



Third Quarter 2014 Financial Results

October 24, 2014

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Forward-Looking Statements

Statements contained in this presentation that are not historical facts are forward-looking statements which involve certain risks and uncertainties including, but not limited to, risks associated with our ability to make good decisions about the deployment of capital, the fact that our partner companies may vary from period to period, our substantial capital requirements and absence of liquidity from our partner company holdings, fluctuations in the market prices of our publicly traded partner company holdings, competition, our inability to obtain maximum value for our partner company holdings, our ability to attract and retain qualified employees, market valuations in sectors in which our partner companies operate may decline, our inability to control our partner companies, our need to manage our assets to avoid registration under the Investment Company Act of 1940, and risks associated with our partner companies, including the fact that most of our partner companies have a limited history and a history of operating losses, face intense competition and may never be profitable, the effect of economic conditions in the business sectors in which our partner companies operate, and other uncertainties as described in our filings with the Securities and Exchange Commission, including our Annual Report on Form 10-K. As a result of these and other factors, the Company's past financial performance should not be relied on as an indication of future performance.

Safeguard does not assume any obligation to update any forward-looking statements or other information contained in this presentation.

Third Quarter 2014 Highlights

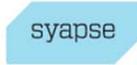
- > Deployed \$29.5 million of capital in four new partner companies for the three-months ended September 30, 2014.
- > Deployed \$39.3 million of capital in six new partner companies for the nine-months ended September 30, 2014.
- > Realized \$81.3 million in cash proceeds from exit transactions involving four partner companies for the nine-months ended September 30, 2014.

Pipeline Overview



1/1/14 through 9/30/14

Partner Companies By Revenue Stage

	 	 	 
	 		
	 		
	 		
	 		
DEVELOPMENT Pre-Revenue	INITIAL REVENUE Revenue: Up to \$5M	EXPANSION Revenue: \$5M-20M	HIGH TRACTION Revenue: \$20M+

Partner Companies: A Quick Snapshot



INITIAL CAPITAL DEPLOYED	Aug '14
TOTAL CAPITAL DEPLOYED	\$9.0M
SFE PRIMARY OWNERSHIP	24%
SECTOR	Healthcare
ELEVATOR PITCH	Provides digital solutions to measurably improve respiratory health, including asthma and chronic obstructive pulmonary disease (“COPD”).
PARTNERSHIPS/CUSTOMERS	Dignity Health; a large health system; California Healthcare Foundation; and a global pharmaceutical company
MARKET OPPORTUNITY	COPD projected to cost payers and patients in U.S. \$90B by 2020.*

* Source: Centers for Disease Control and Prevention

Partner Companies: A Quick Snapshot



New York, NY

INITIAL CAPITAL DEPLOYED	Aug '14
TOTAL CAPITAL DEPLOYED	\$9.5M
SFE PRIMARY OWNERSHIP	25%
SECTOR	Technology
ELEVATOR PITCH	Provides electronic billing and payment solutions.
PARTNERSHIPS/ CUSTOMERS	Elavon, PNC Bank, RR Donnelly, Wells Fargo
MARKET OPPORTUNITY	The electric bill presentment and payment (EBPP) market is expanding at a CAGR of 16%.*

* Source: Latente Group

Partner Companies: A Quick Snapshot



Philadelphia, PA

INITIAL CAPITAL DEPLOYED	Aug '14
TOTAL CAPITAL DEPLOYED	\$6.0M
SFE PRIMARY OWNERSHIP	29%
SECTOR	Technology
ELEVATOR PITCH	Commerce platform provider for fast growing online retailers
PARTNERSHIPS/CUSTOMERS	Nasty Gal, Urban Outfitters' brands Free People and Terrain, Thomas Scientific, Hello Kitty
MARKET OPPORTUNITY	U.S. online sales are projected to grow at a CAGR of 9.5% from \$294B (2014) to \$414B (2018).*

* Source: comScore

2014 Financial Highlights

- > Net cash, cash equivalents, marketable securities
 - \$115.4M at 9/30/14 vs. \$133.7M at 12/31/13

- > Q3'14 primary uses of cash
 - \$29.5M = Funding and acquisition of ownership interests in new partner companies Propeller Health, Transactis, Trice Medical and WebLinc
 - \$2.3M = Follow-on deployments in one existing partner company
 - \$2.7M = Cash used in operations

