business, achieved revenues of 3,332 thousand USD in the first half of 2015 (3,133 thousand USD in the corresponding period of the previous year) and a net income of 86 thousand USD (compared to a net loss of 54 thousand USD at June 30, 2014). The recovery of the US military spending, together with the strong demand for industrial goods, helped to boost the sales of the first half of 2015; the increase in sales, together with a product mix with a lower absorption of direct and indirect labor, allowed to close the first semester with a positive result.

SAES GETTERS EXPORT Corp., Wilmington, DE (USA)

The company, which is owned directly by SAES Getters S.p.A., operates with the object of managing the exports of some US Group's companies.
In the first half of 2015 it achieved a net income of 4,986 thousand USD (4,469 thousand euro), increased (+19.3%) when compared to the corresponding period of 2014 (4,179 thousand USD,

equal to 3,050 thousand euro) thanks to the higher commissions income[2] collected from the associated companies SAES Pure Gas, Inc. and Spectra-Mat, Inc., for which it handles the exports.

SAES GETTERS (NANJING) Co., Ltd., Nanjing (P.R. of China)

The company ceased its production activity during the second half of 2013 and it currently manages the commercial activities of the Group in the Republic of China.
SAES Getters (Nanjing) Co., Ltd. ended the first half of 2015 with revenues equal to 12,387 thousand RMB (1,785 thousand euro), compared to 16,138 thousand RMB (1,910 thousand euro) in the corresponding period of the previous year; the decrease was mainly due to lower sales of getters for vacuum panels for the refrigeration industry and of lamp components, as well as to the reduction in the commission income collected from the associated company SAES Pure Gas, Inc. for commercial assistance provided to the latter for sales of purifiers in the Chinese market. The company ended the period with a net income of 180 thousand RMB (26 thousand euro), compared to a net income of 5,186 thousand RMB (614 thousand euro) as at June 30, 2014: despite the reduction in fixed structure costs, lower revenues and lower dividends received from SAES Getters International Luxembourg S.A. (in which SAES Getters (Nanjing) Co., Ltd. owns a 10% investment) caused the decrease in the net income.
Please note that in May 2015, after having obtained the authorization from the local Chinese authorities, the capital stock of the subsidiary was reduced from 13,570 thousand USD to 6,570 thousand USD.

MEMRY GmbH, Weil am Rhein (Germany)

The company, which manufactures and markets in the European market shape memory alloy components for both medical and industrial applications, in the first half of 2015 achieved sales equal to 3,641 thousand euro, with a strong growth (+70.8%) compared to 2,132 thousand euro in the corresponding period of the previous year. The increase in sales of NiTinol super-elastic wire for new consumer applications allowed to increase the gross margin and, consequently, the net income, that more than doubled (+164.3%) compared to the first half of 2014 (575 thousand euro compared to 218 thousand euro).

SAES NITINOL S.r.l., Lainate, MI (Italy)

The company, 100% owned by SAES Getters S.p.A., has as its business purpose the design, the production and the sale of shape memory alloy instruments and actuators, getters and any other equipment for the creation of high vacuum, either directly or by means of interests and investments in other companies. In order to achieve its corporate purpose, on July 5, 2011, the company established the joint venture Actuator Solutions GmbH, together with the German group Alfmeier Präzision (for further details on the joint venture, please refer to the Notes no. 9 and no. 17 of the Interim condensed consolidated financial statements).
SAES Nitinol S.r.l. ended the first half of 2015 with a net loss equal to 27 thousand euro (in the first half of 2014 the loss was equal to 63 thousand euro), primarily consisting in the cash pooling interest expenses charged by the parent company SAES Getters S.p.A., partially offset by the interest income on interest-bearing loans granted in 2014 to the joint venture Actuator Solutions GmbH (for further details on the loans please refer to the Note no. 20).

E.T.C. S.r.l., Bologna, BO (Italy)

The company, a spin-off supported by the National Research Council (CNR), is located in Bologna and has as its purpose the development of functional materials for applications in the Organic Electronics and in the Organic Photonics, as well as the development of integrated organic photonic devices for niche applications.

[2] Being intercompany commissions, their increase has no relevance on the consolidated operating income.

The company, 96% owned by the Parent Company, operates exclusively as a research center for the above mentioned developments and ended the first half of 2015 with a loss of 906 thousand euro, down by 10.8% compared to the first half of 2014 (-1,015 thousand euro), thanks to higher grants on research projects in progress and lower consultant fees (the latter incurred by the Parent Company and recharged to E.T.C. S.r.l.).
Please note that, on March 11, 2015, SAES Getters S.p.A. approved a capital contribution of 109 thousand euro in favor of E.T.C. S.r.l., equal to the difference between the loss made by the company in the fiscal year 2014 and that estimated for the same period at the beginning of the year and already covered by the Parent Company on March 13, 2014. Simultaneously, the Parent Company approved an additional capital contribution of 1,450 thousand euro aimed at covering the losses expected in the fiscal year 2015. The percentage of ownership of SAES Getters S.p.A. (96% of the share capital, as specified above) remained unchanged compared to December 31, 2014[3].
Finally, please note that on March 27, 2015 E.T.C. S.r.l. was excluded from the national tax consolidation program with S.G.G. Holding S.p.A. as consolidating company following the failed of the relationship of control as envisaged by the Article 2359, paragraph 1, no. 1, of the Civil Code.

SAES GETTERS INTERNATIONAL LUXEMBOURG S.A., Luxembourg (Luxembourg)

The company's main objectives are the management and the acquisition of investments, the optimal cash management, the grant of intra-group loans and the coordination of the Group services.
As at June 30, 2015, the company recorded a net loss of 39 thousand euro, compared to a net income of 7 thousand euro in the first half of 2014: the worsening of the net result was mainly due to lower interest income on the intercompany loan granted to SAES Getters S.p.A., whose average nominal value was reduced compared the previous year.

Some notes on the performance of the subsidiaries of SAES Getters International Luxembourg S.A. are provided below.

SAES Getters Korea Corporation, Seoul (South Korea) is 62.52% owned by SAES Getters International Luxembourg S.A., whereas the remainder of the capital stock is held directly by the Parent Company SAES Getters S.p.A. In 2011 the company ceased the production activities and now operates only as a distributor of products made by other Group's companies in the Korean market.
In the first half of 2015 the company recorded revenues equal to 637 million KRW (519 thousand euro), down compared to 1,100 million KRW (765 thousand euro) in the first half of 2014 following the lower sales in the field of thermal insulation products and in that of lamp devices which, during the semester, suffered from the increase in the competitive pressure. The period ended with a loss of 731 million KRW (-596 thousand euro), compared to a loss of 528 million KRW (-367 thousand euro) as at June 30, 2014: the decrease is due to lower revenues, as well as higher non-cash foreign exchange losses deriving from the conversion of the financial receivable in euro that the Korean subsidiary holds in respect of the Parent Company, following the appreciation of the Korean won against the euro.

The company ***SAES Smart Materials, Inc.***, based in New Hartford, NY (USA), active in the development, production and sale of shape memory alloy semi-finished products, recorded revenues equal to 7,873 thousand USD (7,056 thousand euro) in the semester, compared to 7,978 thousand USD (5,822 thousand euro) in the corresponding period of the previous year. Despite revenues substantially in line with the first half of 2014, the shift in the sales mix towards products with a lower absorption of raw materials allowed to close the period with a net income of 1,956 thousand USD (1,753 thousand euro), up by 63% compared to 1,197 thousand USD (873 thousand euro) in the previous year.
Finally, please note that on May 31, 2015 SAES Smart Materials, Inc. repaid the last installment (equal to 1.7 million USD) of the long-term loan obtained in 2008.

[3] SAES Getters S.p.A. has committed to cover any loss also on behalf of the minority shareholder if the latter is unwilling or unable to proceed to cover them, maintaining unchanged its percentage of ownership.

Memry Corporation, Bethel, CT (USA), is a technological leader in the new generation medical devices with high engineering value sector, made of NiTinol shape memory alloy.
The company achieved sales equal to 22,418 thousand USD (20,091 thousand euro) in the first half of 2015, with a strong increase (+22.1%) compared to the corresponding period of the previous year (18,353 thousand USD, equal to 13,392 thousand euro) thanks to the contribution of both new products and new customers.
The net income amounted to 1,587 thousand USD (1,423 thousand euro), almost tripled compared to a net income of 596 thousand USD (435 thousand euro) in the first half of 2014: the strong increase was mainly due to the growth of sales and to the associated reduction of the incidence of structural fixed costs which allowed the improvement in the gross margin; the operating expenses were substantially aligned with those of the corresponding period of the previous year.
Finally, please note that, on February 20, 2015, the State of Connecticut paid to Memry Corporation the first tranche, equal to 2 million USD, of the soft financing finalized to purchase new machinery and equipment necessary to expand the production plant in Bethel (for further details please refer to the section "Main events of the semester" and to the Note no. 29).

Performance of the joint venture companies in the first half of 2015

ACTUATOR SOLUTIONS GmbH, Gunzenhausen (Germany)

Actuator Solutions GmbH, established in the second half of 2011, is headquartered in Gunzenhausen (Germany) and it is 50% jointly controlled by SAES and Alfmeier Präzision, a German group operating in the fields of electronics and advanced plastic materials.
The joint venture is focused on the development, production and distribution of actuators based on the SMA technology and its mission is to become a world leader in the field of actuators using shape memory alloys.

Actuator Solutions GmbH, which consolidates its wholly owned subsidiary Actuator Solutions Taiwan Co., Ltd., recorded net revenues equal to 7,904 thousand euro in the first half of 2015; these revenues, totally generated by the sale of valves used in lumbar control systems of the seats of cars, increased by 13.8% compared to 6,943 thousand euro in the first half of 2014: in fact, the lumbar control system based on the SMA technology is recording a strong growth in volumes, notwithstanding falling unit prices.
Despite the increase in the revenues of the seat comfort business, the net result of the period was negative and equal to -1,866 thousand euro (-1,102 thousand euro as at June 30, 2014), due to the research, development and prototyping expenses in the various industrial sectors in which the company will be present with its SMA actuators, as well as to structure fixed costs. In particular, Actuator Solutions GmbH, with the support of the laboratories in Lainate, is focused on the development of SMA actuators for the vending industry, the automotive sector, the white goods sector and the medical one; instead, the Taiwanese subsidiary is focused on the development and prototyping of products for the mobile communication market, such as those for the image focus and stabilization of mobile phones, which have found an increasing interest in the market and are currently subject to the qualification by some potential users.

(thousands of euro)

Actuator Solutions	1st Half 2015	1st Half 2014
	100%	**100%**
Total net sales	7,904	6,943
Cost of sales	(8,393)	(6,601)
Gross profit	**(489)**	**342**
% on sales	*-6.2%*	*4.9%*
Total operating expenses	(1,887)	(1,813)
Other income (expenses), net	80	124
Operating income (loss)	**(2,296)**	**(1,347)**
% on sales	*-29.0%*	*-19.4%*
Interest and other financial income, net	(159)	(23)
Foreign exchange gains (losses), net	198	0
Income taxes	391	268
Net income (loss)	**(1,866)**	**(1,102)**

The share of the SAES Group in the result of the joint venture in the first half of 2015 amounted to -933 thousand euro.

The following table shows the **total Group's statement of profit or loss**, achieved by incorporating the 50% joint venture Actuator Solutions with the proportional method instead of the equity method:

	1st Half 2015					
(thousands of euro)	**Consolidated profit or loss**	**50% Actuator Solutions**	**Intercompany eliminations**	**Other adjustments**	**Investment elimination**	**Total profit or loss of the Group**
Total net sales	**81,488**	**3,952**	**(290)**	**29**		**85,179**
Cost of sales	(46,410)	(4,196)	290	(29)		(50,345)
Gross profit	**35,078**	**(244)**	**0**	**0**	**0**	**34,834**
% on sales	*43.0%*					*40.9%*
Total operating expenses	(26,489)	(944)				(27,433)
Royalties	331					331
Other income (expenses), net	(130)	40				(90)
Operating income (loss)	**8,790**	**(1,148)**	**0**	**0**	**0**	**7,642**
% on sales	*10.8%*					*9.0%*
Interest and other financial income, net	(771)	(80)				(851)
Income (loss) from equity method evalueted companies	(933)				933	0
Foreign exchange gains (losses), net	1,114	99				1,213
Income (loss) before taxes	**8,200**	**(1,129)**	**0**	**0**	**933**	**8,004**
Income taxes	(4,112)	196				(3,916)
Net income (loss) from continued operations	**4,088**	**(933)**	**0**	**0**	**933**	**4,088**
Income (loss) from assets held for sale and discontinued operations	0					0
Net income (loss) before minority interest	**4,088**	**(933)**	**0**	**0**	**933**	**4,088**
Net income (loss) pertaining to minority interest	0					0
Net income (loss) pertaining to the Group	**4,088**	**(933)**	**0**	**0**	**933**	**4,088**

Research, Development and Innovation activities

Research and development expenses amounted to 7,438 thousand euro in the first half of 2015 (9.1% of consolidated net revenues) and were substantially in line, in absolute terms, with those of the corresponding period of 2014 amounting to 7,304 thousand euro (11.5% of consolidated net sales).

The first half of 2015 marked a strengthening of the scouting activities regarding new applications for the platform of Functional Polymer Composites (FPC) and at the same time it recorded the first sales of a SAES' FPC adapted to the production process of a pacemaker made by one of the most important players in the sector. In the wake of this important result - among others, the process that led to the qualification of the SAES material was presented by the medical player as an example of virtuous customer-supplier relationship that must necessarily evolve into a partnership - further development activities have been started to enable the adoption of the new FPCs made by SAES also by other leading manufacturers of

Implantable Medical Devices (IMD). This was possible also thanks to the allocation of resources dedicated to this project, following the rationalization of the R&D activities around the most promising application segments, including IMDs.
Always with regards to Functional Polymer Composites, in the first half of the year the company achieved a marked step forward towards the freezing of the specifications of the first product of the SAES Group for food packaging applications. In this area the company has started some preliminary collaborations that should lead to the development of new solutions of "active packaging" with the management of specific modified atmospheres.
Finally, it is worth noting the launch of a test of a FPC solution for the control of the evolution of carbon dioxide (CO_2) in lithium batteries at the world's leading manufacturer of Li-Ion batteries for auto-traction, whose first results should be available by the end of 2015. A positive result in such tests would pose SAES in a privileged position to design with the customer the optimal solution to the problems of security and stability of this type of batteries, with extremely interesting business prospects.
Always in the field of organic chemistry, the development activities of OLET displays continued, in collaboration with the National Research Center (CNR) and a US company leader in the development of organic precursors. In particular, in April the company realized the first OLET monochrome demonstrator panel.

Particularly intense were also the activities of the Vacuum Systems development laboratory that, in the wake of the great success arisen by the presentation to the market of the new High Vacuum pump at the end of 2014, continued the development of the first two models already on sale in the market. Also thanks to the support of this laboratory, it was possible to finalize a supply contract for an important particle accelerator worth more than half a million euro for the sale of over 100 different models of NEXTorr® pumps.

The activities of the Getters & Dispensers development laboratory have focused in particular on the development of solutions both of gettering and dispensing within the new LED generation.

Instead, the central laboratory has continued the activities of basic research in the field of Shape Memory Alloys regarding new formulations of alloys and the improvement of existing production processes, to support applications in both the medical and the industrial segments.

The joint venture Actuator Solutions has continued its development, prototyping and production activities of SMA actuators for various applications in the white good, automotive and consumer electronic sectors.

Please note that all basic research expenses incurred by the Group are charged directly into the income statement in the year in which they occurred as they do not qualify for capitalization.

Subsequent events

On July 15, 2015 SAES Nitinol S.r.l. made a capital contribution in favor of the joint venture Actuator Solutions GmbH equal to 450 thousand euro. The same amount was paid by the joint partner Alfmeier, through the company SMA Holding GmbH.

Please note that after June 30, 2015 the Group didn't sign any additional forward sale contract on trade receivables in US dollars or Japanese yen.

In the second half of 2015 SAES Advanced Technologies S.p.A. will continue to use the defensive job-security agreements.

On July 24, 2015 SAES Getters S.p.A. signed a new multi-tranche loan for a total value of 11 million euro.

The contract provides for an amortizing type tranche, amounting to 8 million euro and with a duration of five years, the repayment of which is established in semiannual fixed principal amounts and interests indexed to the six months Euribor, plus a spread of 2.25%.
The second tranche, worth 3 million euro, is a revolving one, with a duration of three years and its use based on the operational needs of the SAES Group.
The loan provides for the activation of financial covenants that are standard for this type of transactions, calculated annually on consolidated economic and financial figures.

Business outlook

We expect a gradual improvement of all the consolidated economic indicators, at constant exchange rates, as well as a further improvement of the already strong net financial position.
The growth of the shape memory alloys for industrial applications will continue, confirming a trend which has been going on for some months and, in the second part of the year, some important market developments are hopefully expected for the joint venture Actuator Solutions.
We envisage a progressive improvement in the net financial position, to reach target levels more in line with those of a Company featuring a business model similar to the SAES Getters' one.

Related party transactions

With regard to the Group's related party transactions, please note that they fall within the ordinary operations and are settled at market or standard conditions.
Complete disclosure on related party transactions incurred during the semester is provided in the Note no. 40 of the Interim condensed consolidated financial statements.

Group's main risks and uncertainties

For the analysis of the Group's main risks and uncertainties and the related mitigation actions to face these risks and uncertainties please refer to the 2014 Consolidated financial statements.

In particular, with reference to the financial risks, the main financial risks for the SAES Group are the following ones:

- *Interest-rate risk*, associated with the volatility of interest rates, which may influence the cost of the use of debt financing and the return of temporary investments of cash;
- *Exchange-rate risk*, associated with the volatility of exchange rates, which may influence the related value of the Group's costs and revenues denominated in currencies different from the euro and may thus have an impact on the Group's net income or loss; also the amount of financial receivables/payables denominated in currencies other than the euro depends on the value of exchange rates, with potential effects both on the net income and on the net financial position;
- *The risk of changes in prices of raw materials*, which may affect the Group's product margins if these changes are not charged to the price agreed upon with customers;
- *Credit risk*, associated with the solvency of customers and the ability to collect receivables claimed from them;
- *Liquidity risk*, associated with the Group's ability to raise funds to finance its operating activities, or with the capacity of the sources of funding if the Group were to adopt strategic decisions involving some extraordinary expenditure (such as merger & acquisition transactions or organizational rationalization and restructuring activities).

