Company Presentation

February 2019

Forward Looking Statements

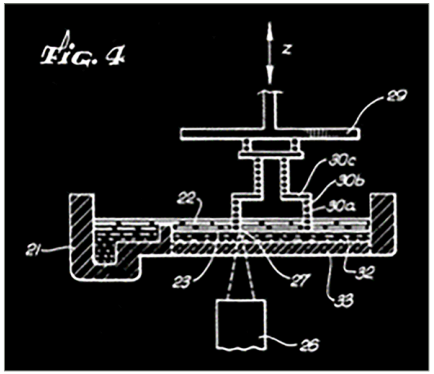
This presentation contains certain statements that are not statements of historical or current facts are forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements include statements concerning plans, objectives, goals, strategies, 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.

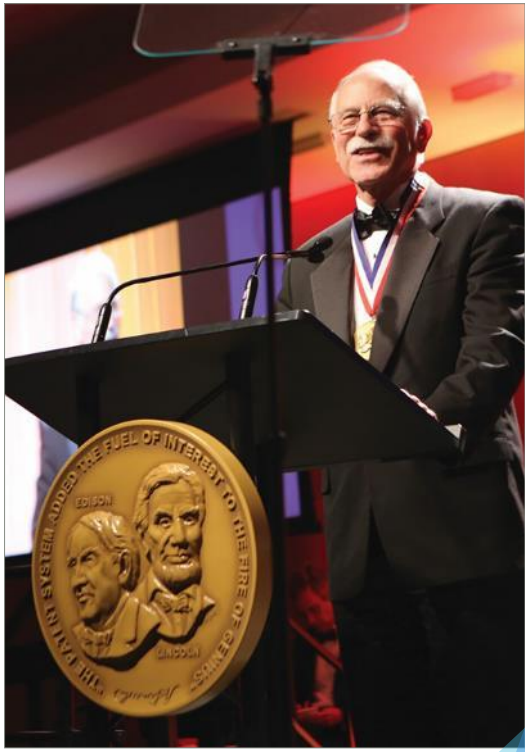
Forward-looking statements are based upon management’s beliefs, assumptions and current expectations concerning future events and trends, using information currently available, and are necessarily subject to uncertainties, many of which are outside our control. In addition, we undertake no obligation 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.

