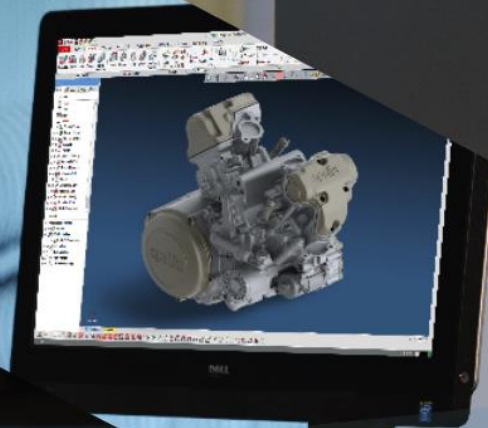




Third Quarter 2018

October 30, 2018



Welcome and Participants

- **Vyomesh Joshi**
President & Chief Executive Officer
- **John McMullen**
Executive Vice President & Chief Financial Officer
- **Andy Johnson**
Chief Legal Officer
- **Stacey Witten**
Vice President, IR and FP&A

To participate via phone,
please dial:

In the US:

1-877-407-8291

Outside the US:

1-201-689-8345

Forward Looking Statements

This presentation contains certain statements that are not statements of historical or current facts are forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements include statements concerning plans, objectives, goals, strategies, expectations, intentions, projections, developments, future events, performance or products, underlying assumptions, and other statements which are other than statements of historical facts. In some cases, you can identify forward-looking statements by terms such as “believes,” “beliefs,” “may,” “will,” “should,” “expects,” “intends,” “plans,” “anticipates,” “estimates,” “predicts,” “projects,” “potential,” “continue,” and other similar terminology or the negative of these terms. From time to time, we may publish or otherwise make available forward-looking statements of this nature. All such forward-looking statements, whether written or oral, and whether made by us or on our behalf, are expressly qualified by the cautionary statements described on this message including those set forth below.

Forward-looking statements are based upon management’s beliefs, assumptions and current expectations concerning future events and trends, using information currently available, and are necessarily subject to uncertainties, many of which are outside our control. In addition, we undertake no obligation to update or revise any forward-looking statements made by us or on our behalf, whether as a result of future developments, subsequent events or circumstances, or otherwise, or to reflect the occurrence or likelihood of unanticipated events, and we disclaim any such obligation.

Forward-looking statements are only predictions that relate to future events or our future performance and are subject to known and unknown risks, uncertainties, assumptions, and other factors, many of which are beyond our control, that may cause actual results, outcomes, levels of activity, performance, developments, or achievements to be materially different from any future results, outcomes, levels of activity, performance, developments, or achievements expressed, anticipated, or implied by these forward-looking statements. Although we believe that the expectations reflected in the forward-looking statements are reasonable, forward-looking statements are not, and should not be relied upon as a guarantee of future performance or results, nor will they necessarily prove to be accurate indications of the times at or by which any such performance or results will be achieved. 3D System’s actual results could differ materially from those stated or implied in forward-looking statements. Past performance is not necessarily indicative of future results. We do not undertake any obligation to and do not intend to update any forward-looking statements whether as a result of future developments, subsequent events or circumstances or otherwise.

Further, we encourage you to review “Risk Factors” in Part 1 of our Annual Report on Form 10-K and Part II of our quarterly reports on Form 10-Q filed with the SEC as well as other information about us in our filings with the SEC. These are available at www.SEC.gov.



Vyomesh Joshi (VJ)

President & Chief Executive Officer

Third Quarter Highlights

- We are pleased with our continued strong growth in printer units and printer revenue across both metals and plastics with balanced execution across all regions
- New products have been very well received, and we continue to ramp sales and production of these new solutions
- We are seeing early returns on the investments we have made and continue to deliver growth across many revenue drivers
- While actions and investments in go-to-market are not done, we have made significant progress to drive growth and improve execution worldwide
- We are starting to see cost structure improvements as a result of the actions we are taking

New Product Update

- In the third quarter, we began to ramp production and sales of our new products
- It is still early in commercial shipments, but we are very pleased with the reception of the SLS 6100, NextDent 5100, FabPro 1000, StandAlone Figure 4, and MJP 2500 IC
- Debuted new DMP Factory 500 at IMTS 2018, our first solution from our partnership with GF Machining Solutions
- Continuing to build on the success of our metals platform, we are now shipping the ProX DMP 350, the next generation of the ProX DMP 320
- Planning ongoing innovation designed for advanced manufacturing, including materials expansion, additional software and workflow capabilities, automation and integration with traditional manufacturing

