COMPANY PRESENTATION

We Laser your World

Industrial and Medical Laser Solutions

Frankfurt, 25.01.2018
Certain statements in this slide show, including those addressing the Company’s beliefs, plans, objectives, estimates or expectations of possible future results or events, are forward-looking statements. Forward-looking statements involve known or unknown risks, including general economic and business conditions, and conditions in the industry we operate and may be affected should our assumptions turn out to be inaccurate. Consequently, no forward-looking statement can be guaranteed and actual future results, performance, or achievements may vary materially from those expressed or implied by such forward-looking statements. The Company undertakes no obligation about the contents nor to update the forward-looking statements to reflect events or circumstances that may arise after the date hereof.
AGENDA

1. The El.En. Group
2. Our Markets
3. Growth drivers
4. Financial Highlights
5. Multiples & Comparables
The El.En. Group
The El.En. Group

A Primary Player Providing Medical, Industrial, and Conservation Laser Solutions Worldwide

Hi-Tech company
Hi-Tech industrial group active in opto-electronics with proprietary technologies and know how developed over 35 years

International Group
More than 20 companies active worldwide on several markets and application segments. Listed on the Milan Stock Exchange, Star segment

Among the leaders in the global market
Progressively widening its worldwide presence registered continuous growth over the years

Worldwide distribution network
> 1,200 employees worldwide, more than 40,000 laser sources sold

Constant Growth
13% Revenue CAGR 2011 – 2016
40% EBIT CAGR 2011 – 2016
FY 2016 Consolidated Revenue at €253m, up 16% YoY, 9M 2017 €218m up 22%
Our Strengths

- Dynamic R&D activity performed in several centers of excellence
- Exploiting 35 years of know how
- Competition through incremental and breakthrough innovations
- Worldwide presence through a wide network of distributors with direct distribution in selected countries
- Multi brand approach to maximize penetration in medical markets
Our Markets

MEDICAL

INDUSTRIAL

CONSERVATION
Medical & Aesthetics energy-based systems market

Key growth drivers:

- Increasingly aging population
- Desire to achieve or maintain more youthful appearance
- Increase in healthcare spending
- Requirements for fast and minimally invasive surgical procedures

### US$ million

<table>
<thead>
<tr>
<th></th>
<th>2014</th>
<th>2016</th>
<th>2021</th>
<th>CAGR 14-16</th>
<th>CAGR 16-21</th>
</tr>
</thead>
<tbody>
<tr>
<td>Global non-invasive and minimally invasive medical aesthetic treatment systems</td>
<td>6.932</td>
<td>8.437</td>
<td>13.992</td>
<td>10%</td>
<td>11%</td>
</tr>
<tr>
<td>Energy-based treatment systems</td>
<td>2.033</td>
<td>2.670</td>
<td>4.380</td>
<td>15%</td>
<td>10%</td>
</tr>
<tr>
<td>Body shaping &amp; Skin tightening</td>
<td>724</td>
<td>996</td>
<td>1.965</td>
<td>17%</td>
<td>15%</td>
</tr>
<tr>
<td>Skin rejuvenation</td>
<td>523</td>
<td>695</td>
<td>1.089</td>
<td>15%</td>
<td>9%</td>
</tr>
<tr>
<td>Hair removal</td>
<td>353</td>
<td>341</td>
<td>333</td>
<td>-2%</td>
<td>0%</td>
</tr>
<tr>
<td>Leg vein treatments</td>
<td>131</td>
<td>157</td>
<td>187</td>
<td>9%</td>
<td>4%</td>
</tr>
<tr>
<td>Acne reduction</td>
<td>96</td>
<td>110</td>
<td>125</td>
<td>7%</td>
<td>3%</td>
</tr>
<tr>
<td>Vaginal rejuvenation</td>
<td>na</td>
<td>105</td>
<td>332</td>
<td>na</td>
<td>26%</td>
</tr>
<tr>
<td>Pigmented lesion &amp; tattoo removal</td>
<td>80</td>
<td>99</td>
<td>142</td>
<td>11%</td>
<td>7%</td>
</tr>
<tr>
<td>Other</td>
<td>126</td>
<td>167</td>
<td>207</td>
<td>15%</td>
<td>4%</td>
</tr>
<tr>
<td>Total</td>
<td>2.033</td>
<td>2.670</td>
<td>4.380</td>
<td>15%</td>
<td>10%</td>
</tr>
</tbody>
</table>

