



Q3 2012 RESULTS

INTERMONTE
November 22th, 2012

Company Presentation



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Summary

1. THE GLOBAL LASER MARKET
2. CYNOSURE PUBLIC OFFERING
3. EL.EN. GROUP
4. 9 M 2012 FINANCIAL RESULTS
5. 2012 GUIDANCE
6. MULTIPLES AND COMPARABLES



The Global Laser Market



LASER

Light **A**mplification **S**timulated by **E**mission of **R**adiation

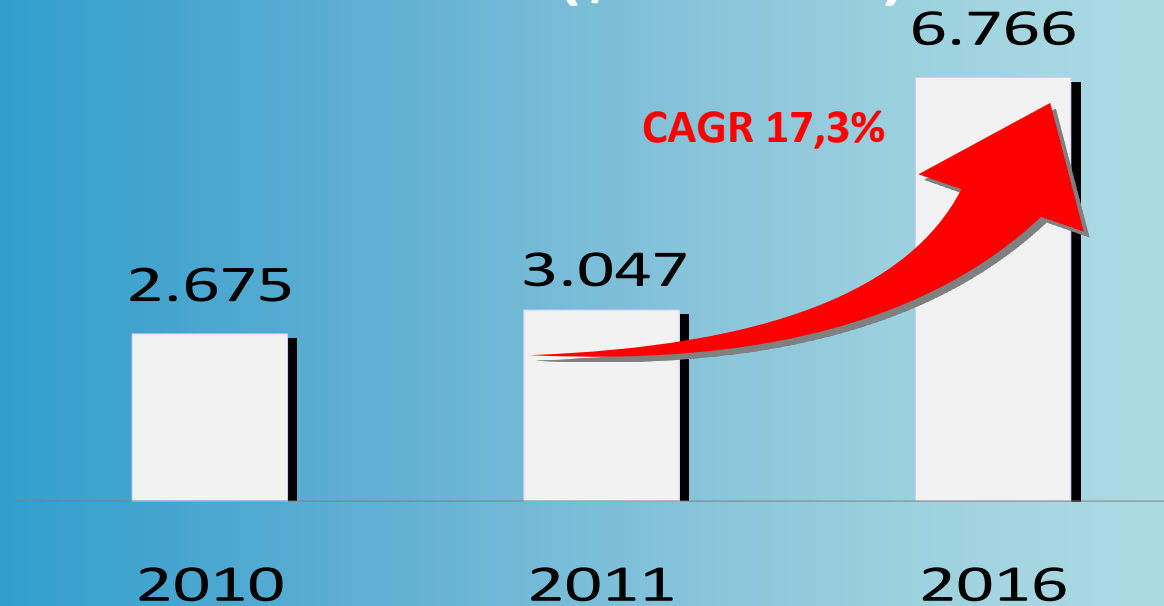
MEDICAL LASER Systems

INDUSTRIAL LASER Systems



The MEDICAL Laser Market

Global Market trends for Medical Lasers (\$ millions)



Source: BCC Research



The AESTHETIC Laser Market Shares

Revenues in \$ M

	2008	2009	2010	2011	2012(**)
El.En. Aesthetic/Medical	\$ 97,4	\$ 72,8	\$ 89,9	\$ 88,1	\$ 94,8
Cynosure	\$ 139,0	\$ 72,5	\$ 81,5	\$ 110,2	\$ 147,4
Peer group Total (*)	\$ 924,7	\$ 661,0	\$ 710,2	\$ 850,2	\$ 943,6
% El.En.	10,5%	11,0%	12,7%	10,4%	10,0%
% Cyno	15,0%	11,0%	11,5%	13,0%	15,6%
% El.En. Group	25,6%	22,0%	24,1%	23,3%	25,7%

(*)

Lumenis (Aesth) - estimated

Cynosure (CYNO)

Cutera (CUTR)

Palomar (PMTI)

Syneron (ELOS)

Solta Medical (SLTM)

Biolase (BIOL)

El.En. (aesth w/o Cyno)

