



Materialise

innovators you can count on



Company Presentation

June 2014

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This presentation presents non-IFRS financial measures, including EBITDA. These measures are commonly used to compare operating results between periods or companies, but are not international financial reporting standards (IFRS).

Offering Summary

Issuer	<ul style="list-style-type: none">• Materialise NV
Offering Details	<ul style="list-style-type: none">• 8 million ADSs (100% primary)• Each ADS represents one ordinary share• Price range per ADS of \$12-\$14• 15% over-allotment option (100% secondary)
Use of Proceeds	<ul style="list-style-type: none">• Expand 3D printing service center capacity, including the addition of new printers and additional technologies• Increase sales and marketing teams worldwide• Fund additional research and development activities• General corporate purposes (including, but not limited to, potential acquisitions or partnerships)
Exchange / Proposed Symbol	<ul style="list-style-type: none">• NASDAQ / MTL5
Underwriters	<ul style="list-style-type: none">• Joint Bookrunners: Piper Jaffray / Credit Suisse• Co-managers: BB&T, Janney, Stephens, KBCS
Expected Pricing Date	<ul style="list-style-type: none">• Week of June 23, 2014

Materialise Senior Leadership



Fried Vancaeren

*Founder & Chief Executive Officer
Most influential person in Additive Manufacturing
(TCT Magazine 2012)*



Peter Leys

Executive Chairman



Hilde Ingelaere

Co-Founder, Executive Vice President



Frederic Merckx

Chief Financial Officer

Materialise Has Achieved Scale and Global Reach

- 997 FTE Employees Worldwide



Worldwide Presence



Key Facts

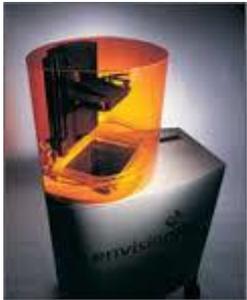
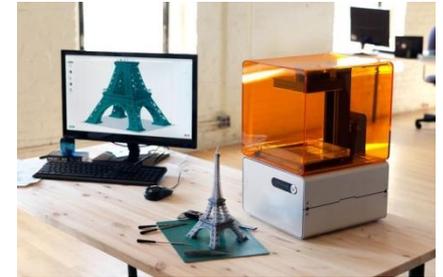
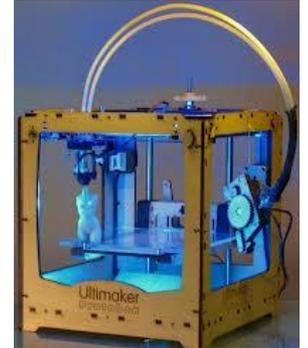
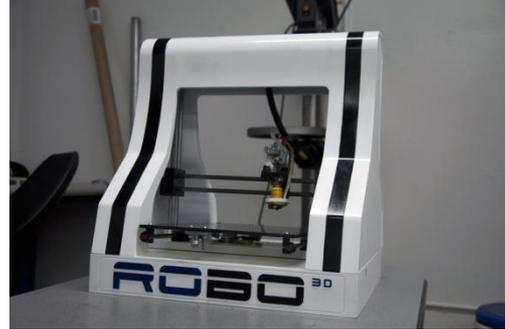
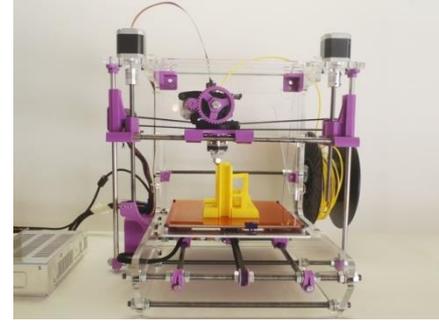
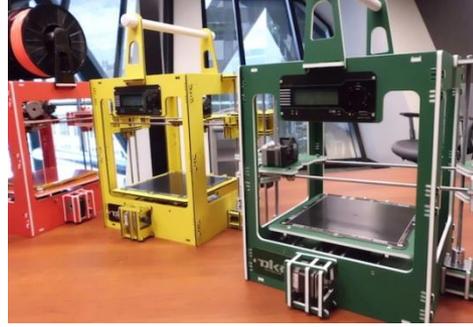
- 2013 : Revenue of €68.7 million and EBITDA of €7.6 million
- Parts Produced in 2013: 500,000+
- Installed Software Base: 10,000+
- Patents: 62 granted + 101 pending

Our Mission

*To make a significant and lasting contribution to a **better and healthier world** through innovative applications of Additive Manufacturing, using our software and hardware infrastructure*

