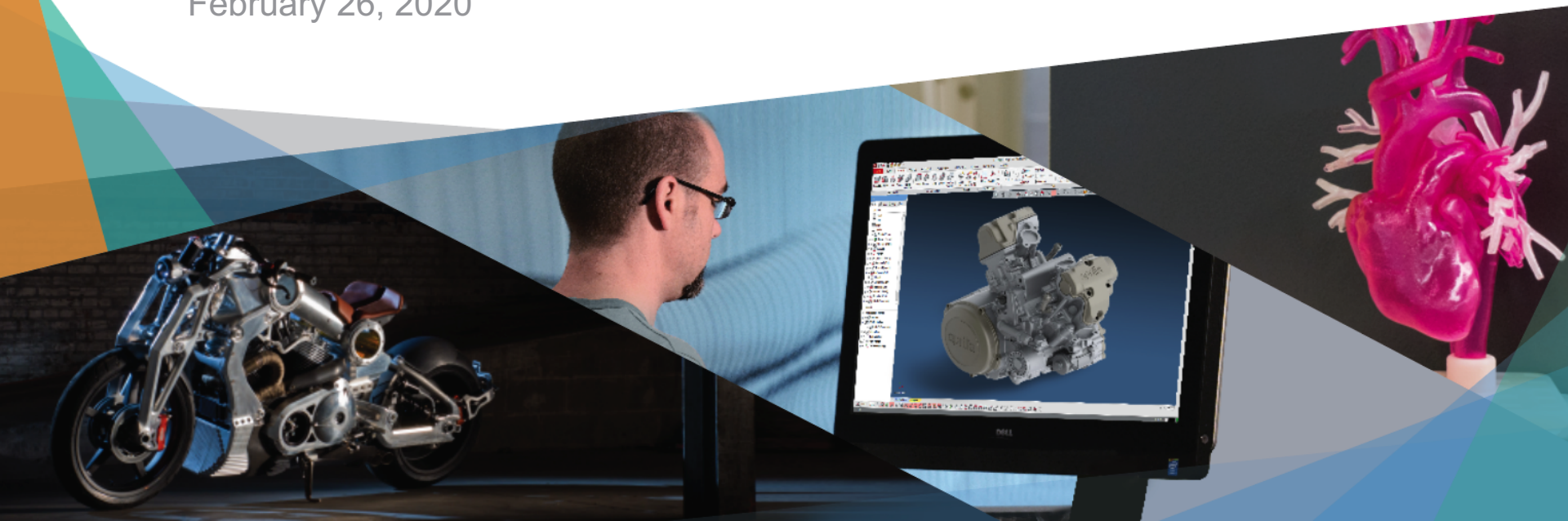
3D SYSTEMS

Fourth Quarter & Full Year 2019 Financial Results

February 26, 2020



Welcome and Participants

Vyomesh Joshi

President and Chief Executive Officer

Todd Booth

Executive Vice President and Chief Financial Officer

Andrew Johnson

Executive Vice President and Chief Legal Officer

Melanie Solomon

Investor Relations

To participate via phone, please dial:

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.

3D SYSTEMS

Vyomesh Joshi (VJ)