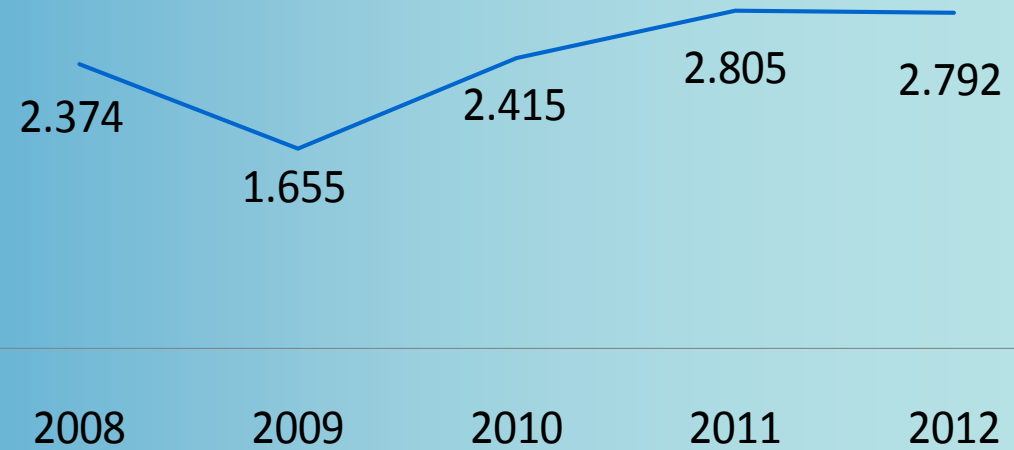


(**) 2012: Annualized

The INDUSTRIAL Laser Market

Laser Sources Market

Revenues (\$M)



Source: Laser focus World





Cynosure Public Offering



Overview of the Public Offering

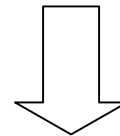
Cynosure: Public Offering 2.6 mm of shares

+

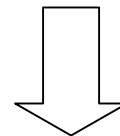
El.En.: Offering 600k its Cynosure's shares

+

Greenshoe 240k+240k shares



Capital gain 5,6 mm of euro



El.En.'s share of Cynosure falls below 20% to 13%

Cynosure is no longer fully consolidated

Strategic cooperation

R&D and distribution

Smartlipo MPX – Triplex - Cellulaze- Fractional CO₂

	2008	2009	2010	2011	9M 2012
Sales of ex Cyno El.En. group to Cynosure (Euro 000)	12.560	4.365	4.167	5.434	3.500
% on ex Cyno Aesthetic sales	16,8%	7,8%	6,0%	8,0%	6,3%



El.En. Group





Group Overview

High -Tech Industrial Group

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

Know-how based on 30 years stratification of multidisciplinary experience

September, 30th 2012 (w\o Cynosure): Consolidated Revenues of €108 mln, up 11% YoY, 774 employees

Global positioning

Strategic Strengths

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

Covering both Medical and Industrial laser markets

Industrial

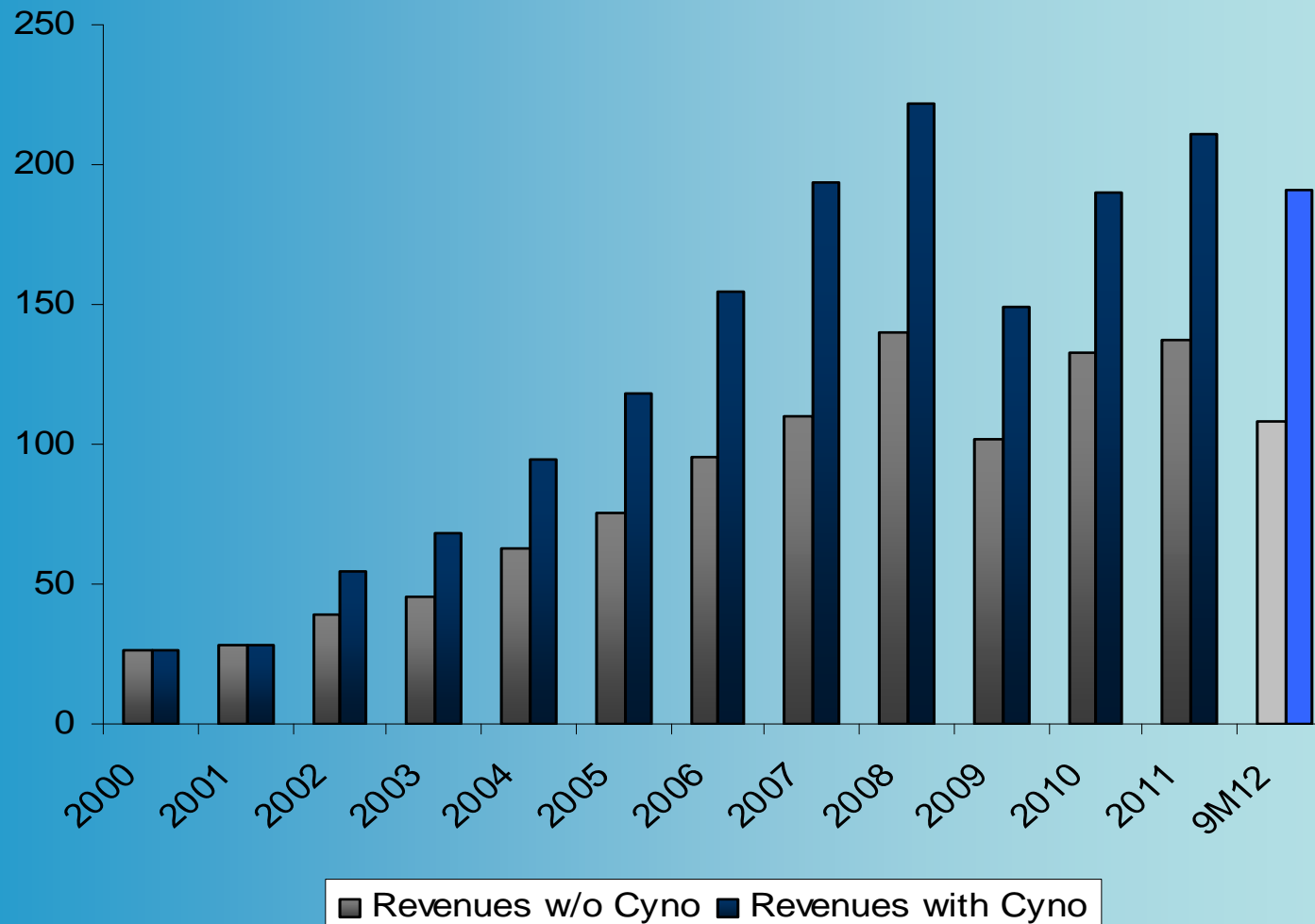
- ✓ Combine High tech laser source development with flexible production facilities in high growth areas

