

We laser your world



COMPANY PRESENTATION

Q3 2015 FINANCIAL RESULTS

www.elengroup.com

INTERMONTE

Dec. 1st , 2015



Disclaimer



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Summary



1. LASERS AND LASER APPLICATIONS
2. THE GLOBAL LASER MARKET
3. EL.EN. GROUP
4. Q3 - 2015 FINANCIAL RESULTS
5. 2015 GUIDANCE
6. EL.EN. STOCK, MULTIPLES & COMPARABLES





Lasers and Laser Applications



LASER

Light **A**mplification by **S**timulated **E**mission of
Radiation



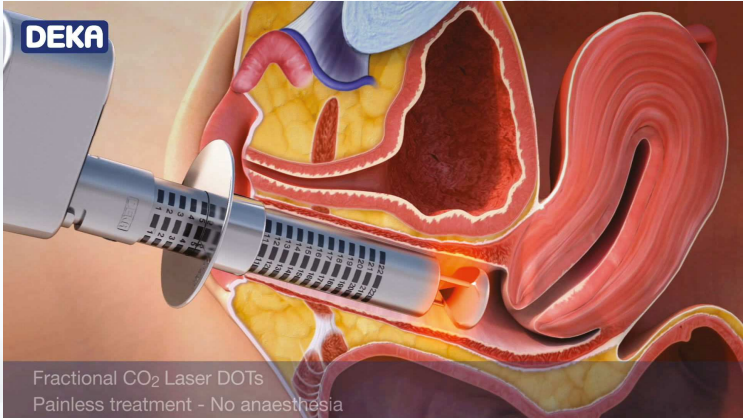
MEDICAL LASER Systems



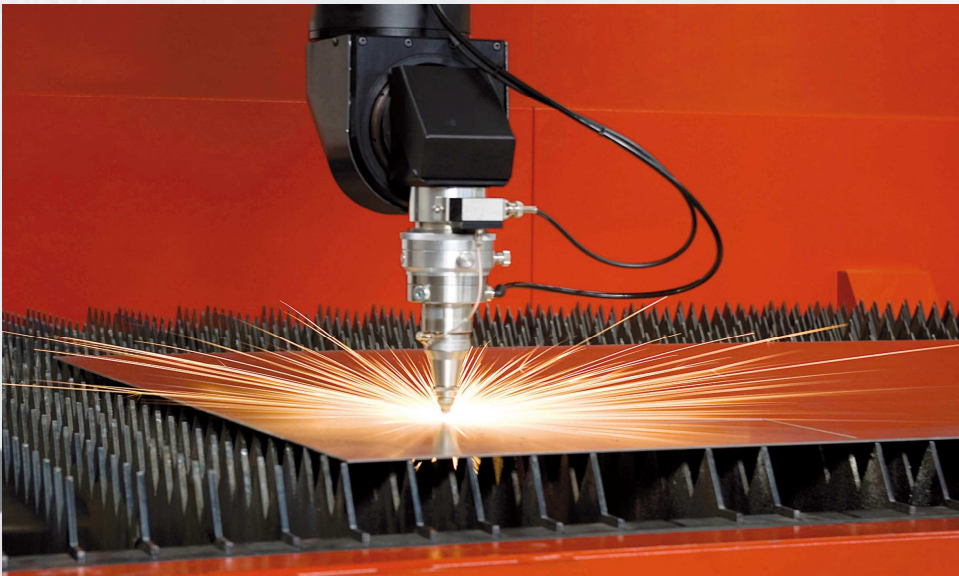
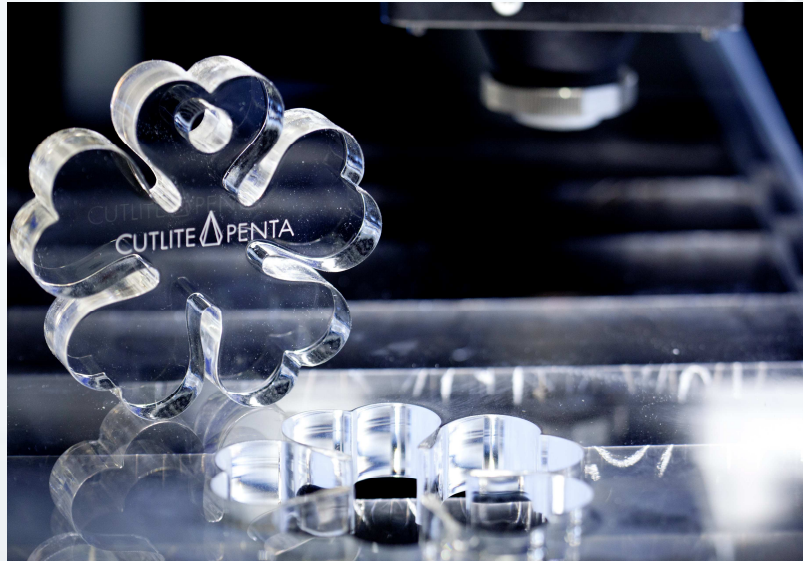
INDUSTRIAL LASER Systems