President & Chief Executive Officer

Making 3D Production Real

Customer Needs → Production Workflows





Productivity → Durability → Repeatability → TCO

Accelerating Adoption of Additive Manufacturing



Source
E&Y Research

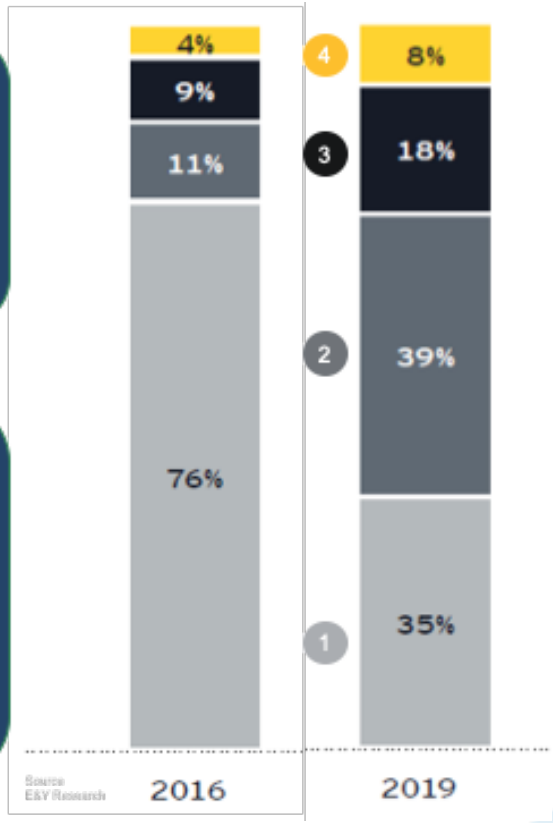
Rapid Market Transformation

2016 → 2019

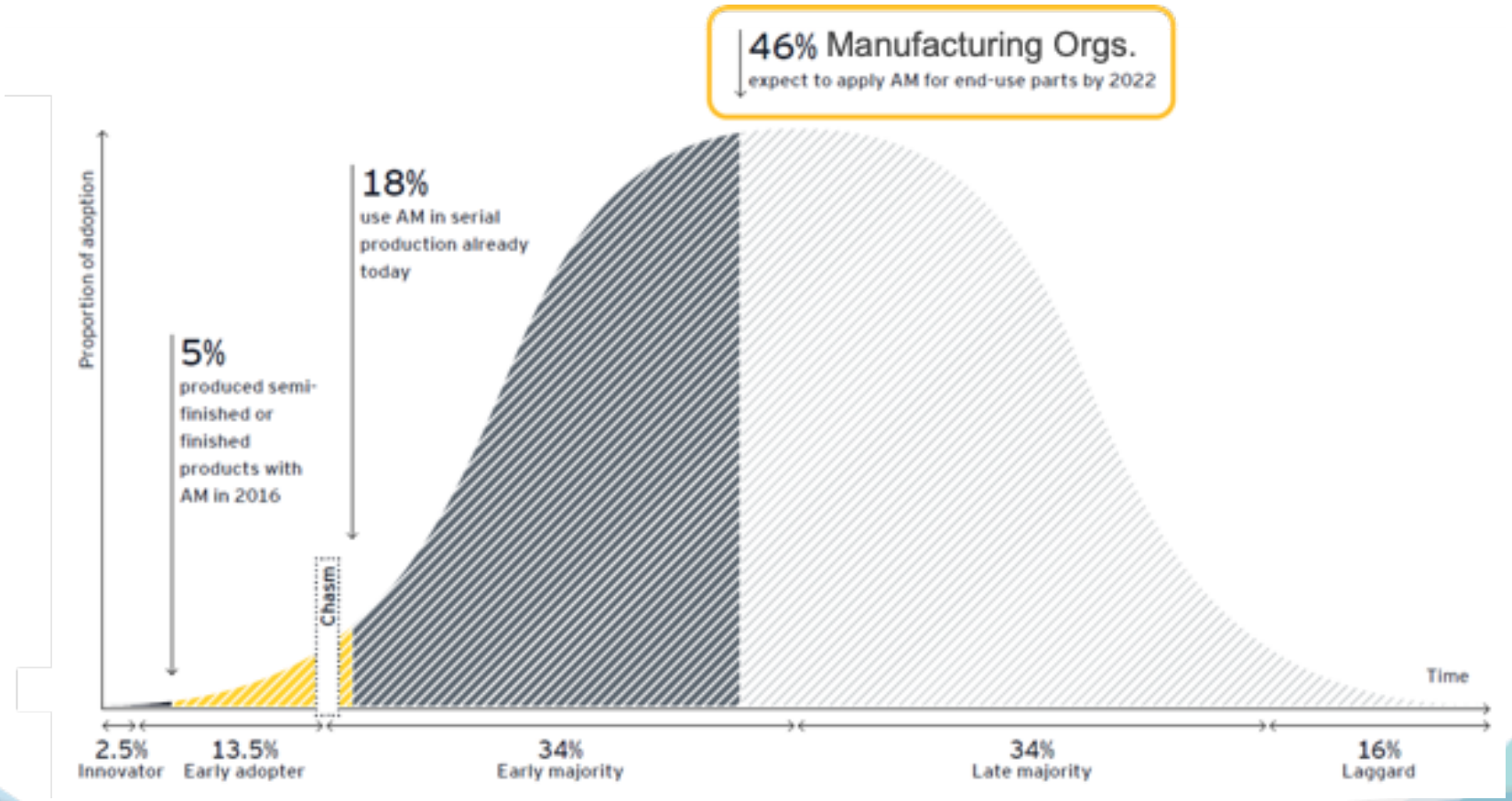
Maturity levels 2, 3 & 4 more than doubled while level 1 decreased 50%

Customer Value Drivers

Efficiency	In production
Growth	New designs & end-use parts
Transformation	New business models



Adoption of Production Parts Expected to Grow



Source
E&Y Research

Production Workflows



- Application Driven
- Fully Integrated Solutions
- Assets for each phase
- 200MM+ production parts in 2019 with 3DS technology

