

We laser your world



COMPANY PRESENTATION

2015 FINANCIAL RESULTS

www.elengroup.com



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Summary

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2. THE GLOBAL LASER MARKET
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Lasers and Laser Applications



LASER

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



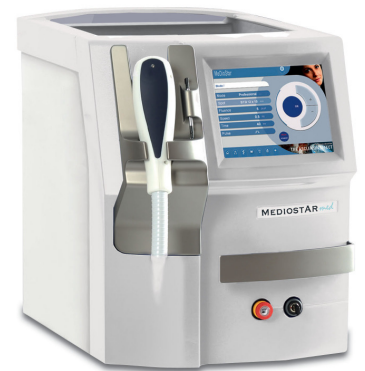
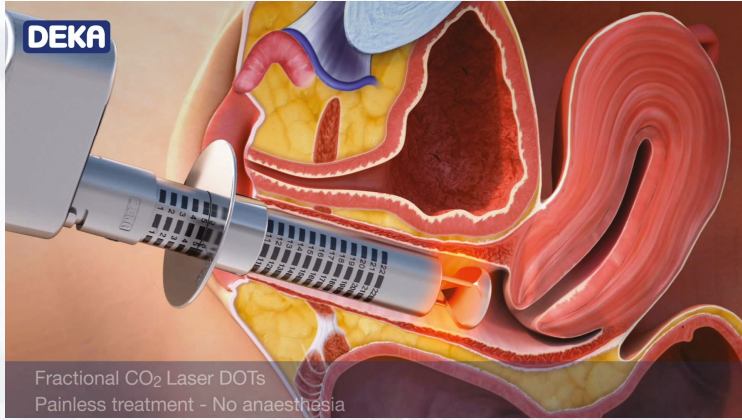
MEDICAL LASER Systems



INDUSTRIAL LASER Systems



Medical and Aest. Applications



Industrial lasers applications



2015 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 35 years stratification of multidisciplinary experience

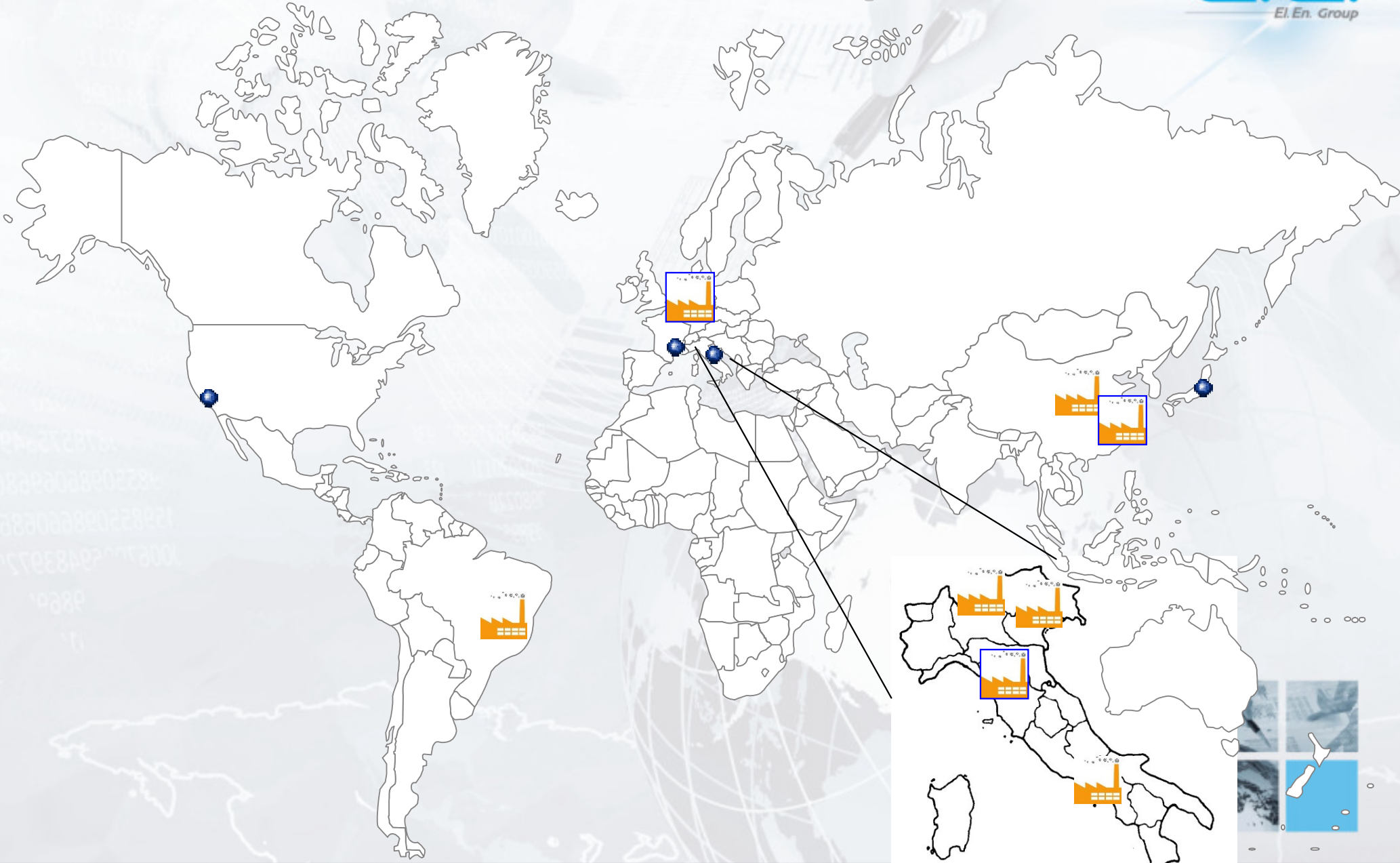
2015: Consolidated Revenues of €218 mln, up 21% YoY

