

*The present is the English translation of the Italian official report approved by the Board of Directors on March 14, 2018. For any difference between the two texts, the Italian text shall prevail.*

**Directors' Report drawn up pursuant to art. 125-ter, paragraph 1, of the Consolidated Finance Law and art.72 of the Regulations for Issuers, adopted with CONSOB Resolution no. 11971 of 14/05/1999, on item 1 (extraordinary part) of the agenda of the Ordinary and Extraordinary Meeting of the Shareholders of SAES Getters S.p.A. convened on single call for 24 April 2018 at 10.30 at the registered office of the Company in Lainate, Viale Italia 77.**

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**Proposal to grant the Board of Directors, pursuant to art.2443 of the Italian Civil Code, the power to increase, on one or several occasions, with or without consideration, the share capital up to a maximum amount of EUR 15,600,000 for a period of five years; consequent and related resolutions, plus the amendment of the Company By-laws (article 4).**

Dear Shareholders,

The Board of Directors has summoned you to meet in extraordinary session to submit for your approval the granting of a new power to the Board of Directors to increase the share capital, to replace the power previously granted to the Board for the period of five years by the Extraordinary Meeting of Shareholders of 23 April 2013, which has now reached expiry.

This report therefore explains the content of the proposal drafted for this purpose.

## **1. Introduction**

As anticipated, on 23 April 2013, the Extraordinary Meeting of Shareholders of the Company granted the Board of Directors the power, pursuant to art. 2443 of the Italian Civil Code, to increase the share capital, on one or several occasions, with or without consideration, within the time limit of five years from the date of the resolution (and therefore up to 23 April 2018), up to a maximum amount of EUR 15,600,000.00 through the issue of shares from any category to be assigned free-of-charge or offered on a pre-emptive basis to the entitled parties.

The aforesaid power has not been exercised to the present date, but the opportunity remains for the Board of Directors to have this power at its disposal if it wishes to increase capital, as described in more detail below.

## **2. Subject of the power to be granted.**

The proposal concerns the assignment, pursuant to art. 2443 of the Italian Civil Code, to the Board of Directors of the power to increase the share capital on one or several occasions, up to a total maximum amount of EUR 15,600,000 to be exercised within the time limit of five years starting from the date of the resolution passed by the Extraordinary Meeting of Shareholders; it is proposed, in particular, that the power may be exercised:

- by means of one or more increases without consideration, without the issue of new shares (with a consequent increase in the implied book value of all shares already in issue), or by assigning ordinary and savings shares, in proportion to the ordinary and savings shares already held, in observance of the provisions of article 2442 of the Italian Civil Code and with the specification that the increase may be effected - within the limit of the amount authorised - by drawing from the available reserves posted in the financial statements for the year ended 31 December 2017, without prejudice to the obligation for the Board of Directors to check that such reserves exist and are usable at the time of the capital increase; and/or
- by means of one or more increases with consideration, separable or inseparable and with the issue of ordinary and/or savings shares, having the same characteristics (therein including, in particular, the enjoyment) as the corresponding shares already in issue, to be offered pre-emptively to the entitled parties, with the right for the administrative body to determine the issue price at the same or higher value (but under no circumstances lower) than the implied book value of the shares in issue at the time of the board resolution(s) to issue shares and to fix a possible premium to be assigned to the dedicated reserve.

### **3. Reasons for the granting of the power.**

The underlying reason for the proposal to grant this power - both for transactions with or without consideration - is to ensure that the Board of Directors, given the uncertainty and volatility of the stock markets, has the necessary flexibility and time to perform equity transactions, taking advantage of the favourable conditions that may be presented.

Furthermore, with specific reference to capital increases for a consideration, there is the need to reduce the time necessary for the Company to procure new funds, including with regard to possible acquisitions in the future. The reinforcement of the Company's capital falls within the framework of providing adequate support to its strategy of ensuring a constant and progressive increase in the size and international presence of the SAES Getters Group. This strategy, which has been in place for some time now, aims to combine internal growth, supported by the continual development of the existing product catalogue and the introduction of innovative products, with ongoing external

growth, also through strategic alliances and targeted acquisitions, seizing the opportunities that arise from time to time on the market.

Also taking into account the balanced financial situation enjoyed by the Company and its recent performance (as shown in the financial statements for your consideration), the assignment of the power may enable the Company to secure necessary financial resources, by taking advantage of any favourable market situations, which are often unexpected and dynamic and do not therefore allow for strict compliance with the time periods required for the calling of the Extraordinary Meeting of Shareholders, for obtaining the appropriate deliberations and implementing them.

