
UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 6-K

Report of Foreign Private Issuer
Pursuant to Rule 13a-16 or 15d-16
under the Securities Exchange Act of 1934

For the month of September 2014.

Commission File Number 001-35751

STRATASYS LTD.

(Translation of registrant's name into English)

c/o Stratasy, Inc.
7665 Commerce Way
Eden Prairie, Minnesota 55344

2 Holtzman Street, Science Park
P.O. Box 2496
Rehovot, Israel 76124

(Address of principal executive offices)

Indicate by check mark whether the registrant files or will file annual reports under cover of Form 20-F or Form 40-F:

Form 20-F ☒ Form 40-F ☐

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(1):

Yes ☐ No ☒

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(7): ☐

CONTENTS

Furnished as Exhibit 99.1 to this Report of Foreign Private Issuer on Form 6-K is a copy of the PowerPoint presentation presented at an analyst conference hosted by Stratasy Ltd. on September 8, 2014.

The information in this Form 6-K, including Exhibit 99.1, shall not be deemed to be "filed" for the purposes of Section 18 of the Securities Exchange Act of 1934, as amended, and shall not be incorporated by reference into any filing under the Securities Act of 1933, as amended, except as shall be expressly set forth by specific reference in such filing.

2

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

STRATASYS LTD.

Dated: September 8, 2014

By: /s/ Erez Simha
Name: Erez Simha
Title: Chief Operating Officer and
Chief Financial Officer

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EXHIBIT INDEX

The following exhibit is filed as part of this Form 6-K:

Exhibit	Description
99.1	PowerPoint presentation presented at an analyst conference hosted by Stratasy Ltd. on September 8, 2014

4



Brooklyn, New York
September 8th, 2014

Welcome

Shane
Glenn
VP Investor
Relations

Stratasys

Forward looking statement

Certain information included or incorporated in this presentation may be deemed to be “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995, Section 27A of the Securities Act of 1933, and Section 21E of the Securities Exchange Act of 1934. Forward-looking statements are often characterized by the use of forward-looking terminology such as “may,” “will,” “expect,” “anticipate,” “estimate,” “continue,” “believe,” “should,” “intend,” “project” or other similar words, but are not the only way these statements are identified. These forward-looking statements may include, but are not limited to, statements relating to the Company’s objectives, plans and strategies, statements that contain projections of results of operations or of financial condition (including, with respect to the MakerBot, Solid Concepts and Harvest Technologies acquisitions) and all statements (other than statements of historical facts) that address activities, events or developments that the Company intends, expects, projects, believes or anticipates will or may occur in the future. Forward-looking statements are not guarantees of future performance and are subject to risks and uncertainties. The Company has based these forward-looking statements on assumptions and assessments made by its management in light of their experience and their perception of historical trends, current conditions, expected future developments and other factors they believe to be appropriate. Important factors that could cause actual results, developments and business decisions to differ materially from those anticipated in these forward-looking statements include, among other things: changes in global macroeconomic conditions, which may impact the level of demand for Stratasys’ products; potential changes and shifts in customer demand away from products with the functionality of Stratasys’ products; the effects of competition, which may cause Stratasys to decrease its selling prices for its products; unfavorable fluctuations in component costs resulting from changes in component prices and/or exchange rates, which could increase the cost of producing Stratasys’ products, Stratasys’ ability to efficiently and successfully integrate the operations of Stratasys, Inc. and Objet Ltd. after their merger as well as the ability to successfully put in place and execute an effective post-acquisition integration plan for MakerBot, Solid Concepts, Harvest Technologies and Stratasys’ other acquisitions; general market, political and economic conditions in the countries in which the Stratasys operates; projected capital expenditures and liquidity; changes in Stratasys’ strategy; government regulations and approvals; changes in customers’ budgeting priorities; litigation and regulatory proceedings; and those factors referred to under “Risk Factors”, “Information on the Company”, “Operating and Financial Review and Prospects”, and generally in the Company’s annual report for 2013 filed on Form 20-F and in other reports that the Company files with the SEC, including the “Risk Factors” described in our Report of Foreign Private Issuer on Form 6-K furnished to the SEC on August 7, 2014. Readers are urged to carefully review and consider the various disclosures made in the Company’s SEC reports, which are designed to advise interested parties of the risks and factors that may affect its business, financial condition, results of operations and prospects. Any forward-looking statements in this presentation are made as of the date hereof, and the Company undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law. 3

Agenda

8:30a.m. – 11:30a.m.

Management Presentations

David Reis (CEO)

Gilad Yron (SVP, Products)

Break

Rich Garrity (VP, Vertical Solutions)

Zehavit Reisin (VP, Materials Business Unit)

11:30a.m. – 12:30p.m.

Lunch & Product Demos

12:30p.m. – 3:30p.m.

Management Presentations

Bre Pettis (MakerBot)

Dan Yalon (EVP, Business Development/Marketing)

Break

Shane Glenn (VP, Investor Relations)

Q&A

Introduction

David Reis
CEO



01 Who We Are

02 How We Work

03 Where We're Going

01 Who We Are

02 How We Work

03 Where We're Going

**We shape lives by
revolutionizing the way
things are made.**

2020 Expected Market Size

\$21+ Billion

Estimated Global Market
for Additive Manufacturing
Products & Services

\$3.1
billion

2013
Actual

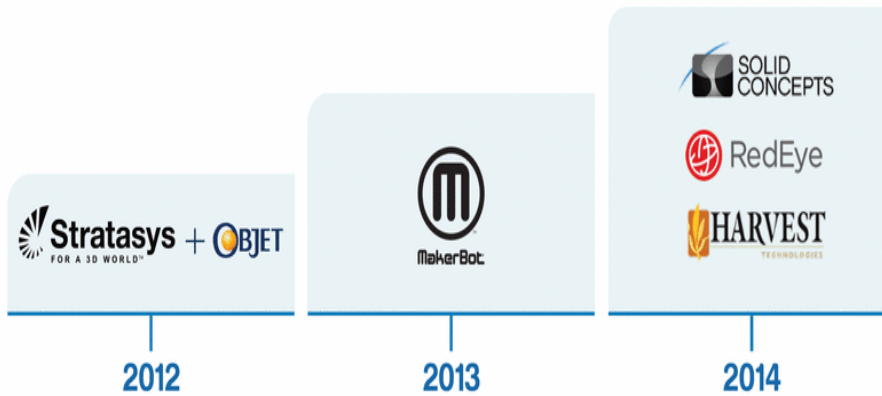
\$12.5
billion

2018
Estimate

\$21.0
billion

2020
Estimate

Major Milestones & Accomplishments



26

Global Offices

4

Manufacturing
Locations

+2,500

Employees

+260

Resellers

- System Sales & Support
- Parts Services
- Corporate Headquarters

Historical Growth

Industry Leader

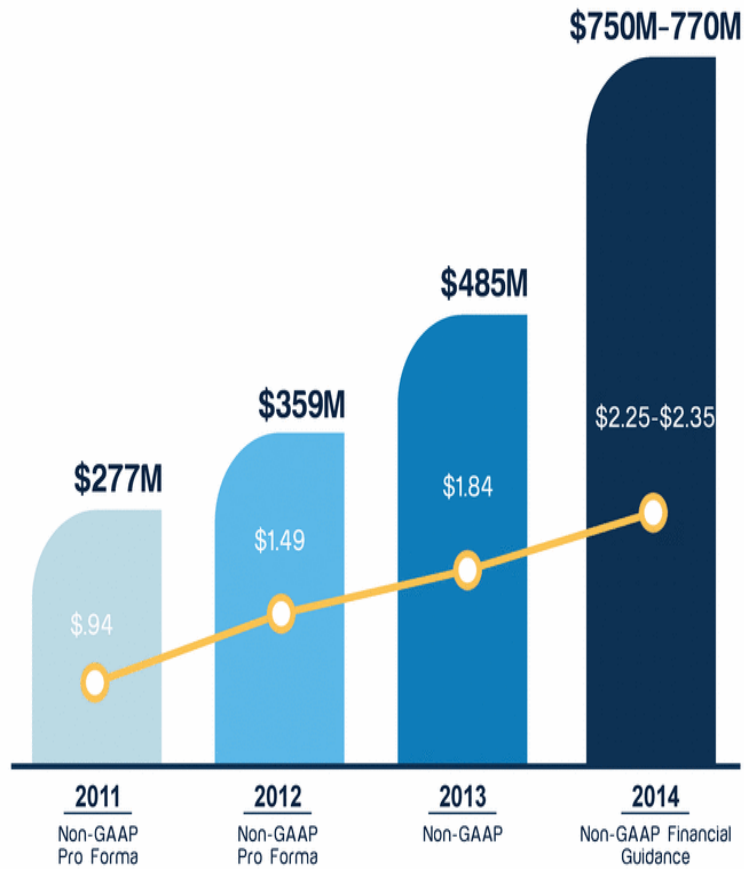
Fiscal 2014 Financial Guidance

Revenue (M)

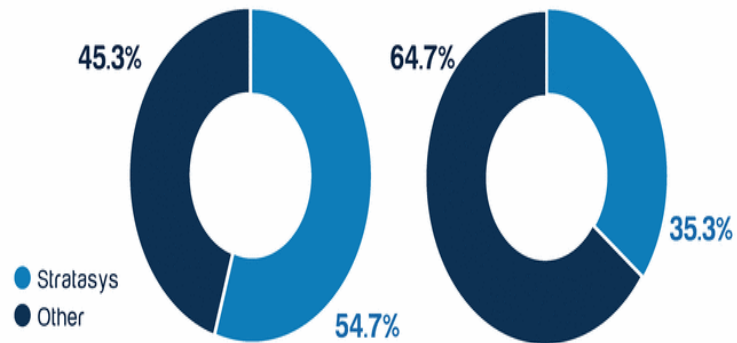
\$750-770

Non-GAAP Diluted EPS

\$2.25-\$2.35



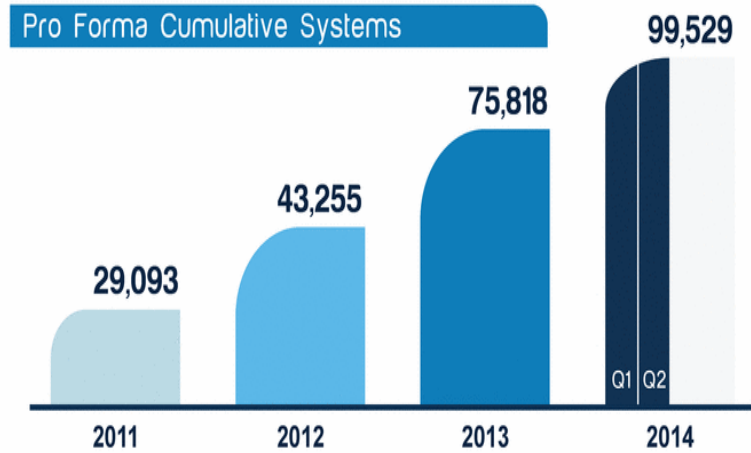
3D Printing Leader



Industrial Units Sold - 2013 Desktop Units Sold - 2013

Source: Installed base according to Wohlers Report 2014 and Stratasys Ltd. estimates

Pursuit of Market
Leadership in
everything we do



1 Non-GAAP and Pro Forma for MakerBot

Growing Opportunities in Diverse Set of Industries



Industrial



Aerospace



Automotive



Military



Architecture



Consumer Products



Consumer



Medical



Dental



Jewelry














Education



Entertainment

Product Suites

Unmatched ability to meet customer's diverse additive manufacturing needs

	Product	Technology Offering
Systems	    MakerBot Mojo uPrint Dimension	Fused Deposition Modeling (FDM) Wax Deposition Modeling (WDM) PolyJet
	    SolidScape Eden Connex Fortus	
Parts Services	   SOLID CONCEPTS HARVEST TECHNOLOGIES RedEye	Fused Deposition Modeling (FDM) PolyJet Wax Deposition Modeling (WDM) Stereolithography (SLA) Selective Laser Sintering (SLS) Direct Metal Laser Sintering (DMLS) Binder Jetting

Material Offerings

- Systems & Parts Services
- Parts Services

Over 1,200 total material options



High Impact



Rubber like



Rigid



High Definition



Transparent



High Temperature



Bio-compatible



Castable



Color



Metals

01 Who We Are

02 How We Work

03 Where We're Going

Solution driven market approach

DISRUPTING
enterprise processes
through 3D printing
solutions

EMPOWERING
individuals with
accessible 3D printing


DISRUPTING

enterprise processes
through 3D printing
solutions



DISRUPTING

enterprise processes
through 3D printing
solutions



Accelerate time-to-market
for new products

Enable superior product
characteristics and capabilities

Allow for mass customization
and new business models

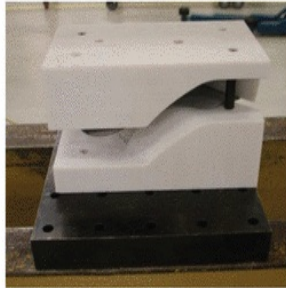
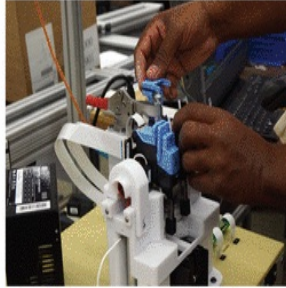
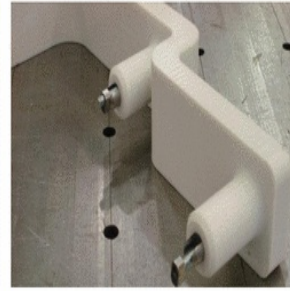
Deliver End-Use-Part and
augmented manufacturing solutions

Solutions & Applications

Augmented Manufacturing:

Approximately 80% of FDM system owners in the U.S. are using the technology for a jigs, fixtures and end use parts application.

Organizations can realize 40 to 90% reductions in lead-times and 70 to 90% cost savings





EMPOWERING
individuals with
accessible 3D printing



Individuals acting independently -
acting alone anywhere

Touching as many people as
possible with the technology of 3D
printing

Removes traditional barriers
associated with 3D printing

MakerBot Replicator
3D 3.0

EMPOWERING

individuals with
accessible 3D printing

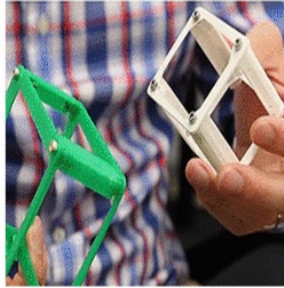
Solutions & Applications

Disrupting traditional design processes:

Rising accessibility of desktop 3D printing is driving increased adoption with designers, engineers, entrepreneurs, and educators.

Education is one of the main growth drivers for our industry.

We are building an **ecosystem** with the future in mind.