2019 Highlights

- Commitment to operational excellence = keenly focused on cost structure and cash flow
  - Lowered operating expenses by 9% YoY
  - Expanded manufacturing partnership with Sanmina for plastics
  - Generated $21.5 million of cash from operations in Q4
- Stabilized the company and strengthened the foundation
  - Introduced 14 new production materials
  - Returned to growth in Materials in 2H
  - Healthcare grew 10% excluding large enterprise customer

Fourth Quarter Summary

- GAAP revenue of $164.6 million
  - Decrease of 9% YoY
  - Materials grew 7% YoY
- GAAP gross profit margin of 43.6% and non-GAAP gross profit margin of 43.8%
- GAAP loss of $0.04 per share and non-GAAP income of $0.05 per share

2020 Growth Drivers

- Metals: on track to begin shipping factory metals platforms in April
- Healthcare: medical device manufacturing, medical simulators and professional services will continue to grow
- Software: incredible assets, new product introductions and go-to-market enhancements will drive growth

Focused on profitability and cash generation

Todd Booth

Executive Vice President & Chief Financial Officer

GAAP Operating Results

(in millions, except per share amounts)	Fourth Quarter			Year Ended		
	2019	2018	Y/Y Better/ (Worse)	2019	2018	Y/Y Better/ (Worse)
Revenue	$ 164.6	$ 180.7	(9) %	$ 629.1	$ 687.7	(9) %
Gross Profit	71.8	82.6	(13) %	278.0	324.4	(14) %
Gross Profit Margin	*44 %*	*46 %*	(200) bps	*44 %*	*47 %*	(300) bps
SG&A	59.3	66.1	10 %	254.4	272.3	7 %
R&D	17.1	23.5	27 %	80.8	95.3	15 %
Operating Expenses	76.5	89.6	15 %	335.1	367.6	9 %
% of Revenue	*46 %*	*50 %*		*53 %*	*54 %*	
Operating Loss	(4.7)	(7.0)	33 %	(57.1)	(43.2)	(32) %
% of Revenue	*(3) %*	*(4) %*		*(9) %*	*(6) %*	
Net Loss per 3D Systems	$ (4.7)	$ (4.1)	(15) %	$ (69.9)	$ (45.5)	(54) %
% of Revenue	*(3) %*	*(2) %*		*(11) %*	*(7) %*	
Loss Per Share	$ (0.04)	$ (0.04)	— %	$ (0.61)	$ (0.41)	(49) %

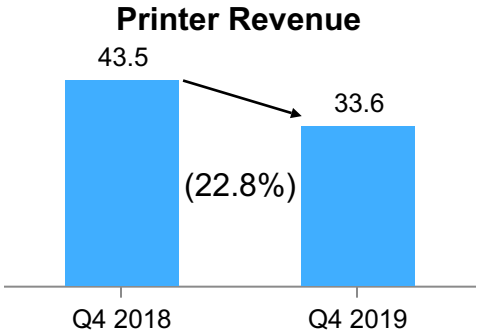
Non-GAAP Financial Measures

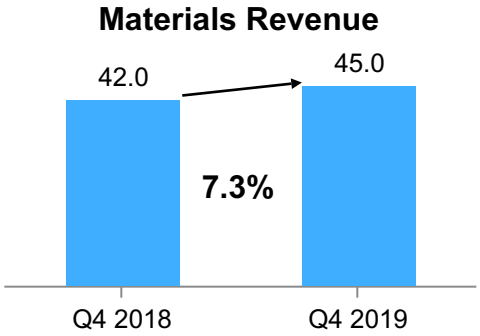
(in millions, except per share amounts)	Fourth Quarter			Year Ended		
	2019	2018	Y/Y Better/ (Worse)	2019	2018	Y/Y Better/ (Worse)
Non-GAAP R&D Expense	$ 17.1	$ 23.5	27 %	$ 80.5	$ 94.8	15 %
Non-GAAP SG&A Expense	49.2	52.2	6 %	199.8	213.1	6 %
Non-GAAP Operating Expenses	**$ 66.4**	**$ 75.7**	12 %	**$ 280.3**	**$ 307.9**	**9 %**
Non-GAAP Net income (loss) attributable to 3D Systems Corporation	$ 5.5	$ 11.4	(52) %	$ (9.6)	$ 16.5	(158) %
Non-GAAP Net income (loss) per share available to 3D Systems Corporation common stockholders - basic and diluted	**$ 0.05**	**$ 0.10**	(50) %	**$ (0.08)**	**$ 0.15**	**(153) %**

