

Healthcare Sector Update

August 2013

Summary – Healthcare Services

- The S&P Healthcare Services Index has risen 4.4% over the last three months, underperforming the S&P 500.
- Over the past three months:
 - > The best-performing sectors were Diagnostic Imaging (up 48.9%) and Specialty HCIT (up 24.8%).
 - > The worst-performing sectors were Dialysis Services (down 5.5%) and Assisted Living (down 4.1%).
- The current median LTM revenue and LTM EBITDA multiples for the Healthcare Services industry overall are 1.3x and 9.4x, respectively.
- The sectors with the highest valuation multiples include:
 - > Specialty HCIT (3.6x LTM Revenue, 33.4x LTM EBITDA)
 - > Provider Based HCIT (2.8x LTM Revenue, 21.1x LTM EBITDA)

Summary – Pharmaceutical / Medical Devices / Life Sciences

- > The S&P 500 - Pharmaceuticals, Biotechnology & Life Sciences Index has risen 7.9% over the last three months, outperforming the S&P 500.
- Over the past three months:
 - > The best-performing sectors were Pharmaceuticals (up 19.3%) and Orthopedics Devices (up 16.5%).
 - > The worst-performing sectors were Diagnostic Imaging Devices (down 5.9%) and Dental Devices (down 5.0%).
- The current median LTM revenue and LTM EBITDA multiples for the Pharmaceutical / Medical Device / Life Science industry overall are 2.4x and 11.5x, respectively.
- The sectors with the highest valuation multiples include:
 - > Biotechnology (6.8x LTM Revenue, 14.1x LTM EBITDA)
 - > Large-Cap Pharmaceuticals (4.0x LTM Revenue, 10.0x LTM EBITDA)

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#1 Investment Bank for Number of
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MARKET SECTOR	No. of Co's	Ag. Eqty Mkt. Value	Median% Change		LTM Multiples		Earnings Ratio		PEG Ratio 2013E
			3 mo	12 mo	Rev	EBITDA	2012	2013E	
Acute Care Hospitals	8	\$40,812	3.8%	81.1%	1.15x	8.0x	19.5x	16.0x	1.5x
Assisted Living	7	6,422	(4.1%)	34.5%	1.17x	15.9x	13.5x	25.8x	1.8x
Care Management / TPA	7	7,473	17.3%	50.6%	1.60x	11.9x	26.5x	13.8x	1.1x
Clinical Laboratories	6	24,494	5.3%	8.0%	1.90x	9.3x	17.0x	15.5x	1.2x
Contract Research Orgs	7	17,962	13.7%	66.7%	1.77x	12.5x	27.8x	23.8x	1.8x
Diagnostic Imaging	3	324	48.9%	17.9%	1.64x	6.5x	1.8x	13.5x	NM
Dialysis Services	2	31,615	(5.5%)	1.3%	2.12x	10.5x	23.1x	16.2x	1.4x
Distribution / Supply	7	74,699	13.5%	33.6%	0.24x	10.3x	21.1x	18.4x	1.5x
Emergency Services	2	1,358	5.9%	(11.6%)	1.79x	6.9x	17.7x	23.0x	1.1x
HCIT - Provider Based	10	30,877	14.8%	30.6%	2.84x	21.1x	40.1x	24.0x	1.8x
HCIT - Specialty	8	8,465	24.8%	66.8%	3.65x	33.4x	42.3x	42.4x	1.9x
Healthcare Staffing	5	6,031	10.0%	44.1%	1.22x	12.8x	33.2x	24.3x	1.4x
Home Care / Hospice	6	2,862	5.5%	20.4%	0.67x	6.6x	16.0x	17.1x	1.4x
Long Term Care	4	2,376	8.7%	24.8%	0.65x	7.7x	31.7x	13.0x	1.1x
Managed Care - Commercial	7	161,770	16.5%	36.4%	0.60x	7.4x	13.8x	11.8x	1.0x
Managed Care - Government	3	7,465	14.0%	43.8%	0.27x	8.3x	25.6x	20.1x	1.2x
Other Services	4	11,857	5.0%	1.0%	1.33x	18.7x	33.9x	30.8x	1.9x
Pharmacy Management	5	70,479	13.7%	41.4%	1.00x	10.0x	27.3x	14.9x	1.0x
Physician Practice Mgmt	2	4,809	3.8%	28.7%	1.54x	9.6x	31.4x	17.9x	1.4x
Psychiatric Hospitals	3	3,623	10.3%	112.4%	0.38x	8.2x	30.3x	19.5x	1.2x
Specialty Managed Care	2	4,709	16.1%	31.3%	0.47x	6.3x	9.9x	10.1x	1.1x
Surgicenters / Rehabilitation	6	6,991	17.2%	20.0%	1.64x	8.8x	18.4x	17.9x	1.4x
Total / Median (\$MM)	114	527,467	11.9%	32.4%	1.27x	9.4x	23.7x	17.4x	1.3x

Source: Capital IQ

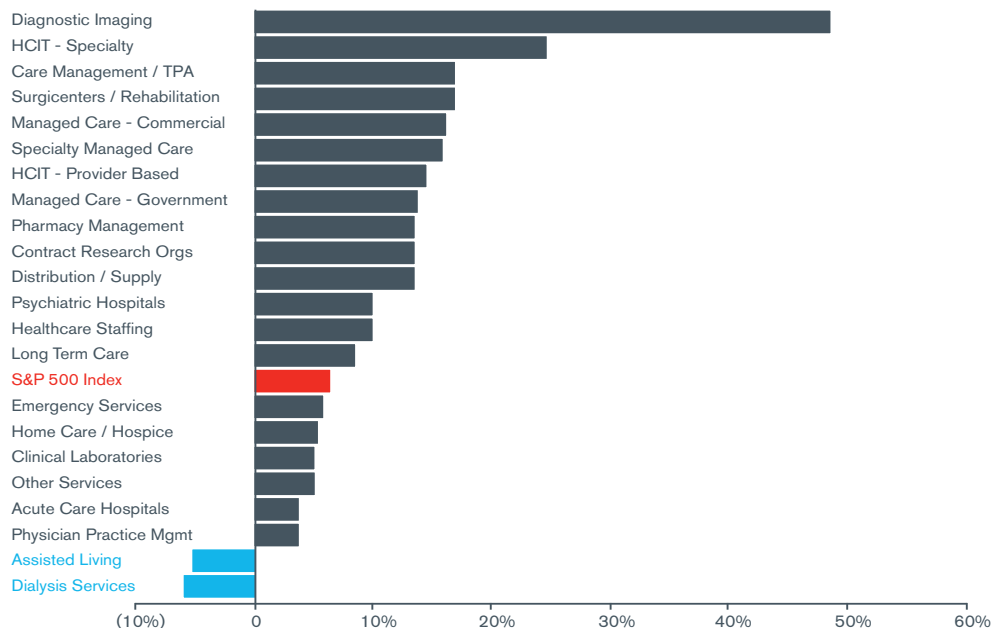
CAPITALIZATION PROFILE	No. of Co's	Ag. Eqty Mkt. Value	% Total No. of Co's	% Ag. Eqty Mkt. Value	Stock Performance			
					3 mo	YTD	12 mo	36 mo
> \$5 billion	22	\$406,345	19.0%	77.0%	7.4%	44.6%	33.1%	24.6%
\$1 billion - \$5 billion	41	100,504	35.3%	19.0%	11.8%	72.0%	54.8%	35.0%
\$250 million - \$1 billion	33	19,028	28.4%	3.6%	16.1%	62.9%	49.4%	29.5%
\$100 million - \$250 million	7	1,160	6.0%	0.2%	34.4%	121.8%	130.1%	82.4%
< \$100 million	11	544	9.6%	0.1%	7.6%	29.1%	(0.2%)	(6.9%)
Total / Median (\$MM)	114	\$527,467	100.0%	100.0%	11.9%	62.9%	32.4%	29.5%

Source: Capital IQ

MARKET INDICES	Value at 7/30/13	% Change			
		3 mo	YTD	12 mo	36 mo
Dow Jones Industrial Average	\$15,520.6	5.6%	18.4%	19.3%	48.3%
S&P 500 Index	1,686.0	6.5%	18.2%	22.2%	53.0%
NASDAQ Composite Index	3,616.5	9.6%	19.8%	23.0%	60.4%
Russell 2000 Index	1,043.5	12.9%	22.9%	32.6%	60.3%
AMEX Sector Index - Healthcare	94.8	8.6%	16.1%	7.7%	10.0%
S&P Healthcare Facilities (Sub Ind) Index	285.4	9.6%	41.9%	72.9%	62.3%
S&P Healthcare Providers & Services (Industry) Index	415.5	11.4%	33.9%	44.2%	86.0%
S&P Managed Healthcare (Sub Ind) Index	225.9	6.1%	25.9%	18.7%	101.3%
S&P Healthcare Services	313.4	4.4%	7.9%	18.7%	59.6%

