

The logo for Materialise, featuring the word "materialise" in a bold, lowercase sans-serif font, with the tagline "innovators you can count on" in a smaller, lowercase sans-serif font below it. The background is white with a blue diagonal shape that tapers from the top right to the bottom left.

materialise
innovators you can count on

**4Q 2015 Financial Results
Conference Call
March 2, 2016**

www.materialise.com
NASDAQ: MTL

Safe Harbor Summary



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 2015 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 April 30, 2015. 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

- ▶ Q4 2015 Highlights
- ▶ Enhanced Product Positioning & Branding
- ▶ Q4 2015 Financial Results
- ▶ Strategic Achievements & Goals – 2015 and 2016
- ▶ 2016 Guidance
- ▶ Q&A

Q4 2015 Highlights



- ▶ Total revenue increased 19% to 28,032 kEUR from prior year
- ▶ Deferred revenue from annual software sales and maintenance contracts increased 3,615 kEUR from prior year to 13,136 kEUR
- ▶ All three segments generated revenue gains and positive EBITDA
- ▶ Adjusted EBITDA was 2,979 kEUR for a 10.6% margin
- ▶ Net profit was 2,145 kEUR, or 0.05 EUR per diluted share

Enhanced Product Positioning & Branding



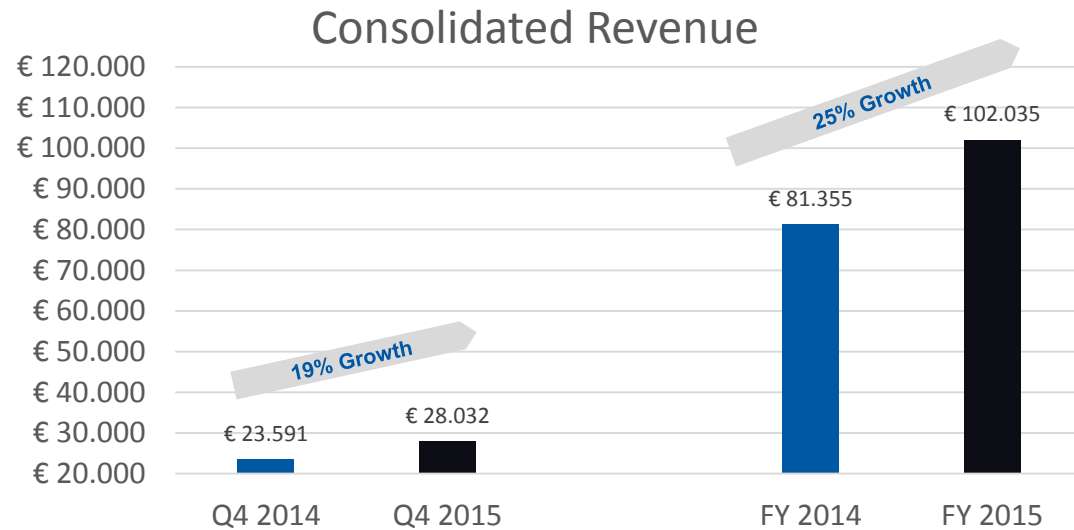
- The Materialise technology forms the software and services backbone of the 3D printing industry.
- The Materialise backbone enables both AM operations and 3D printing applications.
- From that platform, Materialise has built various product suites tailored to the needs of specific customer groups.
- On March 1 we launched Materialise Mimics Care Suite, focusing on hospital market and drawing on the same backbone technology as Mimics Innovation Suite.
- Materialise Software and Materialise Manufacturing will launch similar suites in the near future.

