

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**  
Washington, D.C. 20549

**FORM 8-K**

**CURRENT REPORT**

**Pursuant to Section 13 or 15(d) of the  
Securities Exchange Act of 1934**

**Date of Report (Date of earliest event reported): November 1, 2012**

**GLOBUS MEDICAL, INC.**

(Exact name of registrant as specified in charter)

**DELAWARE**  
(State or other jurisdiction  
of incorporation)

**001-35621**  
(Commission  
File Number)

**04-3744954**  
(IRS Employer  
Identification No.)

**2560 GENERAL ARMISTEAD AVENUE, AUDUBON, PA 19403**  
(Address of principal executive offices) (Zip Code)

**(610) 930-1800**  
(Registrant's telephone number, including area code)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
  - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
  - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
  - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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**Item 2.02. Results of Operations and Financial Condition.**

On November 1, 2012 we issued a press release reporting, among other things, our sales and operating results for the three and nine month periods ended September 30, 2012. A copy of the press release is attached as Exhibit 99.1 to this report and is incorporated by reference into this Item 2.02 as is fully set forth herein.

In accordance with general instruction B.2 to Form 8-K, the information included in this Item 2.02, and the exhibits attached hereto, shall be deemed to be “furnished” and shall not be deemed to be “filed” with the Securities and Exchange Commission for purposes of Section 18 of the Securities Exchange Act of 1934, as amended.

**Item 9.01. Financial Statements and Exhibits.**

**Exhibit No.    Description**

**99.1**            Press Release dated November 1, 2012

**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

**GLOBUS MEDICAL, INC.**  
(Registrant)

Dated: November 1, 2012

**/s/ RICHARD A. BARON**  
Richard A. Baron  
Senior Vice President  
Chief Financial Officer

**EXHIBIT LIST**

**Exhibit No.    Description**

**99.1**            Press Release dated November 1, 2012

## Globus Medical Reports 2012 Third Quarter Results

AUDUBON, PA, November 1, 2012: Globus Medical, Inc. (NYSE:GMED), a leading spinal implant manufacturer, today announced its financial results for the quarter ended September 30, 2012.

- Worldwide sales were \$94.8 million, a 12.5% increase from the third quarter of 2011
- Net income was \$16.5 million or \$0.18 per diluted share
- Non-GAAP Adjusted EBITDA was 35.1% of sales

David Paul, Chairman and CEO commented, "During the third quarter, Globus continued to deliver sales growth in excess of the overall spine market, while maintaining our focus on operating the business efficiently. Our top line growth was achieved in a challenging spine market, driven by growth from our Disruptive Technology products. Nearly 100% of our sales growth is attributable to internally-driven, organic projects."

Third quarter net sales were \$94.8 million, compared to \$84.3 million last year, representing a 12.5% increase. Increased sales were driven by growth from our Disruptive Technology products, including our minimally invasive surgical (MIS) and lateral platform products. International revenue grew by 38.3% over the same quarter in 2011 and currently represents 8.0% of total sales. Globus currently sells in 23 countries, and has the infrastructure and plans in place to continue expanding into new geographies.

Net income for the quarter was \$16.5 million or \$0.18 per diluted share, as compared to \$16.9 million, or \$0.19 per diluted share in 2011. Non-GAAP Adjusted EBITDA was 35.1% of net sales, compared to 37.3% last year. The investments in our recently created interventional pain management division, Algea Therapies, negatively impacted the quarterly Adjusted EBITDA by 2.4%.

Mr. Paul continued, "In late September, we received our first PMA approval for our SECURE<sup>®</sup>-C cervical artificial disc. The 380 patient investigational device exemption (IDE) study demonstrated statistical superiority to anterior cervical discectomy and fusion (ACDF) in terms of overall success, subsequent surgery at the index level, device-related adverse events, and patient satisfaction at 24 months. We are proud of all the hard work and effort by our product development group, our internal clinical and regulatory group, and our participating investigator sites and surgeons. We have since launched SECURE<sup>®</sup>-C, and will be ramping up our surgeon training program over the coming months.

