



Investor Presentation
September 2015

Legal Disclaimer

Forward Looking Statements

Certain statements in this presentation concerning the anticipated net sales, market positions, and the outlook for SeaSpine's orthobiologics and spinal fusion hardware product portfolios and SeaSpine as a separate business constitute forward-looking statements and are based upon management's expectations and beliefs concerning future events. There can be no assurance that actual results will be as expected. Forward-looking statements speak only as of the date they were made, and we undertake no obligation to publicly update them. For a description of certain factors, such as the Company's ability to respond to the changes in its end markets that could affect demand for the Company's products; the ability to achieve anticipated growth rates and launch new products, margins and scale and to execute on our strategy generally; unanticipated changes in business relationships with customers or their purchases from the Company; weakness in global or regional economic conditions and financial markets; the ability to achieve satisfactory operating results in the integration of acquired companies; uncertainties related to the Company's ability to realize the anticipated benefits of the recent spin-off, including new focus and anticipated growth; the inability to maintain certain business relationships between the Company and Integra; demand for and market acceptance of risks for new and existing products; future actions of regulatory bodies and other governmental authorities, including the FDA and foreign counterparts; product quality or patient safety concerns leading to product recalls, withdrawals, launch delays, litigation, or declining sales; U.S. healthcare reform and other global austerity measures; reimbursement and rebate policies of government agencies and private payers; product development risks; additional indications and therapeutic applications for medical products, biologics, and medical devices; timely submission and approval of regulatory filings; inventory reductions or fluctuations in buying patterns; the availability of acceptable raw materials and component supply; the ability to enforce company patents; and foreign currency fluctuations, that could negatively impact the orthobiologics and spinal fusion hardware business, see the "Risk Factors" section of SeaSpine's Registration Statement on Form 10, as amended, filed with the US Securities and Exchange Commission on June 9, 2015.

Except as required by the federal securities laws, the company undertakes no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events or otherwise.

Basis of Presentation

SeaSpine's historical financial data through June 30, 2015 presented herein is derived from the consolidated financial statements and accounting records of Integra LifeSciences Holdings Corporation using the historical results of operations and historical costs basis of the assets and liabilities that comprised Integra's orthobiologics and spinal fusion hardware business and give effect to allocations of expenses from Integra LifeSciences Holdings Corporation. This historical financial data is not indicative of our future performance and does not reflect what SeaSpine's financial position, results of operations and cash flows would have been had it been a separate stand-alone entity.

Certain non-GAAP financial measures are disclosed in this presentation. A reconciliation of these non-GAAP financial measures is provided.

The SeaSpine Investment Opportunity

Pure-play spine company – **repositioning for agility, innovation & growth**



Orthobiologics and spinal fusion hardware portfolio with **robust pipeline of more than 12+ new product launches expected in next 6-8 quarters**



Orthobiologics platform with **proprietary in-house development and manufacturing know-how** that is nearly half of revenue

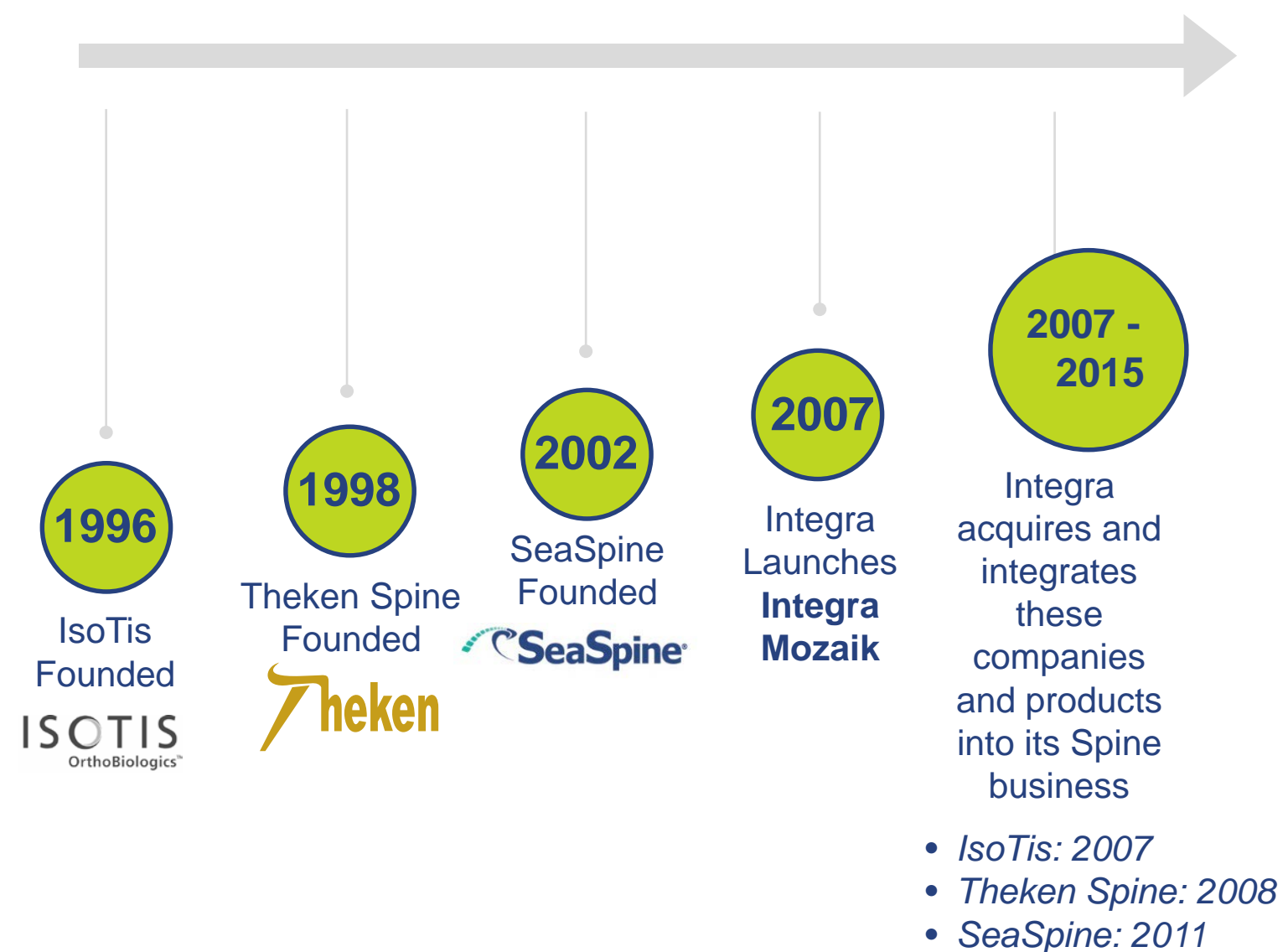


Strong balance sheet and disciplined approach to fund growth initiatives



Proven management team with 100+ years of spine and broader medical technology experience