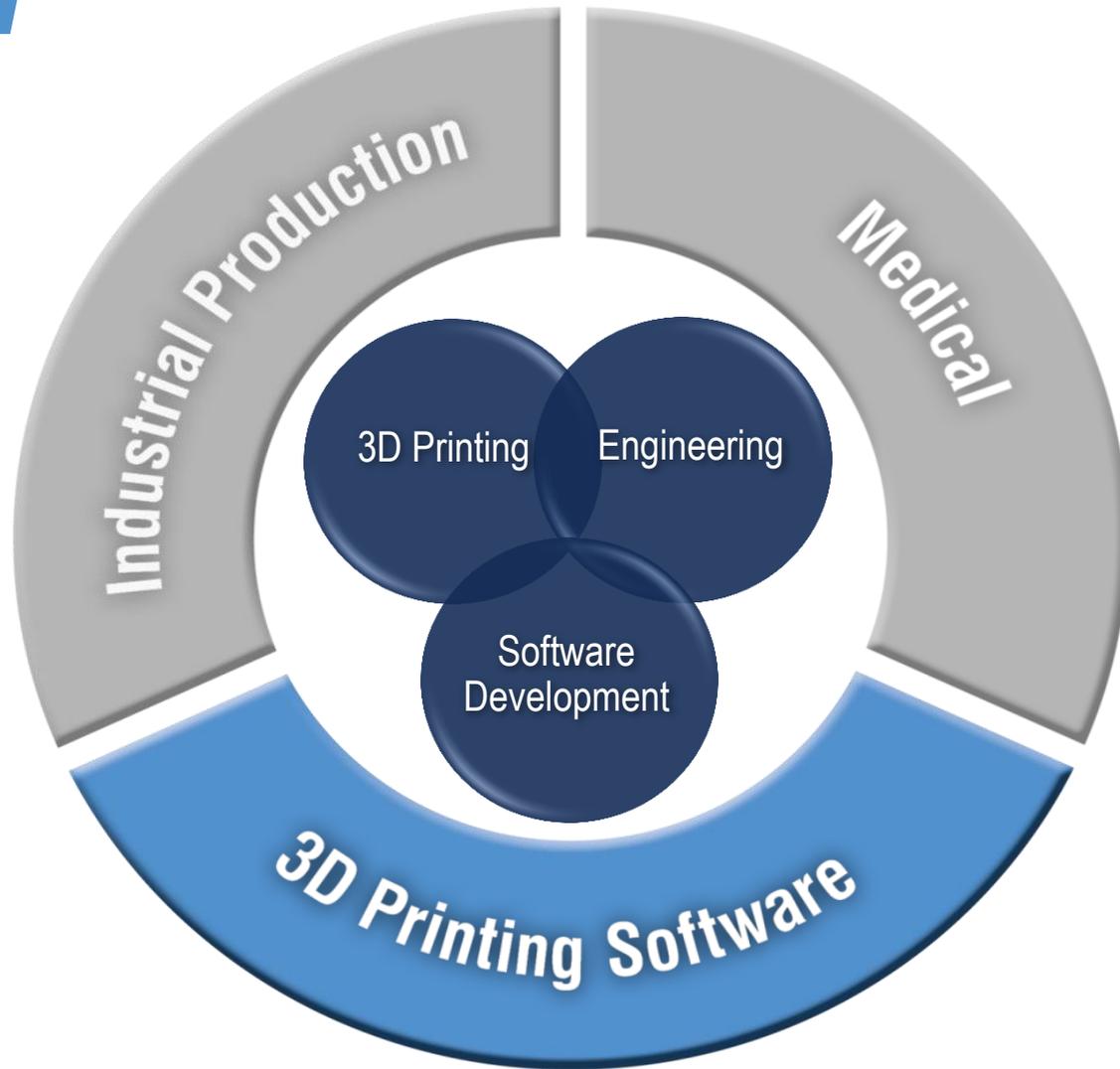




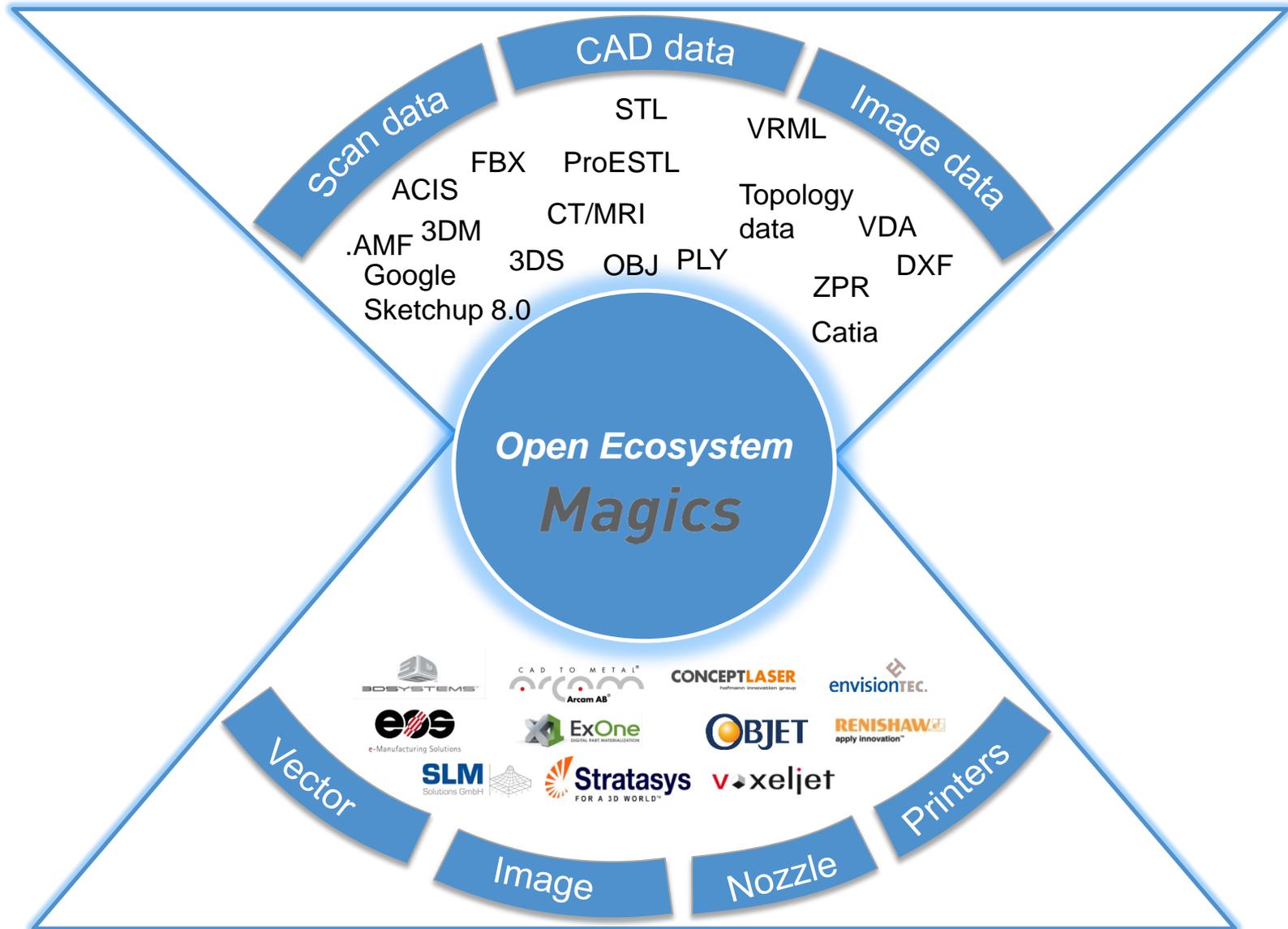




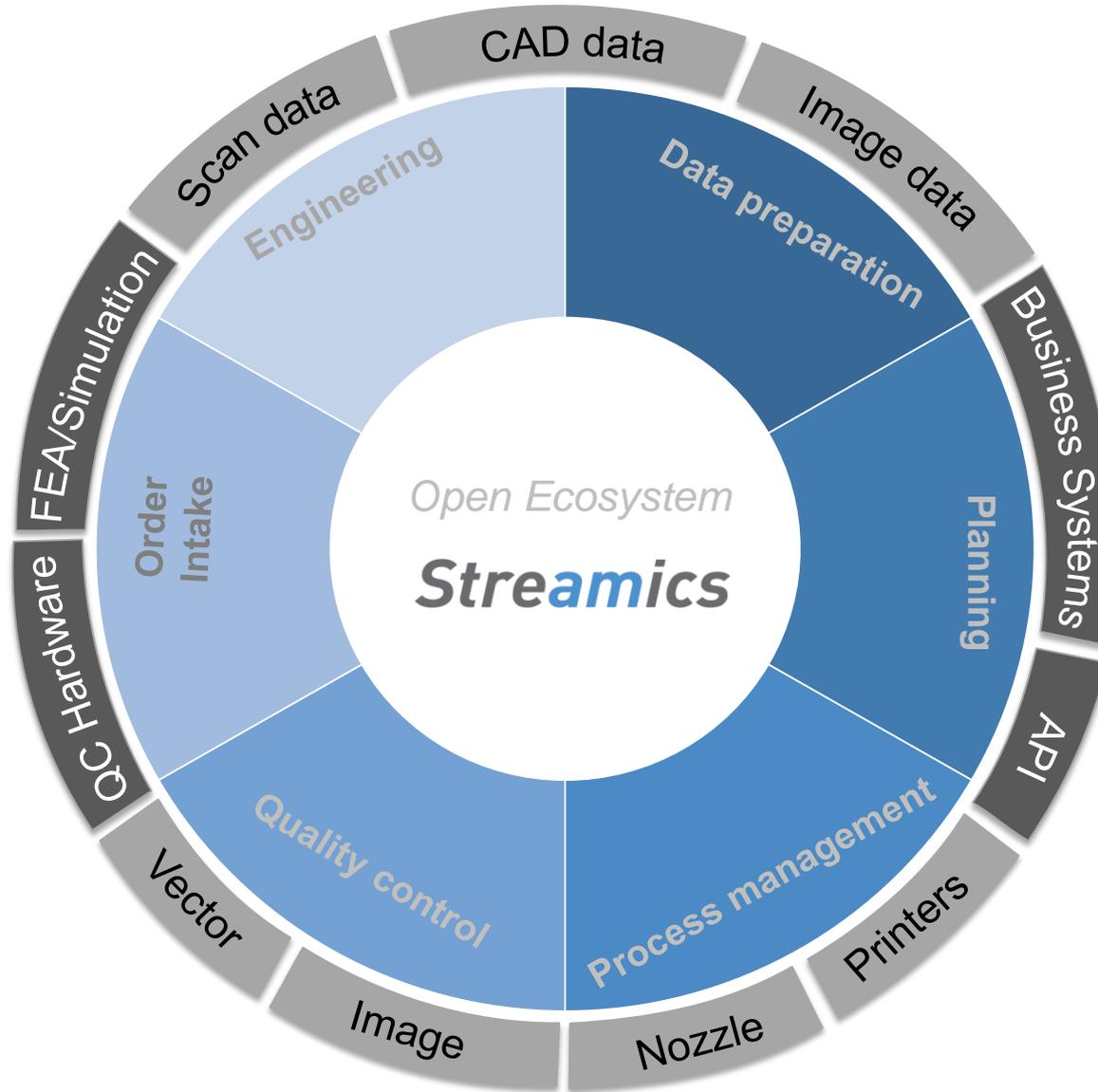




Our Flagship Product: *Magics*



Our Flagship Product: **Streamics™** AM automation & control system



3D Printing Software Overview

Business Overview

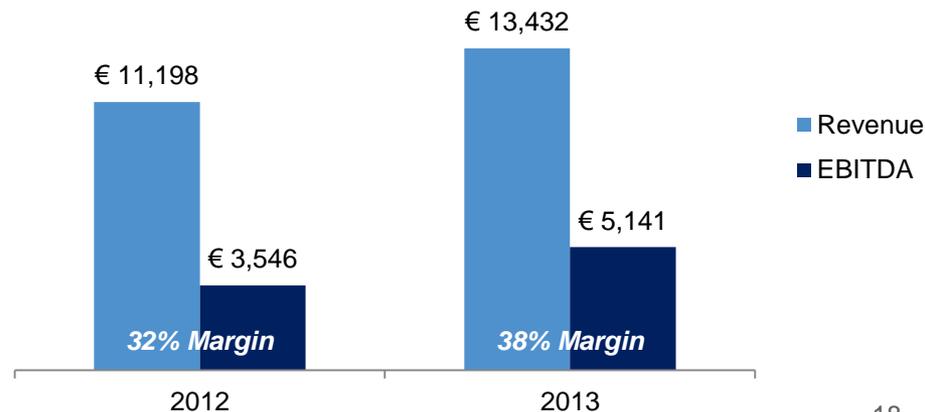
- ✓ Installed base of >8,000 software licenses
- ✓ Global business: US + Europe + Asia
- ✓ 71 FTEs
- ✓ Perpetual and annual licenses; maintenance and software development services
- ✓ Sales channels: OEMs and direct

