

Healthcare Sector Update

February 2013

Summary – Healthcare Services

- The S&P Healthcare Services Index has increased 15.6% over the last three months, outperforming the S&P 500.
- Over the past three months:
 - > The best-performing sectors were Acute Care Hospitals (up 26.8%) and Healthcare Staffing (up 22.7%).
 - > The worst-performing sectors were Diagnostic Imaging (down 4.3%) and Dialysis Services (down 2.1%).
- The current median LTM revenue and LTM EBITDA multiples for the Healthcare Services industry overall are 1.3x and 8.8x, respectively.
- The sectors with the highest valuation multiples include:
 - > Specialty HCIT (2.5x LTM Revenue, 26.3x LTM EBITDA)
 - > Provider-Based HCIT (3.3x LTM Revenue, 13.7x LTM EBITDA)

Pharmaceutical / Medical Devices / Life Sciences

- The S&P 500 - Pharmaceuticals, Biotechnology & Life Sciences Index has risen 5.4% over the last three months, underperforming the S&P 500.
- Over the past three months:
 - > The best-performing sectors were Lab Instrumentation & Devices (up 23.6%) and Orthopedic Devices (up 19.0%).
 - > The worst-performing sectors were Ophthalmology Devices (down 3.9%) and Neural Implant Devices (down 3.8%).
- The current median LTM revenue and LTM EBITDA multiples for the Pharmaceutical / Medical Device / Life Science industry overall are 2.4x and 10.5x, respectively.
- The sectors with the highest valuation multiples include:
 - > Biotechnology (3.9x LTM Revenue, 9.6x LTM EBITDA)
 - > Surgical Devices (1.5x LTM Revenue, 20.1x LTM EBITDA)

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M&A Activity - Healthcare Services

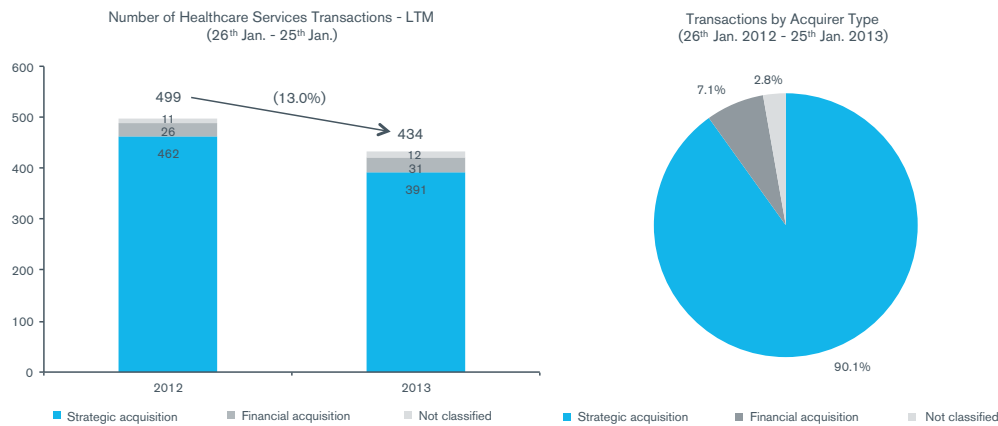
M&A Overview

The last twelve months ("LTM") M&A volume in the Healthcare Services sector has shown a monthly decline from February 2012 until November 2012, with volume rebounding to October 2012 levels by January 2013. The deal volume has declined by 13.0% Y-o-Y to 434 deals. Deal volume has increased by 4.3% Y-o-Y to 121 deals for the three months ended December 2012. The proportion of announced deals made by financial buyers has increased to 7.1% during the LTM as compared to 5.2% for the same time period last year.

M&A Activity by Healthcare Services Industry Sector

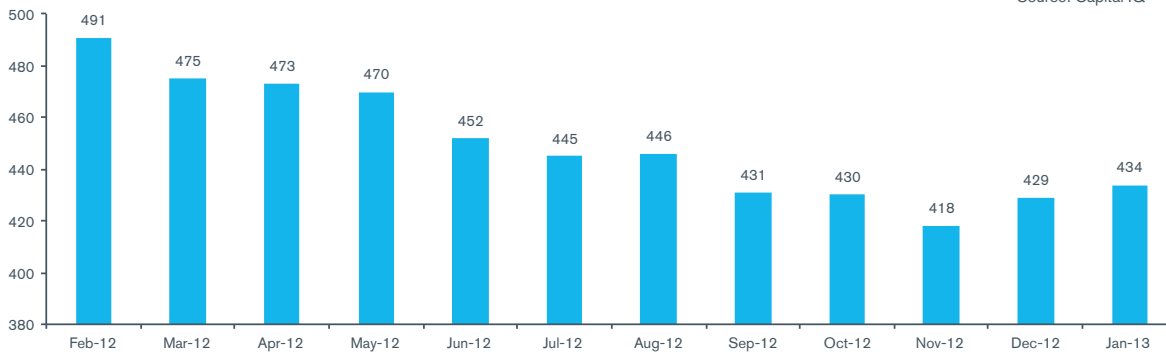
Specialty and Home care / Hospice / Long-term Care / Assisted Living have accounted for 14% and 12% of activity by number of deals in the last twelve months, respectively, and collectively they represent the two most active healthcare services sectors.

Exhibit 1: Transaction Activity



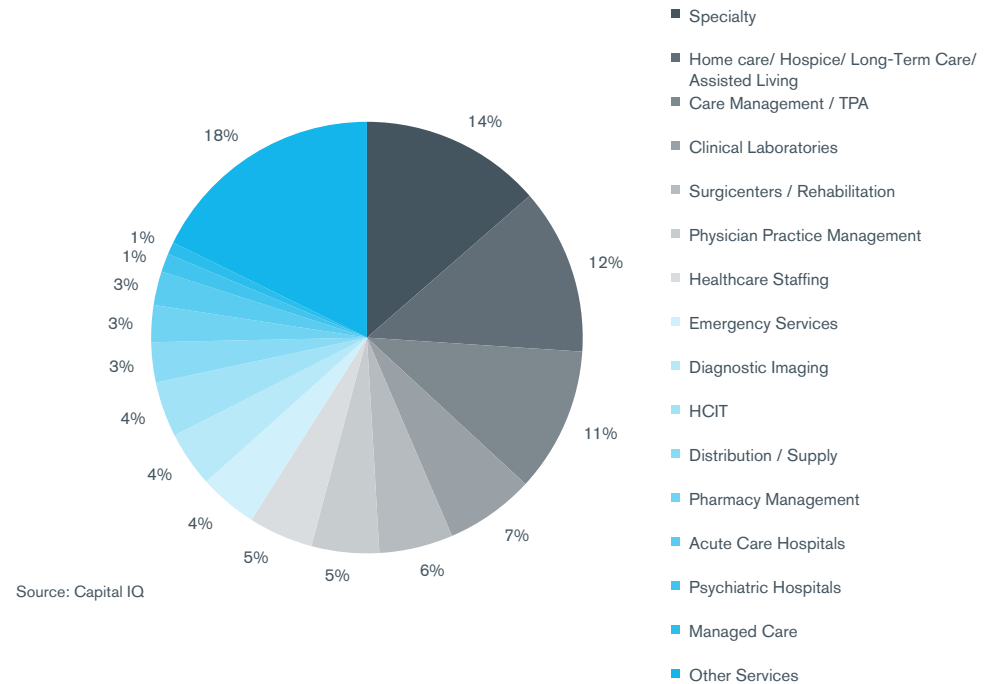
Source: Capital IQ

Exhibit 2: Monthly Transaction Volume – Rolling LTM



Source: Capital IQ; Note: Other Services include healthcare facilities, diversified healthcare service centers, asset-related transactions and business consultants.

Exhibit 3: M&A Target Spectrum – LTM (26th January 2012 - 25th January 2013)



Source: Capital IQ

Notable Transactions in the Last Three Months

Lenox Hill Radiology & Medical Imaging Associates P.C.

On December 31, RadNet, Inc. (NasdaqGM: RDNT) announced its strategic acquisition of Lenox Hill Radiology & Medical Imaging Associates P.C. for \$30.3 million, including the assumption of \$1.2 million in debt, representing 1.2x Revenue multiple based on \$40 million of annualized revenue. Lenox Hill Radiology owns and operates imaging centers providing a combination of MRI, PET/CT, CT, Ultrasound, X-ray, Mammography and other modalities. According to the January 2, 2013 press release, RadNet intends to amplify its market presence in Manhattan through this strategic acquisition.

M&A Transaction List - Last Three Months

Date	Target Name	Acquirer Name	Target Subsector
01/22/2013	Mountain States Administrative Services	HealthSmart Holdings, Inc.	Care Management / TPA
01/15/2013	Genesis Medical Imaging, Inc.	BC Technical, Inc.	Other services
01/15/2013	EMT, Inc.	First Call Ambulance Service, LLC	Emergency Services
01/14/2013	Grand Villa of Delray East and Grand Villa of Delray West	ValStone Partners, LLC; Senior Management Advisors, Inc.	Other services
01/13/2013	Michigan Orthopedic Center	HSA PrimeCare	Specialty
01/11/2013	Accellent, Inc., Watertown, Connecticut Facility	Utitec Holdings Inc.	Other services
01/11/2013	The Corridor Group, Inc.	HealthEdge Investment Partners	Other services
01/09/2013	Anesthesia Revenue Management and Practice Support Resources and ESi Acquisition, Inc.	Intermedix Corporation	Care Management / TPA
01/08/2013	Saint Vincent Anesthesia Medical Group, Inc. and Golden State Anesthesia Consultants, Inc.	EmCare Holdings, Inc.	Specialty
01/08/2013	National Pain Institute LLC	Prospira PainCare Holdings, LLC	Specialty
01/08/2013	San Francisco Physicians Internationale Medical Group, Inc.	Team Health Holdings, Inc.	Emergency Services
01/08/2013	Dermatology Associates of Tyler	Harbert Mezzanine Partners; Eagle Private Capital; Candescant Partners, LLC	Specialty
01/07/2013	Fresenius Medical Care AG & Co. KGAA, Dialysis Centers in Portugal and Poland	DaVita HealthCare Partners Inc.	Specialty
01/07/2013	Pacific Interpreters, Inc.	LL Services, Inc.	Other services
01/07/2013	Northern Valley Anesthesiology PA	Team Health Holdings, Inc.	Specialty
01/07/2013	Presscott Associates, Ltd.	ParenteBeard LLC	Care Management / TPA
01/07/2013	Vesper Hospice and Emblem Hospice	Cornerstone Healthcare, Inc.	Home care/ Hospice/ Long-term Care/ Assisted Living
01/07/2013	Puget Sound Home Health, LLC	The Ensign Group, Inc.	Home care/ Hospice/ Long-term Care/ Assisted Living
01/07/2013	Corporate Family Network Inc.	E4 Health, Inc.	Other services
01/07/2013	Dental Center of Silver Lakes, Certain Assets	Northwestern Management Services LLC	Other services
01/07/2013	Grace Hospice LLC	Halcyon Home Health, LLC	Home care/ Hospice/ Long-term Care/ Assisted Living
01/04/2013	Orthopaedic Associates of Saratoga, LLP (nka:OrthoNY, LLP)	Northeast Orthopaedics, LLP	Specialty
01/04/2013	Seacoast Eye Associates Inc.	Koch Eye Associates, Inc.	Specialty
01/03/2013	Four Separate Physician Practices	Baptist Medical Group, LLC	Physician Practice Management
01/03/2013	OncoMDx, Inc.	Core Diagnostics Private Limited	Clinical Laboratories
01/02/2013	UMass Memorial Medical Center, Inc., Anatomic Pathology Outreach Laboratory Business	Quest Diagnostics Inc.	Clinical Laboratories
01/02/2013	Access Family Services, Inc.	South Bay Mental Health Center, Inc.	Psychiatric Hospitals
01/02/2013	Morehead Associates, Inc.	Press Ganey Associates, Inc.	Care Management / TPA
01/02/2013	Prime Care Urgent Care and Prime Care Imaging	St. Peter's Health Care Services	Acute Care Hospitals

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Date	Target Name	Acquirer Name	Target Subsector
01/02/2013	Rocky Mountain Medical Service, PC	St. James Healthcare Inc.	Other services
01/02/2013	Town Total Nutrition, Inc.	BelHealth Investment Partners, LLC	Pharmacy Management
01/02/2013	Anesthesiologists Associated, P.C.	American Anesthesiology, Inc.	Specialty
01/02/2013	Pediatric Surgical Associates Inc.	MEDNAX, Inc.	Specialty
01/01/2013	Extrakare, LLC	Advanced Home Care, Inc.	Distribution / Supply
12/31/2012	Lenox Hill Radiology & Medical Imaging Associates P.C.	RadNet, Inc.	Diagnostic Imaging
12/31/2012	Sports Asylum, Inc.	SearchCore, Inc.	HCIT
12/31/2012	OralDNA Labs, Inc.	Access Genetics, LLC	Diagnostic Imaging
12/31/2012	Correctional Healthcare Companies, Inc.	GTCR, LLC; GTCR Fund X, L.P.	Other services
12/31/2012	Remuda Ranch Company	The Meadows of Wickenburg, Inc.	Specialty
12/31/2012	Atlantic Dermatology Associates, P.A.	Dermatology Clinics of Southwest Virginias, PLLC	Specialty
12/31/2012	SeraCare Life Sciences, Inc., Biorepository, Biobanking and Laboratory Services Business	Precision Health Holdings, Inc.	Clinical Laboratories
12/30/2012	Florida Heart Group, PA	Florida Hospital Medical Group, Inc.	Specialty
12/28/2012	Michiana Cancer Center, LLC, Michiana Hematology Oncology Medical Office Building	American Realty Capital Healthcare Trust, Inc.	Specialty
12/28/2012	4M Emergency Management	Island Medical Management Holdings	Emergency Services
12/27/2012	Guardian Medical Logistics LLC	BeavEx Incorporated	Other services
12/23/2012	Karmanos Hospice	Residential Home Health, LLC	Home care/ Hospice/ Long-term Care/ Assisted Living
12/21/2012	South Oakland Anesthesia Associates, PC	American Anesthesiology, Inc.	Specialty
12/21/2012	PathCentral Inc., Diagnostic Laboratory Business	Ascend Clinical, LLC	Clinical Laboratories
12/20/2012	Sundance Helicopters, Inc.	Air Methods Corp.	Emergency Services
12/20/2012	PhysIOM Group, LLC	ProNerve, LLC	HCIT
12/20/2012	AmeriCare Health Services, Inc.	Epic Health Services, Inc.	Healthcare Staffing
12/20/2012	Midwest Acute Care Consultants, P.C.	IPC The Hospitalist Company, Inc.	Physician Practice Management
12/20/2012	InQuiry Research, LLC, Clinical Services and Business Development Components	DZS Software Solutions, Inc.	Other services
12/19/2012	Merrimack Health Group, Inc., Three Building Portfolio of Senior Care Facilities in Massachusetts	Griffin-American Healthcare REIT II, Inc.	Home care/ Hospice/ Long-term Care/ Assisted Living
12/19/2012	Santé Pediatric Services	Epic Health Services, Inc.	Surgicenters / Rehabilitation
12/19/2012	Alliance of Home Care Physicians LLC	IPC The Hospitalist Company, Inc.	Physician Practice Management
12/17/2012	Homecare Advantage, Inc.	Kindred Healthcare Inc.	Home care/ Hospice/ Long-term Care/ Assisted Living
12/17/2012	Creative Health Concepts Inc.	WeiserMazars LLP, Investment Arm	Home care/ Hospice/ Long-term Care/ Assisted Living
12/17/2012	Greater Houston Anesthesiology, P.A.	U.S. Anesthesia Partners, Inc.	Specialty
12/17/2012	Eye Health Vision Centers, LLC	Plexus Capital; Koch Eye Associates, Inc.	Specialty
12/15/2012	Mobile Emergency Group, P.C.	Team Health Holdings, Inc.	Emergency Services