01 Who We Are

02 How We Work

03 Where We're Going

Strategic Imperatives

01

Lead in
Prototyping

02

Expand the Direct
Digital Manufacturing
(DDM) Business

03

Introduce Vertical
Applications

04

Accelerate
New Solutions
to the Market

05

Improve 3D
Printing
Accessibility

06

Improve
Customer Intimacy

Competitive Advantages

Focused Strategy & Business Model

Leading Sales Channel & Installed Base

Disciplined M&A Strategy & Track Record

Leadership in Prototyping & Verticals

Targeted Investments to Support Growth

Software & Ecosystem to Improve 3D Printing Accessibility

600+ Patents & Patents Pending

Strong Brand & Reputation

Strategic Partnerships & Alliances

We are Stratasys

We are innovation

We are fearless leaders

We are customer driven

Our quality matters

Our people make the difference



Thank you

Products & Markets

Gilad Yron
SVP, Products

01 The Power Of A Portfolio

02 Innovation Pillars

03 What We Make

04 Innovation In 2014

05 Salesforce.com

01 The Power Of A Portfolio

02 Innovation Pillars

03 What We Make

04 Innovation In 2014

05 Salesforce.com

Christie Digital

Right the 1st time

CHRISTIE®

High-end digital projection systems

- Difficult to forecast which bezels are needed, cost of tooling very high

FDM technology initial investment

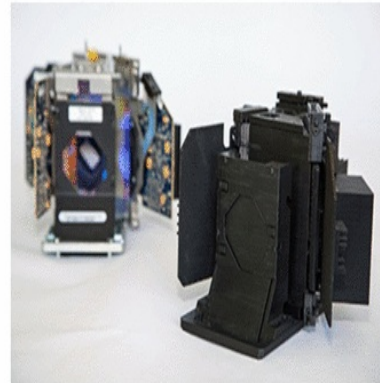
- Produce high-temperature components
- Functional testing for vibration, drop, EMI, thermal

PolyJet Technology complimentary

- Simulate feel & text for keypads with Connex
- Prototype transparent lenses & light diverters

Streamlined the “Build. Test. Optimize.” process

- In-house capabilities now eliminates outsources & customs delays
- Confidence product is “done right the first time”



01 The Power Of A Portfolio

02 Innovation Pillars

03 What We Make

04 Innovation In 2014

05 Salesforce.com

Development Pillars

Smarter & Better Materials



ABS



PC-ABS



Ultem9085

Higher Performance Printers

Eden



Connex

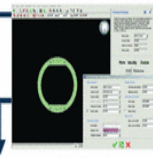


Connex3

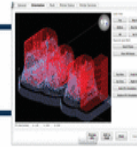


Higher Accessibility & Ease of Use

Insight



Catalyst EX



Print Wizard



We are Innovation



R&D



External Cooperation

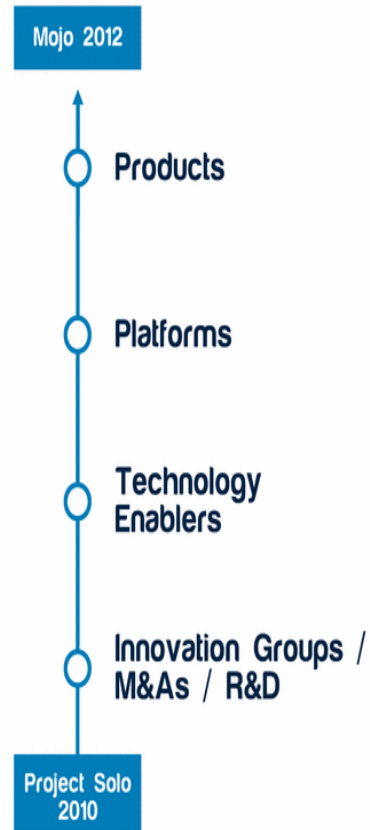
(Joint Development Agreements)



Innovation Labs

Disruptive technologies, materials,
systems, and software

From Innovation To Product



01 The Power Of A Portfolio

02 What We Make

03 Innovation In 2014

04 Salesforce.com

Stratasys for Every Product Stage

Concept



**Idea
Series**

Not just a 3D printer. It's
an idea engine.



Prototype



**Design
Series**

The power of
prototyping. Maximized.



Production



**Production
Series**

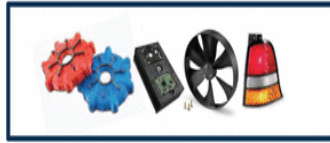
Production.
Without the line.



Stratasys FDM and PolyJet Materials Families

FDM Thermoplastics

Standard Plastics/ABS



Engineering Plastics / Polycarbonate + Nylon

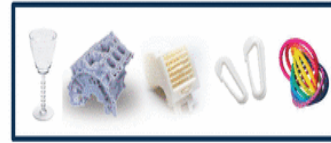


High Performance Plastics /Ultem + PPSF



PolyJet Photopolymers

Rigid



Flexible



Digital Materials / Digital ABS



Solidscape High Precision 3D Printers

High Precision 3D Printers for Manufacturing

Product	Positioning	Applications	Verticals
<i>Solidscape® MAX²</i>	Precision and Performance	Micro Precision Casting	Jewelry, IC, Industrial, Medical
<i>Solidscape® Pro</i>	Jewelry Manufacturing Made Easy	Jewelry wax masters	Jewelry MFG, EDU
<i>Solidscape® Studio</i>	Jewelry Perfection Simplified	Jewelry designs	Jewelry CR, EDU
<i>Solidscape® Lab</i>	Dental Wax-Ups Perfected	Dental Wax-ups	Dental



Solidscape Materials

Jewelry



Dental



Build Support Wax



- Direct manufacturing
– wax to *any* material
- 100% Castability
- Hands free support removal
- Environmentally safe

Industrial



Medical



01 The Power Of A Portfolio

02 Innovation Pillars

03 What We Make

04 Innovation In 2014

05 Salesforce.com

In 2014 alone



In 2014 alone



01 The Power Of A Portfolio

02 Innovation Pillars

03 What We Make

04 Innovation In 2014

05 Salesforce.com

01 The Power Of A Portfolio

02 Innovation Pillars

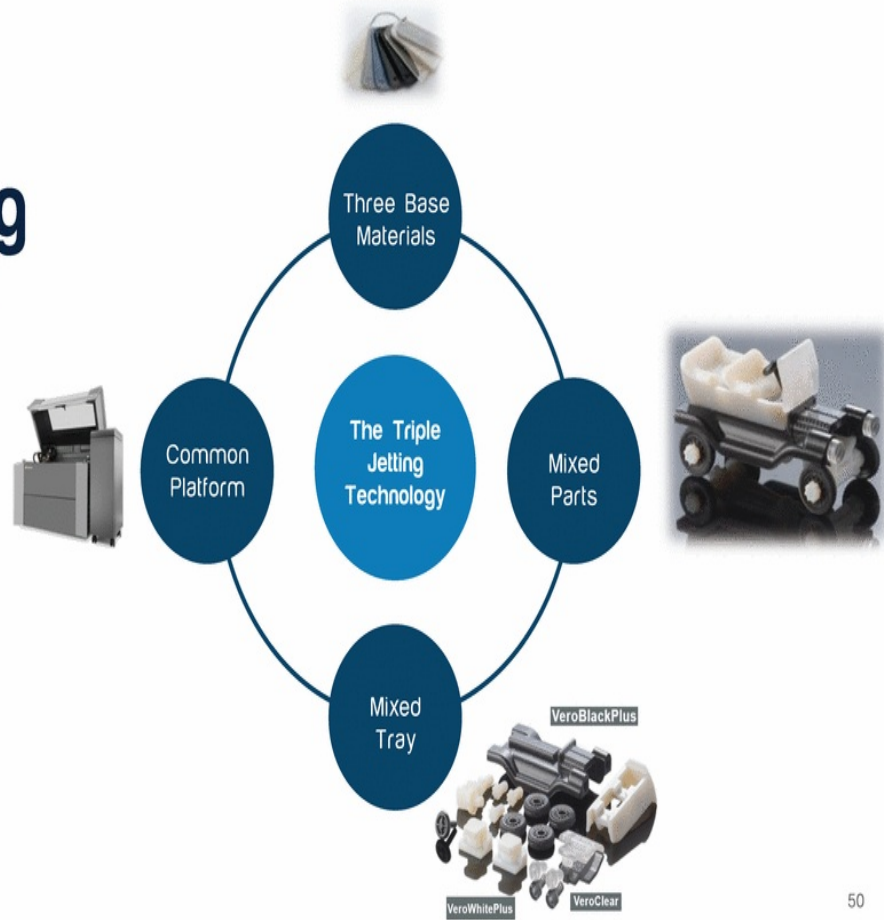
03 What We Make

04 Innovation In 2014

The New Connex Family

05 Salesforce.com

Connex 3 Triple Jetting Technology



Properties Summary



01 The Power Of A Portfolio

02 Innovation Pillars

03 What We Make

04 Innovation In 2014

The New Connex Family

New Materials

05 Salesforce.com

PolyJet Endur

Simulated Polypropylene Material

Fit and Assembly

Snap fits

Packaging and containers

Great surface finish and thin wall stability

Available on Objet30 Pro; EdenV; Connex

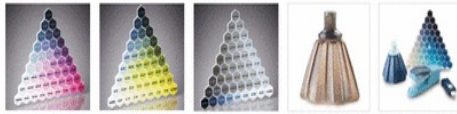


PolyJet New Colors

Existing Color Palettes



New Rigid Colors with B&W Combinations (available on Connex3)



New Flexible Colors



FDM Nylon12

Toughness, Strength, and Flexibility

Pressed metal inserts

Snap fits

Living hinges

Fatigue resistant parts

Toughest Nylon 12 in Additive Manufacturing

Available on Fortus 360mc; 400mc; 900mc



FDM ASA



Taking ABS to the next level

UV Stability – “Outdoor ABS”

Enhanced mechanical properties

Great product aesthetics

Superior Bridging & Sparse Fill

63% material
savings by
weight*

*for dumbbell file



Stay Tuned:
More is coming



20 YEARS OF EUROMOLD
FRANKFURT/MAIN | GERMANY

**10+ New
Products**

01 The Power Of A Portfolio

02 Innovation Pillars

03 What We Make

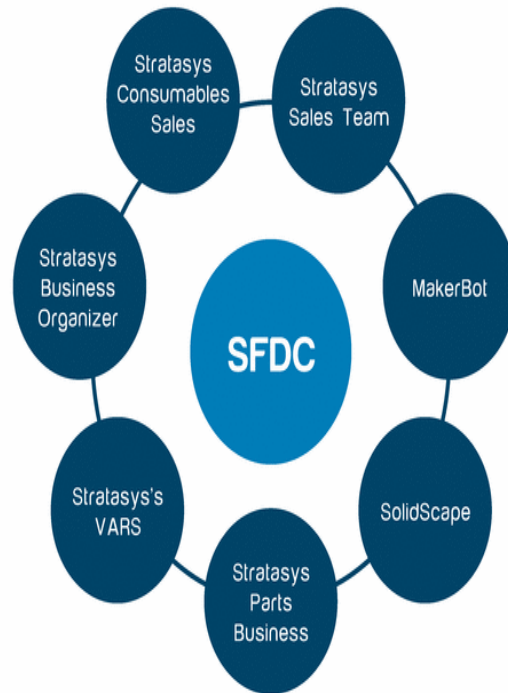
04 Innovation In 2014

05 **Salesforce.com**

What is SFDC?

Stratasys' Customers
Relationship Management
Tool

Links together the entire
Stratasys Ecosystem



Who is using it?

Close to **850** total touch and use SFDC

300 VARs

70 Marketing / business dev /
finance / other

120 Stratasys sales /
channels managers

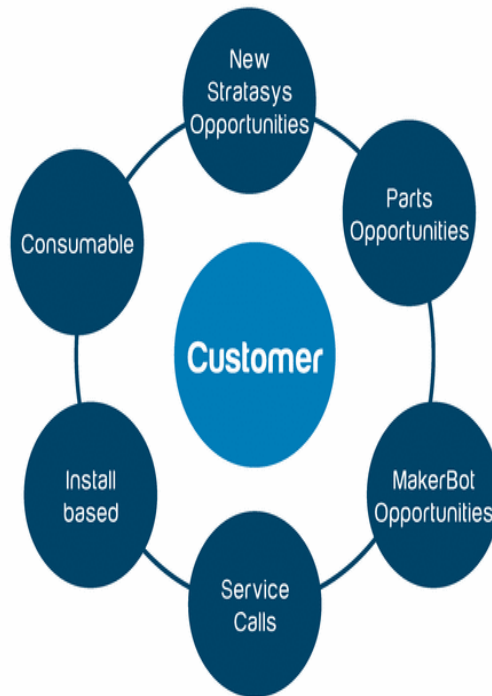
160 MakerBot
personnel

20 Lead qualification
companies

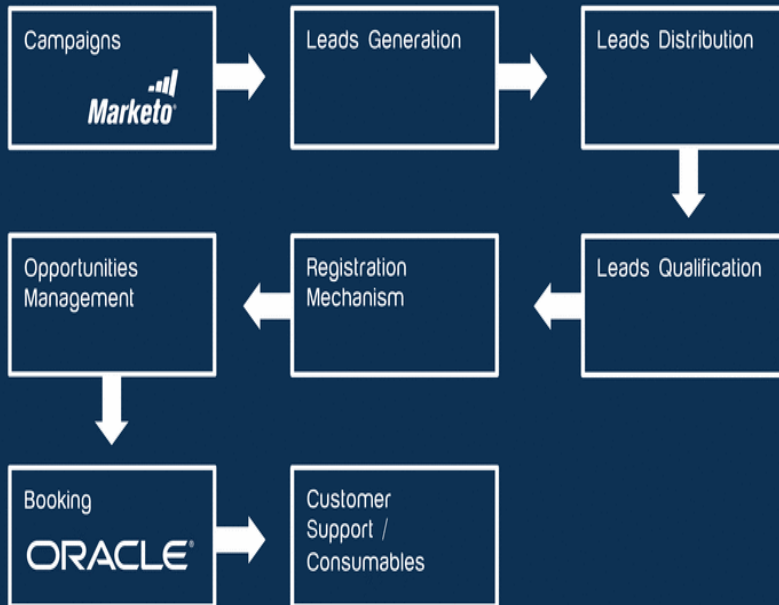
180 Customer
support staff

Customer 360

Stratasys' Customers
Relationship Management Tool
[Allow 360 view in one click](#)



Complete Customer Life Cycle



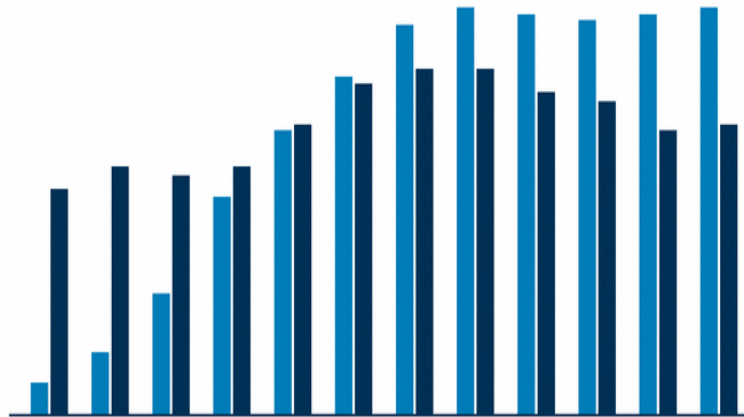
Live & “On The Fly” Business Intelligence Source



