

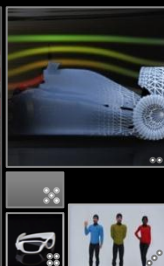
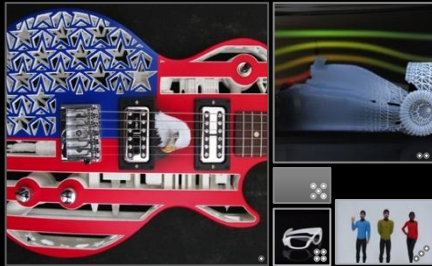


TM

3DSYSTEMS™

MANUFACTURING THE FUTURESM

August 2013



WWW.3DSYSTEMS.COM NYSE:DDD

KEY DIFFERENTIATORS

Unmatched portfolio + leading brands + expanding channels

Technology + financial strength and flexibility

Open-ended growth opportunities

Innovative business model with end-to-end solutions

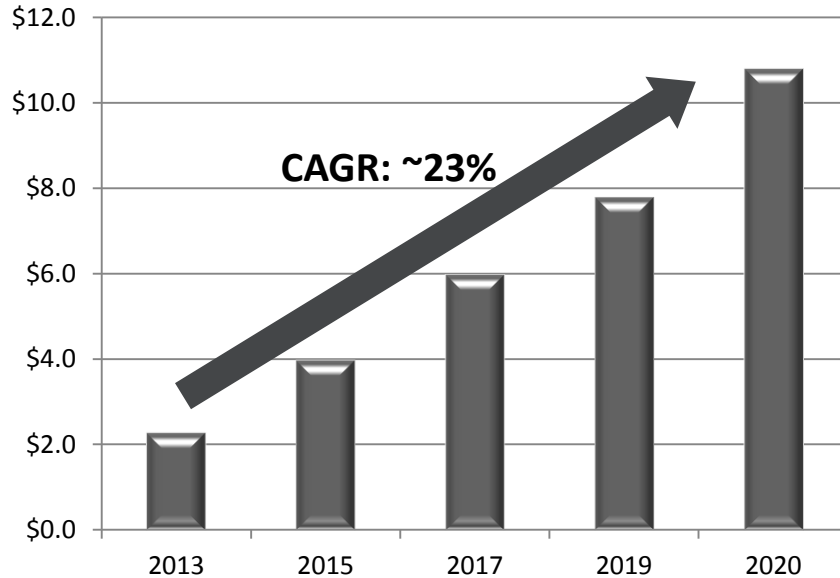
Focused, balanced growth initiatives

Experienced management team

CONVERGENCE INFORMS GROWTH

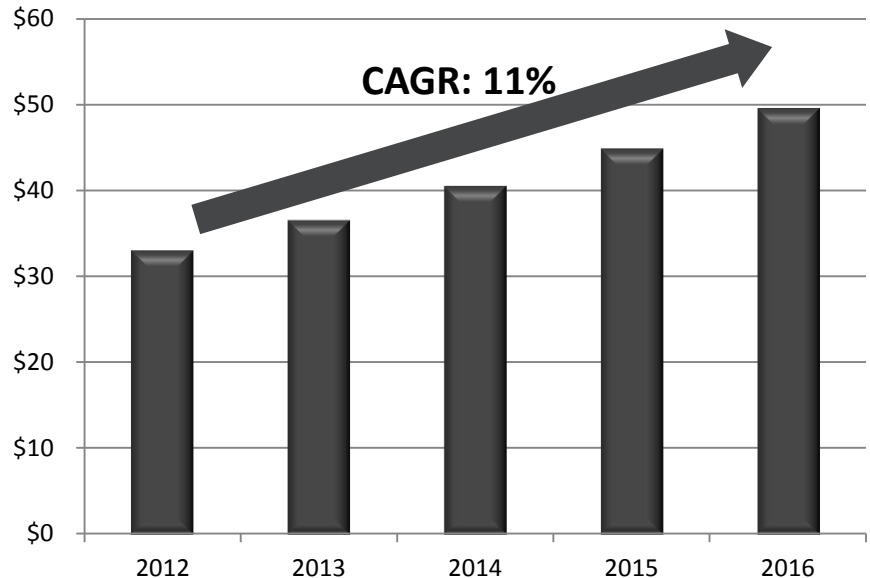
\$ in billions

3D Printer Forecast



Source: Wohler's Report

Product Lifecycle Management (PLM) Forecast

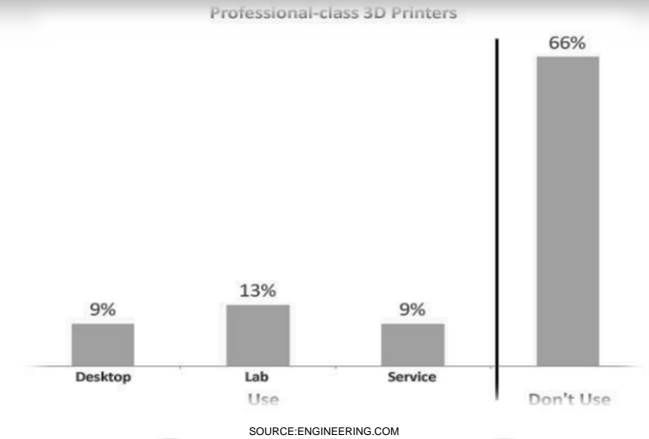
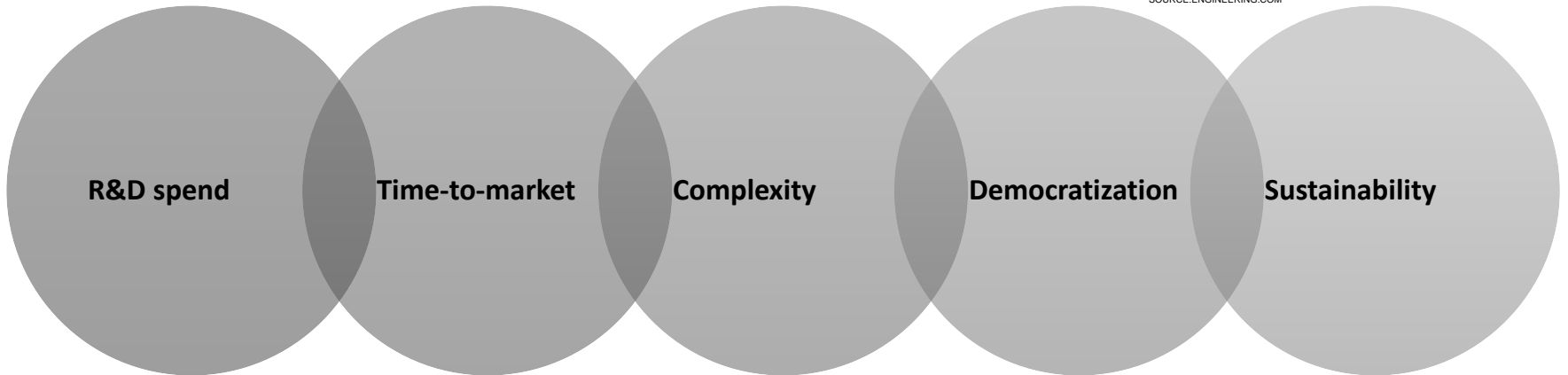


