Press Release

El.En. 's Board of Directors approves the quarterly financial report as of December 31st , 2009

- *Twelve months: consolidated revenues 150,4 millions of euro (down 32,2%), EBIT negative for 12,6 millions of euro, pretax loss 12,3 millions of euro*

- *Forth quarter: consolidated revenues 43,5 millions of euro (down 23,1%), EBIT negative for 2,0 millions of euro, pretax loss 1,9 millions of euro*

- *The Net financial position improves from 64,7 millions of euro as of September 30, 2009 to 68,8 millions of euro as of December 31, 2009*

- *Twelve months financial report without Cynosure: consolidated revenues 103 millions of euro (down 26,4%), EBIT negative for 1,4 millions of euro, pretax loss 2 millions of euro, net financial position positive for 8,8 millions of euro. In the fourth Quarter revenues 31,4 millions (down 24,2%) EBIT positive for 0,6 millions of euro.*

Florence, February 12th, 2009 – The board of Directors of El.En. Spa, leader on the laser market and listed on the Star segment of the Italian Stock Exchange, released today the quarterly financial statements as of December 31st , 2009 which show **consolidated revenues** at 150,4 millions of euro, down 32,2% on the corresponding period of 2008.

Though improving, the Group's financial results for the fourth quarter confirm the difficulties encountered throughout the year as effect of the international economic downturn, which is directly affecting our markets.

During the **fourth quarter,** also, our main market, the United States, continued to be weak and forced on the American Cynosure Inc. to a loss from operations which drove in the red the comprehensive consolidated income from operations, in the traditionally strongest quarter, too. For what pertains to the quarterly consolidated financial report without Cynosure, it registered an income from operations for the first time in the year; the amount of the income did not allow the expected full recovery of the loss from operations accumulated in the first nine months.

We are facing a demand weakness which is now maintaining a durable status, since the signs of improvement that are appearing from time to time have not yet succeeded in materializing a trend on which we can confidently rely in order to increase the sales volume to the levels registered back in 2008. The group's companies have therefore manages their cost structure in order to lower the break even point and allow profitability under the current sales volume.

We highlight that in the quarter the Group maintained a high level of R&D expense, consistent with our competitive strategy based on product innovation, and it also accelerated certain investments in strategically relevant distribution organizations.

Gross Margin as of 31/12/2009 was 79,4 millions of euro, as opposed to 126,3 millions of euro of the previous year (down 37,1%). For the quarter it was 20,8 millions of euro, as opposed to 33,4 millions of euro in 2008 (down37,7%).

EBITDA for the twelve months is negative for 3,8 millions of euro, it was positive for 28,8 millions of euro as of December 2008. For the quarter it was positive for 0,2 millions of euro, down from the 4,9 millions of euro of the correspondent quarter of 2008.

EBIT for the twelve months was negative for 12,6 millions of euro, as opposed to the 20,6 millions of euro income as of December 2008. For the quarter we registered a 2,0 millions of euro loss, whereas we had a 1,0 millions of euro income in the fourth quarter of 2008.

Pre tax income as of 31/12/2009 is negative for 12,3 millions of euro, it was 22,2 millions of euro income in 2008. For the quarter pre tax loss is 1,8 millions of euro, it was a 1,3 millions of euro income as of December 31st, 2008.

The **net financial position** of the Group stays positive at 68,8 millions of euro, up from the 64,7 millions of euro as of September 30th, 2009 and from the 67,9 millions of euro as of the end of 2008.

The **consolidated financial report drafted without Cynosure** show revenues for 103,0 millions of euro, down 26,4% on the 140,0 millions of euro of 2008; **EBITDA** was 2,5 millions of euro, as opposed to 18,4 millions of euro of the previous year; **EBIT** was negative for 1,4 millions of euro, it was a 13,8 millions of euro income as of December 31st, 2008; **pre tax** loss is 2,0 millions of euro, it was 13,8 millions of euro income in the previous year. For the **quarter the financial report without Cynosure** marks revenues for 31,4 millions of euro, down 24,2% from the 41,5 millions of euro as of December 31at, 2008; **EBITDA** was positive for 1,6 millions of euro, down from the 7,6 millions of the previous year; **EBIT** was positive for 0,6 millions of euro, it had been 5,3 millions of euro as of December 2008; **pre tax income** was 0,8 millions of euro, it was 5,1 millions of euro in the fourth quarter of 2008.