Cross Sales

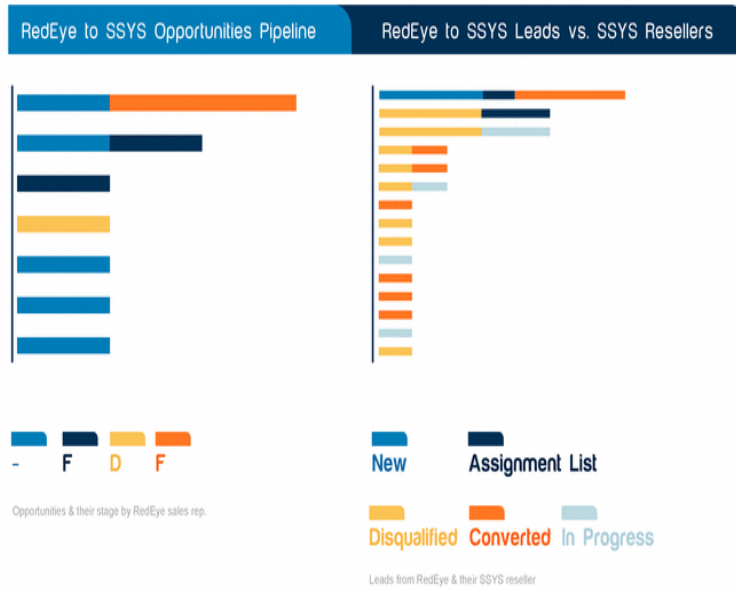
- Stratasys
- Objet

Pipeline of each month by ex-partner



Live & “On The Fly” Business Intelligence Source

Parts/Printers Referral



Live & “On The Fly” Business Intelligence Source

Consumable Trends

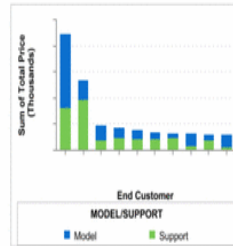
Q1 Top 10 Customers PJ Kg



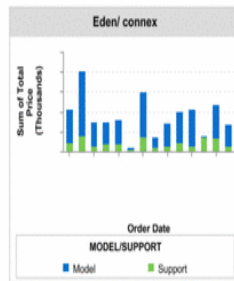
Q1 Top 10 Customers FDM Canisters



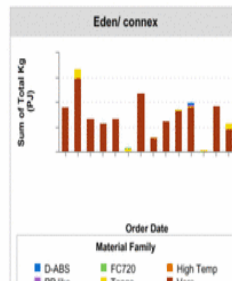
Q1 Top 10 Customers \$



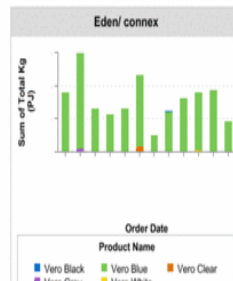
U003 consumption Trend \$



U003 consumption Trend Materials



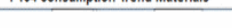
U003 consumption Top Materials



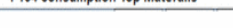
P194 consumption Trend \$



P194 consumption Trend Materials



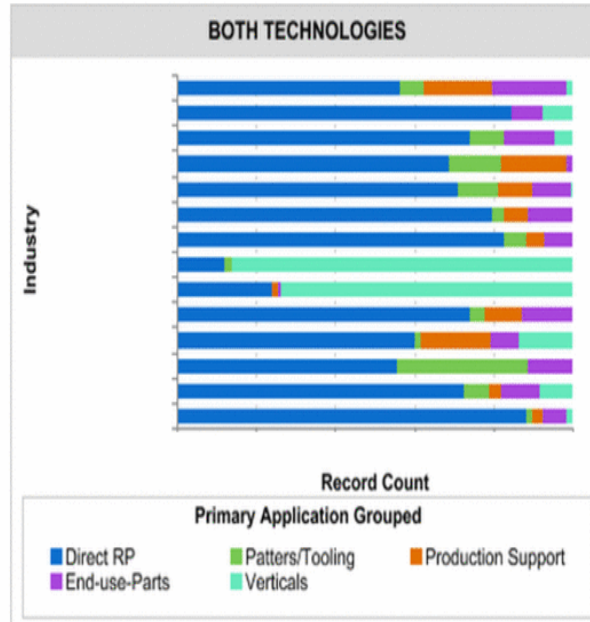
P194 consumption Top Materials



Live & “On The Fly” Business Intelligence Source

Application & Usage

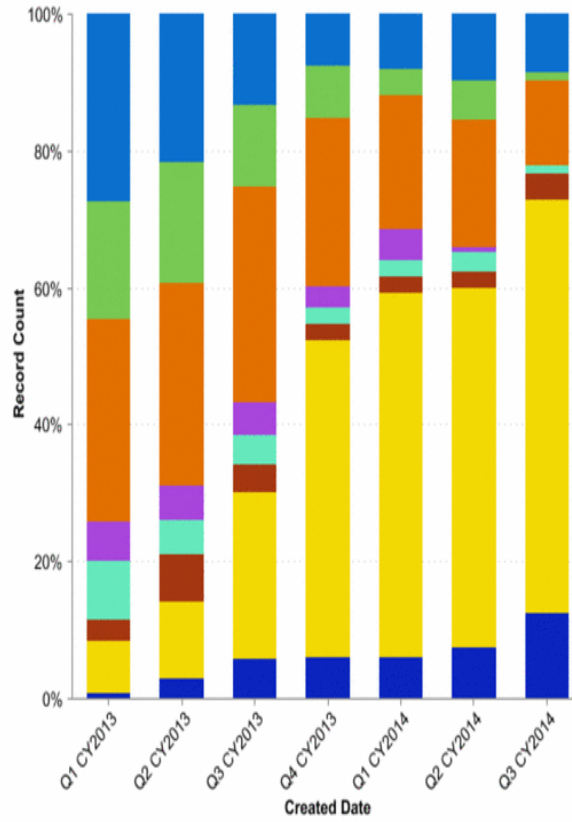
All Industries Application Split



All Industries Total opportunities generated current year and the split between the application groups

Live & “On The Fly” Business Intelligence Source

—
Competition



Because Knowledge is Power



Lead Process

Prospect instant survey

- Survey prospects that turned neglected

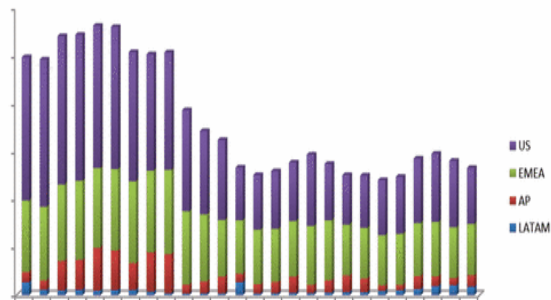
Qualification Company

- Outsourced telemarketing company
- Set up lead priorities for the partners

Lead assignment enhancement

- Second lead (if neglected) will go to another partner in the region

Neglected Leads Trend (weekly, H2 2013)



Thank you

Vertical Solutions

Growth Engine for Today & Tomorrow

Richard Garrity
VP, Vertical Solutions

2020 Expected Market Size

\$21+ Billion

Estimated Global Market
for Additive Manufacturing
Products & Services

\$3.1
billion

2013
Actual

\$12.5
billion

2018
Estimate

\$21.0
billion

2020
Estimate

Manufacturing Opportunity Across Key Verticals

“3D printing could generate \$100 to \$200 billion in economic impact per year by 2025 from direct manufacturing of parts... 3D printing of tools and molds could generate \$30 to \$50 billion.”

McKinsey, May 2013

“We’re seeing manufacturing growing from a small share of the market, 12% today, to 46% of the market in 2025.”

Lux Research, 30 March 2014

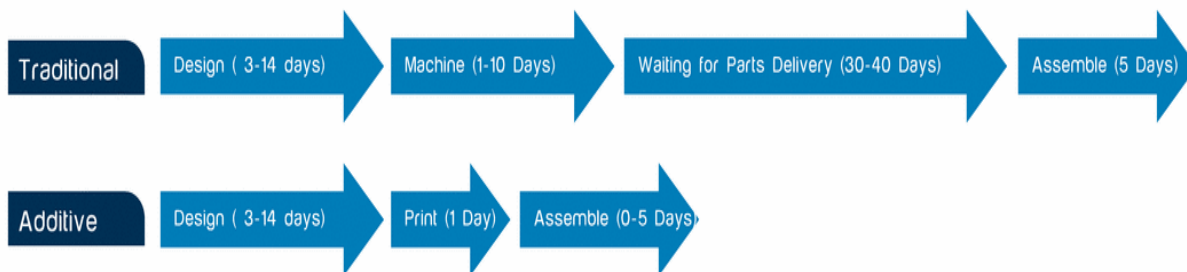
“We believe applications in these verticals (Aerospace, Automotive, Healthcare, and Industrial) could eventually support a \$40bn+ market (15-20 years), with additional upside should the technology improve further over the long-term.”

Goldman Sachs, 14 April 2014

Disrupting Enterprise Processes

Stratasys products and solutions disrupt business processes

- Additive Manufacturing eliminates the restrictions that subtractive methods impose
- Additive Manufacturing significantly disrupts the economic formulas associated with mass production
- Additive Manufacturing also requires significantly fewer processing steps, less assembly, and minimizes waste



Stratasys Here to Lead



Strategic Imperatives

Lead in Prototyping

Expand the Direct Digital Manufacturing (DDM) Business

Introduce New Vertical Applications

Accelerate New Solutions to the Market

Improve 3D Printing Accessibility

Improve Customer Intimacy

Launched New Business Unit

Vertical Solutions Business Unit (VBU)

Stratasys is accelerating its efforts into segments where disruptive solutions can unlock significant value across enterprise manufacturing processes

Focused global team combines technical, commercial, and market-specific expertise to drive and support accelerated vertical penetration today while improving the vertical value proposition tomorrow

New Vertical Solutions Business Unit (VBU) enables penetration into key segments with dedicated and focused resources developing unique market-specific solutions and/or go-to-market strategies

Goal to maintain and grow leadership in each identified strategic vertical segment

VBU's Vision

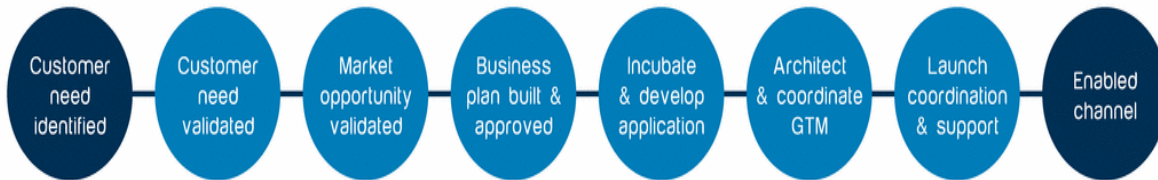
**We shape global manufacturing
by delivering disruptive additive
based solutions designed to
unlock untapped value.**



Accelerating Vertical Penetration Today

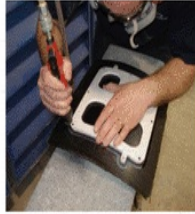
- Vertical marketing
- Vertical enablement tools
- Vertical knowledge transfer

- High-value vertical customer co-development initiatives
- Vertical application development



DDM Growth Segments

Augmented
Manufacturing &
End-Use Parts



JIGS & FIXTURES

Things that improve production floor productivity



TOOLING

Things that enable better products to be produced



END-USE PARTS

Things that are components of or the end product

Customer Success

Jigs / Fixtures

ORECK
Clean Made Easy™

Optimizes Factory Floor Efficiency



55-70 assembly & inspection fixtures per vacuum

- Made by molding and casting
- Expensive and long lead times

DDM reduces downtime

- Fixture components quickly replaced
- Streamlined inspection process

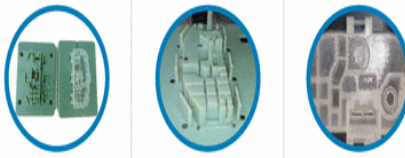
Process	Cost Estimate
Traditional Molding & Casting	\$100,000
Direct Digital Manufacturing	\$35,000
Savings	\$65,000 (65%)

Customer Success

Injection Mold Tooling



Supplier for Top Manufacturers of Appliances & Commercial Vehicles



3D Printed Molds Improve Product Design

- Prototype parts produced using product's final plastic material
- Performance data gathered much earlier in the process
- New molds quickly produced following each round of design modification
- Streamlined inspection process

"The ability to functionally test parts made of the final material makes it possible to efficiently and inexpensively modify the design prior to mass production." *R&D Manager*

Method	Production Time	Cost
Metal Mold (Production Mold)	56 days	\$52,725
PolyJet Mold	2 days	\$1,318
Savings	54 days (96%)	\$51,407 (98%)

Source: Company Estimates

Customer Success

Emerging Tooling



Supplier for Automotive Aftermarket Performance Parts



3D Printed Soluble Cores Innovate Manufacturability

- Rapid tooling of complex geometries that would be extremely difficult or impossible to produce with traditional manufacturing methods
- Core components can be consolidated into one piece that eliminates bonding and results in consistent accuracy
- Improved production yield by providing a reliable, automated process

"Soluble cores allow me to design and make parts that I previously wouldn't have considered because of the difficulty involved in creating them." *Chris Lye*

Challenge	Inability to make carbon fiber tubes and ducts that met consistent quality and performance requirements using conventional layup tools and methods
Solution	FDM soluble core molds allow parts to be fabricated with desired interior and exterior surface finishes without the need for multi-piece molds or sand cores
Benefit	Creation of high performance automotive parts with excellent surface finish and strength via a streamlined and consistent manufacturing process

Source: Company Estimates

Augmented Manufacturing

Stratasys Augmented Manufacturing Solutions Provide Clear ROI

- Approximately 80% of Fortus system owners produce molds, patterns, jigs and fixtures
- Customers have the ability to reduce lead times by 40-90%
- Cost savings for final part can be up to 70-90%



Injection Molding



Assembly Guides



Production Line Jigs



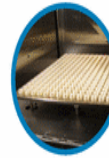
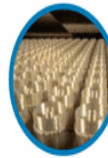
Inspection Jigs

Customer Success

End-Use Parts



The World's Largest Manufacturer of Aircraft Instruments



Production Overnight

- Toroid Housing in turn and bank avionics instrument
- 500 parts in single batch on Fortus 900mc

"The lead time for 500 units has been shortened to three days. In the aircraft world, that's quick for certified production parts." *Justin Kelly*

Method	Time Estimate	Cost Estimate
Urethane Casting	42 days	-
Fortus FDM	3 days	0.95X
Savings	39 days (93%)	(5%)

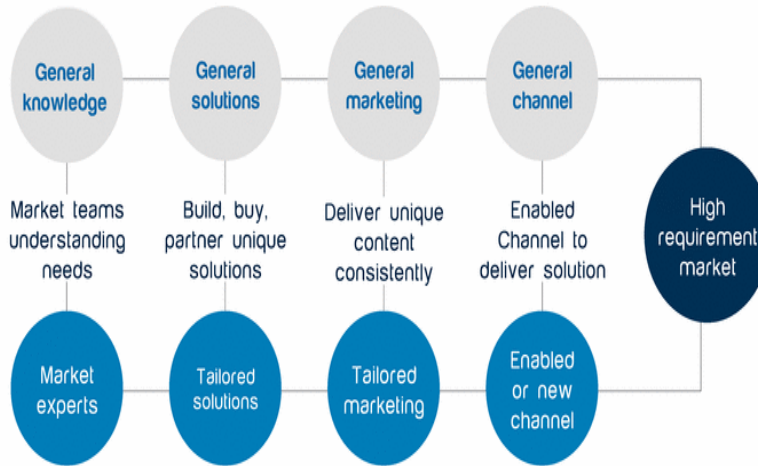
Customer Success

End-Use Parts



Improving Vertical Value Propositions Tomorrow

Current State



Future State

Thank you



Global Material Business Unit

Zehavit Reisin
VP, Materials Business Unit



01 Stratasys Material Offering

02 Managing Materials as a Business

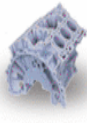
01 Stratasys Material Offering

02 Managing Materials as a Business

PolyJet Materials

Standard Plastics Simulation

Rigid



Transparent Rigid

General Purpose
RGD720

VeroClear
RGD810

Simulated Polypropylene

DurusWhite
RGD430

Endur
RGD450

Vero (Opaque) Rigid

VeroWhitePlus
RGD835

VeroBlue
RGD840

VeroGray
RGD850

VeroBlackPlus
RGD875

Vero (Opaque) Rigid - Colors

VeroYellow
RGD836

VeroCyan
RGD841

VeroMagenta
RGD851

Tango Rubber-like

TangoPlus
FLX930

TangoGray
FLX950

TangoBlack
FLX970

TangoBlackPlus
FLX980

Medical

Biocompatible Clear
MED610

Hearing Aid Family
MED630,655

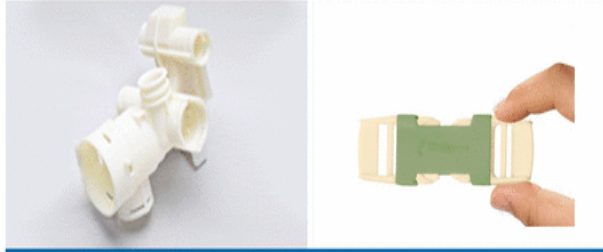
VeroGlaze
MED620

VeroDent
MED670

VeroDentPlus
MED690

PolyJet Materials

Engineering Plastics Simulation



High Temp

Digital ABS Green and Ivory

RGD525

Ivory - RGD5130/1-DM*

Green - RGD5160/1-DM*

...and more than 1000 Digital Materials

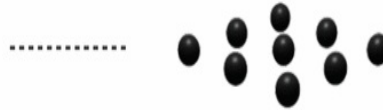
*The Green digital material, is comprised of a combination of RGD515 and RGD535 materials

*The Ivory digital material, is comprised of a combination of RGD515 and RGD531 materials

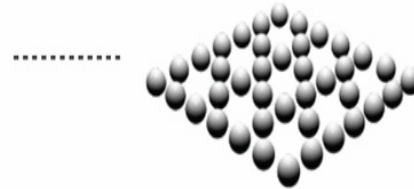
Generating Digital Materials



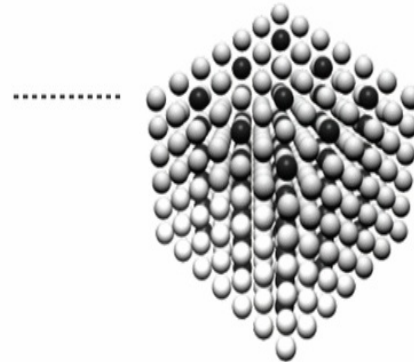
Secondary
Rigid or Flexible



Primary
Rigid or Flexible



Digital Material
Composition of
Primary and
Secondary



Digital Materials Evolution

2007

Rigid and Rubber
Like Digital Materials



2011

Digital ABS Compositions



2014

Over molded Digital ABS,
Color in rigid and flexible



FDM Materials

Standard

ABSplus
ABS-M30
ABS-M30i
ABS-ESD7
ABSi

Engineering

PC
PC-ABS
PC-ISO
FDM Nylon 12

High Performance

ULTEM™ 9085 resin
PPSF / PPSU

Specialty Products

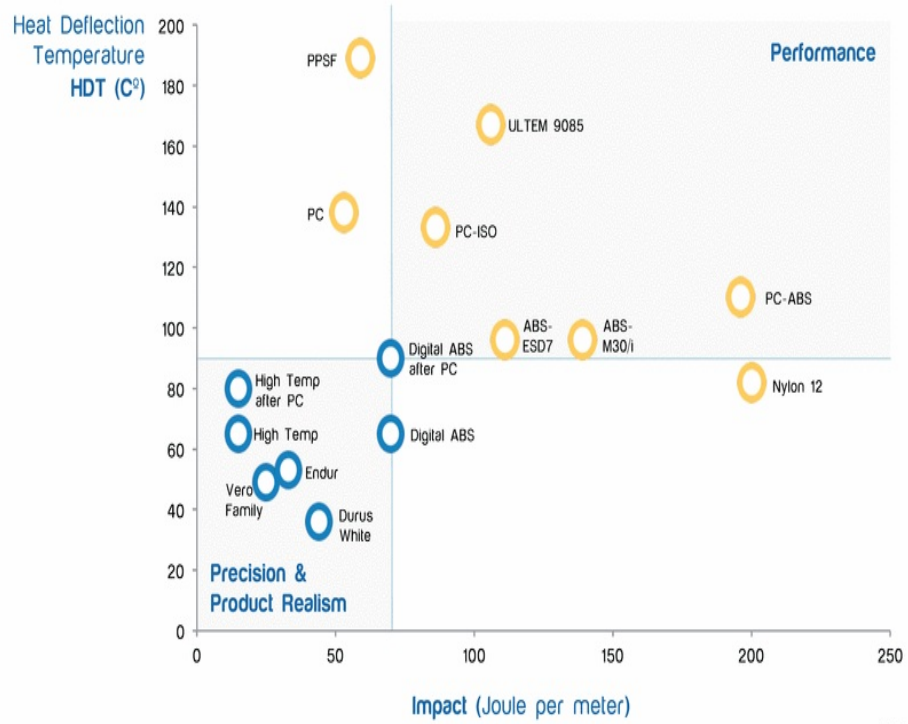
Soluble Support
Xtend™ 184



FDM & PolyJet Material Offering

- PJ
- FDM

Rigid Material Range: PolyJet and FDM



Source: Stratasys Ltd.