Source: Capital IQ

Median% Change – 3 months

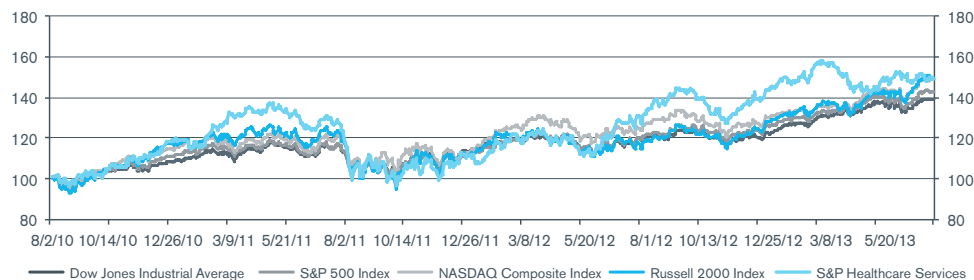


Source: Capital IQ

INTEREST RATES	Value at 7/30/13	1 mo ago	3 mo ago	12 mo ago
LIBOR - USD - 5 Month	0.37%	0.37%	0.37%	0.63%
U.S. Treasury - 2 year	0.31%	0.35%	0.22%	0.23%
U.S. Treasury - 5 years	1.37%	1.36%	0.68%	0.61%
U.S. Treasury - 10 years	2.60%	2.48%	1.67%	1.50%
U.S. Treasury - 30 years	3.67%	3.50%	2.89%	2.89%
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 7/30/13	% Change		52-Week		Market Cap	Ent Val (TEV)	LTM		EPS		LTM Multiples		Earnings Ratio		PEG Ratio 2013E
			3 mo	12 mo	High	Low			Rev	EBITDA	2012	2013E	Rev	EBITDA	LTM	2013E	
Acute Care Hospitals																	
Chindex International Inc.	CHDX	\$17.06	24.5%	60.3%	\$17.99	\$9.56	\$282	\$285	\$158.1	\$19.8	\$0.24	NM	1.80x	14.4x	NM	NM	NM
Community Health Systems, Inc.	CYH	45.58	0.0%	85.5%	51.29	22.93	4,321	14,008	13,037.1	1,734.8	2.96	2.98	1.07x	8.1x	19.4x	15.3x	1.23x
HCA Holdings, Inc.	HCA	39.09	(2.0%)	44.0%	41.83	23.91	17,437	47,040	33,048.0	6,249.0	3.49	3.15	1.42x	7.5x	12.8x	12.4x	1.00x
Health Management Associates Inc.	HMA	13.30	15.8%	99.4%	17.28	6.27	3,449	6,948	5,875.9	932.1	0.67	0.87	1.18x	7.5x	21.8x	15.4x	1.26x
Lifepoint Hospitals Inc.	LPNT	49.15	2.4%	29.3%	53.29	34.37	2,336	3,967	3,539.5	472.9	3.14	2.95	1.12x	8.4x	20.5x	16.7x	1.65x
Tenet Healthcare Corp.	THC	44.40	(2.1%)	138.7%	49.48	17.80	4,595	10,040	9,204.0	1,164.0	1.70	2.77	1.09x	8.6x	NM	16.0x	1.85x
Universal Health Services Inc.	UHS	70.10	5.3%	76.6%	71.54	38.25	6,871	10,691	7,111.9	1,347.7	4.53	4.48	1.50x	7.9x	14.4x	15.7x	1.55x
Vanguard Health Systems Inc.	VHS	20.87	42.7%	147.9%	20.97	7.84	1,626	4,165	5,936.7	522.4	1.08	0.77	0.70x	8.0x	25.8x	27.3x	3.34x
Median			3.8%	81.1%									1.15x	8.0x	19.5x	16.0x	1.54x
Assisted Living																	
AdCare Health Systems Inc.	ADK	\$4.65	(19.8%)	34.5%	\$6.26	\$3.33	\$69	\$235	\$215.8	\$9.1	(\$1.01)	(\$0.18)	1.09x	25.7x	NM	NM	NM
Algoma Central Corp.	ALC	13.71	(2.1%)	18.1%	15.54	11.12	534	637	544.8	124.9	1.01	NM	1.17x	5.1x	13.0x	NM	NM
Brookdale Senior Living Inc.	BKD	28.71	11.3%	73.4%	30.34	15.66	3,532	6,143	2,473.1	387.5	(0.54)	0.00	2.48x	15.9x	NM	NM	NM
Capital Senior Living Corp.	CSU	23.26	(4.1%)	100.9%	27.90	9.69	645	1,035	318.6	53.4	(0.11)	0.48	3.25x	19.4x	NM	48.8x	NM
Emeritus Corp.	ESC	23.20	(9.7%)	33.5%	30.95	15.10	1,099	5,057	1,528.6	275.2	(1.73)	(1.97)	3.31x	18.4x	NM	NM	NM
Five Star Quality Care Inc.	FVE	6.00	26.8%	66.7%	6.87	3.49	289	316	1,286.1	45.5	0.28	0.24	0.25x	6.9x	22.8x	25.2x	2.52x
Skilled Healthcare Group, Inc.	SKH	6.45	(8.4%)	11.0%	8.01	4.97	253	700	872.1	90.7	0.57	0.61	0.80x	7.7x	13.3x	10.6x	0.96x
Median			(4.1%)	34.5%									1.17x	15.9x	13.5x	25.8x	1.77x
Care Management / TPA																	
Alere Inc.	ALR	\$30.11	17.3%	61.8%	\$30.11	\$17.13	\$2,449	\$6,589	\$2,886.9	\$590.6	(\$1.23)	\$2.19	2.28x	11.2x	NM	13.8x	1.10x
CorVel Corporation	CRVL	32.58	37.3%	37.6%	34.29	20.16	706	686	429.3	59.6	1.06	NM	1.60x	11.5x	27.4x	NM	NM
Crawford & Company	CRD.B	7.83	3.2%	106.6%	8.60	3.45	391	543	1,195.2	137.9	0.89	0.84	0.45x	3.9x	8.2x	9.3x	1.03x
ExamWorks Group, Inc.	EXAM	22.19	22.6%	71.1%	23.56	11.27	778	1,127	574.6	73.3	(0.44)	(0.32)	1.96x	15.4x	NM	NM	NM
Healthways Inc.	HWAY	17.15	23.5%	50.6%	18.13	8.58	588	853	669.2	45.7	0.24	0.25	1.27x	18.7x	NM	NM	NM
Hooper Holmes Inc.	HH	0.38	(11.6%)	(41.6%)	0.70	0.31	27	23	142.2	(5.7)	(0.25)	NM	0.16x	NM	NM	NM	NM
MAXIMUS, Inc.	MMS	37.11	(6.9%)	46.0%	40.69	24.79	2,535	2,349	1,179.7	189.7	1.15	1.67	1.99x	12.4x	26.5x	22.2x	1.11x
Median			17.3%	50.6%									1.60x	11.9x	26.5x	13.8x	1.10x

Source: Capital IQ as of July 30, 2013; For definitions, see page 10

Healthcare Sector Update

(\$ in millions, except per share amounts)

Company Name	Ticker	Price 7/30/13	% Change		52-Week		Market Cap	Ent Val (TEV)	LTM		EPS		LTM Multiples		Earnings Ratio		PEG Ratio 2013E
			3 mo	12 mo	High	Low			Rev	EBITDA	2012	2013E	Rev	EBITDA	LTM	2013E	
Clinical Laboratories																	
Bio-Reference Laboratories Inc.	BRLI	\$27.07	6.2%	7.7%	\$32.86	\$23.36	\$749	\$751	\$709.1	\$100.4	\$1.56	\$1.81	1.06x	7.5x	16.6x	14.9x	0.88x
CML Healthcare Inc.	TSX:CLC	10.31	34.4%	8.4%	10.35	5.26	926	1,181	345.0	102.7	0.44	0.63	3.42x	11.5x	27.9x	16.5x	NM
Laboratory Corp. of America Holdings	LH	97.42	4.3%	14.7%	101.69	82.15	8,778	11,197	5,733.8	1,283.4	5.99	7.06	1.95x	8.7x	16.3x	13.8x	1.30x
Psychemedics Corp.	PMD	11.89	6.5%	10.3%	12.49	10.50	63	60	25.4	5.3	0.57	0.66	2.38x	11.4x	21.1x	18.0x	NM
Quest Diagnostics Inc.	DGX	58.41	3.7%	(0.6%)	64.87	55.16	8,872	12,277	7,197.9	1,541.8	3.92	4.33	1.71x	8.0x	16.4x	13.5x	1.12x
Sonic Healthcare Limited	ASX:SHL	12.86	(6.5%)	(3.4%)	13.86	11.17	5,106	6,528	3,530.3	662.9	0.85	0.80	1.85x	9.8x	17.4x	16.1x	2.17x
Median			5.3%	8.0%									1.90x	9.3x	17.0x	15.5x	1.21x
Contract Research Orgs																	
Albany Molecular Research Inc.	AMRI	\$12.44	4.3%	352.4%	\$13.90	\$2.77	\$391	\$370	\$232.4	\$38.7	(\$0.12)	\$0.61	1.59x	9.6x	NM	20.4x	NM
GlaxoSmithKline S.A.E.	BIOC	1.71	25.5%	21.7%	2.12	1.17	143	126	144.6	17.7	0.14	NM	0.87x	7.1x	13.8x	NM	NM
Charles River Laboratories International, Inc.	CRL	44.76	2.9%	32.0%	46.90	33.70	2,195	2,748	1,134.8	255.4	2.10	2.82	2.42x	10.8x	21.4x	15.8x	1.77x
Covance Inc.	CVD	79.80	7.0%	69.8%	81.14	46.15	4,459	4,339	2,300.0	348.5	1.68	3.13	1.89x	12.5x	27.7x	25.5x	1.79x
ICON Public Limited Company	ICLR	39.20	22.0%	63.7%	40.23	22.43	2,380	2,184	1,236.7	147.7	0.92	1.59	1.77x	14.8x	29.9x	24.6x	0.99x
PAREXEL International Corporation	PRXL	49.27	20.3%	75.2%	50.49	25.95	2,801	2,909	1,663.9	190.2	1.28	1.74	1.75x	15.3x	35.2x	28.4x	1.55x
Quintiles Transnational Holdings Inc.	Q	43.39	NM	NM	46.50	41.50	5,594	7,561	3,731.7	512.9	1.51	1.88	2.03x	14.7x	28.0x	23.0x	1.92x
Median			13.7%	66.7%									1.77x	12.5x	27.8x	23.8x	1.77x
Diagnostic Imaging																	
Alliance Healthcare Services, Inc.	AIQ	\$18.98	48.9%	362.9%	\$19.42	\$3.90	\$197	\$758	\$461.9	\$146.1	(\$1.12)	NM	1.64x	5.2x	NM	NM	NM
American Shared Hospital Services	AMS	2.92	77.0%	0.7%	3.25	1.52	13	58	17.3	9.0	0.01	NM	3.35x	6.5x	NM	NM	NM
RadNet, Inc.	RDNT	2.83	3.3%	17.9%	3.22	2.13	113	699	658.1	100.9	1.64	0.21	1.06x	6.9x	1.8x	13.5x	NM
Median			48.9%	17.9%									1.64x	6.5x	1.8x	13.5x	NM
Dialysis Services																	
DaVita HealthCare Partners Inc.	DVA	\$116.26	(2.0%)	16.5%	\$131.33	\$95.17	\$12,300	\$20,879	\$9,162.2	\$1,923.0	\$5.47	\$7.52	2.28x	10.9x	28.4x	15.5x	1.19x
Fresenius Medical Care AG & Co. KGAA	DB:FME	62.80	(8.9%)	(13.9%)	79.17	62.19	19,315	27,930	14,292.7	2,780.1	3.87	3.70	1.95x	10.0x	17.9x	17.0x	1.70x
Median			(5.5%)	1.3%									2.12x	10.5x	23.1x	16.2x	1.44x