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Date	Target Name	Acquirer Name	Target Subsector
12/14/2012	Memphis Primary Care Associates, PLLC	Baptist Medical Group, LLC	Physician Practice Management
12/14/2012	Northeast Anesthesiology, Inc. and Anesthesiology Solution, LLC	North American Partners In Anesthesia, L.L.P.	Specialty
12/13/2012	Amerita, Inc.	PharMerica Corporation	Specialty
12/12/2012	Raj K. Bansal, M.D., P.C.	MEDNAX, Inc.	Specialty
12/11/2012	Weedmaps, LLC	RJM BV	HCIT
12/11/2012	Scisive Consulting, LP	Bionest Partners	Other services
12/10/2012	Home Healthcare Connection, Inc.	Encompass Home Health, Inc.	Home care/ Hospice/ Long-term Care/ Assisted Living
12/07/2012	Liberty Medical Supply, Inc.	-	Distribution / Supply
12/06/2012	GEO Care, Inc.	-	Psychiatric Hospitals
12/06/2012	Heartland Phone Friends, LLC	Senior Service Concierge, LLC	Home care/ Hospice/ Long-term Care/ Assisted Living
12/06/2012	NKY Med, LLC	Pinnacle Treatment Centers, Inc.	Surgicenters / Rehabilitation
12/05/2012	Faith Prosthetic-Orthotic Services Inc. and Scope Orthotics & Prosthetics Inc.	Hanger, Inc.	Specialty
12/04/2012	Mission Road Pharmacy Inc.	Salveo Specialty Pharmacy, Inc.	Specialty
12/04/2012	Martin, Fletcher, & Associates, LP	Parallon Business Solutions, LLC	Healthcare Staffing
12/04/2012	Europa Apotheek Venlo B.V.	-	Pharmacy Management
12/03/2012	Solamor Hospice, Inc.	National Hospice Holdings, LLC	Home care/ Hospice/ Long-term Care/ Assisted Living
12/03/2012	DeKalb Anesthesia Associates, P.A.	American Anesthesiology, Inc.	Specialty
12/03/2012	Abacus International Limited	Decision Resources Group	Care Management / TPA
12/03/2012	Tulips Dialysis Centre Sdn Bhd	DaVita HealthCare Partners Inc.	Specialty
12/03/2012	Sensia Healthcare Inc.	U.S. Healthworks, Inc.	Specialty
12/03/2012	Metropolitan ENT Associates Inc.	University of Pittsburgh Medical Center	Acute Care Hospitals
12/01/2012	StarPlus EMS	Acadian Ambulance Service, Inc.	Emergency Services
11/30/2012	Jacinto Medical Group, P.A., A Sleep and Imaging Center in Houston Suburb	University General Health System, Inc.	Diagnostic Imaging
11/30/2012	InfoMedics, Inc.	Physicians Interactive, Inc.	Care Management / TPA
11/29/2012	Southwest Eye Clinic, P.C. and Southwest Eye Clinic in Santa Teresa	Southwestern Eye Center, Ltd.	Specialty
11/28/2012	Euro RSCG Impact, Patient Education Wallboard Business	AccentHealth, LLC	Other services
11/27/2012	Case Management, Inc.	All Island Case Management Corporation	Home care/ Hospice/ Long-term Care/ Assisted Living
11/26/2012	Pediatric ENT Associates P.A. (nka:Children's ENT and Facial Plastic Surgery)	Children's Hospitals and Clinics of Minnesota Inc.	Specialty
11/25/2012	Visiting Nurse Association of Southeast Michigan and Visiting Nurse Home Support	King's Pointe Capital LLC	Home care/ Hospice/ Long-term Care/ Assisted Living
11/20/2012	Chesapeake Applications Inc.	Alpha Imaging, LLC	Healthcare Staffing
11/19/2012	Amazing Charts, Inc.	Pri-Med USA	HCIT

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Date	Target Name	Acquirer Name	Target Subsector
11/19/2012	Saint Joseph Outpatient Care Center	Saint Joseph Health System, Inc.	Diagnostic Imaging
11/19/2012	The American College of Nurse Practitioners	The American Academy of Nurse Practitioners, Inc. (nka:The American Association of Nurse Practitioners)	Other services
11/16/2012	GLT Medical Services, Ltd.	IPC The Hospitalist Company, Inc.	Healthcare Staffing
11/14/2012	Christiana Medical Group, P.A.	IPC The Hospitalist Company, Inc.	Healthcare Staffing
11/13/2012	Gilda's Club Western New York, Inc.	Life Transitions Center, Inc.	Other services
11/13/2012	QD Healthcare Group, LLC	Dowden Health Media, Inc.	HCIT
11/12/2012	Xtreme Healthcare Corporation	Xtreme Care Ambulance, Inc.	Emergency Services
11/09/2012	Discovery Health Record Solutions, LLC	HealthPort Incorporated	Care Management / TPA
11/07/2012	Hospital Medical Associates of Monmouth County	IPC The Hospitalist Company, Inc.	Physician Practice Management
11/06/2012	Harbor Health Systems, LLC	One Call Medical, Inc. (nka:One Call Care Management, Inc.)	HCIT
11/06/2012	Cancer Center at Fairfax	Virginia Cancer Specialists, P.C.	Specialty
11/06/2012	Two Clinics located in Florida Keys	Advanced Dermatology & Cosmetic Surgery Inc.	Specialty
11/05/2012	Pediatric Hospitalist Group	MEDNAX, Inc.	Healthcare Staffing
11/02/2012	Metropolitan Health Networks Inc.	Humana Inc.	Physician Practice Management
11/02/2012	SPSmedical Supply Corp.	Crosstex International, Inc.	Clinical Laboratories
11/02/2012	South Texas Cost Containment, Inc.	DISA Global Solutions, Inc.	Emergency Services
11/01/2012	Nurse on Call, Inc.	Emeritus Corp.	Home care/ Hospice/ Long-term Care/ Assisted Living
11/01/2012	Priority Care Inc.	U.S. Healthworks, Inc.	Surgicenters / Rehabilitation
11/01/2012	HHA Services, Inc.	ABM Industries Incorporated	Other Services
11/01/2012	MSC Group, Inc., S3 Strategic Surgical Solutions	Medical Implant Solutions, LLC	Other Services
11/01/2012	South Hills Cardiology Associates	St. Clair Health Corporation	Physician Practice Management
11/01/2012	Alabama Emergency Room Administrative Services PC, Certain Assets	Team Health Holdings, Inc.	Emergency Services
11/01/2012	Great Lakes Home Healthcare Services	MedCare Equipment Company, LLC	Home care/ Hospice/ Long-term Care/ Assisted Living

MARKET SECTOR	No. of Co's	Ag. Eqty Mkt. Value	Median % Change		LTM Multiples		Earnings Ratio		PEG Ratio 2012
			3 mo	12 mo	Rev	EBITDA	LTM	2012	
			Acute Care Hospitals	9	\$35,801	26.8%	36.4%	0.93x	
Assisted Living	8	6,044	13.9%	32.7%	2.10x	13.2x	6.5x	20.9x	2.0x
Care Management / TPA	7	5,814	7.9%	17.2%	1.15x	9.0x	21.9x	17.7x	1.2x
Clinical Laboratories	6	24,576	1.8%	6.4%	1.98x	8.5x	15.7x	13.1x	1.0x
Contract Research Orgs	6	9,860	17.3%	49.1%	1.39x	10.5x	31.4x	20.0x	1.3x
Diagnostic Imaging	3	185	(4.3%)	9.5%	1.39x	5.0x	23.3x	6.3x	NM
Dialysis Services	2	33,347	(2.1%)	19.6%	2.27x	11.0x	18.5x	16.4x	1.6x
Distribution / Supply	8	66,210	9.3%	16.3%	0.46x	8.7x	17.1x	15.0x	1.3x
Emergency Services	2	1,745	11.7%	24.6%	1.89x	7.7x	20.3x	21.1x	1.3x
HCIT - Provider Based	11	26,573	7.7%	20.6%	3.28x	13.7x	38.7x	22.3x	1.4x
HCIT - Specialty	9	6,588	9.0%	25.4%	2.47x	26.3x	42.2x	29.0x	1.2x
Healthcare Staffing	5	4,977	22.7%	59.3%	1.38x	14.5x	27.2x	19.9x	1.3x
Home Care / Hospice	6	2,772	7.8%	33.2%	0.52x	6.3x	14.1x	12.9x	1.0x
Long Term Care	4	1,915	4.0%	1.1%	0.63x	6.9x	13.5x	15.2x	0.9x
Managed Care - Commercial	8	131,807	6.0%	4.4%	0.51x	6.5x	10.7x	9.8x	0.9x
Managed Care - Government	3	5,842	12.9%	1.7%	0.18x	11.4x	10.0x	16.6x	1.1x
Other Services	4	9,925	0.5%	14.5%	1.31x	23.4x	35.6x	28.1x	1.7x
Pharmacy Management	5	60,562	13.6%	16.8%	0.76x	13.5x	28.8x	12.9x	1.0x
Physician Practice Mgmt	2	4,222	13.7%	13.3%	1.49x	9.4x	21.5x	15.7x	1.1x
Psychiatric Hospitals	3	2,938	22.0%	26.4%	0.34x	8.1x	19.9x	15.9x	1.2x
Specialty Managed Care	2	3,558	(2.0%)	(8.1%)	0.38x	5.2x	7.5x	8.0x	0.8x
Surgicenters / Rehabilitation	6	5,997	0.3%	19.6%	1.40x	7.5x	13.6x	14.4x	1.1x
Total / Median (\$MM)	119	451,257	8.5%	18.4%	1.34x	8.8x	19.2x	15.8x	1.2x

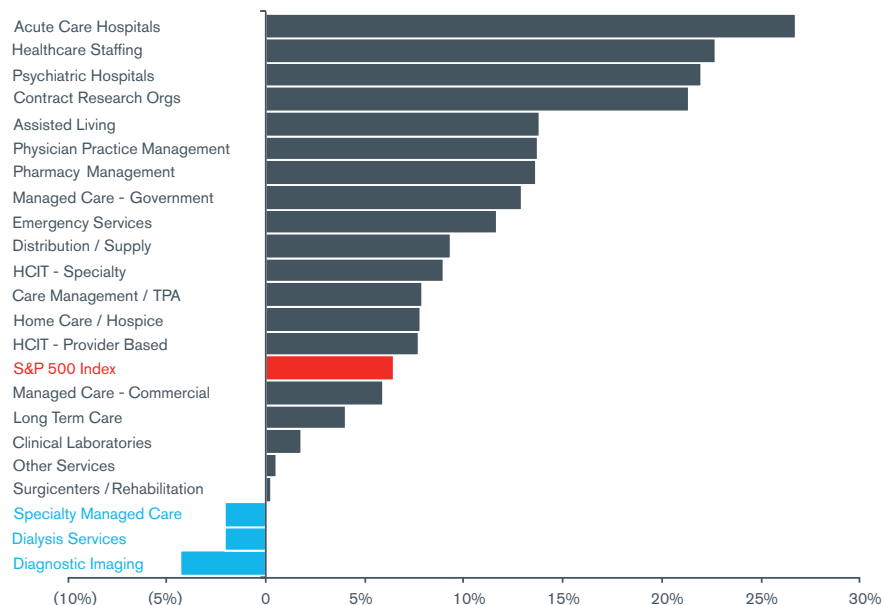
Source: Capital IQ

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	21	\$343,588	17.8%	76.2%	7.7%	26.9%	19.9%	6.5%
\$1 billion - \$5 billion	41	88,577	34.7%	19.6%	15.9%	38.7%	31.2%	11.2%
\$250 million - \$1 billion	32	16,713	27.1%	3.7%	8.3%	33.3%	28.6%	2.0%
\$100 million - \$250 million	9	1,592	7.6%	0.4%	20.5%	21.2%	14.3%	15.8%
< \$100 million	15	692	12.7%	0.2%	(2.5%)	20.2%	10.8%	(5.5%)
Total / Median (\$MM)	119	\$451,257	100.0%	100.0%	8.5%	26.9%	18.4%	6.5%

MARKET INDICES	Value at 1/25/2013	% Change			
		3 mo	YTD	12 mo	36 mo
Dow Jones Industrial Average	\$13,896.0	6.0%	6.0%	9.1%	36.3%
S&P 500 Index	1,503.0	6.4%	5.4%	14.0%	37.6%
NASDAQ Composite Index	3,149.7	5.4%	4.3%	12.3%	42.9%
Russell 2000 Index	905.2	11.3%	6.6%	14.2%	47.9%
AMEX Sector Index - Health Care	85.3	2.8%	4.4%	(2.5%)	0.4%
S&P Health Care Facilities (Sub Ind) Index	232.9	32.3%	15.8%	39.7%	36.3%
S&P Health Care Providers & Services (Industry) Index	345.4	21.4%	11.3%	29.0%	53.1%
S&P Managed Health Care (Sub Ind) Index	193.2	5.9%	7.7%	5.5%	55.4%
S&P Health Care Services	313.4	15.6%	7.9%	37.8%	45.7%

