



# COMPANY PRESENTATION



Industrial and Medical Laser Solutions

*Intermonte – December 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



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**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

>1,400 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

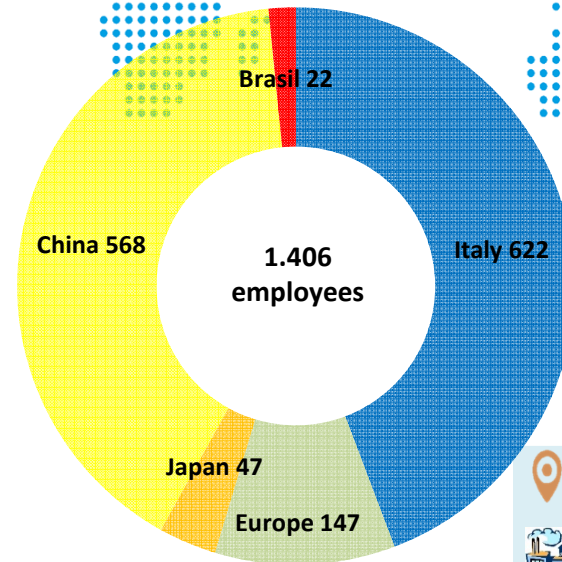
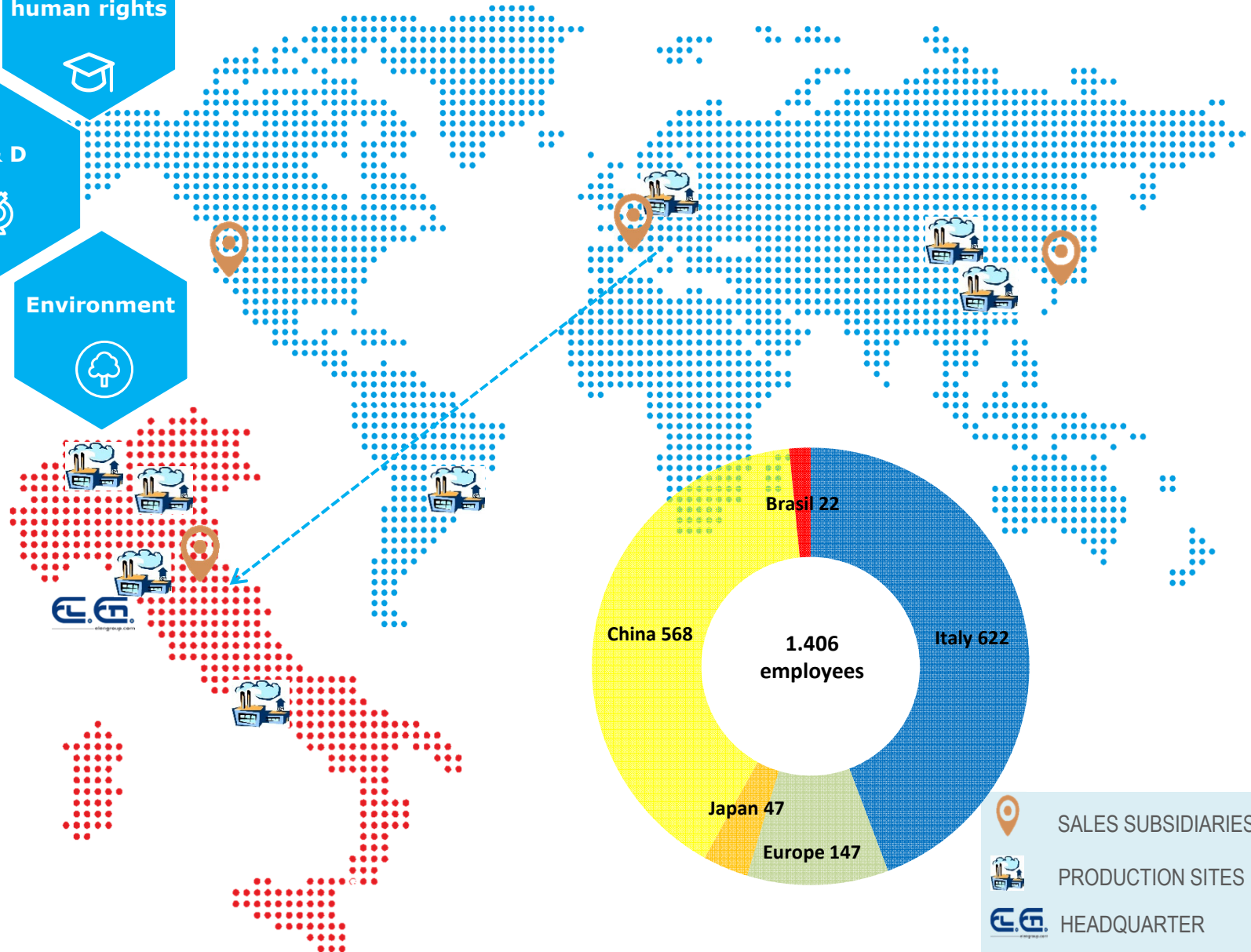
14% Revenue CAGR 2011 – 2017

