



## 3<sup>rd</sup> QUARTER RESULTS 2014

*INTERMONTE*  
*Dec.2<sup>nd</sup>, 2014*

# Company Presentation



# Disclaimer

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# Summary

1. LASERS AND LASER APPLICATIONS
2. THE GLOBAL LASER MARKET
3. EL.EN. GROUP
4. Q3 2014 FINANCIAL RESULTS
5. 2014 GUIDANCE
6. EL.EN. STOCK, MULTIPLES & COMPARABLES



# Lasers and Laser Applications



# LASER

Light **A**mplification **S**timulated by **E**mission of **R**adiation

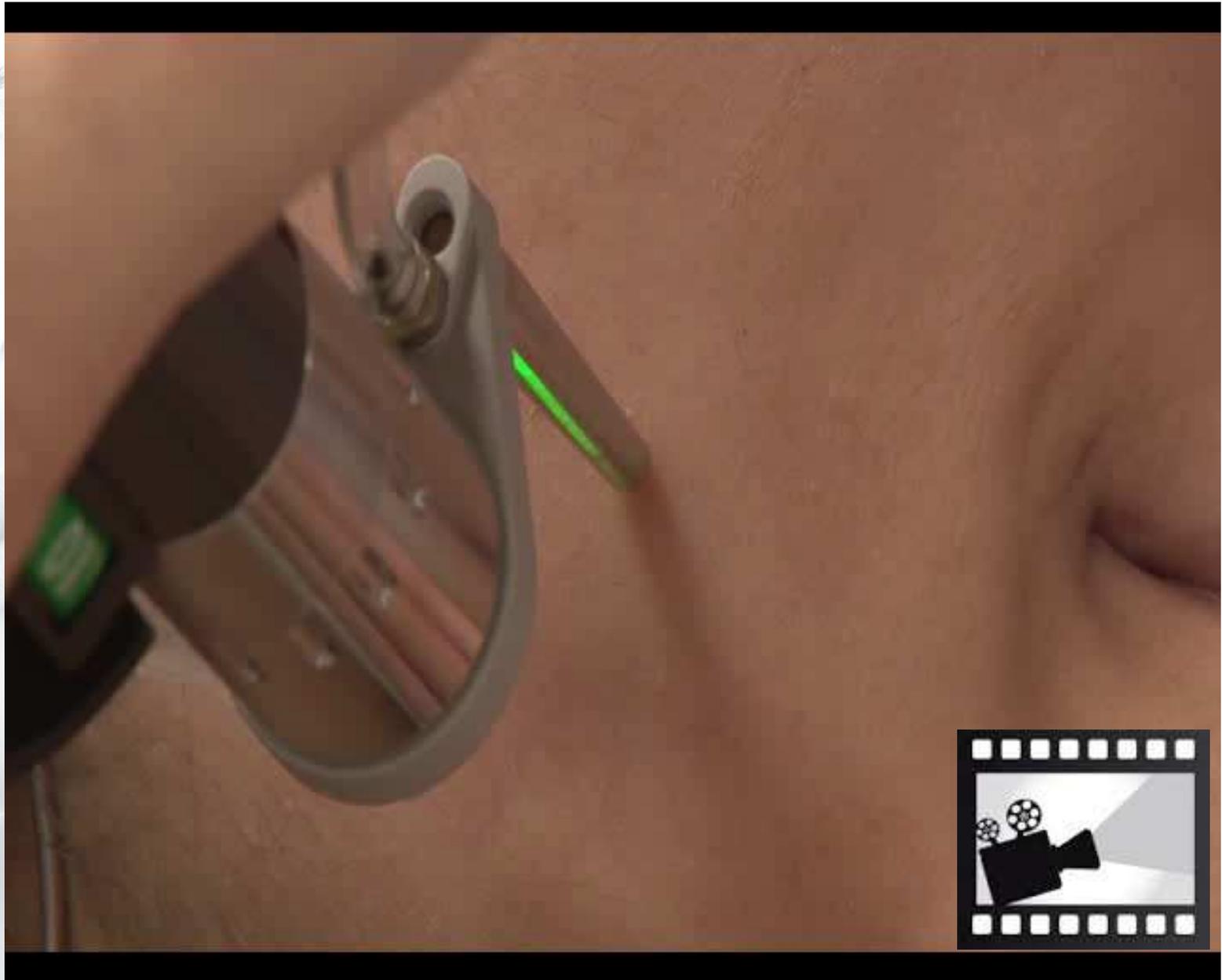
MEDICAL LASER Systems