Medical and Aest. Applications



Industrial lasers applications



Hot Products



Monna Lisa Touch



Cyber TM 200



Mediostar



New Products



Discovery Pico



Multipulse HoPLUS



Motus AX

Quanta System
DNA Laser Technology



JENA SURGICAL





The Global Laser Market



The MEDICAL Laser Market



Global market for medical lasers by end use, through 2019 (\$ millions)

Market Segment	2013	2014	2019	CAGR%
				2014-2019
Surgical	758	813	1.219	8,4%
Cosmetic	895	1.024	2.097	15,4%
Dental	209	244	623	20,7%
Veterinary	99	115	247	16,5%
Total	1.961	2.195	4.185	13,8%

Global market for medical lasers by region, through 2019 (\$ millions)

Market Segment	2013	2014	2019	CAGR%
				2014-2019
US and Canada	902	1.008	1.870	13,2%
Europe	579	647	1.208	13,3%
Asia Pacific	352	399	849	16,3%
Other	128	141	258	12,8%
Total	1.961	2.195	4.185	13,8%



The INDUSTRIAL Laser Market

Global market and forecast for high power laser systems by application (by value)

By Value	Global Market (EUR Million)			CAGR (%)	
	2013	2016	2020	2013-2016	2016-2020
Cutting	2.408	3.014	3.965	7,8	7,1
Welding and Brazing	1.249	1.605	2.231	8,7	8,6
Surface treatment and Other	50	63	86	8,3	8,1
Total	3.707	4.682	6.282	8,1	7,6

Source: Optech Consulting





El.En. Group



Group Overview



High –Tech laser photonics Group

Develops, manufactures and distributes laser sources and laser systems for medical and industrial applications

