

Case Study

Growth capital raise for technology leader in metal-based additive manufacturing, SLM Solutions GmbH.

The Client

SLM Solutions, headquartered in Germany is a leading pioneer of the emerging laser-based technology “Selective Laser Melting”, a patented process well suited to short series production of highly complex metal components. With an already strong presence in the field of research and development, SLM’s Additive Manufacturing technologies, are seeing rapid growth in production applications across the aerospace, automotive, tool engineering, dental and medical sectors.

Transaction Summary

SLM had a number of growth opportunities, which required funding beyond their current facilities. DPE Deutsche Private Equity recognised SLM’s significant growth potential, and successfully completed a multi-million pound growth capital investment in the company. DPE Deutsche Private Equity, founded in 2007 provides growth capital to companies in sectors with good long-term prospects, has an initial committed capital of €250m, and operates in German-speaking countries.

The finance investment from DPE enabled SLM to expand their market position through greater investment in technology, production, sales and service.

Future Materials Group’s Advisory Role

SLM Solutions owners turned to Future Materials Group to help them define the company’s growth strategy and then design, launch and manage the capital raise. The process was jointly led by FMG Managing Directors Adrian Williams and David Schofield.

The role took six months to complete, and was comprehensive as it involved working with SLM’s management to strengthen the business plan and to prepare a financial model to analyse various scenarios on performance before preparing an information memorandum and approaching potential investors.

Common to any deal of this type, the long terms success is very dependent on finding a good match between the owner and investor. FMG worked closely with the owners to clearly understand their needs and motives and to define the key drivers that would ensure good alignment. Having undertaken a careful screening and selection process of potential investors, DPE Deutsche Private Equity was introduced as a good investment partner to the owners.

The growth capital investment was successfully completed early 2013.