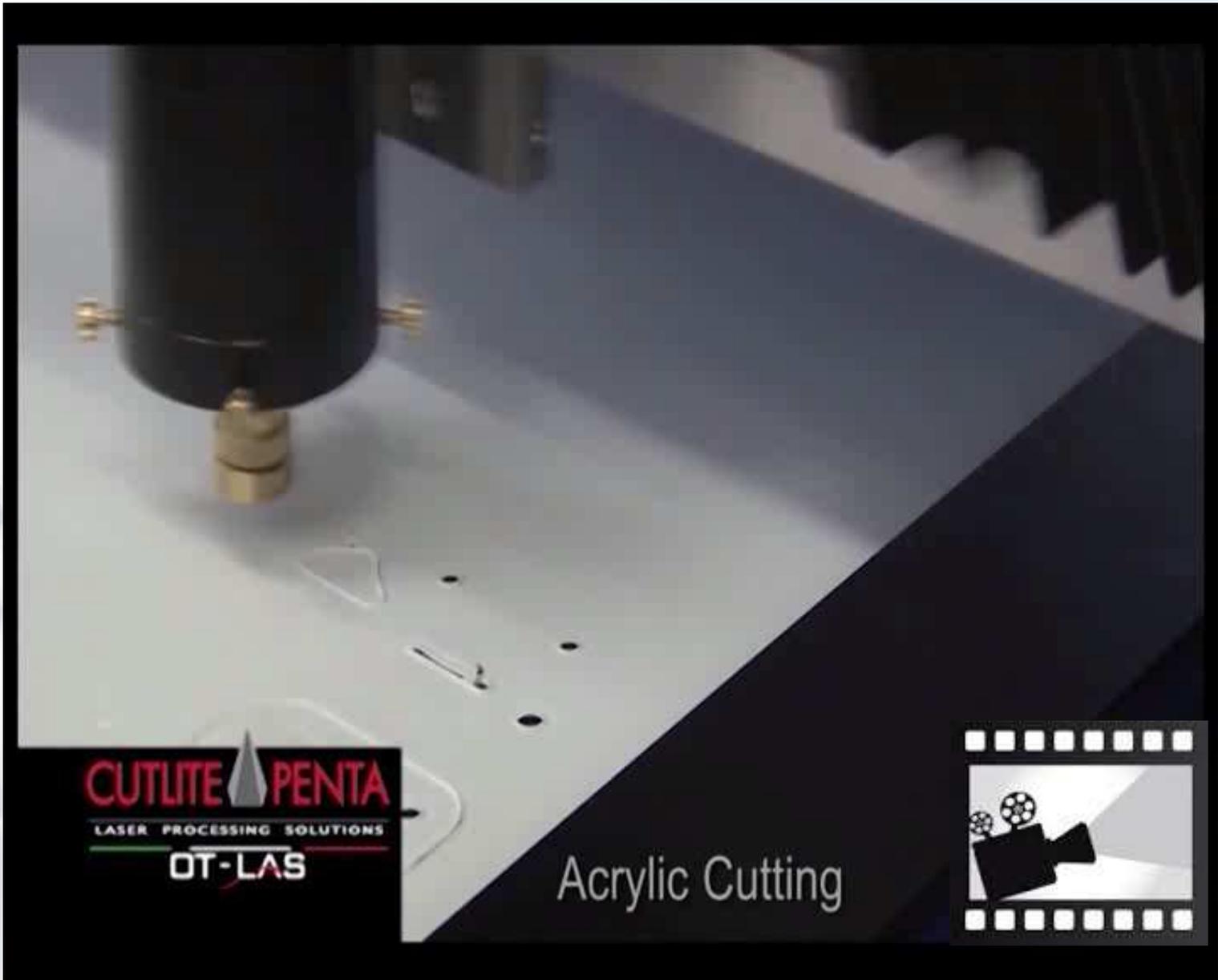
INDUSTRIAL LASER Systems



# MEDICAL Applications



# INDUSTRIAL Systems



**CUTLITE PENTA**  
LASER PROCESSING SOLUTIONS  
**OT-LAS**

Acrylic Cutting





# The Global Laser Market



# The MEDICAL Laser Market



## Market CAGR 2013-2018

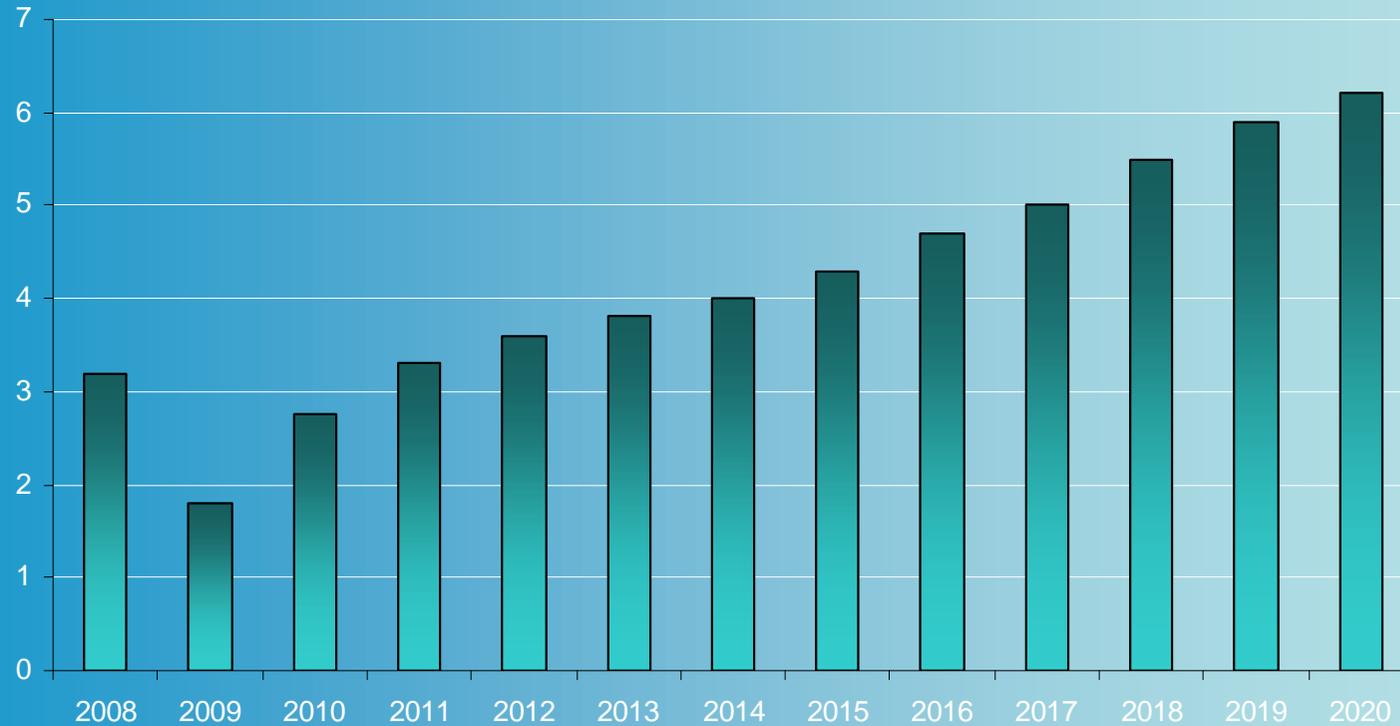
Market segment	North America	Europe	Asia	Latin America	Total
Energy Devices	6,9%	3,2%	15,3%	9,0%	7,8%
Skin Rejuvenation	7,3%	5,8%	13,0%	11,8%	8,2%
Body Contouring	11,3%	6,4%	18,3%	15,7%	12,4%

Source: Medical Insight, Inc.