965 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

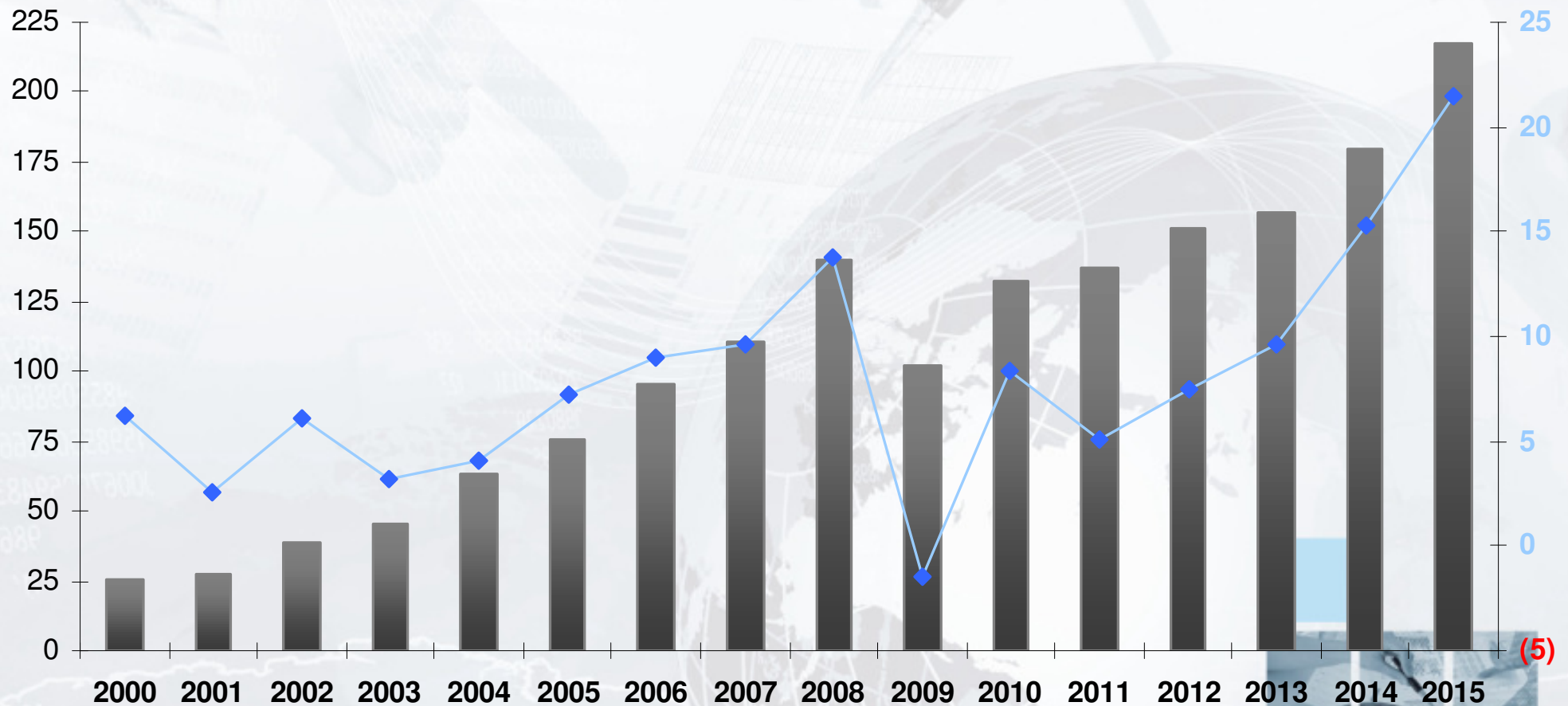


Consolidated Revenues and EBIT



SALES

EBIT



(5)

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

New Pico second laser platform

Clinical studies on cutaneous ulcers

Painless laser hair removal

Patents development

Increased power of RF laser sources

Innovative applications for mid power laser systems





2015 Financial Results



Consolidated P&L



Euro/000	31/12/14		31/12/15 unaudited		Var.%
Revenues	180.009	100,0%	217.670	100,0%	20,9%
Gross margin	81.849	45,5%	96.318	44,2%	17,7%
EBITDA	17.963	10,0%	25.666	11,8%	42,9%
EBIT (*)	15.301	8,5%	21.499	9,9%	40,5%
Pretax Income (**)	24.409	13,6%	23.113	10,6%	-5,3%
Net income (***)	16.520	9,2%	14.371	6,6%	-13,0%
Net Income per share	3,42		2,98		

(*) 2014 Non recurring: +1,5 mln of euros. 2014 EBIT% w/o non recurring: 7,7% and var% 15/14 adj.: +55%

(**) 2014 Total one time and non recurring: +9,0mln of euros on pretax income and var% 15/14 adj.: +65%

(***) 2014 Total one time and non recurring: +8 mln of euros on net income and var% 15/14 adj.: +68%



Balance sheet

Euro/000	31/12/14	31/12/15 unaudited	Var.%
Total non current assets	61.775	97.766	58%
Net Working Capital	49.501	59.861	21%
Net financial position	47.116	29.815	-37%
Long term liabilities	7.856	7.904	1%
Net Equity	150.536	179.539	19%
Net capital employed	103.420	149.724	45%
Net Working Capital on sales	27%	28%	
ROCE (EBIT/Net capital employed)	15%	14%	
Capex	8.477	8.243	



