

Mazor Robotics Announces Fourth Quarter and Full Year 2014 Financial Results

- Total Revenue of \$5.7 Million in the Fourth Quarter; \$21.2 Million for the Full Year - Recurring Quarterly Revenue Increased 31% Year-over-Year Reflecting Increased Utilization and Growth in System Installed Base - Company Ends 2014 with 83 Renaissance Systems Installed Globally Compared to 63 at the End of 2013 Conference Call Today at 8:30 AM ET (3:30 PM IST) CAESAREA, Israel - February 18, 2015 - Mazor Robotics Ltd. (TASE: MZOR; NASDAQGM: MZOR), a developer of innovative guidance systems and complementary products, announced today its financial results for the fourth quarter and full year ended December 31, 2014.

"The continued expansion of the Renaissance system installed base - 83 globally compared to 63 a year ago - reflects the strength of the clinical data and customer satisfaction from the system performance. I believe these factors, along with the increase in customer utilization, will drive greater adoption and expand the presence of Renaissance over time", commented Ori Hadomi, Mazor's Chief Executive Officer. "We achieved several strategic objectives in 2014 which position us well for 2015. We launched and commercially sold Renaissance systems with the brain module and entered major U.S. metropolitan markets. Internationally, we received China FDA (CFDA) approval, secured orders for the first two commercial systems in China and expanded our presence throughout Asia."

"As we enter 2015, there are five main priorities that we will focus on to assure our long term success. These areas of focus include: Grow our market footprint, increase utilization, growing awareness of the Renaissance's benefits, deliver product enhancements and publish additional positive scientific data supporting our value proposition. We are seeing positive trends in all of these areas, supporting my confidence that Mazor will experience growth in 2015 and beyond, with Renaissance becoming integrated into the standard of care."

FOURTH QUARTER 2014 FINANCIAL RESULTS ON IFRS BASIS ("GAAP")

Revenue for the three months ended December 31, 2014 was \$5.7 million compared to \$5.7 million in the year-ago fourth quarter. U.S. generated revenue decreased to \$3.4 million compared to \$4.2 million in the year-ago quarter, as the Company sold two Renaissance systems in the U.S. market during the fourth quarter of 2014, compared to four systems sold in the 2013 fourth quarter. International revenue increased to \$2.3 million from \$1.5 million reported in the fourth quarter of 2013, as the Company sold four Renaissance systems in the International market, compared to three systems sold in the 2013 fourth quarter. Revenue from system kit sales, services and other, increased to \$2.5 million in the fourth quarter of 2014, representing a 32% increase when compared to \$1.9 million in the fourth quarter of 2013, due to increased utilization of the Renaissance system.

The 2014 fourth quarter gross margin of 78.4% was nearly equal to the year-ago fourth quarter gross margin of 78.5%.

Total operating expenses were \$8.0 million, compared to \$6.6 million in the fourth quarter of 2013, primarily reflecting the Company's increased investments in sales and marketing activities. Operating loss was \$3.5 million, compared to an operating loss of \$2.1 million in the year-ago fourth quarter. Net loss for the fourth quarter of 2014 was \$3.7 million, or \$0.09 per share, compared to a net loss of \$2.0 million, or \$0.05 per share, in the fourth quarter of 2013.

Cash used in operating activities was \$1.9 million, compared to \$1.3 million used in the fourth quarter of 2013. As of December 31, 2014, cash, cash equivalents and investments totaled

\$52.2 million.

FOURTH 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 payments in the fourth quarter of 2014. On a non-GAAP basis, the net loss in the fourth quarter of 2014 was \$2.9 million, or \$0.07 per share, compared to \$1.6 million, or \$0.04 per share, in the fourth quarter of 2013.

FULL YEAR ENDED DECEMBER 31, 2014 FINANCIAL RESULTS ON IFRS BASIS ("GAAP")

For the full year ended December 31, 2014, revenue totaled \$21.2 million compared to \$20.0 million for the full year ended December 31, 2013. Recurring revenue from system kit sales, services and other increased to \$9.2 million compared to \$6.5 million in the year ended December 31, 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 year ended December 31, 2014 was 79.3% compared with 78.6% in year ended December 31, 2013. Net loss for the year ended December 31, 2014 was \$15.3 million, or \$0.37 per share, compared to \$20.5 million, or \$0.57 per share, in the year-ago period, reflecting a decrease in financing expenses, offset by an increase in operating expenses, mainly attributed to the continued investment in sales and marketing activities.

FULL YEAR ENDED DECEMBER 31, 2014 FINANCIAL RESULTS ON NON-GAAP BASIS

On a non-GAAP basis, the net loss for 2014 was \$13.0 million, or \$0.31 per share, compared to a net loss of \$5.7 million, or \$0.16 per share, in 2013.

CONFERENCE CALL INFORMATION

The Company will host a conference call to discuss these results on Wednesday, February 18, 2015, at 8:30 AM EST (3:30 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: 13600107. All international callers can dial 201-612-7415, using the same Replay Access Code.

To access the webcast, please visit www.mazorrobotics.com and select '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 (expense), net loss and basic and diluted earnings per share that exclude the effects of non-cash expense of amortization of intangible assets, stock-based payments and revaluation of the fair value of a derivative instrument. 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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