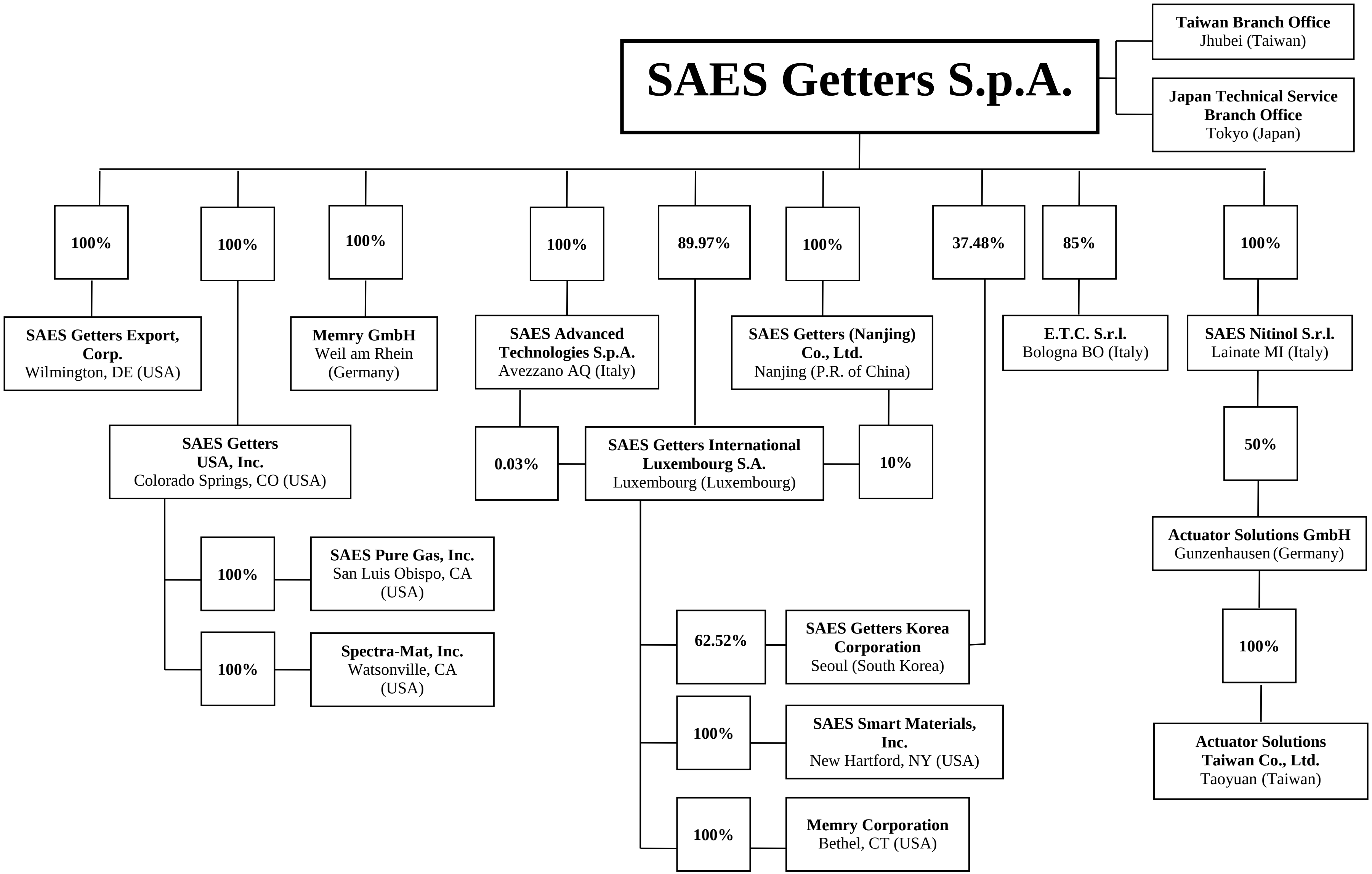
Interim Consolidated Financial Statements 2013


SAES Getters S.p.A.
Taiwan Branch Office
Jhubei (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)
62.52%
37.48%
SAES Getters Korea Corporation
Seoul (South Korea)
100%
SAES Smart Materials, Inc.
New Hartford, NY (USA)
100%
Memry Corporation
Bethel, CT (USA)
85%
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, 2013

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	Stefano Baldi (2) Emilio Bartezzaghi (1) (2) (4) (7) Alessandra della Porta[1] (2) Luigi Lorenzo della Porta (2) Adriano De Maio (1) (2) (5) Andrea Dogliotti (2) (3) Pietro Alberico Mazzola (2) Roberto Orecchia (2) (3) (4) (7) (8) Andrea Sironi (1) (2) (3) (4) (6) (7)

Board of Statutory Auditors

President	Vincenzo Donnamaria (8)
Statutory Auditors	Maurizio Civardi Alessandro Martinelli
Alternate Statutory Auditors	Fabio Egidi Piero Angelo Bottino
Audit Firm	Deloitte & Touche S.p.A. (9)
Representative of Holders of Savings Shares	Massimiliano Perletti (e-mail:massimilano.perletti@roedl.it)

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

The mandate of the Board of Directors and of the Board of Statutory Auditors, elected on April 24, 2012, will expire on the same date of the Shareholders' Meeting in which the financial statements for the year ended December 31, 2014 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 24, 2012, 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.

1 Co-opted by the Board of Directors held on May 9, 2013, pending the Shareholders' Meeting resolution, in place of the resigning Carola Rita della Porta.

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Interim Group Financial Highlights

INTERIM GROUP FINANCIAL HIGHLIGHTS

(thousands of euro)

Income statement figures	1st Half 2013	1st Half 2012 (7)	Difference	Difference %
NET SALES				
- Industrial Applications	48,082	50,751	(2,669)	-5.3%
- Shape Memory Alloys	20,625	24,918	(4,293)	-17.2%
- Information Displays	794	1,828	(1,034)	-56.6%
- Business Development	41	11	30	272.7%
Total	**69,542**	**77,508**	**(7,966)**	**-10.3%**
GROSS PROFIT (1)				
- Industrial Applications	21,784	23,670	(1,886)	-8.0%
- Shape Memory Alloys	6,653	8,810	(2,157)	-24.5%
- Information Displays	62	419	(357)	-85.2%
- Business Development & Corporate Costs (2)	(171)	(148)	(23)	-15.5%
Total	**28,328**	**32,751**	**(4,423)**	**-13.5%**
% on sales	*40.7%*	*42.3%*		
EBITDA (3)	**9,242**	**14,042**	**(4,800)**	**-34.2%**
% on sales	*13.3%*	*18.1%*		
OPERATING INCOME (LOSS)	**4,317**	**8,322**	**(4,005)**	**-48.1%**
% on sales	*6.2%*	*10.7%*		
GROUP NET INCOME	**1,698**	**3,557**	**(1,859)**	**-52.3%**
% on sales	*2.4%*	*4.6%*		

Balance sheet and financial figures	June 30, 2013	December 31, 2012	Difference	Difference %
Property, plant and equipment, net	54,702	55,964	(1,262)	-2.3%
Group shareholders' equity	106,012	114,227	(8,215)	-7.2%
Net financial position	(39,269)	(16,331)	(22,938)	-140.5%

Other information	1st Half 2013	1st Half 2012	Difference	Difference %
Cash flow from operating activities	(1,287)	12,880	(14,167)	-110.0%
Research and development expenses (4)	7,886	7,415	471	6.4%
Number of employees as at June 30 (5)	1,045	1,053	(8)	-0.8%
Personnel cost (6)	29,167	29,803	(636)	-2.1%
Disbursements for acquisition of tangible assets	2,671	2,204	467	21.2%

(1) This item is calculated as the difference between the net turnover 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 a measure of performance under International Financial Reporting Standards (IFRS) and must not be considered as an alternative indicator of the Group's results. However, we believe that EBITDA is an important parameter for measuring the Group's performance. Since the calculation of EBITDA is not regulated by applicable accounting standards, the method applied by the Group may not be homogeneous with methods adopted by other groups. EBITDA is defined as "earnings before interests, taxes, depreciation and amortization".

(4) Research and development expenses for the first half of 2013 include severance costs equal to 182 thousand euro. Excluding these costs, R&D expenses would have been equal to 7,704 thousand euro, or 11.1% of consolidated sales.

(5) As at June 30, 2013 this item includes:
- employees for 1,000 units (995 units as at June 30, 2012);
- personnel employed with contract types other than employment agreements, equal to 45 units (58 units as at June 30, 2012).

This figure does not include the employees of the joint venture Actuator Solutions GmbH amounting, according to the percentage of ownership held by the Group, to 14 units as at June 30, 2013 (11 units at the end of the first half of the previous year).

(6) As at June 30, 2013 the severance costs, included in the personnel cost, are equal to 884 thousand euro; instead, the use of C.I.G. (ordinary redundancy fund) has determined a reduction in the personnel cost equal to 750 thousand euro.
In the first half of 2012 the severance costs were equal to 347 thousand euro, while the use of C.I.G. had determined a reduction in the personnel cost equal to 715 thousand euro.

(7) Please note that the revenues and costs of the first half of 2012, shown for comparative purposes, have been reclassified to enable a homogeneous comparison with 2013. In particular:
- the recharge of costs related to services undertaken for the benefit of the joint venture Actuator Solutions GmbH has been reclassified from the item "Other income" and put as deduction of the related cost items;
- for a better representation of the margins by business sector, the costs of basic research in the field of organic photonics incurred by the subsidiary E.T.C. S.r.l. were reclassified from the Information Displays Business Unit to the Business Development Unit.

Interim Report on Operations of the SAES Group

INTERIM REPORT ON OPERATIONS

A pioneer in the development of getter technology, the 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 lighting 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.

Since 2004, by leveraging the core competencies in special metallurgy and in the materials science, the SAES Group has expanded its business into the advanced materials market, 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. These new products are used in the OLED promising sector (Organic Light Emitting Diodes, both for displays and for lighting) and in the photovoltaic one.
Thanks to these new developments, SAES is evolving, adding to its competencies in the field of special metallurgy also those of advanced chemistry.

A total production capacity distributed in eleven facilities across three continents, a worldwide-based sales & service network and more than 1,000 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.

Group's structure

The Group's business structure identifies three Business Units: Industrial Applications, Shape Memory Alloys and Information Displays. 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 three Business Units.

The following table illustrates the Group's Business organizational structure:

Industrial Applications Business Unit	
Electronic Devices	Getters and metal dispensers for electronic vacuum devices and getters for microelectronic and micromechanical systems (MEMS)
Lamps	Getters and metal dispensers used in discharge lamps and fluorescent lamps
Vacuum Systems and Thermal Insulation	Pumps for vacuum systems, getters for solar collectors and products for thermal insulation
Energy Devices	Getter sealants for photovoltaic modules and sophisticated getters for energy storage devices
Semiconductors	Gas purifier systems for semiconductor industry and other industries
Shape Memory Alloys Business Unit	
Shape Memory Alloys (SMA)	Shape memory alloys both for medical and for industrial applications
Information Displays Business Unit	
Liquid Crystal Displays (LCD)	Getters and metal dispensers for liquid crystal displays
Cathode Ray Tubes (CRT)	Barium getters for cathode ray tubes
Organic Light Emitting Diodes (OLED)	Dispensable dryers and alkaline metal dispensers for OLED displays
Business Development Unit	
Business Development	Research projects undertaken to achieve the diversification into innovative businesses (among which, components for High-Brightness LEDs)

Please refer to the segment information contained in the Note no. 15 for more details on the major reclassifications operated in the breakdown of costs and revenues of each Business Unit.

Main events of the semester (January 1 – June 30, 2013)

The revenues of the first half of 2013, although down compared to the corresponding period of 2012, showed a marked turnaround compared to the second half of the previous year.

Compared with the second half of 2012, please note the growth, sometimes significant, in the turnover of almost all the strategic sectors. In particular, the Industrial Applications Business increased, supported by the markets of medical diagnostics, MEMS, lamps and by the military sector, whose sales, after an initial recovery, have stabilized on volumes larger than those of the second half of 2012. Also the negative cycle of semiconductors showed a reversal and they started to grow significantly from the first months of the current year.
In the Industrial Applications Business Unit, only the Vacuum Systems and Thermal Insulation Business showed a decline penalized by the periodicity of the research projects that use vacuum pumps and due to the global economic crisis, which has depressed the sales in the consumer market (lower sales of solutions for thermal insulation).
Slightly down compared to the second half of 2012 appears to be also the Shape Memory Alloys Business, penalized by the postponement of the FDA (Food and Drug Administration) approval for some recently developed medical components.
In the Information Displays Business it continues the structural decline in the volumes of cathode ray tubes televisions sold and the technological substitution of fluorescent lamps with LEDs in the backlighting of the LCD screens. The OLED turnover, although more regular on a monthly basis, did not reach volumes enough to offset the decline in the CRT and LCD sectors.

The comparison with the turnover of the first half of 2012, which recorded a drop of 10.3%, is not meaningful as the 2012 figures were influenced by the concentration of significant orders in some sectors.

Here below the significant events occurred in the first half of 2013.

On April 3, 2013 SAES Getters S.p.A. acquired, for an amount of 0.5 million euro, the last 20% of the shares of Memry GmbH, a company operating in the production and distribution of shape memory alloy (SMA) semi-finished products and components for industrial and medical applications.

On April 19, 2013 the SAES Group, through its subsidiary SAES Pure Gas, Inc., acquired by the U.S. company Power & Energy, Inc. its "hydrogen purifier" business, mainly utilized in the semiconductors market. The acquired business includes patents, know-how, manufacturing processes and commercial supply agreements.
The acquisition price includes a fixed amount of 7 million USD, plus an earn-out related to future SAES revenues deriving from the sales of hydrogen purifiers, up to a maximum of 3 million USD. The first tranche of the fixed amount, equal to 3.2 million USD was paid at the closing of the transaction; the remaining amount will be paid by SAES in two subsequent tranches, the first one equal to 2 million USD to be paid by January 24, 2014 and the second one equal to 1.8 million USD to be paid by January 23, 2015. The earn-out, if accrued, will be paid by SAES in quarterly tranches, each one equal to 10% of the net revenues recorded in the quarter by SAES and deriving from the sale of hydrogen purifiers to third parties, up to the agreed maximum amount of 3 million USD.
The acquisition of this business is part of the strategy to strengthen the gas purification business, allowing the Group to complement its traditional offering, based on the getter technology, with innovative technology solutions in the field of catalytic hydrogen purification, with the consequent increase in the sales volumes and in the results of the semiconductors business.

On June 14, 2013, the joint venture Actuator Solutions GmbH has established Actuator Solutions Taiwan Co., Ltd., a company 100% controlled by the former, for the development and distribution of SMA devices for the image focus and stabilization in tablet and smart-phone cameras. The new company is headquartered in Taiwan, in a strategic position for this market segment, characterized by a strong growth in the consumer electronics business.

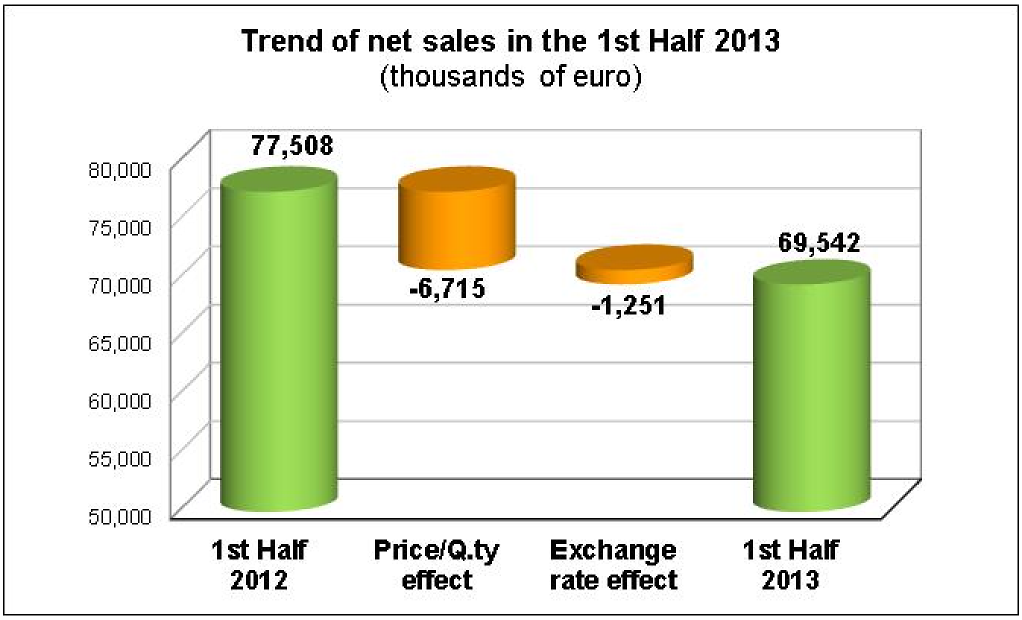
Sales and economical results for the first semester of 2013

In the first half of 2013 the SAES Group achieved **consolidated net revenues** equal to 69,542 thousand euro, down by 10.3% compared to 77,508 thousand euro recorded in the corresponding period of 2012. The **exchange rate effect** was negative and equal to -1.6%, due to the devaluation of both the U.S. dollar and the Japanese yen against the euro. Excluding the exchange rate effect, consolidated net revenues would have decreased by 8.7% compared to the first half of the previous year.
With respect to revenues, the **scope of consolidation** was unchanged compared to the first half of 2012. In fact, Memry GmbH, whose remaining 20% was acquired on April 3, 2013, was already fully consolidated in 2012 without any attribution to minority interests and the "hydrogen purifiers" business, acquired on April 19, 2013, will begin to generate revenues in the second half of this year.

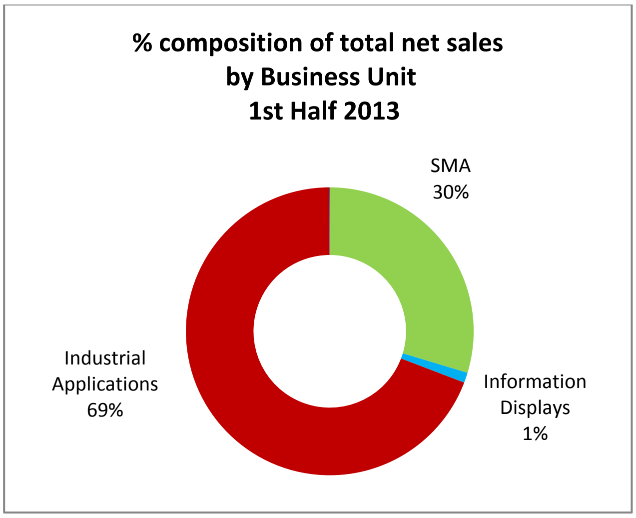
Total revenues of the Group, achieved by incorporating the 50% joint venture Actuator Solutions GmbH (ASG) with the proportional method instead of the equity method, amounted to 71,768 thousand euro, compared to 78,513 thousand euro[2] in the corresponding period of 2012 (-8.6%).

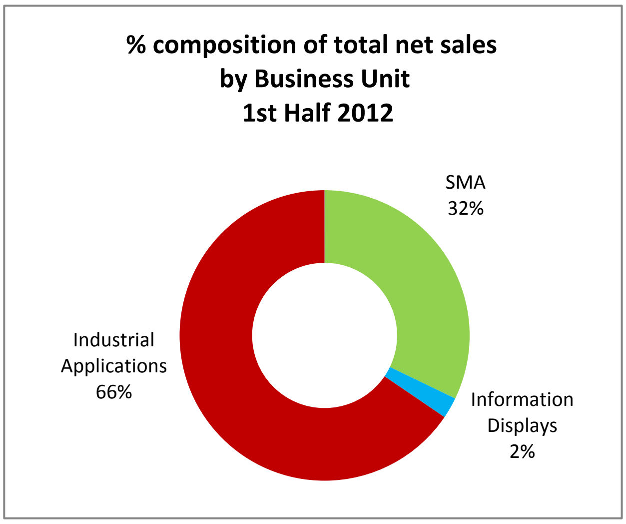
The following chart shows the consolidated net sales of the first half of 2013, compared with the corresponding period of 2012, highlighting the effect of exchange rates and the variation due to changes in selling prices and sales volumes:

[2] Please note that the joint venture Actuator Solutions GmbH started to generate revenues from the second quarter of 2012, following the acquisition of the business of SMA actuators for the automotive market.



Compared to the first half of 2012, in the Industrial Applications Business the revenues' growth in the Electronic Devices, Lamps and Energy Devices businesses only partially offset the decrease in the purification one and in that of vacuum systems. In the field of shape memory alloys, the decrease was concentrated in the medical SMAs business and was mainly due to non-recurring sales linked with the launch of new products by some important clients in the first half of 2012. The Information Displays Business continued to be affected by the progressive decline in the volumes of both cathode ray tube televisions and of CCFL lamps for the backlighting of LCD screens (replaced by LED lamps), while the OLED business continued to be characterized by volumes typical of a start-up business.