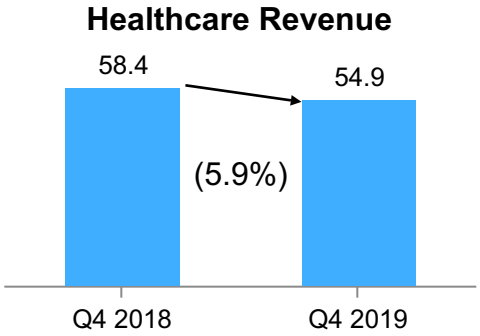
We use non-GAAP measures to supplement our financial statements presented on a GAAP basis because management believes non-GAAP financial measures are useful to investors in evaluating our operating performance and to facilitate a better understanding of the impact that strategic acquisitions, non-recurring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

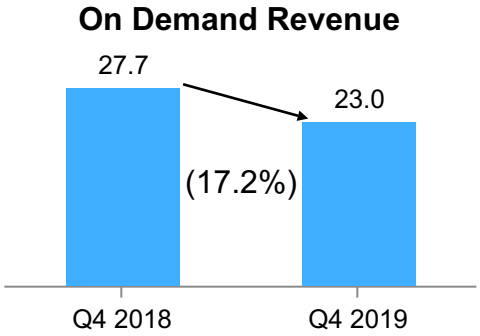
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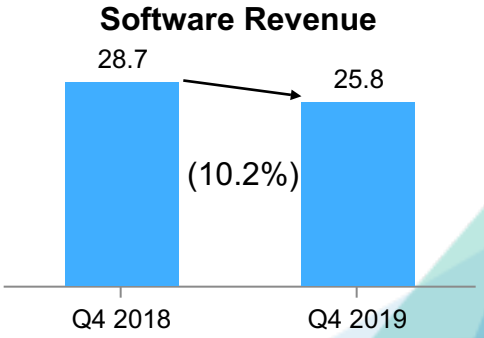
Revenue


Printer Revenue
43.5
33.6
(22.8%)
Q4 2018
Q4 2019


Materials Revenue
42.0
45.0
7.3%
Q4 2018
Q4 2019

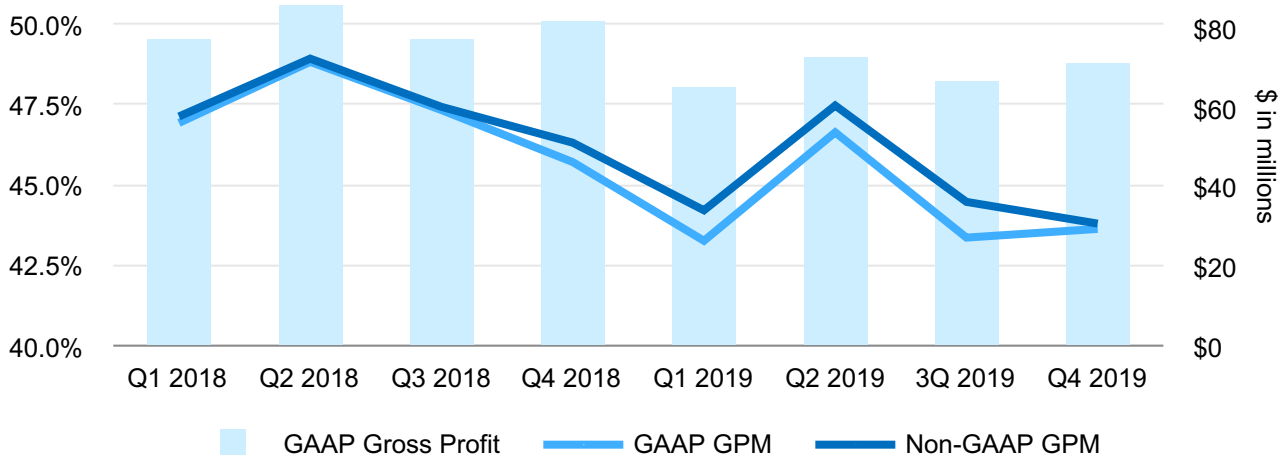

Healthcare Revenue
58.4
54.9
(5.9%)
Q4 2018
Q4 2019


On Demand Revenue
27.7
23.0
(17.2%)
Q4 2018
Q4 2019


Software Revenue
28.7
25.8
(10.2%)
Q4 2018
Q4 2019

Gross Profit and Margin

- GAAP GPM was 43.6% and non-GAAP GPM was 43.8% in Q4 2019
- GPM impacted by factory utilization, mix and inventory adjustments
- Driving supply chain optimization, manufacturing efficiency and process improvements