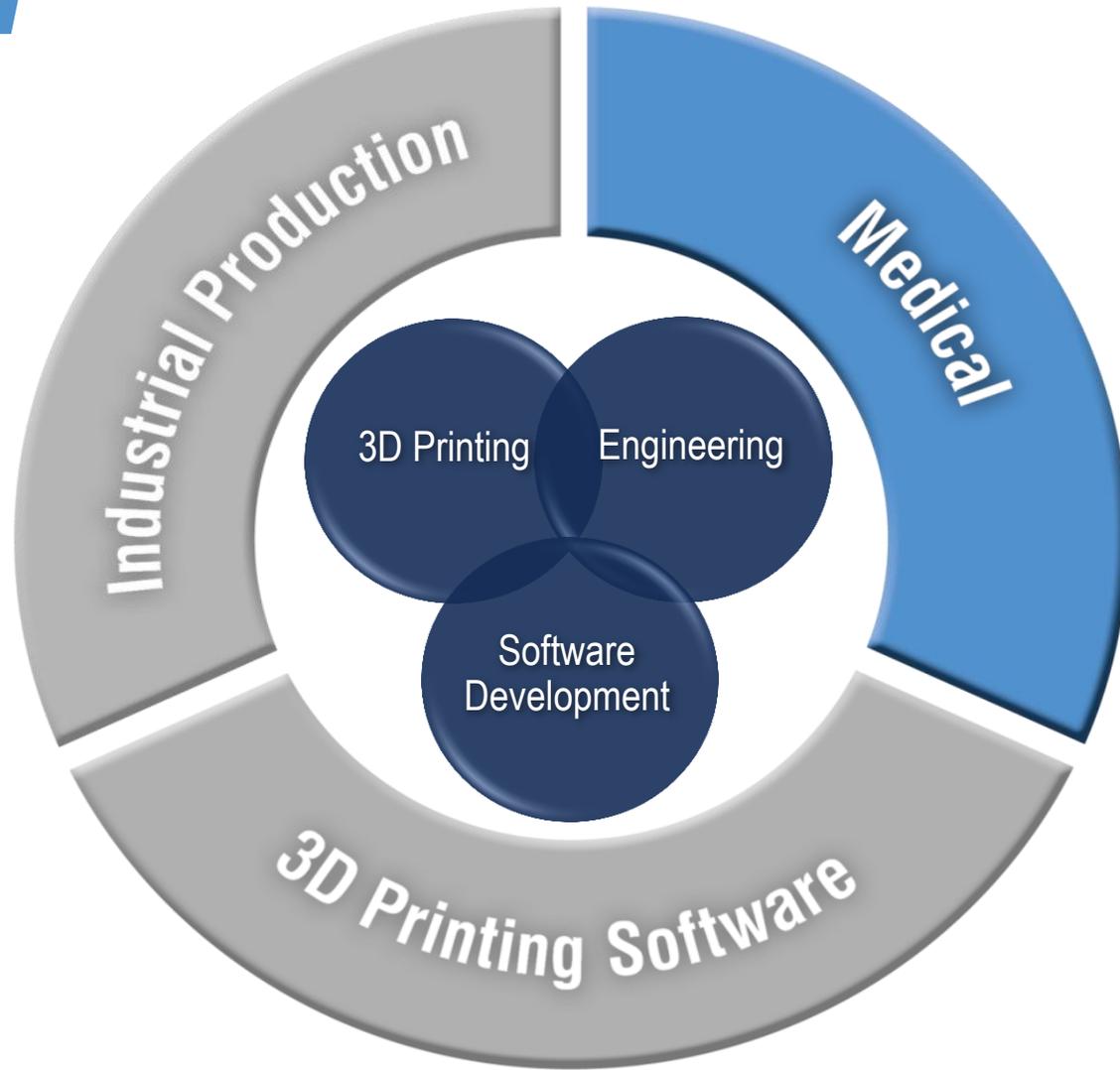
Selected Customers



Financials

(€ in thousands)



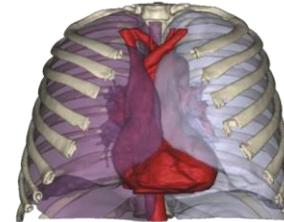


Medical Software

Mimics®

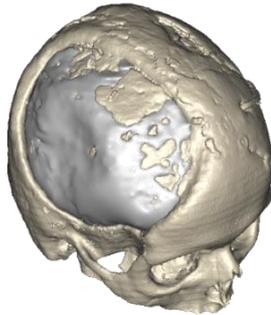


CT/MRI scan,
Ultrasound

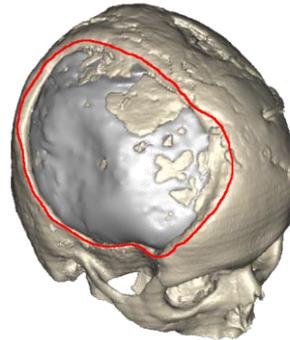


Mimicking the application,
no diagnostics

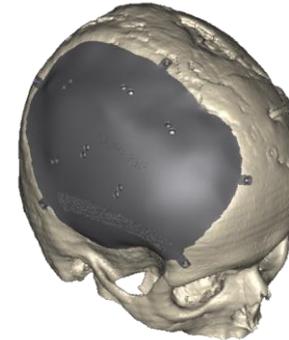
3-matic®



3D model from Mimics



3-matic software

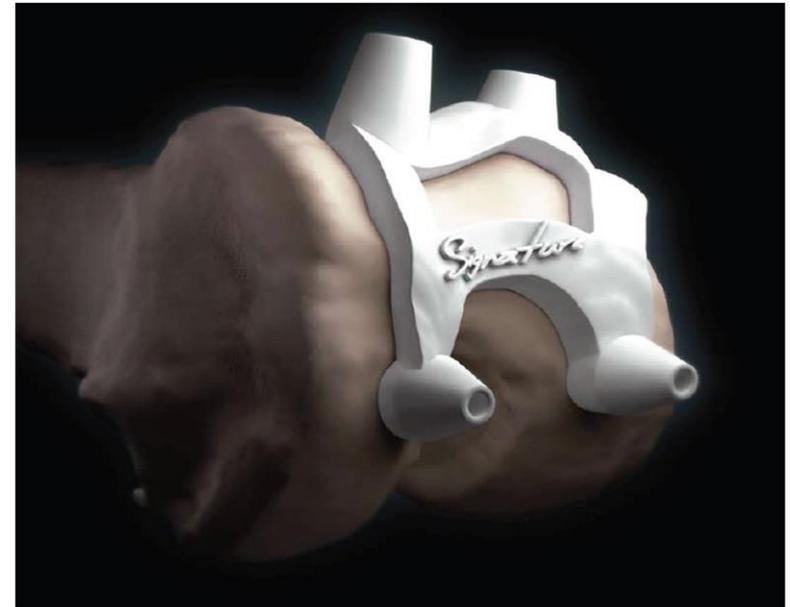
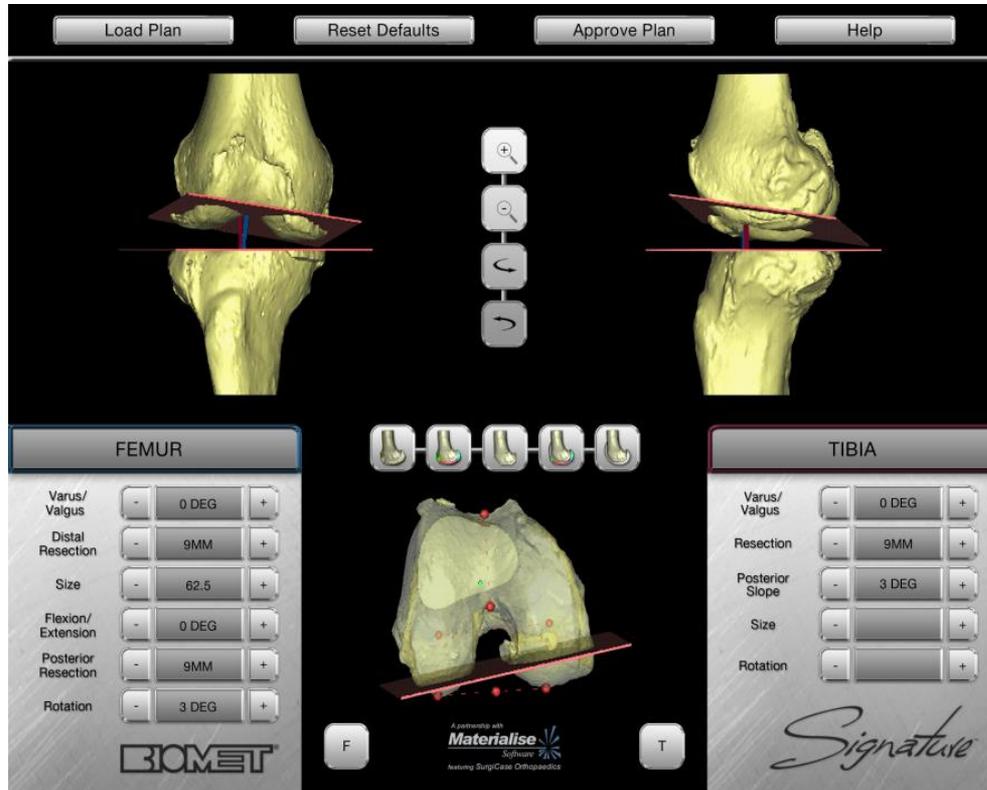


