



Company Overview

Dave Mowry, CEO

Sidoti & Company
Fall Conference

September 25, 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**

**In-house design,
development,
manufacturing &
distribution**

**Recognized industry
“insiders” lead
commercial teams**

Our Purpose

Cutera intends to shape the future of global aesthetics through an

UNCOMPROMISING PURSUIT OF INNOVATION

with our team of talented and highly empowered employees, willing and able to challenge the status quo



Pursuing Leadership in Large and Fast-Growing Global Markets

\$10B Global Aesthetic Medicine Market

10% Projected Annual Market Growth

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

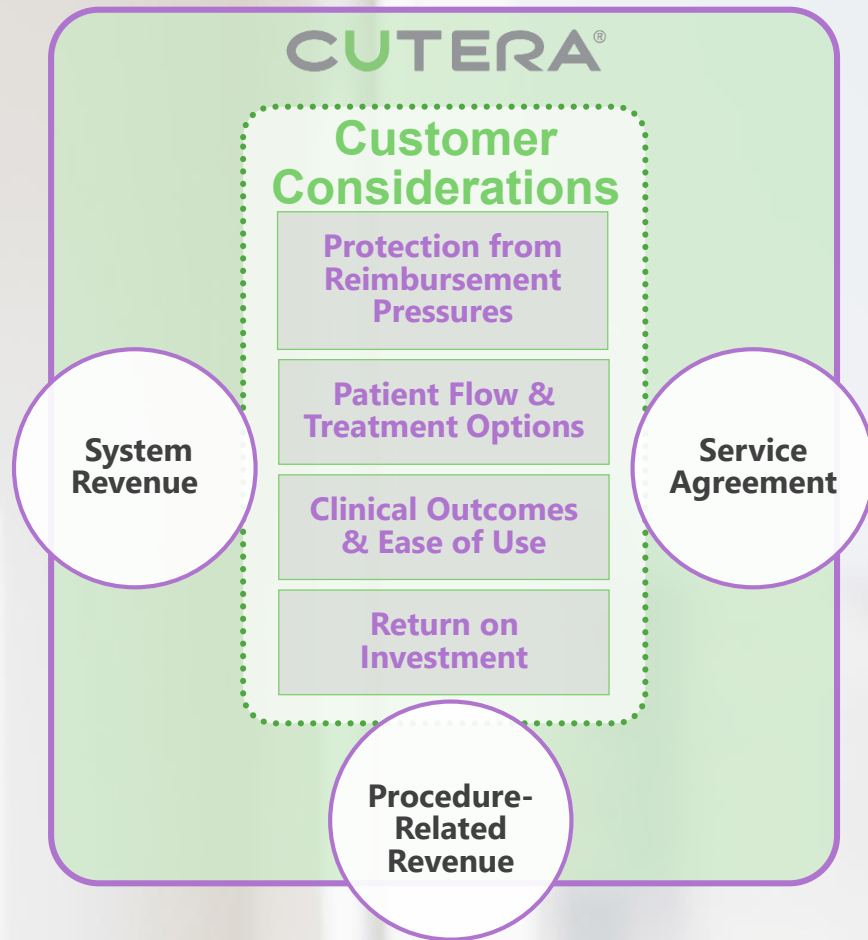
Verticals:

- Body Contouring
- Skin Revitalization
- Vascular
- Hair Removal
- Tattoo Removal
- Women's Health

Customer Groups:

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

Serving the needs of Our Customers





CUTERA[®]
FACE + BODY AESTHETIC SOLUTIONS

Execution

Portfolio: Comprehensive Energy-Based Aesthetic Product Line

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

Body Contouring
truSculpt iD
truSculpt flex

Skin Revitalization
enlighten™
excel V+™
xeo®
Secret™ RF

Vascular
excel V+™
xeo®

Hair Removal
excel HR™
xeo®

Tattoo Removal
enlighten™

Women's Health
Juliet™

A Phased Approach to Achieving our Aspirations

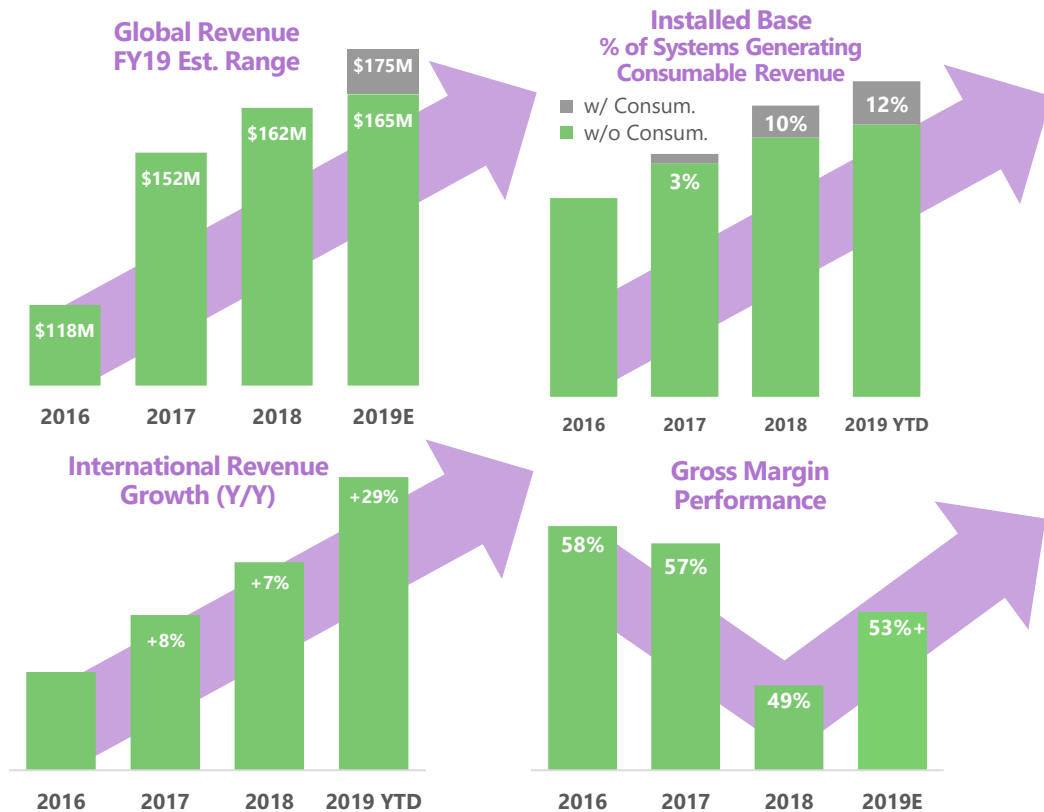
Early results reflecting the value of our investments

Phase 1:

2019 - 2020

Foundational Investments

- *Priming R&D Pipeline, Establishing Cadence*
- *No. American Practice Development Reps*
- *Focused Int'l Market Expansion*
- *Increased Field Service & Support Focus*
- *Supply Chain & Back-office Infrastructure*