Our market environment is still scarcely dynamic and is not showing stable signs of trend inversion. The high instability of the markets is not allowing as of today an adequately accurate forecast of profitability and sales volume: for what concerns the financial report drafted without Cynosure the company indicates for 2010 the target of returning to profitability in force of a light increase in revenue and of an effective cost control.

The manager in charge of preparing the corporate accounting records, Enrico Romagnoli, declares, pursuant to paragraph 2, article 154-bis of the Consolidated Finance Law, that the accounting disclosures provided in this document correspond to the accounting records, books and entries.

As required by Consob, the quarterly report as of December 31st , 2009 will be available for the public at our premises in Calenzano, at Borsa Italiana SpA and in the investor relation section of our website www.elengroup.com from February 12th, 2010.

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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Tab. 1 – Three months ended December 31, 2009 (unaudited)

Profit and loss account - 3 months	31/12/09	Inc.%		Inc.%	Var.%
Revenues	43.515	100,0%	56.621	100,0%	-23,1%
Change in inventory of finished goods and WIP	(1.157)	-2,7%	768	1,4%	
Other revenues and income	294	0,7%	817	1,4%	-64,0%
Value of production	**42.652**	**98,0%**	**58.206**	**102,8%**	**-26,7%**
Purchase of raw materials	15.807	36,3%	20.335	35,9%	-22,3%
Change in inventory of raw material	1.738	4,0%	(953)	-1,7%	
Other direct services	4.292	9,9%	5.425	9,6%	-20,9%
Gross margin	**20.815**	**47,8%**	**33.398**	**59,0%**	**-37,7%**
Other operating services and charges	10.265	23,6%	16.304	28,8%	-37,0%
Added value	**10.549**	**24,2%**	**17.094**	**30,2%**	**-38,3%**
For staff costs	10.326	23,7%	12.242	21,6%	-15,7%
EBITDA	**223**	**0,5%**	**4.852**	**8,6%**	**-95,4%**
Depreciation, amortization and other accruals	2.250	5,2%	3.848	6,8%	-41,5%
EBIT	**(2.026)**	**-4,7%**	**1.004**	**1,8%**	
Net financial income (charges)	136	0,3%	65	0,1%	108,6%
Share of profit of associated companies	419	1,0%	(8)	0,0%	
Other Income (expense) net	(382)	-0,9%	264	0,5%	
Income before taxes	**(1.854)**	**-4,3%**	**1.324**	**2,3%**	

Tab. 2 – Twelve months ended December 31, 2009 (unaudited)

Profit and loss account	31/12/09	Inc.%	31/12/08	Inc.%	Var.%
Revenues	150.361	100,0%	221.670	100,0%	-32,2%
Change in inventory of finished goods and WIP	(2.215)	-1,5%	5.358	2,4%	
Other revenues and income	1.936	1,3%	1.818	0,8%	6,4%
Value of production	**150.081**	**99,8%**	**228.847**	**103,2%**	**-34,4%**
Purchase of raw materials	51.885	34,5%	85.679	38,7%	-39,4%
Change in inventory of raw material	3.795	2,5%	(6.029)	-2,7%	
Other direct services	14.966	10,0%	22.866	10,3%	-34,6%
Gross margin	**79.436**	**52,8%**	**126.330**	**57,0%**	**-37,1%**
Other operating services and charges	41.214	27,4%	51.379	23,2%	-19,8%
Added value	**38.222**	**25,4%**	**74.951**	**33,8%**	**-49,0%**
For staff costs	42.021	27,9%	46.140	20,8%	-8,9%
EBITDA	**(3.799)**	**-2,5%**	**28.812**	**13,0%**	
Depreciation, amortization and other accruals	8.760	5,8%	8.260	3,7%	6,0%
EBIT	**(12.559)**	**-8,4%**	**20.551**	**9,3%**	
Net financial income (charges)	947	0,6%	1.629	0,7%	-41,9%
Share of profit of associated companies	(274)	-0,2%	(130)	-0,1%	111,0%
Other net income (expense)	(402)	-0,3%	36	0,0%	
Income before taxes	**(12.288)**	**-8,2%**	**22.087**	**10,0%**	