Unique position : 3D imaging ⇒ 3D printing,   approved

Anatomical Models



Clinical Services through Collaboration Partners



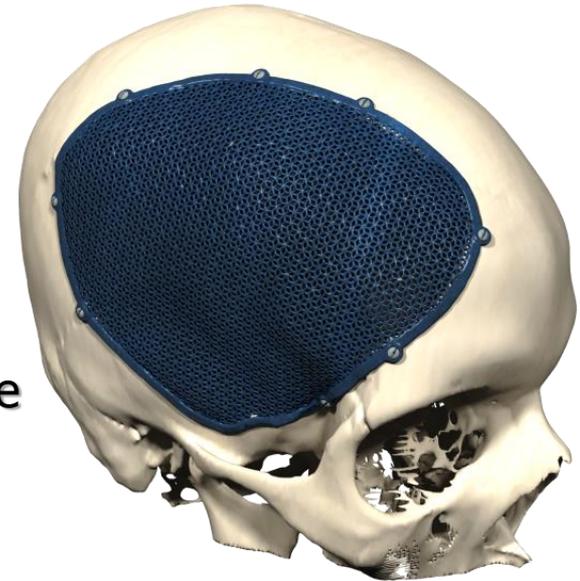
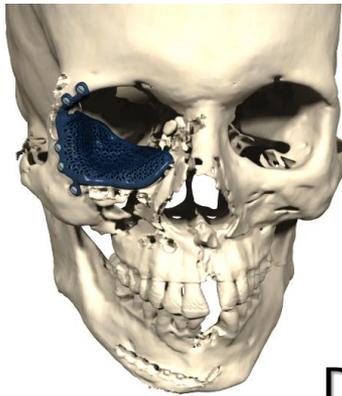
Customised guides with standard implants

Guiding The Surgeons Hand

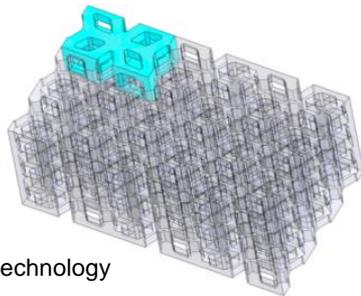


Customized Guides with Customized Implants

OBL Porous Ti[®] for CMF interventions



Designed to respect the physiology of bone



Patented technology



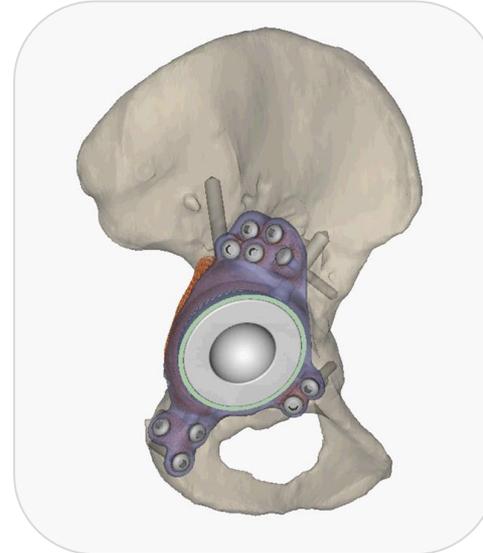
Porous structure in harmony with patient anatomy and function

Mechanical properties close to those of bone

Cell ingrowth

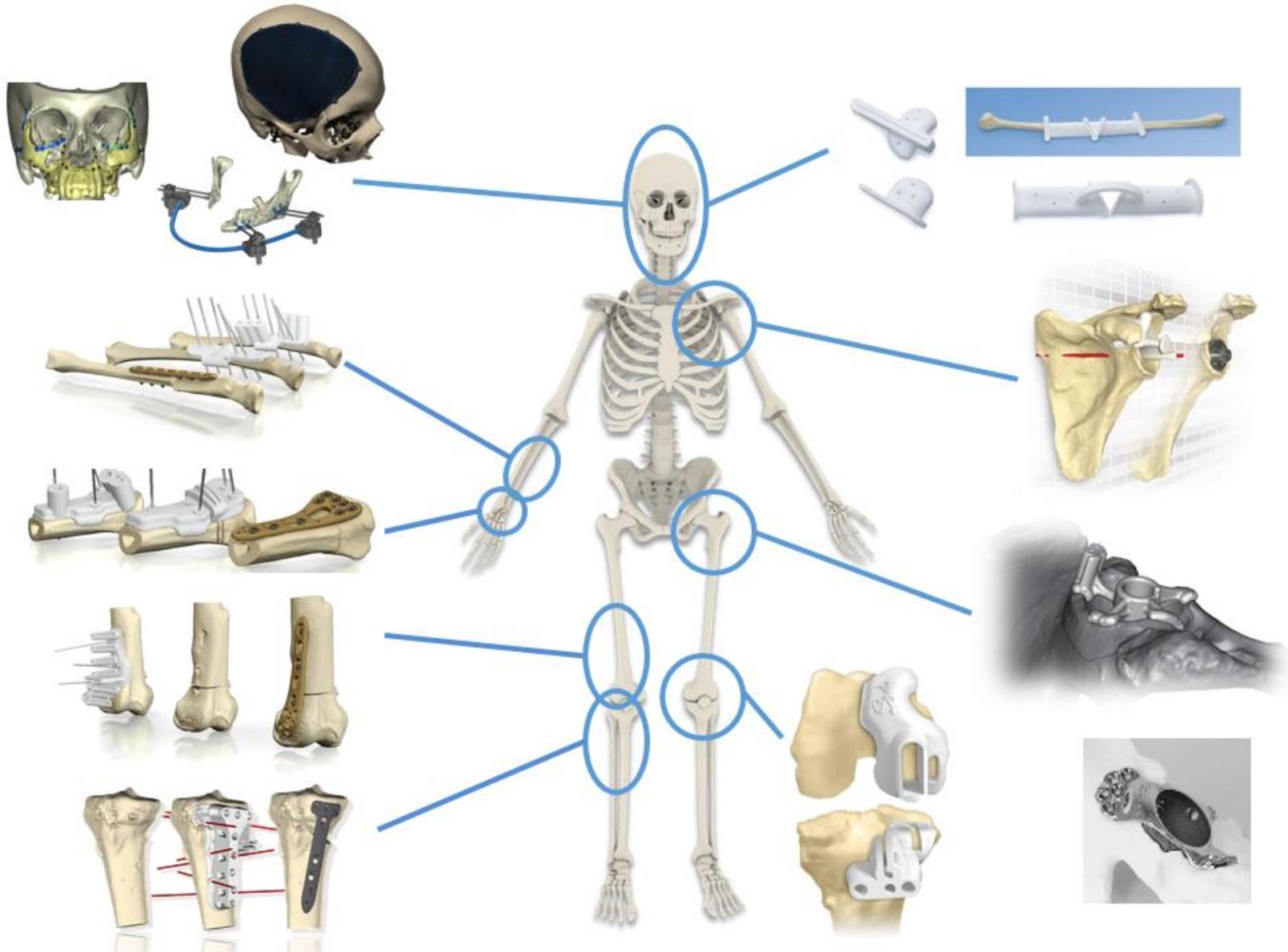
Customized Guides with Customized Implants

Mobelife : hip revision tumour reconstruction



Patient-Specific Hip Implant Functional Simulation

Applications Overview



Applications Overview

Proven and repeatable capacity to produce patient-specific devices

- Complex engineering captured in strict and efficient process
- Quality control system ensuring 100% inspection rate
- Training & qualification system
- Logistical backbone
- Systematic efficiency improvement program



Creating 1 custom medical device is hard...

