

**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 November 2013.

Commission File Number 001-35751

STRATASYS LTD.

(Translation of registrant's name into English)

c/o Stratasys, 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

On November 7, 2013, Stratasys Ltd. (“we,” “us” or the “**Company**”) announced our financial results for the first quarter of 2013. A copy of our press release announcing our results is furnished as Exhibit 99.1 to this Report of Foreign Private Issuer on Form 6-K (“**Form 6-K**”) and is incorporated herein by reference.

In conjunction with the conference call held on November 7, 2013, to discuss our results, we are also furnishing a copy of the script used for the conference call to provide additional information regarding our business and our financial results (attached to this Form 6-K as Exhibit 99.2 and incorporated herein by reference) and a PowerPoint presentation with additional information (attached to this Form 6-K as Exhibit 99.3 and incorporated herein by reference).

The information in this Form 6-K, including Exhibits 99.1, 99.2 and 99.3, 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.

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: November 7, 2013

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

EXHIBIT INDEX

The following exhibits are filed as part of this Form 6-K:

Exhibit	Description
99.1	Press release dated November 7, 2013.
99.2	Script for the Company's conference call held on November 7, 2013.
99.3	PowerPoint presentation with additional information.

PRESS RELEASE



FOR: STRATASYS LTD.

CONTACT: Shane Glenn, Vice President of Investor Relations
(952) 294-3416, shane.glenn@stratasys.com

STRATASYS REPORTS RECORD FINANCIAL RESULTS FOR THE THIRD QUARTER OF 2013

Company reports \$126.1 million in non-GAAP revenue and generates 26% organic revenue growth over last year's Stratasys and Objet pro forma combined revenue as merger synergies accelerate

*Non-GAAP earnings of \$0.45 per diluted share and a GAAP loss of (\$0.16) per share
Company raises fiscal 2013 non-GAAP revenue and EPS guidance*

MINNEAPOLIS, MN & REHOVOT, ISRAEL, November 7, 2013 – Stratasys Ltd.

(NASDAQ: SSYS) today announced record financial results for the third quarter of 2013.

Q3 Financial Results Summary:

- Non-GAAP revenue (including MakerBot from August 15th) of \$126.1 million for the third quarter of 2013 represents a 39% increase over the \$90.9 million Stratasys and Objet pro forma combined revenue for the same period last year. GAAP revenue (including MakerBot) for the third quarter of 2013 was \$125.6 million.
 - Non-GAAP revenue (excluding MakerBot) increased organically by 26% for the third quarter over last year's Stratasys and Objet pro forma combined revenue.
 - Non-GAAP revenue from MakerBot was \$11.6 million for the third quarter representing the period following the transaction's close on August 15, 2013. GAAP revenue contribution from MakerBot for the third quarter was \$11.4 million.
 - Non-GAAP net income (including MakerBot) was \$20.0 million for the third quarter, or \$0.45 per diluted share, compared to Stratasys and Objet pro forma combined \$16.6 million, or \$0.41 per diluted share, reported for the same period last year.
 - GAAP net income (including MakerBot) for the third quarter was a loss of \$6.6 million, or (\$0.16) per share, versus a Stratasys and Objet pro forma loss of \$2.8 million, or (\$0.07) per share, for the same period last year.
 - The company invested a net amount of \$12.0 million in R&D during the third quarter, representing 9.5% of net sales.
 - Cash, investments and bank deposits balance at the end of the third quarter was \$616.5 million, or \$12.65 per share.
 - On a combined pro forma basis, including MakerBot, the company has shipped a cumulative 64,855 systems worldwide as of September 30, 2013.
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“Organic revenue growth accelerated in the third quarter as synergies resulting from the merger between Stratasys and Objet continued to develop,” said David Reis, chief executive officer of Stratasys. “We observed strong growth across multiple product lines that address an expanding range of applications. We also sustained strong gross margins during the period, which was a contributing factor to our record profitability. We are especially pleased by the contribution made by MakerBot, which added \$11.6 million in revenue during the period. We are very pleased with our third quarter results.”

Business Highlights:

- Completed the acquisition of MakerBot, a leading manufacturer within the rapidly growing desktop 3D printing category.
- Introduced two new systems, the Solidscape 3Z MAX 3D printer and the MakerBot Digitizer Desktop 3D Scanner; as well as two new materials for the MakerBot platform, including flexible filament and a dissolvable support material.
- Recognized tangible revenue synergies from the sales, marketing and service team integration initiatives that resulted from the merger of Stratasys and Objet.
- Initiated a pilot program with the UPS Store, placing uPrints in six locations, enabling UPS Store customers to have 3D designs printed onsite.
- Invested heavily in global sales, marketing and channel infrastructure, including the opening of a local sales office in Singapore, and the signing of a distribution agreement with Aurora Group, a leading provider of office automation equipment in China.
- Exercised an option to acquire the remaining holdings from Fasotec in Stratasys Japan, with Stratasys Japan becoming wholly owned and operated by Stratasys Ltd.
- Completed a public offering of 5,175,000 ordinary shares at a public offering price of \$93.00 per share, with net offering proceeds to Stratasys approximating \$462.9 million.

“With the completion of the MakerBot acquisition in the third quarter, we believe Stratasys is now the clear leader in the desktop 3D printer category, one of the fastest growing segments within our industry,” continued Reis. “The third quarter also demonstrated our commitment to internal product development, as well as our goal of expanding our global customer reach. In addition, as the mainstream adoption of 3D printing continues to gain momentum, we have strengthened our balance sheet, improving our ability to capitalize on additional growth initiatives and acquisitions.”

Financial Guidance

The company’s overall outlook has improved for the fourth quarter of 2013, which is reflected in an upward revision to 2013 revenue guidance. In addition, earnings guidance incorporates a \$0.06 per share positive impact from the improved outlook; offset by \$0.06 per share of earnings dilution resulting from the company’s public offering of 5,175,000 ordinary shares on September 18, 2013. The earnings impact of the offering on 2013 results had not been previously incorporated into financial guidance. GAAP earnings guidance has been revised principally to reflect higher estimates for stock compensation expense; revised amortization expense related to acquired MakerBot intangible assets; and higher expenses related to the MakerBot performance bonus plan.

Accordingly, Stratasys is updating its following financial guidance for the fiscal year ending December 31, 2013 as follows:

- Revenue guidance of \$470 million to \$490 million; versus previous guidance of \$455 million to \$480 million.
- Non-GAAP earnings guidance of \$1.75 to \$1.90 per diluted share.
- GAAP earnings guidance of a (\$0.83) to (\$0.55) per share loss; versus previous guidance of (\$0.76) to (\$0.49) per share loss.
- Earnings guidance incorporates a \$0.06 per share positive impact from the company's improved outlook; and \$0.06 per share of earnings dilution from the company's ordinary share offering completed on September 18, 2013.

Non-GAAP earnings guidance excludes \$67.2 million of projected amortization of intangible assets; \$22.2 million to \$24.9 million of share-based compensation expense; and \$18.1 million to \$20.7 million in merger-related expenses.

Appropriate reconciliations between GAAP and non-GAAP financial measures are provided in a table at the end of this press release. The table provides itemized detail of the non-GAAP financial measures.

"As we enter the fourth quarter, we believe the acceleration in our organic growth rate, combined with the positive impact from our recent acquisition of MakerBot, will contribute to a strong finish to the year. Looking beyond 2013, we are well positioned to sustain our positive momentum as we accelerate our rate of new product introductions, and prepare to capitalize on additional inorganic growth opportunities. In addition, our industry remains ripe for growth as new and innovative applications continue to emerge for our technology. We are very excited about the future," Reis concluded.

Stratasys Ltd. Q3-2013 Conference Call Details

Stratasys will hold a conference call to discuss its third quarter financial results on Thursday, November 7, 2013 at 8:30 a.m. (ET).

The investor conference call will be available via live webcast on the Stratasys Web site at www.stratasys.com under the "Investors" tab; or directly at the following web address: <http://www.media-server.com/m/p/ceszsn6u>.

To participate by telephone, the domestic dial-in number is 866 578-5771 and the international dial-in is 617 213-8055. The access code is 58071751. Investors are advised to dial into the call at least ten minutes prior to the call to register.