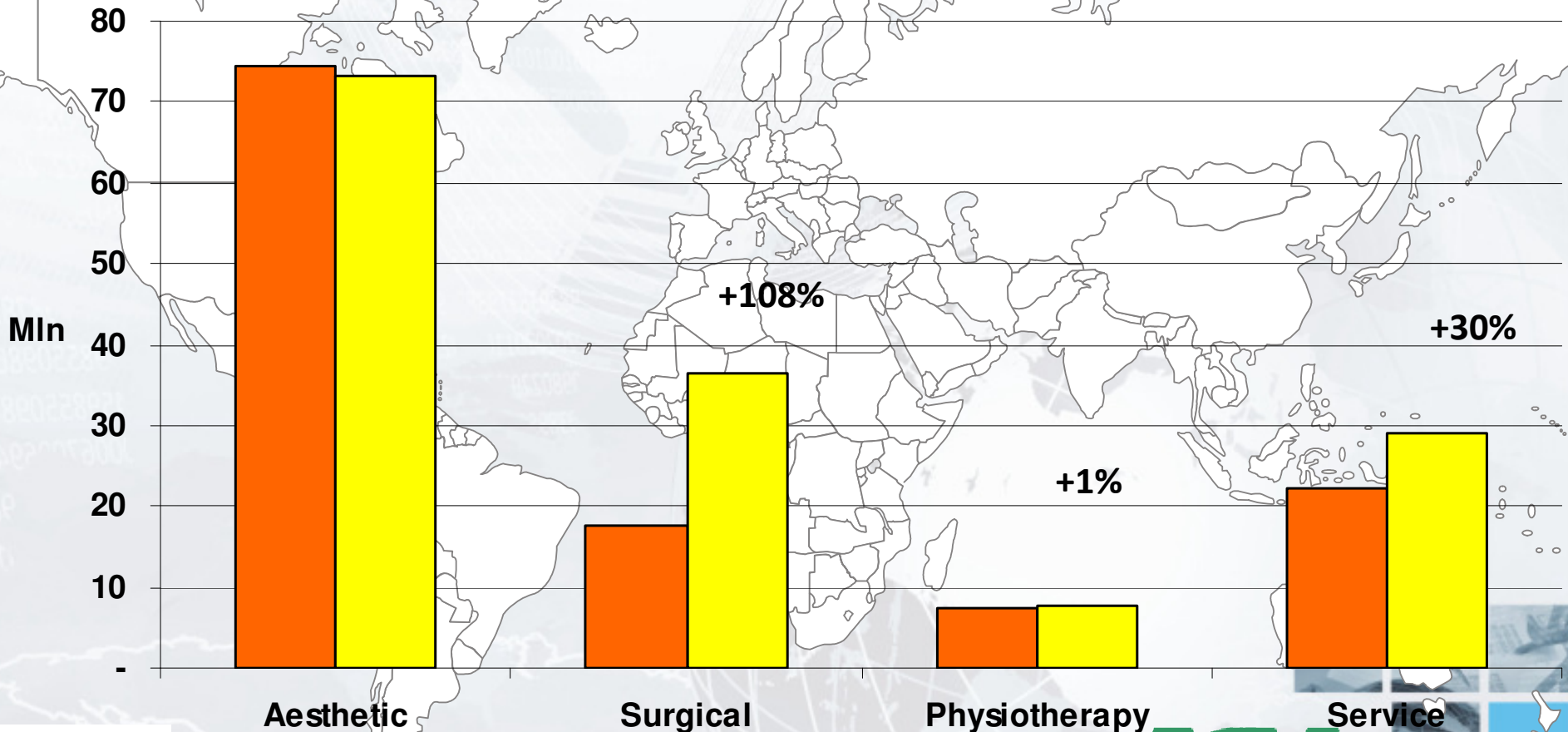
Medical Lasers Business



Quanta System
DNA Laser Technology



+20% YoY



