


**SAES GETTERS S.p.A.**

Capital Stock Euro 12,220,000 fully paid-in  
 Address of Principal Executive Offices:  
 Viale Italia, 77 – 20020 Lainate (Milan), Italy  
 Registered with the Milan Court Companies Register no. 00774910152

**Interim Management Report – 3<sup>rd</sup> Quarter 2015**

In the third quarter of 2015 the SAES Group achieved **consolidated net revenues** equal to €41 million, up by 26.8% compared to €32.3 million achieved in the corresponding period of 2014. The **exchange rate effect** was positive and equal to +16.4%, thanks to the strengthening of the US dollar against the euro, while the **organic growth** amounted to +10.4%, mainly driven, as in the previous quarters, by the **shape memory alloys (SMA)** business (+34.8%, confirming the success of the already made and ongoing investments). The success of the SMAs came along with the organic growth in the more traditional and established businesses of the **gas purification** (+6.5%) and of the **vacuum systems** (+7.6%).

**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 €43.2 million, up by 25.9% compared to €34.3 million in the third quarter of 2014, thanks both to the increase in consolidated revenues (+26.8%) and to the revenues' growth of the joint venture (+13.7%).

**Consolidated gross profit**<sup>1</sup> was equal to €17.5 million in the third quarter of 2015, up by 22.9% compared to €14.2 million in the corresponding period of 2014. The growth was mainly driven by the increase in revenues, while the slight decrease in the gross margin<sup>2</sup> (from 44% to 42.7%) was limited to the gas purification business, following the increasing pricing pressure in the Asian markets.

**Consolidated operating income** amounted to €5.9 million in the third quarter of 2015, showing a significant increase (+52.2%) compared to €3.9 million in the third quarter of the previous year; in percentage terms, the operating margin was equal to 14.4%, up when compared to 12% in the third quarter of 2014. The increase in revenues and the reduction of operating expenses in percentage terms (from 32.8% to 29.2%) enabled the improvement in the operating indicators compared to the previous year.

**Consolidated EBITDA**<sup>3</sup> was equal to €8.1 million, up by 35.1% compared to €6 million in the corresponding quarter of 2014. As a percentage of revenues, EBITDA increased from 18.6% in the third quarter of 2014 to 19.9% in the current quarter: the growth was driven by the SMAs business

<sup>1</sup> Calculated as the difference between net revenues and industrial costs directly and indirectly attributable to the products sold.

<sup>2</sup> Calculated as the ratio between gross profit and consolidated net revenues.

<sup>3</sup> 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".

(EBITDA from 22.5% to 31.6%), which more than offset the lower margins in the purification business.

**Consolidated net income** amounted to €3.8 million, more than tripled compared to a consolidated net income of €1.2 million in the corresponding quarter of the previous year.

There is a strong satisfaction for the results achieved in the third quarter and the overall good performance recorded by all the business areas, that confirm the trend of the previous quarters. These results are mainly driven by the Shape Memory Alloys Business Unit, whose total revenues increased by over 49%, thanks to the strong success of all the new products. We expect a confirmation of the current trend for the remaining part of the year and a further growth in the SMA business.

**CONSOLIDATED FINANCIAL STATEMENTS****Consolidated statement of profit or loss**

Thousands of euro

	<b>3<sup>rd</sup> quarter 2015</b>	<b>3<sup>rd</sup> quarter 2014</b>
<b>Total net sales</b>	<b>40,952</b>	<b>32,307</b>
Cost of sales	(23,465)	(18,079)
<b>Gross profit</b>	<b>17,487</b>	<b>14,228</b>
R&D expenses	(3,284)	(3,339)
Selling expenses	(2,927)	(2,742)
G&A expenses	(5,758)	(4,518)
Total operating expenses	(11,969)	(10,599)
Royalties	372	258
Other income (expenses), net	24	(2)
<b>Operating income (loss)</b>	<b>5,914</b>	<b>3,885</b>
Interest and other financial income, net	(332)	(487)
Income (loss) from equity method evaluated companies	(525)	(479)
Foreign exchange gains (losses), net	(6)	50
<b>Income (loss) before taxes</b>	<b>5,051</b>	<b>2,969</b>
Income taxes	(1,281)	(1,809)
<b>Net income (loss) from continued operations</b>	<b>3,770</b>	<b>1,160</b>
Income (loss) from assets held for sale and discontinued operations	0	34
<b>Net income (loss) before minority interest</b>	<b>3,770</b>	<b>1,194</b>
Net income (loss) pertaining to minority interest	0	0
<b>Net income (loss) pertaining to the Group</b>	<b>3,770</b>	<b>1,194</b>

**Consolidated statement of other comprehensive income**

Thousands of euro

	<b>3<sup>rd</sup> quarter 2015</b>	<b>3<sup>rd</sup> quarter 2014</b>
<b>Net income (loss) for the period</b>	<b>3,770</b>	<b>1,194</b>
Exchange differences on translation of foreign operations	(2,761)	6,857
Exchange differences on equity method evaluated companies	107	(34)
Total exchange differences	(2,654)	6,823
<b>Total components that will be reclassified to the profit (loss) in the future</b>	<b>(2,654)</b>	<b>6,823</b>
<b>Total components that will not be reclassified to the profit (loss) in the future</b>	<b>0</b>	<b>0</b>
<b>Other comprehensive income (loss), net of taxes</b>	<b>(2,654)</b>	<b>6,823</b>
<b>Total comprehensive income (loss), net of taxes</b>	<b>1,116</b>	<b>8,017</b>
<i>attributable to:</i>		
- Equity holders of the Parent Company	1,116	8,017
- Minority interests	0	0

