

Mazor Robotics Reports Third Quarter Financial Results

- Total Revenues of \$5.0 Million; Recurring Revenue of \$3.3 Million Rises 32% Year-Over-Year - Three Systems Sold in the Third Quarter, Including Two in Major Academic Centers in the New York City Metropolitan Market Received Purchase Orders for Two Renaissance Systems to Date in the Fourth Quarter; Reaffirms Expectation for Stronger Second Half Compared to First Half
Conference Call Today at 8:30 AM ET (3:30pm IST)

CAESAREA, Israel – November 5, 2015 – Mazor Robotics Ltd. (TASE: MZOR; NASDAQGM: MZOR), a developer of innovative guidance systems and complementary products, reported revenue of \$5.0 million for the third quarter ended September 30, 2015 compared to \$6.1 million the year-ago third quarter. As previously reported on October 6, 2015, during the third quarter the Company sold three Renaissance systems, including the first systems installed in the New York City metropolitan market.

“The strategic importance of the two Renaissance system sales in the New York City metropolitan market is significant to our opportunities for growth,” commented Ori Hadomi, Mazor’s Chief Executive Officer. “These are leading academic institutions and their utilization of the systems will help us build greater awareness in the NYC area and in other large metropolitan areas we are seeking to penetrate. As we approach an installed base of 100 systems worldwide and the 13,000th procedure performed with a Mazor system, we introduced at last month’s NASS annual meeting our new PRO solutions line to enhance the surgeon’s experience and evolving needs. The PRO line of solutions expands our capabilities, showcases our innovative heritage and furthers the partnership between Mazor and our customers. I was encouraged with the interest level in the PRO solutions line and we anticipate launching more PRO solutions throughout 2016.”

“We entered the fourth quarter with a robust pipeline and we have received orders for two systems in the quarter to date. We continue to have ongoing discussions with hospital administrators, the pipeline remains solid and we are reaffirming our confidence that Mazor will sell more Renaissance systems in second half compared to the first half of 2015,” concluded Mr. Hadomi.

THIRD QUARTER 2015 FINANCIAL RESULTS ON IFRS BASIS (“GAAP”)

Revenue for the three months ended September 30, 2015 decreased 18% to \$5.0 million compared to \$6.1 million in the year-ago third quarter. U.S. generated revenue decreased to \$4.3 million compared to \$5.4 million in the year-ago third quarter, as the Company sold three Renaissance systems in the U.S. market during the third quarter of 2015 compared to five systems sold in the 2014 third quarter. International revenue remained the same at \$0.7 million compared to the third quarter of 2014. Recurring revenue from system kit sales, services and other increased to \$3.3 million in the third quarter of 2015, representing a 32% increase compared to \$2.5 million in the third quarter of 2014, mainly attributed to increased utilization of the Renaissance system.

The Company’s gross margin for three months ended September 30, 2015 was 75.9% compared to 80.6% in the year-ago third quarter, reflecting the lower number of systems sold during the 2015 third quarter.

Total operating expenses were \$8.9 million compared to \$8.4 million in the third quarter of 2014, primarily reflecting the Company’s increased investments in sales, marketing and R&D activities. Operating loss was \$5.1 million compared to an operating loss of \$3.5 million in the year-ago third quarter. Net loss for the third quarter of 2015 was \$5.2 million, or \$0.12 per share, compared to a net loss of \$3.9 million, or \$0.09 per share, in the third quarter of 2014.

Cash used in operating activities was \$2.6 million compared to \$4.0 million used in last year's third quarter. As of September 30, 2015, cash, cash equivalents and investments totaled \$45.0 million.

THIRD QUARTER 2015 FINANCIAL RESULTS ON NON-GAAP BASIS

The tables below include reconciliation of the Company's GAAP results to non-GAAP results. The reconciliation relates to non-cash expense in the amount of \$1.0 million with respect to share-based payments recorded in the third quarter of 2015. On a non-GAAP basis, the net loss in the third quarter of 2015 was \$4.2 million, or \$0.10 per share, compared to \$3.2 million, or \$0.08 per share, in the third quarter of 2014.

NINE MONTHS ENDED SEPTEMBER 30, 2015 FINANCIAL RESULTS ON IFRS BASIS ("GAAP")

For the nine months ended September 30, 2015, revenue increased 12% and totaled \$17.3 million compared to \$15.5 million for the nine months ended September 30, 2014, due to an increase in recurring revenues. Recurring revenue totaled \$9.2 million compared to \$6.6 million in the nine months ended September 30, 2014. 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, 2015 was 77.5% compared to 79.6% in the nine months ended September 30, 2014. Net loss for the nine months ended September 30, 2015 was \$12.5 million compared to \$11.6 million in the nine months ended September 30, 2014.

NINE MONTHS ENDED SEPTEMBER 30, 2015 FINANCIAL RESULTS ON NON-GAAP BASIS

On a non-GAAP basis, the net loss for the nine months ended September 30, 2015 was \$10.2 million, or \$0.24 per share, compared to a net loss of \$10.1 million, or \$0.24 per share, in the nine months ended September 30, 2014.

CONFERENCE CALL INFORMATION

The Company will host a conference call to discuss these results on Thursday, November 5, 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: 13614094. 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, net loss and basic and diluted earnings per share that exclude the effects of non-cash expense of amortization of intangible assets and share-based payments. 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 Company's opportunities for growth, that the Company anticipates launching more PRO solutions throughout 2016, that the Company expects to sell more Renaissance systems in the second half of 2015 when compared to the first half of 2015, 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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