

# SLM Solutions – FY 2015 presentation



## ○ Outstanding year 2015

- ✓ Revenues doubled to TEUR 66,137 (+97 %) – significantly above guidance
- ✓ Order intake up 67 % in value, up 64 % in number (102 machines)
- ✓ Adj. EBITDA improved to TEUR 8,050 (2014: 4,490), adj. EBITDA margin of 12,2% in line with guidance (12-13 %)
- ✓ Net profit increased strongly to TEUR 2,160 (2014: TEUR -5,099)
- ✓ New sales & service offices opened in Shanghai and Moscow
- ✓ New production line for SLM 500 in Lübeck with production capacity >70 machines
- ✓ Joint ventures for powder business (TLS Technik) and design software (CADS)



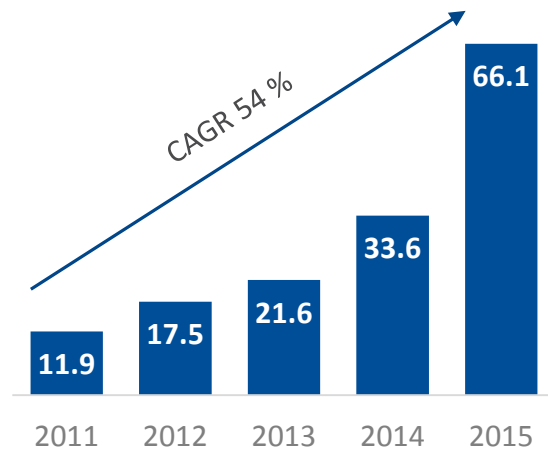
# 2015

SLM Solutions Shanghai Branch Office Grand Opening Ceremony  
SLM Solutions 集团上海分公司开业庆典  
November 12