Interest-rate risk

The Group's financial debts, both short and long-term ones, are mainly structured on a variable interest rate basis, therefore they are subject to the risk of interest rate fluctuations.
With regards to long-term financial debts, the exposure to interest rate variation is usually handled by way of entering into Interest Rate Swap (IRS) agreements, with a view to guarantee a level of financial expenditures which are sustainable by the SAES Group's financial structure.
Please note that the IRS agreement signed in 2009 with the aim to fix the interest rate on the dollar-based financing held by the US subsidiary Memry Corporation expired on December 31, 2014. With reference to the two new floating rate loans signed by SAES Getters S.p.A., respectively, at the end of December 2014 and of May 2015, the Group constantly controls the interest rate trend for the possible signing of Interest Rate Swap contracts to hedge the risk linked to the interest rate fluctuations.
The funding for the working capital is managed through short-term financing transactions and, as a consequence, the Group does not hedge itself against the interest-rate risk.

Exchange-rate risk

The Group is exposed to foreign currency exchange risk on foreign commercial transactions.
Such exposure is generated predominantly by sales in currencies other than the reference currency: during the first half of 2015 around 84.3% of Group sales were denominated in a currency other than the euro, whilst only around 63.5% of the Group's operating costs were denominated in a currency other than the euro.
In order to manage the economic impact generated by the fluctuations in exchange rates, primarily EUR/USD and EUR/JPY, the Group enters into hedges on these currencies, the values of which are periodically determined by the Board of Directors according to the net currency cash flows expected to be generated by SAES Getters S.p.A. and SAES Advanced Technologies S.p.A. The maturities of hedging derivatives tend to match the scheduled date of collection of the hedged transactions.
Moreover, occasionally, the Group also hedges specific transactions in a currency other than the reporting currency, to mitigate the effect on profits and losses of the exchange rate volatility, with reference to financial receivables/payables denominated in currency different from the one used in the financial statements (for example, executed by foreign subsidiaries, but denominated in euro).
Please refer to the Note no. 25 for further details on the derivative agreements in place as at June 30, 2015.

Risk of changes in prices of raw materials

Normally, the Group's exposure to commodity price risk is moderate. The procurement procedure requires the Group to have more than one supplier for each commodity deemed critical and, in order to reduce exposure to the risk of price variations, where possible it enters into specific supply agreements aimed at controlling the commodity price volatility. The Group monitors the trends of the main commodities subject to the greatest price volatility and does not exclude the possibility of undertaking hedging transactions using derivative instruments with the aim of neutralizing the price volatility of its commodities.

Credit risk

The Group deals principally with well-known and reliable customers: the Sales Department assesses new customers' solvency and periodically verifies that credit limit conditions have been met. The balance of receivables is constantly monitored so as to minimize the risk of potential losses, particularly considering the difficult macroeconomic situation.
The credit risk associated with other financial assets, including cash and cash equivalents, is not significant due to the nature of the counterparties: the Group places such assets exclusively in bank deposits held with leading Italian and international financial institutions.

Liquidity risk

This risk could arise if the Group is not able to obtain the necessary financial resources to grant the continuity of its operations.
In order to minimize such risk, the Administration Finance and Control Division acts as follows:

- constantly monitors the Group’s financial requirements in order to obtain credit lines necessary to meet such requirements;
- optimizes liquidity management through a centralized management system of available liquidity (cash pooling) denominated in euro which involves nearly all of the Group’s companies;
- manages the correct balance between short-term financing and medium/long-term financing depending on the expected generation of operating cash flows.

For further information on the Group’s loans as at June 30, 2015 and their contractual maturity please refer to the Note no. 29.

As at June 30, 2015 the Group was not significantly exposed to liquidity risk, also considering the unused credit lines it has access to.

Equity management

The objective pursued by the Group’s equity management is to maintain a solid credit rating and adequate capital ratios, in order to support operations and maximize the value for shareholders.

No changes were made to equity management objectives or policies during the first half of 2015.

Some performance indicators, such as the debt-to-equity ratio (defined as net debt to net equity), are periodically monitored with the aim of keeping them at low levels, still lower than what's required on the agreements with its lenders.

Consob regulatory simplification process

Please note that, on November 13, 2012, the Board of Directors approved, pursuant to article 3 of Consob resolution no. 18079/2012, to adhere to the opt-out provisions as envisaged by article no. 70, paragraph 8, and no. 71, paragraph 1-*bis* of the Consob Regulation related to Issuer Companies, and it therefore avails itself of the right of making exceptions to the obligations to publish information documents required in connection with significant mergers, spin-offs, capital increases by contributions in kind, acquisitions and disposals.

Interim Condensed Consolidated Financial Statements
as at June 30, 2015

Consolidated statement of profit or loss

(thousands of euro)	Notes	1st Half 2015	1st Half 2014
Total net sales	3	**81,488**	**63,556**
Cost of sales	4	(46,410)	(36,404)
Gross profit		**35,078**	**27,152**
Research & development expenses	5	(7,438)	(7,304)
Selling expenses	5	(7,067)	(6,051)
General & administrative expenses	5	(11,984)	(9,563)
Total operating expenses		**(26,489)**	**(22,918)**
Royalties	6	331	1,043
Other income (expenses), net	7	(130)	(86)
Operating income (loss)		**8,790**	**5,191**
Interest and other financial income	8	157	180
Interest and other financial expenses	8	(928)	(1,046)
Share of result of investments accounted for using the equity method	9	(933)	(551)
Foreign exchange gains (losses), net	10	1,114	74
Income (loss) before taxes		**8,200**	**3,848**
Income taxes	11	(4,112)	(2,759)
Net income (loss) from continued operations		**4,088**	**1,089**
Net income (loss) from assets held for sale and discontinued operations	12	0	232
Net income (loss) for the period		**4,088**	**1,321**
Minority interests in consolidated subsidiaries		0	0
Group net income (loss) for the period		**4,088**	**1,321**
Net income (loss) per ordinary share	13	0.1798	0.0204
Net income (loss) per savings share	13	0.1965	0.1385

Consolidated statement of other comprehensive income

(thousands of euro)	Notes	1st Half 2015	1st Half 2014
Net income (loss) for the period		**4,088**	**1,321**
Exchange differences on translation of foreign operations	28	8,156	1,017
Exchange differences on equity method evaluated companies	28	(101)	(3)
Total exchange differences		8,055	1,014
Total components that will be reclassified to the profit (loss) in the future		**8,055**	**1,014**
Other comprehensive income (loss), net of taxes		**8,055**	**1,014**
Total comprehensive income (loss), net of taxes		**12,143**	**2,335**
attributable to:			
- Equity holders of the Parent Company		12,143	2,335
- Minority interests		0	0

Consolidated statement of financial position			
(thousands of euro)	Notes	June 30, 2015	December 31, 2014
ASSETS			
Non current assets			
Property, plant and equipment, net	15	51,112	50,684
Intangible assets, net	16	51,856	48,705
Investments accounted for using the equity method	17	336	1,370
Deferred tax assets	18	15,707	15,725
Tax consolidation receivables from Controlling Company	19	272	571
Financial receivables from related parties	20	2,300	0
Other long term assets	21	454	917
Total non current assets		**122,037**	**117,972**
Current assets			
Inventory	22	29,995	29,719
Trade receivables	23	23,581	20,010
Prepaid expenses, accrued income and other	24	10,351	9,697
Derivative financial instruments evaluated at fair value	25	323	38
Cash and cash equivalents	26	19,336	25,602
Financial receivables from related parties	20	480	2,762
Other financial receivables from third parties	27	0	151
Total current assets		**84,066**	**87,979**
Total assets		**206,103**	**205,951**
EQUITY AND LIABILITIES			
Capital stock		12,220	12,220
Share issue premium		41,120	41,120
Legal reserve		2,444	2,444
Other reserves and retained earnings		42,869	41,510
Other components of equity		16,733	10,555
Net income (loss) of the period		4,088	4,836
Group shareholders' equity	28	**119,474**	**112,685**
Other reserves and retained eanings of third parties		3	3
Minority interests in consolidated subsidiaries		**3**	**3**
Total equity		**119,477**	**112,688**
Non current liabilities			
Financial debts	29	23,310	14,689
Other non current financial debts towards third parties	30	1,381	1,328
Deferred tax liabilities	18	6,309	6,190
Staff leaving indemnities and other employee benefits	31	7,947	7,425
Provisions	32	861	871
Total non current liabilities		**39,808**	**30,503**
Current liabilities			
Trade payables	33	11,862	11,047
Other payables	34	9,112	7,703
Accrued income taxes	35	786	387
Provisions	32	1,560	1,861
Derivative financial instruments evaluated at fair value	25	386	0
Current portion of medium/long term financial debts	29	6,452	6,690
Other current financial debts towards third parties	30	580	2,068
Bank overdraft	36	14,831	30,722
Accrued liabilities	37	1,249	2,282
Total current liabilities		**46,818**	**62,760**
Total equity and liabilities		**206,103**	**205,951**

Consolidated cash flow statement		
(thousands of euro)	1st Half 2015	1st Half 2014
Cash flows from operating activities		
Net income (loss) from continued operations	4,088	1,089
Net income (loss) from discontinued operations	0	232
Current income taxes	4,138	2,394
Changes in deferred income taxes	(26)	366
Depreciation	3,492	3,570
Write-down (revaluation) of property, plant and equipment	11	0
Amortization	675	682
Write-down (revaluation) of intangible assets	0	0
Net loss (gain) on disposal of fixed assets	0	(232)
Interest and other financial (income) expenses, net	1,706	1,418
Other non-monetary costs (revenues)	(1,777)	(398)
Accrual for termination indeminities and similar obligations	467	231
Changes in provisions	(460)	31
	12,314	**9,383**
Working capital adjustments		
Cash increase (decrease)		
Account receivables and other receivables	(4,179)	(4,396)
Inventory	1,765	1,443
Account payables	815	(2,055)
Other current payables	654	(836)
	(945)	**(5,844)**
Payment of termination indemnities and similar obligations	(36)	(288)
Interests and other financial payments	(238)	(228)
Interests and other financial receipts	76	53
Taxes paid	(3,236)	(1,432)
Net cash flows from operating activities	**7,935**	**1,644**
Cash flows from investing activities		
Disbursements for acquisition of tangible assets	(2,436)	(1,782)
Proceeds from sale of tangible and intangible assets	0	238
Disbursements for acquisition of intangible assets	(23)	(21)
Cash paid for acquisition of third parties businesses	(1,742)	(1,692)
Advances on assets held for sale	0	2,786
Net cash flows from investing activities	**(4,201)**	**(471)**
Cash flows from financing activities		
Proceeds from long term financial liabilities, current portion included	11,360	0
Proceeds from short term financial liabilities	0	3,150
Dividends payment	(3,477)	(3,430)
Repayment of financial liabilities	(19,449)	(2,858)
Interests and other costs paid on financial liabilities	(778)	(633)
Financial receivables repaid (granted) from related parties	0	(750)
Interests receipts on financial receivables from related parties	62	0
Other financial receivables	163	0
Payment of finance lease laibilities	(9)	(7)
Net cash flows from financing activities	**(12,128)**	**(4,528)**
Net foreign exchange differences	2,657	526
Net (decrease) increase in cash and cash equivalents	**(5,737)**	**(2,829)**
Cash and cash equivalents at the beginning of the period	**25,071**	**20,333**
Cash and cash equivalents at the end of the period	**19,334**	**17,504**

Consolidated statement of changes in equity as at June 30, 2015

(thousands of euro)	Capital stock	Share issue premium	Treasury shares	Legal reserve	Other components of equity		Other reserves and retained earnings	Net income (loss)	Group shareholders' equity	Minority interests	Total equity
					Currency conversion reserve	Currency conversion reserve from discontinued operations					
December 31, 2014	**12,220**	**41,120**	**0**	**2,444**	**10,555**	**0**	**41,510**	**4,836**	**112,685**	**3**	**112,688**
Distribution of 2014 result							4,836	(4,836)	0		0
Dividends paid							(3,477)		(3,477)		(3,477)
Reversal of currency conversion reserve after the reduction of the share capital of the subsidiaries					(1,877)				(1,877)		(1,877)
Net income (loss)								**4,088**	**4,088**	**0**	**4,088**
Other comprehensive income (loss)					8,055				8,055		8,055
Total comprehensive income (loss)					**8,055**			**4,088**	**12,143**	**0**	**12,143**
June 30, 2015	**12,220**	**41,120**	**0**	**2,444**	**16,733**	**0**	**42,869**	**4,088**	**119,474**	**3**	**119,477**

Consolidated statement of changes in equity as at June 30, 2014

(thousands of euro)	Capital stock	Share issue premium	Treasury shares	Legal reserve	Other components of equity		Other reserves and retained earnings	Net income (loss)	Group shareholders' equity	Minority interests	Total equity
					Currency conversion reserve	Currency conversion reserve from discontinued operations					
December 31, 2013	**12,220**	**41,120**	**0**	**2,444**	**(553)**	**0**	**45,635**	**(562)**	**100,304**	**3**	**100,307**
Distribution of 2013 result							(562)	562	0		0
Dividends paid							(3,430)		(3,430)		(3,430)
Net income (loss)								**1,321**	**1,321**	**0**	**1,321**
Other comprehensive income (loss)					1,014				1,014		1,014
Total comprehensive income (loss)					**1,014**			**1,321**	**2,335**	**0**	**2,335**
June 30, 2014	**12,220**	**41,120**	**0**	**2,444**	**461**	**0**	**41,643**	**1,321**	**99,209**	**3**	**99,212**

1. BASES OF PREPARATION AND ACCOUNTING POLICIES

Bases of preparation

SAES Getters S.p.A., the Parent Company, and its subsidiaries (hereinafter "SAES Group") operate both in Italy and abroad in the development, manufacturing and marketing of getters and other components for applications where stringent vacuum conditions or ultra-pure gases are required (electronic devices, lamps, vacuum systems and thermal insulation solutions), as well as in the gas purification industry. The Group also operates in the field of advanced materials, particularly in the business of shape memory alloys for both medical and industrial applications.

The preparation of the financial statements is in compliance with the historical cost criterion, except when specifically required by the applicable standards, as well as on the going concern assumption; in spite of a difficult economic and financial environment, there aren't any significant uncertainties (as defined in paragraph no. 25 of IAS 1 - *Presentation of Financial Statements*) regarding the business continuity.

The Parent Company SAES Getters S.p.A., based in Lainate (Italy), is controlled by S.G.G. Holding S.p.A.[4], which does not exercise any management and coordination activities.
The Board of Directors approved and authorized the publication of the 2015 interim condensed consolidated financial statements with the resolution passed on July 30, 2015.

The interim condensed consolidated financial statements of the SAES Group are presented in euro (rounded to the nearest thousand), which is the Group's functional currency.
Foreign subsidiaries are included in the consolidated financial statements according to the standards described in the Note no. 2 "Main accounting principles".

Accounting schemes

The presentation adopted is compliant with the provisions of IAS 1 – revised, that provides the consolidated statement of profit (loss) and of other comprehensive income (the Group elected to present two different statements) and a statement of consolidated financial position that includes only the details of operations on the Group's shareholders' equity, while changes in the minority interests are presented in a separate line.

Moreover we report that:
- the consolidated statement of financial position has been prepared by classifying assets and liabilities as current or non-current and by stating "Assets held for sale" and "Liabilities held for sale" in two separate items, as required by IFRS 5;
- the consolidated statement of profit or loss has been prepared by classifying operating expenses by allocation, inasmuch this form of disclosure is considered more suitable to represent the Group's specific business, is compliant with internal reporting procedures and in line with standard industry practice;
- the consolidated cash flow statement has been prepared by stating cash flows provided by operating activities according to the "indirect method" as permitted by IAS 7.

In addition, as required by Consob resolution no. 15519 of July 27, 2006, in the statement of profit or loss (Annex no. 1), income and expenses arising from non-recurring transactions or from events that do not recur frequently during the normal conduct of operations are specifically identified and their effects are stated separately at the main interim result levels.

[4] Based in Milan, Via Vittor Pisani no. 27.

Non-recurring events and transactions are identified primarily on the basis of the nature of the transactions. In particular, non-recurring income/expenses include cases that by their nature do not occur consistently in the course of normal operating activities. In further detail:
- income/expenses arising from the sale of real property;
- income/expenses arising from the sale of business divisions and equity investments included among non-current assets;
- income/expenses arising from reorganization processes associated with extraordinary corporate actions (mergers, de-mergers, acquisitions and other corporate actions);
- income/expenses arising from discontinued businesses.
During the first half of 2015 the Group did not carry out any unusual or non-recurring transactions having a significant impact on the economic situation and the financial position.

On the basis of the aforementioned Consob resolution, the amounts of positions or transactions with related parties have been highlighted separately from the related items in the Explanatory Notes.

Segment information

The Group's financial reporting is broken down into the following business segments:
- Industrial Applications;
- Shape Memory Alloys.

Seasonality of operations

Based on historical trends, the revenues of the different businesses are not characterized by significant seasonal circumstances.

Scope of consolidation

The following table shows the companies included in the scope of consolidation according to the full consolidation method as at June 30, 2015:

Company	*Currency*	*Capital Stock*	*% of Ownership Direct*	*Indirect*
Directly-controlled sunsidiaries:				
SAES Advanced Technologies S.p.A. Avezzano, AQ (Italy)	EUR	2,600,000	100.00	-
SAES Getters USA, Inc. Colorado Springs, CO (USA)	USD	9,250,000	100.00	-
SAES Getters (Nanjing) Co., Ltd. Nanjing (P.R. of China)	USD	6,570,000***	100.00	-
SAES Getters International Luxembourg S.A. Luxembourg (Luxembourg)	EUR	34,791,813	89.97	10.03*
SAES Getters Export, Corp. Wilmington, DE (USA)	USD	2,500	100.00	-
Memry GmbH Weil am Rhein (Germany)	EUR	330,000	100.00	-
E.T.C. S.r.l. Bologna, BO (Italy)	EUR	75,000	96.00**	-
SAES Nitinol S.r.l. Lainate, MI (Italy)	EUR	10,000	100.00	-
Indirectly-controlled subsidiaries:				
Through SAES Getters USA, Inc.:				
SAES Pure Gas, Inc. San Luis Obispo, CA (USA)	USD	7,612,661	-	100.00
Spectra-Mat, Inc. Watsonville, CA (USA)	USD	204,308	-	100.00
Through SAES Getters International Luxembourg S.A.:				

SAES Getters Korea Corporation Seoul (South Korea)	KRW	10,497,900,000	37.48	62.52
SAES Smart Materials, Inc. New Hartford, NY (USA)	USD	17,500,000	-	100.00
Memry Corporation Bethel, CT (USA)	USD	30,000,000	-	100.00

* % of indirect ownership held by SAES Advanced Technologies S.p.A. (0.03%) and by SAES Getters (Nanjing) Co., Ltd. (10.00%).
** 4% held by third parties. However, the company is fully consolidated at 100% without attribution of minority interests since SAES Getters S.p.A. has committed to cover any loss, also on behalf of the minority shareholder if the latter is unwilling or unable to proceed to cover them, maintaining unchanged its percentage of ownership.
*** In May 2015, after having obtained the proper authorization from the local Chinese authorities, the capital stock of the Chinese subsidiary SAES Getters (Nanjing) Co., Ltd. was reduced from 13,570 thousand USD to 6,570 thousand USD.