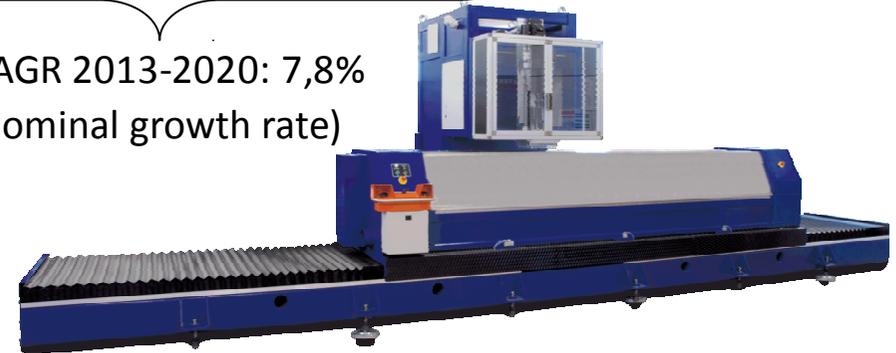


# The INDUSTRIAL Laser Market

Global Market for High Power Laser Systems, Forecast to 2020, by Value



CAGR 2013-2020: 7,8%  
(nominal growth rate)



# The INDUSTRIAL Laser Market

Global market and forecast for high power laser systems by application (by value)

By Value	Global Market (EUR Million)			CAGR (%)	
	2013	2016	2020	2013-2016	2016-2020
Cutting	2.408	3.014	3.965	7,8	7,1
Welding and Brazing	1.249	1.605	2.231	8,7	8,6
Surface treatment oand Other	50	63	86	8,3	8,1
Total	3.707	4.682	6.282	8,1	7,6



