

# Healthcare Sector Update



May 2015

## Summary – Healthcare Services

- The S&P Healthcare Services Index has increased by 9.3% over the last three months, outperforming the S&P 500 (4.5% increase over the last three months).
- Over the past three months:
  - > The best performing sectors were Emergency Services (up 55.9%) and Psychiatric Hospitals (up 18.6%)
  - > The worst performing sectors were Specialty Managed Care (down 12.7%) and Healthcare REITs (down 10.8%)
- The current median LTM revenue and LTM EBITDA multiples for the Healthcare Services industry overall are 1.74x and 12.9x, respectively.
- The sectors with the highest valuation multiples include:
  - > HCIT (3.54x LTM Revenue, 22.3x LTM EBITDA)
  - > Emergency Services (2.80x LTM Revenue, 27.9x LTM EBITDA)
  - > Consumer Directed Health and Wellness (3.18x LTM Revenue, 20.0x LTM EBITDA)

## Summary – Pharmaceutical / Medical Devices / Life Sciences

- The S&P 500 – Pharmaceuticals, Biotechnology and Life Sciences Index has risen 2.3% over the last three months, underperforming the S&P 500 (4.5% increase over the last three months).
- Over the past three months:
  - > The best performing sectors were Ophthalmology Devices (up 17.8%), Mobility Devices (up 17.6%) and Life Science Consumables (up 9.9%)
  - > The worst performing sectors were Biotechnology (down 3.0%) and Lab Equipment (down 3.0%)
- The current median LTM revenue and LTM EBITDA multiples for the Pharmaceutical / Medical Device / Life Science industry overall are 3.38x and 15.0x, respectively.
- The sectors with the highest valuation multiples include:
  - > Biotechnology (8.06x LTM Revenue, 15.0x LTM EBITDA)
  - > Pharmaceuticals (5.23x LTM Revenue, 17.6x LTM EBITDA)
  - > Life Science Conglomerates (3.79x LTM Revenue, 19.1x LTM EBITDA)

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Valuation and Corporate Finance Advisors

Source: Fairness opinion rankings calculated by number of deals from Thomson Financial Securities full years 2010 through 2014. M&A rankings calculated by number of deals from Thomson Financial Securities full years 2012 through 2014. Middle-market M&A deals < \$200 million. Bankruptcy case ranking provided by The Deal Q4 2014 league table.

MARKET SECTOR	No. of Cos.	Ag. Eqty Mkt. Value	Median % Change		LTM Multiples		Earnings Ratio		PEG Ratio 2015E
			3 mo	12 mo	Rev	EBITDA	LTM	2015E	
Acute Care Hospitals	5	\$56,698	14.0%	41.7%	1.25x	8.7x	24.1x	17.9x	1.8x
Assisted Living	4	7,706	8.5%	1.9%	2.43x	21.6x	NM	NM	NM
Care Management / TPA	7	11,307	8.5%	(21.3%)	1.42x	14.7x	24.0x	20.8x	1.3x
Clinical Laboratories	6	29,922	3.7%	21.1%	2.65x	13.5x	21.0x	15.7x	1.5x
Consumer Directed Health & Wellness	9	15,286	12.1%	(3.3%)	3.18x	20.0x	45.4x	28.2x	1.8x
Contract Research Orgs	7	23,219	9.0%	39.8%	2.37x	13.6x	23.7x	21.4x	1.2x
Diagnostic Imaging	3	605	6.2%	(4.3%)	1.74x	6.7x	21.7x	15.8x	1.6x
Dialysis Services	2	43,115	10.9%	19.8%	2.09x	11.3x	23.9x	22.5x	2.1x
Distribution / Supply	7	123,836	(0.1%)	20.0%	0.34x	12.9x	25.2x	18.6x	1.9x
Emergency Services	2	2,428	55.9%	(17.9%)	2.80x	27.9x	17.9x	15.0x	0.9x
HCIT	15	48,070	7.2%	5.2%	3.54x	22.3x	45.6x	29.2x	1.8x
Healthcare REITs	13	89,524	(10.8%)	4.0%	12.54x	18.0x	22.2x	33.1x	6.3x
Healthcare Staffing	5	13,565	15.2%	22.9%	1.30x	15.4x	33.1x	25.4x	1.5x
Home Care / Hospice	6	4,861	11.5%	46.3%	0.90x	12.0x	25.4x	21.2x	1.7x
Long Term Care	4	3,987	12.9%	7.4%	0.98x	9.8x	23.6x	17.8x	1.1x
Managed Care – Commercial	7	244,996	11.8%	49.9%	0.75x	9.6x	18.0x	16.1x	1.4x
Managed Care – Government	3	13,737	13.6%	58.4%	0.25x	10.9x	35.4x	23.1x	1.5x
Other Services	4	13,653	(1.2%)	9.3%	2.19x	27.3x	35.6x	29.6x	1.9x
Pharmacy Management	6	86,312	14.5%	32.0%	0.74x	13.7x	38.7x	21.2x	1.5x
Physician Practice Mgmt	2	6,820	0.5%	(1.7%)	1.78x	11.4x	21.6x	20.0x	1.4x
Psychiatric Hospitals	3	7,029	18.6%	36.3%	0.44x	8.0x	37.7x	26.5x	1.3x
Specialty Managed Care	2	4,731	(12.7%)	8.1%	0.30x	4.5x	8.7x	13.8x	1.9x
Surgicenters / Rehabilitation	8	12,516	10.6%	29.4%	2.31x	10.6x	24.9x	19.3x	1.4x
<b>Total / Median (\$MM)</b>	<b>130</b>	<b>\$863,923</b>	<b>10.6%</b>	<b>19.8%</b>	<b>1.74x</b>	<b>12.9x</b>	<b>24.0x</b>	<b>21.0x</b>	<b>1.5x</b>

Source: Capital IQ

**CAPITALIZATION PROFILE**

	No. of Cos.	Ag. Eqty Mkt. Value	% Total No. of Cos.	% Ag. Eqty Mkt. Value	Average Stock Performance			
					3 mo	YTD	12 mo	36 mo
> \$5 billion	32	\$715,271	24.6%	82.8%	6.4%	7.9%	31.5%	93.2%
\$1 billion – \$5 billion	46	124,179	35.4%	14.4%	7.4%	5.5%	20.0%	97.7%
\$250 million – \$1 billion	37	22,978	28.5%	2.7%	9.3%	3.8%	15.2%	92.0%
\$100 million – \$250 million	4	880	3.1%	0.1%	3.5%	1.2%	(28.3%)	117.2%
< \$100 million	11	616	8.5%	0.1%	9.9%	6.1%	0.6%	26.6%
<b>Total / Median (\$MM)</b>	<b>130</b>	<b>\$863,923</b>	<b>100.0%</b>	<b>100.0%</b>	<b>7.4%</b>	<b>5.5%</b>	<b>15.2%</b>	<b>93.2%</b>

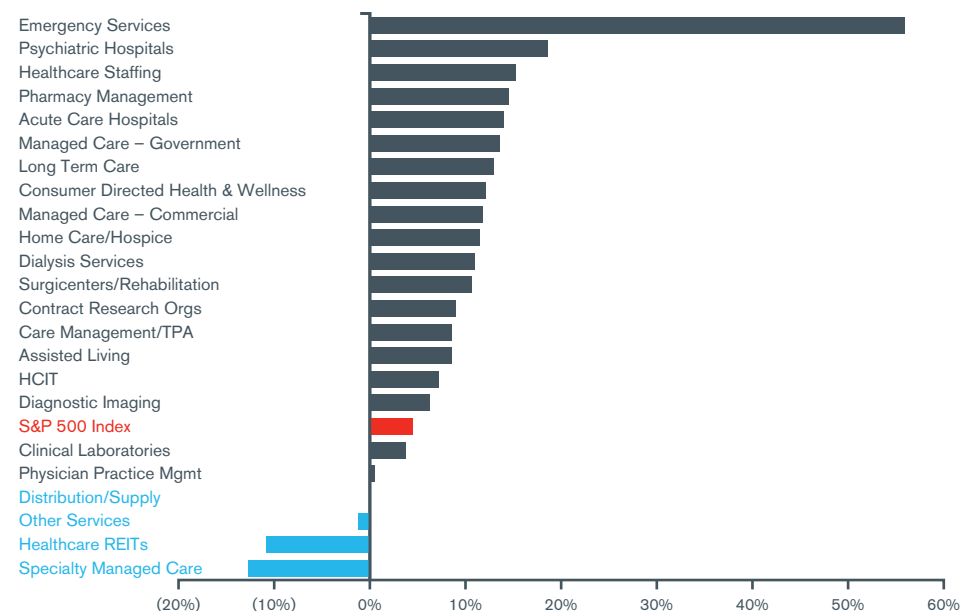
Source: Capital IQ

**MARKET INDICES**

	Value at 4/30/15	% Change			
		3 mo	YTD	12 mo	36 mo
Dow Jones Industrial Average	\$17,840.5	3.9%	0.1%	7.6%	35.0%
S&P 500 Index	2,085.5	4.5%	1.3%	10.7%	49.2%
NASDAQ Composite Index	4,941.4	6.6%	4.3%	20.1%	62.2%
Russell 2000 Index	1,220.1	4.7%	1.3%	8.3%	49.4%
AMEX Sector Index – Healthcare	104.0	3.7%	3.7%	(2.7%)	15.5%
S&P Healthcare Facilities (Sub Ind) Index	430.8	8.7%	2.2%	45.4%	139.3%
S&P Healthcare Providers & Services (Industry) Index	637.5	6.2%	5.5%	41.0%	126.8%
S&P Managed Healthcare (Sub Ind) Index	390.4	6.9%	6.6%	55.6%	114.5%
S&P Healthcare Services	427.3	9.3%	4.0%	23.8%	76.2%

Source: Capital IQ

**Median % Change – 3 months**



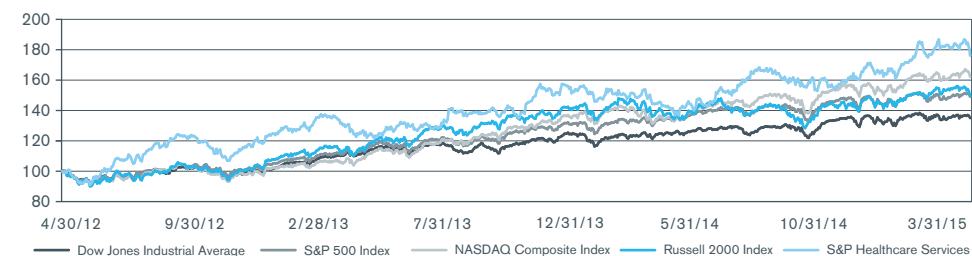
Source: Capital IQ

**INTEREST RATES**

	Value at 4/30/15	1 mo ago	3 mo ago	12 mo ago
LIBOR – USD – 5 months	0.00%	0.00%	0.00%	0.00%
U.S. Treasury – 2 years	0.00%	0.57%	0.45%	0.42%
U.S. Treasury – 5 years	1.44%	1.42%	1.18%	1.68%
U.S. Treasury – 10 years	2.05%	1.96%	1.68%	2.65%
U.S. Treasury – 30 years	2.75%	2.56%	2.26%	2.26%
U.S. Prime Rate	3.25%	3.25%	3.25%	3.25%

Source: Capital IQ

**Performance of Market Indices for Latest 36 months**



Source: Capital IQ

Healthcare Sector Update

(\$ in millions, except per share amounts)

Company Name	Ticker	Price 4/30/15	% Change		52-Week		Market Cap	Ent Val (TEV)	LTM		EPS		LTM Multiples		Earnings Ratio		PEG Ratio 2015E
			3 mo	12 mo	High	Low			Rev	EBITDA	2014	2015E	Rev	EBITDA	LTM	2015E	
<b>Acute Care Hospitals</b>																	
Community Health Systems, Inc.	CYH	\$53.68	14.0%	41.7%	\$57.72	\$36.13	\$6,282	\$23,368	\$18,639.0	\$2,737.0	\$1.32	\$3.90	1.25x	8.5x	40.7x	13.8x	0.80x
HCA Holdings, Inc.	HCA	74.01	4.5%	42.3%	80.20	50.69	30,766	61,376	36,918.0	7,385.0	4.16	5.09	1.66x	8.3x	17.8x	14.5x	1.17x
Lifepoint Hospitals Inc.	LPNT	74.88	14.8%	33.9%	78.23	55.97	3,318	5,459	4,739.6	605.7	2.69	3.97	1.15x	9.0x	27.8x	18.8x	1.77x
Tenet Healthcare Corp.	THC	47.86	13.2%	6.2%	63.61	41.47	4,746	16,895	16,615.0	1,952.0	0.34	2.00	1.02x	8.7x	NM	23.9x	2.42x
Universal Health Services Inc.	UHS	116.95	14.1%	43.0%	123.41	81.37	11,587	15,005	8,352.4	1,536.8	5.42	6.54	1.80x	9.8x	20.3x	17.9x	1.75x
<b>Median</b>			<b>14.0%</b>	<b>41.7%</b>									<b>1.25x</b>	<b>8.7x</b>	<b>24.1x</b>	<b>17.9x</b>	<b>1.75x</b>
<b>Assisted Living</b>																	
AdCare Health Systems, Inc.	ADK	\$4.02	0.5%	(2.0%)	\$5.05	\$3.58	\$78	\$225	\$193.3	\$9.8	(\$0.82)	NM	1.16x	22.9x	NM	NM	NM
Brookdale Senior Living Inc.	BKD	36.23	7.3%	13.8%	39.89	29.50	6,648	12,811	3,343.5	605.1	(1.01)	(1.42)	3.83x	21.2x	NM	NM	NM
Capital Senior Living Corp.	CSU	26.17	9.6%	5.8%	27.75	20.33	772	1,405	380.1	63.7	(0.83)	0.44	3.70x	22.1x	NM	NM	NM
Five Star Quality Care Inc.	FVE	4.25	22.1%	(12.0%)	5.33	3.23	208	258	1,109.0	14.9	(1.65)	(0.05)	0.23x	17.4x	NM	NM	NM
<b>Median</b>			<b>8.5%</b>	<b>1.9%</b>									<b>2.43x</b>	<b>21.6x</b>	<b>NM</b>	<b>NM</b>	<b>NM</b>
<b>Care Management / TPA</b>																	
Alere Inc.	ALR	\$47.48	16.7%	42.2%	\$50.61	\$33.50	\$4,011	\$7,968	\$2,576.9	\$499.8	(\$2.28)	\$2.43	3.09x	15.9x	NM	19.5x	1.30x
Care.com, Inc.	CRCM	6.42	(19.4%)	(47.6%)	13.97	6.29	205	133	116.7	(31.5)	(2.77)	(0.64)	1.14x	NM	NM	NM	NM
CorVel Corporation	CRVL	35.74	8.5%	(21.5%)	48.12	28.08	729	698	490.7	66.8	1.49	1.62	1.42x	10.4x	24.0x	22.1x	NM
Crawford & Company	CRD.B	8.17	(12.6%)	(28.5%)	11.48	8.04	423	534	1,142.9	87.2	0.55	0.70	0.47x	6.1x	14.9x	11.7x	1.17x
ExamWorks Group, Inc.	EXAM	40.95	10.8%	11.3%	44.33	27.79	1,686	2,110	775.6	108.4	0.25	0.42	2.72x	19.5x	NM	NM	NM
Hooper Holmes Inc.	HH	0.48	0.0%	(21.3%)	0.83	0.44	37	32	28.5	(6.1)	(0.08)	NM	1.12x	NM	NM	NM	NM
MAXIMUS, Inc.	MMS	64.01	14.9%	50.4%	69.04	37.94	4,216	4,067	1,761.4	277.0	2.25	2.45	2.31x	14.7x	28.5x	26.1x	1.42x
<b>Median</b>			<b>8.5%</b>	<b>(21.3%)</b>									<b>1.42x</b>	<b>14.7x</b>	<b>24.0x</b>	<b>20.8x</b>	<b>1.30x</b>