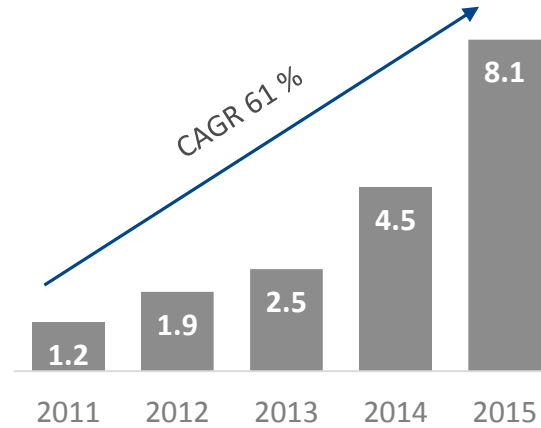


# ○ Profitable growth – accelerating since IPO

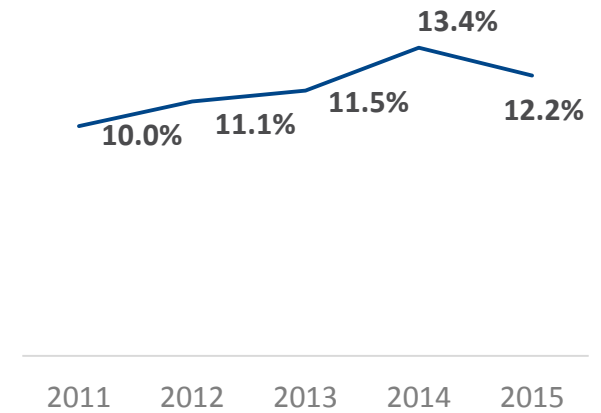
**Revenue (EUR million)**



**Adj. EBITDA (EUR million)**

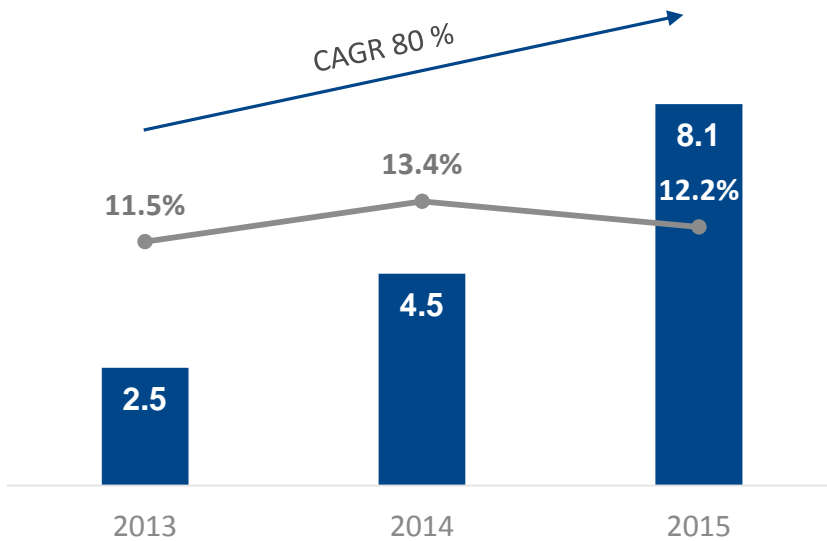


**Adj. EBITDA (% of revenue)**

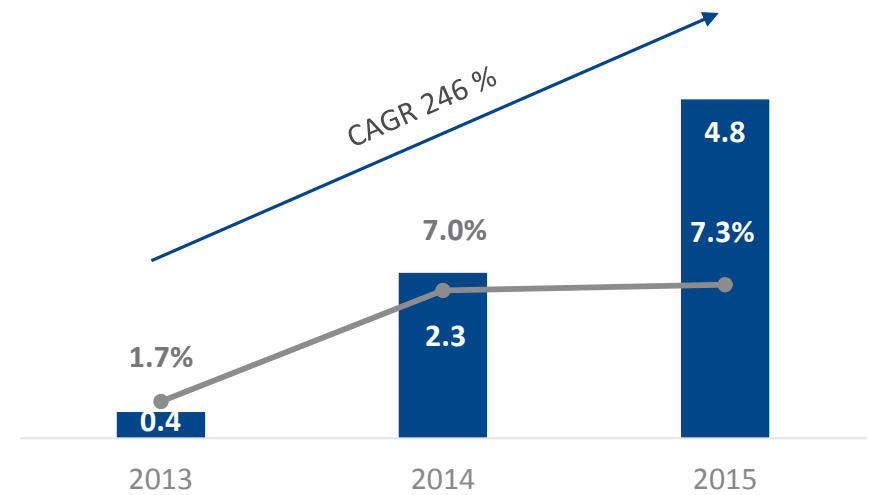


# ○ Continuous improvement of profitability

**Adj. EBITDA (EUR million) and margin (%)**



**Adj. EBIT (EUR million) and margin (%)**



## ○ Financial highlights 2015 – profitable growth

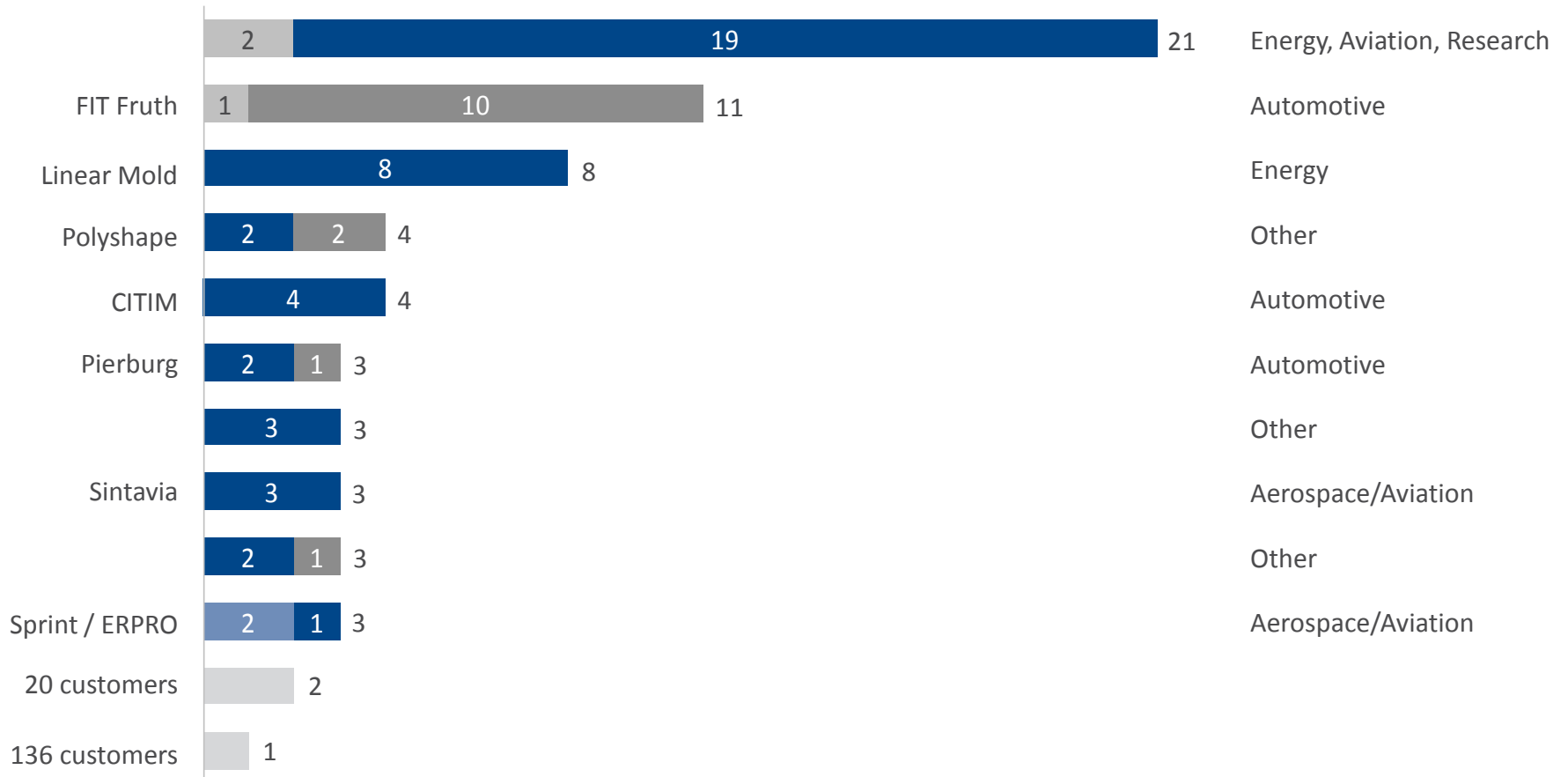
- 89.5 % of revenues stem from core laser melting machine business (2014: 80.8 %)
- Cost of materials ratio at previous year's level with 53.7 % (2014: 53.6 %)
- Adj. Personnel cost ratio stable at 19.7 % (2014: 19.4 %) <sup>1)</sup>
- Net profit increase to TEUR 2,160 (2014: TEUR -5,099)
- EPS (undiluted and diluted) increase to EUR 0.12 (2014: EUR -0.30 undiluted and EUR -0.23 diluted)
- Operating Cash Flow improved to TEUR -7,365 (2014: TEUR -13,324), still funds tied up in working capital
- Healthy equity ratio of 76.2 % (December 31, 2014: 86.5 %)

1) Personnel cost, EBITDA and EBIT 2015 adjusted for Retention Bonus of TEUR 1,190

# ○ Diverse installed base – 30 customers with > 1 machine

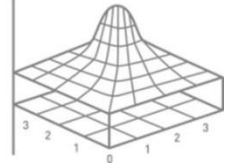
■ SLM125HL 
 ■ SLM250HL 
 ■ SLM280HL 
 ■ SLM500HL