~20 Years of Know-How in Spine and Orthobiologics



SeaSpine Spun-off From Integra July 1, 2015



Repositioning for innovation and future growth

Balanced Orthobiologics and Spine Company

Infrastructure in place to facilitate **scalable growth**

- Emerging player in \$5.2B US orthobiologics and spine market*
- Integrated company with ~\$140M in orthobiologics and spinal fusion hardware revenue
- Dedicated cadaveric training facility
- Established infrastructure to propel growth
 - Strong quality and compliance systems in place
 - Scalable IT systems with global Oracle ERP platform

* Based on 2014 iData report.

Vista, California Facility
Headquarters, Spinal Fusion Hardware
Operations and Distribution



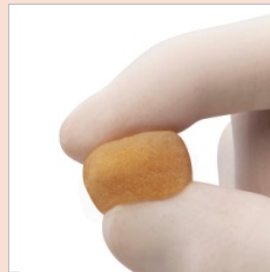
Irvine, California Facility
Orthobiologics Manufacturing and Distribution



Competitive Portfolio of Products

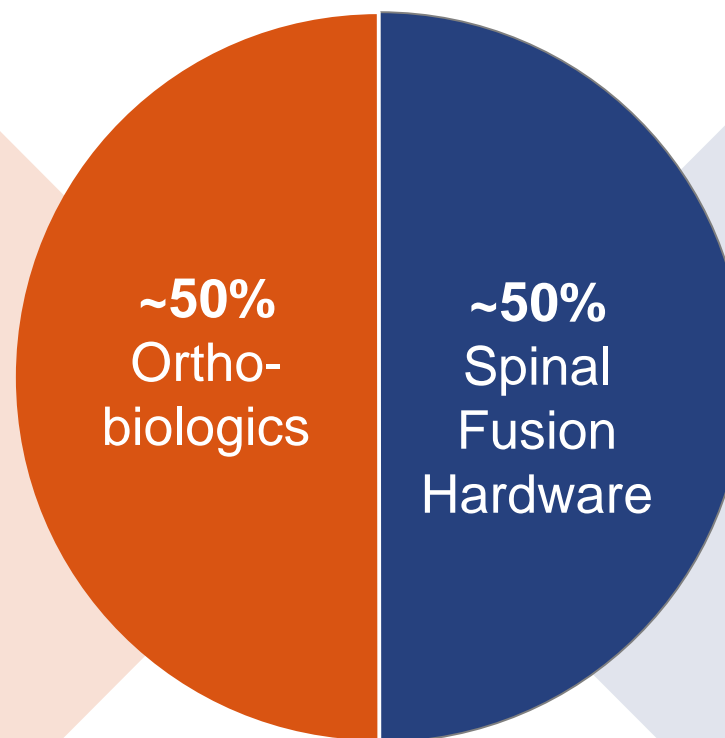
Orthobiologics

- Used to facilitate bone fusion
- Broad range of traditional and advanced bone graft substitutes
- Portfolio of products containing a range of biological properties needed to encourage bone growth



Product Category Sales

2014 Revenue: \$139M



OUS Sales ~10% of 2014

Spinal Fusion Hardware

- Broad offering:
 - MIS
 - Complex spine and deformity
 - Degenerative
- Used in lumbar, thoracic and cervical spine



Strategic Repositioning to Accelerate Growth



Strategic Focus on Spine

- Agility, faster decision, focused execution
- Aligned to better meet customer and market needs
- Investment in spinal fusion hardware sets; low capital requirement for orthobiologics



Growth-Oriented Transformation

- Expansion of sales distribution and loyalty
- Increased R&D for accelerated new product launches
- Improvement of supply stream and more efficient utilization of spinal fusion hardware inventory



Financial Flexibility

- Well-capitalized with \$47M in cash at spin-off
- Debt-free balance sheet
- Sufficient levers to enable growth



Accountable Culture

- Management focused on attracting and retaining key talent
- Incentive programs aligned to objectives

