

Stratasys Stockholders Approve Merger with Objet

MINNEAPOLIS--(BUSINESS WIRE)-- Stratasys, Inc. (NASDAQ: SSYS), a leading manufacturer of 3D printers and production systems for prototyping and manufacturing applications, today announced that Stratasys stockholders voted overwhelmingly to approve the proposed merger with Objet Ltd. at a special meeting of Stratasys stockholders held earlier today. More than 99% of the shares voting at the special meeting voted in favor of the adoption of the merger agreement.

As previously announced on April 16, 2012, Stratasys and Objet entered into a definitive merger agreement under which the companies will combine in an all-stock transaction. In accordance with the terms of the merger agreement, Stratasys will merge with a subsidiary of Objet, and each former Stratasys common share will be converted into the right to receive one newly issued share of the combined company's common stock.

The transaction is expected to close in the coming weeks. Following the completion of the merger, the combined company will trade on the NASDAQ stock exchange as Stratasys Ltd. under the symbol SSYS.

Cautionary Statement Regarding Forward-Looking Statements

All statements herein that are not historical facts or that include such words as "expects," "anticipates," "projects," "estimates," "vision," "could," "potential," "plan", "intends", "desires", "assume" or "believes" or similar words constitute forward-looking statements covered by the safe harbor protection of the Private Securities Litigation Reform Act of 1995. Except for the historical information herein, the matters discussed in this news release are forward-looking statements that involve risks and uncertainties. These include statements regarding the expected timing and ultimate closing of the merger with Objet, as well as the financial and operating results of the combined company after, and the anticipated benefits of, the merger; the size of the 3D printing market; our objectives for the marketing and sale of our Dimension[®], uPrint[®] and Mojo[®] 3D Printers; our support removal systems; and our Fortus[®] 3D Production Systems, particularly for use in direct digital manufacturing (DDM); the demand for our proprietary consumables; the expansion of our paid parts service; and our beliefs with respect to the growth in the demand for our products. Actual results may differ from those expressed or implied in our forward-looking statements. Such forward-looking statements involve and are subject to certain risks and uncertainties, which may cause our actual results to differ materially from those discussed in a forward-looking statement. Risks and uncertainties that may affect our business include our ability to penetrate the 3D printing market; our ability to achieve the growth rates experienced in preceding guarters; our ability to introduce, produce and market consumable materials, and the market acceptance of these materials; the impact of competitive products and pricing; our timely development of new products and materials and market acceptance of those products and materials; the

success of our recent R&D initiative to expand the DDM capabilities of our core FDM technology; the success of our RedEye On Demand[™] and other paid parts services; our ability to obtain the necessary approvals; and to satisfy the necessary closing conditions in order to successfully close the proposed merger with Objet Ltd.; our ability to successfully integrate and market the combined company's products; the combined company's ability to achieve the expected revenue targets, the combined company's ability to attract and retain management; and the combined company's ability to protect and defend intellectual property. These statements represent beliefs and expectations only as of the date they were made. We may elect to update forward-looking statements, but we expressly disclaim any obligation to do so, even if our beliefs and expectations change. In addition to the statements described above, such forward-looking statements are subject to the risks and uncertainties described more fully in our reports filed or to be filed with the Securities and Exchange Commission, including our annual reports on Form 10-K and quarterly reports on Form 10-Q.

This release is available on the Stratasys web site at <u>www.stratasys.com</u>.

Important Information for Investors and Stockholders

In connection with the proposed combination of Objet and Stratasys pursuant to an Agreement and Plan of Merger (the "Merger"), Objet has filed with the Securities and Exchange Commission (the "SEC") a registration statement on Form F-4, which the SEC has declared effective and which includes a proxy statement of Stratasys and a prospectus of Objet, as well as other relevant materials in connection with the proposed transaction. Stratasys concurrently filed the same proxy statement/prospectus with the SEC and has mailed it to Stratasys stockholders for purposes of soliciting proxies for voting in favor of the Merger at the special meeting of Stratasys stockholders called for the purpose of approving the Merger Agreement and the Merger. INVESTORS AND STOCKHOLDERS ARE URGED TO READ THE PROXY STATEMENT/PROSPECTUS AND OTHER RELEVANT MATERIALS, BECAUSE THESE MATERIALS CONTAIN IMPORTANT INFORMATION ABOUT STRATASYS, OBJET AND THE PROPOSED TRANSACTION. The proxy statement/prospectus and other relevant materials and any other related documents filed with the SEC may be obtained free of charge on the SEC's website at <u>www.sec.gov</u> or via the Stratasys website at www.stratasys.com. Stockholders may also obtain a copy of the SEC filings free of charge upon written request to Stratasys, Attention: Shane Glenn, Director of Investor Relations, 7665 Commerce Way, Eden Prairie, Minnesota 55344.

This communication does not constitute an offer to sell or the solicitation of an offer to buy any securities, nor shall there be any sale of securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction.

About Stratasys

Stratasys Inc., Minneapolis, is a maker of additive manufacturing machines for prototyping and producing plastic parts. The company markets under the brands Mojo, uPrint and Dimension 3D Printers and Fortus Production 3D Printers. The company also operates RedEye On Demand, a digital-manufacturing service for prototypes and production parts. In 2011 Stratasys acquired 3D printer maker Solidscape Inc. According to Wohlers Report 2012, Stratasys had a 41.5 percent market share in 2011, and has been the unit market leader for the tenth consecutive year. Stratasys patented and owns the Fused Deposition Modeling (FDM®) process. The process creates functional prototypes and manufactured goods directly from any 3D CAD program, using high-performance industrial thermoplastics. The company holds 380 granted or pending additive manufacturing patents globally. Stratasys products are used in the aerospace, defense, automotive, medical, business and industrial equipment, education, architecture, and consumer-product industries. Online at: www.Stratasys.com.

FDM, Dimension, Fortus, uPrint and Stratasys are registered trademarks of Stratasys Inc. Fused Deposition Modeling is a trademark of Stratasys Inc.

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