Source: Capital IQ as of July 30, 2013; For definitions, see page 10

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			3 mo	12 mo	High	Low			Rev	EBITDA	2012	2013E	Rev	EBITDA	LTM	2013E	
Distribution / Supply																	
Aceto Corp.	ACET	\$15.61	50.1%	74.4%	\$15.70	\$8.25	\$428	\$435	\$487.5	\$42.3	\$0.68	\$0.92	0.89x	10.3x	20.5x	17.0x	NM
AmerisourceBergen Corporation	ABC	58.23	7.6%	51.1%	59.30	36.73	13,446	13,275	83,963.4	1,293.2	2.89	3.13	0.16x	10.3x	23.9x	18.6x	0.07x
Cardinal Health, Inc.	CAH	50.25	13.6%	16.0%	51.09	36.91	17,177	18,582	102,437.0	2,362.0	3.29	3.55	0.18x	7.9x	15.0x	14.1x	1.35x
Henry Schein, Inc.	HSIC	102.57	13.5%	33.6%	104.81	72.84	8,937	9,964	9,134.5	770.0	4.32	4.87	1.09x	12.9x	23.0x	21.1x	1.96x
McKesson Corporation	MCK	123.43	16.6%	36.2%	126.36	84.65	28,219	30,188	123,964.0	3,094.0	6.60	7.98	0.24x	9.8x	21.2x	15.5x	1.11x
Owens & Minor Inc.	OMI	34.88	7.1%	23.3%	36.23	26.97	2,209	2,216	9,047.2	250.1	1.72	1.90	0.24x	8.9x	21.1x	18.4x	2.04x
Patterson Companies, Inc.	PDCO	40.74	7.4%	16.1%	41.02	31.36	4,284	4,504	3,637.2	400.5	2.00	2.14	1.24x	11.2x	20.1x	19.1x	1.68x
Median			13.5%	33.6%									0.24x	10.3x	21.1x	18.4x	1.51x
Emergency Services																	
Air Methods Corp.	AIRM	\$33.97	(7.2%)	(8.6%)	\$50.61	\$32.24	\$1,321	\$1,973	\$839.2	\$233.7	\$2.39	\$1.91	2.35x	8.4x	17.7x	17.7x	1.06x
InfuSystem Holdings, Inc.	INFU	1.70	18.9%	(14.6%)	2.09	1.34	38	66	53.5	12.5	(0.07)	0.06	1.22x	5.3x	NM	28.3x	NM
Median			5.9%	(11.6%)									1.79x	6.9x	17.7x	23.0x	1.06x
HCIT - Provider Based																	
Accretive Health, Inc.	AH	\$10.16	(3.6%)	1.5%	\$14.19	\$8.55	\$988	\$792	\$973.6	\$28.7	\$0.25	\$0.47	0.81x	27.6x	59.9x	21.7x	0.72x
The Advisory Board Company	ABCO	57.84	17.7%	27.7%	58.23	39.73	2,071	1,996	450.8	63.8	0.61	1.23	4.43x	31.3x	94.8x	47.1x	2.62x
Allscripts Healthcare Solutions, Inc.	MDRX	15.76	13.9%	70.0%	16.02	8.85	2,782	3,258	1,428.7	105.8	(0.01)	0.48	2.28x	30.8x	NM	33.0x	3.14x
athenahealth, Inc.	ATHN	111.38	15.7%	20.3%	116.18	56.33	4,104	4,317	494.1	42.7	0.50	1.04	8.74x	NM	NM	NM	NM
Cerner Corporation	CERN	49.28	1.8%	33.5%	50.85	33.82	16,908	16,121	2,711.7	782.2	1.13	1.41	5.94x	20.6x	40.1x	35.0x	1.94x
Computer Programs & Systems Inc.	CPSI	53.93	2.8%	6.6%	56.31	44.95	598	585	195.9	48.8	2.71	2.84	2.99x	12.0x	19.0x	19.0x	1.30x
Greenway Medical Technologies, Inc.	GWAY	11.43	(15.1%)	(19.0%)	19.65	10.30	340	327	135.7	1.9	(0.87)	(0.02)	2.41x	NM	NM	NM	NM
MedAssets, Inc.	MDAS	21.68	15.8%	64.2%	22.12	12.80	1,321	2,188	663.1	210.3	(0.12)	1.30	3.30x	10.4x	NM	16.7x	1.20x
Merge Healthcare Incorporated	MRGE	4.48	43.6%	46.9%	4.71	2.27	419	624	251.6	29.0	(0.31)	0.18	2.48x	21.5x	NM	25.2x	1.68x
Quality Systems Inc.	QSII	22.59	26.4%	41.0%	23.38	15.94	1,346	1,216	451.5	97.2	1.04	0.99	2.69x	12.5x	33.4x	22.9x	2.38x
Median			14.8%	30.6%									2.84x	21.1x	40.1x	24.0x	1.81x

Source: Capital IQ as of July 30, 2013; For definitions, see page 10

(\$ in millions, except per share amounts)

Company Name	Ticker	Price 7/30/13	% Change		52-Week		Market Cap	Ent Val (TEV)	LTM		EPS		LTM Multiples		Earnings Ratio		PEG Ratio 2013E
			3 mo	12 mo	High	Low			Rev	EBITDA	2012	2013E	Rev	EBITDA	LTM	2013E	
HCIT - Specialty																	
Accelrys Inc.	ACCL	\$8.72	(11.5%)	7.7%	\$9.98	\$7.59	\$487	\$388	\$165.2	\$10.7	(\$0.19)	\$0.33	2.35x	36.1x	NM	26.6x	1.33x
CardioNet, Inc.	BEAT	5.47	88.0%	180.5%	7.03	1.85	139	121	109.6	6.5	(0.49)	NM	1.10x	18.7x	NM	NM	NM
Healthstream Inc.	HSTM	31.66	38.0%	11.2%	33.55	19.50	849	748	115.8	22.4	0.28	0.34	6.46x	33.4x	NM	94.5x	5.73x
HMS Holdings Corp.	HMSY	24.49	(2.9%)	(28.9%)	37.19	18.50	2,149	2,321	488.7	149.3	0.57	0.58	4.75x	15.5x	43.0x	42.4x	1.94x
Medidata Solutions, Inc.	MDSO	92.33	39.1%	196.2%	97.38	31.30	2,461	2,321	245.8	39.6	0.71	1.35	9.44x	58.7x	NM	68.2x	3.14x
Omniceil Inc.	OMCL	20.79	15.4%	58.9%	21.48	12.33	714	644	337.0	47.4	0.47	1.04	1.91x	13.6x	41.6x	20.0x	1.34x
Streamline Health Solutions, Inc.	STRM	7.32	16.9%	74.7%	7.71	3.50	92	109	24.8	(0.1)	(0.48)	NM	4.40x	NM	NM	NM	NM
WebMD Health Corp.	WBMD	32.06	32.8%	112.5%	35.28	13.13	1,574	1,375	475.7	40.2	(0.45)	0.22	2.89x	34.2x	NM	NM	NM
Median			24.8%	66.8%									3.65x	33.4x	42.3x	42.4x	1.94x
Healthcare Staffing																	
AMN Healthcare Services Inc.	AHS	\$14.71	7.1%	143.9%	\$15.94	\$5.50	\$677	\$835	\$979.7	\$70.9	\$0.35	\$0.61	0.85x	11.8x	33.4x	24.1x	1.61x
Cross Country Healthcare, Inc.	CCRN	5.67	13.4%	18.4%	6.23	3.80	175	155	443.2	3.5	(0.67)	0.02	0.35x	NM	NM	NM	NM
IPC The Hospitalist Company, Inc.	IPCM	50.20	10.0%	16.7%	55.49	33.10	846	843	564.1	61.3	1.92	2.05	1.49x	13.7x	22.0x	24.5x	1.50x
On Assignment Inc.	ASGN	30.60	26.1%	93.8%	32.93	14.70	1,630	1,985	1,624.2	168.4	0.89	1.18	1.22x	11.8x	32.9x	26.0x	1.36x
Team Health Holdings, Inc.	TMH	38.83	4.2%	44.1%	42.42	24.09	2,703	3,119	2,239.7	222.5	0.93	1.80	1.39x	14.0x	37.7x	21.6x	1.34x
Median			10.0%	44.1%									1.22x	12.8x	33.2x	24.3x	1.43x
Home Care / Hospice																	
Addus HomeCare Corporation	ADUS	\$19.45	64.3%	322.8%	\$23.71	\$4.06	\$212	\$194	\$248.4	\$18.5	\$0.86	\$0.89	0.78x	10.5x	20.5x	21.9x	1.46x
Almost Family Inc.	AFAM	19.27	(2.4%)	(13.7%)	22.96	17.66	180	147	345.4	28.3	1.85	1.21	0.42x	5.2x	11.5x	16.0x	1.33x
Amedisys Inc.	AMED	11.49	14.4%	(6.2%)	15.95	8.81	362	435	1,436.5	81.6	(2.75)	0.48	0.30x	5.3x	NM	23.8x	1.90x
Chemed Corp.	CHE	72.82	(10.8%)	14.0%	82.00	56.51	1,359	1,425	1,446.8	186.9	4.62	5.68	0.98x	7.6x	16.5x	12.8x	1.03x
Gentiva Health Services Inc.	GTIV	11.07	5.5%	61.6%	12.90	6.52	347	1,099	1,692.7	179.7	0.87	0.92	0.65x	6.1x	NM	12.0x	1.70x
LHC Group, Inc.	LHCG	22.91	5.5%	26.9%	24.14	15.69	403	437	627.7	61.0	1.53	1.26	0.70x	7.2x	15.5x	18.2x	1.33x
Median			5.5%	20.4%									0.67x	6.6x	16.0x	17.1x	1.39x

Source: Capital IQ as of July 30, 2013; For definitions, see page 10

(\$ in millions, except per share amounts)

Company Name	Ticker	Price 7/30/13	% Change		52-Week		Market Cap	Ent Val (TEV)	LTM		EPS		LTM Multiples		Earnings Ratio		PEG Ratio 2013E
			3 mo	12 mo	High	Low			Rev	EBITDA	2012	2013E	Rev	EBITDA	LTM	2013E	
Long Term Care																	
Diversicare Healthcare Services Inc.	DVCR	\$5.13	5.8%	(17.7%)	\$6.70	\$4.45	\$31	\$65	\$311.6	\$7.9	(\$0.63)	NM	0.21x	8.3x	NM	NM	NM
Kindred Healthcare Inc.	KND	14.94	42.4%	61.2%	15.62	9.00	807	2,392	6,198.3	420.5	(0.65)	1.25	0.39x	5.7x	NM	12.0x	1.20x
National Healthcare Corp.	NHC	49.66	7.0%	14.3%	50.82	41.55	697	680	744.3	94.8	3.49	NM	0.91x	7.2x	14.0x	NM	NM
The Ensign Group, Inc.	ENSG	38.49	10.4%	35.2%	39.19	24.97	841	1,005	840.9	88.3	1.85	2.74	1.19x	11.4x	49.5x	14.0x	0.94x
Median			8.7%	24.8%									0.65x	7.7x	31.7x	13.0x	1.07x
Managed Care - Commercial																	
Aetna Inc.	AET	\$62.95	9.6%	69.5%	\$66.00	\$35.78	\$23,424	\$27,039	\$39,919.3	\$3,667.7	\$4.81	\$5.82	0.68x	7.4x	12.0x	10.8x	1.03x
Cigna Corp.	CI	76.45	15.5%	84.8%	79.25	40.00	21,813	24,029	30,548.0	3,494.0	5.61	6.49	0.79x	6.9x	16.9x	11.8x	1.08x
Health Net, Inc.	HNT	30.51	3.8%	36.4%	33.70	16.65	2,422	2,667	11,152.8	264.7	0.31	2.26	0.24x	10.1x	22.0x	13.5x	1.77x
Humana Inc.	HUM	89.26	20.4%	26.5%	91.61	59.92	14,059	15,559	39,393.0	2,727.0	7.47	8.66	0.39x	5.7x	9.5x	10.3x	1.01x
UnitedHealth Group Incorporated	UNH	72.27	20.6%	35.7%	73.22	50.32	73,716	83,460	116,819.0	10,202.0	5.28	5.50	0.71x	8.2x	13.8x	13.1x	1.50x
Universal American Corp.	UAM	10.95	28.1%	18.0%	11.13	7.68	937	1,054	2,209.0	112.3	0.61	0.66	0.48x	9.4x	20.5x	16.5x	0.94x
WellPoint Inc.	WLP	84.96	16.5%	53.9%	90.00	52.57	25,400	39,564	66,372.0	5,677.7	8.18	8.22	0.60x	7.0x	9.3x	10.3x	0.90x
Median			16.5%	36.4%									0.60x	7.4x	13.8x	11.8x	1.03x
Managed Care - Government																	
Centene Corp.	CNC	\$56.09	21.4%	43.8%	\$59.96	\$34.73	\$3,064	\$2,931	\$10,251.9	\$182.3	\$0.03	\$2.79	0.29x	16.1x	41.7x	20.1x	0.93x
Molina Healthcare, Inc.	MOH	37.85	14.0%	56.3%	40.90	21.62	1,729	1,748	6,428.9	211.4	0.21	1.61	0.27x	8.3x	25.6x	23.5x	1.24x
WellCare Health Plans, Inc.	WCG	61.46	5.4%	(8.4%)	66.57	44.75	2,671	1,648	7,874.4	264.3	4.22	4.84	0.21x	6.2x	17.4x	12.7x	1.66x
Median			14.0%	43.8%									0.27x	8.3x	25.6x	20.1x	1.24x

