



Investor Briefing

Dave Mowry, CEO

November 2019

CUTERA[®]
FACE + BODY AESTHETIC SOLUTIONS

Safe Harbor Statement

Certain statements made over the course of this presentation may be forward-looking in nature, involving known and unknown risks, assumptions, uncertainties and other factors that may cause the actual results, performance and achievements of the company to be materially different from those projected or implied by such forward-looking statements. For a discussion of such factors, we refer you to the “Risk Factors” discussion contained in our Form 10-K and follow on Form 10-Qs filed with the Securities and Exchange Commission.

Regulation G

This presentation contains certain non-GAAP measures which are provided to assist in an understanding of the Cutera business and its operational performance. These measures should always be considered in conjunction with the appropriate GAAP measure. Reconciliations of all non-GAAP amounts to the relevant GAAP amount are provided as an attachment to this presentation.

Cutera Snapshot

Founded by laser engineers and located in the heart of Silicon Valley

400+ employees with a presence in over 50 countries

Senior Leadership Team with proven track records

Scale & Scope to Win: Coverage of all Verticals, Sole-focus on EBD aesthetics

Evidence-based technology -> in-house design, development, manufacturing & distribution of

Recognized industry “insiders” lead commercial teams



Our Purpose

Shape the future of global aesthetics
through an

**UNCOMPROMISING
PURSUIT OF INNOVATION**

with our team of talented and highly
empowered employees, committed to
challenging the status quo



Pursuing Leadership in Large and Fast-Growing Global Markets

\$10B Global Aesthetic Medicine Market

10% Projected Annual Market Growth

Verticals:

- Body Sculpting
- Face & Skin Revitalization
- Women's Health

Customer Groups:

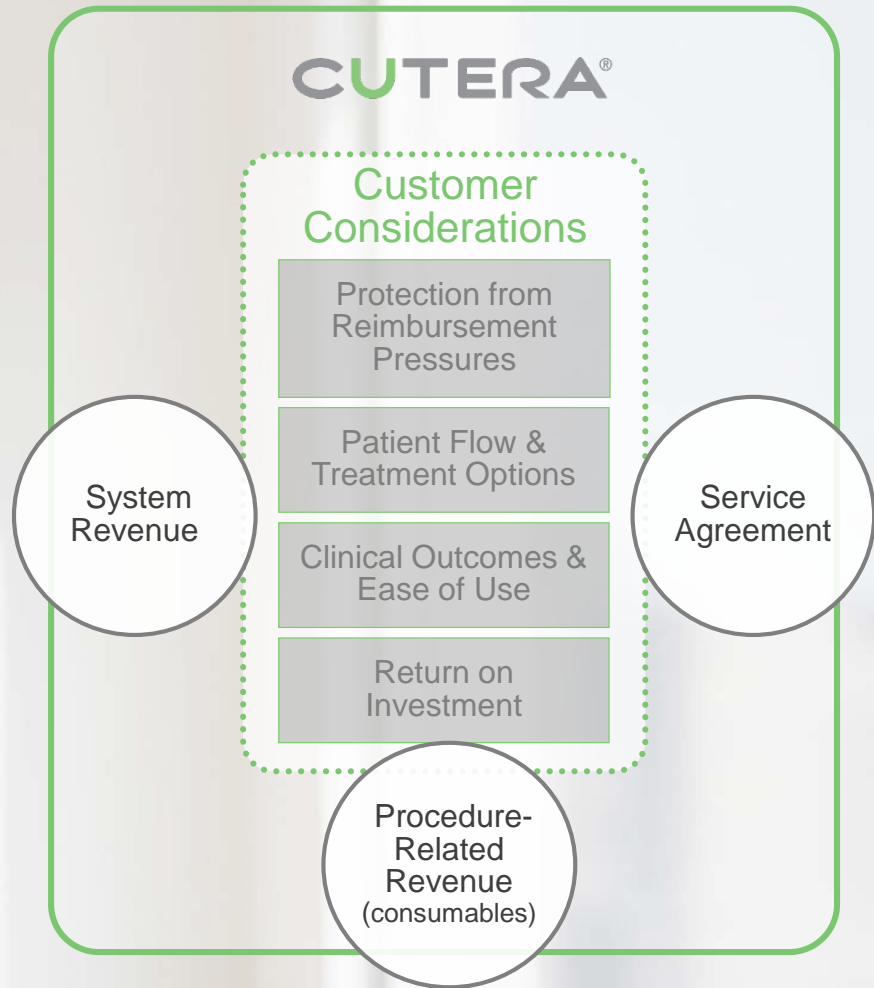
- Dermatologists
- Plastic Surgeons
-
- Vascular Surgeons
- General Practitioners
- OB/GYNs
- Non-MD spas
- Dentists

