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Certain statements in this presentation and responses to various questions may constitute forward-looking statements, including statements regarding the Company’s financial position, business strategy and plans and objectives of management for future operations. These statements, which in some cases contain words such as “believe,” “expect,” “anticipate,” “intends,” “estimate,” “forecast,” “project,” “will,” “may,” “should” and similar expressions, reflect the beliefs and expectations of the Company and are subject to significant known and unknown risks, contingencies and uncertainties, including those described under “Risk factors” in our most recent Annual Report on Form 20-F filed with the Securities and Exchange Commission or the SEC, which are difficult or impossible to predict and beyond the company’s control, and which may cause actual results to differ materially from those discussed in the forward-looking statement. These forward-looking statements are made only as of the date hereof, and the Company undertakes no obligation to update or revise the forward-looking statements, whether as a result of new information, future events or otherwise.

Throughout this presentation, we reference adjusted EBITDA, Constant Currency and other non-GAAP financial measures. Please refer to the Appendix to this presentation, as well as to our most recent Annual Report on Form 20-F, filed with the SEC on April 2, 2015, and our report of Foreign Private Issuer on Form 6-K, furnished to the SEC on May 12, 2015, for a discussion of adjusted EBITDA, reconciliation of GAAP to Non-GAAP results, and a reconciliation of net income to adjusted EBITDA, the most directly comparable financial measure required by, or presented in accordance with U.S. GAAP.
Who we are

A global leader in energy-based medical devices, generating growth by focusing on innovative technologies and global footprint. An agent of change enabling adoption of minimally invasive procedures driven by a growing aging population.
Well-positioned across multiple attractive end markets

Q1’15 LTM: $292m

**Surgical - $111m**
+5% Growth LTM;
38% of total revenue
- BPH (Benign Prostatic Hyperplasia)
- Lithotripsy
- ENT Micro-Surgery
- Gynecology
Addressable market of ~$2.1b

**Ophthalmic - $58m**
-4% Growth LTM;
20% of total revenue
- Retina
- Glaucoma & Secondary Cataract
Addressable market of ~$390m

**Aesthetic - $124m**
+18% Growth LTM;
42% of total revenue
- Skin rejuvenation
- Hair removal
Addressable market of ~$1.8b

Total addressable market of ~$4.3b
Asia Pacific business more than doubled within the past 4 years
Surgical leader focused on improving patient outcomes

**BPH**

*The BPH solution - Enucleation*
- Minimizes collateral damage
- Better symptomatic recovery
- Lowest re-intervention rate
- Shorter hospital stays

**Lithotripsy**

*The stone dusting solution*
- Minimally invasive urinary lithotripsy
- Self clearing stones
- Broad stone targeting

**ENT / GYN**

*Advanced precision and guidance*
- High-end, high-energy, short-pulse-duration CO₂ laser
- Vaporization and excision
- Minimal collateral tissue damage
- Better patient outcomes

~$2.1b addressable market

Our new Pulse 120H: All in one

Old solution (PS100w)
- Enucleation
- Flexible Ureteroscopy

The Pulse 120H
- Vaporization
- PCNL

Key benefits
- An additional addressable market of ~$200m
- Cost effective; improved physician economics
- Faster treatment, shorter OR and hospitalization time
- Superior clinical outcomes - better technology for better patient care

SOURCE: iData Research – Market for Urological Devices reports, 2013-2014; Company estimations
The Pulse120H vs. Green: Clarity of sight

Lumenis Pulse 120W

Greenlight XPS 180W
Deep, single pulse penetration
- All skin conditions from near face lift effect to anti-aging
- Treatment types: pigmentation, collagen building, elasticity, scars, veins
- Multi-application, modular, upgradable platform
- Proven clinical efficacy and safety
- ResurFX – “truly fractional” solution
- Ability to address severe scarring

The Gold standard in hair removal
- All skin types including dark and tanned skin
- Pain management mechanism for a comfortable procedure
- Short treatment cycle
- Fast treatment time
- Superior efficacy

~$1.8b addressable market

SOURCE: The Global Aesthetic Market Study, Medical Insight, April 2014
M22 ResurFX results

Skin resurfacing

Scars

Stretch marks

Courtesy of Dr. Matteo Tretti Clementoni, MD
UltraPulse results

UltraPulse – Scars and range of motion

Courtesy of Dr. Jill Waibel, MD

UltraPulse Deep FX – Fractional skin resurfacing

Courtesy of Suzanne Kilmer, MD
Pioneer in the Ophthalmic laser market

Upgradable, cost effective treatment
- Treats various retinal pathologies
- Better treatment of existing indications

Continual innovation
- Array Laser Link pattern scanning device
- Reduces procedure time by 80%
- Received FDA and MHLW clearance in Q4’13
- Expands the capability of Vision1 and Spectra

SLT\(^1\) inventor
- SLT, YAG photo-disruption and photo-coagulation
- Maximum space utilization
- Proven long term clinical efficacy
- Accounts for 50% of global SLT market