**Industry**



# Reference customers 2015 – growth on a broad basis

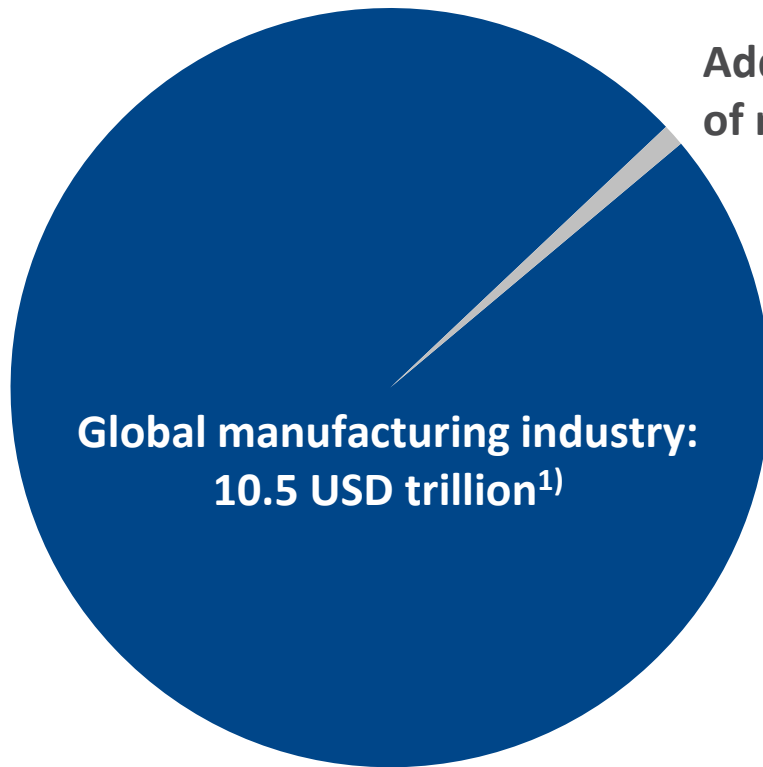


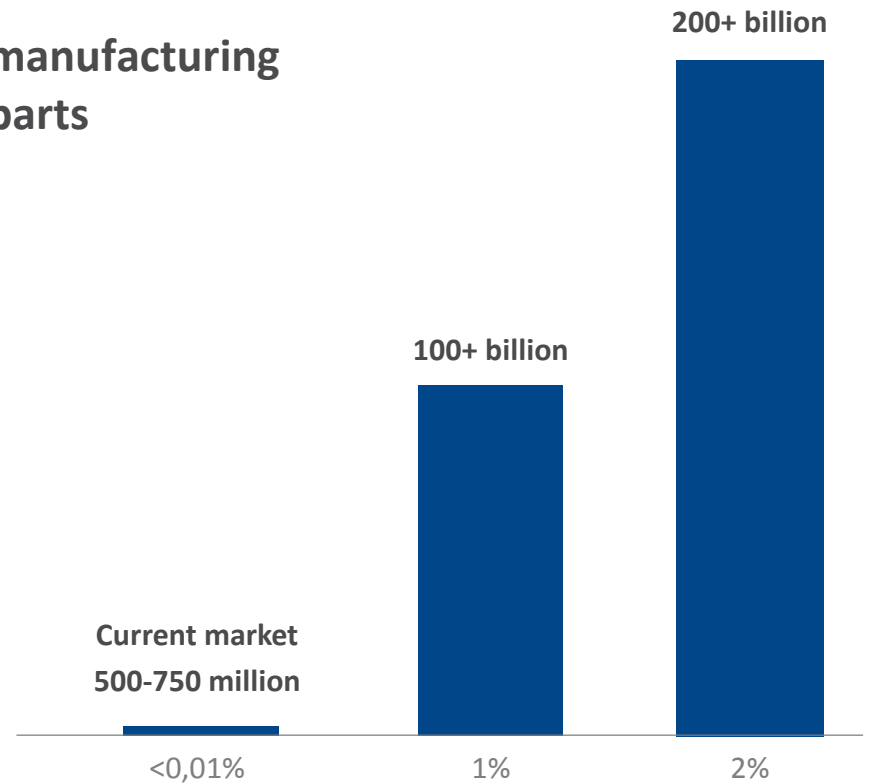
# Strategic Outlook



# ○ Huge market potential...



**Additive manufacturing  
of metal parts**

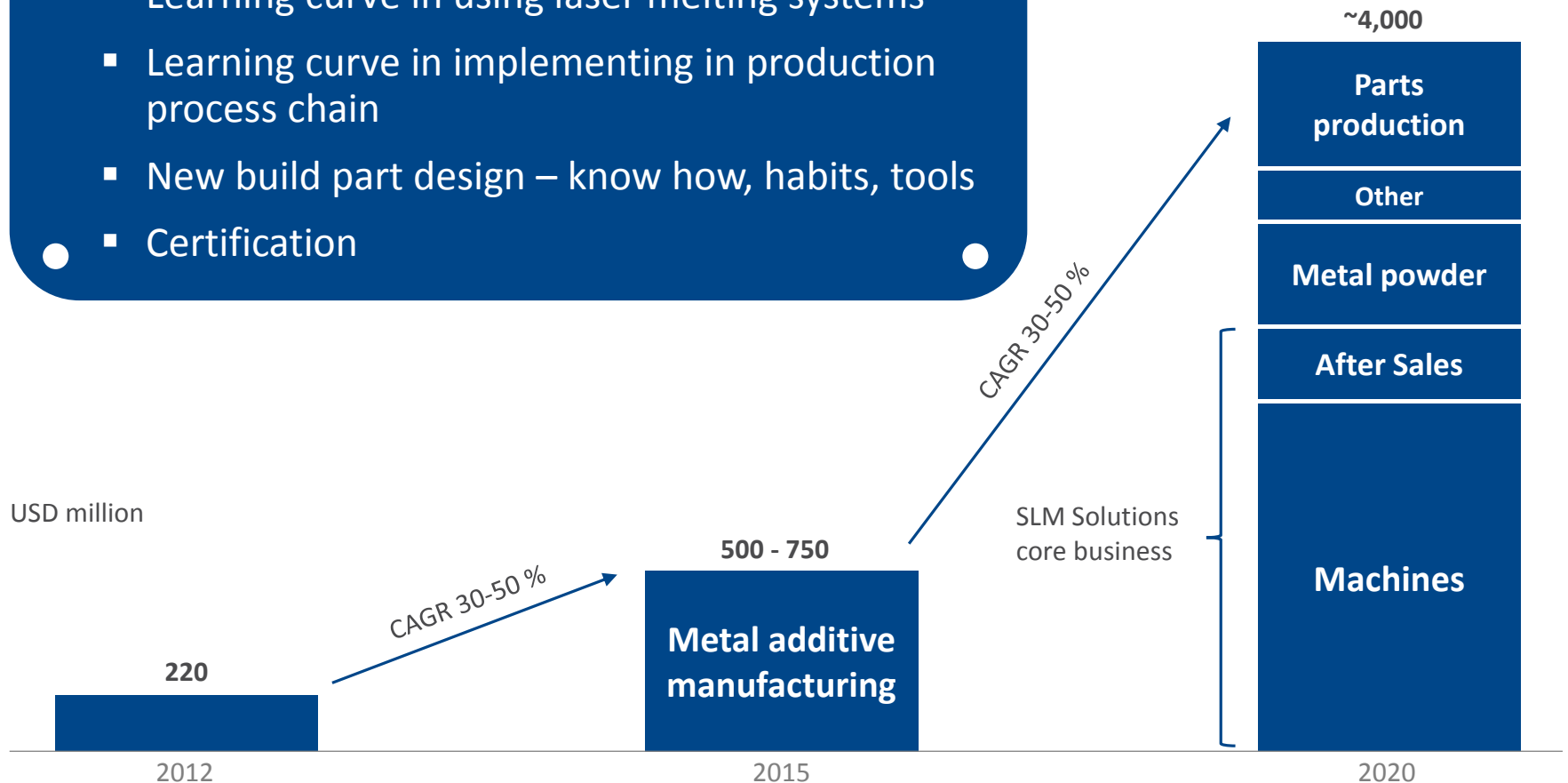


1) 2012, Wohlers Associates

○ ...however market growth is „limited“ to 30-50 % CAGR

### ● Adoption barriers

- Learning curve in using laser melting systems
- Learning curve in implementing in production process chain
- New build part design – know how, habits, tools
- Certification