Source: CIMdata

- Our solutions replace or complement traditional design-to-manufacturing alternatives
- Rapid growth forecasted for 3D content-to-print solutions driven by strong secular demand
- Strategically positioned at the heart of \$30B+ design-to-manufacture value chain

FAVORABLE DYNAMICS

FACTORS ACCELERATING ADOPTION



WE LIVE IN EXPONENTIAL TIMES

REDEFINES MOORES'S LAW: COST | SPEED | CONVERGENCE

TRANSLATION:
India has more honors kids
than America has kids

The U.S. Department of Labor estimates that
today's learner will have 10-14 jobs...

by the age of
38

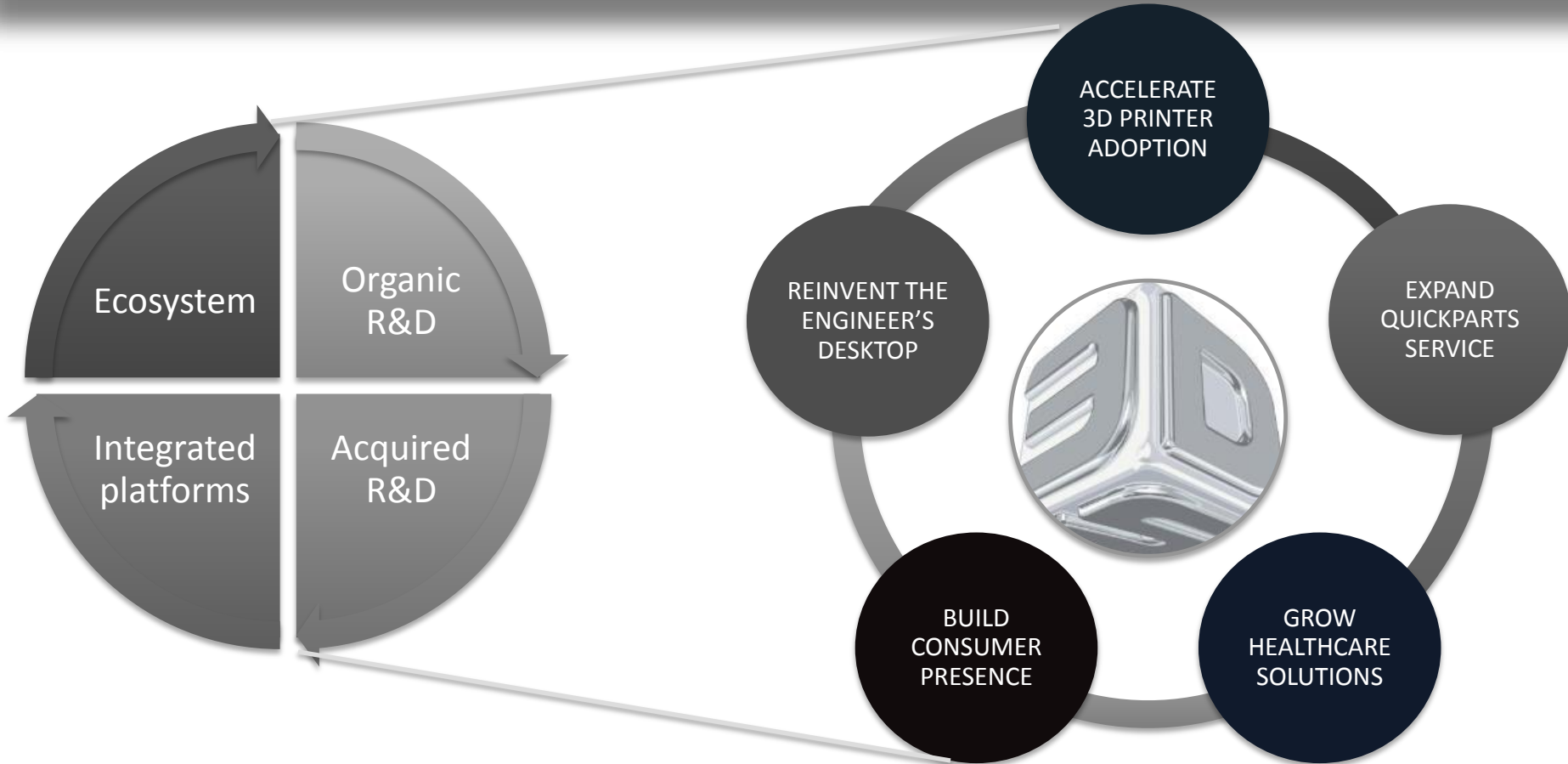
DID YOU
KNOW ?

There are about **640,000** words
in the English language

The amount of new
technical information
is doubling every 2 years...

The top 10
in-demand
jobs in 2010...