Source: Optech Consulting



# El.En. Group



# Group Overview

## High –Tech laser photonics Group

Develops, manufactures and distributes laser sources and laser systems for medical and industrial applications

Know-how based on 30 years stratification of multidisciplinary experience

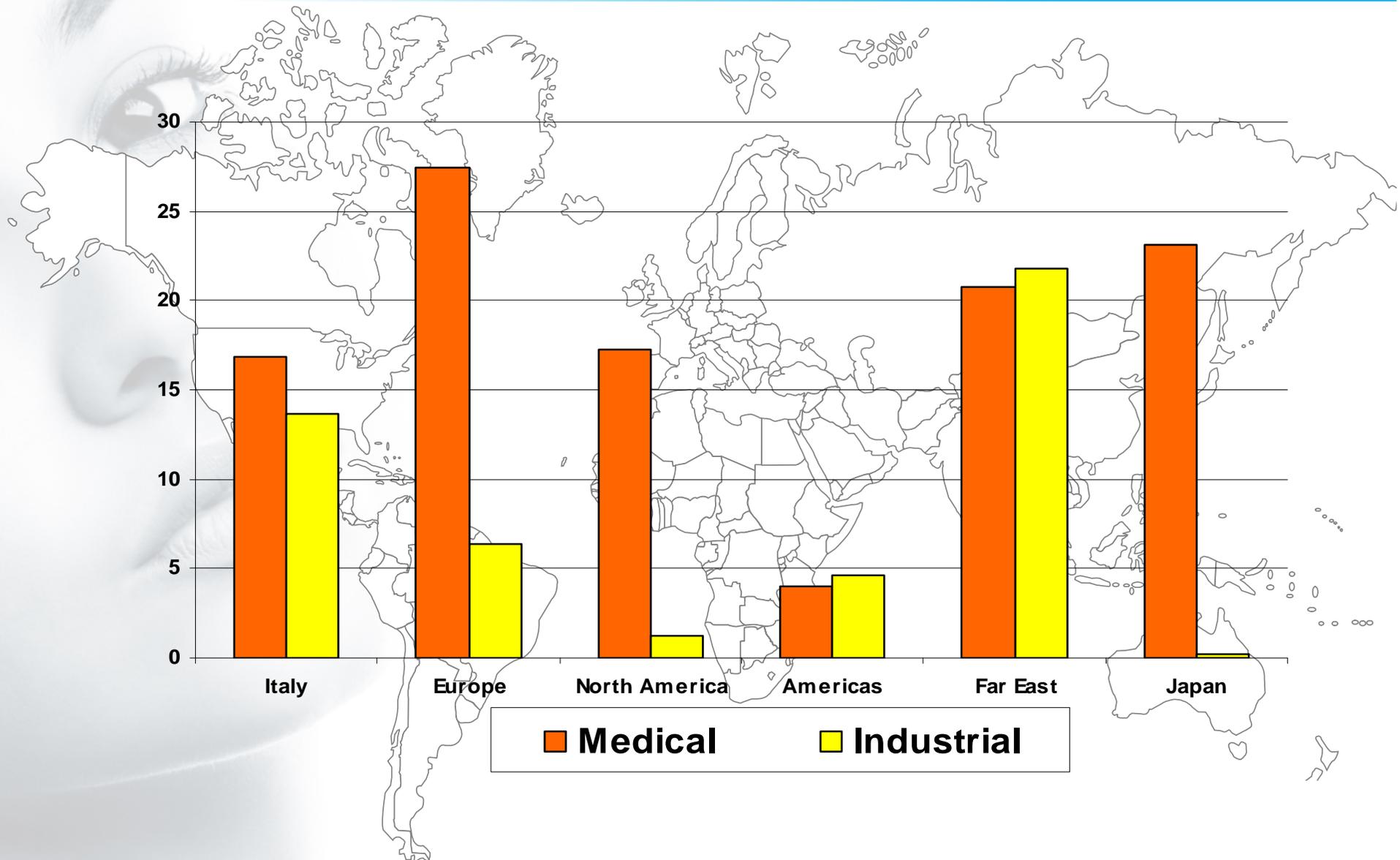
September , 30th 2014: Consolidated Revenues of €125 mln, up 16% YoY, 918 employees

Global positioning

# El.En. Group



# El.En. group in the world



# Strategic Strengths

Multidisciplinary and multifacility R&D activity:  
sources, systems, applications

Covering Medical and Industrial laser markets

Raising technological entry barriers through R&D

## Industrial

- ✓ Combine High tech laser source development with flexible production facilities in high growth areas

