



COMPANY PRESENTATION



Industrial and Medical Laser Solutions

Paris - May 17th, 2018

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.

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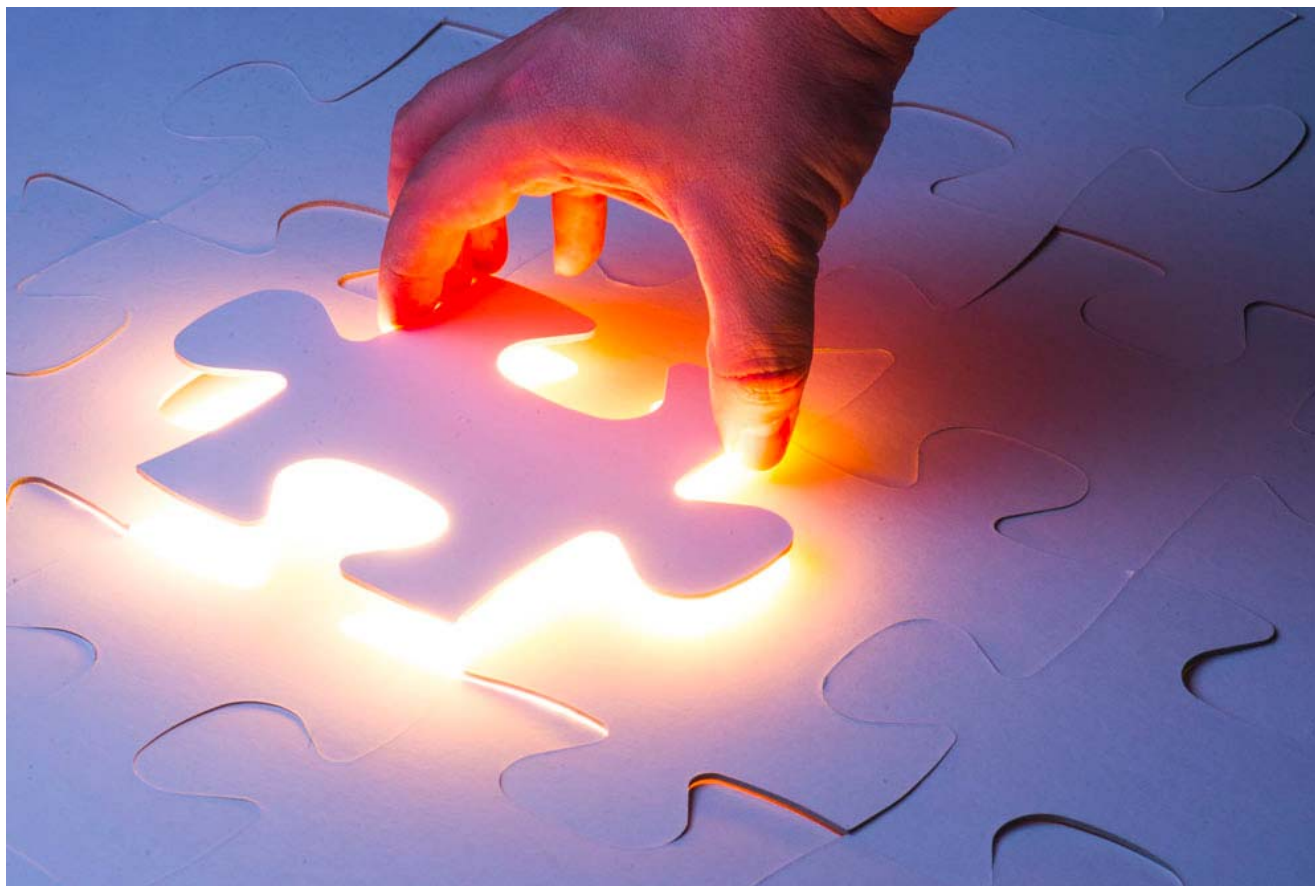
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El.En.