The webcast will be available for 90 days on the "Investors" page of the Stratasys Web site or by accessing the provided web address.

(Financial tables follow)

Cautionary Statement Regarding Forward-Looking Statements

Certain information included or incorporated by reference in this press 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 acquisition) 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: the company's ability to efficiently and successfully integrate the operations of Stratasys, Inc. and Objet Ltd. after their merger as well as the ability to complete the MakerBot acquisition and to successfully put in place and execute an effective post-merger integration plan; the overall global economic environment; the impact of competition and new technologies; general market, political and economic conditions in the countries in which the company operates; projected capital expenditures and liquidity; changes in the company's 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 on Form 20-F for the year ended December 31, 2012 filed with the U.S. Securities and Exchange Commission and in other reports that the Company has filed with the SEC. 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 press release 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.

Non-GAAP Discussion Disclosure

The information discussed within this release includes financial results and projections that are in accordance with accounting principles generally accepted in the United States (GAAP). In addition, certain non-GAAP financial measures have been provided that exclude certain charges, expenses and income. The non-GAAP measures should be read in conjunction with the corresponding GAAP measures and should be considered in addition to, and not as an alternative or substitute for, the measures prepared in accordance with GAAP. The non-GAAP financial measures are provided in an effort to provide information that investors may deem relevant to evaluate results from the company's core business operations and to compare the company's performance with prior periods. The non-GAAP financial measures primarily identify and exclude certain discrete items, such as merger-related expenses, amortization expenses and expenses associated with share-based compensation required under ASC 718. The company uses these non-GAAP financial measures for evaluating comparable financial performance against prior periods.

This release is available on the Stratasys web site at www.stratasys.com

Stratasys Ltd. (Nasdaq: SSYS) is the corporate entity formed in 2012 by the merger of 3D printing companies Stratasys Inc. and Objet Ltd., based in Minneapolis, Minn. and Rehovot, Israel. Stratasys manufactures 3D printers and materials for prototyping and production. The company's patented FDM[®] and PolyJet[®] processes produce prototypes and manufactured goods directly from 3D CAD files or other 3D content. Systems include affordable desktop 3D printers for idea development, a range of systems for prototyping, and large production systems for direct digital manufacturing. Since June 2012, the company's range of over 130 3D printing materials has been the widest in the industry and includes more than 120 proprietary inkjet-based photopolymer materials and 10 proprietary FDM-based thermoplastic materials. Stratasys also manufactures Solidscape 3D Printers and operates the RedEye On Demand digital-manufacturing service. The company has more than 1100 employees, holds more than 500 granted or pending additive manufacturing patents globally, and has received more than 20 awards for its technology and leadership. Online at: www.stratasys.com or <http://blog.stratasys.com>

Stratasys Ltd.

Consolidated Statements of Operations

(in thousands, except per share data)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2013 (unaudited)	2012 (unaudited)	2013 (unaudited)	2012 (unaudited)
Net sales				
Products	\$ 107,887	\$ 41,318	\$ 279,910	\$ 120,308
Services	17,739	8,406	49,408	23,786
	<u>125,626</u>	<u>49,724</u>	<u>329,318</u>	<u>144,094</u>
Cost of sales				
Products	53,565	17,564	148,339	54,026
Services	11,469	4,203	32,608	12,997
	<u>65,034</u>	<u>21,767</u>	<u>180,947</u>	<u>67,023</u>
Gross profit	<u>60,592</u>	<u>27,957</u>	<u>148,371</u>	<u>77,071</u>
Operating expenses				
Research and development, net	13,514	4,067	34,640	12,576
Selling, general and administrative	51,587	14,781	137,577	42,366
Change in fair value of earn-out obligations	1,607	-	1,607	-
	<u>66,708</u>	<u>18,848</u>	<u>173,824</u>	<u>54,942</u>
Operating income (loss)	<u>(6,116)</u>	<u>9,109</u>	<u>(25,453)</u>	<u>22,129</u>
Other income (expense)	<u>(452)</u>	<u>163</u>	<u>200</u>	<u>518</u>
Income (loss) before income taxes	<u>(6,568)</u>	<u>9,272</u>	<u>(25,253)</u>	<u>22,647</u>
Income taxes (benefit)	80	4,089	(337)	9,924
Net income (loss)	<u>\$ (6,648)</u>	<u>\$ 5,183</u>	<u>\$ (24,916)</u>	<u>\$ 12,723</u>
Net income (loss) attributable to non-controlling interest	<u>\$ (22)</u>	<u>\$ -</u>	<u>\$ 46</u>	<u>\$ -</u>
Net income (loss) attributable to Stratasys Ltd.	<u>\$ (6,626)</u>	<u>\$ 5,183</u>	<u>\$ (24,962)</u>	<u>\$ 12,723</u>
Net income (loss) per ordinary share attributable to Stratasys Ltd.				
Basic	\$ (0.16)	\$ 0.24	\$ (0.63)	\$ 0.60
Diluted	(0.16)	0.24	(0.63)	0.58
Weighted average ordinary shares outstanding				
Basic	41,976	21,468	39,754	21,349
Diluted	41,976	22,008	39,754	21,857

Stratasys Ltd.
Consolidated Balance Sheets
(in thousands)

	September 30, 2013 (unaudited)	December 31, 2012
ASSETS		
Current assets		
Cash and cash equivalents	\$ 414,890	\$ 133,826
Short-term bank deposits	200,000	20,063
Restricted deposits	863	929
Accounts receivable:		
Trade, net	86,588	64,678
Other	22,858	22,934
Inventories	79,784	67,995
Net investment in sales-type leases, net	6,008	5,134
Prepaid expenses	4,442	2,751
Deferred income taxes	17,045	4,968
Total current assets	<u>832,478</u>	<u>323,278</u>
Property, plant and equipment, net	<u>80,707</u>	<u>62,070</u>
Other assets		
Goodwill	1,195,021	822,475
Other intangible assets, net	638,170	510,372
Net investment in sales-type leases	8,990	7,872
Long-term investments - available for sale	1,634	-
Amounts funded in respect of employees rights upon retirement	2,984	2,628
Other non-current assets	2,309	2,818
Total other assets	<u>1,849,108</u>	<u>1,346,165</u>
Total assets	<u>\$ 2,762,293</u>	<u>\$ 1,731,513</u>
LIABILITIES AND EQUITY		
Current liabilities		
Accounts payable	\$ 31,919	\$ 35,235
Other current liabilities	46,833	41,124
Earn-out obligation	13,709	-
Unearned revenues	30,555	18,068
Total current liabilities	<u>123,016</u>	<u>94,427</u>
Non-current liabilities		
Employee rights upon retirement	4,694	4,188
Earn-out obligation - long-term	16,169	-
Deferred tax liabilities	112,499	54,693
Unearned revenues - long-term	3,156	3,181
Other non-current liabilities	8,203	2,868
Total liabilities	<u>267,737</u>	<u>159,357</u>
Commitments and contingencies		
Equity		
Ordinary shares, NIS 0.01 nominal value, authorized 180,000 shares; 48,738 and 38,372 shares issued and outstanding at September 30, 2013 and December 31, 2012, respectively	131	101
Additional paid-in capital	2,404,852	1,459,294
Retained earnings	87,540	112,503
Accumulated other comprehensive income (loss)	1,447	(238)
Equity attributable to Stratasys Ltd.	<u>2,493,970</u>	<u>1,571,660</u>
Non-controlling interest	586	496
Total equity	<u>2,494,556</u>	<u>1,572,156</u>
Total liabilities and equity	<u>\$ 2,762,293</u>	<u>\$ 1,731,513</u>

Stratasys Ltd.
Reconciliation of Pro Forma GAAP to Pro Forma Non-GAAP Results of Operations
(in thousands, except per share data)