**Consolidated Income (Loss) per Share**

Euro

	<b>September 2015</b>	<b>September 2014</b>
Net income (loss) per ordinary share	0.3508	0.1018
Net income (loss) per savings share	0.3674	0.1385

**Consolidated statement of profit or loss by Business Unit**

Thousands of euro

	Industrial Applications		Shape Memory Alloys		Business Development & Corporate Costs		TOTAL	
	3 <sup>rd</sup> quarter 2015	3 <sup>rd</sup> quarter 2014	3 <sup>rd</sup> quarter 2015	3 <sup>rd</sup> quarter 2014	3 <sup>rd</sup> quarter 2015	3 <sup>rd</sup> quarter 2014	3 <sup>rd</sup> quarter 2015	3 <sup>rd</sup> quarter 2014
Total net sales	22,969	20,531	17,773	11,379	210	397	40,952	32,307
Cost of sales	(12,631)	(10,311)	(10,625)	(7,558)	(209)	(210)	(23,465)	(18,079)
<b>Gross profit (loss)</b>	<b>10,338</b>	<b>10,220</b>	<b>7,148</b>	<b>3,821</b>	<b>1</b>	<b>187</b>	<b>17,487</b>	<b>14,228</b>
Operating expenses and other income (expenses)	(4,403)	(4,043)	(2,459)	(2,024)	(4,711)	(4,276)	(11,573)	(10,343)
<b>Operating income (loss)</b>	<b>5,935</b>	<b>6,177</b>	<b>4,689</b>	<b>1,797</b>	<b>(4,710)</b>	<b>(4,089)</b>	<b>5,914</b>	<b>3,885</b>

**Consolidated Statement of Financial Position**

Thousands of euro

	September 30, 2015	December 31, 2014
Property, plant and equipment, net	50,316	50,684
Intangible assets	51,476	48,705
Other non current assets	19,315	18,583
Current assets	85,441	87,979
Assets held for sale	0	0
<b>Total Assets</b>	<b>206,548</b>	<b>205,951</b>
Shareholders' equity	122,467	112,685
Minority interest in consolidated subsidiaries	3	3
<b>Total Shareholders' Equity</b>	<b>122,470</b>	<b>112,688</b>
Non current liabilities	40,373	30,503
Current liabilities	43,705	62,760
Liabilities held for sale	0	0
<b>Total Liabilities and Shareholders' Equity</b>	<b>206,548</b>	<b>205,951</b>

**Consolidated Net Financial Position**

Thousands of euro

	September 30, 2015	June 30, 2015	March 31, 2015	December 31, 2014
Cash on hands	23	21	23	19
Cash equivalents	18,774	19,315	22,712	25,583
<b>Cash and cash equivalents</b>	<b>18,797</b>	<b>19,336</b>	<b>22,735</b>	<b>25,602</b>
Related parties current financial assets	520	480	2,740	2,762
Other current financial assets	0	323	873	189
<b>Current financial assets</b>	<b>520</b>	<b>803</b>	<b>3,613</b>	<b>2,951</b>
Bank overdraft	(7,381)	(14,831)	(30,094)	(30,722)
Current portion of long term debt	(11,766)	(6,452)	(6,093)	(6,690)
Related parties financial liabilities	0	0	0	0
Other current financial liabilities	(760)	(966)	(1,619)	(2,069)
<b>Current financial liabilities</b>	<b>(19,907)</b>	<b>(22,249)</b>	<b>(37,806)</b>	<b>(39,481)</b>
<b>Current net financial position</b>	<b>(590)</b>	<b>(2,110)</b>	<b>(11,458)</b>	<b>(10,928)</b>
<b>Related parties non current financial assets</b>	<b>2,200</b>	<b>2,300</b>	<b>0</b>	<b>0</b>
Long term debt, net of current portion	(23,433)	(23,310)	(16,470)	(14,689)
Other non current financial liabilities	(1,379)	(1,381)	(1,491)	(1,328)
<b>Non current liabilities</b>	<b>(24,812)</b>	<b>(24,691)</b>	<b>(17,961)</b>	<b>(16,017)</b>
<b>Non current net financial position</b>	<b>(22,612)</b>	<b>(22,391)</b>	<b>(17,961)</b>	<b>(16,017)</b>
<b>Net financial position</b>	<b>(23,202)</b>	<b>(24,501)</b>	<b>(29,419)</b>	<b>(26,945)</b>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### **Accounting Principles, Methods and Structure of the Group**

The Interim Management Report has been prepared applying the international accounting standards (IFRS) and in accordance with article 154-*ter* of “Financial Consolidation Act”, introduced by the Legislative Decree 195/2007, through which the Italian Lawyer has given execution to the Directive 2004/109/CE on subject of periodical information. This article substituted the article 82 (“Quarterly reports”) and the Annex 3D (“Guidance for the editing of Quarterly Reports”) of the Issuers Regulations.

The Interim Management Report is consistent with the accounting principles that govern the preparation of the annual and consolidated financial statements, insofar as they are applicable. Evaluation procedures adopted in the Interim Management Report are substantially similar to those usually applied to prepare the annual and consolidated financial statements.

During the third quarter of 2015 there were no changes in the scope of consolidation.