A Spark of Inspiration





Inspiration
1983

With our technology, expertise and know-how, we are…

MAKING 3D PRODUCTION REAL

Leadership Team

Menno Ellis
SVP, General Manager
Plastics

Erica Hausheer
Chief Information Officer

Chuck Hull
EVP, Chief Technology Officer

Andy Johnson
EVP, Chief Legal Officer
& Secretary

Herbert Koeck
SVP, General Manager,
Go to Market

Radhika Krishnan
SVP, General Manager
Software Workflow Business

Kevin McAlea
EVP, General Manager,
Metals & Healthcare

John McMullen
EVP, Chief Financial Officer

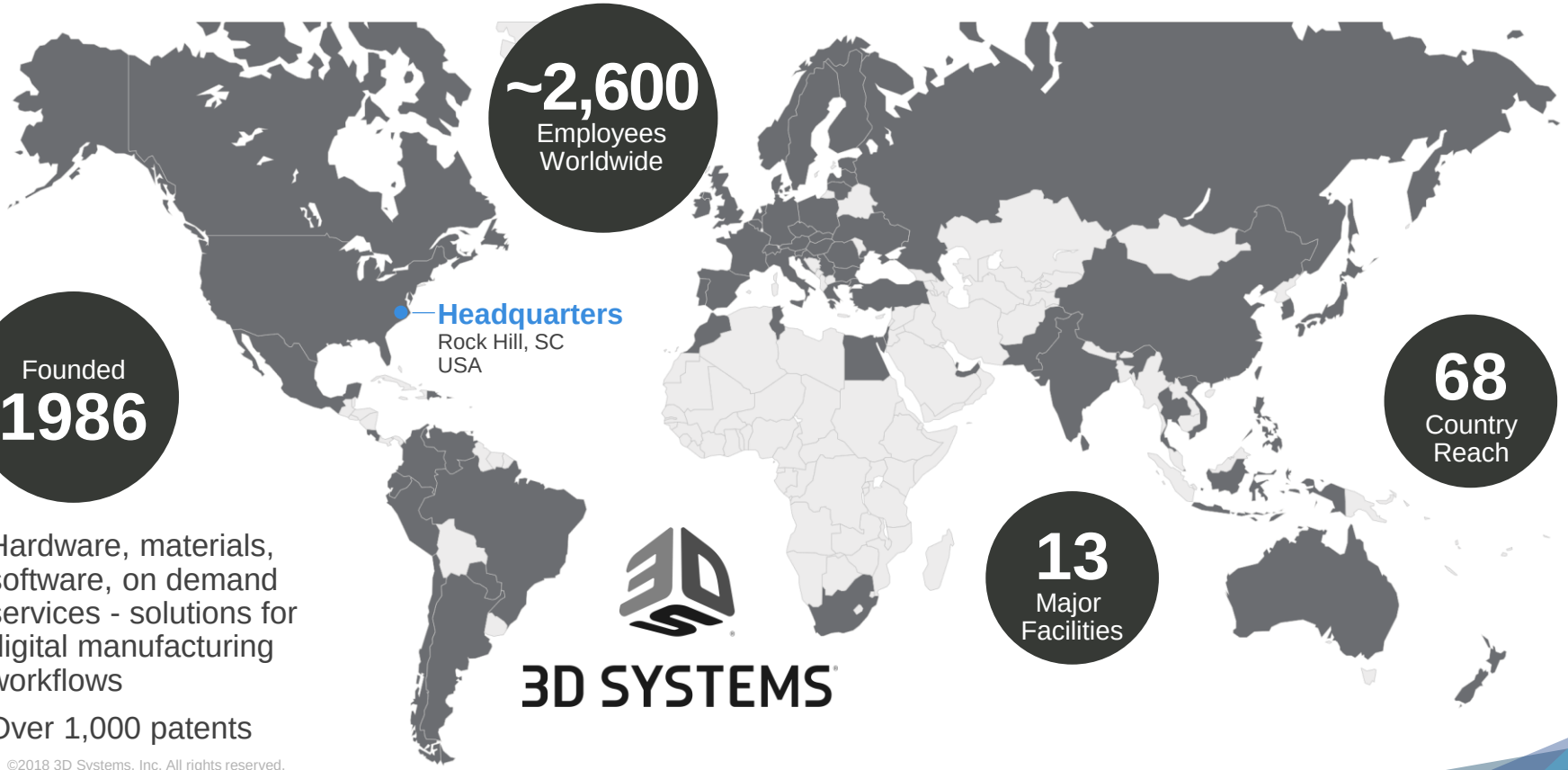
Sadie Stern
SVP, Human Resources

Doug Vaughan
SVP, Marketing and Demand Generation

Vyomesh Joshi (VJ)
Chief Executive Officer

Phil Schultz
EVP, Operations

3D Systems—Global Footprint



- Hardware, materials, software, on demand services - solutions for digital manufacturing workflows
- Over 1,000 patents

Making 3D Production Real

Ecosystem Enables Workflow

DIGITIZE → DESIGN & SIMULATE → MANUFACTURE → INSPECT → MANAGE

Key Imperatives for Transformation

Productivity → Durability → Repeatability → TCO

3D Systems Transformation Journey

2016 | 2017–2018 | 2019 →

Listen, Learn and Build

- Improve reliability, quality and win back customer confidence
- Prune product portfolio
- Understand the market trends and requirements for shift from prototyping to production
- Augment talent

Create Foundation for Growth

Key Success Factors

- Customer-Driven Innovation
- Operational Excellence
- Partnerships
- Our People

- Customer-driven innovation
- World-class cost structure
- Operational excellence
- Partnerships
- Talent and leadership

Scale and Lead

- …
- Eggshell Molding
- Conformal Cooling
- Investment Casting
- Dental Indications (Crowns, Dentures)
- Jewelry (Rings, Bangles)
- Medical Devices (Implants)
- Aligners

- Innovative production workflows and solutions
- Materials portfolio expansion
- Uptime-based technology services
- Scaling customer innovation center (CIC) implementation & certified manufacturing partners
- Expanding solutions and market

← April 2016

Customer Engagement Model

Product Lifecycle

Design	Prototype	Pilot Runs	Production Runs
			

Customer Use Cases	Materials	Hardware and Software Technology	Pre-Sales Application Engineering	Propose Solution	Uptime Based On Predictive Support

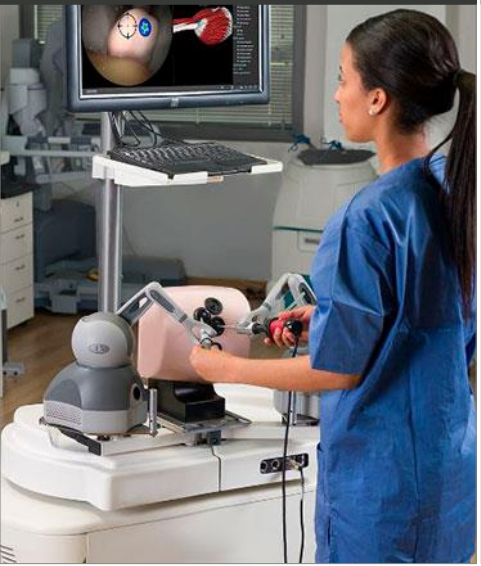
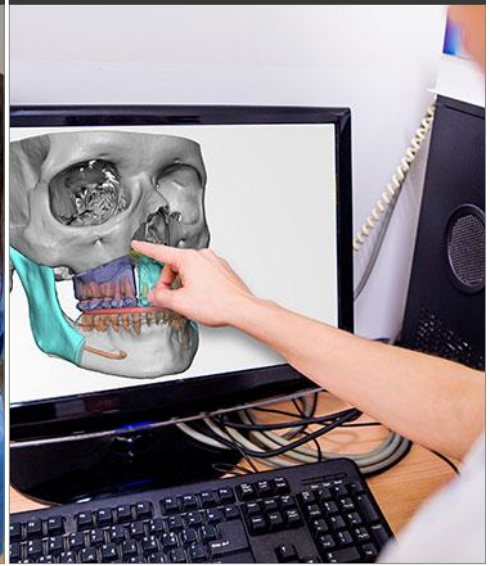
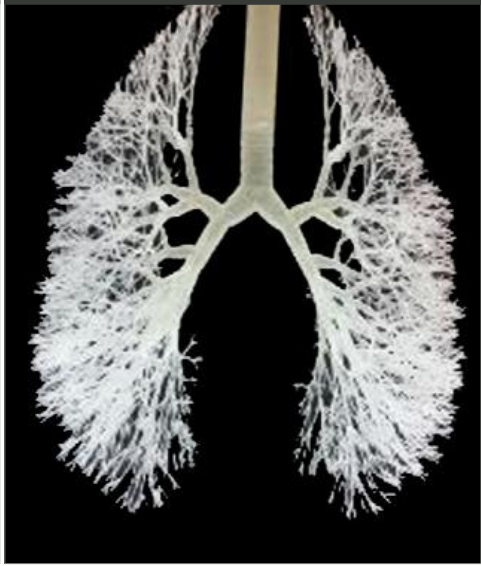
Vertical Approach and Domain Expertise