	Three Months Ended September 30, 2013			Three Months Ended September 30, 2012		
	GAAP		Non-GAAP (unaudited)	Pro Forma Including Object		Pro Forma Including Object Non-GAAP (unaudited)
	(unaudited)	Adjustments*		GAAP (unaudited)	Adjustments*	
Net sales						
Products	\$ 107,887	\$ 434	\$ 108,321	\$ 77,074	\$ -	\$ 77,074
Services	17,739	-	17,739	13,847	-	13,847
	125,626	434	126,060	90,921	-	90,921
Cost of sales						
Products	53,565	(12,713)	40,852	38,782	(10,977)	27,805
Services	11,469	(395)	11,074	9,054	(420)	8,634
	65,034	(13,108)	51,926	47,836	(11,397)	36,439
Gross profit	60,592	13,542	74,134	43,085	11,397	54,482
Operating expenses						
Research and development, net	13,514	(1,538)	11,976	8,809	(889)	7,920
Selling, general and administrative	51,587	(13,660)	37,927	33,291	(8,505)	24,786
Change in fair value of earn-out obligations	1,607	(1,607)	-	-	-	-
	66,708	(16,805)	49,903	42,100	(9,394)	32,706
Operating income (loss)	(6,116)	30,347	24,231	985	20,791	21,776
Other expenses	(452)	-	(452)	(192)	-	(192)
Income (loss) before income taxes	(6,568)	30,347	23,779	793	20,791	21,584
Income taxes	80	3,640	3,720	3,647	1,419	5,066
Net income (loss)	\$ (6,648)	\$ 26,707	\$ 20,059	\$ (2,854)	\$ 19,372	\$ 16,518
Net income (loss) attributable to non-controlling interest	\$ (22)	\$ 61	\$ 39	\$ (95)	\$ -	\$ (95)
Net income (loss) attributable to Stratasys Ltd.	\$ (6,626)	\$ 26,646	\$ 20,020	\$ (2,759)	\$ 19,372	\$ 16,613
Net income (loss) per ordinary share attributable to Stratasys Ltd.						
Basic	\$ (0.16)		\$ 0.48	\$ (0.07)		\$ 0.45
Diluted	(0.16)		0.45	(0.07)		0.41
Weighted average ordinary shares outstanding						
Basic	41,976		41,976	36,912		36,912
Diluted	41,976		44,289	36,912		40,408

The Company considers these non-GAAP measures to be indicative of its core operating results and facilitates a comparison of operating results across reporting periods. The Company uses these non-GAAP measures when evaluating its financial results as well as for internal planning and forecasting purposes, however these measures should not be viewed as a substitute for the Company's GAAP results.

* Refer to the "Reconciliation of Non-GAAP Adjustments" herein for further information regarding adjustments.

Stratasys Ltd.
Reconciliation of Pro Forma GAAP to Pro Forma Non-GAAP Results of Operations
(in thousands, except per share data)

	Nine Months Ended September 30, 2013			Nine Months Ended September 30, 2012		
			Non-GAAP (unaudited)	Pro Forma Including Object		Pro Forma Including Object Non-GAAP (unaudited)
	GAAP (unaudited)	Adjustments*		GAAP (unaudited)	Adjustments*	
Net sales						
Products	\$ 279,910	\$ 1,647	\$ 281,557	\$ 224,392	\$ -	\$ 224,392
Services	49,408	-	49,408	38,301	-	38,301
	329,318	1,647	330,965	262,693	-	262,693
Cost of sales						
Products	148,339	(44,062)	104,277	117,188	(32,029)	85,159
Services	32,608	(1,080)	31,528	25,975	(1,078)	24,897
	180,947	(45,142)	135,805	143,163	(33,107)	110,056
Gross profit	148,371	46,789	195,160	119,530	33,107	152,637
Operating expenses						
Research and development, net	34,640	(3,282)	31,358	26,714	(2,610)	24,104
Selling, general and administrative	137,577	(40,017)	97,560	103,039	(30,296)	72,743
Change in fair value of earn-out obligations	1,607	(1,607)	-	-	-	-
	173,824	(44,906)	128,918	129,753	(32,906)	96,847
Operating income (loss)	(25,453)	91,695	66,242	(10,223)	66,013	55,790
Other income	200	-	200	715	-	715
Income (loss) before income taxes	(25,253)	91,695	66,442	(9,508)	66,013	56,505
Income taxes (benefit)	(337)	10,442	10,105	8,644	4,633	13,277
Net income (loss)	\$ (24,916)	\$ 81,253	\$ 56,337	\$ (8,152)	\$ 61,380	\$ 43,228
Net income (loss) attributable to non-controlling interest	\$ 46	\$ 126	\$ 172	\$ (95)	\$ -	\$ (95)
Net income (loss) attributable to Stratasys Ltd.	\$ (24,962)	\$ 81,127	\$ 56,165	\$ (8,057)	\$ 61,380	\$ 43,323
Net income (loss) per ordinary share attributable to Stratasys Ltd.						
Basic	\$ (0.63)		\$ 1.41	\$ (0.49)		\$ 1.18
Diluted	(0.63)		1.33	(0.49)		1.08
Weighted average ordinary shares outstanding						
Basic	39,754		39,754	36,794		36,794
Diluted	39,754		42,185	36,794		40,086

The Company considers these non-GAAP measures to be indicative of its core operating results and facilitates a comparison of operating results across reporting periods. The Company uses these non-GAAP measures when evaluating its financial results as well as for internal planning and forecasting purposes, however these measures should not be viewed as a substitute for the Company's GAAP results.

* Refer to the "Reconciliation of Non-GAAP Adjustments" herein for further information regarding adjustments.

Stratasys Ltd.

Reconciliation of Non-GAAP Adjustments

(in thousands)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2013	2012	2013	2012
Net sales, products				
Deferred revenue step-up	434	-	1,647	-
Cost of sales, products				
Intangible assets amortization expense	(12,252)	(10,260)	(42,795)	(30,779)
Non-cash stock-based compensation expense	(406)	(297)	(1,039)	(740)
Merger related expense	(55)	(420)	(228)	(510)
	(12,713)	(10,977)	(44,062)	(32,029)
Cost of sales, services				
Non-cash stock-based compensation expense	(387)	(330)	(1,020)	(1,078)
Merger related expense	(8)	(90)	(60)	-
	(395)	(420)	(1,080)	(1,078)
Research and development, net				
Non-cash stock-based compensation expense	(822)	(889)	(2,566)	(2,610)
Performance bonus expense	(716)	-	(716)	-
	(1,538)	(889)	(3,282)	(2,610)
Selling, general and administrative				
Intangible assets amortization expense	(3,838)	(2,375)	(14,758)	(7,125)
Non-cash stock-based compensation expense	(4,997)	(5,800)	(12,837)	(16,404)
Merger related expense	(2,347)	(330)	(9,944)	(6,767)
Performance bonus expense	(2,478)	-	(2,478)	-
	(13,660)	(8,505)	(40,017)	(30,296)
Change in fair value of earn-out obligation				
Earn-out obligation expense	(1,607)	-	(1,607)	-
Income taxes				
Tax expense related to non-GAAP adjustments	3,640	1,419	10,442	4,633
Net income attributable to non-controlling interest				
Depreciation and amortization expense attributable to non-controlling interest	61	-	126	-
Net income	\$ 26,646	\$ 19,372	\$ 81,127	\$ 61,380

Stratasys Ltd.

Reconciliation of GAAP to Non-GAAP Forward Looking Guidance

Fiscal Year 2013

(in millions, except per share data)

GAAP net loss	(\$35.0) to (\$23.1)
<u>Adjustments</u>	
Stock-based compensation expense	\$22.2 to \$24.9
Intangible assets amortization expense	\$67.2
Merger related expense	\$18.1 to \$20.7
Non-GAAP net income	\$77.7 to \$84.4
GAAP loss per share	(\$0.83) to (\$0.55)
Non-GAAP diluted earnings per share	\$1.75 to \$1.90

Q3-2013 CONFERENCE CALL SCRIPT: FINAL

SLIDE#1: CONFERENCE CALL TITLE SLIDE

SPEAKER: OPERATOR

SLIDE#2: CONFERENCE CALL DETAILS

SPEAKER: SHANE GLENN

Thank you, [OPERATOR]. Good morning everyone, and thank you for joining us to discuss our third quarter financial results. On the call with us today are David Reis, CEO; and Erez Simha, CFO and COO-Israel of Stratasys. A reminder that access to today's call, including the prepared slide presentation, is available online at the web address provided in our press release. In addition, a replay of today's call, including access to the slide presentation, will be made available on the Investor Section of our web site later today.

