COMPANY PRESENTATION

Frankfurt - January 29th, 2019

Industrial and Medical Laser Solutions

G. Mourou (Nobel prize for Physics 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.
Hi-Tech company
Hi-Tech industrial group active in opto-electronics with proprietary technologies and know how developed over 35 years.
Listed on the Milan Stock Exchange Star segment since 2000

Global Group
More than 20 companies active worldwide on several markets and application segments.

Among the leaders in its space with a Worldwide distribution network
Progressively widening its worldwide presence registering continuous growth over the years
More than 40,000 laser sources sold and 5% of revenue invested in R&D
A PATH OF GROWTH

Revenues
Cagr: +14%

EBIT
Cagr: +29%

in Euro million

137 151 157 180 218 253 307 337

5 7 10 15 22 28 30 30
Markets and Growth drivers
Long term market trends

Aesthetics:

- Aging population
- Social pressure to maintain youthful and beautiful appearance

Minimally invasive surgeries:

- Minimally painful procedures
- Reduced side effects and risks
- Hospitalization days reduction
- ROI increase for surgical services providers
Long term market trends

Cutting applications:
- Enhanced flexibility, productivity and quality standards in manufacturing processes
- Minimal environmental impact

Marking:
- Products identification
- Minimal environmental impact
Medical & Aesth energy-based systems market

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></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

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
**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 STUDIES:**

*Technavio’s analysts forecast:*
“The global industrial laser market to grow at a CAGR of 10.24% during the period 2017-2021”
Growth drivers

- Stronger presence in body contouring and cellulite treatment markets
- New laser systems for hair removal
- Novel dermatologic treatment device
- Diabetic foot ulcers: seeking regulatory clearances worldwide

- New manufacturing applications for medium power CO2 laser sources
- Strong demand for high power laser sheet metal cutting systems in China and Europe
- Strong manufacturing presence in China
New systems and devices

- ONDA - Body contouring
- Motus AX expands to Motus AY
- BPH: Virtual basket and single use morcellator
- High Power sheet metal cutting systems - 20kW
- OEM systems for urology – 100 W Ho:YAG
- MonnaLisa Touch disposable probes
- MIS - MLS High Peak Pulse for physiotherapy

........and the best is yet to come
New factories

Jena

Vicenza

Wenzhou (2nd)
Financial Highlights
## Income Statement 9M-2018

<table>
<thead>
<tr>
<th>Euro '000</th>
<th>30/09/17</th>
<th>%</th>
<th>30/09/18</th>
<th>%</th>
<th>Var.%</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>unaudited</td>
<td></td>
<td>unaudited</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Medical</td>
<td>124.007</td>
<td>56,8%</td>
<td>138.837</td>
<td>57,0%</td>
<td>12,0%</td>
</tr>
<tr>
<td>Industrial</td>
<td>94.405</td>
<td>43,2%</td>
<td>104.600</td>
<td>43,0%</td>
<td>10,8%</td>
</tr>
<tr>
<td>Total Revenues</td>
<td>218.412</td>
<td>100,0%</td>
<td>243.437</td>
<td>100,0%</td>
<td>11,5%</td>
</tr>
<tr>
<td>Gross margin</td>
<td>90.899</td>
<td>41,6%</td>
<td>96.306</td>
<td>39,6%</td>
<td>5,9%</td>
</tr>
<tr>
<td>EBITDA</td>
<td>26.548</td>
<td>12,2%</td>
<td>24.036</td>
<td>9,9%</td>
<td>-9,5%</td>
</tr>
<tr>
<td>EBIT</td>
<td>22.160</td>
<td>10,1%</td>
<td>20.007</td>
<td>8,2%</td>
<td>-9,7%</td>
</tr>
<tr>
<td>Pretax Income</td>
<td>19.108</td>
<td>8,7%</td>
<td>19.908</td>
<td>8,2%</td>
<td>4,2%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>31/12/17</th>
<th>30/09/18</th>
<th>unaudited</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net financial position</td>
<td>84.506</td>
<td>54.810</td>
<td></td>
</tr>
</tbody>
</table>
Cash Flow 9M-2018

New buildings €12,5 mln

Dividend paid €8,4 mln
Revenue breakdown by area 9M-2018

in Euro million

**Medical**
- Italy: 18,9 (2017) to 20,7 (2018), +10%
- RoEU: 29,9 (2017) to 38,0 (2018), +27%
- RoW: 75,3 (2017) to 80,1 (2018), +6%