35% EBIT CAGR 2011 – 2017

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



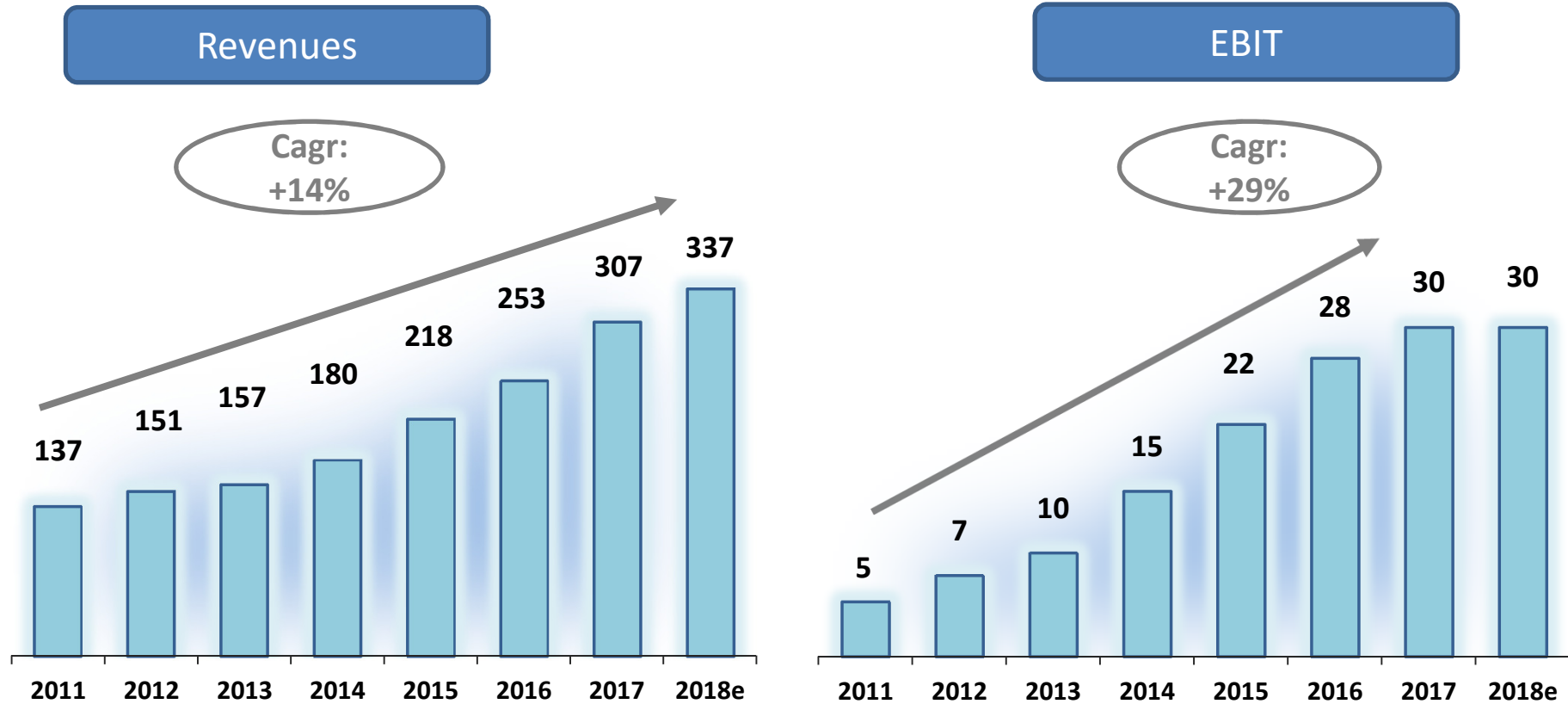
# EI.En. Worldwide



Legend for map symbols:

- Location pin icon: SALES SUBSIDIARIES
- Factory icon: PRODUCTION SITES
- E.ON logo: HEADQUARTER

# 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%
<b>Total</b>	<b>2.033</b>	<b>2.670</b>	<b>4.380</b>	<b>15%</b>	<b>10%</b>

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
- Diabetic foot ulcers: seeking regulatory clearances worldwide
- New manufacturing applications for medium power CO<sub>2</sub> laser sources
- Strong demand for high power laser sheet metal cutting systems in China and Europe
- New laser systems for hair removal

# 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 - 20kW
- OEM systems for urology – 100 W Ho:YAG
- New accessories for CO<sub>2</sub> surgery
- MIS - MLS High Peak Pulse for physiotherapy



# New factories

Jena



Wenzhou (2nd)



Vicenza





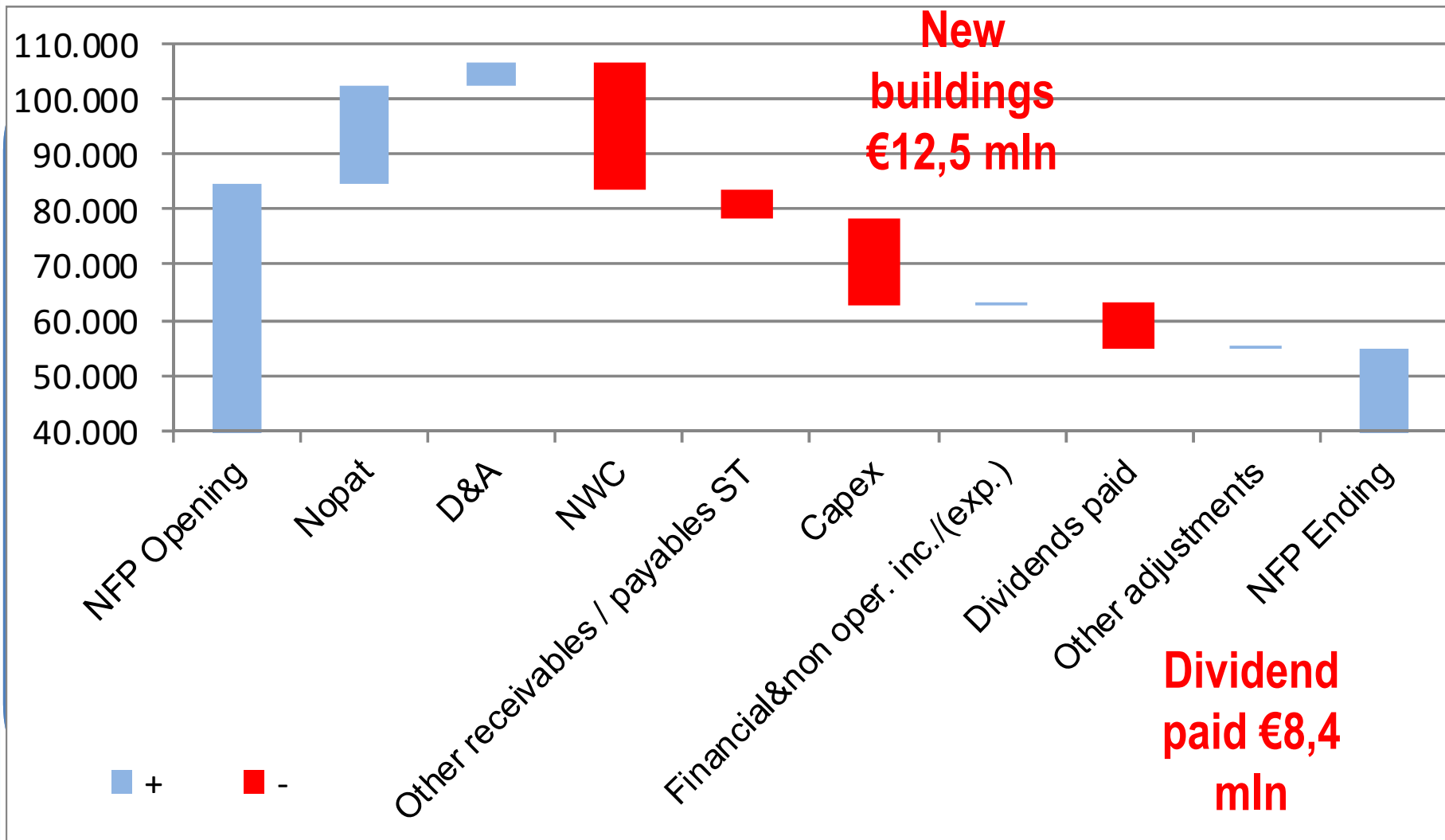
# Financial Highlights

# Income Statement 9M-2018

Euro '000	30/09/17 unaudited	%	30/09/18 unaudited	%	Var.%
Medical	124.007	56,8%	138.837	57,0%	12,0%
Industrial	94.405	43,2%	104.600	43,0%	10,8%
Total Revenues	218.412	100,0%	243.437	100,0%	11,5%
Gross margin	90.899	41,6%	96.306	39,6%	5,9%
EBITDA	26.548	12,2%	24.036	9,9%	-9,5%
EBIT	22.160	10,1%	20.007	8,2%	-9,7%
Pretax Income	19.108	8,7%	19.908	8,2%	4,2%
	31/12/17		30/09/18 unaudited		
Net financial position	84.506		54.810		



