

**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 August 2021

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**

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

(Addresses 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): ☐

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

Quarterly Results of Operations

On August 5, 2021, Stratasys Ltd. (“we” or “us”) announced our financial results for the second quarter ended June 30, 2021. 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 (this “**Form 6-K**”) and is incorporated herein by reference.

In conjunction with the conference call being held on August 5, 2021 to discuss our results, we are furnishing a copy of the slide presentation that provides supplemental information regarding our business and our financial results, and which will be referenced on that conference call. We have attached that presentation to this Form 6-K as Exhibit 99.2, which exhibit is incorporated herein by reference.

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

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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: August 5, 2021

By: /s/ Lilach Payorski
Name: Lilach Payorski
Title: Chief Financial Officer

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EXHIBIT INDEX

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

Exhibit	Description
99.1	Press release dated August 5, 2021 announcing the financial results of Stratasys Ltd. for the second quarter ended June 30, 2021

99.2 [Slide presentation providing supplemental information to be referenced on the conference call of Stratasys Ltd. discussing its quarterly financial results, being held on August 5, 2021](#)



Stratasys Releases Second Quarter 2021 Financial Results

- *Revenue of \$147.0 million*
- *GAAP net loss of \$20.2 million, or \$0.31 per diluted share, and non-GAAP net loss of \$1.6 million, or \$0.02 per diluted share*
- *Generated \$5.6 million of cash from operations*
- *Furthering penetration into Healthcare - introduced J5 MediJet medical 3D printer*
- *\$522.7 million cash and equivalents and no debt at quarter end*

MINNEAPOLIS & REHOVOT, Israel--(BUSINESS WIRE) - August 5, 2021 Stratasys Ltd. (NASDAQ: SSYS) announced financial results for the second quarter of 2021.

Second Quarter 2021 Financial Results Summary Compared to Second Quarter 2020:

- Revenue of \$147.0 million compared to \$117.6 million.
- GAAP gross margin was 43.0%, compared to 37.2%.
- Non-GAAP gross margin was 47.5%, compared to 45.4%.
- GAAP operating loss was \$22.7 million, compared to an operating loss of \$29.3 million.
- Non-GAAP operating loss was \$2.6 million, compared to an operating loss of \$8.1 million.
- GAAP net loss was \$20.2 million, or \$0.31 per diluted share, compared to a net loss of \$28.0 million, or \$0.51 per diluted share.
- Non-GAAP net loss was \$1.6 million, or \$0.02 per diluted share, compared to a net loss of \$7.4 million, or \$0.13 per diluted share.
- Adjusted EBITDA was \$3.5 million, compared to \$(1.6) million.
- Cash provided by operations of \$5.6 million, compared to cash use of \$9.7 million.

Dr. Yoav Zeif, Stratasys's Chief Executive Officer stated, "Our strong second quarter results were highlighted by a 25% year over year revenue improvement with growth from all regions and all business lines. Our focus on manufacturing gained further traction, we increased the monetization and ecosystem partnerships of our software business, and we expanded our medical and dental offerings, advancing our plans for further penetration in the healthcare industry."

Dr. Zeif continued, "The transition of the 3D printing industry from prototyping to mass production is ongoing, and our commitment to being the first choice in polymer 3D printing positions us to be the main benefactor. We are investing across technology, software, materials, and talent to capture increased market share that we expect will yield significant returns and sustained profitability in the years to come."

Financial Outlook: (TBD)

Based on current market conditions and assuming that the impact related to the pandemic does not impede the economic environment further, the Company is reiterating and updating its outlook as follows:

- Third quarter 2021 revenue of approximately 17% - 18% growth year-over-year. Fourth quarter revenue is expected to be sequentially higher than third quarter.



- Full year operating expenses expected to rise approximately \$30 million compared to 2020, primarily due to the return of employees to a full-time schedule starting January 1, 2021, as well as operating costs as the markets gradually re-open.
- Full year capital expenditures anticipated to range from \$24 million to \$30 million.
- Longer term, the Company continues to expect significant leverage benefit from its investments as revenue growth should start to accelerate in 2022 and beyond.

Stratasys Ltd. Second Quarter 2021 Webcast and Conference Call Details

The Company plans to webcast its conference call to discuss its second quarter 2021 financial results on Thursday, August 5, 2021 at 8:30 a.m. (ET).

The investor conference call will be available via live webcast on the Stratasys Web site at investors.stratasys.com, or directly at the following web address:

<https://78449.themediaframe.com/dataconf/productusers/ssys/mediaframe/46027/index1.html>

To participate by telephone, the U.S. toll-free number is 877-407-0619 and the international dial-in is +1-412-902-1012. Investors are advised to dial into the call at least ten minutes prior to the call to register. The webcast will be available for six months at investors.stratasys.com, or by accessing the above-provided web address.