**ONE COHESIVE TECHNOLOGY PLATFORM THAT CONSTITUTES
THE BACKBONE FOR 3D PRINTING SOLUTIONS**

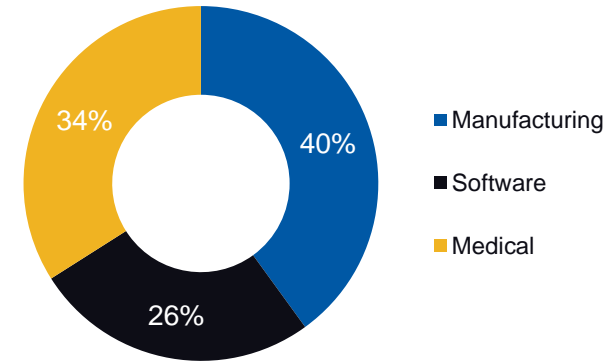
Consolidated Revenue



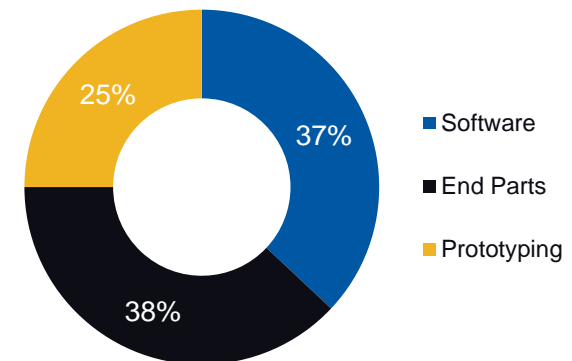
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Q4 2015 Revenue