The reasons for a possible capital increase without consideration, on the other hand, can be drawn from the possible reallocation of shareholders' equity items, also taking into regard the presence of substantial reserves, which can also increase in the future.

#### **4. Determination of the issue price.**

In the event of capital increases for consideration, the new shares shall be offered on a pre-emptive basis to the Shareholders at the price (and with the possible premium) that shall be established from time to time, in compliance with the applicable laws and regulations in force, by the Board of Directors, without prejudice to the fact that the new shares cannot in any case be issued with an implied book value that is less than that of the shares in issue at the time of the board resolutions(s) to issue shares.

#### **5. Duration of the power and exercising times.**

It is proposed that the duration of the power is equal to the maximum time provided for by law and hence five years starting from the date of the resolution of the Extraordinary Meeting of Shareholders and that this power can be exercised on one or several occasions.

The power can be exercised starting from the date of registration of the resolution proposal of the Extraordinary Meeting of Shareholders in the Register of Companies, which must be made within the time limit of 30 days starting from the decision date.

#### **6. Amount of the power.**

The proposal to grant the power concerns capital increases up to the maximum total amount of EUR 15,600,000.00, in line with the amount of the power that has just expired. The share capital of the

Company currently stands at EUR 12,220,000.00 and is divided into 22,049,969 shares, of which 14,671,350 are ordinary shares and 7,378,619 are savings shares, all with no par value.

## **7. Effects of the transaction.**

In the event of the exercising of the power, the Board of Directors shall provide adequate information on the economic, capital and financial effects of any capital increases carried out, as well as on the effects of the unit value of the shares and the dilution resulting from the latter.

## **8. Amendment of the Company By-laws.**

The proposed granting of power requires the amendment of the second paragraph of article 4 of the Company By-Laws, with the need to make the change shown in the text below, which is compared to the By-laws currently in force.

### **Art. 4**

<b>Current text</b>	<b>Proposed new text</b>
<p>The Company's registered Share Capital is EUR 12,200,000.00 (twelve million, two hundred and twenty thousand euros), divided into 14,671,350 (fourteen million six hundred and seventy-one thousand three hundred and fifty) ordinary shares and 7,378,619 (seven million three hundred and seventy-eight thousand six hundred and nineteen) savings shares. The Share Capital is subject to provisions regarding representation, legitimation, and circulation of shareholdings for shares traded on regulated markets.</p> <p>The directors have the power, within a period of five years from the resolution of 23 April 2013, to increase the Share Capital on one or more occasions up to an amount of EUR 15,600,000 (fifteen million six hundred thousand); it is in particular proposed that such power may be exercised:</p> <ul style="list-style-type: none"> <li>- by means of one or more increases without consideration, (i) either without the issue of new shares (with a consequent increase in the implied book value of all shares already in issue), or (ii) by assigning ordinary and savings shares, in proportion to the ordinary and savings shares already</li> </ul>	<p>UNCHANGED PART</p> <p>The directors have the power, within a period of five years from the resolution of 24 April 2018, and therefore until 23 April 2023, to increase the Share Capital on one or more occasions up to an amount of EUR 15,600,000 (fifteen million six hundred thousand); it is in particular proposed that such power may be exercised:</p> <ul style="list-style-type: none"> <li>- by means of one or more increases without consideration, (i) either without the issue of new shares (with a consequent increase in the implied book value of all shares already in issue), or (ii) by assigning ordinary and savings shares, in proportion to the</li> </ul>

<p>held, in observance of the provisions of article 2442 of the Italian Civil Code; the increase may be effected - within the limit of the amount authorised - by drawing from the available reserves posted in the financial statements for the year ended 31 December 2012, without prejudice to the obligation for the Board of Directors to check that such reserves exist and are usable at the time of the capital increase;</p> <p>and/or</p> <ul style="list-style-type: none"> <li>- by means of one or more increases with consideration, with the issue of ordinary and/or savings shares, having the same characteristics as the corresponding shares already in issue, to be offered pre-emptively in the form of rights, with the right for the administrative body to determine the issue price, including any premium; it is stipulated that the conversion shares in such increase(s) cannot be issued with an implied book value less than that of the shares in issue at the time of the board resolution(s) to issue shares.</li> </ul>	<p>ordinary and savings shares already held, in observance of the provisions of article 2442 of the Italian Civil Code and with the specification that the increase may be made - within the limit of the amount authorised - by drawing from the available reserves posted in the financial statements for the year ended 31 December 2017, without prejudice to the obligation for the Board of Directors to check that such reserves exist and are usable at the time of the capital increase;</p> <p>and/or</p> <ul style="list-style-type: none"> <li>- by means of one or more increases with consideration, separable or inseparable and with the issue of ordinary and/or savings shares, having the same characteristics (therein including, in particular, the enjoyment) as the corresponding shares already in issue, to be offered pre-emptively to the entitled parties, with the right for the administrative body to determine the issue price at the same or higher value (but under no circumstances lower) than the implied book value of the shares in issue at the time of the board resolution(s) to issue shares and to fix a possible premium to be assigned to the dedicated reserve.</li> </ul>
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## 9. Non-existence of the right of withdrawal.

