

Press release

El.En. S.p.A. announces successful settlement in U.S. patent lawsuit against CoolTouch Inc.

CoolTouch acknowledges infringement and validity of key laser lipolysis patent and shall pay royalties on past and future sales of lipolysis products

Florence, February 9th 2010 – El.En. S.p.a., leader on the laser market and listed on the Star segment of the Italian Stock Exchange, owner of the Patent No. 6,206,873 (the 873 patent) which covers laser technology to remove subcutaneous fat and that is a fundamental component of the Smartlipo™ LaserBodySculptingSM Workstation, today announced, together with its affiliate and licensee Cynosure Inc., a settlement of their infringement U.S. lawsuit against CoolTouch, Inc. based on the statement that CoolTouch's 1320 nm CoolLipo™ laser system infringed on El.En.'s IP.

Under the terms of the settlement, CoolTouch will make payments representing a 9% royalty on sales of CoolLipo made prior to the agreement and a portion of Cynosure's legal expenses. CoolTouch also has agreed to pay a royalty rate of 10% of future net sales for any licensed product sold strictly for lipolysis, and 7.5% of future net sales for any licensed product sold for lipolysis and at least one other aesthetic procedure. As part of its agreement with El.En., CoolTouch has agreed to a Consent Judgment that it has infringed on the 873 patent and that the patent is valid and enforceable. CoolTouch has also granted to El.En. and Cynosure a royalty free license to any patents or patent applications owned or controlled by CoolTouch related to the treatment of fat and or cellulite.

Under Cynosure's license agreement with El.En., additional to the existing Smartlipo™ distribution agreements, once Cynosure has recouped all of its legal costs incurred in the CoolTouch case, Cynosure will receive 60% of the future royalty payments from CoolTouch and El.En. will receive 40%.

This successful settlement further strengthens the technological and market leadership held by the El.En. group in the lipolysis field, where the gold standard Smartlipo™ system is brought to the market by DEKA in Italy and by Cynosure in the US.



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 47% and its market capitalization amounts to €57 million.

Cod. ISIN: IT0001481867

Code: ELN

Listed on MTA

Mkt capt.: 57 mln/Euro

Cod. Reuters: ELN.MI

Cod. Bloomberg: ELN IM

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