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3Q 2017 Financial Results Conference Call November 9, 2017

www.materialise.com
NASDAQ: MTLS

Safe Harbor Summary

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This presentation contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, regarding, among other things, our intentions, beliefs, assumptions, projections, outlook, analyses or current expectations, plans, objectives, strategies and prospects, both financial and business, including statements concerning, among other things, current estimates of fiscal 2017 revenues and Adjusted EBITDA, investments in R&D and S&M initiatives, results of operations, cash needs, capital expenditures, expenses, financial condition, liquidity, prospects, growth and strategies, and the trends and competition that may affect the markets, industry or us. Such statements are subject to known and unknown uncertainties and risks. When used in this presentation, the words “estimate,” “expect,” “anticipate,” “project,” “plan,” “intend,” “believe,” “forecast,” “will”, “may”, “could”, “might”, “aim”, “should,” and variations of such words or similar expressions are intended to identify forward-looking statements. These forward-looking statements are based upon the expectations of management under current assumptions at the time of this presentation. These expectations, beliefs and projections are expressed in good faith and the company believes there is a reasonable basis for them. However, the company cannot offer any assurance that our expectations, beliefs and projections will actually be achieved. By their nature, forward-looking statements involve risks and uncertainties because they relate to events, competitive dynamics and industry change, and depend on economic circumstances that may or may not occur in the future or may occur on longer or shorter timelines than anticipated. We caution you that forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties and other factors that are in some cases beyond our control. All of the forward-looking statements are subject to risks and uncertainties that may cause the company's actual results to differ materially from our expectations, including the risk factors described in our annual report on Form 20-F filed with the SEC on May 1, 2017. There are a number of risks and uncertainties that could cause the company's actual results to differ materially from the forward-looking statements contained in this press release.

The company is providing this information as of the date of this presentation and does not undertake any obligation to update any forward-looking statements contained in this presentation as a result of new information, future events or otherwise, unless it has obligations under the federal securities laws to update and disclose material developments related to previously disclosed information.

Agenda

Fried Vancraen
Founder & CEO

Peter Leys
Executive Chairman

Johan Albrecht
CFO

- Q3 2017 Highlights
- ACTech Acquisition
- Q3 2017 Financial Results
- Additional Strategic Achievements
- Updated 2017 Financial Guidance
- Q&A

Q3 2017 Highlights

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- Total revenue increased more than 12% from Q3 2016 to 32,307 kEUR.
- Adjusted EBITDA rose 15%, increasing to 3,259 kEUR compared to 2,833 kEUR for Q3 2016.
- All three business segments contributed to top-line growth and generated positive EBITDA.
- Numerous actions taken to continue Materialise's growth trajectory.

