



April 2014

Dear Fellow Globus Medical Stockholders:

I am pleased to report that 2013 was another stellar year for Globus. We continued to be one of the industry leaders in sales growth and once again reported strong profitability and cash flow, all while delivering 16 innovative products to market and completing the acquisition of a robotics navigation technology. In addition, we had our best year ever in terms of growing our U.S. sales force and expanding our international presence to 28 countries. Our successes last year would not have been possible without the tremendous contributions of every member of the Globus team. We are proud of our accomplishments last year but know that there is much to do in order to continue our success in the future.

Our 2013 sales were a record \$434 million, up 12.6% over 2012. We continued our history of strong profitability with a full year Adjusted EBITDA margin of 34.7%¹. During the year, net of our acquisition of Excelsius Surgical, we also generated \$70 million of free cash flow. Our continued successful execution of our business model of efficiently and rapidly growing our innovative product portfolio and expanding our sales force has enabled us to post yet another tremendous year of profitable growth.

Our product development team continues to develop and launch innovative products year after year, and 2013 was no exception. Over the course of the year, we introduced 16 new products, demonstrating the efficiency and effectiveness of our integrated product development engine that has built a portfolio of over 120 products over the last 11 years. CREO®, our new pedicle screw platform is one of the most significant projects in our history. The CREO® platform, with streamlined, intuitively designed instruments, offers surgeons the ultimate in adaptability through the ability to intraoperatively tailor the spinal construct to best meet individual patients' needs in treating complex spinal pathologies.

As we continue to grow, we will continue to pursue strategic business development opportunities in addition to our internal product development efforts. For example, late last year we acquired Excelsius Surgical, an early-stage robotics company developing a next-generation surgical robotic positioning platform for spine, brain, and therapeutic markets. The Globus Positioning System™ is being developed as a robotic surgical aid for navigating the patient's anatomy and facilitating surgical access, implant sizing, positioning and placement, and is being designed to enable surgeons to perform procedures more quickly and with greater accuracy, safety, and reproducibility than any solution available in the marketplace today. This acquisition is

¹ To supplement our consolidated financial statements, which are prepared and presented in accordance with GAAP, we use certain non-GAAP financial measures, including adjusted EBITDA and free cash flow. For a full reconciliation of these non-GAAP financial measures to the corresponding GAAP measures, please see page 74 of the Annual Report on Form 10-K for the fiscal year ended December 31, 2013 included with this letter.

consistent with our overarching focus on developing novel products designed to minimize tissue disruption, blood loss, and surgical complications. I believe that this type of longer-term investment will be key to maintaining Globus as a leading musculoskeletal innovator, changing the way surgery will be performed in the future.

Last year was also a record year for expanding our sales force. We added more new U.S. sales territories than in any year in our history and expanded internationally into four new countries. Our future success remains predicated in part on continuing our recruitment and retention of successful sales personnel, and we believe Globus continues to be the preferred destination for successful sales professionals within our industry.

Organizationally, we completed our first full calendar year as a public company in 2013 and have welcomed many new investors and shareholders. Last year was exciting for our company, and we are proud of our many accomplishments. We are most proud of our ability to maintain an unwavering focus on profitable growth. As many of our 2013 accomplishments demonstrate, we do not shy away from making investments in our company, but we approach every significant spending decision critically to avoid wasteful spending.

As we reflect back on 2013 and look forward to the years ahead, I would like to thank all of our employees, investors and customers for their continued support and look forward to the challenges and opportunities that lie ahead.

Sincerely,

A handwritten signature in black ink, appearing to read "D. Paul", written in a cursive style.

David C. Paul
Chairman and Chief Executive Officer