

Press release

## El.En.: The BoD releases the first quarter financials

- Consolidated revenues: 43 millions of euro (+25%)
- EBITDA: 5 millions of euro (+72%)
- EBITDA: 3,8 millions of euro(+125%)
- Net financial position positive for 58,4 millions of euro

**Firenze, May 15, 2007** – The Board of Directors of El.En. SpA, leader on the laser market and listed on the STAQR segment of the Italian Stock Market, approved today the financials for the first quarter of 2007, drafted according to the IAS/IFRS International accounting standards.

**Consolidated revenues** for the quarter were 43 millions, up 25% on the 34 millions of euro of the first quarter of year 2006.

The growth rate achieved in the quarter is higher than average growth forecasted for the year, and is evenly distributed among the three areas on which the group operates: medical and aesthetic laser systems (+25%), laser systems for manufacturing applications (+27%) and after sales service and sales (+26%). With respect to the geographical distribution of the revenues, the weight of international markets increases again, testifying the global presence of the Group.

**Gross Margin** for the quarter is equal to 24 millions of euro, up 33% and with an impact on revenues growing from 52,6% to 55,9%.

**EBITDA** marks 5 millions of euro, with respect to the 2,9 millions of euro of the first quarter of 2006, and with an increase from 8,5% to 11,7% of its impact on revenues.

The first quarter shows a more than doubled **EBIT**: 3,8 millions of euro, on the 1,7 millions of euro of Q1 2006, and with a sharp increase in the impact on revenues, up to 8,9 from 5%.

The Group registers for the quarter a **pre tax income** of 3,4 millions of euro, up 62,7% on the 2,1 millions of euro of March 31st, 2006.

The **net financial position** as of 31 March 31st, 2007 is positive for 58,4 millions of euro, up on the 55,1 millions of the end of 2006.



**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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**Tab. 1 – P&L as of March 31, 2007**

<b>Profit and loss account</b>	<b>31/03/07</b>	<b>Inc.%</b>	<b>31/03/06</b>	<b>Inc.%</b>	<b>Var.%</b>
Revenues	43.000	100,0%	34.343	100,0%	25,2%
Change in inventory of finished goods and WIP	3.288	7,6%	3.351	9,8%	-1,9%
Other revenues and income	312	0,7%	571	1,7%	-45,3%
<b>Value of production</b>	<b>46.601</b>	<b>108,4%</b>	<b>38.266</b>	<b>111,4%</b>	<b>21,8%</b>
Purchase of raw materials	19.204	44,7%	17.604	51,3%	9,1%
Change in inventory of raw material	(876)	-2,0%	(1.058)	-3,1%	-17,2%
Other direct services	4.215	9,8%	3.647	10,6%	15,6%
<b>Gross margin</b>	<b>24.058</b>	<b>55,9%</b>	<b>18.072</b>	<b>52,6%</b>	<b>33,1%</b>
Other operating services and charges	8.839	20,6%	7.210	21,0%	22,6%
<b>Added value</b>	<b>15.218</b>	<b>35,4%</b>	<b>10.862</b>	<b>31,6%</b>	<b>40,1%</b>
For staff costs	10.202	23,7%	7.951	23,2%	28,3%
<b>EBITDA</b>	<b>5.017</b>	<b>11,7%</b>	<b>2.911</b>	<b>8,5%</b>	<b>72,3%</b>
Depreciation, amortization and other accruals	1.188	2,8%	1.211	3,5%	-1,9%
<b>EBIT</b>	<b>3.829</b>	<b>8,9%</b>	<b>1.700</b>	<b>5,0%</b>	<b>125,2%</b>
Net financial income (charges)	246	0,6%	441	1,3%	-44,3%
Share of profit of associated companies	(1)	-0,0%	0	0,0%	
Other net income (expense)	(614)	-1,4%	(15)	-0,0%	4049,1%
<b>Income before taxes</b>	<b>3.460</b>	<b>8,0%</b>	<b>2.127</b>	<b>6,2%</b>	<b>62,7%</b>