Source: Capital IQ

Median % Change – 3 months

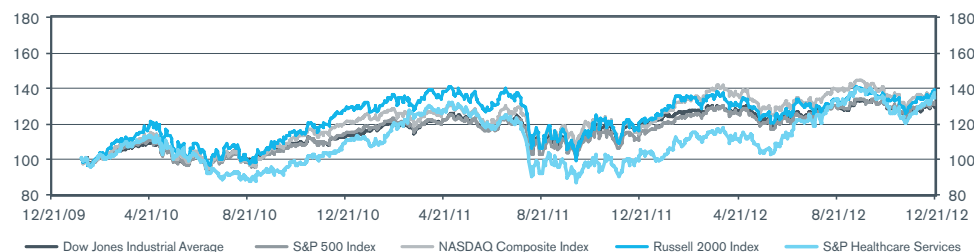


Source: Capital IQ

INTEREST RATES	Value at 1/28/13	1 mo ago	3 mo ago	12 mo ago
LIBOR - USD - 5 Month	0.41%	0.44%	0.46%	0.71%
U.S. Treasury - 2 year	0.27%	0.27%	0.32%	0.22%
U.S. Treasury - 5 years	0.85%	0.75%	0.80%	0.80%
U.S. Treasury - 10 years	1.95%	1.77%	1.83%	2.01%
U.S. Treasury - 30 years	3.13%	2.94%	2.98%	2.98%
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 1/25/13	% Change		52-Week		Market Cap	Ent Val (TEV)	LTM		EPS		LTM Multiples		Earnings Ratio		PEG Ratio 2012E
			3 mo	12 mo	High	Low			Rev	EBITDA	2012E	2013E	Rev	EBITDA	2012E	2013E	
Acute Care Hospitals																	
Chindex International Inc.	CHDX	\$10.80	4.3%	17.5%	\$11.26	\$8.22	\$177	\$174	\$140.9	\$15.1	NM	NM	1.23x	11.5x	NM	NM	NM
Community Health Systems, Inc.	CYH	38.57	39.5%	100.6%	38.73	18.49	3,449	13,418	14,669.1	1,899.2	3.61	3.86	0.91x	7.1x	14.6x	10.0x	0.81x
HCA Holdings, Inc.	HCA	37.74	20.7%	39.8%	38.07	22.95	16,716	44,878	35,674.0	6,545.0	3.53	3.57	1.26x	6.9x	5.3x	10.6x	0.96x
Health Management Associates Inc.	HMA	10.28	39.7%	53.7%	10.31	5.92	2,635	6,153	6,621.0	941.6	0.82	0.88	0.93x	6.5x	17.2x	11.7x	0.96x
Lifepoint Hospitals Inc.	LPNT	43.07	7.6%	6.3%	43.87	34.32	2,021	3,640	3,879.5	536.7	2.99	3.36	0.94x	6.8x	13.7x	12.8x	1.49x
SunLink Health Systems Inc.	SSY	1.20	14.3%	(13.7%)	1.63	0.76	11	33	146.3	11.2	NM	NM	0.23x	3.0x	15.0x	NM	NM
Tenet Healthcare Corp.	THC	39.05	64.4%	77.5%	39.30	17.24	4,158	8,932	9,939.0	1,182.0	1.90	2.87	0.90x	7.6x	43.5x	13.6x	1.06x
Universal Health Services Inc.	UHS	57.34	31.5%	36.4%	57.35	36.90	5,574	9,326	7,665.6	1,209.5	4.11	4.57	1.22x	7.7x	13.8x	12.6x	1.18x
Vanguard Health Systems Inc.	VHS	13.69	26.8%	20.0%	13.94	6.92	1,059	3,496	6,566.2	555.3	1.16	0.82	0.53x	6.3x	11.7x	16.7x	1.25x
Median			26.8%	36.4%									0.93x	6.9x	14.2x	12.6x	1.06x
Assisted Living																	
AdCare Health Systems Inc.	ADK	\$4.99	9.7%	11.6%	\$5.50	\$3.00	\$73	\$241	\$212.4	\$18.3	(\$0.06)	\$0.23	1.14x	13.2x	NM	22.2x	NM
Assisted Living Concepts Inc.	ALC	9.56	19.8%	(39.8%)	20.33	6.93	222	397	230.3	53.4	0.41	0.23	1.73x	7.4x	NM	41.6x	13.86x
Brookdale Senior Living Inc.	BKD	28.01	18.0%	57.8%	28.25	14.99	3,433	5,968	2,419.5	376.0	(0.36)	0.00	2.47x	15.9x	NM	NM	NM
Capital Senior Living Corp.	CSU	21.16	30.9%	159.3%	21.24	7.81	580	864	293.6	46.7	0.31	0.40	2.94x	18.5x	NM	NM	NM
Emeritus Corp.	ESC	27.64	18.5%	53.7%	27.74	14.24	1,248	3,357	1,300.1	226.9	(1.18)	(1.27)	2.58x	14.8x	NM	NM	NM
Five Star Quality Care Inc.	FVE	5.82	4.5%	65.3%	5.98	2.98	279	319	1,294.0	44.8	0.21	0.30	0.25x	7.1x	4.5x	19.6x	1.96x
Skilled Healthcare Group, Inc.	SKH	5.08	(26.3%)	(3.8%)	8.41	4.97	196	646	868.8	102.8	0.75	0.82	0.74x	6.3x	8.5x	6.2x	0.52x
Sunrise Senior Living Inc.	SRZ	0.06	(41.0%)	(47.6%)	0.17	0.06	13	8	0.2	(0.3)	(0.01)	(0.00)	46.58x	NM	NM	NM	NM
Median			13.9%	32.7%									2.10x	13.2x	6.5x	20.9x	1.96x
Care Management / TPA																	
Alere Inc.	ALR	\$21.11	8.9%	(8.3%)	\$27.22	\$17.13	\$1,707	\$5,613	\$2,714.2	\$607.4	\$2.22	\$2.42	2.07x	9.2x	NM	8.7x	0.84x
CorVel Corporation	CRVL	44.60	2.7%	(11.2%)	54.23	39.46	500	480	421.8	55.0	2.20	2.52	1.15x	8.8x	21.9x	17.7x	NM
Crawford & Company	CRD.B	6.67	39.5%	17.2%	8.46	3.25	306	471	1,129.4	107.1	0.90	0.82	0.42x	4.4x	10.0x	8.1x	0.65x
ExamWorks Group, Inc.	EXAM	14.90	6.3%	50.1%	15.49	9.62	511	886	496.9	63.2	(0.53)	(0.32)	1.78x	14.0x	NM	NM	NM
Healthways Inc.	HWAY	10.40	7.9%	34.5%	11.96	6.12	353	648	682.0	93.9	0.27	0.33	0.95x	6.9x	NM	31.7x	1.90x
Hooper Holmes Inc.	HH	0.52	(13.4%)	(26.8%)	0.73	0.33	36	28	148.7	(5.0)	NM	NM	0.19x	NM	NM	NM	NM
MAXIMUS, Inc.	MMS	70.46	25.7%	54.7%	71.00	39.93	2,402	2,214	1,050.1	152.1	2.41	3.15	2.11x	14.6x	32.0x	22.4x	1.57x
Median			7.9%	17.2%									1.15x	9.0x	21.9x	17.7x	1.20x

Source: Capital IQ as of January 25, 2013; For definitions, see page 15

Healthcare Sector Update

(\$ in millions, except per share amounts)

Company Name	Ticker	Price 1/25/13	% Change		52-Week		Market Cap	Ent Val (TEV)	LTM		EPS		LTM Multiples		Earnings Ratio		PEG Ratio 2012E
			3 mo	12 mo	High	Low			Rev	EBITDA	2012E	2013E	Rev	EBITDA	2012E	2013E	
Clinical Laboratories																	
Bio-Reference Laboratories Inc.	BRLI	\$29.42	1.6%	53.7%	\$32.86	\$18.29	\$815	\$808	\$661.7	\$92.8	\$1.52	\$1.85	1.22x	8.7x	19.3x	15.9x	0.92x
CML Healthcare, Inc.	CLC	7.06	(17.1%)	(32.0%)	10.90	5.37	633	907	383.1	119.2	0.65	0.62	2.37x	7.6x	9.8x	11.4x	(0.95x)
Laboratory Corp. of America Holdings	LH	88.66	3.6%	(3.4%)	95.30	81.56	8,387	10,602	5,632.2	1,275.0	6.90	7.30	1.88x	8.3x	14.9x	12.1x	1.01x
Psychemedics Corp.	PMD	12.10	7.5%	25.8%	12.49	9.46	64	60	25.1	5.7	NM	NM	2.39x	10.5x	20.2x	NM	NM
Quest Diagnostics Inc.	DGX	57.94	(1.1%)	(4.3%)	64.87	53.25	9,211	12,301	7,382.6	1,603.5	3.92	4.42	1.67x	7.7x	14.9x	13.1x	1.16x
Sonic Healthcare Ltd.	ASX:SHL	13.80	2.0%	16.2%	14.56	11.37	5,466	7,133	3,423.7	644.5	0.87	0.94	2.08x	11.1x	16.4x	14.7x	1.80x
Median			1.8%	6.4%									1.98x	8.5x	15.7x	13.1x	1.01x
Contract Research Orgs																	
Albany Molecular Research Inc.	AMRI	\$5.96	70.8%	88.0%	\$6.24	\$2.25	\$184	\$177	\$206.1	\$18.1	\$0.17	\$0.24	0.86x	9.8x	NM	24.8x	NM
BioClinica, Inc.	BIOC	6.06	(3.8%)	16.8%	6.59	4.60	95	86	75.2	10.5	0.38	0.50	1.14x	8.2x	26.3x	12.1x	NM
Charles River Laboratories International, Inc.	CRL	43.15	8.5%	28.8%	43.30	31.48	2,095	2,676	1,140.4	274.2	2.71	2.90	2.35x	9.8x	19.4x	14.9x	1.57x
Covance Inc.	CVD	67.61	36.9%	43.4%	69.13	42.31	3,700	3,527	2,180.6	285.5	1.68	3.00	1.62x	12.4x	39.9x	22.6x	1.83x
ICON Public Limited Company	ICLR	29.21	21.4%	54.8%	29.43	18.40	1,761	1,581	1,057.5	98.8	0.99	1.49	1.50x	16.0x	46.3x	19.6x	0.83x
PAREXEL International Corporation	PRXL	34.43	13.3%	63.5%	34.79	20.27	2,025	2,050	1,593.7	181.5	1.29	1.67	1.39x	11.7x	29.8x	20.6x	1.01x
Median			17.3%	49.1%									1.39x	10.5x	31.4x	20.0x	1.29x
Diagnostic Imaging																	
Alliance Healthcare Services, Inc.	AIQ	\$6.46	(4.3%)	9.5%	\$10.95	\$3.61	\$67	\$667	\$478.1	\$152.7	NM	NM	1.39x	4.4x	NM	NM	NM
American Shared Hospital Services	AMS	2.23	(23.1%)	(19.5%)	3.55	2.17	10	48	17.4	9.6	NM	NM	2.75x	5.0x	37.4x	NM	NM
RadNet, Inc.	RDNT	2.83	8.8%	30.4%	3.64	2.13	109	661	681.0	112.5	0.18	0.45	0.97x	5.9x	9.2x	6.3x	NM
Median			(4.3%)	9.5%									1.39x	5.0x	23.3x	6.3x	NM
Dialysis Services																	
DaVita HealthCare Partners Inc.	DVA	\$114.53	2.8%	39.9%	\$116.50	\$77.81	\$12,000	\$18,056	\$7,788.9	\$1,636.1	\$6.11	\$7.40	2.32x	11.0x	20.6x	15.5x	1.22x
Fresenius Medical Care AG & Co. KGAA	DB:FME	69.75	(6.9%)	(0.6%)	81.05	64.56	21,347	30,389	13,623.9	2,778.8	3.90	4.04	2.23x	10.9x	16.4x	17.3x	1.91x
Median			(2.1%)	19.6%									2.27x	11.0x	18.5x	16.4x	1.56x

