Transforming Surgical Robotics

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advancing surgery through innovation®
Forward Looking Statements

This presentation includes statements relating to TransEnterix’s current regulatory and commercialization plans for our products. These statements and other statements regarding our future plans and goals constitute "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934, and are intended to qualify for the safe harbor from liability established by the Private Securities Litigation Reform Act of 1995. Such statements are subject to risks and uncertainties that are often difficult to predict, are beyond our control, and which may cause results to differ materially from expectations. Factors that could cause our results to differ materially from those described include, but are not limited to, whether the commercialization of the ALF-X surgical robotics system will be successful, whether SurgiBot System’s 510(k) application will be cleared by the U.S. FDA, the pace of adoption of our products by surgeons, the success and market opportunity of our products, the effect on our business of existing and new regulatory requirements and other economic and competitive factors. For a discussion of the most significant risks and uncertainties associated with TransEnterix's business, please review our filings with the Securities and Exchange Commission (SEC), including our Quarterly Report on Form 10-Q filed on November 9, 2015 and other filings we make with the SEC. You are cautioned not to place undue reliance on these forward looking statements, which are based on our expectations as of the date of this presentation and speak only as of the origination date of the presentation. We undertake no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events or otherwise.
Focus: Surgical Robotics

Compelling Product Portfolio
- *SurgiBot* single-port platform
- *ALF-X* multi-port platform

Significant addressable market opportunity
- *Robotics growing but minimally penetrated*

Upcoming milestones
- *ALF-X* sales commence – Q1 ‘16
- *SurgiBot* FDA clearance – Q1 ‘16
Surgical Robotics Market is Poised for Growth

Abdominal Robotic Surgery Market Size

Source: Abdominal Surgical Robots Market Shares, Strategies, and Forecasts, Worldwide, 2015 to 2021
WinterGreen Research, December 2015

Continued momentum and new entrants will grow abdominal robotic surgery market significantly

$2.2 Billion in 2014

$10.5 Billion in 2021

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Why Robotics?

Benefits of Surgical Robotics

- Increased surgeon control
- Improved surgeon ergonomics
- Enhanced precision and dexterity
- Advanced visualization
Robotic Adoption Remains Low

Surgical Procedures by Type, 2014

- Robotics is a small percentage of total procedures
- Reasons why: Trade-offs and economics

Strategy to Increase Robotic Adoption

Growth Drivers:

- Build on success of laparoscopy
- Compelling economic value to hospitals
- Innovative technology that addresses trade-offs

*Both SurgiBot & ALF-X are designed to meet these needs*
Traditional laparoscopy remains the dominant form of minimally invasive surgery

Over 6 million laparoscopic procedures across US and CE Mark countries*

Surgeons are experienced with approach, technique and instrument motion

Both SurgiBot & ALF-X build on the success of laparoscopy

Limitations of current robotic systems

- High robotic capital costs limits broader hospital adoption
- Robotic procedures utilize existing laparoscopic reimbursement codes
- High robotic procedure costs limits broader procedural adoption

Both SurgiBot & ALF-X are designed to provide compelling economics
Need to Address Trade-offs

Limitations of current robotic systems

- Learning curve
- No haptic feedback
- Disengagement with surgical field
- Requires special trocars that increase typical incision size
- Limits ability to reposition patient
- Camera movement requires disengagement of instruments
The ALF-X has been granted CE Mark. Neither SurgiBot nor ALF-X has been cleared by the FDA for sale in the U.S.
The SurgiBot System is currently in development.

SurgiBot Single-port Robotic Platform

SurgiBot

3DHD Vision Cart
SurgiBot *Patient-side Robotic Platform*
SurgiBot System: Builds on Success of Laparoscopy

- Surgeon Scrubbed in Sterile Field
- Laparoscopic motion
- Utilizes familiar instrument triangulation through single port
SurgiBot System: Addressing Economics and Trade-offs

**Attractive capital system pricing**
- Expands robotics to more facilities

**Technology that addresses trade-offs**
- Improved ergonomics
  - Surgeon able to maintain comfortable hand position
- Tactile feedback
  - Surgeon directly drives instruments
- Enhanced vision
  - 3DHD controlled by surgeon
ALF-X Multi-port Robotic Platform

TransEnterix®
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ALF-X System: Building on Laparoscopy and Addressing Trade-offs

- Laparoscopic Motion
- Leverage existing infrastructure
  - Utilize current trocars
  - Ease of patient repositioning with current O.R. bed
  - Ports allow both robotic and traditional lap instruments
- Haptic feedback
- Enhanced vision
  - 3DHD controlled via eye tracking
- Fast and simple set-up
ALF-X Fast and Simple Setup
ALF-X System: Compelling Economic Value

- Disruptive robotic per-procedure pricing model
  - Reusable instruments
  - Minimal disposables per case

- Broad instrument offering
  - 22 instruments
  - Select wristed instruments

- Access to robotics with operational costs similar to many traditional laparoscopic procedures
Key Recent and Future Milestones

- **Q2**: SurgiBot FDA Submission
- **Q3**: Acquired ALF-X Robotic System
  - Appointed US Commercial Leadership
- **Q4**: Appointed International Commercial Leadership
Key Recent and Future Milestones

- 2015
  - Q1: ALF-X Sales Commence, Commercial team expansion
  - Q1: SurgiBot US Regulatory Clearance
  - Q2: Complete Acquisition Integration

- 2016
  - Q2: Q2 - SurgiBot US Commercial Launch

- 2017
Key Recent and Future Milestones

2015

2016

ALF-X US Commercial Launch

2017

Commercial Launch into Additional International Markets
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