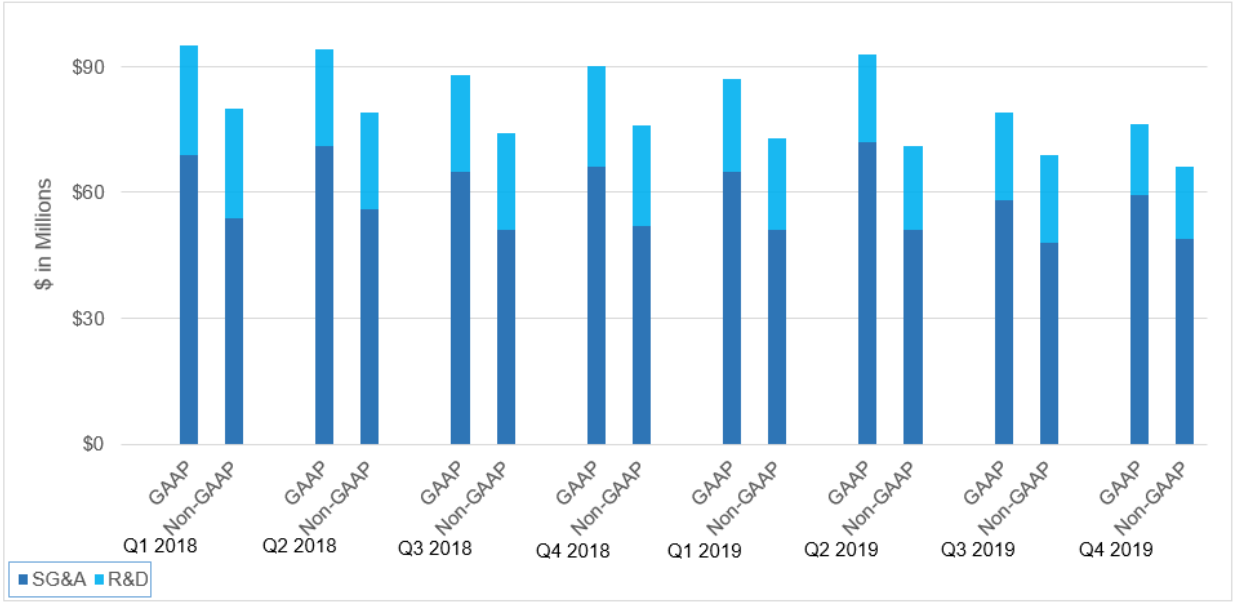


– For the periods presented above, GAAP and non-GAAP GPM were within 10 basis points; therefore, the lines overlap.

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

Operating Expenses

- GAAP operating expenses decreased 14.6% and non-GAAP operating expenses decreased 12.3% compared to the fourth quarter of the prior year with decreases in both SG&A and R&D
- R&D is focused on innovation in materials, software and healthcare in 2020



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

Balance Sheet and Cash

- Ended 2019 with $133.7 million of unrestricted cash, after paying down $10.8 million on the term loan
- Generated $21.5 million of cash from operations
- Working capital performance improved sequentially, as we reduced inventory by $11.6 million
- While cash use and generation will fluctuate, we are pleased with the cash results in the fourth quarter

3D SYSTEMS

Vyomesh Joshi (VJ)

President & Chief Executive Officer

Conclusion

- Spent the last 4 years improving product, processes, cost structure and culture
  - Improved quality and reliability
  - Net promoter score increased to 65
  - Confident that we have the right products and team to execute strategy

- Committed to working with the board to find appropriate successor and assist with the transition