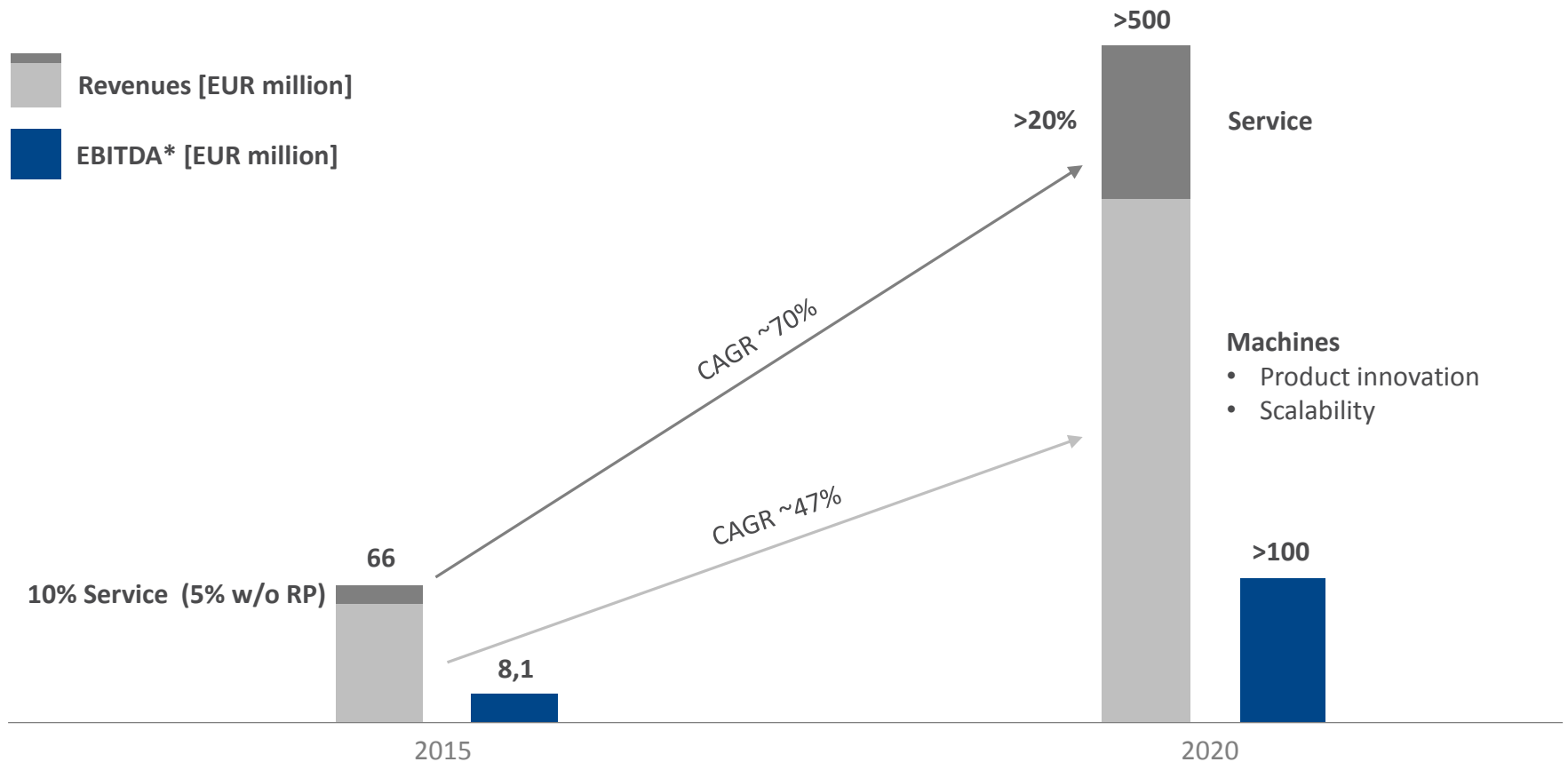


Source: Wohlers Associates, own estimates

# ○ 2020 ambition: EUR 500 million revenues