The adoption of the amendment to the Company By-laws referred to in this resolution proposal does not fall within any legislative or regulatory framework involving the right of withdrawal of shareholders.

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In light of the above report, we submit the following resolution proposal for your approval:

*"The Extraordinary Meeting of Shareholders, having examined the report of the Board of Directors and having acknowledged, in particular and inter alia, the expiry of the power granted to the*

*directors pursuant to art.2443 of the Italian Civil Code in the resolution passed by the Extraordinary Meeting of Shareholders of 23 April 2013,*

*resolves*

*1) to grant the Board of Directors the power, pursuant to art. 2443 of the Italian Civil Code, to increase the Share Capital on one or several occasions, up to a total maximum amount of EUR 15,600,000.00 to be exercised within the time limit of five years starting from the present date; it is requested, in particular, that the power may be exercised:*

*- by means of one or more increases without consideration, either without the issue of new shares (with a consequent increase in the implied book value of all shares already in issue), or by assigning ordinary and savings shares, in proportion to the ordinary and savings shares already held, in observance of the provisions of art. 2442 of the Italian Civil Code and with the specification that the increase may be made - within the limit of the amount authorised - by drawing from the available reserves posted in the financial statements for the year ended 31 December 2017, without prejudice to the obligation for the Board of Directors to check that such reserves exist and are usable at the time of the capital increase; and/or*

*- by means of one or more increases with consideration, separable or inseparable and with the issue of ordinary and/or savings shares, having the same characteristics (therein including, in particular, the enjoyment) as the corresponding shares already in issue, to be offered pre-emptively to the entitled parties, with the right for the administrative body to determine the issue price at the same or higher value (but under no circumstances lower) than the implied book value of the shares in issue at the time of the board resolution(s) to issue shares and to fix a possible premium to be assigned to the dedicated reserve.*

*2) to amend, as a result of the above resolution, article 4 of the Company By-laws as follows:*

*"Art. 4) The Company's registered Share Capital is EUR 12,200,000 (twelve million, two hundred and twenty thousand euros), divided into 14,671,350 (fourteen million six hundred and seventy-one thousand three hundred and fifty) ordinary shares and 7,378,619 (seven million three hundred and seventy-eight thousand six hundred and nineteen) savings shares. The Share Capital is subject to provisions regarding representation, legitimation, and circulation of shareholdings for shares traded on regulated markets.*

*The directors have the power, within a period of five years of the resolution of 24 April 2018, and therefore until 23 April 2023, to increase the Share Capital on one or more occasions up to an amount of EUR 15,600,000 (fifteen million six hundred thousand); it is in particular proposed that such power may be exercised:*

- *by means of one or more increases without consideration, either without the issue of new shares (with a consequent increase in the implied book value of all shares already in issue), or by assigning ordinary and savings shares, in proportion to the ordinary and savings shares already held, in observance of the provisions of article 2442 of the Italian Civil Code and with the specification that the increase may be made - within the limit of the amount authorised - by drawing from the available reserves posted in the financial statements for the year ended 31 December 2017, without prejudice to the obligation for the Board of Directors to check that such reserves exist and are usable at the time of the capital increase; and/or*
  - *by means of one or more increases with consideration, separable or inseparable and with the issue of ordinary and/or savings shares, having the same characteristics (therein including, in particular, the enjoyment) as the corresponding shares already in issue, to be offered pre-emptively to the entitled parties, with the right for the administrative body to determine the issue price at the same or higher value (but under no circumstances lower) than the implied book value of the shares in issue at the time of the board resolution(s) to issue shares and to fix a possible premium to be assigned to the dedicated reserve";*
- 3) *to grant the Chairman and the Managing Directors, jointly and severally, the most extensive powers to fulfil the required formalities so that the resolutions adopted in today's extraordinary meeting of shareholders are promptly recorded in the Register of Companies, with the express power to make any non-essential amendments, cancellations and/or additions that may be necessary or appropriate".*

Lainate, 14 March 2018

for the Board of Directors

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Mr. Massimo della Porta  
Chairman