Source: Capital IQ as of July 30, 2013; For definitions, see page 10

(\$ in millions, except per share amounts)

Company Name	Ticker	Price 7/30/13	% Change		52-Week		Market Cap	Ent Val (TEV)	LTM		EPS		LTM Multiples		Earnings Ratio		PEG Ratio 2013E
			3 mo	12 mo	High	Low			Rev	EBITDA	2012	2013E	Rev	EBITDA	LTM	2013E	
Other Services																	
Healthcare Services Group Inc.	HCSG	\$24.77	11.1%	13.2%	\$25.95	\$20.80	\$1,729	\$1,643	\$1,097.2	\$79.7	\$0.65	\$0.82	1.50x	20.6x	32.6x	30.3x	1.68x
PDI, Inc.	PDII	4.70	2.8%	(34.0%)	8.25	3.82	71	15	138.1	3.0	(1.75)	(0.20)	0.11x	5.0x	NM	NM	NM
Sharps Compliance Corp.	SMED	2.62	(14.9%)	(11.2%)	3.64	2.01	40	24	20.8	(1.9)	(0.29)	(0.06)	1.16x	NM	NM	NM	NM
Stericycle, Inc.	SRCL	116.10	7.2%	23.5%	119.59	88.67	10,017	11,335	2,024.5	607.4	3.08	3.70	5.60x	18.7x	35.3x	31.4x	2.03x
Median			5.0%	1.0%									1.33x	18.7x	33.9x	30.8x	1.86x
Pharmacy Management																	
BioScrip Inc.	BIOS	\$16.07	15.9%	149.1%	\$17.62	\$6.21	\$1,085	\$1,339	\$706.1	\$36.0	(\$0.15)	\$0.31	1.90x	37.1x	NM	NM	NM
Catamaran Corporation	TSX:CCT	51.64	(10.6%)	18.3%	57.29	40.99	10,633	11,394	11,442.7	506.2	0.70	1.85	1.00x	22.5x	68.9x	27.9x	0.96x
Express Scripts Holding Company	ESRX	64.94	9.4%	12.3%	67.66	49.79	52,874	65,822	106,708.9	6,591.1	1.79	4.30	0.62x	10.0x	29.2x	15.1x	0.90x
Omnicare Inc.	OCR	52.68	20.4%	67.5%	53.54	31.02	5,451	6,950	6,126.2	711.3	1.73	3.61	1.13x	9.8x	25.5x	14.6x	0.97x
PharMerica Corporation	PMC	14.66	13.7%	41.4%	16.45	9.82	435	699	1,773.5	111.5	0.77	1.49	0.39x	6.3x	15.8x	9.8x	1.14x
Median			13.7%	41.4%									1.00x	10.0x	27.3x	14.9x	0.97x
Physician Practice Management																	
Birmer Dental Management Services Inc.	BDMS	\$17.50	(2.2%)	5.9%	\$23.03	\$16.21	\$32	\$37	\$62.8	\$4.5	\$0.44	NM	0.60x	8.3x	43.8x	NM	NM
MEDNAX, Inc.	MD	97.41	9.8%	51.5%	97.70	65.01	4,777	4,911	1,976.4	449.6	4.85	5.45	2.48x	10.9x	19.0x	17.9x	1.38x
Median			3.8%	28.7%									1.54x	9.6x	31.4x	17.9x	1.38x
Psychiatric Hospitals																	
Acadia Healthcare Company, Inc.	ACHC	\$34.60	9.7%	116.7%	\$36.00	\$15.42	\$1,746	\$2,308	\$562.1	\$109.5	\$0.53	\$1.03	NM	21.1x	58.5x	33.8x	1.19x
Magellan Health Services Inc.	MGLN	56.41	10.3%	1.6%	60.54	46.00	1,514	1,260	3,293.2	244.1	5.42	3.86	0.38x	5.2x	9.6x	14.6x	1.04x
Providence Service Corp.	PRSC	27.85	59.1%	112.4%	31.31	9.56	363	414	1,127.2	50.5	0.64	1.43	0.37x	8.2x	30.3x	19.5x	2.60x
Median			10.3%	112.4%									0.38x	8.2x	30.3x	19.5x	1.19x

Source: Capital IQ as of July 30, 2013; For definitions, see page 10

(\$ in millions, except per share amounts)

Company Name	Ticker	Price 7/30/13	% Change		52-Week		Market Cap	Ent Val (TEV)	LTM		EPS		LTM Multiples		Earnings Ratio		PEG Ratio 2013E
			3 mo	12 mo	High	Low			Rev	EBITDA	2012	2013E	Rev	EBITDA	LTM	2013E	
Specialty Managed Care																	
Assurant Inc.	AIZ	\$53.19	11.9%	47.1%	\$53.87	\$33.36	\$4,095	\$5,742	\$8,694.4	\$849.3	\$5.67	\$5.64	0.66x	6.8x	10.7x	9.4x	0.98x
Triple-S Management Corporation	GTS	21.70	20.4%	15.6%	23.70	16.05	614	661	2,424.2	115.0	1.90	2.03	0.27x	5.7x	9.2x	10.7x	1.25x
Median			16.1%	31.3%									0.47x	6.3x	9.9x	10.1x	1.11x
Surgicenters / Rehabilitation																	
AmSurg Corp.	AMSG	\$39.00	16.2%	30.4%	\$41.00	\$25.00	\$1,248	\$2,324	\$998.7	\$336.5	\$1.98	\$2.18	2.33x	6.9x	18.4x	17.9x	1.20x
Hanger, Inc.	HGR	36.48	20.0%	42.2%	37.20	22.38	1,260	1,764	1,001.0	168.5	1.83	2.09	1.76x	10.5x	19.7x	17.5x	1.40x
HEALTHSOUTH Corp.	HLS	32.50	18.2%	46.5%	33.73	19.85	2,837	4,573	2,198.4	519.3	1.65	1.77	2.08x	8.8x	10.8x	18.4x	1.61x
LCA-Vision Inc.	LCAV	3.56	4.7%	(9.4%)	4.60	2.67	68	40	91.1	(3.4)	(0.45)	(0.28)	0.44x	NM	NM	NM	NM
Select Medical Holdings Corporation	SEM	8.84	7.2%	(20.0%)	14.89	7.21	1,233	2,774	2,916.9	390.7	1.05	0.91	0.95x	7.1x	8.8x	9.7x	0.77x
US Physical Therapy Inc.	USPH	28.55	19.7%	9.6%	31.56	22.69	345	375	247.8	41.6	1.51	1.53	1.51x	9.0x	19.8x	18.7x	1.49x
Median			17.2%	20.0%									1.64x	8.8x	18.4x	17.9x	1.40x

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 July 30, 2013

MARKET SECTOR	No. of Co's	Ag. Eqty Mkt Value	Median% Change		LTM Multiples		Earnings Ratio		PEG Ratio 2013E
			3 mo	12 mo	Rev	EBITDA	2012	2013E	
			Biotechnology	35	\$390,398	7.9%	31.5%	6.83x	
Cardiology Devices	16	100,531	16.4%	11.3%	3.23x	11.8x	30.6x	23.0x	1.9x
Conglomerates	6	443,282	8.7%	22.7%	2.67x	10.6x	18.3x	17.2x	1.9x
Dental Devices	8	15,456	(5.0%)	21.6%	2.50x	14.4x	25.0x	20.4x	1.6x
Diagnostic Imaging Devices	5	7,447	(5.9%)	21.7%	1.63x	13.1x	28.5x	23.5x	1.4x
Diversified Medical Devices	17	90,864	11.0%	16.3%	2.39x	11.4x	24.3x	19.4x	1.6x
Infection Prevention Devices	2	3,695	15.9%	47.6%	2.38x	12.7x	22.2x	23.8x	1.8x
Lab Equipment	2	6,653	4.1%	27.3%	1.66x	9.9x	17.3x	21.0x	1.5x
Lab Instrumentation & Devices	3	11,750	6.4%	38.3%	1.71x	14.1x	31.3x	22.1x	1.8x
Large-Cap Pharmaceuticals	6	583,980	(0.4%)	21.0%	4.00x	10.1x	21.9x	14.1x	2.6x
Life Science Conglomerates	4	59,445	12.2%	65.5%	3.46x	14.6x	40.7x	17.4x	1.8x
Life Science Consumables	5	7,727	14.8%	14.7%	2.74x	11.6x	23.0x	23.0x	1.1x
Mobility Devices	3	2,693	7.5%	9.5%	0.88x	10.3x	26.5x	17.0x	1.3x
Neural Implant Devices	3	4,089	11.7%	9.6%	3.54x	10.5x	31.8x	20.5x	1.4x
Ophthalmology Devices	3	6,316	13.5%	64.1%	1.25x	11.0x	21.5x	19.6x	1.3x
Orthopedics Devices	7	44,018	16.5%	29.5%	2.19x	11.1x	22.2x	19.9x	1.9x
Pharmaceuticals	26	84,432	19.3%	26.2%	3.21x	11.3x	22.3x	21.4x	1.3x
Surgical Devices	6	17,569	4.0%	19.3%	1.76x	9.3x	26.6x	24.4x	1.7x
Total / Median (\$MM)	157	1,880,234	9.8%	22.2%	2.44x	11.5x	24.5x	20.2x	1.6x

Source: Capital IQ

CAPITALIZATION PROFILE

	No. of Co's	Ag. Eqty Mkt Value	% Total No. of Co's	% Ag. Eqty Mkt Value	Median Stock Performance			
					3 mo	YTD	12 mo	36 mo
					> \$5 billion	45	\$1,766,055	28.1%
\$1 billion - \$5 billion	39	88,117	24.4%	4.7%	10.9%	52.7%	30.3%	22.3%
\$250 million - \$1 billion	38	22,228	23.8%	1.2%	14.8%	53.6%	33.5%	26.1%
\$100 million - \$250 million	19	3,131	11.9%	0.2%	6.3%	96.3%	43.1%	42.0%
< \$100 million	16	813	10.2%	0.0%	21.3%	54.3%	32.0%	30.4%
Total / Median (\$MM)	157	\$1,880,234	100.0%	100.0%	9.8%	54.3%	22.2%	27.1%