Source: Capital IQ as of April 30, 2015; For definitions, see page 10

Healthcare Sector Update

(\$ in millions, except per share amounts)

Company Name	Ticker	Price 4/30/15	% Change		52-Week		Market Cap	Ent Val (TEV)	LTM		EPS		LTM Multiples		Earnings Ratio		PEG Ratio 2015E
			3 mo	12 mo	High	Low			Rev	EBITDA	2014	2015E	Rev	EBITDA	LTM	2015E	
<b>Clinical Laboratories</b>																	
Bio-Reference Laboratories Inc.	BRLI	\$33.12	(1.2%)	30.4%	\$36.75	\$24.19	\$920	\$953	\$859.8	\$115.5	\$1.81	\$2.08	1.11x	8.3x	18.3x	15.9x	0.92x
Invitae Corporation	NVTA	10.95	NM	NM	22.35	10.50	348	447	1.6	(45.0)	(56.14)	(2.52)	278.78x	NM	NM	NM	NM
Laboratory Corp. of America Holdings	LH	119.56	4.2%	21.1%	131.19	95.61	12,008	18,524	6,353.2	1,263.6	5.91	7.75	2.92x	14.7x	26.5x	15.4x	1.42x
Psychemedics Corp.	PMD	15.51	3.7%	(1.6%)	17.83	12.42	83	87	28.9	4.8	0.60	NM	2.99x	18.2x	30.5x	NM	NM
Quest Diagnostics Inc.	DGX	71.42	0.5%	27.7%	78.33	55.08	10,268	14,058	7,528.0	1,462.0	3.78	4.79	1.87x	9.6x	20.5x	14.9x	1.51x
Sonic Healthcare Limited	SHL	15.66	7.0%	(4.6%)	16.92	13.00	6,295	7,867	3,297.2	584.6	0.77	0.85	2.39x	13.5x	21.0x	18.5x	2.74x
<b>Median</b>			<b>3.7%</b>	<b>21.1%</b>									<b>2.65x</b>	<b>13.5x</b>	<b>21.0x</b>	<b>15.7x</b>	<b>1.47x</b>
<b>Contract Research Orgs</b>																	
Albany Molecular Research Inc.	AMRI	\$18.06	10.6%	12.5%	\$23.95	\$13.73	\$598	\$712	\$276.6	\$34.2	(\$0.10)	\$0.82	2.57x	20.8x	NM	22.0x	2.75x
Charles River Laboratories International, Inc.	CRL	69.16	(0.3%)	28.7%	84.69	49.60	3,275	3,928	1,318.7	289.5	2.70	3.59	2.98x	13.6x	25.7x	19.2x	2.01x
ICON Public Limited Company	ICLR	64.34	14.1%	66.0%	72.40	37.79	3,867	3,651	1,541.9	289.0	2.73	3.67	2.37x	12.6x	21.0x	17.5x	0.91x
INC Research Holdings, Inc.	INCR	33.54	43.9%	NM	38.76	19.61	2,054	2,317	836.5	168.3	(0.51)	1.53	2.77x	13.8x	NM	22.0x	1.01x
PAREXEL International Corporation	PRXL	63.58	4.3%	40.2%	71.42	43.55	3,483	3,528	2,003.6	298.0	2.66	2.94	1.76x	11.8x	23.2x	21.7x	1.24x
PRA Health Sciences, Inc.	PRAH	28.48	9.0%	NM	31.99	18.47	1,704	2,587	1,266.6	154.3	(0.83)	1.41	2.04x	16.8x	NM	20.2x	1.08x
Quintiles Transnational Holdings Inc.	Q	65.88	8.9%	39.8%	70.00	46.27	8,236	9,764	4,190.5	727.8	2.72	3.08	2.33x	13.4x	24.2x	21.4x	1.71x
<b>Median</b>			<b>9.0%</b>	<b>39.8%</b>									<b>2.37x</b>	<b>13.6x</b>	<b>23.7x</b>	<b>21.4x</b>	<b>1.24x</b>
<b>Diagnostic Imaging</b>																	
Alliance Healthcare Services, Inc.	AIQ	\$21.27	(5.6%)	(25.3%)	\$32.37	\$18.92	\$225	\$758	\$436.4	\$121.7	\$0.98	NM	1.74x	6.2x	21.7x	NM	NM
American Shared Hospital Services	AMS	2.66	6.8%	(4.3%)	3.20	1.98	14	54	15.4	8.0	(0.19)	NM	3.48x	6.7x	NM	NM	NM
RadNet, Inc.	RDNT	8.38	6.2%	68.6%	10.35	4.57	366	965	717.6	114.9	0.03	0.53	1.35x	8.4x	NM	15.8x	1.58x
<b>Median</b>			<b>6.2%</b>	<b>(4.3%)</b>									<b>1.74x</b>	<b>6.7x</b>	<b>21.7x</b>	<b>15.8x</b>	<b>1.58x</b>
<b>Dialysis Services</b>																	
DaVita HealthCare Partners Inc.	DVA	\$81.10	8.0%	17.0%	\$85.17	\$66.60	\$17,501	\$25,723	\$12,780.7	\$2,399.8	\$3.33	\$3.76	2.01x	10.7x	24.4x	21.6x	2.03x
Fresenius Medical Care AG & Co. KGAA	FME	84.29	13.7%	22.5%	92.09	52.38	25,613	35,877	16,574.0	3,002.9	3.45	3.60	2.16x	11.9x	23.4x	23.4x	2.20x
<b>Median</b>			<b>10.9%</b>	<b>19.8%</b>									<b>2.09x</b>	<b>11.3x</b>	<b>23.9x</b>	<b>22.5x</b>	<b>2.12x</b>

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			3 mo	12 mo	High	Low			Rev	EBITDA	2014	2015E	Rev	EBITDA	LTM	2015E	
<b>Distribution / Supply</b>																	
Aceto Corp.	ACET	\$19.38	(0.1%)	(11.4%)	\$23.78	\$16.52	\$564	\$634	\$519.0	\$49.1	\$0.77	\$1.18	1.22x	12.9x	25.1x	16.4x	NM
AmerisourceBergen Corporation	ABC	114.30	20.3%	75.4%	120.68	63.85	25,101	26,771	128,194.7	1,502.5	0.15	5.06	0.21x	17.8x	NM	22.6x	1.57x
Cardinal Health, Inc.	CAH	84.34	1.4%	21.3%	91.91	63.06	27,843	28,663	97,877.0	2,520.0	3.24	4.64	0.29x	11.4x	24.7x	18.2x	1.82x
Henry Schein, Inc.	HSIC	137.10	(0.7%)	20.0%	143.89	109.34	11,464	12,673	10,404.9	879.4	5.44	5.92	1.22x	14.4x	25.2x	23.2x	2.15x
McKesson Corporation	MCK	223.40	5.1%	32.0%	232.69	164.58	52,018	59,358	173,870.0	3,921.0	7.31	12.03	0.34x	15.1x	30.5x	18.6x	1.16x
Owens & Minor Inc.	OMI	33.72	(1.5%)	0.5%	36.35	31.55	2,128	2,543	9,575.0	246.1	1.06	1.93	0.27x	10.3x	35.5x	17.5x	2.47x
Patterson Companies, Inc.	PDCO	46.96	(6.3%)	15.4%	51.49	37.03	4,719	5,103	4,328.2	410.2	2.14	2.40	1.18x	12.4x	21.9x	19.6x	1.97x
<b>Median</b>			<b>(0.1%)</b>	<b>20.0%</b>									<b>0.34x</b>	<b>12.9x</b>	<b>25.2x</b>	<b>18.6x</b>	<b>1.89x</b>
<b>Emergency Services</b>																	
Adeptus Health Inc.	ADPT	\$63.47	101.8%	NM	\$67.89	\$23.35	\$634	\$807	\$253.4	\$17.4	(\$0.34)	\$0.86	3.19x	46.5x	NM	NM	NM
Air Methods Corp.	AIRM	45.70	10.0%	(17.9%)	60.74	40.31	1,794	2,433	1,004.8	264.5	2.56	3.04	2.42x	9.2x	17.9x	15.0x	0.90x
<b>Median</b>			<b>55.9%</b>	<b>(17.9%)</b>									<b>2.80x</b>	<b>27.9x</b>	<b>17.9x</b>	<b>15.0x</b>	<b>0.90x</b>
<b>HCIT</b>																	
Allscripts Healthcare Solutions, Inc.	MDRX	\$13.30	11.7%	(12.6%)	\$17.17	\$11.00	\$2,405	\$2,928	\$1,377.9	\$56.9	(\$0.37)	\$0.44	2.12x	51.4x	NM	30.1x	1.29x
athenahealth, Inc.	ATHN	122.66	(12.2%)	(0.8%)	153.25	97.30	4,685	4,890	796.0	62.2	(0.08)	1.16	6.14x	78.7x	NM	NM	NM
Cerner Corporation	CERN	71.81	8.2%	40.0%	75.72	48.87	24,698	23,407	3,312.8	962.0	1.50	2.13	7.07x	24.3x	47.9x	33.7x	1.82x
Computer Programs & Systems Inc.	CPSI	52.33	6.2%	(17.1%)	67.42	47.40	592	551	198.9	49.1	2.94	2.66	2.77x	11.2x	19.1x	19.7x	1.67x
Healthstream Inc.	HSTM	28.94	2.4%	27.8%	32.17	21.66	804	768	179.5	30.4	0.37	0.30	4.28x	25.2x	NM	96.5x	5.85x
HMS Holdings Corp.	HMSY	17.01	(14.0%)	5.2%	23.69	15.12	1,503	1,568	443.2	88.0	0.16	0.60	3.54x	17.8x	NM	28.3x	1.23x
Inovalon Holdings, Inc.	INOV	25.25	NM	NM	33.75	24.56	3,727	3,865	361.5	130.2	0.49	0.55	10.69x	29.7x	NM	46.2x	2.05x
MedAssets, Inc.	MDAS	20.24	9.3%	(11.3%)	25.57	17.00	1,222	2,079	734.9	214.1	(0.34)	1.19	2.83x	9.7x	NM	17.0x	1.65x
Medical Transcription Billing, Corp.	MTBC	2.10	(13.3%)	NM	5.00	1.66	23	24	18.3	(1.7)	(0.64)	0.06	1.33x	NM	NM	35.0x	NM
Medidata Solutions, Inc.	MDSO	53.43	24.3%	47.1%	58.97	32.10	2,949	2,895	350.9	39.5	0.11	0.89	8.25x	73.3x	NM	60.1x	2.64x
Merge Healthcare Incorporated	MRGE	4.97	34.3%	118.0%	6.20	1.97	480	735	215.8	36.2	(0.00)	0.22	3.40x	20.3x	48.4x	22.3x	1.44x
National Research Corp.	NRCI.B	35.50	2.7%	(19.3%)	44.95	30.20	427	395	98.8	32.2	0.74	2.84	3.99x	12.3x	48.1x	12.5x	1.04x
Premier, Inc.	PINC	37.90	16.6%	26.3%	39.20	26.52	1,426	1,114	939.8	315.4	17.95	1.49	1.19x	3.5x	2.1x	25.4x	2.30x
Quality Systems Inc.	QSII	15.60	(4.3%)	5.6%	18.89	13.01	940	815	477.0	43.0	0.36	0.64	1.71x	19.0x	43.3x	24.4x	1.77x
The Advisory Board Company	ABCO	51.89	10.7%	(9.4%)	59.56	37.47	2,189	2,101	581.6	49.9	(0.07)	1.27	3.61x	42.1x	NM	41.0x	2.53x
<b>Median</b>			<b>7.2%</b>	<b>5.2%</b>									<b>3.54x</b>	<b>22.3x</b>	<b>45.6x</b>	<b>29.2x</b>	<b>1.77x</b>