EFFECTIVE GROWTH PILLARS

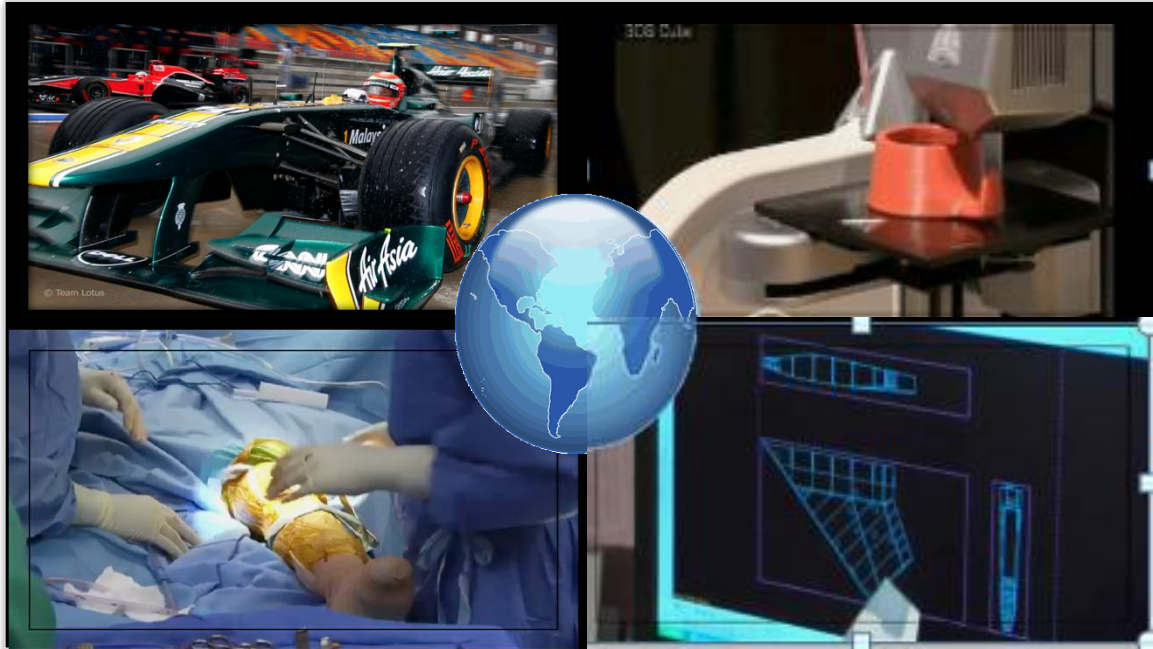


PRESENCE EXTENDS REACH

GLOBAL | LOCAL | NETWORKED

Americas

- Rock Hill, SC
- Atlanta, GA
- Andover, MA
- Denver, CO
- Herndon, VA
- Langhorne, PA
- Lawrenceburg, TN
- Morrisville, NC
- New York, NY
- Richardson, TX
- Seattle, WA
- San Francisco, CA
- Tijuana, Mexico
- Valencia, CA
- Vernon Hills, IL