2x ↑ in consumers considering a cash-pay cosmetic procedure (2018 vs. 2013)

#1 Body Contouring - ranking among cosmetic procedures in 2018, by popularity & customer satisfaction

14% Forward 5-year CAGR of International Body Contouring and Skin Revitalization market

Serving the Needs of Our Customers



Creating Value for Our Customer

Patient Outcomes are “Table Stakes”:

- Patient Experience
- Procedural Comfort
- End-Result Satisfaction

Word of Mouth

Value Drivers – Our Opportunities to Differentiate:

- Procedure Profitability
- Increased Equipment Capacity
- Increasing Practice Volumes for our Customers

Value Proposition Provides Customers with Short Equipment ROI:

- Avg. Customer ROI between 6-9 months
- Applies Across All Key Verticals



A Phased Approach to Achieving our Aspirations

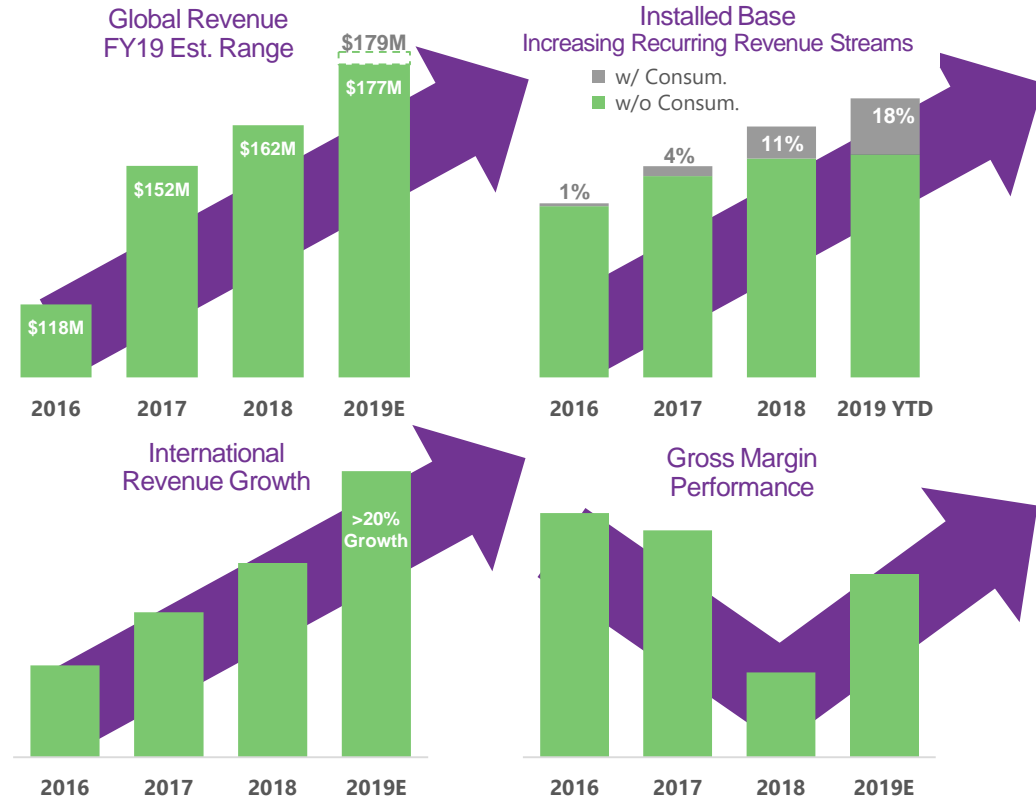
Early results reflecting the value of our investments