Core Assets form Operational Platform

Healthcare	Dental	Aerospace	Automotive	Durable goods
				

Healthcare

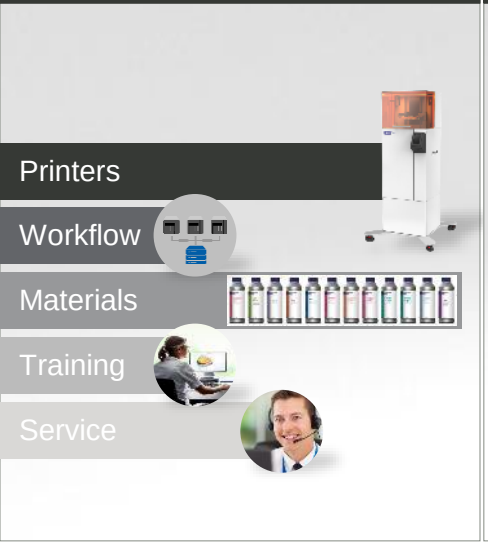
Unmatched Expertise and Capabilities

Surgical Simulation	Surgical Planning	Design & Manufacturing	Bioprinting
			

Dental

Redefining Digital Dentistry

Fully Integrated Solution



Broadest Digital Dentistry Portfolio in the Industry

30 materials for 12 indications

Clinical Validation and Regulatory Approval

Aerospace

Cert./Qualification

Fuel Economy

Airworthy Parts

Supply Chain

Automotive

Weight Efficiency

Formula 1 Vents

Improved Product Design

CAD to Car in 8 weeks

Supply Chain

Rapid Availability of Parts

Durable and Consumer Goods

Innovation in Product Design and Production

Prototyping Design/Production

Reduce Assembly Times

Mass-Customization

Reduce Inventory and Increase Supply Chain Velocity

Broadest Additive Manufacturing Solution Portfolio

+

Sp 3D Sprint™ Xp 3DXpert™ Ci Cimatron® Gc GibbsCAM® Co 3D Connect™ Service

Cx Geomagic® Control X™ Dx Geomagic® Design X™ Ff Geomagic® Freeform®

+

Powerful Plastics Portfolio

Figure 4™
Industrial 3D Printing

ProJet® MJP 2500 Series
High quality, speed and ease-of-use

New PROJET® CJP 260Plus
Most affordable color 3D solution

ProX 800
High 3D printing throughput, highest accuracy and detail

ProX SLS 6100
Production ready for tough, functional nylon parts

FabPro™ 1000
Entry-level industrial 3D Printing

It Starts With Materials

Plastics, Nylons, Metals, Waxes, Composites, Ceramics, Etc.

- 500+ years of combined experience
- 100+ plastics materials
  - Wide range of plastics
  - Wide range of applications and markets
- Customer-driven innovation
  - Partner with 3rd party formulation companies and researchers
  - Partner with chemical developers and producers, to enable new formulations

HIGH-DEFINITION | SNAP-FIT	ELASTOMERIC | FLEXIBLE
MULTI MATERIALS	
BIO-COMPATIBLE	DURABLE | HIGH-TEMP
CLEAR PLASTICS	FULL COLOR

Figure 4™

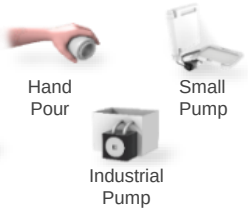
Scalable Production Platform

- 1st Scalable, production platform
  - Inline, integrated and fully automated post processing
- 1st Up to 15x faster throughput (print speeds up to 100 mm/hr.)
- 1st Six sigma repeatability — an industry first! (C_{pk} > 2)
- 1st Up to 20% lower part cost (at a volume of 500 parts) than traditional methods

Design Verification → Functional Prototyping → Bridge Manufacturing → 1MM+ Production Runs


Materials

Cartridges

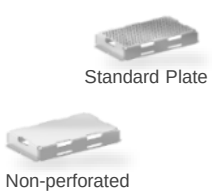


Material Delivery

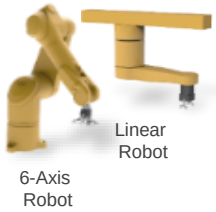

Print Engines


Imaging

Print Trays



Print Plates

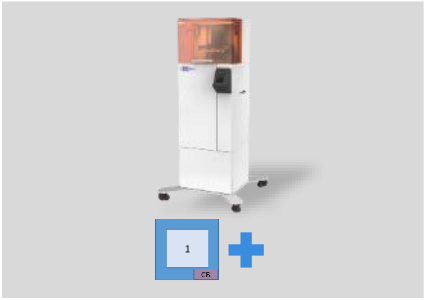


Automation

Figure 4™ Products

Standalone Solutions

INDEPENDENT PRINTERS | AFFORDABLE
EASE OF USE | ADAPTABLE



NextDent™ 5100

Dental labs small & large

10+ dental use cases

Up to 10x lower part cost

Up to 5x faster

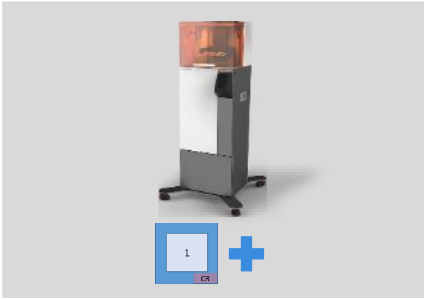


Figure 4 Standalone

Small design shops, OEMs smaller service providers

Affordable

Functional prototypes

Ideal in emerging geographies

Factory Solutions

INTEGRATED MODULES | CONNECTED
FULL AUTOMATION | PROCESS CONTROL

Figure 4 Modular

Service providers medium OEMs

Flexible configuration

Low volume production

Scales with demand

Figure 4 Production

OEMS with high volume production applications

Customizable

1MM+ parts/year

Inline post processing

Industrial Entry-Level Solution — FabPro™ 1000

New Levels of Affordability, Ease-of-Use and Reliability

- Entry level industrial DLP solution
- Best-in-class speeds, quality & ease-of-use
- Rapid concept iteration, jigs/fixtures
- Jewelry, dentistry & urethane cast apps
- Ideal for new-to-3D printing users
- Distributed design workgroups in OEM's

