



COMPANY PRESENTATION



Industrial and Medical Laser Solutions

London - October 23rd - 24th , 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.

AGENDA



1

El.En.

2

Our Markets

3

Growth drivers

4

Financial Highlights

5

Multiples & Comparables



E1.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

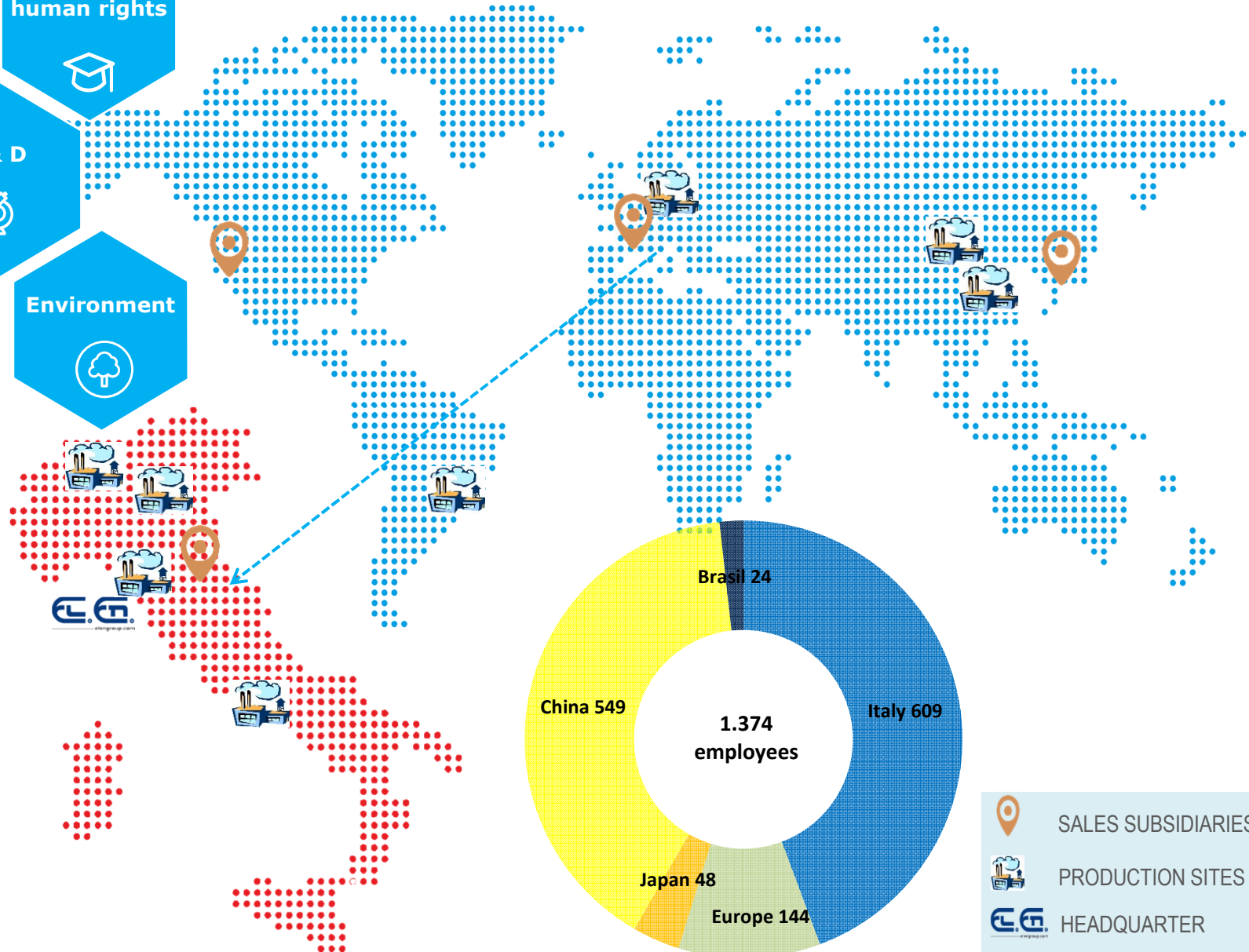
14% Revenue CAGR 2011 – 2017

35% EBIT CAGR 2011 – 2017

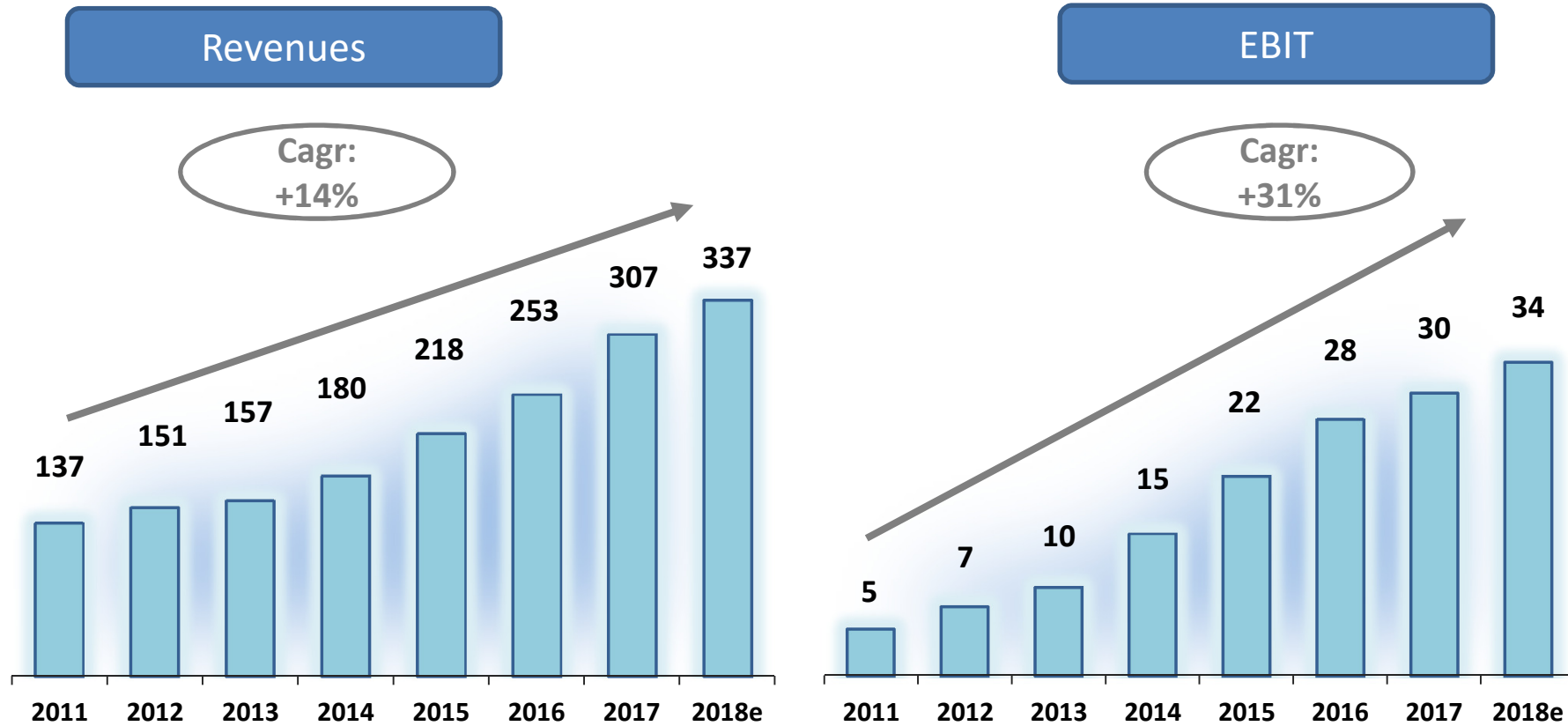
FY 2017 Consolidated Revenue: €306m, up 21% YoY



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
- High Power sheet metal cutting systems - 15kW
- OEM systems for urology – 100 W Ho:YAG