**Industrial**
- Italy: 21,5 (2017) to 22,6 (2018), +5%
- RoEU: 6,2 (2017) to 9,4 (2018), +52%
- RoW: 66,8 (2017) to 72,6 (2018), +9%
Revenue breakdown 9M-2018

in Euro million

Aesthetic
- 2017: 70.2
- 2018: 76.7
- Increase: +9%

Surgical
- 2017: 24.0
- 2018: 29.6
- Increase: +23%

Physioth.
- 2017: 6.9
- 2018: 7.8
- Increase: +12%

Service
- 2017: 22.4
- 2018: 24.2
- Increase: +8%

Industrial
- Cutting
  - 2017: 73.4
  - 2018: 82.5
  - Increase: +12%
- Marking
  - 2017: 12.0
  - 2018: 12.0
  - Increase: +0%
- Laser sources
  - 2017: 2.4
  - 2018: 3.3
  - Increase: +41%
- Service
  - 2017: 6.5
  - 2018: 6.5
  - Increase: +0%
Guidance

2018 vs 2017:

Revenue: \( \geq +10\% \)

EBIT 18 \( > \) EBIT 17
Multiples & Comparables
## Multiples

<table>
<thead>
<tr>
<th>Metric</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Stockholder's Equity per share</td>
<td>9.9</td>
</tr>
<tr>
<td>Price / Book Value Adj.</td>
<td>1.6</td>
</tr>
<tr>
<td>EV / EBIT (80% EBIT)</td>
<td>11.0</td>
</tr>
<tr>
<td>EV / Sales (80% Sales)</td>
<td>0.9</td>
</tr>
<tr>
<td>El.En. Market Cap.</td>
<td>302.4 @ € 15.67</td>
</tr>
<tr>
<td>Net financial position</td>
<td>54.8 @ 30/09/18</td>
</tr>
<tr>
<td>Financial investments m/l term</td>
<td>12.2 @ 30/09/18</td>
</tr>
<tr>
<td>Enterprise Value</td>
<td>235.4</td>
</tr>
</tbody>
</table>
## Comparables

<table>
<thead>
<tr>
<th></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>P/Book Value</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Medical/Aesthetic</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cutera</td>
<td>$13.58</td>
<td>$117</td>
<td>13%</td>
<td>$(8)</td>
<td>-7%</td>
<td>$189</td>
<td>$162</td>
<td>1.0</td>
<td>n.a.</td>
<td>2.7</td>
</tr>
<tr>
<td>Sisram Medical (2)</td>
<td>$0.52</td>
<td>$78</td>
<td>18%</td>
<td>$14</td>
<td>18%</td>
<td>$231</td>
<td>$137</td>
<td>0.9</td>
<td>4.8</td>
<td>0.8</td>
</tr>
<tr>
<td>Lutronic</td>
<td>€ 6.84</td>
<td>€ 49</td>
<td>-3%</td>
<td>-€ 8</td>
<td>-16%</td>
<td>€ 170</td>
<td>€ 156</td>
<td>2.4</td>
<td>n.a.</td>
<td>1.6</td>
</tr>
<tr>
<td><strong>Industrial</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>IPG Photonics Co.</td>
<td>$126.17</td>
<td>$1.130</td>
<td>8%</td>
<td>$427</td>
<td>38%</td>
<td>$6.740</td>
<td>$5.622</td>
<td>3.7</td>
<td>9.9</td>
<td>3.1</td>
</tr>
<tr>
<td>Prima Industrie</td>
<td>€ 20.70</td>
<td>€ 318</td>
<td>6%</td>
<td>€ 17</td>
<td>5%</td>
<td>€ 217</td>
<td>€ 315</td>
<td>0.7</td>
<td>13.6</td>
<td>1.4</td>
</tr>
<tr>
<td>Han's Laser</td>
<td>¥30.08</td>
<td>¥8.656</td>
<td>-3%</td>
<td>¥1.590</td>
<td>18%</td>
<td>¥32.100</td>
<td>¥32.139</td>
<td>2.8</td>
<td>15.2</td>
<td>3.6</td>
</tr>
<tr>
<td>El.En. (1)</td>
<td>€ 15.67</td>
<td>€ 243</td>
<td>11%</td>
<td>€ 20</td>
<td>8%</td>
<td>€ 302</td>
<td>€ 235</td>
<td>0.9</td>
<td>11.0</td>
<td>1.6</td>
</tr>
</tbody>
</table>

(1) EV and multiplies as for previous slide
(2) Data on June 30th, 2018
(3) Revenue, Ebit and earnings annualized
El.En. SPA

Enrico ROMAGNOLI
Investor Relations Manager
tel. +39 055-8826807
E-mail: finance@elen.it

POLYTEMS HIR

Financial Communication, IR and Press Office
Bianca FERSINI MASTELLONI - b.fersini@polytemshir.it
Silvia MARONGIU - s.marongiu@polytemshir.it
Tel. +39 06-69923324