



HYDE PARK CAPITAL

Investment Banking | Mergers & Acquisitions | Capital Raising

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Healthcare **M&A Report** *Q3 2016*



Member FINRA/SIPC

Capital Markets Overview – Healthcare

Commentary

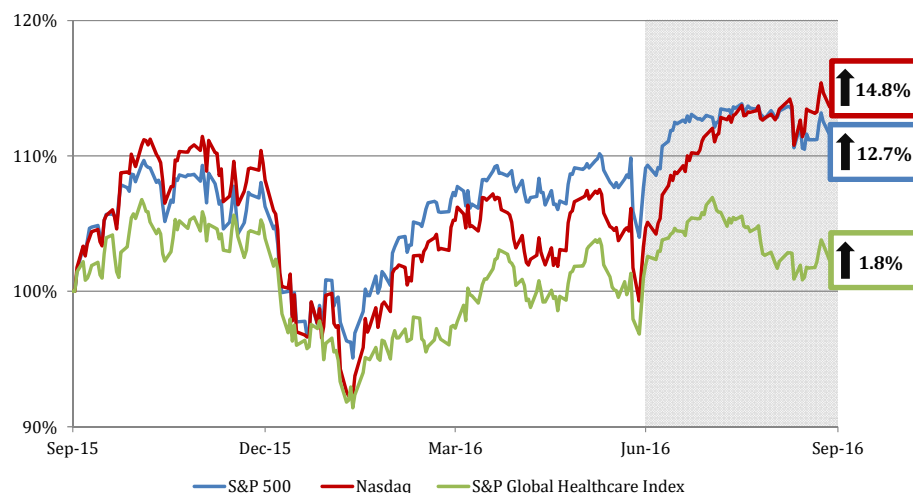
- Major market indices including the S&P Global Healthcare Index, S&P 500, and Nasdaq posted positive results adding 1.8%, 12.7%, and 14.8% respectively over the 12-month period ended September 30, 2016.
- The table to the right highlights select public offerings completed in the Healthcare industry during Q3 2016. Medpace Holdings, Inc. (NasdaqGS:MEDP) completed the largest IPO during the quarter, raising \$161 million from investors.
- From a valuation perspective, the *Healthcare Equipment & Supplies* and *Healthcare Technology* sectors continued to trade at strong multiples of revenue at 4.1x and 3.6x, respectfully.

Select Public Offerings – Healthcare (Q3 2016)

(\$ in millions)

Offer Date	Issuer	Industry Sector	IPO / Secondary	Offering Size
08/09/16	Zimmer Biomet Holdings, Inc.	Healthcare Equipment	Secondary	\$965.4
08/09/16	BioMarin Pharmaceutical Inc.	Biotechnology	Secondary	\$720.0
09/08/16	Catalent, Inc.	Pharmaceuticals	Secondary	\$453.0
08/09/16	VWR Corporation	Life Sciences	Secondary	\$234.4
09/08/16	Evolent Health, Inc.	Healthcare Technology	Secondary	\$168.8
08/10/16	Medpace Holdings, Inc.	Life Sciences	IPO	\$161.0
08/10/16	Protagonist Therapeutics, Inc.	Biotechnology	IPO	\$90.0
09/28/16	Tabula Rasa Healthcare, Inc.	Healthcare Technology	IPO	\$51.6
07/27/16	Tactile Systems Technology, Inc.	Healthcare Equipment	IPO	\$40.0

Public Market Performance (LTM)



Public Company Market Performance by Sector

Industry Sector	Change in Stock Price		Median Enterprise Value / LTM	
	3 Months	12 months	Revenue	EBITDA
Healthcare Facilities	(3.8%)	(9.8%)	1.1x	8.8x
Healthcare Services	(3.6%)	9.0%	1.8x	10.1x
Managed Healthcare	(1.1%)	8.3%	0.4x	7.4x
Healthcare Technology	1.3%	4.6%	3.6x	16.1x
Healthcare Equipment & Supplies	1.5%	27.7%	4.1x	16.7x
Healthcare Distribution	(5.9%)	(4.1%)	0.3x	9.7x



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Annual Middle Market M&A Activity – Healthcare