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(\$ in millions, except per share amounts)

Company Name	Ticker	Price 4/30/15	% Change		52-Week		Market Cap	Ent Val (TEV)	LTM		EPS		LTM Multiples		Earnings Ratio		PEG Ratio 2015E
			3 mo	12 mo	High	Low			Rev	EBITDA	2014	2015E	Rev	EBITDA	LTM	2015E	
<b>Consumer Directed Health &amp; Wellness</b>																	
Benefitfocus, Inc.	BNFT	\$34.55	42.8%	6.6%	\$49.34	\$19.58	\$983	\$981	\$137.4	(\$51.7)	(\$2.51)	(\$2.13)	7.14x	NM	NM	NM	NM
Castlight Health, Inc.	CSLT	7.53	(15.2%)	(49.9%)	19.45	6.52	701	508	45.6	(84.8)	(1.16)	(0.70)	11.15x	NM	NM	NM	NM
Connecture, Inc.	CNXR	11.12	17.1%	NM	14.39	8.04	241	266	84.6	(0.5)	(10.27)	(0.08)	3.15x	NM	NM	NM	NM
Everyday Health, Inc.	EVDY	12.26	(11.7%)	(13.0%)	19.89	10.86	387	426	184.3	20.5	0.17	0.75	2.31x	20.8x	NM	16.3x	0.52x
HealthEquity, Inc.	HQY	26.21	26.2%	NM	27.89	16.11	1,443	1,332	87.9	22.8	0.21	0.27	15.16x	58.5x	NM	96.8x	2.96x
Healthways Inc.	HWAY	17.40	(15.6%)	(3.3%)	23.30	13.99	621	881	755.3	48.9	(0.16)	0.40	1.17x	18.0x	NM	43.3x	1.75x
IMS Health Holdings, Inc.	IMS	27.59	12.1%	16.2%	29.29	22.75	9,265	12,573	2,628.0	628.0	(0.59)	1.45	4.78x	20.0x	NM	19.1x	1.80x
Streamline Health Solutions, Inc.	STRM	2.26	(43.8%)	(54.8%)	5.77	2.08	42	53	27.6	(9.0)	(0.71)	(0.38)	1.92x	NM	NM	NM	NM
WebMD Health Corp.	WBMD	44.15	13.9%	0.1%	53.30	34.48	1,603	1,849	580.4	113.2	0.97	1.57	3.18x	16.3x	45.4x	28.2x	2.42x
<b>Median</b>			<b>12.1%</b>	<b>(3.3%)</b>									<b>3.18x</b>	<b>20.0x</b>	<b>45.4x</b>	<b>28.2x</b>	<b>1.80x</b>
<b>Healthcare REITs</b>																	
Aviv REIT, Inc.	AVIV	\$36.75	(6.6%)	39.3%	\$40.33	\$23.83	\$1,782	\$3,104	\$182.4	\$150.4	\$0.77	\$1.11	17.01x	20.6x	47.6x	33.1x	NM
CareTrust REIT, Inc.	CTRE	12.49	(7.3%)	NM	22.35	11.12	394	727	58.9	40.5	(0.36)	0.23	12.35x	17.9x	NM	54.3x	NM
HCP, Inc.	HCP	40.29	(14.8%)	(3.8%)	49.61	39.34	18,564	28,410	2,266.3	1,781.4	1.94	1.98	12.54x	15.9x	20.8x	20.3x	6.30x
Health Care REIT, Inc.	HCN	72.02	(12.1%)	14.2%	84.88	61.42	25,214	36,959	3,305.9	1,717.4	1.43	1.86	11.18x	21.5x	NM	38.8x	7.21x
Healthcare Realty Trust Incorporated	HR	25.60	(14.9%)	1.8%	31.20	23.41	2,550	3,950	370.6	219.8	0.35	0.38	10.66x	18.0x	NM	66.5x	16.63x
LTC Properties Inc.	LTC	43.46	(7.4%)	12.5%	48.85	36.75	1,545	1,894	120.5	108.0	1.99	1.90	15.72x	17.5x	21.8x	22.8x	4.34x
National Health Investors Inc.	NHI	66.72	(10.8%)	8.2%	76.98	56.53	2,506	3,381	177.4	167.5	3.04	3.36	19.05x	20.2x	21.9x	19.9x	3.33x
Newcastle Investment Corp.	NCT	5.33	20.3%	(80.2%)	30.84	4.00	354	–	410.5	NA	1.00	0.60	–	NA	5.3x	8.9x	NM
Omega Healthcare Investors Inc.	OHI	36.09	(17.7%)	3.8%	45.46	33.69	6,581	8,508	517.2	475.6	1.74	1.50	16.45x	17.9x	22.5x	24.1x	6.34x
Sabra Health Care REIT, Inc.	SBRA	29.88	(8.6%)	(0.3%)	34.44	24.01	1,770	2,795	183.5	157.9	0.78	1.40	15.23x	17.7x	38.3x	21.4x	3.86x
Senior Housing Properties Trust	SNH	20.47	(12.1%)	(12.8%)	24.60	20.38	4,810	7,583	844.9	474.4	0.81	0.36	8.98x	16.0x	25.3x	56.4x	14.00x
Universal Health Realty Income Trust	UHT	49.66	(7.6%)	17.0%	57.55	41.15	656	885	64.1	43.2	3.99	0.99	13.80x	20.5x	12.6x	50.0x	NM
Ventas, Inc.	VTR	68.90	(13.7%)	4.3%	81.93	60.63	22,798	34,612	3,213.2	1,762.2	1.59	1.69	10.77x	19.6x	44.2x	40.8x	8.52x
<b>Median</b>			<b>(10.8%)</b>	<b>4.0%</b>									<b>12.54x</b>	<b>18.0x</b>	<b>22.2x</b>	<b>33.1x</b>	<b>6.34x</b>

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(\$ in millions, except per share amounts)

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			3 mo	12 mo	High	Low			Rev	EBITDA	2014	2015E	Rev	EBITDA	LTM	2015E	
<b>Healthcare Staffing</b>																	
AMN Healthcare Services Inc.	AHS	\$22.81	21.2%	82.8%	\$24.63	\$10.35	\$1,077	\$1,232	\$1,036.0	\$83.9	\$0.69	\$0.90	1.19x	14.7x	33.1x	25.4x	1.58x
Cross Country Healthcare, Inc.	CCRN	11.10	8.5%	56.6%	13.51	5.26	354	424	617.8	15.8	(1.02)	0.28	0.69x	NM	NM	40.0x	4.00x
Envision Healthcare Holdings, Inc.	EVHC	37.96	10.4%	12.3%	40.27	30.48	7,007	9,172	4,627.9	569.8	0.66	1.46	1.98x	16.1x	NM	25.9x	1.40x
IPC Healthcare, Inc.	IPCM	48.92	21.2%	20.8%	53.46	36.12	850	915	702.0	71.6	2.21	2.20	1.30x	12.8x	24.6x	22.3x	1.27x
Team Health Holdings, Inc.	TMH	59.57	15.2%	22.9%	63.89	46.87	4,277	5,064	2,819.6	291.8	1.35	2.62	1.80x	17.4x	44.1x	22.7x	1.52x
<b>Median</b>			<b>15.2%</b>	<b>22.9%</b>									<b>1.30x</b>	<b>15.4x</b>	<b>33.1x</b>	<b>25.4x</b>	<b>1.52x</b>
<b>Home Care / Hospice</b>																	
Addus HomeCare Corporation	ADUS	\$26.84	21.0%	24.1%	\$29.05	\$17.02	\$296	\$292	\$323.2	\$23.4	\$1.08	\$1.28	0.90x	12.4x	25.3x	20.9x	1.40x
Almost Family Inc.	AFAM	43.28	42.6%	101.6%	49.71	19.74	410	453	495.8	27.7	1.47	2.02	0.91x	16.3x	29.4x	21.4x	1.95x
Amedisys Inc.	AMED	27.81	(1.3%)	104.0%	31.27	12.86	936	1,032	1,193.0	88.6	0.40	1.23	0.87x	11.7x	NM	22.5x	2.50x
Chemed Corp.	CHE	115.25	14.0%	38.4%	124.55	81.85	1,967	2,100	1,474.6	201.1	5.57	6.62	1.42x	10.4x	19.7x	17.4x	1.74x
LHC Group, Inc.	LHCG	32.06	7.9%	54.3%	36.87	19.69	576	651	717.9	59.7	1.26	1.61	0.91x	10.9x	25.4x	19.9x	1.20x
Providence Service Corp.	PRSC	42.52	9.0%	4.7%	55.99	34.03	676	1,091	1,481.2	73.1	1.35	1.57	0.74x	14.9x	31.5x	27.0x	1.69x
<b>Median</b>			<b>11.5%</b>	<b>46.3%</b>									<b>0.90x</b>	<b>12.05x</b>	<b>25.44x</b>	<b>21.17x</b>	<b>1.71x</b>
<b>Long Term Care</b>																	
Diversicare Healthcare Services Inc.	DVCR	\$16.12	80.9%	132.1%	\$17.15	\$5.97	\$99	\$144	\$344.2	\$20.3	\$0.20	NM	0.42x	7.1x	NM	NM	NM
Kindred Healthcare Inc.	KND	22.95	24.3%	(8.6%)	26.81	16.94	1,917	4,574	5,027.6	342.8	(0.24)	1.38	0.91x	13.3x	NM	16.6x	1.08x
National Healthcare Corp.	NHC	63.30	0.5%	15.7%	66.00	52.01	893	908	871.7	104.6	3.14	3.40	1.04x	8.7x	20.2x	18.6x	NM
The Ensign Group, Inc.	ENSG	42.11	1.5%	(0.9%)	48.00	26.02	1,078	1,089	1,027.4	99.4	1.56	2.37	1.06x	11.0x	27.0x	17.8x	1.19x
<b>Median</b>			<b>12.9%</b>	<b>7.4%</b>									<b>0.98x</b>	<b>9.8x</b>	<b>23.6x</b>	<b>17.8x</b>	<b>1.13x</b>
<b>Managed Care – Commercial</b>																	
Aetna Inc.	AET	\$106.87	16.4%	49.6%	\$111.08	\$70.76	\$37,319	\$44,477	\$59,102.5	\$4,949.7	\$5.68	\$7.33	0.75x	9.0x	17.7x	14.6x	1.42x
Anthem, Inc.	ANTM	150.93	11.8%	49.9%	160.64	99.91	39,926	56,392	75,066.2	6,016.9	8.96	9.92	0.75x	9.4x	15.6x	15.2x	1.43x
Cigna Corp.	CI	124.64	16.7%	55.7%	135.00	81.70	32,078	35,618	35,885.0	3,886.0	7.83	8.45	0.99x	9.2x	15.7x	14.8x	1.25x
Health Net, Inc.	HNT	52.65	(2.8%)	53.4%	61.55	33.62	4,050	3,681	14,859.5	352.0	1.80	3.26	0.25x	10.5x	29.3x	16.1x	0.77x
Humana Inc.	HUM	165.60	13.1%	50.9%	183.05	107.99	24,804	26,970	50,621.0	2,696.0	7.36	8.80	0.53x	10.0x	21.2x	18.8x	1.58x
UnitedHealth Group Incorporated	UNH	111.40	4.8%	48.5%	123.76	74.26	106,011	117,187	134,522.0	11,934.0	5.70	6.26	0.87x	9.8x	18.4x	17.8x	1.54x
Universal American Corp	UAM	9.99	10.6%	39.3%	11.09	6.93	807	823	2,042.5	5.0	(0.35)	0.20	0.40x	NM	NM	49.1x	1.79x
<b>Median</b>			<b>11.8%</b>	<b>49.9%</b>									<b>0.75x</b>	<b>9.6x</b>	<b>18.0x</b>	<b>16.1x</b>	<b>1.43x</b>