Phase 1:

2019 - 2020

Foundational Investments

- Priming R&D Pipeline, Establishing a Cadence
- North American Practice Development Resources
- Targeted Int'l Market Expansion
- Increased Field Service & Customer Support
- Back-office Infrastructure and Supply Chain









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COMMERCIAL APPROACH

Portfolio: Comprehensive Energy-Based Aesthetics

-  CUTERA's broad portfolio and reputation provide a competitive advantage
-  Body Contouring segment pacing market growth with \$950M and +10% CAGR*
-  Global Skin Revitalization markets experiencing strong consistent growth
-  Portfolio provides strong ROI for Dermatologists, Plastic Surgeons & non-core medical specialties

BODY SCULPTING

Fat Reducing
truSculpt 3D
truSculpt iD

Muscle Sculpting
truSculpt flex

FACE & SKIN REVITALIZATION

Skin
Rejuvenation
enlighten™
excel V+™
Secret™ RF

Vascular
excel V+™
xeo®

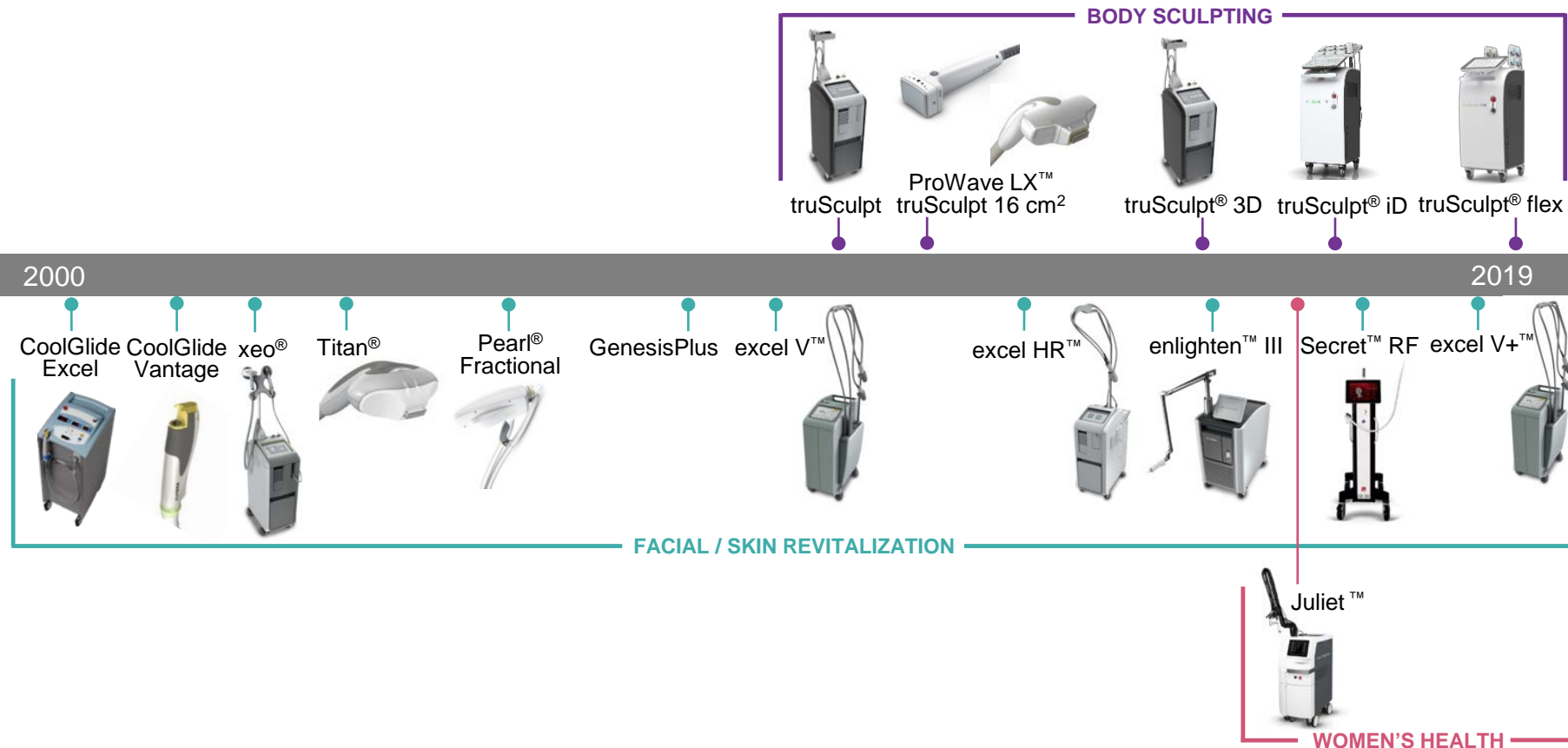
Hair
Removal
excel HR™
xeo®

Tattoo
Removal
enlighten™

WOMEN'S HEALTH

Women's
Health
Juliet™

Technology Driven with Proven Track Record of Delivering Innovation



Focusing on Providing Differentiated Face and Skin Revitalization Technology

Future-forward R&D

- Exploring new verticals in skin and facial rejuvenation
- Augmenting into a broader array of platforms
- Continuing to develop best-in-class technology



Raising the bar for Vascular Aesthetic Laser Performance

Core-customer "workhorse" differentiated on efficacy & procedural efficiency

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excel[®]V+

		Competitor A	Competitor B
Wave Lengths	532 / 1064 nm	595 / 1064 nm	585 nm