### **Relevant events occurred in the third quarter of 2015**

On July 15, 2015 SAES Nitinol S.r.l. made a capital contribution in favor of the joint venture Actuator Solutions GmbH equal to €0.5 million. The same amount was paid by the joint partner Alfmeier, through the company SMA Holding GmbH.

On July 24, 2015 SAES Getters S.p.A. signed a new multi-tranche loan for a total value of €11 million. The contract provides for an amortizing type tranche, amounting to €8 million 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, is a revolving one, with a duration of three years and its use based on the operational needs of the SAES Group. On September 25, 2015, SAES Getters S.p.A. signed an IRS (Interest Rate Swap) contract on the first tranche with a notional value of €8 million expiring on July 31, 2020, that provides for the exchange of the six months Euribor with a fixed rate of 0.285%.

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.

This transaction fits into the strategy of rebalancing the structure of the Group’s financial debt, with a progressive increase of the incidence of medium to long-term loans, compared to the short-term bank debt.

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

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It should be noted that the Interim Management Report on 3<sup>rd</sup> quarter 2015 is unaudited.

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In order to manage the economic impact generated by the fluctuations in the exchange rates, primarily EUR/USD and EUR/JPY, the Group enters into hedges on current and future receivables related to the sales transactions denominated in currencies other than the euro of the main Group Italian companies. Particularly, as at September 30, 2015 the Group holds forward contracts on the Japanese yen which have a total notional value equal to JPY 75 million. The average forward exchange rate for these contracts is JPY 142.50 to the euro and all these contracts will extend throughout the remaining part of

the fiscal year 2015. Furthermore, the Group holds forward contracts on the US dollar which have a total notional value of USD 3.7 million. Their average forward exchange rate is USD 1.1829 against the euro and also all these contracts will extend throughout the remaining part of the fiscal year 2015.

Finally, the Group has in place a forward sale contract in euros in order to limit the currency risk on the Group resulting from the effect of the oscillation of the Korean won on the balance of the financial credit in euro that SAES Getters Korea Corporation holds towards the Parent Company. This contract, with a notional value of 1.5 million euro, will expire on December 28, 2015 and provides for a forward exchange rate equal to 1,309.00 against the euro.

Subsequent to September 30, 2015 no further forward contracts have been entered into.

### **Net Sales by Business and by Geographic Location of Customers**

#### **Consolidated Net Sales by Business**

Thousands of euro (except %)

<b>Business</b>	<b>3<sup>rd</sup> quarter 2015</b>	<b>3<sup>rd</sup> quarter 2014</b>	<b>Total difference (%)</b>	<b>Price-Quantity effect (%)</b>	<b>Exchange rate effect (%)</b>
Electronic & Photonic Devices	3,423	3,461	-1.1%	-13.6%	12.5%
Sensors & Detectors	2,527	2,301	9.8%	-0.4%	10.2%
Light Sources	2,141	2,427	-11.8%	-17.0%	5.2%
Vacuum Systems	2,079	1,841	12.9%	7.6%	5.3%
Thermal Insulation	1,404	1,513	-7.2%	-16.2%	9.0%
Pure Gas Handling	11,395	8,988	26.8%	6.5%	20.3%
<b>Industrial Applications</b>	<b>22,969</b>	<b>20,531</b>	<b>11.9%</b>	<b>-2.0%</b>	<b>13.9%</b>
SMA Medical Applications	15,406	10,241	50.4%	27.6%	22.8%
SMA Industrial Applications	2,367	1,138	108.0%	99.3%	8.7%
<b>Shape Memory Alloys</b>	<b>17,773</b>	<b>11,379</b>	<b>56.2%</b>	<b>34.8%</b>	<b>21.4%</b>
<b>Business Development</b>	<b>210</b>	<b>397</b>	<b>-47.1%</b>	<b>-52.8%</b>	<b>5.7%</b>
<b>Total Net Sales</b>	<b>40,952</b>	<b>32,307</b>	<b>26.8%</b>	<b>10.4%</b>	<b>16.4%</b>

#### **Index:**

<b>Industrial Applications Business Unit</b>	
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
<b>Shape Memory Alloys (SMA) Business Unit</b>	
SMA Medical applications	NiTiInol 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)
<b>Business Development Unit</b>	
Business Development	Innovative hybrid technologies that integrate getter materials in polymer matrices

**Consolidated Net Sales by Geographic Location of Customer**

Thousands of euro

Geographic Area	3 <sup>rd</sup> quarter 2015	3 <sup>rd</sup> quarter 2014
Italy	844	582
European countries	9,169	7,388
North America	19,479	16,960
Japan	1,720	1,842
South Korea	2,264	795
China	5,048	2,565
Rest of Asia	2,159	2,040
Rest of the World	269	135
<b>Total Net Sales</b>	<b>40,952</b>	<b>32,307</b>

In the third quarter of 2015 the SAES Group achieved **consolidated net revenues** equal to €41 million, up by 26.8% compared to €32.3 million achieved in the corresponding period of 2014. The **exchange rate effect** was positive and equal to +16.4%, thanks to the strengthening of the US dollar against the euro, while the **organic growth** amounted to +10.4%, mainly driven, as in the previous quarters, by the **shape memory alloys (SMA)** business (+34.8%, confirming the success of the already made and ongoing investments). The success of the SMAs came along with the organic growth in the more traditional and established businesses of the **gas purification** (+6.5%) and of the **vacuum systems** (+7.6%).

**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 €43.2 million, up by 25.9% compared to €34.3 million in the third quarter of 2014, thanks both to the increase in consolidated revenues (+26.8%) and to the revenues' growth of the joint venture (+13.7%).

