

# COMPANY PRESENTATION

We Laser your World



Industrial and Medical Laser Solutions

*INDUSTRIAL DAY, Borsa Italiana Sept. 6th , 2017*

# DISCLAIMER

*Certain statements in this slide show, including those addressing the Company's beliefs, plans, objectives, estimates or expectations of possible future results or events, are forward-looking statements. Forward-looking statements involve known or unknown risks, including general economic and business conditions, and conditions in the industry we operate and may be affected should our assumptions turn out to be inaccurate. Consequently, no forward-looking statement can be guaranteed and actual future results, performance, or achievements may vary materially from those expressed or implied by such forward-looking statements. The Company undertakes no obligation about the contents nor to update the forward-looking statements to reflect events or circumstances that may arise after the date hereof.*

# AGENDA

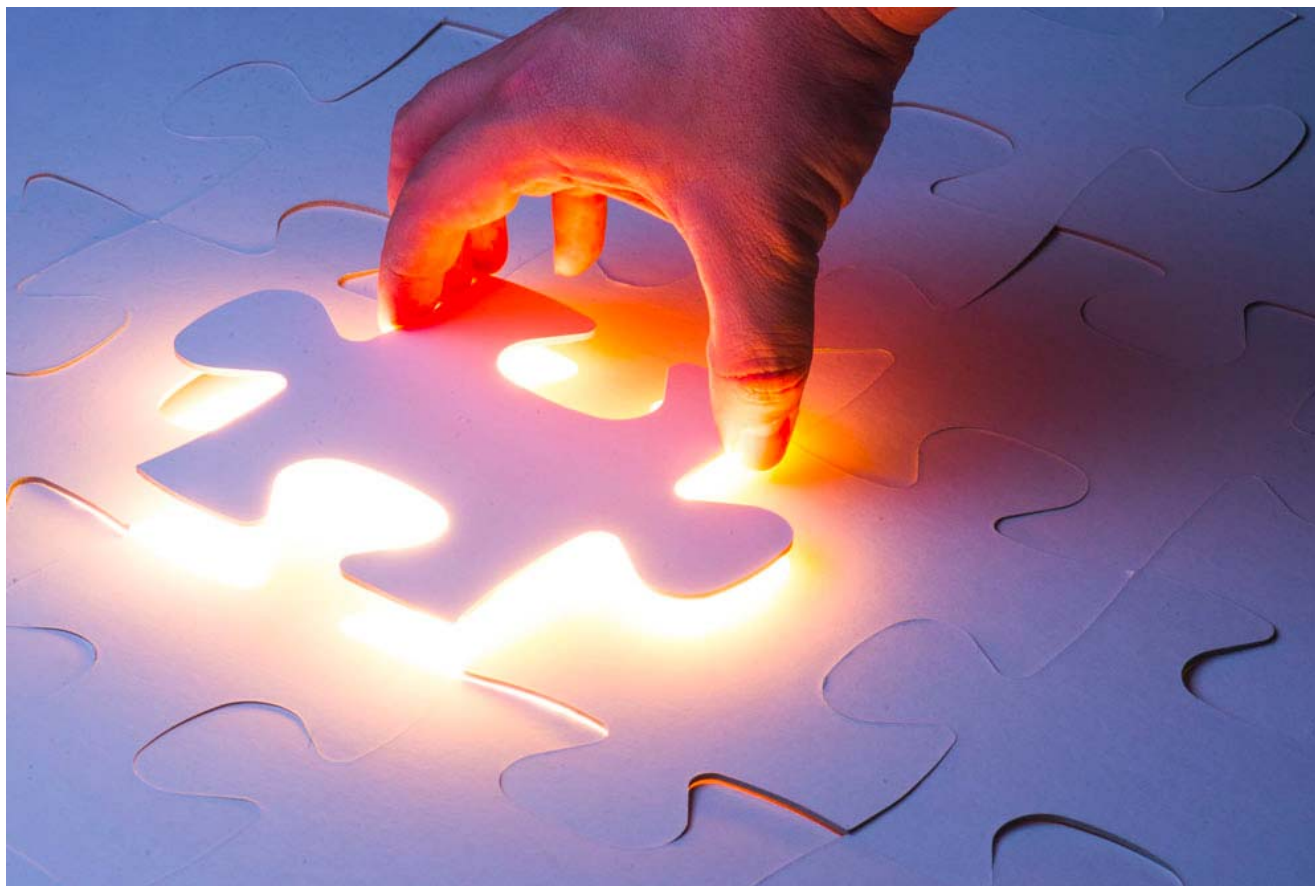


1 The El.En. Group

2 Our Markets

3 Growth drivers

4 Financial Highlights



# The E1.En. Group

# The E1.En. Group

## A Primary Player Providing Medical, Industrial, and Conservation Laser Solutions Worldwide



### Hi-Tech company

Hi-Tech industrial group active in opto-electronics with proprietary technologies and know how developed over 35 years