Printing over 146,000 unique devices per year is where the real challenge lies



Medical Overview

Business Overview

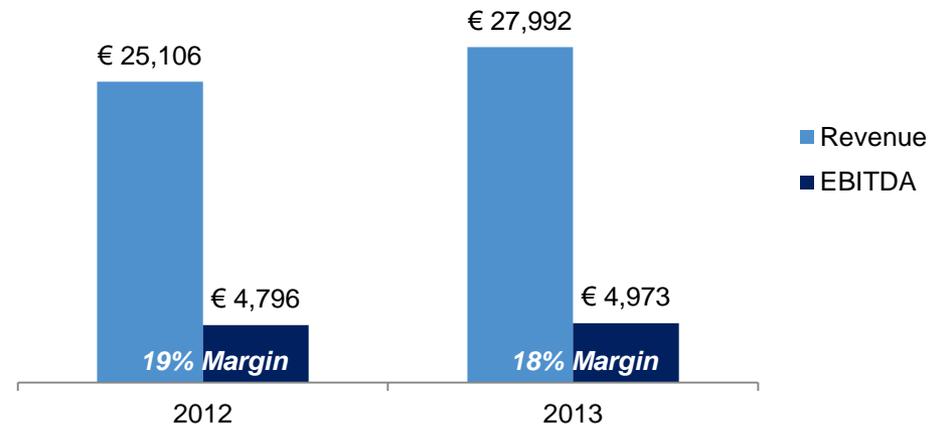
- ✓ >146,000 patient-specific medical devices printed in 2013
- ✓ Installed base of 2,000+ medical software licenses
- ✓ Global business
- ✓ 167 FTEs
- ✓ Printed FDA approved and/or CE-labeled medical devices and medical software licenses
- ✓ Sales channels
Mass markets: collaboration partners
Niche markets: direct

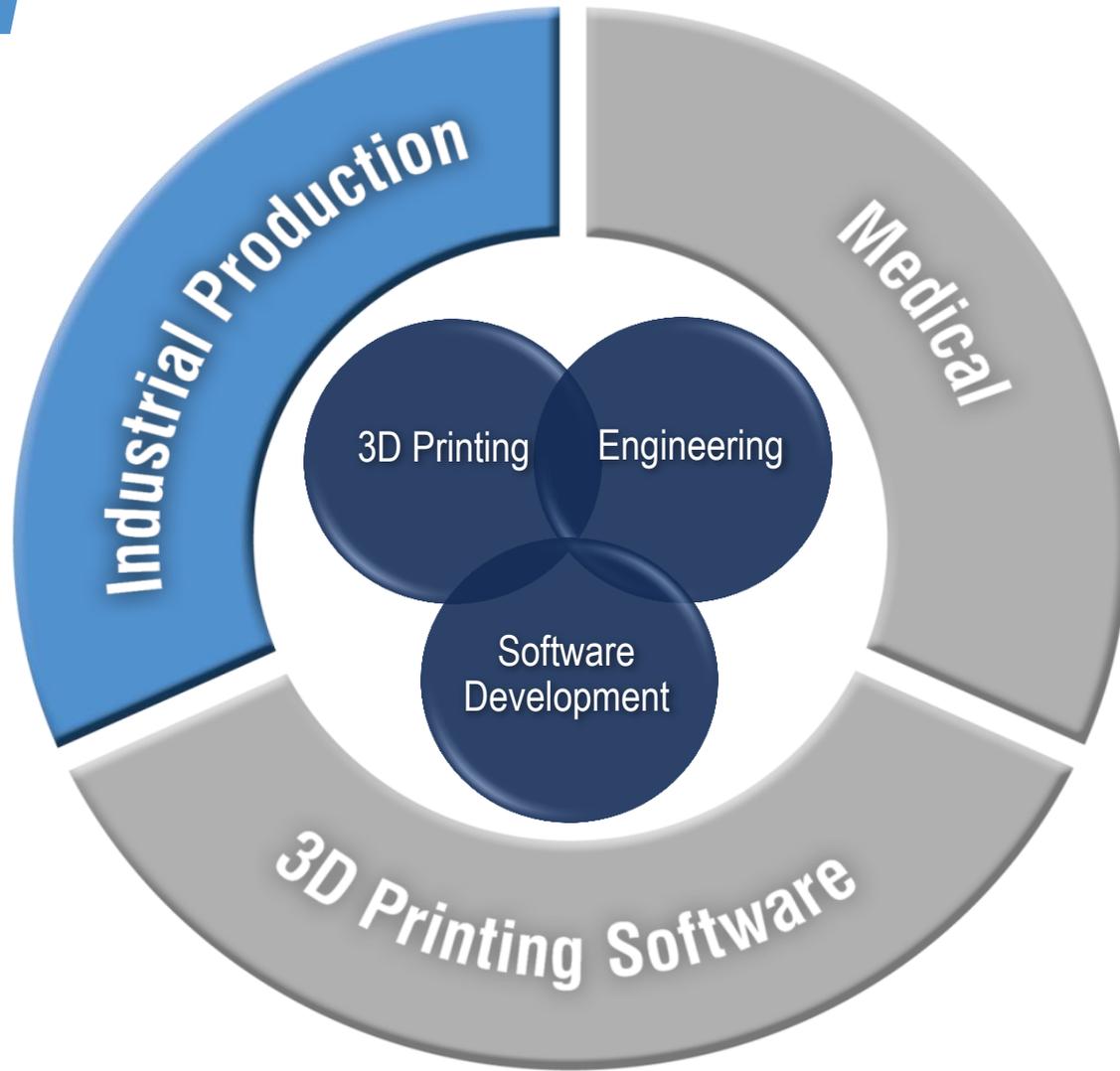
Selected Customers



Financials

(€ in thousands)





Vast Additive Manufacturing Technology and Capacity

Services	Concepts / Design						Prototyping						Production					
Technology	Polyjet		Powder Binding		Vacuum Casting		Stereolithography		FDM		Laser Sintering							
Size					Small		Small / Medium		Small		Small							
			Medium		Medium		Medium		Medium		Medium							
					Large		Mammoth		Large		Large							
Machines	1		5		6		37		34		26							

