

Mazor Robotics Announces Third Quarter and Nine Month Financial Results

– Total Revenue of \$6.1 Million in the Third Quarter; Gross Margin of 80.6% – Recurring Quarterly Revenue Increased 67% Year-over-Year Reflecting Increased System Installed Base and Utilization Conference Call Today at 8:30 AM ET (2:30 PM IST)

CAESAREA, Israel – October 30, 2014 – Mazor Robotics Ltd. (TASE: MZOR; NASDAQGM: MZOR), a developer of innovative guidance systems and complementary products, announced today its financial results for the third quarter and nine months ended September 30, 2014.

“This is a solid start to the second half of 2014 as we sold five Renaissance systems in the U.S. market during the third quarter, increasing the global installed base to 77 systems and matching our best-ever quarterly performance in the U.S.,” commented Ori Hadomi, Chief Executive Officer. “Our performance in the third quarter was due to solid sales execution as we continued to penetrate existing and new markets, including northern California and the upper Midwest. This clearly demonstrates the increasing demand in the U.S. for the Renaissance system, our primary growth market. Internationally, we received China CFDA clearance and we are working with our distribution partner to penetrate this key market – one of our largest opportunities in Asia. As we approach the end of 2014, we believe the data supporting the clinical and economic benefits of the system along with the continued increase in customer utilization will drive greater adoption and expand Renaissance’s global installed base.”

THIRD QUARTER 2014 FINANCIAL RESULTS ON IFRS BASIS (“GAAP”)

Revenue for the three months ended September 30, 2014 was \$6.1 million compared to \$3.1 million in the year-ago third quarter. U.S. generated revenue increased to \$5.4 million compared to \$2.3 million in the year-ago quarter, primarily due to higher system sales as the Company sold five Renaissance systems in the 2014 third quarter. International (non-U.S.) revenue was \$0.7 million compared to \$0.8 million reported in the third quarter of 2013. Revenue from system kit sales, services and other increased to \$2.5 million in the third quarter of 2014, representing a 67% increase compared to \$1.5 million in the third quarter of 2013.

Gross margin expanded to 80.6% compared to 73.2% in the year-ago third quarter, primarily due to greater system sales in the 2014 third quarter.

Total operating expenses were \$8.4 million, compared to \$5.8 million in the third quarter of 2013, reflecting the Company’s increased investments in sales, marketing and research and development. Operating loss was \$3.5 million, similar to the year-ago period. Net loss for the third quarter of 2014 was \$3.9 million, or \$0.09 per share, compared to a net loss of \$3.5 million, or \$0.10 per share, in the third quarter of 2013.

Cash used in operating activities was \$4.0 million, compared to \$2.0 million in the third quarter of 2013. As of September 30, 2014, cash, cash equivalents, marketable securities and long-term investments totaled \$54.2 million.

THIRD QUARTER 2014 FINANCIAL RESULTS ON NON-GAAP BASIS

The tables below include a reconciliation of the Company’s GAAP results to non-GAAP results. The reconciliation primarily relates to non-cash expense in the amount of \$0.7 million with respect to share-based compensation in the third quarter of 2014. On a non-GAAP-basis, the net loss in the third quarter of 2014 was \$3.2 million, or \$0.08 per share, compared to \$3.1 million, or \$0.09 per share in the third quarter of 2013.

NINE MONTHS ENDED SEPTEMBER 30, 2014 FINANCIAL RESULTS IFRS BASIS ("GAAP")

For the nine months ended September 30, 2014, revenue totaled \$15.5 million compared to \$14.3 million for the nine months ended September 30, 2013. Recurring revenue totaled \$6.6 million compared to \$4.5 million in the nine months ended September 30, 2013. The growth in recurring revenue is attributed to the increased utilization of the Company's Renaissance system, both in the U.S. and globally. Gross margin for the nine months ended September 30, 2014 was 79.6% compared with 78.6% in the nine months ended September 30, 2013. Net loss for the nine months ended September 30, 2014 was \$11.6 million compared to \$18.5 million in the first nine months of 2013, reflecting a decrease in financing expenses.

NINE MONTHS ENDED SEPTEMBER 30, 2014 FINANCIAL RESULTS ON NON-GAAP BASIS

On a non-GAAP basis, the net loss for the first nine months of 2014 was \$10.1 million, or \$0.24 per share compared to a net loss of \$4.1 million, or \$0.13 per share in the first nine months of 2013.

CONFERENCE CALL INFORMATION

The company will host a conference call to discuss these results on Thursday, October 30, 2014, at 8:30 AM ET (2:30 PM IST). Investors within the United States interested in participating are invited to call 877-269-7756. Participants in Israel can use the toll free dial-in number 809 406 247. All other international participants can use the dial-in number 201-689-7817.

A replay of the event will be available for two weeks following the conclusion of the call. To access the replay, callers in the United States can call 877-660-6853 and reference the Replay Access Code: 13593070. All international callers can dial 201-612-7415, using the same Replay Access Code.

To access the webcast, please visit www.mazorrobotics.com, click 'Investor Relations.'

Use of Non-GAAP Measures

In addition to disclosing financial results calculated in accordance with generally accepted accounting principles in conformity with International Financial Reporting Standards (GAAP), this press release contains Non-GAAP financial measures for gross profit, operating expenses, operating loss, financing income, net income and basic and diluted earnings per share that exclude the effects of non-cash expense of amortization of intangible assets, stock-based compensation and revaluation of the fair value of the derivative instruments. Management believes that these non-GAAP financial measures provide meaningful supplemental information regarding the Company's performance that enhances management's and investors' ability to evaluate the Company's net income and earnings per share and to compare them to historical net income and earnings per share.

The presentation of this non-GAAP financial information is not intended to be considered in isolation or as a substitute for the financial information prepared and presented in accordance with GAAP. Management uses both GAAP and non-GAAP measures when operating and evaluating the Company's business internally and therefore decided to make these non-GAAP adjustments available to investors.

About Mazor

Mazor Robotics (TASE: MZOR; NASDAQGM: MZOR) believes in healing through innovation by developing and introducing revolutionary robotic-based technology and products aimed at redefining the gold standard of quality care. Mazor Robotics Renaissance® Guidance System enables surgeons to conduct spine and brain procedures in a more accurate and secure manner. For more information, please visit www.MazorRobotics.com.

Forward-Looking Statements

This press release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 and other securities laws. Any statements in this release about future expectations, plans or prospects for the Company, including without limitation, statements regarding the expectations for growth in system sales and recurring revenue, the Company's expected sales in 2016, and other statements containing the words "believes," "anticipates," "plans," "expects," "will" and similar expressions are forward-looking statements. These statements are only predictions based on Mazor's current expectations and projections about future events. There are important factors that could cause Mazor's actual results, level of activity, performance or achievements to differ materially from the results, level of activity, performance or achievements expressed or implied by the forward-looking statements. Those factors include, but are not limited to, the impact of general economic conditions, competitive products, product demand and market acceptance risks, reliance on key strategic alliances, fluctuations in operating results, and other factors indicated in Mazor's filings with the Securities and Exchange Commission (SEC) including those discussed under the heading "Risk Factors" in Mazor's annual report on Form 20-F filed with the SEC on April 29, 2015 and in subsequent filings with the SEC. For more details, refer to Mazor's SEC filings. Mazor undertakes no obligation to update forward-looking statements to reflect subsequent occurring events or circumstances, or to changes in our expectations, except as may be required by law.

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