The following table contains a breakdown of the consolidated net sales, in the first half of 2013 and in the same period of 2012, by business segment, along with the percent change at current and comparable exchange rates:

(thousands of euro)

Business	1st Half 2013	1st Half 2012	Difference	Difference %	Exchange rate effect %	Price/Q.ty effect %
Electronic Devices	11,552	10,552	1,000	9.5%	-1.4%	10.9%
Lamps	6,467	6,195	272	4.4%	-2.4%	6.8%
Vacuum Systems and Thermal Insulation	5,490	8,791	(3,301)	-37.5%	-4.1%	-33.4%
Energy Devices	346	62	284	458.1%	0.0%	458.1%
Semiconductors	24,227	25,151	(924)	-3.7%	-1.3%	-2.4%
Industrial Applications	**48,082**	**50,751**	**(2,669)**	**-5.3%**	**-1.9%**	**-3.4%**
Shape Memory Alloys	**20,625**	**24,918**	**(4,293)**	**-17.2%**	**-1.0%**	**-16.2%**
Liquid Crystal Displays	21	603	(582)	-96.5%	-0.4%	-96.1%
Cathode Ray Tubes	435	670	(235)	-35.1%	-0.6%	-34.5%
Organic Light Emitting Diodes	338	555	(217)	-39.1%	-3.7%	-35.4%
Information Displays	**794**	**1,828**	**(1,034)**	**-56.6%**	**-1.5%**	**-55.1%**
Business Development	**41**	**11**	**30**	**272.7%**	**-4.6%**	**277.3%**
Total net sales	**69,542**	**77,508**	**(7,966)**	**-10.3%**	**-1.6%**	**-8.7%**

Consolidated revenues of the **Industrial Applications Business Unit** were equal to 48,082 thousand euro in the first half of 2013, down (-5.3%) compared to 50,751 thousand euro in the first half of 2012. The currency trend led to a negative exchange rate effect of -1.9%, excluding which revenues would have decreased by -3.4%.

Compared to the first half of the previous year, please note the significant growth in the *Electronic Devices Business* (+9.5%), thanks to the increased sales in the market of MEMS miniaturized sensors and the good performance in the fields of medical diagnostics and telecommunications; in the defense sector, sales of getter solutions for infrared sensors have stabilized, after the sharp decline that had characterized the second half of the previous year.

Also the *Lamps Business* grew (+4.4%), thanks to the increase in the volumes of fluorescent lamps sold mainly in the U.S. and European markets, due to both the depletion of the stocks accumulated in previous period, and the recovery that has characterized the lighting business.

On the other hand, the gas purification sector (*Semiconductors Business*) slightly decreased (-3.7%), in line with the expected slowdown of some of the markets of reference.

Also the field of vacuum systems (*Vacuum Systems and Thermal Insulation Business*) decreased (-37.5%), due to the irregularity of the research projects that use vacuum pumps and to the spending postponement by some research laboratories that have deferred their investments in the second half of 2013.

In the first part of the semester the *Energy Devices Business* recorded a stabilization in the sales to a major European manufacturer of photovoltaic modules that, however, significantly slowed down the production in the second quarter due to the growing crisis in the energy market that is mainly affecting the European manufacturers.

Consolidated revenues of the **SMA Business Unit** were equal to 20,625 thousand euro in the first half of 2013, down by 17.2% compared to 24,918 thousand euro in the corresponding period of 2012. The exchange rate effect was negative and equal to -1%, excluding which the organic decrease was equal to -16.2%. The reduction of revenues, concentrated in the medical SMA business, was mainly due to the fact that the first half of 2012 had benefited from non-recurring sales in anticipation of the launch of a new product by an important U.S. customer.

There was a positive contribution of the industrial SMAs, that represent an important development opportunity for SAES.

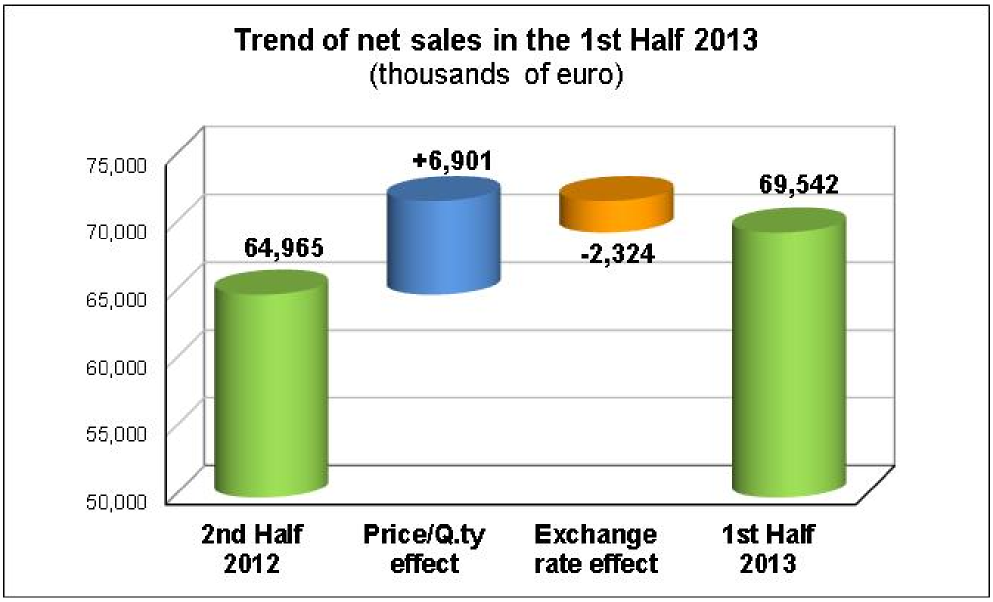
Consolidated revenues of the **Information Displays Business Unit** amounted to 794 thousand euro in the first six months of 2013, down by 56.6% compared to 1,828 thousand euro in the corresponding period of 2012. The exchange rate effect was negative and equal to -1.5%.

The decrease compared to the first half of 2012 (-55.1% excluding the exchange rate effect) was due to the progressive setting at zero of the Group’s sales both in the LCD segment and in the CRT one. The OLED business, that in the first half of 2012 was affected by significant sales of samples, in 2013 showed the stabilization of orders in the Korean market. However, volumes remain limited, typical of a start-up business. Always in the OLED business, please note the continuing development of products and the first prototyping samples sold also in the Japanese market.

The **Business Development Unit** includes projects of basic research or projects aimed at diversifying into innovative businesses. In the first half of 2013 this business unit did not essentially produce any relevant revenues, recording revenues equal to 41 thousand euro (11 thousand euro in the first half of 2012).

Revenues in the first half of 2013, although down compared to the corresponding period of 2012, showed a marked turnaround **compared to the second half of the previous year** (the organic growth was +10.6% excluding the currency effect).
In particular, the Industrial Applications Business increased, supported by the markets of medical diagnostics, telecommunications, MEMS and lamps, with initial signs of recovery also in the military sector, and the negative cycle of the semiconductors came to an end. Revenues of the Information Displays Business were substantially in line with those of the second half of 2012.
Only the shape memory alloys business went down, penalized, as already highlighted before, by the postponement of the FDA (Food and Drug Administration) approval for a recently developed medical device made by an important customer of the Group.

The following chart shows the consolidated net sales of the first half of 2013, compared with the second half of 2012, highlighting the effect of exchange rates and the variation due to changes in selling prices and sales volumes:



The following table contains a breakdown of consolidated net sales, in the first half of 2013 and in the second half of 2012, by business segment, along with the percent change at current and comparable exchange rates:

(thousands of euro)

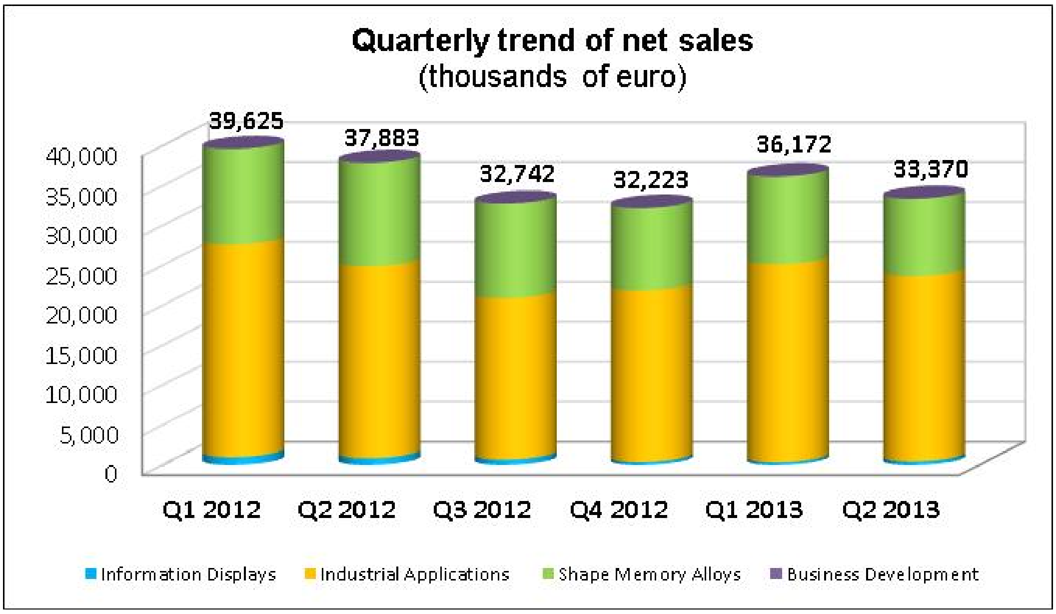
Business	1st Half 2013	2nd Half 2012	Difference	Difference %	Exchange rate effect %	Price/Q.ty effect %
Electronic Devices	11,552	10,280	1,272	12.4%	-2.7%	15.1%
Lamps	6,467	5,311	1,156	21.8%	-4.1%	25.9%
Vacuum Systems and Thermal Insulation	5,490	6,896	(1,406)	-20.4%	-6.3%	-14.1%
Energy Devices	346	336	10	3.0%	0.0%	3.0%
Semiconductors	24,227	18,922	5,305	28.0%	-4.0%	32.0%
Industrial Applications	**48,082**	**41,745**	**6,337**	**15.2%**	**-4.1%**	**19.3%**
Shape Memory Alloys	**20,625**	**22,170**	**(1,545)**	**-7.0%**	**-2.7%**	**-4.3%**
Liquid Crystal Displays	21	158	(137)	-86.7%	-1.9%	-84.8%
Cathode Ray Tubes	435	561	(126)	-22.5%	-2.1%	-20.4%
Organic Light Emitting Diodes	338	330	8	2.4%	-7.8%	10.2%
Information Displays	**794**	**1,049**	**(255)**	**-24.3%**	**-3.9%**	**-20.4%**
Business Development	**41**	**1**	**40**	**4000.0%**	**-82.4%**	**4082.4%**
Total net sales	**69,542**	**64,965**	**4,577**	**7.0%**	**-3.6%**	**10.6%**

Compared to the second half of 2012, where the revenues were equal to 41,745 thousand euro, in the first half of 2013 the **Industrial Applications Business Unit** showed a significant trend reversal, with consolidated revenues up by 15.2% (a percentage that increases to 19.3% excluding the currency effect). All businesses grew, except that of vacuum pumps, which continued to record a decrease in sales.
In particular, the recovery of the *Electronic Devices Business* (+12.4%) was supported by the strength of the medical diagnostics and telecommunications markets, by the continued growth of the MEMS market, as well as by the first signs of recovery in the defense market.
Also the *Lamps Business* increased (+21.8%) compared to the second half of 2012, after the significant reduction of the stocks that characterized the last period of 2012.
Please note the recovery in the field of gas purification (*Semiconductors Business*) that shows the end of a negative cyclical trend (with revenues up by +28% compared to the second half of 2012).
The *Vacuum Systems and Thermal Insulations Business*, down by 20.4%, continued to be penalized by the periodicity of the research projects and by the spending postponement by some research laboratories that have deferred their investments in the second half of 2013.

Compared to the second half of 2012, consolidated revenues of the **Shape Memory Alloys Business Unit** recorded an overall decrease of 7%, penalized both by the exchange rate effect (-2.7%), and by the exit from the market of a medical component at the end of its life cycle, not replaced by a recently developed component for a medical device made by an important customer, for which the FDA (Food and Drug Administration) approval has been postponed.

Revenues of the **Information Displays Business Unit** were down by 255 thousand euro compared to the second half of 2012: the continuing decline of the CRT and LCD businesses was not offset by the OLED business, whose sales remained stable compared to the second half of the previous year.

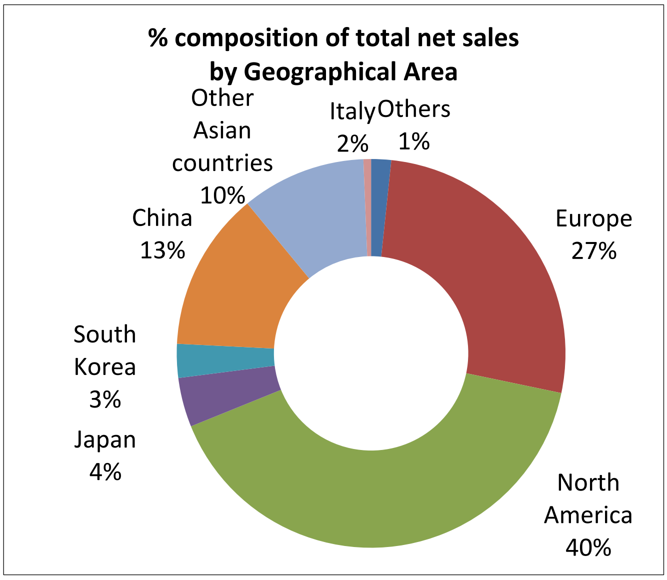
With reference to the quarterly trend of consolidated revenues, the sales of the second quarter of 2013 (33,370 thousand euro) were down compared to the first quarter (amounting to 36,172 thousand euro), but they remain higher than those recorded in the last two quarters of the previous year, which had been most affected by the deterioration of the macroeconomic framework:



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

(thousands of euro)

Geographical area	1st Half 2013	%	1st Half 2012	%	Difference	Difference %	2nd Half 2012	%	Difference	Difference %
Italy	1,157	1.7%	962	1.2%	195	20.3%	2,502	3.9%	(1,345)	-53.8%
Europe	18,506	26.6%	12,421	16.0%	6,085	49.0%	12,224	18.8%	6,282	51.4%
North America	28,234	40.6%	36,790	47.5%	(8,556)	-23.3%	31,791	48.9%	(3,557)	-11.2%
Japan	2,850	4.1%	5,200	6.7%	(2,350)	-45.2%	3,486	5.4%	(636)	-18.2%
South Korea	1,958	2.8%	7,660	9.9%	(5,702)	-74.4%	2,000	3.1%	(42)	-2.1%
China	9,197	13.2%	6,820	8.8%	2,377	34.9%	3,625	5.6%	5,572	153.7%
Other Asian countries	7,200	10.4%	7,245	9.3%	(45)	-0.6%	8,815	13.6%	(1,615)	-18.3%
Others	440	0.6%	410	0.5%	30	7.3%	522	0.8%	(82)	-15.7%
Total net sales	**69,542**	**100%**	**77,508**	**100%**	**(7,966)**	**-10.3%**	**64,965**	**100%**	**4,577**	**7.0%**



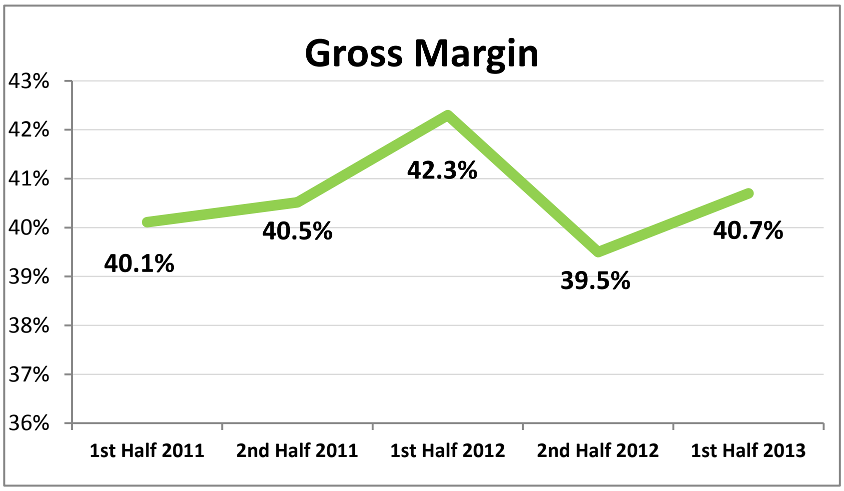
Compared to the first half of 2012, the sales of purifiers for the semiconductor industry are mainly concentrated in Europe and China, while they decreased in North America and in South Korea. The aforementioned weakness of the SMA medical sector contributed to the decline in the U.S. sales, while the sales in Japan decreased due to lower research projects that use vacuum pumps.

Compared to the second half of 2012, the decline in the sales of purifiers in North America, Italy and the Far East is more than offset by higher sales in the other European countries and in China. The U.S. market of shape memory alloys for medical applications remains weak.

Consolidated gross profit amounted to 28,328 thousand euro in the first half of 2013 (40.7% of consolidated revenues) compared to 32,751 thousand euro in the first half of 2012 (42.3% of consolidated revenues). The decrease (-13.5%) was mainly due to the drop of revenues and only to a lesser extent to the shift in the sales mix towards products with lower margins, which in particular occurred in the **Shape Memory Alloys Business Unit**, whose gross margin decreased from 35.4% to 32.3%.
Also in the **Industrial Applications Business Unit** the gross margin was slightly down (from 46.6% in the first half of 2012 to 45.3% during the current period): the reduction of margins in the vacuum pumps business, due to both the shift of the sales mix towards products with a higher absorption of raw materials and the higher incidence of manufacturing fixed costs resulting from the decrease in revenues, was only partially offset by higher margins in the purification business resulting from a different product mix.
The **Information Displays Business Unit** ended the first half of 2013 with a gross profit substantially at breakeven.

Consolidated gross profit, down compared to the corresponding period of the previous year, was however up **compared to the second half of 2012** (+10.5%). Compared to that period, all business units recorded a higher gross margin, except for the SMA business, penalized by the decrease in sales and the consequent higher incidence of manufacturing fixed costs, that slightly decreased in the period (-0.2%).

The following chart shows the half-year trend of the consolidated gross margin. As previously mentioned, the margin of the semester was lower than that of the corresponding period of 2012, but increased when compared to the second half of the previous year.



The following table shows the gross profit for the first half of 2013 by Business Unit, compared with both semesters of the previous year:

(thousands of euro)

Business Unit	1st Half 2013	1st Half 2012	Difference	Difference %	2nd Half 2012	Difference	Difference %
Industrial Applications	21,784	23,670	(1,886)	-8.0%	17,857	3,927	22.0%
% on Business Unit net sales	45.3%	46.6%			42.8%		
Shape Memory Alloys	6,653	8,810	(2,157)	-24.5%	7,896	(1,243)	-15.7%
% on Business Unit net sales	32.3%	35.4%			35.6%		
Information Displays	62	419	(357)	-85.2%	73	(11)	-15.1%
% on Business Unit net sales	7.8%	22.9%			7.0%		
Business Development	(171)	(148)	(23)	-15.5%	(184)	13	7.1%
% on Business Unit net sales	n.s.	n.s.			n.s.		
Gross profit	**28,328**	**32,751**	**(4,423)**	**-13.5%**	**25,642**	**2,686**	**10.5%**

Consolidated operating income amounted to 4,317 thousand euro in the semester, compared to 8,322 thousand euro in the corresponding period of the previous year; as a percentage of revenues, the operating margin decreased from 10.7% to 6.2%. Despite the reduction of operating expenses, the decrease in revenues and in the gross profit led to the consequent reduction in the operating income.

Also the operating income, as already happened for the gross profit, was down compared to the first half of 2012, but it increased **compared to the last six months of the previous year** (+42.6%).

Finally, please note that the operating result of the first half of 2013 was negatively affected by severance costs equal to 884 thousand euro, excluding which the operating income would have been equal to 5,201 thousand euro (7.5% of consolidated revenues).