01 Stratasys Material Offering

02 Managing Materials as a Business

Material Business Characteristics

PolyJet

Simulating plastics properties – lots of room for discussion on material choice

Not at max utilization per system

Knowledge and Commercial plans improve utilization



FDM

Using Thermoplastics – customers know what they need!

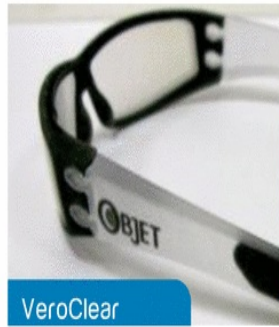
Already at high utilization per system

Knowledge triggers new applications - > additional hardware purchasing



Consumption Growth at a Glance

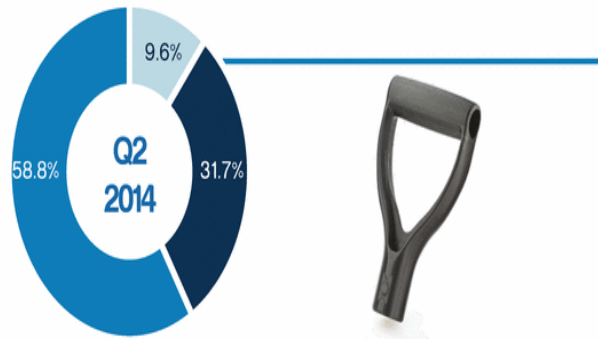
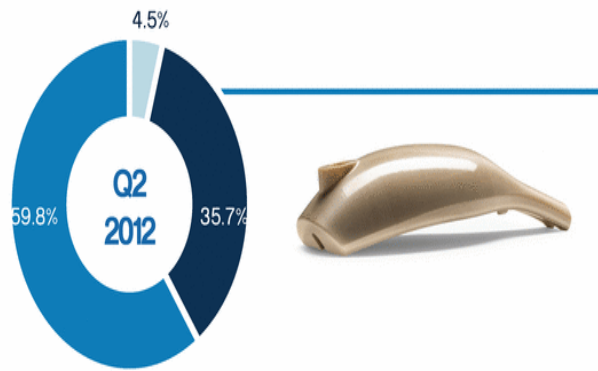
Changing the mix of the pie towards advanced, high value/high priced materials
Increase consumption in \$



Changing the Mix

Towards High Performance and Engineering Materials in FDM

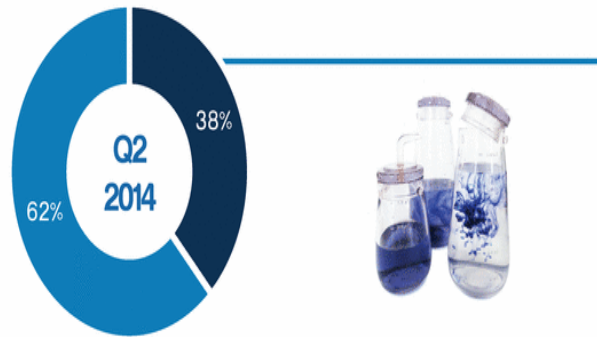
- Basic
- Engineering
- High Performance



Changing the Mix

Towards Advanced
Materials in PolyJet

- Basic
- Advanced



Example: PolyJet Eden/Connex Mix, Q2 2012 vs Q2 2014:

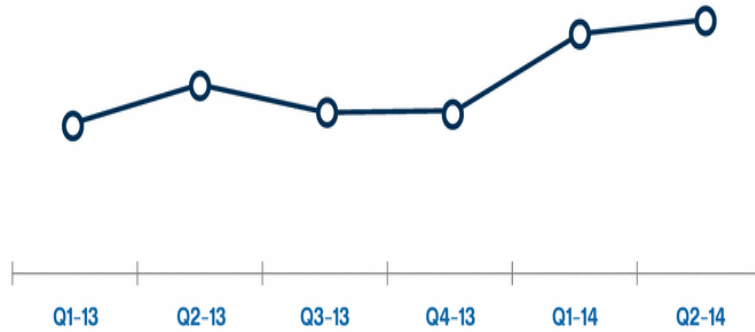
Consumption Growth Example

EMEA Direct,
Consumption per
System per Q (Kg)



● EMEA Direct

Eden / Connex Avg. per System (KG)



Who Do We Reach

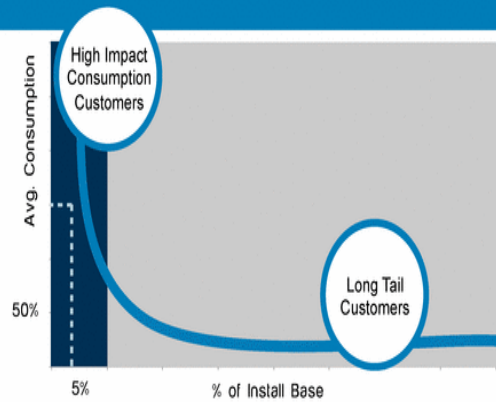
End Users

Top Consumers

of top industries - consumption enhancement via account management

"Long Tail" end users

intensive marketing via focused campaigns, newsletters, telemarketing, webinars etc.



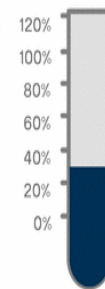
Channel

Account manage top partners

Set materials targets

Conduct programs to help meet/exceed growth targets

Target & Status



Early in the quarter

5 Pillars



Knowledge Transfer



Commercial Plans



Marketing Awareness



Regulation Tracking



Vendor of Choice

PolyJet Digital ABS Workshop



Knowledge Transfer

Target Audience

Connex & Eden customers looking for better PolyJet functional prototyping and new applications. An introduction to Digital ABS material.

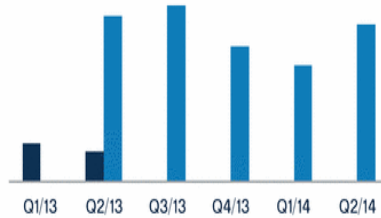
Outdoor power equipment company
Attended Connex Webinar in April

Ordered first Digital ABS
on April 27th 2013

Attended NAMII Material Seminar
May 8th 2013

Ordered more... to result
with 3 times consumption
growth since the seminar!

- Digital ABS
- DurusWhite



PolyJet VeroClear Workshop



Knowledge Transfer

Target Audience

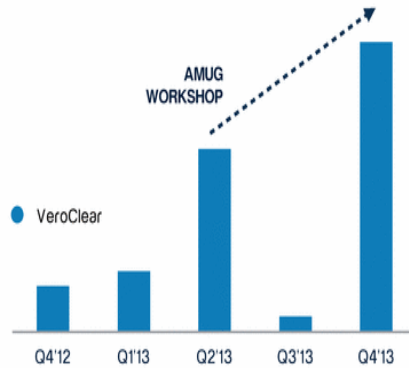
PolyJet RGD720 customers looking for better transparency and VeroClear customers looking to achieve advanced results

Method – Hands-On Workshop on April 2013, AMUG

Printing tips, photo-bleaching, polishing lacquering and more.

Example

Consumer Goods Customer
VeroClear Consumption 2012-13 (Kg)



Result

Higher utilization, ~4 times consumption growth of since the workshop!



VIP Program



Commercial Plans

Target Audience

Top consumers with service contract

Method – Increasing consumption via:

Dedicated account management

Higher user proficiency and 'first-to-know'

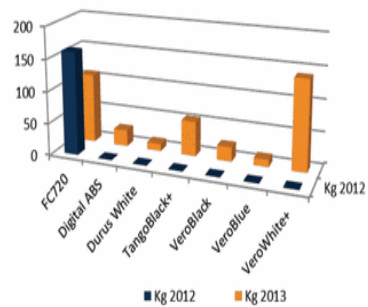
Tailored commercial terms to enable committed growth

Higher level of customer support

Example: Automotive Service Bureau

Conversion to advanced materials

YoY growth of 186% in Kg!



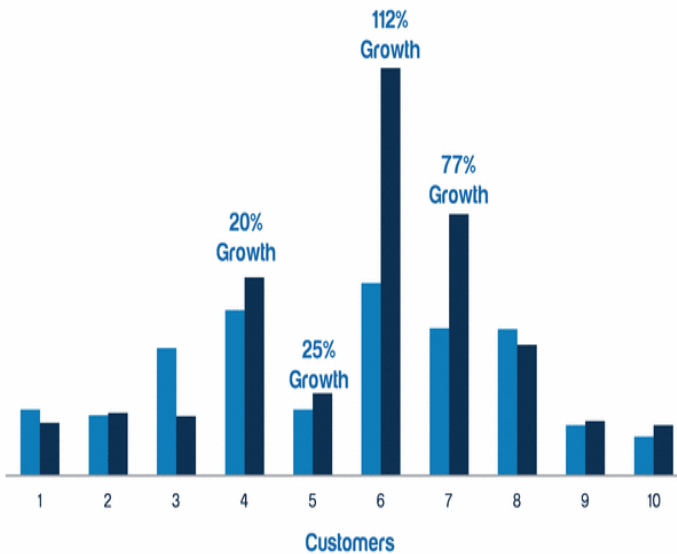
VIP in the Direct Market



Commercial Plans

- H1 2013
- H1 2014

Total consumption of EMEA VIP customers grew **28.6% in KG**, H1 14 over H1 13, additional systems at two sites only



Not Just For Top Consumers

but also for the “Long Tail”



Marketing Awareness

**Q1 & Q2
Signature Banners**
Nylon12; ENDUR



Monthly Newsletters
Connex3; Xtend184



Material Kit
ULTEM 9085™



Recorded Webinar
Speaking Opportunity
for Every Q



Now Available
New PolyJet Kit
including Connex3
offering

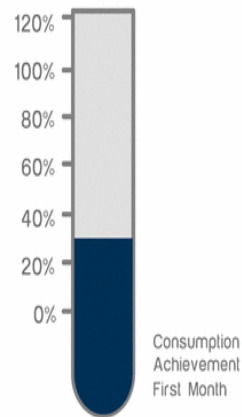


Channel Engagement

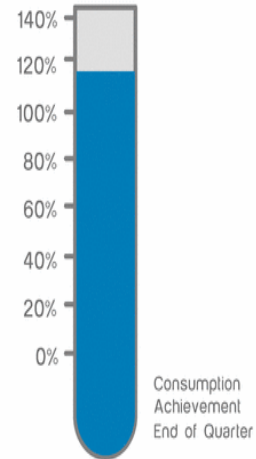
Material Reports



Target Status



Target Status



Channel Engagement

- Are you satisfied with your growth?
- Do you have a healthy material mix?
- Are your end users aware of all our material capabilities?
- Would it be helpful to educate your end users in new materials and applications?

Material Split Reports and Observations

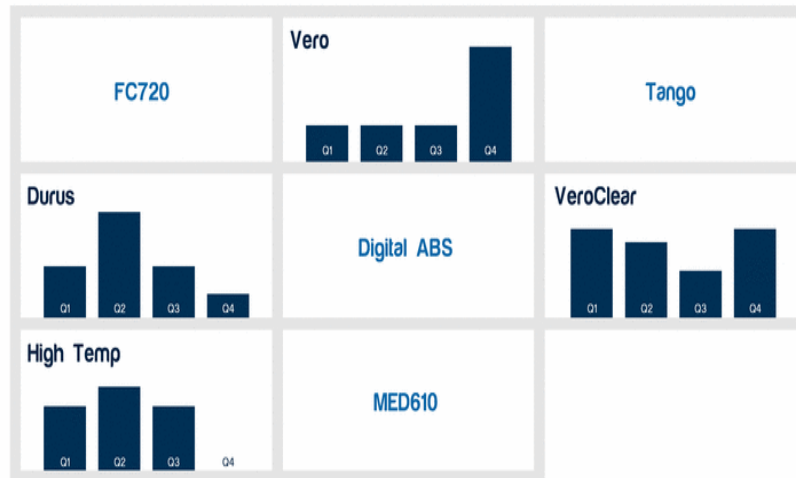
PolyJet

Observations

No Tango; No ABS; No MED610; No Digital ABS

Recommendation

Have you considered a materials awareness seminar for your organization?



Material Split Reports and Observations

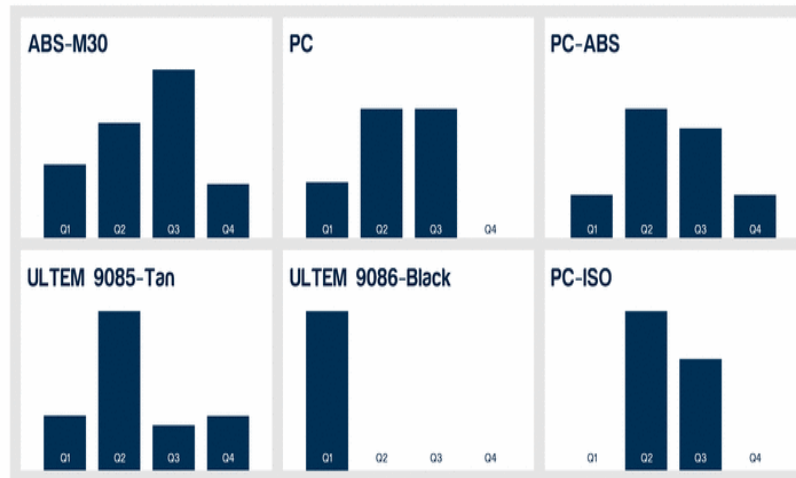
FDM

Observations

What is driving Ultem usage? How can we increase?

Recommendation

Have you considered the latest FDM/DDM workshop?



Materials Strategic Vision

Commitment

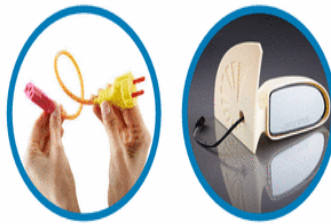
Investment

New Materials

New Applications

Significant Investments in:

- R&D | Business People
- Development Spending



Our people make the difference

“We are dedicated to helping you grow your business by enhancing your system utilization and increasing the value you get from your 3D printers”

Thank you



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@MAKERBOT
MAKERBOT.COM



MakerBot is
an innovation company



Leading the Next Industrial Revolution

by setting the standard in reliable and affordable
desktop 3D printing,
scanning and entertainment.