Stratasys is leading the global shift to additive manufacturing with innovative 3D printing solutions for industries such as aerospace, automotive, consumer products and healthcare. Through smart and connected 3D printers, polymer materials, a software ecosystem, and parts on demand, Stratasys solutions deliver competitive advantages at every stage in the product value chain. The world's leading organizations turn to Stratasys to transform product design, bring agility to manufacturing and supply chains, and improve patient care.

To learn more about Stratasys, visit www.stratasys.com, the Stratasys blog, Twitter, LinkedIn, or Facebook. Stratasys reserves the right to utilize any of the foregoing social media platforms, including the company's websites, to share material, non-public information pursuant to the SEC's Regulation FD. To the extent necessary and mandated by applicable law, Stratasys will also include such information in its public disclosure filings.

Stratasys is a registered trademark and the Stratasys signet is a trademark of Stratasys Ltd. and/or its subsidiaries or affiliates. All other trademarks are the property of their respective owners.

Cautionary Statement Regarding Forward-Looking Statements

The statements in this press release regarding Stratasys' strategy, and the statements regarding its projected future financial performance, including the financial guidance concerning its expected results for 2021, are forward-looking statements reflecting management's current expectations and beliefs. These forward-looking statements are based on current information that is, by its nature, subject to rapid and even abrupt change. Due to risks and uncertainties associated with Stratasys' business, actual results could differ materially from those projected or implied by these forward-looking statements. These risks and uncertainties include, but are not limited to: the degree of our success at introducing new or improved products and solutions that gain market share; the degree of growth of the 3D printing market generally; the impact of potential shifts in the prices or margins of the products that we sell or services that we provide, including due to a shift towards lower margin products or services; the impact of competition and new technologies; potential further charges against earnings that we could be required to take due to impairment of additional goodwill or other intangible assets; the extent of our success at successfully consummating acquisitions or investments in new businesses, technologies, products or services; the strength and duration of, and degree of recovery from, the COVID-19 pandemic in the markets in which we operate; potential changes in our management and board of directors; global market, political and economic conditions, and in the countries in which we operate in particular (including risks related to the impact of coronavirus on our supply chain and business); costs and potential liability relating to litigation and regulatory proceedings; risks related to infringement of our intellectual property rights by others or infringement of others' intellectual property rights by us; the extent of our success at maintaining our liquidity and financing our operations and capital needs; the impact of tax regulations on our results of operations and financial condition; and those additional factors referred to in Item 3.D "Key Information - Risk Factors", Item 4, "Information on the Company", Item 5, "Operating and Financial Review and Prospects," and all other parts of our Annual Report on Form 20-F for the year ended December 31, 2020, which we filed with the U.S. Securities and Exchange Commission, or SEC, on March 1, 2021 (the "2020 Annual Report"). Readers are urged to carefully review and consider the various disclosures made throughout our 2020 Annual Report and the Reports of Foreign Private Issuer on Form 6-K that attach Stratasys' unaudited, condensed consolidated financial statements and its review of its results of operations and financial condition, for the quarterly periods throughout 2021, which will be furnished to the SEC throughout 2021 (including on or about the date hereof), and our other reports filed with or furnished to the SEC, which are designed to advise interested parties of the risks and factors that may affect our business, financial condition, results of operations and prospects. Any guidance provided, and other forward-looking statements made, in this press release are provided or made (as applicable) as of the date hereof, and Stratasys 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.

Use of Non-GAAP Financial Measures

The non-GAAP data included herein, which excludes certain items as described below, are non-GAAP financial measures. Our management believes that these non-GAAP financial measures are useful information for investors and shareholders of our Company in gauging our results of operations (i) on an ongoing basis after excluding mergers, acquisitions and divestments related expense or gains and reorganization-related charges or gains, and (ii) excluding non-cash items such as stock-based compensation expenses, acquired intangible assets amortization, including intangible assets amortization related to equity method investments, impairment of long-lived assets and goodwill, revaluation of our investments and the corresponding tax effect of those items. These non-GAAP adjustments either do not reflect actual cash outlays that impact our liquidity and our financial condition or have a non-recurring impact on the statement of operations, as assessed by management. These non-GAAP financial measures are presented to permit investors to more fully understand how management assesses our performance for internal planning and forecasting purposes. The limitations of using these non-GAAP financial measures as performance measures are that they provide a view of our results of operations without including all items indicated above during a period, which may not provide a comparable view of our performance to other companies in our industry. Investors and other readers should consider non-GAAP measures only as supplements to, not as substitutes for or as superior measures to, the measures of financial performance prepared in accordance with GAAP. Reconciliation between results on a GAAP and non-GAAP basis is provided in a table below.