Europe

- Benelux
- England
- France
- Germany
- Italy
- Switzerland

Asia-Pacific

- Australia
- China
- Hong Kong
- India
- Japan
- Korea
- Singapore

LEADERSHIP REFLECTS ENTERPRENUERIALSHIP



DEMOCRATIZATION BROADENS ACCESS

LIVINGROOM | CLASSROOM | GARAGE | DESKTOP | LAB | FACTORY

DESIGN | MODELING



Price: \$1,300 - \$20,000

PROTOTYPING | MANUFACTURING



\$20,000 - \$250,000

\$250,000 - \$950,000

Print Engines Fuel Use Case Growth

MODEL | PROTOTYPE | COMMUNICATE | TOOL | CAST | MANUFACTURE



SLA



SLS



SLM



FTI



CJP



PJP



MJP

MATERIALS ACCELERATE ADOPTION

100 MATERIALS: PLASTIC | NYLON | METAL | RUBBER | WAX | COMPOSITE

High-Definition | Snap-Fit



High- Impact | Light-Weight



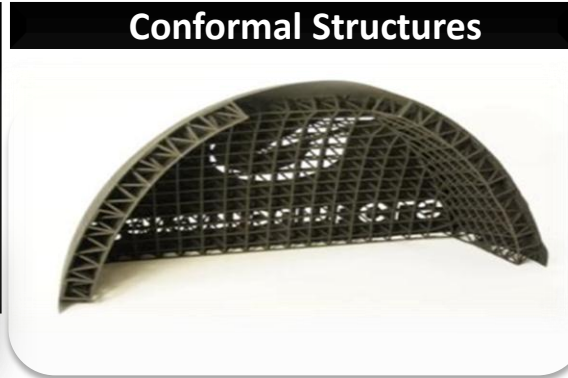
Durable | High-Temperature



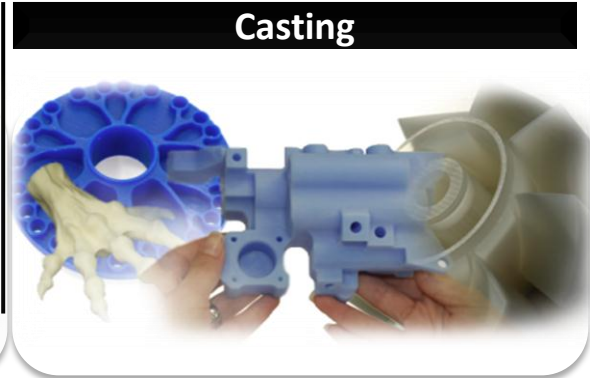
Biocompatible



Conformal Structures



Casting



SERVICES MULTIPLEX ACCESSIBILITY

CAPACITY | VARIETY | UTILITY | ACTIVITY

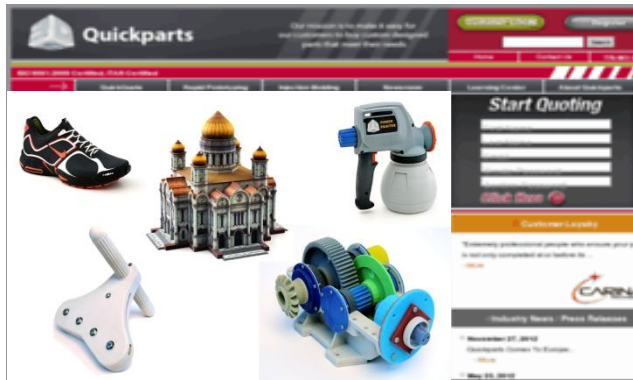
Quick-turn manufacturing services



Latest additive and traditional capabilities in nine locations worldwide

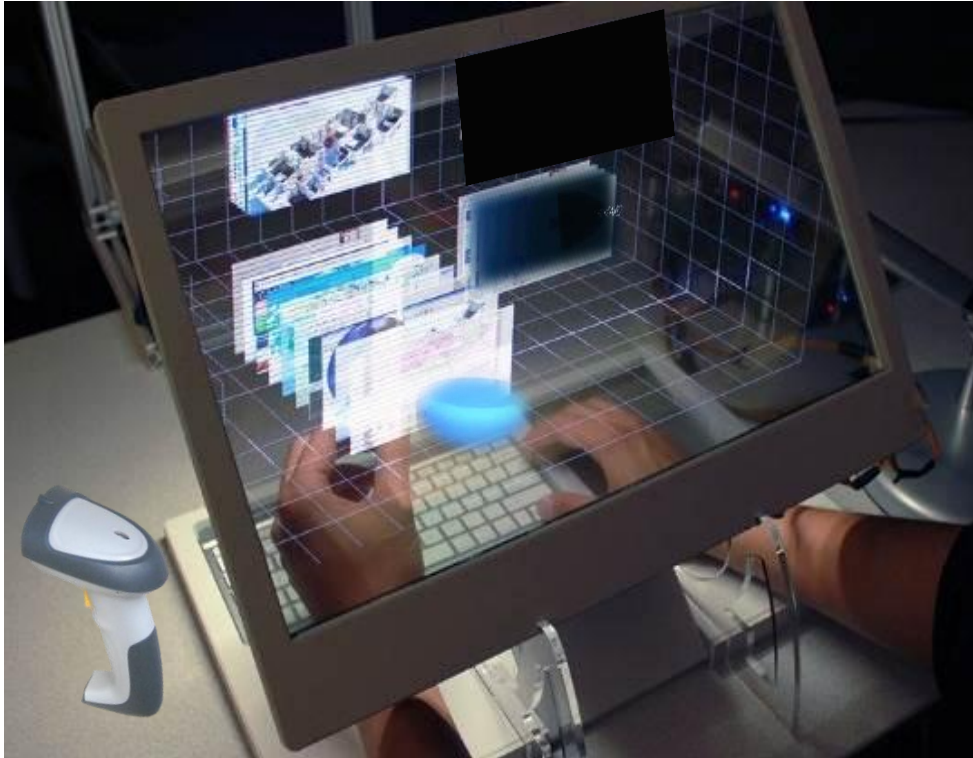


Instant online quoting with proprietary, integrated sales and manufacturing platform



INTUITIVE TOOLS DELIVER PRODUCTIVITY

VOXEL CAD | HAPTICS | MODEL-SCAN-PRINT WORKFLOW | VERIFICATION



REINVENTING THE ENGINEERS DESKTOP



RE-IMAGINING EDUCATION

UNLEASHING CREATIVITY | IMPARTING TOMORROW'S SKILLS TODAY



MANUFACTURING DRIVES GROWTH



ADVANCED MANUFACTURING

Accuracy

+/- 45 μ m

Resolution

17.5 μ m

Functionality

Comparable thermoplastics & metals

Size

Full car dashboard in single part

Scalability

>20,000 per shift with integrated SPC



AEROSPACE

COMPLEXITY | WEIGHT | MANEUVERABILITY | FUEL EFFICIENCY | COST

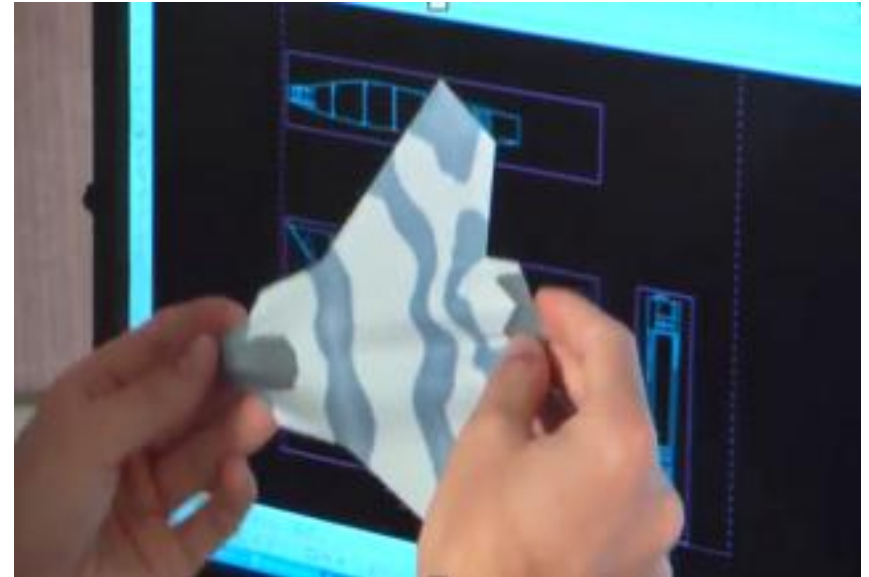
GE ADDITIVE MANUFACTURING - BY THE NUMBERS

19 additive fuel nozzles to be installed on every CFM LEAP engine, >4500 sold

By 2020, GE Aviation will manufacture >100,000 additive parts

Potential to reduce weight of a single aircraft engine by 1,000 lbs

Across the company, GE has more than 300 3D printing machines



AUTOMOTIVE

DESIGN | VALIDATE | TOOL | BRIDGE | CUSTOMIZE | MANUFACTURE



SOURCE: Lotus F1



SOURCE: General Motors

PATIENT SPECIFIC MEDICAL DEVICES

ITE HEARING AIDS | ORTHOPEDIC BRACES | DENTAL RESTORATIONS | IMPLANTS

The Bespoke Solution



CAPTURE



PROCESS



PRINT

- Custom fit orthopedic devices
- Dramatic improvements in fit, comfort & appearance
- Improvements in clinical quality and function



SOURCE: ORLive.com

Phenix Systems Expands Metals Capabilities

Robust manufacturing grade printers

Wide range of standard metal alloys and ceramics with over 15 materials including reactive metals & ceramics