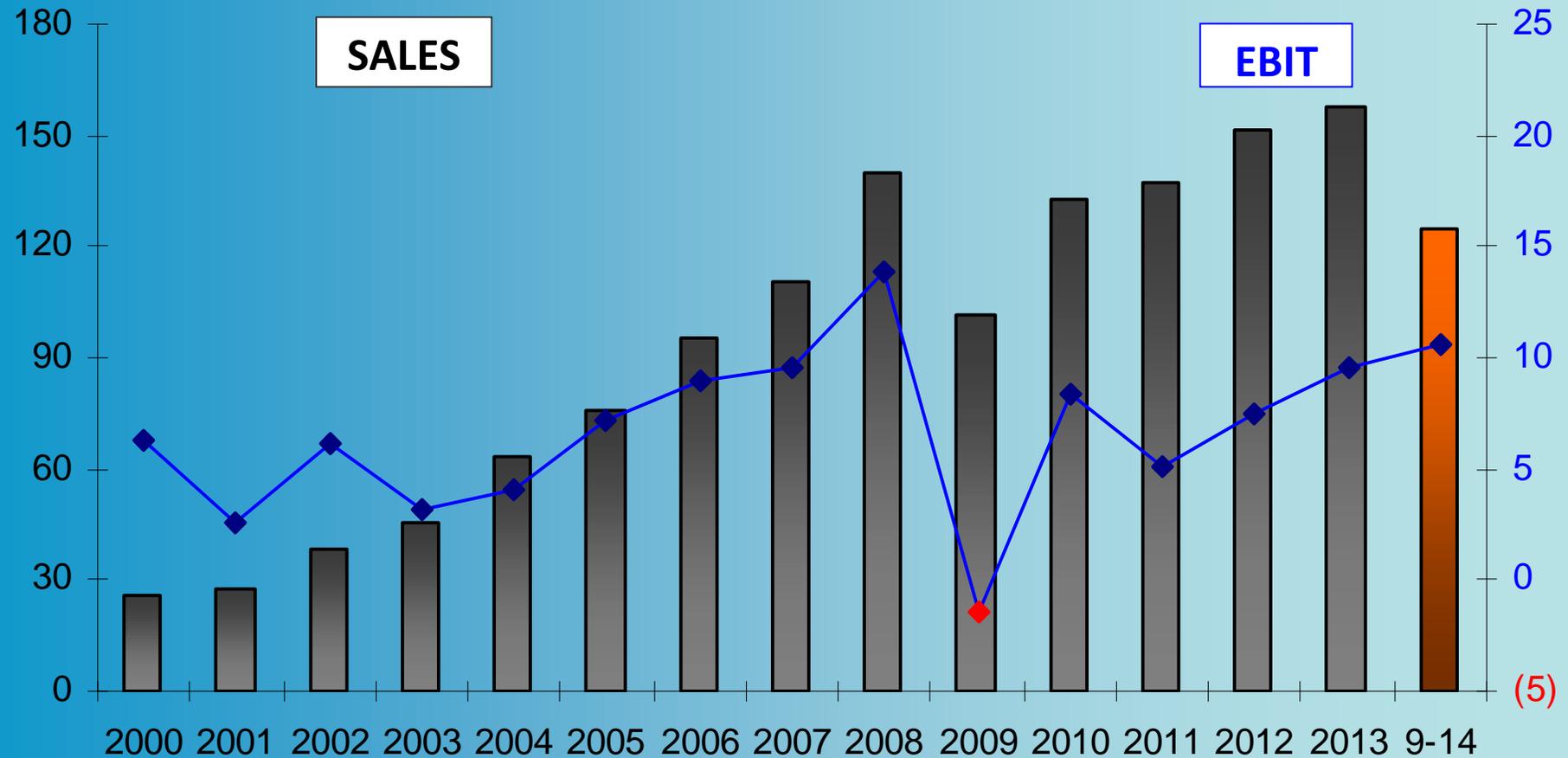


## Medical

- ✓ Maximize market penetration by multi brand approach
- ✓ Open new market segments by developing innovative applications
- ✓ Leverage worldwide distribution



# Consolidated Revenues and EBIT



# R&D Activity

Clinical trials and validations of new therapeutic laser treatments and research on new applications of laser- tissue interaction