ProJet® MJP 2500 Series

Growth Opportunities with a Proven, High Performance, Versatile Platform

Functional Prototyping

Industrial Casting

Jewelry Casting

Dental Models

Production-Ready — ProX® SLS 6100

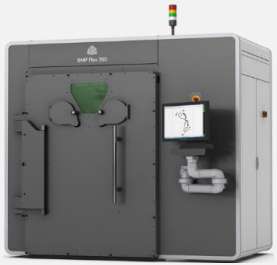
Functional Nylon Parts — Taking You From RP to Production

- Highly price competitive
- 20% lower TCO than rivals
- High-quality parts
- Superior mechanical properties
- Service bureaus, Aero/Auto, Durable Goods and Healthcare

Precision Metal Printing Solutions

Flexible Solutions

INDEPENDENT PRINTERS | R&D AND PART PRODUCTION



DMP Flex 100 & DMP 200

EDUCATION | INDUSTRIAL | DENTAL

Finest Detail

Best Surfaces

Affordable DMP

Research, R&D, Small Parts, Dental

DMP Flex 350

HEALTHCARE | AEROSPACE
INDUSTRIAL/CONTRACTORS

Robust printer

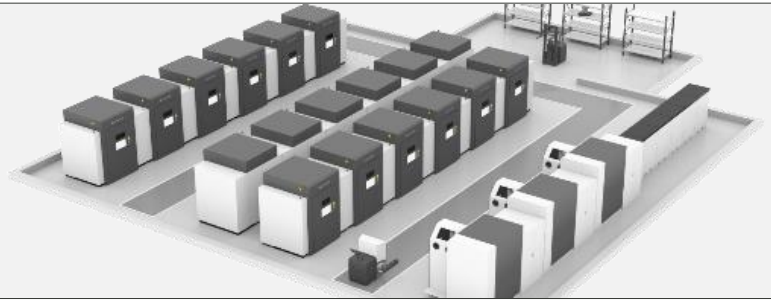
Repeatable Quality

Low TCO

Upgradable to DMP Factory 350

Factory Solutions

SCALABLE | HIGH LEVEL OF AUTOMATION
FULLY INTEGRATED MODULES



DMP Factory 350 & DMP Factory 500 Solutions

OEMS | LARGE PART CONTRACTORS

Medium volume production

Largest part diameter in the industry

Repeatable quality, high productivity, low TCO

DMP Factory 500 Solution with +GF+ Partnership

- 1st Seamless big parts up to 500mm diameter
  Workflow oriented modularity — for configurable factory set-up
- 1st With 500x500x500 mm largest diameter in the industry
- 1st Vacuum chamber with lowest oxygen atmosphere during builds (20 ppm)
  Full traceability of metal powder batches — removable print module with integrated overflow hopper
  Very low consumable material cost

OEMs and large part contractors are looking for:

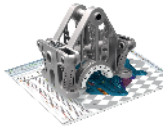
Uniform Repeatability, Part Quality

Affordable Part Cost/TCO

Scalability, Including Managing Peaks

Service and Support, Including Application Guidance

Industry 4.0 — Data-flow/Logging/Monitoring



Xp 3DXpert™

Transport Module with Removable Print Module (RPM)

Printer Module

Powder Management Modual (PMM) with Depowdering Module

Parking Module

Broad choice in LaserForm materials with extensively developed parameters

Software | Hardware Modules | Materials

Precise, High-Performance Metals

- Strategic relationships powder suppliers — provide powders made to specification
  - Robust parameter sets for these powders and test via ASTM, SAE, etc. requirements for the relevant alloys
  - When customers use our powders and parameter sets, we guarantee output quality
- Supply open configuration files for customers who want to develop their own materials
- Participate in R&D of new or novel alloys, both with suppliers and customers

Production Workflow Software Portfolio

Dx Geomagic® Design X™ Cx Geomagic® Control X™ Sp 3D Sprint™ Gc GibbsCAM® Ci Cimatron® Xp 3DXpert™

3D Digitization Platform

Manufacturing Software Platform

Productivity • Ease of Use • ROI

3D Sprint

- 3D print better parts without needing high-priced software
  - Increase efficiency with optimized management of data
  - Be more productive and reduce printer down time
  - Single, easy user interface streamlines time-to-print

3DXpert™

The Only All-In-One Software Solution for Metal Additive Manufacturing

- Metal printers + 3DXpert + LaserForm® powders
- The only vendor to offer a real complete workflow for design for AM
- Dedicated solution for medical, aerospace & automotive industries

