

## STRATASYS LTD

Exchange: Consolidated Issue Listed on NASDAQ Global Select



## Marketperform

Within Israel

Data as of 12/04/2020

## SCHWAB EQUITY RATING INTERNATIONAL



## Marketperform

Percentile Ranking: 36

Data as of 12/04/2020

Within the country of  
Israel

Last weeks rating:

Data as of 11/27/2020



Marketperform

Percentile Ranking: 37

A	1-10	Strongly Outperform	BUY
B	11-30	Outperform	BUY
C	31-70	Marketperform	HOLD
D	71-90	Underperform	SELL
F	91-100	Underperform	SELL

For details about managing an international stock portfolio using Schwab Equity Ratings International, please see the Schwab Center for Financial Research report "Managing a Portfolio Using Schwab Equity Ratings" in the Stocks article library under Market Insight.

See page 4 for further documentation on Schwab Equity Ratings International, Important Disclosures, and Regulation Analyst Certification.

## RATIONALE BEHIND OUR RATING ON SSYS:XNGS

For details about inputs to Schwab Equity Rating, see "Schwab Equity Ratings Foundations" in the "Stocks" article library under Market Insight.

▲ IMPROVED VS. PREVIOUS WEEK  
▼ DECLINED VS. PREVIOUS WEEK

	THIS WEEK	LAST WEEK	IMPORTANCE
<b>FUNDAMENTAL GRADE</b>			
Operating Profitability	Negative	Negative	Medium
Earnings Quality	Positive	Positive	Medium
Balance Sheet Quality	Positive	Positive	High
<b>VALUATION GRADE</b>			
Income Statement Valuation	Positive	Positive	Medium
Balance Sheet Valuation	Neutral	Neutral	Low
Shareholder Return	Neutral	Neutral	Low
<b>MOMENTUM GRADE</b>			
Price Momentum	Negative	Negative	Medium
Analyst Sentiment Change	Negative	Negative	Medium
<b>RISK GRADE</b>			
Market Share	Neutral	Neutral	Low
Information Availability	Positive	Positive	Low

## PRICE &amp; VOLUME HISTORY

SSYS:XNGS Daily Close Prices  
All prices and earnings in \$ U.S. Dollar

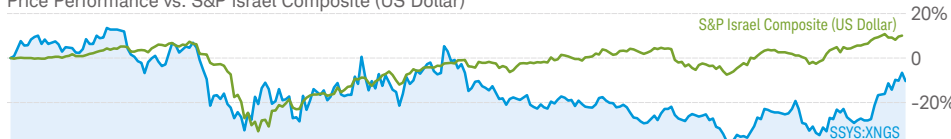
▲ QUARTERLY POSITIVE/NEGATIVE  
EARNINGS SURPRISE ANNOUNCEMENT

Price data source: Refinitiv

--- 200-DAY  
MOVING AVERAGE



Price Performance vs. S&amp;P Israel Composite (US Dollar)



## STRATASYS LTD LISTINGS

Source: Reuters

SEDOL	B7WD7D7
ADR Symbol	--
OTC Symbol	--
Foreign Market Symbol	SSYS:XNGS

## OVERVIEW

Source: Reuters

1 USD = \$1.000 USD

Price as of 12/7/20	\$17.29 / \$17.29
Market Capitalization	\$941.3M / \$941.3M
Float (Shares)	52M
Asset Class	Micro Cap
Beta	1.76

## SECTOR/INDUSTRY

Source: S&amp;P

Sector	Information Technology
Industry	Technology Hardware, Storage & Peripherals
Sub-Industry	Technology Hardware, Storage & Peripherals

## METRICS

Source: Refinitiv

## Value Metrics

P/E TTM	--
P/E forecast EPS	-45.4
P/Free Cash Flow TTM	--
P/Sales TTM	1.84
Price/Book	1.4
Dividend Yield(%)	--

## Growth Metrics (%)

1 year sales growth	-17.5
3 year sales growth	-1.8
1 year EPS growth	-26295.8
3 year EPS growth	--
1 year dividend growth	--
3 year dividend growth	--
Long term growth rate 3-5 years	36.0

## Momentum Metrics (%)

4 week stock price change	28.9
26 week stock price change	-5.7

## Financial Metrics (%)

Gross margin	43.1
Net margin	-84.3
Return on assets	-39.5
Return on equity	-48.9
Return on invested capital	-45.6
Long-term debt/capital	.00