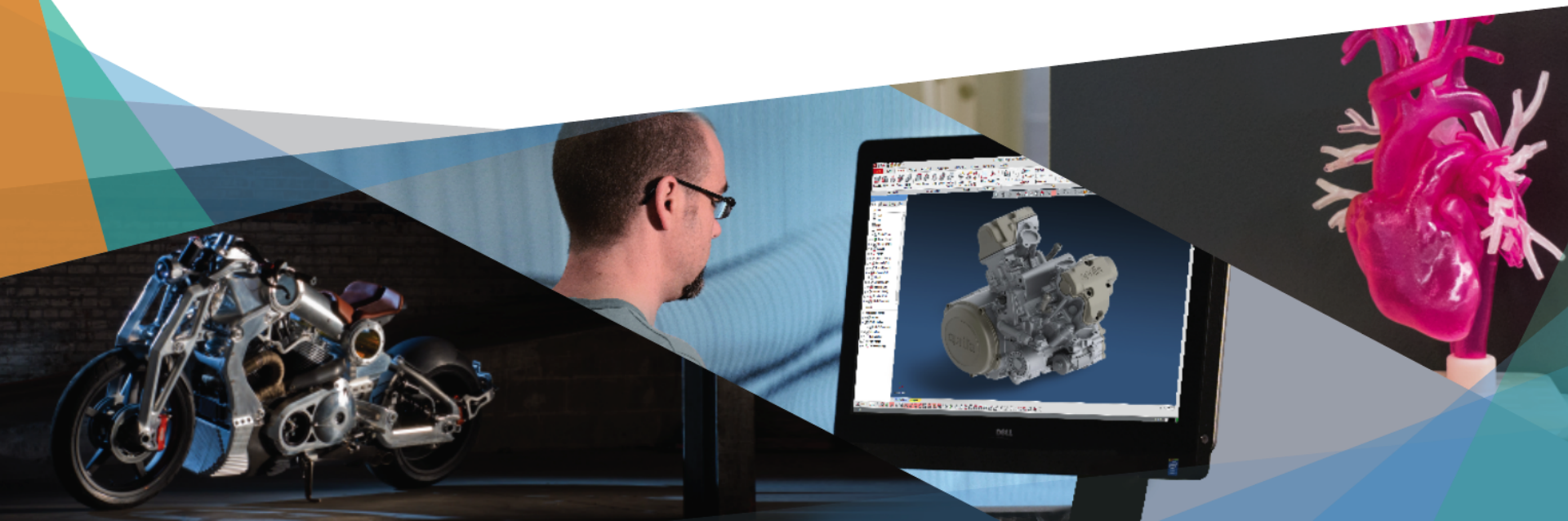
- Focus on innovative production workflows including hardware platforms, materials, software and professional services will drive profitable revenue growth in 2020