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Tab. 3 – Three months ended December 31, 2009 (unaudited) – without Cynosure

Profit and loss account - 3 months	**31/12/09**	**Inc.%**	**31/12/08**	**Inc.%**	**Var.%**
Revenues	31.409	100,0%	41.455	100,0%	-24,2%
Change in inventory of finished goods and WIP	(993)	-3,2%	(623)	-1,5%	59,5%
Other revenues and income	251	0,8%	726	1,8%	-65,4%
Value of production	**30.667**	**97,6%**	**41.557**	**100,2%**	**-26,2%**
Purchase of raw materials	12.772	40,7%	15.460	37,3%	-17,4%
Change in inventory of raw material	203	0,6%	(888)	-2,1%	
Other direct services	2.878	9,2%	3.702	8,9%	-22,3%
Gross margin	**14.814**	**47,2%**	**23.284**	**56,2%**	**-36,4%**
Other operating services and charges	6.327	20,1%	8.283	20,0%	-23,6%
Added value	**8.487**	**27,0%**	**15.001**	**36,2%**	**-43,4%**
For staff costs	6.922	22,0%	7.400	17,8%	-6,5%
EBITDA	**1.565**	**5,0%**	**7.602**	**18,3%**	**-79,4%**
Depreciation, amortization and other accruals	919	2,9%	2.282	5,5%	-59,7%
EBIT	**646**	**2,1%**	**5.320**	**12,8%**	**-87,9%**
Net financial income (charges)	89	0,3%	(432)	-1,0%	
Share of profit of associated companies	419	1,3%	(8)	0,0%	
Other Income (expense) net	(374)	-1,2%	259	0,6%	
Income before taxes	**780**	**2,5%**	**5.139**	**12,4%**	**-84,8%**

Tab. 4 – Twelve months ended December 31, 2009 (unaudited) – without Cynosure

Profit and loss account	31/12/09	Inc.%	31/12/08	Inc.%	Var.%
Revenues	103.014	100,0%	139.988	100,0%	-26,4%
Change in inventory of finished goods and WIP	(61)	-0,1%	3.200	2,3%	
Other revenues and income	1.737	1,7%	1.381	1,0%	25,8%
Value of production	**104.690**	**101,6%**	**144.569**	**103,3%**	**-27,6%**
Purchase of raw materials	42.677	41,4%	65.275	46,6%	-34,6%
Change in inventory of raw material	1.814	1,8%	(4.476)	-3,2%	
Other direct services	9.726	9,4%	13.608	9,7%	-28,5%
Gross margin	**50.473**	**49,0%**	**70.163**	**50,1%**	**-28,1%**
Other operating services and charges	22.866	22,2%	25.430	18,2%	-10,1%
Added value	**27.607**	**26,8%**	**44.733**	**32,0%**	**-38,3%**
For staff costs	25.098	24,4%	26.282	18,8%	-4,5%
EBITDA	**2.509**	**2,4%**	**18.452**	**13,2%**	**-86,4%**
Depreciation, amortization and other accruals	3.924	3,8%	4.615	3,3%	-15,0%
EBIT	**(1.415)**	**-1,4%**	**13.836**	**9,9%**	
Net financial income (charges)	90	0,1%	(176)	-0,1%	
Share of profit of associated companies	(274)	-0,3%	(130)	-0,1%	111,0%
Other net income (expense)	(374)	-0,4%	253	0,2%	
Income before taxes	**(1.973)**	**-1,9%**	**13.783**	**9,8%**	