New factories

Jena



Wenzhou (2nd)



Vicenza





Financial Highlights

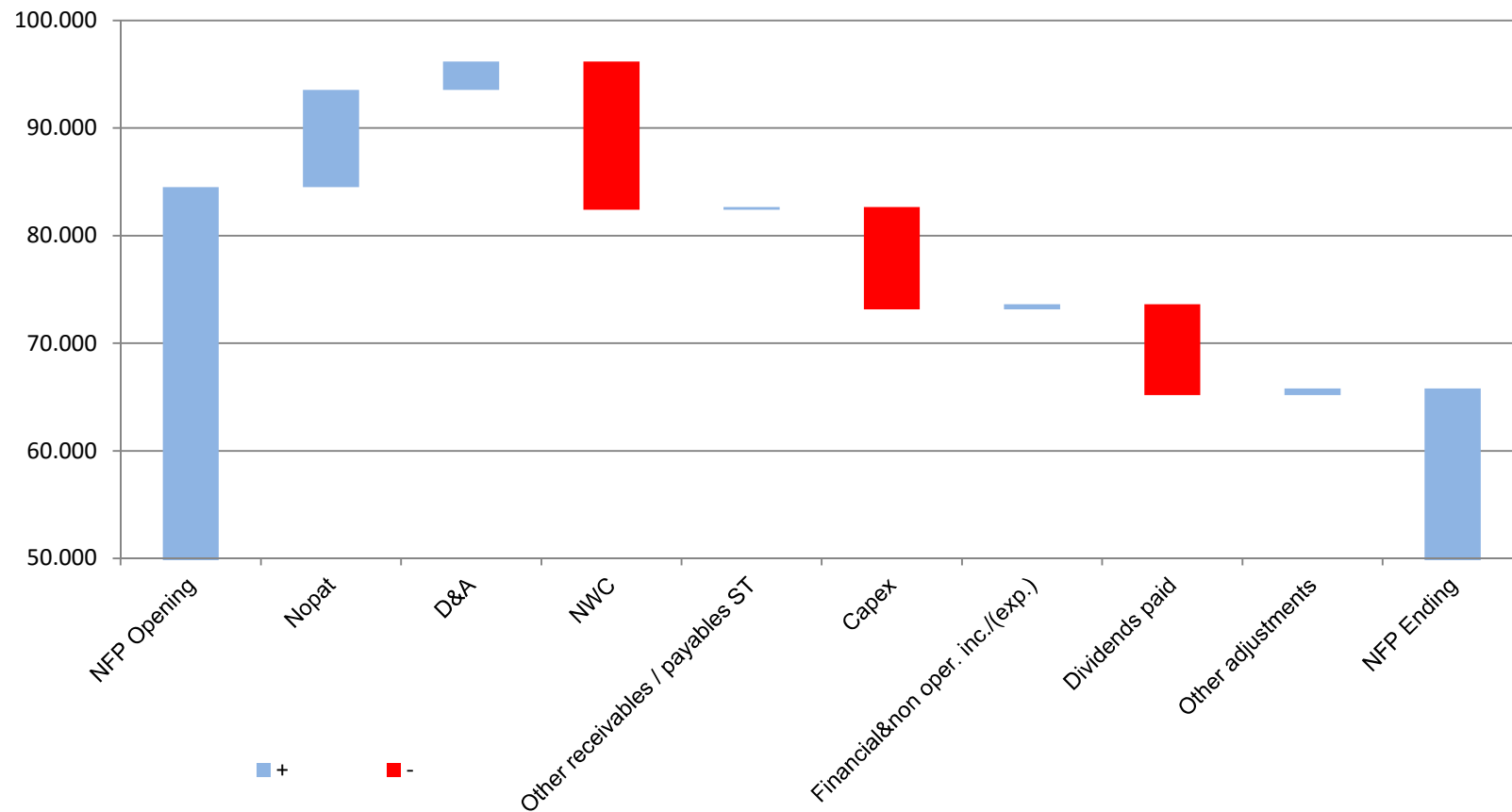
Income Statement H1-2018

Euro '000	30/06/17	%	30/06/18	%	Var.%
Medical	82.935	58,0%	93.598	58,3%	12,9%
Industrial	59.942	42,0%	67.039	41,7%	11,8%
Total Revenues	142.877	100,0%	160.637	100,0%	12,4%
Gross margin	59.509	41,7%	64.701	40,3%	8,7%
EBITDA	15.469	10,8%	15.349	9,6%	-0,8%
EBIT	13.134	9,2%	12.731	7,9%	-3,1%
Pretax Income	10.881	7,6%	13.090	8,1%	20,3%
Net income	6.010	4,2%	7.452	4,6%	24,0%