The following table shows the operating profit of the first half of 2013 by Business Unit, compared with both semesters of the previous year:

(thousands of euro)

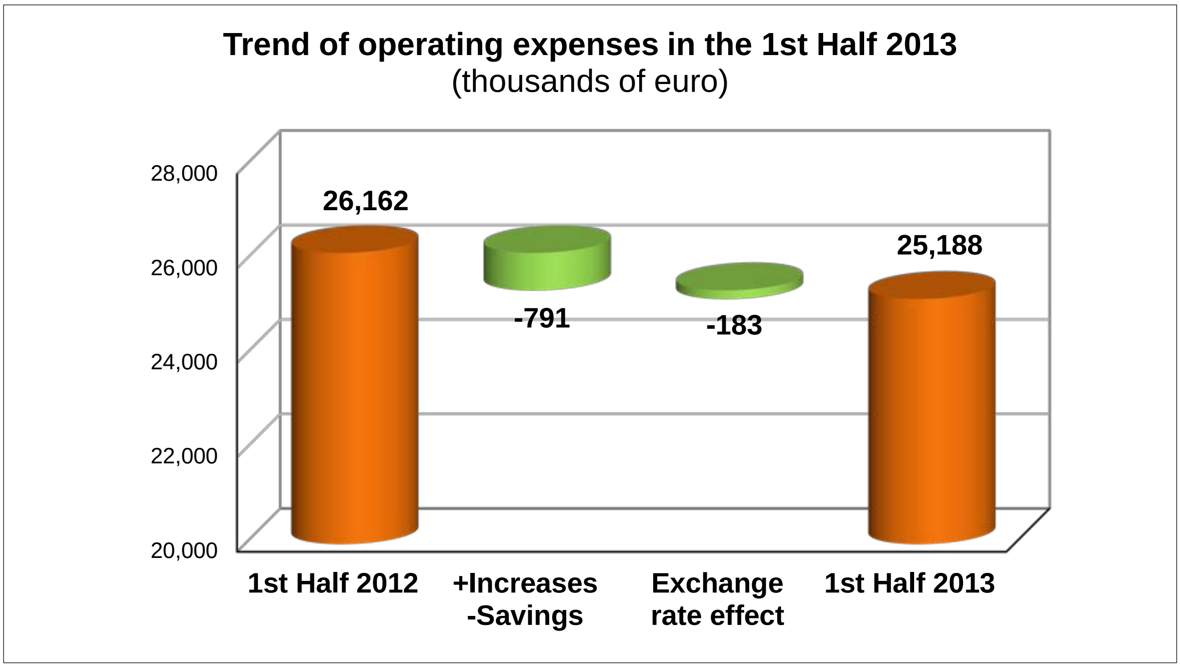
Business Unit	1st Half 2013	1st Half 2012	Difference	Difference %	2nd Half 2012	Difference	Difference %
Industrial Applications	12,535	15,706	(3,171)	-20.2%	10,679	1,856	17.4%
Shape Memory Alloys	1,840	3,365	(1,525)	-45.3%	2,836	(996)	-35.1%
Information Displays	(1,709)	(1,357)	(352)	-25.9%	(1,845)	136	7.4%
Business Development & Corporate Costs	(8,349)	(9,392)	1,043	11.1%	(8,643)	294	3.4%
Operating income (loss)	**4,317**	**8,322**	**(4,005)**	**-48.1%**	**3,027**	**1,290**	**42.6%**

Total **consolidated operating expenses** amounted to 25,188 thousand euro (36.2% of revenues), slightly down compared to 26,162 thousand euro in the corresponding semester of 2012 (33.8% of revenues), demonstrating the continuing commitment of the Group to control costs with the aim of increasing operational efficiency.

The decrease, due also to the exchange rate effect, was mainly concentrated in the **general and administrative expenses** (reduction in the remuneration paid to Directors, lower variable bonuses and lower consultant fees). Excluding the exchange rate effect, **selling expenses** were instead substantially aligned with those of the first half of 2012.

On the other hand, **research and development expenses** increased from 7,415 thousand euro (9.6% of total consolidated revenues) to 7,886 thousand euro (11.3% of the Group's revenues) due both to the severance costs that penalized the current semester and to the increase of the staff of the Parent Company involved in research activities in the second half of 2012.

The following chart shows the trend of the consolidated operating expenses in the first half of 2013:



Overall, the **labor cost** was equal to 29,167 thousand euro, compared to 29,803 thousand euro in the same period of the previous year: the containment of personnel costs resulting from the reduction of the workforce engaged in SMA production activities and the decrease of variable compensation allowed to offset the severance costs which penalized the first half of 2013.

The result of the semester includes **depreciation and amortization** equal to 4,927 thousand euro, compared to 5,163 thousand euro in the same period of 2012. The slight reduction in depreciation and amortization is due to the fact that during the semester certain assets have reached the end of their useful life.

Compared to the second half of 2012, consolidated operating expenses increased by 1,166 thousand euro (+4.9%), from 24,022 thousand euro to 25,188 thousand euro. The increase is mainly due to research and development expenses (in particular, personnel costs and expenses for the deposit and management of patents) related to new research projects undertaken by the Parent Company.

Consolidated EBITDA amounted to 9,242 thousand euro (13.3% of revenues) in the first half of 2013, down compared to 14,042 thousand euro (18.1% of revenues) in the same semester of 2012, but up compared to 7,609 thousand euro (11.7% of revenues) recorded in the second half of the previous year. Excluding the severance costs that penalized the current semester (884 thousand euro), EBITDA would have been equal to 10,126 thousand euro (14.6% of consolidated revenues).

The item **royalties** (1,072 thousand euro in the first half of 2013) is exclusively composed of the lump-sum and royalties for the licensing of the thin film getter technology for MEMS of new generation (to be compared with 1,157 thousand euro in the first half of 2012 and 1,295 thousand euro in the second half of the same year).

The balance of **other net income (expenses)** was positive and equal to 105 thousand euro in the first half of 2013, compared to 576 thousand euro in the first half of 2012. The decrease was mainly due to the fact that in the first six months of the previous year this item included a non-recurring income resulting from the release of the excess of a risk provision following the settlement of a dispute of the subsidiary SAES Advanced Technologies S.p.A. with the social security institutions (0.3 million euro).
In the second half of 2012 the balance of other net income (expenses) was positive and equal to 112 thousand euro.

The net balance of **financial income and expenses** was negative and amounted to 461 thousand euro (compared to -912 thousand euro in the corresponding period of 2012 and -754 thousand euro in the second half of the same year) and it mainly includes interest expenses on loans, both short and long term ones, held by the Parent Company and by the U.S. subsidiaries and 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 GmbH amounted to -351 thousand euro, substantially in line with that of the first half (-422 thousand euro) and of the second half (-407 thousand euro) of the previous year. For further details please refer to the Note no. 18.

The sum of the **exchange rate differences** recorded a balance substantially at break-even (+6 thousand euro) in the first six months of 2013, in line with that of both the semesters of 2012 (-181 thousand euro in the first half and +75 thousand euro in the second half) and guaranteed by the same hedging policy adopted by the Group in the previous year.

Income before taxes amounted to 3,511 thousand euro, down compared to 6,807 thousand euro in the first half of 2012, but up compared to 1,941 thousand euro in the second half of the same year.

Income taxes were equal to 1,813 thousand euro in the first half of 2013, compared to 3,336 thousand euro in the corresponding period of the previous year (taxes were 2,158 thousand euro in the second half of 2012). The Group tax rate was 51.6%, substantially in line with that of the corresponding period of the previous year (49%).
In the first half of 2013 the tax expenses included a benefit deriving from the recognition of deferred tax assets on tax losses of the period equal to 1.4 million euro.

Consolidated net income amounted to 1,698 thousand euro (2.4% of consolidated revenues) in the first half of 2013, down by 52.3% compared to a net income of 3,557 thousand euro in the first half of 2012, but showing a significant increase compared to a consolidated net loss of 217 thousand euro in the second half of 2012.

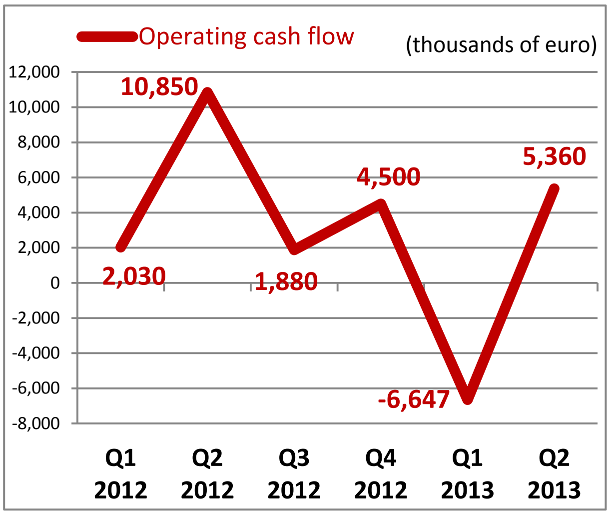
Net financial position – Investments – Other information

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

(thousands of euro)

	June 30, 2013	March 31, 2013	December 31, 2012
Cash on hand	19	20	16
Cash equivalents	15,779	15,139	22,594
Cash and cash equivalents	**15,798**	**15,159**	**22,610**
Current financial assets	**124**	**0**	**114**
Bank overdraft	(26,820)	(13,086)	(10,051)
Current portion of long term debt	(22,268)	(6,624)	(6,476)
Related parties financial liabilities	0	(1,007)	(2,019)
Other current financial liabilities	(2,443)	(1,358)	(1,276)
Current financial liabilities	**(51,531)**	**(22,075)**	**(19,822)**
Current net financial position	**(35,609)**	**(6,916)**	**2,902**
Long term debt, net of current portion	(80)	(18,005)	(19,179)
Other non current financial debt	(3,607)	(50)	(54)
Non current financial liabilities	**(3,687)**	**(18,055)**	**(19,233)**
Net financial position	**(39,296)**	**(24,971)**	**(16,331)**

The **consolidated net financial position** as at June 30, 2013 was negative and equal to 39,296 thousand euro (cash equal to 15,798 thousand euro and net financial liabilities equal to 55,094 thousand euro), compared with a negative net financial position of 16,331 thousand euro as at December 31, 2012 (cash equal to 22,610 thousand euro and net financial liabilities equal to 38,941 thousand euro).
This worsening, in addition to the negative performance of operating activities (-1.3 million euro[3]) was due to the payment of dividends (about -10 million euro) and to the expenditure for the acquisition of the "hydrogen purifiers" business by Power & Energy, Inc. (-7.6 million euro, of which -2.4 million euro already paid and -5.2 million euro to be paid in two tranches at the beginning of 2014 and 2015). In the semester there were also net outflows for investment activities in tangible and intangible assets equal to -2.9 million euro. The exchange rate effect was negative (approximately -0.2 million euro): in fact, almost all of the Group's financial debt is made of loans in U.S. dollar held by the American subsidiaries and its equivalent value in euro has increased following the revaluation of the U.S. dollar as at June 30, 2013 compared to December 31, 2012.



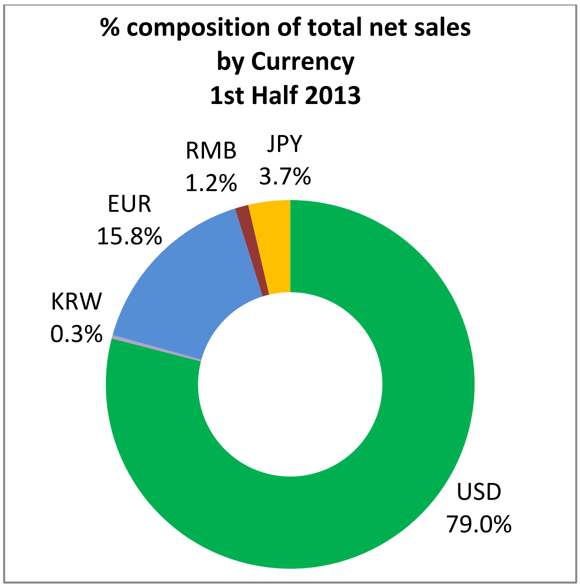
As previously mentioned, the operating cash flow was negative and equal to 1,287 thousand euro in the first half of 2013: the self-financing was not enough to offset the negative change in the net working capital, heavily affected by the increase in the volume of activities in the Semiconductors Business and by the operating weakness that characterized the last period of 2012.
However, looking at the quarterly trend, please note that the operating cash flow, that was strongly negative in the first quarter (-6,647 thousand euro), became positive in the second quarter (5,360 thousand euro).

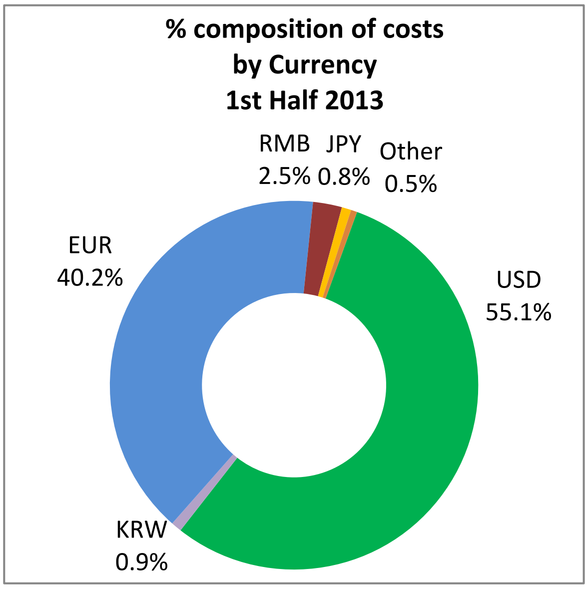
In the first half of 2013 the cash out for investments in tangible assets was equal to 2,671 thousand euro, substantially in line with the corresponding period of 2012 (2,204 thousand euro); investments in intangible assets were not significant (219 thousand euro). For further details please refer to the Notes no. 38.

As at June 30, 2013, following the failure to comply with certain financial covenants[4] in place, the long-term portion of the loans held by the American subsidiaries Memry Corporation and SAES Smart Materials, Inc. has been reclassified as current (for further details, please see the Note no. 28). SAES Group has about 5 months available (grace period) to emend the default condition, after which, if the non-compliance persists, the value of such covenants will have to be renegotiated with the financing institution in order to avoid the call of the debt. Such renegotiation is already ongoing and, at present, it is believed that the negotiations could reasonably be successful. Moreover, please note that as at June 30, 2013 the Group holds enough cash and cash equivalents and credit lines to be able to meet a possible repayment request.

[3] For further details please see the comment on the operating cash flow.
[4] Calculated on consolidated economic-financial figures.

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 2013

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

In the first half of 2013 the Parent Company achieved revenues of 2,301 thousand euro, with an increase of 315 thousand euro compared to the corresponding period of the previous year (1,986 thousand euro) thanks to higher sales of shape memory alloy components for industrial applications. The net income of the period was equal to 12,163 thousand euro with a sharp increase compared to 3,423 thousand euro as at June 30, 2012 due to higher dividends received from the subsidiaries.

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

In the first half of 2013 the company achieved a turnover of 16,925 thousand euro, compared to 20,817 thousand euro in the corresponding period of the previous year. The decrease is mainly concentrated in the sales of mercury dispensers for LCDs (because of the structural crisis of this business) and those of getter pumps for particle accelerators (penalized by the periodicity of the research projects and by the deferral to the second half of 2013 of the investments of some research laboratories).
The decrease in sales is the main cause of the deterioration in the net income which declined from 4,311 thousand euro in the first half of 2012 to 2,531 thousand euro in the corresponding period of the current year (-41%).
The use of *Cassa Integrazione Guadagni* (C.I.G. – redundancy fund) instrument led, during the semester, to a decrease in personnel costs equal to 750 thousand euro (in the first half of 2012, the use of C.I.G. resulted in a decrease of 653 thousand euro).

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

In the first half of 2013 the company achieved consolidated net sales equal to 44,785 thousand USD (34,098 thousand euro at the average exchange rate for the period), compared to 43,149 thousand

USD (33,281 thousand euro at the related average exchange rate) and a consolidated net income of 5,526 thousand USD (4,207 thousand euro), compared to a consolidated net income of 3,621 thousand USD in the corresponding period of 2012 (2,793 thousand euro).

Further comments are provided below.

The U.S. parent company ***SAES Getters USA, Inc.*** (which operates primarily in the Industrial Applications Business Unit) reported sales of 9,107 thousand USD, compared to 7,327 thousand USD in the first half of the previous year. The increase was mainly due to the stabilization of sales in the defense sector, after the rapid decline that characterized the second half of last year, and to the recovery in the field of lighting.
The company ended the semester with a net income of 5,526 thousand USD, up when compared to a net income of 3,621 thousand USD in the first half of 2012 due to both the increase in sales and the higher income deriving from the evaluation of the shareholdings in the subsidiaries SAES Pure Gas, Inc. and Spectra-Mat, Inc., that have closed the first half 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 Semiconductors Business) achieved sales of 31,642 thousand USD (compared to 32,463 thousand USD in the first half of 2012) and a net income of 4,062 thousand USD (compared to a net income of 2,665 thousand USD at the end of June 2012).
Despite the slight decrease in sales (-3%), in line with the expected slowdown of some of the reference markets, the shift in the mix towards products with higher margins allowed to end the period with a net income higher (+52%) to that of the previous year.

The subsidiary ***Spectra-Mat, Inc.***, Watsonville, CA (USA), operating in the Electronic Devices Business, reported sales of 4,036 thousand USD in the first half of 2013 (3,359 thousand USD in the corresponding period of the previous year) and a net income of 93 thousand USD (compared to a net loss of 203 thousand USD at the end of June 2012). The increase in sales volumes, accompanied by a product mix with a higher gross margin, has allowed to close the first half with a net 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 U.S. Group’s companies.
In the first half of 2013 it achieved a net income of 4,001 thousand USD (3,046 thousand euro), down when compared to the first half of 2012 (5,196 thousand USD, equal to 4,008 thousand euro) due to the lower commissions income[5] collected from the associated companies for which it handles exports.

SAES GETTERS (NANJING) CO., LTD., Nanjing (P.R. of China)

The company, which carries out its manufacturing activity mainly in the CRT business and deals with the resale in the Chinese market of products manufactured by other Group companies, ended the first half of 2013 with net sales equal to 13,675 thousand RMB (1,682 thousand euro), substantially aligned with that of the corresponding period of the previous year (13,793 thousand RMB, equal to 1,684 thousand euro). The progressive reduction in sales of getters for CRTs was offset by higher sales of getter components for lamps and higher commissions received from the associate SAES Pure Gas, Inc. on sales of purifiers of the latter in the Chinese market. The company ended the period with a net loss of 1,236 thousand RMB (-152 thousand euro) with an improvement compared to a net loss of 2,341 thousand RMB (-286 thousand euro) in the previous period, mainly due to a shift in the sales mix towards products with higher margins.

[5] Being intercompany commissions, their reduction has no relevance on the consolidated result.

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 2013 reported sales equal to 1,740 thousand euro, slightly down (-6%) compared to the corresponding period of the previous year (1,850 thousand euro), but a net income of 143 thousand euro, up (+42%) compared to 101 thousand euro in the first half of 2012. Despite the slight decrease in turnover, the higher incidence of in-house manufactured medical components compared to the resale ones, allowed to increase the gross margin and, consequently, the net income.
It should be noted that on April 3, 2013 SAES Getters S.p.A. acquired, for a total amount of 0.5 million euro, the last 20% of the shares of Memry GmbH, as better described in the section "Main events of the semester”.

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, it established the joint venture Actuator Solutions GmbH, together with the German group Alfmeier Präzision (for further details on the joint venture, please refer to Notes no. 10 and no. 18 of the Interim Condensed Consolidated Financial Statements).
SAES Nitinol S.r.l. ended the first half of 2013 with a loss of 57 thousand euro (-47 thousand euro the loss in the first half of 2012), primarily consisting in the cash pooling interest expenses charged by the Parent Company SAES Getters S.p.A.
It should be noted that, on February 19, 2013, SAES Getters S.p.A. approved a capital contribution in favor of SAES Nitinol S.r.l. of 94 thousand euro, to cover the losses realized in the previous year.

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.
The company, 85% owned by the Parent Company, operates exclusively as a research center for the above mentioned developments and ended the first half of 2013 with a net loss of 981 thousand euro, down compared to the first half of 2012 (-1,254 thousand euro) due to the containment of consultant fees.
It should be noted that, on February 19, 2013, SAES Getters S.p.A. approved a capital contribution in favor of E.T.C. S.r.l. of 2,484 thousand euro, to cover the losses recorded in the previous year, after which the percentage of participation of the Parent Company (85%) remained unchanged.

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

The company’s main objects 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, 2013 the company reported a net income of 10 thousand euro, down compared to a net income of 61 thousand euro in the first half of the previous year, mainly due to the lower interests earned on the financing in place with the Parent Company.

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), 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 activity and now operates only as a distributor of products made by other Group's companies in the Korean market.
In the first half of 2013 the company reported net sales equal to 949 million KRW (654 thousand euro), down compared to 2,028 million KRW (1,370 thousand euro): the reduction in sales of getters for CRTs, caused by the progressive decline in the volumes of CRT televisions sold, is accompanied by the decrease in sales in the OLED sector (which in the first half of last year was positively affected by a significant sale for sampling) and in the refrigeration business (Thermal Insulation Business). The period ended with a net income of 25 million KRW (17 thousand euro), compared to a net loss of 192 million KRW (-130 thousand euro) as at June 30, 2012: the decline in revenues and the severance costs (392 million KRW) which penalized the first half of 2013 were more than offset by foreign exchange gains which arose on the conversion of the financial receivable in euro that the Korean subsidiary holds in respect of the Parent Company as a result of the devaluation the Korean won against the euro (in the previous year, the result of financial management was basically at break-even thanks to the forward contracts entered into by SAES Getters Korea Corporation; during the current year, these contracts, instead of being held by the Korean subsidiary, have been entered into by the Parent Company SAES Getters S.p.A.).