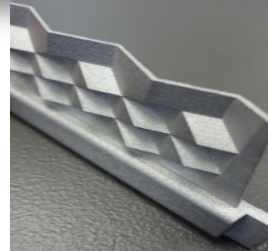
Outstanding output quality

Excellent surface finish & resolution

Exceptional accuracy & repeatability critical for manufacturing

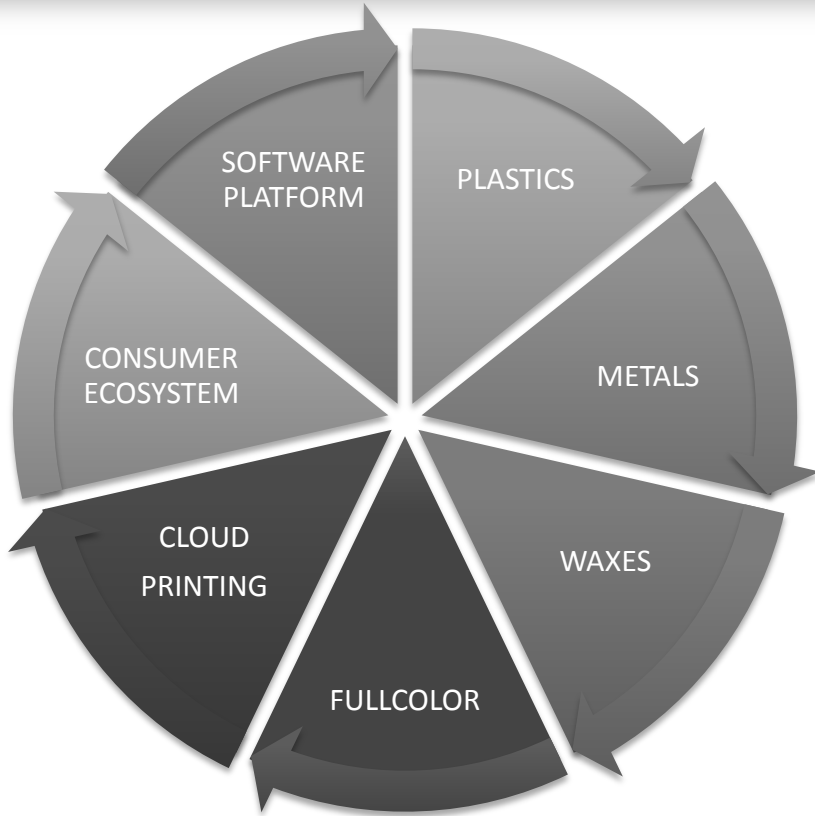
Superior mechanical properties

20% faster build speeds than competitive systems

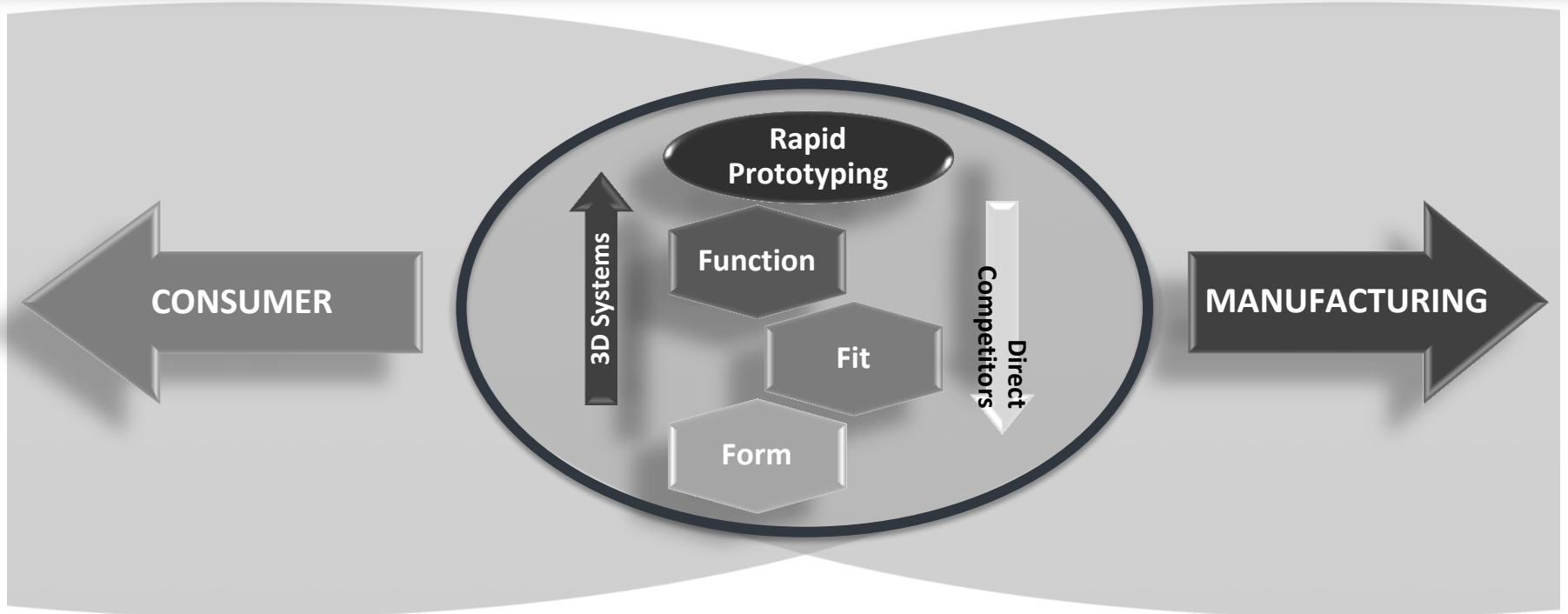


MEDICAL | AEROSPACE | AUTOMOTIVE | DEFENSE | METALS | CERAMICS

DIFFERENTIATION



OPEN ENDED GROWTH OPPORTUNITIES



Addressing full continuum of 3D – ideation through production

BOTTOM LINE

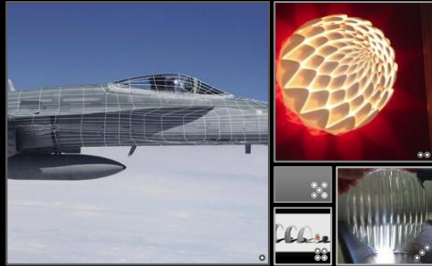
- Unmatched portfolio with leading brands
- Technology + financial strength and flexibility
- Open-ended growth opportunities
- Innovative business model with end-to-end solutions
- Focused, balanced growth initiatives
- Experienced management team



TM

3DSYSTEMS™

Thank You

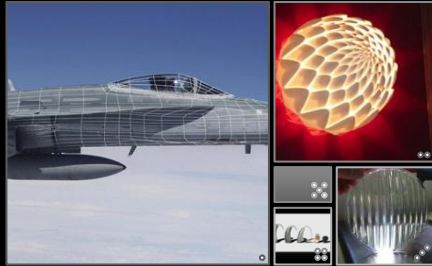
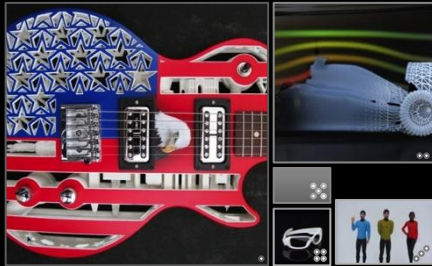


WWW.3DSYSTEMS.COM NYSE:DDD



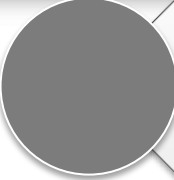
3DSYSTEMS™

Supplemental Financial Information



WWW.3DSYSTEMS.COM NYSE:DDD

Second Quarter 2013 Highlights



Revenue grew 44.5%, to a record \$120.8 million on a 107.9% increase in printers & other products revenue and 30.1% overall organic growth



Gross profit increased 45.7% on higher revenue and gross profit margin expanded to 51.8%



