

SLM Solutions increases revenue by 22 percent in the challenging 2016 fiscal year

- **Consolidated revenue at TEUR 80,707, up 22.0 % on the previous year (2015: TEUR 66,137)**
- **Adjusted EBITDA of TEUR 3,069 in the black but down y-o-y (2015: TEUR 8,050)**
- **The revenue forecast adjusted in December 2016 was slightly exceeded, while the revised EBITDA margin forecast was achieved.**

Lübeck, 30 March 2017 – SLM Solutions Group AG, a leading provider of metal-based additive manufacturing technology, generated 22.0 % revenue growth in the challenging 2016 fiscal year and recorded adjusted EBITDA of TEUR 3,069.

The **consolidated revenue** of SLM Solutions Group AG rose to TEUR 80,707 during the 2016 fiscal year (previous year: TEUR 66,137). The majority of this revenue (86.3 %, previous year: 89.5 %) stems from the Company's core business comprising the sale of laser melting systems. Revenue in the After Sales segment recorded a disproportionately high increase of 58.2 % to TEUR 11,032 (previous year: TEUR 6,972).

Uwe Bögershausen, CFO of the Company, looks back on the past fiscal year: "SLM Solutions once again succeeded in realising clear double-digit revenue growth. This represents a continuation of our company's very positive development. However, we are convinced that the outstanding technology employed by our machines can enable us to achieve considerably higher growth rates in future. It goes without saying that such development should also once again positively influence earnings."

New order intake in 2016 came in at 130 ordered machines. This represents an increase of around 27.5 % compared to the previous year (102 machines). The **value of the ordered machines** rose disproportionately by 30.9 % to TEUR 79,992 in 2016 compared to the number of machines ordered (previous year: TEUR 61,132).

Total operating revenue (the sum of consolidated revenue, inventory changes and other own work capitalised) of TEUR 90,476 was up by 15.0 % year on year (previous year: TEUR 78,654). The increase in finished goods and work in progress of TEUR 6,309 (previous year: TEUR 8,434) and own work capitalised of TEUR 3,460 (previous year: TEUR 4,082) was lower than in the 2015 fiscal year. The **cost of materials ratio** (as % of total operating revenue) came in at 54.4 %, slightly up on the previous year (previous year: 53.7 %). The adjusted **personnel cost ratio** (as % of total operating revenue) totalled 25.8 % (previous

year: 19.7 %), which is attributable to the increase in personnel to 332 FTEs as of the reporting date (31/12/2015: 260 FTEs). Adjusted **EBITDA** (earnings before interest, taxes, depreciation and amortisation) was recorded at TEUR 3,069 in the reporting year (previous year: TEUR 8,050). The adjusted **EBITDA margin** (as % of revenue) totalled 3.8 % in 2016 (previous year: 12.2 %). On an unadjusted basis, EBITDA stood at TEUR 2,040 (previous year: TEUR 6,860).

The **consolidated net result** after taxes totalled TEUR -3,483, substantially down on the previous year (2015: TEUR 2,160). This corresponds with basic and diluted **earnings per share** of EUR -0.19 per share (previous year: EUR 0.12, basic and diluted).

Cash flow from operating activities totalled TEUR -6,283 in 2016 and therefore improved on the previous year (2015: TEUR -7,364).

The Company's **equity** totalled TEUR 95,202 on the reporting date (31/12/2015: TEUR 99,004). The equity ratio still remained at a high level of 76.9 % and was slightly up on the previous year (2015: 76.2 %) on the back of the decrease in total assets.

"The 2016 fiscal year was dominated by extraordinary events and earnings fell short of our expectations. Nevertheless, we still view the past year as positive overall: The general interest in the technology rose considerably and the industrial relevance is undeniable. This leaves us looking forward to the rest of the current 2017 fiscal year with great optimism," says Uwe Bögershausen.

Henner Schöneborn, CTO of SLM Solutions, adds: "We believe that we are excellently positioned for further growth with our multi-laser technology. Our newly introduced machines which can be fitted with multiple 700-watt lasers are excellently suited for the series production of parts. At the same time we are permanently expanding our range of competencies – we are aiming to continue our development into an integrated solutions provider through close cooperation with the industry."

The Management Board anticipates consolidated revenue of between TEUR 110,000 and TEUR 120,000 for 2017. The good position of the technology in the market should form the foundations for a return to the strong growth track of previous years. If the forecast revenue corridor is achieved, the Management Board anticipates an adjusted EBITDA margin (in relation to consolidated revenue) of between 10 % and 13 %.

The SLM Solutions Group AG Annual Report for the 2016 fiscal year will be published during the course of today in the "Investor Relations" section of www.slm-solutions.com in German and English.



About the company:

Lübeck-based SLM Solutions Group AG is a leading provider of metal-based additive manufacturing technology. The company's shares are traded in the Prime Standard of the Frankfurt Stock Exchange. The stock has been listed in the TecDAX index since March 21, 2016. SLM Solutions focuses on the development, assembly and sale of machines and integrated system solutions in the field of selective laser melting. SLM Solutions currently employs over 320 members of staff in Germany, the USA, Singapore, Russia, India and China. The products are utilised worldwide by customers in particular from the aerospace, energy, healthcare and automotive industries.

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