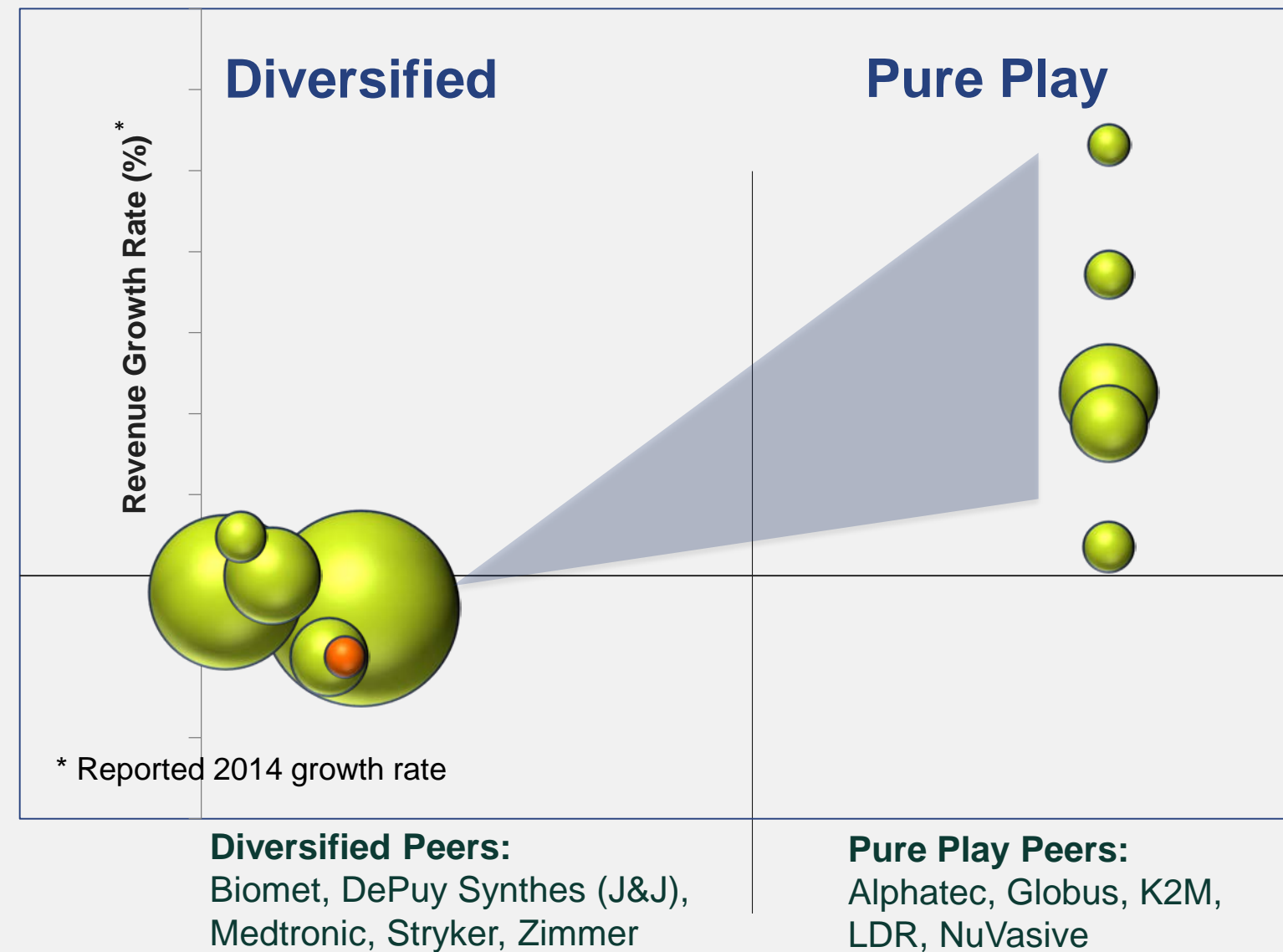
Spine Market Dynamics

Stabilizing Market Trends

- Price pressure & Reimbursement pressure mitigating
- Physician Owned Distributorships market share declining
- FDA review time / Innovation cycles improving

Market Success Drivers

- Focus
- Broad & differentiated portfolio
- Targeted commercial investments
- Innovative new products
- Strong balance sheet



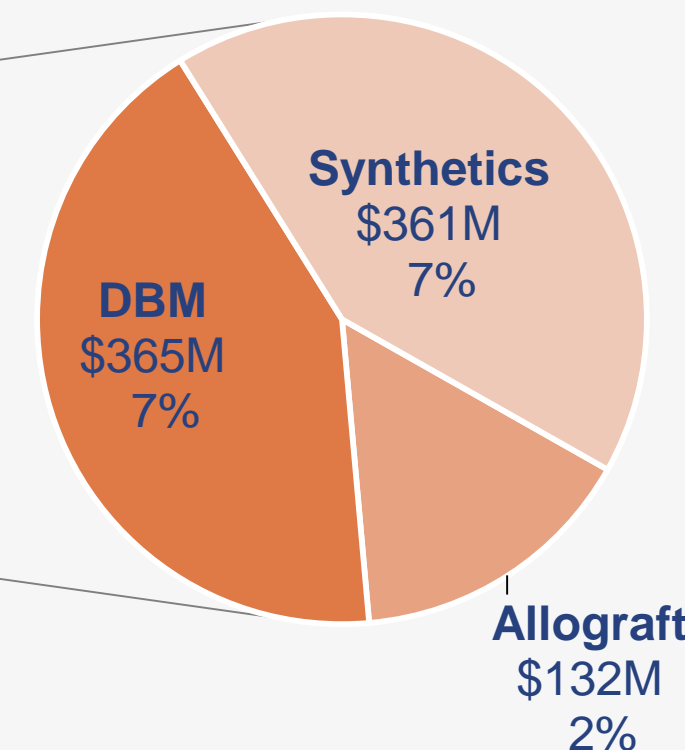
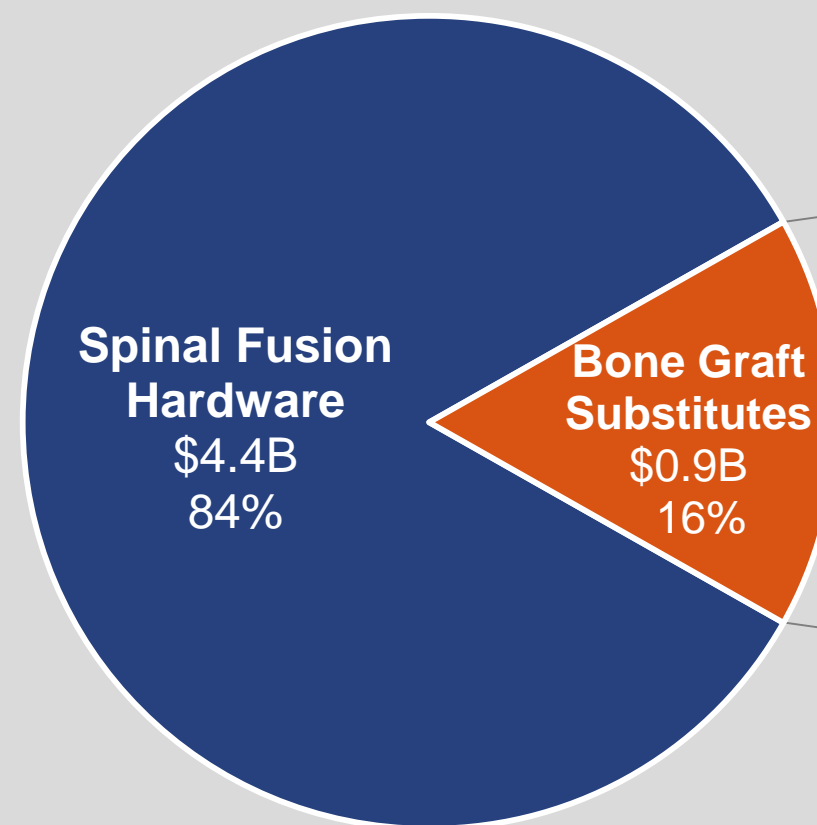
Note: Size of bubble represents Spine & Orthobiologics revenue.