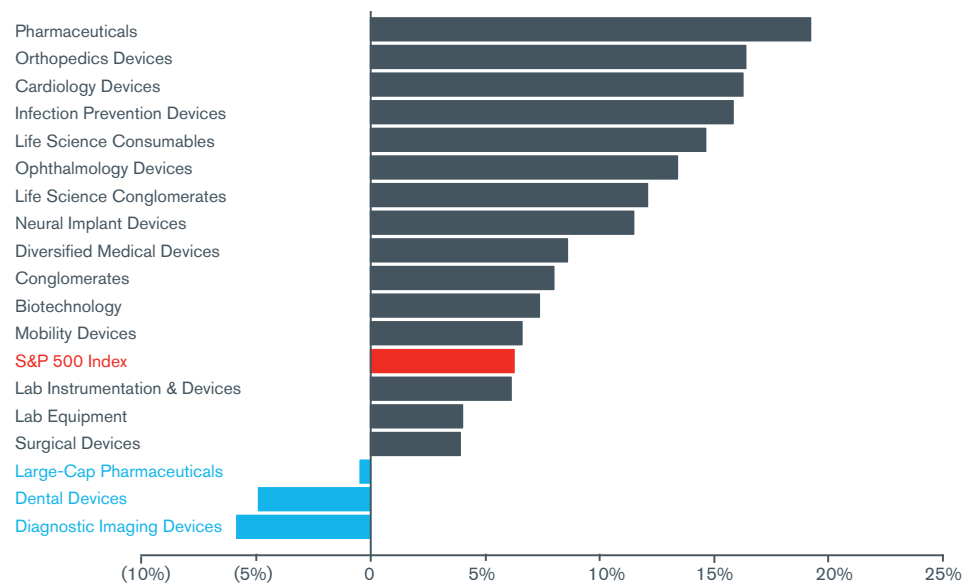
Source: Capital IQ

INTEREST RATES

	Value at 7/30/13	1 mo ago	3 mo ago	12 mo ago
LIBOR - USD - 5 Month	0.37%	0.37%	0.37%	0.63%
U.S. Treasury - 2 year	0.31%	0.35%	0.22%	0.23%
U.S. Treasury - 5 years	1.37%	1.36%	0.68%	0.61%
U.S. Treasury - 10 years	2.60%	2.48%	1.67%	1.50%
U.S. Treasury - 30 years	3.67%	3.50%	2.89%	2.89%
U.S. Prime Rate	3.25%	3.25%	3.25%	3.25%

Source: Capital IQ

Median% Change – 3 months



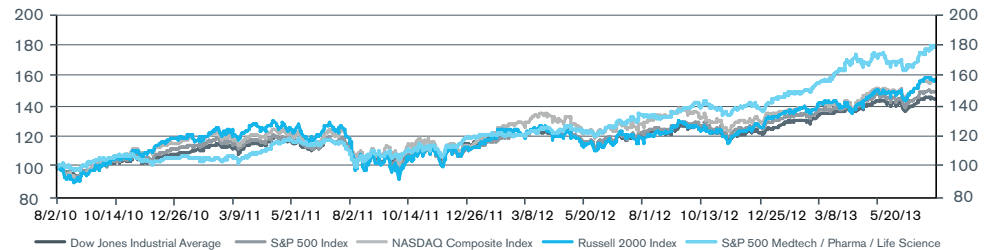
Source: Capital IQ

MARKET INDICES

	Value at 7/30/13	% Change			
		3 mo	YTD	12 mo	36 mo
Dow Jones Industrial Average	\$15,520.6	5.6%	18.4%	19.3%	48.3%
S&P 500 Index	1,686.0	6.5%	18.2%	22.2%	53.0%
NASDAQ Composite Index	3,616.5	9.6%	19.8%	23.0%	60.4%
Russell 2000 Index	1,043.5	12.9%	22.9%	32.6%	60.3%
S&P Life Science Tools & Services (Industry) Index	232.9	8.9%	29.6%	45.8%	75.5%
S&P 500 Pharmaceuticals (Industry) Index	460.2	5.6%	23.3%	24.0%	66.0%
Dow Jones U.S. Pharmaceuticals & Biotechnology Index	508.0	8.2%	30.9%	34.1%	87.8%
S&P 500 Biotechnology (Industry) Index	2,446.4	14.4%	52.2%	68.1%	171.3%
Dow Jones U.S. Medical Equipment Index	690.1	10.1%	24.2%	34.0%	58.2%
S&P 500 - Pharmaceuticals, Biotechnology & Life Sciences (Industry Group)	572.3	7.9%	29.8%	33.7%	83.2%

Source: Capital IQ

Performance of Market Indices for Latest 36 months



Source: Capital IQ

(\$ in millions, except per share amounts)

Company Name	Ticker	Price 7/30/13	% Change		52-Week		Market Cap	Ent Val (TEV)	LTM		EPS		LTM Multiples		Earnings Ratio		PEG Ratio 2013E
			3 mo	12 mo	High	Low			Rev	EBITDA	2012	2013E	Rev	EBITDA	LTM	2013E	
Biotechnology																	
Acorda Therapeutics, Inc.	ACOR	\$37.72	(4.7%)	52.5%	\$40.87	\$21.33	\$1,530	\$1,251	\$306.4	\$20.1	\$3.84	\$0.24	4.08x	NM	10.4x	NM	NM
Alexion Pharmaceuticals, Inc.	ALXN	117.08	19.5%	11.9%	125.65	81.82	22,896	21,920	1,323.7	505.1	1.28	2.97	16.56x	43.4x	66.8x	39.4x	1.61x
Alkermes plc	ALKS	33.95	10.9%	78.4%	34.74	17.45	4,607	4,746	561.9	158.3	(0.32)	0.95	8.45x	30.0x	NM	35.6x	2.15x
Amarin Corporation plc	AMRN	5.50	(25.8%)	(56.7%)	14.97	5.12	948	986	2.3	(157.4)	(1.24)	(1.39)	421.11x	NM	NM	NM	NM
Amgen Inc.	AMGN	111.20	6.7%	33.2%	114.95	80.34	83,397	85,294	17,657.0	7,024.0	5.52	7.29	4.83x	12.1x	18.7x	15.2x	1.60x
Astex Pharmaceuticals, Inc.	ASTX	5.16	(25.0%)	104.8%	6.95	2.14	488	351	83.2	5.9	0.08	(0.26)	4.22x	NM	NM	NM	NM
Athersys, Inc.	ATHX	1.52	(31.5%)	(1.3%)	2.42	0.95	86	64	6.3	(18.4)	(0.45)	(0.50)	10.24x	NM	NM	NM	NM
Biogen Idec Inc.	BIIB	216.93	(0.9%)	47.3%	242.64	134.00	51,558	51,621	5,942.1	2,514.1	5.76	8.52	8.69x	20.5x	32.1x	25.5x	1.40x
BioSpecifics Technologies Corp.	BSTC	16.43	3.5%	(8.4%)	21.99	12.52	104	92	12.5	6.0	0.43	0.42	7.34x	15.3x	32.2x	39.1x	NM
Cangene Corp.	CNJ	2.09	(32.8%)	47.5%	3.19	1.36	139	102	131.1	10.5	(0.28)	0.09	0.78x	9.6x	NM	24.0x	NM
Celgene Corporation	CELG	145.37	23.1%	109.5%	146.22	66.87	59,787	59,393	5,930.2	2,499.5	3.30	5.90	10.02x	23.8x	40.6x	24.6x	1.11x
Cepheid	CPHD	34.63	(9.2%)	6.6%	40.70	28.12	2,324	2,241	360.9	16.5	(0.30)	(0.26)	6.21x	NM	NM	NM	NM
Cubist Pharmaceuticals Inc.	CBST	57.00	24.1%	31.5%	57.83	38.53	3,763	3,170	972.8	196.0	2.10	1.06	3.26x	16.2x	39.3x	53.6x	2.11x
Curis, Inc.	CRIS	3.91	4.3%	(21.3%)	5.05	2.66	315	295	7.5	(16.1)	(0.21)	(0.22)	39.34x	NM	NM	NM	NM
Dyadic International, Inc.	DYAI	1.90	2.7%	59.7%	2.25	0.90	59	63	15.6	1.2	0.04	NM	4.05x	NM	NM	NM	NM
Emergent BioSolutions, Inc.	EBS	17.15	11.8%	18.5%	18.25	12.50	619	551	274.7	44.2	0.65	0.79	2.01x	12.5x	27.7x	21.8x	2.18x
Exelixis, Inc.	EXEL	5.05	(2.7%)	(21.7%)	6.48	4.19	928	902	38.6	(119.3)	(0.92)	(1.23)	23.38x	NM	NM	NM	NM
Genomic Health Inc.	GHDX	35.16	15.8%	1.2%	38.99	25.25	1,062	966	239.8	12.2	0.26	(0.06)	4.03x	NM	NM	NM	NM
Gilead Sciences Inc.	GILD	61.73	21.9%	122.0%	64.04	26.75	94,378	97,746	10,313.9	4,644.9	1.64	1.97	9.48x	21.0x	34.5x	31.3x	1.20x
Immunomedics Inc.	IMMU	5.82	127.3%	65.8%	6.91	2.11	481	433	4.6	(30.3)	(0.36)	(0.27)	94.95x	NM	NM	NM	NM
Ligand Pharmaceuticals Incorporated	LGND	47.74	74.7%	147.6%	50.85	14.75	966	980	37.4	8.4	(0.13)	0.54	26.19x	NM	NM	88.4x	2.95x
Maxygen, Inc.	MAXY	2.50	4.2%	(58.5%)	6.33	2.35	69	(11.7)	30.0	21.0	0.73	NM	(0.39x)	NM	3.4x	NM	NM
Momenta Pharmaceuticals Inc.	MNTA	17.23	39.9%	21.4%	18.08	10.05	895	570	47.3	(71.3)	(1.16)	(1.88)	12.06x	NM	NM	NM	NM
Myriad Genetics Inc.	MYGN	30.05	7.9%	16.0%	38.27	23.07	2,394	2,057	572.0	219.8	1.46	1.72	3.60x	9.4x	19.2x	17.4x	1.18x
Neurocrine Biosciences Inc.	NBIX	13.83	19.8%	78.7%	14.96	6.72	927	774	32.8	(19.7)	0.08	(0.78)	23.62x	NM	NM	NM	NM
Osiris Therapeutics, Inc.	OSIR	11.48	2.3%	24.6%	12.55	6.55	378	349	11.5	(11.9)	(0.34)	(0.31)	30.42x	NM	NM	NM	NM
PDL BioPharma, Inc.	PDLI	8.15	5.3%	19.0%	8.48	6.50	1,141	1,266	389.0	364.0	1.45	1.64	3.26x	3.5x	5.4x	5.0x	NM
ProMetic Life Sciences Inc.	PLI	0.36	(3.5%)	167.1%	0.48	0.11	176	172	26.3	4.7	0.00	0.00	6.56x	36.8x	61.1x	NM	NM

Source: Capital IQ as of July 30, 2013; For definitions, see page 19

(\$ in millions, except per share amounts)

