



Press release

The El.En. group sets up a JV in China for distribution and production of laser systems for manufacturing

Firenze, February 27, 2007 – The El.En. Group, leader in the laser market and listed on the STAR Segment of the Italian Stock Exchange, has incorporated in China, through its controlled company Cutlite Penta Srl, Penta-Chutian Laser Technology (Wuhan) Co., Ltd., a Joint Venture for distribution and production of laser systems for manufacturing.

The company has been founded and received the business license in Wuhan, in central China, the most important Chinese area for the electro-optics technologies, and will be able to benefit from the localization advantages of the so called "Optics Valley of China".

The partner in the joint is Wuhan Chutian Industrial Laser Equipment Co., Ltd, a company of the Wuhan Chutian Group, leader on the Chinese market for the production of welding and marking laser systems, and also active in the medical laser and job shop laser manufacturing business. The Chutian Group has been for the last 18 months the distributor of the El.En. group for its laser systems for manufacturing, and will support the JV with its know how in the organization of an efficient production facility and a capillary distribution network on the Chinese Territory.

Cutlite Penta holds 55% of the shares of the company, that will have a capital of one million of Euros. In a first phase the shareholders will pay in 50% of their respective share capital, for an initial capitalization of half a million of euros, thus a cash investment by the group of 275.000 Euros. There is no contribution in nature expected.

With respect to the impact of this new business on the performance of the Group, the forecast delivered at the release of the fourth quarter 2006 financials already include the expected outcome of the first year of activity of the JV.



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 €150 million.

Cod. ISIN: IT0001481867

Code: ELN

Listed on MTAX

Mkt capt.: 150 mln/Euro

Cod. Reuters: ELN.MI

Cod. Bloomberg: ELN IM

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