**Total revenues of the Group**

Thousands of euro

	3 <sup>rd</sup> quarter 2015	3 <sup>rd</sup> quarter 2014	Difference
<b>Consolidated sales</b>	<b>40,952</b>	<b>32,307</b>	<b>8,645</b>
50% Actuator Solutions sales	2,384	2,097	287
Eliminations	-169	-110	-59
<b>Total revenues of the Group</b>	<b>43,167</b>	<b>34,294</b>	<b>8,873</b>

**Industrial Applications Business Unit**

**Consolidated revenues** of the Industrial Applications Business Unit amounted to €23 million in the third quarter of 2015, up by 11.9% compared to €20.5 million in the corresponding quarter of 2014. The trend of the euro against the major foreign currencies led to a positive exchange rate effect equal to +13.9%, net of which revenues would have organically decreased by 2%.

The businesses showing an organic growth were the Vacuum Systems Business (+7.6%), thanks to higher volumes both in the research field and in that of industrial pumps, and the Pure Gas Handling Business (+6.5%), whose positive performance was 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.

Please note the substantial stability in the volumes of the Sensors and Detectors segment (-0.4% the price/quantity effect), although with a different product mix, that came along with a positive exchange rate effect.

On the other hand, despite the favorable currency effect, the following segments decreased: the lighting systems segment (with an organic decrease of -17%), penalized by the competitive pressure of the Solid State Lighting (LED) towards fluorescent lamps on our customers, as well

as by the summer shutdown of some European plants; the thermal insulation business (-16.2%) in which the positive trend in the sales of getters for vacuum bottles (consumer market) didn't offset the weak demand of getter solutions for oil applications and for the refrigeration market; the Electronic & Photonic Devices Business (-13.6%) following some delays in the orders of the image intensifiers segment, whose sales will be postponed to the fourth quarter of the year.

The table below shows the revenues in the third quarter of 2015 related to the various business areas, with evidence of the exchange rate effect and of the organic change compared to the corresponding period of 2014:

**Consolidated Net Sales by Business**

Thousands of euro (except %)

Business	3 <sup>rd</sup> quarter 2015	3 <sup>rd</sup> quarter 2014	Total difference (%)	Price-Quantity effect (%)	Exchange rate effect (%)
Electronic & Photonic Devices	3,423	3,461	-1.1%	-13.6%	12.5%
Sensors & Detectors	2,527	2,301	9.8%	-0.4%	10.2%
Light Sources	2,141	2,427	-11.8%	-17.0%	5.2%
Vacuum Systems	2,079	1,841	12.9%	7.6%	5.3%
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Pure Gas Handling	11,395	8,988	26.8%	6.5%	20.3%
<b>Industrial Applications</b>	<b>22,969</b>	<b>20,531</b>	<b>11.9%</b>	<b>-2.0%</b>	<b>13.9%</b>

**Gross profit** of the Industrial Applications Business Unit was equal to €10.3 million in the third quarter of 2015, in line with €10.2 million in the corresponding quarter of 2014; the gross margin decreased from 49.8% to 45%. Although the increase in sales, related to the currency effect, allowed to slightly increase the gross profit (+1.2%), the overall margin decreased, mainly penalized by the competitive pressure in the gas purification business in the Asian markets.

**Operating income** of the Industrial Applications Business Unit was equal to €5.9 million, compared to €6.2 million in the third quarter of 2014 (-3.9%): the slight increase in gross profit was not enough to offset the increased operating expenses, also penalized by the currency effect.

**Business Unit Shape Memory Alloys (SMA)**

**Consolidated revenues** of the Shape Memory Alloys Business Unit were equal to €17.8 million in the third quarter of 2015, showing a significant increase (+56.2%) compared to €11.4 million in the corresponding period of 2014. The exchange rate effect was positive and equal to +21.4%, net of which the organic growth was equal to +34.8%.

Both segments of this Business Unit recorded a strong growth. The medical SMA segment (NiTiNol raw materials and components) recorded an organic growth of 27.6%, continuing the positive trend that has characterized the first six months of the year. Also the industrial SMA segment recorded a strong growth, substantially doubled with an organic growth equal to 99.3%, thanks to the increased sales of SMA springs and trained wires for automotive and consumer applications and the entry into the luxury goods market.

The table below shows the revenues in the third quarter of 2015 related to the various business areas, with evidence of the exchange rate effect and of the organic change compared to the corresponding period of 2014:



**Consolidated Net Sales by Business**

Thousands of euro (except %)

Business	3 <sup>rd</sup> quarter 2015	3 <sup>rd</sup> quarter 2014	Total difference (%)	Price-Quantity effect (%)	Exchange rate effect (%)
SMA Medical Applications	15,406	10,241	50.4%	27.6%	22.8%
SMA Industrial Applications	2,367	1,138	108.0%	99.3%	8.7%
<b>Shape Memory Alloys</b>	<b>17,773</b>	<b>11,379</b>	<b>56.2%</b>	<b>34.8%</b>	<b>21.4%</b>

**Gross profit** of the Shape Memory Alloys Business Unit was equal to €7.1 million (40.2% of consolidated revenues) in the third quarter of 2015, compared to €3.8 million (33.6% as a percentage of revenues) in the corresponding period of 2014. The significant increase in the gross margin was the result of the greater economies of scale following the sales' increase in both segments, and of the improved efficiency of the new productions.