Spot Size	Up to 16mm	Up to 15mm	Up to 10mm
Cooling	Integrated Sapphire Contact Cooling	Cyrogen or optional Contact Cooling	Air Cooling
Calibration	Auto-Calibrating	Manual Required Daily	Manual Required Daily
Warm-up Time	2 mins	5 Mins	10-15 mins
Navigation	Yes	Yes	No



Coolview



Gen V



Dermastat

"If My Clinic was on fire and I had to save one system, I would choose excel V+; Cutera nailed it with the excel V+ on both fronts: 16 mm spot for Vascular Handpiece and the Dermastat." - Dr. Vic Ross (Scripps)

Break-out Success in Radio Frequency (RF) Microneedling

Core-customer “fan favorite” that provides precise, customized dermal remodeling for immediate patient results and very minimal downtime

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	Secret™ RF	Competitor A	Competitor B	Competitor C
RF Power	up to 25 w (25 tip) up to 75 w (64 tip)	up to 75 w	up to 50 w	5 w per pair
Tip Options	Non insulated 25 Semi insulated 25 Semi insulated 64	Non insulated 24 Semi insulated 24 Semi insulated 60	49 needles	10 (5 pairs) 14 (7 pairs) sub Q
Depth of Energy (mm)	0.5 to 3.5 mm (0.1 increments)	Fixed 0.6 mm or 3.0 mm	0.5 to 3.5 mm	Fixed 1-2 mm or sub Q 506 mm
Insertion Mechanism	Smooth motor	None	Solenoid	Solenoid
Treatment Time	20 min	30 min	45 min	60-90 min



Full Suite of Body Sculpting Platforms

From fat reduction systems to muscle building

- Broader coverage, paired treatment – perform fat reduction treatment first coupled with muscle building
- Better outcomes compared to competitors – no downtime, no pain
- High ROI for customers
- Lower cost per procedure
- Continuing to develop best-in-class technology