Source: Medical Insight Report
Industrial laser market

Lasers increasingly adopted in high quality manufacturing for uniqueness, flexibility, environment friendliness, productivity

- Sheet metal cutting: technology breakthroughs lead to strong widening of demand
- Laser marking for identification: traceability as a quality standard

Market forecast for high power laser systems: 2016-2020 CAGR 7,6%

Source: Optech Consulting
Growth drivers
Growth drivers

- Expected growth in our main markets: Aesthetic, Surgery, Industrial
- Novel body contouring and cellulite treatment device
- Novel dermatologic treatment device
- Picosecond tattoo removal lasers: new wavelength and max peak power
- Broaden indications of use for MonaLisa Touch through extensive clinicals
- Diabetic foot ulcers: seeking regulatory clearances worldwide
- >1 kW RF CO₂ laser source launched @ Laser 2017
- Strong demand for high power laser sheet metal cutting systems in China and Europe
A PATH OF GROWTH

Revenues

Cagr: +14%


in Euro million

EBIT

Cagr: +34%


Cagr: +34%
Financial Highlights
### INCOME STATEMENT 9M-2017

<table>
<thead>
<tr>
<th>Euro Million</th>
<th>30/09/16 unaudited</th>
<th>%</th>
<th>30/09/17 unaudited</th>
<th>%</th>
<th>Var.%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenues</td>
<td>179,565</td>
<td>100,0%</td>
<td>218,412</td>
<td>100,0%</td>
<td>21,6%</td>
</tr>
<tr>
<td>Gross margin</td>
<td>78,623</td>
<td>43,8%</td>
<td>90,899</td>
<td>41,6%</td>
<td>15,6%</td>
</tr>
<tr>
<td>EBITDA</td>
<td>22,962</td>
<td>12,8%</td>
<td>26,548</td>
<td>12,2%</td>
<td>15,6%</td>
</tr>
<tr>
<td>EBIT</td>
<td>19,769</td>
<td>11,0%</td>
<td>22,160</td>
<td>10,1%</td>
<td>12,1%</td>
</tr>
<tr>
<td>Pretax Income</td>
<td>42,027</td>
<td>23,4%</td>
<td>19,108</td>
<td>8,7%</td>
<td>-54,5%</td>
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</table>

<table>
<thead>
<tr>
<th>31/12/16</th>
<th>30/09/17 unaudited</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net financial position</td>
<td>82,784</td>
</tr>
</tbody>
</table>
9M-REVENUE BREAKDOWN BY AREA

in Euro million

Italy:
- 2016: 33
- 2017: 40
  +23%

RoEU:
- 2016: 30
- 2017: 36
  +21%

RoW:
- 2016: 117
- 2017: 142
  +21%
9M–MEDICAL REVENUE BREAKDOWN

Aesthetic
- 2016: 57
- 2017: 70
+22%

Surgical
- 2016: 26
- 2017: 24
-9%

Physioth.
- 2016: 6
- 2017: 7
+17%

Service
- 2016: 27
- 2017: 22
-18%

in Euro million
9M-INDUSTRIAL REVENUE BREAKDOWN

in Euro million

- Cutting: 45 (2016) to 73 (2017), +65%
- Marking: 9 (2016) to 12 (2017), +27%
- Laser sources: 2 (2016) to 2 (2017), +23%
- Service: 6 (2016) to 7 (2017), +13%
2017 GUIDANCE