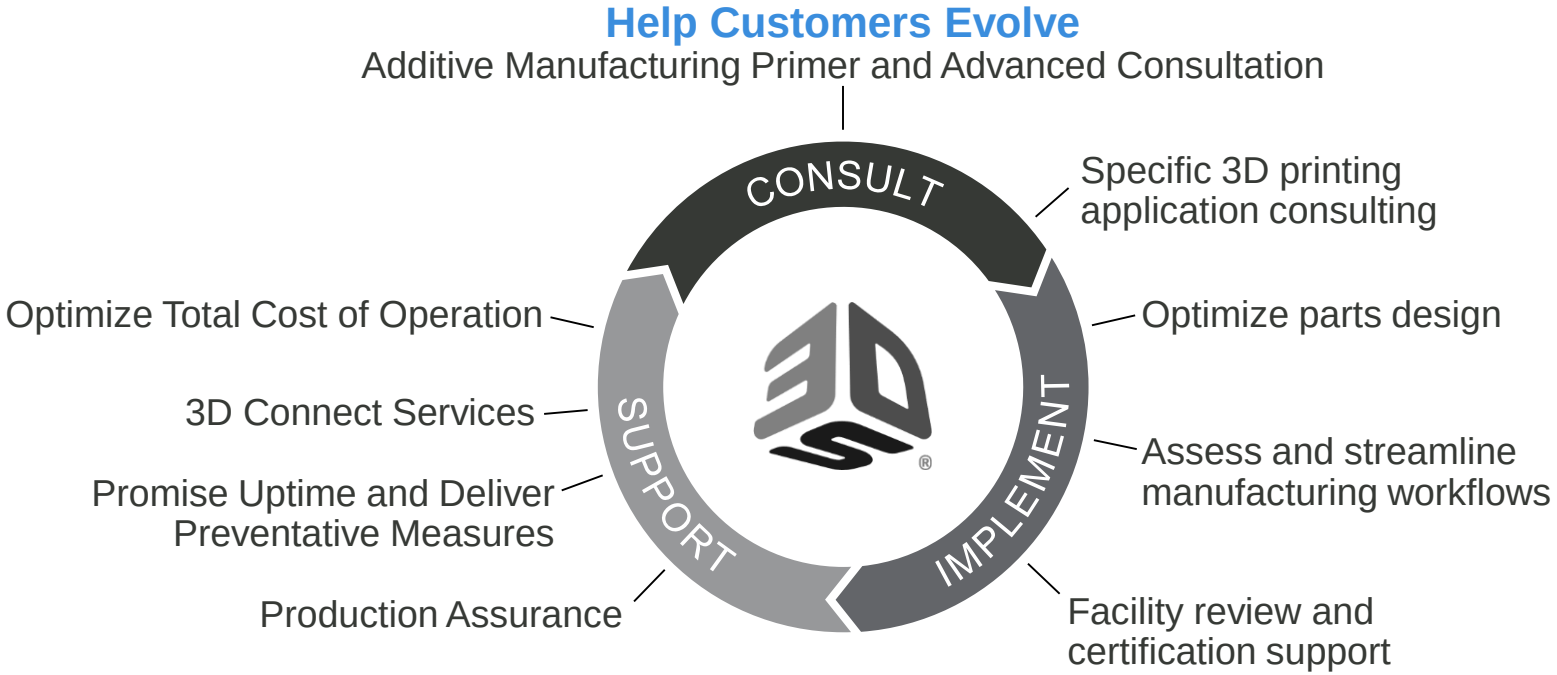
Geomagic® Design X 2019

The Fastest Path from Scan to CAD

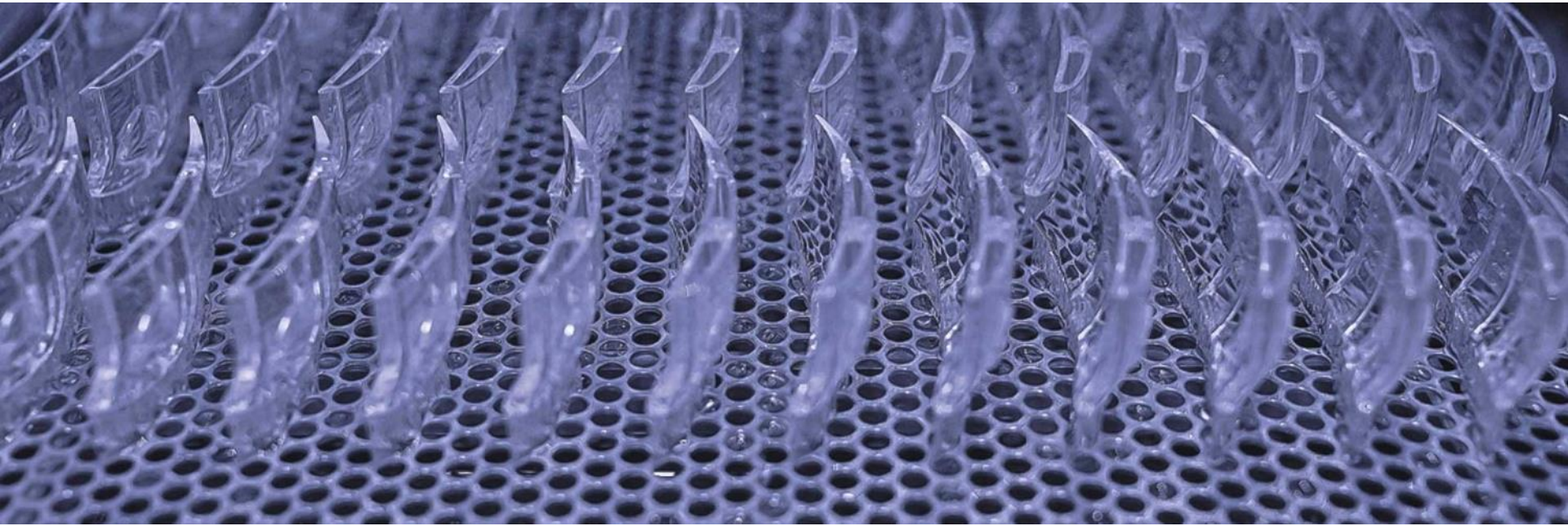
- The only reverse engineering solution to combine feature-based CAD with 3D scanning!
- Design in days, not weeks
- Improved speed, quality and user experience in 2019

Global Customer Services

Guiding Customers along the Additive Manufacturing Journey



Application Engineering Consulting



Understand customer needs → Tool Selection → Benchmarking → Design Workflow → Implement Workflow → Scale Workflow

Support Services

Customer Innovation Centers

Services

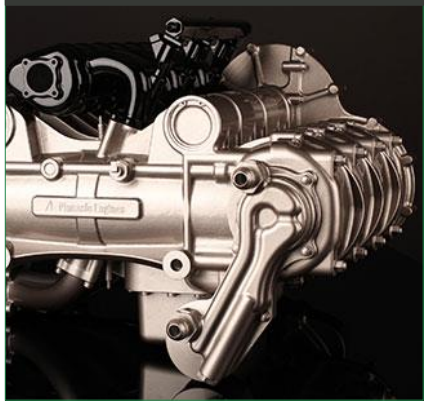
Training

Expert in-house customer training

Benchmarking

4-step standardized and trackable process for high quality benchmarking

Application Support



Technical application support and development

Part Manufacturing

Batch manufacturing for customers and prospects
ISO 9001/13485 certified facilities

Customer Innovation Centers

Our Mission

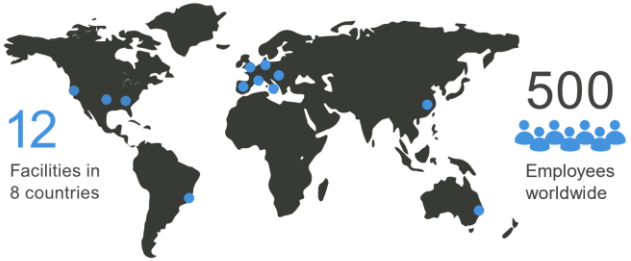
Accelerate the development of advanced applications by providing the expertise, know-how and state-of-the-art technology necessary to develop, validate and commercialize products.