THE MAKERBOT WAY

WE SHOW UP AND GET THINGS DONE

WE ARE FEARLESS, WE TAKE ON CHALLENGES
AND SHOW OUR WORK

WE EMPOWER OUR USERS AND OURSELVES
TO MAKE A DIFFERENCE

WE MAKE FRIENDS AND WE WORK TO KEEP THEM

IT ALL MATTERS

FULL SPEED AHEAD

Bunnies printed on a MakerBot in June 2009



Bunnies printed on a MakerBot in June 2014







HARDWARE



MAKERBOT
REPLICATOR Z18
3D PRINTER



MAKERBOT REPLICATOR
DESKTOP 3D PRINTER



MAKERBOT
FILAMENT

SOFTWARE



MAKERBOT
DESKTOP APP



MAKERBOT MOBILE
APP



MAKERBOT
PRINTSHOP

ACCESS POINTS



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MAKERBOT
THINGIVERSE



MAKERBOT
DIGITAL STORE



MAKERBOT
3D PHOTO BOOTH

PEOPLE



SALES



MAKERBOT
RETAIL STORES



SUPPORT

SOLUTIONS AND SERVICES



MAKERBOT
INNOVATION CENTER



MAKERBOT
LEARNING



MAKERBOT
3D PRINT SERVICES



HARDWARE



MAKERBOT
REPLICATOR MINI
COMPACT 3D PRINTER



MAKERBOT REPLICATOR
DESKTOP 3D PRINTER



MAKERBOT
FILAMENT



MAKERBOT DIGITIZER
DESKTOP 3D SCANNER

SOFTWARE



MAKERBOT
DESKTOP APP



MAKERBOT
MOBILE APP



MAKERBOT
PRINTSHOP

ACCESS POINTS



MAKERBOT.COM



MAKERBOT
THINGIVERSE



MAKERBOT
DIGITAL STORE



MAKERBOT
3D PHOTO BOOTH

PEOPLE



SALES



MAKERBOT
RETAIL STORES



SUPPORT

SERVICES/ INITIATIVES



MAKERBOT
ACADEMY



MAKERBOT
LEARNING



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3D PRINT SERVICES



MAKERBOT REPLICATOR 3D PRINTERS

FIFTH GENERATION



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REPLICATOR MINI



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REPLICATOR



MAKERBOT
REPLICATOR Z18

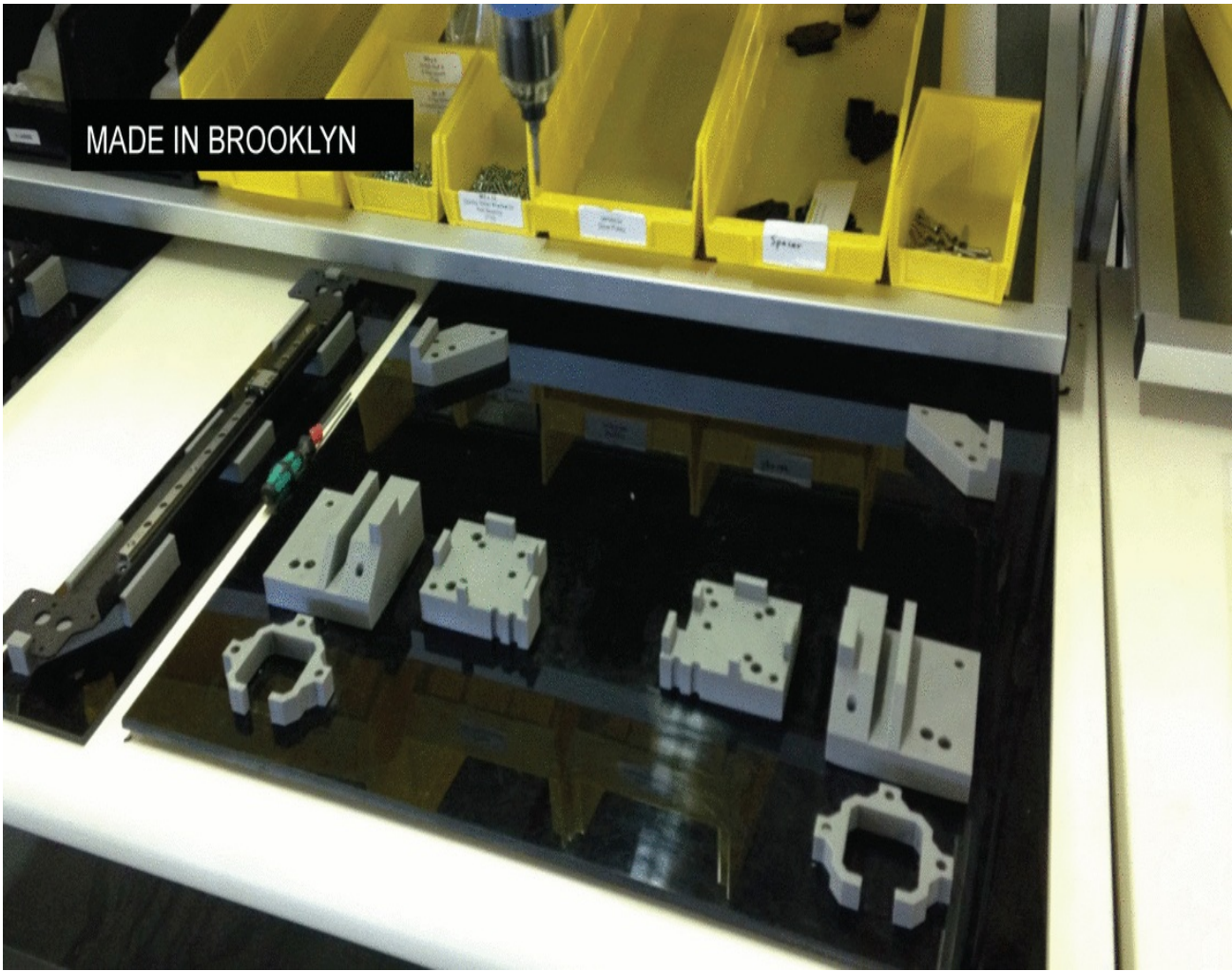
MADE IN BROOKLYN



MADE IN BROOKLYN



MADE IN BROOKLYN



MAKERBOT REPLICATOR

3D PRINTING PLATFORM

On-board camera
for print monitoring
and easy sharing





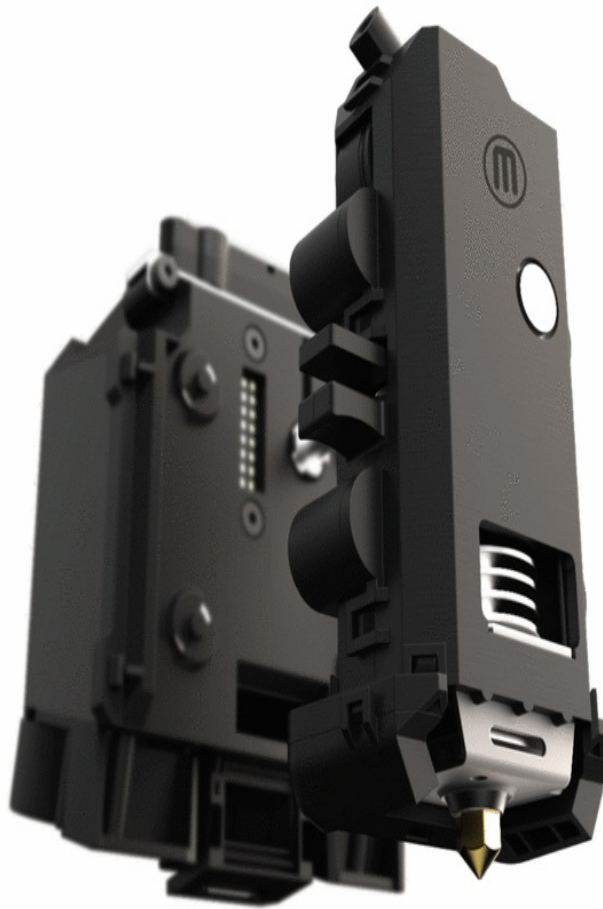
MAKERBOT REPLICATOR

3D PRINTING PLATFORM

MakerBot Replicator

Smart Extruder

- 1 Easy to swap or replace
- 2 Detects filament absence and automatically pauses your print
- 3 Sends notifications to MakerBot Desktop and MakerBot Mobile apps



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MAKERBOT REPLICATOR 3D PRINTING PLATFORM

App and
cloud enabled



MAKERBOT REPLICATOR

3D PRINTING PLATFORM

3.5-inch full-color
LCD display and
intuitive dial
create a rich
user experience



NOT AVAILABLE ON THE MAKERBOT REPLICATOR MINI



MAKERBOT REPLICATOR MINI

COMPACT 3D PRINTER

Easy-to-use, no-compromise
compact 3D printer for everyone,
from beginners
to professionals





MAKERBOT REPLICATOR MINI

CAPABILITIES

Fast and easy

One-Touch™ 3D Printing

1

Plug and play

2

Optimized for speed

3

No leveling required





MAKERBOT REPLICATOR

DESKTOP 3D PRINTER

Unmatched speed, reliability,
quality, and connectivity for all
your 3D printing needs





MAKERBOT REPLICATOR

CAPABILITIES

456 cubic inch build volume

Approx. 8 x 10 x 6 in





MAKERBOT REPLICATOR Z18

3D PRINTER

Massive build volume and
the best price/build volume
performance in its category





MAKERBOT REPLICATOR Z18

CAPABILITIES

2,592 cubic inch build volume
12 x 12 x 18 in

- 1 Make extra-large industrial prototypes, models, and products
- 2 Think and build bigger than ever
- 3 Print multiple things at once so you can get to work on your next design sooner





MAKERBOT REPLICATOR Z18

KEY FEATURES

Enclosed and
heated build chamber

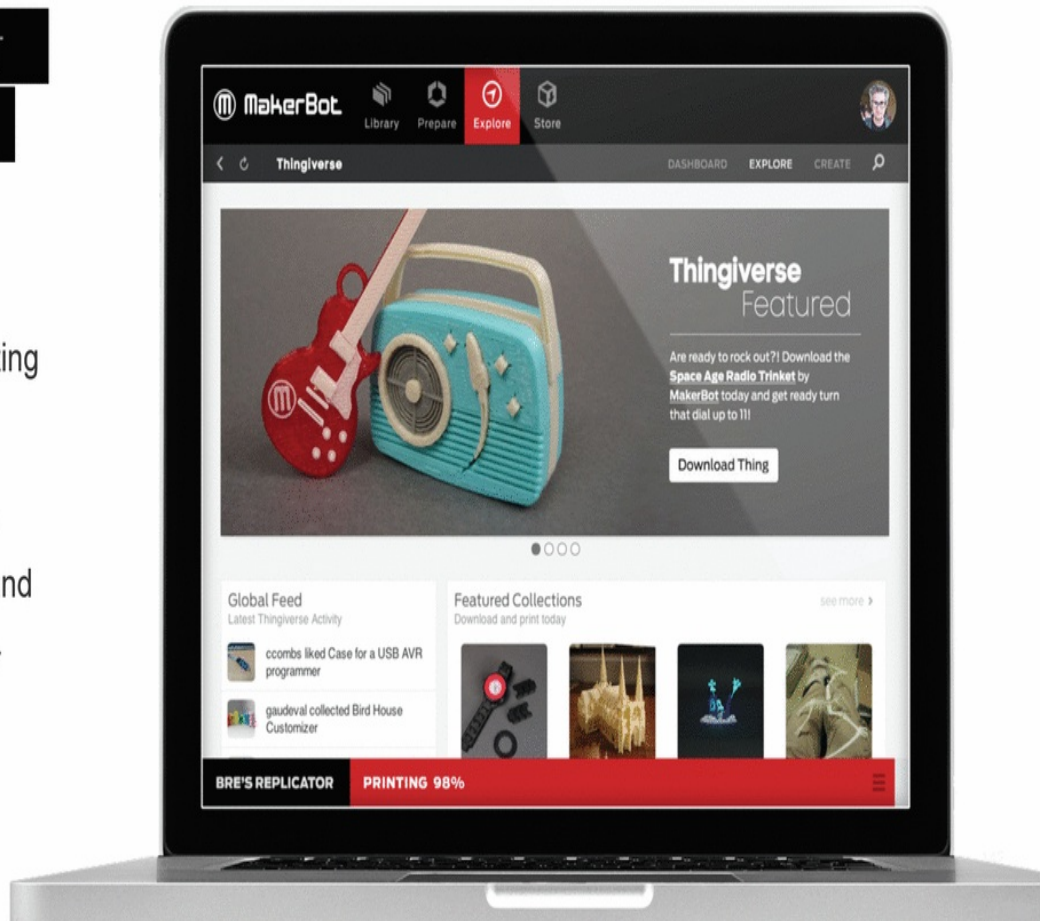




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DESKTOP

A complete,
free 3D printing
solution for
discovering,
managing, and
sharing your
3D prints





MAKERBOT

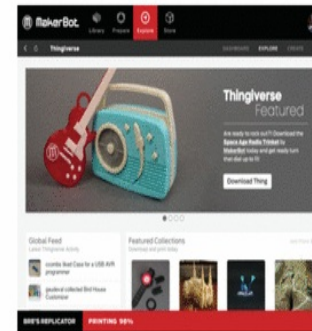
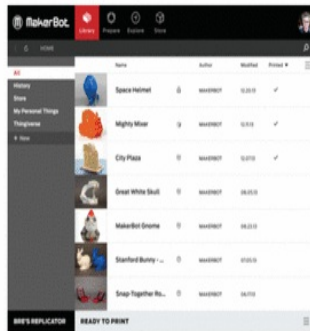
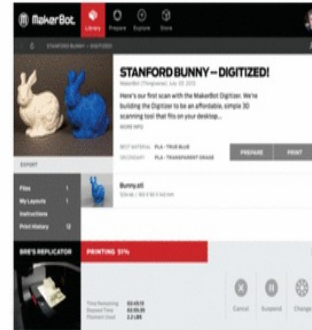
DESKTOP

1 MakerWare

2 MakerBot Cloud Library

3 3D Print Monitoring

4 Thingiverse





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MAKERBOT

MOBILE

Gives you the power
to monitor and control
your Fifth Generation
MakerBot Replicator
3D Printer and access all things
MakerBot from
your mobile device