Executing on Both a Day-to-Day and Strategic Basis

Benefits of ACTech Acquisition

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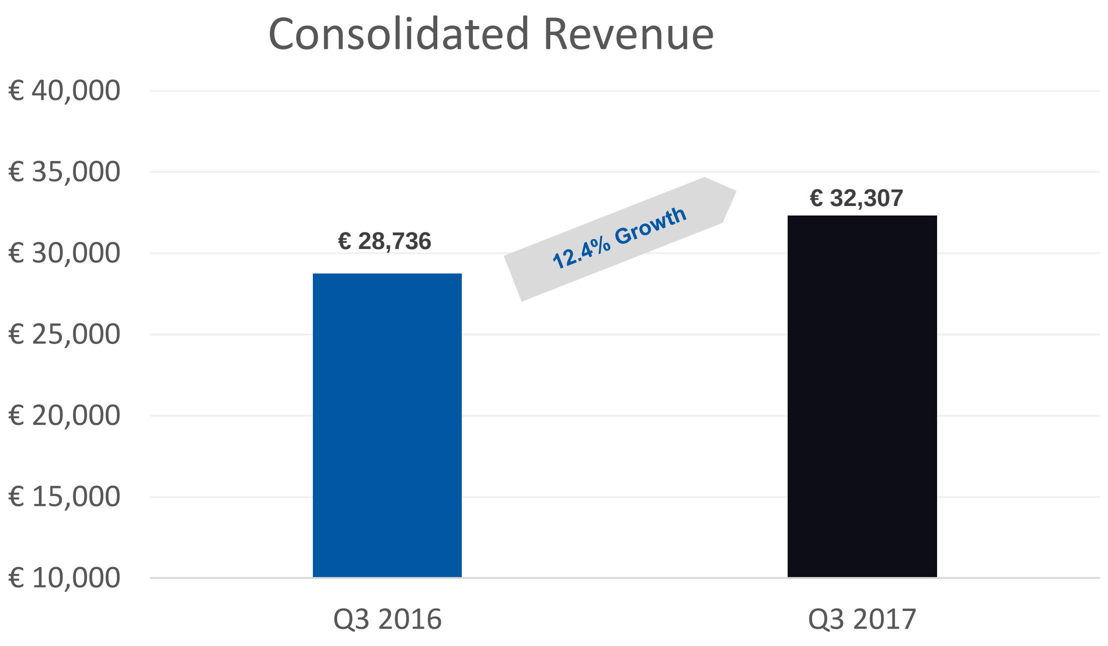
- A leader in producing limited runs of highly complex cast metal parts.
    - Premium products
    - Known for speed and reliability
    - Impressive customer base
- Increases our ability to offer complete manufacturing solutions for unique 3D-printed metal parts.
    - Will enable enhancement of software suite for metal 3D printing
- Same strategy we successfully used in industrial polymers printing.

ACTech®
a materialise company

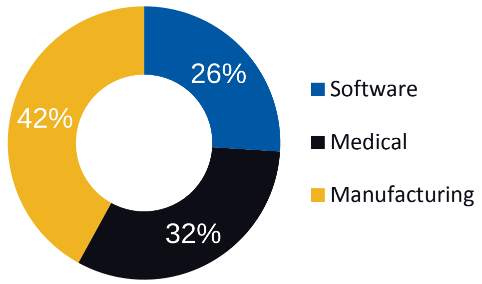
Enhancing Our Manufacturing and Software Backbone Position to Support the Entire Industry

Consolidated Revenue

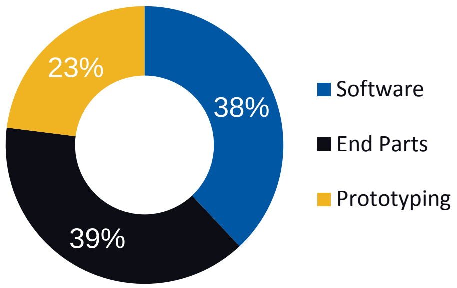


- All three segments generated sizable increases.
- 77% of Q3 2017 revenue from software revenues and end parts.