2016

SALES

253 mln €

2017

SALES

300 mln €

EBIT

27 mln €

30 mln €
Multiples & Comparables
### Multiples

<table>
<thead>
<tr>
<th>Metric</th>
<th>Value</th>
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</thead>
<tbody>
<tr>
<td>Stockholder’s Equity per share</td>
<td>9,6</td>
</tr>
<tr>
<td>Price / Book Value Adj.</td>
<td>2,8</td>
</tr>
<tr>
<td>EV / EBIT (80% EBIT)</td>
<td>17,9</td>
</tr>
<tr>
<td>EV / Sales (80% Sales)</td>
<td>1,8</td>
</tr>
<tr>
<td>El.En. Market Cap.</td>
<td>510,2 @ € 26,44</td>
</tr>
<tr>
<td>Net financial position</td>
<td>75,8 @ 30/09/17</td>
</tr>
<tr>
<td>Financial investments m/l term</td>
<td>12,0 @ 30/09/17</td>
</tr>
<tr>
<td>Enterprise Value</td>
<td>422,5</td>
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### Comparables

<table>
<thead>
<tr>
<th>Date</th>
<th>Segment</th>
<th>Company</th>
<th>Price</th>
<th>Revenue</th>
<th>Var.%</th>
<th>EBIT</th>
<th>EBIT %</th>
<th>MK.Cap.</th>
<th>EV</th>
<th>EV/Sales (*)</th>
<th>EV/EBIT (*)</th>
<th>Cash Adj.</th>
<th>P/E (*)</th>
<th>P/Book Value</th>
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<tbody>
<tr>
<td>Sept. 30th, 2017</td>
<td>Medical/Aesthetic</td>
<td>Cutera</td>
<td>$49.50</td>
<td>$104</td>
<td>30%</td>
<td>$7</td>
<td>6%</td>
<td>$693</td>
<td>$642</td>
<td>4.6</td>
<td>73,8</td>
<td>67,7</td>
<td>11,3</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Biolase</td>
<td>$0.53</td>
<td>$34</td>
<td>-10%</td>
<td>$(13)</td>
<td>-39%</td>
<td>$40</td>
<td>$36</td>
<td>0.8</td>
<td>n.a.</td>
<td>n.a.</td>
<td>1.9</td>
<td></td>
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<tr>
<td></td>
<td></td>
<td>Sisram Medical (**)</td>
<td>$0.86</td>
<td>$66</td>
<td>13%</td>
<td>$14</td>
<td>21%</td>
<td>$379</td>
<td>$392</td>
<td>3.0</td>
<td>13,8</td>
<td>25,1</td>
<td>7.8</td>
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<tr>
<td></td>
<td>Industrial</td>
<td>IPG Photonics Co.</td>
<td>$260.97</td>
<td>$1,048</td>
<td>44%</td>
<td>$403</td>
<td>38%</td>
<td>$14,048</td>
<td>$13,006</td>
<td>9.3</td>
<td>24,2</td>
<td>33,1</td>
<td>7.2</td>
<td></td>
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<tr>
<td></td>
<td></td>
<td>Prima Industrie</td>
<td>€ 38.15</td>
<td>€ 300</td>
<td>9%</td>
<td>€ 17</td>
<td>6%</td>
<td>€ 400</td>
<td>€ 503</td>
<td>1.3</td>
<td>22,2</td>
<td>31,1</td>
<td>2.8</td>
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<td></td>
<td></td>
<td>Han's Laser</td>
<td>¥ 51.93</td>
<td>¥ 8,915</td>
<td>42%</td>
<td>¥ 1,573</td>
<td>18%</td>
<td>¥ 55,418</td>
<td>¥ 53,907</td>
<td>4.5</td>
<td>25,7</td>
<td>26,9</td>
<td>8.0</td>
<td></td>
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<tr>
<td></td>
<td></td>
<td>El.En. (1)</td>
<td>€ 26.44</td>
<td>€ 218</td>
<td>22%</td>
<td>€ 22</td>
<td>10%</td>
<td>€ 510</td>
<td>€ 423</td>
<td>1.8</td>
<td>17,9</td>
<td>30,0</td>
<td>2.8</td>
<td></td>
</tr>
</tbody>
</table>

(1) EV and multiplies as for previous slide  
(*) Revenue, Ebit and earnings annualized  
(**) Data as at June 30th, 2017
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