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, achieved during the first half of the year net sales equal to 7,818 thousand USD (5,953 thousand euro), with a slight decrease (-6%) compared to 8,330 thousand USD (6,425 thousand euro) in the first half of 2012. Despite the reduction in sales, the period ended with a net income of 1,399 thousand USD (1,065 thousand euro) higher if compared to the previous year's one (1,102 thousand USD, equal to 850 thousand euro), favored by lower interest expenses on the variable rate loan held by the U.S. subsidiary, partially refunded compared to June 30, 2012 as per the original repayment plan.

Memry Corporation, Bethel, CT (USA), is a technological leader in the new generation medical components with high engineering value sector, made of NiTinol shape memory alloy.
In the first half of 2013, the company achieved sales equal to 19,058 thousand USD (14,511 thousand euro), showing a decrease compared to the same period of the previous year (23,619 thousand USD, equal to 18,218 thousand euro), penalized by the postponement of the FDA (Food and Drug Administration) approval of a medical component recently developed.
The net income was equal to 917 thousand USD (698 thousand euro), compared to a net income of 2,632 thousand USD (2,030 thousand euro) achieved in the first half of 2012: the decrease was mainly attributable to the decline in sales and to the shift in the sales mix towards products with lower margins, only partially offset by the reduction of operating costs (in particular, lower variable compensation).

Research, development and innovation activities

In the first half of 2013 research and development expenses amounted to 7,704 thousand euro[6] and were equal to 11% of consolidated net revenues, a percentage substantially in line with that of the previous years.

In the first half of 2013, in the wake of what has already been started in 2012, research activities were particularly focused on the development of existing products for OLED displays, in particular

[6] Net of severances, equal to 182 thousand euro.

DryPaste® and AlkaMax®, and they have started the development of a new family of “active fillers”, responding to the latest market demands; Korean and Japanese manufacturers are launching the new large OLED televisions in the market, whose sales have still low volumes but they are expected to grow next year.

Always in the field of organic chemistry, please note the substantial progress made in the OLET (Organic Light Emitting Transistors) project, which involves E.T.C. S.r.l., in collaboration with the National Research Center, in the development of demonstrators able to prove the usefulness of the OLET technology in displays.

The Vacuum Systems laboratory, in the wake of the great success of the NEXTorr® pump, has continued the development of larger models and with a higher pumping speed and, with the support of the materials laboratory that has invented a new family of alloys, it has developed the first prototypes of the High Vacuum pump, capable of operating at higher pressures than the traditional getter pumps.

An equally intense effort was made in the development of new mercury dispensing alloys with a low-temperature release, which will be integrated in the TQS® and Roof products and that will strengthen the SAES Group's position in the market of fluorescent lamps. The development of new amalgam-based products for compact fluorescent lamps has been completed.

In the first half of 2013 the sophisticated getters for lithium batteries were sampled to some potential users; these getters have the function of absorbing the gas that is produced inside the battery, making its use dangerous or inefficient. The tests on these products are still in progress.

The laboratory has also continued to work on the basic research in the field of shape memory alloys, in particular, on the studies aimed at understanding complex phenomena such as the hysteresis, the fatigue break and their relationship with the compositional characteristics of the alloy. The first important results have been achieved in the study of the relationship between impurity and fatigue, studies presented at the SMST (Shape Memory and Superelastic Technology) symposium and that have attracted considerable appreciation from the customers. These activities continued in collaboration with some leading European research centers.

Actuator Solutions GmbH reorganized its development activities with the establishment of a wholly owned subsidiary in Taiwan, which will focus on the implementation of the actuators used to move the lens of the miniaturized cameras of high-end mobile phones. Instead the activities related to the development of products for industrial applications other than mobile phones were concentrated in the laboratories of Lainate, that completed the construction of thermostatic valves for vending machines, for which an exclusive distribution agreement has been signed.

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

Subsequent events

On July 29, 2013 the share capital of E.T.C. S.r.l. was increased from 20 thousand euro to 75 thousand euro. The increase was underwritten only by the majority shareholder SAES Getters S.p.A., while the minority shareholder Dr Michele Muccini didn’t underwrite it.
Following this transaction, the shareholding of SAES Getters S.p.A. in E.T.C. S.r.l. increased from 85% to 96%, while that of Dr Michele Muccini decreased from 15% to 4%. Please note that E.T.C. S.r.l. was already fully consolidated without any attribution to minority interests as at June 30, 2013, because the shareholders' agreements provided for an obligation for the Parent Company to cover the losses also on behalf of the minority shareholder.

Notice is also given that on July 22, 2013 the Parent Company, prior to the capital increase, paid the sum of 981 thousand euro to cover the loss incurred by E.T.C. S.r.l. during the first half of 2013.

In July 2013 SAES Getters S.p.A. agreed with the trade unions upon the use of the Ordinary Redundancy Fund for a period of 13 weeks in the period September-December 2013.
In SAES Advanced Technologies S.p.A., where the use of the Ordinary Redundancy Fund ended on June 30, 2013, a voluntary redundancy procedure has been activated.

Following the decision made by Johnson Matthey Group, an international specialty chemicals company, to close its Gas Purification Technology (GPT) Business, the subsidiary SAES Pure Gas, Inc., as of August 1, 2013, has signed an agreement for the acquisition of some of the dismissed assets, including precious metal components (palladium), key components inventory, critical manufacturing equipment, together with drawings, source coding and customers contact list, as well as warrantied and non-warrantied support and assistance obligations towards Johnson Matthey Inc. gas purifiers customers, which will be managed by SAES Pure Gas, Inc.
The purchasing price for all the identified assets is equal to the price of the palladium precious metal content contained in the raw materials list included in the agreement, valued at the "spot" price for the applicable precious metal on the closing date. Payment will occur in two tranches: fifty percent (50%) was paid at the closing date and the remaining fifty percent (50%) six months from the closing date. The decision is part of the Group's strategy to strengthen the gas purification business and follows the recent acquisition by the U.S. Company Power & Energy, Inc. of its hydrogen purifier business, made on April 19, 2013.

After June 30, 2013 the Group has not entered any additional forward contracts for the sale of foreign currency on trade receivables denominated in U.S. dollars or Japanese yen.

Business outlook

For the second half of 2013, we expect a performance in line with the first half of the year and a further consolidation of the recovery compared to the second half of 2012.
Also total revenues of the Group, that include the share of the revenues of the joint venture Actuator Solutions GmbH, will increase.
The management will continue its actions to contain costs and to increase the operating efficiency in all the Group's companies, in order to improve margins. These actions could generate non-recurring expenses.

Related party transactions

With regard to the Group's related party transactions, it should be noted that they fall within ordinary operations and are settled at market conditions or standard.
Complete disclosure of 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 2012 Consolidated Financial Statements.

In particular, with reference to the financial risks, here 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 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 procure funds to finance its operating activity.

Interest-rate risk

The Group's financial debts are mainly structured on a variable interest rate basis, therefore they are subject to the risk of interest rate fluctuations.
The exposure to interest rate variation is handled by way of entering into Interest Rate Swap (IRS) agreements for a substantial percentage of the financing which has been obtained, with a view to guarantee a level of financial expenditures which are sustainable by the SAES Group's financial structure.
See the Note no. 25 for further details on the agreements in place as at June 30, 2013.

Funding for working capital is managed through short-term financing transactions and, as a consequence, the Group does not enter into any hedges against 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 2013 around 84% of Group sales were denominated in a currency other than the euro, whilst only around 60% of the Group's operating costs were denominated in a currency other than the euro.
In order to manage the volatility generated by the economic impact of 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, included those related to cash pooling (executed by foreign subsidiaries but denominated in euro).
Please refer to the Note no. 25 for further details on the derivative agreements signed during the first half of 2013.

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 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 and Marketing 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 or may occur in the medium to long term debt repayment to its natural end or in case of request for early repayment due to the non-compliance with the financial covenants.

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) and loans 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 prospect generation of operational cash flows.

For further information on the Group's loans as at June 30, 2013 and their contractual maturity please refer to the Note no. 28.

As at June 30, 2013 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 value for shareholders.

No changes were made to equity management objectives or policies during the first half of 2013.

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, 2013

Consolidated income statement

(thousands of euro)	Notes	1st Half 2013	1st Half 2012 (*)
Total net sales	4	**69,542**	**77,508**
Cost of sales	5	(41,214)	(44,757)
Gross profit		**28,328**	**32,751**
Research & development expenses	6	(7,886)	(7,415)
Selling expenses	6	(6,446)	(6,701)
General & administrative expenses	6	(10,856)	(12,046)
Total operating expenses		**(25,188)**	**(26,162)**
Royalties	7	1,072	1,157
Other income (expenses), net	8	105	576
Operating income (loss)		**4,317**	**8,322**
Interest and other financial income, net	9	(461)	(912)
Income (loss) from equity method evalueted companies	10	(351)	(422)
Foreign exchange gains (losses), net	11	6	(181)
Income (loss) before taxes		**3,511**	**6,807**
Income taxes	12	(1,813)	(3,336)
Net income (loss) from continued operations		**1,698**	**3,471**
Net income (loss) from assets held for sale and discontinued operations	13	0	86
Net income (loss) before minority interest		**1,698**	**3,557**
Net income (loss) pertaining to minority interest		0	0
Net income (loss) pertaining to the group		**1,698**	**3,557**
Net income (loss) per ordinary shares	14	0.0461	0.1557
Net income (loss) per savings shares	14	0.1385	0.1725

Consolidated statement of comprehensive income

(thousands of euro)	Notes	1st Half 2013	1st Half 2012
Net income (loss) for the period		**1,698**	**3,557**
Exchange differences on translation of foreign operations	27	52	2,357
Exchange differences on equity method evalueted companies	27	0	0
Total exchange differences		52	2,357
Total components that will be reclassified to the profit (loss) in the future		**52**	**2,357**
Actuarial gain (loss) on defined benefit plans	27	0	0
Income taxes	27	0	0
Actuarial gain (loss) on defined benefit plans, net of taxes		0	0
Total components that will not be reclassified to the profit (loss) in the future		**0**	**0**
Other comprehensive income (loss), net of taxes		**52**	**2,357**
Total comprehensive income (loss), net of taxes		**1,750**	**5,914**
attributable to:			
-Equity holders of the Parent Company		1,750	5,914
-Minority interests		0	0

(*) Certain amounts shown in the column do not correspond to those in the financial statements as at June 30, 2012 because they reflect reclassifications as detailed in Note no.1, paragraph “Reclassifications on June 30, 2012 income statement figures”.

Consolidated statement of financial position

(thousands of euro)	Notes	June 30, 2013	December 31, 2012
ASSETS			
Non-current assets			
Property, plant and equipment, net	16	54,702	55,964
Intangible assets, net	17	48,929	41,563
Investments accounted for using the equity method	18	3,056	3,407
Deferred tax assets	19	15,964	15,378
Tax consolidation receivables from Controlling Company	20	501	484
Other long term assets	21	875	892
Total non current assets		**124,027**	**117,688**
Current assets			
Inventory	22	29,781	31,614
Trade receivables	23	21,407	15,991
Prepaid expenses, accrued income and other	24	6,666	6,388
Derivative financial instruments evaluated at fair value	25	124	114
Cash and cash equivalents	26	15,798	22,610
Assets held for sale		0	0
Total current assets		**73,776**	**76,717**
Total assets		**197,803**	**194,405**
EQUITY AND LIABILITIES			
Capital stock		12,220	12,220
Share issue premium		41,120	41,120
Treasury shares		0	0
Legal reserve		2,444	2,444
Other reserves and retained earnings		45,631	52,256
Other components of equity		2,899	2,847
Net income (loss) of the period		1,698	3,340
Group shareholders' equity	27	**106,012**	**114,227**
Other reserves and retained eanings of third parties		3	3
Net income (loss) of third parties		0	0
Minority interest in consolidated subsidiaries		**3**	**3**
Total equity		**106,015**	**114,230**
Non current liabilities			
Financial debts	28	80	19,179
Other non current financial debts towards third parties	30	3,607	54
Deferred tax liabilities	19	5,007	5,268
Staff leaving indemnities and other employee benefits	31	7,531	7,777
Provisions	32	1,056	1,163
Total non current liabilities		**17,281**	**33,441**
Current liabilities			
Trade payables	33	10,334	12,903
Other payables	34	10,288	9,602
Accrued income taxes	35	1,118	1,526
Provisions	32	706	2,102
Derivative financial instruments evaluated at fair value	25	734	487
Current portion of medium/long term financial debts	28	22,268	6,476
Financial debts towards related parties	29	0	2,019
Other current financial debts towards third parties	30	1,709	789
Bank overdraft	36	26,820	10,051
Accrued liabilities	37	530	779
Liabilities held for sale		0	0
Total current liabilities		**74,507**	**46,734**
Total equity and liabilities		**197,803**	**194,405**

Consolidated cash flow statement

(thousands of euro)	1st Half 2013	1st Half 2012
Cash flow from operating activities		
Net income (loss) from continuing operations	1,698	3,472
Net income (loss) from assets held for sale and discontinued operations	0	85
Current income taxes	2,656	3,234
Changes in deferred income taxes	(843)	102
Depreciation	4,096	4,315
Write down (revaluation) of property, plant & equipment	21	19
Amortization	831	848
Write down (revaluation) of intangible assets	0	47
Net loss (gain) on disposal of property, plant and equipment	(7)	(133)
Interest and other financial income (expenses), net	358	1,332
Other non-monetary costs	811	(214)
Accrual for termination indeminities and similar obligations	353	606
Changes in provisions	(1,520)	(1,755)
	8,454	**11,957**
Working capital adjustments		
Cash increase (decrease) in:		
Account receivables and other receivables	(5,787)	467
Inventory	2,053	3,139
Account payables	(2,818)	(773)
Other current payables	486	1,170
	(6,066)	**4,003**
Payment of termination indemnities and similar obligations	(606)	(248)
Interests and other financial payments	(183)	(542)
Interests and other financial receipts	83	116
Taxes paid	(2,968)	(2,406)
Net cash flows from operating activities	**(1,287)**	**12,880**
Cash flows from investing activities		
Disbursements for acquisition of tangible assets	(2,671)	(2,204)
Proceeds from sale of tangible and intangible assets	16	786
Disbursements for acquisition of intangible assets	(219)	(34)
Investments in joint ventures	0	(3,994)
Cash paid to acquire controlled company shares	(500)	0
Price paid for acquisition of third parties business	(2,440)	0
Decrease (increase) in assets and liabilities held for sale	0	0
Net cash flows from investing activities	**(5,814)**	**(5,446)**
Cash flows from financing activities		
Proceeds from long term financial liabilities, current portion included	0	0
Proceeds from short term financial liabilities	16,450	14,800
Dividends payment	(9,965)	(10,792)
Repayment of financial liabilities	(3,511)	(3,642)
Interest and other costs paid on financial liabilities	(541)	(655)
Changes in minority interest in consolidated subsidiaries	(2,000)	0
Payment of finance lease laibilities	(9)	(9)
Change in minority interests	0	0
Net cash flows from financing activities	**424**	**(299)**
Net foreign exchange differences	(484)	960
Net (decrease) increase in cash and cash equivalents	**(7,161)**	**8,095**
Cash and cash equivalents at the beginning of the period	**22,609**	**20,291**
Cash and cash equivalents at the end of the period	**15,448**	**28,386**

Consolidated statement of changes in equity as at June, 30 2013

(thousands of euro)	Capital stock	Share issue premium	Treasury shares	Legal reserve	components of equity: Currency conversion reserve	components of equity: Currency conversion reserve from discontinued operations	Other reserves and retained earnings	Net income (loss)	Group shareholders' equity	Minority interests	Total equity
December 31, 2012	**12,220**	**41,120**	**0**	**2,444**	**2,847**	**0**	**52,256**	**3,340**	**114,227**	**3**	**114,230**
Distribution of 2012 result							3,340	(3,340)	0		0
Dividends paid							(9,965)		(9,965)		(9,965)
Net income (loss)								**1,698**	**1,698**	**0**	**1,698**
Other comprehensive income (loss)					52				52		52
Total comprehensive income (loss)					**52**			**1,698**	**1,750**	**0**	**1,750**
June 30, 2013	**12,220**	**41,120**	**0**	**2,444**	**2,899**	**0**	**45,631**	**1,698**	**106,012**	**3**	**106,015**

Consolidated statement of changes in equity as at June 30, 2012

(thousands of euro)	Capital stock	Share issue premium	Treasury shares	Legal reserve	components of equity: Currency conversion reserve	components of equity: Currency conversion reserve from discontinued operations	Other reserves and retained earnings	Net income (loss)	Group shareholders' equity	Minority interests	Total equity
December 31, 2011	**12,220**	**41,120**	**0**	**2,444**	**3,814**	**0**	**47,803**	**15,634**	**123,035**	**3**	**123,038**
Distribution of 2011 result							15,634	(15,634)	0		0
Dividends paid							(10,792)		(10,792)		(10,792)
Net income (loss)								**3,557**	**3,557**	**0**	**3,557**
Other comprehensive income (loss)					2,357				2,357		2,357
Total comprehensive income (loss)					**2,357**			**3,557**	**5,914**	**0**	**5,914**
June 30, 2012	**12,220**	**41,120**	**0**	**2,444**	**6,171**	**0**	**52,645**	**3,557**	**118,157**	**3**	**118,160**

1. BASES OF PREPARATION AND ACCOUNTING POLICIES

Bases of preparation

SAES Getters S.p.A., the Parent Company, and its subsidiaries operate both in Italy and abroad in the development, manufacturing and marketing of getters and other components for displays and other industrial applications, 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, it is not considered to exist significant uncertainties (as defined in paragraph no. 25 of IAS 1 - *Presentation of Financial Statements*) on 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.[7], which does not exercise management and coordination activity.
The Board of Directors approved and authorized the publication of the 2013 Interim Condensed Consolidated Financial Statements in a resolution passed on July 31, 2013.

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 statement of comprehensive income (the Group elected to present two different statements) and a statement of changes in equity that includes only the details of the transactions on the 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 income statement 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 context of the allocation basis for the preparation of the income statement, 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.
Non-recurring events and transactions are identified primarily on the basis of the nature of the transactions. In particular, non-recurring expenses/income 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;

[7] Based in Milan at Via Vittor Pisani 27.

- 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).

During the first half of 2013 the Group did not perform any unusual or non-recurring transactions having a significant impact on the economic situation and financial position.

On the basis of the aforementioned Consob resolution, the amounts of positions or transactions with related parties, broken down according to the line item in question, are reported in the Explanatory notes.

Reclassifications on June 30, 2012 income statement figures

Please note that the figures of the first semester of 2012, presented for comparative purposes, have been reclassified in order to enable a homogeneous comparison with 2013. In particular, the recharge of costs related to services undertaken for the benefit of the joint venture Actuator Solutions GmbH has been reclassified from the item "Other income" and put as deduction of the related cost items.

The following table shows the effect of these reclassifications on the consolidated income statement:

Reclassified consolidated income statement

(thousands of euro)	1st Half 2012	Reclassifications	1st Half 2012 reclassified
Total net sales	**77,508**	0	**77,508**
Cost of sales	(44,756)	0	(44,756)
Gross profit	**32,752**	**0**	**32,752**
Research & development expenses	(7,415)	0	(7,415)
Selling expenses	(6,998)	297	(6,701)
General & administrative expenses	(12,065)	19	(12,046)
Total operating expenses	**(26,478)**	**316**	**(26,162)**
Other income (expenses), net	2,048	(316)	1,733
Operating income (loss)	**8,322**	**0**	**8,323**
Interest and other financial income (expenses)	(912)	0	(912)
Share of result of investments accounted for using the equity method	(422)	0	(422)
Foreign exchange gains (losses), net	(181)	0	(181)
			0
Income (loss) before taxes	**6,807**	**0**	**6,807**
			0
Income taxes	(3,336)	0	(3,336)
			0
Net income (loss) from continued operations	**3,471**	**0**	**3,471**
			0
Net income (loss) from assets held for sale and discontinued operations	86	0	86
			0
Net income (loss) for the period	**3,557**	**0**	**3,557**
			0
Minority interests in consolidated subsidiaries	0	0	0
			0
Group net income (loss) for the period	**3,557**	**0**	**3,557**

Please note that, during the first half of 2013, for a better presentation of the margins by business sector, the costs of basic research in the field of organic photonics incurred by the subsidiary E.T.C. S.r.l. were reclassified from the Information Displays Business Unit to the Business Development Unit.
To enable a homogeneous comparison with 2013, also the figures of the first half of 2012 have been subjected to the same reclassifications. For further details, please refer to the Note no. 15.

Segment information

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

Seasonality of operations

Based on historical trends, the revenues of the different businesses are not characterized by 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, 2013:

Company	*Currency*	*Capital Stock*	*% of ownership Direct*	*Indirect*
Directly-controlled subsidiaries:				
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	13,570,000	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	20,000	85.00**	-
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%).

** 15% held by third parties. However, the company is fully consolidated at 100% without attribution of minority interests since in the shareholders' agreements SAES Getters S.p.A. has committed to cover any losses, also on behalf of the minority shareholder if the latter is unwilling or unable to proceed to cover them, maintaining unchanged the Parent Company's percentage of ownership.

The following table shows the companies included in the scope of consolidation according to the equity method as at June 30, 2013:

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.)