Medical

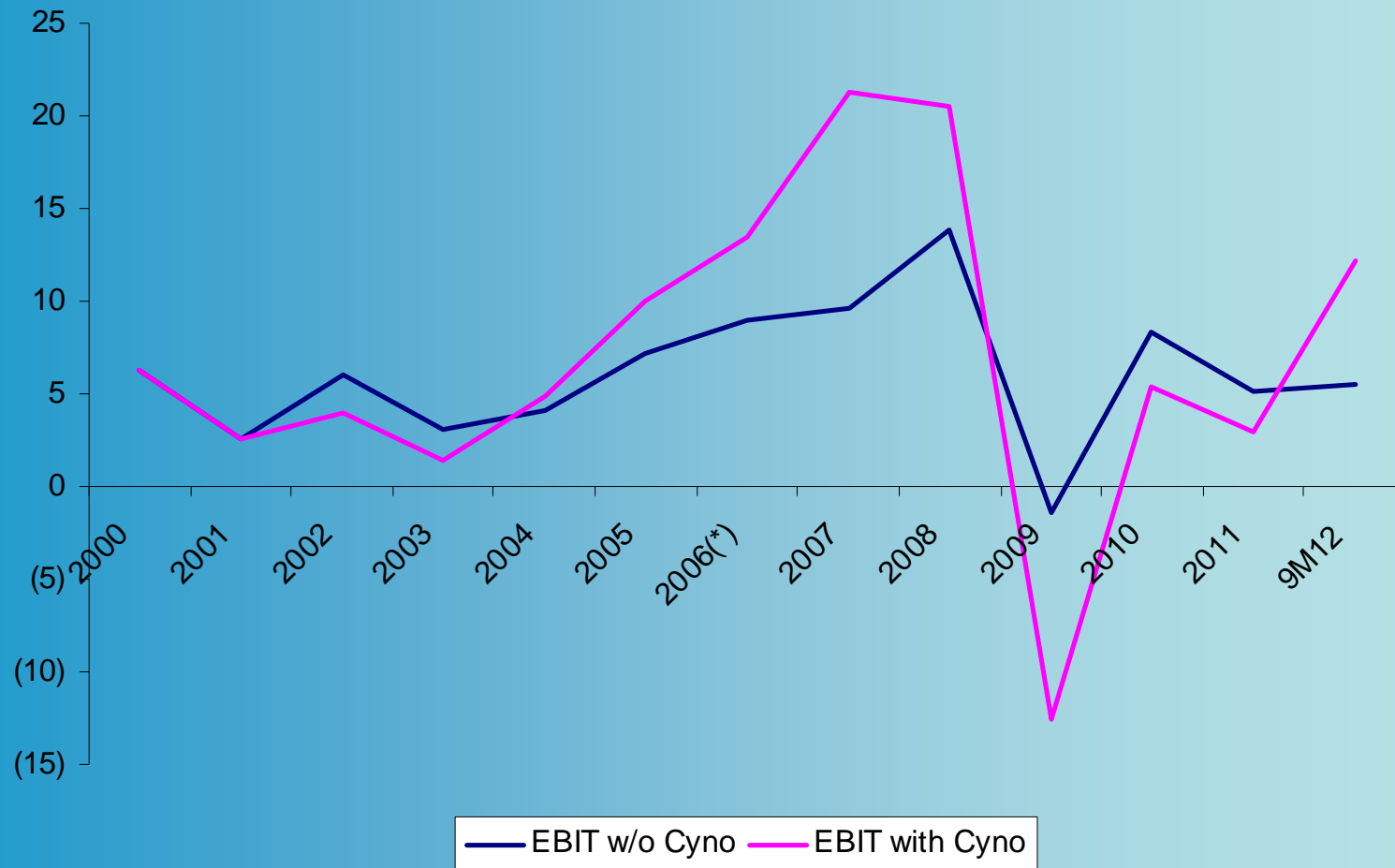
- ✓ Maximize market penetration by multi brand approach
- ✓ Open new market segments by developing innovative applications
- ✓ Leverage worldwide distribution