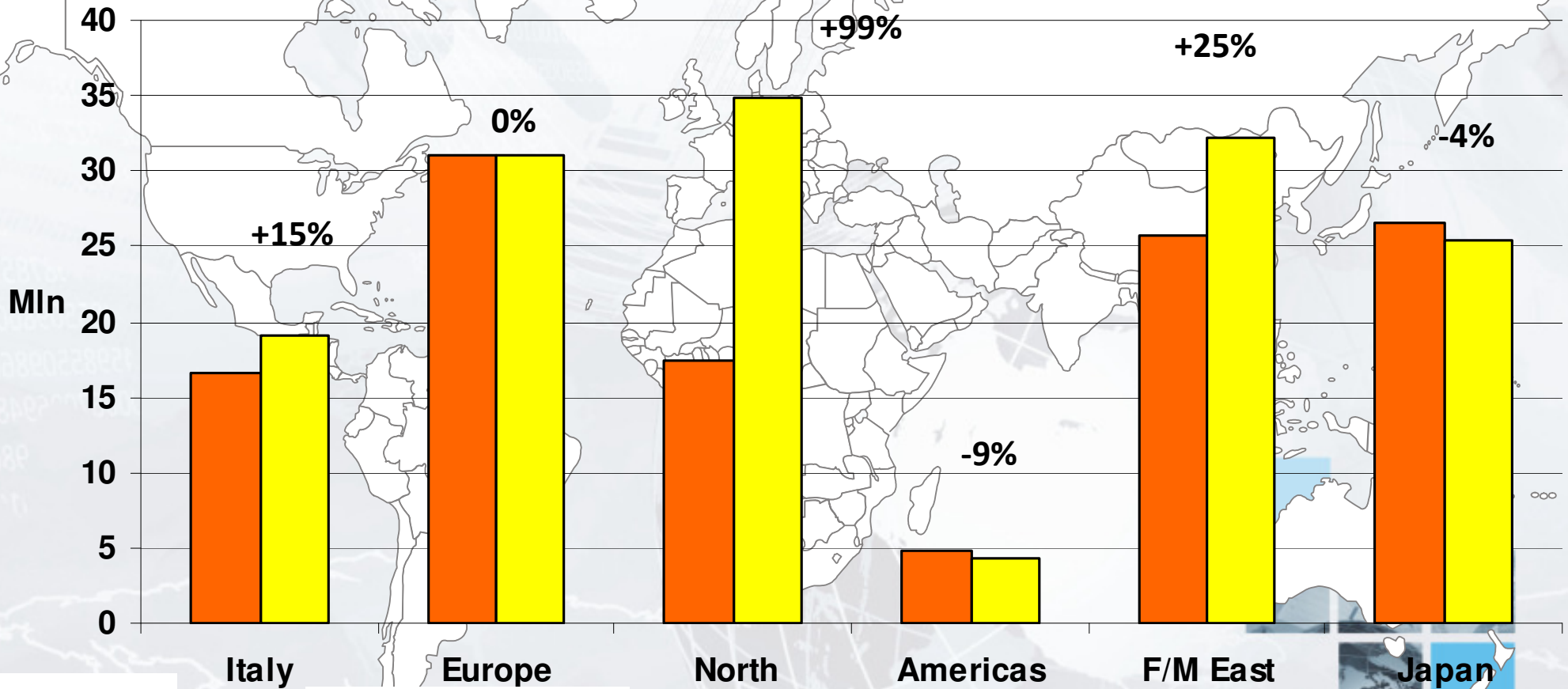
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Medical Lasers: Breakdown by Area