Commentary

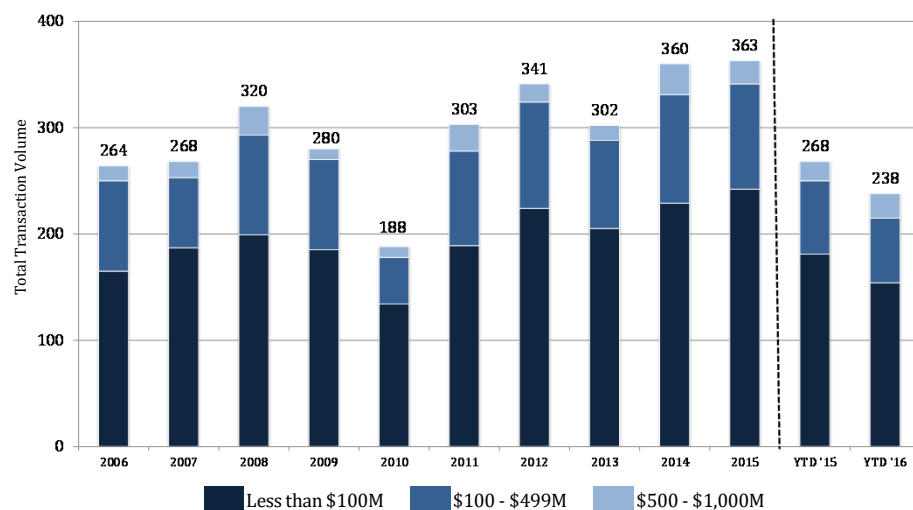
- As detailed in the charts below, Healthcare Middle Market M&A transaction volume and value decreased during the year-to-date period ended September 30, 2016 compared with the prior year period.
- Middle Market Healthcare deal volume fell 11% during YTD 2016 to 238 completed transactions, down from 268 during the prior year period. The total value of completed transactions decreased 1% to \$35.6 billion.
- Although Middle Market Healthcare M&A activity declined during the period, deal volume and completed deal value increased for transactions valued between \$500 million and \$999 million, rising 28% and 16%, respectively.

Middle Market M&A Transactions by Deal Size – Healthcare

(\$ in billions)

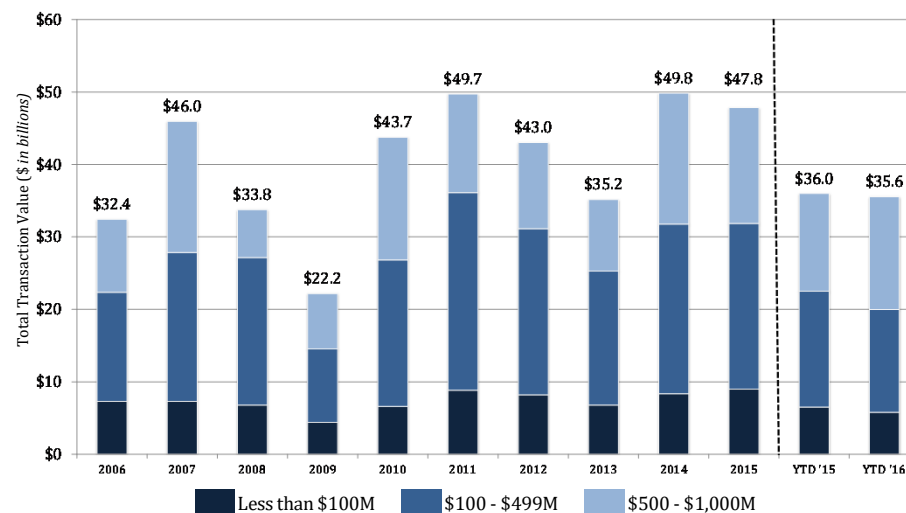
Deal Size	YTD '15		YTD '16		% Change	
	Volume	Value	Volume	Value	Volume	Value
Less than \$100M	181	\$6.5	154	\$5.8	(15%)	(11%)
\$100 - \$499M	69	\$16.0	61	\$14.2	(12%)	(11%)
\$500 - \$999M	18	\$13.5	23	\$15.6	28%	16%
Total Middle Market	268	\$36.0	238	\$35.6	(11%)	(1%)
% of Middle Market						
Less than \$100M	67%	18%	65%	16%		
\$100 - \$499M	26%	45%	25%	40%		
\$500 - \$999M	7%	37%	10%	44%		
Total Middle Market	100%	100%	100%	100%		

U.S. Middle Market M&A Activity – Annual Trends: VOLUME



Source: S&P Capital IQ (middle market includes all closed deals with disclosed deal value between \$10 million and \$1 billion).