Consolidated Revenues



Consolidated EBIT



(*) EBIT 2006 w/o the one time \$10M charge Cynosure/Palomar

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

Laser systems for regenerative medicine

Laser and ultrasound combination systems for minimally invasive surgery

New applications of cutting edge CO₂ platform: MonaLisa Touch, ENT

High power surgical lasers for BPH: Ho:YAG and Tm

Improvements in laser lipolysis and cellulite treatment systems: Cellulaze

Cutting and welding applications for 5 axes laser systems

Compact RF medium power sources

MILORDS project: robot-controlled laser systems for surgical applications

R&D expenses

	30/09/11	30/09/12	Var.%
R&D expenses	10.876	13.197	21.3%
<i>Percentage on group revenues</i>	<i>7.4%</i>	<i>6.9%</i>	
Grants	1.009	1.523	50.9%

- ✓ 70 Research engineers
- ✓ 4 R&D labs:
Florence, Milan, Naples, Jena



Medical/Aesthetic

Aesthetic

Hair Removal
Vascular Lesions
Skin Rejuvenation
Pigmented Lesions
Treatment of Cellulite
Acne
Tattoo Removal
Anti - Aging
LaserBody Sculpting
Removal of Unwanted Fat

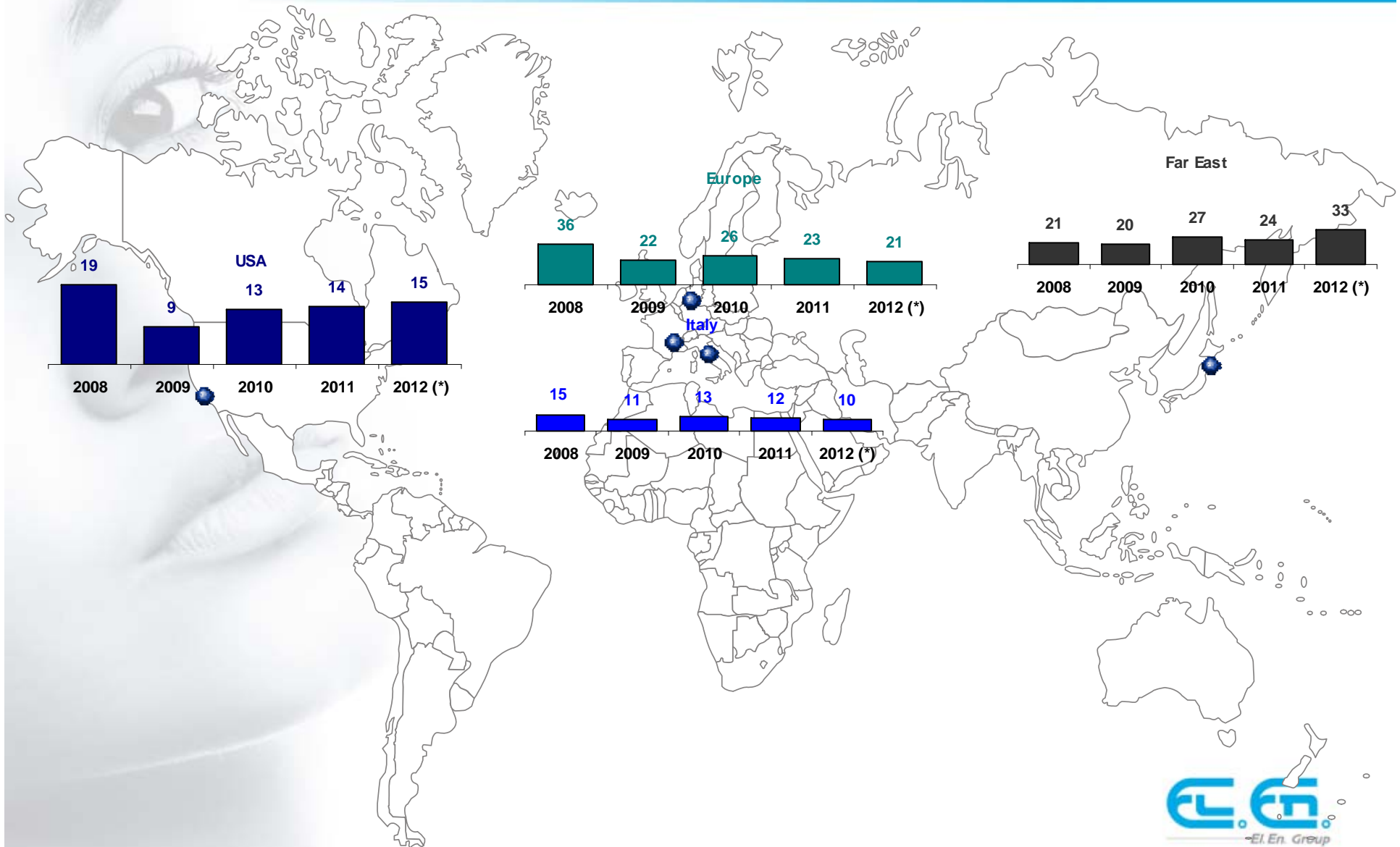


Medical

ENT
Gynaechology
Urology
Endovascular
Onchology
Dermatology
Psoriasis and Vitiligo
Dentistry
Therapy