Orthobiologics Market

- Growing 3.4% 2014 – 2021
- **#4 position** of US bone graft substitutes market with estimated **8.6% share**

Additional \$700M opportunity in stem cells, cell therapy & growth factors

\$5.2B Total Addressable US Spine Market *



* Based on 2014 iData report

Includes Bacterin, Baxter, RTI Surgical, other traditional spinal hardware competitors, and smaller biologically focused companies

Clinical Need for Orthobiologics in Spinal Fusion

In spinal fusion procedures, tissue between two vertebrae is removed. A successful fusion results when bone grows to fill that void.

Three key elements to bone formation:

1



Osteoconduction: Bone formation by a matrix and scaffold

2



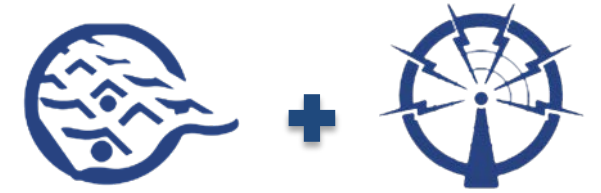
Osteoinduction: Bone formation by the induction of mesenchymal stem cells into bone-forming cells

3



Osteogenesis: New bone is produced through the presence of osteogenic cells found in autograft or bone marrow aspirate

Technology Advantage Example: Accell



Accell bone matrix's increased surface area advantage

- Higher surface area and more porous structure
- Provides early accessibility to bone proteins compared to standard DBM

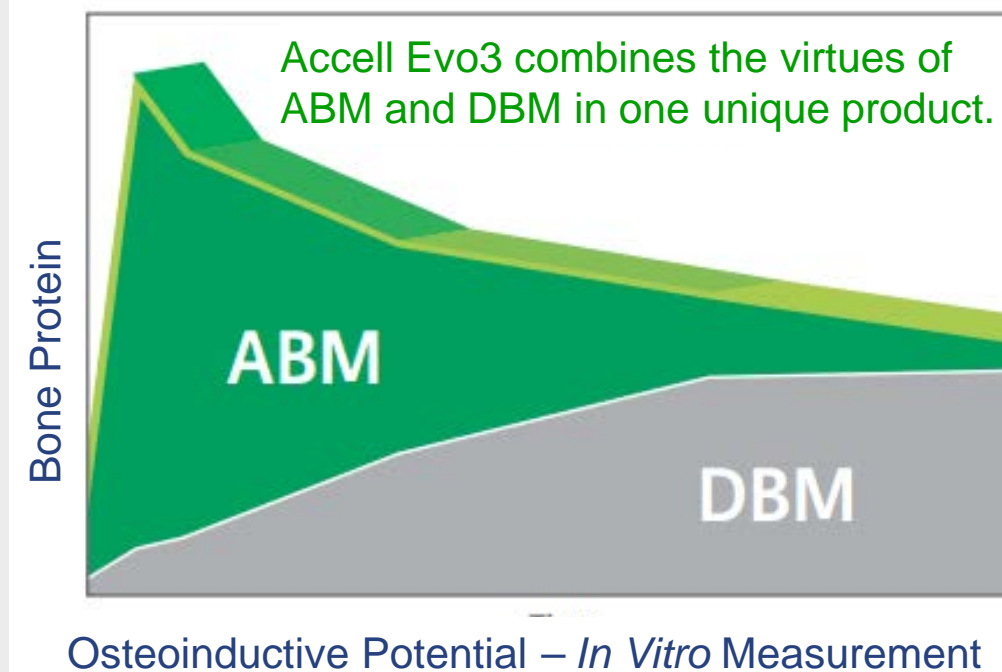


Particulate DBM



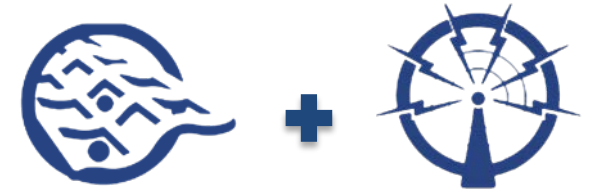
Dispersed ABM

Combining ABM and DBM provides immediate + sustained accessibility to bone proteins



Accell Evo3

Accell Evo3 is our most advanced orthobiologic technology



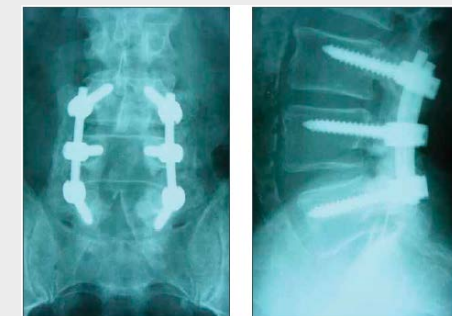
Accell Evo3

- Highest concentration of Accell Bone matrix
- Particulate DBM combined with Dispersed ABM and RPM carrier
- Provides both early and sustained access to naturally occurring bone proteins and growth factors

Highest Concentration of Accell Bone Matrix



Case Study Radiographs



Superior Handling

- Unique biocompatible reverse-phase medium carrier
 - Moldable
 - More viscous to resist irrigation and minimize graft migration
 - Packable into virtually any size or shape defect

Robust, Moldable Putty With Exceptional Handling And Containment Characteristics



Orthobiologics Portfolio

Demineralized Bone Matrix



- Accel DBM technology
- Superior handling characteristics
- Multiple price points within DBM putty platform