U.S. Middle Market M&A Activity – Annual Trends: VALUE



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Quarterly Middle Market M&A Activity – Healthcare

Commentary

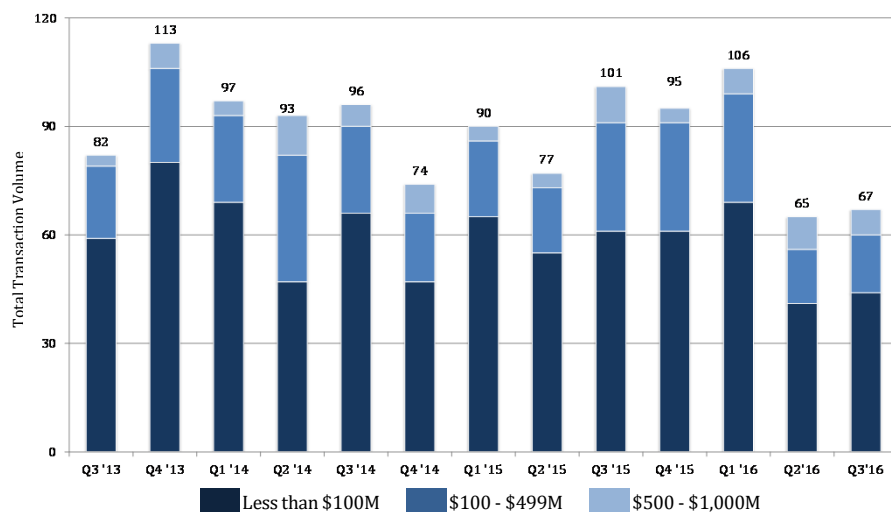
- As detailed in the table on the right, Middle Market M&A activity in the Healthcare industry fell during Q3 2016 to 67 closed transactions, a 34% decrease from the 101 transactions closed in Q3 2015.
- The total value of completed Middle Market Healthcare deals fell 37% to \$10.6 billion in Q3 2016, down from \$16.9 billion in the prior year period largely because of a decline in transactions valued between \$100 million and \$1 billion.
- Deal volume for transactions below \$100 million fell 28% during Q3 2016 and the total value of completed transactions in this range decreased 20%.

Middle Market M&A Transactions by Deal Size – Healthcare

(\$ in billions)

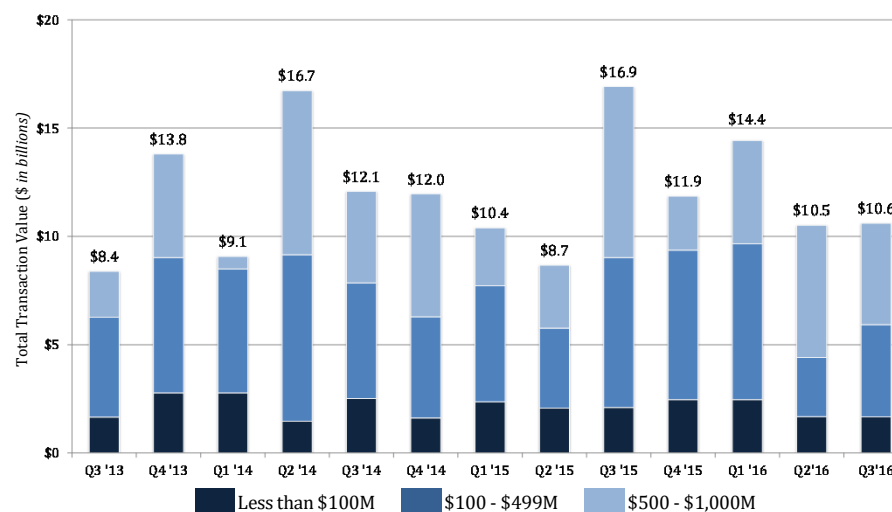
Deal Size	Q3 2015		Q3 2016		% Change	
	Volume	Value	Volume	Value	Volume	Value
Less than \$100M	61	\$2.1	44	\$1.7	(28%)	(20%)
\$100 - \$499M	30	\$6.9	16	\$4.3	(47%)	(39%)
\$500 - \$999M	10	\$7.9	7	\$4.7	(30%)	(41%)
Total Middle Market	101	\$16.9	67	\$10.6	(34%)	(37%)
% of Middle Market						
Less than \$100M	60%	12%	66%	16%		
\$100 - \$499M	30%	41%	24%	40%		
\$500 - \$999M	10%	47%	10%	44%		
Total Middle Market	100%	100%	100%	100%		