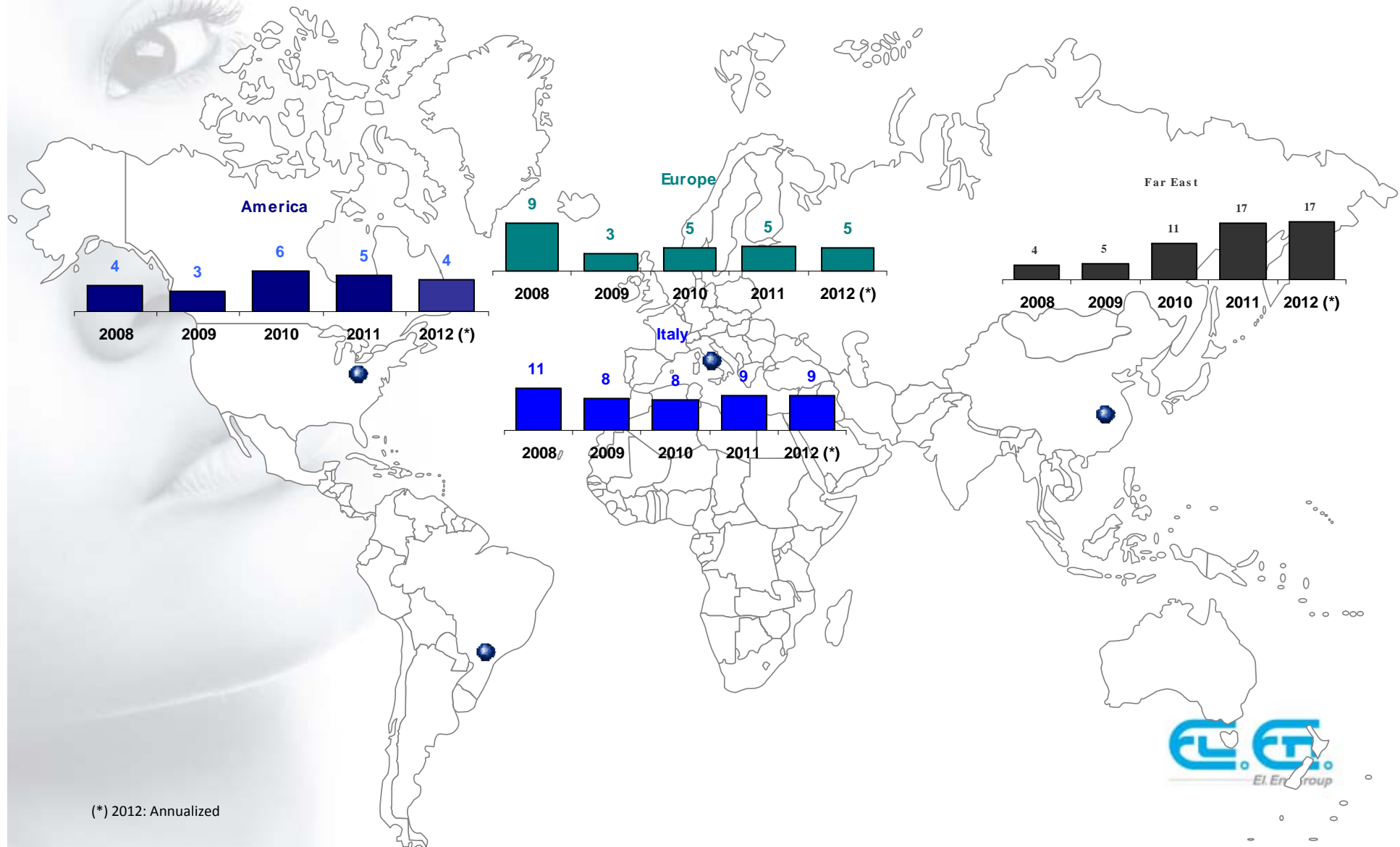


Medical Laser: Breakdown by Area



(*) 2012: Annualized

Industrial Laser: Breakdown by Area



(*) 2012: Annualized



9M 2012 Financial Results



Consolidated P&L

	30/09/11 unaudited		30/09/12 unaudited		Var.%
Revenues	147.330	100,0%	191.112	100,0%	29,7%
Gross margin	77.202	52,4%	99.910	52,3%	29,4%
EBITDA	7.853	5,3%	20.094	10,5%	155,9%
EBIT	(65)	0,0%	12.155	6,4%	
Income before taxes	(768)	-0,5%	11.427	6,0%	