Know-how based on 30 years stratification of multidisciplinary experience

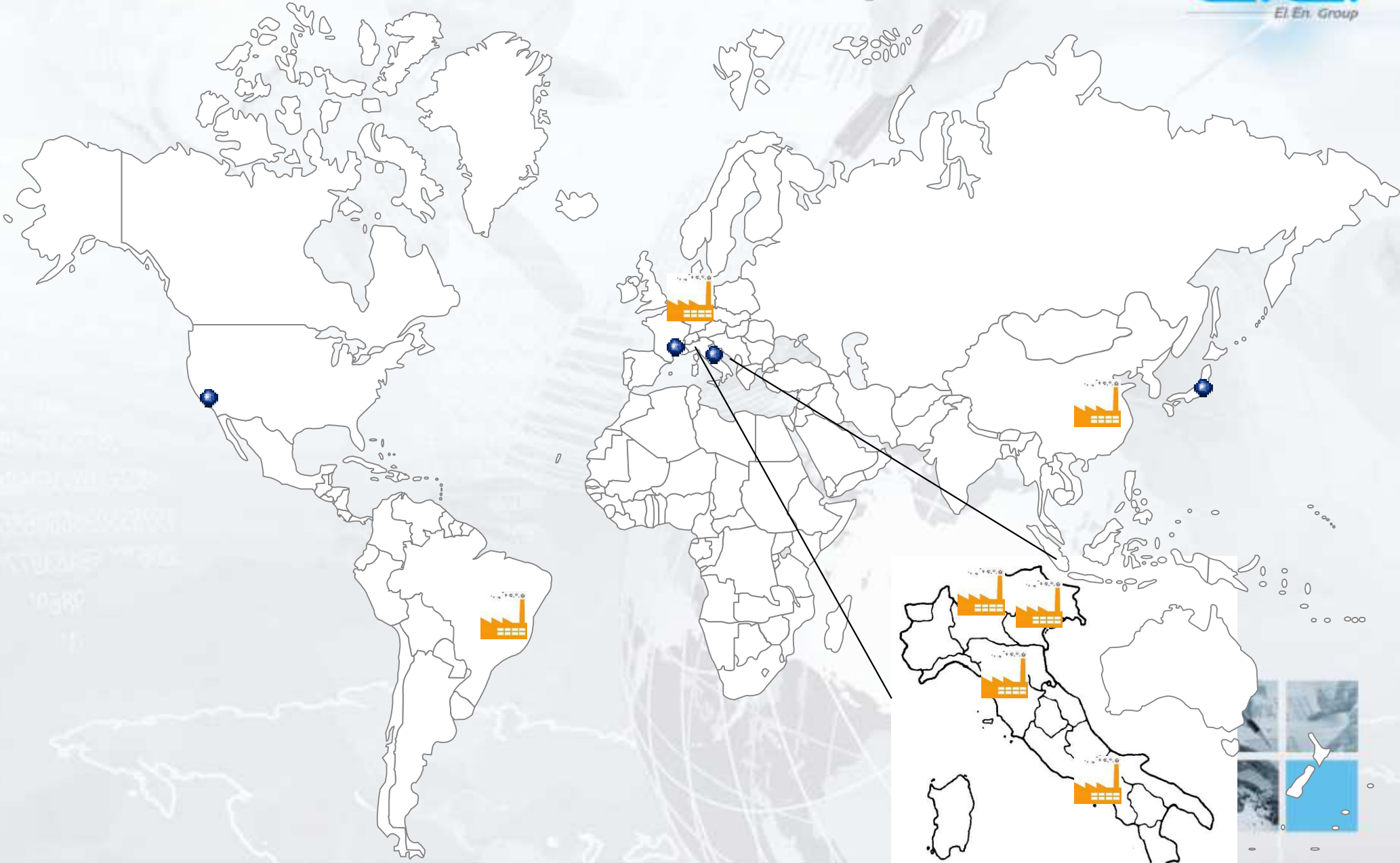
Q3 2015: Consolidated Revenues of €156 mln, up 25% YoY

985 employees

Global positioning



El.En. Group



Strategic Strengths



Multidisciplinary and multifacility R&D activity:
sources, systems, applications

Industrial

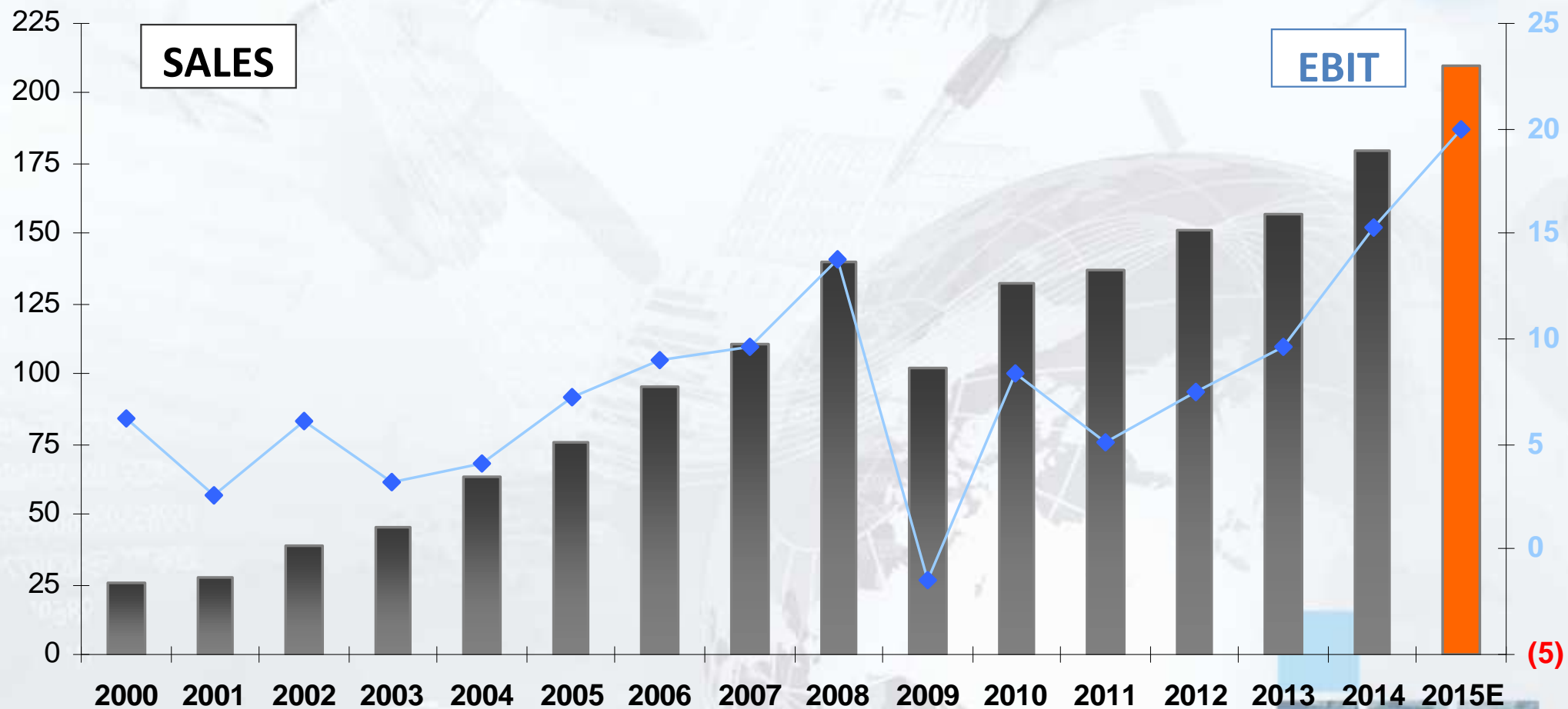
- ✓ Combine High tech laser source development with flexible production facilities in high growth areas