Glaucoma & Secondary Cataract

Retina

Vision One

Array Laser Link

Selecta Trio

~$390m addressable market

(1) Selective Laser Trabeculoplasty

Innovation as key growth driver

Product releases 2007-2014

- AcuPulse
- Vision
- VP20
- One

Medical

- 2007
- 2008
- 2009
- 2010
- 2011
- 2012

Aesthetic

- LightSheer
- Duet
- M22

- ResurFX
- Pulse
- 120H
- Scanning
- Laser Link
- Vision
- One

- 2013
- 2014

New products\(^1\) generated over 20% of product revenues in Q1’15

Innovation is a significant driver of our company growth

(1) Products launched in the past 2 years
Financial review
Continued strong growth

- New management
- Realigned organization
- Revitalized R&D processes and pipeline
- Culture of accountability and success
- Focus on execution

<table>
<thead>
<tr>
<th>Quarter</th>
<th>2012 LTM</th>
<th>2013 LTM</th>
<th>2014 LTM</th>
<th>2015 LTM</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q1</td>
<td>245</td>
<td>251</td>
<td>271</td>
<td>292</td>
</tr>
<tr>
<td>Q2</td>
<td>245</td>
<td>257</td>
<td>277</td>
<td>290</td>
</tr>
<tr>
<td>Q3</td>
<td>247</td>
<td>261</td>
<td>284</td>
<td></td>
</tr>
<tr>
<td>Q4</td>
<td>249</td>
<td>265</td>
<td>277</td>
<td></td>
</tr>
</tbody>
</table>

LTM Growth, YoY:
- 6.7%
- 4.7%
- 0.7%
- 7.9%
- 8.0%
- 8.8%
- 9.2%
- 7.9%
In Q1’15, constant currency growth was 10.6% and we expect to continue the momentum throughout 2015.

Revenues, $m

Q1’12: 57.6  Q2’12: 60.9  Q3’12: 63.9  Q4’12: 66.3  Q1’13: 60.1  Q2’13: 66.3  Q3’13: 67.8  Q4’13: 71.1  Q1’14: 65.8  Q2’14: 72.5  Q3’14: 74.2  Q4’14: 77.2  Q1’15: $68.5m
Significant improvement in profitability

780bps gross margin improvement

$\text{m, \% of sales}$

Q1’12 LTM | Q1’13 LTM | Q1’14 LTM | Q1’15 LTM
--- | --- | --- | ---
113 | 127 | 146 | 157
45.9\% | 50.5\% | 53.9\% | 53.7\%

More than doubled EBITDA$^1$ margins

$\text{m, \% of sales}$

Q1’12 LTM | Q1’13 LTM | Q1’14 LTM | Q1’15 LTM
--- | --- | --- | ---
10 | 19 | 27 | 34
4.2\% | 7.7\% | 10.1\% | 11.5\%

Drivers of margin expansion

- Improved manufacturing efficiency
- Focus on product quality
- Redesign to cost
- Optimized sourcing
- Cost reduction across platforms
- Tight expense management
- Scale

(1) Adjusted EBITDA represents net income before depreciation and amortization, stock-based compensation, legal settlements, net and other non-recurring expenses, financial expenses, net and taxes on income.
## Q1’15 Non-GAAP results

<table>
<thead>
<tr>
<th>$ in million</th>
<th>Actual Q1’14</th>
<th>Actual Q1’15</th>
<th>Variance Q1’14-Q1’15</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenues</td>
<td>65.8</td>
<td>68.5</td>
<td>2.7</td>
</tr>
<tr>
<td><strong>YoY growth (%)</strong></td>
<td>4.1%</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Constant currency growth</strong></td>
<td>10.6%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Gross profit</td>
<td>34.6</td>
<td>36.7</td>
<td>2.1</td>
</tr>
<tr>
<td><strong>Gross margin, %</strong></td>
<td>52.6%</td>
<td>53.6%</td>
<td>+1.0%</td>
</tr>
<tr>
<td>Adjusted EBITDA</td>
<td>4.8</td>
<td>6.0</td>
<td>1.1</td>
</tr>
<tr>
<td><strong>EBITDA margin, %</strong></td>
<td>7.4%</td>
<td>8.7%</td>
<td>1.4%</td>
</tr>
<tr>
<td><strong>YoY growth (%)</strong></td>
<td></td>
<td>23.2%</td>
<td></td>
</tr>
<tr>
<td>Net income</td>
<td>2.2</td>
<td>2.3</td>
<td>0.1</td>
</tr>
<tr>
<td><strong>Net margin, %</strong></td>
<td>3.3%</td>
<td>3.3%</td>
<td>0.0%</td>
</tr>
<tr>
<td><strong>YoY growth (%)</strong></td>
<td></td>
<td>3.5%</td>
<td></td>
</tr>
<tr>
<td>Fully diluted EPS ($)</td>
<td>0.07</td>
<td>0.06</td>
<td>-0.01</td>
</tr>
</tbody>
</table>