### International Group

More than 20 companies active worldwide on several markets and application segments. Listed on the Milan Stock Exchange, Star segment



### Among the leaders in the global market

Progressively widening its worldwide presence registered continuous growth over the years



### Worldwide distribution network

> 1,100 employees worldwide, more than 40,000 laser sources sold



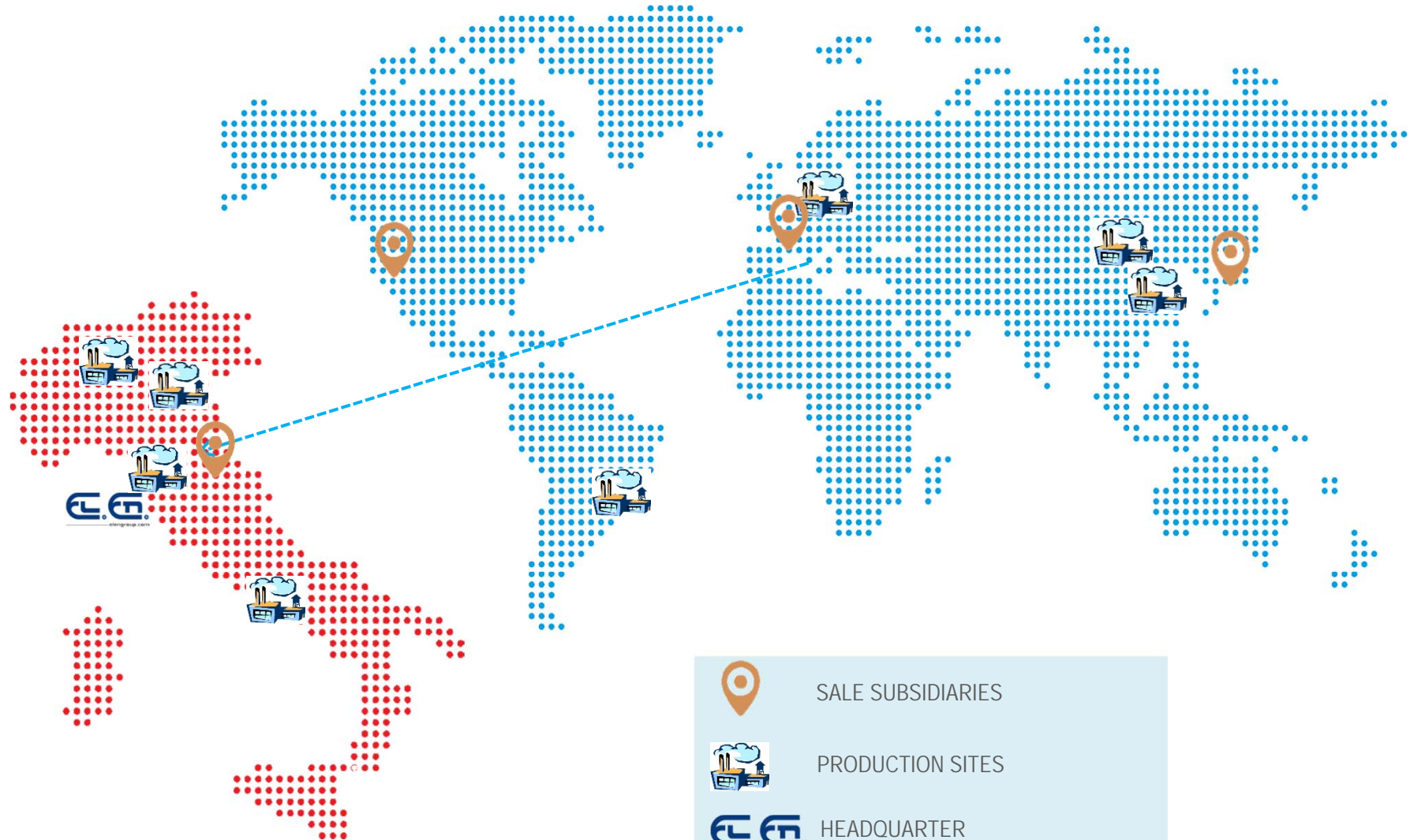
### Constant Growth


13% Revenue CAGR 2011 – 2016


40% EBIT CAGR 2011 – 2016


FY 2016 Consolidated Revenue at €253m, up 16% YoY, H1 2017 €143m up 19%

# E1.En. WORLDWIDE



 SALE SUBSIDIARIES

 PRODUCTION SITES

 HEADQUARTER

# OUR STRENGTHS

- Dynamic R&D activity performed in several centers of excellence
- Exploiting 35 years of know how
- Competition through incremental and breakthrough innovations
- Worldwide presence through a wide network of distributors with direct distribution in selected countries
- Multi brand approach to maximize penetration in medical markets



**MEDICAL**



**INDUSTRIAL**



**CONSERVATION**

## Our Markets



# MEDICAL & AESTHETIC LASER MARKET

Consumers spending billions to restore, repair and refresh their bodies:

- U.S. market for non-surgical cosmetic procedures totalled \$5bn in 2014; worldwide, roughly 24 million non-surgical cosmetic procedures were performed in 2013
- Non-invasive fat reduction was the fastest-growing nonsurgical procedure in 2014

*Source: World Health Organization, ASAPS*

Key growth drivers:

- Increasingly aging population
- Increase in healthcare spending
- Requirements for fast and minimally invasive surgical procedures

Global market for medical lasers 2014–2019 expected CAGR: 13,8%

*Source: BCC research*

# THE INDUSTRIAL LASER MARKET

Lasers increasingly adopted in high quality manufacturing for uniqueness, flexibility, environment friendliness, productivity

- Sheet metal cutting: technology breakthroughs lead to strong widening of demand
- Laser marking for identification: traceability as a quality standard