The changes occurred in the consolidation area compared to December 31, 2012, are listed below:

- On April 3, 2013 SAES Getters S.p.A. acquired, for an amount of 500 thousand euro, the last 20% of the shares of Memry GmbH, a company operating in the production and distribution of shape memory alloy (SMA) semi-finished products and components for industrial and medical applications.Memry GmbH was already consolidated at 100% without attribution of minority interests given that SAES Getters S.p.A. had an obligation to acquire 100% of the shares.
- On June 14, 2013, the joint venture Actuator Solutions GmbH established Actuator Solutions Taiwan Co., Ltd., a company 100% controlled by the former, for the development and distribution of SMA devices for the image focus and stabilization in tablet and smart-phone cameras. The new company is headquartered in Taiwan, in a strategic position for this market segment, characterized by a strong growth in the consumer electronics business.

Regarding the other significant events occurred after December 31, 2012, on April 19, 2013 the subsidiary SAES Pure Gas, Inc., acquired by the U.S. company Power & Energy, Inc. its "hydrogen purifier" business, mainly utilized in the semiconductors market.
The acquired business includes patents, know-how, manufacturing processes and commercial supply agreements.
The acquisition price includes a fixed amount of 7 million USD, plus an earn-out related to future SAES revenues deriving from the sales of hydrogen purifiers, up to a maximum of 3 million USD. The first tranche of the fixed amount, equal to 3.2 million USD was paid at the closing of the transaction; the remaining amount will be paid by SAES in two subsequent tranches, the first one equal to 2 million USD to be paid by January 24, 2014 and the second one equal to 1.8 million USD to be paid by January 23, 2015. The earn-out, if accrued, will be paid by SAES in quarterly tranches, each one equal to 10% of the net revenues recorded in the quarter by SAES and deriving from the sale of hydrogen purifiers to third parties, up to the agreed maximum amount of 3 million USD.

2. 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, 2013 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, 2013 was 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, 2012, since it does not include the disclosure required for the annual financial statements prepared according to IAS/IFRS.
For comparison purposes also 2012 comparative figures have been presented, in application of IAS 1- *Presentation of Financial Statements*.

IFRS new standards, amendments and interpretations effective from January 1, 2013

Accounting standards used to prepare the Interim Condensed Consolidated Financial Statements for the six months ended June 30, 2013 are consistent with those applied in the consolidated financial statements as at December 31, 2012, except for the adoption of the following new standards and interpretations applicable starting from January 1, 2013.
The following accounting standards, amendments and interpretations applicable for the first time from January 1, 2013.

IFRS 13 - *Fair value measurement*
IFRS 13 - *Fair value measurement* defines a single framework for fair value evaluations, required or allowed by other standards, and for their related disclosures in the financial statements. Fair value is defined as the price to be received for the sale of an asset (or to be paid for the transfer of a liability) as part of an orderly transaction between market participants at the evaluation date.
This standard should be applied prospectively.
The application of IFRS 13 didn't have any significant impact on the fair value evaluations made by the Group.

IFRS 7 - *Financial instruments: supplementary disclosures* (amendment)
The amendment requires disclosures on the effect or potential effect of offsetting financial assets and financial liabilities on the statement of financial position of a company carried out in accordance with IAS 32. The information must be provided retrospectively.
Given that the Group doesn't offset any financial instruments in accordance with IAS 32, the amendments to IFRS 7 did not result in the need for any supplementary information.

IAS 1 - *Presentation of Financial Statements* (amendment)
The amendment requires companies to group all the items presented in the statement of "Other comprehensive income" into two categories depending on whether or not they can be subsequently reclassified in the income statement. Related taxes should be allocated on the same basis.
This change affected only the mode of presentation of the other items of the comprehensive income statement and didn't have any impact on the financial position or performance of the Group.

IAS 19 - *Employee benefits* (amendment)
The amendment to IAS 19 - *Employee benefits* eliminates the option to defer the recognition of actuarial income and losses with the corridor method, requiring that all actuarial income and losses are recognized immediately in the statement of "Other comprehensive income" so that the full amount of the net provisions for defined benefit plans (net of the assets servicing the plan) is recorded in the consolidated statement of financial position.
The amendments also provide that changes occurred between one year and the following one in the defined benefits fund and in the assets servicing the plan have to be divided into three components:
– the cost components related to the work performed in the year have to be recorded in the income statement as "service cost";

– the net financial expenses calculated by applying the appropriate discount rate to the net balance of the defined benefits fund net of the assets resulting at the beginning of the year must be recorded in the income statement as such;

– the actuarial income and losses arising from the re-measurement of assets and liabilities must be recorded in the statement of "Other comprehensive income".

In addition, the return on assets, included in net financial expenses as indicated above, shall be calculated on the basis of the discount rate of the liability and not of the expected return on assets. Finally, the amendment introduces some new additional disclosures to be provided in the notes to the financial statements. The amendment is applicable retrospectively.

The SAES Group had opted for an early application of the revised IAS 19 already last year, deleting the application of the corridor method and recognizing all actuarial income and losses in the statement of comprehensive income in the period in which they occur; for this reason, with regards to the effects of the amendment to IAS 19 on the consolidated statement of financial position presented for comparative purposes, please refer to the annual financial statements as at December 31, 2012. Instead, there is no need of any restatement of the income statement as at June 30, 2012 (always presented for comparative purposes) as the obligations deriving from the defined benefit plans are subject to an actuarial evaluation on an annual basis only.

IFRS 1 - *First-time adoption of International Financial Reporting Standards - Government Loan* (amendment)

The amendment to IFRS 1 - *First-time adoption of the International Financial Reporting Standards - Government loan* changes the reference to the accounting of government loans in the transition to IFRS. This amendment is not relevant for the Group, the latter not being a first-time adopter of the IFRS.

On May 17, 2012 the IASB published the document *Annual Improvements to IFRSs: 2009-2011 Cycle*, which reflects the amendments to the standards within the annual process to improve them, focusing on those changes assessed as necessary, but not urgent. Below are shown those amendments that involve a change in the presentation, recognition and measurement of assets and liabilities, excluding those that will only involve a change in the terminology or editorial changes with a minimal effect on the accounts, as well as those that will have an impact on standards or interpretations not applicable to the Group.

IAS 1 - Presentation of financial statements - Comparative information:
it is clarified that in case some additional comparative information is provided, it must be presented in accordance with IAS/IFRS. Moreover, it is clarified that in case an entity changes an accounting policy or makes a retrospective adjustment/reclassification, the same entity should present a balance sheet also at the beginning of the comparative period ("third balance sheet" in the financial statements) while comparative disclosures for this "third balance sheet" are not required in the notes, except for the items concerned.
The amendment didn't have any impact on the disclosure of the Group, as there weren't any changes to the accounting standards in the semester that had an impact on the financial position or performance of the Group.

IAS 16 - Property, plant and equipment - Classification of servicing equipment:
it is clarified that servicing equipment should be classified as "Property, plant and equipment" when used for more than one year, and as "Inventory" in the opposite case.
This change did not result in the need for the Group to make any reclassification.

IAS 32 - Financial instruments: presentation in the financial statements - Direct taxes on distributions to holders of equity instruments and on transaction costs on equity instruments:
it is clarified that direct taxes related to these particular cases follow the rules of IAS 12.
This clarification didn't have any effect on the financial position or on the performance of the Group, as the taxes related to the distribution to shareholders were already accounted for in accordance with IAS 12.

IAS 34 - Interim financial statements - Total assets for a reportable segment:
it is clarified that the total assets must be reported only if such information is regularly provided to the chief operating decision maker of the entity and there has been a material change in the total assets of the segment compared to what has been reported in the previous annual financial statements.
Since in the SAES Group the total assets for each reportable segment is not regularly provided to the chief operating decision maker, this information has been removed from the explanatory notes.
Consistently, also the information on the total liabilities by sector has been eliminated.

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

IFRS 10 - *Consolidated Financial Statements*
IFRS 10 - *Consolidated Financial Statements* will replace SIC 12 - *Consolidation - Special Purpose Entities* and some parts of IAS 27 - *Consolidated and Separate financial statements,* that will be renamed "Separate financial statements" and will address the accounting treatment of shareholdings in the separate financial statements. The main changes in the new standard are as follows:

- according to IFRS 10 there is a single basic principle to consolidate all types of entities, and this principle is based on the control. This change removes the perceived inconsistency between the previous IAS 27 (based on the control) and SIC 12 (based on the transfer of risks and benefits);
- it provides a definition of control stronger than in the past, based on three elements: (a) the power on the company acquired; (b) the exposure, or rights, to variable returns deriving from the involvement in the same company; (c) the ability to use the power to influence the amount of such returns;
- IFRS 10 requires an investor to focus on those activities that significantly affect the returns of the acquired company in order to assess whether it has control over the company itself;
- IFRS 10 requires that, in assessing whether control exists, only the substantive rights are considered, that means those which are effectively exercisable when important decisions on the company acquired must be taken;
- IFRS 10 provides practical guides in assessing whether control exists in complex situations, such as the *de facto* control, potential voting rights, those situations in which it is necessary to establish whether the person who has the decision power is acting as an agent or as a principal, etc.

In general terms, the application of IFRS 10 requires a significant degree of judgment on a number of application aspects.
This standard is applicable retrospectively starting from January 1, 2014.

Consolidated Financial Statements, Joint Arrangements and Disclosure of Interests in Other Entities: Transition Guidance (Amendments to IFRS 10, IFRS 11 and IFRS 12)
The document *Consolidated Financial Statements, Joint Arrangements and Disclosure of Interests in Other Entities: Transition Guidance (Amendments to IFRS 10, IFRS 11 and IFRS 12)*, first of all, clarifies the intentions of the Board with reference to the transition rules of IFRS 10 - *Consolidated financial statements*. In particular, the document clarifies that, for an entity with a financial year that corresponds to the calendar year and with the first application of IFRS 10 to the year ended December 31, 2013, the date of its initial application will be January 1, 2013.
In the event that the conclusions on the scope of consolidation are the same in accordance with IAS 27 and SIC 12 and in accordance with IFRS 10 at the date of its initial recognition, the entity shall have no obligation. Likewise, no obligation will arise in the event that the investment has been sold in the comparative period (and as such is no longer present at the date of its initial application).
The document aims at clarifying how an investor has to retrospectively rectify the comparative period(s) if the conclusions on the scope of consolidation are not the same in accordance with IAS 27/SIC 12 and IFRS 10 at the date of its initial recognition. In particular, when a retrospective adjustment as defined above is not applicable, an acquisition/disposal will be recorded at the beginning of the comparative period presented, with a consequent adjustment recorded in the retained earnings.
In addition, the Board amended IFRS 11 - *Joint Arrangements* and IFRS 12 - *Disclosure of Interests in Other Entities* to provide a similar preferential treatment for the presentation or the change of the

comparative information on the periods earlier than that defined as “the immediately preceding period”(that is the comparative period presented in the financial statements). IFRS 12 is further amended by limiting the request to present comparative information for the disclosures related to the “structured entities” that were not consolidated in the periods prior to the effective application date of IFRS 12.
These amendments shall apply, together with the related standards, to the years beginning on January 1, 2014. An early adoption is permitted.

IFRS 11 - *Joint arrangements*
IFRS 11 - *Joint arrangements* will replace IAS 31 - *Interests in joint ventures* and SIC 13 - *Jointly controlled entities - Contributions in kind by the joint controlling entities*. The new standard, subject to the criteria for the identification of the presence of a joint control, provides the criteria for the accounting treatment of joint arrangements based on the rights and obligations deriving from the agreements rather than on their legal form and requires to apply only the equity method as accounting method for investments in joint ventures in the consolidated financial statements. According to IFRS 11, the existence of a separate vehicle is not a sufficient condition for classifying a joint arrangement as a joint venture. The new standard is applicable retrospectively from January 1, 2014. Following the adoption of this standard, IAS 28 - *Investments in associates* has been amended to include within its scope of application also the investments in joint ventures, starting from the effective date of application of the standard.

IFRS 12 - Disclosure of interests in other entities
IFRS 12 - *Disclosure of interests in other entities* is a new and comprehensive standard on the additional disclosure requirements in the consolidated financial statements for all types of investments, including those in subsidiaries, joint arrangements, associates, special purpose entities and other unconsolidated purpose entities. The principle is applicable retrospectively from January 1, 2014.

IAS 32 - *Financial Instruments: presentation in the financial statements* (amendments)
The amendments to IAS 32 - *Financial Instruments: presentation in the financial statements* are intended to clarify the application of certain criteria in IAS 32 for offsetting financial assets and liabilities. In particular, the amendments to IAS 32 require that: (i) in order to operate a compensation, the right of offsetting must be legally enforceable in all circumstances that means both in the ordinary course of business and in the case of insolvency, default or bankruptcy of one of the contractual parties, and (ii) upon the occurrence of certain conditions, the simultaneous settlement of financial assets and liabilities on a gross basis, with the consequent elimination or significant reduction of credit risks and liquidity, can be considered equivalent to a net settlement. The amendments are applicable retrospectively to annual periods beginning on or after January 1, 2014.

The Group has not adopted in advance new standards, amendments or interpretations validated by the European Union, but not yet in force.

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

At the date of these 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 9 - *Financial instruments*
On November 12, 2009 the IASB published IFRS 9 - *Financial instruments*: the same standard was amended on October 28, 2010. This standard, applicable from January 1, 2015 retrospectively, is the first part of a phased process that aims at replacing IAS 39 and introduces new criteria for the classification and evaluation of financial assets and liabilities. In particular, for financial assets, the new standard uses a single approach based on the procedures for the management of financial instruments and on the characteristics of the contractual cash flows of the financial assets in order to determine the evaluation method, replacing the many different rules envisaged by IAS 39. Instead, for financial liabilities, the main

change concerns the accounting treatment of changes in the fair value of a financial liability designated as a fair value evaluated financial liability through the income statement, in the event that these ones are due to changes in the creditworthiness of the liability itself. Under the new standard, these changes must be recognized in the statement of “Other comprehensive income and losses” and no longer in the income statement.
The phases two and three of the project on financial instruments, related respectively to the impairment of financial assets and to the hedge accounting, are still in progress. The IASB has also introduced limited improvements to IFRS 9 for the part related to the classification and evaluation of financial assets.

Amendments to IFRS 10, IFRS 12 and IAS 27
On October 31, 2012 some amendments to IFRS 10, IFRS 12 and IAS 27 - *Investments entities* were issued, which introduce an exception to the consolidation of subsidiaries for an investment company, except in cases where the subsidiaries provide services that relate to the investment activities of such companies. Pursuant to those amendments, an investment company must evaluate its investments in subsidiaries at fair value through the income statement. In order to qualify as an investment company, an entity shall:

- obtain funds from one or more investors with the purpose of providing them with services of professional investments management;
- have as its corporate objective that of investing funds only to get returns from capital appreciation, from investment income, or both;
- measure and evaluate the performance of substantially all of its investments on a fair value basis.

These amendments are applicable to financial statements beginning on or after January 1, 2014, with an early application permitted.

IFRIC 21 – *Levies*
On May 20, 2013, the IFRS IC issued IFRIC 21 - *Levies*, which defines the accounting treatment of levies/taxes paid to government authorities (based on the laws of a specific jurisdiction), for which the entity doesn’t receives any specific good or service in return. The event that triggers the obligation on the entity is typically specified in the legislation introducing this levy. A liability should be recognized at the date of the event that generates the obligation, even though the levy is calculated on a past performance (such as revenues of the previous year), the manifestation of the past performance is a condition necessary, but not sufficient for the accounting of a liability. This interpretation is applicable retrospectively to financial statements beginning on or after January 1, 2014.

IAS 36 - *Recoverable amount disclosures for non-financial assets* (amendment)
On May 29, 2013 the IASB issued an amendment to IAS 36 - *Recoverable amount disclosures for non-financial assets*, that limits the disclosure requirement to indicate the recoverable amount of assets or cash generating units (CGUs). To this end, please note that IFRS 13 - *Fair value measurement*, had modified IAS 36 by introducing the requirement to indicate in the disclosures the recoverable amount of each (or group of) CGU(s) to which is attributed a significant part of the net book value of the goodwill or of the intangible assets with an indefinite useful life. In addition, this amendment requires explicitly to provide information on the discount rate used to determine an impairment loss (or a reversal) when the recoverable amount (based on the fair value less cost to sell) is determined using the method of the present value.

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 and 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 in the future differ from the actual circumstances, they will be modified accordingly during the period in which said circumstances change.

In particular, estimates are used to recognize bad debt provisions, the inventory allowance, depreciation and amortization, write-downs of current and non-current assets, employee benefits, taxes and accruals to provisions.
Estimates and assumptions are reviewed periodically and the effects of all changes are reflected on the income statement.
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, 2012.

Criteria for converting items expressed in foreign currencies

Consolidated financial statements are prepared in euro, which is the Group's functional currency.
Group companies establish the functional currency for their 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)

Curency	June 30, 2013		December 31, 2012		June 30, 2012	
	Average rate	Final rate	Average rate	Final rate	Average rate	Final rate
U.S. dollar	1.3134	1.3080	1.2848	1.3194	1.2965	1.2590
Japanese yen	125.4591	129.3900	102.4920	113.6100	103.3102	100.1300
South Korean won	1,450.2198	1,494.2400	1,447.6900	1,406.2300	1,480.4100	1,441.0000
Renminbi (P.R. of China)	8.1285	8.0280	8.1052	8.2207	8.1901	8.0011
Taiwan dollar	38.9662	39.3211	37.9965	38.3262	38.4516	37.6024

3. BUSINESS COMBINATIONS

On April 19, 2013 the SAES Group, through its subsidiary SAES Pure Gas, Inc., acquired from the U.S. company Power & Energy, Inc. its "hydrogen purifier" business, mainly utilized in the semiconductors market.
The acquisition of this business is part of the strategy to strengthen the gas purification business, allowing the Group to complement its traditional offering, based on the getter technology, with innovative technology solutions in the field of catalytic hydrogen purification, with the consequent increase in the sales volumes and in the results of the semiconductors business.

The acquired business includes patents, know-how, manufacturing processes and commercial supply agreements. The agreement also provides for a non-competition agreement by the selling company in the field of "hydrogen purification".

The acquisition price includes a fixed amount of 7 million USD, plus an earn-out related to future SAES revenues deriving from the sales of hydrogen purifiers, up to a maximum of 3 million USD. The first tranche of the fixed amount, equal to 3.2 million USD was paid at the closing of the transaction (April 19, 2013); the remaining amount will be paid by SAES, in two subsequent tranches, the first one equal to 2 million USD to be paid by January 24, 2014 and the second one equal to 1.8 million USD to be paid by January 23, 2015. The earn-out, if accrued, will be paid by SAES in quarterly tranches, each one equal to 10% of the net revenues recorded in the quarter by SAES and deriving from the sale of hydrogen purifiers to third parties, up to the agreed maximum amount of 3 million USD.

In accordance with IFRS 3, the acquisition cost (10 million USD, equal to 7,625 thousand euro at the exchange rate of April 19, 2013) was temporarily allocated to goodwill while the fair value of the acquired assets and liabilities is being defined; any adjustment will be booked within twelve months from the acquisition date.

The acquisition costs (equal to 26 thousand euro as at June 30, 2013) are charged to the income statement as general and administrative expenses and they are included in the operating cash flows of the Consolidated cash flow statement. To these costs, in the first half of 2013, must be added also 13 thousand euro for travel expenses strictly linked to the transfer of Power & Energy, Inc. technology and classified as research costs.
The "hydrogen purifiers" business did not contribute to the revenues of the first half of 2013, which will begin to generate revenues starting from the second semester, once the transfer is completed.

4. NET SALES

Consolidated net sales of the first half of 2013 were equal to 69,542 thousand euro, down by 10.3% compared to the first half of 2012, but up by 7% compared to the second half of the previous year.

Please refer to the Interim Report on Operations for further details.

The following table shows a breakdown of revenues by Business:

(thousands of euro)

Business	1st Half 2013	1st Half 2012	Difference	Difference %	Exchange rate effect %	Price/Q.ty effect %
Electronic Devices	11,552	10,552	1,000	9.5%	-1.4%	10.9%
Lamps	6,467	6,195	272	4.4%	-2.4%	6.8%
Vacuum Systems and Thermal Insulation	5,490	8,791	(3,301)	-37.5%	-4.1%	-33.4%
Energy Devices	346	62	284	458.1%	0.0%	458.1%
Semiconductors	24,227	25,151	(924)	-3.7%	-1.3%	-2.4%
Industrial Applications	**48,082**	**50,751**	**(2,669)**	**-5.3%**	**-1.9%**	**-3.4%**
Shape Memory Alloys	**20,625**	**24,918**	**(4,293)**	**-17.2%**	**-1.0%**	**-16.2%**
Liquid Crystal Displays	21	603	(582)	-96.5%	-0.4%	-96.1%
Cathode Ray Tubes	435	670	(235)	-35.1%	-0.6%	-34.5%
Organic Light Emitting Diodes	338	555	(217)	-39.1%	-3.7%	-35.4%
Information Displays	**794**	**1,828**	**(1,034)**	**-56.6%**	**-1.5%**	**-55.1%**
Business Development	**41**	**11**	**30**	**272.7%**	**-4.6%**	**277.3%**
Total net sales	**69,542**	**77,508**	**(7,966)**	**-10.3%**	**-1.6%**	**-8.7%**

5. COST OF SALES

The cost of sales amounted to 41,214 thousand euro in the first half of 2013, decreasing from 44,757 thousand euro of the corresponding period of the previous year.