SLIDE#3: FLS

A reminder that 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 acquisition) 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: the Company's ability to efficiently and successfully integrate the operations of Stratasys, Inc. and Objet Ltd. after their merger as well as the ability to complete the MakerBot acquisition and to successfully put in place and execute an effective post-acquisition integration plan; the overall global economic environment; the impact of competition and new technologies; general market, political and economic conditions in the countries in which the Company operates; projected capital expenditures and liquidity; changes in the Company's 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 2012 filed on Form 20-F and in other reports that the Company files with the U.S. Securities and Exchange Commission. 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.

Now I'd like to turn the call over to David Reis, Chief Executive Officer of Stratasys. David.

SLIDE#4: Q3-2013 HIGHLIGHTS

SPEAKER: DAVID REIS

Thank you, Shane, and good morning everyone. Thank you for joining today's call.

We are very pleased with our record third quarter results.

Our organic growth rate accelerated to 26% during the third quarter over last year, as synergies from the merger between Stratasys and Objet continue to develop.

Overall, we recognized strong growth across multiple product lines that address an expanding range of applications, and we sustained strong margins which helped drive record non-GAAP profitability for the quarter.

We were especially pleased with the contribution made by our recent acquisition of MakerBot, which contributed \$11.6 million in non-GAAP revenue from the closing of the transaction on August 15th, through the end of the third quarter.

In addition to our strong financial results, we have:

We reinforced our commitment to expanding our global market presence and reach to meet rising demand by investing in our global sales, marketing, and channel infrastructure, especially in Asia.

We demonstrated our commitment to internal product development, with the release of several new product and material offerings, backed up by our industry-leading R&D investment levels.

And, we completed a successful equity offering of approximately 5.2 million shares, raising over \$460 million. This additional capital strengthens our balance sheet and improves our ability to execute on internal expansion plans, as well as capitalize on other acquisition opportunities.

We began the fourth quarter with positive momentum, and have raised our financial guidance to reflect our positive outlook.

I will return later in the call to provide more details on our third quarter developments and strategy, but first I would like to turn the call over to our CFO and COO-Israel, Erez Simha, who will provide you details on our financial results.

SLIDE#5: FINANCIALS – QUARTER HIGHLIGHTS

SPEAKER: EREZ SIMHA

Thank you, David, and good morning everyone.

As in previous quarters, our focus on today's call will be on the non-GAAP financial results of the combined company – Stratasys Ltd. – for the third quarter of 2013 and pro forma non-GAAP financial results for the Stratasys-Objet merger in the third quarter of 2012.

These non-GAAP financial measures should be read in combination with our GAAP metrics to evaluate our performance. Note that when we refer to GAAP metrics in respect of periods prior to January 1, 2013, we are referring to pro forma GAAP numbers prepared in accordance with Article 11 of SEC Article SX, which give effect to the merger between Stratasys and Objet as though it had occurred on January 1 of 2012 with one-time transaction costs excluded from the numbers.

We should also note that we are not providing any pro forma financial results for the MakerBot acquisition. The GAAP and non-GAAP results presented for Stratasys Ltd. include MakerBot results at the close of the acquisition on August 15th of this year.

The non-GAAP to GAAP reconciliations are provided in a table contained in our slide presentation and press release.

As David mentioned in his opening remarks, we are very pleased with our third quarter performance.

We generated \$126.1 million in non-GAAP revenue in the third quarter, an impressive increase of 39% over the same period last year. GAAP revenue for the third quarter of 2013 was \$125.6 million.

Excluding MakerBot, our organic revenue growth was also impressive at 26% over the same period last year.

We are pleased to see the revenue synergies from the merger between Stratasys and Objet continue to develop, which is reflected in our strong organic growth rate.

Gross margin remained relatively strong during the third quarter, as the impact of acquiring MakerBot, which maintains slightly lower gross margin, was mostly offset by the strong growth of our higher-margin systems and consumables.

Non-GAAP operating margin declined to 19.2% from 24.0%, and non-GAAP net income margin declined to 15.9% from 18.3% over the same period last year, driven by the impact of MakerBot and incremental investments in sales, marketing and new product development.

We generated record non-GAAP earnings of \$20.0 million, or \$0.45 per share, a 21% increase over the \$16.6 million, or \$0.41 share for the same period last year.

And lastly, we raised our non-GAAP financial guidance for the year given our positive outlook.

SLIDE#6: REVENUE DETAILS

Non-GAAP product revenues in the third quarter of 2013 increased by 41% to \$108.3 million, as compared to pro forma combined product revenues in the third quarter of 2012.

Within product revenue, system & other revenue increased by 47% in the third quarter over the same pro forma period last year.

MakerBot experience strong sales of their desktop 3D printers, as it contributed \$11.6 million, mostly in system revenue for the quarter.

We also observed strong sales of our higher-priced Production and Design Series systems, with unit sales increasing by 27% for the third quarter, as compared to the pro forma period last year.

This growth continues to be driven by the development of new DDM applications for our Fortus systems, and the continued adoption of our Connex systems for complex prototyping applications.

Consumables revenue in the third quarter of 2013 increased by 30% as compared to the pro forma period last year, driven by an acceleration in customer usage, our growing installed base of systems and the company's efforts surrounding application training and material education for both our channel and end users.

The strong sales of our Production and Design Series systems in prior periods contributed to strong consumables sales growth, given their relatively higher consumable utilization rates.

We believe that the continued strength in the Production and Design Series system sales are positive indicators of consumables revenue growth in future periods.

Revenues from our service offerings in the third quarter of 2013 increased by 28% to \$17.7 million, as compared to the pro forma period last year.

The growth in service revenues is attributable to increased revenue from maintenance contracts and service parts, reflecting our growing base of installed systems.

In addition, revenue from our RedEye paid parts service increased by 37% for the third quarter over third quarter last year, primarily due to an increasing demand for large and complex production parts, as well as the ongoing development of the RedEye sales channel.

SLIDE#7: SYSTEM SALES

The number of 3D printers shipped in the third quarter was 5,925 units as compared to 1,214 units shipped in the third quarter of 2012 on a pro forma combined basis.

The significant increase in unit shipments resulted primarily from the inclusion of MakerBot since the closing the acquisition on August 13th.

Including all systems sold by Stratasys and MakerBot, the company has now sold 64,855 units worldwide on a pro forma combined basis.

SLIDE#8: GROSS PROFIT

As expected, due to the MakerBot transaction, non-GAAP gross margin percentage declined slightly to 58.8% in the third quarter over the 59.9% for the same pro forma period last year.

Non-GAAP product gross margin percentage benefited during the quarter from and overall increase in sales volume to cover fixed overhead; and a product mix that favored our higher-margin systems and consumables.

SLIDE#9: OPERATING PROFIT

Non-GAAP net research and development expenses increased by 51% to \$12.0 million in the third quarter as compared to the pro forma period last year, driven by the inclusion of MakerBot R&D expenses, as well as higher spending on new projects.

Non-GAAP SG&A expenses increased by 53% for the third quarter as compared to the pro forma period last year, driven by the inclusion of MakerBot SG&A expenses, as well as:

Expanded headcount to support our growth plans; higher commission expenses to due to increased sales; and more importantly, incremental sales, marketing & infrastructure investments.

SLIDE#10 GROWTH DRIVERS

Slide #10 provides you with an overview of the major growth drivers we have discussed for the period.

SLIDE#11 GEOGRAPHIC MIX

The following slide provides you a breakdown of our geographic sales.

Asia-Pacific was our fastest growing region during the third quarter as compared to the pro forma period last year, driven by our ramp in sales and marketing investments in the region.

NON-GAAP APPENDIX REMINDER

I won't be reviewing the specific reconciliations to GAAP for the non-GAAP measures we have discussed throughout our presentation today.

This information is provided in the slides appearing at the end of our presentation, as well as in our earnings release.