Q&A Session

1-201-689-8345

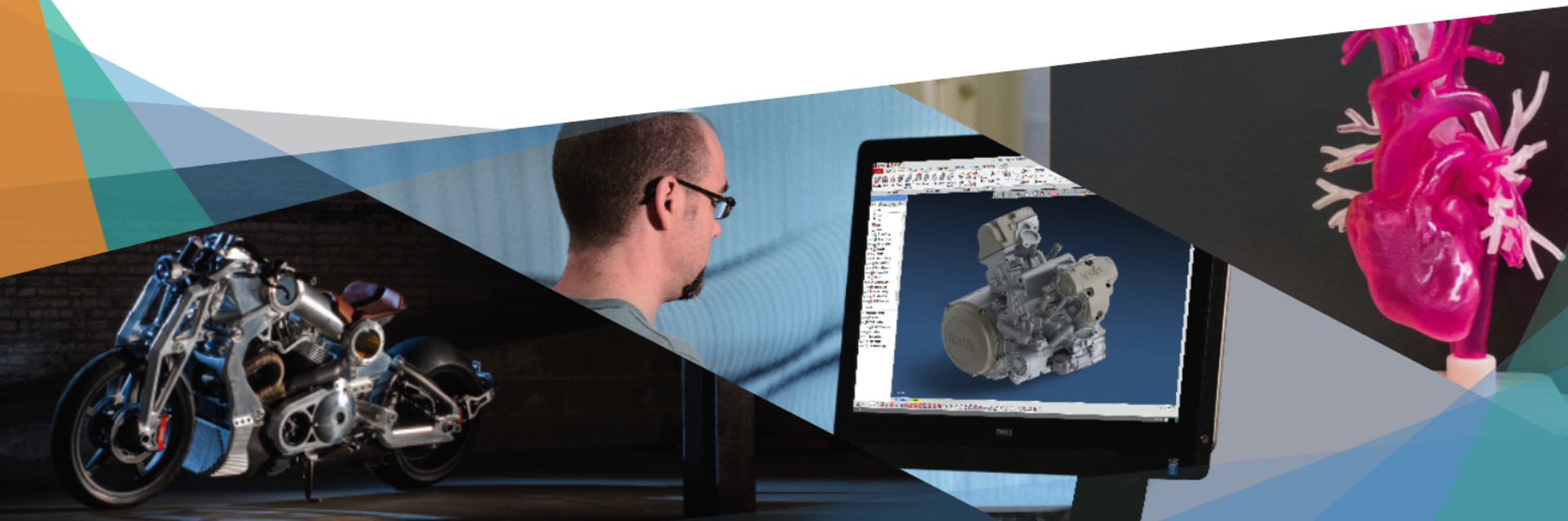
3D SYSTEMS

Thank You



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Appendix



GAAP Revenue Summary by Category

(in millions)	Q4 2019	Q3 2019	Q4 2018	Sequential Better/ (Worse)	Y/Y Better/ (Worse)
Printers	$ 33.6	$ 30.4	$ 43.5	11 %	(23) %
Software Products	14.5	13.3	17.1	9 %	(15) %
Other Products	10.9	9.4	10.5	16 %	4 %
Total Products	**59.0**	**53.1**	**71.1**	**11 %**	**(17) %**
Total Materials	**45.0**	**41.4**	**42.0**	**9 %**	**7 %**
On Demand Manufacturing	23.0	23.1	27.7	— %	(17) %
Software Services	11.3	11.3	11.6	— %	(3) %
Other Services	26.4	26.4	28.4	— %	(7) %
Total Services	**60.6**	**60.8**	**67.7**	**— %**	**(10) %**
Total Revenue	**$ 164.6**	**$ 155.3**	**$ 180.7**	**6 %**	**(9) %**
Software	$ 25.8	$ 24.6	$ 28.7	5 %	(10) %
Healthcare	$ 54.9	$ 56.4	$ 58.4	(3) %	(6) %

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

Non-GAAP Reconciliation - EPS

Fourth Quarter Non-GAAP Earnings (Loss) per Share

(in millions, except per share amounts)	Quarter Ended December 31, 2019	Quarter Ended December 31, 2018	Year Ended December 31, 2019	Year Ended December 31, 2018
GAAP Net loss attributable to 3D Systems Corporation	$ (4.7)	$ (4.1)	$ (69.9)	$ (45.5)
Adjustments:				
Amortization, stock-based compensation & other [1]	8.2	13.9	43.9	58.7
Legal, acquisition and divestiture related [2]	0.5	0.1	7.4	(2.0)
Cost optimization plan, including severance costs [3]	0.7	1.5	7.7	4.0
Impairment of cost-method investments [4]	0.9	—	1.2	1.4
Non-GAAP net income attributable to 3D Systems Corporation	**$ 5.5**	**$ 11.4**	**$ (9.6)**	**$ 16.5**
Non-GAAP net income per share available to 3D Systems common stock holders - basic and diluted [5]	**$ 0.05**	**$ 0.10**	**$ (0.08)**	**$ 0.15**

[1] For the quarter ended December 31, 2019, the adjustment included $0.1 in COGS and $8.1 in SG&A. For the quarter ended December 31, 2018, the adjustment included $(0.2) in COGS and $14.1 in SG&A. For the year ended December 31, 2019, the adjustment included $0.4 in COGS and $43.4 in SG&A. For the year ended December 31, 2018, the adjustment included $0.1 in COGS and $58.6 in SG&A.

[2] For the quarter ended December 31, 2019, the adjustment included $0.1 in COGS and $1.4 in SG&A . For the year ended December 31, 2019, the adjustment included $(2.8) in Revenues, $4.1 in COGS, $5.5 in SG&A, and $0.7 in other income (expense). For the quarter ended December 31, 2018 the adjustment included $0.6 in COGS,$(1.0) in SG&A, and $0.5 in other income (expense) and for the year ended December 31, 2018, the adjustment included $0.6 in COGS, in SG&A $(1.7) and $(0.9) in other income (expense).

[3] For the quarter ended December 31, 2019, the adjustment included $0.6 in SG&A. For the quarter ended December 31, 2018, the adjustment included $0.7 in COGS and $0.8 in SG&A. For the year ended December 31, 2019, the adjustment included $1.8 in COGS, $5.6 in SG&A and $0.3 in R&D. For the year ended December 31, 2018, the adjustment included $1.1 in COGS, $2.4 in SG&A and $0.5 in R&D.

[4] For the quarter and year ended December 31, 2019 the adjustment included $0.9 and $1.2 in interest and other income (expense), net, respectively. For the year ended December 31, 2018, the adjustment included $1.4 in interest and other income (expense), net.

[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 - Revenue

2019 Non-GAAP Revenue

(in millions)	Quarter Ended March 31	Quarter Ended June 30	Quarter Ended September 30	Quarter Ended December 31	Year Ended December 31
GAAP Revenue	$ 152.0	$ 157.3	$ 155.3	$ 164.6	$ 629.1
Adjustments:					
Legal, acquisition and divestiture related	(1.8)	(0.9)	(0.2)	—	(2.8)
Non-GAAP Revenue	$ 150.2	$ 156.4	$ 155.1	$ 164.6	$ 626.2

