We laser your world

COMPANY PRESENTATION

June 21\textsuperscript{th}, 2016

www.elengroup.com
Disclaimer

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Summary

1. LASERS AND LASER APPLICATIONS
2. THE GLOBAL LASER MARKET
3. EL.EN. GROUP
4. Q1 - 2016 FINANCIAL RESULTS
5. 2016 GUIDANCE
Lasers and Laser Applications
LASER
Light Amplification by Stimulated Emission of Radiation

MEDICAL LASER Systems

INDUSTRIAL LASER Systems
Surgical Laser systems

Monna
Lisa
Touch

Litho

DEKA

Quanta System
DNA Laser Technology

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Aesthetic Laser systems

- Discovery Pico
- DEKA
- Mediostar
- Motus AX
- Quanta System
- Asclepion
Industrial lasers applications
## Global market for medical lasers by end use, through 2019 ($ millions)

<table>
<thead>
<tr>
<th></th>
<th></th>
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<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Surgical</td>
<td>758</td>
<td>813</td>
<td>1.219</td>
<td>8,4%</td>
</tr>
<tr>
<td>Cosmetic</td>
<td>895</td>
<td>1.024</td>
<td>2.097</td>
<td>15,4%</td>
</tr>
<tr>
<td>Dental</td>
<td>209</td>
<td>244</td>
<td>623</td>
<td>20,7%</td>
</tr>
<tr>
<td>Veterinary</td>
<td>99</td>
<td>115</td>
<td>247</td>
<td>16,5%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>1.961</td>
<td>2.195</td>
<td>4.185</td>
<td>13,8%</td>
</tr>
</tbody>
</table>

## Global market for medical lasers by region, through 2019 ($ millions)

<table>
<thead>
<tr>
<th></th>
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<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>US and Canada</td>
<td>902</td>
<td>1.008</td>
<td>1.870</td>
<td>13,2%</td>
</tr>
<tr>
<td>Europe</td>
<td>579</td>
<td>647</td>
<td>1.208</td>
<td>13,3%</td>
</tr>
<tr>
<td>Asia Pacific</td>
<td>352</td>
<td>399</td>
<td>849</td>
<td>16,3%</td>
</tr>
<tr>
<td>Other</td>
<td>128</td>
<td>141</td>
<td>258</td>
<td>12,8%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>1.961</td>
<td>2.195</td>
<td>4.185</td>
<td>13,8%</td>
</tr>
</tbody>
</table>
## The INDUSTRIAL Laser Market

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

<table>
<thead>
<tr>
<th>By Value</th>
<th>Global Market (EUR Million)</th>
<th>CAGR (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cutting</td>
<td>2.408</td>
<td>3.014</td>
</tr>
<tr>
<td>Welding and Brazing</td>
<td>1.249</td>
<td>1.605</td>
</tr>
<tr>
<td>Surface treatment and Other</td>
<td>50</td>
<td>63</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>3.707</td>
<td>4.682</td>
</tr>
</tbody>
</table>

*Source: Optech Consulting*
High –Tech laser photonics Group

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

Know-how based on 35 years stratification of multidisciplinary experience

FY 2015: Consolidated Revenues of €218 mln, up 21% YoY
Q1 2016: Consolidated Revenues of €55 mln, up 14% YoY

980 employees

Global positioning
Strategic Strengths

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

Industrial

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

Medical

✓ Technological and clinical innovation improving performance and broadening the application scope of our laser systems
✓ Maximize market penetration by multi brand approach
✓ Open new market segments by developing innovative applications
✓ Leverage worldwide distribution with multi brand approach
IRR= 32,50%
Capital Gain = €92 mln
(*) EBIT + Cyno Capital Gain per year
R&D Activity

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

Broadening Mona Lisa Touch Clinical studies

New Pico second laser platform

Clinical studies on cutaneous ulcers

Painless laser hair removal

Patents development

Increased power of RF laser sources

Innovative applications for mid power laser systems
Q1 - 2016 Financial Results
## Q1 2016 Consolidated P&L

<table>
<thead>
<tr>
<th>Euro/000</th>
<th>31/03/15</th>
<th>31/03/16</th>
<th>Var.%</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>unaudited</td>
<td>unaudited</td>
<td></td>
</tr>
<tr>
<td>Revenues</td>
<td>48,511 100,0%</td>
<td>55,231 100,0%</td>
<td>13,9%</td>
</tr>
<tr>
<td>Gross margin</td>
<td>22,242 45,8%</td>
<td>25,400 46,0%</td>
<td>14,2%</td>
</tr>
<tr>
<td>EBITDA</td>
<td>5,301 10,9%</td>
<td>7,669 13,9%</td>
<td>44,7%</td>
</tr>
<tr>
<td>EBIT</td>
<td>4,456 9,2%</td>
<td>6,721 12,2%</td>
<td>50,8%</td>
</tr>
<tr>
<td>Pretax Income</td>
<td>6,305 13,0%</td>
<td>5,813 10,5%</td>
<td>-7,8%</td>
</tr>
</tbody>
</table>
## Net financial position and Capex

<table>
<thead>
<tr>
<th></th>
<th>Euro '000</th>
<th>31/12/15</th>
<th>31/03/16</th>
<th>30/04/16 (*)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Net financial position:</strong></td>
<td></td>
<td>29.815</td>
<td>27.560</td>
<td>67.410</td>
</tr>
<tr>
<td><strong>Financial invest. m/l term:</strong></td>
<td></td>
<td>10.643</td>
<td>10.701</td>
<td>10.701</td>
</tr>
</tbody>
</table>

(*) including $45.1mln of Cyno’s shares sale

<table>
<thead>
<tr>
<th></th>
<th>Euro '000</th>
<th>31/03/15</th>
<th>31/03/16</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Capex</strong></td>
<td></td>
<td>635</td>
<td>2.854</td>
</tr>
</tbody>
</table>
Medical Lasers Business

- Aesthetic: +24%
- Surgical: +11%
- Physiotherapy: +23%
- Service: +11%

MEDICAL: +11%
INDUSTRIAL: +19%
2016 Guidance
2016 Guidance

Sales 2016 = Sales 2015 +5% -> €229 mln

EBIT 2016 = EBIT 2015 -> €22 mln
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