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			3 mo	12 mo	High	Low			Rev	EBITDA	2014	2015E	Rev	EBITDA	LTM	2015E	
<b>Managed Care – Government</b>																	
Centene Corp.	CNC	\$61.99	13.6%	86.7%	\$74.26	\$32.60	\$7,370	\$6,987	\$17,360.0	\$641.0	\$2.23	\$2.68	0.40x	10.9x	25.3x	23.1x	1.47x
Molina Healthcare, Inc.	MOH	59.23	16.3%	58.4%	67.99	37.26	2,957	2,323	9,372.2	268.6	1.30	2.49	0.25x	8.6x	45.6x	23.8x	0.77x
WellCare Health Plans, Inc.	WCG	77.43	6.3%	14.8%	95.09	55.43	3,410	2,997	12,959.9	242.7	1.44	3.42	0.23x	12.3x	NM	22.7x	1.79x
Median			13.6%	58.4%									0.25x	10.9x	35.4x	23.1x	1.47x
<b>Other Services</b>																	
Healthcare Services Group Inc.	HCSG	\$30.27	(3.9%)	4.0%	\$34.75	\$25.51	\$2,164	\$2,094	\$1,336.3	\$76.7	\$0.31	\$0.99	1.57x	27.3x	NM	30.6x	1.91x
PDI, Inc.	PDII	1.27	(18.6%)	(73.2%)	5.43	1.26	21	24	119.9	(9.2)	(0.63)	(1.54)	0.20x	NM	NM	NM	NM
Sharps Compliance Corp.	SMED	6.29	41.0%	53.0%	7.03	3.85	98	82	29.0	1.3	0.08	0.06	2.81x	62.8x	NM	NM	NM
Stericycle, Inc.	SRCL	133.43	1.6%	14.6%	142.69	111.03	11,370	12,926	2,649.0	729.0	3.79	4.65	4.88x	17.7x	35.6x	28.7x	1.88x
Median			(1.2%)	9.3%									2.19x	27.3x	35.6x	29.6x	1.90x
<b>Pharmacy Management</b>																	
BioScrip, Inc.	BIOS	\$4.70	(18.3%)	(32.1%)	\$8.75	\$3.41	\$323	\$746	\$984.1	(\$44.3)	(\$2.09)	(\$0.03)	0.76x	NM	NM	NM	NM
Catamaran Corporation	CCT	59.16	18.3%	55.8%	62.93	35.75	12,306	12,889	22,646.7	897.9	1.53	2.64	0.57x	14.4x	34.5x	22.4x	0.94x
Express Scripts Holding Company	ESRX	86.40	7.0%	29.8%	89.59	65.08	63,011	74,463	102,101.7	6,732.6	2.64	5.44	0.73x	11.1x	30.5x	15.9x	1.31x
Omnicare Inc.	OCR	87.98	17.3%	48.4%	90.49	59.18	8,523	10,310	6,506.4	752.1	1.74	4.16	1.58x	13.7x	46.6x	21.2x	1.61x
Omniceil, Inc.	OMCL	35.53	11.6%	34.2%	36.72	25.00	1,286	1,146	455.4	66.3	0.83	1.36	2.52x	17.3x	42.8x	26.2x	1.48x
PharMerica Corporation	PMC	28.66	24.6%	5.4%	31.27	19.42	864	1,182	1,894.5	123.3	0.22	1.62	0.62x	9.6x	NM	17.7x	1.77x
Median			14.5%	32.0%									0.74x	13.7x	38.7x	21.2x	1.48x
<b>Physician Practice Mgmt</b>																	
Birner Dental Management Services Inc.	BDMS	\$13.23	(3.3%)	(22.9%)	\$18.40	\$12.05	\$25	\$34	\$65.1	\$3.6	(\$0.50)	NM	0.52x	9.5x	NM	NM	NM
MEDNAX, Inc.	MD	70.78	4.3%	19.5%	74.57	49.82	6,795	7,636	2,512.0	573.0	3.18	3.54	3.04x	13.3x	21.6x	20.0x	1.38x
Median			0.5%	(1.7%)									1.78x	11.4x	21.6x	20.0x	1.38x

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			3 mo	12 mo	High	Low			Rev	EBITDA	2014	2015E	Rev	EBITDA	LTM	2015E	
<b>Psychiatric Hospitals</b>																	
AAC Holdings, Inc.	AAC	\$34.66	35.8%	NM	\$38.43	\$17.91	\$755	\$769	\$135.1	\$20.4	\$0.41	\$0.64	NM	NM	NM	NM	NM
Acadia Healthcare Company, Inc.	ACHC	68.50	18.6%	63.0%	74.09	39.69	4,551	6,567	1,169.0	242.7	1.50	2.15	NM	NM	47.5x	31.9x	1.39x
Magellan Health, Inc.	MGLN	63.30	5.3%	9.7%	71.83	52.37	1,723	1,655	3,774.6	207.9	2.90	3.00	0.44x	8.0x	28.0x	21.1x	1.24x
<b>Median</b>			<b>18.6%</b>	<b>36.3%</b>									<b>0.44x</b>	<b>8.0x</b>	<b>37.7x</b>	<b>26.5x</b>	<b>1.32x</b>
<b>Specialty Managed Care</b>																	
Assurant Inc.	AIZ	\$61.46	(3.2%)	(8.8%)	\$69.94	\$59.73	\$4,233	\$4,181	\$10,381.7	\$934.7	\$6.44	\$4.59	0.40x	4.5x	9.5x	13.4x	1.98x
Triple-S Management Corporation	GTS	18.72	(22.3%)	25.0%	25.49	14.92	498	462	2,320.1	101.9	2.41	1.31	0.20x	4.5x	7.8x	14.2x	1.73x
<b>Median</b>			<b>(12.7%)</b>	<b>8.1%</b>									<b>0.30x</b>	<b>4.5x</b>	<b>8.7x</b>	<b>13.8x</b>	<b>1.85x</b>
<b>Surgicenters / Rehabilitation</b>																	
AmSurg Corp.	AMSG	\$62.72	13.7%	44.8%	\$66.42	\$40.00	\$3,036	\$5,849	\$1,621.9	\$478.1	\$1.27	\$3.26	3.61x	12.2x	49.3x	19.3x	1.17x
Civitas Solutions, Inc.	CIVI	18.75	(1.3%)	NM	21.21	11.88	693	1,337	1,286.4	134.1	(0.71)	0.65	1.04x	10.0x	NM	28.9x	NM
Hanger, Inc.	HGR	22.34	3.5%	(35.6%)	35.00	18.25	768	1,303	1,060.7	156.2	1.61	1.87	1.23x	8.3x	13.6x	11.9x	0.97x
HEALTHSOUTH Corp.	HLS	45.22	2.5%	30.5%	47.96	33.09	3,956	6,346	2,519.6	600.4	2.24	2.32	2.52x	10.6x	20.6x	19.5x	2.25x
The Joint Corp.	JYNT	10.01	55.4%	NM	11.00	6.00	96	76	7.1	(1.4)	(0.56)	(0.94)	10.61x	NM	NM	NM	NM
Select Medical Holdings Corporation	SEM	14.55	7.6%	4.2%	16.17	11.46	1,910	3,557	3,051.5	354.8	0.91	0.89	1.17x	10.0x	15.5x	16.4x	1.31x
Surgical Care Affiliates, Inc.	SCAI	37.70	16.9%	28.3%	40.10	26.55	1,471	2,493	850.7	221.4	1.03	2.08	2.93x	11.3x	36.6x	18.1x	1.81x
US Physical Therapy Inc.	USPH	47.16	21.6%	52.9%	50.79	29.56	585	634	301.0	52.7	1.62	1.85	2.11x	12.0x	29.1x	25.4x	1.59x
<b>Median</b>			<b>10.6%</b>	<b>29.4%</b>									<b>2.31x</b>	<b>10.6x</b>	<b>24.9x</b>	<b>19.3x</b>	<b>1.45x</b>

**Definitions**

**PEG Ratio:** Price Earnings to Growth

**EBITDA:** Earnings Before Interest, Taxes, Depreciation, and Amortization

**EPS:** Earnings Per Share

**Enterprise Value:** Market Capitalization + Total Debt + Preferred Equity + Minority Interest – Cash and Short-Term Investments

**LTM:** Last Twelve Months

Source: Capital IQ as of April 30, 2015

MARKET SECTOR	No. of Cos.	Ag. Eqty Mkt. Value	Median % Change		LTM Multiples		Earnings Ratio		PEG Ratio 2015E
			3 mo	12 mo	Rev	EBITDA	LTM	2015E	
Biotechnology	76	\$624,004	(3.0%)	9.8%	8.06x	15.0x	34.8x	22.8x	1.4x
Cardiology Devices	19	173,520	2.7%	17.1%	3.93x	14.9x	28.8x	27.0x	2.0x
Conglomerates	5	458,282	1.6%	(2.1%)	3.26x	10.8x	24.2x	19.1x	2.0x
Dental Devices	8	22,030	6.5%	29.4%	2.90x	16.8x	27.9x	22.6x	2.0x
Diagnostic Imaging Devices	4	10,679	7.4%	22.5%	1.44x	12.5x	32.7x	20.7x	1.9x
Diversified Medical Devices	20	101,040	4.1%	20.9%	3.71x	16.7x	31.9x	25.3x	2.1x
Infection Prevention Devices	2	5,821	6.2%	36.7%	3.08x	16.3x	36.6x	27.1x	1.8x
Lab Equipment	2	8,943	(3.0%)	15.0%	2.05x	11.5x	19.2x	24.7x	1.9x
Lab Instrumentation & Devices	4	13,752	5.8%	27.0%	3.25x	14.6x	57.5x	21.7x	2.3x
Large-Cap Pharmaceuticals	6	734,587	6.4%	22.9%	4.81x	16.0x	41.1x	18.4x	2.3x
Life Science Conglomerates	3	82,364	0.4%	22.1%	3.79x	19.1x	34.9x	19.9x	1.8x
Life Science Consumables	6	13,777	9.9%	9.1%	2.63x	13.0x	25.8x	28.4x	1.5x
Mobility Devices	4	3,644	17.6%	30.4%	1.67x	18.8x	26.2x	19.2x	1.6x
Neural Implant Devices	2	3,510	7.6%	16.0%	3.78x	13.3x	36.7x	21.0x	1.5x
Ophthalmology Devices	6	10,000	17.8%	32.8%	2.15x	18.9x	32.4x	22.9x	1.1x
Orthopedics Devices	5	57,379	1.3%	13.5%	3.50x	11.7x	28.0x	18.3x	2.1x
Pharmaceuticals	39	99,349	4.1%	44.5%	5.23x	17.6x	37.7x	20.7x	1.4x
Surgical Devices	6	20,530	2.9%	6.8%	5.20x	12.5x	42.9x	28.5x	2.0x
<b>Total / Median (\$MM)</b>	<b>217</b>	<b>\$2,443,210</b>	<b>5.0%</b>	<b>21.5%</b>	<b>3.38x</b>	<b>15.0x</b>	<b>32.6x</b>	<b>22.2x</b>	<b>1.9x</b>

Source: Capital IQ

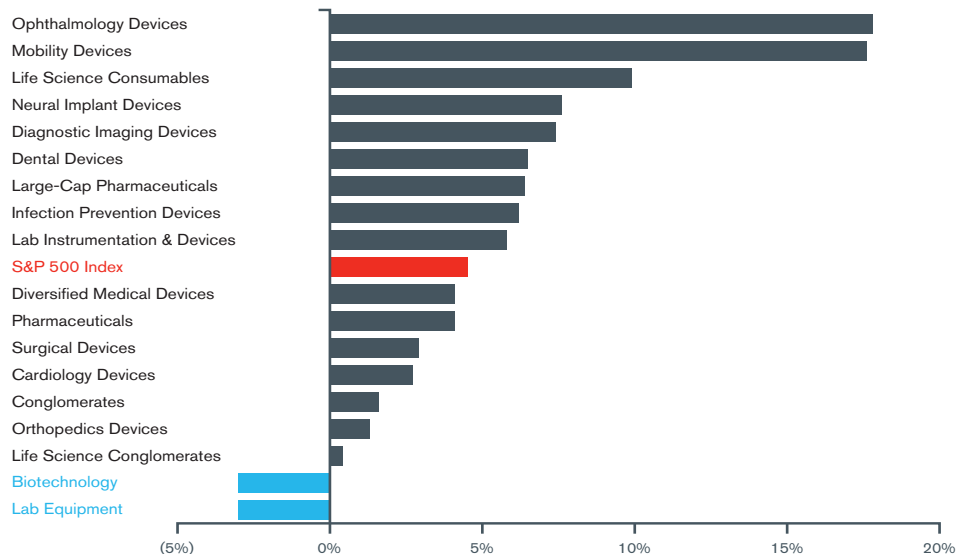
CAPITALIZATION PROFILE	No. of Cos.	Ag. Eqty Mkt. Value	% Total No. of Cos.	% Ag. Eqty Mkt. Value	Average Stock Performance			
					3 mo	YTD	12 mo	36 mo
> \$5 billion	46	\$2,296,769	21.2%	94.0%	4.3%	6.4%	27.8%	113.0%
\$1 billion – \$5 billion	52	110,588	24.0%	4.5%	10.9%	15.7%	40.8%	186.3%
\$250 million – \$1 billion	57	28,419	26.3%	1.2%	2.7%	3.9%	15.6%	117.7%
\$100 million – \$250 million	35	5,563	16.1%	0.2%	4.0%	6.0%	23.9%	41.7%
< \$100 million	27	1,871	12.4%	0.1%	15.5%	13.0%	(6.2%)	135.4%
<b>Total / Median (\$MM)</b>	<b>217</b>	<b>\$2,443,210</b>	<b>100.0%</b>	<b>100.0%</b>	<b>4.3%</b>	<b>6.4%</b>	<b>23.9%</b>	<b>117.7%</b>

Source: Capital IQ

INTEREST RATES	Value at 4/30/15	1 mo ago	3 mo ago	12 mo ago
LIBOR – USD – 5 months	0.00%	0.00%	0.00%	0.00%
U.S. Treasury – 2 years	0.00%	0.57%	0.45%	0.42%
U.S. Treasury – 5 years	1.44%	1.42%	1.18%	1.68%
U.S. Treasury – 10 years	2.05%	1.96%	1.68%	2.65%
U.S. Treasury – 30 years	2.75%	2.56%	2.26%	2.26%
U.S. Prime Rate	3.25%	3.25%	3.25%	3.25%

