1. At a glance
Overview 9M/2018

- **YoY revenue slightly decreased** by 3.6% to EUR 48.34 mn (9M/2017: EUR 50.16 mn)
- **Total Operating Revenue increased** by 15.5% to EUR 59.40 mn (9M/2017: EUR 51.41 mn)
- **New order intake in value terms** (adjusted by Frame Agreements signed in 9M/2017) increased by almost 13% (EUR 4.72 mn) to EUR 41.28 mn (9M/2017: EUR 36.56 mn), order intake without adjustments down by 45.8% compared y-o-y
- **Current adjusted order intake** (01 January to 07 November 2018) in value terms increased by 14.8% to EUR 43.91 mn
- **EBITDA** improved by around 10% to EUR -4.33 mn (9M/2017: EUR -4.76 mn), personnel cost ratio decreased from 40.7% to 36.7% compared y-o-y
- **New record on sales prospects/leads**: EUR 422 mn (28.27% up compared y-o-y)
- Thanks to its advanced technology, **SLM Solutions is very well positioned** to participate in the near- and long-term growth opportunities
High volatility in share price

Basis: 30 September 2018
Shareholder Structure (November 7, 2018)

- Others 35.96%
- Allianz Global Investors GmbH 5.04%
- Deutsche Asset & Wealth Management Investment GmbH 7.40%
- Oppenheimer Global Opportunities Fund mit 5.56%
- Oppenheimer International Small-Mid Company Fund 5.56%
- Hans-Joachim Ihde (via Ceresio GmbH) 16.77%
- Uwe Bögershausen 0.13%
- DPE Deutsche Private Equity B.V. (über Parcom Deutschland I GmbH & Co. KG) 4.67%
- 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%)
Sales prospects further increased

Leads value [EURm]

- **Sales leads/potential business on record level**
- **Further momentum driven by large industrial companies**
- **Existing SLM customers starting to heavily adopt AM in its industrial production processes**
- **Well-prepared with production-oriented machine portfolio**
- **Solutions-based approach combines machines, software, consulting and consumables**
2 Financial Highlights
Growth on Order Intake in Q3/2018 (adjusted by Frame Agreements signed in 2017)

- SLM Solutions received orders for **67 machines in 9M/2018** (9M/2017: 120, adjusted by Frame Agreements: 60)
- Thereof 62.7% **multi-laser machines** (9M/2017: 53.3%)
- **Current order intake** (Basis: 07 November 2018, adjusted by Frame Agreements) is at EUR 43.91 mn resp. 73 machines vs. EUR 38.25 mn resp. 64 machines compared y-o-y
- Average order value remains on higher level

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

![Chart showing order intake and average order value per quarter from Q4/16 to Q3/18.](chart_image.png)
9M/2018 sales figures reflect valuable mix

SLM280 remains „bread and butter business“

FY2018 results depending on Q4/2018
After Sales Business with further growth potential

Consolidated revenue (by segments; EUR mn)

- 77% of 9M/2018 revenues were generated by machine sales compared to 78% in 9M/2017
- 23% of 9M/2018 revenues were generated by after sales (including service revenue, replacement parts sales and merchandise sales) compared to 22% in 9M/2017
- After sales business with further growth potential
Revenue in Q3/2018 increased by 27.5% compared to Q2/2018, but decreased by 11.7% compared y-o-y.

Achievement of overall guidance depends highly on the fourth quarter.
EBITDA improved y-o-y

**EBITDA (EUR mn / %)**

- **Adjusted EBITDA**
- **Adjusted EBITDA margin**

- **EBITDA margin** 9M/2018 with -9.0% improved compared to 9M/2017* with -9.5%
- Lower personnel cost ratio due to continuous process improvement
- Higher cost of materials ratio due to stock-building in preparation of a strong 4th quarter

*adjusted in 2017 for Retention Bonus
Working Capital further increased in preparation for a strong 4th quarter

- Working Capital significantly increased in Q3/2018: EUR 62.71 mn
- Increase in Working Capital intensity by 18.2 pts. y-o-y to 77.7 % (Q3/2017: 59.5 %)
- Main reason for increase of Working Capital: Increase of inventories from EUR 34.0 mn in Q3/2017 to EUR 38.0 mn in Q3/2018 and decrease of payables from EUR 11.4 (Q3/2017) to EUR 5.9 mn (Q3/2018)
Strategic Outlook
Currently under review by the Executive Board

Expansion of sales and after sales capabilities

Advisory teams focusing on supporting customers to ramp up serial production

Refinement of machines – better user-friendliness
Management outlook 2018 further detailed

- Revenues expected of around **EUR 90 mn to EUR 100 mn**, highly depending on Q4
- **Positive single-digit EBITDA margin** expected
- Pursuing **multiple leads** on new customers and multi-machine orders to **capture the momentum**

- Long-term Vision of **EUR 500 mn** with a positive EBITDA-Margin of around 20% by year 2022 confirmed, but strategy to be reviewed
- Focus remains on **long-term frame contracts** and collaboration agreements; overall: “tight” and long-term relationship with customers
- Product mix will include **more production-oriented machines**
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