

Press release

El.En.: Shareholders approve the 2006 financials and the payment of a 0.30 Euro per share dividend

Firenze, May 15, 2007 – The shareholders meeting of El.En. Spa, leader on the laser market and listed on the STAR segment of the Italian Stock Market, met today for the approval of the 2006 financials, and for a special meeting in order to amend the bylaws as provided by the Italian Law 262/2005.

The **consolidated financials** for **2006** show **revenues** for 154 millions of euro, up more than 30% on the previous year.

Gross Margin for the year is 82 millions of euro, up 27% on the 65 millions of euro of 2005.

EBITDA is equal to 10,6 millions of euro, it had been 14,8 millions of euro in 2005, with an impact on revenues down to 6,9% from 12,6%, for the largest part attributable to the agreement between our American company Cynosure, Inc. and the competitor Palomar Medical Technologies, Inc. on the cross licensing of certain patents. This agreement forced Cynosure to pay and book a one time cost for 10 millions of dollars; without such cost EBITDA would have been 18,6 millions of euro, with a 12,1% impact on revenues and up 25,2% on 2005. Moreover, in the previous year the consolidated income was positively influenced by the gain of roughly 20 millions of euro booked within Cynosure's IPO on the Nasdaq.

2006 closes with 5,4 millions of euro **EBIT**, with respect to the 10 millions of euro of 2005. Excluding the effect of the Palomar agreement EBIT would have been equal to 13,4 millions of euro with an 8,7% impact on revenues, unchanged from the previous year.

Net income in 2006 is equal to 1,6 millions of euro, down from the 25 millions of euro of 2005.

As of December 31, 2006 the **net financial position** is positive for 55 millions of euro.

The 2006 individual financials of **El.En. SpA** marked revenues for 38 millions of euro, Gross Margin for 17 millions of euro, EBITDA for 5 millions of euro, EBIT for 4,5 millions of euro and net income for 0,6 millions of euro.

The Shareholder's Meeting has also approved a dividend of 0,30 euro per share, to be delivered on the 28th of May 2007 and paid on the 31st of May 2007.

During the same meeting Ing. Stefano Modi was confirmed as Director, as he had been appointed by the Board on August 4, 2006.

The Shareholders then renewed the appointment of the **statutory council** for three more years, confirming in their position Dr Vincenzo Pilla, President, Dr Paolo Caselli and Dr Giovanni Pacini.



Special Meeting

During the special meeting the shareholders approved amendments of the bylaws also in connection of the Law n. 262/2005 , as modified by the following D.Lgs. dated December 29, 2006, n.303. Markedly, the shareholders approved to amend articles 19, 20, 21, 22 e 25.

All the documents requested by the current regulations with respect to the Shareholder's Meeting will be available to the shareholders and to the public at the Company's premises, at the Borsa Italiana S.p.A. and on the website www.elengroup.com in the Investor Relations section.

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, semiconductor, 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, cosmetics, 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 artwork;
- Laser systems for scientific research

EL.EN has been listed on the Star (MTAX) of Borsa Italiana. Its market floatation is approximately 42% and its market capitalization amounts to €165 million.

Cod. ISIN: IT0001481867

Code: ELN

Listed on MTAX

Mkt capt.: 165 mln/Euro

Cod. Reuters: ELN.MI

Cod. Bloomberg: ELN IM

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