A breakdown of the cost of sales by category is given below:

(thousands of euro)

Cost of sales	1st Half 2013	1st Half 2012	Difference
Raw materials	15,957	17,805	(1,848)
Direct labour	7,890	8,314	(424)
Manufacturing overhead	16,254	17,851	(1,597)
Increase (decrease) in work in progress and finished goods	1,113	787	326
Total cost of sales	**41,214**	**44,757**	**(3,543)**

In percentage terms, the reduction of the cost of raw materials (including also the change in work in progress and finished goods) and that of manufacturing overhead are substantially in line with the Group's revenues reduction.
Instead, the direct labor cost decreases to a lesser extent as a result of the shift of the sales mix towards products with a higher labor absorption.
The exchange rate effect led to a decrease of the cost of sales of approximately 0.4 million euro.

6. OPERATING EXPENSES

Operating expenses amounted to 25,188 thousand euro in the first semester of 2013, with a reduction of -3.7% in comparison to the same period of the previous year.

(thousands of euro)

Operating expenses	1st Half 2013	1st Half 2012	Difference
Research & development expenses	7,886	7,415	471
Selling expenses	6,446	6,701	(255)
General & administrative expenses	10,856	12,046	(1,190)
Total operating expenses	**25,188**	**26,162**	**(974)**

Total consolidated operating expenses (25,188 thousand euro) were slightly down compared to 26,162 thousand euro in the corresponding semester of 2012, demonstrating the continuing commitment of the Group to control costs with the aim of increasing operational efficiency.
The decrease, also due to the exchange rate effect, was mainly concentrated in the *general and administrative expenses* (reduction in the remuneration paid to Directors, lower variable bonuses and lower consultant fees).
On the other hand, *research and development expenses* increased from 7,415 thousand euro to 7,886 thousand euro due both to the severance costs, equal to 182 thousand euro, that penalized the current semester, and to the increase in the second half of 2012 of the staff of the Parent Company involved in research activities.
The change in the *selling expenses* is mainly due to the exchange rate effect.

A breakdown of total expenses included in the cost of sales and operating expenses by their nature is given below:

(thousands of euro)

Total costs by nature	1st Half 2013	1st Half 2012	Difference
Raw materials	15,957	17,805	(1,848)
Personnel cost	29,167	29,803	(636)
Corporate bodies	916	1,395	(479)
Travel expenses	895	875	20
Maintenance and repairs	1,406	1,479	(73)
Various materials	3,106	3,232	(126)
Transports	872	971	(99)
Commissions	575	555	20
Licenses and patents	631	805	(174)
Consultant fees and legal expenses	2,224	2,322	(98)
Audit fees	237	264	(27)
Rent and operating leasing	972	1,352	(380)
Insurances	619	613	6
Promotion and advertising	237	267	(30)
Utilities	1,505	1,554	(49)
Telephones and faxes	221	258	(37)
General services (canteen, cleaning, vigilance)	584	696	(112)
Training	25	231	(206)
Depreciation	4,096	4,315	(219)
Amortization	831	848	(17)
Write-down of non current assets	21	66	(45)
Provision (release) for bad debts	(23)	91	(114)
Other	215	335	(120)
Total costs by nature	**65,289**	**70,132**	**(4,843)**
Increase (decrease) in work in progress and finished goods	1,113	787	326
Total cost of sales and operating expenses	**66,402**	**70,919**	**(4,517)**

The items “Raw materials” and “Various materials”, that are strictly linked to the production cycle, decreased as a consequence of the reduction in revenues.

The item “Personnel costs”, despite being penalized in the first half of 2013 by severance costs equal to 884 thousand euro, decreased compared to the corresponding period of the previous year due to the reduction of the workforce involved in SMA production activities (as result of the economic downturn that characterized the medical sector) and of the variable compensation (linked to the Group’s economic results).

The item “Corporate bodies”, also down compared to the first half of 2012, includes the remuneration of the members of the Board of Directors and the Board of Statutory Auditors of the Parent Company.

The item “Depreciation” decreased as a result of the fact that during this semester some production assets reached the end of their useful life.
On the contrary, the item “Amortization” was substantially in line with the previous year.

Finally please note a general reduction of all fixed overhead costs (maintenance, consultant fees, rent, utilities and general services), as a result of the continuing commitment of the management in the control of these costs.

7. ROYALTIES

As at June 30, 2013, the item "royalties" was equal to 1,072 thousand euro and it was composed exclusively of the lump-sum and royalties for the licensing of the thin film getter technology for MEMS of new generation (to be compared with 1,157 thousand euro in the first semester of 2012).

8. OTHER INCOME (EXPENSES)

A breakdown of "Other income (expenses)", compared to the corresponding period of the previous year, is given below:

(thousands of euro)

	1st Half 2013	1st Half 2012	Difference
Other income	308	767	(459)
Other expenses	(203)	(191)	(12)
Total other income (expenses)	**105**	**576**	**(471)**

As at June 30, 2013 the balance of other net income (expenses) was positive and equal to 105 thousand euro, compared a balance, always positive, equal to 576 thousand euro in the first half of 2012. The decrease was mainly due to the fact that in the first six months of the previous year this item included a non-recurring income resulting from the release of the excess of a risk provision following the settlement of a dispute of the subsidiary SAES Advanced Technologies S.p.A. with the social security institutions (0.3 million euro).

9. FINANCIAL INCOME (EXPENSES)

The following table shows the financial income breakdown in the first half of 2013, as compared to the corresponding period of the previous year:

(thousands of euro)

Financial income	1st Half 2013	1st Half 2012	Difference
Bank interests income	70	75	(5)
Other financial income	13	40	(27)
Realized lgains on IRS	0	0	0
Gains from IRS evaluation at fair value	124	161	(37)
Total financial income	**207**	**276**	**(69)**

The breakdown of financial expenses is given below:

(thousands of euro)

Financial expenses	1st Half 2013	1st Half 2012	Difference
Bank interests and other bank expenses	542	835	(293)
Other financial expenses	2	122	(120)
Realized losses on IRS	124	231	(107)
Losses from IRS evaluation at fair value	0	0	0
Total financial expenses	**668**	**1,188**	**(520)**

The item “Bank interests and other bank expenses” mainly included interest expenses on loans, both short and long term ones, held by the U.S. subsidiaries and by the Parent Company, as well as bank fees related to the credit lines not used.

The item “Gains/Losses from IRS evaluation at fair value” represents the effect on the income statement of the measurement of the Interest Rate Swap (IRS) agreements held by the U.S. subsidiary Memry Corporation, while the item “Realized gains/losses on IRS” includes the interest differences paid to the banks on the signed hedging contracts.

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

This item includes the Group’s share in the result of Actuator Solutions GmbH and its 100% subsidiary Actuator Solutions Taiwan Co., Ltd., both consolidated with the equity method.
In the first half of 2013, the loss deriving from the evaluation with the equity method amounted to -351 thousand euro, substantially in line with that of the first half of the previous year (-422 thousand euro).
For further details, please refer to the Note no. 18.

11. FOREIGN EXCHANGE GAINS (LOSSES)

The breakdown of foreign exchange gains and losses as at June 30, 2013 compared to the previous year is given below:

(thousands of euro)

Foreign exchange gains and losses	1st Half 2013	1st Half 2012	Difference
Foreign exchange gains	883	679	204
Foreign exchange losses	(601)	(1,094)	493
Foreign exchange gains (losses), net	**282**	**(415)**	**697**
Realized exchange gains on forward contracts	83	73	10
Realized exchange losses on forward contracts	(1)	(53)	52
Gains (losses) from forward contracts evaluation at fair value	(358)	214	(572)
Gains (losses) on forward contracts	**(276)**	**234**	**(510)**
Total foreign exchange gains (losses), net	**6**	**(181)**	**187**

The sum of the exchange rate differences recorded a balance substantially at break-even (+6 thousand euro) in the first six months of 2013, substantially in line with that of the first semester of 2012 (-181 thousand euro) and guaranteed by the same hedging policy adopted by the Group in the previous year.

The item “Gains (losses) on forward contracts” includes both the gains or losses realised when forward contracts on transactions in foreign currencies are unwound and the impact on the income statement of a fair market evaluation of the outstanding contracts.

12. INCOME TAXES

As at June 30, 2013 income taxes amounted to 1,813 thousand euro, with a decrease of 1,523 thousand euro compared to the previous year.

The related breakdown is given below:

(thousands of euro)

	1st Half 2013	1st Half 2012	Difference
Current taxes	2,656	3,234	(578)
Deferred taxes	(843)	102	(945)
Total	**1,813**	**3,336**	**(1,523)**

The reduction of tax expenses, compared to the first half of the previous year, is mainly due to the lower taxable income realized during the period following the decrease in revenues.

In the first half of 2013, the Group realized tax losses equal to 6,514 thousand euro; deferred taxes have been recognized only on losses equal to 4,938 thousand euro (the tax losses of the Parent Company and SAES Nitinol S.r.l., both included in the consolidated taxation; for further details please refer to the Note no. 20); on the residual amount (1,576 thousand euro) deferred taxes were not recognized because these losses were not expected to be used to offset a future taxable income.

As already mentioned in the past, 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 and IRES purposes were notified to the Company requiring additional taxes of 41 thousand euro (IRAP) and 290 thousand euro (IRES), respectively, plus sanctions and interests. The company is awaiting the outcome of the application presented in previous years to the Regional Tax Commission of Milan and it has not entered any risk provision in the financial statements, since it considers its defensive reasons adequate to support its own operations.

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

As at June 30, 2102 net income from assets held for sale and discontinued operations amounted to a total of 86 thousand euro and it included the capital gain generated by SAES Getters USA, Inc. following the sale of the plant located in Ohio (former plant of SAES Getters America, Inc.) and of the equipment located therein.
For further details please refer to Consolidated Financial Statement for the year 2012.

14. EARNING (LOSS) PER SHARE

As indicated in the Note no. 27, SAES Getters S.p.A.'s capital stock is represented by two different types of shares (ordinary shares and savings shares) which are associated with different rights as far as dividends' distribution is concerned.

The pro-quota result attributable to each share type was determined on the basis of the relevant rights to cash dividends. Therefore, in order to calculate the result per share, the value of the preference dividends contractually assigned to savings shares in the theoretical case of the payment of the entire net income was subtracted from the profit of the relevant time-period.
The value which was obtained was divided by the average number of shares existing in the relevant time-period. In case of loss, it would have been allocated equally between the shares of the two different types.

The following table shows the earning (loss) per share in the first six months of 2013, compared with the figure for the first six months of 2012:

Earning (loss) per share	1st Half 2013			1st Half 2012		
	Ordinary shares	Savings shares	Total	Ordinary shares	Savings shares	Total
Profit (loss) attribuitable to shareholders (thousands of euro)			1,698			3,557
Theoretical preference dividend (thousands of euro)		1,022	1,022		1,022	1,022
Profit (loss) attributable to the different categories of shares (thousands of euro)	676	0	676	2,284	251	2,535
Total profit (loss) attributable to the different categories of shares (thousands of euro)	**676**	**1,022**	**1,698**	**2,284**	**1,273**	**3,557**
Average number of oustanding shares	14,671,350	7,378,619	22,049,969	14,671,350	7,378,619	22,049,969
Earning (loss) per share (euro)	**0.0461**	**0.1385**		**0.1557**	**0.1725**	
- from continuing operations (euro)	*0.0461*	*0.1385*		*0.1518*	*0.1686*	
- from discontinued operations (euro)	*0.0000*	*0.0000*		*0.0039*	*0.0039*	

15. SEGMENT INFORMATION

For management purposes, the Group is organized into three Business Units according to the final application of the products and services provided. As at June 30, 2013 the Group's operations were divided into three primary operating segments:

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

The top management monitors the results of the various Business Units separately in order to make 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, foreign exchange performance and income taxes are measured at the overall Group level and thus are not allocated to operating segments.
Internal reports are prepared in accordance with IFRSs and no reconciliations with the carrying amounts are 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 result by segment as at June 30, 2012, shown for comparative purposes, does not match with what was presented in the Financial statements as at June 30, 2012. The figures of the first half of 2012 have been reclassified to enable a homogeneous comparison with the first semester of 2013; in particular, for a better representation of the margins by business sector, the costs of basic research in the field of organic photonics incurred by the subsidiary E.T.C. S.r.l. were reclassified from the Information Displays Business Unit to the Business Development Unit.

The detail of this reclassification is shown in the following table:

(thousands of euro)

Profit and loss	Industrial Applications			Shape Memory Alloys			Information Displays			Not allocated			Total		
	1st Half 2012 restated	Reallocation	1st Half 2012 reallocated	1st Half 2012 restated	Reallocation	1st Half 2012 reallocated	1st Half 2012 restated	Reallocation	1st Half 2012 reallocated	1st Half 2012 restated	Reallocation	1st Half 2012 reallocated	1st Half 2012 restated	Reallocation	1st Half 2012 reallocated
Total net sales	**50,751**	**0**	**50,751**	**24,918**	**0**	**24,918**	**1,828**	**0**	**1,828**	**11**	**0**	**11**	**77,508**	**0**	**77,508**
Gross profit	**23,670**	**0**	**23,670**	**8,810**	**0**	**8,810**	**419**	**0**	**419**	**(147)**	**0**	**(147)**	**32,752**	**0**	**32,752**
% on net sales	46.6%		46.6%	35.4%		35.4%	22.9%		22.9%	n.s.		n.s.	42.3%		42.3%
Royalties	1,157		1,157	-		-	-		-	-		-	1,157	0	1,157
Total operating expenses	(9,281)	0	(9,281)	(5,468)	0	(5,468)	(2,725)	895	(1,830)	(8,688)	(895)	(9,583)	(26,162)	0	(26,162)
Other income (expenses), net	160	0	160	23	0	23	92	(38)	54	300	38	338	575	0	575
Operating income (loss)	**15,706**	**0**	**15,706**	**3,365**	**0**	**3,365**	**(2,214)**	**857**	**(1,357)**	**(8,535)**	**(857)**	**(9,392)**	**8,322**	0	**8,322**
% on net sales	30.9%		30.9%	13.5%		13.5%	-121.1%		-74.2%	n.s.		n.s.	10.7%		10.7%
Interest and other financial income (expenses), net													(912)	0	(912)
Income (loss) from equity method evaluated companies													(422)	0	(422)
Foreign exchange gains (losses), net													(181)	0	(181)
Income (loss) before taxes													**6,807**	**0**	**6,807**
Income taxes													(3,336)	0	(3,336)
Net income (loss) on continuing operations													**3,471**	**0**	**3,471**
Net income (loss) on discontinued operations													86	0	86
Net income (loss)													**3,557**	**0**	**3,557**
Minority interest in consolidated subsidiaries													0	0	0
Group net income (loss)													**3,557**	**0**	**3,557**

The following table breakdowns the main income statement figures by operating segment:

(thousands of euro)

Profit and loss	Industrial Applications		Shape Memory Alloys		Information Displays		Not allocated		Total	
	1st Half 2013	1st Half 2012	1st Half 2013	1st Half 2012	1st Half 2013	1st Half 2012	1st Half 2013	1st Half 2012	1st Half 2013	1st Half 2012
Total net sales	**48,082**	**50,751**	**20,625**	**24,918**	**794**	**1,828**	**41**	**11**	**69,542**	**77,508**
Gross profit	**21,784**	**23,670**	**6,653**	**8,810**	**62**	**419**	**(171)**	**(148)**	**28,328**	**32,751**
% on net sales	45.3%	46.6%	32.3%	35.4%	7.8%	22.9%	n.s.	n.s.	40.7%	42.3%
Royalties	1,072	1,157	-	-	-	-	-	-	1,072	1,157
Total operating expenses	(10,370)	(9,281)	(4,858)	(5,469)	(1,786)	(1,830)	(8,174)	(9,582)	(25,188)	(26,162)
Other income (expenses), net	49	160	45	24	15	54	(4)	338	105	576
Operating income (loss)	**12,535**	**15,706**	**1,840**	**3,365**	**(1,709)**	**(1,357)**	**(8,349)**	**(9,392)**	**4,317**	**8,322**
% on net sales	26.1%	30.9%	8.9%	13.5%	-215.2%	-74.2%	n.s.	n.s.	6.2%	10.7%
Interest and other financial income (expenses), net									(461)	(912)
Income (loss) from equity method evaluated companies									(351)	(422)
Foreign exchange gains (losses), net									6	(181)
Income (loss) before taxes									**3,511**	**6,807**
Income taxes									(1,813)	(3,336)
Net income (loss) on continuing operations									**1,698**	**3,471**
Net income (loss) on discontinued operations									0	86
Net income (loss)									**1,698**	**3,557**
Minority interest in consolidated subsidiaries									0	0
Group net income (loss)									**1,698**	**3,557**

Please refer to the table and the comments in the Interim Report on Operations for the split of consolidated net sales by geographical area of the customer (**information about geographical areas**).

16. PROPERTY, PLANT AND EQUIPMENT, NET

Property, plant and equipment, net of accumulated depreciation, amounted to 54,702 thousand euro as at June 30, 2013, with a decrease of 1,262 thousand euro compared to December 31, 2012.

The changes occurring during the period are shown below:

(thousands of euro)

Property, plant and equipment	Land	Building	Plant and machinery	Assets under construction and on account	Total
December 31, 2012	**3,837**	**24,676**	**24,510**	**2,941**	**55,964**
Additions	0	36	1,877	758	**2,671**
Disposals	0	0	0	(9)	**(9)**
Reclassifications	0	70	701	(771)	**0**
Depreciation	0	(817)	(3,279)	0	**(4,096)**
Write-downs	0	(21)	0	0	**(21)**
Revaluations	0	0	0	0	**0**
Translation differences	24	66	95	8	**193**
June 30, 2013	**3,861**	**24,010**	**23,904**	**2,927**	**54,702**
December 31, 2012					
Historical cost	3,837	44,291	127,788	3,097	179,013
Accumulated depreciation and write-downs	0	(19,615)	(103,278)	(156)	(123,049)
Net book value	**3,837**	**24,676**	**24,510**	**2,941**	**55,964**
June 30, 2013					
Historical cost	3,861	44,573	129,321	3,084	180,839
Accumulated depreciation and write-downs	0	(20,563)	(105,417)	(157)	(126,137)
Net book value	**3,861**	**24,010**	**23,904**	**2,927**	**54,702**

As at June 30, 2013 land and buildings were not burdened by mortgages or other guarantees.

In the first half of 2013, investments in tangible assets amounted to 2,671 thousand euro and included purchases made by the Parent Company of new laboratory equipment intended for use in the development of functional materials for applications in the Organic Electronics and in the Organic Photonics. The item also included some improvements on the existing production lines aimed at increasing the production capacity, mainly made by the U.S. subsidiary Memry Corporation, active in the shape memory alloys business.
The translation differences (+193 thousand euro) were mainly related to assets of the U.S. companies and linked to the revaluation of the U.S. dollar at June 30, 2013 compared to the exchange rate of December 31, 2012.

The following table shows the composition of fixed tangible assets for tenure status:
(thousands of euro)

	June 30, 2013			December 31, 2012		
	Property assets	Assets under finance lease	Total	Property assets	Assets under finance lease	Total
Land and building	27,871	0	27,871	28,513	0	28,513
Plant and machinery	23,840	64	23,904	24,433	77	24,510
Assets under construction and on account	2,927	0	2,927	2,941	0	2,941
Total	**54,638**	**64**	**54,702**	**55,887**	**77**	**55,964**

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

17. INTANGIBLE ASSETS, NET

Intangible assets, net of accumulated amortization, amounted to 48,929 thousand euro as at June 30, 2013 with an increase of 7,366 thousand euro compared to December 31, 2012.

The changes occurred during the period 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 development and on account	Total
December 31, 2012	**33,137**	**0**	**1,893**	**2,061**	**4,369**	**103**	**41,563**
Additions	0	0	0	0	0	219	219
Change in consolidation area	7,625	0	0	0	0	0	7,625
Disposal	0	0	0	0	0	0	0
Reclassifications	0	0	30	0	0	(30)	0
Amortization	0	0	(111)	(190)	(530)	0	(831)
Write-downs	0	0	0	0	0	0	0
Revaluations	0	0	0	0	0	0	0
Translation differences	284	0	15	15	37	2	353
June 30, 2013	**41,046**	**0**	**1,827**	**1,886**	**3,876**	**294**	**48,929**
December 31, 2012							
Historical cost	38,414	183	4,980	11,267	18,026	814	73,685
Accumulated amortization and write-downs	(5,277)	(183)	(3,087)	(9,206)	(13,657)	(711)	(32,122)
Net book value	**33,137**	**0**	**1,893**	**2,061**	**4,369**	**103**	**41,563**
June 30, 2013							
Historical cost	46,209	183	5,036	11,350	18,202	1,005	81,986
Accumulated amortization and write-downs	(5,163)	(183)	(3,209)	(9,464)	(14,326)	(711)	(33,057)
Net book value	**41,046**	**0**	**1,827**	**1,886**	**3,876**	**294**	**48,929**

The difference was due to the amortization of the period (-831 thousand euro), to the translation differences (+353 thousand euro) mainly related to the intangible assets of the U.S. legal entities, as well as the provisional value of goodwill arising during the first-time consolidation of the “hydrogen purifier” business, acquired on April 19, 2013 (for more details refer to Note no. 3).