SLIDE#12: BALANCE SHEET & CASH FLOW

Our cash and cash equivalents balance, short term deposits and investments increased by approximately \$467 million to \$616.5 million at the end of the third quarter.

The increase resulted from our successful equity offering of approximately 5.2 million shares in September.

The company now has improved flexibility to invest for growth.

SLIDE#13: SUMMARY & CHART

In summary, we are very pleased with our third quarter results.

We generated an impressive acceleration in organic growth; observed a strong contribution from MakerBot; and generated record non-GAAP profitability.

We have strengthened our balance sheet, and continue to position the company for future growth through strategic investments in R&D and channel development, as well as additional acquisitions.

I would now like to turn the call over to our VP of Investor Relations, Shane Glenn, who will update you on our financial guidance, Shane.

SLIDE#14: GUIDANCE

SPEAKER: SHANE GLENN

The company's overall outlook has improved for Q4 2013, which is reflected in an upward revision to 2013 financial guidance.

Earnings per share guidance incorporates a \$0.06 per share positive impact from the improved outlook. This \$0.06 per share improvement is offset by \$0.06 per share of earnings dilution resulting from the company's public offering of approximately 5.2 million shares on September 18, 2013.

The earnings impact for the equity offering, which occurred during the third quarter, had not been previously incorporated into our financial guidance.

GAAP earnings guidance has been revised principally to reflect higher estimates for stock compensation expense; revised amortization expense related to acquired MakerBot intangible assets; and higher expenses related to the MakerBot performance bonus plan.

Accordingly, Stratasys is updating its financial guidance for the fiscal year ending December 31, 2013 as follows:

- Revenue guidance of \$470 million to \$490 million; versus previous guidance of \$455 million to \$480 million.
- Non-GAAP earnings guidance of \$1.75 to \$1.90 per diluted share.
- GAAP earnings guidance of a (\$0.83) to (\$0.55) per share loss; versus previous guidance of (\$0.76) to (\$0.49) per share loss.

Non-GAAP earnings guidance excludes \$67.2 million of projected amortization of intangible assets; \$22.2 million to \$24.9 million of share-based compensation expense; and \$18.1 million to \$20.7 million in merger-related expenses.

Appropriate reconciliations between GAAP and non-GAAP financial measures are provided in a table at the end of this press release. The table provides itemized detail of the non-GAAP financial measures.

The reconciliation to GAAP is provided in the slide presentation and our press release.

SLIDE#15 GUIDANCE – TARGET MODEL

Our long-term target operating model remains:

- Annual organic revenue growth of at least 20 percent;
 - Non-GAAP operating income as a percent of sales of between 20 and 25 percent;
-

- An effective tax rate of between 15 and 20 percent; and
- Non-GAAP net income as a percent of sales of between 16 and 21 percent.

Now I would like to turn the call back over to David Reis, who will provide you with a more detailed strategic overview. David.

SLIDE#16: MERGER UPDATE

SPEAKER: DAVID REIS

Thank you Shane.

I would first like to reiterate our progress in the Stratasys and Objet merger integration which is leading to meaningful revenue synergies, and reflected in our 26% organic revenue growth in the third quarter.

We observed an acceleration of cross selling opportunities during the period, as our channel partners are increasingly focused on complementary sales.

The feedback we are getting from our channel partners and customers has been very positive.

We look forward to sustaining this positive momentum as we finish the year and begin 2014.

SLIDE#17, 18 & 19: MAKERBOT UPDATE

In August, we completed our acquisition of MakerBot, a leading manufacturer within the rapidly growing desktop 3D printer category.

MakerBot provides an affordable, reliable, and accessible desktop 3D printing experience that is driving strong sales of their products.

The MakerBot 3D Ecosystem includes two Replicator 3D Printers, the MakerBot Digitizer 3D Scanner, Thingiverse.com, MakerWare Software, and the MakerBot retail store experience.

Stratasys and MakerBot estimate that between 35,000 to 40,000 desktop 3D printers were sold in 2012. This number is estimated to double in 2013, as individual designers, engineers and manufacturers incorporate 3D Printing into their product development and manufacturing processes.

Exposure to 3D printing leads to increased demand for 3D printing capabilities, as customers find new and innovative use cases for the technology that adds significant value to their businesses.

The rapid growth of MakerBot and the desktop category is demonstrated by MakerBot's strong third quarter performance, as it contributed \$11.6 million in non-GAAP revenue to the period.

In addition to this impressive growth, MakerBot is developing a community of users that we believe will lead to additional business opportunities in the future.

For example, the company has built a strong and loyal user community on Thingiverse.com, a 3D design community for discovering, sharing and printing 3D models.

Thingiverse has become the world's largest 3D printing community, and is exhibiting some impressive usage trends.

The site has over 130,000 total users, with 10,000 added in September alone.

It has over 100,000 downloadable objects, and is growing at a rate of nearly 7,000 new objects per month.

In the first 9 months of 2013, Thingiverse was visited over 11,000,000 times, with nearly 5,000,000 unique visitors.

Each month, Thingiverse has an average of approximately 600,000 unique visitors.

We believe we have only begun to tap into the potential of 3D printing, and are excited about the many ways MakerBot can help capitalize that opportunity.

SLIDE#20: NEW PRODUCTS

In addition to inorganic opportunities like MakerBot, internal product development remains a top priority, which we demonstrated with the release of two innovative systems during the third quarter.

The 3Z MAX, introduced in August by our Solidscape subsidiary, is the fastest 3D wax printer ever introduced by the company.

The 3Z MAX supports higher throughput and delivers significant production gains when working with precision designs in jewelry, industrial and medical applications.

MakerBot also launched the MakerBot Digitizer Desktop 3D Scanner, a fast and reliable way to turn objects into 3D models that you can then modify, improve, share, and 3D print.

We believe the Digitizer is unlike any other product, and will define the desktop 3D scanning space. The scanner is paired with simple, yet sophisticated software to create clean, watertight models.

Additionally, we launched two materials for the MakerBot platform, including a new flexible filament and a new dissolvable support material.

The MakerBot Flexible Filament allows for printing items that include functional hinges, joints, and items that can be shaped after printing. MakerBot Dissolvable Filament is a new material for use in conjunction with ABS filament that adds dissolvable support structures for the creation of detailed and delicate internal geometries, including moving parts. Beyond these two new materials, MakerBot recently added 7 new colors to its catalogue of PLA and ABS filament.

Bringing these innovative new capabilities down to the desktop 3D printing space helps reinforce MakerBot's status as a market leader.

Going forward, we will continue to invest aggressively in new product development.

We invested approximately \$12.0 million in R&D projects during the third quarter; a level we believe is unmatched within the industry. This level of investment continues to produce products that both expand the functionality of existing platforms, as well as create new category defining product lines.

You should expect to see an acceleration in our new product introductions over the coming months.

SLIDE#21: EXPANDING REACH AND NEW MARKETS

In addition to new product offerings, we are aggressively expanding our global customer reach, especially in Asia.

Our expansion in Asia is multi-faceted. First, in the third quarter we announced a major distribution agreement with the Aurora Group, a leading provider of office automation equipment in China.

A subsidiary of the Aurora Group, Shanghai Aurora Office Automation, will act as a master distributor and service provider for the Idea Series of 3D printers in China.

We have seen strong demand in that region, and we believe tapping into the Aurora Group's local knowledge and network will improve our ability to meet that demand.

Secondly, we recently announced the opening of a local sales office in Singapore. A local presence in Singapore strengthens our ability to meet the needs of this region.

The Singaporean government has pledged an investment of \$500 million over the next five years as part of its "Future of Manufacturing" program, with the goal of kick starting advanced manufacturing technology adoption. We believe we are uniquely positioned to help with this initiative, and our local office will allow us to capture the opportunity.

Lastly, and most recently, we announced our intent to exercise our option to acquire the remaining holdings from Fasotec in Stratasys Japan. Following the exercise of the option, Stratasys Japan will become a wholly owned subsidiary of Stratasys Ltd.

Acquiring Fasotec's minority interest in our Japanese business will allow us to invest in additional infrastructure to meet the region's growing demand.

