



Press release

El.En. approves the Q1 2004 financials Revenues up 46% and EBITDA up 139%

Florence, 14th May 2004. The board of Directors of El.En. S.p.A., group leader in design and production of laser system, listed on the TechSTAR segment of the Nuovo Mercato, met today and approved the consolidated financials for the first quarter of 2004, which reports consolidated revenues for about 19 millions of euro, up more than 45% with respect to the first quarter of 2003, and a significant growth in Europe (up 78%). Revenue analysis by market segment reveals an excellent performance in the medical area (+62%) and a lighter growth (+7%) in the industrial segment. In both cases recently acquired companies supported the revenue growth.

In the quarter the **Value of Production** marks 20.5 millions of euro with a 37% growth on the previous year.

The consolidated **Gross Margin** is more than 10.6 millions, up 47% with respect to 2003.

Also **EBITDA** improves markedly to 1.3 millions of euro, more than doubled from 2003, with an increase of its impact on the value of production, from 3,7% to 6,5%.

EBIT is positive for 158 euro thousands, as opposed of a 221 thousands euro loss in the first quarter of 2003; **pre tax income** is more than 1.2 euro millions, it was 612 thousands of euro in 2003, and has a 5,9% impact on Value of production.

The results, in terms both of revenues and operating profit, are on track for respecting the yearly forecasts.

The **Net financials position** is positive for more than 9.5 millions of euro.



El.En., an Italian company, is the parent of a high-.tech industrial group operating in the optoelectronics sector. Based on proprietary technology and multidisciplinary know-how, the El.En Group manufactures laser sources (gas, solid-state and liquid) and innovative laser systems for medical and industrial applications.

The El.En. Group is the laser market leader in Italy and among the top operators in Europe. It designs, manufactures and sells worldwide:

- Medical laser equipment used in dermatology, plastic surgery, physiotherapy, dentistry and gynecology.
- Industrial laser systems for applications ranging from cutting, marking and welding metals, wood, plastic and glass to decorating leather and textiles and restoring/conserving artworks.

EL.EN has been listed on the TechStar segment of the Nuovo Mercato. Its market floatation is approximately 30% and its market capitalization amounts to €70 million.

Cod. ISIN: IT0001481867
Sigla: ELN
Negozziata su TAH
Mkt capt.: 69,52 mln/Euro
Cod. Reuters: ELN.MI
Cod. Bloomberg: ELN.IM

For further information:

El.En. SpA

Enrico ROMAGNOLI
Investor Relator
Tel. 055-8826807
finance@elen.it

Polytems HIR

Rita CAMELLI
Ufficio Stampa
Tel. 02 72093955 – 335 439571
r.camelli@polytemshir.it

Polytems HIR

Bianca FERSINI MASTELLONI
Comunicazione Finanziaria
Tel. 06 6797849 – 06 69923324
b.fersini@polytemshir.it

First quarter 2004

Profit and loss account	31/03/2004	Inc.%	31/03/2003	Inc.%	Var.%
Net turnover from sales and services	18.939	92,1%	12.997	86,4%	45,7%
Variation in stock of finished goods and WIP	1.337	6,5%	1.897	12,6%	-29,5%
Other revenues and income	293	1,4%	147	1,0%	98,7%
Value of production	20.569	100,0%	15.042	100,0%	36,7%
Costs for raw materials	8.328	40,5%	6.896	45,8%	20,8%
Variation in stock of raw material	(343)	-1,7%	(706)	-4,7%	-51,4%
Other direct services	1.925	9,4%	1.605	10,7%	19,9%
Gross margin	10.659	51,8%	7.246	48,2%	47,1%
Other operating services and charges	4.270	20,8%	2.978	19,8%	43,4%
Added value	6.389	31,1%	4.268	28,4%	49,7%
For staff costs	5.040	24,5%	3.705	24,6%	36,0%
Gross operating profit	1.349	6,6%	564	3,7%	139,2%
Depreciation, amortisation and other accruals	1.191	5,8%	785	5,2%	51,7%
Net operating profit	158	0,8%	(221)	-1,5%	
Net financial income (charges)	279	1,4%	103	0,7%	171,8%
Operating profit	437	2,1%	(119)	-0,8%	
Value adjustments (Devaluations)	104	0,5%	732	4,9%	-85,9%
Extraordinary income (Charges)	676	3,3%	(1)	-0,0%	
Earning before taxes	1.216	5,9%	612	4,1%	98,6%