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, its recoverable value is 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 specifies the Cash Generating Unit to which it is allocated:

(thousands of euro)

Business Unit	December 31, 2012	Additions	Write-downs	Other changes	Translation differences	June 30, 2013
Industrial Applications	944	7,625	0	0	21	8,590
Shape Memory Alloys	32,193	0	0	0	263	32,456
Information Displays	0	0	0	0	0	0
Not allocated	0	0	0	0	0	0
Total goodwill	**33,137**	**7,625**	**0**	**0**	**284**	**41,046**

As already mentioned above, the increase, excluding the exchange rate effect, was entirely attributable to the goodwill deriving from the initial consolidation of the business acquired on April 19, 2013 (for more details please see the section "Business combinations", Note no. 3).
Please note that, in accordance with IFRS 3 "Business combinations", the Group is evaluating all the assets and liabilities related to the "hydrogen purifiers" business of Power & Energy, Inc. at fair value making use of the option to allocate the value of goodwill, now determined on a provisional basis, within twelve months from the date of the acquisition. In particular, a specific assignment has been given to an independent expert with the necessary skills and, on the basis of the values that will be identified by the latter, the Purchase Price Allocation activity will be completed (probably by the end of the year).

The following table shows the gross book values of goodwill and accumulated write-downs for impairment from January 1, 2004 to June 30, 2013 and to December 31, 2012:

(thousands of euro)

Business Unit	June 30, 2013			December 31, 2012		
	Gross value	Write-downs	Net book value	Gross value	Write-downs	Net book value
Industrial Applications (*)	8,653	(63)	8,590	1,007	(63)	944
Shape Memory Alloys (*)	35,856	(3,400)	32,456	35,593	(3,400)	32,193
Information Displays	1,456	(1,456)	0	1,456	(1,456)	0
Not allocated	358	(358)	0	358	(358)	0
Total goodwill	**46,323**	**(5,277)**	**41,046**	**38,414**	**(5,277)**	**33,137**

(*) The differences between the gross value as at June 30, 2013 and the gross value as at December 31, 2012, without considering the increase commented above, equal to +7,625 thousand euro, are related to the conversion differences on goodwill 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, 2013 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.

The operating loss recorded in the Information Displays sector as at June 30, 2013, in line with the Management's expectations, is not considered an indicator of impairment. There is no goodwill attributable to that sector and estimates concerning the recoverable amount of tangible assets made in the financial statements as at December 31, 2012 are still valid today.

18. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

As at June 30, 2013 the item includes the share of net assets attributable to the Group in the joint venture Actuator Solutions GmbH[8].

The following table shows the changes in this item during the period:

(thousands of euro)

Investments accounted for using the equity method	December 31, 2012	Additions	Share of the result for the period	Share of other comprehensive income (loss)	Dividends paid	Disposals	Other	June 30, 2013
Actuator Solutions GmbH	3,407	0	(351)	0	0	0	0	3,056

The item "Share of the result for the period" (negative for 351 thousand euro) relates to the adjustment, in connection with the percentage of ownership, of the value of the investment held by the Group for the results achieved by the joint venture in the first half of 2013.

[8] Please note that Actuator Solutions GmbH fully consolidates its 100% subsidiary Actuator Solutions Taiwan Co., Ltd.

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

(thousands of euro)

Actuator Solutions GmbH	June 30, 2013	December 31, 2012
Balance sheet	**50%**	**50%**
Non current assets	2,744	2,405
Current assets	1,255	2,108
Total assets	**3,999**	**4,513**
Non current liabilities	61	35
Current liabilities	882	1,071
Total liabilities	**943**	**1,106**
Capital stock, reserves and retained earnings	3,407	4,236
Income (loss) for the period	(351)	(829)
Other comprehensive income (loss)	0	0
Total equity	**3,056**	**3,407**

Actuator Solutions GmbH	1st Half 2013	1st Half 2012
Income Statement	**50%**	**50%**
Net sales	2,382	1,005
Cost of sales	(1,885)	(1,104)
Total operating expenses	(746)	(487)
Other income (expenses), net	67	0
Operating income (loss)	**(182)**	**(586)**
Financial income (expenses)	20	3
Income taxes	(188)	161
Net income (loss)	**(351)**	**(422)**

Overall, Actuator Solutions GmbH achieved net revenues equal to 4,764 thousand euro in the first half of 2013. Revenues now fully come from the sale of valves used in lumbar control systems of the seats of a wide range of cars; revenues generated by valves are growing because the lumbar control system based on the SMA technology is gaining market share.
In addition, the company is currently involved in the development of actuators, miniaturized and not, for applications in various industrial sectors, some of which have generated the first orders; other actuators, developed by the Taiwanese subsidiary, such as the one for the image focus and stabilization of mobile phones, are experiencing increasing interest in the market.
The net result was negative and equal to 702 thousand euro, as a result of the expenses in research and development activities related to the various industrial sectors in which the company will be present with its SMA devices.
As mentioned before, the share of the net result of the first half of 2013 pertaining to the SAES Group (equal to 50%) amounted to –351 thousand euro.

Since the plans and other indicators used to estimate the recoverable amount of the investment, made at December 31, 2012 are still valid, no recoverability analysis was carried out as at June 30, 2013 as there wasn't any indicator of impairment such as to show durable value losses.

The following table provides the number of employees of the joint venture split by category, based on the percentage of ownership held by the Group:

	50%	50%
Actuator Solutions GmbH	**June 30, 2013**	**December 31, 2012**
Managers	1	2
Employees and middle management	8	4
Workers	5	5
Total	**14**	**11**

19. DEFERRED TAX ASSETS AND LIABILITIES

As at June 30, 2013 the net balance of deferred tax assets and deferred tax liabilities was positive and equal to 10,957 thousand euro, with an increase of 847 thousand euro compared to December 31, 2012. The related details are provided below:

(thousands of euro)

Deferred taxes	June 30, 2013	December 31, 2012	Difference
Deferred tax assets	15,964	15,378	586
Deferred tax liabilities	(5,007)	(5,268)	261
Total	**10,957**	**10,110**	**847**

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, the following table shows deferred tax assets and liabilities before the offsetting process:

(thousands of euro)

Deferred taxes	June 30, 2013	December 31, 2012	Difference
Deferred tax assets	20,375	19,885	490
Deferred tax liabilities	(9,418)	(9,775)	357
Total	**10,957**	**10,110**	**847**

The following tables provide a breakdown of the temporary differences that includes deferred tax assets and liabilities by their nature, compared with the figures for the previous year.

(thousands of euro)

Deferred tax assets	June 30, 2013		December 31, 2012	
	Temporary differences	Fiscal effect	Temporary differences	Fiscal effect
Intercompany profit eliminations	4,272	1,393	4,293	1,396
Depreciations and differences on write-downs	5,338	1,774	5,468	1,782
Bad debts	468	177	514	194
Inventory write-downs	4,413	1,613	4,722	1,743
Provisions	2,640	1,003	2,808	1,060
Cash deductible expenses	4,762	1,499	5,044	1,565
Deferred on recoverable losses	43,449	12,278	39,709	11,328
Exchange differences and other	1,435	638	1,503	817
Total		**20,375**		**19,885**

The increase in deferred tax assets as of June 30, 2013 (+490 thousand euro) was the cumulative effect of several factors; in particular, the recognition of deferred tax assets on 2013 tax losses of the Parent Company was partially offset by the tax losses carried forwards (for which deferred tax assets had been accrued) used the by U.S. companies and by the effects generated by temporary differences on devaluations.

The Group had 101,178 thousand euro tax losses eligible to be carried forward as of June 30, 2013, 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 95,752 thousand euro as at December 31, 2012).
The tax losses eligible to be carried forward that were taken into account when determining deferred tax assets were equal to 43,449 thousand euro.

(thousands of euro)

Deferred tax liabilities	June 30, 2013		December 31, 2012	
	Temporary differences	Fiscal effect	Temporary differences	Fiscal effect
Tax due on distribution of earnings accumulated by the subsidiaries	(29,549)	(1,381)	(40,035)	(1,376)
Differences on depreciation and fair value revaluations	(21,641)	(7,747)	(22,613)	(8,100)
IAS 19 effect	(493)	(151)	(493)	(151)
Other	(449)	(139)	(496)	(148)
Total		**(9,418)**		**(9,775)**

The deferred tax liabilities recorded in the consolidated financial statements as of June 30, 2013 included not only a provision allocated to account for 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, but also the temporary differences on the capital gains identified during the purchase price allocation of the U.S. companies acquired in the past years.
The reversal of the latter was the main reason of the decrease in deferred tax liabilities compared to December 31, 2012 (-357 thousand euro).

20. TAX CONSOLIDATION RECEIVABLES/PAYABLES FROM THE CONTROLLING COMPANY

SAES Getters S.p.A., SAES Advanced Technologies S.p.A. and SAES Nitinol S.r.l. participate in the tax consolidation program with S.G.G. Holding S.p.A., which directly controls SAES Getters S.p.A., opting for the taxation at Group level in accordance with article 117 of the Consolidated Income Tax Act.
The item "Tax consolidation receivables/payables from the Controlling Company" includes the net balance of tax receivables/payables that the Group's Italian companies have accrued towards the Controlling Company S.G.G. Holding S.p.A. as of June 30, 2013.

Since the national tax consolidation results for the first half 2013 show a tax loss, the Parent Company and SAES Nitinol S.r.l. recognized as income the taxes on income (IRES) corresponding to their tax loss solely for the share recoverable through the consolidation mechanism and proceeded to the recognition of deferred taxes on the fiscal losses exceeding this amount (for further details please see the Note no. 12).
The Group claims a receivable related to its adhesion to the national tax consolidation corresponding to the recoverable withholding taxes on royalties and dividends received by the Parent Company, in addition to the receivable (equal to 272 thousand euro) arising from the application made in the previous year, by the subsidiary SAES Advanced Technologies S.p.A. for the reimbursement for the non-deduction of IRAP on personnel costs limited to the years 2007 and 2008, in which the national tax consolidation recorded a positive taxable income. Instead, for the years 2009, 2010 and 2011, when the national tax consolidation recorded a loss, the application for the refund led to the recognition of a deferred tax asset

on the higher tax losses of the Parent Company equal to 216 thousand euro (for more details, please refer to Note no. 19).

Tax consolidation receivables and payables from and to the Controlling Company for tax consolidation purposes have been set off against one another. The receivables due beyond one year have been classified among non-current assets.

21. OTHER LONG TERM ASSETS

The item "Other long term assets" amounted to 875 thousand euro as of June 30, 2013, compared to 892 thousand euro as of December 31, 2012.
This item includes the caution money given by the Companies of the Group for their operating activities and the trade down payments with recoverability over 12 months.
Long term assets include also the advance payment of the Parent Company towards Cambridge Mechatronics Ltd (CML), amounting to 510 thousand euro; considered recoverable based on the commissions which are expected to accrue on the future SMA wire sales of the Parent Company to Actuator Solutions GmbH for the production of autofocus and image stabilization systems based on the CML technology.

22. INVENTORY

Inventory amounted to 29,781 thousand euro as at June 30, 2013 with a decrease of 1,833 thousand euro compared to December 31, 2012.

The following table shows the breakdown of inventory as of June 30, 2013 and December 31, 2012:

(thousands of euro)

Inventories	June 30, 2013	December 31, 2012	Difference
Raw materials, auxiliary materials and spare parts	13,980	14,936	(956)
Work in progress and semifinished goods	10,757	11,003	(246)
Finished products and goods	5,044	5,675	(631)
Total	**29,781**	**31,614**	**(1,833)**

The decrease of stock, in particularly of raw materials, was mainly attributable to the field of gas purification that in the current semester recorded a significant increase in sales supported by the end of a negative cyclical trend in the semiconductor market.

Inventory is stated net of the inventory depreciation, which underwent the following changes during the first six months of 2013:

(thousands of euro)

Inventory provisions for depreciation	
December 31, 2012	**3,747**
Accrual	403
Release	(19)
Utilization	(652)
Translation differences	19
June 30, 2013	**3,498**

Its utilization (652 thousand euro) was mainly attributable to the subsidiaries SAES Smart Materials, Inc. and SAES Getters (Nanjing) Co., Ltd. and it was a consequence of the scrapping of items already written-down in the previous years.

23. TRADE RECEIVABLES

Trade receivables, net of the bad debt provision, amounted to 21,407 thousand euro as at June 30, 2013 and were up by 5,416 thousand euro compared to December 31, 2012.
The increase, which was also influenced by exchange rates effect, was mainly due to the growth recorded by the turnover in the first half of 2013 compared to the second half of the previous year.

The breakdown of this item is shown in the following table as of June 30, 2013 and December 31, 2012:

(thousands of euro)

Trade receivables	June 30, 2013	December 31, 2012	Difference
Gross value	21,688	16,321	5,367
Bad debt provision	(281)	(330)	49
Net book value	**21,407**	**15,991**	**5,416**

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

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

(thousands of euro)

Bad debt provision	June 30, 2013	December 31, 2012
Opening balance	**330**	**372**
Accrual	0	96
(release)	(23)	(87)
Utilization	(26)	(46)
Translation differences	0	(5)
Closing balance	**281**	**330**

The following table provides a breakdown of trade receivables by those not yet due and past due as at June 30, 2013, as compared with December 31, 2012:

(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, 2013	**21,688**	15,678	3,308	1,535	271	274	341	281
December 31, 2012	**16,321**	11,956	2,125	924	277	517	192	330

Receivables past due and not written down, that do not represent a significant percentage when compared to the total trade receivables, are constantly monitored and have not been written down as they are deemed to be recoverable.

Please refer to the Report on operations for the credit risk on trade receivables, in order to understand how the Group manages and detects the credit quality, in case the related receivables are neither past due nor written down.

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 6,666 thousand euro as at June 30, 2013, compared with 6,388 thousand euro as at December 31, 2012.

A breakdown of the item is provided below:

(thousands of euro)

Prepaid expenses, accrued income and other	June 30, 2013	December 31, 2012	Difference
Income tax and other tax receivables	378	490	(112)
VAT receivables	3,706	3,695	11
Social security receivables	212	7	205
Personnel receivables	17	101	(84)
Receivables for public grants	843	787	56
Other receivables	46	61	(15)
Total other receivables	**5,202**	**5,141**	**61**
Accrued income	11	3	9
Prepaid expenses	1,453	1,245	209
Total prepaid expenses and accrued income	**1,464**	**1,247**	**217**
Total prepaid expenses, accrued income and other	**6,666**	**6,388**	**278**

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 prior year, is mainly due to the lower advances on payments by the U.S. subsidiaries.

The item “Social security receivables” increased compared to December 31, 2102 due to a higher compensation for the instrument of *Cassa Integrazione Guadagni* (C.I.G. – redundancy fund) paid to employees in the first half of 2013 compared to the last period of previous year, and will be reimbursed from the social security institutions to the subsidiary SAES Advanced Technologies S.p.A.

Please note that the item “Receivables for public grants” is made of credits matured by the Parent Company as of June 30, 2013 as a result of contributions received for some research projects.
During the semester, income from government grants amounted to 162 thousand euro.

25. DERIVATIVE FINANCIAL INSTRUMENTS EVALUATED AT FAIR VALUE

As at June 30, 2013 the fair value of derivative financial instruments was negative for 610 thousand euro.

The asset and liability items include, respectively, the assets and liabilities arising from the measurement at fair value of 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, as well as the measurement at fair value of interest rate swap (IRS) contracts. The purpose of these contracts is to protect the Group's margins from the fluctuation of exchange rates and interest rates.
With regards to such contracts, the accounting requirements to apply the hedge accounting method are not met, therefore these are evaluated at fair value and the profits or losses deriving from their evaluation are directly charged to the income statement.

In order to hedge against the risk of fluctuation in exchange rates on current and future receivables denominated in foreign currencies, as of June 30, 2013 the Group held forward contracts on the U.S. dollar for a notional value of 7.8 million USD. The average forward exchange rate for these contracts is 1.2912 against the euro and they will apply throughout 2013. Instead, the forward contracts on the Japanese yen, as of June 30, 2013 have a notional value of 78 million JPY and an average forward exchange rate equal to 120.62 against the euro. Also these contracts will extend throughout the full-year 2013.

Always in the first six months of 2013, the Group has put in place a forward sale contract in euro in order to mitigate the risk of fluctuation of the exchange rate linked to the revaluation of the Korean won on the balance of the financial credit in euro which the Korean subsidiary has with the Parent Company. This contract (for a notional value equal to 7.5 million euro) expires on December 27, 2013 and provides for a forward exchange rate equal to 1,438.00 against the euro. The relative fair value as at June 30, 2013 is negative for 368 thousand euro.
The following table provides a breakdown of the forward contracts entered into and their fair value as at June 30, 2013 and December 31, 2012:

Currency	June 30, 2013		December 31, 2012	
	Notional (amount in local currency)	**Fair value** (thousands of euro)	**Notional** (amount in local currency)	**Fair value** (thousands of euro)
USD	7,800,000	80	7,800,000	114
JPY	78,000,000	44	0	0
EUR	7,500,000	(368)	0	0
	Total	**(244)**	**Total**	**114**

As of June 30, 2013 the Group had one Interest Rate Swap (IRS) contract aimed at fixing the interest rate on the loan in U.S. dollars, held by the U.S. subsidiary Memry Corporation.
The following table provides a summary of this Interest Rate Swap contract entered into and its fair value as at June 30, 2013, compared with December 31, 2012:

Interest Rate Swap (IRS)	**Currency**	**Notional amount** (U.S. dollars)	**Subscription date**	**Maturity date**	**Interest rate**	**Period**	**Fair value as of June 30, 2013** (thousands of euro)	**Fair value as of December 31, 2012** (thousands of euro)
IRS executed on loan of $30.5 million by **Memry Corporation**	USD	12,000,000	April 9, 2009	December 31, 2014	Fixed rate paid: 3.03% Variable rate received: USD Libor BBA - 3 months	Quarterly	(366)	(487)
Total							**(366)**	**(487)**

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 values 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, 2013, all the derivative instruments held by the Group belonged to Level 2. Accordingly, their fair value has been determined on the basis of market data, such as interest rate curves and exchange rates.
No instruments were transferred from one level to another during the period.

26. CASH AND CASH EQUIVALENTS

The following table shows a breakdown of this item as of June 30, 2013 and December 31, 2012:

(thousands of euro)

Cash and cash equivalents	June 30, 2013	December 31, 2012	Difference
Bank accounts	15,779	22,594	(6,815)
Petty cash	19	16	3
Total	**15,798**	**22,610**	**(6,812)**

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

The item includes the liquid funds mainly held by the U.S. and Asiatic subsidiaries for the cash flow management necessary for their operating activities.

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

As at June 30, 2013, the Group has availability of unused credit lines equal to 35.3 million euro (51.9 million euro as at December 31, 2012), of which 15 million euro available to fund possible acquisitions or restructuring plans. The decrease compared to the previous year, equal to 16.6 million, was the result of a higher use of the available credit lines (in particular, for the payment of dividends and for the first payment tranche, paid at the closing of the transaction, of the fixed price agreed for the acquisition of the "hydrogen purifier" business from Power & Energy, Inc.).

27. SHAREHOLDERS' EQUITY

The Group shareholders' equity amounted to 106,012 thousand euro as at June 30, 2013, down by 8,215 thousand euro compared to December 31, 2012. The decrease is mainly due to the dividend distribution (9,965 thousand euro), partially offset by the net income for the period.
The summary of changes occurred is provided in the statement of changes in shareholders' equity.

Capital stock

As at June 30, 2013 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 from December 31, 2012.
The implicit book value per share was 0.554196 euro as at June 30, 2013, unchanged from December 31, 2012.

Please refer to the Report on corporate governance, enclosed in the 2012 Consolidated Financial Statements, for all of the information required by article 123-*bis* of the Consolidated Finance Act (TUF).

All of 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-caps and mid-caps that meet specific requirements with regard to reporting transparency, liquidity and Corporate Governance.

Share issue premium

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, 2012.

Legal reserve

This item corresponds to the Parent Company's legal reserve of 2,444 thousand euro as at June 30, 2013 and it was unchanged compared to December 31, 2012, since the reserve had reached the legal limit.

Other reserves and retained earnings

This item includes:
- the reserves (totalling 2,729 thousand euro) formed from 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 (1,690 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 associated substitute taxes of 397 thousand euro;
- the other reserves of subsidiaries, retained earnings, and other shareholders' equity items of the companies of the Group which were not eliminated during the consolidation process (including actuarial gains and losses on defined benefit plans arising from the revised version of IAS 19, net of the related tax effect).

The change in the item "Other reserves and retained earnings" includes the distribution to the shareholders of 2012 dividends, approved by the Parent Company's Shareholders' Meeting for an amount of 9,965 thousand euro.