	31/12/11	30/09/12 unaudited
Net financial position	53.035	68.651

Consolidated P&L (w/o Cynosure)

	30/09/11 unaudited		30/09/12 unaudited		Var.%
Revenues	97.718	100,0%	108.310	100,0%	10,8%
Gross margin	48.561	49,7%	51.876	47,9%	6,8%
EBITDA	7.599	7,8%	9.307	8,6%	22,5%
EBIT	3.457	3,5%	5.571	5,1%	61,2%
Income before taxes	2.795	2,9%	4.615	4,3%	65,1%

	31/12/11	30/09/12 unaudited
Net financial position	1.764	7.805

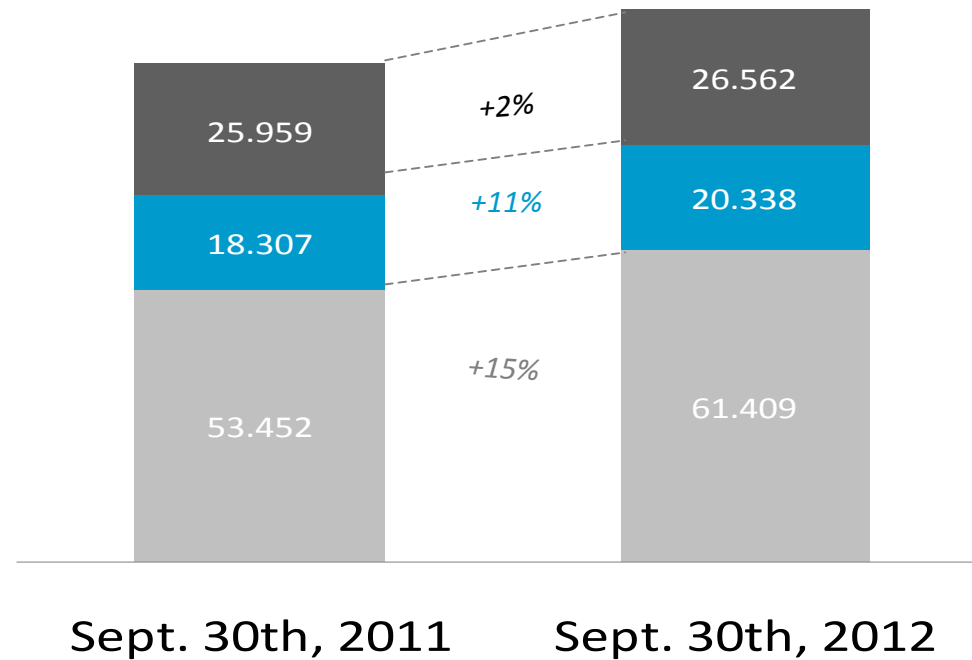
El.En. – Revenues breakdown by business

El.En

- Industrial
 - Cutting
 - Marking
 - Laser sources
- Service
 - Medical
 - Industrial
- Medical
 - Aesthetic
 - Surgical CO₂
 - Physiotherapy
 - Dental