Third Quarter Results Overview

In the third quarter of 2018:

- Revenue increased 8% to \$164.5 million
- Strong printer revenue growth of 17% on 93% unit growth as well as growth in materials, software and healthcare solutions
- GAAP gross profit margin of 47.3% and non-GAAP gross profit margin of 47.4%
- We are beginning to see results from actions we are taking to improve our cost structure, and operating expenses decreased in the third quarter, including GAAP operating expenses decreased 2% to \$88.8 million and non-GAAP operating expenses decreased 3% to \$73.7 million.
- GAAP loss of \$0.10 per share and non-GAAP earnings of \$0.02 per share



John McMullen

Executive Vice President & Chief Financial Officer

GAAP Operating Results

<i>(in millions, except per share amounts)</i>	Third Quarter			Nine Months Ended		
	2018	2017	Y/Y Change	2018	2017	Y/Y Change
Revenue	\$ 164.5	\$ 152.9	8%	\$ 506.9	\$ 468.8	8%
Gross Profit	77.8	58.5	33%	241.8	219.4	10%
<i>Gross Profit Margin</i>	47.3%	38.3%	902 bps	47.7%	46.8%	91 bps
SG&A	65.6	66.5	(1)%	206.2	196.0	5%
R&D	23.2	24.4	(5)%	71.8	71.7	—%
Operating Expenses	88.8	90.9	(2)%	278.0	267.7	4%
<i>% of Revenue</i>	54.0%	59.4%		54.8%	57.1%	
Operating Loss	(11.0)	(32.3)	66%	(36.2)	(48.3)	25%
<i>% of Revenue</i>	(6.7)%	(21.1)%		(7.1)%	(10.3)%	
Net Loss per 3D Systems	\$ (11.6)	\$ (37.7)	69%	\$ (41.4)	\$ (56.1)	26%
<i>% of Revenue</i>	(7.0)%	(24.6)%		(8.2)%	(12.0)%	
Loss Per Share	\$ (0.10)	\$ (0.34)	71%	\$ (0.37)	\$ (0.50)	26%

Non-GAAP Financial Measures

<i>(in millions, except per share amounts)</i>	Third Quarter			Nine Months Ended		
	2018	2017	Y/Y Change	2018	2017	Y/Y Change
Non-GAAP R&D Expense	\$ 22.8	\$ 24.4	(6)%	\$ 71.3	\$ 71.7	(1)%
Non-GAAP SG&A Expense	50.8	51.5	(1)%	160.9	147.3	9%
Non-GAAP Operating Expenses	\$ 73.7	\$ 75.9	(3)%	\$ 232.2	\$ 219.0	6%
Non-GAAP Net income (loss) attributable to 3D Systems Corporation	\$ 2.4	\$ (22.6)	(110)%	\$ 5.1	\$ (7.0)	(173)%
Non-GAAP Net income (loss) per share available to 3D Systems Corporation common stockholders - basic and diluted	\$ 0.02	\$ (0.20)	(110)%	\$ 0.05	\$ (0.06)	(183)%

We use non-GAAP measures to supplement our financial statements presented on a GAAP basis because management believes non-GAAP financial measures are useful to investors in evaluating our operating performance and to facilitate a better understanding of the impact that strategic acquisitions, non-recurring charges and certain non-cash expenses had on our financial results. See appendix for reconciliation of non-GAAP items.

* Tables may not foot due to rounding; amounts calculated based on dollars in thousands.

Revenue Drivers

Q3 2018 compared to Q3 2017:



Printers revenue increased 17% to \$34.5 million



Materials revenue increased 2% to \$40.3 million



Healthcare solutions increased 14% to \$53.1 million



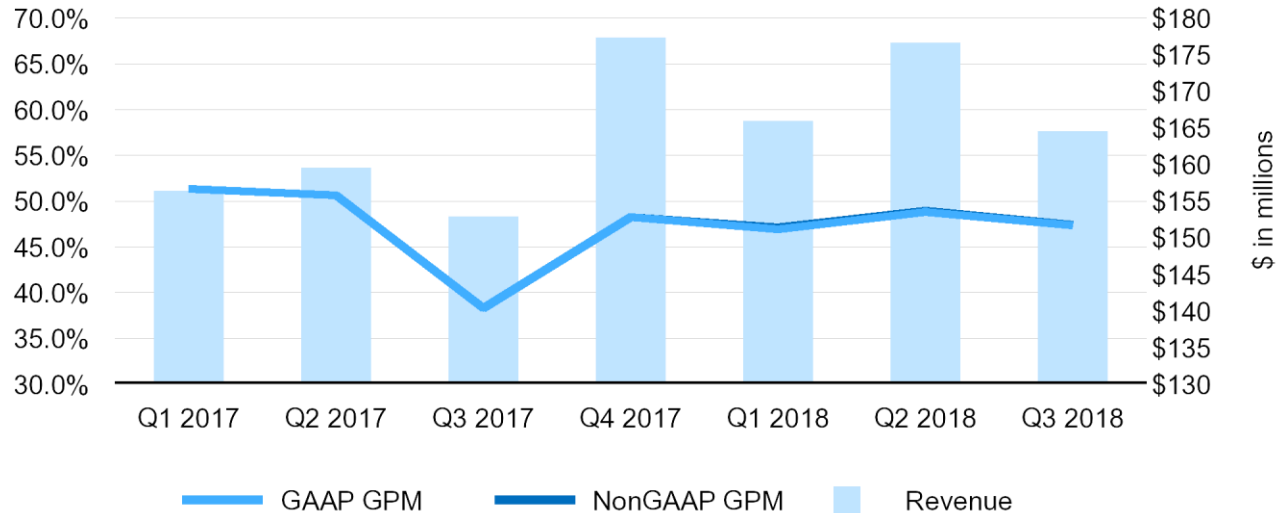
Software increased 8% to \$22.9 million



On demand manufacturing decreased 3% to \$26.3 million

Gross Profit and Margin

- GAAP GPM was 47.3% and non-GAAP GPM was 47.4% in Q3 2018
- Cost improvements from ongoing supply chain cost reduction initiatives were offset by the impact of sales mix and production and actions related to ramping new products

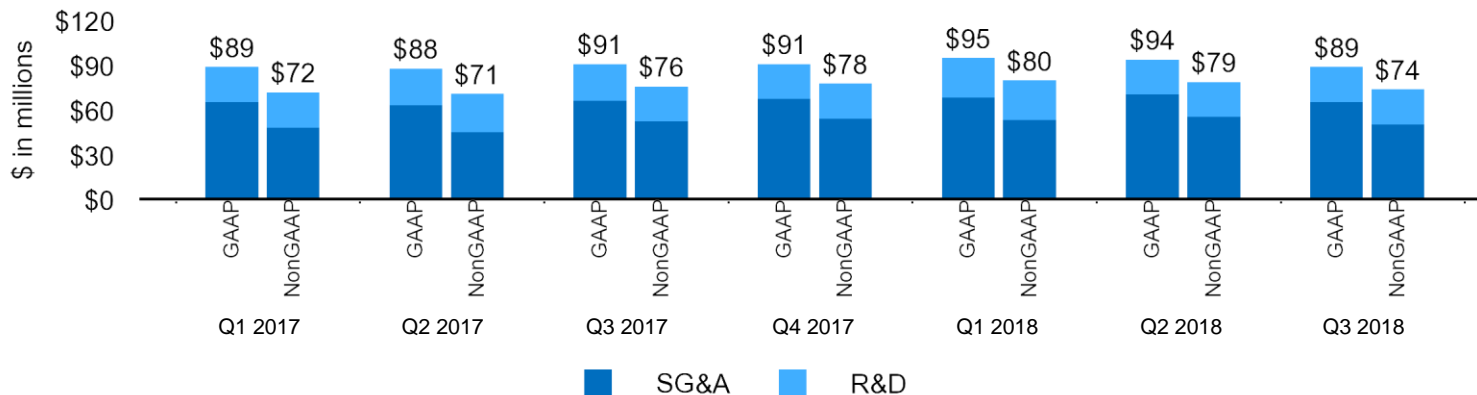


– For the periods presented above, GAAP and non-GAAP GPM were within 10 basis points; therefore, the lines overlap.

See appendix for a reconciliation of non-GAAP operating expenses.