Quanta System
DNA Laser Technology



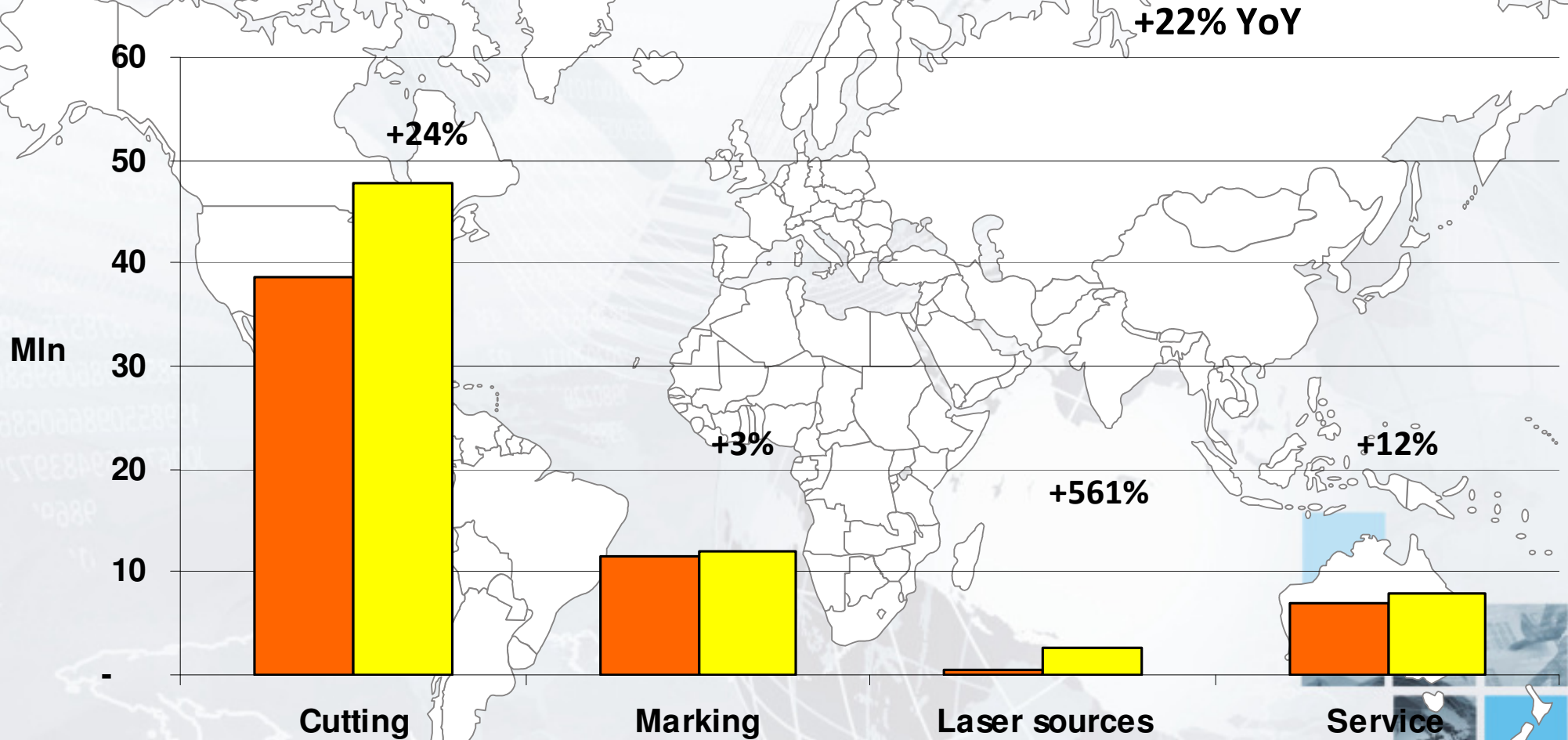
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Industrial Lasers Business