Yonah Lloyd
CCO, VP Investor Relations
Yonah.Lloyd@stratasys.com
Source: Stratasys Ltd.

Stratasys Ltd.

Consolidated Balance Sheets (Unaudited) (in thousands, except share data)

	June 30, 2021	December 31, 2020
ASSETS		
Current assets		
Cash and cash equivalents	\$ 343,733	\$ 272,092
Short-term deposits	179,000	27,000
Accounts receivable, net of allowance for credit losses of \$0.8 and \$0.9 million as of June 30, 2021 and December 31, 2020	109,969	106,068
Inventories	124,227	131,672
Prepaid expenses	7,288	6,717
Other current assets	21,189	16,943
Total current assets	785,406	560,492
Non-current assets		
Property, plant and equipment, net	201,080	201,232
Goodwill	39,686	35,694
Other intangible assets, net	124,257	131,569
Operating lease right-of-use assets	17,514	21,298
Other non-current assets	55,081	39,717
Total non-current assets	437,618	429,510

Total assets	\$ 1,223,024	\$ 990,002
LIABILITIES AND EQUITY		
Current liabilities		
Accounts payable	\$ 42,001	\$ 16,987
Accrued expenses and other current liabilities	30,134	31,061
Accrued compensation and related benefits	29,270	25,659
Deferred revenues - short term	48,943	49,165
Operating lease liabilities - short term	8,248	9,282
Total current liabilities	158,596	132,154
Non-current liabilities		
Deferred revenues - long term	15,661	14,227
Operating lease liabilities - long term	9,553	12,567
Contingent consideration	40,436	37,400
Other non-current liabilities	37,206	34,059
Total non-current liabilities	102,856	98,253
Total liabilities	261,452	230,407
Redeemable non-controlling interests	227	227
Equity		
Ordinary shares, NIS 0.01 nominal value, authorized 180,000 thousands shares; 65,396 thousands shares and 56,617 thousands shares issued and outstanding at June 30, 2021 and December 31, 2020, respectively	181	155
Additional paid-in capital	2,992,833	2,753,955
Accumulated other comprehensive loss	(6,703)	(8,846)
Accumulated deficit	(2,024,966)	(1,985,896)
Total equity	961,345	759,368
Total liabilities and equity	\$ 1,223,024	\$ 990,002

Stratasys Ltd.
Consolidated Statements of Operations
(in thousands, except per share data)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2021 (unaudited)	2020 (unaudited)	2021 (unaudited)	2020 (unaudited)
Net sales				
Products	\$ 100,305	\$ 73,877	\$ 190,629	\$ 157,049
Services	46,700	43,746	90,565	93,481
	<u>147,005</u>	<u>117,623</u>	<u>281,194</u>	<u>250,530</u>
Cost of sales				
Products	49,731	39,969	96,651	79,217
Services	34,004	33,918	65,696	67,707
	<u>83,735</u>	<u>73,887</u>	<u>162,347</u>	<u>146,924</u>
Gross profit	63,270	43,736	118,847	103,606
Operating expenses				
Research and development, net	22,437	21,303	43,038	45,497
Selling, general and administrative	63,557	51,711	116,891	107,287
	<u>85,994</u>	<u>73,014</u>	<u>159,929</u>	<u>152,784</u>
Operating loss	(22,724)	(29,278)	(41,082)	(49,178)
Financial income (expenses), net	(372)	149	(749)	(680)
Loss before income taxes	(23,096)	(29,129)	(41,831)	(49,858)
Income tax benefit	(4,368)	(2,128)	(5,310)	(1,907)
Share in losses of associated companies	(1,431)	(950)	(2,549)	(1,788)
Net loss	(20,159)	(27,951)	(39,070)	(49,739)
Net income (loss) attributable to non-controlling interests	-	35	-	(50)

Net loss attributable to Stratasy Ltd.	\$	(20,159)	\$	(27,986)	\$	(39,070)	\$	(49,689)
Net loss per ordinary share attributable to Stratasy Ltd.								
Basic	\$	(0.31)	\$	0.51	\$	(0.63)	\$	(0.91)
Diluted	\$	(0.31)	\$	0.51	\$	(0.63)	\$	(0.91)
Weighted average ordinary shares outstanding								
Basic		64,908		54,917		61,796		54,733
Diluted		64,908		54,917		61,796		54,733