---

(1) To calculate revenue and EBITDA growth rates that exclude the impact of changes in foreign currency exchange rates, we convert actual reported results from local currency to U.S. dollars using constant foreign currency exchange rates in the current and comparable period.
2015 Annual guidance

For the full year ended December 31, 2015, we expect to report on a non-GAAP basis:

- Revenue in a range of **$305 to $310** million, representing an increase of 5.3% - 7.0% year-over-year or **9.9% - 11.7%** on a constant currency basis\(^1\)

- Adjusted EBITDA in a range of **$35 to $37** million, representing an increase of 7.9% - 14.1% year-over-year or **35.0% - 42.7%** on a constant currency basis

- Non-GAAP EPS in a range of **$0.62 - $0.66**, representing growth of **9.1% to 16.1%** year-over-year

---

\(^1\) To calculate revenue and EBITDA growth rates that exclude the impact of changes in foreign currency exchange rates, we convert actual reported results from local currency to U.S. dollars using constant foreign currency exchange rates in the current and comparable period.
Our plan for accelerated profitable growth

1. Drive growth through innovation
   - Consistently deliver new innovative products
   - Penetrate into new domains

2. Expand geographic footprint
   - Increase penetration in existing territories
   - Go direct in selected territories

3. Continue to improve profitability
   - Gross Margin expansion
   - Operational excellence
Investment highlights

Attractive markets
- Total addressable market of $4.3b
- Growing at high single digit
- Growth correlates with aging population
- 60% reimbursed, 40% out of pocket

Solid foundations
- Innovative technology- better technology for better patient care
- Global reach, with outstanding presence in APAC
- Strong brand- over 40 years of clinical outcomes
- Seasoned management team

Robust Outlook
- Drive growth via:
  - Continued innovation and new product introduction
  - Expanding direct presence in APAC and USA
  - Entering into new procedures and domains
  - Leverage platform for non-organic opportunities

Committed to delivering accelerating, sustainable and profitable growth
Thank You

www.lumenis.com
APPENDIX
Reconciliation of GAAP to Non-GAAP

LUMENIS LTD. AND SUBSIDIARIES
Reconciliation of GAAP to Non-GAAP results
(Unaudited)

(U.S. dollars in thousands)

<table>
<thead>
<tr>
<th>Table of Reconciliation from GAAP Gross profit to Non-GAAP Gross profit</th>
</tr>
</thead>
<tbody>
<tr>
<td>GAAP gross profit</td>
</tr>
<tr>
<td>Stock-based compensation</td>
</tr>
<tr>
<td>Non-GAAP gross profit</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Table of Reconciliation from GAAP Operating Income to Non-GAAP Operating Income and Adjusted EBITDA</th>
</tr>
</thead>
<tbody>
<tr>
<td>GAAP operating income</td>
</tr>
<tr>
<td>Stock-based compensation</td>
</tr>
<tr>
<td>IPO related expenses</td>
</tr>
<tr>
<td>Non-GAAP operating income</td>
</tr>
<tr>
<td>Depreciation and Amortization</td>
</tr>
<tr>
<td>Adjusted EBITDA (Non-GAAP)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Table of Reconciliation from GAAP Net Income to Non-GAAP Net Income</th>
</tr>
</thead>
<tbody>
<tr>
<td>GAAP net income</td>
</tr>
<tr>
<td>Stock-based compensation</td>
</tr>
<tr>
<td>IPO related expenses</td>
</tr>
<tr>
<td>One-time payment to Bank Hapodim BM</td>
</tr>
<tr>
<td>Revaluation of embedded derivatives and other non-recurring items</td>
</tr>
<tr>
<td>Non-GAAP net income</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Table Comparing GAAP Diluted Net Income Per common Share to Non-GAAP Diluted Net Income Per Common Share</th>
</tr>
</thead>
<tbody>
<tr>
<td>GAAP Diluted net income (loss) per common share</td>
</tr>
<tr>
<td>Non-GAAP Diluted net income per common share</td>
</tr>
<tr>
<td>Shares used in computing GAAP diluted net income per common share</td>
</tr>
<tr>
<td>Shares used in computing Non-GAAP diluted net income per common share</td>
</tr>
</tbody>
</table>
## Additional financial information

<table>
<thead>
<tr>
<th></th>
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</thead>
<tbody>
<tr>
<td>Cash position¹</td>
<td>105.5</td>
<td>38.5</td>
</tr>
<tr>
<td>Inventory</td>
<td>42.6</td>
<td>48.3</td>
</tr>
<tr>
<td>Total debt²</td>
<td>51.5</td>
<td>100.4</td>
</tr>
<tr>
<td>Total shareholders’ equity</td>
<td>102.6</td>
<td>(10.6)</td>
</tr>
</tbody>
</table>

Net cash of ~57m, approximately $1.60 per share

---

¹ Including marketable securities
² Principal loan of $48.6m as of March 31, 2015