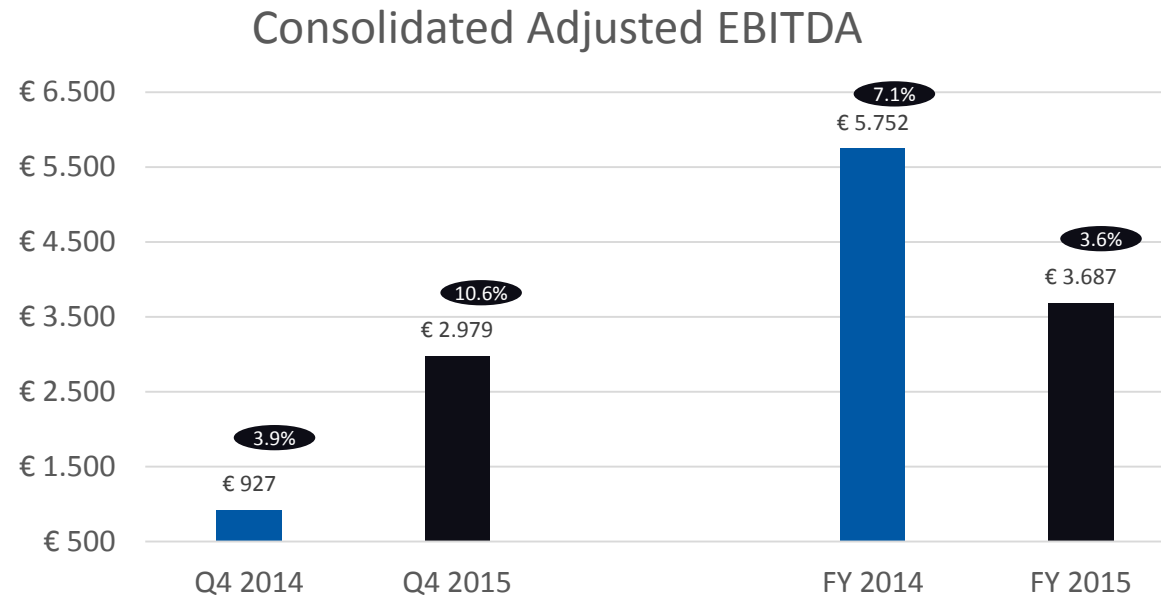


Q4 2015 Revenue



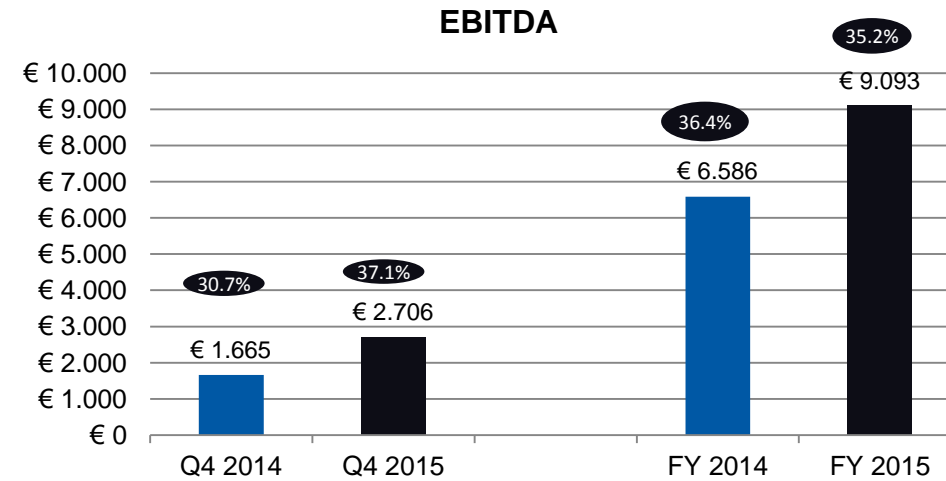
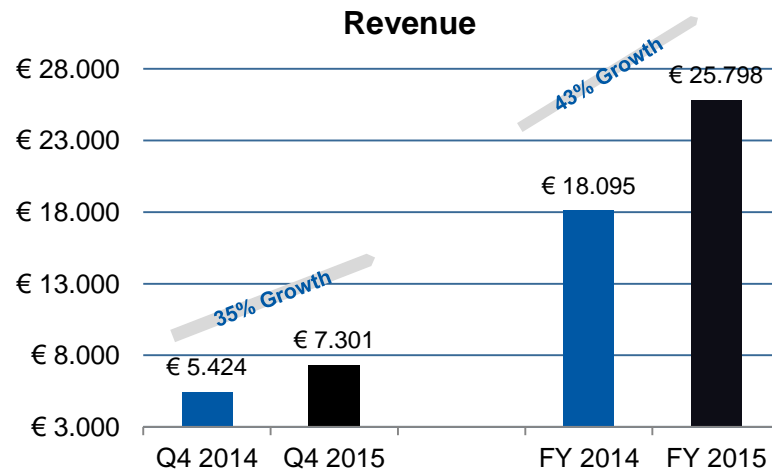
- Significant revenue increases in all segments.
- 37% of Q4 2015 revenue from software.
- 38% of Q4 2015 revenue from end parts.
- 25% of Q4 2015 revenue from prototyping.

Consolidated Adjusted EBITDA



- ▶ Q4 2015 consolidated adjusted EBITDA more than tripled.
- ▶ Reflects strong revenue growth and moderate increase in operational expenses.
- ▶ Q4 2015 consolidated adjusted EBITDA grew to 10.6% from 3.9% in Q4 2014.

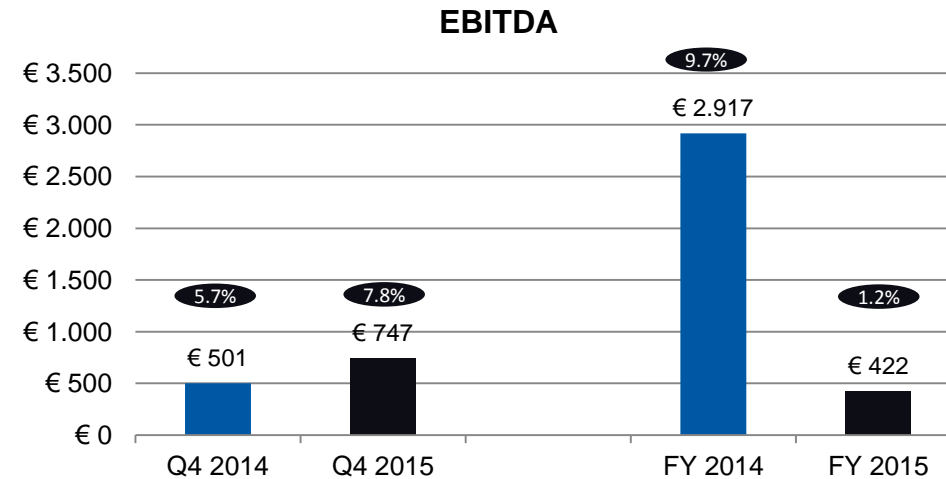
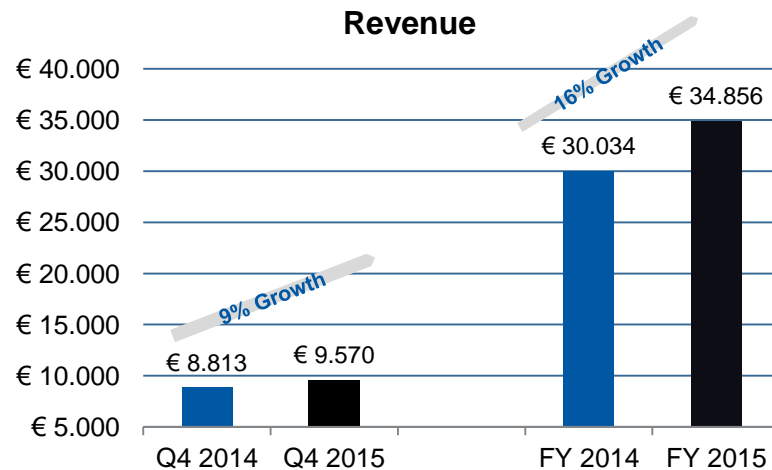
Software Segment