Financially, we continued to execute efficiently in terms of both gross margin and Adjusted EBITDA, and showed strong positive cash flow while making significant investments in infrastructure and Algea Therapies. Lastly, this has been an exciting quarter for us with the completion of our IPO in August. We are confident that our rapid product development engine and infrastructure foundation will enable us to continue our trend of long term, profitable growth."

Cash and cash equivalents for the quarter increased by \$29.6 million, including a net of \$21.0 million raised in the IPO, to end the third quarter of 2012 at \$195.2 million. The company remains debt free.

### Conference Call Information

Globus Medical will hold a teleconference to discuss its performance with the investment community at 5:30 p.m. Eastern Time today. Globus invites all interested parties to join the call by dialing:

1-855-533-7141 United States Participants

1-720-545-0060 International Participants

There is no pass code for the teleconference.

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For interested parties who do not wish to ask questions, the teleconference will be webcast live and may be accessed through a link on the Globus Medical website at [investors.globusmedical.com](http://investors.globusmedical.com).

If you are unable to participate during the live teleconference, the call will be archived until Thursday, November 15, 2012. The audio archive can be accessed by calling 1-855-859-2056 in the U.S. or 1-404-537-3406 from outside the U.S. The pass code for the audio replay is 5047-0117.

#### **About Globus Medical, Inc.**

Globus Medical, Inc. is a leading spinal implant manufacturer and is based in Audubon, Pennsylvania. The company was founded in 2003 by an experienced team of spine professionals with a shared vision to create products that enable spine surgeons to promote healing in patients with spinal disorders.

#### **Non-GAAP Financial Measures**

Adjusted EBITDA represents net income before interest (income)/expense, net and other non-operating expenses, provision for income taxes, depreciation and amortization, stock-based compensation, changes in the fair value of contingent consideration in connection with business acquisitions and provision for litigation settlements. This financial measure is not calculated in conformity with accounting principles generally accepted in the United States of America (GAAP). We present Adjusted EBITDA because we believe it is a useful indicator of our operating performance. Our management uses Adjusted EBITDA principally as a measure of our operating performance and believes that Adjusted EBITDA is useful to investors because it is frequently used by securities analysts, investors and other interested parties in their evaluation of the operating performance of companies in industries similar to ours. We also believe Adjusted EBITDA is useful to our management and investors as a measure of comparative operating performance from period to period and among companies as it is reflective of changes in pricing decisions, cost controls and other factors that affect operating performance, and it removes the effect of our capital structure (primarily interest expense), asset base (primarily depreciation and amortization) and items outside the control of our management (primarily income taxes and interest income and expense). Our management also uses Adjusted EBITDA for planning purposes, including the preparation of our annual operating budget and financial projections.

Adjusted EBITDA should not be considered in isolation or as a substitute for a measure of our liquidity or operating performance prepared in accordance with GAAP, and is not indicative of net income (loss) from operations as determined under GAAP. Adjusted EBITDA and other non-GAAP financial measures have limitations that should be considered before using these measures to evaluate our liquidity or financial performance. Adjusted EBITDA does not include certain expenses that may be necessary to review our operating results and liquidity requirements. Our definition and calculation of Adjusted EBITDA may differ from that of other companies.

#### **Safe Harbor Statements**

All statements included in this press release other than statements of historical fact are forward-looking statements and may be identified by their use of terms such as anticipate, believe, could, estimate, expect, intend, may, plan, predict, project, will, and other similar terms. These forward-looking statements are based on our current assumptions, knowledge, beliefs, estimates, expectations and views. These forward-looking statements are only predictions and are subject to many risks, uncertainties and other factors that are difficult to predict and may affect our businesses and operations. As a result, our actual results may differ materially and adversely from those expressed or implied by our forward-looking statements. As a result, you should not place undue reliance on any of these forward-looking statements. For a discussion of some of the risks, uncertainties and other factors that could affect our results, you should refer to the disclosure contained in our prospectus filed with the Securities and Exchange Commission on August 3, 2012, as amended, including the sections labeled "Risk Factors," "Cautionary Note Concerning Forward-Looking Statements," and "Management's Discussion

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and Analysis of Financial Condition and Results of Operations,” and in our periodic reports on file with the Securities and Exchange Commission. These documents are available at [www.sec.gov](http://www.sec.gov). We undertake no obligation to update any forward-looking statements as a result of new information or future events or circumstances arising after the date on which it was made. Moreover, we operate in an evolving environment. Additional risks, uncertainties and other factors emerge from time to time and it is not possible for us to predict all risks, uncertainties and other factors, nor can we assess the impact of all factors on our business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statements.