Source: Capital IQ as of January 25, 2013; For definitions, see page 15

Healthcare Sector Update

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			3 mo	12 mo	High	Low			Rev	EBITDA	2012E	2013E	Rev	EBITDA	2012E	2013E	
Distribution / Supply																	
Aceto Corp.	ACET	\$10.45	8.0%	44.1%	\$10.81	\$7.26	\$284	\$308	\$454.8	\$35.7	\$0.74	\$0.95	0.68x	8.6x	14.7x	11.0x	0.61x
AmerisourceBergen Corporation	ABC	45.03	13.3%	13.4%	46.59	35.48	10,391	11,369	80,644.0	1,429.8	2.84	3.20	0.14x	8.0x	15.9x	14.1x	1.16x
Cardinal Health, Inc.	CAH	44.90	9.8%	6.7%	45.23	36.91	15,256	15,647	106,649.0	2,230.0	3.34	3.61	0.15x	7.0x	14.1x	12.4x	1.17x
Henry Schein, Inc.	HSIC	87.79	17.4%	24.3%	87.90	69.68	7,725	8,622	8,871.7	738.0	4.37	4.85	0.97x	11.7x	20.7x	18.1x	1.48x
McKesson Corporation	MCK	106.62	14.4%	37.0%	106.73	78.05	25,167	25,917	123,186.0	2,960.0	7.18	7.83	0.21x	8.8x	16.1x	13.6x	0.91x
Owens & Minor Inc.	OMI	30.75	5.3%	0.0%	31.49	26.97	1,949	2,086	8,779.1	251.4	1.91	1.93	0.24x	8.3x	18.1x	15.9x	1.67x
Patterson Companies, Inc.	PDCO	36.64	8.8%	14.1%	36.96	30.45	3,980	4,255	3,587.8	397.8	2.05	2.19	1.19x	10.7x	18.5x	16.7x	1.57x
PSS World Medical Inc.	PSSI	28.97	1.4%	18.4%	28.97	18.64	1,458	1,799	2,160.0	169.4	1.10	1.33	0.83x	10.6x	21.4x	21.8x	1.42x
Median			9.3%	16.3%									0.46x	8.7x	17.1x	15.0x	1.30x
Emergency Services																	
Air Methods Corp.	AIRM	\$44.12	23.4%	65.0%	\$44.38	\$26.97	\$1,708	\$2,235	\$827.9	\$250.7	\$2.28	\$2.38	2.70x	8.9x	20.3x	18.6x	1.11x
InfuSystem Holdings, Inc.	INFU	1.65	(0.0%)	(15.8%)	2.51	1.38	36	61	56.6	9.3	(0.06)	0.07	1.07x	6.6x	NM	23.6x	1.57x
Median			11.7%	24.6%									1.89x	7.7x	20.3x	21.1x	1.34x
HCIT - Provider Based																	
Accretive Health, Inc.	AH	\$13.40	15.0%	(50.1%)	\$28.46	\$7.75	\$1,303	\$1,107	\$973.6	\$28.7	\$0.25	\$0.47	1.14x	38.6x	78.1x	28.3x	1.08x
The Advisory Board Company	ABCO	53.88	14.9%	36.0%	54.54	36.04	1,877	1,781	413.8	66.4	1.15	1.41	4.30x	26.8x	76.9x	38.3x	1.86x
Allscripts Healthcare Solutions, Inc.	MDRX	10.83	(17.6%)	(42.0%)	21.66	8.84	1,857	2,225	1,483.6	227.2	0.71	0.81	1.50x	9.8x	40.8x	13.3x	0.95x
athenahealth, Inc.	ATHN	89.07	40.7%	55.4%	97.37	56.33	3,231	3,051	398.5	50.0	0.99	1.22	7.66x	61.0x	NM	73.1x	2.72x
Cerner Corporation	CERN	83.38	21.8%	37.5%	88.32	59.51	14,305	13,463	2,517.7	687.4	2.36	2.78	5.35x	19.6x	38.7x	30.0x	1.60x
Computer Programs & Systems Inc.	CPSI	54.21	2.6%	5.2%	64.00	44.95	601	577	177.6	42.5	2.71	3.12	3.25x	13.6x	21.7x	17.4x	1.20x
Greenway Medical Technologies, Inc.	GWAY	16.09	(4.5%)	NM	19.65	12.20	476	441	131.1	7.7	0.26	0.37	3.36x	57.6x	38.2x	43.7x	1.46x
MedAssets, Inc.	MDAS	19.77	13.1%	86.5%	19.88	10.37	1,168	2,075	633.1	193.5	1.12	1.29	3.28x	10.7x	99.5x	15.4x	1.26x
Merge Healthcare Incorporated	MRGE	2.78	(17.0%)	(48.8%)	6.90	2.20	259	465	248.3	45.7	0.08	0.16	1.87x	10.2x	NM	17.4x	1.68x
National Research Corp.	NRCI	54.33	7.7%	37.2%	58.23	37.45	372	371	83.5	27.1	2.17	2.43	4.44x	13.7x	25.6x	22.3x	1.44x
Quality Systems Inc.	QSII	18.90	6.5%	(51.8%)	45.00	15.04	1,125	1,019	457.9	108.5	1.04	1.18	2.22x	9.4x	18.1x	16.0x	1.41x
Median			7.7%	20.6%									3.28x	13.7x	38.7x	22.3x	1.44x

Source: Capital IQ as of January 25, 2013; For definitions, see page 15

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			3 mo	12 mo	High	Low			Rev	EBITDA	2012E	2013E	Rev	EBITDA	2012E	2013E	
HCIT - Specialty																	
Accelrys Inc.	ACCL	\$9.55	9.0%	28.2%	\$9.87	\$7.12	\$531	\$390	\$158.1	\$14.9	\$0.32	\$0.39	2.47x	26.3x	45.9x	24.6x	1.16x
CardioNet, Inc.	BEAT	2.17	(12.5%)	(30.4%)	3.44	1.84	55	37	108.3	0.1	(0.37)	(0.18)	0.34x	NM	NM	NM	NM
Epocrates, Inc.	EPOC	11.69	30.0%	25.4%	11.97	6.90	291	212	110.1	(2.5)	0.19	0.22	1.93x	NM	NM	52.5x	3.09x
Healthstream Inc.	HSTM	24.97	0.8%	37.5%	30.76	16.00	655	559	97.8	19.6	0.30	0.39	5.72x	28.5x	89.7x	64.8x	3.41x
HMS Holdings Corp.	HMSY	28.30	5.1%	(13.4%)	37.19	18.50	2,460	2,669	440.3	133.9	0.84	0.98	6.06x	19.9x	57.8x	29.0x	1.21x
Medidata Solutions, Inc.	MDSO	45.85	20.3%	121.8%	46.28	18.14	1,188	1,065	206.9	34.9	0.65	0.84	5.14x	30.5x	38.5x	54.6x	2.70x
Omnicell Inc.	OMCL	15.76	18.9%	(4.4%)	16.83	12.33	523	468	286.8	39.2	0.87	1.04	1.63x	11.9x	38.0x	15.1x	0.92x
Streamline Health Solutions, Inc.	STRM	5.48	(2.1%)	220.6%	6.60	1.60	69	80	21.5	2.7	0.09	0.23	3.69x	29.3x	26.9x	23.8x	1.11x
WebMD Health Corp.	WBMD	16.65	23.7%	(38.1%)	28.62	13.13	816	647	487.8	39.6	(0.39)	(0.26)	1.33x	16.3x	NM	NM	NM
Median			9.0%	25.4%									2.47x	26.3x	42.2x	29.0x	1.21x
Healthcare Staffing																	
AMN Healthcare Services Inc.	AHS	\$12.35	24.4%	153.6%	\$12.72	\$4.62	\$548	\$741	\$928.2	\$63.8	\$0.41	\$0.53	0.80x	11.6x	NM	23.1x	1.36x
Cross Country Healthcare, Inc.	CCRN	5.36	17.5%	(14.8%)	6.73	3.80	166	193	506.8	10.3	(0.09)	0.18	0.38x	18.7x	NM	30.4x	2.17x
IPC The Hospitalist Company, Inc.	IPCM	43.20	3.1%	27.9%	48.42	31.62	721	695	503.8	54.7	1.91	2.17	1.38x	12.7x	22.6x	19.9x	1.09x
On Assignment Inc.	ASGN	23.91	22.7%	102.1%	24.58	11.01	1,256	1,681	999.8	102.7	1.09	1.24	1.68x	16.4x	27.2x	19.4x	1.29x
Team Health Holdings, Inc.	TMH	33.88	32.3%	59.3%	34.14	19.73	2,287	2,790	1,986.2	192.2	1.54	1.84	1.40x	14.5x	37.0x	18.4x	1.14x
Median			22.7%	59.3%									1.38x	14.5x	27.2x	19.9x	1.29x
Home Care / Hospice																	
Addus HomeCare Corporation	ADUS	\$8.30	50.1%	125.5%	\$9.05	\$3.38	\$90	\$110	\$277.8	\$12.9	\$0.58	\$0.69	0.40x	8.5x	13.5x	12.1x	0.81x
Almost Family Inc.	AFAM	19.67	(6.3%)	7.7%	26.87	17.87	184	142	351.3	33.5	1.88	1.68	0.40x	4.2x	9.9x	11.7x	0.98x
Amedisys Inc.	AMED	11.60	(1.3%)	21.3%	15.95	9.51	359	459	1,497.3	104.7	1.00	0.75	0.31x	4.4x	11.2x	15.4x	1.10x
Chemed Corp.	CHE	74.98	8.4%	29.2%	75.01	54.06	1,446	1,550	1,411.7	181.9	5.22	5.48	1.10x	8.5x	16.6x	13.7x	1.10x
Gentiva Health Services Inc.	GTIV	10.25	7.2%	37.2%	12.85	5.13	314	1,098	1,737.0	183.4	1.28	1.26	0.63x	6.0x	15.0x	8.1x	0.81x
LHC Group, Inc.	LHCG	21.56	19.4%	46.1%	22.42	14.46	379	419	633.4	64.1	1.50	1.48	0.66x	6.5x	14.7x	14.6x	1.08x
Median			7.8%	33.2%									0.52x	6.3x	14.1x	12.9x	1.03x

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Healthcare Sector Update

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			3 mo	12 mo	High	Low			Rev	EBITDA	2012E	2013E	Rev	EBITDA	2012E	2013E	
Long Term Care																	
Advocat Inc.	AVCA	\$5.18	3.4%	(12.2%)	\$7.54	\$4.01	\$31	\$61	\$310.6	\$8.6	(\$0.40)	\$0.20	0.20x	7.0x	NM	25.9x	NM
Kindred Healthcare Inc.	KND	10.94	4.7%	(4.6%)	13.62	7.60	583	2,126	6,164.3	394.7	1.44	1.24	0.34x	5.4x	NM	8.8x	0.91x
National Healthcare Corp.	NHC	48.99	5.1%	6.9%	49.68	40.75	685	683	741.1	94.6	2.67	2.49	0.92x	7.2x	14.0x	19.7x	NM
The Ensign Group, Inc.	ENSG	28.59	(3.6%)	9.9%	31.25	23.40	617	794	806.3	116.8	2.51	2.69	0.98x	6.8x	12.9x	10.6x	0.85x
Median			4.0%	1.1%									0.63x	6.9x	13.5x	15.2x	0.88x
Managed Care - Commercial																	
Aetna Inc.	AET	\$49.76	12.0%	16.7%	\$51.14	\$34.58	\$16,649	\$20,697	\$35,239.7	\$3,607.2	\$5.14	\$5.54	0.59x	5.7x	9.4x	9.0x	0.86x
Cigna Corp.	CI	58.48	16.1%	27.8%	58.48	39.01	16,719	19,707	27,073.0	3,009.0	5.90	6.31	0.73x	6.5x	10.8x	9.3x	0.87x
Coventry Health Care Inc.	CVH	46.39	5.6%	52.8%	46.44	27.72	6,240	6,563	13,829.8	892.6	2.78	3.31	0.47x	7.4x	14.2x	14.0x	1.29x
Health Net, Inc.	HNT	27.13	22.2%	(24.2%)	41.22	16.65	2,205	2,391	11,644.9	175.9	1.04	2.06	0.21x	13.6x	31.3x	13.1x	1.27x
Humana Inc.	HUM	74.93	(0.8%)	(16.3%)	93.36	59.92	11,856	12,386	38,625.0	2,363.0	7.46	7.89	0.32x	5.2x	10.0x	9.5x	1.04x
UnitedHealth Group, Inc.	UNH	56.04	(0.3%)	8.7%	60.75	50.07	57,244	67,713	110,618.0	10,563.0	5.28	5.51	0.61x	6.4x	10.6x	10.2x	0.90x
Universal American Corp	UAM	9.43	3.5%	(16.3%)	12.58	7.68	801	790	2,151.5	109.9	0.63	0.64	0.37x	7.2x	39.6x	14.7x	0.75x
WellPoint Inc.	WLP	66.17	6.3%	0.1%	74.73	52.52	20,093	33,151	61,711.7	5,118.0	8.18	7.80	0.54x	6.5x	8.1x	8.5x	0.78x
Median			6.0%	4.4%									0.51x	6.5x	10.7x	9.8x	0.88x
Managed Care - Government																	
Centene Corp.	CNC	44.46	15.5%	1.8%	50.98	24.26	2,296	1,887	7,814.8	126.6	1.11	2.69	0.24x	14.9x	NM	16.6x	1.05x
Molina Healthcare, Inc.	MOH	29.15	12.9%	1.7%	36.83	17.63	1,358	904	5,756.6	79.0	(0.12)	1.43	0.16x	11.4x	NM	20.4x	1.42x
WellCare Health Plans, Inc.	WCG	50.65	(6.8%)	(12.3%)	74.41	44.75	2,188	1,265	7,021.0	362.0	4.94	4.89	0.18x	3.5x	10.0x	10.4x	1.09x
Median			12.9%	1.7%									0.18x	11.4x	10.0x	16.6x	1.09x

Source: Capital IQ as of January 25, 2013; For definitions, see page 15

Healthcare Sector Update

(\$ in millions, except per share amounts)

Company Name	Ticker	Price 1/25/13	% Change		52-Week		Market Cap	Ent Val (TEV)	LTM		EPS		LTM Multiples		Earnings Ratio		PEG Ratio 2012E
			3 mo	12 mo	High	Low			Rev	EBITDA	2012E	2013E	Rev	EBITDA	2012E	2013E	
Other Services																	
Healthcare Services Group Inc.	HCSG	\$24.43	1.8%	34.7%	\$24.88	\$17.60	\$1,655	\$1,580	\$1,050.6	\$67.5	\$0.64	\$0.80	1.50x	23.4x	40.1x	30.4x	1.84x
PDI, Inc.	PDII	7.57	5.7%	16.8%	8.88	5.84	113	50	129.6	0.9	(0.14)	0.07	0.39x	52.9x	NM	NM	NM
Sharps Compliance Corp.	SMED	2.65	(15.6%)	(33.4%)	4.15	2.01	40	24	20.7	(2.0)	(0.12)	(0.02)	11.1x	NM	NM	NM	NM
Stericycle, Inc.	SRCL	94.50	(0.7%)	12.3%	96.20	81.16	8,117	9,412	1,856.1	552.6	3.28	3.67	5.07x	17.0x	31.2x	25.8x	1.60x
Median			0.5%	14.5%									1.31x	23.4x	35.6x	28.1x	1.72x
Pharmacy Management																	
BioScrip Inc.	BIOS	\$11.79	25.4%	112.4%	\$11.99	\$5.35	\$671	\$830	\$1,903.7	\$59.5	(\$0.09)	\$0.27	0.44x	13.9x	NM	44.1x	2.20x
Catamaran Corporation	CCT	53.19	8.8%	69.1%	53.24	29.51	10,911	11,767	7,989.1	306.5	1.12	1.89	1.47x	38.4x	78.2x	28.2x	1.41x
Express Scripts Holding Company	ESRX	54.16	(14.3%)	3.2%	66.06	45.93	44,216	60,093	78,925.9	4,450.3	3.72	4.20	0.76x	13.5x	32.2x	12.9x	0.79x
Omnicare Inc.	OCR	39.09	13.6%	16.8%	39.09	29.24	4,321	5,705	6,187.5	700.4	3.34	3.53	0.92x	8.1x	25.5x	11.1x	0.96x
PharMerica Corporation	PMC	15.01	17.5%	5.7%	15.42	9.03	443	637	1,895.0	104.3	1.23	1.32	0.34x	6.1x	16.6x	11.3x	0.83x
Median			13.6%	16.8%									0.76x	13.5x	28.8x	12.9x	0.96x
Physician Practice Management																	
Birmer Dental Management Services Inc.	BDMS	\$17.48	2.8%	4.7%	\$19.49	\$16.21	\$32	\$37	\$61.8	\$4.3	NM	NM	0.60x	8.5x	24.5x	NM	NM
MEDNAX, Inc.	MD	87.38	24.6%	22.0%	88.22	59.24	4,190	4,167	1,750.2	408.0	4.83	5.55	2.38x	10.2x	18.5x	15.7x	1.13x
Median			13.7%	13.3%									1.49x	9.4x	21.5x	15.7x	1.13x
Psychiatric Hospitals																	
Acadia Healthcare Company, Inc.	ACHC	\$26.30	22.0%	143.0%	\$27.51	\$10.81	\$1,284	\$1,569	\$375.5	\$67.4	\$0.65	\$1.03	NM	23.3x	NM	25.6x	1.05x
Magellan Health Services Inc.	MGLN	51.04	6.2%	2.7%	56.58	40.24	1,411	1,134	3,098.6	206.8	4.31	3.88	0.37x	5.5x	10.0x	13.2x	1.24x
Providence Service Corp.	PRSC	18.94	90.0%	26.4%	19.67	9.56	242	326	1,063.7	40.4	0.85	1.19	0.31x	8.1x	29.7x	15.9x	1.27x
Median			22.0%	26.4%									0.34x	8.1x	19.9x	15.9x	1.24x