The following table shows the companies included in the scope of consolidation according to the equity method as at June 30, 2015:

Company	***Currency***	***Capital Stock***	***% of Ownership Direct***	***Indirect***
Actuator Solutions GmbH Gunzenhausen (Germany)	EUR	2,000,000	-	50.00*
Actuator Solutions Taiwan Co., Ltd. Taoyuan (Taiwan)	TWD	5,850,000	-	50.00**

* % of indirect ownership held by SAES Nitinol S.r.l.
** % of indirect ownership held by the joint venture Actuator Solutions GmbH (which holds a 100% interest in Actuator Solutions Taiwan Co., Ltd.).

During the first semester of 2015 there were no changes in the scope of consolidation.

MAIN ACCOUNTING PRINCIPLES

Consolidation principles

Following the entry into force of European Regulation no. 1606/2002, the SAES Group adopted IAS/IFRS accounting standards as from January 1, 2005.
The interim condensed consolidated financial statements for the six months ended June 30, 2015 have been prepared in accordance with the IFRSs issued by the International Accounting Standards Board (“IASB”) and approved by the European Union (“IFRS”), CONSOB resolutions no. 15519 and no. 15520 of July 27, 2006, CONSOB communication no. DEM/6064293 of July 28, 2006 and article 149-*duodecies* of the Issuers Regulations. The abbreviation “IFRS” includes all revised international accounting standards (“IAS”) and all interpretations issued by the International Financial Reporting Interpretations Committee (“IFRIC”), included those previously issued by the Standing Interpretations Committee (“SIC”).

The interim condensed consolidated financial statements for the period ended June 30, 2015 were prepared according to IAS 34 revised - *Interim financial reporting,* applicable to interim reporting and therefore has to be read jointly to the consolidated financial statements as at December 31, 2014, since they do not include all the disclosures required for the annual financial statements prepared according to IAS/IFRS.
For comparison purposes also 2014 comparative figures have been presented, in application of IAS 1-*Presentation of financial statements.*

New standards, amendments and interpretations effective from January 1, 2015

Accounting standards used to prepare the interim condensed consolidated financial statements as at June 30, 2015 are consistent with those applied in the consolidated financial statements as at December 31, 2014, except for the adoption of the following new standards and interpretations applicable starting from January 1, 2015.
The following accounting standards, amendments and interpretations are applicable for the first time from January 1, 2015.

IFRIC 21 - *Levies*
On May 20, 2013 it was published the interpretation IFRIC 21 - *Levies*, that provides a clarification about the time to recognize a liability related to taxes (other than income taxes) imposed by a government agency. The standard addresses both the liabilities for taxes that fall within the scope of IAS 37 - *Provisions, potential liabilities and assets*, and the taxes whose amount and timing are certain.
The interpretation is effective retrospectively for annual periods beginning on or after June 17, 2014.
The adoption of this new interpretation had no impact on the Group's consolidated financial statements.

Annual improvements to IFRSs: 2011-2013 cycle
On December 12, 2013, the IASB published the document "*Annual improvements to IFRSs: 2011-2013 cycle*" which incorporates the changes to the standards as part of the annual process to improve them. The main changes include the following ones:
- IFRS 3 - *Business combinations - scope exception for joint ventures*. The amendment clarifies that paragraph 2(a) of IFRS 3 excludes from the scope of application of IFRS 3 the establishment of all types of joint arrangements, as defined by IFRS 11.
- IFRS 13 - *Fair value measurement - scope of portfolio exception* (paragraph 52). The amendment clarifies that the portfolio exception included in paragraph 52 of IFRS 13 applies to all contracts included within the scope of IAS 39 (or IFRS 9) regardless of whether they meet the definition of financial assets and liabilities provided by IAS 32.
- IAS 40 - *Investment properties - interrelationship between IFRS 3 and IAS 40*. The amendment clarifies that IFRS 3 and IAS 40 are not mutually exclusive and that, in order to determine whether the purchase of a real property falls within IFRS 3, it is necessary to refer to the specific indications provided by IFRS 3; instead, to determine whether the purchase of such real property falls within the scope of IAS 40, it is necessary to refer to the specific indications of IAS 40.

The amendments are effective for annual periods beginning on or after January 1, 2015.
The adoption of these amendments had no impact on the Group's consolidated financial statements.

Accounting standards, amendments and interpretations of IFRS and IFRIC already validated by the European Union, but not yet applicable if not in advance

Set forth below are the standards and amendments approved by the European Union, but not yet mandatorily applicable and not yet adopted by the Group in advance as of June 30, 2015.

Annual improvements to IFRSs: 2010-2012 cycle
On December 12, 2013, the IASB published the document "*Annual improvements to IFRSs*: *2010-2012 cycle*" which incorporates the changes to the standards as part of the annual process to improve them. The main changes include the following ones:
- IFRS 2 - *Share-based payments - definition of vesting conditions*. Some changes have been made to the definitions of "vesting condition" and "market condition" and the definitions of "performance condition" and "service condition" have been added (previously included in the definition of "vesting condition").
- IFRS 3 - *Business combination - accounting for contingent consideration*. The amendment clarifies that a contingent consideration classified as a financial asset or liability shall be re-measured at fair value at each balance sheet closing date and the changes in the fair value are recognized in the income statement or among the items of the other comprehensive income based on the requirements of IAS 39 (or IFRS 9).
- IFRS 8 - *Operating segments - aggregation of operating segments*. The amendments require an entity to provide disclosures about the assessments made by the management in applying the criteria of

aggregation of operating segments, including a description of the aggregated operating segments and of the economic indicators that have been taken into account to decide whether such operating segments have “similar economic characteristics”.

- IFRS 8 - *Operating segments - reconciliation of total of the reportable segments' assets to the entity's assets*. The amendments clarify that the reconciliation between the total assets of the operating segments and the total assets of the entity must be submitted only if the total assets of the operating segments are regularly reviewed by the chief operating decision makers.
- IFRS 13 - *Fair value measurement - short-term receivables and payables*. The basis for conclusions of this principle have been changed in order to clarify that with the issuance of IFRS 13, and the consequential amendments to IAS 39 and IFRS 9, the option of accounting current trade receivables and payables without detecting the effects of their discounting, where such effects are not significant, remains valid.
- IAS 16 - *Property, plant and equipment and IAS 38 - Intangible assets - revaluation method: proportionate restatement of accumulated depreciation/amortization*. The changes have eliminated the inconsistencies in the recognition of depreciation when a tangible or intangible asset is re-valued. The new requirements clarify that the gross carrying value is appropriate consistently with the revaluation of the carrying value of the asset and that the accumulated depreciation is equal to the difference between the gross carrying value and the carrying value net of any recognized impairment.
- IAS 24 - *Related parties disclosures - key management personnel*. It is clarified that in case the services of key management personnel are provided by an entity (and not by a person), that entity has to be considered as a related party.

The amendments are effective for annual periods beginning on or after February 1, 2015.
The adoption of these changes is not expected to have a significant effect on the Group’s consolidated financial statements.

IAS 19 - *Defined benefit plans: employee contributions* (amendment)
On November 21, 2013, the IASB issued an amendment to IAS 19 - *Defined benefit plans*: *employee contributions*, which aims at presenting the contributions (relating only to the service provided by the employee during the year) made by employees or third parties to defined benefit plans as a reduction of the service cost for the year in which the contribution is paid. The need for this proposal arose with the introduction of the new IAS 19 (2011), according to which such contributions are to be interpreted as part of a post-employment benefit, rather than a short-term benefit and, therefore, that this contribution should be spread over the years of service of the employee.
The changes apply at the latest for periods beginning on or after February 1, 2015.
The adoption of this amendment is not expected to have a significant effect on the Group’s consolidated financial statements.

IFRS accounting standards, amendments and interpretations not yet validated by the European Union

At the date of these interim consolidated financial statements, the competent bodies of the European Union have not yet completed the endorsement process necessary for the adoption of the amendments and the principles described below.

IFRS 14 - *Regulatory deferral accounts*
On January 30, 2014, the IASB issued IFRS 14 - *Regulatory Deferral Accounts* that allows to continue to recognize the amounts related to the rate regulation activities in accordance with the previous adopted accounting policies only to those who adopt IFRS for the first time.
Not being the Group a first-time adopter, this standard is not applicable.

IFRS 11 – *Joint arrangements – accounting for acquisitions of interests in joint operations* (amendments)
On May 6, 2014, the IASB issued some amendments to IFRS 11 - *Joint arrangements* - *Accounting for acquisitions of interests in joint operations* related to the accounting of the purchase of stakes in a joint operation whose activity constitutes a business in accordance with what envisaged by IFRS 3. The

changes require that in these cases the principles set out in IFRS 3 related to the effects of a business combination shall be applied.
The amendments are applicable starting from January 1, 2016, but an earlier application is allowed.
The adoption of these amendments is not expected to have a significant effect on the Group's consolidated financial statements.

IAS 16 – ***Property, plant and equipment*** e **IAS 38** – ***intangibles assets – clarification of acceptable methods of depreciation and amortisation*** **(amendments)**
On May 12, 2014, the IASB issued some amendments to IAS 16 - *Property, plant and equipment* and to IAS 38 - *Intangibles assets - clarification of acceptable methods of depreciation and amortisation.*
The amendments to IAS 16 - *Property, plant and equipment* establish that the depreciation method based on revenues is not appropriate. The amendment clarifies that the revenues generated by an activity that includes the use of an asset subject to depreciation generally reflect several factors that differ from the solely consumption of the economic benefits of that asset.
The amendments to IAS 38 - *Intangibles assets* introduce a relative assumption that a depreciation method based on revenues is inappropriate for the same reasons stated by the amendments made to IAS 16 - *Property, plant and equipment*. In the case of intangible assets, this assumption can be rebutted only in limited circumstances.
The amendments are applicable starting from January 1, 2016, but an earlier application is allowed.
It is not expected to have a significant effect on the consolidated financial statements from the adoption of these amendments.

IFRS 15 - *Revenue from contracts with customers*
On May 28, 2014, the IASB issued IFRS 15 - *Revenue from contracts with customers* that replaces IAS 18 - *Revenues* and IAS 11 - *Construction contracts*, as well as the interpretations IFRIC 13 - *Customer loyalty programmes*, IFRIC 15 - *Agreements for the construction of real estate*, IFRIC 18 - *Transfers of assets from customers* and SIC 31 - *Revenues - barter transactions involving advertising services*. The new model of revenue recognition established by the new standard will apply to all contracts with customers except those that fall within the scope of other IAS/IFRSs such as leases, insurance contracts and financial instruments. The basic steps for the recognition of revenues under the new model are the following ones:

- the identification of a contract with the customer;
- the identification of the performance obligations of the contract;
- the determination of the price;
- the allocation of the price to the performance obligations of the contract;
- the criteria of recognition of the revenue when the entity satisfies each performance obligation.

The standard is applicable starting from January 1, 2018, but an earlier application is allowed.
The possible impacts of these changes on the Group's consolidated financial statements are currently being assessed.

IFRS 9 - *Financial instruments*
On July 24, 2014, the IASB published the final version of IFRS 9 - *Financial instruments.*
The document includes the results of the phases relating to Classification and measurement, Impairment and Hedge accounting, of the IASB project aimed at replacing IAS 39. The new standard, which replaces the previous versions of IFRS 9, must be applied to financial statements beginning on or after January 1, 2018.
Following the financial crisis of 2008, at the request of the main financial and political institutions, the IASB started the project for the replacement of IFRS 9 and proceeded by phases. In 2009, the IASB published the first version of IFRS 9 that dealt only with the classification and measurement of financial assets; later, in 2010, the criteria for the classification and measurement of financial liabilities and of the derecognition were published (the latter topic was transposed unchanged from IAS 39). In 2013 IFRS 9 was amended to include the general hedge accounting model. Following the current publication, which includes also the impairment, IFRS 9 has to be considered completed with the exception of the criteria regarding the macro hedging, on which the IASB has undertaken an independent project.

The standard introduces new requirements for the classification and measurement of financial assets and liabilities. In particular, for financial assets, the new standard uses a single approach based on the management of financial instruments and the contractual cash flow characteristics of the financial assets themselves in order to determine the evaluation criterion, replacing the many different rules envisaged by IAS 39. Instead, for financial liabilities, the main change regards the accounting treatment of the changes in the fair value of a financial liability designated as a financial liability evaluated at fair value in the income statement, if these changes are due to changes in the creditworthiness of the issuer of the liability itself. Under the new standard, these changes must be recognized in the Other comprehensive income and not in the income statement.
With reference to the impairment model, the new standard requires that the estimate of credit losses is made on the basis of the expected losses model (and not of the incurred losses model) using concrete information, available without unreasonable effort or expenses, which include historical, current and future data. The standard requires that this impairment model applies to all financial instruments, namely to financial assets measured at amortized cost, to those measured at fair value through other comprehensive income, to receivables deriving from lease contracts and trade receivables.
Finally, the standard introduces a new hedge accounting model in order to adapt the requirements of the current IAS 39 that sometimes were considered too stringent and unsuitable to reflect the risk management policies of the company. The main novelties of the document include the following ones:

- increase in the types of transactions eligible for hedge accounting, including also the risks of non-financial assets/liabilities eligible to be managed in hedge accounting;
- change in the accounting method for forward contracts and options when included in a hedge accounting relation in order to reduce the volatility of the income statement;
- changes in the effectiveness test by replacing the current model based on the 80-125% parameter with the principle of the “economic relationship” between the hedged item and the hedging instrument; moreover, a retrospective evaluation of the effectiveness of the hedging relationship will be no longer requested.

The greater flexibility of the new accounting rules is offset by additional requests of information on the risk management activities of the company.
The possible impacts of the introduction of IFRS 9 on the Group’s consolidated financial statements are currently being assessed.

IAS 27 – *Equity method in separate financial statements* (amendment)
On August 12, 2014, the IASB issued the amendment to IAS 27 - *Equity method in separate financial statements.*
The document introduces the option of using, in the separate financial statements of an entity, the equity method for the evaluation of investments in subsidiaries, in jointly controlled entities and in associates. Consequently, following the introduction of the amendment, an entity can record these investments in the separated financial statements either:

- at cost;
- as required by IFRS 9 (or by IAS 39);
- using the equity method.

The changes will apply starting from January 1, 2016 but an earlier application is allowed. The possible impacts of these changes on the separated financial statements of SAES Getters S.p.A. are currently being assessed.

IFRS 10 and IAS 28 – *Sales or contribution of assets between an investor and its associate or joint venture* (amendment)
On September 11, 2014, the IASB published an amendment to IFRS 10 and IAS 28 - *Sales or contribution of assets between an investor and its associate or joint venture*. The document was published in order to solve the current conflict between IAS 28 and IFRS 10.
According to IAS 28, the gain or loss resulting from the sale or transfer of a non-monetary asset to a joint venture or associate in exchange of a share in the share capital of the latter is limited to the stake held in the joint venture or associate by the other investors not involved in the transaction. In contrast, IFRS 10 requires the recording of the entire gain or loss in the event of loss of the control of a subsidiary, even if the entity continues to hold a non-controlling stake in it, including in this case also the sale or transfer of a

subsidiary to a joint venture or to an associate. The introduced changes provide that in case of a sale/transfer of an asset or a subsidiary to a joint venture or an associate, the measure of the gain or loss to be recognized in the balance sheet of the assignor/transferor depends on the fact that the sold/transferred assets or subsidiary constitute or not a business, as envisaged by IFRS 3. In the event that the sold/transferred activities or subsidiary represent a business, the entity shall recognize the gain or loss on the entire investment previously held; while, in the opposite case, the portion of gain or loss related to the share still held by the entity should be eliminated.
The changes will apply starting from January 1, 2016 but an earlier application is allowed.
The adoption of these changes is not expected to have a significant impact on the Group's consolidated financial statements.

Annual improvements to IFRSs: 2012-2014 cycle
On September 25, 2014, the IASB published the document "*Annual improvements to IFRSs: 2012-2014 cycle*". The changes introduced by the document must be applied for periods beginning on or after January 1, 2016.
The document introduces changes to the following standards:

- IFRS 5 - *Non-current assets held for sale and discontinued operations*. The amendment introduces specific guidance when an entity reclassifies an asset (or disposal group) from held for sale to held for distribution (or *vice versa*), or when the requirements for the classification of an asset as held-for-distribution cease to exist. The amendments state that: (i) such reclassifications should not be considered as changes to a sale plan or a distribution plan and that the same classification and evaluation criteria should be applied; (ii) assets that no longer meet the criteria for held for distribution should be treated in the same way as assets that cease to be classified as held for sale.
- IFRS 7 - *Financial instruments: disclosure*. The amendments provide additional guidance to clarify whether a servicing contract represents a residual involvement in a transferred asset for the purposes of the disclosure required in relation to transferred assets. In addition, it is clarified that the disclosure on the compensation of financial assets and liabilities is not explicitly requested for interim financial statements. However, this information may be necessary to fulfill the requirements envisaged by IAS 34, in the case this represents a significant information.
- IAS 19 - *Employee benefits*. The document introduces some changes to IAS 19 in order to clarify that the high quality corporate bonds used to estimate the discount rate for post-employment benefits should be issued in the same currency as the benefits to be paid. These amendments specify that the breadth of the market for high quality corporate bonds to be considered is the one related to the involved currency.
- IAS 34 - *Interim financial reporting*. The document introduces some amendments to clarify the requirements to respect when the required information is presented within the interim financial report but outside the interim financial statements. The amendment specifies that such information has to be incorporated by way of a cross-reference from the interim financial statements to the other parts of the interim financial report and that such document must be available to the readers of the financial statements with the same terms and same timing as the interim financial statements.

The adoption of these changes is not expected to have a significant impact on the Group's consolidated financial statements.