On Demand Manufacturing

Rapid Prototyping

Time + Money

Explore look and feel before committing to costly production



24 Parts produced in as fast as 24 hours

2,000,000+ Parts manufactured every year

Low-volume Production

3D SYSTEMS
On Demand Manufacturing

Functional Prototyping

Beyond Look and Feel

Assess real-world usability, ergonomics, manufacturability, and materials before production

14 Different processes available for functional prototyping

3 On average, every functional prototype is created with three different processes

100 Application Engineers With an average **10+** years of experience

25,000+ Functional prototypes manufactured to date

Appearance Models

On Demand Subtractive Manufacturing

- Emerging market of Hybrid Manufacturing
- Uniquely position to offer both solutions
- Compliments additive solution.
  - Post print machining
  - Printed jigs and fixtures
  - CAM for hybrid machines
- Traditional Manufacturing
  - Large part of global manufacturing market

Cloud-Based Services

3D Connect™ Manage

Fleet Monitoring

- Enables customers to see the status of their printer in real time
- Enables email and text alerts with their build or printer
- Creates analytics on up time, usage, consumable use, health of the lasers/print heads etc.

ALL NEW

3D Connect™ Service

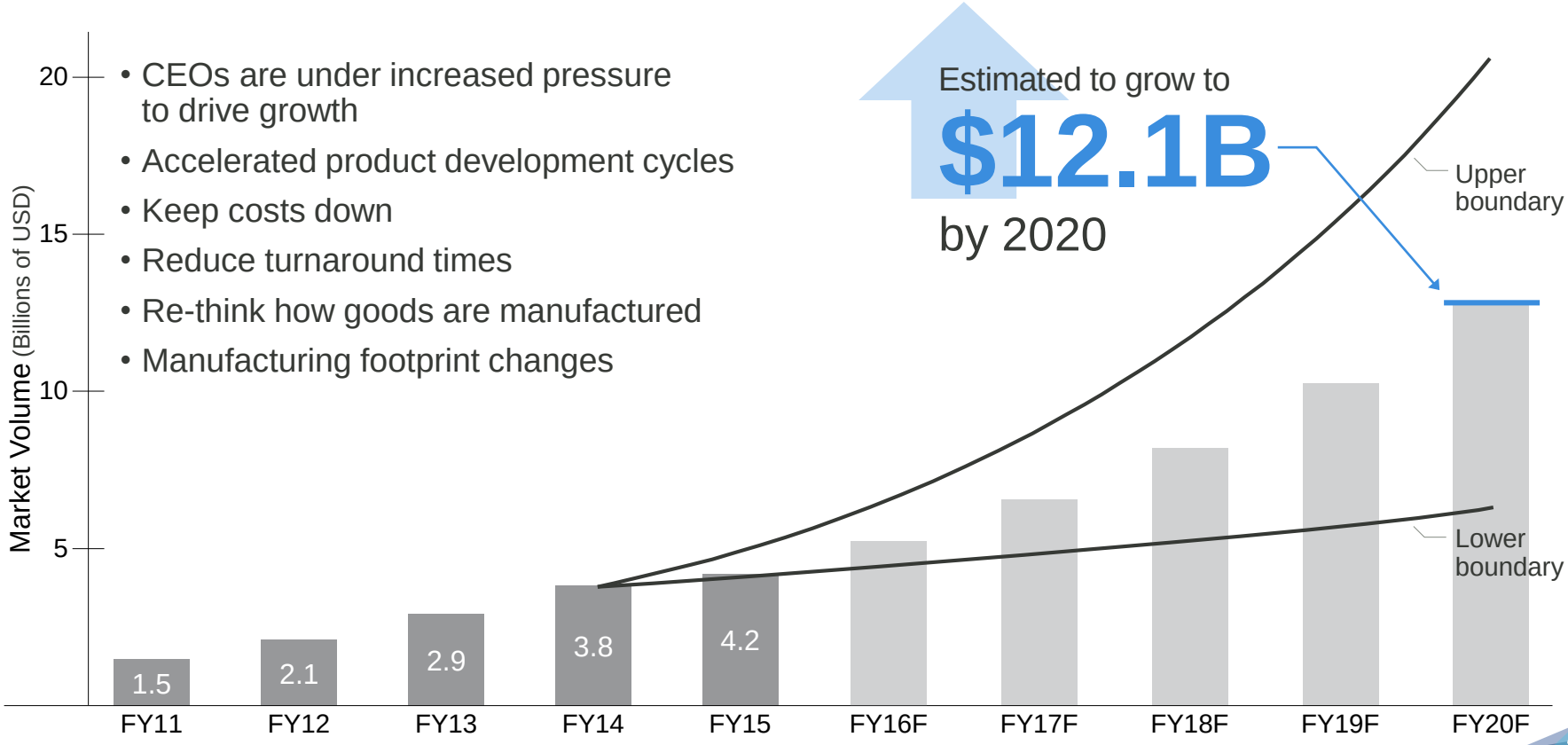
Remote Diagnostic Tools

- Creates the ability for service to see what the problem is prior to going on site
- Automatically creates a service ticket
- Enable the ability to have the right spare parts ordered and on site prior to the tech arriving

ALL NEW

Total Market Opportunity

- CEOs are under increased pressure to drive growth
- Accelerated product development cycles
- Keep costs down
- Reduce turnaround times
- Re-think how goods are manufactured
- Manufacturing footprint changes