Net Income per share	0,31		0,39		

Balance Sheet H1-2018

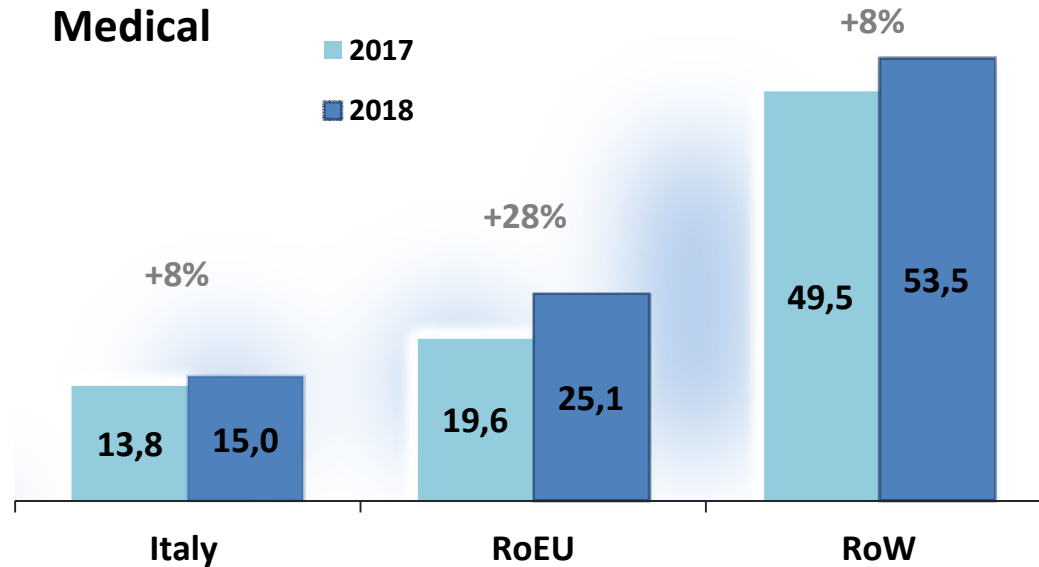
Euro '000	31/12/17	30/06/18	Var.%
Total non current assets	65.664	72.740	10,8%
Net Working Capital	63.622	77.532	21,9%
Net financial position	84.506	65.796	-22,1%
Long term liabilities	9.496	9.747	2,6%
Net Equity	204.296	206.322	1,0%
Net capital employed	119.790	140.525	17,3%
Net Working Capital on sales	20,8%	24,1%	
ROCE	25,4%	18,1%	
(EBIT/Net capital employed)			
Capex	5.060	9.664	