Partner Company Holdings

	Acquisition Year	Primary Ownership %	Carrying Value <i>(in millions)</i>	Cost <i>(in millions)</i>
Healthcare Partner Companies:				
AdvantEdge Healthcare Solutions	2006	40%	\$ 5.5	\$ 15.3
Dabo Health	2013	13%	1.5	1.5
Good Start Genetics	2010	30%	2.0	12.0
InfoBionic	2014	18%	3.5	4.0
Medivo	2011	35%	6.9	11.6
NovaSom	2011	30%	8.3	21.1
Propeller Health	2014	24%	9.0	9.0
Putney	2011	28%	5.4	14.9
Quantia	2013	42%	8.8	11.8
Syapse	2014	27%	5.7	5.8
Trice Medical	2014	32%	5.0	5.0
		TOTAL:	61.6	112.0
Technology Partner Companies:				
AppFirst	2012	34%	5.3	8.6
Apprenda	2013	22%	10.3	12.1
Beyond.com	2007	38%	10.4	13.5
Bridgevine	2007	17%	4.4	10.0
Clutch	2013	30%	6.2	7.5
DriveFactor	2011	41%	2.9	4.5
Hoopla Software	2011	26%	1.3	3.1
Lumesis	2012	49%	3.3	5.6
MediaMath	2009	21%	20.3	25.5
Pneuron	2013	28%	4.2	5.0
Spongecell	2012	23%	8.8	10.0
Transactis	2014	25%	9.5	9.5
WebLinc	2014	29%	6.0	6.0
		TOTAL:	92.9	120.9
Total: Healthcare + Technology			\$ 154.5	\$ 232.9