*Ernst & Young's Global 3D Printing Report 2016, 3DP Maturity Model

With our technology, expertise and know-how, we are

MAKING 3D PRODUCTION REAL

3D SYSTEMS

Recent Financials

2018 Revenue Drivers

During 2018, we continued to deliver on growth drivers, and total revenue increased 6% in 2018 compared to 2017

- Printer revenue increased 25% on a 76% increase in printer unit sales
- Software revenue growth of 5%
- Healthcare solutions growth of 19%
- On demand services growth of 2%
- Materials revenue growth of 1%

GAAP Operating Results

(in millions, except per share amounts)	Fourth Quarter 2018	Fourth Quarter 2017	Fourth Quarter Y/Y Change Better/(Worse)	Full Year 2018	Full Year 2017	Full Year Y/Y Change Better/(Worse)
Revenue	$ 180.7	$ 177.3	2%	$ 687.7	$ 646.1	6%
Gross Profit	82.6	85.5	(3)%	324.4	304.8	6%
Gross Profit Margin	*45.7%*	*48.2%*	(250) bps	*47.2%*	*47.2%*	0 bps
SG&A	66.1	68.2	3%	272.3	264.2	(3)%
R&D	23.5	23.0	(2)%	95.3	94.6	(1)%
Operating Expenses	89.6	91.2	2%	367.6	358.8	(2)%
% of Revenue	*49.6%*	*51.4%*		*53.5%*	*55.5%*	
Operating Loss	(7.0)	(5.7)	(23)%	(43.2)	(54.0)	20%
% of Revenue	*(3.9)%*	*(3.2)%*		*(6.3)%*	*(8.4)%*	
Net Loss per 3D Systems	$ (4.1)	$ (10.1)	59%	$ (45.5)	$ (66.2)	31%
% of Revenue	*(2.3)%*	*(5.7)%*		*(6.6)%*	*(10.2)%*	
Loss Per Share	$ (0.04)	$ (0.08)	50%	$ (0.41)	$ (0.59)	31%

Non-GAAP Financial Measures

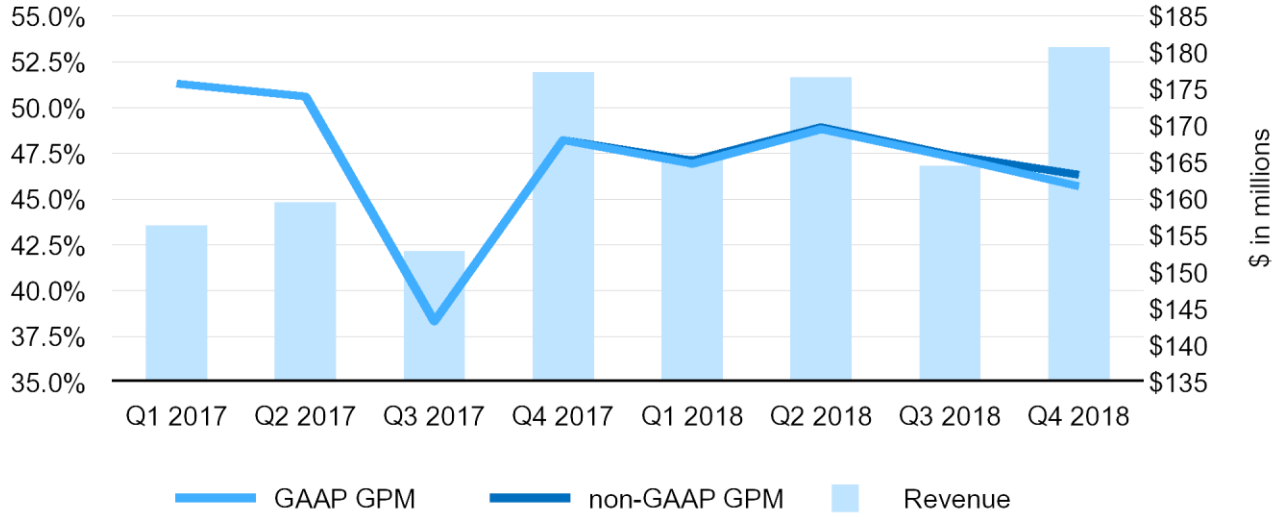
(in millions, except per share amounts)	Fourth Quarter 2018	Fourth Quarter 2017	Fourth Quarter Y/Y Change Better/(Worse)	Full Year 2018	Full Year 2017	Full Year Y/Y Change Better/(Worse)
Non-GAAP R&D Expense	$ 23.5	$ 23.0	(2)%	$ 94.8	$ 94.6	—%
Non-GAAP SG&A Expense	52.2	54.6	4%	213.1	202.0	(5)%
Non-GAAP Operating Expenses	**$ 75.7**	**$ 77.6**	**2%**	**$ 307.9**	**$ 296.6**	**(4)%**
Non-GAAP Net income (loss) attributable to 3D Systems Corporation	$ 11.4	$ 5.3	115%	$ 16.5	$ (1.7)	1071%
Non-GAAP Net income (loss) per share available to 3D Systems Corporation common stockholders - basic and diluted	**$ 0.10**	**$ 0.05**	**100%**	**$ 0.15**	**$ (0.02)**	**850%**

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

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.