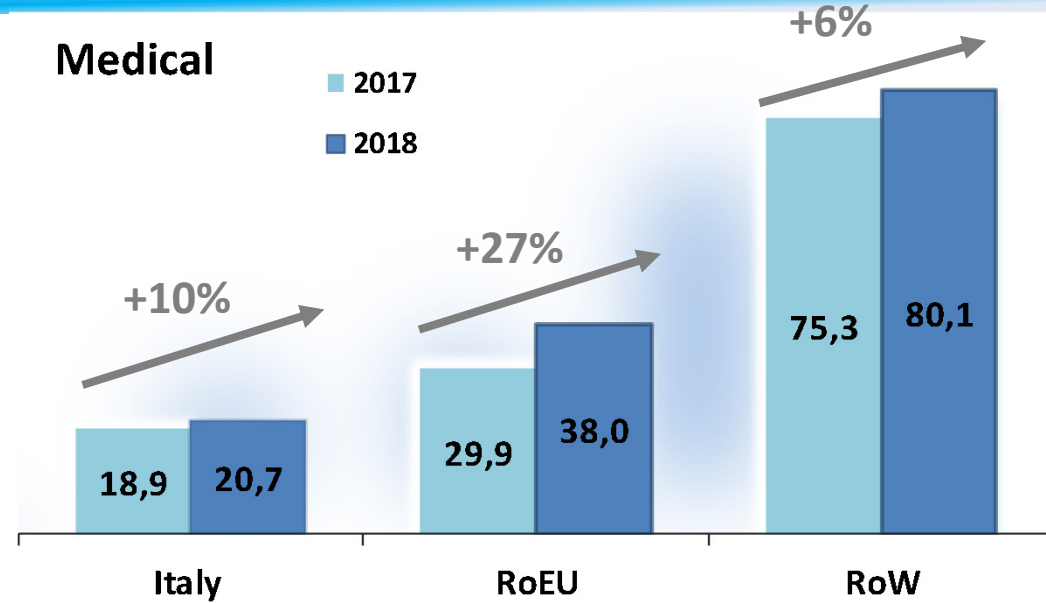
# Cash Flow 9M-2018



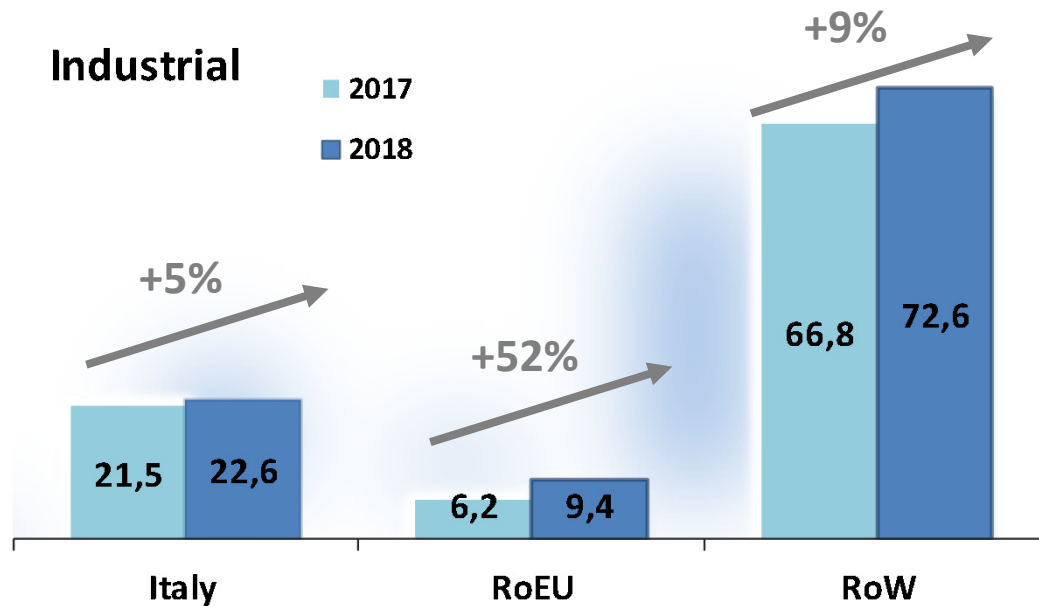
# Revenue breakdown by area 9M-2018

in Euro million

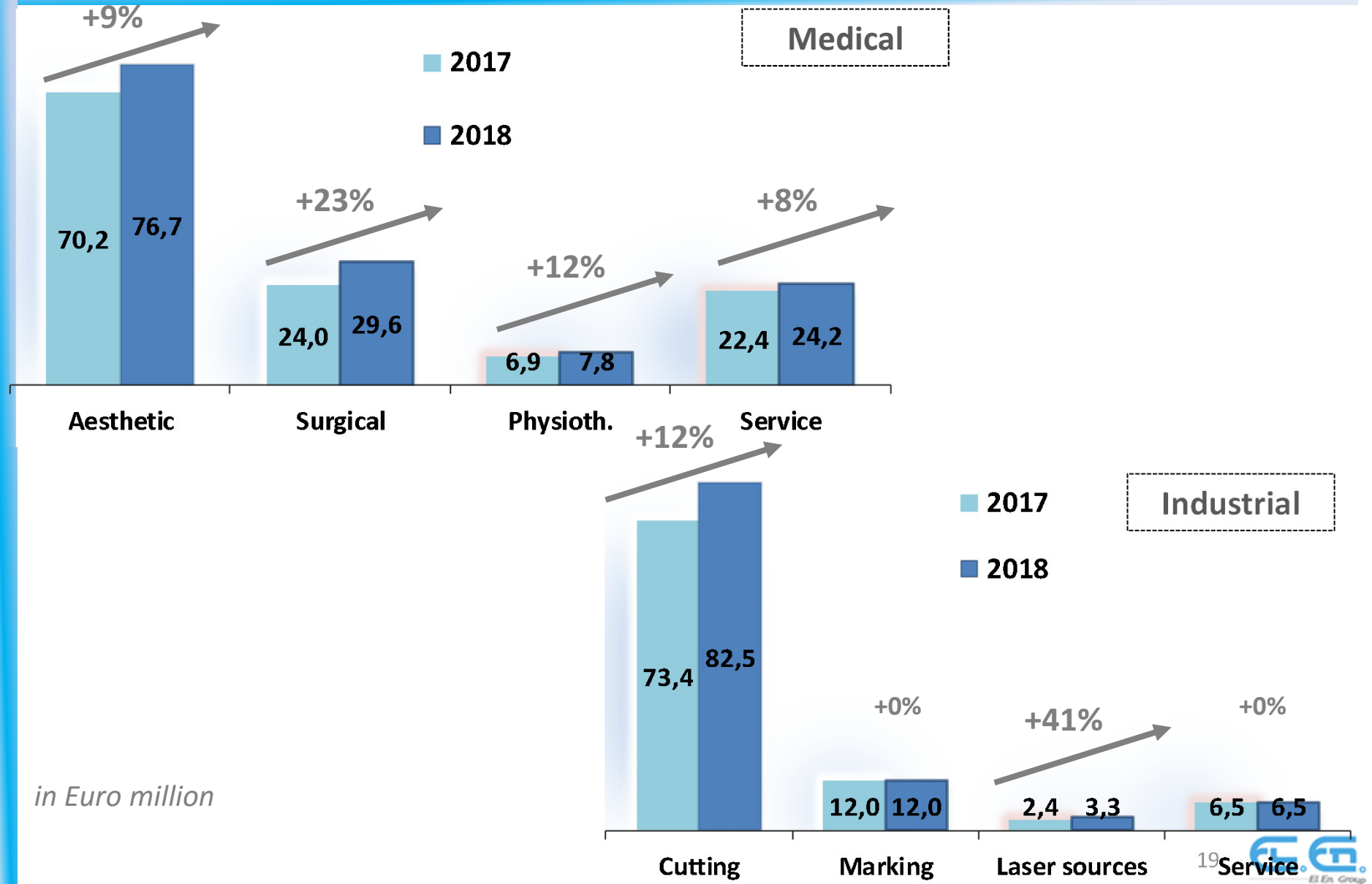
## Medical



## Industrial



# Revenue breakdown 9M-2018



# Guidance

**2018 vs 2017:**

**Revenue:  $\geq +10\%$**

**EBIT 18  $\geq$  EBIT 17**





## Multiples & Comparables

# Multiples

<b><u>Stockholder's Equity per share</u></b>	<b><u>9,9</u></b>
<b><u>Price / Book Value Adj.</u></b>	<b><u>1,5</u></b>
<b><u>EV / EBIT (80% EBIT)</u></b>	<b><u>10,0</u></b>