Company Name	Ticker	Price 7/30/13	% Change		52-Week		Market Cap	Ent Val (TEV)	LTM		EPS		LTM Multiples		Earnings Ratio		PEG Ratio 2013E
			3 mo	12 mo	High	Low			Rev	EBITDA	2012	2013E	Rev	EBITDA	LTM	2013E	
Biotechnology (cont.)																	
Regeneron Pharmaceuticals, Inc.	REGN	\$273.67	27.2%	102.0%	\$283.99	\$131.24	\$26,623	\$26,778	\$1,586.4	\$626.5	\$6.75	\$3.92	16.88x	42.7x	36.6x	69.8x	2.79x
Spectrum Pharmaceuticals, Inc.	SPPI	8.28	11.7%	(45.9%)	15.23	6.92	520	432	246.5	72.2	1.46	(0.23)	1.75x	6.0x	11.6x	NM	NM
Targacept, Inc.	TRGT	5.09	10.4%	18.1%	5.77	3.85	171	63	38.5	(11.3)	(0.21)	(1.36)	1.64x	NM	NM	NM	NM
Theravance Inc.	THRX	36.57	8.4%	23.2%	42.96	19.61	3,637	3,564	9.9	(131.0)	(0.20)	(1.86)	359.96x	NM	NM	NM	NM
United Therapeutics Corporation	UTHR	73.75	10.4%	35.6%	74.64	44.51	3,682	3,266	1,010.0	453.7	5.71	5.88	3.23x	7.2x	12.7x	12.5x	0.31x
Vanda Pharmaceuticals, Inc.	VNDA	11.61	138.9%	183.9%	13.30	2.92	329	218	32.7	(22.2)	(0.98)	(0.91)	6.68x	NM	NM	NM	NM
Vertex Pharmaceuticals Incorporated	VRTX	81.91	6.6%	64.0%	89.96	38.44	19,018	18,172	1,309.1	(116.8)	(0.51)	(2.18)	13.88x	NM	NM	NM	NM
Median			7.9%	31.5%									6.83x	14.1x	30.6x	29.8x	1.43x
Cardiology Devices																	
ABIOMED, Inc.	ABMD	\$24.98	35.2%	11.4%	\$25.03	\$11.80	\$939	\$862	\$158.1	\$19.3	\$0.33	\$0.28	5.45x	44.7x	67.5x	88.6x	4.43x
AngioDynamics Inc.	ANGO	11.98	18.3%	7.7%	12.91	9.52	417	536	340.2	51.4	(0.25)	0.22	1.57x	10.4x	NM	55.2x	3.68x
Boston Scientific Corporation	BSX	10.83	44.6%	109.9%	11.11	5.04	14,611	18,333	7,125.0	1,627.0	(2.89)	0.42	2.57x	11.3x	NM	25.6x	3.04x
Cardiovascular Systems Inc.	CSII	19.69	14.7%	113.1%	22.67	8.60	473	417	98.0	(18.7)	(1.01)	(1.12)	4.26x	NM	NM	NM	NM
Edwards Lifesciences Corp.	EW	70.51	10.5%	(31.8%)	110.79	62.34	7,965	7,617	1,972.3	510.8	2.48	3.06	3.86x	14.9x	20.6x	23.0x	1.52x
Greatbatch, Inc.	GB	37.81	35.3%	63.7%	37.96	21.08	904	1,131	640.1	118.6	(0.20)	2.01	1.77x	9.5x	NM	18.8x	1.56x
Heartware International Inc.	HIN	2.60	(1.6%)	2.0%	2.77	1.84	1,495	1,385	133.8	(62.6)	(0.18)	(3.07)	10.35x	NM	NM	NM	NM
LeMaitre Vascular, Inc.	LMAT	6.95	14.7%	11.2%	7.00	5.69	106	91	59.8	6.6	0.16	0.20	1.52x	13.9x	36.6x	34.2x	1.37x
Medtronic, Inc.	MDT	55.07	18.0%	41.9%	55.90	38.53	55,483	55,081	16,590.0	5,593.0	3.28	3.77	3.32x	9.8x	16.3x	14.6x	2.16x
Neovasc Inc.	NVC	2.55	2.9%	113.6%	3.87	1.17	117	113	8.0	(5.4)	(0.01)	NM	14.15x	NM	NM	NM	NM
REVA Medical, Inc.	RVA	0.51	(7.7%)	(12.1%)	0.63	0.35	170	137	0.0	(23.8)	(0.07)	(0.07)	NM	NM	NM	NM	NM
St. Jude Medical Inc.	STJ	52.00	26.2%	38.5%	52.72	30.25	14,735	17,128	5,439.0	1,737.0	2.39	3.72	3.15x	9.9x	24.6x	14.0x	1.51x
Stereotaxis Inc.	STXS	5.85	225.0%	207.9%	6.90	1.01	47	69	42.7	(8.5)	(1.33)	(2.03)	1.63x	NM	NM	NM	NM
Sunshine Heart Inc.	SHC	7.50	44.8%	(23.5%)	10.25	4.85	93	82	0.0	(15.0)	(1.98)	NM	NM	NM	NM	NM	NM
Thoratec Corp.	THOR	32.56	(10.1%)	(6.2%)	39.86	29.91	1,867	1,615	482.6	131.6	0.94	1.76	3.35x	12.3x	39.7x	18.6x	1.95x
Volcano Corporation	VOLC	20.32	0.1%	(23.1%)	30.15	16.37	1,108	1,088	384.7	43.2	0.15	0.05	2.83x	25.2x	NM	NM	NM
Median			16.4%	11.3%									3.23x	11.8x	30.6x	23.0x	1.95x

Source: Capital IQ as of July 30, 2013; For definitions, see page 19

(\$ in millions, except per share amounts)

Company Name	Ticker	Price 7/30/13	% Change		52-Week		Market Cap	Ent Val (TEV)	LTM		EPS		LTM Multiples		Earnings Ratio		PEG Ratio 2013E
			3 mo	12 mo	High	Low			Rev	EBITDA	2012	2013E	Rev	EBITDA	LTM	2013E	
Conglomerates																	
3M Company	MMM	\$116.84	11.6%	28.0%	\$117.30	\$86.74	\$79,856	\$81,550	\$30,270.0	\$7,795.0	\$6.32	\$6.70	2.69x	10.5x	18.3x	17.4x	1.86x
Agilent Technologies Inc.	A	44.85	8.2%	17.5%	47.47	35.38	15,450	15,290	6,902.0	1,402.0	3.13	2.79	2.22x	10.9x	15.6x	16.1x	1.86x
Becton, Dickinson and Company	BDX	102.99	9.2%	35.1%	104.98	74.10	20,006	21,755	7,848.3	2,154.6	5.52	5.80	2.77x	10.1x	18.4x	17.8x	1.98x
Covidien plc	COV	61.02	(4.4%)	9.0%	68.83	53.36	28,708	32,102	12,167.0	3,291.0	3.93	3.90	2.64x	9.8x	15.8x	15.6x	1.78x
Johnson & Johnson	JNJ	93.17	9.3%	34.2%	93.97	66.85	261,704	255,928	69,992.0	22,390.0	3.86	5.46	3.66x	11.4x	20.7x	17.1x	2.72x
Kimberly-Clark Corporation	KMB	97.96	(5.1%)	11.4%	106.54	81.29	37,558	43,923	21,138.0	4,107.0	4.42	5.68	2.08x	10.7x	20.8x	17.3x	2.21x
Median			8.7%	22.7%									2.67x	10.6x	18.3x	17.2x	1.92x
Dental Devices																	
COLTENE Holding AG	CLTN	\$48.35	(6.4%)	65.8%	\$53.51	\$26.65	\$204	\$226	\$172.7	\$24.0	\$2.49	\$3.43	1.31x	9.4x	19.8x	14.1x	1.38x
DENTSPLY International Inc.	XRAY	42.25	(0.2%)	13.4%	44.21	35.04	6,054	7,723	2,944.1	537.1	2.18	2.37	2.62x	14.4x	18.4x	17.8x	1.58x
Nobel Biocare Holding AG	NOBN	12.03	7.6%	29.7%	13.75	7.62	1,478	1,402	736.0	119.9	0.49	0.52	1.90x	11.7x	25.0x	23.3x	1.61x
Orthofix International N.V.	OFIX	22.94	(29.2%)	(45.3%)	45.62	21.83	446	433	446.5	89.7	2.78	1.61	0.97x	4.8x	9.6x	14.2x	1.14x
Osstem Implant Co., Ltd.	A048260	27.03	(4.7%)	62.6%	34.96	15.60	384	429	180.9	16.9	0.41	1.22	2.37x	25.4x	62.8x	22.2x	NM
Sirona Dental Systems Inc.	SIRO	69.62	(5.3%)	59.3%	75.81	42.11	3,825	3,746	1,029.1	261.4	2.37	3.41	3.64x	14.3x	29.1x	20.4x	1.59x
Straumann Holding AG	STMN	147.95	12.8%	11.2%	163.74	105.19	2,285	2,127	749.6	137.8	2.57	6.90	2.84x	15.4x	58.4x	21.4x	1.54x
Tornier N.V.	TRNX	16.83	(7.5%)	(22.0%)	22.55	14.53	781	863	285.7	25.4	(0.54)	(0.49)	3.02x	34.0x	NM	NM	NM
Median			(5.0%)	21.6%									2.50x	14.4x	25.0x	20.4x	1.56x
Orthopedics Devices																	
Exactech Inc.	EXAC	\$21.56	16.5%	29.5%	\$22.12	\$15.01	\$289	\$329	\$230.4	\$40.6	\$0.96	\$1.08	1.43x	8.1x	20.7x	19.9x	NM
MAKO Surgical Corp.	MAKO	12.43	17.4%	(7.0%)	19.62	10.00	584	524	112.4	(28.6)	(0.76)	(0.60)	4.66x	NM	NM	NM	NM
NuVasive, Inc.	NUVA	26.10	24.6%	22.7%	27.20	12.35	1,154	1,330	639.3	89.9	0.07	1.01	2.08x	14.8x	NM	25.9x	2.22x
Stryker Corporation	SYK	70.42	7.4%	34.5%	71.32	50.96	26,628	24,747	8,792.0	1,932.0	3.39	4.23	2.81x	12.8x	23.6x	16.7x	2.07x
Symmetry Medical, Inc.	SMA	8.75	(26.6%)	12.0%	12.83	7.44	326	527	408.3	56.2	0.25	0.44	1.29x	9.4x	39.6x	19.9x	1.66x
Wright Medical Group Inc.	WMGI	27.37	16.8%	46.4%	28.41	18.11	1,064	1,046	477.5	42.4	0.14	(0.28)	2.19x	24.7x	NM	NM	NM
Zimmer Holdings, Inc.	ZMH	82.99	8.6%	41.4%	85.08	57.60	13,973	14,425	4,514.4	1,666.5	4.29	5.74	3.20x	8.7x	20.4x	14.5x	1.56x
Median			16.5%	29.5%									2.19x	11.1x	22.2x	19.9x	1.86x
Diagnostic Imaging Devices																	
Analogic Corporation	ALOG	\$71.45	(10.1%)	10.2%	\$84.71	\$62.49	\$875	\$784	\$535.2	\$61.5	\$2.67	\$3.05	1.46x	12.8x	28.5x	23.5x	1.56x
Digirad Corporation	DRAD	2.41	(5.9%)	21.7%	2.68	1.80	46	21	49.1	(1.6)	(0.26)	NM	0.42x	NM	NM	NM	NM
Fonar Corp.	FONR	5.85	(17.1%)	66.7%	7.94	3.02	36	68	41.8	9.0	0.87	NM	1.63x	7.6x	7.1x	NM	NM