Market forecast for high power laser systems: 2016-2020 CAGR 7,6%

*Source: Optech Consulting*

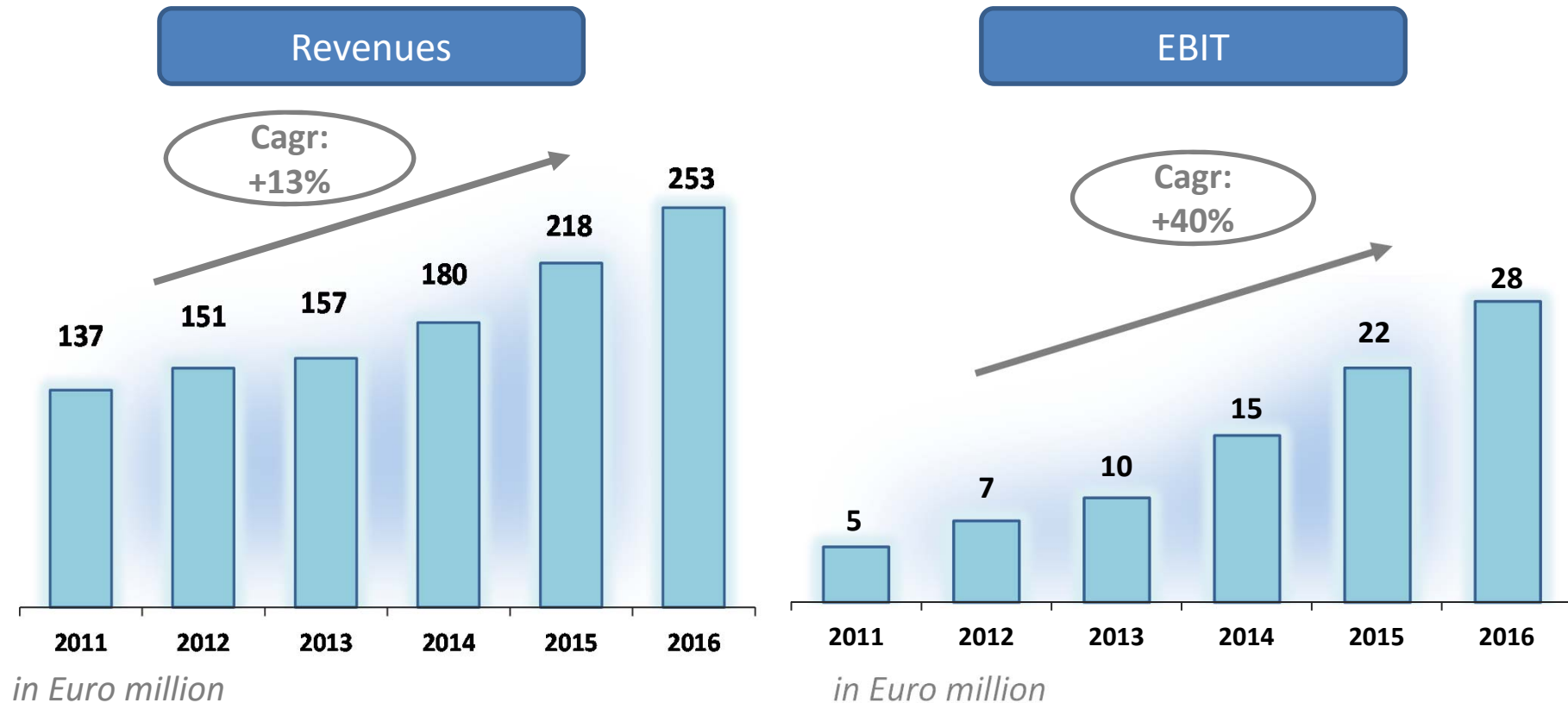


## Growth drivers

# GROWTH DRIVERS

- Expected growth in our main markets: Aesthetic , Surgery, Industrial
- Novel body contouring and cellulite treatment device
- Novel dermatologic treatment device
- Picosecond tattoo removal lasers: new wavelength and max peak power
- Broaden indications of use for MonaLisa Touch through extensive clinicals
- Diabetic foot ulcers: seeking regulatory clearances worldwide
- >1 kW RF CO<sub>2</sub> laser source launched @ Laser 2017
- Strong demand for high power laser sheet metal cutting systems in China and Europe

# A PATH OF GROWTH



- Constant growth driven by strong execution and favorable market conditions
- 2016 EBITDA margin 12,8% and EBIT margin 10,9%



# Financial Highlights

# FINANCIALS 2016

Euro Million

P&L - Main Financial Data	31/12/15	%	31/12/16	%	Var.%
Revenues	217.670	100,0%	252.646	100,0%	16,1%
EBITDA	25.666	11,8%	32.388	12,8%	26,2%
EBIT	21.499	9,9%	27.594	10,9%	28,4%
Net Income	14.371	6,6%	40.408	16,0%	181,2%

Revenues	31/12/15	%	31/12/16	%	Var.%
Medical	147.102	67,6%	166.056	65,7%	12,9%
Industrial	70.568	32,4%	86.590	34,3%	22,7%

*Dividend paid €0,40*

# INCOME STATEMENT H1-2017

Euro Million	30/06/2016	%	30/06/2017	%	Var.%
Revenues	120.176	100,0%	142.877	100,0%	18,9%
Gross margin	53.264	44,3%	59.509	41,7%	11,7%
EBITDA	15.567	13,0%	15.469	10,8%	-0,6%
EBIT	13.524	11,3%	13.134	9,2%	-2,9%
Pretax Income	35.979	29,9%	10.881	7,6%	-69,8%
Net income	30.293	25,2%	6.010	4,2%	-80,2%
Net Income per share	1,57		0,31		