Cynosure

- Medical
 - Aesthetic
 - Service



2012: +11%

El.En. – Medical and Aesthetic

El.En

Industrial
Service

Medical

■ Accessories

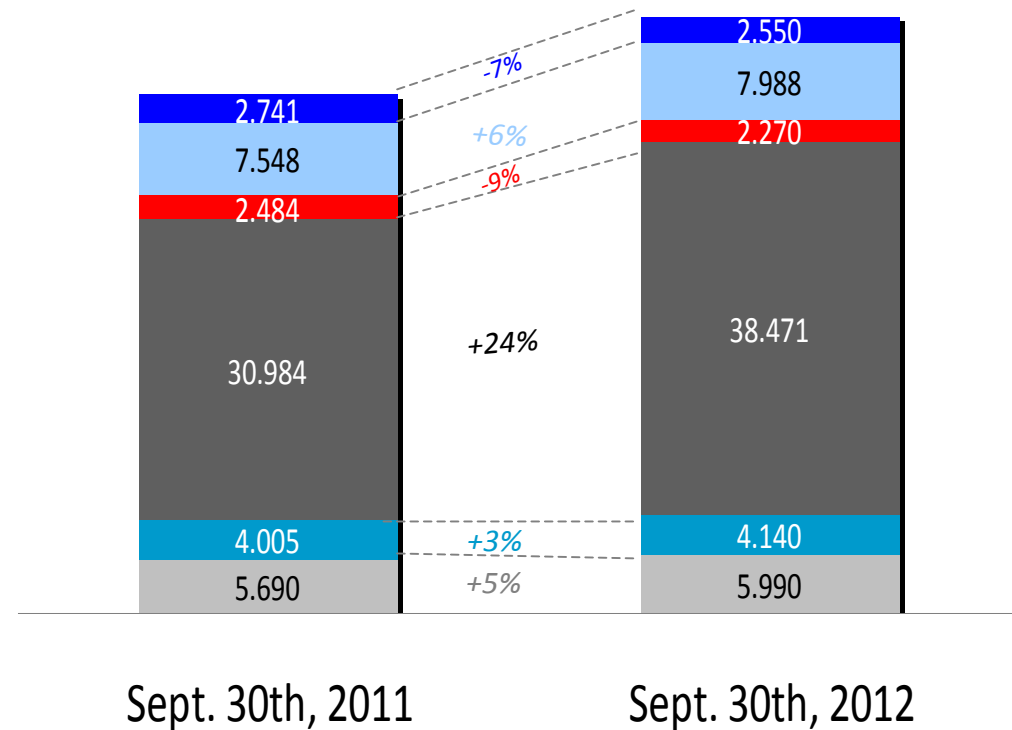
■ Other Medical
Lasers

■ Dental

■ Aesthetic

■ Physiotherapy

■ Surgical CO2



Cynosure

Medical

Aesthetic
Service

2012: +15%



El.En. – Industrial

El.En

Industrial

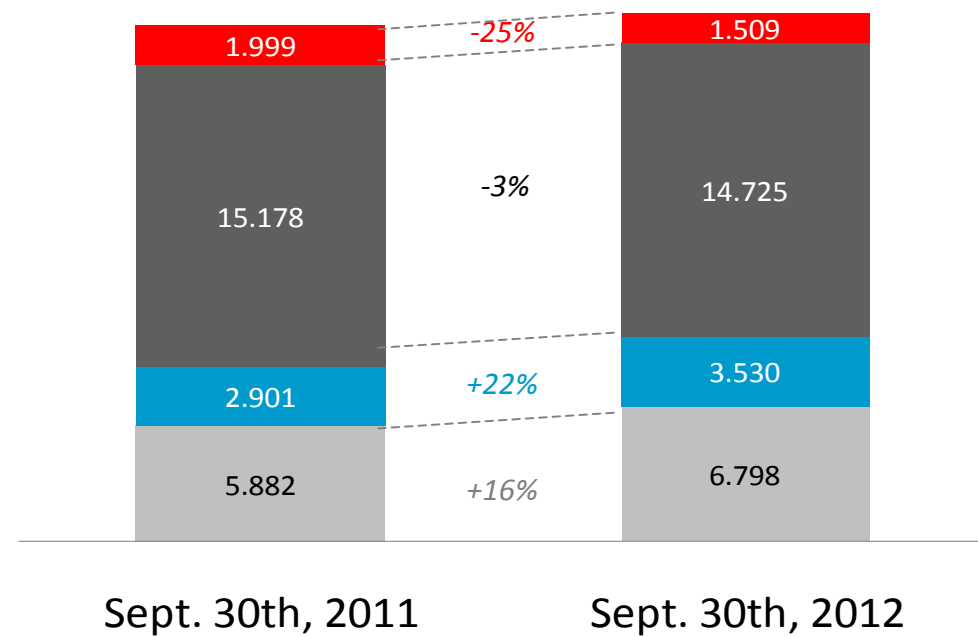
- Other
- China & Brazil
- Europe
- Italy

Service
Medical

Cynosure

Medical

Aesthetic
Service



2012: +2%



2012 Guidance



2012 forecast – El.En. stand alone

Forecast

Sales: $\geq +10\%$

EBIT%: $\geq 5\%$



Multiples and comparables



El.En. w/o Cynosure multiples

Stockholder's Equity per share **25**

Price / Book Value Adj. **0,64**

EV / EBIT (70% EBIT w/o Cynosure) **4,22**

EV / Sales (70% Sales w/o Cynosure) **0,22**

El.En. Market Cap.	77,2 @ €16
Net financial position	7,8 @ 30/09/12
Market value of 2,9 mm Cynosure shares	47,4 @ \$20,5 (Euro/Usd=1,27)
Enterprise Value	21,9 @ 30/09/12
Stockholder's Equity pertaining to parent company, (with Cynosure shares at market value)	121,2 @ 30/06/12