- ▶ Sales* from new licenses for Q4 2015 increased by 30% from the prior year.
- ▶ Q4 2015 sales generated from OEMs increased by 72% from the prior year.
- ▶ Fast-paced sales increase reflects continued cultivation of opportunities worldwide.

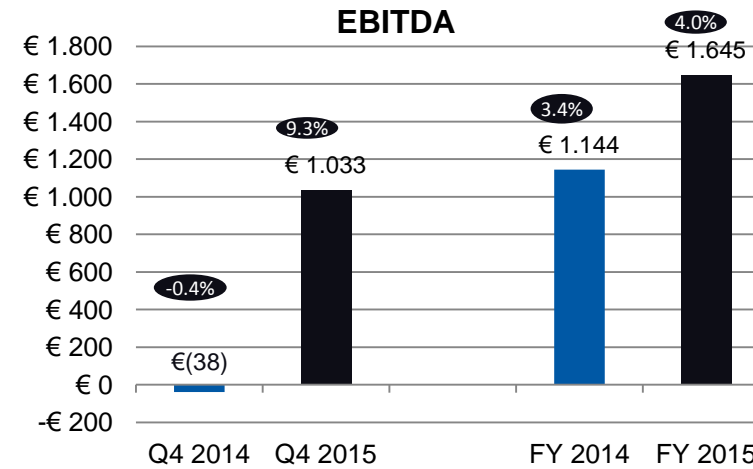
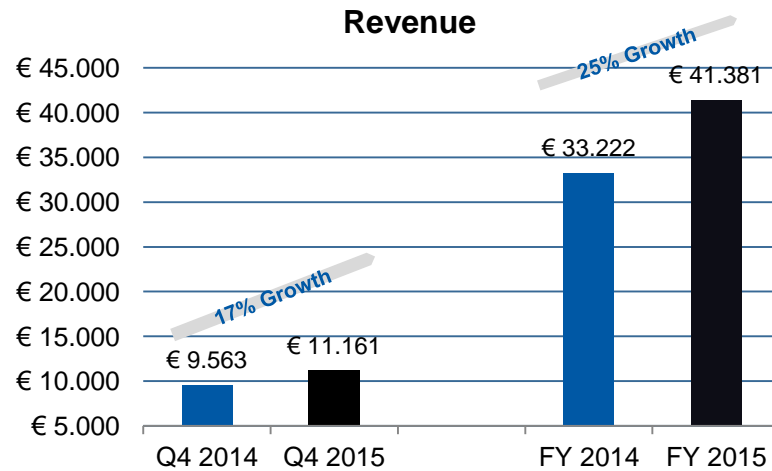
*Sales are defined in this presentation as revenue plus deferred revenue.

Medical Segment



- Q4 2015 medical software sales increased 17% from Q4 2014 and represented 35% of total medical sales.
- New annual licenses increased 131% from Q4 2014.
- Direct sales of complex surgery devices increased 11% from Q4 2014 and represented 14% of total medical sales.
- Q4 2015 sales from medical collaboration partners increased 14% from Q4 2014.

Manufacturing Segment



- ▶ 39% growth in sales of end parts for Q4 2015 over Q4 2014.
- ▶ Number of printers increased to 138 as of 12/31/15.
- ▶ Excluding growth businesses, Q4 2015 EBITDA margin increased to 14.3% from 12.4% for Q4 2014.

