



News Release

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3D Systems' 2014 Investor & Analyst Day Highlights

- Forecasts \$1 billion in annual revenue for 2015 with expanded operating margins consistent with anticipated faster return of P&L leverage and higher gross profit margins
- Raised FY 2014 revenue guidance, kept non-GAAP earnings per share guidance despite share count increase from recent secondary offering
- Plans to deploy recent capital raised around its "3 M's": materials, medical and metals for advanced manufacturing use cases and for its Quickparts global expansion
- Previewed continuous, high speed "racetrack" 3D printer capable of jetting material 50x faster than existing technology that readily integrates with traditional manufacturing workflows
- Expects higher consumer revenue contribution in the second half of 2014 from the rollout of several key products and key partnerships

ROCK HILL, South Carolina –June 16, 2014 – [3D Systems](#) (NYSE:DDD) hosted an investor and analyst day last week and today recaps key highlights:

2014 guidance update. With the acquisition of Medical Modeling and the imminent closing of the acquisition of 70% of Robtec, the company raised revenue guidance by \$15 million, expecting 2014 revenue to be in the range of \$695 million to \$735 million. EPS guidance for 2014 remained unchanged in the range of \$0.73 to \$0.85 non-GAAP earnings per share, even after a roughly 6% increase in the company's share-count from its recent equity raise. Steady EPS guidance reflects accretion of recent acquisitions to earnings and underscores confidence in expected gross profit margins expansion and the anticipated resumption of operating leverage in the second half of 2014.

M&A and capital deployment. 3DS recently completed a \$300 million equity raise.

Management plans to deploy proceeds to complete several acquisitions related to the company's growth initiatives centered around its stronger focus on materials, medical and metal ("the 3 M's") and its ongoing Quickparts global expansion. 3DS has effectively deployed capital towards strategic acquisitions to create a substantial first mover advantage and to expand its portfolio and marketplace reach. This has led to the creation of a successful and scalable business model that offers the greatest number of revenue streams in the industry, built at lower costs than those incurred by its peer group followers.

High-speed printing and materials innovation. The company showcased its latest 3D printing innovations through production speeds that are already rivaling injection molding in many applications. The company plans to continue to double print speeds of its current print engines approximately every 18 months. Management also revealed a video of its fab-grade, "racetrack" 3D printer under development that enables continuous printing of higher functionality polymers at speeds 50x faster than all existing jetting technology. 3DS plans to showcase this next generation general-purpose production platform at Euromold 2014. While this new high-speed printer and its advanced materials (including conductive materials) are being developed in conjunction with Google's Project Ara, 3DS management highlighted the importance of these developments as a technology platform that can effectively address a wide range of use cases for end-use manufacturing. Most important, this new high speed, mass-customized additive manufacturing platform can be easily integrated with traditional manufacturing processes (such as CNC machining and coating), opening up countless new applications for 3D printing on factory floors.

Broad based consumer adoption. 3DS reiterated its belief that consumer is a significant opportunity and discussed the growing interest from stakeholders across the consumer experience—from retail to food, entertainment to education—that is driving awareness and adoption. The company emphasized the importance of establishing a virtual to actual digital thread in every segment of the consumer end markets, using its strategy in entertainment merchandizing as an example. With many new consumer products scheduled for release in the second half of 2014, 3DS' strategic partnerships with industry leaders like Staples and Hershey's are seen as important channels to

market and key drivers for product innovation and adoption. 3DS also unveiled plans to open the world's first digital bakery in Los Angeles this fall, which it believes will amplify awareness of its *ChefJet*™ 3D printer, along with new creative partnerships in the food and hospitality industries.

Strategic partnerships. The company invited Deloitte's Chief Innovation Officer, Andrew Vaz and Eco-Systems and Exponentials Leader, Marcus Shingles, to discuss the strategic partnership between 3DS and Deloitte, as well as the opportunities they see for 3D printing in the broader manufacturing field. The Deloitte team noted strong interest in the C-suites of major corporations to integrate 3D printing into operations, particularly around consumer experiences and direct manufacturing, and highlighted the hands-on education and implementation consulting they offer to companies looking at additive manufacturing. Deloitte emphasized that 3DS' focus on customer solutions and a full range of print engines, software and perceptual devices make it an ideal partner to support and leverage Deloitte's existing relationships with industry leaders like Hershey's and Mattel.

New frontiers in medical technology. Healthcare solutions is 3DS' fastest growing vertical and management emphasized its plans to extend its leadership position in this attractive field. Specifically, 3DS plans to invest and expand its virtual surgical planning (VSP®) capabilities, broaden its range of implants and surgical tools manufacturing and develop new personalized medical devices, such as the recently introduced Bespoke scoliosis brace. 3DS' guest speaker Dr. Oren Tepper, Assistant Professor of Surgery at the Montefiore Medical Center and a pioneer in virtual surgical planning, discussed how 3DS' technology is bringing greater planning and precision to operating rooms, enabling him and other surgeons to perform successful operations that were previously impossible. Dr. Tepper explained that while virtual surgical planning is only used on a small percentage of operations today, the untapped potential, especially as the technology becomes more commonplace in soft tissue procedures, is enormous. Dr. Tepper affirmed 3DS' belief that surgeons will one day look back on non-VSP procedures as crude and primitive.