IAS 1 - Disclosure initiative (amendment)
On December 18, 2014, the IASB issued an amendment to IAS 1 - *Disclosure initiative*. The objective of the amendments is to provide some clarifications regarding some elements of disclosure that may be perceived as impediments to a clear and understandable preparation of the financial statements. The changes are the following ones:

- Materiality and aggregation: it clarifies that an entity should not obscure useful information by aggregating or disaggregating it and that materiality considerations apply to the primary financial statements, notes and any specific disclosure requirement in IFRSs. The disclosures specifically required by IFRSs need to be provided only if the information is material;
- Statement of financial position and statement of profit or loss and other comprehensive income: it clarifies that the list of items specified by IAS 1 for these statements can be disaggregated and aggregated on a case by case basis. These statements also include an additional guidance on the presentation of subtotals;

o Presentation of the elements of Other Comprehensive Income (“OCI”): it clarifies that the share of OCI of associates and joint ventures consolidated with the equity method should be presented in aggregate as a single line item, with the latter divided in components respectively subject or not subject to reclassifications in the income statement.
o Notes: it clarifies that entities have flexibility when designing the structure of the notes and it provides a guidance on how to determine a systematic order of the notes themselves, for example:
- giving priority to those that are most relevant to the understanding of the financial position (for example, gathering information on particular activities);
- grouping elements measured with the same criteria (for example, assets measured at fair value);
- following the order of the items presented in the tables.

The changes introduced by the document must be applied for periods beginning on or after January 1, 2016.
The adoption of these changes is not expected to have a significant impact on the Group’s consolidated financial statements.

Investment entities: applying the consolidation exception (amendments to IFRS 10, IFRS 12 and IAS 28)

On December 18, 2014, the IASB published the document “*Investment entities: applying the consolidation exception (amendments to IFRS 10, IFRS 12 and IAS 28)*”, containing amendments related to issues raised as a result of the application of the consolidation exception granted to investment entities.
The changes introduced by the document must be applied for periods beginning on or after January 1, 2016; however, an earlier application is allowed.
The adoption of these changes is not expected to have a significant impact on the Group’s consolidated financial statements, since the company does not meet the definition of investment company.

Use of estimates

The preparation of the interim condensed consolidated financial statements requires the use of estimates and assumptions from the Management that have an effect on the values of revenues, costs, assets and liabilities, as well as the disclosure of contingent assets and liabilities at the interim financial statements date. If such estimates and assumptions, which are based on the best evaluation currently available, should differ from the actual circumstances in the future, they will be modified accordingly during the period in which said circumstances change.
In particular, estimates are used to recognize revenues, accruals to provision for receivables, obsolete and slow-rotation inventory, depreciation and amortization, write-downs of current and non-current assets, employees’ benefits, taxes and other accruals to provisions. Estimates and assumptions are reviewed periodically and the effects of all changes are reflected on the statement of profit or loss.
Moreover, we report that some evaluation processes, particularly the most complex ones, such as the determination of impairment of non-current assets, are generally conducted in complete form solely for the preparation of the annual report, when all required information is available, except in circumstances where there are indicators of impairment that require an immediate assessment of impairment.
In a likely manner, the actuarial valuations required to determine the provisions for employee benefits are normally conducted for the preparation of the annual report.
At the reference date of these interim condensed consolidated financial statements there were no changes in the estimates and assumptions used during the closing process as at December 31, 2014.

Criteria for converting items expressed in foreign currencies

Consolidated financial statements are prepared in euro, which is the Group’s functional currency.
Each company of the Group establishes the functional currency for its financial statements. Foreign currency items are initially booked at the exchange rate (related to the functional currency) at the date of the transaction. Monetary assets and liabilities expressed in foreign currencies are converted into the functional currency at the exchange rate on the balance sheet date. Any exchange rate difference is booked in the income statement. Non monetary items measured at historical costs expressed in foreign

currencies are converted by using the foreign exchange rate at the date of the first recognition of the transaction.

The following table shows the exchange rates applied in converting the foreign financial statements:

expressed in foreign currency (per 1 euro)

Currency	June 30, 2015		December 31, 2014		June 30, 2014	
	Average rate	Final rate	Average rate	Final rate	Average rate	Final rate
US dollar	1.1158	1.1189	1.3285	1.2141	1.3704	1.3658
Japanese yen	134.2000	137.0000	140.3600	145.2300	140.4030	138.4400
South Korean won	1,227.3000	1,251.3000	1,398.1400	1,324.8000	1,438.2898	1,382.0400
Renminbi (P.R. of China)	6.9408	6.9366	8.1857	7.5358	8.4500	8.4722
Taiwan dollar	34.8158	34.5487	40.2499	38.4133	41.3845	40.8047

3. NET SALES

Consolidated net sales of the first half of 2015 were equal to 81,488 thousand euro, up by 28.2% compared to 63,556 thousand euro in the first half of 2014. Excluding the positive exchange rate effect (+19.6%, resulting from the strengthening of US dollar against the euro), the organic growth was equal to +8.6%.

The following table shows a breakdown of revenues by Business:

(thousands of euro)

Business	1st Half 2015	1st Half 2014	Difference	Difference %	Exchange rate effect %	Price/quantity effect %
Electronic & Photonic Devices	6,563	5,785	778	13.4%	15.3%	-1.9%
Sensors & Detectors	5,044	4,628	416	9.0%	11.7%	-2.7%
Light Sources	5,020	6,229	(1,209)	-19.4%	6.9%	-26.3%
Vacuum Systems	4,090	2,718	1,372	50.5%	10.7%	39.8%
Thermal Insulation	3,149	3,518	(369)	-10.5%	12.1%	-22.6%
Pure Gas Handling	27,630	20,014	7,616	38.1%	25.5%	12.6%
Industrial Applications	**51,496**	**42,892**	**8,604**	**20.1%**	**17.9%**	**2.2%**
SMA Medical Applications	25,942	18,436	7,506	40.7%	24.7%	16.0%
SMA Industrial Applications	3,308	1,629	1,679	103.1%	7.9%	95.2%
Shape Memory Alloys	**29,250**	**20,065**	**9,185**	**45.8%**	**23.3%**	**22.5%**
Business Development	**742**	**599**	**143**	**23.9%**	**15.0%**	**8.9%**
Total net sales	**81,488**	**63,556**	**17,932**	**28.2%**	**19.6%**	**8.6%**

Please refer to the Interim report on operations for further details and comments.

4. COST OF SALES

The cost of sales amounted to 46,410 thousand euro in the first half of 2015, compared to 36,404 thousand euro in the corresponding period of the previous year.

A breakdown of the cost of sales by category is provided below, compared with the actual figure of the first half of 2014:

(thousands of euro)

Cost of sales	1st Half 2015	1st Half 2014	Difference
Raw materials	20,248	12,647	7,601
Direct labour	9,347	7,147	2,200
Manufacturing overhead	17,798	14,560	3,238
Increase (decrease) in work in progress and finished goods	(983)	2,050	(3,033)
Total cost of sales	**46,410**	**36,404**	**10,006**

Excluding the exchange rate effect which generated an increase in the cost of sales equal to around 6.5 million euro, the residual percentage change of each item is in line with the organic sales' growth.

5. OPERATING EXPENSES

Operating expenses amounted to 26,489 thousand euro in the first semester of 2015, with an increase of 15.6% compared to 22,918 thousand euro in the same period of the previous year.

(thousands of euro)

Operating expenses	1st Half 2015	1st Half 2014	Difference
Research & development expenses	7,438	7,304	134
Selling expenses	7,067	6,051	1,016
General & administrative expenses	11,984	9,563	2,421
Total operating expenses	**26,489**	**22,918**	**3,571**

Excluding the exchange rate effect, mainly due to the appreciation of the US dollar against the euro which caused an increase of about 2 million euro in the operating expenses, the latter show an organic growth equal to around 6.9%, linked to the higher sales and to the inflation. The increase mainly regarded the **general and administrative expenses** (in particular, higher costs for fixed salaries and higher accruals for bonuses to employees, higher consultant fees and an increased accrual for the variable component of the remuneration of the Executive Directors). Instead, net of the exchange rate effect, both **research and development expenses** and **selling expenses** were substantially in line with those of the first half of 2014.

A breakdown by nature of the total expenses included in the cost of sales and operating expenses, compared with the first half of the previous year, is given below:

(thousands of euro)

Total costs by nature	1st Half 2015	1st Half 2014	Difference
Raw materials	20,248	12,647	7,601
Personnel cost	31,059	25,549	5,510
Corporate bodies	1,545	914	631
Travel expenses	834	847	(13)
Maintenance and repairs	1,369	1,338	31
Various materials	3,970	2,871	1,099
Transports	969	740	229
Commissions	531	536	(5)
Licenses and patents	696	672	24
Consultant fees and legal expenses	2,268	2,276	(8)
Audit fees	221	278	(57)
Rent and operating leases	1,022	876	146
Insurances	570	494	76
Promotion and advertising	262	256	6
Utilities	1,479	1,398	81
Telephones and faxes	222	196	26
General services (canteen, cleaning, vigilance, etc.)	687	579	108
Training	68	102	(34)
Depreciation	3,492	3,570	(78)
Amortization	675	682	(7)
Write-down of non current assets	11	0	11
Provision (release) for bad debts	277	(4)	281
Other	1,407	455	952
Total costs by nature	**73,882**	**57,272**	**16,610**
Increase (decrease) in work in progress and finished goods	(983)	2,050	(3,033)
Total cost of sales and operating expenses	**72,899**	**59,322**	**13,577**

The items "Raw materials", "Various materials" and "Transports", which are strictly connected to the production cycle, increased both for the exchange rate effect and for the increase in sales, mainly in the shape memory alloys business and in the purification sector.

The increase in "Personnel cost" was mainly due both to the growth in the average number of the Group's employees and to salary increases linked to meritocratic policies and to regulatory increases, as well as to higher accruals for the variable compensation of the employees, estimated to be growing in line with the trend of the economic results.

The item "Corporate bodies" included the remuneration of the members of the Board of Directors, both executive and non-executive, and of the Board of Statutory Auditors of the Parent Company. Please note that, starting from the end of April 2015, this remuneration was calculated according to the new values defined with the three-year renewal of the corporate bodies.
The increase compared to June 30, 2014 is mainly due to the higher accruals for the variable component of the remuneration of the Executive Directors.

The increase in "Rent and operating leases" and "General services" was related to the expansion of the production facility located in Bethel (CT – USA) of Memry Corporation.

During the current semester, the item "Depreciation" benefited from a reduction (about 210 thousand euro) following the review, based on an independent third party appraisal, of the remaining useful life of the production plant and machinery, as well as of the laboratory equipment and instruments used by the Parent Company in its research activities.

The provisions for bad debts were related to the write-down of a single trade receivable, estimated as unrecoverable by the management of the subsidiary SAES Pure Gas, Inc.

The increase of the item “Other” was related to the lower charges for research activities from the Parent Company to the joint venture Actuator Solutions (for further details, please refer to the Note no. 40), as well as to higher costs for external manufacturing services linked to the new industrial SMAs productions.

6. ROYALTIES

The item “Royalties” was exclusively composed of the lump-sums and the royalties accrued for the licensing of the thin film getter technology for MEMS of new generation.
In the first half of 2015 the balance amounted to 331 thousand euro and compared with 1,043 thousand euro in the corresponding period of the previous year: the decrease was due both to the reduction of the commissions accrued in the semester (due to the price erosion that is affecting the gyroscopes market, as well as to the decrease in volumes), and to the fact that this item, as at June 30, 2014, included a lump-sum resulting from the signature of a new licensing agreement.

7. OTHER INCOME (EXPENSES)

The item “Other income (expenses)” as at June 30, 2015 recorded a net loss equal to -130 thousand euro and it was substantially in line with -86 thousand euro in the corresponding period of the previous year.
The breakdown is provided below:

(thousands of euro)

	1st Half 2015	1st Half 2014	Difference
Other income	154	254	(100)
Other expenses	(284)	(340)	56
Total other income (expenses)	**(130)**	**(86)**	**(44)**

The item "Other income" includes in both years all those revenues that do not fall within the ordinary operations of the Group, such as, for example, the proceeds from the sale of scrap materials.
The item "Other expenses" is mainly composed by the property taxes and other taxes, other than income taxes, paid by the Italian Group’s companies.

8. FINANCIAL INCOME (EXPENSES)

The following table shows the financial income breakdown in the first half of 2015, compared to the corresponding period of the previous year:

(thousands of euro)

Financial income	1st Half 2015	1st Half 2014	Difference
Bank interest income	74	63	11
Other financial income	83	1	82
Realized gains on IRS	0	0	0
Gains from IRS evaluation at fair value	0	116	(116)
Total financial income	**157**	**180**	**(23)**

The increase of the item "Other financial income" was mainly due to the interest income matured on the second interest-bearing loan granted in October 2014 by the subsidiary SAES Nitinol S.r.l. to the joint venture Actuator Solutions GmbH, in addition to the financial credit already provided in February 2014 (for further details please refer to the Note no. 20).

The breakdown of financial expenses is given below:

(thousands of euro)

Financial expenses	1st Half 2015	1st Half 2014	Difference
Bank interests and other bank expenses	883	826	57
Other financial expenses	45	97	(52)
Realized losses on IRS	0	123	(123)
Losses from IRS evaluation at fair value	0	0	0
Total financial expenses	**928**	**1,046**	**(118)**

The item "Bank interests and other bank expenses" includes the interest expenses on loans, both short and long term ones, held by the US subsidiaries and by the Parent Company, as well as the bank fees related to the credit lines held by SAES Getters S.p.A.
Compared to June 30, 2014, following the different breakdown of the financial debt, with a progressive increase of the incidence of medium to long term loans, compared to the short-term bank debt, the increase in interests following the signature of new long term financing by the Parent Company was offset by lower costs for loans such as "hot money" and for the use of bank credit lines.

The item "Other financial expenses" was mainly composed by the effect of the adjustment of the time horizon used in the calculation of the present value of the financial debt deriving from the acquisition of the business "hydrogen purifiers" from Power & Energy, Inc. in the income statement (for further details please refer to the Note no. 30).

Finally, the item "Gains from IRS evaluation at fair value" represented as at June 30, 2014 the effect of the measurement of the Interest Rate Swap (IRS) agreement held by the US subsidiary Memry Corporation in the income statement, while the item "Realized losses on IRS" included the interest differences actually paid to the bank. Please note that this hedging contract expired on December 31, 2014 and no new IRS has been subscribed by the Group as at June 30, 2015.

9. SHARE OF RESULT OF INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

This item includes the Group's share in the result of the joint venture Actuator Solutions GmbH, evaluated with the equity method. Please note that Actuator Solutions GmbH consolidates its wholly owned subsidiary Actuator Solutions Taiwan Co., Ltd.

In the first half of 2015, the loss deriving from the evaluation with the equity method amounted to -933 thousand euro, higher than the one recorded in the corresponding period of 2014 (-551 thousand euro) despite the higher revenues in the seat comfort area (+13.8%), due to the reduction in the gross margin of this business, whose actuators recorded falling unit prices, as well as to higher development and prototyping expenses related to the systems for the image focus of smartphone, which are currently subject to the qualification by some potential users.
For further details on the composition of this loss, please refer to the Note no. 17.

10. FOREIGN EXCHANGE GAINS (LOSSES)

In the first half of 2015 the exchange rates management recorded an overall positive net balance equal to 1,114 thousand euro, compared to a balance closed to zero (+74 thousand euro) in the corresponding period of the previous year.

The breakdown of foreign exchange gains and losses as at June 30, 2015 compared to the previous year is given below:

(thousands of euro)

Foreign exchange gains and losses	1st Half 2015	1st Half 2014	Difference
Foreign exchange gains	2,805	189	2,616
Foreign exchange losses	(1,107)	(521)	(586)
Foreign exchange gains (losses), net	**1,698**	**(332)**	**2,030**
Realized exchange gains on forward contracts	0	9	(9)
Realized exchange losses on forward contracts	(483)	0	(483)
Gains (losses) from forward contracts evaluation at fair value	(101)	397	(498)
Gains (losses) on forward contracts	**(584)**	**406**	**(990)**
Total foreign exchange gains (losses), net	**1,114**	**74**	**1,040**

The item “Foreign exchange gains (losses), net” recorded a positive balance of +1,698 thousand euro, to be compared with a negative balance of -332 thousand euro as at June 30, 2014. The improvement compared to the previous year was due to the foreign exchange gains (+1,877 thousand euro) resulting in the current semester from the release into the income statement of part of the translation reserve generated by the consolidation of SAES Getters (Nanjing) Co., Ltd., following the partial reduction of the share capital of the Chinese subsidiary and the related repayment to the Parent Company.
This item also included, in both semesters, the exchange losses deriving from the conversion of the financial credit in euro held by the Korean subsidiary towards the Parent Company, as a result of the appreciation of the Korean won against the euro (-507 thousand euro as at June 30, 2015, versus -364 thousand euro in the first semester of 2014), only partially offset by the exchange gains related to the conversion of commercial items in dollars and yen.

The item “Gains (losses) on forward contracts” recorded a negative balance of -584 thousand euro, versus a positive balance of +406 thousand euro as at June 30, 2014. This balance included both the gains or losses realised when forward contracts on transactions in foreign currencies are unwound, as well as the impact of their fair value evaluation in the income statement.
In both semesters, this item included the fair value evaluation (positive and equal to +323 thousand euro in the first semester 2015, compared to +395 thousand euro in the corresponding period of 2014) of the forward sale contracts of euro entered into by the Group with the objective of limiting the currency risk on the balance of the aforementioned financial credit in euro of the Korean subsidiary (included in the item “Foreign exchange gains (losses), net”).

11. INCOME TAXES

As at June 30, 2015 income taxes amounted to 4,112 thousand euro, with an increase of 1,353 thousand euro compared to the corresponding period of the previous year.

The related breakdown is given below:

(thousands of euro)

	1st Half 2015	1st Half 2014	Difference
Current taxes	4,138	2,394	1,744
Deferred taxes	(26)	365	(391)
Total	**4,112**	**2,759**	**1,353**

The increase of tax expenses, compared to the first semester of the previous year, is in line with the increase in the income before taxes.

As already happened in the previous year, the Group's companies did not recognize deferred tax assets on the fiscal losses realized in the first semester of 2015. These total fiscal losses were equal to 3,406 thousand euro in the first semester 2015, compared to tax losses equal to 4,803 thousand euro as at June 30, 2014: the decrease (-29.1%) of the fiscal losses on which deferred tax assets were not recognized allowed the improvement in the Group's tax rate, that decreased from 71.7% to 50.1%.

