



April 2016

Dear Fellow Globus Medical Stockholders:

I am pleased to report that 2015 was another record 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 launching 14 innovative products, integrating Transplant Technologies of Texas (“TTOT”), a provider of human tissue products that we acquired in late 2014, and completing the acquisition of Branch Medical Group, a high-precision medical device manufacturer. Beyond our spine franchise, we continued to make progress in the development of our robotic surgical positioning platform and began in earnest to develop a suite of products to treat orthopedic trauma.

Our 2015 sales were a record \$544.8 million, an increase over 2014 of 14.8% on an as-reported basis, or 16% on a constant currency basis<sup>1</sup>. We continued our history of strong profitability with a full year Adjusted EBITDA margin of 36.2% and earnings per share of \$1.17. Our continued successful execution of our business strategy of robust product innovation, sales force expansion, and disciplined expense control has enabled us to post yet another year of profitable growth.

Over the course of 2015, we introduced 14 innovative products for treatment of spine disorders, demonstrating the efficiency and effectiveness of our integrated product development engine that has built a portfolio of over 150 products since our inception in 2003. We continued to add systems to our CREO® pedicle screw platform in 2015 and also launched several exciting regenerative biologics products during the year.

We continue to pursue business development opportunities that are strategically important to our company. For example, late in 2014 we acquired TTOT in an effort to better position Globus in existing allograft markets while also providing a dedicated source of supply for our extensive pipeline of implant products utilizing human allograft tissue. We focused our efforts in 2015 on integrating TTOT into the Globus culture and developing new allograft tissue products to be sold by the Globus sales force.

In 2015 we also completed the acquisition of Branch Medical Group, a high-precision medical device manufacturer. We continued to invest in Branch throughout the year with the goal of increasing the amount of purchases we make from Branch to 50% of our total needs by 2018. We believe this acquisition will provide tremendous value to us, both operationally and financially in 2016 and beyond.

---

<sup>1</sup> To supplement our consolidated financial statements, which are prepared and presented in accordance with GAAP, we use certain non-GAAP financial measures, including sales on a constant currency basis and adjusted EBITDA. For a full reconciliation of non-GAAP financial measures to the corresponding GAAP measures, please see page 61 of the Annual Report on Form 10-K for the fiscal year ended December 31, 2015 included with this letter.

We also made great progress during 2015 on the development of the Globus Positioning System™, a robotic surgical aid being designed to navigate the patient's anatomy and facilitate surgical access and implant sizing, positioning and placement, and expect to submit it to the FDA for clearance during 2016. We believe the Globus Positioning System™ will enable surgeons to perform procedures more quickly and with greater accuracy, safety, and reproducibility than any solution available in the marketplace today.

In 2015 we also began to develop a suite of products to treat orthopedic trauma. This is a new market for us, but one where we believe our product development expertise can enable us to develop new and innovative means to treat patients who suffer traumatic injuries. We plan to submit several trauma products for FDA clearance in 2016 and are excited for the opportunity to enter the trauma market in 2017.

Last year was busy and 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 2015 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 2015 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