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## EARNINGS PER SHARE

Earnings data source: Refinitiv

Fiscal Year ending in December	Quarterly \$				Annual \$			
	2019 Q4	2020 Q1	2020 Q2	2020 Q3	2016	2017	2018	2019
	-0.05	-0.40	-0.51	-7.35	-1.48	-0.75	-0.20	-0.20
vs. prior year (%)	-14.3	-290.0	-181.2	-141.7	94.5	48.8	73.0	2.0
Earnings Surprise(%)	-11.3	-251.9	35.0	--	58.2	--	--	--
# of analysts	8	8	7	8	18	16	10	8

Next earnings announcement is expected in the week of 2/24

## REVENUE

Revenue data source: Refinitiv

Fiscal Year ending in December	Quarterly \$				Annual \$			
	2019 Q4	2020 Q1	2020 Q2	2020 Q3	2016	2017	2018	2019
	0.16B	0.13B	0.12B	0.13B	0.67B	0.67B	0.66B	0.64B
vs. 1 year ago (%)	-9.6	-14.4	-27.9	-18.8	-3.4	-0.6	-0.8	-4.1

## ANNUAL EARNINGS FORECAST

Source: Refinitiv

	MEAN FORECAST \$	CONSENSUS CHANGE IN LAST 30 DAYS	FORECAST RANGE \$	NUMBER OF FORECASTS
12/31/2020	-0.38	-0.01	-0.41--0.36	8
12/31/2021	0.091	-0.08	-0.20-0.36	8
Next 5 Yr. Growth Rate	36.0%	0.0%	36.0%-36.0%	1

## DIVIDENDS

Dividends data source: Refinitiv

This company does not pay a dividend.

## BUSINESS DESCRIPTION

Source: Reuters

Stratasys Ltd. is a provider of three dimensional (3D) printing and additive manufacturing (AM) solutions for the creation of parts used in the processes of designing and manufacturing products and for the direct manufacture of end parts. The Company's solutions include products ranging from entry-level desktop 3D printers to systems for rapid prototyping (RP) and production systems for direct digital manufacturing (DDM). As of December 31, 2016, it offered 3D printing consumable materials, consisting of 15 fused deposition modeling (FDM), cartridge-based materials, 26 PolyJet cartridge-based materials, five smooth curvature printing (SCP) inkjet-based materials, 158 non-color digital materials, and over 1,500 color variations, as well as its four SolidScape non-toxic thermoplastic modeling materials. The Company's products and services are used in various industries, including aerospace, automotive, consumer electronics, consumer goods, education, dental, jewelry and others.

## THE ECONOMIST INTELLIGENCE UNIT COUNTRY RISK LEVEL

### Country Risk

RATING NOT AVAILABLE

### Sovereign Risk

RATING NOT AVAILABLE

### Currency Risk

RATING NOT AVAILABLE

### Banking Risk

RATING NOT AVAILABLE

## OTHER OPINIONS

### Credit Suisse Rating

RATING SINCE 12/21/2015

RATING NOT AVAILABLE

### CFRA Recommendation

RANKING SINCE 08/06/2020

★ ★ ★ ★ ★

### Reuter's Average Rating

RATING SINCE 12/03/2020

NO  
OPINION

SELL

UNDER-  
PERFORM

**HOLD**

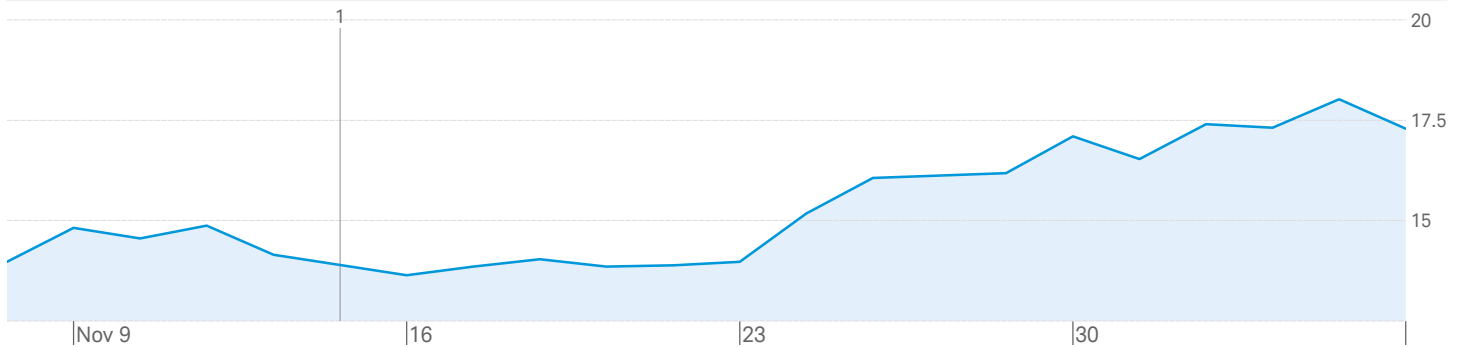
OUT-  
PERFORM

BUY

# STRATASYS LTD

## NEWS HEADLINES

All currency in U.S. Dollar (\$)



