

Press release

El.En.: The BOD releases the quarterly financials as of September 30, 2007

- For the **nine months**: consolidated revenues equal to 136,7 millions of Euro, EBITDA at 18,6 millions of Euro and pre tax income at 14,4 millions of Euro.
- For the **quarter**: consolidated revenues equal to 46,6 millions of Euro, EBITDA at 6,8 millions of Euro and pre tax income at 6 millions of Euro.

Firenze, 14th November, 2007 – The Board of Directors of El.En. Spa, leader on the laser market and listed on the Star Segment of the Italian Stock exchange, met today and released the quarterly financials as of September 30, 2007.

The group continued its rapid growth, with its **consolidated revenues** up 33,8% in the *quarter* and up 27,8% for the *nine months*, achieving and overcoming the forecast disclosed by the management.

Gross Margin for the *quarter* is 26,3 millions of Euro, up 40% on the 18,8 millions of Euro of the third quarter of 2006; in the *nine months* Gross Margin is 77 millions of Euro with a 35,3% growth and a 56,3% impact on revenues.

EBITDA for the *quarter* is 6,8 millions of Euro, and 18,6 millions of Euro as of September 20, 2007, with respect to the 3,2 millions of Euro of September 30, 2006, with an impact on revenues increasing from 3,1% to 13,6%.

EBIT for the *quarter* is 6 millions of Euro; for the *nine month* it's equal to 15 millions of Euro (-188 thousands of Euro as of September 30, 2006) with a 11% impact on revenues.

Pre tax income at the end of *September 2007* marks for the nine months a strong increase, from 1,3 millions of Euro to a 14,4 millions; in the *quarter* it's equal to 6 millions of Euro.

In the financial year 2006, EBITDA, EBIT and pre tax income had been hurt by the one time expense of 8 millions of Euro born by Cynosure for the licence agreement on certain laser hair removal patents, therefore the 2006 income needs to be accordingly increased in order to perform an evaluation within comparable values. The comparison between the adjusted incomes sets the increase of EBITDA at 65%, of EBIT at 92% and of Pre tax income at 54%.

The **net financial position** as of September 30, 2007 is positive for 62 millions of Euro.

In light of the financial results as of September 30 the management displayed confidence in the ability to achieve and also overcome the forecast on EBIT and revenues for the year 2007. Moreover, as an effect of the sale of Cynosure shares performed last week, the consolidated gain of 14 millions of Euro will allow a marked increase in the consolidated pre tax income, and an even larger effect on the financials of El.En. S.p.A..



The manager responsible for preparing the Company's financial reports, Dr. Enrico Romagnoli, declares, pursuant to paragraph 2 of Article 154-bis of the Consolidated Law of Finance, that the accounting information contained in this press release corresponds to the document results, books and accounting records.

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 €145 million.

Cod. ISIN: IT0001481867

Code: ELN

Listed on MTAX

Mkt capt.: 145 mln/Euro

Cod. Reuters: ELN.MI

Cod. Bloomberg: ELN IM

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Tab. 1 – Three months ended September 30, 2007 (unaudited)

Profit and loss account - 3 months	30/09/07	Inc.%	30/09/06	Inc.%	Var.%
Revenues	46.655	100,0%	34.866	100,0%	33,8%
Change in inventory of finished goods and WIP	1.333	2,9%	2.014	5,8%	-33,8%
Other revenues and income	479	1,0%	341	1,0%	40,2%
Value of production	48.467	103,9%	37.221	106,8%	30,2%
Purchase of raw materials	18.065	38,7%	15.162	43,5%	19,1%
Change in inventory of raw material	(605)	-1,3%	(203)	-0,6%	198,5%
Other direct services	4.706	10,1%	3.424	9,8%	37,5%
Gross margin	26.300	56,4%	18.837	54,0%	39,6%
Other operating services and charges	9.700	20,8%	14.873	42,7%	-34,8%
Added value	16.600	35,6%	3.964	11,4%	318,7%
For staff costs	9.759	20,9%	7.817	22,4%	24,8%
EBITDA	6.841	14,7%	(3.853)	-11,1%	
Depreciation, amortization and other accruals	872	1,9%	1.164	3,3%	-25,1%
EBIT	5.969	12,8%	(5.017)	-14,4%	
Net financial income (charges)	307	0,7%	686	2,0%	-55,2%
Share of profit of associated companies	(14)	-0,0%	0	0,0%	
Other Income (expense) net	(189)	-0,4%	(115)	-0,3%	64,9%
Income before taxes	6.073	13,0%	(4.446)	-12,8%	

Tab. 2 – Nine months ended September 30, 2007 (unaudited)

Profit and loss account	30/09/07	Inc.%	30/09/06	Inc.%	Var.%
Revenues	136.732	100,0%	107.012	100,0%	27,8%
Change in inventory of finished goods and WIP	7.870	5,8%	6.663	6,2%	18,1%
Other revenues and income	1.162	0,8%	1.350	1,3%	-13,9%
Value of production	145.764	106,6%	115.025	107,5%	26,7%
Purchase of raw materials	57.320	41,9%	49.724	46,5%	15,3%
Change in inventory of raw material	(2.502)	-1,8%	(2.704)	-2,5%	-7,5%
Other direct services	13.959	10,2%	11.105	10,4%	25,7%
Gross margin	76.987	56,3%	56.901	53,2%	35,3%
Other operating services and charges	28.102	20,6%	29.724	27,8%	-5,5%
Added value	48.885	35,8%	27.177	25,4%	79,9%
For staff costs	30.235	22,1%	23.906	22,3%	26,5%
EBITDA	18.650	13,6%	3.271	3,1%	470,2%
Depreciation, amortization and other accruals	3.585	2,6%	3.459	3,2%	3,6%
EBIT	15.065	11,0%	(188)	-0,2%	
Net financial income (charges)	813	0,6%	1.691	1,6%	-51,9%
Share of profit of associated companies	(41)	-0,0%	(16)	-0,0%	149,9%
Other net income (expense)	(1.419)	-1,0%	(144)	-0,1%	883,7%
Income before taxes	14.419	10,5%	1.343	1,3%	973,5%