We are also expanding our reach in the desktop category. MakerBot recently entered into a strategic agreement that allows Ingram Micro, a Fortune 100 company and the world's largest wholesale technology distributor, to act as a distributor in the U.S. for their products.

MakerBot also announced the opening of two new retail locations before the holidays. The new MakerBot Stores are located in Boston and Greenwich, Connecticut, and will join MakerBot's flagship NYC retail store in offering MakerBot products.

SLIDE#22, 23: APPLICATIONS & MAINSTREAM ADOPTION

Innovative applications and the mainstream adoption of 3D printing continue to drive new growth opportunities for Stratasys.

For example, Seuffer, a German part supplier for appliances and commercial vehicles, recently shared how the use of Stratasys 3D printing technology to create first draft versions of injection molds has resulted in 97% cost savings.

Certain processes that previously required up to eight weeks for the manufacture of metal tooling can now be replaced overnight with 3D printing in applications that require short-run production.

The ability to streamline the tool creation process for producing these parts is another example of how Stratasys can revolutionize manufacturing by augmenting traditional processes, or by providing a cost-effective alternative for certain applications.

Our previously announced partnership with The UPS Store to provide in-store 3D printing services is moving forward, with six UPS Store locations offering the service using our uPrint 3D printers.

We see this program as another indication of the rising mainstream adoption of 3D printing, and we are excited to support the project.

We are observing new applications from our entire range of products, including desktop 3D printers. For example, engineers from Lockheed Martin used MakerBot Desktop 3D Printers in the design of NASA's James Webb Space Telescope.

At a recent event at the flagship MakerBot Store in NYC, the architecture firm Perkins + Will noted that use of MakerBot 3D Printers for in-house modeling had resulted in over 90% cost savings, while increasing turnaround time and flexibility.

As you can see, our industry remains ripe for expansion, as new and innovative applications continue to emerge for our technology.

SLIDE#24: SUMMARY & OUTLOOK

In summary:

1. We are extremely pleased with our record third quarter results. The organic growth rate we enjoyed in the quarter highlights the ongoing progress we are making with the integration of Stratasys and Objet, as well as the favorable market conditions that persist within our industry.
2. Our strong organic growth, combined with the significant contribution we expect from MakerBot, should help contribute to a strong finish in 2013.
3. Accordingly, we have raised our non-GAAP financial guidance for 2013.
4. Looking beyond 2013, we are well positioned to sustain our positive momentum as we accelerate our rate of new product introductions, expand our global market reach, and prepare to capitalize on additional inorganic growth opportunities.
5. We are excited about our future and look forward to executing on the many opportunities we have before us.

SLIDE#25: Q&A

SLIDE#26: RECONCILIATION TABLES

SLIDE#27: RECONCILIATION TABLES

November 7th 2013

Q3-2013 Financial Results
Conference Call



Stratasys
FOR A 3D WORLD™

Q3-2013
Conference and webcast details

Speakers	Live Dial-In Information	Replay Dial-In Information
David Reiss • CEO	PRIMARY DIAL-IN: (866) 578-5771	PRIMARY DIAL-IN: (888) 286-8010
Erez Simha • CFO & COO (IL)	INTERNATIONAL DIAL-IN: (617) 213-8055	INTERNATIONAL DIAL-IN: (617) 801-6888
Shane Glenn • VP, Investor Relations	PARTICIPANT PASSCODE: 58071751	AVAILABLE FROM: 11/07/2013 12:30 PM ET
		AVAILABLE TO: 11/14/2013 11:59 PM ET
	ONLINE LIVE WEBCAST AND REPLAY: http://www.media-server.com/m/p/ceszsn6u	



Stratasys

Forward
looking
statement



Certain information included or incorporated by reference in this press 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 acquisition) 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: the company's ability to efficiently and successfully integrate the operations of Stratasys, Inc. and Objet Ltd. after their merger as well as the ability to complete the MakerBot acquisition and to successfully put in place and execute an effective post-merger integration plan; the overall global economic environment; the impact of competition and new technologies; general market, political and economic conditions in the countries in which the company operates; projected capital expenditures and liquidity; changes in the company's 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 on Form 20-F for the year ended December 31, 2012 filed with the U.S. Securities and Exchange Commission and in other reports that the Company has filed with the SEC. 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 press release 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.

Q3-2013 Conference Call Highlights

Released record third quarter results as Objet-Stratasys merger synergies helped drive a 26% organic increase in revenue over last year

Completed acquisition of MakerBot, which contributed \$11.6 million in Non-GAAP revenue to the third quarter

Expanded our global market reach by investing aggressively in our sales, marketing, and channel infrastructure

Introduced several new products backed by industry-leading R&D investments

Completed a successful equity offering, raising over \$460 million for internal and external expansion plans

Maintained our positive momentum heading in the fourth quarter and raised our financial guidance for 2013

**Financial
Results**

Stratays Ltd.

Non-GAAP

**(\$ in millions
unless noted
otherwise)**

	Q3-12 Pro forma	Q3-13	Change YOY
Unit Sales	1,214	5,925	+388.1%
Total Revenue	\$90.9	\$126.1	+38.6%
Revenue/ Employee	0.083	0.075	-9.6%
Gross Profit % margin	54.5 59.9%	74.1 58.8%	+36.1%
Operating Expenses % of sales	32.7 36.0%	49.9 39.6%	+52.6%
Operating Profit % margin	21.8 23.9%	24.2 19.2%	+11.3%
Pre-tax Profit % margin	21.6 23.7%	23.8 18.9%	+10.2%
Tax Rate	23.5%	15.6%	-33.4%
EBITDA	25.1	27.4	+9.1%
Net Income % margin	16.6 18.3%	20.0 15.9%	+20.5%
EPS (Diluted)	\$0.41	\$0.45	+10.0%
Diluted Shares	40.4 M	44.3 M	

Quarter Highlights:

- Revenue growth of 38.6%
- Non-GAAP GM of 58.8% versus 59.9%
- Non-GAAP net income growth of 20.5%
- Non-GAAP EPS of \$0.45 versus \$0.41



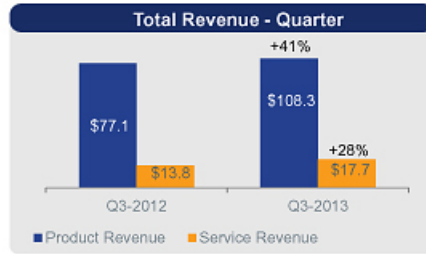
Financial Results

Revenue

Stratsys Ltd.

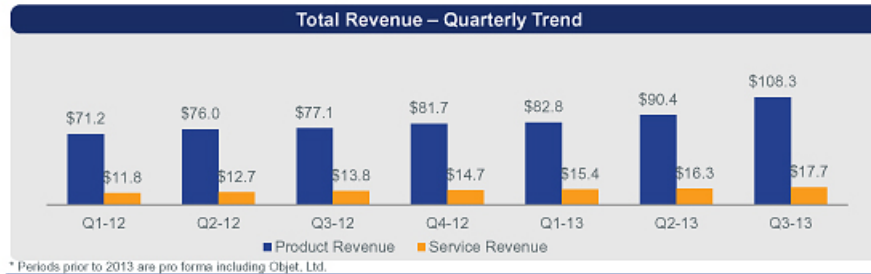
Non-GAAP

(\$ in millions)



Quarter Highlights:

- System revenue +47%
- Consumable revenue +30%
- Customer Service revenue +33%
- RedEye revenue +37%
- Drivers: MakerBot and Production Series



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

Financial Results

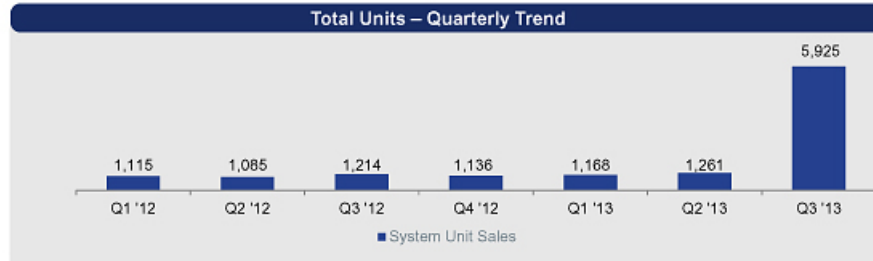
System Unit Sales¹

Stratasys Ltd.