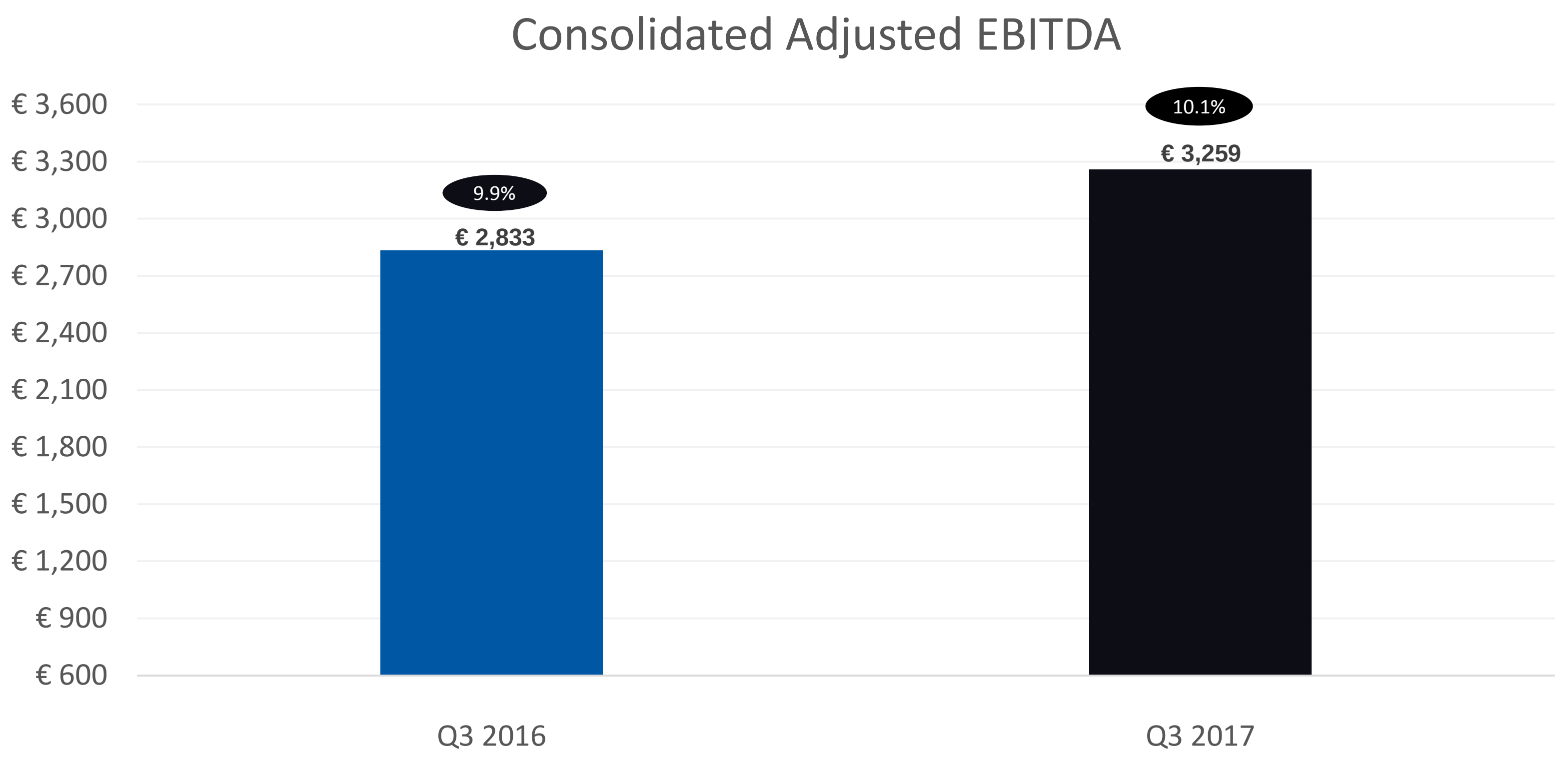
Q3 2017 Revenue by Segment



Q3 2017 Revenue by Product Type

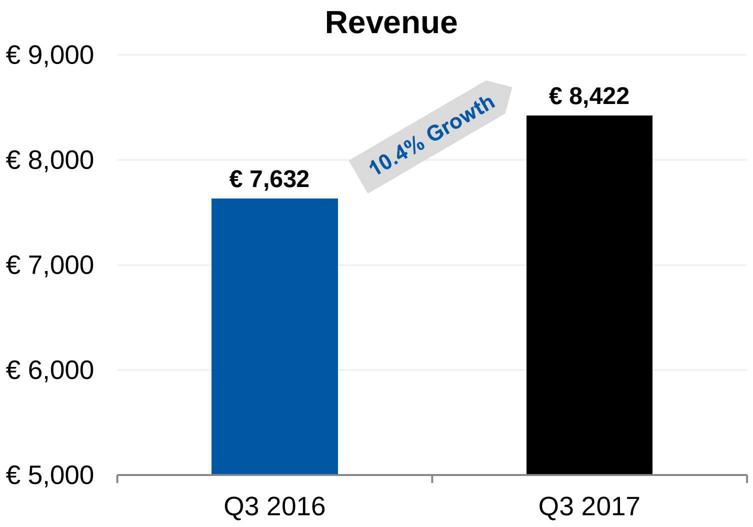


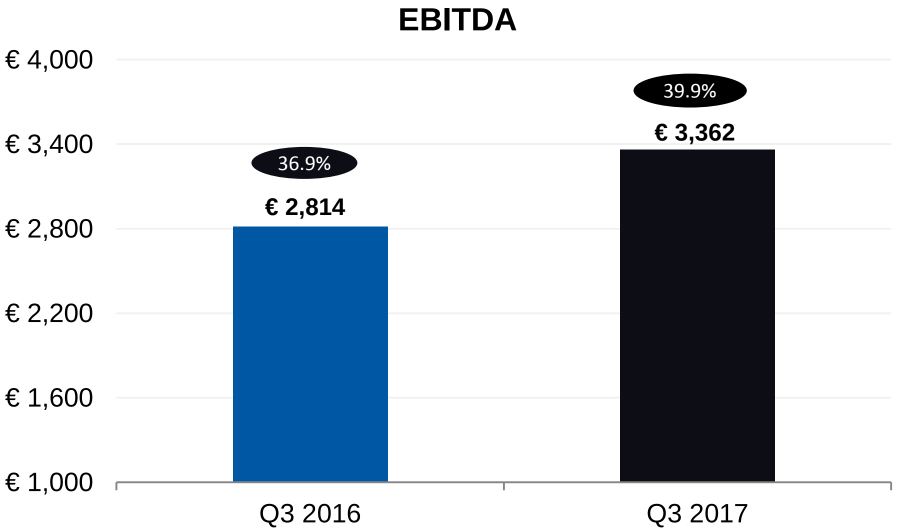
Consolidated Adjusted EBITDA



- Q3 2017 consolidated adjusted EBITDA rose from 2,833 kEUR to 3,259 kEUR.
  - Increase reflects 12.4% revenue growth combined with a lower increase in operational expenses.
- Q3 2017 Adjusted EBITDA excludes 266 kEUR in expenses related to ACTech acquisition.