Medical

- ✓ Technological and clinical innovation improving performance and broadening the application scope of our laser systems
- ✓ Maximize market penetration by multi brand approach
- ✓ Open new market segments by developing innovative applications
- ✓ Leverage worldwide distribution with multi brand approach



Consolidated Revenues and EBIT



R&D Activity



Clinical trials and validations of new therapeutic laser treatments
and research on new applications of laser- tissue interaction

Broadening Mona Lisa Touch Clinical studies

Central role of PHOTOBIO LAB

Clinical studies on cutaneous ulcers

New Pico second laser platform

New approach to laser hair removal

Patents development

Increased power of RF laser sources

Innovative beam delivery and focusing systems





Q3 - 2015 Financial Results



Consolidated P&L



Euro/000	30/09/14		30/09/15		Var.%
Revenues	124.616	100,0%	156.006	100,0%	25,2%
Gross margin	57.274	46,0%	70.236	45,0%	22,6%
EBITDA	11.964	9,6%	19.310	12,4%	61,4%
EBIT (*)	10.532	8,5%	16.193	10,4%	53,7%
Pretax Income (**)	18.744	15,0%	17.191	11,0%	-8,3%

(*) 2014 Non recurring: +1,5 mln of euros. 2014 EBIT% w/o non recurring: 7,3% and var% 15/14 adj.: +79%

(**) 2014 Total one time and non recurring: +9,0mln of euros on pretax income and var% 15/14 adj.: +80%



Net financial position



	Euro '000	31/12/14	30/09/15	Var.
Net financial position :		47.116	23.075	24.041

Decrease due to:

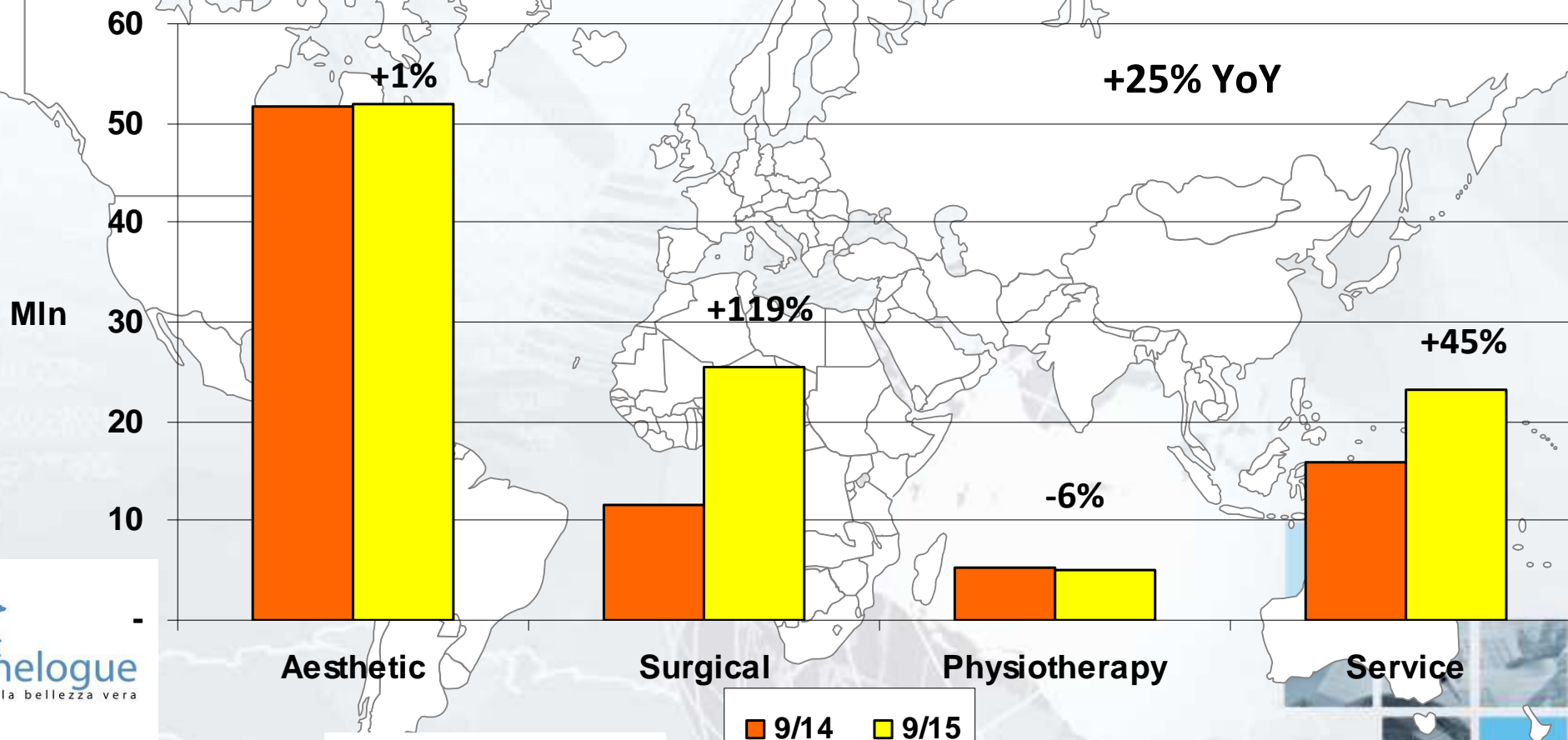
- 10,5 mln: temporary investments in non current assets
- 5,3 mln: dividends paid
- 5,0 mln: capex
- 3,0 mln: cash flow from operations



