

## SLM Solutions grows by 89 % in third quarter of 2014 – by 141 % in core segment

- **Revenue up 89.4 % in Q3 2014 to TEUR 8,012 (Q3 previous year: TEUR 4,231)**
- **Revenue in Q3 2014 in core segment with SLM technology even stronger – up 141,5 % to TEUR 7,121 (Q3 previous year: TEUR 2,949)**
- **New order intake as of November 14 more than doubled to 43 machines (previous-year figure: 21 machines)**
- **Revenue grows 47.3 % to TEUR 18,842 during first nine months of 2014 (9M previous year: TEUR 12,789)**
- **Adjusted EBITDA of TEUR 785 (9M previous year: TEUR 591), adjusted EBITDA margin of 4.2 % (9M previous year: 4.6 %)**

**Luebeck, November 21, 2014 – SLM Solutions Group AG, a leading provider of metal-based additive manufacturing technology ("3D printing technology"), reports strong growth during the first nine months of 2014, further boosting its new order intake rate.**

**Revenue** (on IFRS basis) of TEUR 8,012 in the third quarter 2014 was 89.4 % ahead of the prior-year period (Q3 previous year: TEUR 4,231). In the core segment with SLM technology growth was even stronger with 141,5 % growth to TEUR 7,121 (Q3 previous year: TEUR 2,949). During the first nine months of 2014, revenue of TEUR 18,842 was up by 47.3 % (9M previous year: TEUR 12,789), with the number of machines sold increasing over the same period to 27 (9M previous year: 16). Most of the revenue was generated in the SLM segment. Revenue fell further in the RP segment, as planned. In the immediate future SLM Solutions will focus on selling consumables in this segment.

CFO Uwe Bögershausen commented on the results: "We boosted our growth rate further during the third quarter. Over the nine-month period, we have more than doubled our new order intake – the most important early indicator of our operating growth. And we are already at the level of the full 2013 year in terms of our total output." During the period under review, new order intake amounted to 36 machines (9M previous year: 14 machines), including three orders for the flagship SLM 500<sup>HL</sup> product, currently the most productive laser melting system on the market. As Mr. Bögershausen adds: "I regard the change in ordering patterns among major industrial customers as a particularly good sign: while only individual machines were ordered in the comparable period of 2013, five customers have already ordered multiple machines during the first nine months of 2014. We are seeing that the market for metal-based 3D printing is currently crossing a decisive inflection point: the growing deployment of our machines in industrial series production is proving to be a driver of new order intake and sales revenues."

**Total output** – the sum of sales revenue, inventory changes and other own work capitalised – grew by 57.1 % year-on-year to TEUR 22,202 (9M previous year: TEUR 14,131) due to the very good order book position. The higher level of business volumes fed through to a 67.1 % increase in cost of materials to TEUR 12,311 (9M previous year: TEUR 7,370), with the **cost of materials ratio** (expressed as a percentage of total output) amounting to 55.5 % (9M previous year: 52.2 %).

When adjusted for the one-off expenses for the IPO bonus, personnel costs during the first nine months of 2014 stood at TEUR 5,836 (9M previous year: TEUR 3,373), equivalent to a 26.3 % **adjusted personnel cost ratio** (9M previous year: 23.9 %). Note should be taken in this context of

the growth-driven rise in the **number of employees** to 137 as of the September 30, 2014 reporting date (September 30, 2013: 79).

Taking into account the IPO-related one-off expenses, **adjusted EBITDA** (earnings before interest, tax, depreciation and amortisation) amounted to TEUR 785 in the first nine months of 2014 (9M previous year: TEUR 591), equivalent to a 4.2 % EBITDA margin (9M previous year: 4.6 %). The **net result** after tax amounted to TEUR -7,456 (9M previous year: TEUR -957). In relation to 17,980,867 shares in issue, this corresponds to a basic **result per share** of EUR -0.42. Due to the issue proceeds from the capital increase, the equity ratio registered a marked increase to almost 90 % as of September 30, 2014 (December 31, 2013: 41 %).

The CEO of SLM Solutions Group AG, Dr. Markus Rechlin, comments on trends during the first nine months of 2014: "We are implementing step-by-step the growth strategy that we announced at the time of the IPO, and we have already made good progress in this context. We have intensified our international sales activities, and driven ahead with research and development through strategic cooperation ventures. We aim to continue on this path – because our laser melting technology has the potential to revolutionise industrial production."

CFO Bögershausen issues the following outlook for 2014: "On a current basis, we are assuming significant revenue growth and a solid adjusted EBITDA margin in the 2014 fiscal year. In terms of new order intake, we are now anticipating that it will lie at the upper end of the targeted range of between 40 and 50 machines by the end of the year."

From today, the report of SLM Solutions Group AG on the first nine months of 2014 can be downloaded from the company's website at [www.slm-solutions.com](http://www.slm-solutions.com) within the Investor Relations area.

#### **About the company:**

SLM Solutions Group AG, headquartered in Luebeck, Germany, is a leading provider of metal-based additive manufacturing technology (also commonly referred to as "3D printing"). The company's shares are traded in the Prime Standard of the Frankfurt Stock Exchange. SLM Solutions focuses on the development, assembly and sales of machines and integrated system solutions in the field of selective laser melting, vacuum and metal casting. SLM Solutions currently employs over 100 members of staff in Germany, the USA and Singapore. The products are utilised worldwide by customers in particular from the aerospace, energy, healthcare and automotive industries. SLM Solutions stands for technologically advanced, innovative and highly efficient integrated system solutions.

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