12. NET INCOME (LOSS) FROM ASSETS HELD FOR SALE AND DISCONTINUED OPERATIONS

As at June 30, 2015, there were no revenues or costs arising from assets held for sale or discontinued operations; instead, in the first semester of the previous year the income from assets held for sale and discontinued operations was equal to 232 thousand euro and it was composed by revenues and costs related to the CRT (Cathode Ray Tubes) business, classified in the result arising from discontinued operations following the shut-down of the manufacturing plant of the Chinese subsidiary SAES Getters (Nanjing) Co., Ltd., the last production unit of the Group dedicated to the production of getters for cathode ray tubes. For further details on the composition of this income please refer to the interim condensed consolidated financial statements of the previous year.

13. EARNING (LOSS) PER SHARE

As indicated in the Note no. 28, SAES Getters S.p.A.'s capital stock is represented by two different types of shares (ordinary shares and savings shares) which bear different rights with regards to the distribution of dividends.

The pro-quota earning attributable to each type of shares is determined on the basis of the respective rights to receive dividends. Therefore, in order to calculate the earnings per share, the value of the preferred dividends contractually assigned to savings shares has been deducted from the net income of the period, assuming the theoretical distribution of the latter.
The value obtained is divided by the average number of outstanding shares in the relevant time-period.

If the period ended with a loss, the latter would be instead allocated equally to each type of shares.

The following table shows the earning (loss) per share in the first six months of 2015, compared with the figure for the first six months of 2014:

Earning (loss) per share	1st Half 2015			1st Half 2014		
	Ordinary shares	Savings shares	Total	Ordinary shares	Savings shares	Total
Profit (loss) attributable to shareholders (thousands of euro)			**4,088**			**1,321**
Theoretical preference dividends (thousands of euro)		1,022	1,022		1,022	1,022
Profit (loss) attributable to the different categories of shares (thousands of euro)	2,638	428	3,066	299	0	299
Total profit (loss) attributable to the different categories of shares (thousands of euro)	**2,638**	**1,450**	**4,088**	**299**	**1,022**	**1,321**
Average number of oustanding shares	14,671,350	7,378,619	22,049,969	14,671,350	7,378,619	22,049,969
Basic earning (loss) per share (euro)	**0.1798**	**0.1965**		**0.0204**	**0.1385**	
- from continued operations (euro)	*0.1798*	*0.1965*		*0.0046*	*0.1385*	(*)
- from discontinued operations (euro)	*0.0000*	*0.0000*		*0.0000*	*0.0314*	
Diluted earning (loss) per share (euro)	**0.1798**	**0.1965**		**0.0204**	**0.1385**	
- from continued operations (euro)	*0.1798*	*0.1965*		*0.0046*	*0.1385*	(*)
- from discontinued operations (euro)	*0.0000*	*0.0000*		*0.0000*	*0.0314*	

(*) The sum of the earning per share from continued operations and that from discontinued operations differs from the basic earning per share because the net income from continued operations has been attributed considering the preference dividend to savings shares (in accordance with article no. 26 of the By-laws), while the net income from discontinued operations has been attributed to savings shares only, being lower than the total privilege established by the By-laws.

14. SEGMENT INFORMATION

For management purposes, the Group is organized into two Business Units based on the type of products and services provided. As at June 30, 2015 the Group's operations were divided into two primary operating segments:

- **Industrial Applications** – getters and dispensers used in a wide range of industrial applications (lamps, electronic devices, MEMS, vacuum systems, vacuum thermal insulation solutions, semiconductors and other industries that use pure gases in their processes);
- **Shape Memory Alloys** – shape memory alloy raw materials, semi-finished products, components and devices for both medical and industrial applications.

The Top Management monitors the results of the various Business Units separately in order to take decisions concerning the allocation of resources and investments and to determine the Group's performance. Each sector is evaluated according to its operating result; financial income and expenses, exchange rate effects and income taxes are measured at the overall Group level and thus they are not allocated to operating segments.
Internal reports are prepared in accordance with IFRSs and no reconciliation with the carrying amounts is therefore necessary.

The column "Not allocated" includes corporate income statement and financial position amounts that cannot be directly attributed or allocated to the business units on a reasonable basis, but which refer to the Group as a whole, and the amounts related to the basic research projects or undertaken to achieve the diversification in innovative businesses (Business Development Unit).

The following table shows the breakdown of the main income statement figures by operating segment:

(thousands of euro)

Consolidated statement of profit or loss	Industrial Applications		Shape Memory Alloys		Not allocated		Total	
	1st Half 2015	1st Half 2014	1st Half 2015	1st Half 2014	1st Half 2015	1st Half 2014	1st Half 2015	1st Half 2014
Total net sales	**51,496**	**42,892**	**29,250**	**20,065**	**742**	**599**	**81,488**	**63,556**
Gross profit	**24,678**	**21,039**	**10,178**	**6,015**	**222**	**98**	**35,078**	**27,152**
% on net sales	*47.9%*	*49.1%*	*34.8%*	*30.0%*	*29.9%*	*16.4%*	*43.0%*	*42.7%*
Total operating expenses	(11,043)	(10,107)	(5,452)	(4,150)	(9,994)	(8,661)	(26,489)	(22,918)
Royalties	331	1,043	0	0	0	0	331	1,043
Other income (expenses), net	35	(13)	21	23	(186)	(96)	(130)	(86)
Operating income (loss)	**14,001**	**11,962**	**4,747**	**1,888**	**(9,958)**	**(8,659)**	**8,790**	**5,191**
% on net sales	*27.2%*	*27.9%*	*16.2%*	*9.4%*	*n.s.*	*n.s.*	*10.8%*	*8.2%*
Interest and other financial income (expenses), net							(771)	(866)
Share of result of investments accounted for using the equity method							(933)	(551)
Foreign exchange gains (losses), net							1,114	74
Income (loss) before taxes							**8,200**	**3,848**
Income taxes							(4,112)	(2,759)
Net income (loss) from continued operations							**4,088**	**1,089**
Net income (loss) from discontinued operations							0	232
Net income (loss)							**4,088**	**1,321**
Minority interests in consolidated subsidiaries							0	0
Group net income (loss)							**4,088**	**1,321**

Please refer to the table and the comments in the Interim report on operations for the split of consolidated net sales by customer's location (**information about geographical areas**).

15. PROPERTY, PLANT AND EQUIPMENT, NET

Property, plant and equipment, net of accumulated depreciation, amounted to 51,112 thousand euro as at June 30, 2015, with an increase of 428 thousand euro compared to December 31, 2014.

The changes occurred during the semester are shown below:

(thousands of euro)

Tangible fixed assets	Land	Building	Plant and machinery	Assets under construction and advances	Total
December 31, 2014	**3,758**	**21,418**	**22,623**	**2,885**	**50,684**
Additions	0	22	1,018	1,396	**2,436**
Disposals	0	0	0	0	**0**
Reclassifications	0	31	1,386	(1,417)	**0**
Depreciation	0	(690)	(2,802)	0	**(3,492)**
Write-downs	0	0	0	(11)	**(11)**
Revaluations	0	0	0	0	**0**
Translation differences	266	347	822	60	**1,495**
June 30, 2015	**4,024**	**21,128**	**23,047**	**2,913**	**51,112**
December 31, 2014					
Historical cost	3,758	41,474	119,627	3,041	**167,900**
Accumulated depreciation and write-downs	0	(20,056)	(97,004)	(156)	**(117,216)**
Net book value	**3,758**	**21,418**	**22,623**	**2,885**	**50,684**
June 30, 2015					
Historical cost	4,024	42,367	124,137	3,080	**173,608**
Accumulated depreciation and write-downs	0	(21,239)	(101,090)	(167)	**(122,496)**
Net book value	**4,024**	**21,128**	**23,047**	**2,913**	**51,112**

As at June 30, 2015 land and buildings are not burdened by mortgages or other guarantees.

In the first half of 2015 investments in tangible assets amounted to 2,436 thousand euro and they included purchases made by the Parent Company of equipment for the improvement on industrial SMA (Shape Memory Alloys) production lines, of laboratory equipment to be used in the OLET (Organic Light Emitting Transistor) research project, as well as the improvements to the water refrigeration systems of the production departments. Please also note the investments in the SMA area made by the subsidiaries Memry Corporation, SAES Smart Materials, Inc. and Memry GmbH, aimed both at increasing the production capacity of the existing lines and at creating new production departments both in the medical segment and in the industrial one.
The translation differences (+1,495 thousand euro) were mainly related to assets of the U.S. companies and they were linked to the revaluation of the US dollar as at June 30, 2015 compared to the exchange rate of December 31, 2014.

The item “Depreciation”, equal to 3,492 thousand euro, benefited from a reduction of approximately 210 thousand euro, as a result of the review of the remaining useful life of some plant and machinery, as well as tools and instruments used in the laboratories of the Parent Company.
Particularly, with the support of an independent third party appraisal, the state of the art of the technology, the state of maintenance and efficiency and the degree of expected use of these assets have been subject to an audit; as a result of this appraisal, it was decided to lengthen the remaining useful life of the plant owned by SAES Getters S.p.A. of about 12 years on average and that of the remaining assets being evaluated of about 8 years.

The following table shows the composition of tangible fixed assets based on their related ownership rights:

(thousands of euro)

	June 30, 2015			December 31, 2014		
	Owned assets	Finance leased assets	Total	Owned assets	Finance leased assets	Total
Land and building	25,152	0	25,152	25,176	0	25,176
Plant and machinery	23,031	16	23,047	22,601	22	22,623
Assets under construction and advances	2,913	0	2,913	2,885	0	2,885
Total	**51,096**	**16**	**51,112**	**50,662**	**22**	**50,684**

For further details on finance lease contracts, please refer to the Note no. 30.

16. INTANGIBLE ASSETS, NET

Intangible assets, net of accumulated amortization, amounted to 51,586 thousand euro as at June 30, 2015 with an increase of 3,151 thousand euro compared to December 31, 2014.

The changes occurred during the semester are shown below:

(thousands of euro)

Intangible fixed assets	Goodwill	Research and development expenses	Industrial and other patent rights	Concessions, licenses, trademarks and similar rights	Other intangible assets	Assets under construction and advances	Total
December 31, 2014	**40,124**	**0**	**2,895**	**1,007**	**4,650**	**29**	**48,705**
Additions	0	0	0	0	2	21	**23**
Disposals	0	0	0	0	0	0	**0**
Reclassifications	0	0	4	0	0	(4)	**0**
Amortization	0	0	(204)	(204)	(267)	0	**(675)**
Write-downs	0	0	0	0	0	0	**0**
Revaluations	0	0	0	0	0	0	**0**
Translation differences	3,169	0	242	10	382	0	**3,803**
June 30, 2015	**43,293**	**0**	**2,937**	**813**	**4,767**	**46**	**51,856**
December 31, 2014							
Historical cost	45,401	183	6,544	8,437	20,660	740	**81,965**
Accumulated amortization and write-downs	(5,277)	(183)	(3,649)	(7,430)	(16,010)	(711)	**(33,260)**
Net book value	**40,124**	**0**	**2,895**	**1,007**	**4,650**	**29**	**48,705**
June 30, 2015							
Historical cost	48,570	183	6,934	8,507	22,085	757	**87,036**
Accumulated amortization and write-downs	(5,277)	(183)	(3,997)	(7,694)	(17,318)	(711)	**(35,180)**
Net book value	**43,293**	**0**	**2,937**	**813**	**4,767**	**46**	**51,856**

The increase of the semester was almost exclusively due to the translation differences (+3,803 thousand euro) related to the intangible assets of the Group's US companies, partially offset by the amortization of the period (-675 thousand euro).

With regards to the changes of the item "Goodwill", please see the section below.

All intangible assets, except for goodwill, are considered to have finite useful lives and are systematically amortized to account for their expected residual use.

Goodwill is not amortized; rather, on an annual basis (or more frequently if there are impairment losses indicators), its recoverable value is periodically reviewed on the basis of the expected cash flows of the related Cash Generating Unit - CGU (impairment test).

Goodwill

The following table shows the changes in the item "Goodwill" and it specifies the Cash Generating Unit to which the goodwill is allocated:

(thousands of euro)

Business Unit	December 31, 2014	Additions	Write-downs	Other movements	Translation differences	June 30, 2015
Industrial Applications	5,308	0	0	0	371	5,679
Shape Memory Alloys	34,816	0	0	0	2,798	37,614
Not allocated	0	0	0	0	0	0
Total goodwill	**40,124**	**0**	**0**	**0**	**3,169**	**43,293**

The increase of the year was entirely due to the exchange rate effect on the goodwill amounts denominated in currencies other than euro.

The following table shows the gross book values of goodwill and their accumulated write-downs for impairment from January 1, 2004 to June 30, 2015 and to December 31, 2014:

(thousands of euro)

Business Unit	June 30, 2015			December 31, 2014		
	Gross value	Write-downs	Net book value	Gross value	Write-downs	Net book value
Industrial Applications (*)	5,742	(63)	5,679	5,371	(63)	5,308
Shape Memory Alloys (*)	41,014	(3,400)	37,614	38,216	(3,400)	34,816
Not allocated	358	(358)	0	358	(358)	0
Total goodwill	**47,114**	**(3,821)**	**43,293**	**43,945**	**(3,821)**	**40,124**

(*) The difference between the gross value as at June 30, 2015 and the gross value as at December 31, 2014 is due to the translation differences on goodwill amounts denominated in currencies other than euro.

Pursuant to IAS 36, goodwill is not amortized but rather is tested for impairment annually at the end of each financial year or more often should any specific event take place that may lead to the assumption that there was a reduction of the value of goodwill.
No recoverability analysis was carried out as at June 30, 2015 as there wasn't any indicator of impairment such as to show durable value losses in relation to the goodwill recorded in the financial statements.
Also the estimates concerning the recoverable amount of other tangible and intangible assets made in the financial statements as at December 31, 2014 are still valid today.

17. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

As at June 30, 2015 the item includes the share of the net assets attributable to the Group in the joint venture Actuator Solutions GmbH[5].

[5] Please note that Actuator Solutions GmbH fully consolidates its wholly owned subsidiary Actuator Solutions Taiwan Co., Ltd.

The following table shows the changes in this item during the current semester:

(thousands of euro)

Investments accounted for using the equity method	December 31, 2014	Additions	Share of the net result	Share of other comprehensive income (loss)	Dividends paid	Disposals	Other	June 30, 2015
Actuator Solutions	1,370	0	(933)	(101)	0	0	0	336

The item "Share of net result" (negative for 933 thousand euro) relates to the adjustment, in connection with the percentage of ownership, of the value of the investment held by the Group in relation to the results achieved by the joint venture in the first half of 2015.
Instead, the item "Share of other comprehensive income (loss)" refers to the share of the Group in the currency translation differences reserve arising from the conversion of the financial statements of the subsidiary Actuator Solutions Taiwan Co., Ltd. for consolidation purposes.

The table below shows the SAES Group interest in Actuator Solutions' assets, liabilities, revenues and costs:

(thousands of euro)

Actuator Solutions	June 30, 2015	December 31, 2014
Statement of financial position	**50%**	**50%**
Non current assets	3,759	3,614
Current assets	2,047	1,887
Total assets	**5,806**	**5,501**
Non current liabilities	2,288	2,435
Current liabilities	3,182	1,696
Total liabilities	**5,470**	**4,131**
Capital stock, reserves and retained earnings	1,370	2,698
Net income (loss) for the period	(933)	(1,286)
Other comprehensive income (loss) for the period	(101)	(42)
Total equity	**336**	**1,370**

(thousands of euro)

Actuator Solutions	June 30, 2015	June 30, 2014
Statement of profit or loss and of other comprehensive income	**50%**	**50%**
Net sales	3,952	3,472
Cost of sales	(4,196)	(3,301)
Gross profit	**(244)**	**171**
Total operating expenses	(944)	(907)
Other income (expenses), net	40	62
Operating income (loss)	**(1,148)**	**(674)**
Interest and other financial income, net	(80)	(12)
Foreign exchange gains (losses), net	99	0
Income taxes	196	135
Net income (loss)	**(933)**	**(551)**
Exchange differences	(101)	(3)
Total comprehensive income (loss)	**(1,034)**	**(554)**

Overall, Actuator Solutions recorded net revenues equal to 7,904 thousand euro in the first half of 2015, to be compared with 6,943 thousand euro in the corresponding period of the previous year; these revenues, totally generated by the sale of valves used in the lumbar control systems of the seats of a wide

range of cars, increased because the lumbar control system based on the SMA technology is recording a strong growth in volumes.
Despite the increase in the revenues of the seat comfort business, the net result of the period was negative and equal to -1,866 thousand euro (-1,102 thousand euro as at June 30, 2014), due to the research, development and prototyping expenses in the various industrial sectors in which the company will be present with its SMA actuators, as well as to structure fixed costs. In particular, Actuator Solutions GmbH, with the support of the laboratories in Lainate, is focused on the development of SMA actuators for the vending industry, the automotive sector, the white good sector and the medical one; instead, the Taiwanese subsidiary is focused on the development and prototyping of products for the mobile communication market, such as those for the image focus and stabilization of mobile phones, which have found an increasing interest in the market and are currently subject to the qualification by some potential users.
The increase in the net loss of the current semester compared to the corresponding period of the previous year (-382 thousand euro), despite the revenues' increase in the automotive sector (+13.8%), was due both to the reduction of the gross margin of this segment, whose actuators recorded falling unit prices, and to the increase of development and prototyping costs related to these systems for the image focus of the micro-cameras of the smartphones.
Please note that all research expenses are charged directly into the income statement in the period in which they occurred as they do not qualify for capitalization.

As already mentioned before, the share of the SAES Group (equal to 50%) in the result of the joint venture amounted to -933 thousand euro in the first half of 2015, to which you must add the other components of comprehensive income (negative and equal to -101 thousand euro) formed by the conversion differences arising from the consolidation of Actuator Solutions Taiwan Co., Ltd. in Actuator Solutions GmbH.

Since the plans and the other indicators used to estimate the recoverable amount of the investment as at December 31, 2014 are still valid, no impairment test was carried out as at June 30, 2015.

The following table provides the number of employees of this joint venture split by category, based on the percentage of ownership held by the Group (equal to 50%):

Actuator Solutions	June 30, 2015	December 31, 2014
	50%	50%
Managers	5	4
Employees and middle management	23	23
Workers	5	6
Total (*)	**33**	**33**

18. DEFERRED TAX ASSETS AND LIABILITIES

As at June 30, 2015 the net balance of deferred tax assets and deferred tax liabilities was positive and equal to 9,398 thousand euro, with a decrease of 137 thousand euro compared to December 31, 2014.