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

Non-GAAP Reconciliation - GP and GPM

2019 Non-GAAP Gross Profit & Margin

(in millions)	Quarter Ended March 31	Quarter Ended June 30	Quarter Ended September 30	Quarter Ended December 31	Year to Date December 31
GAAP Gross Profit	$ 65.7	$ 73.3	$ 67.3	$ 71.8	$ 278.0
GAAP Gross Profit Margin	*43.2 %*	*46.6 %*	*43.3 %*	*43.6 %*	*44.2 %*
Adjustments:					
Amortization, stock-based compensation & other	0.1	0.1	0.1	0.1	0.4
Legal, acquisition and divestiture related	0.1	0.4	0.5	0.1	1.2
Cost optimization plan, including severance costs	0.4	0.3	1.0	—	1.8
Non-GAAP Gross Profit	$ 66.4	$ 74.2	$ 68.9	$ 72.0	$ 281.5
Non-GAAP Gross Profit Margin	*44.2 %*	*47.4 %*	*44.4 %*	*43.8 %*	*45.0 %*

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

Non-GAAP Reconciliation - Operating Expense

2019 Non-GAAP Operating Expenses

	Quarter Ended				Year to Date
(in millions)	March 31	June 30	September 30	December 31	December 31
GAAP R&D Expenses	**$ 21.9**	**$ 20.8**	**$ 20.9**	**$ 17.1**	**$ 80.8**
GAAP SG&A Expenses	**65.1**	**71.7**	**58.3**	**59.3**	**254.4**
GAAP Operating Expenses	**87.0**	**92.5**	**79.2**	**76.5**	**335.1**
Adjustments to R&D Expenses:					
Cost optimization plan	—	0.3	—	—	0.3
Non-GAAP R&D Expenses	**21.9**	**20.5**	**20.9**	**17.1**	**80.5**
Adjustments to SG&A Expenses:					
Amortization, stock-based compensation & other	12.1	12.5	10.8	8.1	43.4
Legal, acquisition and divestiture related	0.7	4.6	(1.2)	1.4	5.5
Cost optimization plan, including severance costs	1.2	3.3	0.4	0.6	5.6
Total Adjustments to SG&A Expenses	14.1	20.4	10.0	10.1	54.5
Non-GAAP SG&A Expenses	**51.0**	**51.2**	**48.3**	**49.2**	**199.8**
Non-GAAP Operating Expenses	**$ 72.9**	**$ 71.7**	**$ 69.3**	**$ 66.4**	**$ 280.3**

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

Non-GAAP Reconciliation - GP and GPM

Full Year 2018 Non-GAAP Gross Profit & Margin

	2018				
	Quarter Ended				Year Ended
(in millions)	March 31	June 30	September 30	December 31	December 31
GAAP Gross Profit	$ 77.9	$ 86.2	$ 77.8	$ 82.6	$ 324.4
GAAP Gross Profit Margin	*46.9 %*	*48.8 %*	*47.3 %*	*45.7 %*	*47.2 %*
Adjustments:					
Amortization, stock-based compensation & other	0.1	0.1	0.1	(0.2)	0.1
Legal and acquisition-related	—	—	—	0.6	0.6
Cost optimization plan	0.2	0.2	0.1	0.7	1.1
Non-GAAP Gross Profit	$ 78.1	$ 86.4	$ 78.0	$ 83.6	$ 326.2
Non-GAAP Gross Profit Margin	*47.1 %*	*48.9 %*	*47.4 %*	*46.3 %*	*47.4 %*

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

Non-GAAP Reconciliation - Operating Expense

Full Year 2018 Non-GAAP Operating Expenses

	2018				
	Quarter Ended				Year Ended
(in millions)	March 31	June 30	September 30	December 31	December 31
GAAP R&D Expenses	**$ 25.9**	**$ 22.7**	**$ 23.2**	**$ 23.5**	**$ 95.3**
GAAP SG&A Expenses	**69.5**	**71.2**	**65.6**	**66.1**	**272.3**
GAAP Operating Expenses	**95.3**	**93.9**	**88.8**	**89.6**	**367.6**
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**	**23.5**	**94.8**
Adjustments to SG&A Expenses:					
Amortization, stock-based compensation & other	15.1	14.3	15.1	14.1	58.6
Legal and acquisition-related	0.4	(0.4)	(0.7)	(1.0)	(1.7)
Cost optimization plan	0.4	0.7	0.4	0.8	2.4
Total Adjustments to SG&A Expenses	15.9	14.6	14.8	13.9	59.2
Non-GAAP SG&A Expenses	**53.6**	**56.6**	**50.8**	**52.2**	**213.1**
Non-GAAP Operating Expenses	**$ 79.4**	**$ 79.1**	**$ 73.7**	**$ 75.7**	**$ 307.9**

[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.

3D SYSTEMS

Thank You