Operating Expenses

- GAAP operating expenses decreased 2% and non-GAAP operating expenses decreased 3% compared to the third quarter of the prior year
- Although we expect some fluctuations quarter to quarter, we are beginning to see the results of actions we are taking to reduce cost structure
- We began to shift from R&D development to marketing and sales support of the new products we have rolled out this year



See appendix for a reconciliation of non-GAAP operating expenses.

Balance Sheet and Cash

- We used \$12.1 million dollars of cash in operations during the third quarter, and \$2.9 million of cash in operations in the first nine months of the year.
- We ended the quarter with \$92.1 million dollars of cash on hand.
- During the third quarter, we continued to invest in IT transformation and go-to-market and support new product rollouts, including a significant increase in inventory for our expanded portfolio and payment a previously accrued liability related to the conclusion of litigation
- We expect cash use and generation will continue to fluctuate from period to period as we continue to make investments we believe are critical while at the same time improving our operational performance over time

Summary

- We are pleased with the overall progress we are seeing year to date in many areas
- While our work is not done, we believe we are well-positioned to continue to invest in the business and drive growth while continuing to improve our cost structure and increase operating leverage over the long term
- We continue to be keenly focused on execution and operational efficiency to drive long-term growth and profitability



Vyomesh Joshi (VJ)

President & Chief Executive Officer

Conclusion

- We are pleased with our results this quarter and the progress we have made to transform the company
- We are very excited about our enhanced and complete end-to-end portfolio, our ongoing innovation and significant market opportunities.
- We are building the foundation for growth, to scale the company and strengthen our leadership position in the industry.
- We are focused on operational excellence and customer driven innovation to expand applications and use cases through our advanced and complete workflow solutions.
- We have the leadership, expertise, talent and partnerships combined with the best and broadest portfolio, to drive customers' shift to 3D production.



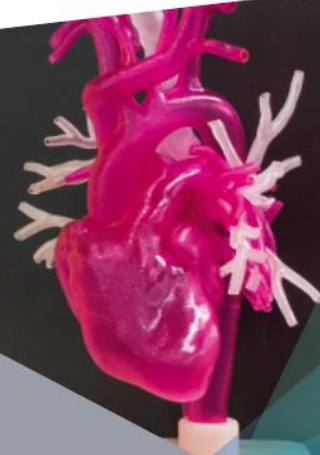
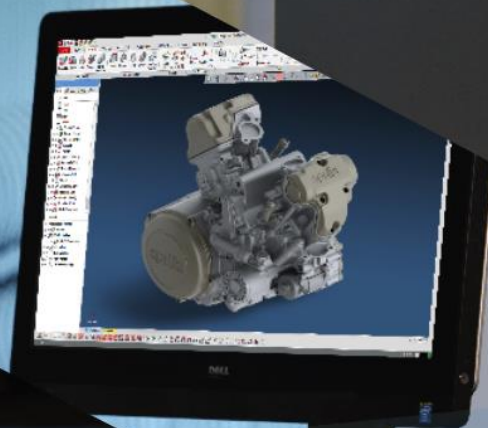
Q&A Session

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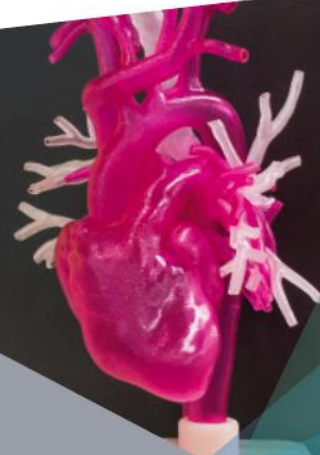
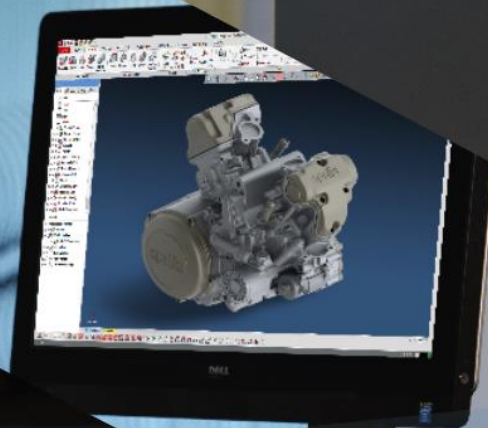