**Operating income** of the Shape Memory Alloys Business Unit amounted to €4.7 million, showing a significant increase (+160.9%) compared to €1.8 million in the third quarter of 2014. The increase in sales and in the gross margin and the lower incidence of operating expenses (from 17.9% to 13.9%), essentially unchanged from the previous year, favored the significant improvement in the operating margin, which rose from 15.8% to 26.4%.

**Business Development Unit & Corporate Costs**

The Business Development Unit & Corporate Costs includes projects of basic research or development, aimed at diversifying into innovative businesses, in addition to corporate costs (costs that cannot be directly attributed or reasonably allocated to any business sector but that refer to the Group as a whole).

In the third quarter of 2015 **consolidated revenues** amounted to €0.2 million (€0.4 million in the corresponding period of 2014), made almost exclusively of sales of components for OLED displays. The exchange rate effect was positive and equal to +5.7%, net of which the organic decrease would have been equal to 52.8%.

**Gross profit** was substantially at break-even (€1 thousand) in the third quarter of 2015.

**Operating result** was negative and equal to -€4.7 million, compared to a negative figure equal to -€4.1 million in the third quarter of 2014. The worsening was mainly due to higher corporate general and administrative expenses (higher consultant fees and an increased accrual for the variable component of the remuneration of the Executive Directors).

**Consolidated gross profit** amounted to €17.5 million in the third quarter of 2015, compared to €14.2 million in the corresponding quarter of 2014. The growth (+22.9%), favored by the positive exchange rate effect, was mainly due to the increased revenues especially in the SMAs business. The slight decrease in gross margin (from 44% in the third quarter of 2014 to 42.7% in the current period) was limited to the gas purification business, in which the organic sales growth was entirely absorbed by lower margins due to the increasing pressure on prices in the Asian markets.

**Consolidated operating income** amounted to €5.9 million (14.4% of consolidated revenues) in the quarter, showing a significant increase (+52.2%) compared to €3.9 million in the corresponding period of the previous year (12% of consolidated revenues): the increase in revenues and the reduction of the operating expenses in percentage terms (from 32.8% to 29.2%) enabled the strong improvement in the operating indicators compared to the previous year.

**Consolidated operating expenses** were equal to €12 million, compared to €10.6 million in the corresponding quarter of 2014 and showed a physiological growth related to the increase in sales, 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 consultant fees and an increased accrual for the variable component of the remuneration of the Executive Directors).

The **royalties** accrued for the licensing of the thin film getter technology for MEMS of new generation amounted to €0.4 million in the third quarter of 2015, growing if compared to €0.3 million in the corresponding period of the previous year, thanks to the recognition of an additional tranche of the lump-sum deriving from the last agreement signed.

**Consolidated EBITDA** amounted to €8.1 million (19.9% of revenues), up by 35.1% compared to €6 million in the corresponding quarter of 2014 (18.6% as a percentage of revenues).

#### EBITDA

Thousands of euro

	3 <sup>rd</sup> quarter 2015	3 <sup>rd</sup> quarter 2014
<b>Operating income (loss)</b>	<b>5,914</b>	<b>3,885</b>
Depreciation & Amortization	2,106	2,137
Write-down	98	0
Other	18	0
<b>EBITDA</b>	<b>8,136</b>	<b>6,022</b>
<b>% on sales</b>	<b>19.9%</b>	<b>18.6%</b>

The net balance of **financial income and expenses** was negative and equal to -€0.3 million (-€0.5 million 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.

The loss deriving from the **evaluation with the equity method** of the joint venture Actuator Solutions amounted to -€0.5 million, in line with the corresponding quarter of the previous year.

The sum of the **exchange rate differences** recorded a balance close to zero (negative for €6 thousand) in the third quarter of 2015, substantially in line with the figure of the third quarter of 2014 (positive for €50 thousand).

**Consolidated income before taxes** amounted to €5.1 million, showing a significant increase (+70.1%) compared to an income before taxes of €3 million in the third quarter of 2014.

**Income taxes** amounted to €1.3 million in the quarter, compared to €1.8 million in the corresponding quarter of the previous year. The Group tax rate was equal to 25.4%, compared to 60.9% in the corresponding quarter 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, on which the Group keeps not recognizing deferred tax assets, as well as of some positive effects related to the final calculation of the previous year taxes regarding the US subsidiaries.

The third quarter of 2015 ended with a **consolidated net income** equal to €3.8 million (9.2% of revenues), more than tripled compared to a consolidated net income equal to €1.2 million in the corresponding period of the previous year.

The **net financial position** was negative and equal to -€23.2 million as at September 30, 2015, showing a progressive improvement compared to -€24.5 million as at June 30, 2015 and -€29.4 million as at March 31, 2015.

The improvement, compared to June 30, was completely attributable to the cash-flow generated from the operating activities (about €2.6 million) and related to the increase in both revenues and economic results. The outflows for investment activities were equal to €1.5 million in the quarter (investments in tangible and intangible assets, net of disposals, were equal to €1 million euro, plus the capital contribution in favor of the joint venture Actuator Solutions GmbH equal to €0.5 million).

### **January – September 2015**

**Consolidated revenues** amounted to €122.4 million in the first nine months of 2015, up by 27.7% compared to €95.9 million in the corresponding period of 2014. The currency trend led to a positive exchange rate effect equal to 18.5%, net of which the organic growth would have been equal to 9.2%. Revenues of the Industrial Applications Business Unit were equal to €74.5 million, up by 17.4% compared to €63.4 million in the first nine months of 2014 (positive exchange rate effect equal to 16.5%, net of which the organic growth was equal to 0.9%). Excluding the currency effect, the volumes' increase in the gas purification business (+10.9%) and in that of vacuum pumps (+26.8%), more than offset the organic decline of the others sectors, ensuring, overall, the substantial stability of this Business Unit that brings together the most established and traditional activities of the Group.

