3D Systems Corporation

Consolidated Balance Sheets

Assets	December 31, 1997	(Unaudited) March 27, 1998
Current assets:		
Cash and cash equivalents	$12,694,831	$12,585,983
Short-term investments	$3,498,265	$2,999,063
Accounts receivable, less allowances for doubtful accounts of $441,399 (1997) and $612,769 (1998)	$23,618,237	$23,588,973
Current portion of lease receivables	$1,257,006	$1,336,010
Inventories	$12,164,633	$10,720,172
Deferred tax assets	$3,319,651	$2,489,738
Prepaid expenses and other current assets	$2,305,163	$2,680,404
Total current assets	$58,857,786	$56,400,343
Property and equipment, net	$16,895,011	$16,314,664
Licenses and patent costs, net	$5,464,351	$5,689,078
Deferred tax assets	$3,971,000	$3,971,000
Lease receivables, less current portion	$3,944,462	$4,216,916
Other assets	$2,207,109	$2,186,579
	$91,339,719	$88,778,580
Liability and Stockholders' Equity		
Current liabilities:		
Accounts payable	$4,885,831	$3,717,476
Accrued liabilities	$8,814,193	$7,353,430
Current portion of long-term debt	$95,000	$95,000
Customer deposits	$238,248	$291,314
Deferred revenues	$6,514,868	$7,591,076
Total current liabilties	$20,548,140	$19,048,296
Other liabilities	$1,491,534	$1,499,107
Long-term debt, less current portion	$4,705,000	$4,655,000
	$26,744,674	$25,202,403
Stockholders' equity:		
Preferred stock, $.001 par value. Authorized 5,000,000 shares; none issued		
Common stock, $.001 par value. Authorized 25,000,000 shares; issued 11,450,071 and outstanding 11,425,071 (1997) and issued 11,477,985 and	$11,450	$1,478
Capital in excess of par value	$73,856,965	$74,048,266
Accumulated deficit	($8,897,605)	($8,543,217)
Cumulative translation adjustment	($210,827)	($400,409)
Treasury stock, at cost, 25,000 shares (1997) and 225,000 shares (1998)	($164,938)	($1,539,941)
Total stockholders' equity	$64,595,046	$63,576,177
	$91,339,719	$88,788,580

3D Systems Corporation

Consolidated Statements of Operations

(Unaudited)

	Three Month Periods Ended	
	March 28, 1997	March 27, 1998
Sales:		
Products	$13,597,856	$14,527,349
Services	$7,860,956	$8,309,008
Total sales	$21,458,812	$22,836,357
Cost of sales:		
Products	$7,287,392	$7,891,600
Services	$5,502,589	$5,555,809
Total cost of sales	$12,789,981	$13,447,409
Gross profit	$8,668,831	$9,388,948
Operating expenses:		
Selling, general and administrative	$6,390,691	$6,638,532
Research and development	$1,929,834	$2,311,634
Total operating expenses	$8,320,525	$8,950,166
Income from operations	$348,306	$438,782
Interest income	$351,048	$178,885
Interest expense	($58,783)	($72,455)
Income before provision for income taxes	$640,571	$545,212
Provision for income taxes	$253,025	$190,824
Net income	$387,546	$354,388
Weighted average shares outstanding	$11,359,662	$11,287,023
Net income per common share	$.03	$.03
Weighted average shares outstanding and dilutiv shares	$11,757,504	$11,536,702
Net income per common share assuming dilution	$.03	$.03