PENTA CHUTIAN



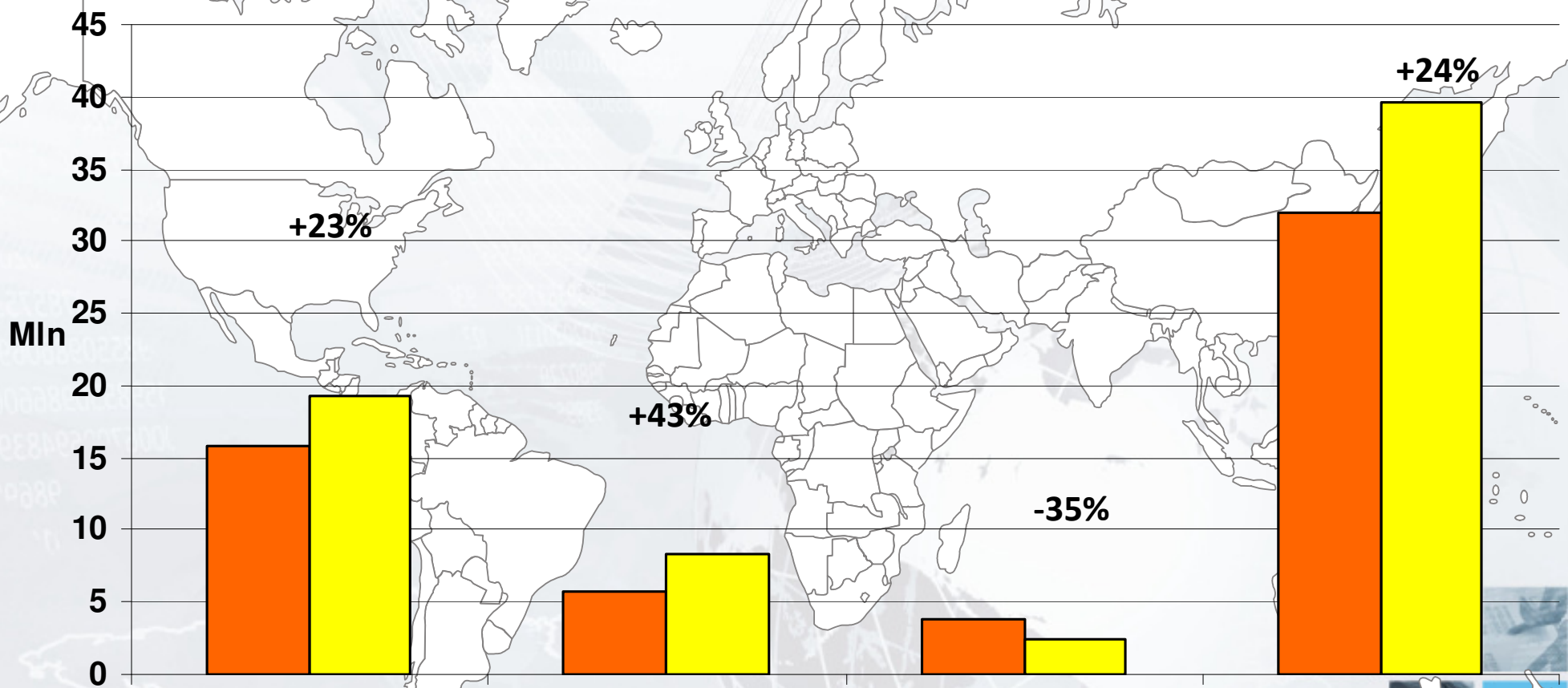
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Industrial Lasers: Breakdown by Area