Source: Capital IQ

### Median % Change – 3 months



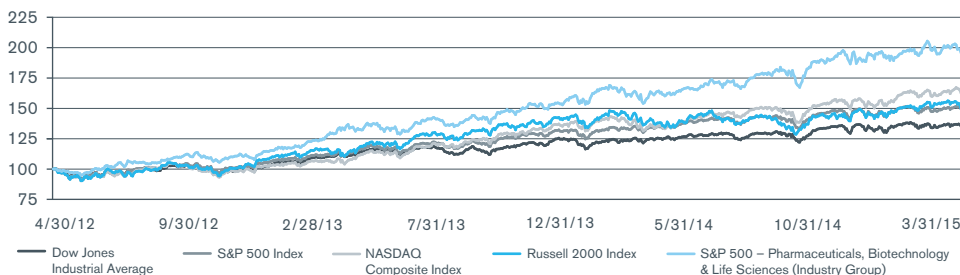
Source: Capital IQ

### MARKET INDICES

Market Index	Value at 4/30/15	% Change			
		3 mo	YTD	12 mo	36 mo
Dow Jones Industrial Average	\$17,840.5	3.9%	0.1%	7.6%	35.0%
S&P 500 Index	2,085.5	4.5%	1.3%	10.7%	49.2%
NASDAQ Composite Index	4,941.4	6.6%	4.3%	20.1%	62.2%
Russell 2000 Index	1,220.1	4.7%	1.3%	8.3%	49.4%
S&P Life Science Tools & Services (Industry) Index	305.1	3.3%	2.8%	12.3%	81.7%
S&P 500 Pharmaceuticals (Industry) Index	607.3	4.4%	4.2%	13.5%	73.6%
Dow Jones U.S. Pharmaceuticals & Biotechnology Index	715.4	2.5%	4.8%	21.8%	100.7%
S&P 500 Biotechnology (Industry) Index	3,822.1	(2.0%)	2.8%	36.0%	182.4%
Dow Jones U.S. Medical Equipment Index	950.4	2.7%	2.8%	22.5%	75.9%
<b>S&amp;P 500 – Pharmaceuticals, Biotechnology &amp; Life Sciences (Industry Group)</b>	<b>791.5</b>	<b>2.3%</b>	<b>3.6%</b>	<b>19.3%</b>	<b>95.5%</b>

Source: Capital IQ

### Performance of Market Indices for Latest 36 months



Source: Capital IQ

## Healthcare Sector Update

(\$ in millions, except per share amounts)

Company Name	Ticker	Price 4/30/15	% Change		52-Week		Market Cap	Ent Val (TEV)	LTM		EPS		LTM Multiples		Earnings Ratio		PEG Ratio 2015E
			3 mo	12 mo	High	Low			Rev	EBITDA	2014	2015E	Rev	EBITDA	LTM	2015E	
<b>Biotechnology</b>																	
Acceleron Pharma, Inc.	XLRN	\$27.65	(29.9%)	(19.5%)	\$48.50	\$23.61	\$907	\$730	\$14.6	(\$49.3)	(\$1.63)	(\$1.22)	NM	NM	NM	NM	NM
Acorda Therapeutics, Inc.	ACOR	30.07	(27.6%)	(15.2%)	45.45	28.26	1,280	1,271	420.8	60.3	0.42	0.62	3.02x	21.1x	90.7x	48.1x	1.46x
Adamas Pharmaceuticals, Inc.	ADMS	17.27	2.6%	(6.4%)	21.63	13.60	306	183	55.8	18.7	0.53	(3.22)	3.28x	9.8x	32.6x	NM	NM
Aduro BioTech, Inc.	ADRO	25.40	NM	NM	49.25	24.68	1,497	1,378	13.4	(18.9)	(0.70)	2.87	NM	NM	NM	8.9x	NM
Affimed N.V.	ADMS	7.90	38.8%	NM	11.77	3.55	189	146	4.6	(12.5)	(0.02)	(0.96)	NM	NM	NM	NM	NM
Akebia Therapeutics, Inc.	AKBA	7.67	(25.3%)	(68.5%)	31.00	7.51	213	104	-	(37.4)	(8.04)	(0.25)	NA	NM	NM	NM	NM
Alexion Pharmaceuticals, Inc.	ALXN	169.23	(7.6%)	7.0%	203.30	147.81	33,774	32,010	2,267.5	866.9	3.26	5.84	14.12x	36.9x	58.0x	29.0x	1.34x
Alkermes plc	ALKS	55.37	(23.4%)	19.7%	75.17	38.49	8,230	7,839	649.8	(0.5)	(0.21)	(0.41)	12.06x	NM	NM	NM	NM
Amarin Corporation plc	AMRN	1.92	88.2%	18.5%	3.33	0.78	340	447	54.2	(95.1)	(0.36)	(0.39)	8.25x	NM	NM	NM	NM
Amgen Inc.	AMGN	157.91	3.7%	41.3%	173.60	109.41	120,063	123,286	20,575.0	9,613.0	6.70	9.55	5.99x	12.8x	21.3x	16.5x	1.61x
Ascendis Pharma A/S	ASND	17.03	(14.1%)	NM	21.97	16.52	406	345	16.9	(13.9)	(9.04)	(1.72)	20.40x	NM	NM	NM	NM
Atara Biotherapeutics, Inc.	ATRA	41.45	70.2%	NM	64.35	10.10	1,010	906	-	(28.2)	(5.62)	(1.91)	NA	NM	NM	NM	NM
Athersys, Inc.	ATHX	1.20	(42.6%)	(18.1%)	3.43	0.90	96	70	1.6	(28.7)	(0.31)	(0.25)	NM	NM	NM	NM	NM
Auspex Pharmaceuticals, Inc.	ASPX	100.89	64.2%	370.6%	100.99	14.75	3,212	3,085	-	(50.2)	(2.68)	(2.97)	NA	NM	NM	NM	NM
Avalanche Biotechnologies, Inc.	AAVL	31.86	(19.7%)	NM	62.48	22.00	804	644	0.6	(24.2)	(2.46)	(1.88)	NM	NM	NM	NM	NM
Bellicum Pharmaceuticals, Inc.	BLCM	23.98	(3.0%)	NM	33.63	18.20	633	441	1.8	(14.0)	(34.04)	(1.26)	NM	NM	NM	NM	NM
Bio Blast Pharma Ltd.	ORPN	5.70	(30.1%)	NM	10.00	4.50	81	49	-	(7.1)	(0.57)	(1.27)	NA	NM	NM	NM	NM
Biogen Inc.	BIIB	373.93	(3.9%)	30.2%	480.18	278.10	87,960	86,394	10,125.5	5,020.9	12.37	16.88	8.53x	17.2x	27.0x	22.2x	1.31x
BioSpecifics Technologies Corp.	BSTC	38.31	(2.6%)	61.4%	42.00	22.64	258	237	14.1	7.1	0.66	NM	16.85x	33.2x	58.0x	NM	NM
Calithera Biosciences, Inc.	CALA	10.01	(49.7%)	NM	33.48	6.51	180	78	-	(21.4)	(4.67)	(2.19)	NA	NM	NM	NM	NM
Cara Therapeutics Inc.	CARA	10.75	(0.4%)	(25.3%)	17.77	7.53	245	193	3.2	(17.3)	(0.85)	(1.38)	NM	NM	NM	NM	NM
Celgene Corporation	CELG	108.06	(9.3%)	47.0%	129.06	71.32	86,512	86,017	8,021.2	3,575.7	2.39	4.75	10.72x	24.1x	37.0x	22.8x	0.88x
Cepheid	CPHD	56.10	(0.7%)	29.0%	62.00	36.94	4,010	3,980	495.9	25.1	(0.72)	0.26	8.03x	NM	NM	NM	NM
Coherus Biosciences, Inc.	CHRS	21.77	(3.0%)	NM	33.30	12.27	822	671	31.1	(63.9)	(10.64)	(2.91)	21.59x	NM	NM	NM	NM
ContraFect Corporation	CFRX	5.27	10.9%	NM	6.24	2.50	107	79	-	(16.0)	(3.86)	(0.91)	NA	NM	NM	NM	NM
Curis, Inc.	CRIS	2.57	39.7%	13.7%	3.50	1.09	330	308	9.8	(15.7)	(0.22)	(0.27)	NM	NM	NM	NM	NM
Dicerna Pharmaceuticals, Inc.	DRNA	20.07	(5.9%)	6.9%	27.33	8.00	358	262	-	(44.4)	(3.00)	(2.60)	NA	NM	NM	NM	NM
Dyadic International, Inc.	DYAI	1.32	38.9%	(7.0%)	1.87	0.80	41	47	12.5	(3.4)	(0.18)	NM	3.72x	NM	NM	NM	NM
Emergent BioSolutions, Inc.	EBS	29.69	5.9%	12.6%	31.33	19.31	1,138	1,108	450.1	97.3	0.80	0.88	2.46x	11.4x	37.0x	33.8x	1.47x
Exelixis, Inc.	EXEL	2.57	37.4%	(27.4%)	4.55	1.26	504	765	29.6	(172.9)	(1.38)	(0.87)	25.85x	NM	NM	NM	NM
FibroGen, Inc.	FGEN	23.25	(21.3%)	NM	40.59	20.10	1,375	1,328	137.6	(45.6)	(3.17)	(1.54)	9.65x	NM	NM	NM	NM
Forward Pharma A/S	FWP	30.61	24.1%	NM	34.50	17.50	1,424	1,332	-	(19.7)	(1.79)	(1.03)	NA	NM	NM	NM	NM
Genomic Health Inc.	GHDX	27.07	(16.1%)	3.2%	37.75	23.90	871	767	275.7	(16.8)	(0.78)	(0.59)	2.78x	NM	NM	NM	NM

Source: Capital IQ as of April 30, 2015; For definitions, see page 19

Healthcare Sector Update

(\$ in millions, except per share amounts)

Company Name	Ticker	Price 4/30/15	% Change		52-Week		Market Cap	Ent Val (TEV)	LTM		EPS		LTM Multiples		Earnings Ratio		PEG Ratio 2015E
			3 mo	12 mo	High	Low			Rev	EBITDA	2014	2015E	Rev	EBITDA	LTM	2015E	
<b>Biotechnology (cont.)</b>																	
Gilead Sciences Inc.	GILD	\$100.51	(4.1%)	28.1%	\$116.83	\$76.63	\$149,063	\$147,843	\$27,485.0	\$19,034.5	\$7.35	\$9.54	5.38x	7.8x	11.5x	10.5x	0.54x
GlycoMimetics, Inc.	GLYC	8.29	12.6%	(37.5%)	13.40	6.02	157	102	15.0	(11.0)	(0.60)	(0.34)	6.80x	NM	NM	NM	NM
Histogenics Corporation	HSGX	8.16	(3.5%)	NM	12.97	7.04	108	51	-	(31.9)	(6.85)	(2.73)	NA	NM	NM	NM	NM
Immunomedics Inc.	IMMU	3.60	(32.7%)	(14.5%)	5.48	3.04	336	314	4.4	(44.8)	(0.51)	(0.61)	NM	NM	NM	NM	NM
Immune Design Corp.	IMDZ	22.43	(10.6%)	NM	40.13	11.51	446	371	6.4	(29.6)	(4.56)	(2.51)	NM	NM	NM	NM	NM
INSYS Therapeutics, Inc.	INSY	52.57	10.0%	28.0%	67.87	20.52	1,875	1,792	222.1	66.5	1.04	1.81	8.07x	26.9x	50.5x	29.0x	1.04x
Juno Therapeutics Inc.	JUNO	42.74	(0.0%)	NM	66.00	34.71	3,865	3,429	-	(223.6)	(36.82)	(1.60)	NA	NM	NM	NM	NM
Ligand Pharmaceuticals Incorporated	LGND	77.64	36.4%	22.9%	90.48	41.99	1,520	1,547	64.5	23.4	0.56	1.24	23.97x	NM	NM	62.6x	2.09x
Loxo Oncology, Inc.	LOXO	11.36	(11.2%)	NM	16.45	9.90	190	83	-	(20.7)	(3.06)	(2.10)	NA	NM	NM	NM	NM
MacroCure Ltd.	MCUR	9.65	1.6%	NM	14.30	6.82	161	115	-	(20.3)	(2.15)	(1.44)	NA	NM	NM	NM	NM
Momenta Pharmaceuticals Inc.	MNTA	17.45	62.0%	52.8%	20.43	9.38	1,000	809	50.0	(85.1)	(1.91)	(0.33)	16.17x	NM	NM	NM	NM
Myriad Genetics Inc.	MYGN	33.03	(11.7%)	(21.7%)	42.50	31.56	2,349	2,184	724.9	204.4	1.45	1.79	3.01x	10.7x	22.8x	18.5x	1.31x
Neotherics, Inc.	NEOT	7.07	6.0%	NM	14.10	6.11	97	30	-	(9.6)	(5.36)	(3.69)	NA	NM	NM	NM	NM
Neurocrine Biosciences Inc.	NBIX	34.09	1.3%	143.2%	45.36	12.17	2,843	2,473	19.8	(53.1)	(0.81)	(0.87)	NM	NM	NM	NM	NM
Nexvet Biopharma Public Limited Company	NVET	8.65	NM	NM	11.00	7.08	98	110	0.0	(13.2)	(8.79)	(1.42)	NM	NM	NM	NM	NM
Ocular Therapeutix, Inc.	OCUL	21.95	(28.0%)	NM	44.19	11.90	471	411	0.8	(26.5)	(2.69)	(1.43)	NM	NM	NM	NM	NM
Osiris Therapeutics, Inc.	OSIR	15.17	(6.0%)	6.6%	18.86	11.87	522	482	59.9	2.7	(0.01)	0.31	8.06x	NM	NM	49.7x	NM
Otonomy, Inc.	OTIC	26.24	(10.1%)	NM	41.99	15.19	633	477	-	(39.4)	(5.46)	(3.01)	NA	NM	NM	NM	NM
Paratek Pharmaceuticals, Inc.	PRTK	24.33	(1.5%)	NM	39.80	16.00	352	256	4.3	(6.3)	(7.82)	(2.49)	NM	NM	NM	NM	NM
PDL BioPharma, Inc.	PDLI	6.67	(8.5%)	(21.4%)	10.26	6.52	1,094	1,253	487.5	457.8	1.86	2.20	2.57x	2.7x	3.6x	3.0x	NM
Pfenex Inc.	PFNX	13.35	94.6%	NM	19.95	5.28	307	265	10.6	(8.7)	(1.04)	(1.19)	24.93x	NM	NM	NM	NM
ProMetic Life Sciences Inc.	PLI	1.97	31.8%	98.6%	2.37	0.80	1,094	1,119	19.9	(26.3)	0.01	(0.05)	NM	NM	NM	NM	NM
ProQR Therapeutics N.V.	PRQR	18.97	(5.5%)	NM	27.60	11.00	443	310	0.4	(19.8)	(1.32)	(0.96)	NM	NM	NM	NM	NM
Proteon Therapeutics Inc	PRTO	12.06	14.9%	NM	17.26	8.57	198	115	2.9	(7.6)	(3.16)	(1.43)	NM	NM	NM	NM	NM
Regeneron Pharmaceuticals, Inc.	REGN	457.46	9.8%	54.1%	495.50	269.50	47,245	46,803	2,819.6	891.1	3.07	10.86	16.60x	NM	NM	42.1x	2.04x
Roka Bioscience, Inc.	ROKA	2.93	(27.3%)	NM	13.00	2.90	53	19	5.1	(27.3)	(2.93)	(1.92)	3.78x	NM	NM	NM	NM
Sage Therapeutics, Inc.	SAGE	53.00	31.2%	NM	63.77	24.25	1,489	1,361	-	(33.8)	(1.67)	(2.28)	NA	NM	NM	NM	NM
Spark Therapeutics, Inc.	ONCE	57.27	14.5%	NM	79.50	40.16	1,406	1,414	0.6	(23.4)	(4.64)	(1.25)	NM	NM	NM	NM	NM
Spectrum Pharmaceuticals, Inc.	SPPI	5.65	(19.3%)	(17.8%)	9.27	5.45	379	342	186.8	(6.2)	(0.71)	(0.79)	1.83x	NM	NM	NM	NM
T2 Biosystems, Inc.	TTOO	15.47	(28.5%)	NM	24.50	13.40	311	258	0.1	(30.0)	(4.15)	(2.25)	NM	NM	NM	NM	NM
Targacept, Inc.	TRGT	2.30	(8.4%)	(48.2%)	4.68	2.18	78	(29.7)	0.3	(29.1)	(0.97)	(1.04)	NM	1.0x	NM	NM	NM