11/13/20 8:07 am ET... CFRA Keeps Buy Opinion on Shares of Stratasys Ltd. (SSYS 14.88 \*\*\*\*) : We maintain our 12-month target at \$18 on an above-peer P/S of 1.6x our '21 view, near co.'s three-year historical average. We narrow our '20 per share loss estimate to \$0.19 from \$0.29 and keep '21's at \$0.31 EPS. SSYS posts Q3 loss per share of \$0.05 vs. \$0.12 EPS, beating the \$0.07 consensus loss view. Sales fell 19%, on declines in systems (-21%), consumables (-22%), and services (-13%). While gross margin compressed to 47% from 52%, on lower utilization, we see expansion ahead as volume rebounds. We view SSYS's balance sheet as a competitive advantage versus traditional peers, with \$308M in cash and absence of debt. We think SSYS should continue to see revenue rebound on a sequential basis, as customers begin to increase capital spending plans. We think SSYS's large installed base should support significantly higher consumable revenue growth going forward. We are optimistic about SSYS's prospects for its PolyJet and FDM core technologies, which should allow SSYS to excel in a highly competitive landscape.. /Angelo Zino, CFA

# STRATASYS LTD

## IMPORTANT DISCLOSURES FOR SSYS:XNGS

**Regulation Analyst Certification:** The views expressed in this research report accurately reflect Schwab's quantitative research model, and no part of Schwab's compensation was, is or will be, directly or indirectly, related to the specific recommendations or views disclosed in the research report.

Within the previous 12 months, the percentage of companies that have a Schwab Equity Rating or Schwab Equity Ratings International grade and for which Schwab has provided investment banking services are as follows:

- 5.15% in Buy Category (Schwab Equity Ratings and Schwab Equity Ratings International of A or B)
- 3.96% in Hold Category (Schwab Equity Ratings and Schwab Equity Ratings International of C)
- 1.63% in Sell Category (Schwab Equity Ratings and Schwab Equity Ratings International of D or F)

Price History for Stratasys Ltd

Consolidated Issue Listed on NASDAQ Global Select Closing Prices  
Values in \$ U.S. Dollar

Schwab Equity Rating International History for Stratasys Ltd



## SCHWAB EQUITY RATINGS INTERNATIONAL MEANING AND DISTRIBUTION

Schwab Equity Ratings International grades are assigned to approximately 4,000 stocks issued by companies headquartered, incorporated, and traded in certain foreign nations. The model's universe is generally composed of the Standard & Poor's ("S&P") Global Broad Market Index ("BMI"). However, at any time, a stock may be excluded from the SERI universe, included in the universe but not rated, or have a rating that is unpublished. Also, at our discretion, additional universe coverage may be incorporated from time to time without prior notice.

In a limited number of cases, a company may be headquartered and conduct its business operations in one country and trade on a stock market in another country. In such cases, Schwab considers the country where the company's headquarters and primary business operations are located as the relevant country (the "headquarters country") within which a stock is rated (see "Percentile Ranking Explanation" below). Not every foreign equity market will be represented.

Stocks must meet a minimum market capitalization limit (currently US\$350 million) to be included in the Schwab Equity Ratings International universe. The explanation and table below are included to assist you in using Schwab Equity Ratings International as one component of your own research to evaluate stocks and investment opportunities.

Schwab Equity Ratings International rates stocks using a scale of A, B, C, D and F. Schwab's research outlook is that "A" rated stocks, on average, will strongly outperform and "F" rated stocks, on average, will strongly underperform the average stock in the equities market of the headquarters country over the next 12 months.

Schwab Equity Ratings International are based upon a disciplined, systematic approach that evaluates each stock on the basis of a wide variety of investment criteria from four broad categories: Fundamentals, Valuation, Momentum, and Risk. This approach attempts to gauge investor expectations, since stock prices tend to move in the same direction as changes in investor expectations. Stocks with low and potentially improving investor expectations tend to receive the best Schwab Equity Ratings International grades ("A" or "B" ratings), while stocks with high and potentially falling investor expectations tend to receive the worst Schwab Equity Ratings International grades ("D" or "F" ratings). From time to time, The Schwab Center for Financial Research (SCFR) may update the Schwab Equity Ratings International methodology.