Raising Technological / Clinical entry barriers

Central role of PHOTOBIO LAB

Medical Aesthetic new multi-application platforms

Vascular lesions systems: VASQ (Dye) , Yellow Star Pro

Clinical studies on Mona Lisa Touch

Clinical studies on cutaneous ulcers

Laser beam delivery and focusing head for metal cutting

Patents development



# Q3 2014 Financial Results





# El.En. – Revenues breakdown by business

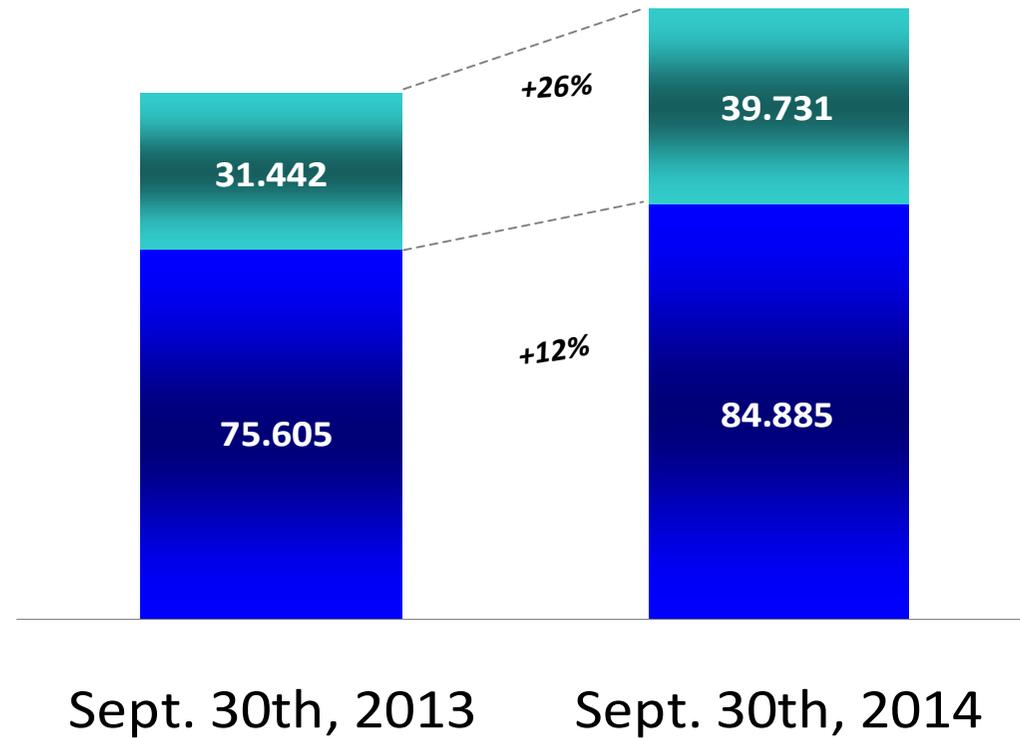
Euro /000