OSTEOINDUCTIVE & OSTEOCONDUCTIVE

Allograft Bone



- Cancellous Chips
- Cancellous Crushed
- Cancellous Sponge
- Fillable DBM Strip



Collagen Ceramic Matrix



- CCM Strip
- CCM Putty
- CCM Moldable Morsels

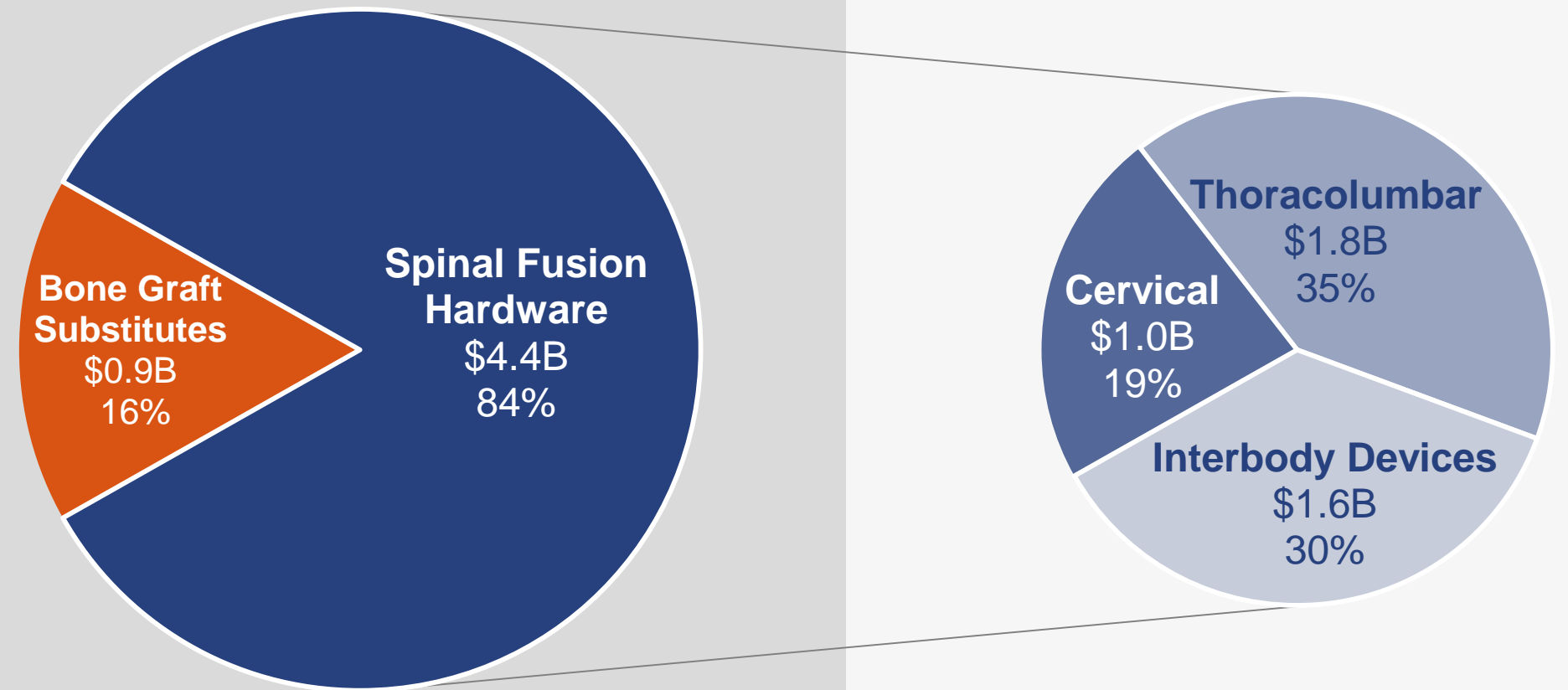
OSTEOCONDUCTIVE



Spinal Fusion Hardware Market

- Growing 0.7% 2014 – 2021
- **Interbody devices (IBD)**
segment growth estimate of 2.9% 2014 – 2021

\$5.2B Total Addressable
US Spine Market*



* Based on 2014 iData report.

Extensive Line of Spinal Fusion Hardware Products

MIS, complex spine, deformity and degenerative solutions

Minimally Invasive Surgery

Market shift from open to MIS procedural approaches

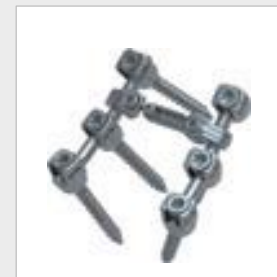
- Expandable interbody device to minimize insertion force needed for either posterior or TLIF procedures
- iPassage MIS Retractor and NewPort Tube System
- NewPort MIS



Complex Spine and Deformity

Revisions, more complicated constructs and clear clinical need

- Daytona Deformity System
- Coral Stainless Steel
- VuMesh

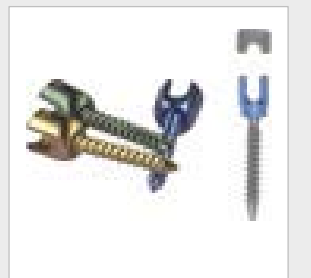


Degenerative

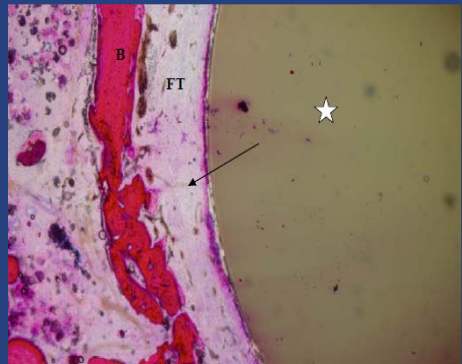
Largest market segment and procedure base

Opportunity to refresh SeaSpine's broad portfolio

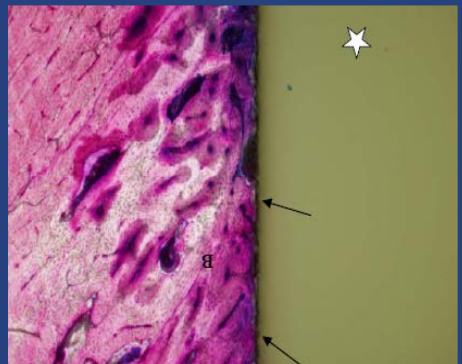
- Hollywood and Ventura NanoMetalene IBD for TLIF procedures
- Malibu and Coral screw and rod systems
- Zuma-C Cervical Anterior Fixation System



Technology Advantage Example: NanoMetalene



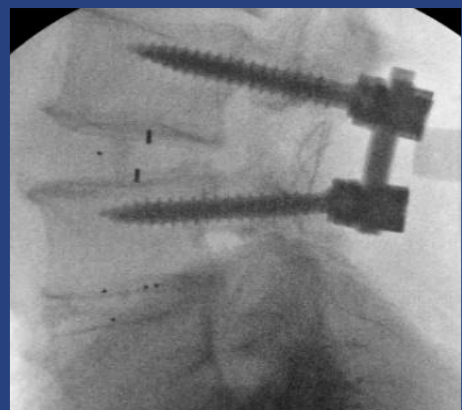
Preclinical histology slide showing typical fibrous layer between PEEK implant and bone