Source: Capital IQ as of January 25, 2013; For definitions, see page 15

Healthcare Sector Update

(\$ in millions, except per share amounts)

Company Name	Ticker	Price 1/25/13	% Change		52-Week		Market Cap	Ent Val (TEV)	LTM		EPS		LTM Multiples		Earnings Ratio		PEG Ratio 2012E	
			3 mo	12 mo	High	Low			Rev	EBITDA	2012E	2013E	Rev	EBITDA	2012E	2013E		
Specialty Managed Care																		
Assurant Inc.	AIZ	\$38.62	1.6%	(2.2%)	\$44.54	\$32.41	\$3,040	\$3,804	\$8,454.8	\$1,168.2	\$4.93	\$5.56	0.45x	3.3x	5.5x	6.9x	0.77x	
Triple-S Management Corporation	GTS	18.30	(5.6%)	(14.1%)	29.90	16.05	518	738	2,384.9	103.2	1.82	2.03	0.31x	7.1x	9.6x	9.0x	0.89x	
Median			(2.0%)	(8.1%)									0.38x	5.2x	7.5x	8.0x	0.83x	
Surgicenters / Rehabilitation																		
AmSurg Corp.	AMSG	\$31.65	13.3%	21.0%	\$32.17	\$24.80	\$1,003	\$1,676	\$915.0	\$306.6	\$2.01	\$2.24	1.83x	5.5x	16.3x	14.2x	1.13x	
Hanger, Inc.	HGR	29.14	15.3%	52.8%	29.60	18.71	990	1,443	961.4	172.4	1.78	2.00	1.50x	8.4x	16.7x	14.6x	1.10x	
HEALTHSOUTH Corp.	HLS	23.77	5.0%	17.7%	24.99	18.44	2,274	3,806	2,127.1	497.9	1.56	1.65	1.79x	7.6x	13.6x	14.4x	1.10x	
LCA-Vision Inc.	LCAV	3.34	(13.2%)	(37.0%)	9.24	2.67	64	30	105.8	(0.1)	(0.41)	(0.19)	0.28x	NM	NM	NM	NM	
Select Medical Holdings Corporation	SEM	9.72	(11.2%)	18.1%	14.89	6.94	1,366	2,705	2,926.3	395.8	1.05	0.98	0.92x	6.8x	9.5x	10.0x	0.85x	
US Physical Therapy Inc.	USPH	25.36	(4.5%)	23.3%	28.40	18.66	301	324	250.1	43.0	1.50	1.59	1.30x	7.5x	13.6x	16.0x	1.08x	
Median			0.3%	19.6%									1.40x	7.5x	13.6x	14.4x	1.10x	

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

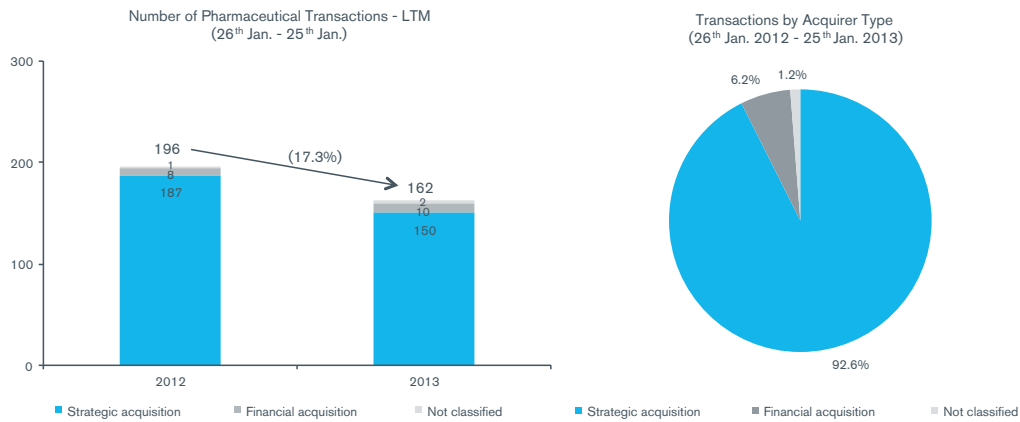
LTM: Last Twelve Months

M&A Activity – Pharmaceuticals / Medical Devices / Life Sciences

M&A Overview: Pharmaceuticals

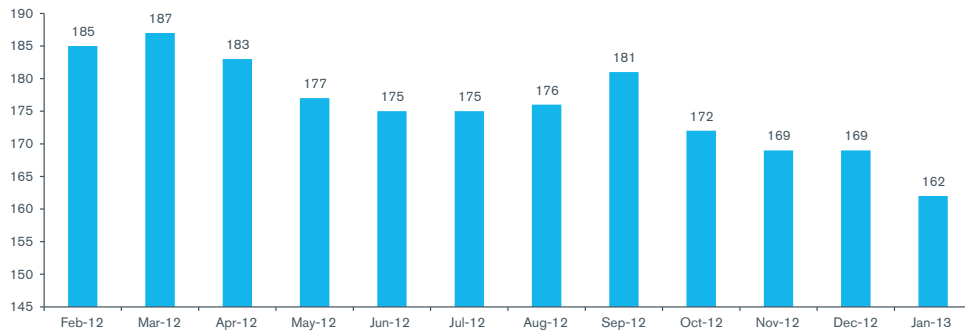
The last twelve month's ("LTM") M&A volume in the Pharmaceutical sector has shown a monthly decline since September 2012. The deal volume has declined by 17.3% Y-o-Y to 162 deals. Strategic transactions have represented over 92.6% of all deals over the last twelve months.

Exhibit 1: Transaction Activity



Source: Capital IQ

Exhibit 2: Rolling LTM – Transaction Volume



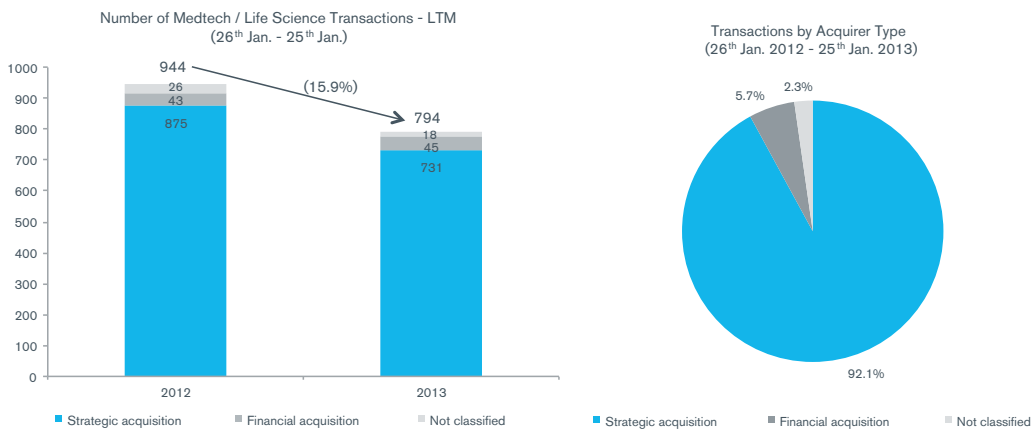
Source: Capital IQ

M&A Activity – Pharmaceuticals / Medical Devices / Life Sciences

M&A Overview: Medical Devices / Life Sciences

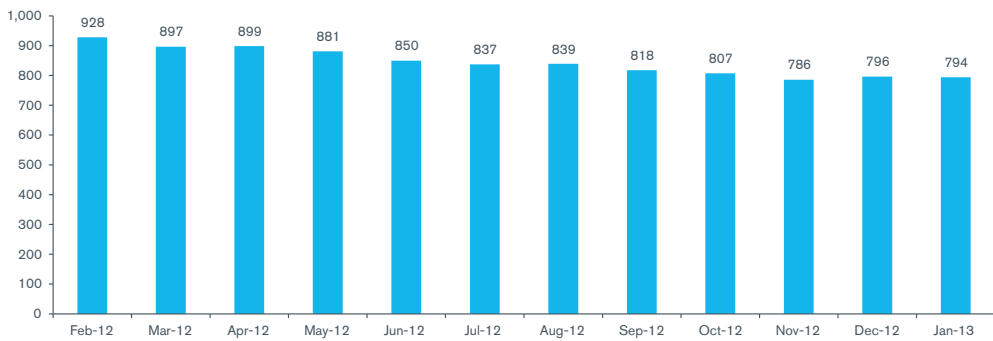
The last twelve month's ("LTM") M&A volume in the Medical Technology / Life Sciences sector has shown a monthly decline since February 2012. The deal volume has declined by 15.9% Y-o-Y to 794 deals. Strategic acquisitions have accounted for over 92.1% of the LTM transactions in this space.

Exhibit 1: Transaction Activity



Source: Capital IQ

Exhibit 2: Rolling LTM – Transaction Volume



Source: Capital IQ

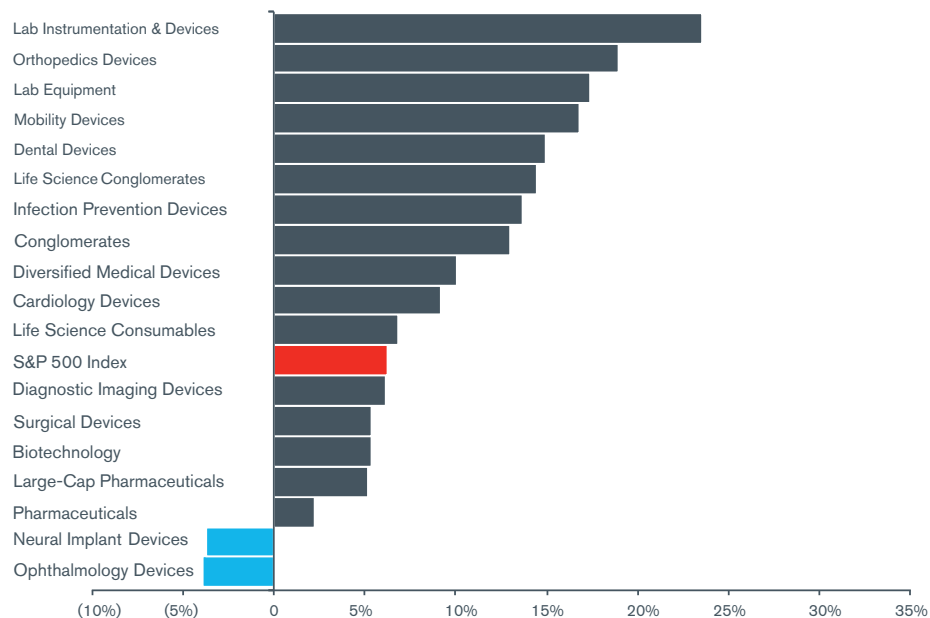
MARKET SECTOR	No. of Co's	Ag. Eqty Mkt Value	Median % Change		LTM Multiples		Earnings Ratio		PEG Ratio 2012
			3 mo	12 mo	Rev	EBITDA	LTM	2012	
Biotechnology	37	\$236,431	5.3%	4.4%	3.89x	9.6x	28.0x	20.0x	1.2x
Cardiology Devices	16	86,660	9.2%	11.6%	3.12x	12.0x	39.5x	21.7x	1.8x
Conglomerates	6	368,685	12.9%	13.7%	2.38x	9.9x	15.9x	14.5x	1.7x
Dental Devices	7	13,899	15.0%	15.3%	2.68x	13.9x	23.1x	18.3x	1.3x
Diagnostic Imaging Devices	5	7,874	6.2%	21.8%	1.54x	15.0x	23.0x	17.8x	1.2x
Diversified Medical Devices	19	85,853	10.0%	19.4%	2.31x	11.1x	20.0x	15.6x	1.5x
Infection Prevention Devices	2	3,055	13.7%	36.5%	2.01x	10.6x	19.9x	18.6x	1.3x
Lab Equipment	2	6,532	17.3%	25.2%	1.63x	10.2x	18.7x	20.3x	1.5x
Lab Instrumentation & Devices	3	11,045	23.6%	20.0%	1.68x	12.9x	27.5x	19.0x	1.6x
Large-Cap Pharmaceuticals	6	531,387	5.2%	16.2%	3.22x	9.7x	20.2x	15.4x	2.3x
Life Science Conglomerates	4	46,686	14.5%	31.9%	2.98x	14.9x	27.4x	14.8x	1.3x
Life Science Consumables	5	7,242	6.8%	1.1%	2.66x	10.4x	20.9x	21.0x	1.3x
Mobility Devices	3	2,597	16.8%	0.4%	0.75x	7.2x	14.8x	14.9x	1.6x
Neural Implant Devices	3	3,621	(3.8%)	40.9%	2.77x	9.4x	30.0x	16.8x	1.3x
Ophthalmology Devices	2	257	(3.9%)	(2.3%)	1.03x	6.0x	13.2x	21.1x	1.3x
Orthopedics Devices	7	40,067	19.0%	16.5%	1.58x	9.9x	18.8x	14.7x	1.4x
Pharmaceuticals	28	71,645	2.2%	9.0%	2.42x	10.5x	18.8x	15.6x	1.0x
Surgical Devices	6	25,089	5.4%	(3.0%)	1.46x	20.1x	27.9x	25.2x	1.8x
Total / Median (\$MM)	161	1,548,624	9.6%	15.0%	2.34x	10.6x	20.5x	18.1x	1.4x

