1 At a glance
Overview FY 2017

- **YoY revenue growth** of 2.2% to EUR 82.5 mn (FY 2016: EUR 80.7 mn) in a challenging year after 13.5% decline at the end of H1/17 (compared YoY)

- **New order unit intake in value terms more than doubled** (+111.5%) to EUR 169.2 mn (FY 2016: EURO 80.0 mn) and +85.4% in terms of number of machines

- **Positive Adjusted EBITDA**\(^1\) margin of 2.4% in FY 2017 (FY 2016: 3.2%), (reduction YoY mainly due to investments in future growth)

- **Successful placement of convertible bond** (EUR 58.5 mn) in October 2017, cash position end of 2017: EUR 63.7 mn

- **2017 opening of a new office** in India, Q1/18 opening of new offices in France and Italy

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\(^1\) adjusted for Retention Bonus in FY 2017
Development of our share price: +46.9% in FY 2017

Basis: 23 March 2018
Shareholder Structure (March 27, 2018)

- Others 36.17%
- Allianz Global Investors GmbH 3.01%
- Deutsche Asset & Wealth Management Investment GmbH 7.40%
- Oppenheimer Global Opportunities Fund 10.73%
- Hans-Joachim Ihde (via Ceresio GmbH) 16.77%
- Henner Schöneborn 1.50%
- Uwe Bögershausen 0.13%
- DPE Deutsche Private Equity B.V. (über Parcom Deutschland I GmbH & Co. KG) 5.38%
- Elliott International Limited 18.91%*

*To interpret the voting rights announcements: Shares attributed to Mr. Paul E. Singer from Elliott International Limited through the subsidiary Cornwall GmbH & Co. KG (18.91%)
Headquarter in Germany; subsidiaries in Austria, France, Italy, USA, Russia, India, Singapore and China and Agents/Resellers nearly all over the World...
Increasing Customer Base

Number of Customers

- Customer Base developed by +60% from 166 Customers to 267 Customers between 2015 and 2017.

Customers with more than one machine

- 64 Customers with more than one machine at the end of 2017, more than doubled since 2015.
Financial Highlights
Order value remains on favorable level in Q4/17 and FY2017

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

- SLM Solutions received orders for 121 machines in Q4/17 (Q4/16: 46)
- Thereof 55.4% multi-laser machines (Q4/16: 69.6%)
- Average order value in Q4/17 up to EUR 0.77 mn (Q4/16: EUR 0.67 mn)

Average order value (EUR mn)

- FY 2017 average order value increased due to shift in product mix and more restrictive pricing policy
Very strong Q4/17 in terms of order intake leads to a higher level of orders

- **Strong order intake** in Q4/17
- **Major Frame Agreements** signed in June, September, October and November 2017
FY 2017 sales figures reflect valuable mix

First sale of SLM800 in Q4/17

SLM280 remains „bread and butter business“
“Machine Sales” business increases by +5% in FY 2017

Consolidated revenue (by segments; EUR mn)

- **FY16**
  - Machine Sales: 69.7
  - After Sales: 11.0
  - Total: 80.7

- **FY17**
  - Machine Sales: 73.3
  - After Sales: 9.1
  - Total: 82.5

- 88.9% of FY 2017 revenues were generated by machine sales (including sale of machines and accessories)
- 11.1% of FY 2017 revenues were generated by after sales (including service revenue, replacement parts sales and merchandise sales), down from 13.7%
- After sales business with further growth potential

Service contracts in place (# contracts)

- **Dec 31, 2016**
  - Service contracts: 32

- **Dec 31, 2017**
  - Service contracts: 101 (+215% more)

- 101 Service Contracts in place at 31 December 2017; more than tripled compared to 31 December 2016
High dependency on 4th quarter

Revenue development (EUR mn)

- Strong H2/17 compared YoY
- Revenue growth in Q3/17 and Q4/17 after -13.5% in revenues at the end of H1/17 compared YoY
- Q4/17 revenue stable YoY with EUR 32.3 mn
Strong increase in EBITDA in Q4/17 compared YoY

- Adjusted EBITDA margin FY 2017 at 2.4%
- Adjusted EBITDA FY 2017 significantly influenced by H1/17 and investments into future growth
- Higher personnel cost ratio (more FTE) and lower cost of materials ratio
- Adjusted EBITDA Q4/17 YoY +30% higher (+EUR 1.54 mn) on same revenue level
Working Capital

Working Capital as of Dec. 31, 2017 of EUR 57.7 mn, up 14% from Dec. 31, 2016 (EUR 50.6 mn)

Increase in Working Capital intensity by 7.2% YoY to 69.9% (Q4/16: 62.7 %)
**Business Split FY 2017 – Machines sold**

- **Sales by region**
  - EMEA: 28%
  - North America: 32%
  - ROW: 23%
  - APAC: 1%

- **Repeat sales**
  - New sales: 48%
  - Repeat sales: 52%

- **Multilaser sales**
  - Multilaser: 44%
  - Single laser: 56%

- **Sales by machine type**
  - SLM 280: 18%
  - SLM 125: 20%
  - SLM 500: 21%
  - SLM 800: 1%

- **Multi-machine sales**
  - Single machine sales: 31%
  - Multi-machine sales: 69%
Sales prospects further increased

Leads value [EURm]

- Q1/17: 298
- Q2/17: 314
- Q3/17: 329
- Q4/17: 336
- Q1/18: 344

+15.44%
Strategic Outlook
Well-positioned for further growth on an independent basis
Management outlook 2018 – return to growth path

- Revenues expected of around **EUR 125.0 mn**, highly depending on Q4
- Strong focus on **long-term frame contracts** and collaboration agreements
- Product mix will include **more production-oriented machines**
- **Two-digit EBITDA margin (adjusted)** expected
- Long-term Vision of **EUR 500.0 mn** with a positive EBITDA margin (adjusted) of 20.0% by year 2022
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
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