The related details are provided below:

(thousands of euro)

Deferred taxes	June 30, 2015	December 31, 2014	Difference
Deferred tax assets	15,707	15,725	(18)
Deferred tax liabilities	(6,309)	(6,190)	(119)
Total	**9,398**	**9,535**	**(137)**

Since deferred tax assets and liabilities have been recognized in the consolidated financial statements by setting off the figures attributable to the various legal entities against one another when appropriate, the following table shows deferred tax assets and liabilities before the offsetting process:

(thousands of euro)

Deferred taxes	June 30, 2015	December 31, 2014	Difference
Deferred tax assets	20,674	20,348	326
Deferred tax liabilities	(11,276)	(10,813)	(463)
Total	**9,398**	**9,535**	**(137)**

The following tables provide a breakdown of the temporary differences that comprise deferred tax assets and liabilities by their nature, compared with the figures as at December 31, 2014:

(thousands of euro)

Deferred tax assets	June 30, 2015		December 31, 2014	
	Temporary differences	Fiscal effect	Temporary differences	Fiscal effect
Intercompany profit eliminations	1,205	434	1,160	416
Differences on depreciation/amortization and write-downs	6,868	2,279	7,120	2,357
Bad debts	664	255	486	186
Inventory write-down	5,557	2,042	5,006	1,831
Provisions	3,509	1,335	3,014	1,145
Cash deductable expenses	4,976	1,583	4,418	1,375
Deferred taxes on recoverable losses	45,653	12,609	46,649	12,947
Exchange differences and other	432	137	132	91
Total		**20,674**		**20,348**

The increase of deferred tax assets as at June 30, 2015 (+326 thousand euro) was mainly due to the exchange rate effect and to the higher provisions for variable remunerations and for other long-term compensations which are deductible only when paid, only partially offset by the tax losses carried forwards (on which deferred tax assets had been accrued) used by the American subsidiary SAES Getters USA, Inc. against the taxable income of the period.

The Group had 115,835 thousand euro in tax losses eligible to be carried forward as at June 30, 2015, most of which were attributable to the subsidiary SAES Getters International Luxembourg S.A. and to the Parent Company (tax losses eligible to be carried forward amounted to 109,356 thousand euro as at December 31, 2014).
The tax losses eligible to be carried forward that were taken into account when determining deferred tax assets were equal to 45,653 thousand euro.

(thousands of euro)

Deferred tax liabilities	June 30, 2015		December 31, 2014	
	Temporary differences	Fiscal effect	Temporary differences	Fiscal effect
Tax due on distribution of earnings accumulated by the subsidiaries	(46,161)	(2,641)	(43,067)	(2,172)
Differences on depreciation/amortization and fair value revaluations	(23,177)	(8,498)	(23,311)	(8,509)
IAS 19 effect	(249)	(68)	(249)	(68)
Other	(253)	(69)	(233)	(64)
Total		**(11,276)**		**(10,813)**

The deferred tax liabilities recorded in the consolidated financial statements as at June 30, 2015 included not only the fiscal provision on the temporary differences on the plus-values identified during the purchase price allocation of the US companies acquired in the past years, but also taxes due in the event of distribution of the net income and of the reserves of the subsidiaries for which it's probably the distribution in a foreseeable future.
The increase of the latter and the effect generated by the appreciation of the dollar against the euro were the main reasons for the increase in deferred tax liabilities compared to December 31, 2014 (+463 thousand euro).

19. TAX CONSOLIDATION RECEIVABLES/PAYABLES FROM/TO THE CONTROLLING COMPANY

The Italian companies [6] of the Group, until December 31 2014, had joined the national tax consolidation program with S.G.G. Holding S.p.A. as consolidating company and the associated tax balance accrued up to that date but not yet paid was included in the item "Tax consolidation receivables from the Controlling Company". Please note that the receivables and the payables towards S.G.G. Holding S.p.A. under this tax consolidation program were offset and the Group's net receivables collectable after the end of the year have been classified among non-current assets.
The reduction of this receivable compared to December 31, 2014 (-299 thousand euro) was mainly due to the transfer of the IRES tax surplus resulting from the CNM 2015 statement (related to the fiscal year 2014) by the consolidating company S.G.G. Holding S.p.A. to SAES Getters S.p.A.; the latter used the credit received in compensation of the debts towards the Treasury due for other taxes and social security contributions, in accordance with Article 17 of the Legislative Decree no. 241 dated July 9, 1997.

On May 27, 2015, following the decrease of the stake of S.G.G. Holding S.p.A. in SAES Getters S.p.A. below the threshold of 50%, the prerequisite to access to the tax consolidation program with S.G.G. Holding S.p.A. as consolidating company ended, as envisaged by the combined provisions of articles 117 and 120 of the Income Tax Code ("TUIR"). The option to join a new tax consolidation program between the Italian companies of the Group with the Parent Company as consolidator will be exercised by September 30, 2015. This new tax consolidation will be valid starting from January 1, 2015. Since this new tax consolidation showed a tax loss in the first half of the current year, SAES Getters S.p.A., SAES Nitinol S.r.l. and E.T.C. S.r.l. recognized as income the taxes on income (IRES) corresponding only to the tax losses generated by SAES Advanced Technologies S.p.A. and recoverable with the consolidation mechanism, while, prudently, the deferred taxes on the fiscal losses exceeding this amount have not been recognized.

[6] SAES Getters S.p.A., SAES Advanced Technologies S.p.A., SAES Nitinol S.r.l. and E.T.C. S.r.l.

As a result of this, the new tax consolidation reported a net balance equal to zero, as receivables and payables have been set off against one another.

20. FINANCIAL RECEIVABLES FROM RELATED PARTIES

The item "Financial receivables from related parties" amounted to 2,782 thousand euro as at June 30, 2015 and included the two interest-bearing loans granted during the previous year by the subsidiary SAES Nitinol S.r.l. to the joint venture Actuator Solutions GmbH.
The related details are provided in the table below:

Description	Currency	Origination Date	Principal (thousands of euro)	Timing of capital reimbursement	Interest rate	Accrued interests as at June 30, 2015 (thousands of euro)	Value as at June 30, 2015 (*) (thousands of euro)
1st loan	EUR	February 2014	1,500	flexible, with maturity date December 2016 (**)	6% annual fixed rate	44	1,544
2nd loan	EUR	October 2014	1,200	flexible, with maturity date April 2018 (**)		36	1,236
Total			**2,700**			**80**	**2,780**

(*) Interests included.
(**) Extendable on an annual basis.

Please note that the share of the two loans whose repayment by the joint venture is expected within one year was included in the current assets, while the remaining portion was classified as non-current asset. In particular, the first loan (1,500 thousand euro) was entirely classified as collectable after 12 months, while a portion of the second loan equal to 400 thousand euro, the repayment of which is expected to start in July 2015, was classified as current. In both cases, the interests accrued in the first half of 2015 (for a total of 80 thousand euro), the payment of which has been agreed by the end of the year, were included in the current portion of this financial receivable.

21. OTHER LONG TERM ASSETS

The item "Other long term assets" amounted to 454 thousand euro as at June 30, 2015, compared to 917 thousand euro as at December 31, 2014.
This item includes the caution money given by the companies of the Group for their operating activities.
Please note that, as at December 31, 2014, the item also included the advance payment in dollars of the Parent Company towards Cambridge Mechatronics Limited (CML), amounting to 492 thousand euro; this receivable, which is considered no longer recoverable, has been written-off in the current semester and the decrease of this item compared to December 31, 2014 was mainly attributable to this transaction.

22. INVENTORY

Inventory amounted to 29,995 thousand euro as at June 30, 2015, with a increase of 276 thousand euro compared to December 31, 2014.

The following table shows the breakdown of inventory as at June 30, 2015 and December 31, 2014:

(thousands of euro)

Inventory	June 30, 2015	December 31, 2014	Difference
Raw materials, auxiliary materials and spare parts	13,056	14,585	(1,529)
Work in progress and semi-finished goods	12,568	11,318	1,250
Finished products and goods	4,371	3,816	555
Total	**29,995**	**29,719**	**276**

Excluding the positive exchange rate effect (equal to +2,041 thousand euro) mainly related to the US dollar revaluation, the decrease in the inventory was equal to 1,765 thousand euro: this decrease was due both to an improved timing in the management of the Group's supplies, particularly at the subsidiary SAES Advanced Technologies S.p.A., and to the decrease in the raw materials stock of the pure gas handling business, particularly high at the end of the last year to cope with the high orders of purifiers with delivery planned in the first months of 2015.
This decrease was only partially offset by the growth of SMA work in progress and finished products, needed to meet the increasing sales expected in the second half of the current year.

Inventory is stated net of any provision for depreciation, which recorded the following changes during the first six months of 2015:

(thousands of euro)

Inventory provision	
December 31, 2014	**3,929**
Accrual	597
Release into income statement	(159)
Utilization	(170)
Translation differences	209
June 30, 2015	**4,406**

The accrual (+597 thousand euro) was mainly related to the write-down of the SMA semi-finished products/devices and of the raw materials/work in progress products to be used in the lamps business, characterized by slow-moving or no longer used in the production process.

The utilization (-170 thousand euro) was a consequence of the scrapping of items already written-down in the previous years.

23. TRADE RECEIVABLES

Trade receivables, net of bad debt provision, were equal to 23,581 thousand euro as at June 30, 2015 and were up by 3,571 thousand euro compared to December 31, 2014.
The increase, which was also influenced by the exchange rate effect, was mainly due to the growth recorded by the turnover in the first half of 2015 compared to the last period of the previous year.

The breakdown of the item as at June 30, 2015 and December 31, 2014 is shown in the following table:

(thousands of euro)

Trade receivables	June 30, 2015	December 31, 2014	Difference
Gross value	24,174	20,307	3,867
Bad debt provision	(593)	(297)	(296)
Net book value	**23,581**	**20,010**	**3,571**

Trade receivables do not bear interests and generally are due after 30-90 days.

The bad debt provision showed the following changes during the semester:

(thousands of euro)

Bad debt provision	June 30, 2015	December 31, 2014
Opening balance	**297**	**219**
Accrual	277	80
Release into income statement	0	0
Utilization	(8)	(35)
Translation differences	27	33
Closing balance	**593**	**297**

The accrual (+277 thousand euro) was related to the write-down of a single trade receivable estimated as not recoverable by the management of the US subsidiary SAES Pure Gas, Inc.

The following table provides a breakdown of trade receivables by those not yet due and past due as at June 30, 2015 compared with December 31, 2014:

(thousands of euro)

Ageing	Total	Not yet due	Due not written down					Due written down
			< 30 days	30 - 60 days	60 - 90 days	90 - 180 days	> 180 days	
June 30, 2015	**24,174**	16,242	5,958	665	348	211	157	593
December 31, 2014	**20,307**	16,066	2,886	761	147	129	21	297

Receivables past due more than 30 days and not written down as deemed to be recoverable represent a minor percentage when compared to the total trade receivables and they are constantly monitored.

Please refer to the Report on operations for the credit risk management on trade receivables.

24. PREPAID EXPENSES, ACCRUED INCOME AND OTHER

This item, which includes current non-trade receivables from third parties, along with prepaid expenses and accrued income, showed a balance of 10,351 thousand euro as at June 30, 2015, compared to 9,697 thousand euro as at December 31, 2014.

A breakdown of this item is provided below:

(thousands of euro)

Prepaid expenses, accrued income and other	June 30, 2015	December 31, 2014	Difference
Income tax and other tax receivables	632	1,050	(418)
VAT receivables	6,302	5,694	608
Social security receivables	288	437	(149)
Personnel receivables	114	105	9
Receivables for public grants	786	640	146
Other receivables	391	363	28
Total other receivables	**8,513**	**8,289**	**224**
Accrued income	15	5	10
Prepaid expenses	1,823	1,403	420
Total prepaid expenses and accrued income	**1,838**	**1,408**	**430**
Total prepaid expenses, accrued income and other	**10,351**	**9,697**	**654**

The item "Income tax and other tax receivables" includes the receivables for advance corporation taxes and other tax credits of the Group's companies with local authorities. The decrease compared to the previous year was mainly due to the use of the outstanding credit as at December 31, 2014 by the US subsidiaries to offset the debt incurred in respect of the taxes for the first half of 2015.

The increase in "VAT receivables" was due to the fact that the credit generated mainly by the Parent Company during the first half of 2015 and due to the excess of passive taxable transactions compared to active ones was greater than the portion of the credit generated in previous years that has been used to offset other taxes and contributions.

The decrease in the item "Social security receivables" compared to December 31, 2014 was due to the refunds received in the first half of 2015 by the subsidiary SAES Advanced Technologies S.p.A. in respect of those receivables related to the use of the defensive job-security agreements.

Please note that the item "Receivables for public grants" was mainly composed of credits matured by the Parent Company and by the subsidiary E.T.C. S.r.l. as at June 30, 2015 as a result of contributions for outstanding research projects.
During the semester, income from government grants amounted to 160 thousand euro (182 thousand euro in the first half of 2014).

The increase in the item "Prepaid expenses" compared to December 31, 2014 was mainly due to all the cost items (particularly, maintenance costs and IT assistance fees) which are paid at the beginning of the year but refer to the entire period.

Please note that there are no receivables due after more than five years.

25. DERIVATIVE FINANCIAL INSTRUMENTS EVALUATED AT FAIR VALUE

As at June 30, 2015 the fair value of the derivative financial instruments was negative for 63 thousand euro, compared to a positive balance of 38 thousand euro as at December 31, 2014.

The asset and liability items include, respectively, the assets and liabilities arising from the measurement at fair value of the hedging contracts against the exposure to the variability of future cash flows arising from sales and financial transactions denominated in currencies other than the euro. The purpose of these contracts is to protect the Group's margins from the exchange rate fluctuations.
With regards to such contracts, the accounting requirements to apply the hedge accounting method are not met, therefore they are evaluated at fair value and the profits or losses deriving from their evaluation are directly charged into the income statement.

As at June 30, 2015 the Group held forward contracts on the US dollar and on the Japanese yen, in order to hedge against the risk of fluctuation in the exchange rates on current and future trade receivables denominated in these foreign currencies.
With reference to the US dollar, the forward contracts (for a notional value of 7.4 million USD) have an average forward exchange rate equal to 1.1818 against the euro and they will extend throughout the remainder of the year 2015. The relative fair value as at June 30, 2015 was negative for 344 thousand euro.
In relation to the Japanese yen, the forward contracts (for a notional value of 150 million JPY) have an average forward exchange rate equal to 142.52 against the euro and they will extend until the end of 2015. The relative fair value as at June 30, 2015 was negative for 42 thousand euro.
Finally, the Group has put in place two forward sale contracts in euro, in order to mitigate the risk linked to the fluctuation of the Korean won on the balance of the financial credit in euro which the Korean subsidiary SAES Getters Korea Corporation has with the Parent Company.
The first contract, with a notional value of 7 million euro, expires on September 30, 2015 and provides for a forward exchange rate equal to 1,307.00 against the euro; the second one, with a notional value equal to 1.5 million euro, expires on December 28, 2015 and provides for a forward exchange rate equal to 1,309.00 against the euro. Their fair value as at June 30, 2015 was positive for 323 thousand euro.

The following table provides a breakdown of the forward contracts entered into and their fair value as at June 30, 2015, compared with December 31, 2014:

Currency	June 30, 2015		December 31, 2014	
	Notional (in local currency)	**Fair value** (thousands of euro)	**Notional** (in local currency)	**Fair value** (thousands of euro)
thousands of EUR	8,500	323	0	0
thousands of USD	7,440	(344)	0	0
thousands of JPY	150,000	(42)	300,000	38
	Total	**(63)**	**Total**	**38**

Please note that as at June 30, 2015, the Group does not have any Interest Rate Swap contract. In fact, the contract signed in 2009 in order to fix the interest rate on the dollar-based financing held by the US subsidiary Memry Corporation expired on December 31, 2014 and no other new contract was signed during the first half of 2015.

The Group enters into derivative contracts with various counterparties, primarily leading financial institutions and it uses the following hierarchy to determine and document the fair value of its financial instruments:
Level 1 – (unadjusted) prices listed on an active market for identical assets or liabilities;
Level 2 – other techniques for which all inputs with a significant effect on the fair value reported may be observed, either directly or indirectly;
Level 3 – techniques that use inputs with a significant effect on the fair value reported that are not based on observable market data.
As at June 30, 2015 all the derivative instruments held by the Group belonged to Level 2: in fact, their fair value was calculated on the basis of market data, such as interest rate curves and exchange rates curves.
No instruments were transferred from one level to another during the semester.

26. CASH AND CASH EQUIVALENTS

The following table shows a breakdown of this item as at June 30, 2015 and December 31, 2014:

(thousands of euro)

Cash and cash equivalents	June 30, 2015	December 31, 2014	Difference
Bank accounts	19,315	25,583	(6,268)
Petty cash	21	19	2
Total	**19,336**	**25,602**	**(6,266)**

The item "Bank accounts" consists of short-term deposits with some leading financial institutions, denominated primarily in US dollars, euro, Chinese renminbi and Korean won.

The item includes the liquid funds mainly held by the US and Asiatic subsidiaries, as well as by the Parent Company, for the cash flow management necessary for their operating activities.

For the analysis of the changes occurred in cash and cash equivalents during the period please refer to the comments on the Cash flow statement (Note no. 38).

As at June 30, 2015 the Group has unused credit lines equal to 27.1 million euro (amount substantially in line with 26.9 million euro as at December 31, 2014).

27. OTHER FINANCIAL RECEIVABLES FROM THIRD PARTIES

The item "Other financial receivables from third parties" was equal to 151 thousand euro as at December 31, 2014 and it referred to the fixed deposit, for a period of 12 months, held by the subsidiary SAES Getters Korea Corporation and expired in April 2015. Please note that as at June 30, 2015 the Group has no time deposits with initial maturity longer than three months.

28. SHAREHOLDERS’ EQUITY

The Group shareholders' equity amounted to 119,474 thousand euro as at June 30, 2015, with an increase of 6,789 thousand euro compared to December 31, 2014, mainly due to the net income realized in the semester (+4,088 thousand euro) and to the exchange rate differences arising from the translation of the financial statements in foreign currencies (+6,178 thousand euro), partially offset by the dividends distribution (3,477 thousand euro).
A summary of the changes occurred is provided in the Statement of changes in the shareholders’ equity.
Please note that the result of the first half of 2015 included a foreign exchange gain (equal to 1,877 thousand euro) following the release into the income statement of part of the translation reserve generated by the consolidation of SAES Getters (Nanjing) Co., Ltd., following the partial reduction of the share capital of the Chinese subsidiary and the related repayment to the Parent Company.