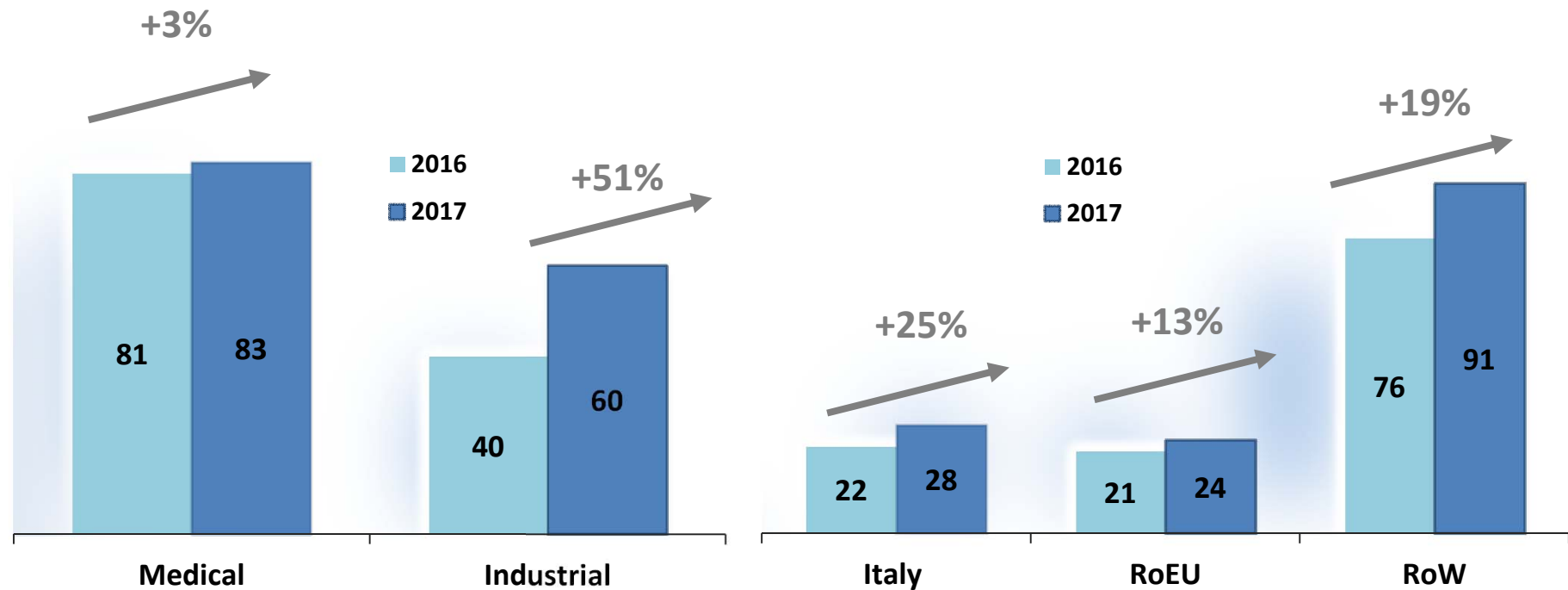
# BALANCE SHEET H1-2017

Euro Million	31/12/2016	30/06/2017	Var.%
Total non current assets	64.737	64.562	-0,3%
Net Working Capital	54.160	69.631	28,6%
Net financial position	82.784	66.794	-19,3%
Long term liabilities	8.982	8.856	-1,4%
Net Equity	192.699	192.131	-0,3%
Net capital employed	109.915	125.337	14,0%
Net Working Capital on sales	21%	24%	
ROCE (EBIT/Net capital employed)	25%	21%	
Capex	11.441	1.636	