U.S. Middle Market M&A Activity – Quarterly Trends: VOLUME



Source: S&P Capital IQ (middle market includes all closed deals with disclosed deal value between \$10 million and \$1 billion)

U.S. Middle Market M&A Activity – Quarterly Trends: VALUE



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Recent M&A Activity – Healthcare

Select Announced M&A Transactions (Q3 2016)

(\$ in millions)

Announced Date	Target	Buyer	Industry	Enterprise Value (\$mm)	EV / Revenue	EV / EBITDA
09/28/16	Agilux Laboratories, Inc.	Charles River Laboratories Intl., Inc.	Life Sciences Tools and Services	\$64.0	NA	NA
09/27/16	EndoChoice Holdings, Inc.	Boston Scientific Corp.	Healthcare Equipment & Supplies	\$193.8	2.6x	NA
09/26/16	PharmaCore, Inc.	Cambrex Corp.	Healthcare Equipment & Supplies	\$25.0	1.5x	12.5x
09/23/16	VEGA Medical Professionals, LLC	Constellation Healthcare Technologies, Inc.	Healthcare Services	\$24.0	1.5x	30.0x
09/21/16	RTech Healthcare Revenue, Inc.	TransUnion Healthcare, Inc.	Health Care Technology	\$62.0	NA	NA
09/20/16	Tobira Therapeutics, Inc.	Allergan plc	Biotechnology	\$1,500.3	NA	NA
09/16/15	Alliance Health Services, Inc.	Fujian Thaihot Investment Co., Ltd.	Healthcare Services	\$774.3	1.7x	NA
09/16/16	Abbott Medical Optics, Inc.	Chace, LLC	Healthcare Equipment & Supplies	\$4,325.0	3.9x	NA
09/15/16	ProtaTek Intl., Inc.	Pharmgate, LLC	Biotechnology	\$20.0	NA	NA
09/14/16	Vitae Pharmaceuticals, Inc.	Allergan plc	Biotechnology	\$561.3	NA	NA
09/12/16	Raptor Pharmaceuticals Corp.	Horizon Pharma plc	Biotechnology	\$767.5	7.0x	NA
09/12/16	Anthelio Healthcare Solutions, Inc.	Atos SE	Health Care Technology	\$275.0	1.4x	NA
09/11/15	Trilogy Investors, LLC	NorthStar Healthcare Income, Inc.	Healthcare Facilities	\$1,148.5	NA	NA
09/06/16	Cepheid	Danaher Corp.	Biotechnology	\$4,088.5	7.2x	NA

Source: S&P Capital IQ.



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Recent M&A Activity – Healthcare

Select Announced M&A Transactions (Q3 2016)

(\$ in millions)

