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Stratasys Strengthens Materials Development Capabilities with the Asset Acquisition of Interfacial Solutions

MINNEAPOLIS & REHOVOT, Israel--(BUSINESS WIRE)-- [Stratasys Ltd.](#) (NASDAQ: SSYS), a leading global provider of additive manufacturing solutions, today announced that it has entered into a definitive asset purchase agreement to acquire certain assets of Wisconsin-based Interfacial Solutions.

Interfacial Solutions, a provider of thermoplastics R&D and production services, has been a production partner to Stratasys for its FDM product lines over the past three years. It has been instrumental in the research and development for, and is the producer of, some of Stratasys' thermoplastic material.

"Interfacial Solutions provides significant expertise in plastics and filament," says David Reis, CEO of Stratasys. "We believe its knowledgeable team and experience will accelerate Stratasys' materials development efforts for all of our FDM platforms, including MakerBot. The acquisition is expected to accomplish three objectives for Stratasys, which include strengthening our materials R&D skills and bandwidth; enabling us to become vertically integrated in material development and manufacturing; and increasing materials production space and capacity. Overall, we expect to accelerate new materials development, allowing us to introduce new products to the market faster."

Stratasys expects the transaction to close in the second quarter of 2014, subject to the fulfillment of certain customary closing conditions.

Stratasys Ltd. (Nasdaq: SSYS), headquartered in Minneapolis, Minn. and Rehovot, Israel, manufactures 3D printers and materials for prototyping and production. The company's patented FDM[®] and PolyJet[™] 3D Printing technologies produce prototypes and manufactured goods directly from 3D CAD files or other 3D content. Systems include 3D printers for idea development, prototyping and direct digital manufacturing. Stratasys subsidiaries include MakerBot and Solidscape, and the company operates the RedEye digital-manufacturing service. Stratasys has more than 1800 employees, holds over 550 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>

Interfacial Solutions LLC is a privately held contract research and development technology company with a proven track record of helping innovators innovate in the material science field. Located in a 42,000 square foot facility near River Falls, Wisconsin, Interfacial Solutions has a creative team of scientists possessing more than 50 issued patents and is equipped with state-of-the-art polymer testing equipment, compound and processing equipment, and production capabilities to meet a broad range of plastic industry challenges.

Additional information can be found at <http://www.interfacialsolutions.com>.

Stratasys and FDM are registered trademarks of Stratasys Ltd and or its subsidiaries or affiliates.

Cautionary Statement Regarding Forward-Looking Statements

Certain information included or incorporated by reference in this press release 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 Harvest Technologies and/or Solid Concepts mergers) 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 successfully integrate MakerBot, Solid Concepts and Harvest Technologies and other acquired entities and/or businesses into Stratasys; 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, 2013 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.

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