The Shape Memory Alloys Business Unit ended the first nine months of 2015 with consolidated revenues equal to €47 million, up by 49.5% compared to €31.4 million in the first nine months of 2014 (with a positive exchange rate effect equal to 22.7% and an organic growth of 26.8%). Both segments, the medical and industrial ones, recorded a significant growth and the increase in sales in absolute terms (€15.6 million) would have been even higher (€16.2 million) consolidating the sales growth of the joint venture Actuator Solutions.

**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 €128.3 million, compared to €101.1 million in the first nine months of 2014, with an increase of 26.9%.

**Consolidated gross profit** amounted to €52.6 million in the first nine months of 2015, compared to €41.4 million in the corresponding period of 2014: the 27% increase was the result of both the increase in volumes sold and of the favorable effect of the revaluation of the dollar against the euro. The **consolidated gross margin** was equal to 42.9%, substantially in line with a gross margin of 43.2% in the corresponding period of 2014: the aforementioned decrease in the gross margin of the purification business was offset by the higher gross contribution of the Shape Memory Alloys Business Unit.

**Consolidated operating income** amounted to €14.7 million (12% of consolidated revenues) in the first nine months of 2015, compared to €9.1 million in the corresponding period of the previous year (9.5% of consolidated revenues). The improvement in the operating indicators compared to the previous year was made possible by the increase in revenues and the reduction of the operating expenses in percentage terms (from 35% to 31.4% in the first nine months of 2015).

The **operating expenses** amounted to €38.5 million in the first nine months of 2015, compared to €33.5 million in the first nine months of 2014. 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) as well as, but to a lesser extent, the selling expenses, that increased in line with the increase in revenues.

The **royalties** accrued for the licensing of the thin film getter technology for MEMS of new generation amounted to €0.7 million in the first nine months of 2015, compared to €1.3 million in the corresponding period of the previous year; the decrease was due to lower commissions for the period

(due to the price erosion that is affecting the gyroscopes market, as well as to the decrease in volumes) and to lower lump-sums for the transfer of technology related to the signing of new licensing agreements.

**Consolidated EBITDA** amounted to €21.4 million in the first nine months of 2015 (17.5% of revenues) compared to €15.5 million in the same period of 2014 (16.1% of sales).

The net balance of **financial income and expenses** was negative and equal to -€1.1 million (compared to -€1.4 million 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.

The loss deriving from the **evaluation with the equity method** of the joint venture Actuator Solutions amounted to -€1.5 million in the first nine months of 2015, compared to a negative figure of -€1 million in the corresponding period of the previous year.

The sum of the **exchange rate differences** recorded a positive balance of €1.1 million in the first nine months of 2015, compared to a positive balance of €0.1 million as at September 30, 2014. The positive balance of the current year was mainly due to foreign exchange gains (€1.9 million) resulting from the release of part of the translation reserve generated by the consolidation of SAES Getters (Nanjing) Co., Ltd. into the income statement, following 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 -€0.9 million) related to forward contracts entered to hedge commercial transactions in dollars and yen.

**Income before taxes** amounted to €13.3 million in the first nine months of 2015, or 10.8% of consolidated revenues, almost doubled (+94.4%) compared to an income before taxes of €6.8 million in the corresponding period of 2014 (7.1% of consolidated revenues).

**Income taxes** amounted to €5.4 million in the first nine months of 2015, compared to €4.6 million in the corresponding period of 2014. The tax rate decreased from 67% to 40.7%: the tax rate improvement was the result of lower tax losses realized in the period by the Group's Italian companies, on which the Group keeps not recognizing deferred tax assets, as well as of some positive effects related to the final calculation of the previous year taxes regarding the US subsidiaries.

**Consolidated net income** amounted to €7.9 million in the first nine months of 2015, more than tripled compared to a consolidated net income equal to €2.5 million in the first nine months of the previous year.

Please note that net income as at September 30, 2014 included a positive result from discontinued operations of €0.3 million, related to the residual proceeds deriving from the sale of the plant of SAES Getters (Nanjing) Co., Ltd.

In the first nine months of 2015 the net income per ordinary share amounted to €0.3508, while that per savings share was equal to €0.3674; in the first nine months of the previous year the net income amounted to €0.1018 per ordinary share and €0.1385 per savings share.

**Consolidated statement of profit or loss**

Thousands of euro

	<b>September 2015</b>	<b>September 2014</b>
<b>Total net sales</b>	<b>122,440</b>	<b>95,863</b>
Cost of sales	(69,875)	(54,483)
<b>Gross profit</b>	<b>52,565</b>	<b>41,380</b>
	R&D expenses	(10,722)
	Selling expenses	(9,994)
	G&A expenses	(17,742)
Total operating expenses	(38,458)	(33,517)
Royalties	703	1,301
Other income (expenses), net	(106)	(88)
<b>Operating income (loss)</b>	<b>14,704</b>	<b>9,076</b>
Interest and other financial income, net	(1,103)	(1,353)
Income (loss) from equity method evaluated companies	(1,458)	(1,030)
Foreign exchange gains (losses), net	1,108	124
<b>Income (loss) before taxes</b>	<b>13,251</b>	<b>6,817</b>
Income taxes	(5,393)	(4,568)
<b>Net income (loss) from continued operations</b>	<b>7,858</b>	<b>2,249</b>
Income (loss) from assets held for sale and discontinued operations	0	266
<b>Net income (loss) before minority interest</b>	<b>7,858</b>	<b>2,515</b>
Net income (loss) pertaining to minority interest	0	0
<b>Net income (loss) pertaining to the Group</b>	<b>7,858</b>	<b>2,515</b>

