General Information

Who is RTI Surgical?
RTI Surgical is a leading global surgical implant company providing surgeons with safe biologic, metal and synthetic implants. Committed to advancing science, safety and innovation, RTI’s implants are used in sports medicine, general surgery, spine, orthopedic, trauma and cardiothoracic procedures and are distributed in more than 47 countries. RTI is headquartered in Alachua, Fla., and has four manufacturing facilities throughout the U.S. and Europe. RTI is accredited in the U.S. by the American Association of Tissue Banks and is a member of Advamed. For more information, please visit www.rtix.com.

What was the rationale for the Pioneer acquisition?
RTI’s acquisition of Pioneer Surgical Technology creates a diversified global surgical implant company positioned for growth in orthopedics and biologics.

The acquisition of Pioneer fits into RTI’s strategic plan through:

- **Diversification of Implant Portfolio**
  - Expands current allograft and xenograft biologics portfolio with metal and synthetic implants
  - Adds attractive next generation synthetic biologics platform

- **Expansion of Direct Distribution**
  - Meaningful addition to existing distribution network with opportunities for cross distribution
  - Additional distribution capability for upcoming launch of map3™ cellular allogeneic bone graft

- **Enhances Current International Business**
  - Provides a platform for new growth opportunities

- **Improved Margin Profile and Revenue Growth Opportunities**
  - Raises RTI’s organic growth rate and provides revenue growth opportunities for distribution of the combined portfolio across multiple channels
  - Addition of Pioneer’s medical devices will improve RTI’s current gross margin profile
How long have you been working on an acquisition?
RTI has publicly discussed the M&A business development activity that has been part of our strategic plan for a number of years. The acquisition agreement announcement was made on June 12, 2013. The acquisition closed on July 16, 2013.

What were the terms of the acquisition?
RTI paid $130 million in cash to acquire Pioneer.
- The transaction was funded through a combination of:
  - cash on hand
  - a new credit facility with TD Bank, N.A. and Regions Bank
  - a concurrent private placement of convertible preferred equity from Water Street Healthcare Partners

Who advised the companies for this transaction?
In connection with the transaction, Stephens Inc. acted as a financial advisor to RTI Biologics and Norton Rose Fulbright served as legal counsel. UBS acted as a financial advisor to Pioneer and Varnum LLP served as legal counsel.

Is the acquisition now complete?
Yes, the acquisition close was announced July 16, 2013.

What will the new company be called?
The combined company’s new name is RTI Surgical, which better reflects its expanded portfolio of implants.

Who will run the combined company?
The executive management team comprises Brian Hutchison, President and CEO; Rob Jordheim, Executive Vice President and CFO; Tom Rose, Executive Vice President, Administration, and Corporate Secretary, RTI Board of Directors; Carrie Hartill, Executive Vice President and Chief Scientific Officer; Roger Rose, Executive Vice President, North American Sales & Marketing; President, RTI Donor Services; Robby Lane, Executive Vice President, Global Commercial; Jim St. John, Executive Vice President, International Distribution; and Fred Taccolini, Chief Compliance Officer.

Who will be on the board?
The board of directors will be comprised of all eight directors from RTI’s board as well as the additional two directors designated by Water Street, Curt Selquist, Water Street operating partner, and Ned Villers, Water Street partner.
How will the new company be positioned in the market?
We will be a diversified global surgical implant company, serving the spine, sports medicine, surgical specialties, orthopedics, dental, biologics, cardiothoracic and trauma markets.

Where will the company be headquartered?
The combined company will be headquartered in Alachua, Fla., with facilities in the United States and Germany and offices in The Netherlands.

What are the benefits of this acquisition?
This transaction provides a foundation of growth and opportunity for all stakeholders of both companies.

- The acquisition will benefit employees and investors by creating a more diverse surgical implant company with global reach and immediate scale that pushes the company closer to its strategic goals.
- The combination will provide significant cross distribution opportunities among the existing direct distribution forces, expanding implant portfolios and customer base.
- Commercial distributors will benefit from high standards of customer service and availability of industry-leading biologic implants and medical devices.
- The tissue donation community will continue to receive the highest level of customer service and partnership from the company with continued commitment to honoring donor families and recipients and maximizing the gift of donation.

How will the acquisition impact RTI’s and Pioneer’s current relationship with commercial distributors such as Medtronic, Stryker and Zimmer?
There will be no immediate changes to current relationships. RTI Surgical will continue to provide the same high level of customer service and industry-leading implants to its commercial distributors as both companies did previously.

Forward Looking Statement
This communication contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These forward-looking statements are based on management’s current expectations, estimates and projections about our industry, our management’s beliefs and certain assumptions made by our management. Words such as “anticipates,” “expects,” “intends,” “plans,” “believes,” “seeks,” “estimates,” variations of such words and similar expressions are intended to identify such forward-looking statements. In addition, except for historical information, any statements made in this communication about growth rates, new product introductions, future operational improvements and results or regulatory actions or approvals or changes to agreements with distributors also are forward-looking statements. These statements are not guarantees of future performance and are subject to risks and uncertainties, including the risks described in public filings with the U.S. Securities and Exchange Commission (SEC). In addition, these statements are subject to risks associated with
the Pioneer’s financial condition, business and operations and the integration of Pioneer’s business with ours. Our actual results may differ materially from the anticipated results reflected in these forward-looking statements. Copies of the company’s SEC filings may be obtained by contacting the company or the SEC or by visiting RTI’s website at www.rtix.com or the SEC’s website at www.sec.gov.

This frequently asked questions document shall not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of, these securities in any state or other jurisdiction in which such offer, solicitation or sale would be unlawful prior to the registration or qualification under the securities laws of any such state or jurisdiction.