Capital stock

As at June 30, 2015 the capital stock, fully subscribed and paid-up, amounted to 12,220 thousand euro and consisted of no. 14,671,350 ordinary shares and no. 7,378,619 savings shares, for a total of no. 22,049,969 shares.
The composition of the capital stock was unchanged compared to December 31, 2014.
The implicit book value per share was 0.554196 euro as at June 30, 2015, unchanged from December 31, 2014.

Please refer to the Report on corporate governance and ownership structure, enclosed in the 2014 Consolidated financial statements, for all of the information required by article 123-*bis* of the Consolidated Finance Act (TUF).

All the Parent Company’s securities are listed on the segment of the *Mercato Telematico Azionario* known as “STAR” (Securities with High Requirements), dedicated to small and medium caps that meet specific requirements with regard to reporting transparency, liquidity and corporate governance.

Share issue premium reserve

This item includes amounts paid by the shareholders in excess of the par value for new shares of the Parent Company subscribed in capital issues.
This item was unchanged compared to December 31, 2014.

Legal reserve

This item corresponds to the Parent Company's legal reserve of 2,444 thousand euro as at June 30, 2015 and it was unchanged compared to December 31, 2014, since the reserve had reached its legal limit.

Other reserves and retained earnings

This item includes:
- the reserves (totalling 2,615 thousand euro) represented by the positive monetary revaluation balances resulting from the application of Law no. 72 of March 19, 1983 (1,039 thousand euro) and Law no. 342 of November 21, 2000 (1,576 thousand euro) by the Italian companies of the Group. Pursuant to Law no. 342 of 2000, the revaluation reserve has been stated net of the related lieu tax of 370 thousand euro;
- the other reserves of subsidiaries, the retained earnings, and other shareholders’ equity items of the companies of the Group which were not eliminated during the consolidation process.

The change in the item “Other reserves and retained earnings” includes the distribution to the shareholders of the 2014 dividends, approved by the Parent Company’s Shareholders’ Meeting (3,477 thousand euro) and the carry forward of the 2014 consolidated income equal to 4,836 thousand euro.

As reported in the Report on corporate governance and ownership structure enclosed to the 2014 Consolidated financial statements, each share is entitled to a proportional part of the net income that it is decided to distribute, except the rights attached to savings shares.
More specifically, as described in article no. 26 of the By-laws, savings shares are entitled to a preferred dividend equal to 25% of their implied book value; if in one financial year a dividend of less than 25% of the implied book value has been allocated to savings shares, the difference will be made up by increasing the preferred dividend in the following two years. The remaining profit that the Shareholders' Meeting has resolved to distribute will be allocated among all shares in such a way to ensure that savings shares are entitled to a total dividend that is 3% of the implied book value higher than that of ordinary shares. In case of distribution of reserves, shares have the same rights irrespective of the category to which they belong.

Other components of the shareholders' equity

This item includes the exchange rate differences arising from the translation of the financial statements in foreign currencies. The translation reserve had a positive balance of 16,733 thousand euro as at June 30, 2015, compared to a positive balance of 10,555 thousand euro as at December 31, 2014. The increase of 6,178 thousand euro was due both to the overall impact on the consolidated shareholders' equity of the conversion into euro of the financial statements of foreign subsidiaries expressed in currencies other than the euro and the respective consolidation adjustments (+8,156 thousand euro), and to the share of the Group in the currency translation reserve arising from the consolidation of Actuator Solutions Taiwan Co., Ltd. into Actuator Solutions GmbH, both accounted for using the equity method (-101 thousand euro). Finally, please note the release into the income statement (-1,877 thousand euro) of part of the translation reserve generated by the consolidation of SAES Getters (Nanjing) Co., Ltd., following the partial reduction of the share capital of the Chinese subsidiary and the related repayment to the Parent Company.

Please note that the Group exercised the exemption allowed under IFRS 1 - *First-time adoption of International Financial Reporting Standards*, regarding the possibility of writing-off the accumulated translation gains or losses generated by the consolidation of foreign subsidiaries as of January 1, 2004. Consequently, the translation reserve includes only the translation gains or losses generated after the date of transition to IASs/IFRSs.

29. FINANCIAL DEBTS

As at June 30, 2015, the financial debts amounted to 29,762 thousand euro, with an increase of 8,383 thousand euro compared to December 31, 2014.
This increase was due to the new medium-long term financing signed during the semester by the Parent Company and by the subsidiary Memry Corporation (for a total amount equal to about 11.4 million euro[7]), in order to have a correct balance of the financial indebtedness, with a higher percentage of medium-long term loans, compared to short-term bank debt. To the subscription of the new loans, it must be added the fluctuations of the exchange rates which, as at June 30, 2015, generated an increase in the Group's financial debt equal to 1,224 thousand euro: almost half of the Group's financial debt is composed by loans denominated in US dollars, held by the subsidiary Memry Corporation, whose equivalent amount in euro has increased following the revaluation of the US dollar as at June 30, 2015 compared to December 31, 2014.
These increases were partially offset by the repayments of the principal made during the semester and equal to about 4.2 million euro.

[7] Amount net of upfront fees and other transaction costs.

The following table shows the breakdown of the financial debt by contractual maturity.
Please note that the debt with a maturity of less than one year is included among the "Current portion of medium/long term financial debts".

(thousands of euro)

Financial debt	June 30, 2015	December 31, 2014	Difference
Less than 1 year	6,452	6,690	(238)
Current portion of financial debt	**6,452**	**6,690**	**(238)**
Between 1 and 2 years	9,373	7,330	2,043
Between 2 and 3 years	7,031	4,594	2,437
Between 3 and 4 years	3,571	1,400	2,171
Between 4 and 5 years	2,458	1,365	1,093
Over 5 years	877	0	877
Non current financial debt	**23,310**	**14,689**	**8,621**
Total	**29,762**	**21,379**	**8,383**

The following table shows the details of the loans which were already signed as at December 31, 2014:

Description	Currency	Principal	Timing of capital reimbursement	Timing of covenants calculation	Interest rate	Effective interest rate	Value as at June 30, 2015 (thousands of euro)
Memry Corporation *Tranche Amortising Loan*	USD	20.2 millions of USD	half yearly with maturity date January 31, 2016	Half -yearly	USD Libor (1-3 months) -Cost of Funds if not available- plus 1.60% spread	3.09%	12,053
Tranche Bullet Loan	USD	10.3 millions of USD	repayments in two tranches with maturity date July 31, 2016 and July 31, 2017		USD Libor (1-3 months) -Cost of Funds plus if not available- plus 1.60% spread		
SAES Getters S.p.A.	EUR	7.0 millions of euro	quarterly with maturity date December 31, 2019	Half -yearly	Three-months Euribor plus 2.25% spread	2.57%	6,271

On May 31, 2015 the last installment of the loan (equal to 1,373 thousand euro as at December 31, 2014) held by SAES Smart Materials, Inc., was repaid, according to the original repayment plan.

As already highlighted before, on February 20, 2015 the first tranche (equal to 2 million USD) of the soft financing granted by the State of Connecticut (total amount equal to 2.8 million USD) was paid to Memry Corporation. This loan, which has a duration of ten years and an annual subsidized fixed interest rate of 2%, will be used to purchase new machinery and equipment in order to expand the production plant in Bethel. The financing agreement provides for a monthly repayment, according to a French amortization schedule with increasing principal amounts. 50% of the financing might be converted into a non-refundable grant provided that, by November 2017, Memry Corporation increases its staff of 76 employees in Bethel for at least one year; in addition, the employees in Bethel will have to earn an average annual salary of not less than a specific threshold established by the agreement.
If only 50% of the new employees were hired within the fixed term, also the non-refundable grant would be halved.

Description	Currency	Principal (millions of USD)	Timing of capital reimbursement	Timing of covenants calculation	Interest rate	Effective interest rate	Value as at June 30, 2015 (thousands of euro)
Memry Corporation *Soft financing granted by the State of Connecticut*	USD	2.0	monthly with maturity date March 1, 2025	n.a.	2%	2.00%	1,719

On May 29, 2015 the Parent Company received from EIB (European Investment Bank) a 10 million euro loan to support R&D projects in the field of vacuum technologies, shape memory alloys (SMAs) and Organic Light Emitting Transistor (OLET) solutions. The medium-term loan consists of two tranches of

the same amount, one secured by SACE, it has a five-year term and it is part of the Horizon 2020 Program, aimed at supporting research and technology development projects, with the financial backing of the European Union. The loan will be used to cover part of a research program for a total value of 45 million euro to be carried out in Italy, started in 2014 and that will end in 2017.
The agreement provides for the reimbursement of the principal in half-yearly installments and, simultaneously, the payment of interests. The latter are calculated at six-month Euribor plus a year-based 2.997 basis points for the first tranche; on the second tranche, secured by SACE, the Parent Company will pay an interest indexed to the six-month Euribor to EIB, plus a 3% running remuneration to SACE. The effective interest rate as at June 30, 2015 was equal to 4.67% and 4.75%, respectively for the first and the second tranche. The upfront fee and the transaction costs included in the calculation of the effective interest rate totaled 399 thousand euro.
The loan provides for the compliance with some financial covenants standard for transactions of this kind, calculated semi-annually on Group's economic and financial figures.

Description	Currency	Principal (millions of euro)	Timing of capital reimbursement	Timing of covenants calculation	Interest rate	Effective interest rate	Value as at June 30, 2015 (thousands of euro)
SAES Getters S.p.A.							
EIB - Tranche A	EUR	5.0	half yearly with maturity date May 29, 2020	Half -yearly	Six-months Euribor plus 2.997% spread	4.67%	4,827
EIB - Tranche B (secured by SACE)	EUR	5.0			Six-months Euribor plus 3% running remuneration to SACE	4.75%	4,812

Covenants

All the loans, excluding the soft financing granted by the State of Connecticut to Memry Corporation, are subject to the compliance with covenants calculated on some Group's economic and financial figures and verified every semester (on June 30 and December 31 of each year).

As better showed in the table below, as at June 30, 2015, all the covenants were met:

	Covenant	June 30, 2015	
Net equity (*)	≥ 94.000	119,474	
Net financial position (**) / Net equity	≤ 1,0	0.2	
Net financial position (**) / EBITDA	≤ 2,5	1.1	
Total financial debt of the subsidiaries (*)	≤ 25.000	15,800	(#)

(*) Thousands of euro.
(**) Calculated excluding financial receivables from related parties and receivables(payables) for derivative financial instruments evaluated at fair
(#) Covenant in force only on the loan signed with EIB (European Investment Bank).

On the basis of the future plans, the Group is expected to be able to comply with the covenants reported above also in the next periods.

30. OTHER FINANCIAL DEBTS TOWARDS THIRD PARTIES

As at June 30, 2015, the item "Other financial debts towards third parties" was equal to 1,961 thousand euro, compared to 3,396 thousand euro as at December 31, 2014, and it was split in a long-term portion

(1,381 thousand euro, to be compared with 1,328 thousand euro) and a short-term portion (580 thousand euro, to be compared with 2,068 thousand euro).

The decrease compared to December 31, 2014 (-1,435 thousand euro) was mainly due to the reduction of the financial debt towards the US company Power & Energy, Inc. related to the amount still to be paid for the acquisition completed in the hydrogen purification business, following the payments made during the semester (1,742 thousand euro[8]), as envisaged by the contract.
Please note that, following the revaluation of the dollar as at June 30, 2015 compared to December 31, 2014, the residual debt towards Power & Energy, Inc. has increased by 285 thousand euro; the adjustment made by applying the amortized cost in the calculation of the present value of the payments still to be paid has instead generated an increase of that debt of 41 thousand euro.

The item "Other financial debts towards third parties" included also 55 thousand euro of a residual debt resulting from the acquisition, finalized in 2008, of the subsidiary Memry Corporation. In 2008 the price for the acquisition of the company was paid to a financial broker. During 2011 the brokerage mandate came to maturity and the consideration related to the shares not collected was paid to the state of Delaware (USA). In 2012 the latter paid back part of the amount to the US subsidiary, because it didn't fall within its jurisdiction. Memry Corporation must pay this amount to other US states, according to the residence of the previous holders of the shares.

Finally, this item included the debts related to the finance lease contracts signed during the previous years by Memry Corporation (17 thousand euro as at June 30, 2015).
The table below shows the future minimum payments related to these finance lease contracts:

(thousands of euro)

	June 30, 2015	December 31, 2014
Less than 1 year	17	16
Between 1 and 5 years	0	7
Over 5 years	0	0
Total	**17**	**23**

31. STAFF LEAVING INDEMNITIES AND OTHER EMPLOYEE BENEFITS

Please note that this item includes liabilities to employees under both defined-contribution and defined-benefit plans existing in the companies of the Group in accordance with the contractual and legal obligations in place in the various countries.

The following table shows a breakdown of this item and the related changes occurred during the period:

(thousands of euro)

Staff leaving indemnities and other employee benefits	Staff leaving indemnities	Other employee benefits	Total
December 31, 2014	**4,705**	**2,720**	**7,425**
Accrual (release)	99	370	469
Indemnities paid	(36)	0	(36)
Other changes	0	0	0
Translation differences	0	89	89
June 30, 2015	**4,768**	**3,179**	**7,947**

[8] This figure included the payment of both the third and last tranche of the fixed consideration (1,613 thousand euro) and the earn-out matured during the first half of 2015 (129 thousand euro).

The split between the obligations under defined-contribution and defined-benefit plans and the related changes occurred during the first half of 2015 are shown below:

(thousands of euro)

	December 31, 2014	Financial expenses	Current service cost	Benefits paid	Exchange differences	June 30, 2015
Present value of defined benefit obligations	6,591	99	320	(36)	18	6,992
Fair value of plan assets	0	0	0	0	0	0
Costs non yet recognized deriving from past obligations	0	0	0	0	0	0
Defined benefit obligations	**6,591**	**99**	**320**	**(36)**	**18**	**6,992**
Defined contribution obligations	834	0	50	0	71	955
Staff leaving indemnities and similar obligations	**7,425**	**99**	**370**	**(36)**	**89**	**7,947**

The obligations under defined-benefit plans are measured annually, at the end of each fiscal year, by independent actuarial consultants according to the projected unit credit method, separately applied to each plan.

When referred to the Group’s Italian companies, staff leaving indemnity consists of the obligation, estimated according to actuarial techniques, related to the sum to be paid to the employees of the Italian companies when employment is terminated.
Following the entry into force of the 2007 Budget Act and associated implementation decrees, the liability associated with past years staff leaving indemnity continues to be considered a defined-benefit plan and is consequently measured according to actuarial assumptions. The portion paid to pension funds is instead considered a defined-contribution plan and therefore it is not discounted.

The item “Other employee benefits” includes the provision for long-term incentive plans, signed by the Executive Directors and by some employees of the Group identified as particularly important for the achievement of the medium to long term corporate objectives. The three-year plans provide for the recognition of monetary incentives proportional to the achievement of specific personal and Group’s objectives.
The aim of these plans is to further strengthen the alignment over time of individual interests to corporate interests and, consequently, to the shareholders’ interests. The final payment of the long-term incentive is always subject to the creation of value in a medium to long-term period, rewarding the achievement of performance objectives over time. The performance review is based on multi-year indicators and the payment is always subject, in addition to maintaining the employer-employee relationship/position with the company for the duration of the plan, also to the presence of a positive consolidated income before taxes at the expiry date of the plan.
Such plans fall into the category of defined benefit obligations and therefore they are discounted back on a yearly basis, at the end of each fiscal year.

The following table shows the Group's employees split by category:

Group's employees	June 30, 2015	December 31, 2014	Average June 30, 2015	Average June 30, 2014
Managers	78	78	78	82
Employees and middle management	364	364	363	359
Workers	489	471	482	449
Total (*)	**931**	**913**	**923**	**890**

(*) It does not include the employees of the joint venture Actuator Solutions, for which please refer to the Note no. 17.

The workforce amounted to 931 units as at June 30, 2015 (out of which 501 were employed abroad), to be compared with 913 units as at December 31, 2014 (out of which 497 were employed abroad): the growth (+18 units) is mainly due to the increase in the workforce engaged in production activities related to the shape memory alloys (SMAs) business (in particular, increase in the workforce in Memry Corporation and in Memry GmbH).

32. PROVISIONS

The item “Provisions” amounted to 2,421 thousand euro as at June 30, 2015.
The following table shows the composition of and the changes in these provisions compared to December 31, 2014:

(thousands of euro)

Provisions	December 31, 2014	Increase	Utilization	Release into income statement	Reclassifications	Translation differences	June 30, 2015
Warranty provisions on product sold	435	259	(201)	0	0	35	528
Bonus	1,354	965	(1,471)	0	0	78	926
Other provisions	943	0	(12)	0	0	36	967
Total	**2,732**	**1,224**	**(1,684)**	**0**	**0**	**149**	**2,421**

As at June 30, 2015, the item “Bonus” included the accrual of bonuses to the Group’s employees (mainly referring to the Parent Company and the US subsidiaries) related to the first half of 2015. The change compared to the previous fiscal year was due to both the accrual of bonuses matured during the period and the payment of the bonuses of the previous fiscal year, settled during the first half of 2015.

The item “Other provisions” includes 500 thousand euro related to the potential risk estimated in relation to the assessment on the 2005 income tax return of SAES Getters S.p.A.
Particularly, in 2008 the 2005 income tax return of SAES Getters S.p.A. was assessed by the Italian Revenue Agency, as a result of which notices of assessment for IRAP (on July 16, 2010) and IRES (on November 22, 2010) purposes were notified to the Company. The additional assessed corporate taxes amounted to 41 thousand euro (IRAP) and 290 thousand euro (IRES), plus penalties and interests. The Provincial Tax Commission of Milan, to which the Company had appealed, at the end of 2014 confirmed almost entirely (regarding IRES) and partially (regarding IRAP) the findings contained in the notice of inspection. Therefore, the Corporate Management, although being sure about the adequacy of the defensive arguments that will bring to justify its actions on appeal, recorded a risk provision equal to 500 thousand euro at the end of the last year.
The item “Other provisions” also includes the implicit obligations of Spectra-Mat, Inc. in connection with the expenses to be incurred to monitor pollution levels at the site in which it operates (463 thousand euro). The value of this liability has been calculated on the basis of the agreements reached with the local authorities.