PENTA CHUTIAN



Italy

Europe

Americas

Far East

■ 12/14 ■ 12/15



2016 Targets



2016 Targets

Increase Sales by $\geq 5\%$

Match 2015's EBIT





El.En. Stock, Multiples & Comparables



El.En. Stock



Euro



El.En. Multiples

Stockholder's Equity per share * **35**

Price / Book Value Adj. **1,18**

EV / EBIT (85% EBIT) **6,53**

EV / Sales (85% Sales) **0,64**

El.En. Market Cap.	197,8 @ € 41,00
Net financial position	29,8 @ 31/12/15
Financial investments m/l term	10,6 @ 31/12/15
Market value of 1,0 mm Cynosure shares	38,0 @ \$42,26 (Euro/Usd=1,11)
Enterprise Value	119,3
Stockholder's Equity net of minorities, * (with Cynosure shares at market value)	167,5



El.En. Comparables



	Price	Revenue	Var.% Revenue	EBIT	EBIT%	MK.Cap.	EV	EV/Sales	EV/EBIT	P/Book Value
Dec 31st , 2015										
Medical/Aesthetic										
Syneron	\$8,16	\$277.849	9%	\$(6.459)	-2%	\$306.710	\$220.054	0,79	n.a.	1,47
Zeltiq	\$23,23	\$255.416	46%	\$3.694	1%	\$920.440	\$871.761	3,41	235,99	7,40
Cutera	\$12,66	\$94.761	21%	\$(4.521)	-5%	\$169.020	\$120.613	1,27	n.a.	3,38
Biolase	\$1,21	\$48.475	2%	\$(19.915)	-41%	\$69.310	\$57.570	1,19	n.a.	2,78
Cynosure	\$42,26	\$339.462	16%	\$26.321	8%	\$1.020.000	\$894.114	2,63	33,97	2,52
Industrial										
IPG Photonics Co.	\$90,94	\$901.265	17%	\$342.043	38%	\$4.910.000	\$4.220.884	4,68	12,34	3,89
Rofin-Sinar	\$23,48	\$509.717	-4%	\$56.979	11%	\$683.320	\$512.590	1,01	9,00	1,24
El.En. (1)	€41,00	€217.670	21%	€21.499	10%	€197.799	€119.321	0,64	6,53	1,18

(1) EV and multiples as for previous slide



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