Source: Capital IQ as of April 30, 2015; For definitions, see page 19

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(\$ in millions, except per share amounts)

Company Name	Ticker	Price 4/30/15	% Change		52-Week		Market Cap	Ent Val (TEV)	LTM		EPS		LTM Multiples		Earnings Ratio		PEG Ratio 2015E
			3 mo	12 mo	High	Low			Rev	EBITDA	2014	2015E	Rev	EBITDA	LTM	2015E	
<b>Biotechnology (cont.)</b>																	
Theravance Inc.	THRX	\$16.25	44.2%	(39.6%)	\$31.80	\$10.58	\$1,896	\$2,381	\$8.4	(\$32.8)	(\$0.66)	(\$0.09)	NM	NM	NM	NM	NM
Tokai Pharmaceuticals, Inc.	TKAI	10.00	(18.4%)	NM	30.00	9.67	224	119	–	(23.4)	(3.60)	(1.37)	NA	NM	NM	NM	NM
TRACON Pharmaceuticals, Inc.	TCON	10.91	16.1%	NM	21.00	9.02	132	156	3.6	(6.2)	(4.40)	(0.71)	NM	NM	NM	NM	NM
Ultragenyx Pharmaceutical Inc.	RARE	56.43	(2.9%)	45.5%	70.69	32.02	2,024	1,837	–	(56.1)	(2.25)	(2.33)	NA	NM	NM	NM	NM
United Therapeutics Corporation	UTHR	159.69	13.2%	59.7%	190.29	84.63	7,387	6,846	1,326.6	340.8	6.28	7.70	5.16x	20.1x	44.5x	20.7x	1.96x
Vanda Pharmaceuticals, Inc.	VNDA	9.15	(17.8%)	(34.3%)	16.50	8.34	382	253	50.2	(54.2)	0.55	(1.07)	5.04x	NM	16.6x	NM	NM
Vascular Biogenics Ltd.	VBLT	3.67	(76.8%)	NM	17.02	3.09	73	36	–	(14.6)	(3.09)	(0.36)	NA	NM	NM	NM	NM
Versartis, Inc.	VSAR	17.08	(3.7%)	(44.0%)	36.86	16.15	500	329	–	(46.0)	(4.39)	(3.02)	NA	NM	NM	NM	NM
Vertex Pharmaceuticals Incorporated	VRTX	123.28	11.9%	82.1%	137.50	62.41	30,033	29,685	600.5	(559.5)	(3.14)	(0.99)	NM	NM	NM	NM	NM
Vital Therapies, Inc.	VTL	24.31	23.2%	87.0%	35.20	10.66	583	481	–	(49.3)	(3.54)	(2.42)	NA	NM	NM	NM	NM
XBiotech, Inc.	XBIT	18.25	NM	NM	32.50	18.25	579	521	–	(21.1)	(0.90)	NM	NA	NM	NM	NM	NM
Zafgen, Inc.	ZFGN	31.12	(18.1%)	NM	55.36	16.01	836	728	–	(35.5)	(3.00)	(2.83)	NA	NM	NM	NM	NM
<b>Median</b>			<b>(3.0%)</b>	<b>9.8%</b>									<b>8.06x</b>	<b>15.02x</b>	<b>34.77x</b>	<b>22.76x</b>	<b>1.40x</b>
<b>Cardiology Devices</b>																	
ABIOMED, Inc.	ABMD	\$63.22	22.2%	166.9%	\$74.70	\$20.29	\$2,520	\$2,406	\$213.2	\$23.9	\$0.44	\$0.69	11.29x	NM	NM	91.2x	4.93x
AngioDynamics Inc.	ANGO	16.69	(13.3%)	24.2%	19.80	13.06	599	727	356.2	53.3	0.14	0.62	2.04x	13.6x	NM	27.0x	1.80x
Bellerophon Therapeutics LLC	BLPH	9.00	NM	NM	12.92	0.00	116	99	0.0	(59.4)	(7.56)	(4.75)	NA	NM	NM	NM	NM
Boston Scientific Corporation	BSX	17.82	20.3%	41.3%	18.50	11.10	23,864	27,890	7,302.0	1,722.3	(0.09)	0.90	3.82x	16.2x	NM	19.8x	1.93x
Cardiovascular Systems Inc.	CSII	31.30	(8.2%)	8.9%	41.28	23.15	989	896	172.7	(31.9)	(1.07)	(1.08)	5.19x	NM	NM	NM	NM
CareDx, Inc	CDNA	5.00	(29.2%)	NM	10.89	4.88	59	34	27.3	0.5	0.10	(0.80)	1.25x	NM	51.2x	NM	NM
Edwards Lifesciences Corp.	EW	126.65	1.0%	55.5%	150.41	78.12	13,622	12,854	2,390.8	635.1	7.48	4.27	5.38x	20.2x	15.8x	29.7x	2.00x
Greatbatch, Inc.	GB	53.92	11.0%	17.1%	58.18	42.23	1,375	1,493	674.8	123.0	2.14	2.64	2.21x	12.1x	28.8x	20.5x	1.75x
Heartware International Inc.	HTWR	75.71	(9.4%)	(10.9%)	97.60	69.05	1,306	1,250	282.0	(1.4)	(1.14)	(1.79)	4.43x	NM	NM	NM	NM
LeMaitre Vascular, Inc.	LMAT	9.06	14.0%	10.4%	9.39	6.48	159	142	72.6	12.7	0.23	0.29	1.95x	11.1x	39.4x	31.7x	2.26x
Lombard Medical, Inc.	EVAR	4.60	(9.4%)	(53.2%)	9.99	3.55	74	24	13.3	(33.5)	(2.39)	(1.97)	1.79x	NM	NM	NM	NM
Medtronic plc	MDT	74.45	4.3%	26.6%	79.50	58.25	106,096	103,835	17,410.0	5,704.0	3.11	4.24	5.96x	18.2x	23.9x	17.6x	2.31x
Neovasc Inc.	NVC	8.06	(14.0%)	33.1%	10.53	4.13	535	521	13.7	(16.2)	(0.31)	(0.24)	NM	NM	NM	NM	NM
REVA Medical, Inc.	RVA	0.41	7.7%	194.5%	0.46	0.09	138	148	0.0	(20.5)	(0.15)	(0.08)	NA	NM	NM	NM	NM
St. Jude Medical Inc.	STJ	70.05	6.3%	10.4%	75.73	54.80	19,623	22,432	5,604.0	1,722.5	3.46	3.95	4.00x	13.0x	20.0x	17.8x	1.72x
Stereotaxis Inc.	STXS	1.90	14.5%	(50.9%)	4.28	1.32	40	51	35.0	(4.7)	(0.26)	NM	1.45x	NM	NM	NM	NM
Sunshine Heart Inc.	SSH	4.41	(11.4%)	(23.8%)	6.90	3.49	80	49	0.3	(25.5)	(1.51)	(1.57)	NM	NM	NM	NM	NM
Thoratec Corp.	THOR	40.11	11.8%	22.4%	44.74	22.50	2,176	1,945	477.6	85.5	0.89	1.18	4.07x	22.7x	45.1x	34.1x	4.01x
TriVascular Technologies, Inc.	TRIV	7.30	(25.4%)	(47.8%)	17.99	7.25	149	125	31.8	(49.5)	(3.95)	(2.76)	3.93x	NM	NM	NM	NM
<b>Median</b>			<b>2.7%</b>	<b>17.1%</b>									<b>3.93x</b>	<b>14.9x</b>	<b>28.8x</b>	<b>27.0x</b>	<b>2.00x</b>

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			3 mo	12 mo	High	Low			Rev	EBITDA	2014	2015E	Rev	EBITDA	LTM	2015E	
<b>Conglomerates</b>																	
3M Company	MMM	\$156.39	(3.6%)	12.4%	\$170.50	\$130.60	\$99,205	\$103,022	\$31,568.0	\$8,546.0	\$7.49	\$7.95	3.26x	12.1x	20.7x	19.7x	2.04x
Agilent Technologies Inc.	A	41.37	9.5%	(23.4%)	59.58	37.68	13,892	13,435	6,999.0	1,242.0	1.43	1.74	1.92x	10.8x	28.9x	23.7x	1.87x
Becton, Dickinson and Company	BDX	140.87	2.0%	24.6%	149.98	111.07	29,415	30,763	8,468.0	2,167.0	5.82	7.46	3.63x	14.2x	24.2x	18.9x	1.89x
Johnson & Johnson	JNJ	99.20	(0.9%)	(2.1%)	109.49	95.10	275,832	261,503	73,590.0	24,614.0	5.70	6.14	3.55x	10.6x	17.4x	16.1x	2.94x
Kimberly-Clark Corporation	KMB	109.69	1.6%	(2.3%)	119.01	103.50	39,938	47,373	19,528.0	4,413.0	3.91	5.73	2.43x	10.7x	28.1x	19.1x	3.11x
<b>Median</b>			<b>1.6%</b>	<b>(2.1%)</b>									<b>3.26x</b>	<b>10.8x</b>	<b>24.2x</b>	<b>19.1x</b>	<b>2.04x</b>
<b>Dental Devices</b>																	
COLTENE Holding AG	CLTN	\$87.64	30.3%	35.7%	\$90.04	\$53.28	\$370	\$372	\$163.5	\$27.7	\$3.73	\$4.16	2.28x	13.5x	22.2x	21.1x	1.76x
DENTSPLY International Inc.	XRAY	51.00	1.9%	14.3%	56.25	43.83	7,133	8,174	2,922.6	585.8	2.24	2.55	2.80x	14.0x	22.8x	20.0x	2.10x
Nobel Biocare Holding AG	NOBN	18.22	(1.8%)	30.9%	19.66	12.73	2,232	2,108	714.6	125.5	0.52	0.58	2.95x	16.8x	32.7x	31.4x	1.87x
Orthofix International N.V.	OFIX	32.31	5.9%	7.0%	38.94	26.96	606	570	402.3	38.9	(0.20)	0.63	1.42x	14.6x	NM	51.3x	2.58x
Osstem Implant Co., Ltd.	A048260	43.62	8.3%	75.7%	49.39	22.42	620	622	218.6	30.0	1.01	1.94	2.85x	20.7x	49.3x	22.5x	NM
Sirona Dental Systems Inc.	SIRO	92.75	2.8%	23.3%	95.00	73.05	5,378	5,091	1,165.4	269.1	3.16	4.10	4.37x	18.9x	29.4x	22.6x	1.69x
Straumann Holding AG	STMN	283.44	25.5%	27.9%	297.82	202.14	4,426	4,146	715.0	172.6	10.10	9.59	5.80x	24.0x	26.5x	29.6x	2.83x
Tornier N.V.	TRNX	25.87	7.0%	52.4%	28.53	16.68	1,267	1,315	345.0	24.3	(0.60)	(0.32)	3.81x	NM	NM	NM	NM
<b>Median</b>			<b>6.5%</b>	<b>29.4%</b>									<b>2.90x</b>	<b>16.8x</b>	<b>27.9x</b>	<b>22.6x</b>	<b>1.98x</b>
<b>Orthopedics Devices</b>																	
Exactech Inc.	EXAC	\$21.85	5.1%	(1.7%)	\$26.52	\$19.87	\$305	\$315	\$246.5	\$44.2	\$1.18	\$1.20	1.28x	7.1x	18.7x	18.2x	1.56x
NuVasive, Inc.	NUVA	44.73	(3.4%)	32.7%	51.23	31.71	2,154	2,160	762.4	124.8	(0.36)	1.11	2.83x	17.3x	NM	40.5x	5.58x
Stryker Corporation	SYK	92.24	1.3%	18.6%	98.24	77.12	34,957	34,161	9,749.0	2,602.0	1.34	5.03	3.50x	13.1x	53.0x	18.3x	2.20x
Wright Medical Group Inc.	WMGI	25.37	3.9%	(7.2%)	32.65	23.56	1,291	1,375	301.4	(48.0)	(4.83)	(1.72)	4.56x	NM	NM	NM	NM
Zimmer Holdings, Inc.	ZMH	109.84	(2.0%)	13.5%	121.84	94.73	18,673	18,453	4,646.2	1,801.1	4.19	6.53	3.97x	10.2x	28.0x	16.8x	1.93x
<b>Median</b>			<b>1.3%</b>	<b>13.5%</b>									<b>3.50x</b>	<b>11.7x</b>	<b>28.0x</b>	<b>18.3x</b>	<b>2.06x</b>
<b>Diagnostic Imaging Devices</b>																	
Analogic Corporation	ALOG	\$84.50	3.6%	12.5%	\$92.31	\$63.28	\$1,048	\$932	\$518.3	\$65.6	\$2.56	\$4.10	1.80x	14.2x	33.0x	20.6x	1.53x
Digirad Corporation	DRAD	4.21	1.4%	32.4%	5.48	3.11	81	60	56.5	5.4	0.13	NM	1.06x	11.2x	32.4x	NM	NM
Fonar Corp.	FONR	11.32	11.5%	(26.8%)	17.74	9.32	70	88	81.3	15.3	1.70	NM	1.08x	5.7x	6.7x	NM	NM
Hologic Inc.	HOLX	33.74	11.1%	60.8%	34.65	22.15	9,480	12,749	2,579.7	932.2	0.18	1.62	4.94x	13.7x	82.9x	20.8x	2.34x
<b>Median</b>			<b>7.4%</b>	<b>22.5%</b>									<b>1.44x</b>	<b>12.5x</b>	<b>32.7x</b>	<b>20.7x</b>	<b>1.93x</b>