How CUTERA differentiates with truSculpt® iD

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truSculpt® iD

		Laser	Cryolipolysis	Ultrasound
Treatment time	15min	100min	140min	60min
Consumable Cost	\$200-\$300	\$560	\$600	\$400 (x3)
Comfort	Hot stone massage	Waves of intense heat followed by brief cooling	Initial tugging followed by cooling	Slight vibration
Efficacy	~24% avg. reduction	~24% reduction	~22% avg. reduction	~11% avg. reduction (after 3 treatments)
Possible Side Effect	Temporary tenderness/redness	Temporary tenderness/redness and nodules	Up to 4 weeks of tenderness, bruising and itching	Temporary redness
Can Treat:				
• > 30 BMI	✓	X	X	X
• Non-pinchable fat	✓	✓	X	X
• Fibrous fat	✓	✓	X	✓
• Skin with laxity	✓	✓	X	✓
• Tattoo'd patients	✓	X	✓	✓
Results in 1 Tx	YES	YES	YES	NO

Expanding our Body Sculpting Offering

truSculpt® fleX

- +30%** Average increase in muscle mass¹
- High** Patient satisfaction: comfortable and no downtime
- 2X** Coverage area versus competitors
- Rapid** ROI: fast-growing market, lower cost of consumables, safe to delegate, treat almost any patient

Easy to Use
Highly Configurable
Visible Results
Profitable Procedure

Opportunity to use truSculpt iD and truSculpt flex as paired treatments





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FINANCIAL PERFORMANCE

Third Quarter 2019 Financial Highlights

Above Market
Growth Rate:

+14%
vs 3Q18

Percent Recurring
Revenue:

24%
vs 18% in 3Q18

Continued
strength of
truSculpt:

+43%
vs 3Q18

Gross Margin
improvement

300 bps
vs 3Q18

Increased 2019 Full Year Guidance:

\$177M - \$179M

Improved GM over FY18

Adj. EBITDA of \$3.5M – 4.5M

A Phased Approach to Achieving our Aspirations

Building Shareholder Confidence through Execution of our Plan



Investment Summary

Positioned to Deliver Shareholder Value

Large and Growing Markets w/ Strong Fundamentals

- \$10B markets growing double-digits

Established Company with Renewed Focus

- Track record of Innovation aligned to our customer
- Sales Force Investments showing returns

Significant Installed Base with Core-customer group

- >11K+ active systems installed
- Recognized as high-quality producer

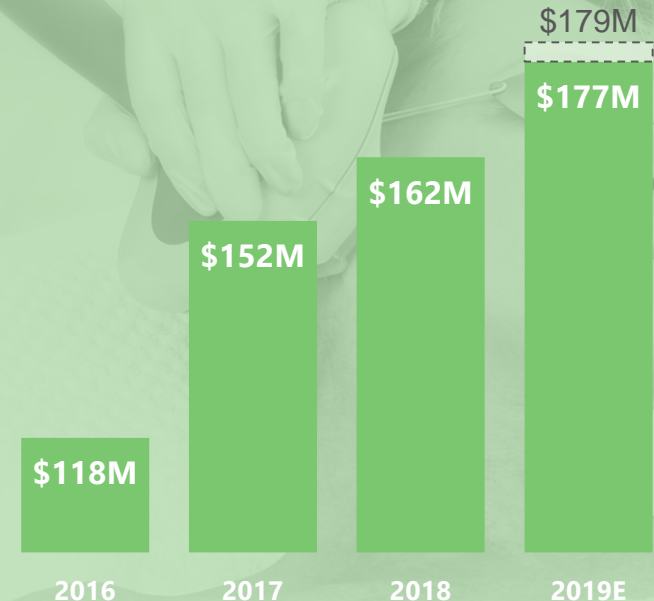
Evolving Razor + Blade Business Model

- >50% of systems sold in Q3 generate consumable revenue

Improving GM and Delivering Operating Leverage

- Driving increased pricing discipline on systems
- Increasing volumes of higher margin consumables
- Making key Infrastructure investments unlocking future leverage

Global Revenue FY19 Guidance Range





Thank You

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