Medical Lasers Business



Quanta System
DNA Laser Technology



Aesthetic

Surgical

Physiotherapy

Service

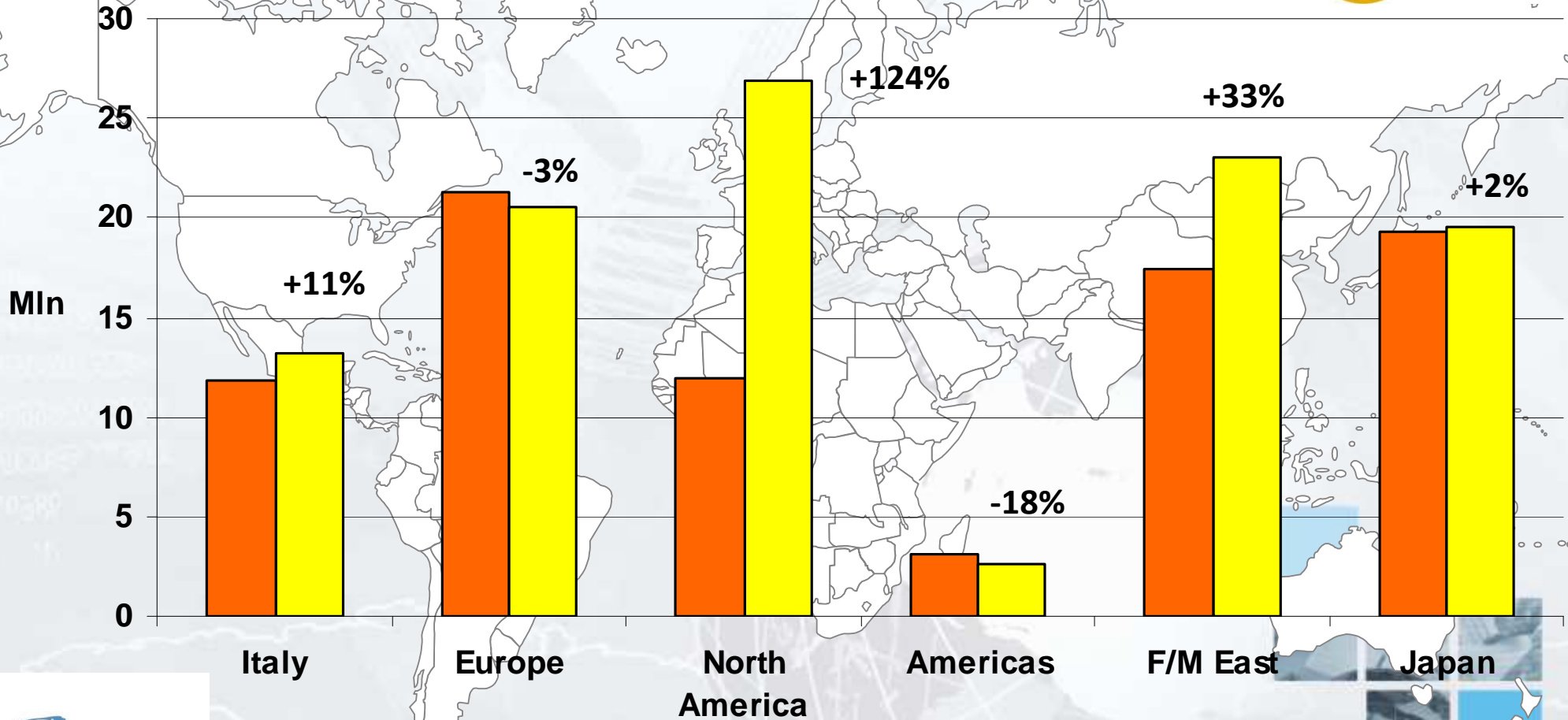
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Medical Lasers: Breakdown by Area



Quanta System
DNA Laser Technology



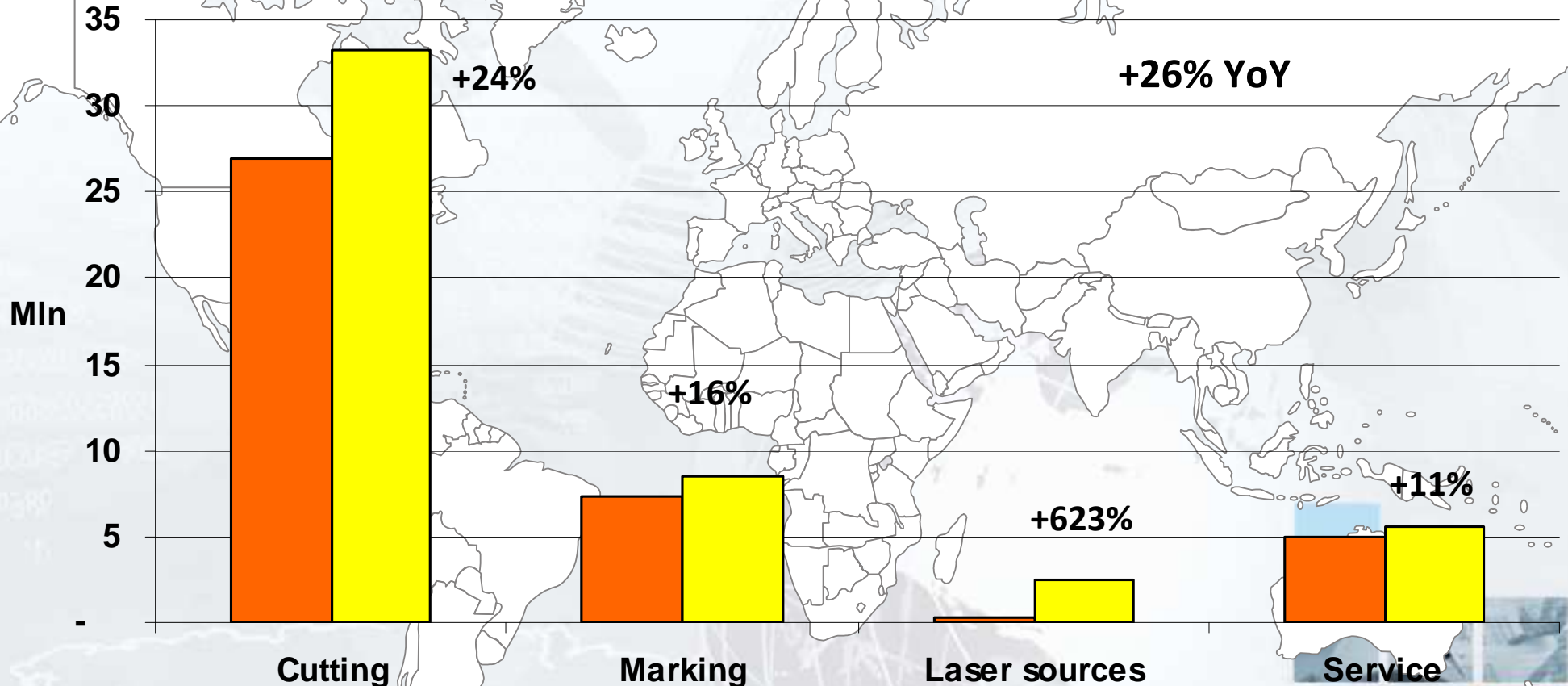
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Industrial Lasers Business