Source: Capital IQ as of July 30, 2013; For definitions, see page 19

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Company Name	Ticker	Price 7/30/13	% Change		52-Week		Market Cap	Ent Val (TEV)	LTM		EPS		LTM Multiples		Earnings Ratio		PEG Ratio 2013E
			3 mo	12 mo	High	Low			Rev	EBITDA	2012	2013E	Rev	EBITDA	LTM	2013E	
Diagnostic Imaging Devices (cont.)																	
Given Imaging Ltd.	GIVN	\$15.43	(3.1%)	8.4%	\$19.48	\$12.35	\$487	\$396	\$179.3	\$22.9	\$0.45	\$0.55	2.21x	17.3x	35.8x	28.1x	NM
Hologic Inc.	HOLX	22.29	9.5%	22.1%	23.96	18.46	6,003	10,263	2,302.8	761.8	(0.35)	1.59	4.46x	13.5x	NM	14.0x	1.22x
Median			(5.9%)	21.7%									1.63x	13.1x	28.5x	23.5x	1.39x
Mobility Devices																	
Hill-Rom Holdings, Inc.	HRC	\$36.62	7.5%	39.6%	\$38.84	\$25.05	\$2,148	\$2,382	\$1,709.9	\$276.1	\$1.80	\$2.09	1.39x	8.6x	20.5x	17.5x	1.30x
Invacare Corporation	IVC	15.68	16.6%	9.5%	18.27	10.26	502	595	1,417.1	32.1	(0.26)	(0.85)	0.42x	18.6x	NM	NM	NM
Prism Medical Ltd.	PM	5.10	(3.5%)	(16.3%)	6.31	4.37	43	62	70.1	6.0	0.27	0.31	0.88x	10.3x	32.4x	16.4x	NM
Median			7.5%	9.5%									0.88x	10.3x	26.5x	17.0x	1.30x
Infection Prevention Devices																	
Cantel Medical Corp.	CMN	\$26.19	24.3%	48.4%	\$27.06	\$16.11	\$1,058	\$1,133	\$408.6	\$72.8	\$0.92	\$0.90	2.77x	15.6x	27.9x	29.1x	NM
Steris Corp.	STE	44.73	7.5%	46.8%	46.59	29.91	2,637	2,989	1,501.9	300.8	2.78	2.42	1.99x	9.9x	16.4x	18.5x	1.85x
Median			15.9%	47.6%									2.38x	12.7x	22.2x	23.8x	1.85x
Neural Implant Devices																	
Cyberonics Inc.	CYBX	\$52.86	21.7%	20.1%	\$56.73	\$42.31	\$1,453	\$1,317	\$254.3	\$83.0	\$1.62	\$1.87	5.18x	15.9x	31.8x	28.3x	1.62x
Integra LifeSciences Holdings Corporation	IART	38.16	8.9%	(0.9%)	44.53	30.87	1,071	1,506	831.3	154.8	1.44	2.52	1.81x	9.7x	35.6x	15.1x	1.37x
Globus Medical, Inc.	GMED	17.00	11.7%	NM	19.93	10.26	1,565	1,403	396.3	133.3	0.80	0.83	3.54x	10.5x	20.7x	20.5x	1.37x
Median			11.7%	9.6%									3.54x	10.5x	31.8x	20.5x	1.37x
Ophthalmology Devices																	
IRIDEX Corporation	IRIX	\$6.00	17.6%	86.9%	\$6.57	\$3.07	\$51	\$40	\$34.5	\$0.2	(\$0.02)	\$0.22	1.15x	NM	56.5x	27.3x	NM
The Cooper Companies Inc.	COO	125.32	13.5%	64.1%	129.06	71.40	6,098	6,426	1,538.4	433.1	5.43	6.39	4.18x	14.8x	21.5x	19.6x	1.27x
Optos plc	OPTS	2.32	(7.9%)	(14.6%)	3.52	1.63	167	223	179.2	31.1	0.22	0.16	1.25x	7.2x	11.7x	14.8x	NM
Median			13.5%	64.1%									1.25x	11.0x	21.5x	19.6x	1.27x
Surgical Devices																	
Alphatec Holdings, Inc.	ATEC	\$2.33	23.3%	34.7%	\$2.41	\$1.41	\$223	\$269	\$198.3	\$15.6	(\$0.17)	(\$0.07)	1.36x	17.3x	NM	NM	NM
ArthroCare Corporation	ARTC	35.49	2.4%	18.8%	37.49	27.21	1,001	852	367.9	92.0	1.25	1.44	2.32x	9.3x	29.8x	24.6x	1.82x
Bovie Medical Corp.	BVX	3.10	(4.6%)	33.6%	4.79	2.10	55	55	26.6	0.8	0.03	NM	2.06x	NM	NM	NM	NM
CONMED Corporation	CNMD	33.09	5.6%	19.8%	34.86	25.07	910	1,106	760.2	127.7	1.41	1.84	1.45x	8.7x	23.5x	18.0x	NM
Intuitive Surgical, Inc.	ISRG	385.82	(21.6%)	(21.5%)	585.67	357.02	15,321	14,031	2,337.0	992.4	15.98	15.81	6.00x	14.1x	22.4x	24.4x	1.66x
Theragenics Corp.	TGX	2.02	40.3%	10.4%	2.15	1.32	59	47	80.7	10.1	0.07	NM	0.58x	4.6x	52.3x	NM	NM
Median			4.0%	19.3%									1.76x	9.3x	26.6x	24.4x	1.74x

Source: Capital IQ as of July 30, 2013; For definitions, see page 19

(\$ in millions, except per share amounts)

Company Name	Ticker	Price 7/30/13	% Change		52-Week		Market Cap	Ent Val (TEV)	LTM		EPS		LTM Multiples		Earnings Ratio		PEG Ratio 2013E
			3 mo	12 mo	High	Low			Rev	EBITDA	2012	2013E	Rev	EBITDA	LTM	2013E	
Diversified Medical Devices																	
Abaxis, Inc.	ABAX	\$41.30	(3.3%)	13.9%	\$51.84	\$33.28	\$920	\$835	\$187.2	\$31.2	\$1.14	\$0.98	4.46x	26.8x	33.4x	42.1x	2.81x
AtriCure, Inc.	ATRC	9.66	15.8%	14.6%	10.00	5.90	202	174	72.2	(3.9)	(0.47)	(0.42)	2.41x	NM	NM	NM	NM
Baxter International Inc.	BAX	73.54	5.3%	24.7%	74.60	57.40	39,961	43,178	14,347.0	4,026.0	4.18	4.67	3.01x	10.7x	18.3x	15.7x	1.78x
CareFusion Corporation	CFN	38.59	15.4%	58.0%	39.20	23.93	8,482	8,024	3,608.0	812.0	1.74	2.16	2.22x	9.9x	23.4x	17.8x	1.58x
CR Bard Inc.	BCR	114.25	15.0%	16.3%	115.00	93.69	9,043	9,667	2,985.7	887.3	6.16	6.06	3.24x	10.9x	51.6x	18.8x	1.87x
CryoLife Inc.	CRY	7.01	16.8%	31.5%	7.80	4.94	194	182	134.8	19.8	0.28	0.27	1.35x	9.2x	25.9x	26.0x	NM
Hospira Inc.	HSP	39.70	19.9%	13.8%	40.00	28.62	6,570	7,589	4,010.2	231.4	0.27	2.03	1.89x	32.8x	NM	19.6x	2.57x
IDEXX Laboratories, Inc.	IDXX	97.85	11.2%	9.8%	101.18	81.57	5,141	5,260	1,319.7	320.4	3.17	3.46	3.99x	16.4x	29.3x	28.3x	1.97x
Masimo Corporation	MASI	23.45	16.9%	3.3%	25.35	19.03	1,323	1,244	508.1	96.2	1.07	1.14	2.45x	12.9x	21.7x	20.6x	1.37x
Misonix Inc.	MSON	5.15	(10.0%)	107.7%	9.13	2.40	37	30	16.4	(2.1)	(0.10)	(0.03)	1.86x	NM	NM	NM	NM
Natus Medical Inc.	BABY	12.70	1.5%	2.3%	15.18	9.65	386	414	318.7	34.6	0.13	0.76	1.30x	12.0x	55.1x	16.8x	1.05x
PhotoMedex, Inc.	PHMD	15.96	(2.1%)	11.7%	17.05	9.85	330	267	227.6	40.9	1.08	1.39	1.17x	6.5x	13.8x	11.5x	0.58x
ResMed Inc.	RMD	46.83	(2.5%)	47.6%	51.40	30.98	6,672	6,000	1,471.8	440.4	1.98	2.34	4.08x	13.6x	22.0x	20.0x	1.23x
Solta Medical, Inc.	SLTM	2.76	41.5%	(18.8%)	3.46	1.44	219	217	146.6	7.8	(0.59)	(0.01)	1.48x	27.9x	NM	NM	NM
SurModics, Inc.	SRDX	20.16	(23.8%)	22.8%	27.98	15.11	292	257	55.3	21.3	0.73	0.47	4.64x	12.0x	23.5x	43.1x	2.87x
Teleflex Incorporated	TFX	79.15	1.3%	28.7%	87.46	61.27	3,254	3,923	1,579.4	328.0	(4.47)	4.82	2.48x	12.0x	26.5x	16.4x	1.37x
Varian Medical Systems, Inc.	VAR	72.29	11.0%	31.7%	75.78	53.74	7,838	7,188	2,929.1	683.7	3.83	4.12	2.45x	10.5x	18.2x	17.5x	1.42x
Median			11.0%	16.3%									2.39x	11.4x	24.3x	19.4x	1.62x
Life Science Conglomerates																	
illumina Inc.	ILMN	\$80.89	25.0%	91.0%	\$83.23	\$40.43	\$10,121	\$9,843	\$1,272.2	\$369.6	\$1.13	\$1.73	7.74x	26.6x	95.1x	46.8x	2.78x
Life Technologies Corporation	LIFE	74.66	1.3%	69.6%	74.81	43.17	12,891	15,011	3,821.9	1,198.4	2.40	4.20	3.93x	12.5x	31.6x	17.8x	1.79x
PerkinElmer Inc.	PKI	34.38	12.2%	34.2%	35.86	24.71	3,848	4,749	2,109.7	319.4	0.60	2.05	2.25x	14.9x	49.8x	16.8x	1.59x
Thermo Fisher Scientific, Inc.	TMO	90.48	12.1%	61.4%	92.29	53.77	32,584	38,286	12,776.6	2,681.3	3.43	5.35	3.00x	14.3x	25.2x	16.9x	1.75x
Median			12.2%	65.5%									3.46x	14.6x	40.7x	17.4x	1.77x