Software Segment

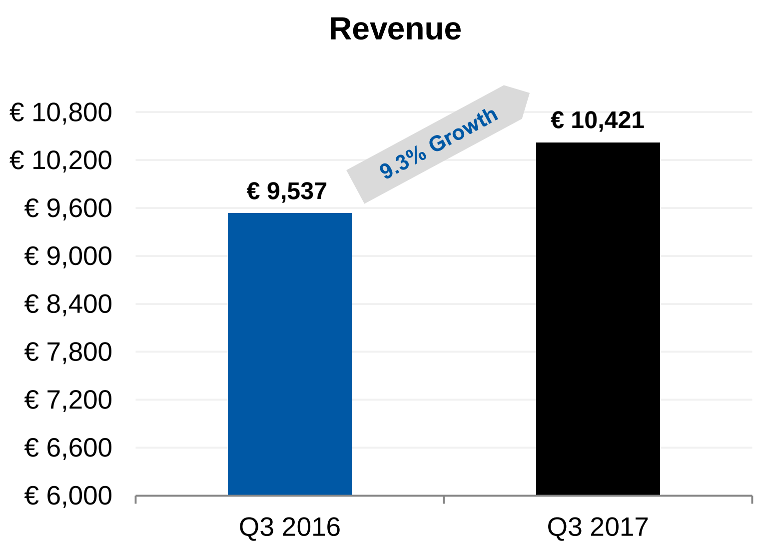


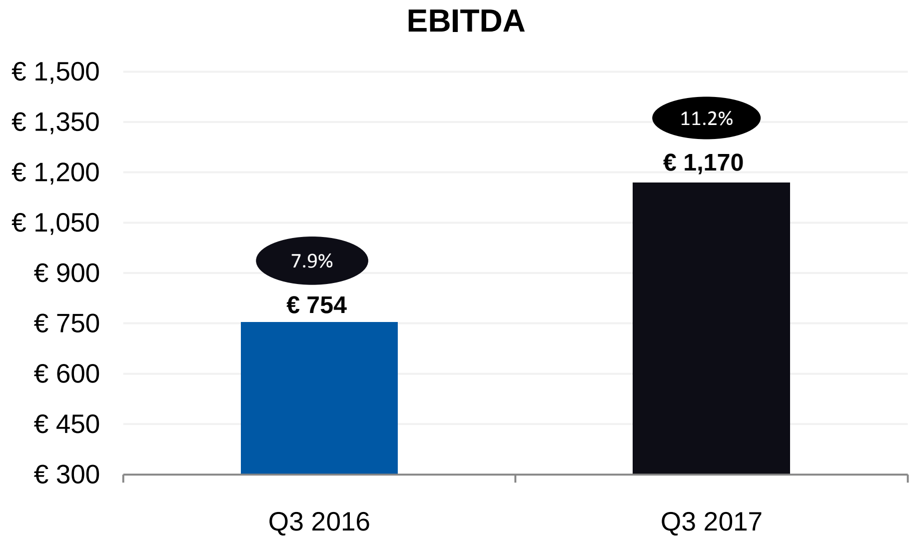


- 13% YOY growth in recurrent revenues from annual and renewed licenses and maintenance fees.
- Q3 2017 sales* from direct sales up 19%, OEMs sales remained flat compared to Q3 2016.
- EBITDA margin increased to almost 40%, mainly as a result of revenue growth and smaller growth of operational expenses.

*Sales are defined in this presentation as revenue plus deferred revenue.