Gross Profit and Margin

- For the full year 2018, GAAP GPM was 47.2% and non-GAAP GPM was 47.4%
- Supply chain efficiencies and cost improvements were offset by the impact of sales mix, costs to launch and ramp new products, and lower on demand manufacturing gross profit margins

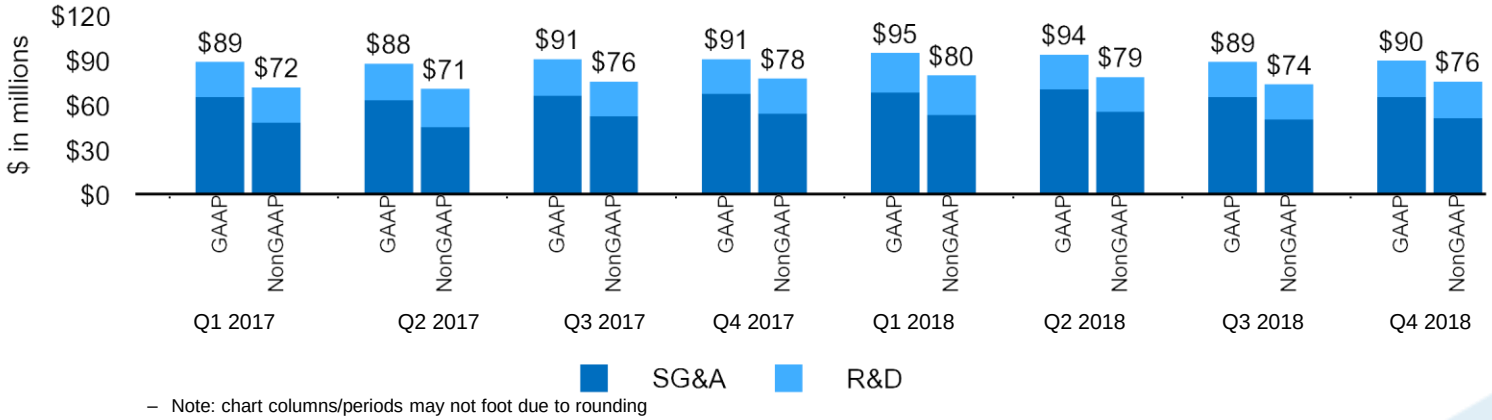


– GAAP and non-GAAP data points may overlap on the chart when within approx 50 basis points

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

Operating Expenses

- Although we expect some fluctuations quarter to quarter, we are beginning to see the results of actions we are taking to reduce cost structure
- Shifting from R&D to marketing and sales support of the new products rolled out in 2018, and expect R&D in 2019 to be focused on materials and software



– Note: chart columns/periods may not foot due to rounding

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

Balance Sheet and Cash

- Generated $7.7 million of cash from operations during Q4 2018, and generated $4.8 million of cash from operations during the full year 2018
- Ended 2018 with $110.0 million of cash on hand, including $25 million of proceeds from our revolving credit facility
- Our existing $150 million revolver was nearing the end of its original term, so we initiated a new revolver for $100 million dollars and a $100 million five-year term loan, which closed Feb 27, 2019, repayable at any time without penalty. We believe this provides the right level of liquidity support while we shift from our investment phase to cash generation in 2019
- While cash use and generation will continue to fluctuate from quarterly, expect organic free cash flow in 2019, as we begin to reduce inventory and capital expenditures and drive improved profitability

Summary and Outlook

- Made significant progress in our turnaround and transformation work, and have a strong operational foundation in place with improved processes across the company, and with the new products launched in 2018, an unmatched portfolio
- We expect 2019 revenue growth to continue to be driven by growth in printers, materials, healthcare and software
- We believe we have significant opportunities across our key verticals and are increasing our market share in several categories while also expanding our market opportunities with new solutions and additional capabilities
- With our improved operations, execution and unmatched portfolio, we believe we are well positioned to drive continued and increasingly profitable growth in 2019 and beyond

Financial Appendix & Non-GAAP Reconciliations

Non-GAAP Reconciliation

Fourth Quarter and Full Year Non-GAAP Earnings (Loss) per Share

	Quarter Ended December 31,		Full Year	
(in millions, except per share amounts)	**2018**	**2017**	**2018**	**2017**
GAAP Net loss attributable to 3D Systems Corporation	$ (4.1)	$ (10.1)	$ (45.5)	$ (66.2)
Adjustments:				
Amortization, stock-based compensation & other [1]	13.9	15.1	58.7	62.9
Legal and acquisition-related [2]	0.1	(1.4)	(2.0)	(0.1)
Cost optimization plan [3]	1.5	—	4.0	—
Impairment of cost-method investments [4]	—	1.7	1.4	1.7
Non-GAAP net income attributable to 3D Systems Corporation	**$ 11.4**	**$ 5.3**	**$ 16.5**	**$ (1.7)**
Non-GAAP net income per share available to 3D Systems common stock holders - basic and diluted [5]	**$ 0.10**	**$ 0.05**	**$ 0.15**	**$ (0.02)**

[1] For the quarter ended December 31, 2018, the adjustment included $(0.2) in COGS and $14.1 in SG&A. For the quarter ended December 31, 2017, the adjustment included $0.1 in COGS and $15.0 in SG&A. For the twelve months ended December 31, 2018, the adjustment included $0.1 in COGS and $58.6 in SG&A. For the twelve months ended December 31, 2017, the adjustment included $0.4 in COGS and $62.5 in SG&A.

[2] For the quarter ended December 31, 2018, the adjustment included $0.6 in COGS $(1.0) in SG&A and $0.5 in interest and other income (expense), net. For the quarter ended December 31, 2017, the adjustment included ($1.4) in SG&A. For the twelve months ended December 31, 2018, the adjustment included $0.6 in COGS, $(1.7) in SG&A and $(0.9) in interest and other income (expense), net. For the twelve months ended December 31, 2017, the adjustment included $(0.3) in SG&A and $0.2 in interest and other income (expense), net.

[3] For the quarter ended December 31, 2018, the adjustment included $0.7 in COGS, $0.8 in SG&A and $0.0 in R&D. For the twelve months ended December 31, 2018, the adjustment included $1.1 in COGS, $2.4 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 twelve months ended December 31, 2018, the adjustment included zero and $1.4 in interest and other income (expense), net. For the quarter and twelve months ended December 31, 2017, the adjustment included $1.7 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

	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

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.

Non-GAAP Reconciliation

2017 Non-GAAP Gross Profit & Margin

	2017				
	Quarter Ended				Year to Date
(in millions)	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

	2017				
	Quarter Ended				Year Ended
(in millions)	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.