Source: Capital IQ as of July 30, 2013; For definitions, see page 19

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Company Name	Ticker	Price 7/30/13	% Change		52-Week		Market Cap	Ent Val (TEV)	LTM		EPS		LTM Multiples		Earnings Ratio		PEG Ratio 2013E
			3 mo	12 mo	High	Low			Rev	EBITDA	2012	2013E	Rev	EBITDA	LTM	2013E	
Lab Instrumentation & Devices																	
Bruker Corporation	BRKR	\$17.80	0.2%	54.2%	\$19.46	\$11.01	\$2,974	\$3,044	\$1,779.2	\$223.4	\$0.46	\$0.81	1.71x	13.6x	44.5x	22.1x	1.79x
Harvard Bioscience Inc.	HBIO	5.45	6.4%	38.3%	6.15	3.60	164	155	108.9	5.9	0.05	0.07	1.42x	26.4x	NM	77.9x	NM
Waters Corporation	WAT	100.51	8.8%	28.7%	106.00	74.36	8,613	8,231	1,853.2	582.0	5.19	5.06	4.44x	14.1x	18.1x	19.9x	1.90x
Median			6.4%	38.3%									1.71x	14.1x	31.3x	22.1x	1.84x
Lab Equipment																	
Kewaunee Scientific Corp.	KEQU	\$13.37	2.5%	11.4%	\$13.83	\$11.00	\$35	\$41	\$117.1	\$7.9	\$1.19	NM	0.35x	5.2x	11.4x	NM	NM
Mettler-Toledo International Inc.	MTD	221.01	5.8%	43.2%	229.68	150.87	6,618	6,960	2,338.9	475.3	9.14	10.54	2.98x	14.6x	23.1x	21.0x	1.49x
Median			4.1%	27.3%									1.66x	9.9x	17.3x	21.0x	1.49x
Life Science Consumables																	
Affymetrix Inc.	AFFX	\$3.79	4.1%	(8.5%)	\$5.26	\$2.96	\$269	\$407	\$308.3	\$19.0	(\$0.15)	\$0.01	1.32x	21.4x	NM	NM	NM
Bio-Rad Laboratories, Inc.	BIO	121.83	1.7%	27.7%	127.17	93.37	3,461	3,358	2,082.6	352.9	5.72	5.20	1.61x	9.5x	23.0x	23.4x	NM
Cambrex Corporation	CBM	14.67	17.5%	57.4%	15.66	8.81	441	481	281.4	58.9	2.09	0.83	1.71x	8.2x	6.6x	17.7x	0.74x
Luminex Corporation	LMNX	20.38	22.5%	14.7%	24.10	15.39	844	802	213.1	34.4	0.30	0.34	3.77x	23.3x	NM	59.2x	1.12x
Techne Corp.	TECH	73.65	14.8%	1.2%	76.00	62.55	2,713	2,400	309.8	174.6	2.98	3.27	7.75x	13.7x	24.4x	22.5x	2.25x
Median			14.8%	14.7%									2.74x	11.6x	23.0x	23.0x	1.12x
Large-Cap Pharmaceuticals																	
AbbVie Inc.	ABBV	\$44.70	(2.9%)	NM	\$48.00	\$32.51	\$70,793	\$78,472	\$18,735.0	\$7,795.9	\$3.34	\$3.12	4.19x	10.1x	13.2x	14.3x	2.21x
Allergan Inc.	AGN	91.01	(19.9%)	6.7%	116.45	81.28	27,990	27,932	5,917.8	1,867.3	3.58	4.74	4.72x	15.0x	24.4x	19.2x	1.49x
Bristol-Myers Squibb Company	BMJ	43.33	9.1%	21.6%	49.57	30.64	71,335	75,762	15,806.0	4,089.0	1.16	1.77	4.79x	18.5x	52.9x	24.5x	2.99x
Eli Lilly and Company	LLY	53.32	(3.7%)	21.0%	58.41	42.10	58,313	59,031	22,932.4	6,895.4	3.66	4.04	2.57x	8.6x	12.0x	13.2x	(4.09x)
Merck & Co. Inc.	MRK	48.05	2.2%	8.0%	50.16	40.02	145,092	152,472	44,907.0	14,942.0	2.00	3.48	3.40x	10.2x	28.8x	13.8x	4.01x
Pfizer Inc.	PFE	29.67	2.1%	25.1%	31.15	23.55	210,456	216,064	56,556.0	24,881.0	1.26	2.16	3.82x	8.7x	19.5x	13.7x	4.35x
Median			(0.4%)	21.0%									4.00x	10.1x	21.9x	14.1x	2.60x

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			3 mo	12 mo	High	Low			Rev	EBITDA	2012	2013E	Rev	EBITDA	LTM	2013E	
Pharmaceuticals																	
Akorn, Inc.	AKRX	\$14.00	(7.0%)	(0.5%)	\$15.49	\$11.73	\$1,345	\$1,405	\$278.3	\$92.3	\$0.32	\$0.55	5.05x	15.2x	36.0x	25.5x	1.12x
BioDelivery Sciences International, Inc.	BDSI	4.27	(24.8%)	(9.1%)	6.89	3.52	162	113	39.6	(13.7)	0.05	(1.02)	2.84x	NM	NM	NM	NM
BioSynt Inc.	RX	1.46	29.8%	80.4%	1.69	0.72	20	18	5.6	1.6	0.11	NM	3.18x	11.2x	13.7x	NM	NM
Cadence Pharmaceuticals Inc.	CADX	7.29	3.0%	71.5%	8.26	2.88	625	590	65.8	(50.8)	(0.95)	(0.27)	8.97x	NM	NM	NM	NM
Cipher Pharmaceuticals Inc.	DND	5.83	60.8%	317.6%	6.60	1.41	143	127	9.8	4.7	0.10	0.30	12.96x	26.7x	18.3x	19.4x	NM
Cornerstone Therapeutics Inc.	CRTX	8.92	6.4%	16.6%	10.37	3.10	239	265	131.9	11.9	(0.46)	0.58	2.01x	22.3x	NM	15.4x	NM
Cumberland Pharmaceuticals, Inc.	CPIX	5.73	22.4%	(6.8%)	6.85	4.03	106	40	48.9	11.2	0.30	0.14	0.81x	3.6x	17.6x	40.9x	1.36x
DURECT Corporation	DRRX	1.22	(22.3%)	13.0%	1.85	0.61	124	100	16.0	(18.6)	0.18	(0.21)	6.22x	NM	NM	NM	NM
Endo Health Solutions Inc.	ENDP	38.06	3.9%	27.9%	39.90	25.01	4,272	7,067	3,045.2	1,136.8	(6.40)	4.33	2.32x	6.2x	NM	8.8x	3.56x
Forest Laboratories Inc.	FRX	43.77	17.0%	29.4%	44.87	31.28	11,730	10,055	3,108.1	63.1	0.43	0.56	3.23x	NM	NM	78.9x	2.20x
Heska Corporation	HSKA	6.74	(19.2%)	(34.4%)	10.60	6.60	39	52	72.6	2.2	0.22	0.06	0.72x	24.2x	NM	NM	NM
Hi-Tech Pharmacal Co., Inc.	HITK	36.32	9.9%	4.8%	38.17	28.70	493	394	232.4	48.6	2.25	2.07	1.70x	8.1x	30.5x	17.5x	8.55x
Impax Laboratories Inc.	IPXL	20.86	19.2%	1.7%	27.25	14.41	1,389	1,040	601.6	167.3	0.82	0.21	1.73x	6.2x	9.6x	99.8x	6.42x
Lannett Company, Inc.	LCI	13.86	19.4%	182.3%	14.21	3.93	398	366	146.6	21.8	0.31	0.32	2.49x	16.7x	35.3x	43.2x	1.73x
Mylan, Inc.	MYL	33.41	14.8%	43.1%	33.62	22.50	12,786	18,740	6,843.9	1,902.8	1.52	2.87	2.74x	9.8x	22.3x	11.6x	1.32x
Merus Labs International Inc.	MSL	1.00	65.1%	(41.3%)	1.69	0.47	38	83	20.4	12.7	(0.71)	(0.08)	4.07x	6.5x	NM	NM	NM
Paladin Labs Inc.	PLB	54.28	8.9%	6.3%	56.58	37.88	1,119	948	236.5	79.2	2.87	2.14	4.01x	12.0x	19.8x	25.4x	NM
Patheon Inc.	PTI	5.58	27.2%	123.2%	6.18	2.34	786	1,320	881.1	117.1	(1.06)	0.26	1.50x	11.3x	NM	21.9x	NM
Questcor Pharmaceuticals, Inc.	QCOR	51.91	68.9%	37.6%	53.85	17.25	3,114	3,039	620.6	346.6	3.14	3.96	4.90x	8.8x	13.9x	13.1x	0.50x
Salix Pharmaceuticals Ltd.	SLXP	73.75	41.0%	59.5%	75.53	37.52	4,521	4,427	766.9	249.4	1.01	3.44	5.77x	17.8x	60.6x	21.4x	1.01x
Santarus, Inc.	SNTS	23.20	26.3%	217.4%	25.99	4.82	1,506	1,419	251.5	45.5	0.27	0.88	5.64x	31.2x	45.0x	26.2x	1.28x

Source: Capital IQ as of July 30, 2013; For definitions, see page 19

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Company Name	Ticker	Price 7/30/13	% Change		52-Week		Market Cap	Ent Val (TEV)	LTM		EPS		LTM Multiples		Earnings Ratio		PEG Ratio 2013E	
			3 mo	12 mo	High	Low			Rev	EBITDA	2012	2013E	Rev	EBITDA	LTM	2013E		
Pharmaceuticals (cont.)																		
SciClone Pharmaceuticals, Inc.	SCLN	\$6.11	29.2%	2.2%	\$6.29	\$3.68	\$330	\$248	\$156.3	\$38.3	\$0.16	\$0.63	1.58x	6.5x	38.2x	9.7x	NM	
The Medicines Company	MDCO	31.37	(7.1%)	23.6%	37.40	20.04	1,673	1,650	624.9	113.3	0.93	0.97	2.64x	14.6x	48.6x	32.3x	0.78x	
Valeant Pharmaceuticals International, Inc.	VRX	91.17	20.0%	87.5%	96.61	44.75	29,841	39,920	3,758.9	1,967.2	(0.38)	5.84	10.62x	20.3x	NM	15.6x	0.95x	
ViroPharma Inc.	VPHM	34.54	26.8%	49.6%	35.19	19.58	2,256	2,159	399.3	41.2	0.08	(0.67)	5.41x	NM	NM	NM	NM	
Warner Chilcott plc	WCRX	21.42	49.0%	24.4%	21.54	10.85	5,375	8,641	2,424.0	1,265.0	1.61	3.40	3.56x	6.8x	11.7x	6.3x	4.59x	
Median			19.3%	26.2%									3.21x	11.3x	22.3x	21.4x	1.34x	

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 July 30, 2013

Contacts

Jim Hesburgh

Managing Director

T: +1 212 871 5970

Duff & Phelps Securities, LLC
55 East 52nd Street
Floor 31
New York, NY 10055

jim.hesburgh@duffandphelps.com

Brooks Dexter

Managing Director

T: +1 424 249 1646

Duff & Phelps Securities, LLC
10100 Santa Monica Boulevard
Floor 11
Los Angeles, CA 90067

brooks.dexter@duffandphelps.com

John Pollock

Managing Director

T: +1 212 871 6670

Duff & Phelps Securities, LLC
55 East 52nd Street
Floor 31
New York, NY 10055

john.pollock@duffandphelps.com

John Grimes

Managing Director

T: +1 214 220 7262

Duff & Phelps Securities, LLC
1700 Pacific Avenue
Suite 1600
Dallas, TX 75201

john.grimes@duffandphelps.com

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