Preclinical histology slide showing thin NanoMetalene layer with direct bone apposition to implant



- High energy, low temperature atomic fusion deposition surface treatment
- Sub-micron layer of commercially pure titanium covers entire implant surface
- Does not affect mechanical properties or imaging characteristics of PEEK
- Proprietary, licensed technology exclusive to SeaSpine for spine applications



Hollywood NanoMetalene radiograph demonstrating maintenance of positive imaging characteristics

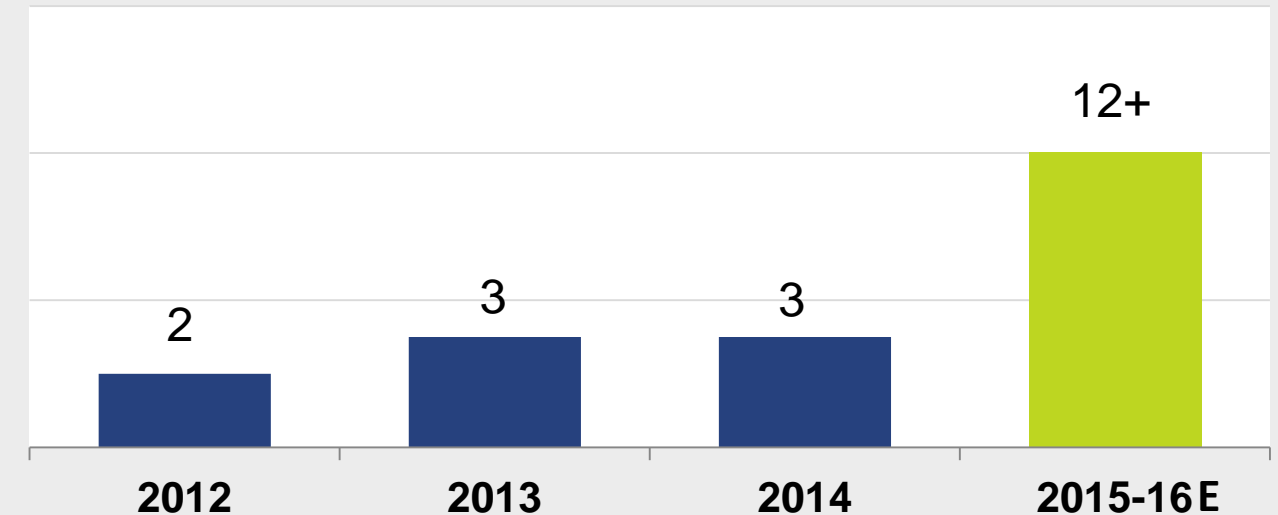


- NanoMetalene scalable across interbody platform
- Can utilize existing instrumentation sets for PEEK interbody devices

Renewed Commitment to Invest in R&D

Degenerative		Cabo Anterior Cervical Plate	
Degenerative		Cambria NanoMetalene	✓
MIS		Expandable IBD	✓
Degenerative		Ventura NanoMetalene IBD	✓
MIS		Vu aPOD-L Lateral IBD	✓
DBM		Osteoinductive DBM Strip	

SeaSpine Product Launches



Next Generation Programs:

- **Deformity:** Small Stature System
- **Degenerative:** Cervical Stand-Alone System
- **Degenerative:** Modular Pedicle Screw platform

SeaSpine Technology

Helping patients return to active lives

Tampa Bay's Health

STRAIGHT ANSWERS

Major improvements in scoliosis surgery help a 9-year-old get up and running again.

Kelly Wagenhurst always knew her little girl would face challenges.

Born with Turner syndrome, a genetic condition that can lead to a variety of health issues, Alyssa Best, now 9, still was a bright and happy child.

Then her spine started curving. At first, a scoliosis brace kept things under control.

But last year, the S-curve became unstoppable.

"It seemed to change overnight," says Wagenhurst, 29.

Alyssa's scoliosis was so severe she could hardly walk. As her spine grew more bent, her heart and lungs were running out of room to function properly.



Dr. David Siambanes

Within two days she was out of bed with the help of a walker, and had ditched that within a week.

"We couldn't keep her in bed. She was running all over the hospital," her amazed mother recalls.

Five weeks after surgery, sporting a purple sundress and flip-flops, she darted around the back yard of her aunt's Brandon home one day last week, happily playing with a 4-year-old cousin. The scar that stretches the length of her back is already fading, and she says she has no pain. Beyond that, she talks a lot more about her favorite pop stars than her surgery.



"We couldn't keep her in bed. She was running all over the hospital,"

Before



After



Alyssa Best's X-rays courtesy of Dr. David Siambanes

Two-Pronged Strategy for Top-line Growth

Key transformation initiatives



Renewed Commitment to Invest in R&D to Drive Loyalty

- Drive incremental R&D investments and resources to scale
- Engage surgeons to develop innovation platform
- Leverage strategic collaborations to develop and launch new technologies
- Commit culture to on-time, complete launches – 12+ new product launches expected in next 6-8 quarters



Expand Commercial Infrastructure to Drive Revenue

- Broaden U.S. network of independent sales agents and increase loyalty to SeaSpine offerings
- Increase sales efforts including more training for distributors and surgeons
- Invest in spinal fusion hardware sets
- Target growth in select, untapped international markets

Proven Leadership Team

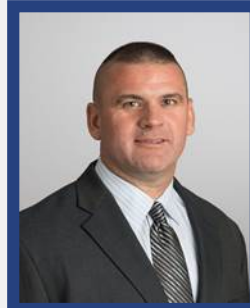
Over **100 years of experience** in spine and broader medical technology