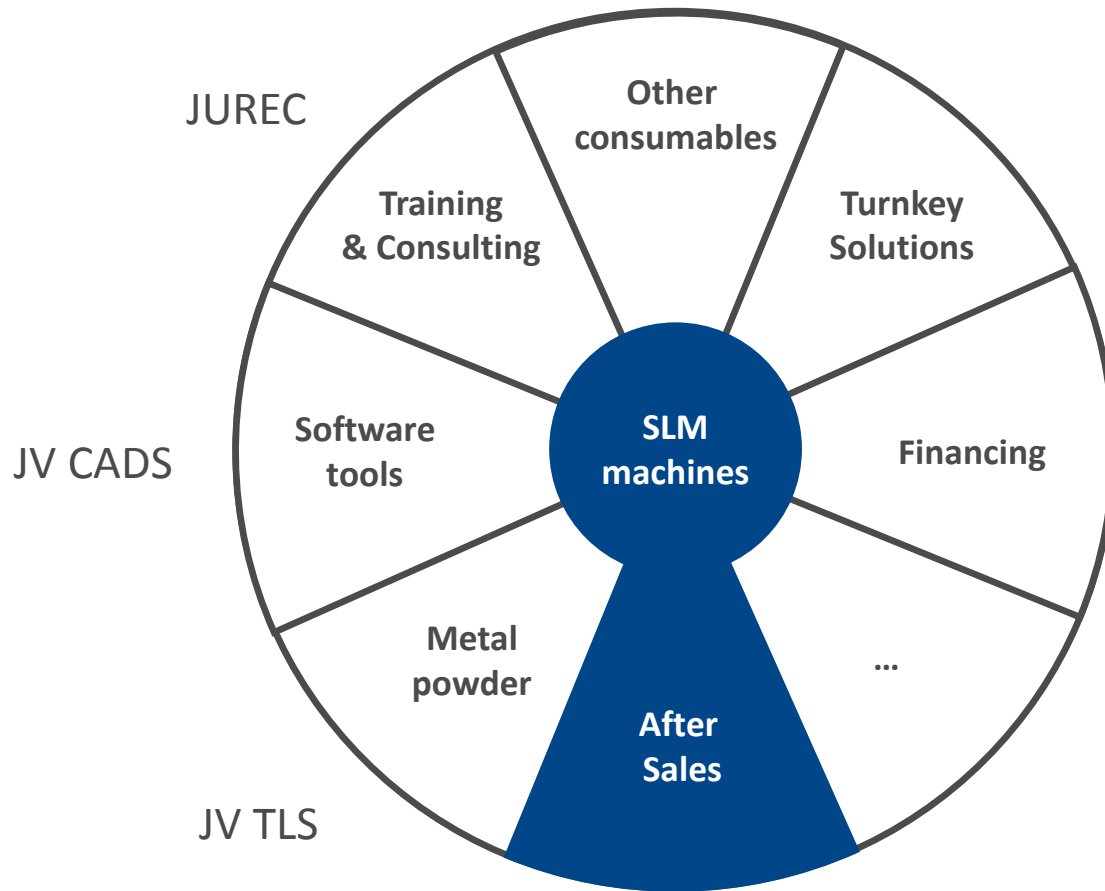
## ■ Assumptions:

- SLM Solutions continues to grow with ~50 % CAGR
- Market growth not accelerating