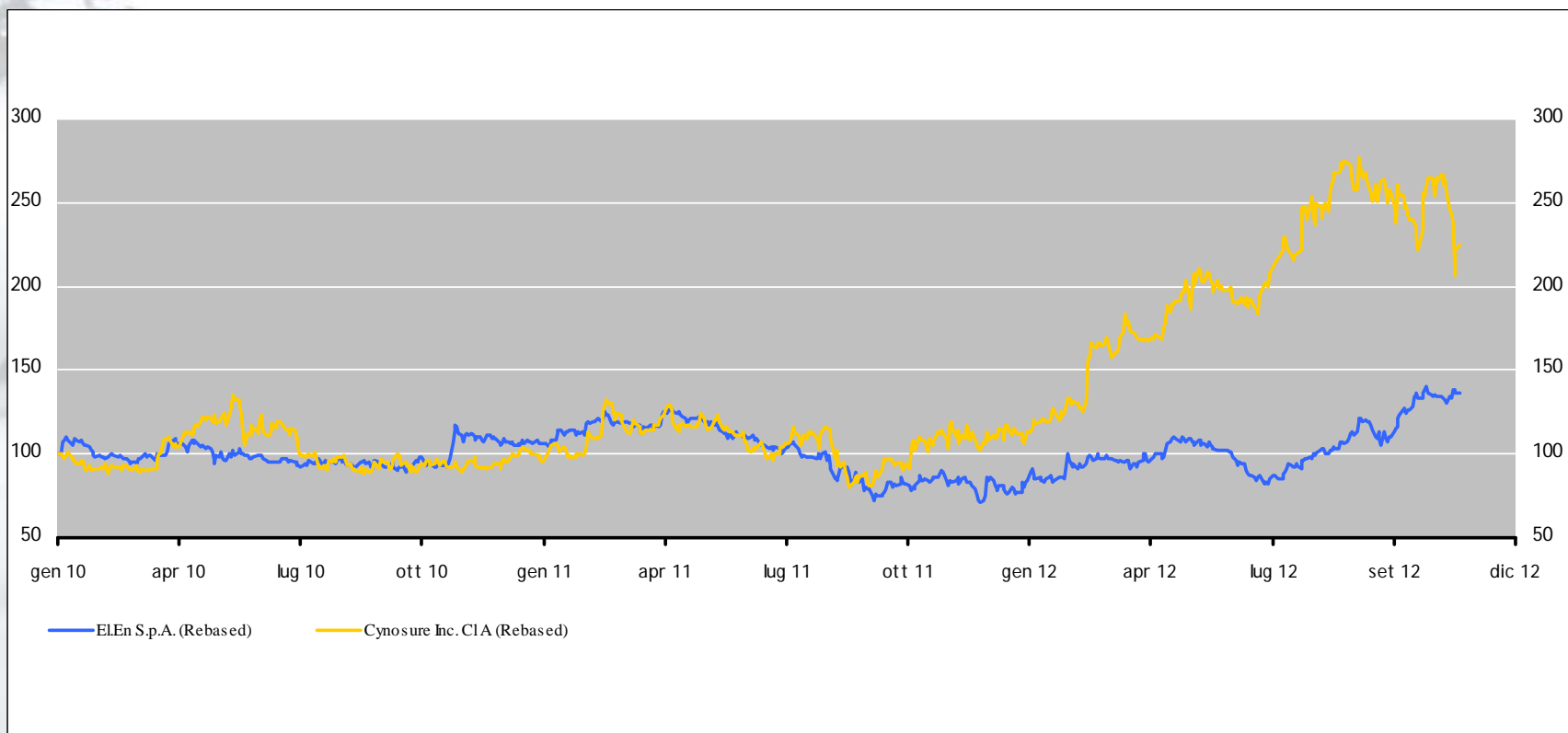
Comparables

9 Months	Price	Revenue	Var.% Revenue	EBIT	MK.Cap.	EV	EV/Sales (*)	EV/EBIT (*)	P/Book Value
Medical/Aesthetic									
Syneron	\$7,72	\$190.862	14%	\$(6.071)	\$274.110	\$158.302	0,62	n.a.	1,27
Palomar	\$7,53	\$57.145	-29%	\$(8.247)	\$147.480	\$63.314	0,83	n.a.	0,99
Solta Medical	\$2,41	\$104.744	26%	\$(36.615)	\$165.210	\$154.415	1,11	n.a.	1,52
Cutera	\$8,74	\$54.744	31%	\$(7.895)	\$123.460	\$43.331	0,59	n.a.	1,41
Biolase	\$1,79	\$38.276	7%	\$(3.723)	\$55.920	\$56.814	1,11	n.a.	5,42
Industrial									
IPG Photonics Co.	\$55,50	\$417.498	19%	\$161.629	\$2.850.000	\$2.483.903	4,46	11,53	3,91
Rofin-Sinar	\$19,16	\$408.551	-11%	\$39.279	\$544.120	\$442.957	0,81	8,46	1,10
Prima Industrie	€9,46	€245.379	21%	€11.239	€81.750	€222.522	0,68	14,85	1,00
Cynosure	\$20,50	\$110.546	45%	\$7.606	\$337.695	\$259.022	1,76	25,54	2,47
El.En. (ex Cynosure) (1)	€16,00	€108.310	11%	€5.571	€77.190	€21.950	0,22	4,22	0,64

(*) Sales and Ebit annualized

(1) EV and multiples as for previous slide

El.En. and Cynosure stock performance





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