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Three Months Ended June 30,							
	2021 GAAP	Non-GAAP Adjustments	2021 Non-GAAP	2020 GAAP	Non-GAAP Adjustments	2020 Non-GAAP	
U.S. dollars and shares in thousands (except per share amounts)							
Gross profit (1)	\$ 63,270	\$ 6,616	\$ 69,886	\$ 43,736	\$ 9,612	\$ 53,348	
Operating income (loss) (1,2)	(22,724)	20,133	(2,591)	(29,278)	21,228	(8,050)	
Net income (loss) attributable to Stratasy Ltd. (1,2,3)	(20,159)	18,581	(1,578)	(27,986)	20,634	(7,352)	
Net income (loss) per diluted share attributable to Stratasy Ltd. (4)	\$ (0.31)	\$ 0.29	\$ (0.02)	\$ (0.51)	\$ 0.38	\$ (0.13)	
(1) Acquired intangible assets amortization expense		5,518			4,065		
Non-cash stock-based compensation expense		788			497		
Restructuring and other related costs		310			5,050		
		6,616			9,612		
(2) Acquired intangible assets amortization expense		2,200			2,125		
Non-cash stock-based compensation expense		7,189			5,614		
Restructuring and other related costs		350			3,798		
Revaluation of investments		2,201			-		
Contingent consideration		202			-		
Other expenses		1,375			79		
		13,517			11,616		
		20,133			21,228		
(3) Corresponding tax effect		(1,637)			(669)		
Equity method related amortization, divestments and impairments		85			75		
		\$ 18,581			\$ 20,634		
(4) Weighted average number of ordinary shares outstanding-Diluted	64,908		64,908	54,917		54,917	

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Six Months Ended June 30,							
	2021 GAAP	Non-GAAP Adjustments	2021 Non-GAAP	2020 GAAP	Non-GAAP Adjustments	2020 Non-GAAP	
U.S. dollars and shares in thousands (except per share amounts)							
Gross profit (1)	\$ 118,847	\$ 13,685	\$ 132,532	\$ 103,606	\$ 14,026	\$ 117,632	
Operating income (loss) (1,2)	(41,082)	35,918	(5,164)	(49,178)	32,719	(16,459)	
Net income (loss) attributable to Stratasy Ltd. (1,2,3)	(39,070)	33,692	(5,378)	(49,689)	31,771	(17,919)	
Net income (loss) per diluted share attributable to Stratasy Ltd. (4)	\$ (0.63)	\$ 0.55	\$ (0.09)	\$ (0.91)	\$ 0.58	\$ (0.33)	
(1) Acquired intangible assets amortization expense		10,873			8,130		
Non-cash stock-based compensation expense		1,422			899		
Restructuring and other related costs		1,390			4,997		
		13,685			14,026		
(2) Acquired intangible assets amortization expense		4,393			4,267		
Non-cash stock-based compensation expense		13,760			10,119		
Restructuring and other related costs		2,159			3,829		
Revaluation of investments		(1,469)			-		
Contingent consideration		393			-		
Other expenses		2,997			478		
		22,233			18,693		
		35,918			32,719		

(3)	Corresponding tax effect	(2,394)	(1,100)		
	Equity method related amortization, divestments and impairments	168	152		
		<u>\$ 33,692</u>	<u>\$ 31,771</u>		
(4)	Weighted average number of ordinary shares outstanding-Diluted	61,796	61,796	54,733	54,733

Second Quarter 2021 Results



Speakers

Dr. Yoav Zeif – CEO

Lilach Payorski – CFO

Yonah Lloyd – CCO / VP Investor Relations

August 5th, 2021



Conference Call & Webcast Details



US Toll-Free dial-in:

1-877-407-0619

International dial-in

+1-412-902-1012

Live webcast and replay:

<https://78449.themediaframe.com/dataconf/productusers/ssys/mediaframe/44880/index.html>



Forward-Looking Statements

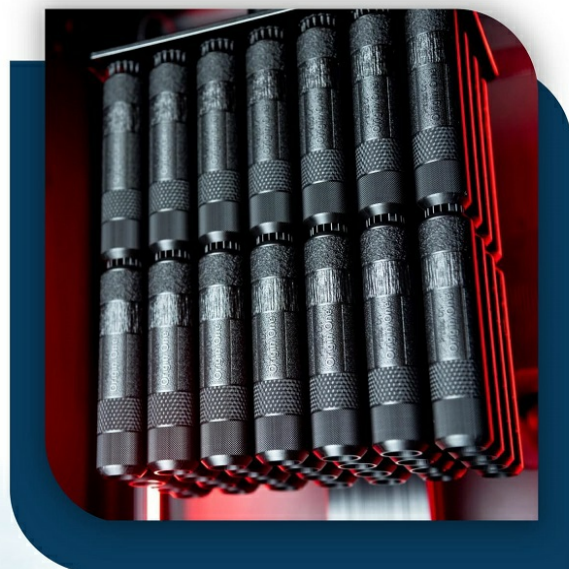


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Use of Non-GAAP Financial Information