\*adjusted for one-offs

# ○ “Key to growth”



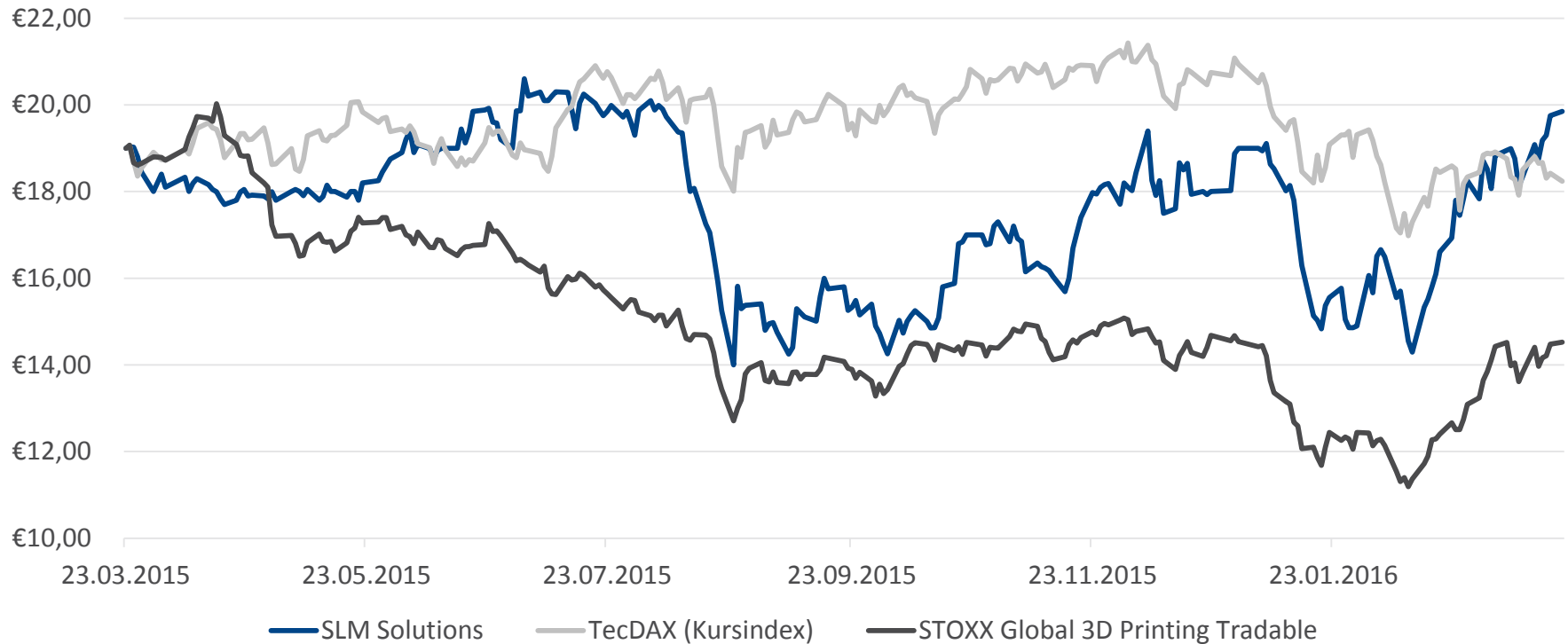
→ Integrated solution provider for metal-based additive design and manufacturing

## ○ Further growth expected for 2016

- Revenues expected in a range of TEUR 85,000 to 90,000
- Product mix will include more production-oriented machines
- EBITDA margin will further improve
- Cost ratios depend highly on revenues achieved – economies of scale



# ○ Our share – included in TecDAX since March 21, 2016



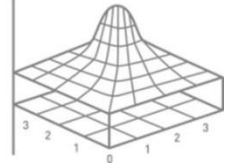
	SLM Solutions	Arcam AB	3D Printing Stocks (avg.)
P/E (TTM)	79.77	120.86	114.82
EV/EBITDA (TTM)	40.21	43.49	54.03
Market Cap. (EUR million, 24.3.16)	360.61	401.56	598.53

Source: Thomson Reuters

# ○ Investment Highlights

- 1 Deep rooted 3D printing 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





Q&A



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