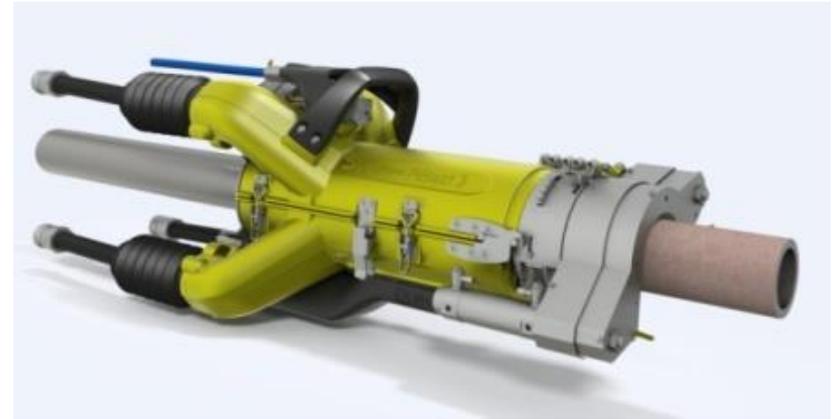


Additive Manufacturing Solutions

Proprietary Mammoth SL



Production of End Parts



Proprietary, Automated Web Portal

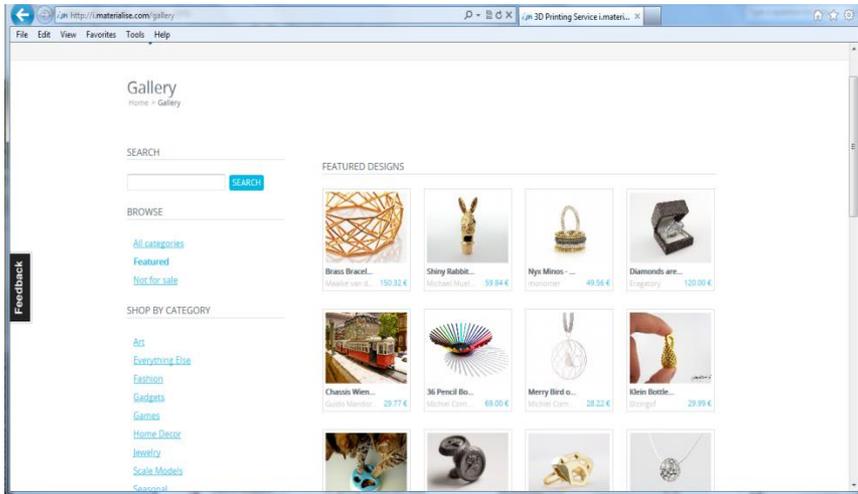


Dedicated European Sales Force



Growth Businesses

i.materialise



RapidFit+[®]
Additive Manufactured Fixtures



Industrial Production Overview

Business Overview

- ✓ Printed 394,000 parts in 2013 to 2,800+ customers
- ✓ Majority of customers located in Europe
- ✓ 105 FTEs
- ✓ Sales channels: web portal and direct

Selected Customers

ASML



PHILIPS

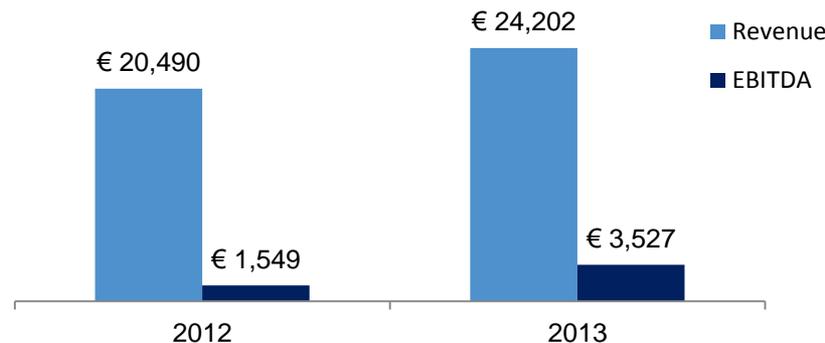


SIEMENS



Additive Manufacturing Solutions

(€ in thousands)



Note: Excluding the growth businesses i.materialise and RapidFit

Materialise Executive Team

	Name	Title / Business Unit Responsibility	Years with Materialise
Executive Board	Fried Vancraen	Founder & Chief Executive Officer	24
	Peter Leys	Executive Chairman	Joined in 2013
	Hilde Ingelaere	Executive Vice President, Medical	21
Executive Officers	Frederic Merckx	Chief Financial Officer	Joined in 2013
	Johan Pauwels	Executive Vice President, 3D Printing Software	24
	Bart Van Der Schueren	Executive Vice President, Industrial Production	19
	Wim Michiels	Executive Vice President, International	15

Key employee figures for Materialise

- ✓ 997 FTE employees worldwide
- ✓ 410 Masters
- ✓ 48 Ph.Ds

Professional Development

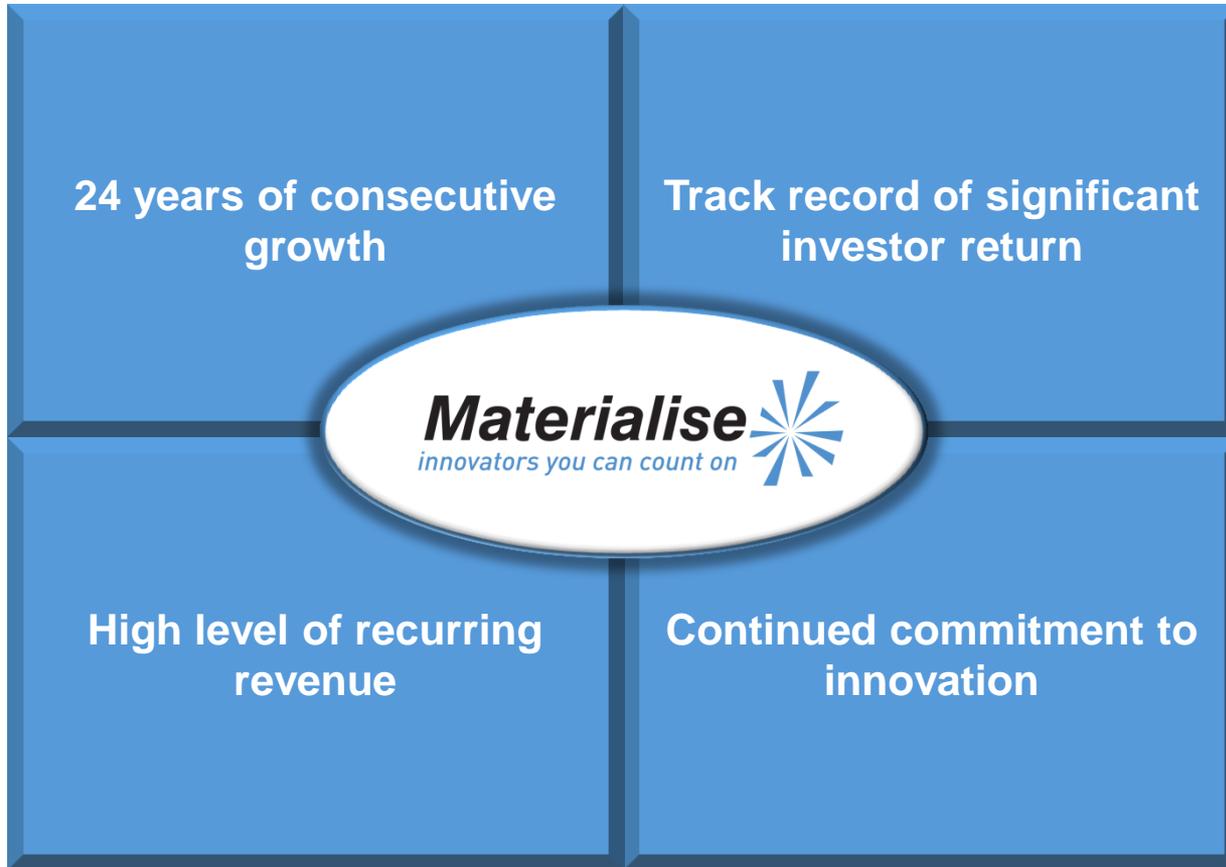
- ✓ Robust internal training program
- ✓ Culture of constant entrepreneurial innovation

Growth Strategy: Built to Last

	3D Printing Software	Medical	Industrial Production
Market growth drivers	<ul style="list-style-type: none"> ✓ Growth of professional 3D Printing Industry 	<ul style="list-style-type: none"> ✓ Patient-specific, evidence-based and functional medicine 	<ul style="list-style-type: none"> ✓ Increased additive manufacturing of end parts
Current growth strategy	<ul style="list-style-type: none"> ✓ Increase sales and development teams worldwide (Asia) 	<ul style="list-style-type: none"> ✓ Introduce new products in large scale markets (X-Ray) ✓ Increase market penetration of niche market products (cranio plates and hip revision implants) 	<ul style="list-style-type: none"> ✓ Add new technologies (metal)
Potential growth accelerators	<ul style="list-style-type: none"> ✓ Offer value added solutions to various markets 	<ul style="list-style-type: none"> ✓ New distribution channels 	<ul style="list-style-type: none"> ✓ Setting up new dedicated production lines ✓ Consolidate fragmented fixturing industry

Financial Overview

Financial Highlights



Use of Proceeds

✓ Expansion of our 3D printing capacity, including the addition of new printers and additional technologies, to serve our industrial and medical needs