Income Statement Highlights

(in thousands of euros, except where indicated)	Q4		Full Year	
	2015	2014	2015	2014
Revenue	28,032	23,591	102,035	81,355
Cost of sales	<u>(11,456)</u>	<u>(9,543)</u>	<u>(42,963)</u>	<u>(32,396)</u>
Gross profit	16,576	14,048	59,072	48,959
Research & development expenses	(4,742)	(4,679)	(18,186)	(15,093)
Sales & marketing expenses	(9,340)	(9,325)	(36,832)	(27,543)
General & administrative expenses	(3,767)	(3,175)	(15,045)	(11,645)
Other income/(expenses), net	<u>2,205</u>	<u>2,230</u>	<u>7,102</u>	<u>5,652</u>
Operating profit	932	(901)	(3,889)	330
Financial income/(expenses), net	356	368	1,041	2,010
Share in loss of joint venture	(153)	(53)	(401)	(81)
Taxes	<u>1,010</u>	<u>40</u>	<u>389</u>	<u>(387)</u>
Net profit/(loss)	2,145	(546)	(2,860)	1,872
Diluted EPS*	0.05	-0.01	-0.06	0.05
Diluted weighted average shares (thousands)	47,779	47,110	47,224	43,288

* Excludes non-controlling interest.

Other Financial Highlights

(in thousands of euros)	12/31/2015	12/31/2014
Cash & equivalents	50,726	61,019
Receivables	22,843	18,370
Inventories	5,387	3,660
Payables	9,967	7,333
Total deferred income	16,601	12,419
Total borrowings	21,089	17,347
Total equity	82,955	85,167
Total liabilities and equity	144,136	133,221
(in thousands of euros)	Q4 2015	Q4 2014
Capital expenditures	3,081	5,383
Cash flow from operations	2,038	(419)

Strategic Achievements & Goals



Strengthening position as backbone of 3D printing industry and leading *enabler* of 3D printing applications

2015 Achievements		2016 Strategic Priorities
<ul style="list-style-type: none"> ▶ Bolstered position in traditional 3D printing market through structured partnerships & direct sales ▶ Expanded technology platforms to meet high demands of end part manufacturing <ul style="list-style-type: none"> ▶ Launched framework of build processors ▶ Introduced control panels ▶ Developed Magics²⁰ 	SOFTWARE	<ul style="list-style-type: none"> ▶ Continue to execute backbone strategy <ul style="list-style-type: none"> ▶ Further expand direct and indirect sales footprint ▶ Continuous innovation of technology platform
<ul style="list-style-type: none"> ▶ Successfully switched from perpetual to annual licenses ▶ Opened up guide platform ▶ Increased sales reach of complex surgery solutions 	MEDICAL	<ul style="list-style-type: none"> ▶ Implement initiatives to drive next stage of growth <ul style="list-style-type: none"> ▶ Launch of Mimics Care Suite ▶ Implementation of open guide platform ▶ Continued growth of direct and indirect sales of patient-specific implants
<ul style="list-style-type: none"> ▶ Began offering metal printing services ▶ Increased end parts production ▶ Engaged in co-engineering with key players considering 3D printing for end parts 	MANUFACTURING	<ul style="list-style-type: none"> ▶ Continued focus on additive manufacturing of end parts ▶ Increase role as incubation center for new vertical applications of 3D printing

Fiscal 2016 Guidance

Consolidated Revenue	115M to 120M euros
Consolidated Adj. EBITDA⁽¹⁾	7M to 9M euros
Deferred Revenue	3M to 4M 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 April 30, 2015. 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 and stock-based compensation expense.

APPENDIX

Adjusted EBITDA Reconciliation



	For the quarter ended December 31		For the year ended December 31	
(in thousands of euros)	2015	2014	2015	2014
Net profit/(loss)	2,145	(546)	(2,860)	1,872
Income taxes	(1,010)	(40)	(389)	387
Financial expense	362	329	2,470	1,150
Financial income	(718)	(698)	(3,511)	(3,160)
Share of loss in a joint venture	153	81	401	81
Depreciation & amortization	1,933	1,533	6,810	4,565
EBITDA	2,865	659	2,921	4,895
Non-recurring IPO expenses	0	0	0	182
Non-cash stock-based compensation expenses	114	268	766	675
Adjusted EBITDA	2,979	927	3,687	5,752