Use of non-GAAP financial measures

The non-GAAP data included herein, which excludes certain items as described below, are non-GAAP financial measures. Our management believes that these non-GAAP financial measures are useful information for investors and shareholders of our Company in gauging our results of operations (i) on an ongoing basis after excluding mergers, acquisitions and divestments related expense or gains and reorganization-related charges or gains, and (ii) excluding non-cash items such as stock-based compensation expenses, acquired intangible assets amortization, including intangible assets amortization related to equity method investments, impairment of long-lived assets and goodwill, revaluation of our investments and the corresponding tax effect of those items. These non-GAAP adjustments either do not reflect actual cash outlays that impact our liquidity and our financial condition or have a non-recurring impact on the statement of operations, as assessed by management. These non-GAAP financial measures are presented to permit investors to more fully understand how management assesses our performance for internal planning and forecasting purposes. The limitations of using these non-GAAP financial measures as performance measures are that they provide a view of our results of operations without including all items indicated above during a period, which may not provide a comparable view of our performance to other companies in our industry. Investors and other readers should consider non-GAAP measures only as supplements to, not as substitutes for or as superior measures to, the measures of financial performance prepared in accordance with GAAP. Reconciliation between results on a GAAP and non-GAAP basis is provided in a table later in this slide presentation.

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CEO Opening Remarks



- Our growth is accelerating as the industry shifts from prototyping to mass production and Stratasys offers the most innovative technologies for the fastest-growing manufacturing applications.
- 25% year-over-year revenue growth, highlighted by 32% HW and 39% Consumables growth.
- Third consecutive quarter of sustained revenue growth.
- Broad strength across regions and business lines as recovery from the pandemic continues.



Dr. Yoav Zeif
CEO



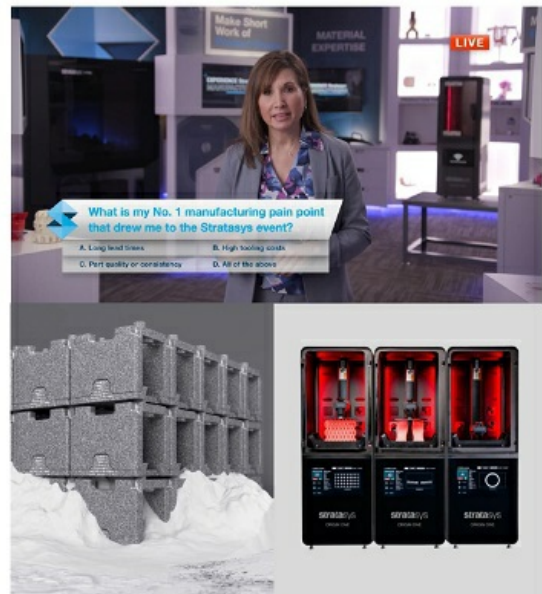
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Second Quarter 2021 Highlights



Manufacturing Experience Event

- 4,500+ customers and partners joined our live event on Additive Manufacturing 2.0 offerings:
- Stratasys Origin One: Top-to-bottom upgrade since acquisition.
- SAF-powered H350: New production-scale powder bed polymer solution.
- Stratasys F770: Large, fully heated FDM printer with F123 simplicity.



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Second Quarter 2021 Highlights



New J5 MediJet

- All-in-one solution for multi-use, multi-material printing
- Biocompatible and sterilizable materials
- 510k-approved with leading medical segmentation software



Dental growth

- 3 technologies— PolyJet, Origin P3, stereolithography – now lets us serve the majority of this \$1B+ TAM
- DentaJet announced in Q1 is performing well in the market

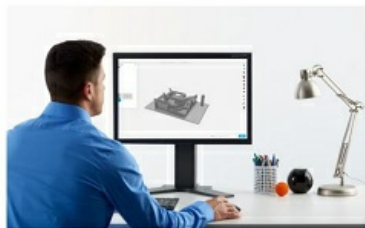


ESG initiatives

- Named internal ESG leadership team
- Founding member of Additive Manufacturer Green Trade Association

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Software Continues to Expand / Monetization of GrabCAD Shop Online Customer Hub Launches



GrabCAD Partner Program

- 6 software partners announced in first six months.
- Latest is Teton Simulation, using new GrabCAD DFAM SDK.
- License subscriptions enable customers to connect to all our partners.



Monetizing software with cloud-based GrabCAD Shop

- All-in-one workflow tool to help customers scale.
- Large customers include Schneider Electric, McLaren, Virginia Tech, others.