Cash flow Statement H1-2018

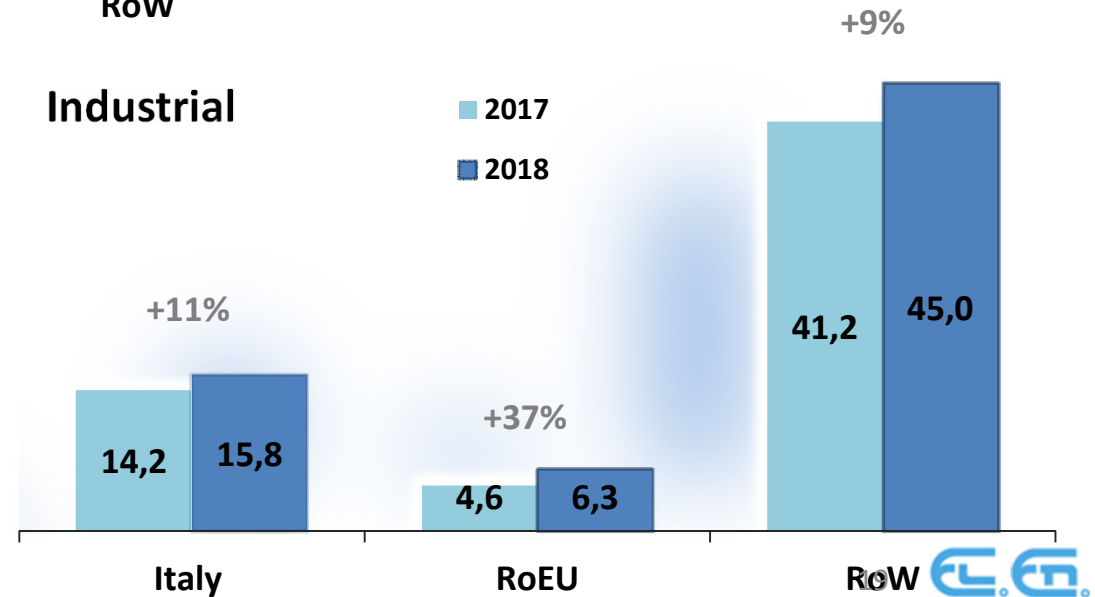


Revenue breakdown H1-2018

Medical

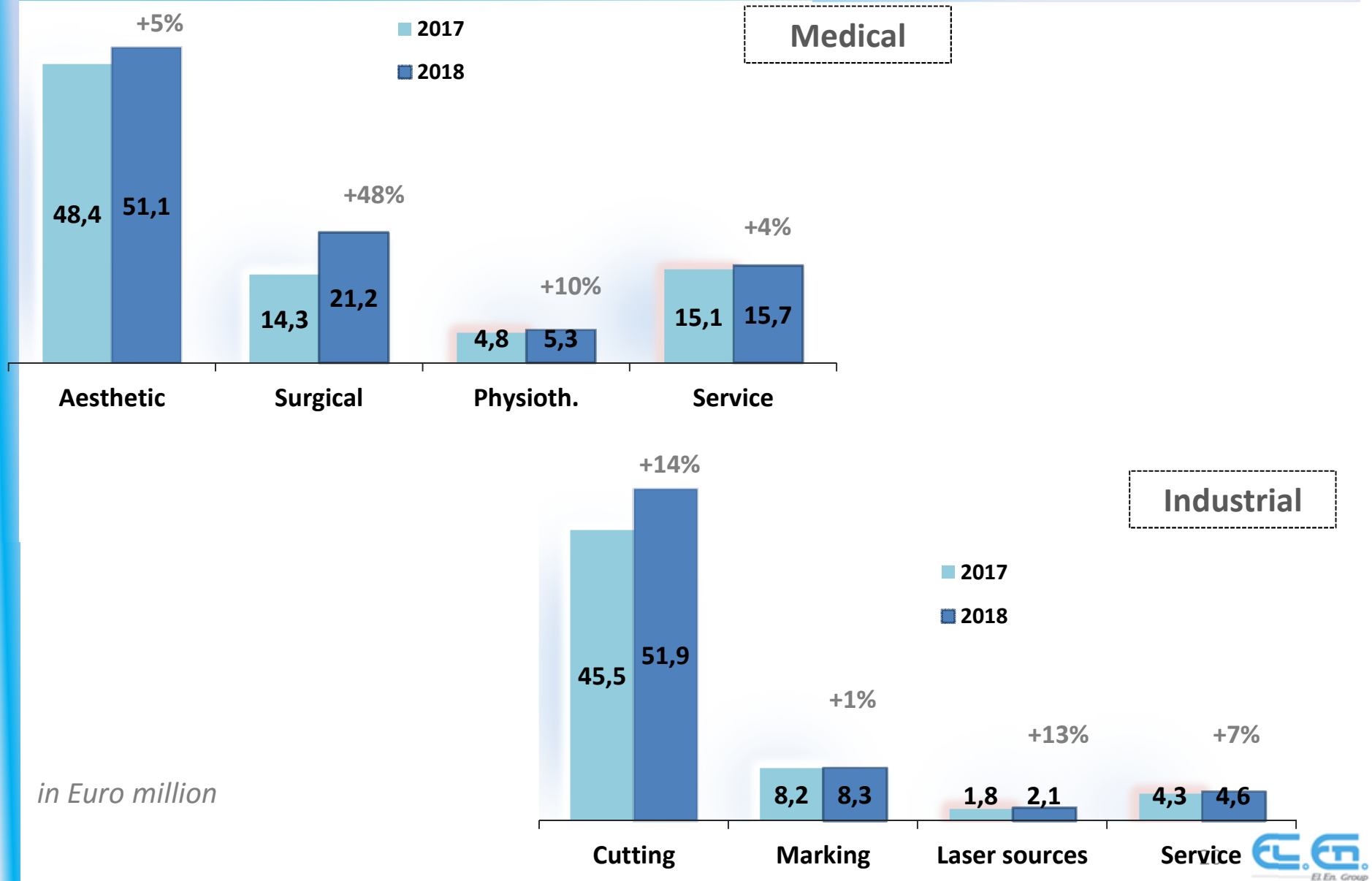


Industrial



in Euro million

Revenue breakdown H1-2018



Guidance

2018 vs 2017:

Revenue: $\geq +10\%$

EBIT: $+10\%$





Multiples & Comparables

Multiples

<u>Stockholder's Equity per share</u>	<u>9,9</u>
<u>Price / Book Value Adj.</u>	<u>1,9</u>
<u>EV / EBIT (80% EBIT)</u>	<u>13,8</u>
<u>EV / Sales (80% Sales)</u>	<u>1,1</u>

El.En. Market Cap.	359,5 @ € 18,63
Net financial position	65,8 @ 30/06/18
Financial investments m/l term	12,2 @ 30/06/18
Enterprise Value	281,6

Comparables

Amounts in mln

June 30th, 2018

	Price	Revenue	Var.% Rev.	EBIT	EBIT %	MK.Cap.	EV	EV/Sales (*)	EV/EBIT (*)	P/E (*)	P/Book Value
Medical/Aesthetic											