\$14 – 28 million

✓ Increase our sales and marketing teams worldwide

\$7 – 14 million

✓ Fund additional research and development activities

\$7 – 14 million

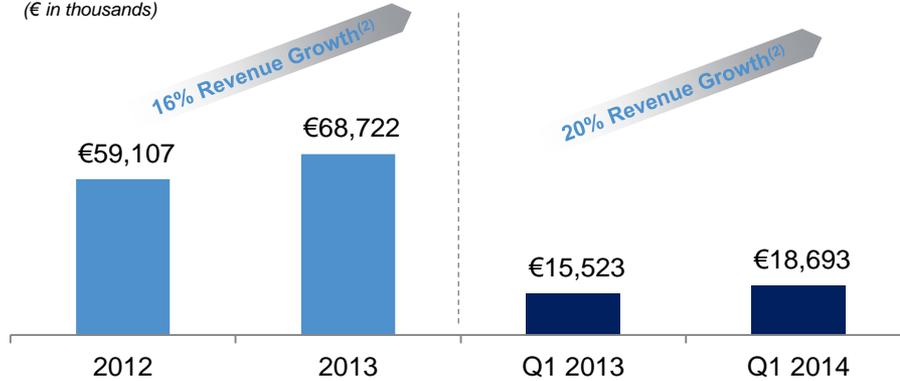
✓ General corporate purposes (including, but not limited to, potential acquisitions or partnerships)

**Remaining
Proceeds**

Historical P&L

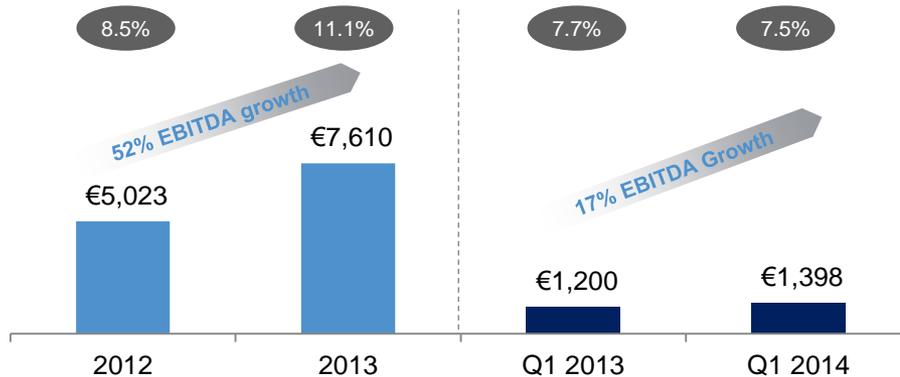
Consolidated Revenue

(€ in thousands)

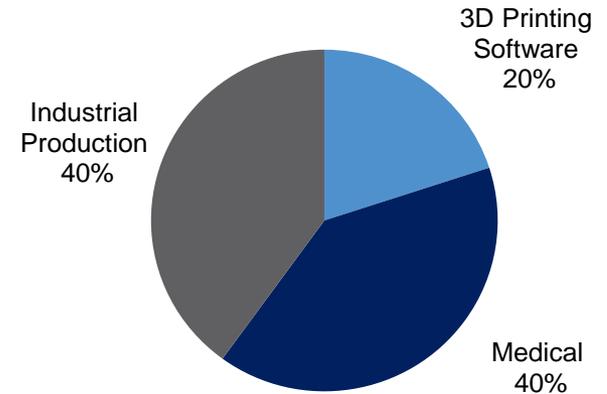


Consolidated EBITDA

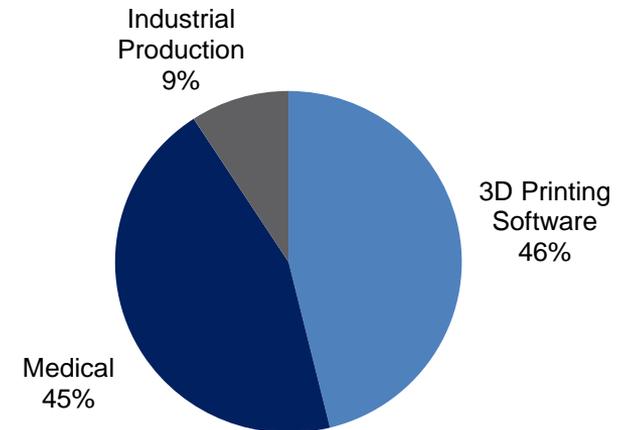
(€ in thousands)



2013A Revenue⁽¹⁾



2013A EBITDA⁽¹⁾



(1) Excludes adjustments and eliminations.

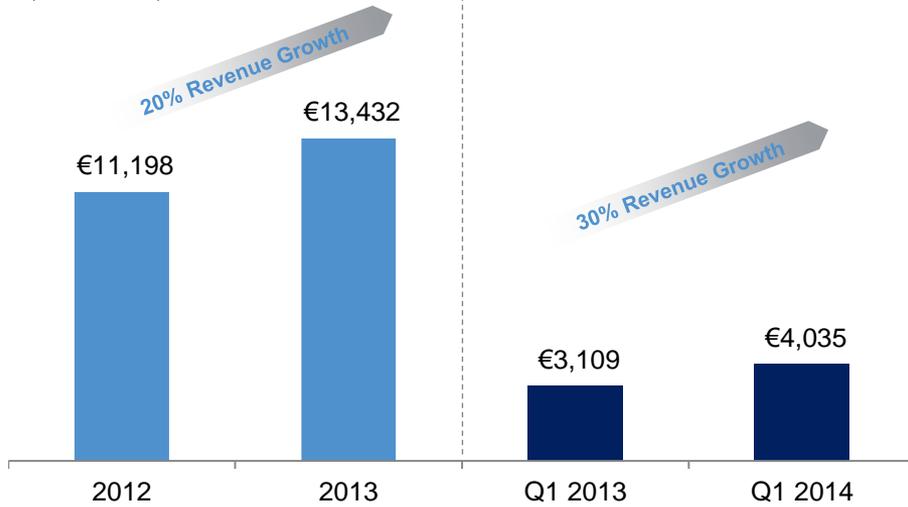
(2) 2013 revenue without the effect of currency exchange rates would have been close to €70.0 million, representing growth of 18.4%.

Note: Consolidated revenue includes eliminations and revenue from sales by our core competencies not allocated to any of our three segments. For 2012A, 2013A, Q1 2013A and Q1 2014A this was €0.241m, €0.059m, €0.023m and €0.207m respectively. Consolidated EBITDA includes adjustments for corporate research, corporate headquarter costs and other operating income (expense). For 2012A, 2013A, Q1 2013A and Q1 2014A, this was (€3.027m), (€3.530m), (€0.921m) and (€1.185m), respectively.

Segment Financials: 3D Printing Software

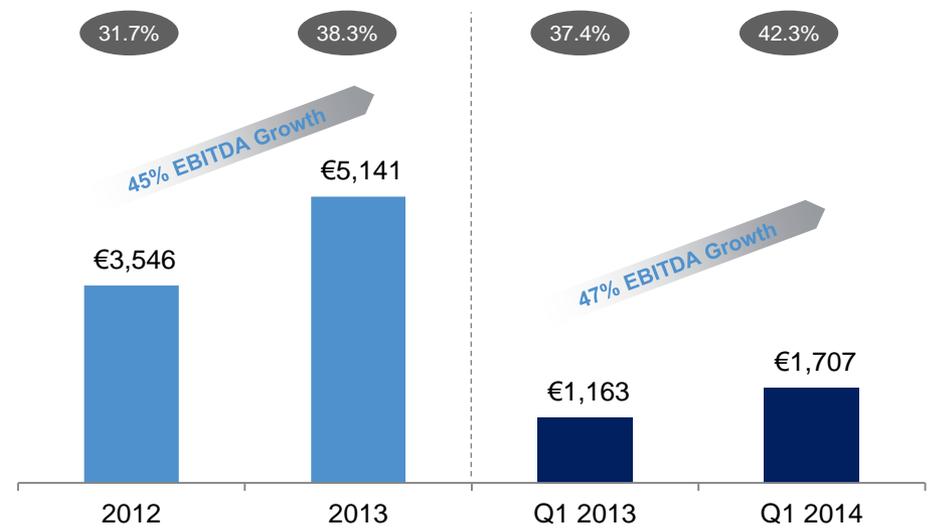
Revenue

(€ in thousands)