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 since 2000



Among the leaders in the global market

Progressively widening its worldwide presence registering continuous growth over the years

Worldwide distribution network

>1,300 employees worldwide; 38 years average age



More than 40,000 laser sources sold and 5% of revenue invested in R&D

Constant and sustainable growth

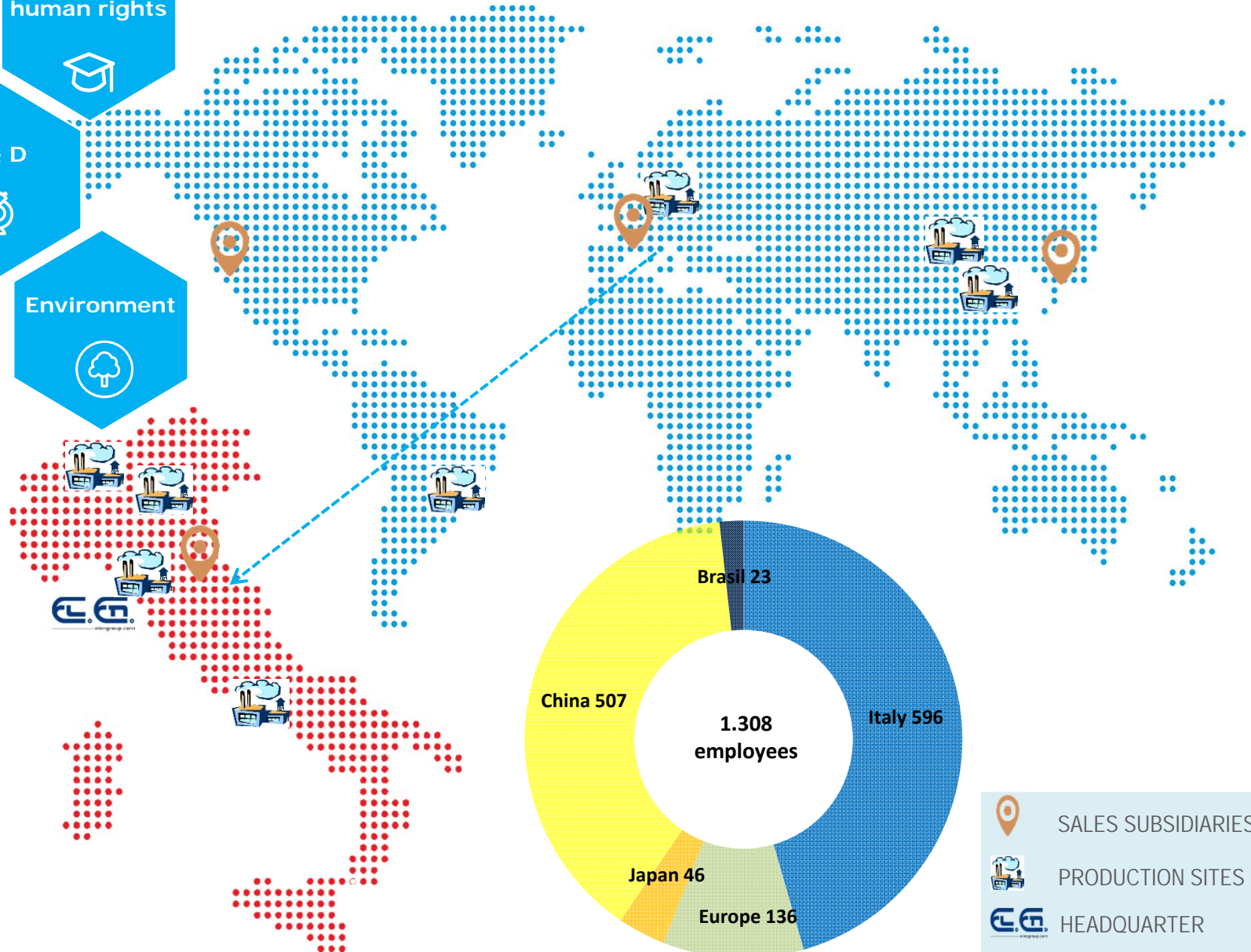
14% Revenue CAGR 2011 – 2017

35% EBIT CAGR 2011 – 2017

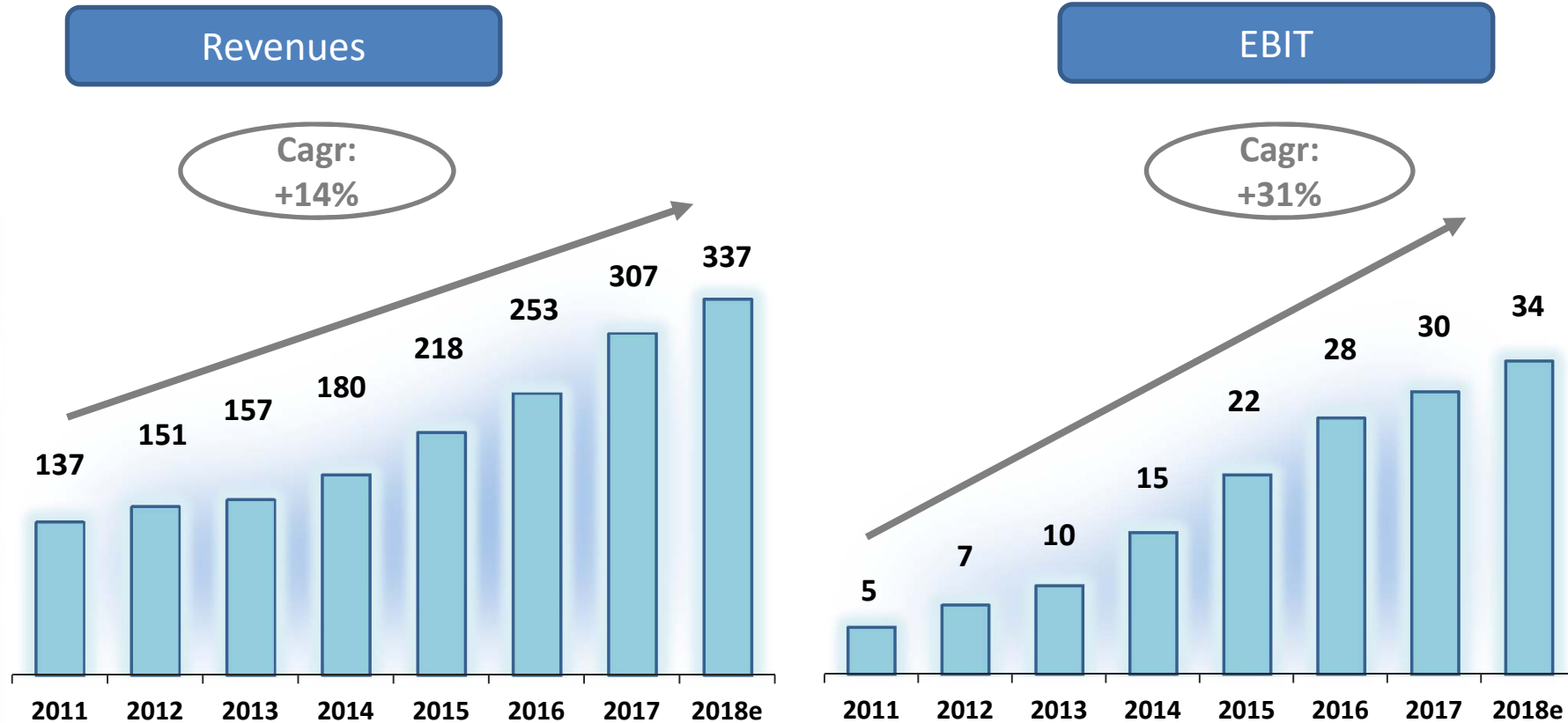


FY 2017 Consolidated Revenue: €306m, up 21% YoY

EI.En. Worldwide



A path of growth



in Euro million



MEDICAL



INDUSTRIAL



CONSERVATION

Our Markets

Medical & Aesth energy-based systems market

US\$ million	2014	2016	2021	CAGR 14-16	CAGR 16-21
Global non-invasive and minimally invasive medical aesthetic treatment systems	6.932	8.437	13.992	10%	11%
Energy-based treatment systems	2.033	2.670	4.380	15%	10%
Body shaping & Skin tightening	724	996	1.965	17%	15%
Skin rejuvenation	523	695	1.089	15%	9%
Hair removal	353	341	333	-2%	0%
Leg vein treatments	131	157	187	9%	4%
Acne reduction	96	110	125	7%	3%
Vaginal rejuvenation	na	105	332	na	26%
Pigmented lesion & tattoo removal	80	99	142	11%	7%
Other	126	167	207	15%	4%
Total	2.033	2.670	4.380	15%	10%