Announced Date	Target	Buyer	Industry	Enterprise Value (\$mm)	EV / Revenue	EV / EBITDA
09/02/16	Lifeline Scientific, Inc.	Shanghai Genext Medical Technology Co. Ltd.	Healthcare Equipment & Supplies	\$73.9	1.7x	8.3x
08/22/16	Medivation, Inc.	Pfizer, Inc.	Biotechnology	\$14,003.7	13.6x	30.7x
08/15/16	InterHealth Nutraceuticals, Inc.	Lonza Group, Ltd.	Pharmaceuticals	\$300.0	NA	10.0x
08/15/16	Semnur Pharmaceuticals, Inc.	Scintilla Pharmaceuticals, Inc.	Pharmaceuticals	\$200.0	NA	NA
08/08/16	ESC Operations, LLC	Clarkson Eyecare, Inc.	Healthcare Facilities	\$12.9	NA	NA
08/01/16	Accutron, Inc.	Crosstex Intl, Inc.	Healthcare Equipment & Supplies	\$52.5	2.6x	NA
07/27/16	Sequenom, Inc.	Laboratory Corp. of America Holdings	Life Sciences Tools and Services	\$352.7	3.1x	NA
07/19/16	InnFocus, Inc.	Santen Pharmaceutical Co. Ltd.	Healthcare Supplies	\$225.0	NA	NA
07/13/16	Imprivata, Inc.	Thoma Bravo, LLC	Health Care Technology	\$496.9	3.8x	NA
07/13/16	Valence Health, Inc.	Evolent Health, Inc.	Health Care Technology	\$247.3	NA	NA
07/11/16	Sagent Pharmaceuticals, Inc.	Nichi-Iko Pharmaceutical Co. Ltd.	Pharmaceuticals	\$702.7	2.4x	47.9x
07/06/16	MiaMed, Inc.	Amicus Therapeutics, Inc.	Biotechnology	\$89.4	NA	NA
07/06/16	kSep Systems, LLC	Sartorius Stedim Biotech S.A.	Healthcare Equipment & Supplies	\$28.0	4.0x	NA
07/01/16	SynCardia Systems, Inc.	Sindex SSI Lending, LLC	Healthcare Equipment & Supplies	\$20.5	NA	NA

Source: S&P Capital IQ.