**Consolidated statement of other comprehensive income**

Thousands of euro

	<b>September 2015</b>	<b>September 2014</b>
<b>Net income (loss) for the period</b>	<b>7,858</b>	<b>2,515</b>
Exchange differences on translation of foreign operations	5,395	7,874
Exchange differences on equity method evaluated companies	6	(37)
Total exchange differences	5,401	7,837
<b>Total components that will be reclassified to the profit (loss) in the future</b>	<b>5,401</b>	<b>7,837</b>
<b>Total components that will not be reclassified to the profit (loss) in the future</b>	<b>0</b>	<b>0</b>
<b>Other comprehensive income (loss), net of taxes</b>	<b>5,401</b>	<b>7,837</b>
<b>Total comprehensive income (loss), net of taxes</b>	<b>13,259</b>	<b>10,352</b>
<i>attributable to:</i>		
- Equity holders of the Parent Company	13,259	10,352
- Minority interests	0	0

**EBITDA**

Thousands of euro

	<b>September 2015</b>	<b>September 2014</b>
<b>Operating income (loss)</b>	<b>14,704</b>	<b>9,076</b>
Depreciation & Amortization	6,273	6,389
Write-down	109	0
Other	295	(4)
<b>EBITDA</b>	<b>21,381</b>	<b>15,461</b>
<b>% on sales</b>	<b>17.5%</b>	<b>16.1%</b>

**Consolidated Net Sales by Business**

Thousands of euro (except %)

Business	September 2015	September 2014	Total difference (%)	Price-Quantity effect (%)	Exchange rate effect (%)
Electronic & Photonic Devices	9,986	9,246	8.0%	-6.3%	14.3%
Sensors & Detectors	7,571	6,929	9.3%	-1.9%	11.2%
Light Sources	7,161	8,656	-17.3%	-23.6%	6.3%
Vacuum Systems	6,169	4,559	35.3%	26.8%	8.5%
Thermal Insulation	4,553	5,031	-9.5%	-20.6%	11.1%
Pure Gas Handling	39,025	29,002	34.6%	10.9%	23.7%
<b>Industrial Applications</b>	<b>74,465</b>	<b>63,423</b>	<b>17.4%</b>	<b>0.9%</b>	<b>16.5%</b>
SMA Medical Applications	41,348	28,677	44.2%	20.1%	24.1%
SMA Industrial Applications	5,675	2,767	105.1%	96.6%	8.5%
<b>Shape Memory Alloys</b>	<b>47,023</b>	<b>31,444</b>	<b>49.5%</b>	<b>26.8%</b>	<b>22.7%</b>
<b>Business Development</b>	<b>952</b>	<b>996</b>	<b>-4.4%</b>	<b>-15.6%</b>	<b>11.2%</b>
<b>Total Net Sales</b>	<b>122,440</b>	<b>95,863</b>	<b>27.7%</b>	<b>9.2%</b>	<b>18.5%</b>

**Consolidated Net Sales by Geographic Location of Customer**

Thousands of euro

Geographic Area	September 2015	September 2014
Italy	1,518	1,693
European countries	23,822	20,291
North America	56,258	44,694
Japan	4,331	4,486
South Korea	9,077	3,886
China	11,183	10,532
Rest of Asia	13,598	9,587
Rest of the World	2,653	694
<b>Total Net Sales</b>	<b>122,440</b>	<b>95,863</b>

**Total revenues of the Group**

Thousands of euro

	September 2015	September 2014	Difference
<b>Consolidated sales</b>	<b>122,440</b>	<b>95,863</b>	<b>26,577</b>
50% Actuator Solutions sales	6,336	5,569	767
Eliminations	-431	-285	-146
<b>Total revenues of the Group</b>	<b>128,345</b>	<b>101,147</b>	<b>27,198</b>

**Consolidated statement of profit or loss by Business Unit**

Thousands of euro

	Industrial Applications		Shape Memory Alloys		Business Development & Corporate Costs		TOTAL	
	September 2015	September 2014	September 2015	September 2014	September 2015	September 2014	September 2015	September 2014
<b>Total net sales</b>	<b>74,465</b>	<b>63,423</b>	<b>47,023</b>	<b>31,444</b>	<b>952</b>	<b>996</b>	<b>122,440</b>	<b>95,863</b>
Cost of sales	(39,449)	(32,164)	(29,697)	(21,608)	(729)	(711)	(69,875)	(54,483)
<b>Gross profit (loss)</b>	<b>35,016</b>	<b>31,259</b>	<b>17,326</b>	<b>9,836</b>	<b>223</b>	<b>285</b>	<b>52,565</b>	<b>41,380</b>
Operating expenses and other income (expenses)	(15,080)	(13,120)	(7,890)	(6,151)	(14,891)	(13,033)	(37,861)	(32,304)
<b>Operating income (loss)</b>	<b>19,936</b>	<b>18,139</b>	<b>9,436</b>	<b>3,685</b>	<b>(14,668)</b>	<b>(12,748)</b>	<b>14,704</b>	<b>9,076</b>

## Actuator Solutions

Actuator Solutions GmbH, established in the second half of 2011, is headquartered in Gunzenhausen (Germany) and is 50% jointly owned by SAES and Alfmeier Präzision, a German group operating in the fields of electronics and advanced plastic materials. This 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 €12.7 million in the first nine months of 2015; its turnover, totally generated by the sales of valves used in lumbar control systems of the seats of cars, increased by 13.8% compared to €11.1 million in the first nine months 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 revenues' increase of the seat comfort business, the net income of the period was negative and equal to

-€2.9 million (compared to -€2.1 million at September 30, 2014), because of 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 automotive sector, the vending industry, for the white goods sector and for 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.