MAKERBOT

PRINTSHOP

A fun, easy, and free
way to create and
3D print all kinds of
cool things





MAKERBOT

PRINTSHOP

TYPE MAKER

Easily make signs,
letters, name plates,
and more





MAKERBOT
PRINTSHOP

BRACELET MAKER

Design and print your
own custom bracelets





MAKERBOT

PRINTSHOP

BRACELET MAKER

Design and print your
own custom bracelets



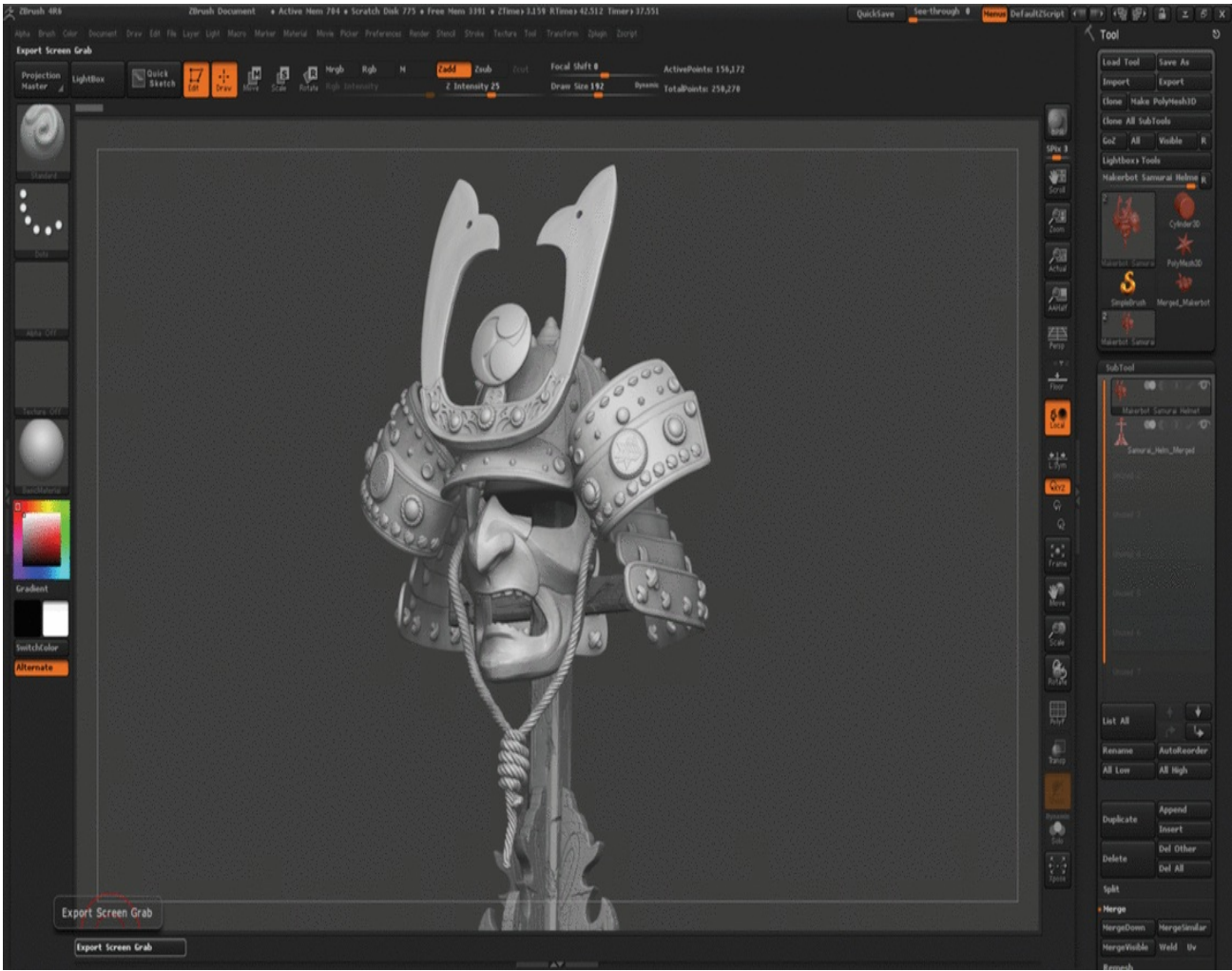


MAKERBOT

STUDIO

In-house team designing
amazing 3D models



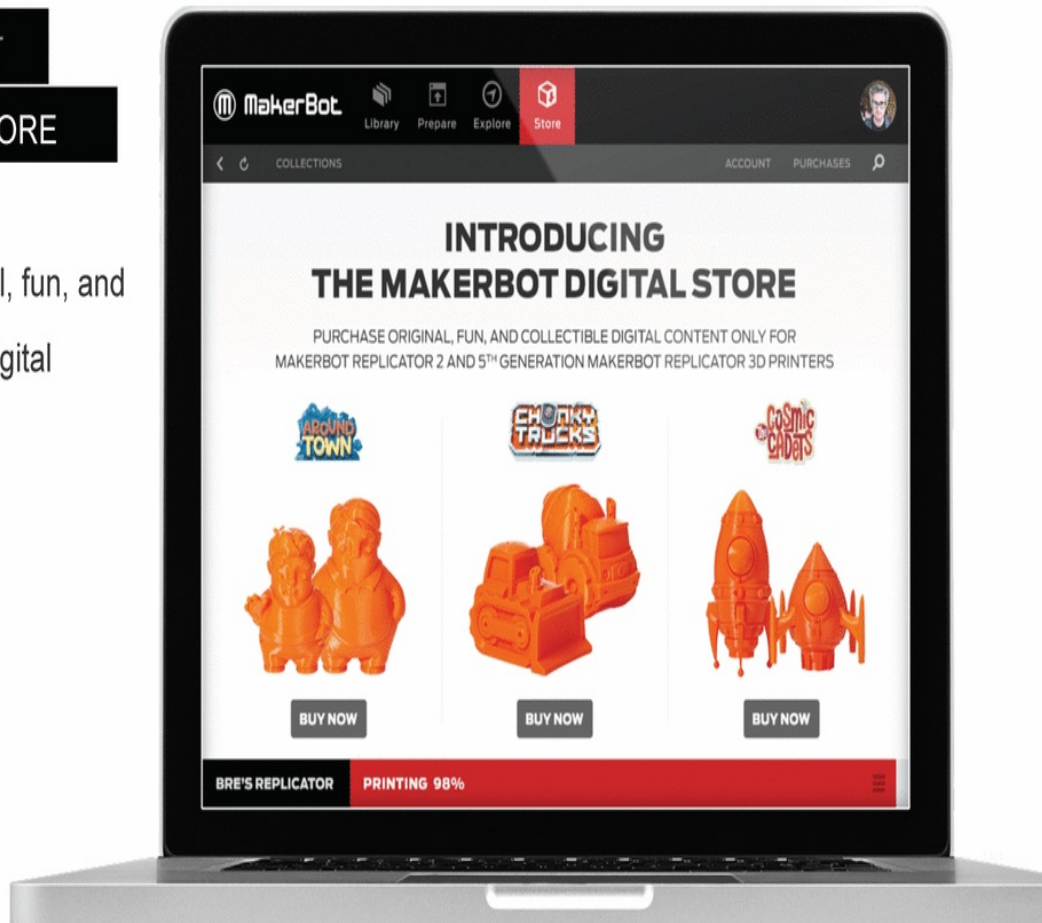




MAKERBOT

DIGITAL STORE

Sells original, fun, and
collectible digital
content





MAKERBOT

DIGITAL STORE

Models do not require
supports or glue





MAKERBOT

DIGITAL STORE

Fun for kids and adults to
decorate and paint





MR. SNUFFLEUPAGUS

A 3D print
of Sesame Street's
trusty friend Snuffy

\$1.29 BUY NOW



MAKERBOT

THINGIVERSE



ENGAGED
COMMUNITY



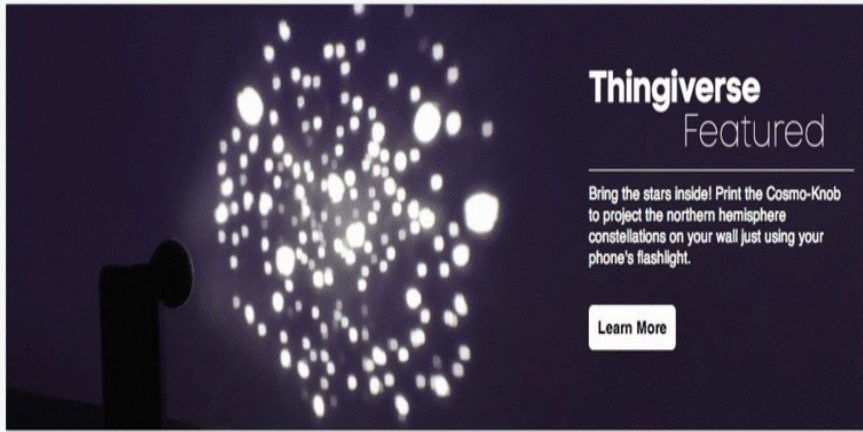
DIGITAL
DESIGNS



MAKERBOT
THINGIVERSE



Hundreds of
thousands of digital
designs



Thingiverse Featured

Bring the stars inside! Print the Cosmo-Knob to project the northern hemisphere constellations on your wall just using your phone's flashlight.

[Learn More](#)

Global Feed

Latest Thingiverse Activity



ready001 liked Spool Holder for small build plates



Korny liked High Power switch Save Lock



alexhb liked woman



sipperton collected Rostock Modded Parts - Carriag...



drfabiofcarv collected 3D printed Filament Extrude...

Featured Collections

Download and print today

[see more >](#)

10 Min Challenge



Armed Forces



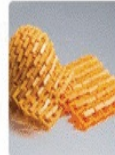
Multiscan



Customizable



10 Min Challenge



Armed Forces



Multiscan



Customizable

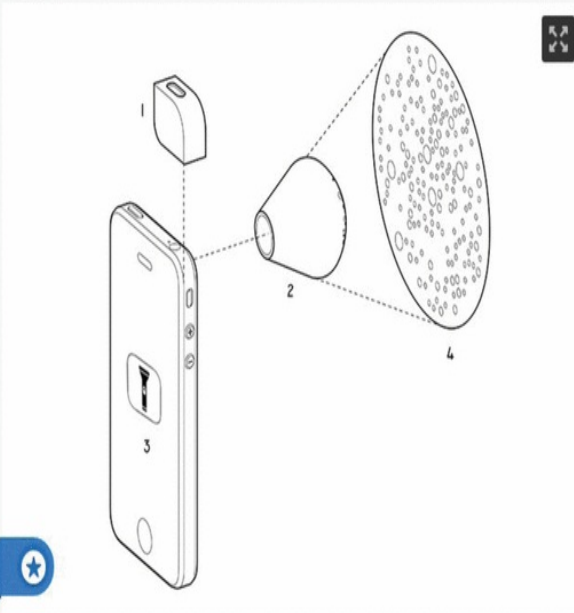


Cosmo-Knob

by SimplusDesign, published Apr 29, 2014

(score="0") ★Unfeature this Thing

Edit Thing



Like	102
Collect	81
Comment	5
I Made One	1
Watch	4
Remix It	0
Share	

Download This Thing!



Thing Info	Instructions	Thing Files	5 Comments	1 Made	81 Collections	0 Remixes
------------	--------------	-------------	---------------	-----------	-------------------	--------------



Customizable napkin holder

Made by Mordred23, uploaded May 1, 2014

⚙ Edit Make



♥ Like

1

💬 Comment

🔗 Share

Source



Customizable napkin holder
by jpearce

Apr 9, 2014



♥ 17

📦 16

💬 0



Customizer by MakerBot

[App Center](#) | [App Info](#)[Home](#) [My Things](#) [Queue](#)[Browse](#)

Customizable napkin holder



by jpearce

Parameters

R base radius

B base height

H height

T thickness

Y translate height

<http://www.thingiverse.com/api>[Copy](#)[View Source](#)[Create Thing](#)

160



When you get a MakerBot you join
a worldwide community of the
smartest creative explorers



THE MAKERBOT WAY

WE SHOW UP AND GET THINGS DONE

WE ARE FEARLESS, WE TAKE ON CHALLENGES
AND SHOW OUR WORK

WE EMPOWER OUR USERS AND OURSELVES
TO MAKE A DIFFERENCE

WE MAKE FRIENDS AND WE WORK TO KEEP THEM

IT ALL MATTERS

FULL SPEED AHEAD

Thank you

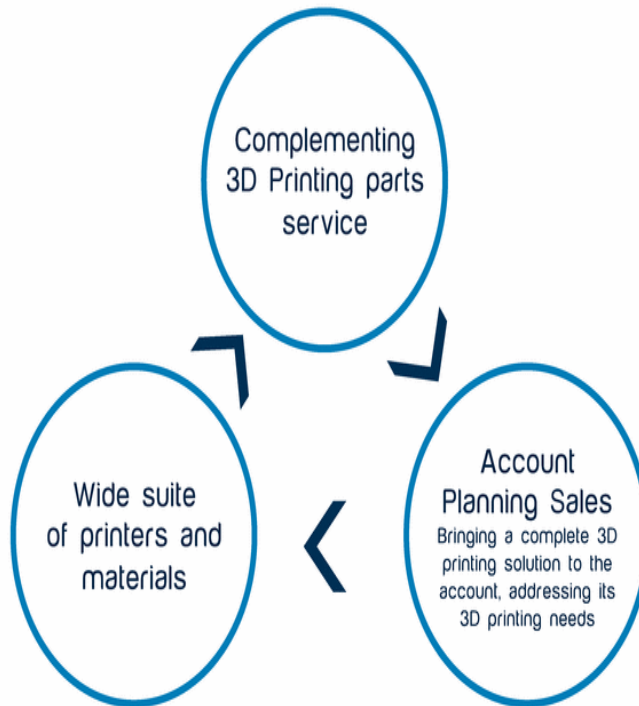
Parts & Services

Dan Yalon
EVP BD, Marketing
and Vertical Solutions

Stratasys Offering Strategy

In addition to the best
Products & Materials:

- Parts services
- MakerBot
- Strategic Accounts Management
- Vertical business focus
- Alliances
- Ecosystem



Best in Class

End Use Parts Manufacturing Platform to lead in parts services

- Best Leadership
- Process Knowhow
- Capacity & Infrastructure for growth
- AM focused
- EUP focused
- Current focus on North America



RedEye

Digital Factory



Company Highlights

- Parts service business units of Stratasys
- Started in 2005 to accelerate the adoption of 3DP technologies
- 75 employees
- Direct sales team in NA, & International Partner Network of RedEye digital factories (8)
- Experts in FDM and PolyJet

Service Offering

- Additive Manufacturing: Over 160 3D Printers
- Finishing Services: Wide variety of finishing services including bonding, sanding, primer ready, painting, vapor smoothing

Harvest Technologies

Harvest Technologies Highlights

Founded: 1995

HQ: Belton, TX

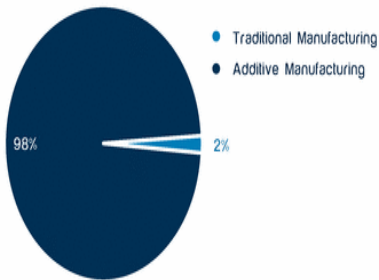
Employees: ~80

Customers: ~1,000

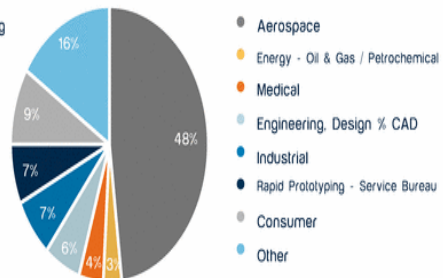
Applications: Diverse verticals with expertise in aerospace

Facilities: One high-tech 40,000 sq. ft facility

Service Offering*



Service Offering*



* Based on 2013 Figures

Solid Concepts

Solid Concepts Highlights

Founded: 1991

HQ: Valencia, CA

Employees: ~450

Customers: 5,000+

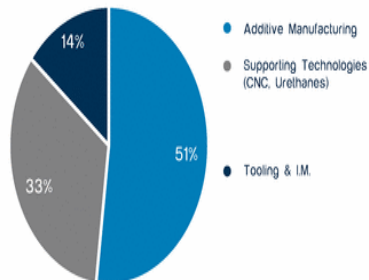
Sales: Largest direct sales force in the industry

Applications: Vertical specialization in medical and aerospace

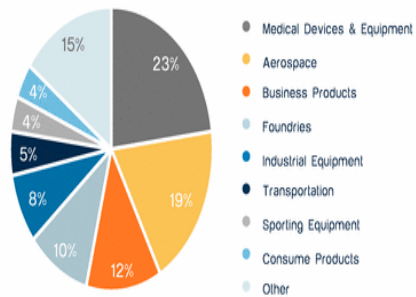
Facilities: 6 facilities in the US
165,068 sq.ft

Revenue: ~\$65 million in 2013

Service Offering*



Service Offering*



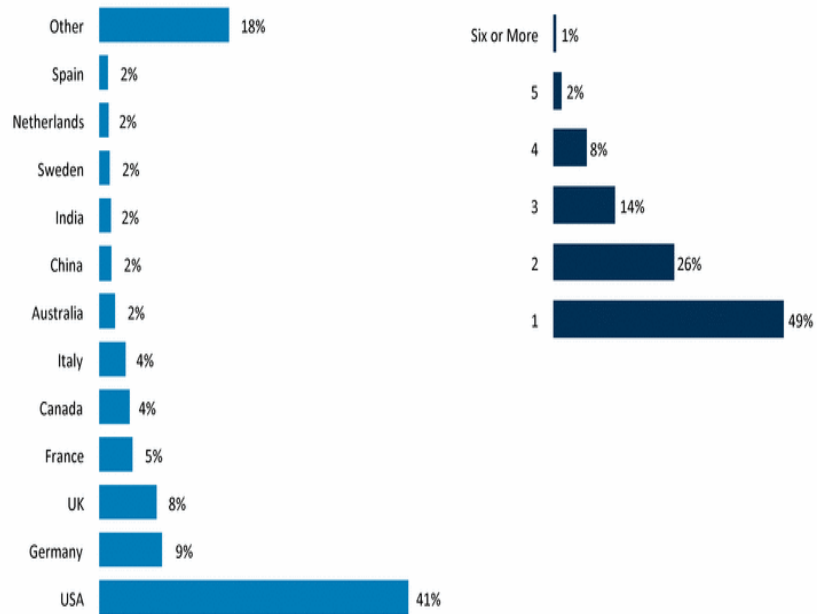
* Based on 2013 Figures

Competitive Landscape

The Service Bureaus Industry is highly fragmented and localized

Over 1,000 Service Providers Worldwide

SBs Breakdown: Number of Technologies



Market Trends

With recent acquisitions
Stratasys is positioned
to lead this market

Very different core drivers & customer requirements
for Production vs. RP:

- Production is mainly about Total Cost of Ownership and Quality
- Different 'internal buyer' at the customers' organization

Significant investments and learning curve
are required for Production

- Certifications – E.g. ISO 9001, AS 9100 (Aerospace), ISO 13485 (Medical), ITAR
- Quality Control – Material properties, Dimensional accuracy, Repeatability

While RP is mostly a localized business,
Production also means a global landscape