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			3 mo	12 mo	High	Low			Rev	EBITDA	2014	2015E	Rev	EBITDA	LTM	2015E	
<b>Mobility Devices</b>																	
Hill-Rom Holdings, Inc.	HRC	\$49.94	4.6%	33.7%	\$52.25	\$36.96	\$2,822	\$3,291	\$1,757.7	\$283.8	\$1.03	\$2.57	1.87x	11.6x	48.5x	19.4x	1.56x
Invacare Corporation	IVC	20.07	37.0%	27.0%	21.57	11.65	645	647	1,254.7	4.2	(2.15)	(0.42)	0.52x	NM	NM	NM	NM
Prism Medical Ltd.	PM	9.41	30.7%	30.4%	9.70	6.03	45	55	37.2	2.1	2.55	0.50	1.47x	25.9x	3.9x	19.0x	NM
ReWalk Robotics Ltd.	RWLK	10.97	(37.1%)	NM	43.71	10.58	131	88	4.0	(19.3)	(6.34)	(1.06)	22.24x	NM	NM	NM	NM
<b>Median</b>			<b>17.6%</b>	<b>30.4%</b>									<b>1.67x</b>	<b>18.8x</b>	<b>26.2x</b>	<b>19.2x</b>	<b>1.56x</b>
<b>Infection Prevention Devices</b>																	
Cantel Medical Corp.	CMN	\$44.79	10.4%	35.1%	\$49.66	\$29.91	\$1,860	\$1,932	\$519.6	\$99.4	\$1.04	\$1.36	3.72x	19.4x	43.1x	32.9x	1.83x
Steris Corp.	STE	66.50	2.0%	38.4%	71.39	47.24	3,962	4,430	1,806.5	337.5	2.21	3.13	2.45x	13.1x	30.1x	21.2x	1.82x
<b>Median</b>			<b>6.2%</b>	<b>36.7%</b>									<b>3.08x</b>	<b>16.3x</b>	<b>36.6x</b>	<b>27.1x</b>	<b>1.82x</b>
<b>Neural Implant Devices</b>																	
Cyberonics Inc.	CYBX	\$60.91	9.6%	3.0%	\$76.48	\$48.19	\$1,583	\$1,440	\$292.3	\$101.3	\$2.45	\$2.61	4.93x	14.2x	24.8x	23.3x	1.21x
Integra LifeSciences Holdings Corporation	IART	58.78	5.5%	29.0%	63.00	43.55	1,927	2,486	946.9	199.4	1.03	3.16	2.63x	12.5x	48.7x	18.6x	1.80x
<b>Median</b>			<b>7.6%</b>	<b>16.0%</b>									<b>3.78x</b>	<b>13.3x</b>	<b>36.7x</b>	<b>21.0x</b>	<b>1.50x</b>
<b>Ophthalmology Devices</b>																	
IRIDEX Corporation	IRIX	\$9.83	8.6%	18.0%	\$11.28	\$6.41	\$97	\$83	\$42.5	\$3.0	\$0.97	NM	1.96x	27.7x	10.1x	NM	NM
Lumenis Ltd.	LMNS	11.24	9.4%	30.5%	12.45	8.19	405	350	289.7	28.2	0.36	0.63	1.21x	12.4x	31.2x	18.0x	0.64x
Optos plc	OPTS	5.22	38.4%	93.4%	5.39	2.26	382	394	168.9	21.1	0.18	0.22	2.33x	18.7x	48.8x	24.0x	NM
Presbia PLC	LENS	7.99	22.7%	NM	9.08	0.00	107	107	0.2	(13.2)	(1.71)	(1.18)	NM	NM	NM	NM	NM
Second Sight Medical Products, Inc.	EYES	11.62	32.3%	NM	24.02	8.05	411	376	3.4	(20.5)	(1.41)	NM	NM	NM	NM	NM	NM
The Cooper Companies Inc.	COO	178.07	13.0%	35.0%	190.00	127.02	8,599	9,994	1,758.0	524.5	5.29	7.78	5.68x	19.1x	33.7x	22.9x	1.49x
<b>Median</b>			<b>17.8%</b>	<b>32.8%</b>									<b>2.15x</b>	<b>18.9x</b>	<b>32.4x</b>	<b>22.9x</b>	<b>1.07x</b>
<b>Surgical Devices</b>																	
Alphatec Holdings, Inc.	ATEC	\$1.42	10.9%	5.2%	\$1.92	\$1.20	\$142	\$161	\$206.5	\$26.2	(\$0.16)	NM	0.78x	6.2x	NM	NM	NM
Avinger, Inc.	AVGR	10.98	(18.7%)	NM	14.42	9.35	134	283	11.2	(23.6)	(132.63)	(3.94)	25.26x	NM	NM	NM	NM
Bovie Medical Corporation	BVX	3.10	(12.7%)	(21.6%)	5.00	2.20	72	73	27.7	(5.0)	(1.03)	(0.33)	2.64x	NM	NM	NM	NM
CONMED Corporation	CNMD	50.23	5.4%	8.4%	54.65	35.85	1,386	1,579	730.5	126.0	1.16	1.85	2.16x	12.5x	46.5x	27.1x	1.75x
Entellus Medical, Inc.	ENTL	27.52	27.5%	NM	28.81	0.00	514	622	48.8	(4.5)	(4.62)	(1.10)	12.74x	NM	NM	NM	NM
Intuitive Surgical, Inc.	ISRG	495.98	0.3%	37.1%	559.04	346.46	18,281	16,919	2,183.4	718.4	11.11	16.62	7.75x	23.6x	39.3x	29.8x	2.31x
<b>Median</b>			<b>2.9%</b>	<b>6.8%</b>									<b>5.20x</b>	<b>12.5x</b>	<b>42.9x</b>	<b>28.47x</b>	<b>2.03x</b>

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			3 mo	12 mo	High	Low			Rev	EBITDA	2014	2015E	Rev	EBITDA	LTM	2015E	
<b>Diversified Medical Devices</b>																	
Abaxis, Inc.	ABAX	\$64.00	4.1%	57.6%	\$66.89	\$39.21	\$1,442	\$1,310	\$202.6	\$42.8	\$0.87	\$1.11	6.47x	30.6x	70.3x	57.6x	3.14x
AtriCure, Inc.	ATRC	22.01	10.9%	42.9%	22.98	13.19	624	569	111.9	(16.2)	(0.61)	(0.81)	5.08x	NM	NM	NM	NM
Baxter International Inc.	BAX	68.74	(2.2%)	(5.6%)	77.31	65.95	37,362	43,777	16,587.0	4,177.3	3.56	4.03	2.64x	10.5x	20.2x	17.1x	2.42x
Capnia, Inc.	CAPN	6.31	374.4%	NM	9.90	1.02	43	35	0.0	(5.1)	(10.92)	(0.66)	NA	NM	NM	NM	NM
CR Bard Inc.	BCR	166.58	(2.6%)	21.3%	180.94	135.80	12,368	13,000	3,344.0	1,005.8	3.76	8.02	3.89x	12.9x	45.2x	20.8x	1.93x
CryoLife Inc.	CRY	10.20	(9.4%)	12.3%	12.29	8.40	289	257	142.7	11.7	0.25	(0.01)	1.80x	21.9x	49.8x	NM	NM
Hospira Inc.	HSP	87.29	37.6%	90.6%	88.15	44.48	15,082	16,192	4,587.8	805.6	1.95	3.22	3.53x	20.1x	44.2x	27.1x	2.24x
IDEXX Laboratories, Inc.	IDXX	125.37	(20.9%)	(0.8%)	168.51	113.49	5,867	6,595	1,508.1	324.7	3.58	4.21	4.37x	20.3x	34.2x	29.8x	2.08x
InfuSystem Holdings, Inc.	INFU	3.07	11.2%	8.9%	4.50	2.43	68	93	60.7	16.1	0.15	NM	1.54x	5.8x	20.5x	NM	NM
Masimo Corporation	MASI	33.76	32.3%	26.2%	35.39	19.30	1,776	1,769	580.0	105.8	1.30	1.30	3.05x	16.7x	26.0x	25.9x	1.51x
Medovex Corp.	MDVX	4.08	NM	NM	5.80	3.46	45	38	0.0	(2.9)	(0.37)	NM	NA	NM	NM	NM	NM
Misonix, Inc.	MSON	13.03	(2.5%)	112.9%	14.90	5.75	99	91	20.0	(0.1)	0.36	NM	4.56x	NM	36.2x	NM	NM
Natus Medical Inc.	BABY	37.71	0.3%	51.9%	42.96	23.40	1,219	1,152	359.6	65.8	1.00	1.49	3.20x	17.5x	35.9x	25.3x	1.36x
Nevro Corp.	NVRO	45.02	(1.2%)	NM	55.05	24.35	1,121	964	32.6	(28.2)	(6.94)	(3.17)	29.58x	NM	NM	NM	NM
PhotoMedex, Inc.	PHMD	2.06	9.6%	(86.4%)	15.19	1.01	46	112	163.5	(8.3)	(3.26)	(1.33)	0.69x	NM	NM	NM	NM
ResMed Inc.	RMD	63.94	2.4%	28.3%	75.33	45.58	9,011	8,605	1,641.1	489.6	2.46	2.61	5.24x	17.6x	25.9x	24.5x	1.86x
Sientra, Inc.	SIEN	17.48	16.2%	NM	20.93	12.53	261	190	44.7	(5.4)	(2.28)	(1.28)	4.24x	NM	NM	NM	NM
SurModics, Inc.	SRDX	25.22	10.0%	15.9%	27.36	18.00	326	277	58.6	22.5	0.89	0.86	4.73x	12.3x	26.9x	29.4x	2.07x
Teleflex Incorporated	TFX	122.96	12.2%	20.4%	125.38	101.62	5,098	5,894	1,817.7	417.6	4.10	6.23	3.24x	14.1x	29.6x	19.7x	1.76x
Varian Medical Systems, Inc.	VAR	88.85	(4.0%)	11.7%	96.67	76.73	8,891	8,476	3,057.1	643.1	3.84	4.21	2.77x	13.2x	22.1x	21.1x	2.28x
<b>Median</b>			<b>4.1%</b>	<b>20.9%</b>									<b>3.71x</b>	<b>16.7x</b>	<b>31.9x</b>	<b>25.3x</b>	<b>2.07x</b>
<b>Life Science Conglomerates</b>																	
illumina Inc.	ILMN	\$184.25	(5.6%)	35.6%	\$213.33	\$133.72	\$26,539	\$26,473	\$1,979.1	\$686.0	\$2.37	\$3.43	13.38x	38.6x	63.7x	53.7x	2.55x
PerkinElmer Inc.	PKI	51.26	12.1%	22.1%	52.27	38.96	5,798	6,645	2,233.5	347.8	1.42	2.58	2.98x	19.1x	34.9x	19.9x	1.84x
Thermo Fisher Scientific, Inc.	TMO	125.68	0.4%	10.2%	139.03	107.33	50,028	64,012	16,904.9	4,040.4	4.71	7.33	3.79x	15.8x	29.1x	17.1x	1.39x
<b>Median</b>			<b>0.4%</b>	<b>22.1%</b>									<b>3.79x</b>	<b>19.1x</b>	<b>34.9x</b>	<b>19.9x</b>	<b>1.84x</b>
<b>Lab Instrumentation &amp; Devices</b>																	
Bruker Corporation	BRKR	\$18.96	0.5%	(8.2%)	\$24.93	\$17.26	\$3,195	\$3,058	\$1,808.9	\$216.4	\$0.33	\$0.75	1.69x	14.1x	57.5x	25.4x	2.31x
Great Basin Scientific, Inc.	GBSN	4.23	128.6%	NM	9.08	1.48	22	23	1.6	(11.0)	(17.32)	NM	14.38x	NM	NM	NM	NM
Harvard Bioscience Inc.	HBIO	5.55	6.5%	31.5%	6.84	3.68	185	177	108.5	8.3	0.07	0.27	1.63x	21.4x	79.3x	20.8x	NM
Waters Corporation	WAT	125.19	5.2%	27.0%	129.41	93.56	10,350	9,727	2,019.2	665.7	5.07	5.77	4.82x	14.6x	23.1x	21.7x	2.28x
<b>Median</b>			<b>5.8%</b>	<b>27.0%</b>									<b>3.25x</b>	<b>14.6x</b>	<b>57.5x</b>	<b>21.7x</b>	<b>2.29x</b>

