1 At a glance
Overview 9M 2017

- New order intake:  
  YoY increase in value terms of 55.4 % to EUR 76.2 mn (9M/2016: EUR 49.0 mn);  
  order intake in terms of machines up by 42.9 % to 120 (9M/2016: 84)

- Further framework agreement concluded in October 2017

- Increased order value due to large amount of production machines

- Intensification of the strategic partnerships with partners such as BeamIT and first joint development success

- YoY revenue increase of 3.6 % to EUR 50.2 mn (9M/2016: EUR 48.4 mn);  
  -13.5 % gap to previous year’s revenue as of 30 June 2017 has been made up but year 2017 still challenging as some customers continue to stay in “wait and see mode”

- Adjusted EBITDA\(^1\) margin of -9.2 % in 9M/2017 (9M/2016: -4.0 %), mainly due to higher personnel cost

- Adjusted EBITDA\(^1\) Q3/2017 of -0.07 EUR mn close to break-even  
  (improvement of +0.9 EUR mn compared to Q3/2016 with a value of -0.97 EUR mn)

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\(^1\) adjusted for Retention Bonus in 9M/2017 and 9M/2016 as well as transaction costs in 9M/2016
Sales prospects further increased

**Leads value [EURm]**

- **Q1/17**: 298
- **Q2/17**: 314
- **Q3/17**: 329

**+10.40%**
Order behavior changed:
Less single orders but mid-term frame contracts instead

Order Entry [number of machines]

<table>
<thead>
<tr>
<th></th>
<th>Total Order Entry 9M 2016</th>
<th>Single Orders 9M 2017</th>
<th>Order entry from frame contracts 9M 2017</th>
<th>Total Order Entry 9M 2017</th>
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<tr>
<td></td>
<td>84</td>
<td>60</td>
<td>60</td>
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<tr>
<td>+42.9%</td>
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Financial Highlights
Average order value between EUR 0.5 mn and EUR 0.8 mn

Per-quarter order entry (machines) and average order value (EUR mn)

- SLM Solutions received orders for 73 **machines in Q3/17** (Q3/16: 28)
- Thereof 53.4 %* **multi-laser machines** (Q3/16: 67.9 %)
- **Average order value in Q3/17 at EUR 0.56 mn*** (Q3/16: EUR 0.68 mn)

* Due to average order intake from frame contracts
9M 2017 sales figures reflect valuable product mix

(# Machines)

<table>
<thead>
<tr>
<th></th>
<th>Q1/16</th>
<th>Q2/16</th>
<th>Q3/16</th>
<th>Q4/16</th>
<th>Q1/17</th>
<th>Q2/17</th>
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<td>SLM 125</td>
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<td>6</td>
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</table>

- Multi-laser technology as a USP
- Robust SLM 280 „bread and butter“ business
Challenging market environment affects “Machine Sales” segment

- 85.5 % of 9M/17 revenues were generated by machine sales (including sale of machines and accessories), down 2.9 %
- 14.5 % of 9M/17 revenues were generated by after sales (including service revenue, replacement parts sales and merchandise sales), up EUR 3.0 mn (+ 72.1 %)
- Growth potential of after sales business clearly visible
High dependency on 4\textsuperscript{th} quarter

Q3 2017 revenue up 42.3\% YoY

Rolling observation of a full year period more meaningful: cumulative sales revenues for twelve months increasing to EUR 82.5 mn
### Historic adjusted EBITDA

- **Adjusted EBITDA of -9.2% in 9M/2017**, significantly influenced by increased number of staff (9M/2016: -4.0%)
- Higher adjusted personnel cost ratio of 40.6% (9M/2016: 28.2%)
- Significantly lower cost of materials ratio of 46.8% (9M/2016: 57.0%) due to continued process optimization and optimized preproduction
- **Adjusted EBITDA Q3/2017**: -0.07 EUR mn (Q3/2016: -1.0 EUR mn)
Working Capital of EUR 47.2 mn as of September 30, 2017, up 13.2 % from June 30, 2017 (EUR 41.7 mn), mostly due to increasing receivables

- Increase of Working Capital by EUR 3.0 mn (6.9 %) Y-o-Y (Q3/16: EUR 44.2 mn)
- Increase in Working Capital intensity by 2.4 pts. during Q3/17 to 57.2 % (Q2/17: 54.8 %)
- Working Capital intensity up by 2.4 pts. to 57.2 % Y-o-Y (Q3/16: 54.8 %)
3 Outlook
Strategic guidelines for 2017/2018

- **Customer-centric** organization:
  - More *long-term strategic partnerships* with customers
  - Intensified support for customers who want to enter *serial production*

- **BOM-oriented R&D**

- Creating the basis for revenue of EUR 500 million in 2022 with an EBITDA margin of 20%
Expectations for 2017 highly depending on 4th quarter

- Estimates relating to additive manufacturing market and target regions’ economic trends remain unchanged
- Revenues expected in a range of EUR 110.0 mn to EUR 120.0 mn, highly depending on Q4
- Product mix will include more production-oriented machines
- Adjusted EBITDA margin of 10 to 13% expected (roughly EUR 11.0 mn to EUR 15.0 mn)
- Cost ratios depend highly on revenues achieved – realizing economies of scale
- Results more depending on Q4 than the years before
Investment Highlights

1. Deep rooted additive manufacturing heritage
2. German engineering with a global reach: international expansion in growth markets
3. Enormous addressable market for metal additive manufacturing
4. Technological leadership position due to multi-laser technology
5. Expanding installed base at blue chip customers
6. Profitable growth above market growth
7. Clear growth strategy: full-service provider for additive manufacturing
Today’s share price still **above share price before takeover offer was announced:** 2016/09/05 closing price Xetra EUR 27.80
Shareholder Structure (September 30, 2017)

* Pooling agreement: joint pursuit of Interests pursuant to Section 22 (2) WpHG

** Voting rights are attributed by subsidiary Cornwall GmbH & Co. KG (20.001%)
Q&A
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