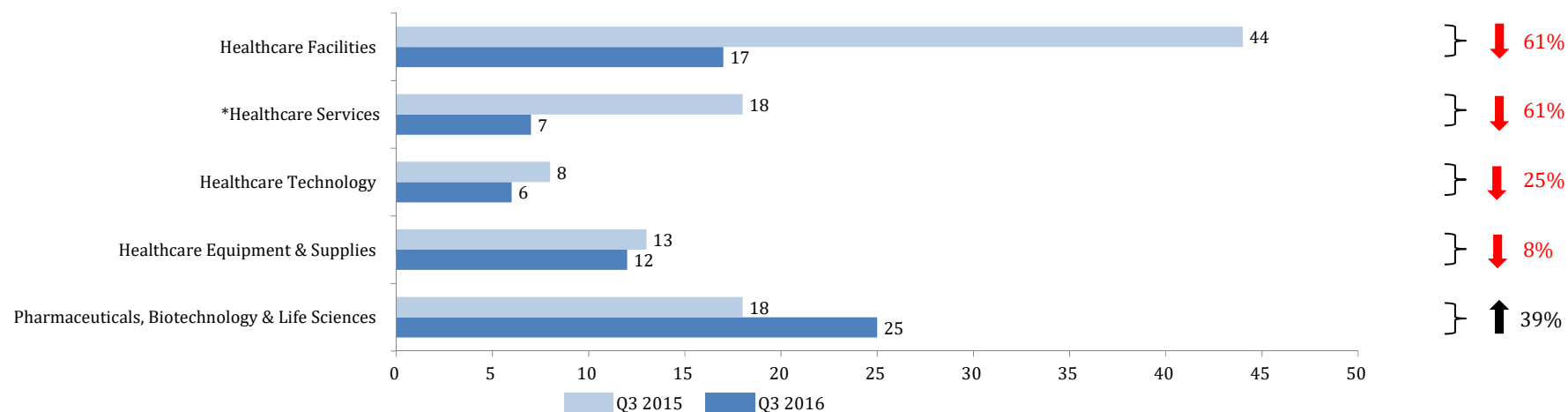


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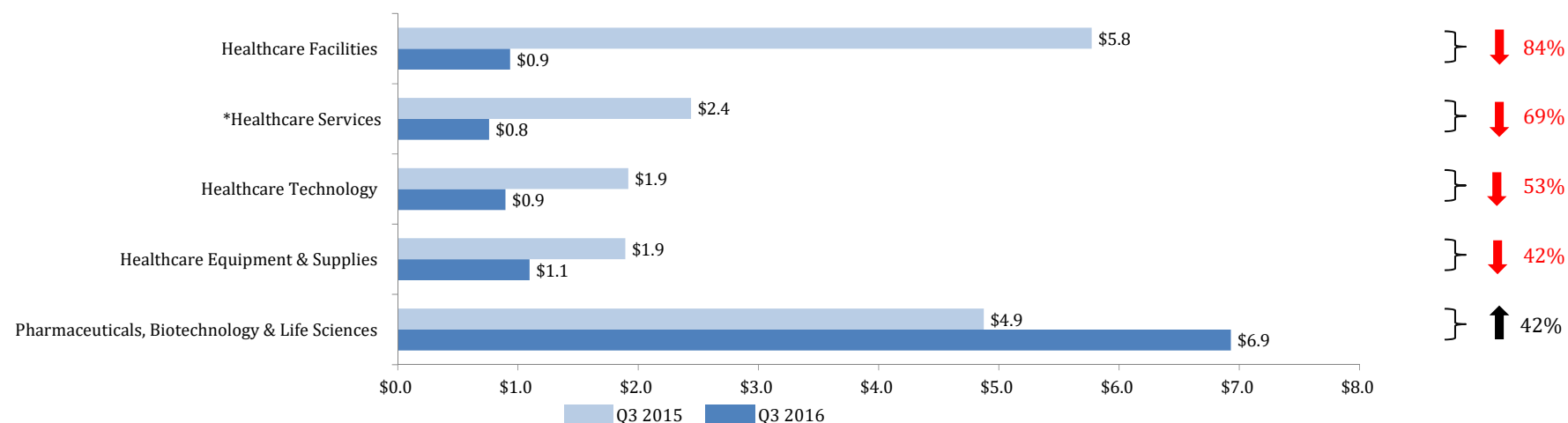
M&A Activity by Healthcare Sector

U.S. Middle Market M&A Activity by Healthcare Sector: VOLUME



U.S. Middle Market M&A Activity by Healthcare Sector: VALUE

(\$ in billions)



Source: S&P Capital IQ (includes all closed deals with disclosed deal value between \$10 million and \$1 billion). *Managed Healthcare and Healthcare Distributor transactions are included in the Healthcare Services sector.



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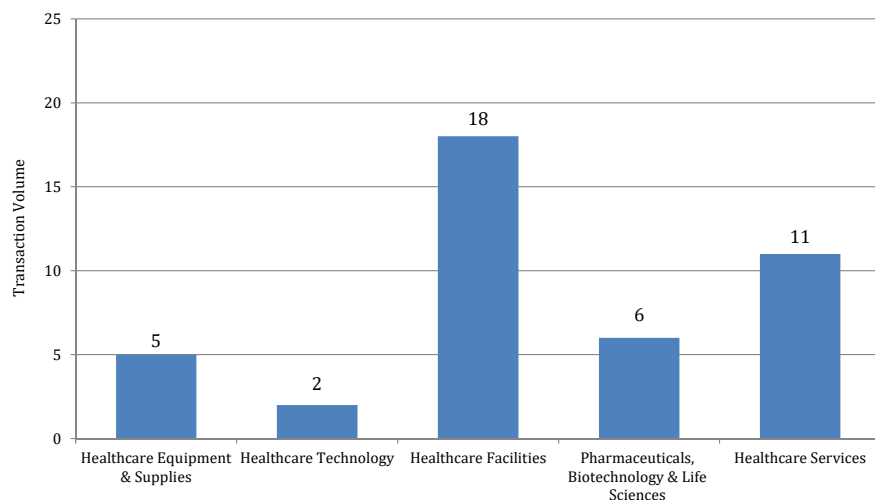
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Private Equity Activity – Healthcare

Commentary

- As detailed in the chart to the right, financial sponsors were active across many sectors of the Healthcare industry during Q3 2016, most notably in *Healthcare Facilities* with 18 announced deals.
- Several notable private equity deals were announced during the Q3, including: Thoma Bravo, LLC's purchase of Imprivata, Inc., Revelstoke Capital Partners, LLC's acquisition of Fast Pace Urgent Care and The Carlyle Group LP's purchase of WellDyne Rx, LLC.
- During Q3 2015, financial sponsors were most active in the *Healthcare Facilities* and *Healthcare Services* sectors, announcing 18 and 11 transactions, respectively.

Financial Sponsors Activity by Sector



Source: S&P Capital IQ. *Includes transactions with undisclosed transaction values.