# H1 - REVENUE BREAKDOWN

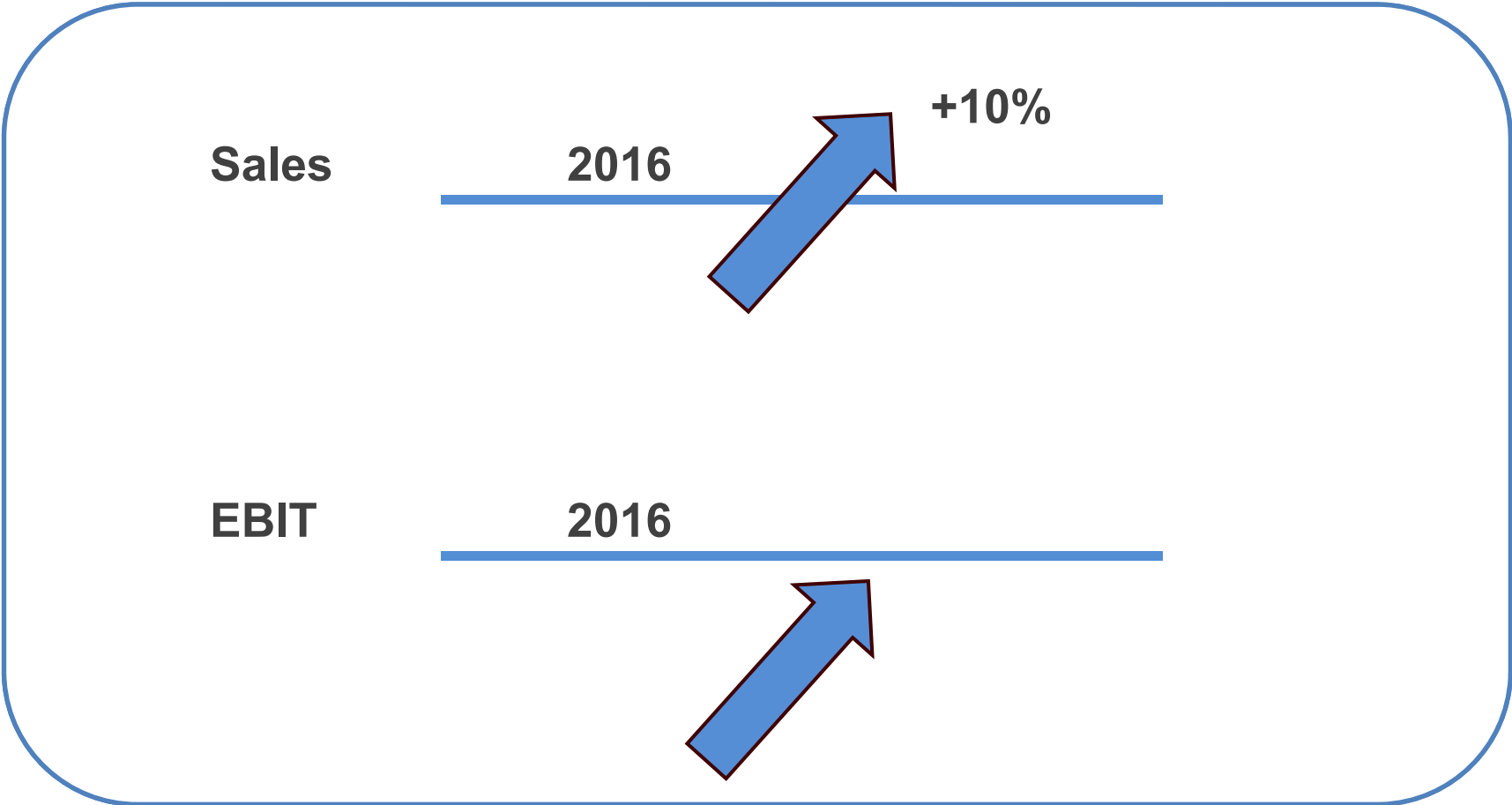
By Business

By Area



*in Euro million*

# 2017 GUIDANCE



# MULTIPLES

<b>Stockholder's Equity per share</b>	<b>9</b>
<b>Price / Book Value Adj.</b>	<b>2,7</b>
<b>EV / EBIT (80% EBIT)</b>	<b>19,4</b>
<b>EV / Sales (80% Sales)</b>	<b>1,8</b>

<b>El.En. Market Cap.</b>	<b>487,3 @ € 25,25</b>
<b>Net financial position</b>	<b>66,8 @ 30/06/2017</b>
<b>Financial investments m/l term</b>	<b>12,0 @ 30/06/2017</b>
<b>Enterprise Value</b>	<b>408,5</b>

# COMPARABLES

June. 30th, 2017

	Price	Revenue	Var.% Revenue	EBIT	EBIT %	MK.Cap.	EV	EV/Sales (*)	EV/EBIT (*)	Cash Adj. P/E (*)	P/Book Value
<b>Medical/Aesthetic</b>											
Cutera	\$36,75	\$65.688	32%	\$317	0%	\$514.690	\$461.451	3,5	727,8	249,4	8,5
Biolase	\$0,52	\$23.486	-5%	\$(8.556)	-36%	\$39.510	\$31.343	0,7	n.a.	n.a.	1,6
<b>Industrial</b>											
IPG Photonics Co.	\$172,09	\$655.219	42%	\$242.623	37%	\$9.260.000	\$8.330.773	6,4	17,2	23,3	5,1
Prima Industrie	€ 40,85	€ 202.415	10%	€ 10.644	5%	€ 428.240	\$523.730	1,3	24,6	34,9	3,1
El.En. (1)	€ 25,25	€ 142.877	19%	€ 13.134	9%	€ 487.261	\$408.513	1,8	19,4	34,0	2,7

(1) EV and multiples as for previous slide

(\*) Revenue, Ebit and earnings annualized

# CONTACTS

## El.En. SPA

Enrico ROMAGNOLI  
*Investor Relations Manager*  
tel. +39 055-8826807  
E-mail: [finance@elen.it](mailto:finance@elen.it)

## POLYTEMS HIR

*Financial Communication, IR and Press Office*  
Bianca FERSINI MASTELLONI - [b.fersini@polytemshir.it](mailto:b.fersini@polytemshir.it)  
[s.dagostino@polytemshir.it](mailto:s.dagostino@polytemshir.it) ; [s.marongiu@polytemshir.it](mailto:s.marongiu@polytemshir.it)  
Tel. +39 06-69923324