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	44	\$1,454,460	27.0%	93.9%	9.9%	33.8%	20.9%	5.5%
\$1 billion - \$5 billion	32	67,233	19.6%	4.3%	8.4%	14.9%	9.4%	0.6%
\$250 million - \$1 billion	40	22,621	24.5%	1.5%	8.6%	33.6%	23.9%	0.7%
\$100 million - \$250 million	19	3,174	11.7%	0.2%	19.4%	63.0%	35.4%	19.9%
< \$100 million	28	1,410	17.2%	0.1%	2.1%	28.9%	17.3%	1.4%
Total / Median (\$MM)	161	\$1,548,624	100.0%	100.0%	10.0%	33.6%	16.2%	1.4%

INTEREST RATES	Value at 1/28/13	1 mo ago	3 mo ago	12 mo ago
LIBOR - USD - 5 Month	0.41%	0.43%	0.46%	0.71%
U.S. Treasury - 2 year	0.29%	0.25%	0.30%	0.21%
U.S. Treasury - 5 years	0.87%	0.69%	0.75%	0.73%
U.S. Treasury - 10 years	1.97%	1.71%	1.76%	1.90%
U.S. Treasury - 30 years	3.15%	2.88%	2.93%	2.93%
U.S. Prime Rate	3.25%	3.25%	3.25%	3.25%

Source: Capital IQ

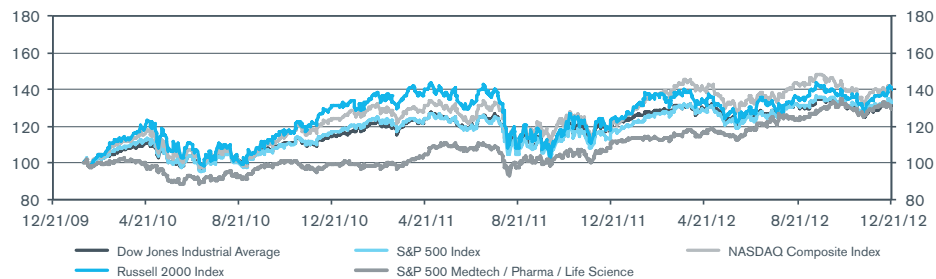
Median % Change – 3 months



MARKET INDICES

MARKET INDICES	Value at 1/28/13	% Change			
		3 mo	YTD	12 mo	36 mo
Dow Jones Industrial Average	\$13,881.9	5.9%	5.9%	9.6%	37.9%
S&P 500 Index	1,500.2	6.2%	5.2%	14.0%	39.7%
NASDAQ Composite Index	3,154.3	5.6%	4.5%	12.0%	46.9%
Russell 2000 Index	906.7	11.5%	6.8%	13.5%	50.6%
S&P Life Science Tools & Services (Industry) Index	202.4	19.7%	12.7%	22.4%	54.5%
S&P 500 Pharmaceuticals (Industry) Index	397.5	3.5%	6.5%	18.9%	30.1%
Dow Jones U.S. Pharmaceuticals & Biotechnology Index	413.5	4.9%	6.5%	22.4%	41.0%
S&P 500 Biotechnology (Industry) Index	1,708.3	9.4%	6.3%	33.1%	73.0%
Dow Jones U.S. Medical Equipment Index	622.3	14.0%	12.0%	19.3%	30.0%
S&P 500 - Pharmaceuticals, Biotechnology & Life Sciences (Industry Group)	470.9	5.4%	6.8%	21.7%	37.8%

Performance of Market Indices for Latest 36 months



Healthcare Sector Update

(\$ in millions, except per share amounts)

Company Name	Ticker	Price 1/28/13	% Change		52-Week		Market Cap	Ent Val (TEV)	LTM		EPS		LTM Multiples		Earnings Ratio		PEG Ratio 2012E
			3 mo	12 mo	High	Low			Rev	EBITDA	2012E	2013E	Rev	EBITDA	2012E	2013E	
Biotechnology																	
Acorda Therapeutics, Inc.	ACOR	\$29.59	31.6%	12.6%	\$29.74	\$21.04	\$1,188	\$961	\$297.0	\$42.1	\$1.28	\$1.17	3.24x	22.8x	34.4x	25.3x	1.07x
Alexion Pharmaceuticals, Inc.	ALXN	94.50	(0.8%)	25.3%	119.54	73.73	18,360	17,616	1,041.1	384.6	2.04	2.79	16.92x	45.8x	83.6x	33.9x	0.98x
Amarin Corporation plc	AMRN	8.28	(31.3%)	4.4%	15.96	7.01	1,241	1,157	-	(93.0)	(1.41)	(0.77)	NM	NM	NM	NM	NM
Amgen Inc.	AMGN	85.59	(2.3%)	25.2%	90.81	65.37	64,706	67,174	17,265.0	7,225.7	5.52	7.00	3.89x	9.3x	15.5x	12.2x	1.39x
Astex Pharmaceuticals, Inc.	ASTX	3.29	29.0%	21.0%	3.49	1.57	308	178	80.3	11.4	0.11	(0.21)	2.21x	15.6x	86.4x	NM	NM
Athersys, Inc.	ATHX	1.29	32.3%	(33.2%)	2.33	0.95	68	61	9.0	(16.0)	(0.47)	(0.39)	6.74x	NM	NM	NM	NM
Biogen Idec Inc.	BIIB	149.99	4.9%	26.5%	157.18	114.53	35,487	34,922	5,516.5	2,196.8	5.76	7.35	6.33x	15.9x	26.0x	20.6x	1.35x
BioSpecifics Technologies Corp.	BSTC	15.20	(4.3%)	(19.1%)	21.99	12.52	97	88	10.2	4.4	0.36	0.41	8.60x	19.9x	53.9x	37.1x	1.48x
Cangene Corp.	CNJ	2.28	36.2%	26.8%	2.62	1.39	152	116	126.0	(5.3)	(0.19)	NM	0.92x	NM	NM	NM	NM
Celgene Corporation	CELG	98.95	31.6%	34.9%	100.12	58.53	41,855	41,116	5,506.7	2,172.6	3.30	5.66	7.47x	18.9x	30.0x	17.5x	0.78x
Cepheid	CPHD	36.98	21.4%	(14.3%)	46.00	28.12	2,452	2,358	331.2	13.4	(0.30)	0.47	7.12x	NM	NM	79.4x	3.76x
Cubist Pharmaceuticals Inc.	CBST	43.03	(0.8%)	8.1%	49.86	36.64	2,785	2,204	926.4	280.0	2.10	2.23	2.38x	7.9x	20.5x	19.3x	1.16x
Curis, Inc.	CRIS	3.15	(17.8%)	(39.2%)	5.65	2.98	252	211	29.4	3.7	(0.12)	(0.23)	7.17x	NM	NM	NM	NM
Dyadic International, Inc.	DYAI	1.96	1.6%	63.3%	2.25	0.77	61	66	15.3	2.2	NM	NM	4.34x	30.7x	44.8x	NM	NM
Emergent BioSolutions, Inc.	EBS	16.51	22.4%	(5.0%)	18.34	12.50	592	458	295.2	72.6	0.66	0.64	1.55x	6.3x	16.8x	25.8x	3.97x
Exelixis, Inc.	EXEL	4.76	(1.0%)	(15.3%)	6.95	4.19	874	737	132.9	(17.4)	(0.88)	(0.99)	5.54x	NM	NM	NM	NM
Genomic Health Inc.	GHDX	28.71	(8.9%)	1.2%	37.44	25.25	883	757	228.1	13.3	0.22	0.24	3.32x	NM	99.3x	NM	NM
GenVec, Inc.	GNVC	1.70	20.6%	(34.9%)	3.00	1.19	22	4	11.2	(13.2)	(1.10)	(0.96)	0.34x	NM	NM	NM	NM
Gilead Sciences Inc.	GILD	39.44	17.6%	61.9%	40.19	21.91	29,882	37,104	9,314.6	4,395.3	1.95	2.22	3.98x	8.4x	24.5x	17.8x	0.78x
ImmuCell Corp.	ICCC	3.94	(19.6%)	(16.2%)	7.00	3.75	12	8	5.3	0.7	NM	NM	1.61x	13.0x	NM	NM	NM
Immunomedics Inc.	IMMU	2.81	(15.6%)	(19.0%)	4.00	2.70	213	187	32.6	(0.2)	(0.40)	(0.34)	5.72x	NM	NM	NM	NM
Ligand Pharmaceuticals Incorporated	LGND	19.90	30.5%	61.5%	21.75	11.21	397	418	30.7	3.6	0.04	0.39	13.63x	NM	NM	50.7x	3.38x
Maxygen, Inc.	MAXY	2.48	0.8%	(54.5%)	6.33	2.35	69	(14.5)	30.0	19.3	0.71	(0.35)	(0.48x)	NM	3.3x	NM	NM
Momenta Pharmaceuticals Inc.	MNTA	12.99	(1.1%)	(14.5%)	17.09	10.05	672	310	80.6	(32.3)	(1.24)	(1.96)	3.84x	NM	NM	NM	NM
Myrexis, Inc.	MYRX	2.99	21.1%	7.9%	3.32	2.26	81	(3.5)	-	(19.7)	NM	NM	NM	0.2x	NM	NM	NM
Myriad Genetics Inc.	MYGN	27.55	5.8%	18.3%	31.80	22.02	2,244	1,895	519.0	196.6	1.42	1.63	3.65x	9.6x	20.1x	16.9x	1.32x
Neurocrine Biosciences Inc.	NBIX	9.08	20.1%	3.4%	9.98	6.25	603	429	42.3	(5.0)	(0.14)	(0.50)	10.15x	NM	NM	NM	NM
Osiris Therapeutics, Inc.	OSIR	8.39	(17.4%)	47.2%	14.46	4.47	276	239	19.7	(1.1)	(0.41)	(0.39)	12.10x	NM	NM	NM	NM
PDL BioPharma, Inc.	PDLI	6.65	(17.6%)	3.9%	8.43	6.02	931	1,078	361.3	339.9	1.44	1.58	2.98x	3.2x	4.9x	4.2x	0.22x
ProMetic Life Sciences Inc.	PLI	0.38	171.9%	193.8%	0.39	0.10	183	189	23.8	4.8	(0.01)	(0.00)	7.94x	39.2x	60.7x	NM	NM

Source: Capital IQ

Healthcare Sector Update

(\$ in millions, except per share amounts)

Company Name	Ticker	Price 1/28/13	% Change		52-Week		Market Cap	Ent Val (TEV)	LTM		EPS		LTM Multiples		Earnings Ratio		PEG Ratio 2012E
			3 mo	12 mo	High	Low			Rev	EBITDA	2012E	2013E	Rev	EBITDA	2012E	2013E	
Biotechnology (cont.)																	
Regeneron Pharmaceuticals, Inc.	REGN	170.90	14.5%	99.8%	188.95	85.00	15,867	16,056	1,086.9	301.7	4.12	5.88	14.77x	NM	79.3x	29.1x	0.55x
Spectrum Pharmaceuticals, Inc.	SPPI	11.64	5.3%	(16.8%)	17.48	9.31	694	623	250.6	87.0	1.60	1.63	2.49x	7.2x	7.9x	7.2x	NM
Targacept, Inc.	TRGT	4.41	10.5%	(28.1%)	7.70	3.85	148	7	76.2	4.0	(0.03)	(1.17)	0.09x	1.7x	NM	NM	NM
Unigene Laboratories Inc.	UGNE	0.15	(41.0%)	(76.0%)	0.66	0.03	14	69	20.4	0.9	NM	NM	3.36x	NM	NM	NM	NM
United Therapeutics Corporation	UTHR	52.81	16.7%	7.9%	59.00	40.34	2,683	2,453	865.4	391.1	5.27	5.69	2.83x	6.3x	10.6x	9.3x	0.41x
Vanda Pharmaceuticals, Inc.	VNDA	4.33	24.1%	(14.8%)	5.47	2.92	122	(12.2)	33.2	(25.5)	(0.91)	(0.40)	(0.37x)	0.5x	NM	NM	NM
Vertex Pharmaceuticals Incorporated	VRTX	45.92	(7.3%)	27.6%	66.10	34.10	9,957	9,511	1,756.4	341.9	1.28	NM	5.42x	27.8x	77.8x	NM	NM
Median			5.3%	4.4%									3.89x	9.6x	28.0x	20.0x	1.16x
Cardiology Devices																	
ABIOMED, Inc.	ABMD	\$13.60	(28.1%)	(22.9%)	\$26.17	\$11.80	\$525	\$436	\$145.7	\$17.8	\$0.53	\$0.59	2.99x	24.5x	40.3x	23.2x	0.79x
AngioDynamics Inc.	ANGO	12.35	14.4%	(13.1%)	14.80	10.00	430	556	279.7	35.0	(0.25)	0.42	1.99x	15.9x	NM	29.6x	1.93x
Boston Scientific Corporation	BSX	6.86	32.7%	15.7%	6.93	4.79	9,419	13,322	7,249.0	1,596.3	0.41	0.43	1.84x	8.3x	NM	15.9x	2.19x
Cardiovascular Systems Inc.	CSII	14.49	28.7%	50.5%	15.13	8.24	300	284	87.1	(15.7)	(1.03)	(1.11)	3.26x	NM	NM	NM	NM
Edwards Lifesciences Corp.	EW	90.54	3.9%	14.3%	110.79	67.86	10,449	10,002	1,819.3	420.0	2.55	3.26	5.50x	23.8x	40.4x	27.8x	1.36x
Greatbatch, Inc.	GB	27.05	22.2%	18.5%	27.25	20.29	641	860	628.7	117.0	1.76	1.91	1.37x	7.4x	NM	14.2x	1.26x
Heartware International Inc.	HIN	2.64	12.3%	38.3%	2.84	1.72	1,354	1,335	101.3	(71.1)	NM	NM	13.18x	NM	NM	NM	NM
LeMaitre Vascular, Inc.	LMAT	6.20	1.0%	8.8%	6.50	4.79	94	73	54.4	6.4	0.17	0.20	1.34x	11.5x	44.4x	31.0x	3.10x
Medtronic, Inc.	MDT	46.49	11.8%	18.4%	46.57	35.67	47,018	55,881	16,318.0	5,447.0	3.63	3.81	3.42x	10.3x	15.0x	12.2x	1.98x
Neovasc Inc.	NVC	1.92	27.9%	42.6%	2.00	0.96	88	86	7.2	(4.9)	NM	NM	11.92x	NM	NM	NM	NM
REVA Medical, Inc.	RVA	0.47	(22.1%)	(23.5%)	0.76	0.45	155	106	0.0	(22.7)	(0.03)	(0.07)	NM	NM	NM	NM	NM
St. Jude Medical Inc.	STJ	40.80	6.6%	(1.1%)	44.80	30.25	12,574	14,460	5,503.0	1,773.7	2.39	3.70	2.63x	8.2x	17.1x	11.0x	1.15x
Stereotaxis Inc.	STXS	2.35	44.2%	(68.7%)	9.30	1.01	18	39	46.0	(12.7)	(2.84)	(1.90)	0.85x	NM	NM	NM	NM
Sunshine Heart Inc.	SHC	0.03	(6.1%)	(29.2%)	0.06	0.02	57	39	0.0	(16.0)	NM	NM	NM	NM	NM	NM	NM
Thoratec Corp.	THOR	37.16	6.0%	18.9%	39.86	29.34	2,183	1,887	472.6	149.8	1.83	1.84	3.99x	12.6x	26.0x	20.2x	1.74x
Volcano Corporation	VOLC	25.12	(11.7%)	(10.6%)	30.59	23.08	1,354	1,212	372.1	46.7	0.19	0.34	3.26x	25.9x	39.5x	73.7x	2.59x
Median			9.2%	11.6%									3.12x	12.0x	39.5x	21.7x	1.84x