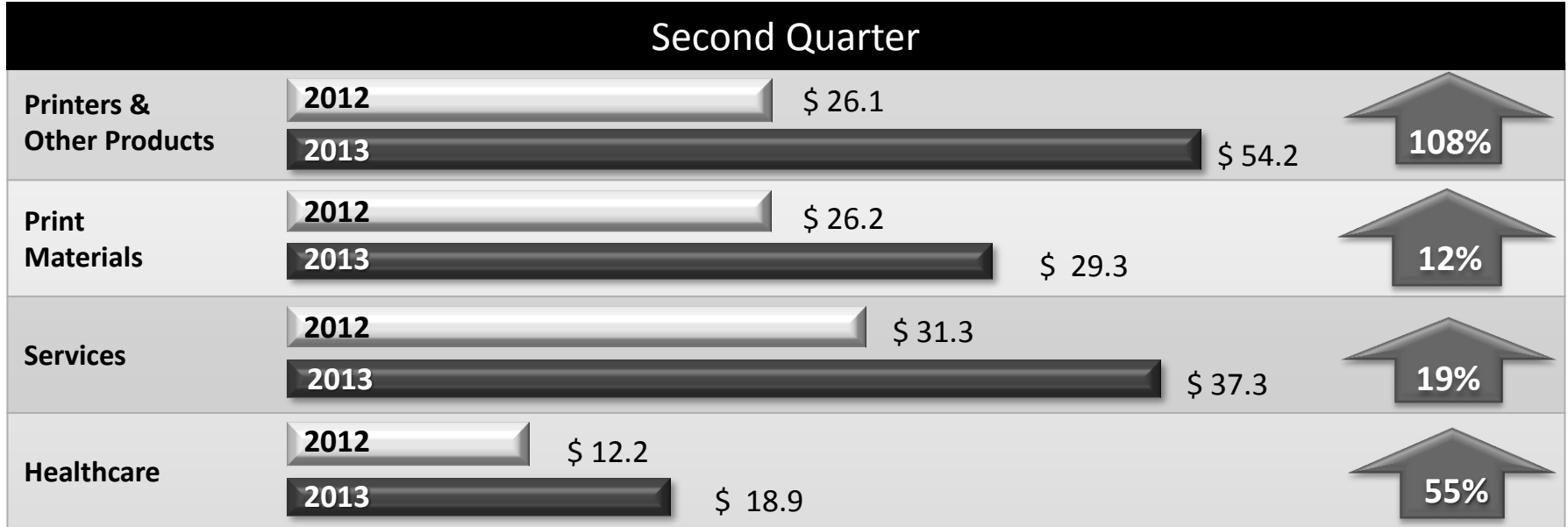
We introduced significant new products including several 3D printers, materials and powerful designer software packages



We acquired RPDG extending our services portfolio and direct sales channel

Record Quarterly Revenue

\$ in millions



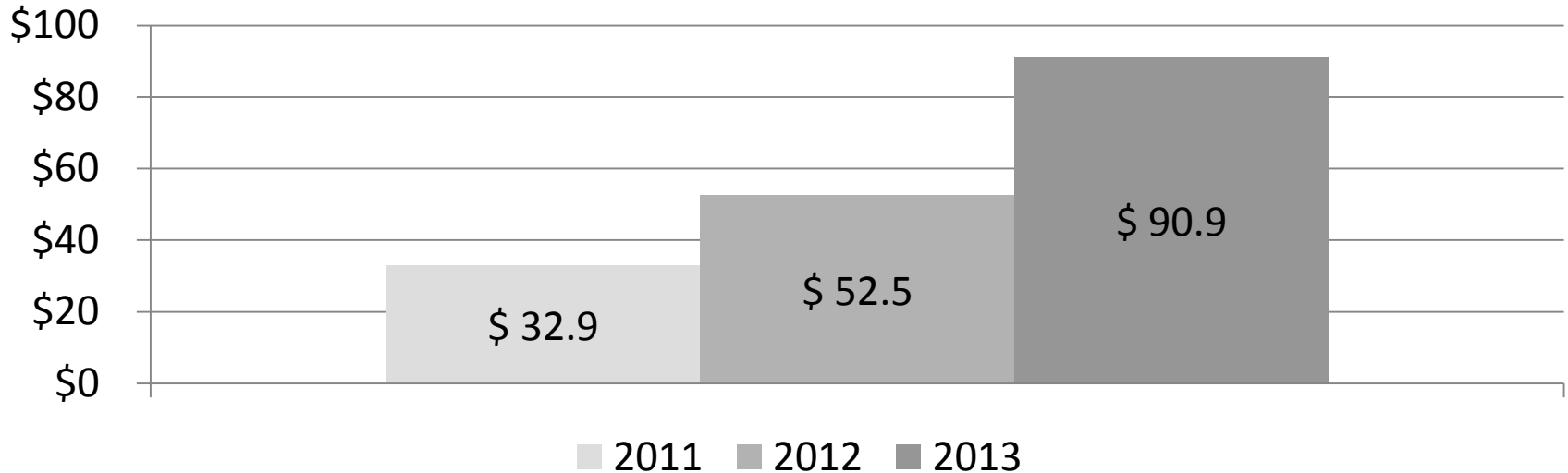
44.5% total revenue growth

30.1% organic revenue growth

New Products Fuel Our Growth

\$ in millions

New Products Revenue



New Products 2013

Launched 9 new products in the first six months 2013

New products revenue up 80% over Q2 2012

New products revenue up 73% compared to the first six months of 2012

Second Quarter GAAP Operating Results

\$ in millions, except earnings per share

| Drivers | 2012 | 2013 | % Change Favorable/ (Unfavorable) |
|-----------------------------------|----------------|-----------------|--------------------------------------|
| Revenue | \$ 83.6 | \$ 120.8 | 44.5% |
| Gross Profit | \$ 43.0 | \$ 62.6 | 45.7% |
| <i>% of Revenue</i> | <i>51.4%</i> | <i>51.8%</i> | |
| Operating Expenses | \$ 29.0 | \$ 45.8 | (58.1%) |
| <i>% of Revenue</i> | <i>34.6%</i> | <i>37.9%</i> | |
| Operating Income | \$ 14.0 | \$ 16.8 | 20.0% |
| <i>% of Revenue</i> | <i>16.7%</i> | <i>13.9%</i> | |
| Net Income | \$ 8.3 | \$ 9.3 | 12.2% |
| <i>% of Revenue</i> | <i>10.0%</i> | <i>7.7%</i> | |
| Diluted Earnings Per Share | \$ 0.11 | \$0.10 | (9.1%) |