Customer Hub: Making it easier to do business with Stratasys

- Over \$25 million in orders placed globally in Q2.
- Over 2,000 customer and partner account activations so far.
- Complete dashboard view of Stratasys 3D printers, with easy ordering, and further enhancements in progress.

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Competitive Advantages to Lead Polymer Additive Manufacturing

Delivering innovative, next-generation technologies to address the fastest growing manufacturing applications



Broadest technology offering in sector

Five best-in-class technologies for every step in the product lifecycle – from concept through manufacturing

Cloud-based software partner ecosystem

Unifying, comprehensive platform at heart of cloud-based strategy and growing partnerships such as Siemens, nTopology and Keyshot

Unmatched go-to-market infrastructure

Network of over 200 channel partners – largest and most experienced in the industry

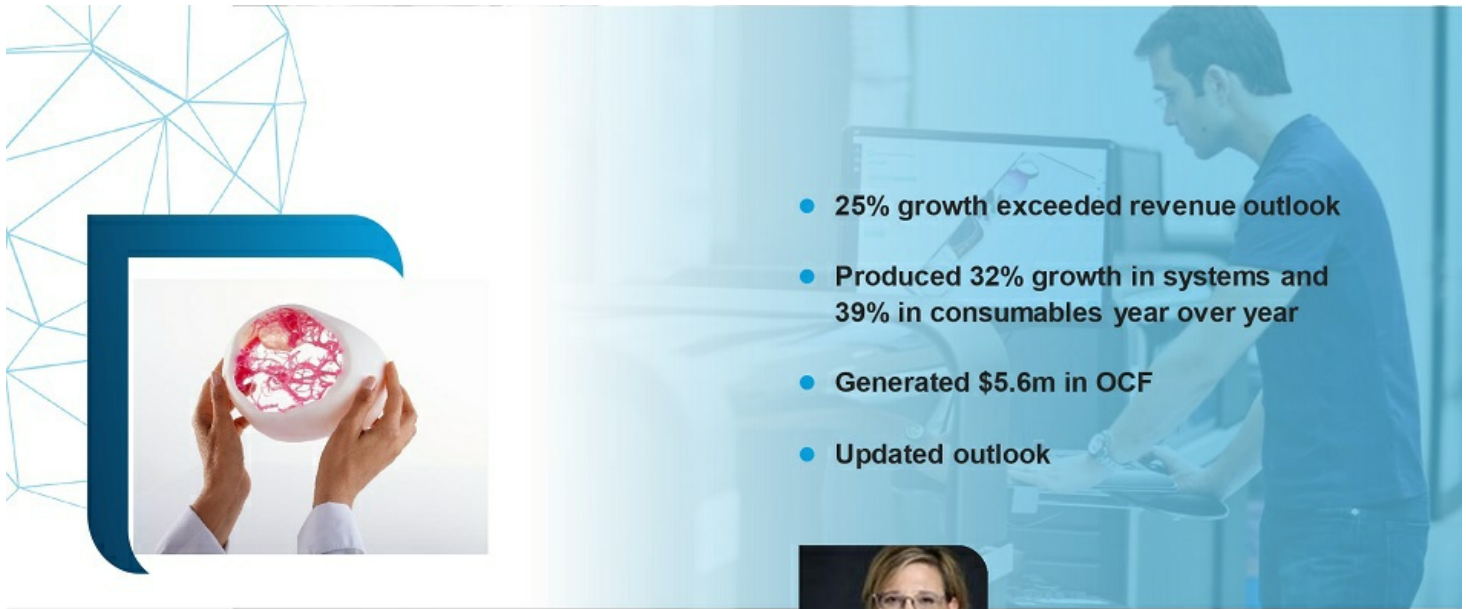
Deep application engineering expertise

Multi-disciplinary application engineering expertise to educate customers and drive innovation

Resilient business model designed to scale

Corporate and GTM infrastructure can absorb and scale new business with operating leverage to drive profits and generate cash

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- 25% growth exceeded revenue outlook
- Produced 32% growth in systems and 39% in consumables year over year
- Generated \$5.6m in OCF
- Updated outlook



Lilach Payorski
CFO

Financial Highlights

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Financial Results – Second Quarter 2021



	GAAP			Non-GAAP		
	Q2-20	Q2-21	Change Y/Y	Q2-20	Q2-21	Change Y/Y
Total Revenue	117.6	147.0	25.0%	117.6	147.0	25.0%
Gross Profit	43.7	63.3	19.6	53.3	69.9	16.6
% Margin	37.2%	43.0%	5.8%	45.4%	47.5%	2.1%
Operating Income (Loss)	(29.3)	(22.7)	6.6	(8.1)	(2.6)	5.5
% Margin	-24.9%	-15.5%	9.4%	-6.8%	-1.8%	5%
Net Income (Loss) attributed to SSYS Ltd.	(28.0)	(20.2)	7.8	(7.4)	(1.6)	5.8
% Margin	-23.8%	-13.7%	10.1%	-6.3%	-1.1%	5.2%
Diluted EPS	(0.51)	(0.31)	0.20	(0.13)	(0.02)	0.11
Diluted Shares	54.9	64.9	18.2%	54.9	64.9	18.2%