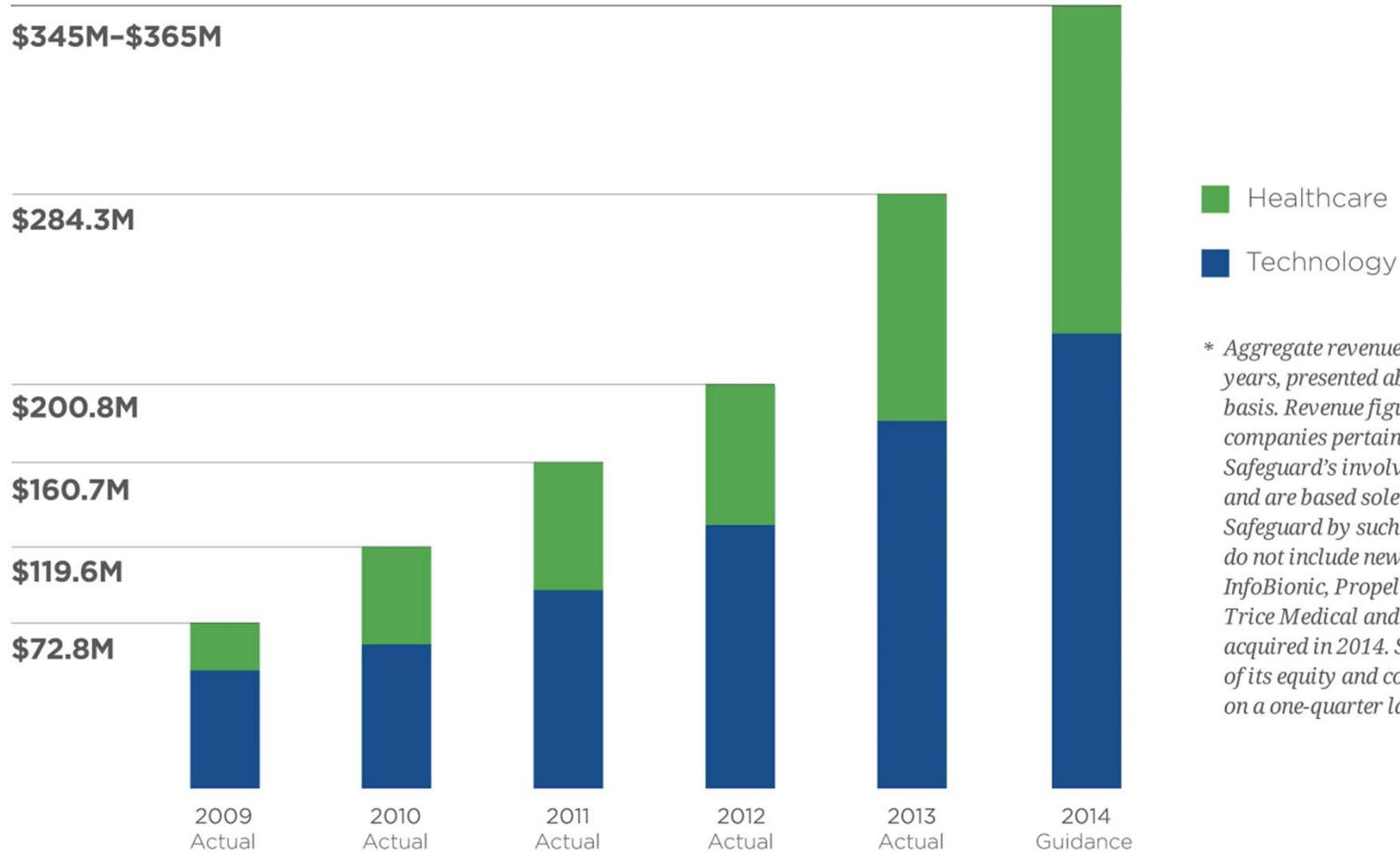
Balance Sheet

Condensed Consolidated Balance Sheet

(in thousands)

	September 30, 2014	December 31, 2013
Assets		
Cash, cash equivalents and marketable securities	\$ 151,901	\$ 177,568
Other current assets	1,494	1,562
Total current assets	153,395	179,130
Ownership interests in and advances to partner companies and funds	158,638	148,579
Loan participations receivable	4,184	8,135
Long-term marketable securities	13,840	6,088
Other assets	2,251	4,064
Total Assets	\$ 332,308	\$ 345,996
Liabilities and Equity		
Convertible senior debentures - Current	\$ -	\$ 470
Other current liabilities	6,666	7,704
Total current liabilities	6,666	8,174
Other long-term liabilities	3,471	3,683
Convertible senior debentures - Non-Current	50,283	49,478
Total equity	271,888	284,661
Total Liabilities and Equity	\$ 332,308	\$ 345,996

Partner Company Aggregate Revenue



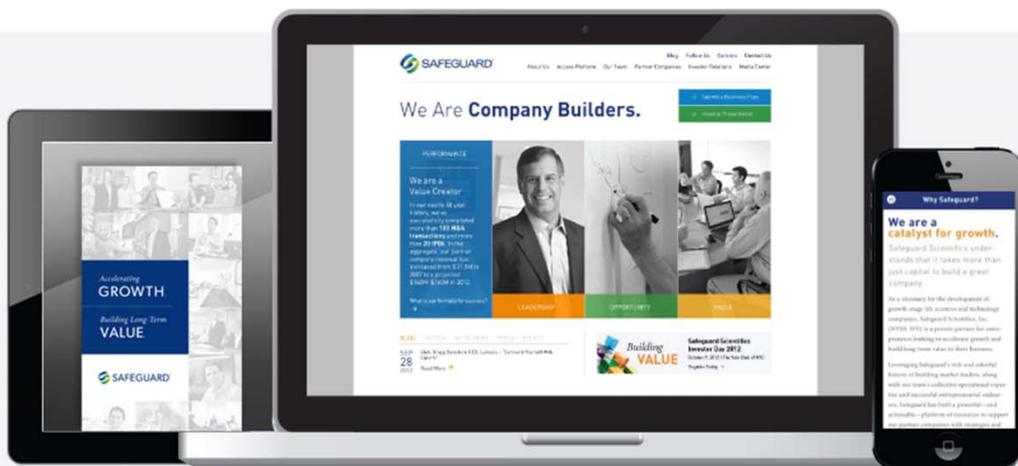
* Aggregate revenue guidance for 2014 and prior years, presented above, reflects revenue on a net basis. Revenue figures utilized for certain companies pertain to periods prior to Safeguard's involvement with said companies and are based solely on information provided to Safeguard by such companies. Revenue figures do not include new partner companies InfoBionic, Propeller Health, Syapse, Transactis, Trice Medical and WebLinc, which were acquired in 2014. Safeguard reports the revenue of its equity and cost method partner companies on a one-quarter lag basis.



Questions & Answers

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THIRD QUARTER 2014 CONFERENCE CALL REPLAY INFORMATION

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