### Schwab Equity Ratings International Distribution

Schwab Equity Rating	Percentile Ranking Distribution	Distribution of Rating Within Sector	12 Month Return Outlook	General Buy/Hold/Sell Guidance*
A	1 - 10	Top 10%	Strongly Outperform	Buy
B	11 - 30	Next 20%	Outperform	Buy
C	31 - 70	Next 40%	Marketperform	Hold
D	71 - 90	Next 20%	Underperform	Sell
F	91 - 100	Bottom 10%	Strongly Underperform	Sell

\*The general buy/hold/sell guidance is relative to other rated equities within the headquarters country only. Before considering whether to take any action, an investor should consider whether equities generally are performing well in comparison to other asset classes, whether the risk of investing in a specific country is acceptable, and whether other equities in the same region, country, sector, or market capitalization category with the same or better rating may be more appropriate.

## Investment Rating Explanation

**A (Strongly Outperform):** If an investor is looking to add a stock to his or her portfolio, "A" rated stocks may be the best candidates for consideration.

**B (Outperform):** An investor looking to add a stock to his or her portfolio might also consider a "B" rated stock, though preference should be given to "A" rated stocks.

**C (Marketperform):** An investor would not usually consider a "C" rated stock for purchase. An investor that has a "C" rated stock in his or her portfolio should consider continuing to hold the stock, and might monitor the stock's ongoing performance and compare the potential benefits of owning a stock with higher ratings.

**D (Underperform):** An investor holding a "D" rated stock should consider whether it is appropriate to continue to hold that stock in his or her portfolio. An investor would not usually consider a "D" rated stock for purchase.

**F (Strongly Underperform):** An investor holding an "F" rated stock should consider whether it is appropriate to eliminate that stock from his or her portfolio. An investor would not usually consider an "F" rated stock for purchase.

## Percentile Rankings Explanation

Each of the approximately 4,000 stocks rated in the Schwab Equity Ratings International universe is given a composite score derived from several research factors. The assignment of a final Schwab Equity Rating International grade depends on how well a given stock scores on each of these research factors and then on how that stock's composite score compares to the composite scores of other stocks in the same headquarters country. The result is a stock's within-country, or "country-neutral," percentile ranking. The lowest percentile rankings represent the best scores and correspond to the best letter grades. For example, in a country with 600 rated stocks, the top 6 stocks (1 percent) would receive a percentile ranking of 1 and the bottom 6 stocks would receive a percentile ranking of 100. Stocks ranked in percentile groups 1-10 within a country are rated "A" and those in percentile groups 11-30 are rated "B." The Schwab Equity Ratings International distribution table above illustrates the percentile rankings and approximate Schwab Equity Ratings International distributions.

# STRATASYS LTD

## IMPORTANT DISCLOSURES FOR SSYS:XNGS

### Model Risks

Schwab Equity Ratings uses quantitative analyses in its modeling method. Any limitations or inaccuracies in its analyses or models could affect model performance and the results investors may achieve. Models that appear to explain prior market data can fail to predict future market events. While the data used in the models has been taken from sources Schwab believes to be reliable; its accuracy, completeness or interpretation cannot be guaranteed. Schwab Equity Ratings may not capture subjective, qualitative influences on return and risk such as changes in management, business and political trends, or legal and regulatory developments. Thus, it is important to conduct additional research prior to making a trading decision.

### Descriptions for Non-Rated Stocks

Category	Definition	Description
NR	Not Rated	Schwab has decided not to publish a rating on this stock due to unusual or extraordinary business circumstances related to this company. Although Schwab generally does not monitor C, D, and F rated stocks for unusual or extraordinary business circumstances, from time to time, a rating of NR may appear on a particular stock.
NA	Not Available	A Schwab Equity Rating International is not available on this stock due to insufficient information about this stock.
NC	Not Covered	This stock is not currently in the Schwab Equity Rating International universe or is prohibited from coverage for regulatory or other reasons.

### Important

**International investments involve additional risks, which include differences in financial accounting standards, currency fluctuations, political instability, foreign taxes and regulations, and the potential for illiquid markets.**

**Investing in emerging markets may accentuate these risks.**

### Additional Information

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