<b><u>EV / Sales (80% Sales)</u></b>	<b><u>0,8</u></b>

<b>El.En. Market Cap.</b>	<b>279,8 @ € 14,50</b>
<b>Net financial position</b>	<b>54,8 @ 30/09/18</b>
<b>Financial investments m/l term</b>	<b>12,2 @ 30/09/18</b>
<b>Enterprise Value</b>	<b>212,8</b>

# Comparables

Amounts in mln

Sept. 30th, 2018

	Price	Revenue	Var.% Rev.	EBIT	EBIT%	MK.Cap.	EV	EV/Sales (*)	EV/EBIT (*)	P/Book Value
<b>Medical/Aesthetic</b>										
Cutera	\$20,77	\$117	13%	\$(8)	-7%	\$289	\$262	1,7	n.a.	4,1
Sisram Medical (2)	\$0,62	\$78	18%	\$14	18%	\$277	\$183	1,2	6,5	0,9
Lutronic	€ 7,22	€ 49	-3%	-€ 8	-16%	€ 179	€ 165	2,6	n.a.	1,7
<b>Industrial</b>										
IPG Photonics Co.	\$141,83	\$1.130	8%	\$427	38%	\$7.520	\$6.402	4,2	11,2	3,4
Prima Industrie	€ 20,65	€ 318	6%	€ 17	5%	€ 216	€ 315	0,7	13,6	1,4
Han's Laser	¥32,14	¥8.656	-3%	¥1.590	18%	¥34.300	¥34.339	3,0	16,2	3,8
El.En. (1)	€ 14,50	€ 243	11%	€ 20	8%	€ 280	€ 213	0,8	10,0	1,5

(1) EV and multiplies as for previous slide

(2) Data on June 30th, 2018

(\*) 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)  
Silvia MARONGIU - [s.marongiu@polytemshir.it](mailto:s.marongiu@polytemshir.it)  
Tel. +39 06-69923324