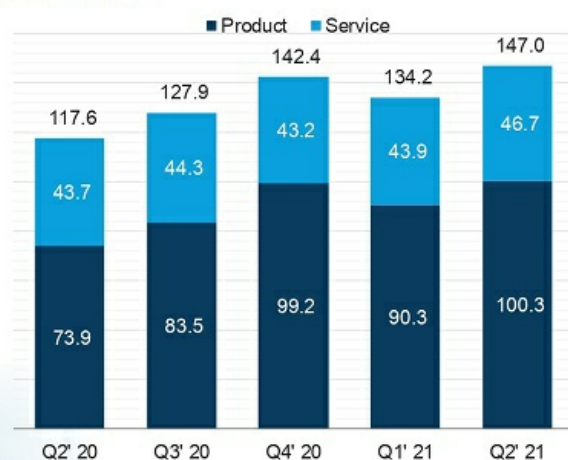
Note: \$ in millions unless noted otherwise. All numbers and percentages rounded.

11

Revenue Driven by Product Sales Growth of Nearly 36% Customer Support Above and Consumables Near Pre-COVID Level



Quarterly Trend



Note: \$ in millions unless noted otherwise. All numbers and percentages rounded.

Revenue Growth – Q2'21

Revenue	Y/Y	Y/Y (exc. FX)
Product	35.8%	32.6%
System	32.0%	29.2%
Consumables	39.1%	35.5%
Service	6.8%	5.3%
Customer Support	10.0%	8.2%

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Gross Margins Improved from Higher Systems and Consumables Still Challenged by Rising Logistics Costs and NPI Ramp-up

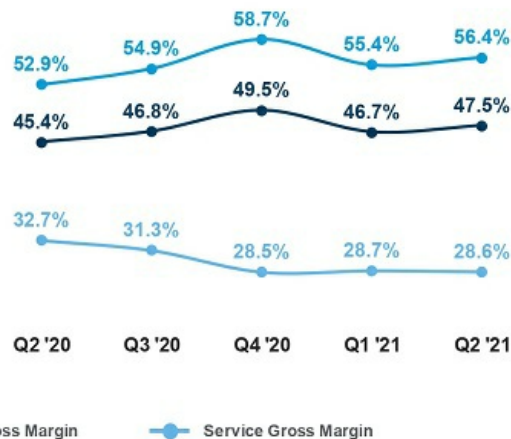


GAAP



All percentages rounded.

Non-GAAP

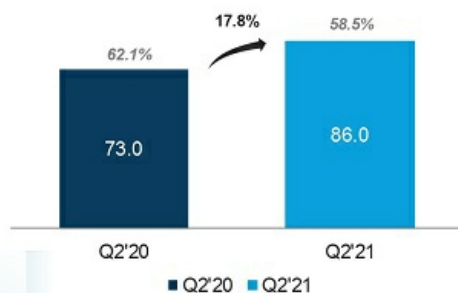


13

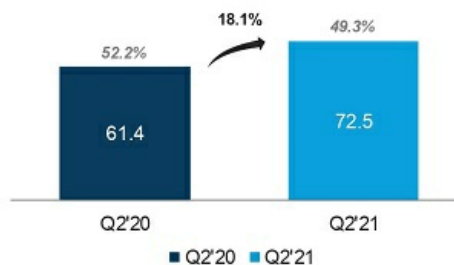
Operating Expenses Improvement Trend Ongoing



GAAP Operating expenses



Non-GAAP Operating expenses



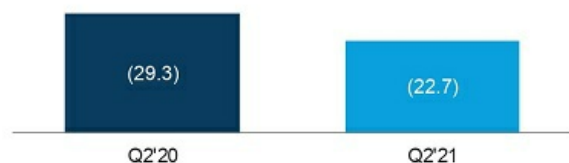
Note: \$ in millions unless noted otherwise. All numbers and percentages rounded.

