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# Stratasys Expands 'Feet-on-the-Street': Triples Sales Support with New Distribution Strategy

## Company to Market High-End Systems Via its Established 3D Printer Distribution Network

MINNEAPOLIS--(BUSINESS WIRE)-- (NASDAQ: SSYS) Stratasys announced that starting January 1, 2009, in North America it will begin selling its high-end FDM systems through a select group of resellers from its established reseller channel, which currently distributes the Dimension 3D Printer line.

This sales strategy leverages the company's success with what it believes is the strongest sales channel in the industry, consisting of a network of independent regional resellers. Stratasys expects it will improve market awareness by increasing the number of high-end system sales and support staff. The new strategy more than triples the sales support for high-end systems.

To maintain focus and long-term growth for both high-end FDM systems and Dimension 3D Printers, the resellers have committed additional resources and capabilities for high-end FDM systems, including a dedicated sales and support staff.

Stratasys FDM system owners will see no change in the way they receive service or order consumables. Customer support and order entry responsibilities will remain at Stratasys Incorporated. The reseller network will be introduced to North American customers after December 31, 2008.

"Our growth strategy brings a number of advantages," says Stratasys CEO, Scott Crump. "The most important is that the expanded sales force increases our ability to offer high-end systems to a wider audience. Since market awareness continues to be a significant barrier in both the traditional prototyping and new direct digital manufacturing markets, we think this structure better-positions Stratasys for long-term growth."

The enhanced reseller network consists of full-service resellers. In addition to offering Stratasys equipment, many of these resellers add value by offering complementary solutions such as 3D CAD software, 3D scanning equipment, and consulting services.

The sales channel strategy is similar to the company's successful international sales model, in which both high-end FDM systems and Dimension 3D Printers are available from the same reseller.

The move was made to address the growing demand for Stratasys' latest product line, including the FDM 900mc, FDM 400mc and FDM 360mc, which target both traditional

prototyping and new direct digital manufacturing (DDM) markets.

Augmenting the new sales channel, Stratasys has dedicated an internal team, responsible for the direct digital manufacturing market with accountability for sales and application development. Led by recently hired Vice President of New Business Development Jeff DeGrange, formerly of Boeing, the team will focus on key accounts in the commercial aviation, defense, and other niche industries.

Stratasys Inc., Minneapolis, manufactures additive fabrication machines for direct digital manufacturing (a.k.a rapid manufacturing), 3D printing, and rapid prototyping. It also offers part manufacturing services through its RedEye RPM business unit. According to Wohlers Report 2008, Stratasys supplied 44 percent of all additive fabrication systems installed worldwide in 2007, making it the unit market leader for the sixth consecutive year. Stratasys patented and owns the process known as fused deposition modeling (FDM<sup>(R)</sup>). The process creates functional prototypes and end-use parts directly from any 3D CAD program, using ABS plastic, polycarbonate, PPSF, and blends. The company holds more than 180 granted or pending additive fabrication patents globally. Stratasys products are used in the aerospace, defense, automotive, medical, education, electronic, and consumer product industries. On the Web: [www.Stratasys.com](http://www.Stratasys.com); [www.DimensionPrinting.com](http://www.DimensionPrinting.com); [www.RedEyeRPM.com](http://www.RedEyeRPM.com); [www.RedEyeARC.com](http://www.RedEyeARC.com)

Forward Looking Statements: All statements herein that are not historical facts or that include such words as "expects", "anticipates", "projects", "estimates", "vision", "planning" or "believes" or similar words are forward-looking statements that we deem to be covered by and to qualify for the safe harbor protection covered by the Private Securities Litigation Reform Act of 1995. Our belief that we have the largest part-building service is based on the number of dedicated machines. Except for the historical information herein, the matters discussed in this news release are forward-looking statements that involve risks and uncertainties; these include the continued market acceptance and growth of our Dimension(TM) 3D printer line and our FDM 200mc(TM), 360mc(TM), 400mc(TM), 900mc(TM), Maxum(TM), Titan(TM), and Vantage(TM) productivity lines; the size of the 3D printing market; our ability to penetrate the 3D printing market; our ability to maintain the growth rates and positive momentum experienced in this and preceding quarters; our ability to introduce, produce and market new materials such as ABS-Plus and ABS-M30; and the market acceptance of these and other materials; the impact of competitive products and pricing; the timely development and acceptance of new products and materials; the success of our recent R&D initiative to expand the direct digital manufacturing capabilities of our core FDM technology; the success of our RedEyeRPM(TM) and other paid parts services; and the other risks detailed from time to time in our SEC Reports, including the quarterly reports to be filed on Form 10-Q throughout 2008; and our annual report on Form 10-K filed for the year ended December 31, 2007.

Dimension, FDM 360mc, 400mc, and 900mc are trademarks of Stratasys, Inc.

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