Source: Medical Insight Report

Key growth drivers:

- Increasingly aging population
- Desire to achieve or maintain more youthful appearance
- Increase in healthcare spending
- Requirements for fast and minimally invasive surgical procedures

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 STUDIES:

Technavio's analysts
forecast :

“The global industrial laser market to grow at a CAGR of 10.24% during the period 2017-2021”





Growth drivers

Growth drivers

- Expected growth in our main markets: Aesthetic , Surgery, Industrial
- Entering the body contouring and cellulite treatment market
- Novel dermatologic treatment device: 2019
- Hologic/ Cynosure focused again on Mona Lisa Touch
- Diabetic foot ulcers: seeking regulatory clearances worldwide
- New applications for medium power CO₂ laser sources
- Strong demand for high power laser sheet metal cutting systems in China and Europe

New systems and devices

- ONDA - Body contouring
- Motus AX expands to Motus AY
- BPH: Virtual basket and single use morcellator
- PicoStar - Asclepion launched the most powerful Picolaser
- High Power sheet metal cutting systems - 15kW
- OEM systems for urology



New factories

Jena



Wenzhou (2nd)



Vicenza





Financial Highlights

Income statement FY-2017

Euro Million	31/12/16	%	31/12/17	%	Var.%
Medical	166.056	65,7%	174.416	56,9%	5,0%
Industrial	86.590	34,3%	132.045	43,1%	52,5%
Total Revenues	252.646	100,0%	306.461	100,0%	21,3%
Gross margin	110.533	43,8%	127.284	41,5%	15,2%
EBITDA	32.388	12,8%	36.125	11,8%	11,5%
EBIT	27.594	10,9%	30.449	9,9%	10,3%
Pretax Income	52.721	20,9%	27.217	8,9%	-48,4%
Net income	40.408	16,0%	15.634	5,1%	-61,3%
Net Income per share	2,09		0,81		

Balance sheet - 2017

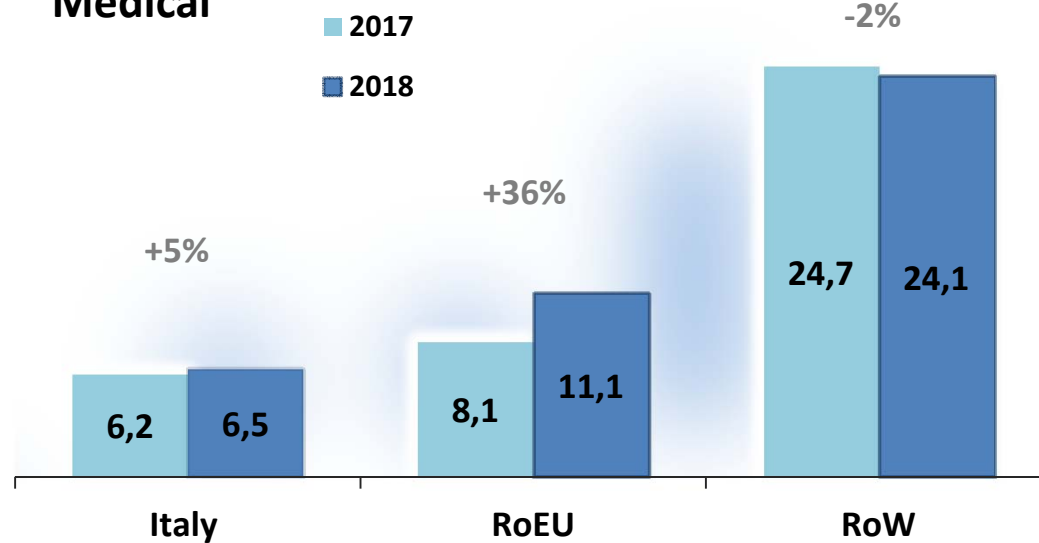
Euro Million	31/12/16	31/12/17	Var.%
Total non current assets	64.737	65.664	1,4%
Net Working Capital	54.160	63.622	17,5%
Net financial position	82.784	84.506	2,1%
Long term liabilities	8.982	9.496	5,7%
Net Equity	192.699	204.296	6,0%
Net capital employed	109.915	119.790	9,0%
Net Working Capital on sales	21,4%	20,8%	
ROCE (EBIT/Net capital employed)	25,1%	25,4%	
Capex	11.441	5.158	