Cutera	\$22,33	\$77	17%	\$(7)	-9%	\$309	\$280	1,8	n.a.	n.a.	4,5
Biolase	\$1,35	\$22	-6%	\$(10)	-44%	\$28	\$25	0,6	n.a.	n.a.	1,4
Sisram Medica	\$0,58	\$78	18%	\$14	18%	\$255	\$161	1,0	5,7	7,2	0,8
Lutronic	€ 8,71	€ 34	-1%	-€ 4	-12%	€ 216	€ 200	3,0	n.a.	n.a.	2,2
Industrial											
IPG Photonics Co.	\$140,38	\$773	18%	\$303	39%	\$7.630	\$6.508	4,2	10,7	14,3	3,5
Prima Industrie	€ 25,95	€ 217	7%	€ 11	5%	€ 272	€ 348	0,8	16,1	15,7	1,8
Han's Laser	¥36,17	¥5.033	-9%	¥802	16%	¥38.600	¥36.612	3,6	22,8	18,0	4,7
El.En. (1)	€ 18,63	€ 161	12%	€ 13	8%	€ 360	€ 282	1,1	13,8	18,9	1,9

(1) EV and multiplies 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

POLYTEMS HIR

Financial Communication, IR and Press Office
Bianca FERSINI MASTELLONI - b.fersini@polytemshir.it
Silvia MARONGIU - s.marongiu@polytemshir.it
Tel. +39 06-69923324