- Serving multi-national manufacturers

Service Bureaus Acquisitions' Rationale

Operate as a Growing, Profitable
Business Unit Within Stratasys



Cross Selling Synergies
Parts Sell Printers <-> Printers Sell Parts

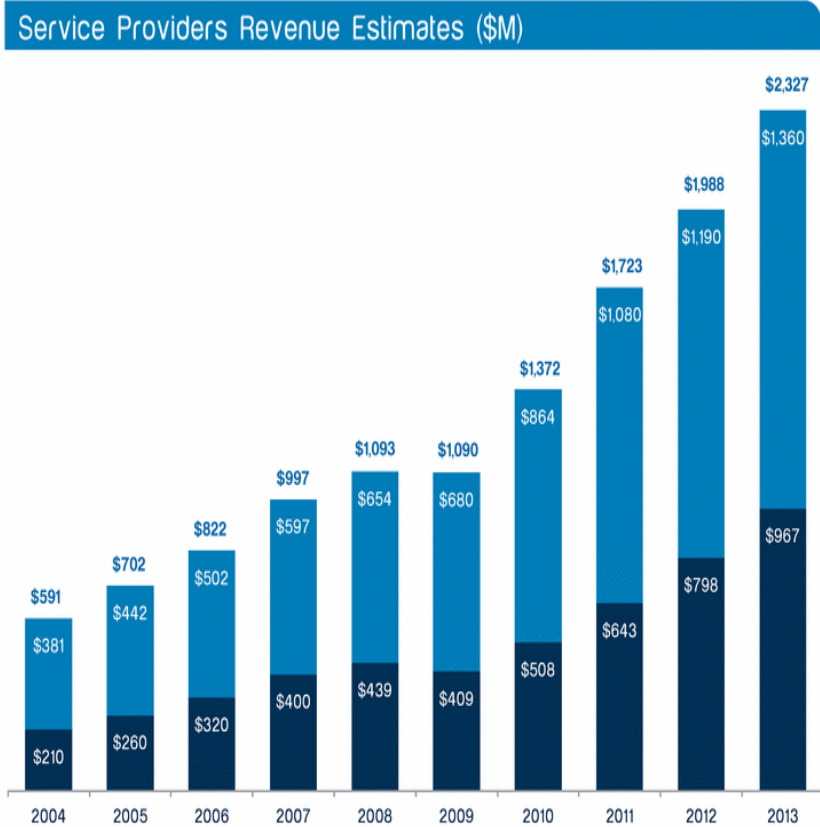


Establish a Fulfillment Platform for
Expanding EUP Strategy

Parts Services

A big opportunity
in an integral part of
the 3D Printing market

- Secondary Market
- Primary Market



Source: Wohlers 2014

Service Bureaus Acquisitions' Rationale

Operate as a Growing, Profitable
Business Unit Within Stratasys



Cross Selling Synergies
Parts Sell Printers <-> Printers Sell Parts



Establish a Fulfillment Platform for
Expanding EUP Strategy

Cross Selling Synergies

Parts sell Printers
Printers sell Parts

RedEye Customer

- Manufacturer of machinery for the production of disposable products
- 2011 - First Purchase Order - \$175
- Customer nurturing increased sales
- Capacity lead to printer acquisition
- Parts business continued after the printer sale



Cross Selling Synergies

Parts sell Printers
Printers sell Parts



FDM systems owners account for
33% of RedEye revenue since 2007
while they make up just
9% of RedEye's customer base



Owners of 3D printers are
large consumers of parts

Thousands of our SB Customers still
largely untapped by systems sales

Cross Selling Synergies

Parts sell Printers
Printers sell Parts



Why parts offering is valuable for printer owners:

- During peak time when machines are at full utilization
- Variety of materials and printers they wouldn't have access to
- For different finishing needs
- Production projects require extensive technological & engineering support
- To get help and succeed even if they're new in manufacturing
- For process control, repeatability and quality certifications

Why printers offering is valuable for parts customers:

- Cost effectiveness at certain threshold
- Flexibility of in-house printing
- Quick prototyping iterations
- To get experience with the technology
- For education needs

Service Bureaus Acquisitions' Rationale

Operate as a Growing, Profitable
Business Unit Within Stratasys



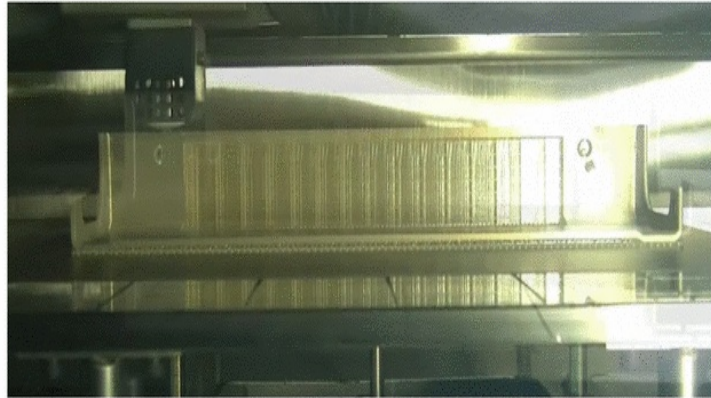
Cross Selling Synergies
Parts Sell Printers <-> Printers Sell Parts



Establish a Fulfillment Platform for
Expanding EUP Strategy

Fulfillment Platform

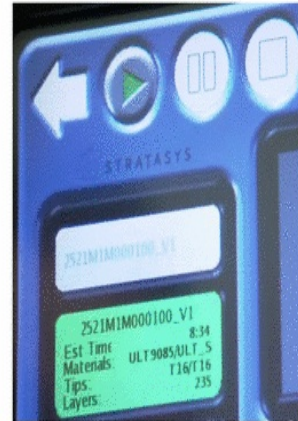
for Expanding
EUP Strategy



Spare Part:

Retro-fitted **safety-bell-holder** for the A310

- 30 year old design
- The supplier is no longer in business; the tools (molds) have been scrapped
- Rebuilding them would have cost thousands of dollars
- The need is for ~100 parts per year

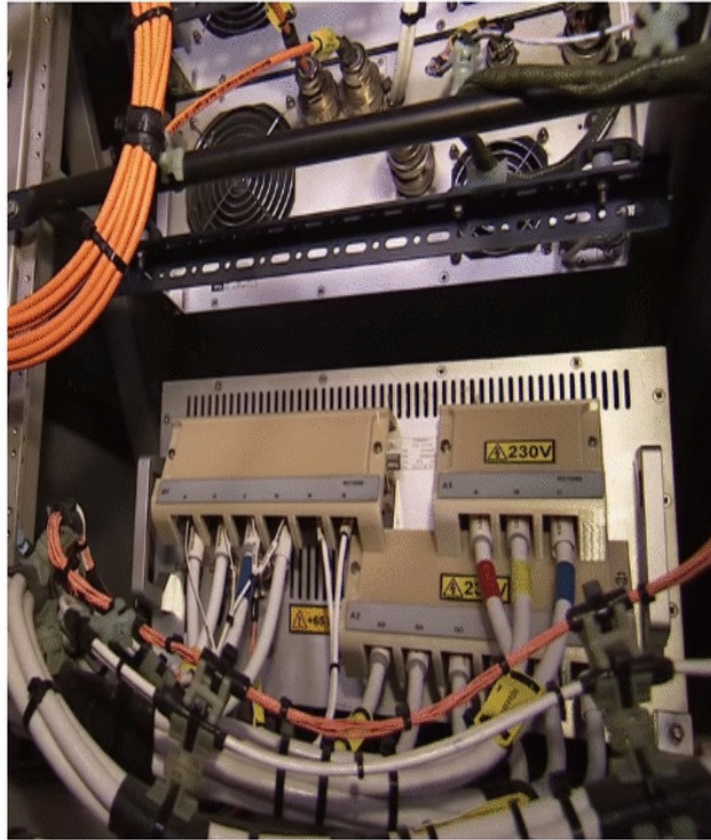


Reference: <https://www.youtube.com/watch?v=Cy3V3KR1LWc>

Fulfillment Platform

for Expanding
EUP Strategy

- 3D printed parts are used as covers that protect electric wires on the A350
- Several hundreds of these parts fit on the Airbus 350
- 70% less time and 80% reduced cost



Reference: <https://www.youtube.com/watch?v=Cy3V3KR1LWc>

Fulfillment Platform

for Expanding
EUP Strategy

Orbis - Flying Eye Hospital &
teaching facility right on board

- Printed ULTEM Air Duct
- With complex shape
- Meeting FAA requirements for airflow



Air Duct – Orbis Flying Hospital

Structural Integrity Engineering | California

FDM (Fused Deposition Modeling)



Challenge

Air Duct – Orbis Flying Hospital

Structural Integrity Engineering | California

FDM (Fused Deposition Modeling)



Process

Fulfillment Platform

for Expanding
EUP Strategy



Bell Defog Duct Nozzle

- Part consolidation and assembly reduction
- Avoid \$120,000 of tooling costs
- 13% weight savings
- Lead time compression of 75%

Source: RAPID 2014 presentation, Harvest Technologies

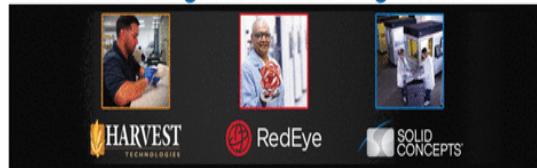


Creating A Global Leading Parts Business

Single consolidated
business with central
management



Serving You Better, Together



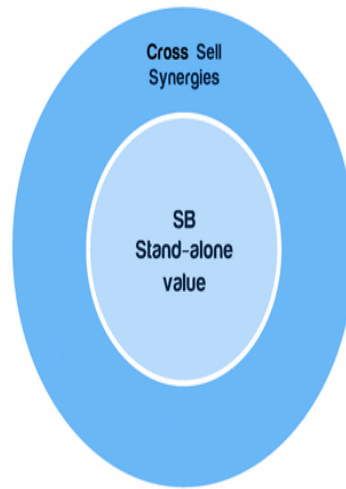
Strategic Values

Multiple layers of long
term strategic values
for Stratasys



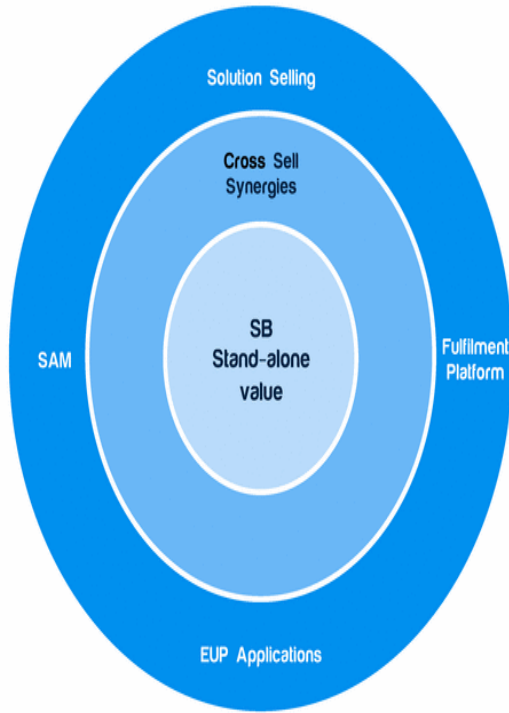
Strategic Values

Multiple layers of long term strategic values for Stratasys



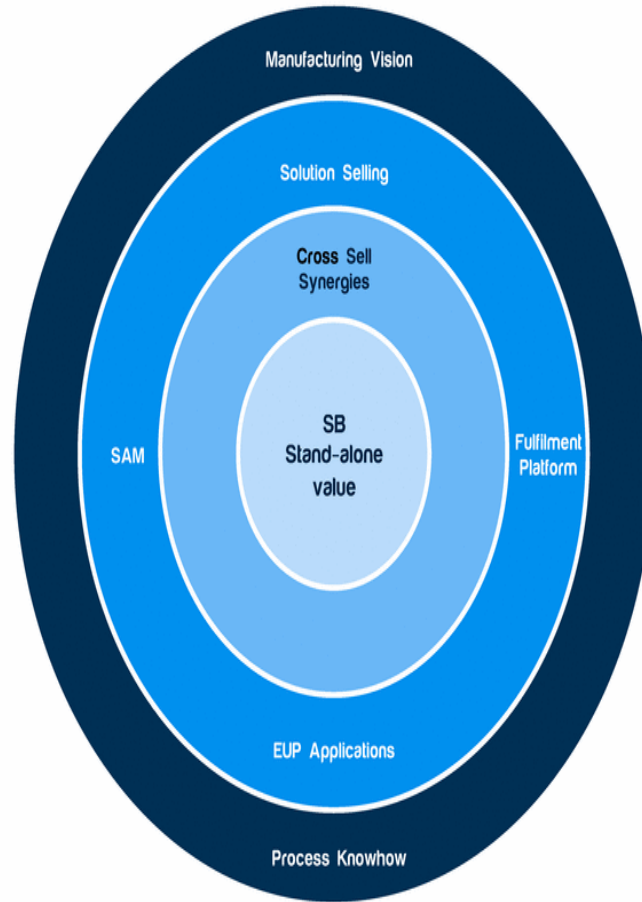
Strategic Values

Multiple layers of long term strategic values for Stratasys



Strategic Values

Multiple layers of long term strategic values for Stratasys

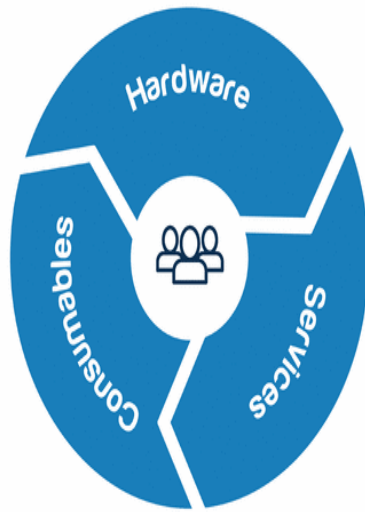


Thank you

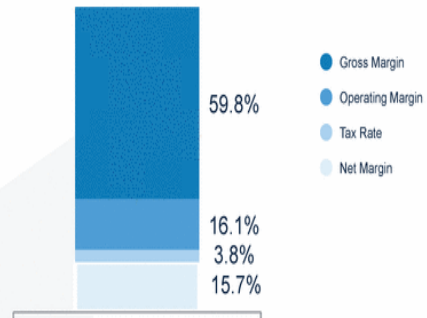
Financials & Guidance

Shane Glenn
VP Investor Relations

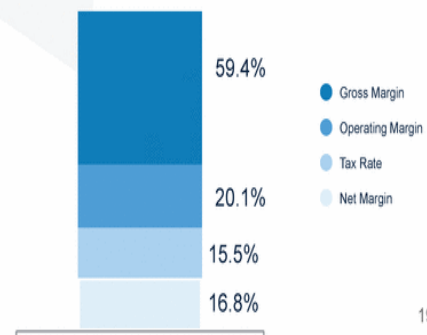
Business Model



Financial Model Q2 2014



Financial Model FY 2013



Financial Results

Stratasys Ltd.
Non-GAAP

Quarter Highlights

Revenue Growth  67% YOY

Organic Revenue Growth  35% YOY

Non-GAAP Gross Margin  59.8%

Non-GAAP Net Income Growth  51% YOY

- MakerBot contributed \$33.6M in revenue
- Raised 2014 financial guidance and long-term revenue growth projection

(\$ in millions unless noted otherwise)

	Q2-13	Q2-14	Change YOY
Unit Sales	1,261	14,909	1,082.3%
Total Revenue	\$106.7	\$178.5	+67.3%
Revenue/ Employee	0.087	0.084	-3.1%
Gross Profit % margin	63.1 59.2%	106.7 59.8%	+69.1%
Operating Expenses % of sales	41.4 38.8%	78.0 43.7%	+88.2%
Operating Profit % margin	21.7 20.3%	28.8 16.1%	+32.5%
Pre-tax Profit % margin	21.8 20.5%	29.1 16.3%	+33.2%
Tax Rate	14.8%	3.8%	-74.4%
EBITDA	24.8	34.6	+39.5%
Net Income % margin	18.6 17.4%	28.0 15.7%	+50.8%
EPS (Diluted)	\$0.45	\$0.55	+21.2%
Diluted Shares	41.1	51.2	+24.4%

Financial Results

Revenue
Stratasys Ltd.
Non-GAAP

Quarter Highlights

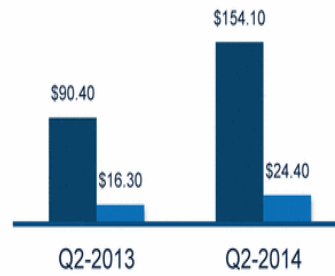
System Revenue  108% YOY

Consumable Revenue  35% YOY

Customer Support Revenue  59%

(\$ in millions unless noted otherwise)