PENTA CHUTIAN



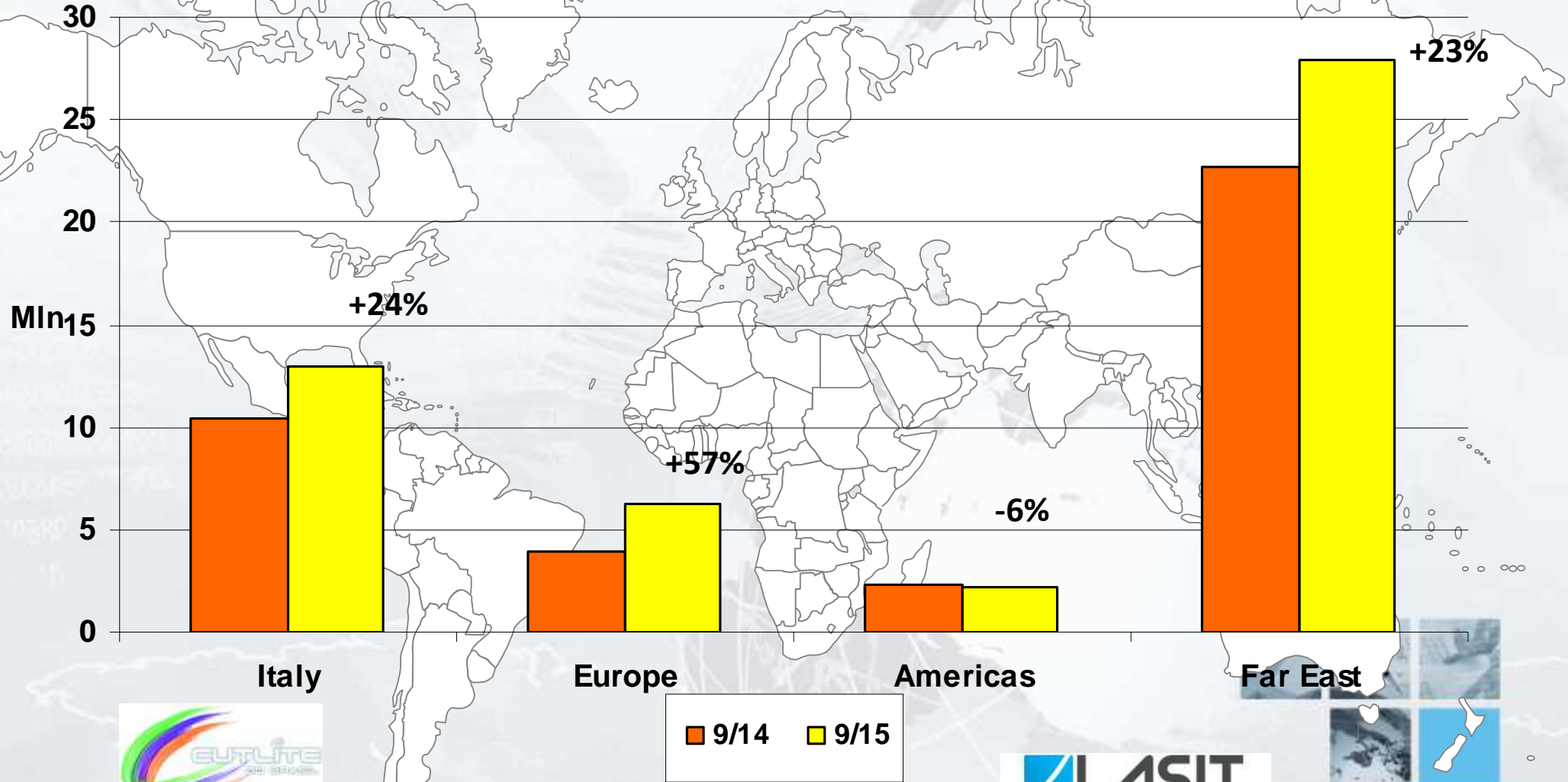
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Industrial Lasers: Breakdown by Area