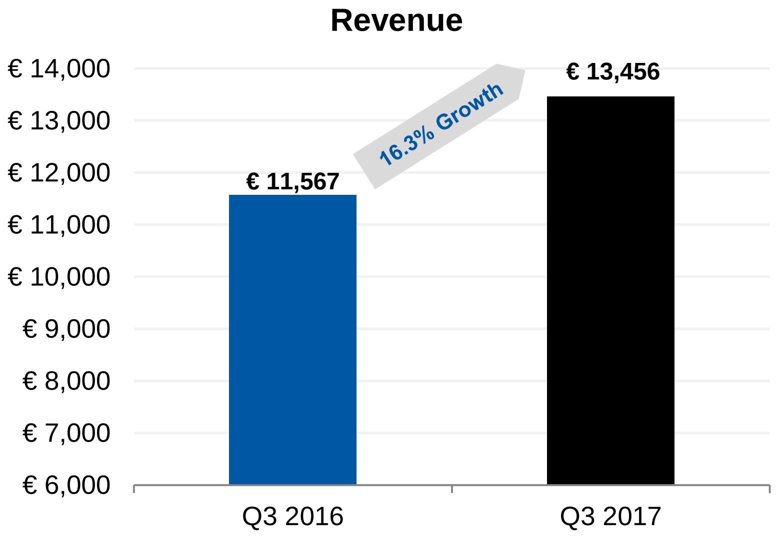
Medical Segment

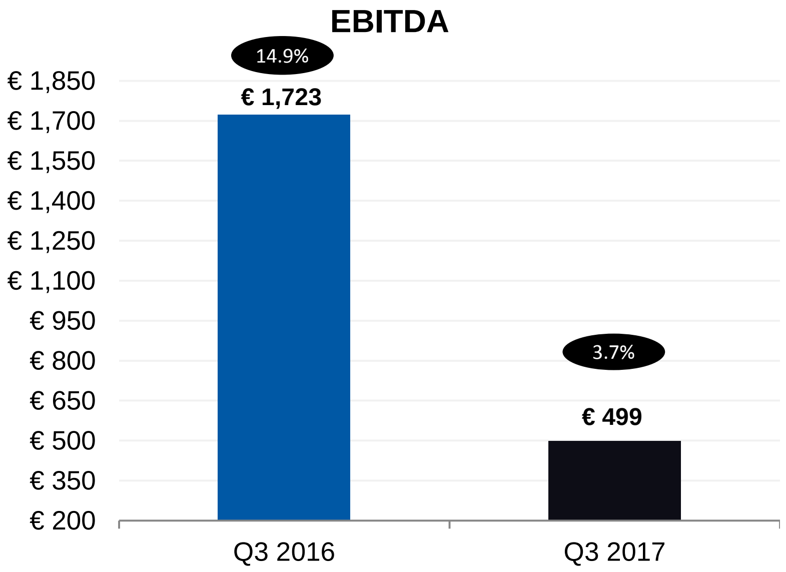




- Q3 2017 revenue from medical software sales increased 25% from prior-year period.
- Revenue from medical devices and services grew 2%.
- EBITDA margin rose to 11% due to positive impact of revenue growth and sales mix combined with stable operating expenses.

Manufacturing Segment





- End part manufacturing revenue increased 27% from Q3 2016.
- Strong performance of core business combined with addition of metal sales and sales of scanners for eyewear.
- EBITDA margin decreased to 3.7%, impacted by higher cost of sales and start-up costs from sales of eyewear scanners. 3Q16 EBITDA included 460 kEUR related to updated accounting valuation of resin materials stock.
- Total number of manufacturing and medical printers increased to 167 as of September 30, 2017.

Income Statement Highlights

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(in thousands of euros, except where indicated)	Q3	
	2017	2016
Revenue	32,307	28,736
Cost of sales	(14,434)	(11,799)
Gross profit	17,873	16,937
Research & development expenses	(4,701)	(4,389)
Sales & marketing expenses	(8,753)	(8,299)
General & administrative expenses	(6,055)	(5,286)
Other income/(expenses), net	1,414	1,369
Operating profit/(loss)	(222)	332
Financial income/(expenses), net	(593)	(124)
Share in loss of joint venture	(165)	(69)
Taxes	(433)	(191)
Net profit/(loss)	(1,413)	(52)
Diluted EPS*	(0.03)	(0.00)
Diluted weighted average shares (thousands)	47,325	47,325

* Excludes non-controlling interest.

Other Financial Highlights

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(in thousands of euros)	09/30/2017	12/31/2016
Cash & equivalents	48,099	55,912
Receivables	30,656	27,479
Inventories	8,642	7,870
Payables	15,138	14,326
Total deferred income	21,858	21,410
Total borrowings	53,565	33,806
Total equity	76,060	79,033
Total liabilities and equity	180,141	161,920
(in thousands of euros)	**Q3 2017**	**Q3 2016**
Capital expenditures	9,621	2,292
Cash flow from operations (9 months)	2,518	4,315

Additional Strategic Achievements

- Received green light to enable DePuy Synthes to bring Materialise's 3D-printed maxillofacial implants to market in the U.S.
- Brought high-end Danish eyewear brand Ørgreen onto the Yuniku platform
  - 12 models specifically designed for 3D printing
- Partnered with Tailored Fits to launch the world's first end-to-end digital supply chain for custom-fit ski boots
  - Platform includes customer interface, design automation and process automation
- Additional meaningful partnerships to be announced at upcoming industry events

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Updated 2017 Financial Guidance

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Consolidated Revenue	**140M to 143M euros**
Consolidated Adj. EBITDA(1)	**13M to 14M euros**
Deferred Revenue (from annual licenses and maintenance)	**2M to 3M euros**

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 see the risk factors described in our annual report on Form 20-F filed with the SEC on May 1, 2017. 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) Adjusted EBITDA is a non-IFRS financial measure that the Company calculates as net profit plus income taxes, financial expenses (less financial income), depreciation and amortization, stock-based compensation expense and acquisition-related expenses.

APPENDIX
Adjusted EBITDA Reconciliation

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	For the three months ended September 30	
(in thousands of euros)	**2017**	**2016**
Net profit/(loss)	(1,413)	(52)
Income taxes	433	191
Financial expense	1,058	181
Financial income	(465)	(58)
Share of loss in a joint venture	165	69
Depreciation & amortization	2,918	2,144
EBITDA	2,696	2,475
Non-cash stock-based compensation expenses	297	358
Acquisition-related expenses	266	-
Adjusted EBITDA	3,259	2,833