Management Team



Keith Valentine
President and CEO

- 20+ years of spine industry experience
- Former President and COO of NuVasive



John Bostjancic
CFO

- 15+ years of finance and operational experience with Integra



Colin Smith
VP, Marketing and Product Development

- 20+ years of spine industry experience



John Winge
VP, Sales

- 20+ years of spine industry experience



Brian Baker
VP, Operations

- 20+ years of spine and med tech management experience

Chairman and Lead Director of the Board of Directors



Kirt Stephenson
Chairman

- Former CEO of SeaSpine
- 25+ years in the medical device industry



Stuart Essig
Lead Director

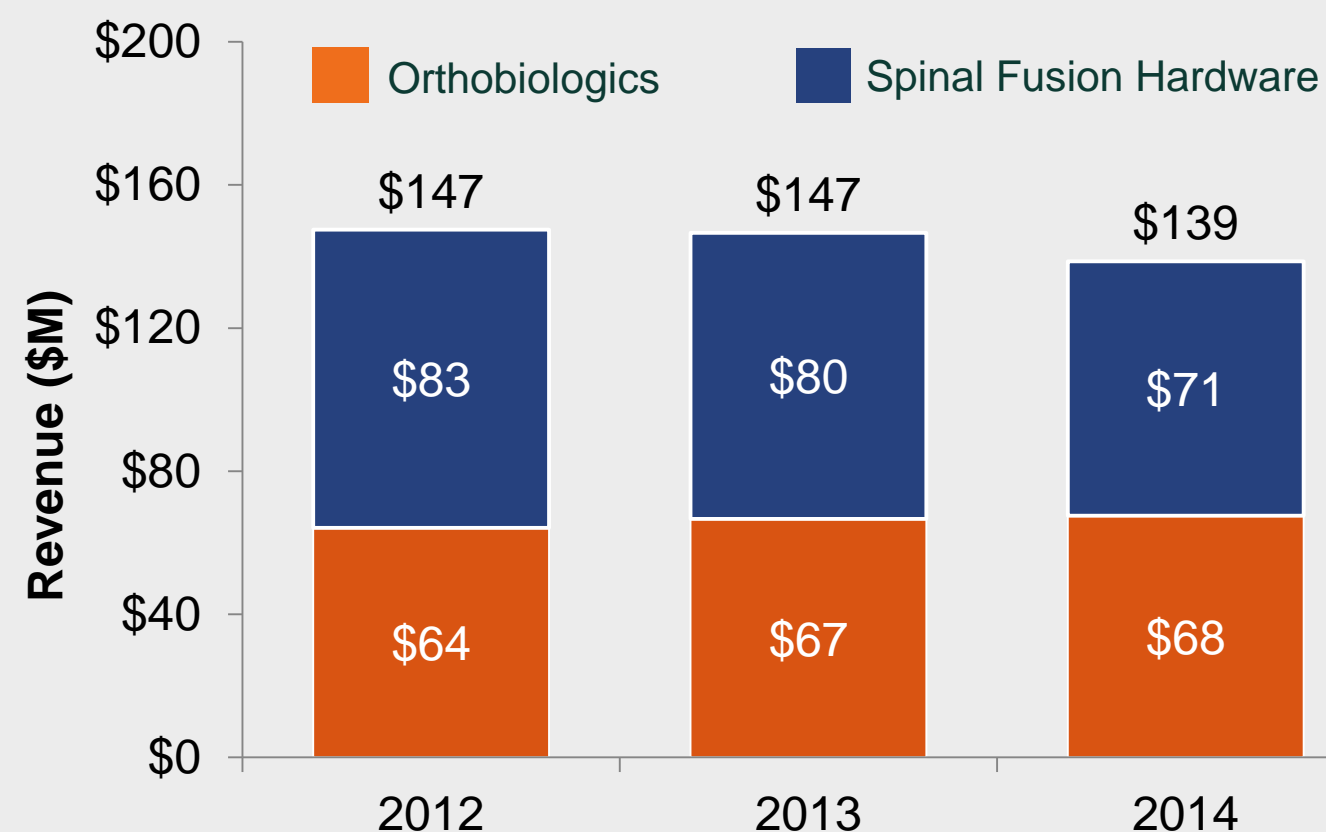
- Integra's Chairman
- Managing Director of Prettybrook Partners LLC



Financial Overview

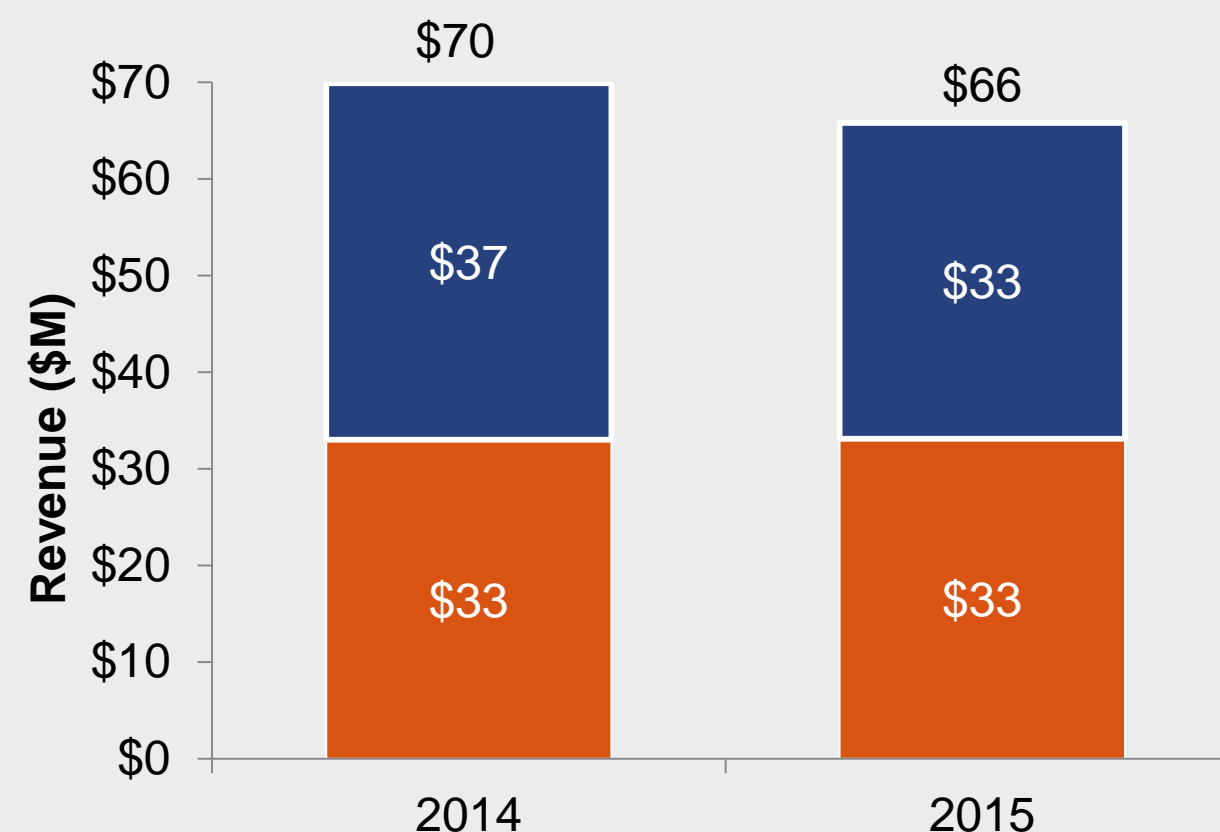
Historical Revenue Performance Prior to Separation