PENTA CHUTIAN





2015 Guidance



2015 Guidance



Sales: >210 mln +17%

EBIT: >20 mln





El.En. Stock, Multiples & Comparables



El.En. Stock



Euro



El.En. Multiples

Stockholder's Equity per share *

34

Price / Book Value Adj.

1,29

EV / EBIT (85% EBIT)

7,47

EV / Sales (85% Sales)

0,78

El.En. Market Cap.

209,9 @ € 43,50

Net financial position

23,1 @ 30/09/15

Financial investments m/l term

10,6 @ 30/09/15

Market value of 1,0 mm Cynosure shares

39,1 @ \$41,48
(Euro/Usd=1,06)

Enterprise Value

137,1

Stockholder's Equity net of minorities,
* (with Cynosure shares at market value)

162,1



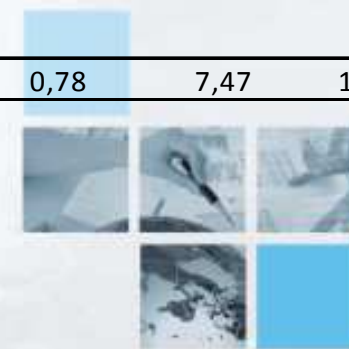
El.En. Comparables



	Price	Revenue	Var.% Revenue	EBIT	EBIT%	MK.Cap.	EV	EV/Sales (*)	EV/EBIT (*)	P/Book Value
Sept 30, 2015										
Medical/Aesthetic										
Syneron	\$7,64	\$198.959	10%	\$(8.476)	-4%	\$269.210	\$189.688	0,72	n.a.	1,26
Zeltiq	\$30,75	\$177.191	43%	\$1.895	1%	\$1.220.000	\$1.173.440	4,97	464,42	15,42
Cutera	\$14,47	\$64.719	23%	\$(6.518)	-10%	\$181.910	\$134.166	1,55	n.a.	3,69
Biolase	\$0,90	\$33.958	-1%	\$(17.640)	-52%	\$54.620	\$39.426	0,87	n.a.	2,07
Cynosure	\$41,48	\$237.020	15%	\$14.529	6%	\$929.250	\$827.008	2,62	42,69	2,38
Industrial										
IPG Photonics Co.	\$89,76	\$677.600	20%	\$259.000	38%	\$4.750.000	\$4.099.028	4,54	11,87	3,91
Rofin-Sinar	\$28,54	\$397.253	-3%	\$48.899	12%	\$806.280	\$630.718	1,19	9,67	1,49
Prima Industrie	€14,07	€260.095	10%	€11.816	5%	€147.500	€258.401	0,75	16,40	1,17
El.En. (1)	€43,50	€156.006	25%	€16.193	10%	€209.860	€137.115	0,78	7,47	1,29

(1) EV and multiples as for previous slide

(*) Revenue and Ebit annualized



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