Each share gives entitlement to a proportional part of the profits that it is decided to distribute, subject to the rights attached to savings shares.

More specifically, as described in article no. 26 of the By-laws, savings shares are entitled to a preference dividend of 25% on the 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 preference dividend in the following two years. The remaining profit that the Shareholders' Meeting has resolved to allocate will be distributed among all shares in such a way to ensure that savings shares are entitled to a total dividend that is higher than that of ordinary shares by 3% of the implied book value.

Other components of equity

This item includes the exchange rate differences arising from the translation of financial statements in foreign currencies. The translation reserve had a positive balance of 2,899 thousand euro as at June 30, 2013, compared to a positive balance of 2,847 thousand euro as of December 31, 2012. The change of 52 thousand euro was due 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, as well as of the respective consolidation adjustments.

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 the transition to IASs/IFRSs.

28. FINANCIAL DEBT

As at June 30, 2013, the financial debt amounted to 22,348 thousand euro, down by 3,307 thousand euro compared to December 31, 2012.
The decrease was due to the repayments made during the semester, partially offset by the oscillation of the exchange rate, which at June 30, 2013 has generated an increase in the Group's financial debt equal to approximately 0.2 million euro: almost all Group's debt is composed by loans denominated in U.S. dollars, contracted by the U.S. subsidiaries, whose equivalent in euro has increased following the revaluation of the U.S. dollar at June 30, 2013 compared to December 31, 2012.

The following table shows the breakdown of the 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 debt".

(thousands of euro)

Financial debt	June 30, 2013	December 31, 2012	Difference
Less than 1 year	22,268	6,476	15,792
Current portion of financial debt	**22,268**	**6,476**	**15,792**
Between 1 and 2 years	0	5,938	(5,938)
Between 2 and 3 years	0	4,863	(4,863)
Between 3 and 4 years	80	5,457	(5,377)
Between 4 and 5 years	0	2,921	(2,921)
Over 5 years	0	0	0
Non current financial debt	**80**	**19,179**	**(19,099)**
Total	**22,348**	**25,655**	**(3,307)**

The item "Financial debt" consists primarily of the loans, denominated in U.S. dollars, contracted by the U.S. companies, the details of which are provided below:

Description	Currency	Principal (millions of USD)	Timing of capital reimbursement	Timing of covenants calculation	Interest rate	Effective interest rate as of June 30, 2013 (spread included)	Value as of June 30, 2013 (*) (thousands of euro)
Memry Corporation							
Tranche Amortising Loan	USD	20.2	half yearly with maturity date January 31, 2016	Half -yearly	USD Libor for a variable period (1-3 months); Cost of Funds if not available	1.46%	17,171
Tranche Bullet Loan	USD	10.3	repayments in two tranches with maturity date July 31, 2016 and July 31, 2017				
SAES Smart Materials, Inc.	USD	20	half yearly with maturity date May 31, 2015	Half -yearly	USD Libor for a variable period (1-3 months); Cost of Funds if not available	1.20%	5,097

(*) interests included

Please note that, as further described in the following paragraph related to covenants, as at June 30 2013 not all the covenants relating to the loans held by the U.S. subsidiaries were respected. Since at the date of the financial statements the Group had not an unconditional right to defer the payment of the financial obligation for at least twelve months, the related long-term liability was entirely reclassified as current.

The loan agreement for a nominal amount of 3.5 million euro held by SAES Getters S.p.A., signed during the year 2011 with maturity date on April 18, 2013 and intended to support the company's financial requirements (1,108 thousand euro as at December 31, 2012) was fully repaid according to the original repayment plan.

Covenants

The loans held by the U.S. subsidiaries Memry Corporation and SAES Smart Materials, Inc. are subject to the compliance with covenants calculated on Group's economic and financial values and verified every semester (June 30 and December 31 of each year).

At June 30, 2013 some covenants have not been complied with as shown below:

	Covenant	June 30, 2013
Net equity *	≥ 110,000	106,012
$\frac{\textbf{Net financial position}}{\textbf{Net equity}}$	≤ 1	0.37
$\frac{\textbf{Net financial position}}{\textbf{EBITDA}}$	≤ 1.5	2.33

***** thousands of euro

The SAES Group has about 5 months available (grace period) to emend the default condition, after which, if the non-compliance persists, the value of such covenants will have to be renegotiated with the financing institution in order to avoid the call of the debt. Such renegotiation is already ongoing and, at the present, it is believed that the negotiations could reasonably be successful. Additionally, please note that at June 30, 2013 the Group held enough cash and cash equivalents and credit lines to be able to cope with a possible repayment claim.

29. FINANCIAL DEBT TOWARDS RELATED PARTIES

The item "Financial debt towards related parties" equal to 2,019 thousand euro as at December 31, 2012, referred to the interest-bearing loan issued to the Parent Company by the joint venture Actuator Solutions GmbH on July 5, 2012.
The loan was fully repaid during the first half of 2013.

30. OTHER FINANCIAL DEBT TOWARDS THIRD PARTIES

At June 30, 2013 the item "Other financial debt" was equal to 5,316 thousand euro, compared to 843 thousand euro at December 31, 2012, splitted in long-term portion (3,607 thousand euro) and short-term portion (1,709 thousand euro).

The increase compared to the previous year for 5,199 thousand euro was due to the amount still to be paid for the acquisition of the business "hydrogen purifiers" from the U.S. company Power & Energy, Inc. (of which 1,636 thousand euro payable within one year and 3,563 thousand euro to be paid after one year). For more details on the acquisition please refer to the paragraph "Main events of the semester" in the Report on Operations.

In addition, the item "Other financial debt towards third parties" included 47 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 U.S. subsidiary, because it didn't fall within its jurisdiction. Memry Corporation must pay this amount to other U.S. states, according to the residence of the previous holders of the shares.

Finally, this item included the debts (totaling 64 thousand euro) related to financial lease contracts signed during the previous years by some subsidiaries.
The table below shows the future minimum payments related to these financial lease contracts:

(thousands of euro)

	June 30, 2013	December 31, 2012
Less than 1 year	20	19
Between 1 and 5 years	44	54
Over 5 years	0	0
Total	**64**	**73**

Compared to December 31, 2012, the financial debt of 500 thousand euro to Matthias Mertmann, minority shareholder of Memry GmbH, has been closed as a result of the payment made by the Parent Company on April 3, 2013 to acquire the last 20% of the shares of the German company operating in the production and distribution of shape memory alloy (SMA) semi-finished products and components for industrial and medical applications.

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 changes occurred during the period:

(thousands of euro)

Staff leaving indemnities and other employee benefits	Staff leaving indemnities	Other employee benefits	Total
December 31, 2012	**4,738**	**3,039**	**7,777**
Total cost	122	230	352
Indemnities paid	(126)	(235)	(361)
Other changes	0	(245)	(245)
Translation differences	0	8	8
June 30, 2013	**4,734**	**2,797**	**7,531**

The item "Other changes" (245 thousand euro) is made by the release of some long-term monetary incentive plans accrued in previous years, but released during the semester due to the failure to achieve the objectives set for the beneficiaries of the plan.

The split between the obligations under defined-contribution and defined-benefit plans as at June 30, 2013 compared with that of December 31, 2012 is shown below:

(thousands of euro)

	June 30, 2013	December 31, 2012
Present value of defined benefit obligations	6,687	6,750
Fair value of plan assets	0	0
Costs non yet recognized deriving from past obligations	0	0
Defined benefit obligations	**6,687**	**6,750**
Defined contribution obligations	844	1,027
Staff leaving indemnities and similar obligations	**7,531**	**7,777**

The obligations under defined-benefit plans are measured annually 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 estimated obligation, according to actuarial techniques, in connection with the sum to be paid out to the employees of 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 as a defined-benefit plan and is consequently measured according to actuarial assumptions. The portion paid in to pension funds is instead considered as a defined-contribution plan and is therefore not discounted.

The item "Other employee benefits" includes the provision for long-term incentive plans, signed by some employees of the Parent Company identified as particularly important for the medium to long term purposes of the Group. The three-year plans provide for the recognition of money incentives proportionate to the achievement of certain personal and Group objectives.
The aim of these plans is to further strengthen the alignment over time of individual interests to business interests and, consequently, to the shareholders' interests. The final payment of the long-term incentive is always subject to the creation of value in the medium to long-term viewpoint, rewarding the achievement of performance objectives over time. The performance conditions are based on multi-year indicators and the payment is always subject, in addition to maintaining the employer-employee relationship with the company for the duration of the plan, also to the presence of a positive consolidated income before taxes in the expiry year of the plan.
Such plan falls into the category of defined benefit obligations and therefore were discounted back on a yearly basis.

As already highlighted before, some plans accrued in the previous years have been released during the current semester, with a positive effect in the income statement equal to 245 thousand euro, after the non-achievement of the assigned performance objectives by the beneficiaries of the plan.

The following table shows a breakdown by category of the Group's employees:

Group employees	June 30, 2013	December 31, 2012	Average June 30, 2013	Average June 30, 2012
Managers	92	88	92	88
Employees and middle management	411	406	408	393
Workers	497	513	500	520
Total (*)	**1,000**	**1,007**	**1,000**	**1,001**

(*) These figures do not include the employees of the joint venture Actuator Solutions GmbH, please refer to the Note no. 18

The workforce amounted to 1,000 units as at June 30, 2013 (out of which 559 were employed abroad), substantially in line compared to December 31, 2012.

32. PROVISIONS

The item "Provisions" amounted to 1,762 thousand euro as at June 30, 2013.
The following table shows the composition of and the changes in these provisions compared to December 31, 2012:

(thousands of euro)

Provisions	December 31, 2012	Increase	Utilization	Release	Reclassifications	Translation differences	June 30, 2013
Warranty provisions on product sold	457	0	(29)	0	72	4	505
Bonus	1,890	410	(1,790)	(21)	0	8	497
Other provisions	917	17	(19)	(90)	(72)	6	759
Total	**3,265**	**428**	**(1,838)**	**(111)**	**0**	**18**	**1,762**

As at June 30, 2013, the item "Bonus" included the accrual of bonuses to the Group's employees (mainly in relation to the U.S. companies) related to the first half of 2013. The change with respect to the previous financial year is due to both the accrual of bonuses of the period and the payment of the bonuses of the previous financial year, settled during the first half of 2013.

The item "Other provisions" mainly included the amount of the implicit obligations of Spectra-Mat, Inc. in connection with the expenses to be incurred to monitor pollution levels at the site at which it operates (441 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, 2013	Current provisions	Non current provisions	December 31, 2012
Warranty provisions on product sold	52	454	506	0	457	457
Bonus	497	0	497	1,890	0	1,890
Other provisions	157	602	759	211	706	917
Total	**706**	**1,056**	**1,762**	**2,102**	**1,163**	**3,265**

33. TRADE PAYABLES

Trade payables amounted to 10,334 thousand euro as at June 30, 2013 and they decreased of 2,569 thousand euro compared to December 31, 2012.

The decrease is mainly attributable to the fact that in the last months of the previous year higher purchases of raw materials were made, especially in the segment of gas purification, in anticipation of the recovery of the business.

Trade payables do not bear interests and come due within twelve months.
There were 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 at June 30, 2013 and the comparison with December 31, 2012:

(thousands of euro)

Ageing	Total	Not yet due	Due				
			< 30 days	30 - 60 days	60 - 90 days	90 - 180 days	> 180 days
June 30, 2013	10,334	7,041	2,996	46	11	67	173
December 31, 2012	12,903	7,514	4,345	589	228	121	106

34. OTHER PAYABLES

The item "Other payables" includes amounts that are not strictly classified as trade payables and amounted to 10,288 thousand euro as at June 30, 2013, compared with 9,602 thousand euro as at December 31, 2012.

(thousands of euro)

Other payables	June 30, 2013	December 31, 2012	Difference
Employees payables (vacation, wages and staff leaving indemnity, etc.)	6,738	5,031	1,707
Social security payables	1,159	1,545	(386)
Tax payables (excluding income taxes)	767	966	(199)
Other	1,624	2,060	(436)
Total	**10,288**	**9,602**	**686**

The item "Employees payables" is made up of holiday allowances accrued but not taken during the year, additional monthly salaries, remunerations for the month of June 2013 and severance costs accrued in the first semester and not yet paid.

The item "Social security payable" includes the payables owed by the Group's Italian companies towards 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 item "Tax payables" consists primarily of the payables owed by the Italian companies towards the Treasury in connection with the withholding taxes on the wages of salaried employees and independent contractors.

The item "Other" includes payables of the Parent Company for Directors' compensation, for commissions to agents and for advances on public grants for research activities.

35. ACCRUED INCOME TAXES

The item consists of payables for taxes associated with the SAES Group's foreign subsidiaries, inasmuch as the Italian companies (excluding E.T.C. S.r.l.) have elected to participate in the national tax consolidation program and the associated tax balance is included in "Tax consolidation receivables/ payables to controlling company" (please refer to Note no. 20 for further information).

The item also includes the IRAP debt of the Italian companies.

At June 30, 2013 accrued income taxes amounted to 1,118 thousand euro and included tax obligations accrued in the first half of 2013, in addition to those from the previous year but not yet paid.

36. BANK OVERDRAFT

At June 30, 2013, bank overdraft was equal to 26,820 thousand euro and consisted primarily of short-term debt owed by the Parent Company in the form of "hot money" debt (26,470 thousand euro at June 30, 2013 compared to 10,050 thousand euro at December 31, 2012).
The residual part consists of bank overdrafts.

37. ACCRUED LIABILITIES

Accrued expenses and deferred income were equal to 530 thousand euro at June 30, 2013.
This item may be broken down as follows:

(thousands of euro)

	June 30, 2013	December 31, 2012	Difference
Accrued expenses	98	216	(118)
Deferred income	432	563	(131)
Total	**530**	**779**	**(249)**

38. CASH FLOW STATEMENT

In the first half of 2013, cash flow provided by operating activities was negative for 1,287 thousand euro: the self-financing was not enough to offset the negative change in the net working capital, heavily affected by the increase in the volume of activities in the Semiconductors Business and by the operating weakness that characterized the last part of 2012.

Investing activities used liquidity for 5,814 thousand euro (5,446 thousand euro in the first half of 2012). The net disbursements for purchases of tangible and intangible assets amounted to 2,874 thousand euro, compared to 1,452 thousand euro at June 30, 2012. In addition, during the semester, please note the disbursement of 500 thousand euro for the acquisition of the last 20% of the shares of Memry GmbH (a company active in the production and sale of semi-finished products and components in shape memory alloy) and of 2,440 thousand euro for the acquisition by the U.S. company Power & Energy, Inc. of the business "hydrogen purifiers" (equal to the first installment of the fixed consideration paid at the closing, for further information on this transaction see the Note no. 3).

The balance of financing activities was positive and equal to 424 thousand euro, compared to a negative balance of 299 thousand euro in the first half of 2012.
The financial management of the period was characterised by the financial disbursements for the payment of dividends, equal to 9,965 thousand euro, as well as by the repayments on loans according to their contractual repayment plans (including the one received by the joint venture Actuator Solutions GmbH) and related interests. These cash-out were more than offset by the cash-in generated by the short-term loans (hot money debt) taken by the Parent Company. For further details please refer to the Note no. 36.

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)

	1st Half 2013	1st Half 2012
Cash and cash equivalents	15,798	28,386
Bank overdraft	(26,820)	(14,834)
Cash and cash equivalents, net - statement of financial position	**(11,022)**	**13,552**
Short term debt	26,470	14,834
Cash and cash equivalents, net - cash flow statement	**15,448**	**28,386**

39. POTENTIAL LIABILITIES AND COMMITMENTS

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

(thousands of euro)

Guarantees	June 30, 2013	December 31, 2012	Difference
Guarantees in favour of third parties	33,038	35,358	(2,320)

The decrease compared to December 31, 2012 is 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 during the period.

The maturities for operating lease obligations outstanding at June 30, 2013 are shown below:

(thousands of euro)

	Less than 1 year	1-5 years	Over 5 years	Total
Operating lease obligations	1,301	1,776	23	**3,100**

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 2013.

40. RELATED PARTY TRANSACTIONS

Related Parties are identified in accordance with IAS 24 revised.

In this case, Related Parties include:

- **S.G.G. Holding S.p.A.**, the controlling company, which is both creditor and debtor of the SAES Group as a result of the election by the Group's Italian companies[9] to participate in the national tax consolidation program. Also to be noted that S.G.G. Holding S.p.A. receives dividends from SAES Getters S.p.A.
- **KStudio Associato**, a tax, legal and financial consultancy firm whose founding member is Vincenzo Donnamaria, President of the Board of Statutory Auditors of SAES Getters S.p.A. It provides consultancy services to the Italian companies of the Group.
- **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.
- **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.
- **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, the Group Legal General Counsel, the Corporate Research Manager[10] and the Group Administration, Finance and Control Manager are considered managers with strategic responsibilities.
  Their close relatives are also considered related parties.

The following tables show the total values of the related party transactions undertaken as at June 30, 2013 and as at June 30, 2012:

(thousands of euro)

	1st Half 2013					June 30, 2013			
	Total net sales	Research & development expenses	Selling expenses	General & administrative expenses	Other financial income (expenses)	Trade receivables	Tax consolidation receivables from Controlling Company	Tax consolidation payables to Controlling Company	Financial debt towards related parties
S.G.G. Holding S.p.A.							4,262	(3,761)	
Actuator Solutions GmbH	252	441 (*)	156 (*)	22 (*)	(10)	757			
Total	**252**	**441**	**156**	**22**	**(10)**	**757**	**4,262**	**(3,761)**	**0**

(*) costs recovery

(thousands of euro)

	1st Half 2012					December 31, 2012			
	Total net sales	Research & development expenses	Selling expenses	General & administrative expenses	Other financial income (expenses)	Trade receivables	Tax consolidation receivables from Controlling Company	Tax consolidation payables to Controlling Company	Financial debt towards related parties
S.G.G. Holding S.p.A.							3,247	(2,763)	
Kstudio Associato				(31)					
Actuator Solutions GmbH	0		296 (*)	19 (*)		830			(2,019)
Totale	**0**	**0**	**296**	**(12)**	**0**	**830**	**3,247**	**(2,763)**	**(2,019)**

(*) costs recovery

[9] SAES Getters S.p.A., SAES Advanced Technologies S.p.A. and SAES Nitinol S.r.l.

[10] Please note that, with effect from June 10, 2013, in the view of containing costs and optimizing organizational processes, the role of Corporate Research Manager has been removed and its related responsibilities were transferred to the Chief Technology Innovation Officer, in the person of Dr Ing. Massimo della Porta.

The following table shows the remuneration provided to managers with strategic responsibilities[11] as identified above:

(thousands of euro)

Total remunerations to key management	1st Half 2013	1st Half 2012
Short term employee benefits	1,503	1,471
Post employment benefits	0	0
Other long term benefits	98	289
Termination benefits	53	265
Stock options	0	0
Total	**1,654**	**2,025**

The decrease compared to the previous year is mainly due to the voluntary renunciation of part of their compensation by the executive Directors.

As at June 30, 2013 payables to Managers with Strategic Responsibilities, as defined above, are equal to 1,768 thousand euro, compared with payables of 2,484 thousand euro as at December 31, 2012.

Pursuant to 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 2013 all related-party transactions fall within ordinary operations and were settled at economic and financial market conditions.

Lainate (MI), July 31, 2013

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

[11] Please note that, with reference to the first half of 2013, the remuneration of the Corporate Research Manager refers to the period from January 1 to June 9, 2013

Certification of the Interim Condensed Consolidated Financial Statements as at June 30, 2013

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, 2013.

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, 2012, 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, 2013, we confirm that the procedures 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, 2013:
   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 31, 2013

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

Deloitte.

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AUDITORS' REVIEW REPORT ON THE HALF-YEARLY CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

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

1. We have reviewed the half-yearly condensed consolidated financial statements of SAES GETTERS S.p.A. and subsidiaries (the "SAES Group"), which comprise the consolidated balance sheet as of June 30, 2013, 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 Company's directors are responsible for the preparation and presentation 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 issue a report on these half-yearly condensed consolidated financial statements based on our review.

2. We conducted our review in accordance with the standards 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. Our review consisted principally of gathering information on the captions of the half-yearly condensed consolidated financial statements and assessing whether accounting policies have been consistently applied through enquiries of management responsible for financial and accounting matters and in applying analytical procedures to the underlying financial data. The review excluded audit procedures such as tests of controls and substantive procedures of the assets and liabilities and was therefore substantially less in scope than an audit performed in accordance with established auditing standards. Accordingly, unlike in the auditors' report of other auditors on the year-end consolidated financial statements, we do not express an audit opinion on the half-yearly condensed consolidated financial statements.

   As far as comparative figures related to the year ended December 31, 2012 and the six-month period ended June 30, 2012 are concerned, reference should be made to the auditors' report and the auditors' review report issued by other auditors dated March 28, 2013 and July 30, 2012 respectively.

3. Based on our review, nothing has come to our attention that causes us to believe that the half-yearly condensed consolidated financial statements of SAES Group as of June 30, 2013 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, Italy,
July 31, 2013

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