Annual 2012 – 2014



Orthobiologics: 2.6% 2012–2014 CAGR
Total Revenue: -3.0% 2012–2014 CAGR

First Half 2014 – 2015



Summary Financial Information¹

	2013	2014	1H 2015
	(\$ amount in millions)		
Revenues	\$ 146.6	\$ 138.7	\$ 65.8
Gross Margin% ²	62.1%	59.1%	58.8%
R&D as % of Revenue ²	6.7%	6.1%	5.5%
SG&A as % of Revenue ²	63.4%	63.6%	86.2%
SG&A as % of Revenue (ex. Spinoff related expenses)	63.4%	61.9%	63.7%
Integra Allocations			
Cost of Goods Sold	\$ 1.1	\$ 1.3	\$ 0.5
R&D	0.4	0.5	0.3
SG&A	17.4	17.6	8.6
TOTAL	\$ 18.9	\$ 19.4	\$ 9.4
Spinoff related expenses (all reported in SG&A)	\$ -	\$ 2.3	\$ 14.8

Cash Position

12/31/2014	6/30/2015
\$ 0.6	\$ 47.0

¹ All historical financial results through June 30, 2015, while SeaSpine was a wholly-owned subsidiary of Integra LifeSciences, are reported using the carve out basis of accounting that is typical for spinoff companies. This basis of accounting allocates various corporate overhead costs and expenses from the parent company (Integra) to the spinoff entity (SeaSpine).

As reported in the SeaSpine Form 10 Registration Statement, as amended, filed with the US Securities and Exchange Commission, we expect to incur between \$12 – \$14M of standalone public company operating costs, such as separate IT infrastructure, separate D&O and products/general liability insurance, external audit fees, medical device tax expenses, Board of Directors fees, etc. These expenses are similar in nature to the costs included in the “Integra Operating Expense” allocations as reported in footnote 3 of the financial statements included in the Form 10 and those amounts disclosed above.

² Amounts include allocations from Integra in the amounts disclosed above.

Pro Forma Operating Loss and EBITDA

	2014	1H 2015
	<i>(in millions)</i>	
Reported Operating Loss	\$ (20.3)	\$ (24.4)
Integra Expense Allocations	19.4	9.4
Spin-off Transaction Costs	-	14.8
Adjusted Operating Loss	(0.9)	(0.2)
Standalone Public Company Operating Expenses ¹	(14.0)	(7.0)
Pro-Forma Operating Loss	\$ (14.9)	\$ (7.2)
Depreciation and Amortization	14.7	6.4
Pro Forma EBITDA	\$ 0.2	\$ (0.8)

- Expect increased investment in Sales & Marketing and R&D and capital (Instrument Sets)
- \$47M of cash contributed at spin-off
- Negotiating asset-backed loan credit facility

¹ As reported in SeaSpine Form 10, we expect to incur between \$12 – \$14M of standalone public company operating costs, such as separate IT infrastructure, separate D&O and products/general liability insurance, external audit fees, medical device tax expenses, Board of Directors fees, etc. These expenses are similar in nature to the costs included in the “Integra Operating Expense” allocations as reported in footnote 3 of the financial statements included in the Form 10.

Long-Term Financial Objectives

	Where We Have Been		Where We Are Headed
Revenue Growth	2014 1H 2015	(5.4%) (6.0%)	<ul style="list-style-type: none"> Target investments to drive revenue growth comparable to other pure-play spine companies
R&D Expense	2014 1H 2015	\$8.5M, 6.1% of sales \$3.6M, 5.5% of sales	<ul style="list-style-type: none"> Increased investment as percentage of sales (7%-8%) Focused on new and next-generation product innovation and generation of clinical data
Instrument/Tray CapEx	2014 1H 2015	\$2.7M, 3.9% of Hardware sales \$1.5M, 4.5% of Hardware sales	<ul style="list-style-type: none"> Increased capital funding to support Hardware sales growth and new product launches Low capital requirements in orthobiologics
Distributor Network Expansion	250+ independent distributors (U.S.) Distribute in 30+ countries		<ul style="list-style-type: none"> Expand footprint in existing key markets Increase overlap between orthobiologics and spinal fusion hardware distribution channels
Global Presence	International 10% of 2014 and 1H 2015 sales		<ul style="list-style-type: none"> Leverage commercial footprint in Europe to expand global penetration through targeted approach

Financial Highlights

Strong financial position post-spin

Balanced revenue base from which to fund future growth

Well-capitalized cash to support investments for growth and no debt

Disciplined approach to invest in R&D and commercial footprint

Scalable support functions and technology to foster growth

SeaSpine Growth Drivers

Near Term (Next 4 Quarters) - Stop the Decline in Revenue Growth

- Launch new spinal hardware and orthobiologics products
- Increase investment in instrument sets
- Optimize and expand manufacturing to ensure adequate supply and scale

Mid-Term (Next 5 – 8 Quarters) – Generate Single Digit Revenue Growth





- Continue cadence of product launches – new launches and support of recently added products
- Drive greater manufacturing and supply chain efficiencies
- Advance all levels of customer support

Long-Term (Next 9 – 12 Quarters) – Generate and Sustain Double Digit Revenue Growth

- Market share gains with solid product portfolio supported by instrument sets
- Leverage R&D investment, expand manufacturing
- Optimize commercial footprint and execution

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Pure-play spine company – **repositioning for agility, innovation & growth**

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-  Orthobiologics platform with **proprietary in-house development and manufacturing know-how** that is nearly half of revenue
-  **Strong balance sheet** and disciplined approach to fund growth initiatives
-  **Proven management team** with 100+ years of spine and broader medical technology experience



Thank You