Thank You





Appendix



Revenue Summary by Category

<i>(in millions)</i>	Q3 2018	Q2 2018	Q3 2017	Sequential Change	YOY Change
Printers	\$ 34.5	\$ 39.2	\$ 29.4	(12)%	17%
Software Products	12.0	12.9	10.6	(7)%	13%
Other Products	13.2	13.7	11.3	(4)%	16%
Total Products	59.6	65.8	51.3	(9)%	16%
Total Materials	40.3	45.0	39.4	(11)%	2%
On Demand Manufacturing	26.3	27.4	27.2	(4)%	(3)%
Software Services	11.0	11.2	10.7	(2)%	2%
Other Services	27.3	27.2	24.3	1%	13%
Total Services	64.6	65.8	62.2	(2)%	4%
Total Revenue	\$ 164.5	\$ 176.6	\$ 152.9	(7)%	8%
Software	\$ 22.9	\$ 24.1	\$ 21.3	(5)%	8%
Healthcare	\$ 53.1	\$ 61.4	\$ 46.6	(14)%	14%

* Tables may not foot due to rounding; amounts calculated based on dollars in thousands.

Non-GAAP Reconciliation

Third Quarter and Nine Months Non-GAAP Earnings (Loss) per Share

<i>(in millions, except per share amounts)</i>	Quarter Ended September 30,		Nine Months Ended September 30,	
	2018	2017	2018	2017
GAAP Net loss attributable to 3D Systems Corporation	\$ (11.6)	\$ (37.7)	\$ (41.4)	\$ (56.1)
Adjustments:				
Amortization, stock-based compensation & other ¹	15.2	15.5	44.8	47.7
Legal and acquisition-related ²	(2.1)	(0.4)	(2.1)	1.4
Cost optimization plan ³	0.9	—	2.4	—
Impairment of cost-method investments ⁴	—	—	1.4	—
Non-GAAP net income attributable to 3D Systems Corporation	\$ 2.4	\$ (22.6)	\$ 5.1	\$ (7.0)
Non-GAAP net income per share available to 3D Systems common stock holders - basic and diluted ⁵	\$ 0.02	\$ (0.20)	\$ 0.05	\$ (0.06)

¹ For the quarter ended September 30, 2018, the adjustment included \$0.1 in COGS and \$15.1 in SG&A. For the quarter ended September 30, 2017, the adjustment included \$0.1 in COGS and \$15.4 in SG&A. For the nine months ended September 30, 2018, the adjustment included \$0.3 in COGS and \$44.5 in SG&A. For the nine months ended September 30, 2017, the adjustment included \$0.3 in COGS and \$47.4 in SG&A.

² For the quarter ended September 30, 2018, the adjustment included (\$0.7) in SG&A and (\$1.4) in interest and other income (expense), net. For the quarter ended September 30, 2017, the adjustment included (\$0.4) in SG&A. For the nine months ended September 30, 2018, the adjustment included (\$0.7) in SG&A and (\$1.4) in interest and other income (expense), net. For the nine months ended September 30, 2017, the adjustment included \$1.2 in SG&A and \$0.2 in interest and other income (expense), net.

³ For the quarter ended September 30, 2018, the adjustment included \$0.1 in COGS, \$0.4 in SG&A and \$0.3 in R&D. For the nine months ended September 30, 2018, the adjustment included \$0.4 in COGS, \$1.5 in SG&A, and approximately \$0.5 in R&D.

⁴ The Company has minority investments of less than 20% ownership in enterprises that benefit from, or are powered by its technology portfolio. The value of each of these investments is assessed periodically, and impairment recorded when required. For the quarter and nine months ended September 30, 2018, the adjustment included zero and \$1.4, respectively, in interest and other income (expense), net. The Company excluded this amount as it is not related to on-going operations, and intends to exclude these impairment amounts from non-GAAP net income going forward.

⁵ Denominator based on weighted average shares used in the GAAP EPS calculation.

* Tables may not foot due to rounding; amounts calculated based on dollars in thousands.

Non-GAAP Reconciliation

2018 Non-GAAP Gross Profit & Margin

<i>(in millions)</i>	2018			
	Quarter Ended			Year to Date
	March 31	June 30	September 30	September 30
GAAP Gross Profit	\$ 77.9	\$ 86.2	\$ 77.8	\$ 241.8
GAAP Gross Profit Margin	46.9%	48.8%	47.3%	47.7%
Adjustments:				
Amortization, stock-based compensation & other	\$ 0.1	\$ 0.1	\$ 0.1	\$ 0.3
Cost optimization plan	\$ 0.2	\$ 0.2	\$ 0.1	\$ 0.4
Non-GAAP Gross Profit	\$ 78.1	\$ 86.4	\$ 78.0	\$ 242.5
Non-GAAP Gross Profit Margin	47.1%	48.9%	47.4%	47.8%

* Tables may not foot due to rounding; amounts calculated based on dollars in thousands.