Income statement Q1-2018

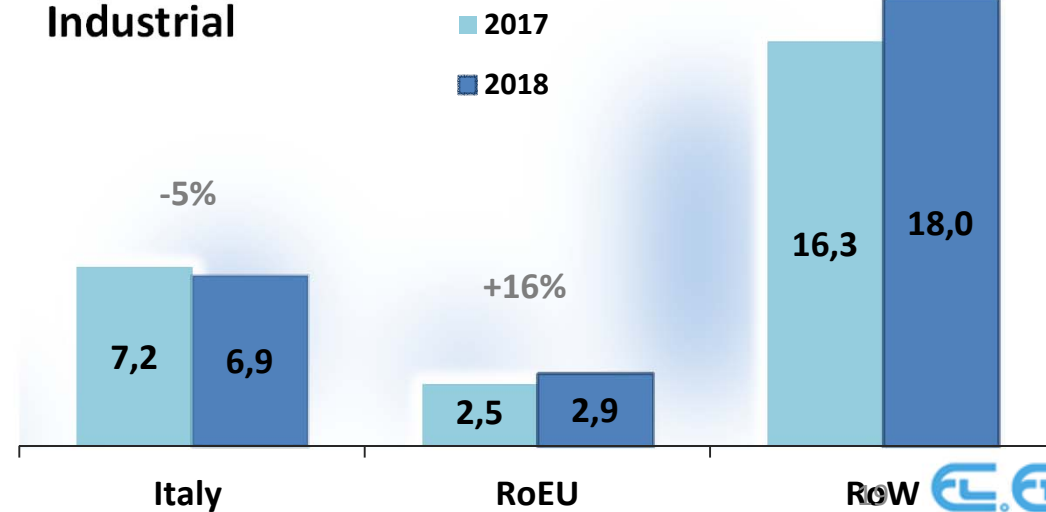
Euro Million	31/03/17 unaudited	%	31/03/18 unaudited	%	Var.%
Medical	39.053	60,0%	41.706	60,0%	6,8%
Industrial	26.055	40,0%	27.846	40,0%	6,9%
Total Revenues	65.107	100,0%	69.552	100,0%	6,8%
Gross margin	26.923	41,4%	29.672	42,7%	10,2%
EBITDA	6.539	10,0%	6.427	9,2%	-1,7%
EBIT	5.532	8,5%	5.348	7,7%	-3,3%
Pretax Income	5.170	7,9%	4.627	6,7%	-10,5%
	31/12/17		31/03/18 unaudited		
Net financial position	84.506		72.573		