Select Announced Private Equity M&A Transactions (Q3 2016)

(\$ in millions)

Announced Date	Target	Buyer	Industry	Enterprise Value (\$mm)
09/28/16	American Dental Group, Inc.	Roark Capital Group	Healthcare Services	NA
09/20/16	LetterLogic, Inc.	WestView Capital Partners	Healthcare Services	NA
09/13/16	Vantage Mobility Int., LLC	Nautic Partners, LLC	Healthcare Equipment	NA
09/01/16	Electromedical Products Int.	Tillery Capital, LLC	Healthcare Equipment	NA
08/23/16	Fast Pace Urgent Care	Revelstoke Capital Partners	Healthcare Facilities	NA
08/22/16	Physicians Endoscopy, LLC	Kelso & Co.	Healthcare Facilities	NA
08/22/16	Pathway Partners Vet Holding	Morgan Stanley Private Equity	Healthcare Services	NA
08/18/16	Smile Brands Group, Inc.	Gryphon Investors	Healthcare Services	NA
08/16/16	Clinical Research Solutions	Bmc Growth Fund, LLC	Life Sciences	NA
08/10/16	FasPsych, LLC	Pharos Capital Group, LLC	Healthcare Services	NA
08/10/16	National Seating & Mobility	Court Square Capital Partners	Healthcare Services	NA
08/10/16	JTL Enterprises, Inc.	North Castle Partners, LLC	Healthcare Equipment	NA
08/01/16	WellDyneRx, Inc.	The Carlyle Group, LP	Healthcare Services	NA
07/18/16	Beaver-Visitec Int., Inc.	TPG Capital, L.P.	Healthcare Supplies	NA
07/13/16	Imprivata, Inc.	Thoma Bravo, LLC	Health Care Technology	\$512
07/12/16	Southeastern Home Health Services of PA, LLC	Geneva Glen Capital, LLC	Healthcare Services	NA
07/01/16	SynCardia Systems, Inc.	Versa Capital Management	Healthcare Equipment	\$19



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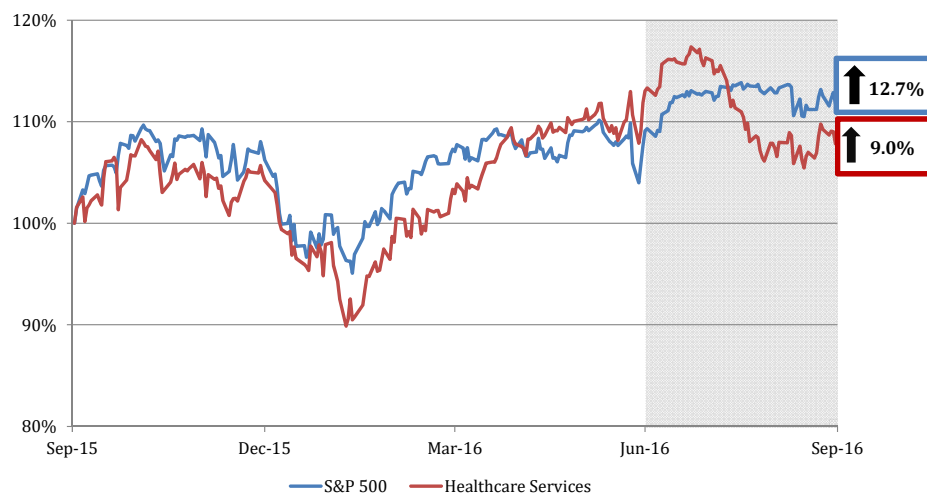
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Industry Sector Overview – Recent Stock Price Performance