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**GLOBUS MEDICAL, INC. AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF INCOME**  
(unaudited)

	Three Months Ended		Nine Months Ended	
	September 30, 2012	September 30, 2011	September 30, 2012	September 30, 2011
<i>(In thousands, except per share amounts)</i>				
<b>Sales</b>	<b>\$ 94,764</b>	\$ 84,270	<b>\$ 285,458</b>	\$ 243,485
Cost of goods sold	<b>18,872</b>	17,141	<b>55,642</b>	49,309
<b>Gross profit</b>	<b>75,892</b>	67,129	<b>229,816</b>	194,176
<b>Operating expenses:</b>				
Research and development	<b>7,022</b>	5,916	<b>20,698</b>	17,691
Selling, general and administrative	<b>41,780</b>	34,762	<b>124,236</b>	102,529
Provision for litigation settlements	<b>30</b>	(78)	<b>(801)</b>	306
<b>Total operating expenses</b>	<b>48,832</b>	40,600	<b>144,133</b>	120,526
<b>Operating income</b>	<b>27,060</b>	26,529	<b>85,683</b>	73,650
Other expense, net	<b>(45)</b>	(172)	<b>(124)</b>	(193)
<b>Income before income taxes</b>	<b>27,015</b>	26,357	<b>85,559</b>	73,457
Income tax provision	<b>10,528</b>	9,494	<b>32,495</b>	26,243
<b>Net income</b>	<b>\$ 16,487</b>	\$ 16,863	<b>\$ 53,064</b>	\$ 47,214
<b>Earnings per share:</b>				
Basic	<b>\$ 0.18</b>	\$ 0.19	<b>\$ 0.60</b>	\$ 0.54
Diluted	<b>\$ 0.18</b>	\$ 0.19	<b>\$ 0.58</b>	\$ 0.52
<b>Weighted average shares outstanding:</b>				
Basic	<b>90,111</b>	88,063	<b>88,900</b>	88,119
Diluted	<b>92,697</b>	90,398	<b>91,563</b>	90,709

**GLOBUS MEDICAL, INC. AND SUBSIDIARIES**  
**CONSOLIDATED BALANCE SHEETS**

<i>(In thousands, except par value)</i>	September 30, 2012 <i>(Unaudited)</i>	December 31, 2011
<b>ASSETS</b>		
<b>Current assets:</b>		
Cash and cash equivalents	\$ 195,156	\$ 142,668
Accounts receivable, net of allowances of \$931 and \$602, respectively	51,863	46,727
Inventories	57,038	47,369
Prepaid expenses and other current assets	3,180	2,515
Income taxes receivable	6,346	3,336
Deferred income taxes	19,849	16,160
<b>Total current assets</b>	<b>333,432</b>	<b>258,775</b>
Property and equipment, net	56,892	52,394
Intangible assets, net	9,746	7,433
Goodwill	15,342	9,808
Other assets	630	980
<b>Total assets</b>	<b>\$ 416,042</b>	<b>\$ 329,390</b>
<b>LIABILITIES AND EQUITY</b>		
<b>Current liabilities:</b>		
Accounts payable	\$ 5,963	\$ 5,323
Accounts payable to related party	4,837	1,178
Accrued expenses	20,510	21,268
Income taxes payable	1,389	302
Business acquisition liabilities, current	1,375	1,200
<b>Total current liabilities</b>	<b>34,074</b>	<b>29,271</b>
Business acquisition liabilities, net of current portion	10,126	9,089
Deferred income taxes	4,395	5,755
Other liabilities	3,185	2,799
<b>Total liabilities</b>	<b>51,780</b>	<b>46,914</b>
<b>Commitments and contingencies</b>		
<b>Equity:</b>		
Convertible preferred stock; \$0.001 par value. Authorized 50,961 shares; issued and outstanding 0 and 50,961 shares at September 30, 2012 and December 31, 2011	—	51
Common stock; \$0.001 par value. Authorized 785,000 and 679,178 shares; issued and outstanding 91,127 and 72,529 shares at September 30, 2012 and December 31, 2011	91	73
Additional paid-in capital	135,076	106,708
Accumulated other comprehensive loss	(815)	(1,202)
Retained earnings	229,910	176,846
<b>Total equity</b>	<b>364,262</b>	<b>282,476</b>
<b>Total liabilities and equity</b>	<b>\$ 416,042</b>	<b>\$ 329,390</b>

