May 16, 2008

Dimension 3D Printing Group Offers $10,000 Commercial Customer Credit on Trade-in of 3D Printer or Rapid Prototyping Machine

Credit good towards the purchase of Dimension(R) SST 1200es

MINNEAPOLIS--(BUSINESS WIRE)--

The Dimension 3D Printing Group, a business unit of Stratasys, Inc. (Nasdaq: SSYS), today announced a new trade-in offer that extends a $10,000 credit to commercial customers towards the purchase of a Dimension(R) SST 1200es 3D printer. The trade-in offer is available worldwide and will run through the summer of 2008.

The offer is good on the trade-in of 3D printing or rapid prototyping machines. For complete trade-in details contact a Dimension reseller, or to locate a reseller visit www.dimensionprinting.com or call toll free 888-480-3548 (U.S.).

The SST 1200es, introduced in February of this year, features a 10 x 10 x 12-inch build size and offers engineers and designers the ability to print models with ABSplus. This build material is on average 40 percent stronger than standard ABS plastic, providing stronger functional models and improved surface finish.

"This credit makes it more affordable for customers looking to significantly upgrade their 3D printing capabilities," said Jon Cobb, vice president and general manager of 3D printing for Stratasys. "The SST 1200es moves closer to achieving the characteristics of injection molded models and combines increased model durability with the largest build size in the 3D printing space."

About The Dimension 3D Printing Group

The Dimension 3D Printing Group is a business unit of Stratasys, Inc., based in Minneapolis, Minn. Dimension 3D printers - which include the Elite, the Dimension 1200es Series and Dimension 768 Series - are networked, desktop modeling systems that provide CAD (Computer-Aided-Design) users a fast, office-friendly, low-cost alternative for building functional 3D prints. Dimension 3D printers build accurate models layer by layer using durable ABS plastic, allowing users to not only evaluate design concepts, but test 3D prints for functionality, form and fit. As the first large format desktop 3D printer that sells for less than $30,000, Dimension incorporates many key features found in modeling systems that cost tens of thousands of dollars more.

Stratasys Inc., Minneapolis, manufactures office-based rapid prototyping and direct digital

manufacturing systems, 3D printers and offers rapid prototyping and manufacturing parts services. According to Wohlers Report 2008, Stratasys supplied 44 percent of all systems installed worldwide in 2007, making it the unit market leader, for the sixth consecutive year. Stratasys developed the rapid prototyping process known as fused deposition modeling (FDM). The process creates functional models and end-use parts directly from any 3D CAD program using ABS plastic, polycarbonate, PPSF, and blends. The company holds over 180 granted or pending rapid prototyping patents globally. Stratasys products are used in the aerospace, defense, automotive, medical, education, electronic, architecture and consumer product industries. The company's systems are also used for direct digital manufacturing (DDM) and rapid tooling applications. For more information on the company, go to www.Stratasys.com; www.DimensionPrinting.com; or www.RedEyeRPM.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 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 experienced in this and preceding quarters; our ability to introduce 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 our 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.

Source: Stratasys, Inc.