

Press release

The BoD of El.En. approves the quarterly financial report as of March 31st , 2009

- **Consolidated Revenue: 33.8 million euro, 6,6 million euro loss from operations**
- **Net Financial Position : 62.7 million euro**
- **Results without Cynosure: 24 million Revenue euro, 1,5 million euro loss from operations**

Florence, May 15th , 2009 – The board of Directors of El.En. Spa, leader on the laser market and listed on the Star segment of the Italian Stock Exchange, released today the quarterly financial statements as of March 31st, 2009 which show **consolidated revenue** at 33.8 million euro, with respect to the 54.8 million euro of the first quarter of 2008, down 38%. Such decrease is due to the economic downturn and to the sudden drop in demand, especially experienced in the United States, the most important market for the group.

EBITDA, as an effect of the decrease in revenues, is negative for 4.6 million euro, compared to the 8,1 millions earnings as of March 31st, 2008.

Loss from operations is 6,6 million euro and it compares to the 6,9 million income of the first quarter of last year.

The El.En. group closed the first quarter of 2009 with a **pre tax loss** of 6,1 million, as opposed to the 7,3 millions income as of March 31st, 2008.

The **net financial position** is positive for 62.7 million euro, slightly down for the 67,9 millions as of the end of 2008.

The quarterly **consolidated results excluding Cynosure** from consolidation show *Revenues* at 24 million euro (down 28% on 2008), a negative *EBITDA* for 271 thousands euro, was a 3.5 million earning in the first quarter of 2008, a *loss from operation* of 1,5 million euro, was 2.9 earning as of March 2008, and a *pre tax loss* of 1.1 million euro, as opposed to a profit of 2.5 million euro of the first quarter of 2008. The *net financial position* is positive for 11 million euro.

The management acknowledges the delay on the schedule to the disclosed 2009 guidance, which forecasts a reduction in revenue between 15% and 20% on 2008 and an EBIT margin around 4% for the consolidated financials excluding Cynosure.

Taking into account the positive though light signals received from the overall economy and the specific trend in the business of the group companies, the management is not updating today the 2009 guidance. The achievement of the forecasted guidance remains the target, still realistic, of the management's activity.

Within the meeting the board of directors assigned the executive powers and proxies to the President Gabriele Clementi and to the members Barbara Bazzocchi and Andrea Cangilioli; it also appointed the Board committees as provided by the "Codice di Autodisciplina" of the listed companies and specifically the "compensation committee", the "internal control committee" and the "board members appointment committee" and the Vigilance board as provided by D.Lgs. 8 June 2001, n 231, confirming their members.

Dr. Enrico Romagnoli, the manager appointed to draft the Company's financial reports, declares, pursuant to paragraph 2 of Article 154-bis of D. Lgs February 24th 1998, n. 58, that the accounting data contained in this press release corresponds to the document results, books and accounting records.

Pursuant to Regulations of Listed Companies issued by Consob it is hereby noted that the quarterly report as of March 31st 2009 will be available to the public at the company's offices in Calenzano, at Borsa Italiana S.p.A. and may also be consulted on the company's web site (www.elengroup.com) from May 15th 2009.

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 (MTA) of Borsa Italiana. Its market floatation is approximately 40% and its market capitalization amounts to €54 million.

Cod. ISIN: IT0001481867

Code: ELN

Listed on MTA

Mkt capt.: 54 mln/Euro

Cod. Reuters: ELN.MI

Cod. Bloomberg: ELN IM

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Tab. 1 – Three months ended March 31, 2009 (unaudited)

Profit and loss account	31/03/09	Inc. %	31/03/08	Inc. %	Var. %
Revenues	33.797	100,0%	54.876	100,0%	-38,4%
Change in inventory of finished goods and WIP	113	0,3%	2.565	4,7%	-95,6%
Other revenues and income	270	0,8%	229	0,4%	18,0%
Value of production	34.180	101,1%	57.670	105,1%	-40,7%
Purchase of raw materials	12.458	36,9%	23.057	42,0%	-46,0%
Change in inventory of raw material	(189)	-0,6%	(1.796)	-3,3%	-89,5%
Other direct services	3.611	10,7%	5.724	10,4%	-36,9%
Gross margin	18.300	54,1%	30.684	55,9%	-40,4%
Other operating services and charges	11.581	34,3%	11.012	20,1%	5,2%
Added value	6.719	19,9%	19.672	35,8%	-65,8%
For staff costs	11.324	33,5%	11.554	21,1%	-2,0%
EBITDA	(4.605)	-13,6%	8.118	14,8%	
Depreciation, amortization and other accruals	1.986	5,9%	1.217	2,2%	63,3%
EBIT	(6.592)	-19,5%	6.901	12,6%	
Net financial income (charges)	714	2,1%	521	0,9%	37,2%
Share of profit of associated companies	(255)	-0,8%	(4)	0,0%	6975,9%
Other net income (expense)	(16)	0,0%	(106)	-0,2%	-84,9%
Income before taxes	(6.149)	-18,2%	7.312	13,3%	

Tab. 2 – Three months ended March 31, 2009 (unaudited) – without Cynosure

Profit and loss account	31/03/09	Inc. %	31/03/08	Inc. %	Var. %
Revenues	23.923	100,0%	33.188	100,0%	-27,9%
Change in inventory of finished goods and WIP	763	3,2%	695	2,1%	9,9%
Other revenues and income	211	0,9%	115	0,3%	82,7%
Value of production	24.898	104,1%	33.998	102,4%	-26,8%
Purchase of raw materials	10.743	44,9%	17.454	52,6%	-38,5%
Change in inventory of raw material	43	0,2%	(1.876)	-5,7%	
Other direct services	2.447	10,2%	3.227	9,7%	-24,2%
Gross margin	11.665	48,8%	15.193	45,8%	-23,2%
Other operating services and charges	5.455	22,8%	5.250	15,8%	3,9%
Added value	6.209	26,0%	9.943	30,0%	-37,5%
For staff costs	6.481	27,1%	6.409	19,3%	1,1%
EBITDA	(271)	-1,1%	3.534	10,6%	
Depreciation, amortization and other accruals	1.231	5,1%	615	1,9%	100,2%
EBIT	(1.502)	-6,3%	2.919	8,8%	
Net financial income (charges)	627	2,6%	(362)	-1,1%	
Share of profit of associated companies	(255)	-1,1%	(4)	0,0%	6975,9%
Other net income (expense)	0	0,0%	0	0,0%	
Income before taxes	(1.130)	-4,7%	2.553	7,7%	