## Industrial

Cutting  
Marking  
Laser sources  
Service

## Medical

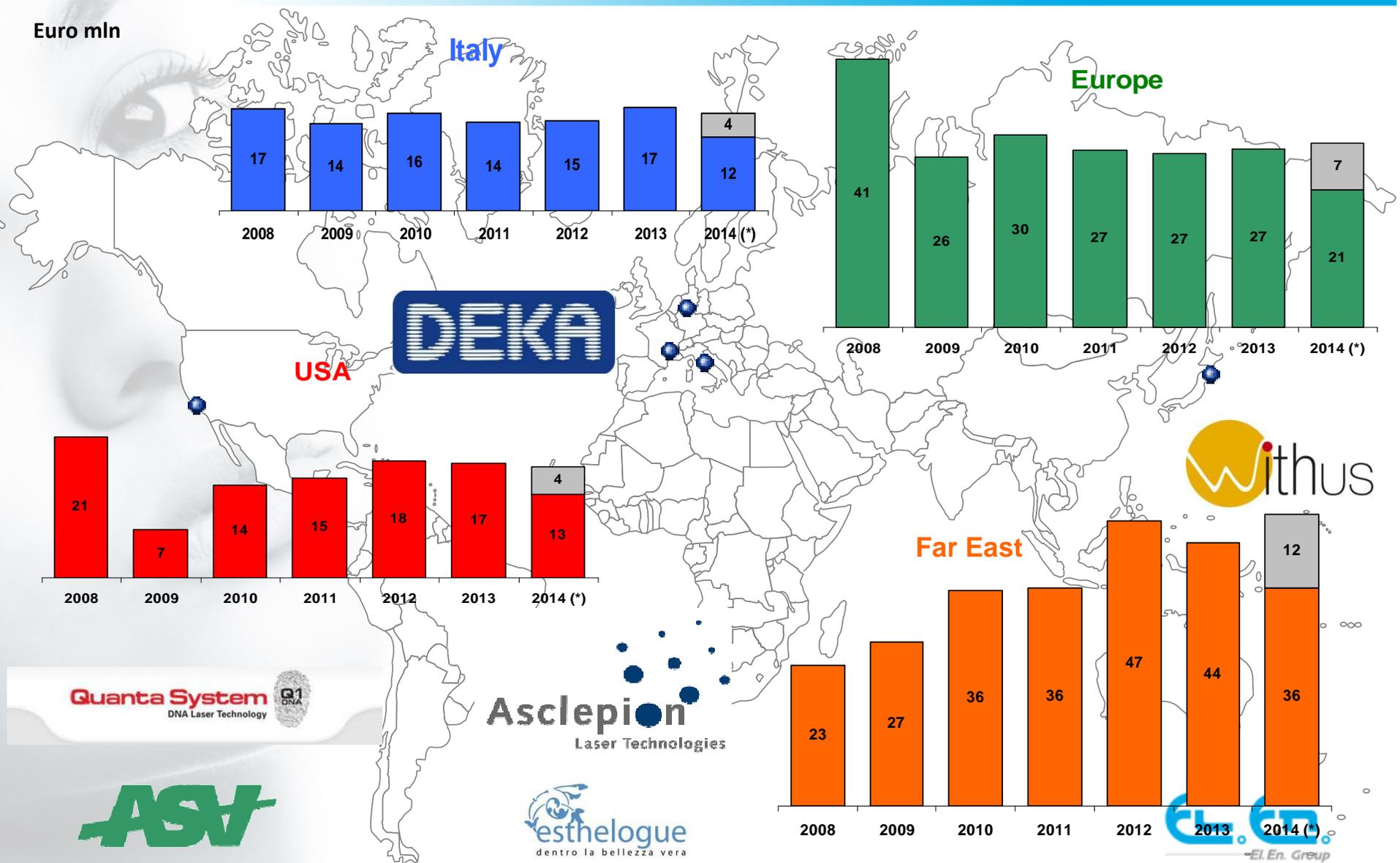
Aesthetic  
Surgical  
Physiotherapy  
Dental  
Service



**2014: +16%**

# Medical Laser: Breakdown by Area

Euro mln



(\* ) 2014: September 2014 annualized - not a Q4 forecast

Quanta System  
DNA Laser Technology

Asclepion  
Laser Technologies

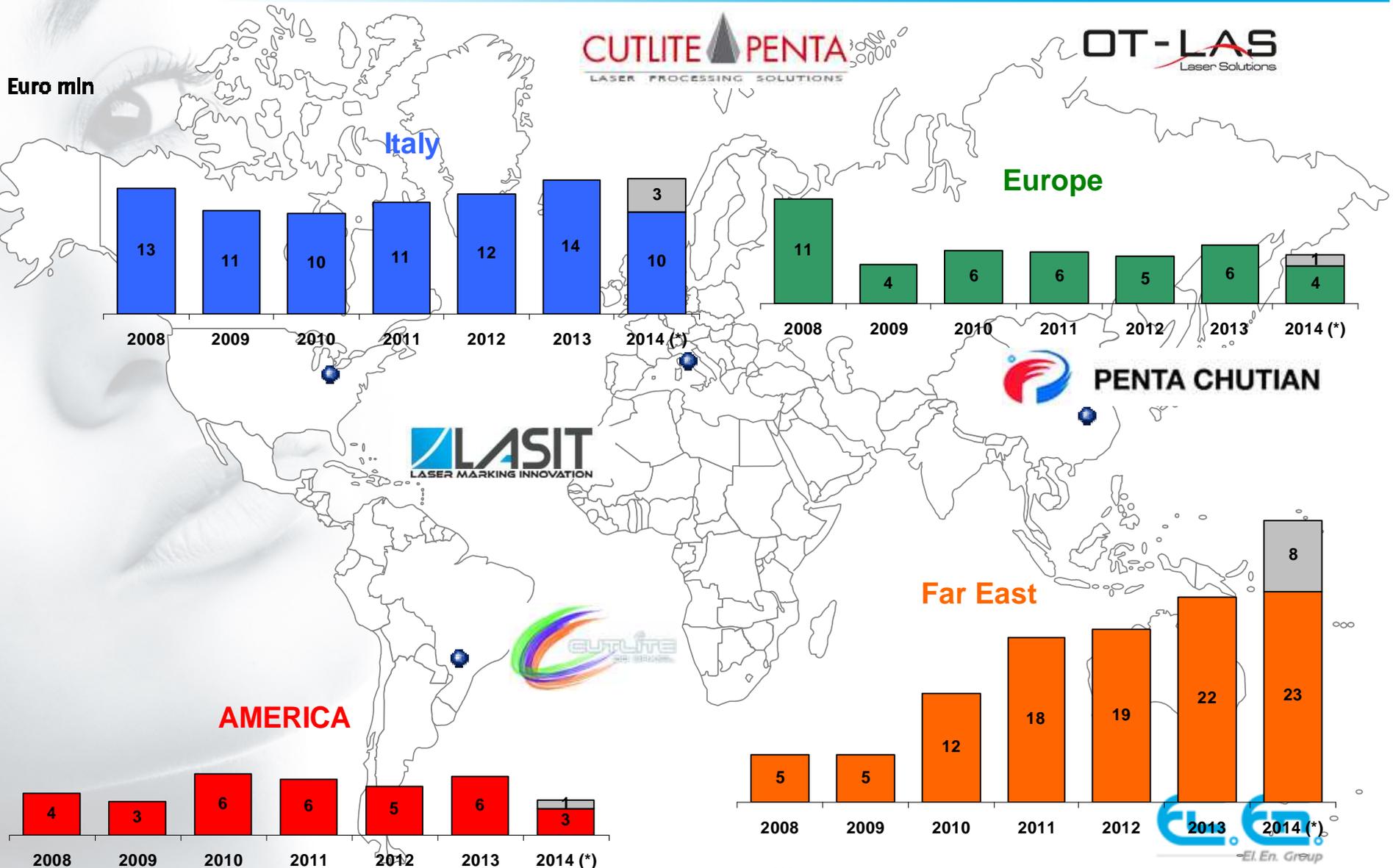
esthelogue  
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ASL

