

SHAREHOLDER ALERT: Brower Piven Encourages Investors Who Have Losses In Excess Of \$100,000 From Investment In Stratasys Ltd. To Contact Brower Piven Before The Lead Plaintiff Deadline In Class Action Lawsuit

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(<u>Business Wire</u>) The securities litigation law firm of Brower Piven, A Professional Corporation, announces that a class action lawsuit has been commenced in the United States District Court for the District of Minnesota on behalf of purchasers of Stratasys Ltd. ("Stratasys" or the "Company") (Nasdaq: SSYS) common stock during the period between May 9, 2014 and February 2, 2015, inclusive (the "Class Period"). Investors who wish to become proactively involved in the litigation have until April 6, 2015 to seek appointment as lead plaintiff.

If you have suffered a loss from investment in Stratasys common stock purchased on or after May 9, 2014 and held through the revelation of negative information during and/or at the end of the Class Period, as described below, and would like to learn more about this lawsuit and your ability to participate as a lead plaintiff, without cost or obligation to you, please visit our website at http://www.browerpiven.com/currentsecuritiescases.html. You may also request more information by contacting Brower Piven either by email at hoffman@browerpiven.com or by telephone at (410) 415-6616. No class has yet been certified in the above action. Members of the Class will be represented by the lead plaintiff and counsel chosen by the lead plaintiff.

If you wish to choose counsel to represent you and the Class, you must apply to be appointed lead plaintiff and be selected by the Court. The lead plaintiff will direct the litigation and participate in important decisions including whether to accept a settlement and how much of a settlement to accept for the Class in the action. The lead plaintiff will be selected from among applicants claiming the largest loss from investment in Company common stock during the Class Period. Brower Piven also encourages anyone with information regarding the Company's conduct during the period in question to contact the firm, including whistleblowers, former employees, shareholders and others.

The complaint accuses the defendants of violations of the Securities Exchange Act of 1934 by virtue of the defendants' failure to disclose material information during the Class Period, including that (a) the reported revenue contributions by the Company's MakerBot branded products and services during the Class Period were largely driven by new distribution channel and product introductions; (b) absent initial sales to stock customers and new distribution channels with newly introduced products, the Company was experiencing little, if any,

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incremental demand for its existing MakerBot branded products and services during the Class Period; (c) known, but undisclosed, product defects associated with newly introduced MakerBot branded products were inhibiting the demand for and Company's ability to ramp the distribution of such products; (d) applicable accounting principles required that Stratasys test whether the goodwill associated with its MakerBot acquisition was impaired; and (e) the technical problems in the Company's MakerBot product line would negatively impact the Company's 2014 and 2015 financial performance and outlook.

On February 2, 2015, the Company issued a warning that its fourth quarter fiscal 2014 revenue would miss analysts' expectations, largely based on problems with its MakerBot unit. The February 2, 2015 announcement revealed that the Company was taking a \$100 to \$110 million impairment charge to the goodwill value of the recently acquired MakerBot, pointing to slower growth of MakerBot products and services revenue, including "challenges associated with the introduction and scaling of its new product platform [the 5th Generation Replicator 3D printers and 3D printing ecosystem] and the Company's rapidly evolving distribution model." MakerBot's revenue, which makes up 12% of the Company's total revenue, grew only 7% year-over-year in the fourth quarter, coming up well below the growth level seen in prior quarters.

Stratasys also announced that revenue for the full year 2014 would be between \$748 million and \$750 million, lower than the \$764 million analysts had been modeling and below prior guidance of \$750 million to \$770 million. Although fourth quarter revenues increased by 38%, that growth also fell short of analyst expectations of 49% growth, meaning fourth quarter revenue would be approximately \$214 million, below consensus estimates of \$230.8 million. Adjusted earnings per share for 2014 fell short as well, with the Company reporting EPS of \$1.97 to \$2.03, versus prior guidance of \$2.21 to \$2.31 and consensus estimates of \$2.25.

For 2015, the Company announced that it expected adjusted earnings per share of \$2.07 to \$2.24, which fell far short of analyst and market expectations of \$2.90. The Company also forecast 2015 revenues of \$940 million to \$960 million, also short of market expectations of \$1 billion. The reduced forecast implied slower organic growth.

According to the complaint, following the Company's unexpected earnings miss, weak forecast, impairment charge, and newly revealed problems with MakerBot, the value of Stratasys shares declined significantly.

Attorneys at Brower Piven have extensive experience in litigating securities and other class action cases and have been advocating for the rights of shareholders since the 1980s. If you choose to retain counsel, you may retain Brower Piven without financial obligation or cost to you, or you may retain other counsel of your choice. You need take no action at this time to be a member of the class.

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