First Six Months GAAP Operating Results

\$ in millions, except earnings per share

| Drivers | 2012 | 2013 | % Change Favorable/ (Unfavorable) |
|-----------------------------------|-----------------|-----------------|--------------------------------------|
| Revenue | \$ 161.5 | \$ 222.9 | 38.0% |
| Gross Profit | \$ 81.8 | \$ 116.1 | 41.8% |
| <i>% of Revenue</i> | <i>50.7%</i> | <i>52.1%</i> | |
| Operating Expenses | \$ 57.9 | \$ 81.7 | (41.3%) |
| <i>% of Revenue</i> | <i>35.8%</i> | <i>36.7%</i> | |
| Operating Income | \$ 24.0 | \$ 34.3 | 43.2% |
| <i>% of Revenue</i> | <i>14.8%</i> | <i>15.4%</i> | |
| Net Income | \$ 14.5 | \$ 15.2 | 4.9% |
| <i>% of Revenue</i> | <i>9.0%</i> | <i>6.8%</i> | |
| Diluted Earnings Per Share | \$ 0.19 | \$ 0.16 | (15.8%) |

Non-GAAP Reconciliation

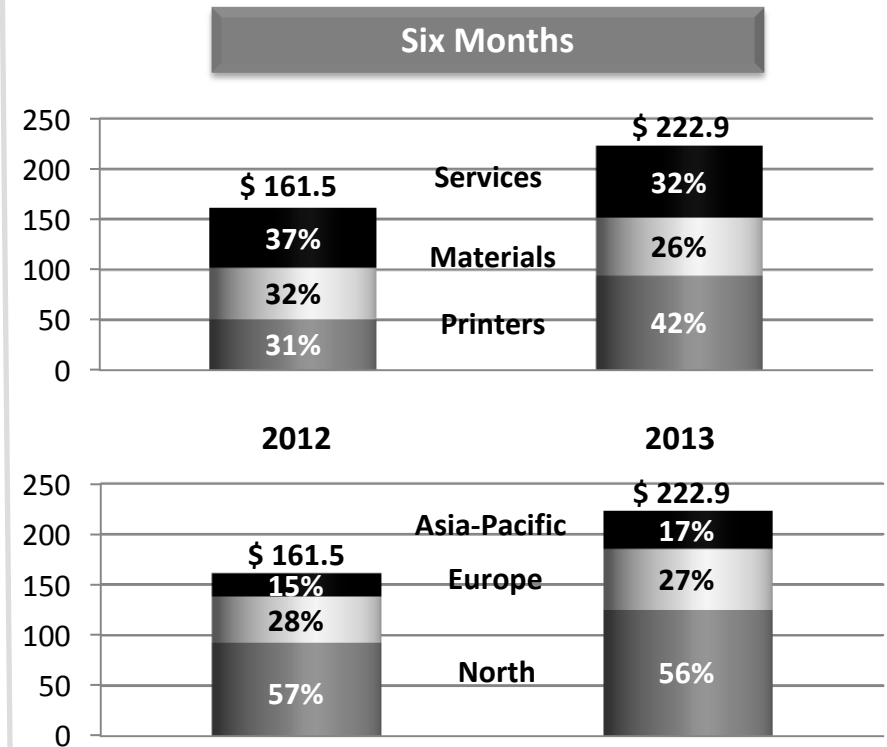
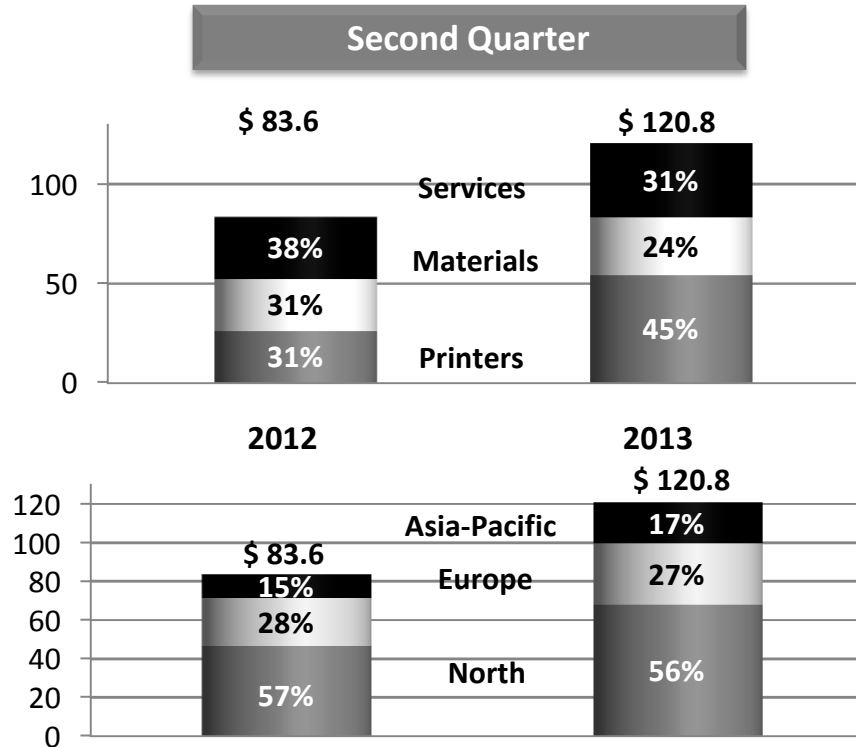
| <i>\$ in millions, except per share amounts</i> | Quarter Ended June 30, | | Six Months Ended June 30, | |
|---|------------------------|-----------------|---------------------------|-----------------|
| | 2012 | 2013 | 2012 | 2013 |
| GAAP net income | \$ 8.3 | \$ 9.3 | \$ 14.5 | \$ 15.2 |
| Cost of sales adjustments: | | | | |
| Amortization of intangibles | \$ 0.1 | \$ 0.1 | \$ 0.1 | \$ 0.1 |
| Operating expenses adjustments: | | | | |
| Amortization of intangibles | \$ 3.0 | \$ 5.0 | \$ 6.3 | \$ 8.7 |
| Acquisition and severance expenses | \$ 0.7 | \$ 2.5 | \$ 3.1 | \$ 4.7 |
| Non-cash stock based compensation expense | \$ 1.3 | \$ 3.1 | \$ 2.5 | \$ 5.3 |
| Other expense adjustments: | | | | |
| Non-cash interest expense | \$ 1.0 | \$ 0.3 | \$ 1.9 | \$ 0.8 |
| Loss on conversion of convertible notes | - | \$ 3.5 | - | \$ 9.2 |
| Loss on litigation settlement | - | - | - | \$ 2.0 |
| Tax effect | <u>(\$ 0.4)</u> | <u>(\$ 4.9)</u> | <u>(\$ 1.3)</u> | <u>(\$ 8.4)</u> |
| Non-GAAP net income | \$ 13.9 | \$ 19.0 | \$ 27.1 | \$ 37.8 |
| Non-GAAP diluted earnings per share | \$ 0.18 | \$ 0.20 | \$ 0.35 | \$ 0.40 |

-columns may not foot due to rounding

We use non-GAAP financial measures of adjusted net income and adjusted earnings per share to supplement our unaudited condensed consolidated financial statements presented on a GAAP basis to facilitate a better understanding of the impact that several strategic acquisitions had on our financial results.