Quarter Highlights:

- MakerBot Acquisition
- Production Series Growth
- 64,855 units installed worldwide



(1) Includes systems sold by Stratasys, Inc., Objet Ltd., and SolidScape Inc. in all periods; and units for Makerbot starting only on August 15, 2013

Financial Results

Gross Profit

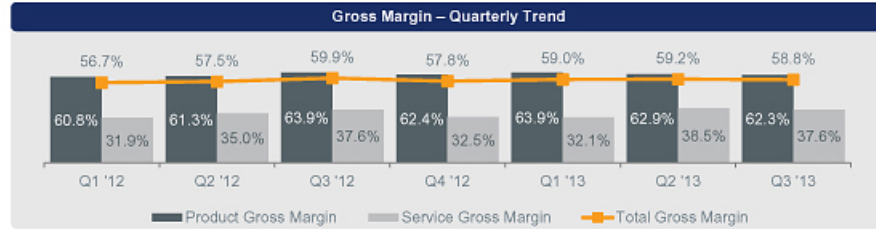
Stratsys Ltd.

Non-GAAP

(\$ in millions unless noted otherwise)	Q3-12	Q3-13	% Change YOY
Product Revenue	\$77.1	\$108.3	+40.5%
% of sales	84.8%	85.9%	
Service Revenue	13.8	17.7	+28.1%
% of sales	15.2%	14.1%	
Product Gross Profit	49.3	67.5	+36.9%
Profit % margin	63.9%	62.3%	
Service Gross Profit	5.2	6.7	+27.9%
Profit % margin	37.6%	37.6%	
Total Gross Profit	54.5	74.1	+36.1%
Profit % margin	59.9%	58.8%	

Quarter Highlights:

- High-margin system and consumable sales
- Better overhead coverage
- Impact of MakerBot



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

Financial Results

Operating Profit

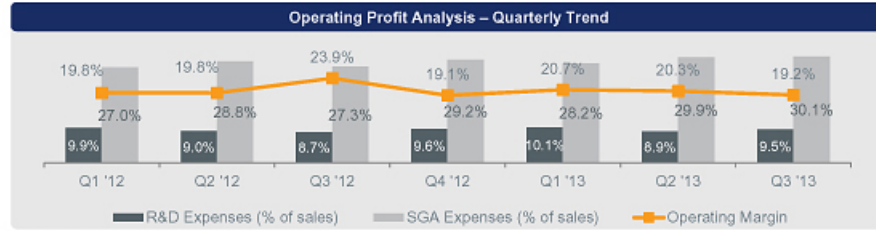
Strataysys Ltd.

Non-GAAP

(\$ in millions unless noted otherwise)	Q3-12	Q3-13	% Change YOY
R&D Expense % of sales	7.9 8.7%	12.0 9.5%	+51.2%
SG&A Expense % of sales	24.8 27.3%	37.9 30.1%	+53.0%
Total Operating Exp. % of sales	32.7 36.0%	49.9 39.6%	+52.6%
Total Operating Profit % margin	21.8 23.9%	24.2 19.2%	+11.3%

Quarter Highlights:

- Strong system, consumables and service sales
- Investing for future growth



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



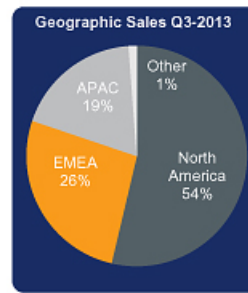
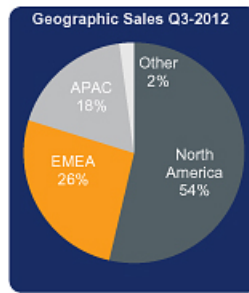
	Q3-2013 (YOY)	
	Units	Dollars
Financial Results		
System Revenue	+388%	+47%
Growth Drivers		
Consumable Revenue	--	+30%
Stratasys Ltd.		
Customer Service Revenue	--	+33%
Non-GAAP		
RedEye Parts Services	--	+37%

Financial Results

Revenue Geographic Mix

Stratasys Ltd.

Non-GAAP



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

**Financial
Results****Balance Sheet
Summary****Stratasys Ltd.**(\$ in millions
unless noted
otherwise)

Selected balance sheet items (\$mm)	Q2-13	Q3-13
Cash, Cash Equivalents & Inv.	\$149.7	\$616.5
Accounts Receivable	81.4	86.6
Inventories	64.6	79.8
Net Working Capital	245.3	709.5

Highlights

- \$616.5 M in cash & investments
- MakerBot acquisition

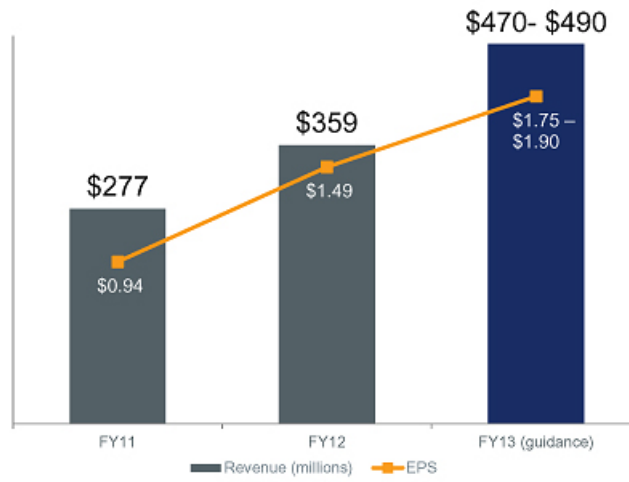


Financial
Results &
Projections

Stratasys Ltd.

Non-GAAP

(\$ in millions
unless noted
otherwise)



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

Financial
Guidance

Fiscal 2013 Financial Guidance

Revenue and
Earnings
Guidance

Revenue (M)

\$470 - 490

Stratasys Ltd.

Non-GAAP

Non-GAAP EPS

\$1.75 - \$1.90

Reconciliation of GAAP to
Non-GAAP Guidance

(\$ in millions unless noted otherwise)

Revenue	\$470 to \$490
Non-GAAP Net Income	\$77.7 to \$84.4
(1) Stock-Based Compensation Exp.	\$22.2 - \$24.9
(2) Amortization of Intangibles	\$67.2
(3) Merger-Related Expenses	\$18.1 - \$20.7
GAAP Net Loss	(\$35.0) - (\$23.1)
GAAP EPS	(\$0.83) - (\$0.55)
Non-GAAP EPS	\$1.75 - \$1.90



Financial
Guidance

Long-Term
Target
Operating
Model

Stratasys Ltd.
Non-GAAP

Revenue growth

+20%

Operating margin¹

20% – 25%
of sales

Effective tax rate¹

15% – 20%

Net income margin¹

16% - 21%
of sales



¹ Non-GAAP.