As previously mentioned, the share of the SAES Group in the result of the joint venture in the first nine months of 2015 amounted to -€1.5 million (-€1 million in the corresponding period of the previous year).

**Actuator Solutions - SAES Group interest (50%)**  
Thousands of euro

Statement of financial position	September 30, 2015	December 31, 2014
Non current assets	3,802	3,614
Current assets	2,698	1,887
<b>Total Assets</b>	<b>6,500</b>	<b>5,501</b>
Non current liabilities	2,264	2,435
Current liabilities	3,868	1,696
<b>Total Liabilities</b>	<b>6,132</b>	<b>4,131</b>
Capital Stock, Reserves and Retained Earnings	1,820	2,698
Net income (loss) for the period	(1,458)	(1,286)
Other comprehensive income (loss) for the period	6	(42)
<b>Total Equity</b>	<b>368</b>	<b>1,370</b>

Statement of profit or loss	September 2015	September 2014
Total net sales	6,336	5,569
Cost of sales	(6,553)	(5,501)
<b>Gross profit</b>	<b>(217)</b>	<b>68</b>
Total operating expenses	(1,452)	(1,349)
Other income (expenses), net	97	58
<b>Operating income</b>	<b>(1,572)</b>	<b>(1,223)</b>
Interests and other financial income, net	(135)	(45)
Income taxes	249	238
<b>Net income (loss)</b>	<b>(1,458)</b>	<b>(1,030)</b>
Exchange differences	6	(37)
<b>Totale comprehensive income (loss) for the period</b>	<b>(1,452)</b>	<b>(1,067)</b>

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:

**Total statement of profit or loss of the Group**

Thousands of euro

	September 2015			
	Consolidated profit or loss	50% Actuator Solutions	Eliminations	Total profit or loss of the Group
<b>Total net sales</b>	<b>122,440</b>	<b>6,336</b>	<b>(431)</b>	<b>128,345</b>
Cost of sales	(69,875)	(6,553)	431	(75,997)
<b>Gross profit</b>	<b>52,565</b>	<b>(217)</b>	<b>0</b>	<b>52,348</b>
Total operating expenses	(38,458)	(1,452)		(39,910)
Royalties	703			703
Other income (expenses), net	(106)	97		(9)
<b>Operating income (loss)</b>	<b>14,704</b>	<b>(1,572)</b>	<b>0</b>	<b>13,132</b>
Interest and other financial income, net	(1,103)	(123)		(1,226)
Income (loss) from equity method evaluated companies	(1,458)		1,458	0
Foreign exchange gains (losses), net	1,108	(12)		1,096
<b>Income (loss) before taxes</b>	<b>13,251</b>	<b>(1,707)</b>	<b>1,458</b>	<b>13,002</b>
Income taxes	(5,393)	249		(5,144)
<b>Net income (loss) from continued operations</b>	<b>7,858</b>	<b>(1,458)</b>	<b>1,458</b>	<b>7,858</b>
Income (loss) from assets held for sale and discontinued operations	0			0
<b>Net income (loss) before minority interest</b>	<b>7,858</b>	<b>(1,458)</b>	<b>1,458</b>	<b>7,858</b>
Net income (loss) pertaining to minority interest	0			0
<b>Net income (loss) pertaining to the Group</b>	<b>7,858</b>	<b>(1,458)</b>	<b>1,458</b>	<b>7,858</b>

**Events subsequent to the end of the quarter**

On October 15, 2015 SAES Nitinol S.r.l. made a capital contribution in favor of the joint venture Actuator Solutions GmbH equal to €0.5 million, in addition to the same payment made in July. The same amount was paid by the 50% joint partner Alfmeier, through the company SMA Holding GmbH.

**Business performance outlook**

In the fourth quarter of 2015 we expect a confirmation of the current trend as recorded so far, with a continuing improvement in the net financial position, even including the investments necessary for the future growth.

In 2016 we expect a further growth of the total revenues of the Group, driven by the shape memory alloys for both medical and industrial applications, assuming stable exchange rates.



### **Consob regulatory simplification process**

Please note that, on November 13, 2012, the Board of Directors has approved, pursuant to Art. no. 3 of Consob resolution no.18079/2012, to adhere to the opt-out provisions as envisaged by Art. 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 and capital increases by contributions in kind, acquisitions and disposals.

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The Officer Responsible for the preparation of corporate financial reports of SAES Getters S.p.A. certifies that, in accordance with the second subsection of article 154-*bis*, part IV, title III, second paragraph, section V-*bis*, of Legislative Decree February 24, 1998, no. 58, the financial information included in the present document corresponds to book of account and book-keeping entries.

*The Officer Responsible for the preparation of corporate financial reports*  
*Michele Di Marco*

Lainate, Milan - Italy, November 12, 2015

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