withus

EL EN GROUP

# Industrial Laser: Breakdown by Area



(\*) 2014: September 2014 annualized - not a Q4 forecast



# 2014 Guidance



## 2014 forecast

	<b>OLD</b>	<b>NEW</b>
Sales:	<b>+ 5%</b>	<b>+10%</b>

EBIT improvement on 2013

**EBT 2014 > 2 x EBT 2013**

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Palomar settlement (EBIT + 1,5 mln)

Gain on sale of Cynosure shares  
(Net Income +4,5 mln )



# El.En. Stock, Multiples & Comparables

# El.En. stock

*Euro*



# El.En. multiples

Stockholder's Equity per share \*

28

Price / Book Value Adj.

0,88

EV / EBIT (85% EBIT)

4,52

EV / Sales (85% Sales)

0,38

El.En. Market Cap.

118,5 @ €24,56

Net financial position

42,7 @ 30/06/14

Market value of 1,0 mm Cynosure shares

21,9 @ \$27,27 (Euro/Usd=1,245)

Enterprise Value

54

Stockholder's Equity net of minorities,  
\* (with Cynosure shares at market value)

134,4

# El.En. Comparables

Sept. 30, 2014

	Price	Revenue	Var.% Revenue	EBIT	EBIT%	MK.Cap.	EV	EV/Sales (*)	EV/EBIT (*)	P/Book Value
<b>Medical/Aesthetic</b>										
Syneron	\$10,47	\$181.688	-6%	\$(2.050)	-1%	\$383.930	\$298.300	1,23	n.a.	1,66
Zeltiq	\$28,34	\$123.706	63%	\$518	0%	\$1.070.000	\$1.025.902	6,22	1485,38	15,62
Lumenis	\$10,05	\$212.487	9%	\$13.830	7%	\$357.870	\$311.314	1,10	16,88	3,79
Cutera	\$10,00	\$52.639	1%	\$(9.027)	-17%	\$143.960	\$63.262	0,90	n.a.	1,78
Biolase	\$2,59	\$34.418	-16%	\$(14.122)	-41%	\$150.520	\$147.761	3,22	n.a.	13,56
Cynosure	\$27,55	\$206.107	36%	\$12.994	6%	\$596.400	\$524.335	1,91	30,26	1,78
<b>Industrial</b>										
IPG Photonics Co.	\$72,84	\$562.430	17%	\$204.127	36%	\$3.800.000	\$3.314.758	4,42	12,18	3,67
Rofin-Sinar	\$27,45	\$408.928	-2%	\$30.374	7%	\$768.850	\$627.192	1,15	15,49	1,43
Prima Industrie	€13,29	€236.920	-1%	€15.292	6%	€139.320	€242.707	0,77	11,90	1,18
<b>El.En. (1)</b>	<b>€24,56</b>	<b>€124.616</b>	<b>16%</b>	<b>€10.532</b>	<b>8%</b>	<b>€118.486</b>	<b>€53.942</b>	<b>0,38</b>	<b>4,52</b>	<b>0,88</b>

(1) EV and multiples as for previous slide

(\*) Sales and Ebit annualized



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