Non-GAAP Reconciliation

2018 Non-GAAP Operating Expenses

<i>(in millions)</i>	2018			
	Quarter Ended			Year to Date
	March 31	June 30	September 30	September 30
GAAP R&D Expenses	\$ 25.9	\$ 22.7	\$ 23.2	\$ 71.8
GAAP SG&A Expenses	69.5	71.2	65.6	206.2
GAAP Operating Expenses	\$ 95.3	\$ 93.9	\$ 88.8	\$ 278.0
Adjustments to R&D Expenses:				
Cost optimization plan 1	—	0.2	0.3	0.5
Non-GAAP R&D Expenses	\$ 25.9	\$ 22.5	\$ 22.8	\$ 71.3
Adjustments to SG&A Expenses:				
Amortization, stock-based compensation & other	15.1	14.3	15.1	44.5
Legal and acquisition-related	0.4	(0.4)	(0.7)	(0.7)
Cost optimization plan	0.4	0.7	0.4	1.5
Total Adjustments to SG&A Expenses	15.9	14.6	14.8	45.3
Non-GAAP SG&A Expenses	\$ 53.6	\$ 56.6	\$ 50.8	\$ 160.9
Non-GAAP Operating Expenses	\$ 79.4	\$ 79.1	\$ 73.7	\$ 232.2

¹ For the quarter ended March 31, 2018, the adjustment included approximately \$32 thousand and therefore rounded down.

* Tables may not foot due to rounding; amounts calculated based on dollars in thousands.

Non-GAAP Reconciliation

2017 Non-GAAP Gross Profit & Margin

<i>(in millions)</i>	2017				
	Quarter Ended				Year Ended
	March 31	June 30	September 30	December 31	December 31
GAAP Gross Profit	\$ 80.2	\$ 80.7	\$ 58.5	\$ 85.5	\$ 304.8
GAAP Gross Profit Margin	51.3%	50.6%	38.3%	48.2%	47.2%
Adjustments:					
Amortization, stock-based compensation & other	\$ 0.1	\$ 0.1	\$ 0.1	\$ 0.1	\$ 0.4
Legal and acquisition-related ¹	\$ —	\$ —	\$ —	\$ —	\$ —
Non-GAAP Gross Profit	\$ 80.3	\$ 80.8	\$ 58.6	\$ 85.6	\$ 305.3
Non-GAAP Gross Profit Margin	51.3%	50.7%	38.3%	48.3%	47.2%

¹ For the quarter ended June 30, 2017, the adjustment included approximately \$21 thousand and therefore rounded down.

* Tables may not foot due to rounding; amounts calculated based on dollars in thousands.

Non-GAAP Reconciliation

2017 Non-GAAP Operating Expenses

<i>(in millions)</i>	2017				
	Quarter Ended				Year Ended
	March 31	June 30	September 30	December 31	December 31
GAAP R&D Expenses	\$ 22.9	\$ 24.4	\$ 24.4	\$ 23.0	\$ 94.6
GAAP SG&A Expenses	\$ 66.4	\$ 63.1	\$ 66.5	\$ 68.2	\$ 264.2
GAAP Operating Expenses	\$ 89.3	\$ 87.5	\$ 90.9	\$ 91.2	\$ 358.8
Non-GAAP R&D Expenses	\$ 22.9	\$ 24.4	\$ 24.4	\$ 23.0	\$ 94.6
Adjustments to SG&A Expenses:					
Amortization, stock-based compensation & other	15.9	16.2	15.8	15.0	62.5
Legal and acquisition-related	1.1	0.5	(0.8)	(1.4)	(0.3)
Total Adjustments to SG&A Expenses	17.0	16.7	15.0	13.6	62.2
Non-GAAP SG&A Expenses	\$ 49.4	\$ 46.4	\$ 51.5	\$ 54.6	\$ 202.0
Non-GAAP Operating Expenses	\$ 72.3	\$ 70.8	\$ 75.9	\$ 77.6	\$ 296.6

* Tables may not foot due to rounding; amounts calculated based on dollars in thousands.



Thank You