Source: Capital IQ

Healthcare Sector Update

(\$ in millions, except per share amounts)

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			3 mo	12 mo	High	Low			Rev	EBITDA	2012E	2013E	Rev	EBITDA	2012E	2013E	
Conglomerates																	
3M Company	MMM	\$100.65	14.3%	15.1%	\$100.98	\$81.99	\$69,156	\$70,626	\$29,904.0	\$7,757.7	\$6.32	\$6.83	2.36x	9.1x	15.9x	14.7x	1.41x
Agilent Technologies Inc.	A	45.18	25.7%	5.9%	46.28	35.32	15,720	15,723	6,858.0	1,420.0	3.09	3.13	2.29x	11.1x	13.8x	14.4x	1.37x
Becton, Dickinson and Company	BDX	84.06	11.6%	6.3%	84.63	71.56	16,463	18,446	7,708.4	2,072.1	5.56	5.75	2.39x	8.9x	15.9x	14.6x	1.84x
Covidien plc	COV	62.62	14.3%	21.1%	63.89	50.25	29,535	32,709	12,010.0	3,246.3	3.93	4.57	2.72x	10.1x	15.9x	13.7x	1.48x
Johnson & Johnson	JNJ	73.62	3.8%	12.3%	74.00	61.71	204,020	201,100	67,224.0	20,538.7	3.86	5.41	2.99x	9.8x	19.1x	13.6x	2.12x
Kimberly-Clark Corporation	KMB	86.80	4.9%	22.0%	88.25	70.50	33,791	39,419	21,063.0	3,976.0	4.42	5.61	1.87x	9.9x	19.6x	15.5x	1.99x
Median			12.9%	13.7%									2.38x	9.9x	15.9x	14.5x	1.66x
Dental Devices																	
COLTENE Holding AG	CLTN	\$38.72	31.7%	15.3%	\$38.94	\$26.75	\$160	\$189	\$154.9	\$20.3	\$2.07	\$2.76	1.22x	9.3x	20.2x	14.0x	0.62x
DENTSPLY International Inc.	XRAY	42.20	13.6%	10.8%	42.60	35.04	5,989	7,808	2,913.2	528.3	2.21	2.45	2.68x	14.8x	26.7x	17.2x	1.46x
Nobel Biocare Holding AG	NOBN	10.45	15.0%	(24.7%)	14.63	7.65	1,280	1,252	747.6	137.3	0.47	0.55	1.67x	9.1x	20.9x	19.0x	1.18x
Osstem Implant Co. Ltd.	A048260	32.52	14.1%	181.6%	33.80	9.03	462	503	158.9	18.9	1.29	1.81	3.16x	26.6x	NM	19.8x	NM
Sirona Dental Systems Inc.	SIRO	65.89	17.3%	35.7%	68.26	40.59	3,623	3,551	979.4	248.6	3.00	3.52	3.63x	14.3x	27.9x	18.7x	1.58x
Straumann Holding AG	STMN	133.86	6.0%	(25.2%)	190.60	105.60	2,072	1,944	726.0	140.2	5.61	7.32	2.68x	13.9x	25.2x	18.3x	0.95x
Young Innovations Inc.	YDNT	39.53	17.1%	29.0%	40.50	27.88	313	298	108.6	29.4	2.17	2.27	2.74x	10.1x	18.2x	17.4x	2.49x
Median			15.0%	15.3%									2.68x	13.9x	23.1x	18.3x	1.32x
Orthopedics Devices																	
Exactech Inc.	EXAC	\$19.18	19.0%	16.5%	\$19.18	\$14.42	\$255	\$296	\$218.2	\$35.7	\$0.94	\$1.02	1.36x	8.3x	23.7x	18.9x	1.26x
MAKO Surgical Corp.	MAKO	12.25	(20.6%)	(66.9%)	45.15	10.35	563	534	105.4	(28.1)	(0.74)	(0.52)	5.07x	NM	NM	NM	NM
NuVasive, Inc.	NUVA	17.98	26.0%	14.3%	25.99	12.35	783	953	604.7	92.4	0.91	0.89	1.58x	10.3x	NM	20.3x	1.57x
Stryker Corporation	SYK	63.78	22.2%	16.2%	63.92	49.43	24,249	21,710	8,657.0	2,302.0	3.39	4.33	2.51x	9.4x	18.8x	14.7x	1.67x
Symmetry Medical, Inc.	SMA	10.78	19.5%	40.7%	11.13	6.41	397	613	388.5	50.4	0.59	0.77	1.58x	12.2x	NM	14.1x	0.84x
Wright Medical Group Inc.	WMGI	20.96	4.0%	20.8%	22.59	16.05	802	742	487.2	62.3	0.21	0.09	1.52x	11.9x	NM	NM	NM
Zimmer Holdings, Inc.	ZMH	75.03	18.1%	24.0%	75.29	57.46	13,018	13,269	4,458.5	1,498.8	5.28	5.74	2.98x	8.9x	17.5x	13.1x	1.38x
Median			19.0%	16.5%									1.58x	9.9x	18.8x	14.7x	1.38x
Diagnostic Imaging Devices																	
Analogic Corporation	ALOG	\$79.21	6.2%	39.2%	\$84.71	\$53.68	\$969	\$798	\$518.6	\$57.6	\$3.51	\$3.43	1.54x	13.8x	23.0x	23.1x	1.36x
Digirad Corporation	DRAD	1.82	(11.7%)	(9.0%)	2.44	1.72	37	10	49.4	(3.5)	NM	NM	0.19x	NM	NM	NM	NM
Fonar Corp.	FONR	5.75	13.4%	228.6%	6.80	1.69	35	30	39.3	9.1	NM	NM	0.77x	3.4x	6.4x	NM	NM
Given Imaging Ltd.	GIVN	16.80	(8.2%)	(9.5%)	19.95	12.14	516	437	180.2	24.0	0.76	0.95	2.42x	18.2x	35.1x	17.8x	0.71x

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			3 mo	12 mo	High	Low			Rev	EBITDA	2012E	2013E	Rev	EBITDA	2012E	2013E	
Diagnostic Imaging Devices (cont.)																	
Hologic Inc.	HOLX	23.61	14.9%	21.8%	23.93	16.18	6,317	10,826	2,002.7	668.1	1.42	1.62	5.41x	16.2x	NM	14.5x	1.15x
Median			6.2%	21.8%									1.54x	15.0x	23.0x	17.8x	1.15x
Mobility Devices																	
Hill-Rom Holdings, Inc.	HRC	\$33.17	16.8%	(0.1%)	\$36.13	\$24.69	\$2,001	\$2,244	\$1,681.6	\$290.6	\$1.80	\$2.11	1.33x	7.7x	18.4x	15.7x	1.65x
Invacare Corporation	IVC	17.18	25.8%	0.4%	20.66	12.87	549	765	1,791.2	106.9	1.01	1.15	0.43x	7.2x	NM	14.9x	1.49x
Prism Medical Ltd.	PM	5.65	(11.2%)	15.4%	6.59	4.81	47	60	79.3	8.8	0.41	0.69	0.75x	6.8x	11.1x	8.1x	NM
Median			16.8%	0.4%									0.75x	7.2x	14.8x	14.9x	1.57x
Infection Prevention Devices																	
Cantel Medical Corp.	CMN	\$31.71	23.2%	47.5%	\$32.91	\$18.84	\$848	\$901	\$392.9	\$69.6	\$1.34	\$1.50	2.29x	13.0x	25.0x	21.2x	1.18x
Steris Corp.	STE	37.73	4.2%	25.5%	37.82	28.77	2,206	2,485	1,438.7	301.4	2.20	2.37	1.73x	8.2x	14.9x	15.9x	1.36x
Median			13.7%	36.5%									2.01x	10.6x	19.9x	18.6x	1.27x
Neural Implant Devices																	
Cyberonics Inc.	CYBX	\$44.64	(3.8%)	35.8%	\$56.73	\$32.32	\$1,237	\$1,119	\$235.4	\$76.9	\$1.60	\$1.75	4.75x	14.5x	30.0x	25.5x	1.30x
Integra LifeSciences Holdings Corporation	IART	42.65	15.3%	46.0%	43.61	28.58	1,154	1,550	820.0	164.7	3.04	3.19	1.89x	9.4x	37.2x	13.4x	1.31x
Globus Medical, Inc.	GMED	13.50	(18.4%)	NM	19.93	10.26	1,230	1,035	373.5	128.0	0.79	0.80	2.77x	8.1x	18.1x	16.8x	1.21x
Median			(3.8%)	40.9%									2.77x	9.4x	30.0x	16.8x	1.30x
Ophthalmology Devices																	
IRIDEX Corporation	IRIX	\$4.07	1.8%	4.6%	\$4.50	\$3.07	\$36	\$23	\$33.3	(\$0.0)	(\$0.03)	\$0.13	0.68x	NM	NM	31.3x	1.25x
Optos plc	OPTS	3.07	(9.6%)	(9.3%)	4.39	2.51	221	267	193.2	44.4	0.26	0.28	1.38x	6.0x	13.2x	10.9x	NM
Median			(3.9%)	(2.3%)									1.03x	6.0x	13.2x	21.1x	1.25x
Surgical Devices																	
Alphatec Holdings, Inc.	ATEC	\$1.74	3.0%	(5.9%)	\$2.42	\$1.41	\$155	\$190	\$193.0	\$10.2	(\$0.06)	\$0.02	0.99x	18.7x	NM	74.6x	NM
ArthroCare Corporation	ARTC	36.74	23.6%	18.3%	36.90	23.54	1,024	901	363.9	25.2	1.41	1.46	2.48x	35.7x	NM	25.2x	2.29x
Bovie Medical Corp.	BVX	2.50	(30.9%)	(18.8%)	3.83	2.06	44	43	27.0	2.0	NM	NM	1.61x	21.8x	NM	NM	NM
CONMED Corporation	CNMD	29.46	7.8%	0.0%	31.94	24.78	839	989	751.5	124.1	1.79	1.84	1.32x	8.0x	NM	16.0x	1.45x
Intuitive Surgical, Inc.	ISRG	577.93	7.9%	25.9%	594.89	451.35	22,980	20,060	2,178.8	934.6	15.98	17.79	9.21x	21.5x	36.2x	32.5x	1.82x
Theragenics Corp.	TGX	1.57	0.6%	(7.1%)	2.10	1.32	45	36	83.3	12.6	0.11	0.13	0.43x	2.8x	19.7x	12.1x	NM
Median			5.4%	(3.0%)									1.46x	20.1x	27.9x	25.2x	1.82x

