

Press release

The BoD of El.En. releases the financials as of March 31st, 2008

- **Consolidated revenues: 54,8 millions of Euro (+27,6%)**
- **EBITDA: 8 millions of Euro (+75%)**
- **EBIT: 6,9 millions of Euro (+99,9%)**
- **Pre tax income: 7,3 millions of Euro (+136%)**
- **Net financial position: + 56 millions of Euro**
- **Without Cynosure: Revenues 33 millions of euro (+34%), EBIT 2,9 millions of Euro (+72,1%)**

Florence, May 15th 2008 – 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 financials as of March 31st, 2008, which show **consolidated revenues** for 54,8 millions of Euro, up 27,6% on the 43 millions of Euro of the first quarter of 2007, confirming the vitality and the excellent shape of the Group.

In detail, the quarter displays a strong recovery in the *industrial lasers* market (up 31%), grabbing the first results of the 2007 start ups in China and in Brazil and enjoying the success of certain products, particularly in the laser sources segment. The *medical lasers* market shows a 30% growth, very meaningful, being it higher than the growth rate reported by the major competitors and of the market as a whole; the El.En. Group therefore remains the most relevant player on the market on a global basis.

Gross Margin, equal to 30,6 millions of Euro, is up 27,6% on the 24 millions of Euro of the first quarter of 2007, with a 55,9% impact on revenues.

EBITDA is up 75% from 4,6 to 8 millions of Euro, with an increase of its impact on revenues from 10,8% to 14,8%.

EBIT is doubled in the quarter: from 3,4 to 6,9 millions of Euro, and its impact on revenues reaches 12,6% from 8%.

The El.En. Group closed the first quarter of 2008 with a **pre tax income** of 7,3 millions of Euro, more than doubled on the 3 millions of Euro registered on March 31st, 2007.

The **Net financial position** as of March 31st, 2008 is positive for 56 millions of Euro, its reduction mostly due to the booking within the long term financial assets of "Auction Rate Securities" for roughly 27 millions of US dollars, earlier booked by Cynosure as marketable securities.

The **consolidated financials without Cynosure** show for the first quarter revenues at 33 millions of Euro (up 34% on 2007), EBITDA for 3,5 millions of Euro (up 10,7%), EBIT of 2,9 millions of Euro (up 72,1%) and a pre tax income of 2,6 millions of Euro (up 59,2%). The net financial position is positive for 18,2 millions of Euro. The rapid growth of revenues and income from operations is aligned with the financial forecast that had been released by the Company.



The manager in charge for 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 40% and its market capitalization amounts to €127 million.

Cod. ISIN: IT0001481867

Code: ELN

Listed on MTAX

Mkt capt.: 127 mln/Euro

Cod. Reuters: ELN.MI

Cod. Bloomberg: ELN IM

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Tab. 1 – Three months ended March 31, 2008 (unaudited)

Profit and loss account	31/03/08	Inc.%	31/03/07	Inc.%	Var.%
Revenues	54.876	100,0%	43.000	100,0%	27,6%
Change in inventory of finished goods and WIP	2.565	4,7%	3.288	7,6%	-22,0%
Other revenues and income	232	0,4%	312	0,7%	-25,7%
Value of production	57.673	105,1%	46.601	108,4%	23,8%
Purchase of raw materials	23.057	42,0%	19.204	44,7%	20,1%
Change in inventory of raw material	(1.796)	-3,3%	(876)	-2,0%	105,0%
Other direct services	5.724	10,4%	4.215	9,8%	35,8%
Gross margin	30.687	55,9%	24.058	55,9%	27,6%
Other operating services and charges	11.012	20,1%	8.839	20,6%	24,6%
Added value	19.675	35,9%	15.218	35,4%	29,3%
For staff costs	11.554	21,1%	10.578	24,6%	9,2%
EBITDA	8.121	14,8%	4.640	10,8%	75,0%
Depreciation, amortization and other accruals	1.220	2,2%	1.188	2,8%	2,7%
EBIT	6.901	12,6%	3.452	8,0%	99,9%
Net financial income (charges)	521	0,9%	246	0,6%	111,7%
Share of profit of associated companies	(4)	-0,0%	(1)	-0,0%	144,5%
Other net income (expense)	(106)	-0,2%	(598)	-1,4%	-82,3%
Income before taxes	7.312	13,3%	3.099	7,2%	136,0%

Tab. 2 – Three months ended March 31, 2008 (unaudited) – without Cynosure

Profit and loss account	31/03/08	Inc.%	31/03/07	Inc.%	Var.%
Revenues	33.188	100,0%	24.760	100,0%	34,0%
Change in inventory of finished goods and WIP	695	2,1%	1.578	6,4%	-56,0%
Other revenues and income	119	0,4%	227	0,9%	-47,7%
Value of production	34.001	102,5%	26.565	107,3%	28,0%
Purchase of raw materials	17.454	52,6%	13.844	55,9%	26,1%
Change in inventory of raw material	(1.876)	-5,7%	(1.233)	-5,0%	52,2%
Other direct services	3.227	9,7%	2.384	9,6%	35,4%
Gross margin	15.196	45,8%	11.570	46,7%	31,3%
Other operating services and charges	5.250	15,8%	3.901	15,8%	34,6%
Added value	9.946	30,0%	7.669	31,0%	29,7%
For staff costs	6.409	19,3%	5.381	21,7%	19,1%
EBITDA	3.537	10,7%	2.288	9,2%	54,6%
Depreciation, amortization and other accruals	618	1,9%	591	2,4%	4,4%
EBIT	2.919	8,8%	1.696	6,9%	72,1%
Net financial income (charges)	(362)	-1,1%	(91)	-0,4%	299,3%
Share of profit of associated companies	(4)	0,0%	(1)	0,0%	144,5%
Other net income (expense)	0	0,0%	0	0,0%	
Income before taxes	2.553	7,7%	1.604	6,5%	59,2%