Total Revenue - Quarter



● Product ● Service

Total Revenue - Quarterly Trend



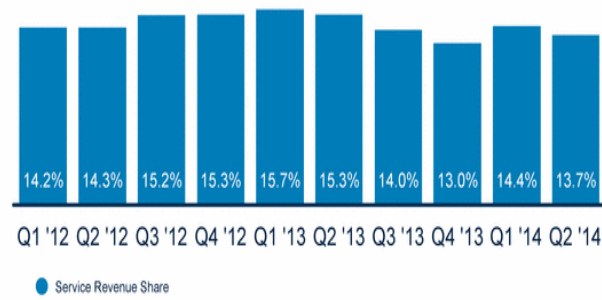
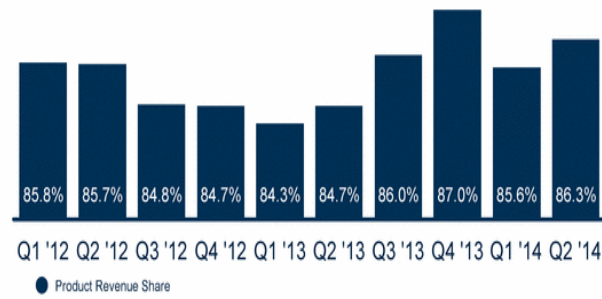
● Product ● Service

Financial Results

Revenue
Stratasys Ltd.
Non-GAAP



Revenue Share Long-Term Trend



Financial Results

Stratasys Ltd.
System Unit Sales¹

Quarter Highlights

- MakerBot impact, including launch of Replicator Mini & Z18
- Continued growth of the Objet500 Connex3 Color Multi-Material 3D Printer
- Production, Idea and Design Series strength

¹ Includes systems sold by Stratasys, Inc. in all periods; and units for MakerBot starting only on August 15, 2013

Total Units Sold - Quarter



Total Units Sold - Quarterly Trend



Financial Results

Gross Profit
Stratasys Ltd.
Non-GAAP

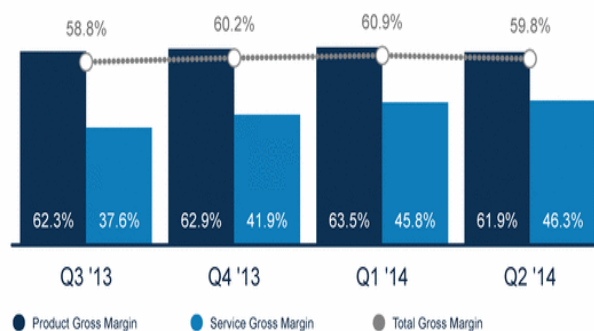
Quarter Highlights

- Strong sales of higher-margin products and services
- Improved overhead coverage on services business

(\$ in millions unless noted otherwise)

	Q2-13	Q2-14	% Change YOY
Product Revenue	\$90.4	\$154.1	+70.4%
% of sales	84.7%	86.3%	
Service Revenue	16.3	24.4	+49.8%
% of sales	15.3%	13.7%	
Product Gross Profit	56.9	95.4	+67.9%
% margin	62.9%	61.9%	
Service Gross Profit	6.3	11.3	+80.0%
% margin	38.5%	46.3%	
Total Gross Profit	63.1	106.7	+69.1%
% margin	59.2%	59.8%	

Gross Margin – Quarterly Trend

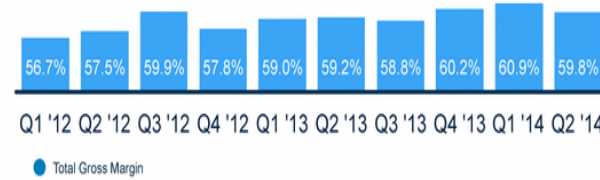
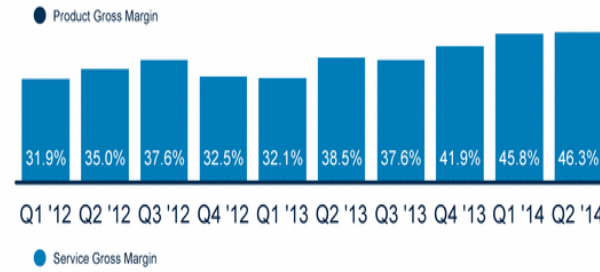
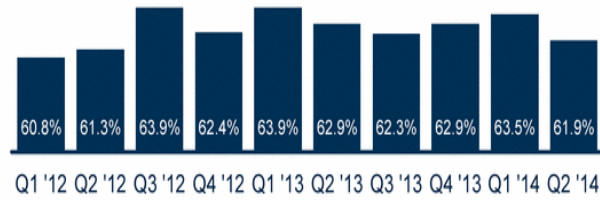


Financial Results

Gross Profit
Stratasys Ltd.
Non-GAAP



Gross Profit Long-Term Trend



Financial Results

Operating Profit
Stratasys Ltd.
Non-GAAP

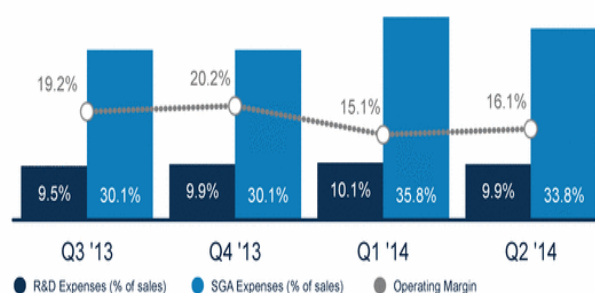
Quarter Highlights

- Significant investments in MakerBot product development
- Investing for future growth

(\$ in millions unless noted otherwise)

	Q2-13	Q2-14	% Change YOY
R&D Expense	9.5	17.6	
% of sales	8.9%	9.9%	+85.9%
SG&A Expense	31.9	60.3	
% of sales	29.9%	33.8%	+89.0%
Total Operating Exp.	41.4	78.0	
% of sales	38.8%	43.7%	+88.2%
Total Operating Profit	21.7	28.8	
% margin	20.3%	16.1%	+32.5%

Operating Profit Analysis – Quarterly Trend



R&D Investments

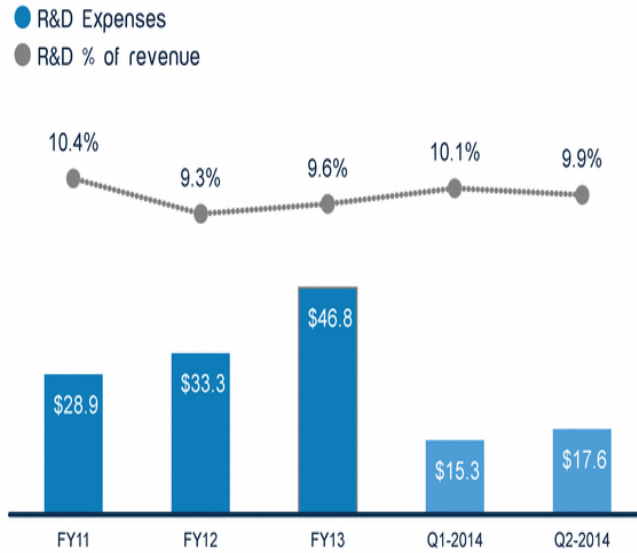
Stratasys Ltd.
Non-GAAP

• Significant R&D Investments

- Existing technologies
- Systems & materials
- Innovation

(\$ in millions unless noted otherwise)

* Periods prior to 2013 are pro forma including Objet, Ltd.



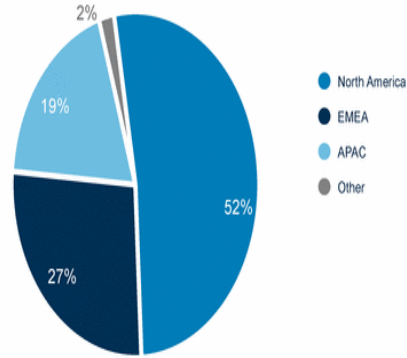
Financial Results

Revenue Geographic Mix
Stratasys Ltd.
Non-GAAP

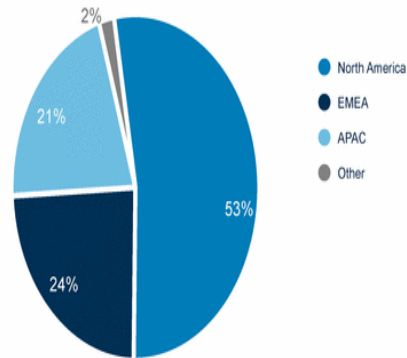
Quarter Highlights

- Strong growth in all regions
- Majority of MakerBot revenue generated in North America

Geographic Sales Q2-2013



Geographic Sales Q2-2014



Financial Results

Balance Sheet Summary
 Stratasys Ltd.

Quarter Highlights

- **\$577.9M** in cash and cash equivalents & bank deposits
- **\$4.8M** net operating cash flow for Q2 2014
- Increased inventory for supply flexibility and new product introductions

(\$ in millions unless noted otherwise)

Selected balance
 sheet items (\$ in millions)

Q1-14

Q2-14

Cash , Cash
 Equivalents & Inv.

\$607.5

\$577.9

Accounts Receivable

106.0

113.6

Inventories

99.8

114.3

Net Working Capital

712.8

717.2

Financial Guidance

Stratasys Ltd.

Revenue & Earnings Guidance

Non-GAAP

Fiscal 2014 Financial Guidance

Revenue (M)

\$750-770

Non-GAAP Diluted EPS

\$2.25-\$2.35

Financial Guidance

Stratasys Ltd.

Long-Term Target Operating Model

Non-GAAP

Revenue growth

+25%

Operating margin

18%–23%

of sales

Effective tax rate

10%–15%

Net income margin

16%–21%

of sales

Financial Results

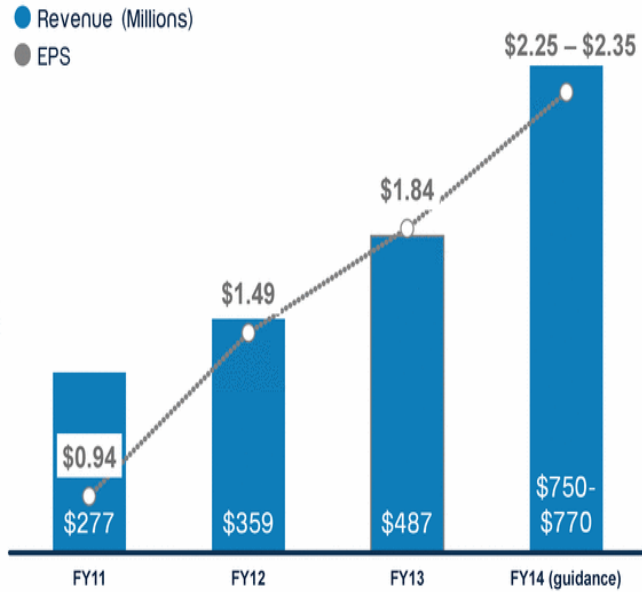
Projections
Stratasys Ltd.
Non-GAAP

Quarter Highlights

- Ongoing impressive organic and inorganic sales growth
- Broad-based demand across our product lines
- Investments in strategic initiatives and infrastructure to accelerate our growth

(\$ in millions unless noted otherwise)

* Periods prior to 2013 are pro forma including Objet, Ltd.



Reconciliation of Pro Forma GAAP to Pro Forma Non-GAAP Results of Operations

Stratasys Ltd. Combined

Selected balance sheet items (\$ in millions)	Q2-13		Q2-13		Q2-14		Q2-14	
	GAAP	Adjustments	Non-GAAP		GAAP	Adjustments	Non-GAAP	
Net sales								
Products	\$90,213	\$199	\$90,412		\$154,090	\$ -	\$154,090	
Services	16,272	-	16,272		24,375	-	24,375	
Cost of sales								
Products	45,731	(12,171)	33,560		73,394	(14,739)	58,655	
Services	10,349	(343)	10,006		13,437	(340)	13,097	
Gross profit	50,405	12,713	63,118		91,634	15,079	106,713	
Operating expenses								
Research and development, net	10,337	(846)	9,491		18,957	(1,318)	7,639	
Selling, general and administrative	42,665	(10,748)	31,917		77,929	(17,617)	60,312	
Change in fair value of earn-out obligations	-	-	-		628	(628)	-	
Operating income (loss)	(2,597)	24,307	21,710		(5,880)	34,642	28,762	
Other income	138	-	138		337	-	337	
Income (loss) before income taxes	(2,459)	24,307	21,848		(5,543)	34,642	29,099	
Income taxes (benefit)	326	2,916	3,242		(5,370)	6,475	1,105	
Net income (loss)	(2,785)	21,391	18,606		(173)	28,167	27,994	
Net income attributable to non-controlling interest	15	25	40		-	-	-	
Net income (loss) attributable to Stratasys Ltd.	\$(2,800)	\$21,366	\$18,566		\$ (173)	\$28,167	\$27,994	
EPS (Diluted)	\$(0.07)		\$0.45		\$(0.00)		\$0.55	
Diluted Shares	38,781		41,146		49,373		51,196	

(\$ in thousands except per share data)

Reconciliation of Non-GAAP Adjustments

Stratasys Ltd. Combined

Selected balance sheet items (\$ in millions)	Q2-13	Q2-14
	GAAP	GAAP
Net sales, products		
Deferred revenue purchase price	\$199	\$-
Cost of sales, products		
Acquired intangible assets amortization	(11,780)	(14,029)
Non-cash stock-based compensation expense	(314)	(710)
Merger related expense	(77)	-
Cost of sales, services		
Non-cash stock-based compensation expense	(318)	(324)
Merger related expense	(25)	(16)
Research and development, net		
Non-cash stock-based compensation expense	(846)	(885)
Performance bonus expense	-	(347)
Merger related expense	-	(86)
Selling, general and administrative		
Acquired intangible assets amortization	(2,425)	(5,507)
Non-cash stock-based compensation expense	(3,881)	(5,159)
Merger and acquisition related expense	(4,442)	(4,352)
Performance bonus expense	-	(2,599)
Change in fair value of earn-out obligation		
Change in Earn-out obligation	-	(628)
Income taxes		
Tax expense related to non-GAAP adjustments	2,916	6,475
Net income attributable to non-controlling interest		
Depreciation and amortization expense attributable to non-controlling interest	25	-
Net income	\$21,366	\$28,167

(\$ in thousands except per share data)

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Reconciliation of Pro Forma GAAP to Pro Forma Non-GAAP Results of Operations

Stratasys Ltd. Combined

(\$ in thousands except per share data)	FY-11		FY-11		FY-12		FY-12	
	GAAP	Adjustments	Non-GAAP		GAAP	Adjustments	Non-GAAP	
Revenues	276,990	-	276,990		359,054	-	359,054	
Cost of sales								
Products	137,556	(41,826)	95,730		158,828	(42,964)	115,864	
Services	26,395	(1,504)	24,891		36,303	(1,475)	34,828	
Gross profit	113,039	43,330	156,369		163,923	44,439	208,362	
Operating expenses								
Research and development, net	31,934	(3,005)	28,929		36,923	(3,597)	33,326	
Selling, general and administrative	104,928	(28,287)	76,641		141,232	(40,354)	100,878	
Operating income (loss)	(23,823)	74,622	50,799		(14,232)	88,390	74,158	
Other income (expense)	1,118	(1,831)	(713)		2,124	-	2,124	
Income (loss) before income taxes	(22,705)	72,791	50,086		(12,108)	88,390	76,282	
Income taxes	8,148	4,768	12,916		9,407	7,225	16,632	
Net income (loss)	(30,853)	68,023	37,170		(21,515)	81,165	59,650	
Net income attributable to non-controlling interest	-	-	-		62	-	62	
Net income (loss) attributable to Stratasys Ltd.	(30,853)	68,023	37,170		(21,577)	81,165	59,588	
EPS (Diluted)	(0.84)	-	0.94		(0.58)	-	1.49	
Diluted Shares	36,577	-	39,656		36,987	-	39,970	

(\$ in thousands except per share data)

Reconciliation of Non-GAAP Adjustments

Stratasys Ltd. Combined

	FY-11	FY-12
	GAAP	GAAP
Cost of sales, products		
Objet intangible assets amortization expense	(39,294)	(39,294)
SolidScape intangible assets amortization expense	(1,163)	(1,744)
Non-cash stock-based compensation expense	(808)	(1,190)
Merger related expense	-	(265)
Expense related to the revaluation of SolidScape, Inc. and Fasotech Co. LTD inventory at acquisition	(561)	(471)
	(41,826)	(42,964)
Cost of sales, services		
Non-cash stock-based compensation expense	(1,504)	(1,475)
Research and development, net		
Non-cash stock-based compensation expense	(3,005)	(3,597)
Selling, general and administrative		
Objet intangible assets amortization expense	(8,967)	(8,967)
SolidScape intangible assets amortization expense	(356)	(533)
Non-cash stock-based compensation expense	(18,349)	(21,592)
SolidScape acquisition expense	(615)	-
Merger related expense	-	(9,262)
	(28,287)	(40,354)
Other income		
Sale of an equity investment	(626)	-
Sale of an auction rate security	(1,205)	-
	(1,831)	-
Income taxes		
Tax expense related to non-GAAP adjustments	4,768	7,225
Net income	68,023	81,165



Thank You