A breakdown of provisions by current and non-current portion is provided below:

(thousands of euro)

Provisions	Current provisions	Non current provisions	June 30, 2015	Current provisions	Non current provisions	December 31, 2014
Warranty provisions on product sold	134	394	528	7	428	435
Bonus	926	0	926	1,354	0	1,354
Other provisions	500	467	967	500	443	943
Total	**1,560**	**861**	**2,421**	**1,861**	**871**	**2,732**

33. TRADE PAYABLES

Trade payables were equal to 11,862 thousand euro as at June 30, 2015, with an increase equal to 815 thousand euro compared to 11,047 thousand euro as at December 31, 2014.

This increase was mainly due to the effect of the appreciation of the US dollar against the euro, as well as the increase in the purchases made in the first semester of 2015 in comparison with the last period of the previous year, mainly in the shape memory alloys business, in order to meet the increase in sales.

Trade payables do not bear interests and are due within twelve months.
There are no trade payables in the form of debt securities.

The following table provides a breakdown of trade payables by those not yet due and past due as at June 30, 2015, compared with December 31, 2014:

(thousands of euro)

Ageing	Total	Not yet due	Due				
			< 30 days	30 - 60 days	60 - 90 days	90 - 180 days	> 180 days
June 30, 2015	**11,862**	10,878	407	442	27	46	62
December 31, 2014	**11,047**	4,371	4,013	1,443	1,096	104	20

34. OTHER PAYABLES

The item "Other payables" includes amounts that are not classified as trade payables and amounted to 9,112 thousand euro as at June 30, 2015, compared to 7,703 thousand euro as at December 31, 2014.

(thousands of euro)

Other payables	June 30, 2015	December 31, 2014	Difference
Employees payables (vacation, wages, staff leaving indemnity, etc.)	5,388	3,887	1,501
Social security payables	1,059	1,399	(340)
Tax payables (excluding income taxes)	872	1,014	(142)
Other	1,793	1,403	390
Total	**9,112**	**7,703**	**1,409**

The item "Employees payables" is mainly made up of the provisions for holidays accrued but not taken during the period and for the additional monthly salaries, as well as of the June 2015 salaries, accounted but not yet paid as at June 30, 2015.
The increase compared to December 31, 2014 was mainly due to the increase in the staff employed in production activities related to the SMA business and to the increased holiday provisions that will be used during the summer, as well as the higher accruals for the additional monthly salaries of the Group's Italian companies.

The item "Social security payables" includes the payables owed by the Group's Italian companies to the INPS (Italy's social-security agency) for contributions to be paid on wages. It also includes payables to the treasury fund operated by the INPS and to the pension funds under the reformed staff leaving indemnity legislation.
The decrease was mainly due to the fact that as at December 31, 2014 this item included also the liability for the social security (INPS) retentions on the thirteenth month's pay, paid in January 2015.

The item "Tax payables" primarily consists of the payables owed by the Italian companies to the Treasury in connection with the withholding taxes on the wages of employees and consultants.
Similarly to the previous item, the decrease was mainly due to the fact that as at December 31, 2014 this item included also the liability for the withholding tax (IRPEF) retentions on the thirteenth month's pay, paid in January 2015.

The item “Other” includes the payables of the Parent Company for Directors’ compensations, for commissions to agents and for the down-payment on public grants received for research activities.
The increase compared to December 31, 2014 was due to the higher accrual for the variable component of the remuneration for the Executive Directors.

Please note that there are no payables due after more than five years.

35. ACCRUED INCOME TAXES

This item consists of payables for taxes associated with the Group’s foreign subsidiaries and only the IRAP debt of the Italian companies.
With reference to the IRES tax, the Italian companies have elected to participate in the national tax consolidation program and the associated tax balance is included in the item “Tax consolidation receivables from the controlling company” (please refer to the Note no. 19 for further information).

Accrued income taxes amounted to 786 thousand euro as at June 30, 2015 and included the tax obligations accrued in the first half of 2015, net of advance payments, in addition to those from the previous year but not yet paid.

36. BANK OVERDRAFT

As at June 30, 2015 the bank overdraft amounted to 14,831 thousand euro and primarily consisted of short-term debt owed by the Parent Company in the form of “hot money” debt (14,829 thousand euro compared to 30,191 thousand euro as at December 31, 2014), whose average interest rate was around 2.2% (spread included).
The difference (2 thousand euro as at June 30, 2015, compared to 531 thousand euro at the end of the previous year) consisted in the overdrafts on current bank accounts.

The decrease in the short-term bank debt (-15,891 thousand euro) was the result of the activity performed during the semester and aimed at obtaining a correct balance of the financial indebtedness, with a higher percentage of medium-long term loans, compared to short-term bank debt (for further details please refer to the Note no. 29).

37. ACCRUED LIABILITIES

Accrued expenses and deferred income were equal to 1,249 thousand euro as at June 30, 2015.
This item may be broken down as follows:

(thousands of euro)

	June 30, 2015	December 31, 2014	Difference
Accrued expenses	257	289	(32)
Deferred income	992	1,993	(1,001)
Total	**1,249**	**2,282**	**(1,033)**

The decrease compared to December 31, 2014 (-1,033 thousand euro) is mainly explained by lower commercial sales received by customers during the semester, but pertaining to future accounting periods.

Please note that there are no accrued liabilities due after more than five years.

38. CASH FLOW STATEMENT

The cash flow from operating activities was positive and equal to 7,935 thousand euro in the first half of 2015, with a strong growth compared to 1,644 thousand euro in the corresponding period of 2014. The cash-in flows of the current semester are almost entirely attributable to the self-financing, while the net working capital remained aligned to that of December 31, 2014, differently from what happened in the first half of the previous year when the self-financing was partially offset by the negative change in the net working capital, influenced by the increase in the volume of activities in the Pure Gas Handling Business and in the SMAs one.

Investing activities used liquidity for 4,201 thousand euro (471 thousand euro was the cash absorption in the first half of 2014).
The disbursements, net of the disposals, for purchases of tangible and intangible assets amounted to 2,459 thousand euro (1,585 thousand euro as at June 30, 2014). Please, also note the cash-out, equal to 1,742 thousand euro, for the payment of the last tranche of the fixed consideration and of the commissions matured during the first half of 2015 related to the investments made during the fiscal year 2013 and aimed at the technological strengthening of the Pure Gas Handling business, but whose payment had been postponed; as at June 30, 2014 this deferred payment had been equal to 1,692 thousand of euro and, within the investing activities, it partially offset the proceeds, equal to 2,786 thousand euro, related to the advance payment received for the sale of the land use right, the building and related appurtenances of the subsidiary SAES Getters (Nanjing) Co., Ltd.

The balance of financing activities was negative and equal to 12,128 thousand euro, compared to a balance, always negative, of 4,528 thousand euro in the first half of the previous year.
The financial management of the period was characterized by the financial disbursements for the payment of dividends (equal to 3,477 thousand euro), by the repayments of both short-term and long-term loans and by the payment of the related interests. These cash-outs were partially offset by the cash-in generated by the new long-term loans signed by the Parent Company (for further details please refer to the Note no. 29), as well as by the collection of the interests on the loan granted to the joint venture Actuator Solutions GmbH (for further details please refer to the Note no. 20) and by the expiration of the time deposit with maturity equal to a period of 12 months, held by SAES Getters Korea Corporation.

The following is a reconciliation of the net cash and cash equivalents shown in the statement of financial position and in the cash flow statement:

(thousands of euro)

	June 30, 2015	June 30, 2014
Cash and cash equivalents	19,336	17,514
Bank overdraft	(14,831)	(36,710)
Cash and cash equivalents, net - statement of financial position	**4,505**	**(19,196)**
Short term debt	14,829	36,700
Cash and cash equivalents, net - cash flow statement	**19,334**	**17,504**

39. POTENTIAL ASSETS/LIABILITIES AND COMMITMENTS

The guarantees that the Group has granted to third parties are the following ones:

(thousands of euro)

Guarantees	June 30, 2015	December 31, 2014	Difference
Guarantees	22,538	22,894	(356)

The decrease compared to December 31, 2014 was mainly explained by the partial expiration of some guarantees provided by the Parent Company to secure the loans undertaken by some foreign subsidiaries, consistent with the repayment of the principal amounts during the semester, only partially offset by the new guarantees signed in favor of the joint venture Actuator Solutions (for the related amount, please refer to the Note no. 40).

The maturities of operating lease obligations outstanding as at June 30, 2015 are shown below:

(thousands of euro)

	Less than 1 year	1-5 years	Over 5 years	Total
Operating lease obligations	1,563	3,447	1,901	**6,911**

Following a legal proceeding opened by the State of New York and concerning the compensation for environmental damages and costs for the decontamination of water and the cleaning of the sediments below the Onondaga Lake, located in the US city of Syracuse, the SAES Group, through its subsidiary SAES Getters USA, Inc. (successor in legal matters of SAES Getters America, Inc., formerly owner of a factory in the area of the lake), could be sued for contributing to the compensation for such costs.
The SAES Group has not received any summons or notification to date and, based on the investigations carried out, it doesn't seem to be responsible for the pollution of the Onondaga Lake; in addition, given that to date it is not possible to make a reasonable estimate of any costs to be incurred, the company hasn't allocated any risk provision as at June 30, 2015.

40. RELATED PARTY TRANSACTIONS

Related Parties are identified in accordance with IAS 24 revised.

Related Parties include the following ones:
- **S.G.G. Holding S.p.A.**, the controlling company, which is both creditor and debtor of the SAES Group[9] in relation to the national tax consolidation program in place until December 31, 2014[10], whose financial settlement will occur in the second half of the year.
In addition, please note that S.G.G. Holding S.p.A. receives dividends from SAES Getters S.p.A.
- **Actuator Solutions GmbH**, a joint venture, 50% jointly owned by SAES and Alfmeier Präzision Groups, focused on the development, manufacturing and marketing of actuators based on the SMA technology.

[9] SAES Getters S.p.A., SAES Advanced Technologies S.p.A., SAES Nitinol S.r.l. and E.T.C. S.r.l.
[10] Please note that on May 27, 2015, the tax consolidation program with S.G.G. Holding S.p.A. as consolidating company ended following the decrease of the stake of S.G.G. Holding S.p.A. in SAES Getters S.p.A. below the threshold of 50%, which determined the loss of control under the rules of national fiscal consolidation program.

- **Actuator Solutions Taiwan Co., Ltd.**, a Taiwan-based company entirely controlled by the joint venture Actuator Solutions GmbH, for the development and commercialization of SMA devices for the image focus and stabilization in tablet and smart-phone cameras.
The SAES Group has commercial relationships (sale of raw materials and semi-finished goods) and carries out various services with Actuator Solutions GmbH and its subsidiary Actuator Solutions Taiwan Co., Ltd. Furthermore, two interest-bearing loan agreements are in force (for more details please refer to Note no. 20).
- **Dr. Michele Muccini**, partner of SAES Getters S.p.A. in E.T.C. S.r.l., with a percentage of share capital equal to 4%. In particular, please note that SAES Getters S.p.A. has committed to cover any loss of E.T.C. S.r.l., also on behalf of Dr. Muccini, maintaining unchanged his percentage of ownership.
On March 11, 2015, the capital contribution made by the Parent Company on behalf of Dr. Muccini was equal to about 62 thousand euro.
- **Managers with Strategic Responsibilities**, these include the members of the Board of Directors, including non-executive directors, and the members of the Board of Statutory Auditors.
Moreover, the Corporate Human Resources Manager, the Corporate Operations Manager and the Group Administration, Finance and Control Manager are considered managers with strategic responsibilities.
Their close relatives are also considered related parties.

The following table shows the total values of the related party transactions undertaken as at June 30, 2015 compared with those at June 30, 2014 and December 31, 2014:

(thousands of euro)

	1st Half 2015						June 30, 2015				
	Total net sales	Research & development expenses	Selling expenses	General & administrative expenses	Other income (expenses)	Other financial income (expenses)	Trade receivables	Trade payables	Tax consolidation receivables from Controlling Company	Tax consolidation payables to Controlling Company	Financial receivables from related parties
S.G.G. Holding S.p.A.									2,608	(2,336)	
Actuator Solutions GmbH	551	77 (*)	86 (*)	14 (*)	0	80	307	0			2,780
Actuator Solutions Taiwan Co., Ltd.	0	0	(6)	0	0	0	0	(6)			0
Total	**551**	**77**	**80**	**14**	**0**	**80**	**307**	**(6)**	**2,608**	**(2,336)**	**2,780**

(*) Costs recovery.

(thousands of euro)

	1st Half 2014						December 31, 2014				
	Total net sales	Research & development expenses	Selling expenses	General & administrative expenses	Other income (expenses)	Other financial income (expenses)	Trade receivables	Trade payables	Tax consolidation receivables from Controlling Company	Tax consolidation payables to Controlling Company	Financial receivables from related parties
S.G.G. Holding S.p.A.									2,907	(2,336)	
Actuator Solutions GmbH	495	188 (*)	80 (*)	14 (*)	0	12	138	0			2,762
Actuator Solutions Taiwan Co., Ltd.	0	0	0	0	0	0	0	(12)			0
Total	**495**	**188**	**80**	**14**	**0**	**12**	**138**	**(12)**	**2,907**	**(2,336)**	**2,762**

(*) Costs recovery.

The following table shows the guarantees that the Group has granted to third parties (and, therefore, included in the detail reported in the Note no. 39) in favor of the joint venture Actuator Solutions:

(thousands of euro)

Guarantees	June 30, 2015	December 31, 2014	Difference
Guarantees in favour of the joint venture Actuator Solutions	2,603	853	1,750

The following table shows the remunerations to managers with strategic responsibilities as identified above:

(thousands of euro)

Total remunerations to key management	1st Half 2015	1st Half 2014
Short term employee benefits	1,573	1,260
Post employment benefits	0	0
Other long term benefits	167	78
Termination benefits	218	6
Share-based payments	0	0
Total	**1,958**	**1,344**

The increase compared to June 30, 2014 was mainly due to the higher remuneration (in particular, accrual for the variable component of the remuneration) of the Executive Directors.

As at June 30, 2015 payables to Managers with strategic responsibilities, as defined above, were equal to 2,191 thousand euro, to be compared with payables of 2,017 thousand euro as at December 31, 2014.

Pursuant to the Consob communications of February 20, 1997 and February 28, 1998, as well as to IAS 24 revised, we report that also in the first half of 2015 all related-party transactions fell within ordinary operations and were settled at economic and financial standard market conditions.

Lainate (MI), July 30, 2015

On behalf of the Board of Directors
Dr Eng. Massimo della Porta
President

Certification of the Interim Condensed Consolidated Financial Statements as at June 30, 2015

CERTIFICATION OF THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
pursuant to article no. 81-*ter* of Consob Regulation no. 11971 of May 14, 1999 as amended

1. The undersigned, Giulio Canale, in his capacity of Vice President and Managing Director, and Michele Di Marco, in his capacity of Officer responsible for the preparation of the corporate financial reports of SAES Getters S.p.A., hereby certify, pursuant to the provisions of article 154-*bis*, subsections 3 and 4, of Legislative Decree no. 58 of February 24, 1998:

   - the adequacy for the characteristics of the enterprise and
   - the effective application

   of the administrative and accounting procedures for the preparation of the interim condensed consolidated financial statements, during the period from January 1 to June 30, 2015.

2. The following remarks apply to this situation:

   - With respect to the SAES Group's Administrative and Accounting Control Model and the implementation thereof, we confirm the contents of paragraph 2 of the Certification of the consolidated financial statements of the SAES Group for the year ended December 31, 2014, inasmuch as no changes have been made.
   - In regard to the results of the internal certification process for the accounting period from January 1 to June 30, 2015, we confirm that the control activities detailed in the above mentioned paragraph were also applied to the interim condensed consolidated financial statements and that the associated controls were performed.
   - As at today's date, the Officer responsible has received all representation letters required, signed by the General Managers/Financial Controllers of the subsidiaries affected by the processes selected as relevant after a risk assessment.
     The proper application of the administrative and accounting control system has been confirmed by the positive outcome of the assessments conducted by the Internal Audit Function in support of the Officer responsible for the preparation of corporate financial reports.

3. Furthermore, it is hereby attested that:

   3.1. The interim condensed consolidated financial statements as at June 30, 2015:
   a) have been prepared in accordance with applicable International Accounting Standards recognized within the European Union pursuant to EC Regulation no. 1602/2002 of the European Parliament and the Council of July 19, 2002, and, in particular, IAS 34 revised – *Interim Financial Reporting*;
   b) correspond to the results of accounting records and books;
   c) are suitable to provide a truthful and accurate representation of the earnings and financial position of the issuer and the companies included in the consolidation perimeter.

   3.2. The interim management report includes a reliable analysis of operating performance and results, as well as the situation of the issuer and the companies included in the consolidation area, along with a description of the primary risks and uncertainties to which they are exposed.

Lainate (MI), July 30, 2015

Vice President and Managing Director Dr Giulio Canale	Officer responsible for the preparation of the corporate financial reports Dr Michele Di Marco

Independent Auditors' Report on the Interim Condensed Consolidated Financial Statements as at June 30, 2015

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REPORT ON REVIEW OF THE HALF-YEARLY CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

To the Shareholders of
SAES GETTERS S.p.A.

Introduction

We have reviewed the accompanying half-yearly condensed consolidated financial statements of SAES GETTERS S.p.A. and subsidiaries (the "SAES GETTERS Group"), which comprise the consolidated balance sheet as of June 30, 2015, and the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated cash flow statement for the six-month period then ended, and the related explanatory notes. The Directors are responsible for the preparation of this interim financial information in accordance with the International Accounting Standard applicable to the interim financial reporting (IAS 34) as adopted by the European Union. Our responsibility is to express a conclusion on this interim financial information based on our review.

Scope of Review

We conducted our review in accordance with the criteria recommended by the Italian Regulatory Commission for Companies and the Stock Exchange ("CONSOB") for the review of the half-yearly interim financial statements under Resolution n° 10867 of July 31, 1997. A review of half-yearly condensed financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (ISA Italia) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying half-yearly condensed consolidated financial statements of the SAES GETTERS Group as of June 30, 2015 are not prepared, in all material respects, in accordance with the International Accounting Standard applicable to the interim financial reporting (IAS 34) as adopted by the European Union.

DELOITTE & TOUCHE S.p.A.

Signed by
Carlo Laganà
Partner

Milan,
August 18, 2015

This report has been translated into the English language solely for the convenience of international readers.

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