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			3 mo	12 mo	High	Low			Rev	EBITDA	2012E	2013E	Rev	EBITDA	2012E	2013E	
Diversified Medical Devices																	
Abaxis, Inc.	ABAX	\$39.64	10.0%	44.4%	\$40.78	\$25.56	\$870	\$792	\$166.8	\$24.9	\$0.72	\$1.04	4.75x	31.9x	37.6x	38.0x	1.79x
AtriCure, Inc.	ATRC	7.66	21.6%	(35.5%)	12.13	5.90	156	152	68.6	(5.0)	(0.39)	(0.26)	2.21x	NM	NM	NM	NM
Baxter International Inc.	BAX	67.43	10.3%	20.7%	69.00	48.98	37,045	39,885	14,190.0	3,533.0	4.18	4.68	2.81x	11.3x	16.1x	14.4x	1.64x
CareFusion Corporation	CFN	31.12	17.3%	30.2%	31.55	23.39	6,906	6,868	3,601.0	823.0	1.96	2.24	1.91x	8.3x	18.9x	13.9x	1.36x
Conceptus, Inc.	CPTS	21.45	13.5%	78.5%	22.50	11.83	679	660	133.5	9.9	0.09	0.18	4.95x	NM	NM	NM	NM
CR Bard Inc.	BCR	103.34	7.2%	10.7%	108.31	91.41	8,506	8,990	2,947.4	947.7	6.54	6.85	3.05x	9.5x	17.4x	15.1x	1.80x
CryoLife Inc.	CRY	6.55	6.3%	23.6%	7.27	4.19	180	172	129.3	22.6	0.28	0.34	1.33x	7.6x	23.4x	19.6x	NM
Hospira Inc.	HSP	34.40	11.1%	(2.4%)	38.49	28.62	5,684	6,638	4,007.2	375.6	2.00	2.31	1.66x	17.7x	NM	14.9x	4.46x
IDEXX Laboratories, Inc.	IDXX	99.65	4.1%	19.4%	101.18	81.31	5,448	5,461	1,293.3	313.9	3.10	3.48	4.22x	17.4x	32.5x	28.6x	1.74x
Masimo Corporation	MASI	21.02	(1.6%)	(4.1%)	25.35	18.20	1,203	1,093	473.4	105.8	1.09	1.21	2.31x	10.3x	20.2x	17.4x	1.18x
Misonix Inc.	MSON	7.40	67.4%	279.5%	9.13	1.60	52	45	17.0	(0.0)	0.02	0.19	2.65x	NM	NM	40.0x	NM
Natus Medical Inc.	BABY	12.17	10.0%	7.2%	13.84	9.65	365	376	265.4	25.2	0.60	0.82	1.42x	14.9x	NM	14.8x	0.80x
PhotoMedex, Inc.	PHMD	14.63	9.2%	7.4%	19.18	9.85	314	259	194.6	29.0	1.07	1.36	1.33x	8.9x	19.8x	10.8x	0.54x
ResMed Inc.	RMD	48.37	21.2%	60.9%	48.47	28.67	6,921	6,263	1,437.3	419.6	1.98	2.39	4.36x	14.9x	24.4x	20.3x	1.47x
Solta Medical, Inc.	SLTM	2.61	(12.7%)	(2.6%)	3.53	2.32	179	168	137.9	4.9	0.11	0.19	1.22x	34.5x	NM	13.9x	NM
SurModics Inc.	SRDX	24.11	26.7%	64.0%	24.72	13.30	354	324	51.9	19.3	0.68	0.85	6.24x	16.8x	41.6x	28.4x	1.62x
Teleflex Incorporated	TFX	75.44	12.6%	22.7%	75.61	57.26	3,088	3,423	1,571.4	328.4	4.29	4.83	2.18x	10.4x	NM	15.6x	1.53x
Varian Medical Systems Inc.	VAR	72.23	7.9%	9.3%	75.78	52.90	7,886	7,285	2,860.1	667.9	3.83	4.27	2.55x	10.9x	18.8x	16.9x	1.40x
Zynex, Inc.	ZYXI	0.62	(20.0%)	(10.1%)	1.01	0.55	19	25	38.8	4.3	0.06	0.09	0.64x	5.8x	11.0x	7.3x	0.91x
Median			10.0%	19.4%									2.31x	11.1x	20.0x	15.6x	1.50x
Life Science Conglomerates																	
Illumina Inc.	ILMN	\$51.62	7.7%	(0.1%)	\$57.00	\$37.77	\$6,369	\$5,861	\$1,148.5	\$247.5	\$1.13	\$1.68	5.10x	23.7x	45.7x	30.0x	1.79x
Life Technologies Corporation	LIFE	62.60	28.4%	28.9%	63.70	39.73	10,771	12,942	3,810.1	1,237.6	3.98	4.35	3.40x	10.5x	27.4x	14.4x	1.39x
PerkinElmer Inc.	PKI	35.38	13.1%	47.5%	35.84	23.60	4,061	4,822	2,084.4	277.8	2.06	2.32	2.31x	17.4x	NM	15.3x	1.19x
Thermo Fisher Scientific, Inc.	TMO	70.75	15.9%	34.9%	71.49	48.14	25,485	32,121	12,507.0	2,570.5	4.85	5.43	2.57x	12.5x	22.6x	13.0x	1.07x
Median			14.5%	31.9%									2.98x	14.9x	27.4x	14.8x	1.29x

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			3 mo	12 mo	High	Low			Rev	EBITDA	2012E	2013E	Rev	EBITDA	2012E	2013E	
Lab Instrumentation & Devices																	
Bruker Corporation	BRKR	\$17.06	41.5%	20.0%	\$17.35	\$9.91	\$2,837	\$2,935	\$1,749.2	\$239.0	\$0.78	\$0.90	1.68x	12.3x	27.5x	19.0x	1.42x
Harvard Bioscience Inc.	HBIO	4.98	23.6%	20.3%	4.99	3.45	144	139	111.9	8.1	0.22	0.25	1.24x	17.2x	75.0x	20.1x	NM
Waters Corp.	WAT	92.75	13.7%	6.8%	94.47	74.12	8,065	7,704	1,843.6	595.0	5.19	5.35	4.18x	12.9x	17.9x	17.3x	1.68x
Median			23.6%	20.0%									1.68x	12.9x	27.5x	19.0x	1.55x
Lab Equipment																	
Kewaunee Scientific Corp.	KEQU	\$12.22	7.7%	30.1%	\$13.45	\$7.90	\$32	\$37	\$108.4	\$7.6	NM	NM	0.34x	4.9x	13.1x	NM	NM
Mettler-Toledo International Inc.	MTD	212.13	27.0%	20.2%	214.64	143.60	6,500	6,820	2,332.6	442.2	9.37	10.43	2.92x	15.4x	24.3x	20.3x	1.51x
Median			17.3%	25.2%									1.63x	10.2x	18.7x	20.3x	1.51x
Life Science Consumables																	
Affymetrix Inc.	AFFX	\$3.81	14.4%	(18.2%)	\$5.50	\$2.96	\$269	\$430	\$276.4	\$13.4	(\$0.14)	\$0.05	1.55x	32.1x	NM	69.5x	4.35x
Bio-Rad Laboratories, Inc.	BIO	114.75	13.7%	9.5%	118.00	91.52	3,243	3,123	2,045.6	405.6	5.17	5.36	1.53x	7.7x	18.1x	21.4x	1.94x
Cambrex Corporation	CBM	11.60	(4.6%)	45.5%	14.33	5.87	346	382	273.8	55.8	0.76	0.89	1.39x	6.8x	15.9x	13.1x	0.48x
Luminex Corporation	LMNX	18.68	6.8%	(6.3%)	25.79	15.58	776	738	194.9	39.0	0.32	0.46	3.78x	18.9x	69.2x	40.5x	0.76x
Techne Corp.	TECH	70.76	4.9%	1.1%	76.02	63.08	2,606	2,333	312.0	179.4	3.22	3.45	7.48x	13.0x	23.6x	20.5x	1.91x
Median			6.8%	1.1%									2.66x	10.4x	20.9x	21.0x	1.34x
Large-Cap Pharmaceuticals																	
Abbott Laboratories	ABT	\$33.00	(49.6%)	(40.0%)	\$72.47	\$31.64	\$52,162	\$57,027	\$39,874.0	\$11,298.9	\$3.72	\$1.93	1.43x	5.0x	8.9x	17.1x	1.54x
Allergan Inc.	AGN	106.29	16.0%	19.7%	107.69	81.28	32,688	31,334	5,699.5	1,757.2	4.18	4.75	5.50x	17.8x	31.1x	22.4x	1.67x
Bristol-Myers Squibb Company	BMJ	36.41	8.3%	12.8%	36.71	30.64	60,102	64,531	17,621.0	5,060.7	1.16	1.83	3.66x	12.8x	31.4x	19.9x	3.42x
Eli Lilly and Company	LLY	52.64	4.8%	34.3%	53.99	38.30	58,314	56,927	22,603.4	6,224.3	3.33	3.83	2.52x	9.1x	14.3x	13.8x	(10.00x)
Merck & Co. Inc.	MRK	42.93	(7.0%)	11.4%	48.00	36.91	130,510	134,458	47,824.0	17,785.0	3.80	3.69	2.81x	7.6x	19.5x	11.6x	2.93x
Pfizer Inc.	PFE	26.84	5.5%	25.0%	27.30	20.75	197,611	213,970	58,986.0	20,940.0	2.17	2.29	3.63x	10.2x	20.9x	11.7x	3.13x
Median			5.2%	16.2%									3.22x	9.7x	20.2x	15.4x	2.30x

Source: Capital IQ

Healthcare Sector Update

(\$ in millions, except per share amounts)

Company Name	Ticker	Price 1/28/13	% Change		52-Week		Market Cap	Ent Val (TEV)	LTM		EPS		LTM Multiples		Earnings Ratio		PEG Ratio 2012E
			3 mo	12 mo	High	Low			Rev	EBITDA	2012E	2013E	Rev	EBITDA	2012E	2013E	
Pharmaceuticals																	
Akorn, Inc.	AKRX	\$13.82	12.5%	24.3%	\$16.87	\$10.53	\$1,319	\$1,384	\$227.3	\$79.0	\$0.35	\$0.51	6.09x	17.5x	47.4x	26.8x	1.10x
BioDelivery Sciences International, Inc.	BDSI	4.33	(14.6%)	108.2%	6.89	1.96	162	131	45.5	9.0	0.00	(1.06)	2.88x	14.5x	NM	NM	NM
BioSynt Inc.	RX	0.94	(2.2%)	92.4%	1.39	0.41	12	11	4.5	1.2	NM	NM	2.37x	8.6x	13.4x	NM	NM
Cipher Pharmaceuticals Inc.	DND	2.74	45.2%	176.6%	2.96	0.94	67	52	6.7	1.5	0.07	0.29	7.74x	34.9x	NM	9.5x	NM
Columbia Laboratories Inc.	CBRX	0.63	(7.4%)	(27.0%)	1.23	0.55	55	30	25.0	3.8	0.10	0.09	1.21x	8.0x	18.2x	7.2x	NM
Cornerstone Therapeutics Inc.	CRTX	5.51	12.2%	(11.7%)	7.99	3.10	146	201	99.4	16.0	(0.09)	0.61	2.02x	12.6x	NM	9.0x	NM
Cumberland Pharmaceuticals, Inc.	CPIX	4.14	(31.5%)	(32.1%)	8.02	4.03	79	14	48.2	8.2	0.34	0.26	0.29x	1.7x	16.6x	15.9x	0.53x
DURECT Corporation	DRRX	1.05	(21.6%)	32.9%	1.71	0.61	107	88	58.7	21.0	0.19	(0.20)	1.50x	4.2x	4.7x	NM	NM
Endo Health Solutions Inc.	ENDP	28.23	(3.1%)	(25.2%)	39.29	25.01	3,221	6,221	3,029.7	905.9	4.96	4.52	2.05x	6.9x	NM	6.3x	0.91x
Forest Laboratories Inc.	FRX	36.50	6.8%	14.9%	38.45	31.16	9,710	7,594	3,339.8	259.4	0.43	1.13	2.27x	29.3x	85.2x	32.2x	(2.25x)
Heska Corporation	HSKA	8.26	(4.5%)	6.6%	13.00	7.16	44	39	69.9	3.5	0.21	0.48	0.55x	10.9x	34.5x	17.1x	1.14x
Hi Tech Pharmacal Co. Inc.	HITK	37.04	16.5%	(6.4%)	43.08	27.35	495	392	226.5	59.8	2.54	2.90	1.73x	6.6x	14.1x	12.8x	(2.09x)
Impax Laboratories Inc.	IPXL	20.13	(17.3%)	5.7%	27.25	18.77	1,329	990	599.2	151.5	1.76	0.73	1.65x	6.5x	18.8x	27.6x	1.86x
Lannett Company, Inc.	LCI	5.97	43.5%	20.4%	5.97	3.72	169	145	129.4	15.0	0.20	0.18	1.12x	9.7x	25.9x	33.8x	1.25x
Mylan, Inc.	MYL	28.25	12.0%	34.3%	28.60	20.21	11,513	16,484	6,625.0	1,767.2	2.58	2.80	2.49x	9.3x	19.8x	10.1x	1.00x
Merus Labs International Inc.	MSL	0.92	(31.9%)	(53.9%)	2.47	0.84	28	77	10.6	4.0	0.05	0.02	7.30x	19.5x	NM	38.4x	NM
Obagi Medical Products, Inc.	OMPI	13.90	12.2%	35.7%	18.00	10.13	242	221	121.0	25.5	0.85	0.89	1.82x	8.7x	17.9x	15.6x	1.01x
Paladin Labs Inc.	PLB	43.12	0.7%	(2.1%)	51.44	36.44	880	724	182.4	68.6	2.10	2.13	3.97x	10.6x	14.5x	20.2x	0.16x
Patheon Inc.	PTI	3.55	(7.6%)	167.1%	3.97	1.29	496	767	749.1	71.5	(0.81)	0.19	1.02x	10.7x	NM	18.7x	NM
Perrigo Co.	PRGO	101.35	(13.2%)	5.5%	120.78	90.18	9,515	10,271	3,217.8	763.8	5.27	5.96	3.19x	13.4x	22.3x	17.0x	1.38x
Questcor Pharmaceuticals, Inc.	QCOR	25.65	(2.0%)	(29.7%)	58.91	17.25	1,499	1,387	424.3	246.7	3.04	3.70	3.27x	5.6x	9.9x	6.9x	0.27x

Source: Capital IQ

(\$ in millions, except per share amounts)

Company Name	Ticker	Price 1/28/13	% Change		52-Week		Market Cap	Ent Val (TEV)	LTM		EPS		LTM Multiples		Earnings Ratio		PEG Ratio 2012E
			3 mo	12 mo	High	Low			Rev	EBITDA	2012E	2013E	Rev	EBITDA	2012E	2013E	
Pharmaceuticals (cont.)																	
Salix Pharmaceuticals Ltd.	SLXP	46.92	17.2%	(0.8%)	55.99	37.52	2,761	2,854	692.5	230.7	3.15	3.36	4.12x	12.4x	36.4x	14.0x	0.68x
Santarus, Inc.	SNTS	12.85	38.5%	170.5%	13.50	4.19	812	740	190.3	22.1	0.21	0.70	3.89x	33.5x	58.0x	18.3x	1.22x
SciClone Pharmaceuticals, Inc.	SCLN	5.29	(5.4%)	11.4%	7.58	3.68	292	206	161.6	49.3	0.65	0.65	1.27x	4.2x	16.7x	8.1x	NM
The Medicines Company	MDCO	30.44	35.7%	56.2%	30.78	19.37	1,640	1,318	531.3	75.9	1.66	2.06	2.48x	17.4x	33.8x	14.8x	5.82x
Valeant Pharmaceuticals International, Inc.	VRX	65.41	17.2%	33.1%	65.98	43.61	19,939	27,148	3,248.8	1,645.7	4.41	5.61	8.36x	16.5x	NM	11.6x	0.71x
ViroPharma Inc.	VPHM	27.03	3.8%	(9.4%)	33.17	19.02	1,781	1,638	467.0	157.1	0.70	0.78	3.51x	10.4x	30.5x	34.8x	1.29x
Warner Chilcott plc	WCRX	13.30	13.1%	(20.3%)	23.28	10.85	3,331	7,045	2,575.1	1,441.5	3.89	3.58	2.74x	4.9x	9.1x	3.7x	0.31x
Median			2.2%	9.0%									2.42x	10.5x	18.8x	15.6x	1.00x

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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