14

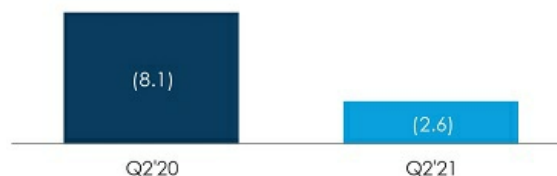
Operating Income and Net Earnings Improvement



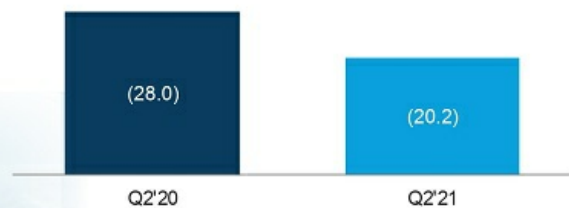
GAAP Operating Loss



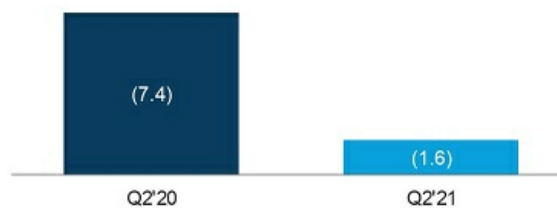
Non-GAAP Operating Loss



GAAP Net Loss



Non-GAAP Net Loss



Note: \$ in millions unless noted otherwise. All numbers and percentages rounded.

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Balance Sheet Strengthened to \$523m Cash and Equivalents



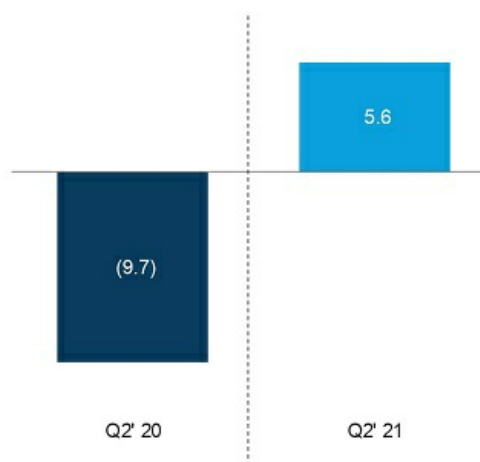
H1 Generated \$28.4m Operating Cash

Balance Sheet Items

	Q2-20	Q1-21	Q2-21
Cash and Cash Equivalents and Short-term deposits	313.0	530.4	522.7
Accounts Receivable	102.2	102.8	110.0
Inventories	164.6	124.2	124.2
Net Working Capital	465.7	637.8	626.8

Note: \$ in millions unless noted otherwise. All numbers and percentages rounded.

Cash Flow From Operating Activities



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- Revenue in the third quarter 2021 is expected to grow 17% - 18% compared to third quarter 2020. Fourth quarter revenue is expected to be sequentially higher.
- Operating expenses for 2021 are expected to be approximately \$30M higher than 2020, reflecting the return to full-time work and operating costs associated with the gradual recovery of our end markets.
- Capital expenditures in 2021 expected to range from \$24M to \$30M.
- We are committed to growing our leadership position as the 3D printing industry shifts from prototyping to mass production.

CEO Summary

- Q2 saw accelerated growth across the business.
- Incremental growth coming from new platforms launching in Q4.
- Executing on our strategy to lead polymer 3D Printing and create long-term value.





Thank You: Q&A

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Appendix

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GAAP to Non-GAAP Reconciliation



Results of operations Stratasys Ltd

	Three months ended June 30, 2021			Three months ended June 30, 2020		
	GAAP	Adjustments	Non-GAAP	GAAP	Adjustments	Non-GAAP
Gross Profit (1)	\$63,270	\$6,616	\$69,886	\$43,736	\$9,612	\$53,348
Operating income (Loss) (1,2)	(22,724)	20,133	(2,591)	(29,278)	21,228	(8,050)
Net income (Loss) attributable to Stratasys Ltd (1,2,3)	(20,158)	18,581	(1,577)	(27,987)	20,634	(7,353)
Net income (Loss) per diluted share attributable to Stratasys Ltd (4)	(\$0.31)	\$0.29	(\$0.02)	(\$0.51)	\$0.38	(\$0.13)
1) Acquired intangible assets amortization expense		5,518			4,065	
Non-cash stock-based compensation expense		788			497	
Restructuring and other related costs		310			5,049	
		6,616			9,612	
2) Acquired intangible assets amortization expense		2,200			2,125	
Non-cash stock-based compensation expense		7,190			5,617	
Restructuring and other related costs		350			3,798	
Revaluation of investments		2,201			-	
Contingent consideration		202			-	
Other expenses		1,375			76	
		13,517			11,616	
		20,133			21,228	
3) Corresponding tax effect		(1,637)			(669)	
Equity method related amortization, divestments and impairments		85			75	
		\$18,581			20,634	
4) Weighted average number of ordinary shares outstanding – Diluted	64,908		64,908	54,917		54,917