EBITDA

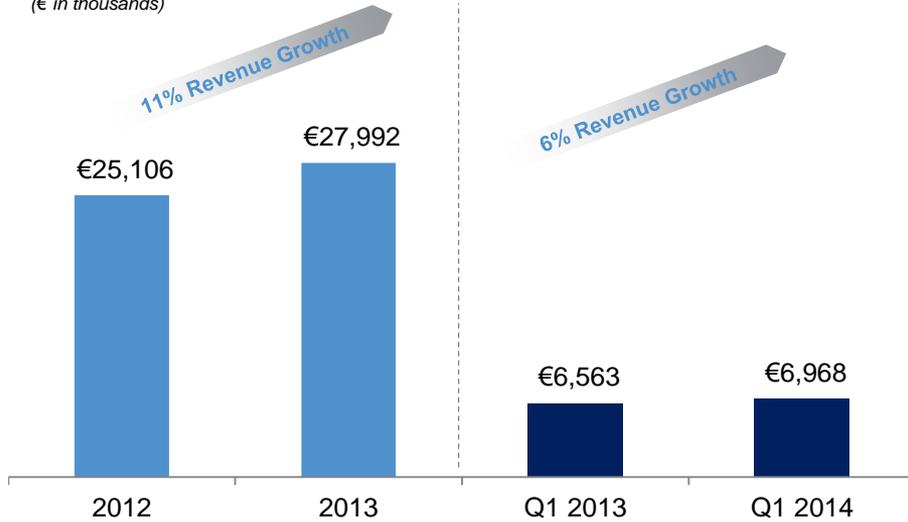
EBITDA margin



Segment Financials: Medical

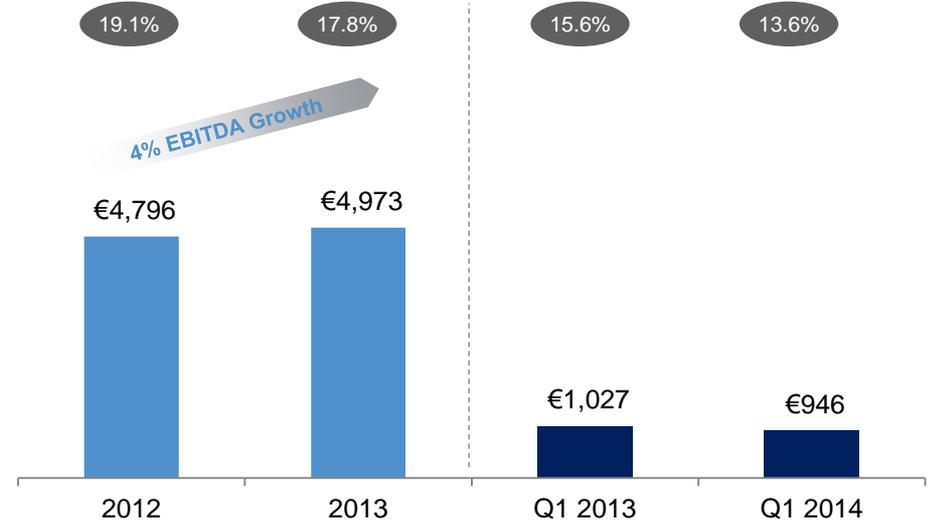
Revenue

(€ in thousands)

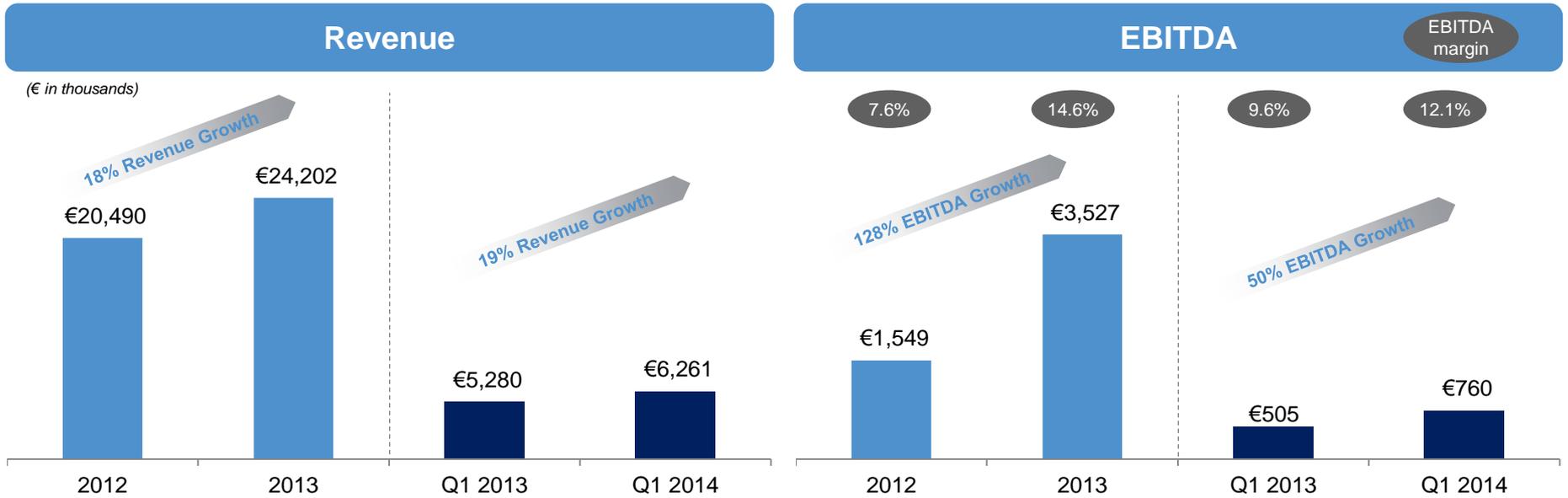


EBITDA

EBITDA
margin



Segment Financials: Industrial Production (Excluding Growth Business Units)

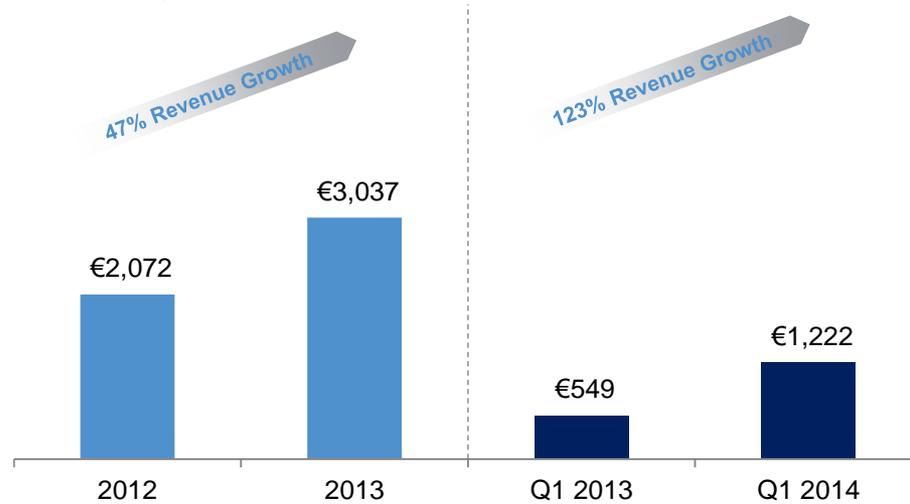


✓ Expanded printers from 92 in 2012 to 103 as of 31 March 2014

Segment Financials: Industrial Production Growth Businesses (RapidFit+ + i.materialise)

Revenue

(€ in thousands)



Long-Term Financial Objectives

- These long-term financial objectives assume a portion of the IPO proceeds are utilized as described on the “Use of Proceeds” slide

Revenue Growth %	20-25%
EBITDA⁽¹⁾ Margin %	20-25%

Note: These objectives do not represent budget estimates or projections of any type and have not been prepared by management in the manner budget estimates or projections are prepared. The Company's operational and financial objectives change from time to time based on numerous factors, and the Company's ability to achieve any objective is subject to significant business, economic, regulatory and competitive uncertainties and contingencies, many of which are beyond the control of the Company and its management, and are based upon assumptions with respect to future decisions, which are subject to change. Actual results will vary and those variations may be material. For discussion of some of the important factors that could cause these variations, please consult the “Risk Factors” section of the preliminary prospectus. Nothing in this presentation should be regarded as a representation by any person that these objectives will be achieved and the Company undertakes no duty to update its objectives.

(1) EBITDA is a non-IFRS financial measure that the Company calculates as net profit plus income taxes, financial expenses (less financial income) and depreciation and amortization. For additional information, see “Management's Discussion and Analysis of Financial Condition and Results of Operations—Other Financial Information” section of the preliminary prospectus.

Investment Highlights

- ✓ Visionary company and leadership that has driven advancement of the 3D printing industry
- ✓ Leading software products and solutions used by top 3D printer system manufacturers and users around the world
- ✓ Medical solutions that have changed the way medical research, procedures and care is conducted
- ✓ One of the world's largest single-site service centers offering all available 3D printing technologies to industrial, consumer and manufacturing clients
- ✓ Commitment to expanding 3D printing technology through constant ongoing Research & Development
- ✓ At the forefront of 3D printing growth with a compelling and unique business and financial model

Wall of Fame