Metals and manufacturing. Management noted that the demand for its metals printers continues to outpace its manufacturing capacity and that metals represents a significant near term growth opportunity – with immediate applications in aerospace, automotive, jewelry, dental and other fields. The company highlighted part density, purity and materials offerings as important differentiating factors in its printers. It also shared plans for a fab-grade, larger and faster direct metals printer to be introduced at Euromold 2014. 3DS sees its metals printers making major inroads into direct manufacturing, becoming standard equipment on factory floors. Given that additive manufacturing only accounts for 0.1% of the \$10.5 trillion manufacturing market at present, the company sees an open-ended growth opportunity in its production-grade technology. It is increasingly evident to a broader audience that there is not one solution for every job and 3DS' broad range of solutions and Quickparts service position the company as a leader in a wide range of manufacturing opportunities.

Intellectual property protection. When asked about patents, 3DS' management stated that although it has more patents than employees, its marketplace leadership is defined less by its patents and more by its ability to provide a sticky value chain that addresses the broadest range of opportunities powered by a proprietary digital thread and a differentiated channel of global scale and reach. Management stressed that 3DS' technological leadership in exponential times is shaped by its ability to attract, acquire and motivate the best and most talented engineers. The company reiterated that there are no upcoming patent expirations that could erode its technological leadership and that it continues to obsolete its own patents through disruptive innovation long before their technical expiration.

Outlook. 3DS' management demonstrated confidence in its differentiated business model of building a complete value chain, establishing a digital thread, and using its channels to scale activities to a global level. The company reiterated its expectation to reach \$1 billion in revenue by the end of 2015, driven by at least 30% organic growth, as the industry continues to broaden, addressable markets are increasing across the board and new products drive adoption. Management also reaffirmed the expectation that gross profit margins will continue to expand, reaching 55% to 60% as it achieves

the billion dollar revenue run rate with operating expenses normalizing over the same time frame.

A full replay of the event is available on the [investor relations section](#) of the company's website.

Learn more about 3DS' commitment to manufacturing the future today at www.3dsystems.com.

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Forward-Looking Statements

Certain statements made in this release 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 may involve known and unknown risks, uncertainties and other factors that may cause the actual results, performance or achievements of the company to be materially different from historical results or from any future results or projections expressed or implied by such forward-looking statements. In addition to statements that explicitly describe such risks and uncertainties, readers are urged to consider statements in the conditional or future tenses or that include terms such as "believes," "belief," "expects," "estimates," "intends," "anticipates" or "plans" to be uncertain and forward-looking. Forward-looking statements may include comments as to the company's beliefs and expectations as to future events and trends affecting its business and are necessarily subject to uncertainties, many of which are outside the control of the company, including whether the securities offering discussed above will be completed on the terms described, or at all, or that the net proceeds of the offering will be used as indicated. The factors described under the headings "Forward-Looking Statements," "Cautionary Statements and Risk Factors," and "Risk Factors" in the company's periodic filings with the Securities and Exchange Commission, as well as other factors, could cause actual results to differ materially from those reflected or predicted in forward-looking statements.

About 3D Systems

3D Systems is a leading provider of 3D printing centric design-to-manufacturing solutions including 3D printers, print materials and cloud sourced on-demand custom parts for professionals and consumers alike in materials including plastics, metals, ceramics and edibles. The company also provides integrated 3D scan-based design, freeform modeling and inspection tools and an integrated 3D planning and printing digital thread for personalized surgery and patient specific medical devices. Its products and services replace and complement traditional methods and reduce the time and cost of designing new products by printing real parts directly from digital input. These solutions are used to rapidly design, create, communicate, prototype or produce functional parts and assemblies, empowering customers to *manufacture the future*.

Leadership Through Innovation and Technology

- 3DS invented 3D printing with its Stereolithography (SLA) printer and was the first to commercialize it in 1989.
- 3DS invented Selective Laser Sintering (SLS) printing and was the first to commercialize it in 1992.
- 3DS invented the Color-Jet-Printing (CJP) class of 3D printers and was the first to commercialize 3D powder-based systems in 1994.
- 3DS invented Multi-Jet-Printing (MJP) printers and was the first to commercialize it in 1996.

Today its comprehensive range of 3D printers is the industry's benchmark for production-grade manufacturing in aerospace, automotive, patient specific medical device and a variety of consumer, electronic and fashion accessories.

More information on the company is available at www.3DSystems.com.