Revenue by Category & Geography

\$ in millions



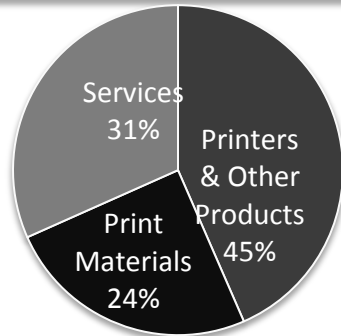
Q2 and six months 2013 recurring revenue accounted for 55% and 58% of total revenue

Second Quarter Gross Profit and Margin

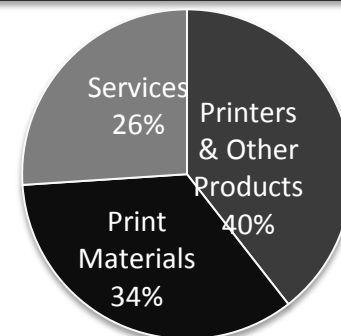
| \$ in millions | | | | | | |
|---------------------------|----------------|---------------------|----------------|---------------------|--------------|---------------------|
| Second Quarter | | | | | | |
| Category | 2012 | | 2013 | | Yr-Yr% | |
| | Gross Profit | Gross Profit Margin | Gross Profit | Gross Profit Margin | Gross Profit | Gross Profit Margin |
| Printers & other products | \$ 11.2 | 43.1% | \$ 24.7 | 45.6% | 119.8% | 5.8% |
| Print materials | \$ 17.2 | 65.6% | \$ 21.6 | 73.6% | 25.3% | 12.2% |
| Services | \$ 14.5 | 46.4% | \$ 16.3 | 43.8% | 12.4% | (5.7%) |
| Total | \$ 43.0 | 51.4% | \$ 62.6 | 51.8% | 45.7% | 0.8% |

-columns may not foot due to rounding

Q2 2013 Revenue by Category



Q2 2013 Gross Profit by Category



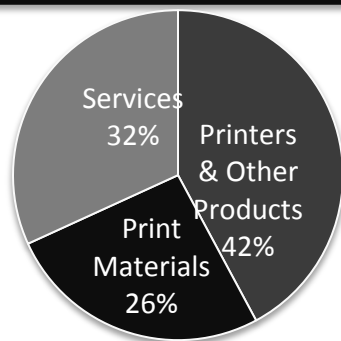
Six Months Gross Profit and Margin

\$ in millions

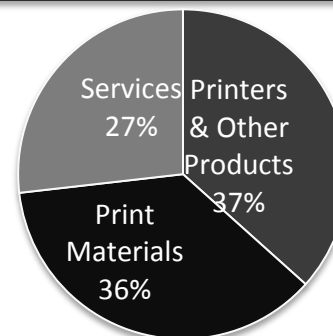
Six Months

| Category | 2012 | | 2013 | | Yr-Yr% | |
|---------------------------|----------------|---------------------|-----------------|---------------------|--------------|---------------------|
| | Gross Profit | Gross Profit Margin | Gross Profit | Gross Profit Margin | Gross Profit | Gross Profit Margin |
| Printers & other products | \$ 20.8 | 41.0% | \$ 42.5 | 45.3% | 104.4% | 10.5% |
| Print materials | \$ 34.0 | 66.8% | \$ 42.4 | 73.1% | 24.9% | 9.5% |
| Services | \$ 27.0 | 45.2% | \$ 31.1 | 43.8% | 15.0% | (3.0%) |
| Total | \$ 81.8 | 50.7% | \$ 116.1 | 52.1% | 41.8% | 2.8% |

Six Months 2013 Revenue by Category

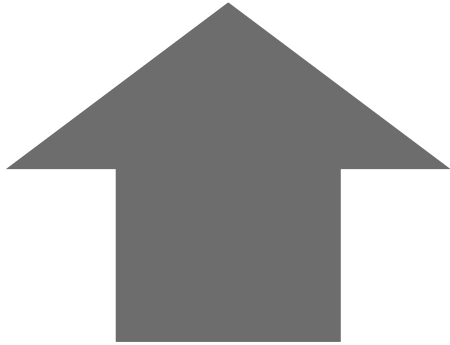


Six Months 2013 Gross Profit by Category



GPM Expectations

Continued corporate gross profit margin expansion



GPM Drivers

- Materials
- Software
- Volume
- Continuous Operational Improvements



GPM Pressure

- Quickparts
- Consumer
- Printer units surge
- Mix

Second Quarter Operating Expenses

\$ in millions

Second Quarter

| Category | GAAP | | | Non-GAAP | | |
|--------------------------|---------|---------|--------------------------------------|----------|---------|--------------------------------------|
| | 2012 | 2013 | % Change Favorable/ (Unfavorable) | 2012 | 2013 | % Change Favorable/ (Unfavorable) |
| SG&A | \$ 24.0 | \$ 36.2 | (50.5%) | \$ 19.1 | \$ 25.5 | (33.7%) |
| R&D | \$ 4.9 | \$ 9.6 | (95.0%) | \$ 4.9 | \$ 9.6 | (95.0%) |
| Total Operating Expenses | \$ 29.0 | \$ 45.8 | (58.1%) | \$ 24.0 | \$ 35.1 | (46.3%) |
| <i>% of Revenue</i> | 34.6% | 37.9% | | 28.7% | 29.1% | |

-Columns may not foot due to rounding

Six Months Operating Expenses

\$ in millions

Six Months

| Category | GAAP | | | Non-GAAP | | |
|--------------------------|---------|---------|--------------------------------------|----------|---------|--------------------------------------|
| | 2012 | 2013 | % Change Favorable/ (Unfavorable) | 2012 | 2013 | % Change Favorable/ (Unfavorable) |
| SG&A | \$ 48.0 | \$ 65.6 | (36.8%) | \$ 36.1 | \$ 46.8 | (29.6%) |
| R&D | \$ 9.9 | \$ 16.1 | (63.4%) | \$ 9.9 | \$ 16.1 | (63.4%) |
| Total Operating Expenses | \$ 57.9 | \$ 81.7 | (41.3%) | \$ 46.0 | \$ 62.9 | (36.9%) |
| <i>% of Revenue</i> | 35.8% | 36.7% | | 28.5% | 28.2% | |

-Columns may not foot due to rounding