Proven Track Record of Delivering Innovation

WOMENS HEALTH



Juliet™

FACIAL / SKIN REVITALIZATION



CoolGlide
Excel



xeo®



Titan®



Pearl®
Fractional

GenesisPlus



excel V™



excel HR™



enlighten™ III



Secret™ RI



excel V+™

2000

2019

CoolGlide
CV

CoolGlide
Vantage



truSculpt



ProWave LX™
truSculpt 16 cm²



truSculpt® 3D



truSculpt® iD



truSculpt® flex

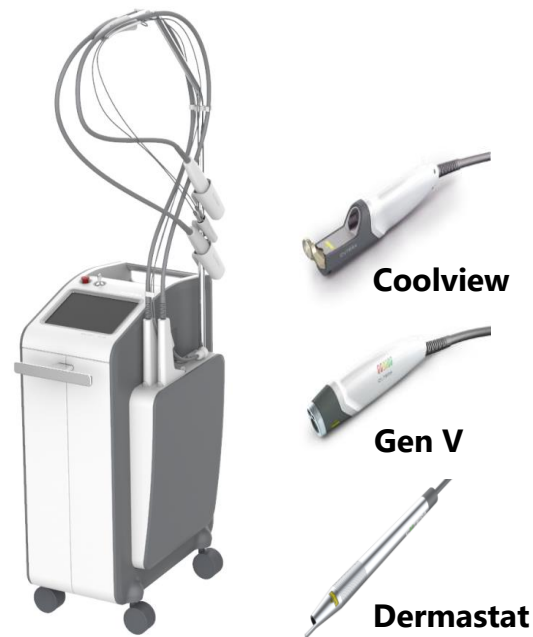


BODY CONTOURING

Raising the bar for Vascular Aesthetic Laser Performance

Core-customer “workhorse” differentiated by both efficacy & procedural efficiency

	CUTERA® 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



“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

How CUTERA differentiates with truSculpt®

	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	✓
• Tattoos	✓	X	✓	✓
Results in 1 Tx	YES	YES	YES	NO



Expanding our Body Contouring 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**
Customizable handpiece
configuration and
placement locations*



Opportunity to use truSculpt iD as precursor to truSculpt flex treatment



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Financials

Second Quarter 2019 Financial Highlights

Above Market
Growth Rate:

+12%
over 2Q18

Percent Recurring
Revenue:

21%
vs. 17% in 2Q18

Continued strength
of truSculpt:

+44%
vs. 2Q18

Gross Margin
improvement

600+ bps
over 1Q19

Reiterated Guidance:

\$165M - \$175M

Improved GM over FY18

Adj. EBITDA of \$2M – 4M

A Phased Approach to Achieving our Aspirations

Building Shareholder Confidence through Execution of our Plan

Phase I

2019 – 2020

Foundational Investments

- No. American Practice Development Reps
- Focused Int'l Market Expansion
- Priming R&D Pipeline
- Increased Field Service & Support Focus
- Supply Chain & Back-office Infrastructure

Phase II

2021 - 2023

Business Optimization

- Scaling No. American Sales Team
- Continued Int'l Expansion & Mrkt Penetration
- Balanced of Core & Disruptive Products
- Expansion of Consumable Revenues**
- Optimized Mfg & Distribution Structures
- Leveraged Back-office and G&A functions

Phase III

2024 and Beyond
Market Leadership

- Category Leadership through Differentiation
- Integrated Practice Services & Support**
- Focus on Training & Medical Education
- Leadership Presence in Major Int'l Markets
- Balanced Revenues – Systems & Recurring**

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

- 10K+ systems installed
- Recognized as high-quality producer

Evolving Razor + Blade Business Model

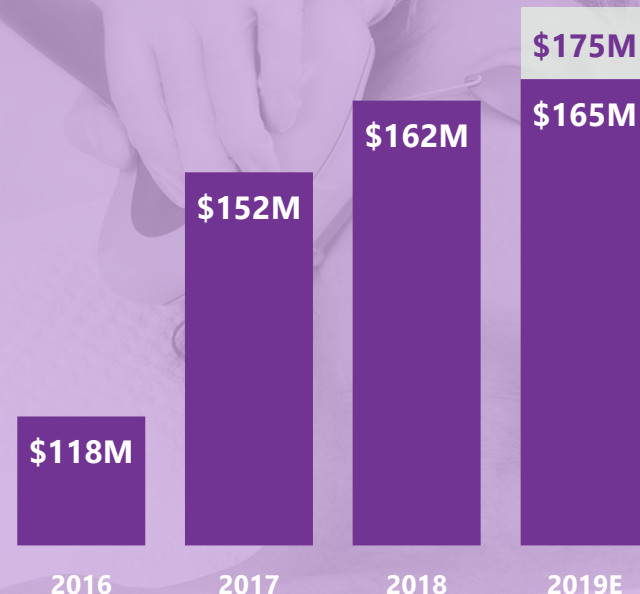
- 40%+ of systems sold in Q2 generate consumable revenue

Improving GM and Delivering Operating Leverage

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

Global Revenue

FY19 Guidance Range





Thank You

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