**GLOBUS MEDICAL, INC. AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**  
(unaudited)

<i>(In thousands)</i>	Nine Months Ended	
	September 30, 2012	September 30, 2011
<b>Cash flows from operating activities:</b>		
Net income	\$ 53,064	\$ 47,214
Adjustments to reconcile net income to net cash provided by operating activities		
Depreciation and amortization	13,500	12,202
Provision for excess and obsolete inventories	5,386	6,793
Stock-based compensation	3,682	2,151
Allowance for doubtful accounts	336	93
Change in fair value of interest rate swap	—	113
Change in fair value of contingent consideration	23	182
Deferred income taxes	(5,057)	190
(Increase) decrease in:		
Accounts receivable	(5,277)	(868)
Inventories	(14,587)	(11,044)
Prepaid expenses and other assets	(326)	(1,117)
Increase (decrease) in:		
Accounts payable	34	(4,187)
Accounts payable to related party	3,659	1,115
Accrued expenses and other liabilities	(730)	(1,618)
Income taxes payable/receivable	3,362	2,539
<b>Net cash provided by operating activities</b>	<b>57,069</b>	<b>53,758</b>
<b>Cash flows from investing activities:</b>		
Purchases of property and equipment	(17,032)	(15,694)
Acquisition of businesses	(6,031)	(7,500)
<b>Net cash used in investing activities</b>	<b>(23,063)</b>	<b>(23,194)</b>
<b>Cash flows from financing activities:</b>		
Repayments of long-term debt	—	(5,253)
Payment of business acquisition liabilities	(800)	—
Net proceeds from initial public offering	20,963	—
Net proceeds from issuance of common stock	1,046	545
Purchase of common stock	—	(10,000)
Excess tax benefit related to nonqualified stock options	(2,644)	54
<b>Net cash provided by/(used in) financing activities</b>	<b>18,565</b>	<b>(14,654)</b>
Effect of foreign exchange rate on cash	(83)	(282)
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>52,488</b>	<b>15,628</b>
Cash and cash equivalents, beginning of period	142,668	111,701
<b>Cash and cash equivalents, end of period</b>	<b>\$ 195,156</b>	<b>\$ 127,329</b>
Supplemental disclosures of cash flow information:		
Interest paid	39	275
Income taxes paid	\$ 36,317	\$ 25,688





The following is a reconciliation of Adjusted EBITDA (unaudited) to net income for the periods presented:

<i>(In thousands, except percentages)</i>	Three Months Ended		Nine Months Ended	
	September 30, 2012	September 30, 2011	September 30, 2012	September 30, 2011
Net Income	\$ 16,487	\$ 16,863	\$ 53,064	\$ 47,214
Interest (income)/expense, net	(13)	(5)	(75)	52
Provision for income taxes	10,528	9,494	32,495	26,243
Depreciation and amortization	4,612	4,326	13,500	12,202
EBITDA	31,614	30,678	98,984	85,711
Stock-based compensation	1,545	765	3,682	2,151
Provision for legal settlements	30	(78)	(801)	306
Change in fair value of contingent consideration	63	30	23	182
Adjusted EBITDA	\$ 33,252	\$ 31,395	\$ 101,888	\$ 88,350
Adjusted EBITDA as a percentage of sales	35.1%	37.3%	35.7%	36.3%

**Contact:**

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