Stratasys

Merger Update

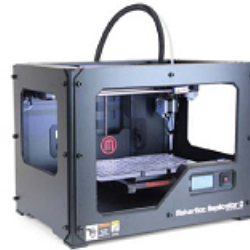


- Accelerating sales of complimentary product line
- Realization of merger synergies contributed to 26% organic growth in Q3 YOY

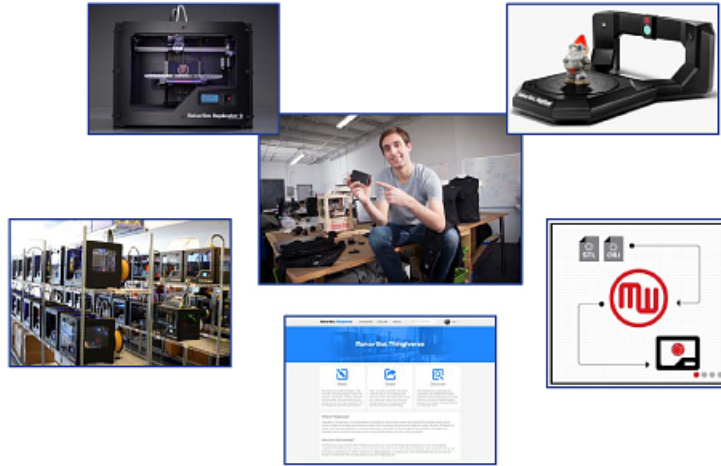


MakerBot**Update**

- **Status:** Merger closed August 15, 2013
- **Revenue:** \$11.6M (Q3 after merger close)
- **Products:** MakerBot Replicator 2 Desktop 3D Printer; MakerBot Replicator 2X Experimental 3D Printer, MakerBot Digitizer 3D Scanner
- **Materials:** PLA & ABS
- **MakerBot 3D Ecosystem:** Thingiverse, MakerWare, MakerCare, MakerBot Retail Store

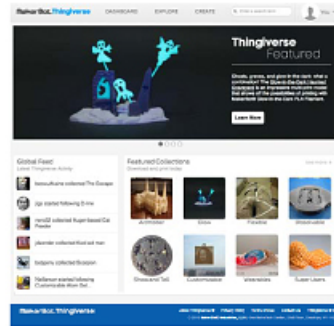
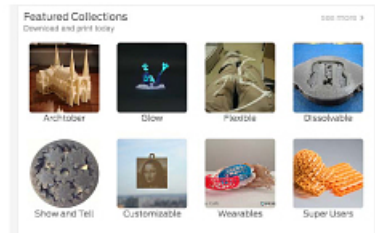


MakerBot
3D Ecosystem



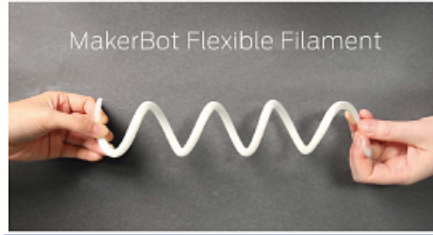
MakerBot
Thingiverse

- 3D Design Community for discovering, printing, and sharing 3D models
- Easiest and largest place to browse 3D models
- Over 130,000 total users
- Over 100,000 downloadable Things
- 7,000 new Things added every month



Stratasys

Focus on new products



Stratasys
Global Reach



Americas ■ Europe ■ Asia Pacific ■ Middle East



Stratasys

Market
Opportunity

- ✓ Traditional method of manufacturing tool: 8 weeks and 40,000 euros
- ✓ Using Stratasys 3D printing technology: 24 hours and less than 1,000 euros
- ✓ **97% cost savings**

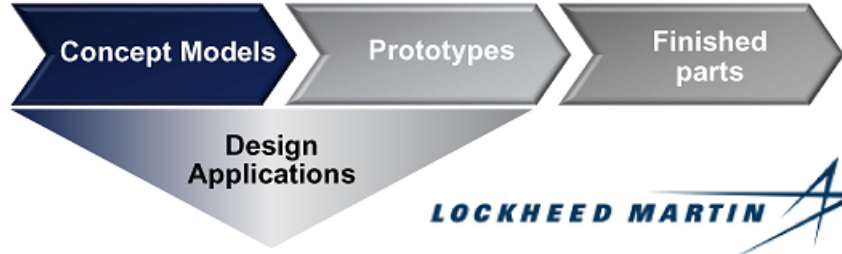
Usable parts

Reduce
manufacturing cost

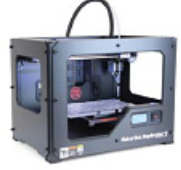
Improve manufacturing flexibility

Enable mass customization

Stratasys
Market
Opportunity



- Liberate creativity
- Shorten design cycles
- Accelerate lead times
- Eliminate costly design errors



Summary & Outlook

Strong organic growth contributes to record third quarter results

Stratasys-Objet synergies accelerating and market demand remains robust

Expect strong finish to the year – raising financial guidance for 2013

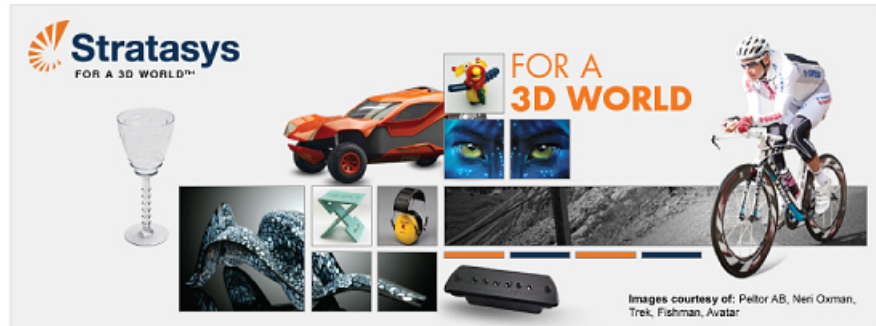
Accelerating new product introductions and expanding global market reach

Expanding infrastructure and positioned for additional inorganic growth opportunities

Maintain positive outlook and strong long-term growth expectations

Stratasys

Q&A



We are passionate believers in the value and power of 3D printing,
and in the change it can bring to the world.

And we're here to lead it.



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

Stratasys Ltd.
Combined

(\$ in thousands
except per
share data)

	Q3-12 Pro Forma GAAP	Adjustments	Q3-12 Pro Forma Non-GAAP	Q3-13 GAAP	Adjustments	Q3-13 Non-GAAP
Net sales						
Products	\$ 77,074	\$ -	\$ 77,074	\$ 107,887	\$ 434	\$ 108,321
Services	13,847	-	13,847	17,739	-	17,739
Cost of sales						
Products	36,782	(10,977)	27,805	53,565	(12,713)	40,852
Services	9,054	(420)	8,634	11,469	(395)	11,074
Gross profit	43,085	11,397	54,482	60,592	13,542	74,134
Operating expenses						
Research and development, net	8,809	(889)	7,920	13,514	(1,538)	11,976
Selling, general and administrative	33,291	(8,505)	24,786	51,587	(13,660)	37,927
Charge in fair value of earn-out obligations	-	-	-	1,607	(1,607)	-
Operating income (loss)	985	20,791	21,776	(6,116)	30,347	24,231
Other expense	(192)	-	(192)	(452)	-	(452)
Income (loss) before income taxes	793	20,791	21,584	(6,568)	30,347	23,779
Income taxes	3,647	1,419	5,066	80	3,640	3,720
Net income (loss)	(2,854)	19,372	16,518	(6,648)	26,707	20,059
Net income attributable to non-controlling interest	(95)	-	(95)	(22)	61	39
Net income (loss) attributable to Stratasys Ltd.	\$ (2,759)	\$ 19,372	\$ 16,613	\$ (6,626)	\$ 26,646	\$ 20,020
EPS (Diluted)	\$ (0.07)	\$ -	\$ 0.41	\$ (0.16)	\$ -	\$ 0.45
Diluted Shares	36,912		40,408	41,976		44,289



Reconciliation of Non-GAAP Adjustments

Stratasys Ltd. Combined



	Q3-12	Q3-13
Net sales, products		
Deferred revenue step-up	\$ -	\$ 434
Cost of sales, products		
Intangible assets amortization expense	(10,260)	(12,252)
Non-cash stock-based compensation expense	(297)	(405)
Merger related expense	(420)	(55)
	(10,977)	(12,713)
Cost of sales, services		
Non-cash stock-based compensation expense	(330)	(367)
Merger related expense	(90)	(8)
	(420)	(395)
Research and development, net		
Non-cash stock-based compensation expense	(889)	(822)
Performance bonus expense	-	(716)
	(889)	(1,538)
Selling, general and administrative		
Intangible assets amortization expense	(2,375)	(3,838)
Non-cash stock-based compensation expense	(5,800)	(4,997)
Merger related expense	(330)	(2,347)
Performance bonus expense	-	(2,478)
	(8,505)	(13,660)
Change in fair value of earn-out obligation		
Earn-out obligation expense	-	(1,607)
Income taxes		
Tax expense related to non-GAAP adjustments	1,419	3,680
Net income attributable to non-controlling interest		
Depreciation and amortization expense attributable to non-controlling interest	-	61
Net income	\$ 19,372	\$ 26,646