Source: Capital IQ as of April 30, 2015; For definitions, see page 19

## Healthcare Sector Update

(\$ in millions, except per share amounts)

Company Name	Ticker	Price 4/30/15	% Change		52-Week		Market Cap	Ent Val (TEV)	LTM		EPS		LTM Multiples		Earnings Ratio		PEG Ratio 2015E
			3 mo	12 mo	High	Low			Rev	EBITDA	2014	2015E	Rev	EBITDA	LTM	2015E	
<b>Lab Equipment</b>																	
Kewaunee Scientific Corp.	KEQU	\$15.80	(10.3%)	(6.1%)	\$19.00	\$15.30	\$42	\$43	\$115.6	\$8.3	\$1.47	NM	0.37x	5.2x	10.7x	NM	NM
Mettler-Toledo International Inc.	MTD	317.01	4.3%	36.0%	333.47	228.30	8,901	9,268	2,486.0	518.1	11.44	12.82	3.73x	17.9x	27.7x	24.7x	1.94x
<b>Median</b>			<b>(3.0%)</b>	<b>15.0%</b>									<b>2.05x</b>	<b>11.5x</b>	<b>19.2x</b>	<b>24.7x</b>	<b>1.94x</b>
<b>Life Science Consumables</b>																	
Affymetrix Inc.	AFFX	\$12.13	9.9%	63.3%	\$13.11	\$7.00	\$936	\$959	\$354.8	\$42.4	(\$0.05)	\$0.32	2.70x	22.6x	82.1x	37.5x	2.59x
Bio-Rad Laboratories, Inc.	BIO	134.45	17.5%	9.1%	139.19	102.71	3,919	3,657	2,175.0	307.7	3.05	3.15	1.68x	11.9x	44.1x	42.7x	NM
Cambrex Corporation.	CBM	38.49	71.6%	87.8%	44.22	15.76	1,203	1,218	385.8	92.0	1.84	1.68	3.16x	13.2x	20.9x	22.9x	1.31x
Luminex Corporation	LMNX	15.52	(12.1%)	(19.2%)	21.69	15.05	669	579	227.0	45.4	0.93	0.51	2.55x	12.7x	16.7x	30.2x	1.20x
Bio-Techne Corp.	TECH	95.96	3.2%	7.4%	103.00	85.96	3,563	3,580	408.0	192.9	3.12	3.59	8.78x	18.6x	30.8x	26.7x	2.43x
VWR Corporation	VWR	26.54	9.9%	NM	28.40	20.60	3,486	5,478	4,375.3	458.5	2.49	1.46	1.25x	11.9x	10.7x	18.1x	1.52x
<b>Median</b>			<b>9.9%</b>	<b>9.1%</b>									<b>2.63x</b>	<b>13.0x</b>	<b>25.8x</b>	<b>28.4x</b>	<b>1.52x</b>
<b>Large-Cap Pharmaceuticals</b>																	
AbbVie Inc.	ABBV	\$64.66	7.1%	24.2%	\$70.76	\$50.31	\$102,948	\$109,585	\$20,437.0	\$7,188.5	\$1.10	\$4.30	5.36x	15.2x	57.7x	15.0x	1.13x
Bristol-Myers Squibb Company	BMJ	63.73	5.7%	27.2%	69.20	46.30	106,236	106,264	16,109.0	4,313.0	1.20	1.74	6.60x	24.6x	47.1x	36.7x	2.50x
Eli Lilly and Company	LLY	71.87	(0.2%)	21.6%	77.46	57.81	76,227	80,333	19,577.2	4,802.9	2.23	3.14	4.10x	16.7x	35.1x	22.9x	2.19x
Merck & Co. Inc.	MRK	59.56	(1.2%)	1.7%	63.62	52.49	168,463	174,306	41,398.0	14,526.8	4.07	3.42	4.21x	12.0x	15.5x	17.4x	2.54x
Pfizer Inc.	PFE	33.93	8.6%	8.5%	35.53	27.51	208,342	209,235	49,116.0	20,354.0	1.41	2.06	4.26x	10.3x	23.5x	16.5x	4.62x
Valeant Pharmaceuticals International, Inc.	VRX	216.05	35.0%	61.6%	226.72	95.80	72,371	97,731	8,562.2	4,094.3	2.67	11.16	11.41x	23.9x	70.5x	19.4x	0.95x
<b>Median</b>			<b>6.4%</b>	<b>22.9%</b>									<b>4.81x</b>	<b>16.0x</b>	<b>41.1x</b>	<b>18.4x</b>	<b>2.34x</b>
<b>Pharmaceuticals</b>																	
Akorn, Inc.	AKRX	\$41.64	(2.2%)	65.1%	\$57.10	\$24.26	\$4,744	\$5,791	\$593.1	\$208.3	\$0.34	\$1.95	9.76x	27.8x	NM	21.4x	0.94x
Amphastar Pharmaceuticals, Inc.	AMPH	14.46	19.2%	NM	16.28	8.32	646	622	210.5	(3.1)	(0.26)	(0.20)	2.95x	NM	NM	NM	NM
Aratana Therapeutics, Inc.	PETX	12.91	(22.1%)	(6.3%)	20.63	9.20	451	368	0.8	(37.5)	(1.30)	(1.69)	NM	NM	NM	NM	NM
Auris Medical Holding AG	EARS	4.90	23.7%	NM	7.58	3.30	142	85	0.0	(22.3)	(0.66)	(1.01)	NA	NM	NM	NM	NM
BioDelivery Sciences International, Inc.	BDSI	8.06	(38.5%)	(9.5%)	18.48	7.90	422	363	38.9	(37.6)	(1.12)	(0.02)	9.33x	NM	NM	NM	NM
BioSyent Inc.	RX	6.85	(19.5%)	41.0%	10.59	4.14	95	88	10.5	3.7	0.19	0.21	8.39x	24.0x	37.7x	31.9x	NM
Blueprint Medicines Corporation	BPMC	18.87	NM	NM	23.89	18.00	458	535	0.0	(39.1)	(32.42)	NM	NA	NM	NM	NM	NM
Carbylan Therapeutics, Inc.	CBYL	5.04	NM	NM	8.77	4.68	132	133	0.0	(11.6)	(1.46)	NM	NM	NM	NM	NM	NM
Catalent, Inc.	CTLT	28.77	4.2%	NM	31.66	19.34	3,566	5,419	1,846.8	427.0	0.64	1.73	2.93x	12.7x	44.7x	16.6x	1.85x
Cidara Therapeutics, Inc.	CDTX	14.62	NM	NM	16.24	14.15	203	180	0.0	(9.8)	(3.88)	NM	NA	NM	NM	NM	NM
Cipher Pharmaceuticals Inc.	CPH	10.35	(24.8%)	34.4%	16.12	6.12	268	224	27.9	18.9	0.68	0.53	8.05x	11.9x	15.9x	19.7x	NM
Cumberland Pharmaceuticals, Inc.	CPIX	6.56	12.9%	47.4%	7.09	4.20	111	57	36.9	5.5	0.14	NM	1.53x	10.2x	47.7x	NM	NM

Source: Capital IQ as of April 30, 2015; For definitions, see page 19

(\$ in millions, except per share amounts)

Company Name	Ticker	Price 4/30/15	% Change		52-Week		Market Cap	Ent Val (TEV)	LTM		EPS		LTM Multiples		Earnings Ratio		PEG Ratio 2015E
			3 mo	12 mo	High	Low			Rev	EBITDA	2014	2015E	Rev	EBITDA	LTM	2015E	
<b>Pharmaceuticals (cont.)</b>																	
Dermira, Inc.	DERM	\$14.75	(12.5%)	NM	\$22.94	\$12.68	\$364	\$269	\$7.3	(\$31.7)	(\$4.96)	(\$3.22)	NM	NM	NM	NM	NM
DURECT Corporation	DRRX	1.97	109.6%	51.5%	2.65	0.68	229	220	17.9	(21.2)	(0.20)	(0.24)	12.32x	NM	NM	NM	NM
Endo International plc	ENDP	84.07	5.6%	33.6%	96.58	57.14	15,026	19,058	2,877.2	725.9	(4.95)	4.52	6.62x	26.3x	NM	18.6x	1.71x
Flex Pharma, Inc.	FLKS	16.72	13.4%	NM	24.82	12.55	300	307	0.0	(9.6)	(5.48)	(1.47)	NA	NM	NM	NM	NM
Foamix Pharmaceuticals Ltd.	FOMX	9.92	13.2%	NM	11.30	4.75	289	239	5.4	(1.6)	(0.79)	(1.00)	NM	NM	NM	NM	NM
Heska Corporation	HSKA	28.09	41.2%	144.0%	31.87	10.38	182	193	89.8	6.6	0.41	0.46	2.14x	29.1x	68.5x	61.1x	2.45x
Impax Laboratories Inc.	IPXL	45.26	23.4%	73.1%	52.10	22.12	3,254	2,839	596.0	133.1	0.81	1.58	4.76x	21.3x	55.9x	28.6x	1.16x
Inotek Pharmaceuticals Corporation	ITEK	6.06	NM	NM	6.20	4.68	99	150	0.0	0.0	(13.52)	(1.67)	NA	NA	NM	NM	NM
KemPharm, Inc.	KMPH	11.04	NM	NM	12.33	10.90	149	170	0.0	(16.4)	(3.13)	NM	NA	NM	NM	NM	NM
Kite Pharma, Inc.	KITE	50.38	(25.0%)	NM	89.21	21.00	2,256	1,889	0.0	(36.4)	(1.91)	0.14	NA	NM	NM	NM	NM
Lannett Company, Inc.	LCI	57.50	21.2%	66.5%	72.44	32.01	2,059	1,875	368.8	202.1	3.42	3.89	5.08x	9.3x	16.8x	14.8x	0.84x
Marinus Pharmaceuticals, Inc.	MRNS	8.88	(20.0%)	NM	16.60	5.49	126	83	0.0	(11.9)	(2.17)	(1.77)	NA	NM	NM	NM	NM
MediWound Ltd.	MDWD	5.90	(32.9%)	(42.4%)	12.75	4.60	126	61	0.3	(20.3)	(0.95)	(1.09)	NM	NM	NM	NM	NM
Merus Labs International Inc.	MSL	2.19	52.6%	47.2%	2.72	1.07	178	236	26.4	14.3	(0.09)	0.06	8.96x	16.5x	NM	37.9x	NM
Mylan N.V.	MYL	72.26	36.0%	42.3%	76.69	44.80	35,364	43,688	7,719.6	2,085.6	2.34	4.14	5.66x	20.9x	30.9x	17.5x	1.38x
NeuroDerm Ltd.	NDRM	11.66	9.0%	NM	19.07	5.67	198	155	0.0	(13.3)	(12.97)	(1.51)	NA	NM	NM	NM	NM
Radius Health, Inc.	RDUS	35.84	(25.6%)	NM	51.22	7.46	1,356	1,275	0.0	(59.3)	(4.04)	(2.25)	NA	NM	NM	NM	NM
Revanche Therapeutics, Inc.	RVNC	19.68	22.2%	(42.6%)	35.38	14.02	471	303	0.4	(50.0)	(3.24)	(3.31)	NM	NM	NM	NM	NM
SciClone Pharmaceuticals, Inc.	SCLN	8.17	10.7%	70.9%	9.65	4.58	409	323	134.8	26.8	0.48	0.43	2.39x	12.0x	17.0x	19.0x	NM
SteadyMed Ltd.	STDY	9.69	NM	NM	11.14	0.00	123	118	0.0	(15.6)	(2.82)	(2.21)	NA	NM	NM	NM	NM
The Medicines Company	MDCO	25.61	(10.7%)	(3.7%)	32.44	19.92	1,696	1,571	724.4	(7.7)	(0.50)	0.45	2.17x	NM	NM	57.6x	(4.60x)
Viking Therapeutics, Inc.	VKTX	8.80	NM	NM	9.40	8.55	76	77	0.0	0.0	(5.08)	NM	NA	NA	NM	NM	NM
Vitae Pharmaceuticals, Inc.	VTAE	13.33	(8.5%)	NM	23.35	5.41	291	230	8.7	(18.3)	(3.61)	(1.50)	26.59x	NM	NM	NM	NM
Xenon Pharmaceuticals Inc.	XENE	13.25	(25.5%)	NM	23.50	9.21	188	104	28.4	11.8	3.28	0.66	3.68x	8.8x	4.0x	20.1x	NM
Zoetis Inc.	ZTS	44.42	4.0%	46.8%	47.99	29.56	22,244	25,038	4,785.0	1,342.0	1.16	1.65	5.23x	18.7x	38.3x	26.9x	2.29x
Zosano Pharma Corporation	ZSAN	9.27	(16.4%)	NM	12.40	8.00	111	131	2.9	(9.6)	(2.78)	(2.06)	NM	NM	NM	NM	NM
ZS Pharma, Inc.	ZSPH	38.07	(15.3%)	NM	52.80	25.51	948	857	0.0	(59.2)	(5.47)	(3.45)	NA	NM	NM	NM	NM
<b>Median</b>			<b>4.1%</b>	<b>44.5%</b>									<b>5.23x</b>	<b>17.6x</b>	<b>37.7x</b>	<b>20.7x</b>	<b>1.38x</b>

**Definitions****PEG Ratio:** Price Earnings to Growth**EBITDA:** Earnings Before Interest, Taxes, Depreciation, and Amortization**EPS:** Earnings Per Share**Enterprise Value:** Market Capitalization + Total Debt + Preferred Equity + Minority Interest – Cash and Short-Term Investments**LTM:** Last Twelve Months

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