Revenue breakdown Q1-2018

Medical

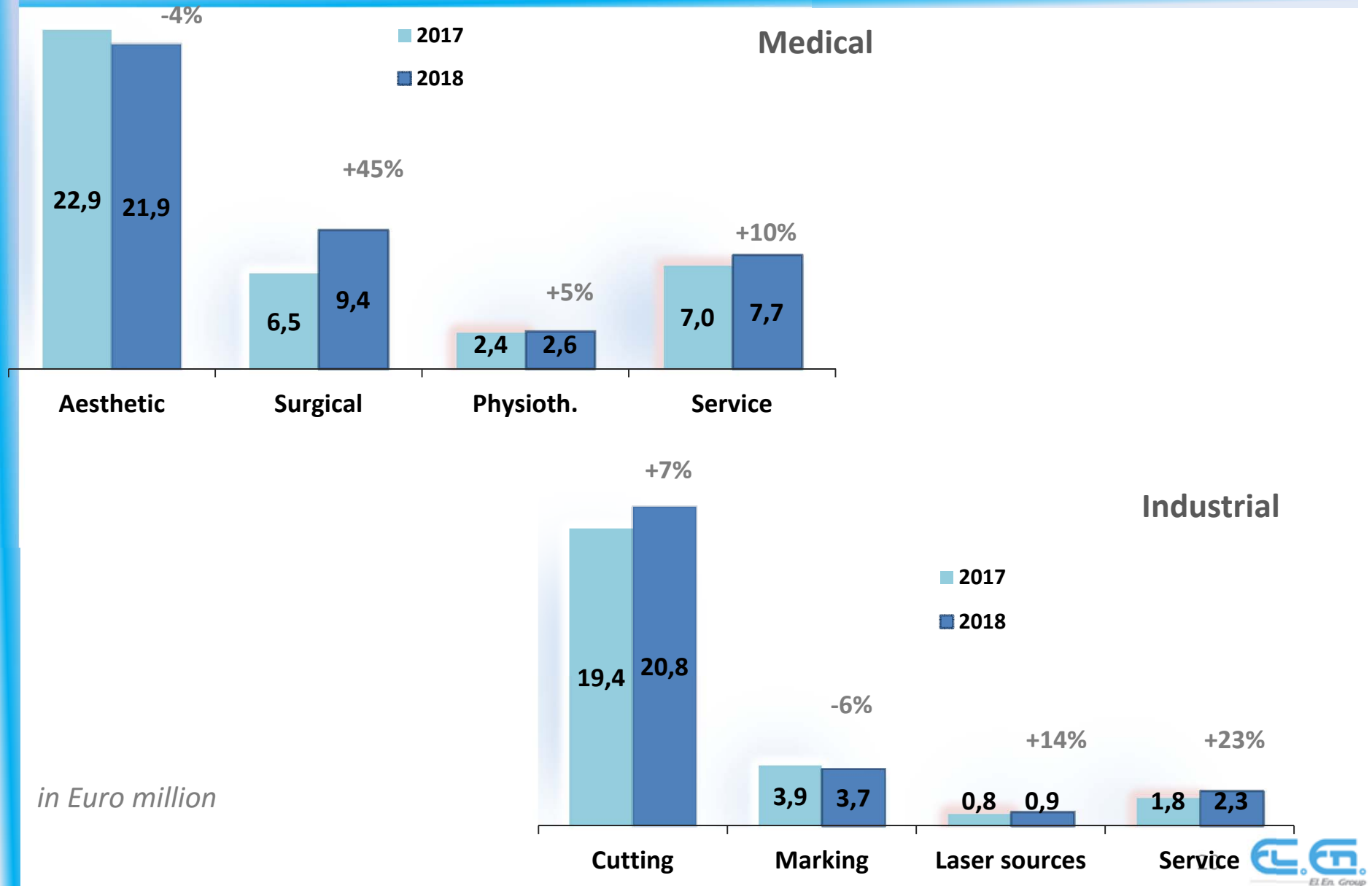


Industrial



in Euro million

Revenue breakdown Q1-2018



Guidance

2018 vs 2017:

Revenue: +10%

EBIT: +10%





Multiples & Comparables

Multiples

Stockholder's Equity per share	9,9
Price / Book Value Adj.	3,0
EV / EBIT (80% EBIT)	28,9
EV / Sales (80% Sales)	2,2

El.En. Market Cap.	578,9 @ € 30,00
Net financial position	72,6 @ 31/03/18
Financial investments m/l term	12,1 @ 31/03/18
Enterprise Value	494,3

Comparables

Amounts in mln

Mar 31st, 2018

	Price	Revenue	Var.% Rev.	EBIT	EBIT%	MK.Cap.	EV	EV/Sales (*)	EV/EBIT (*)	P/Book Value
Medical/Aesthetic										
Cutera	\$37,45	\$34	16%	\$(5)	-14%	\$483	\$459	3,4	n.a.	7,1
Biolase	\$1,45	\$10	-8%	\$(5)	-52%	\$30	\$24	0,6	n.a.	1,2
Sisram Medical (**)	\$0,81	\$137	16%	\$21	15%	\$357	\$264	1,9	12,5	1,2
Industrial										
IPG Photonics Co.	\$252,98	\$360	26%	\$141	39%	\$13.570	\$12.398	8,6	22,0	6,3
Prima Industrie	€ 38,85	€ 96	7%	€ 2	2%	€ 399	€ 484	1,3	53,9	2,6
Han's Laser	¥52,79	¥1.692	11%	¥170	10%	¥56.330	¥53.834	8,0	79,2	7,2
El.En. (1)	€ 30,00	€ 70	7%	€ 5	8%	€ 579	€ 494	2,2	28,9	3,0

(1) EV and multiplies as for previous slide

(*) Revenue, Ebit and earnings annualized

(**) Data as at Dec. 31st 2017

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