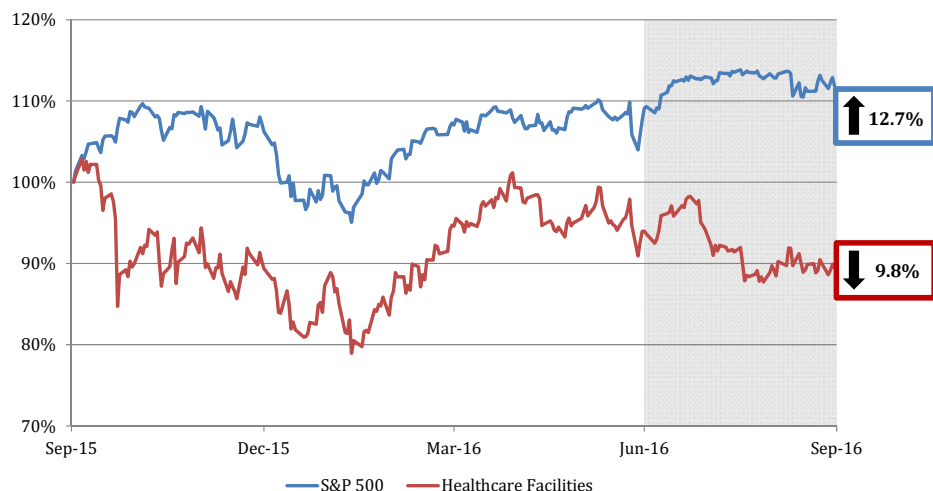
Commentary

- The charts included on the following pages detail the recent stock price performance by sector for the leading public companies within the Healthcare industry for the 12-month period ended September 30, 2016. The shaded section is the most recent 3-month period (Q3) for each sector relative to the S&P 500.
- For the 12-month period ending September 30, 2016, the Healthcare industry had mixed performances, led by the *Healthcare Equipment & Supplies* sector (up 27.7%), while the *Healthcare Facilities* sector performed the worst (down 9.8%)
- During the 3-month period ended September 30, 2016, most sector indices decreased, with the *Healthcare Distribution* sector declining the most during the period (down 5.9%).

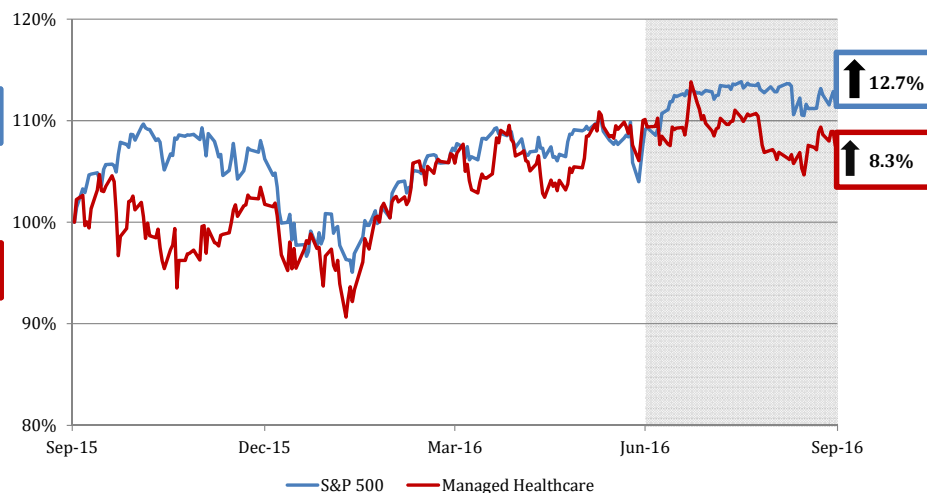
Healthcare Services



Healthcare Facilities



Managed Healthcare



Source: S&P Capital IQ

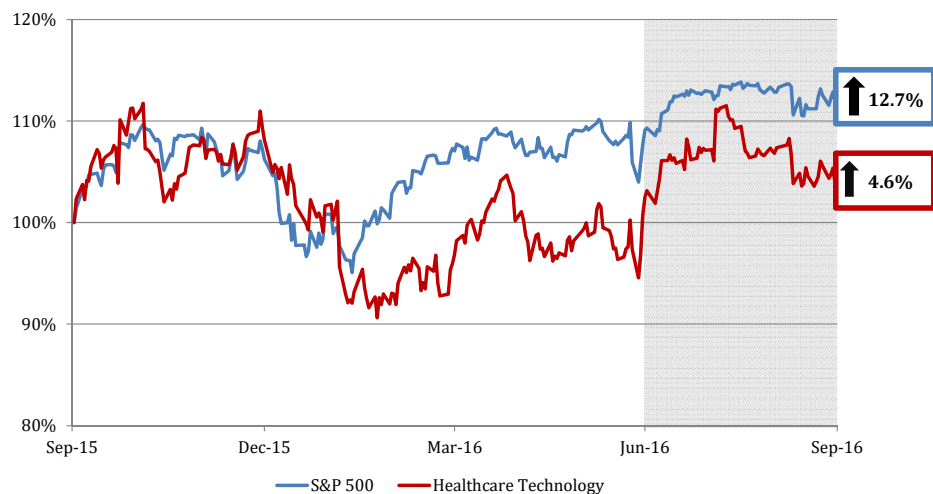


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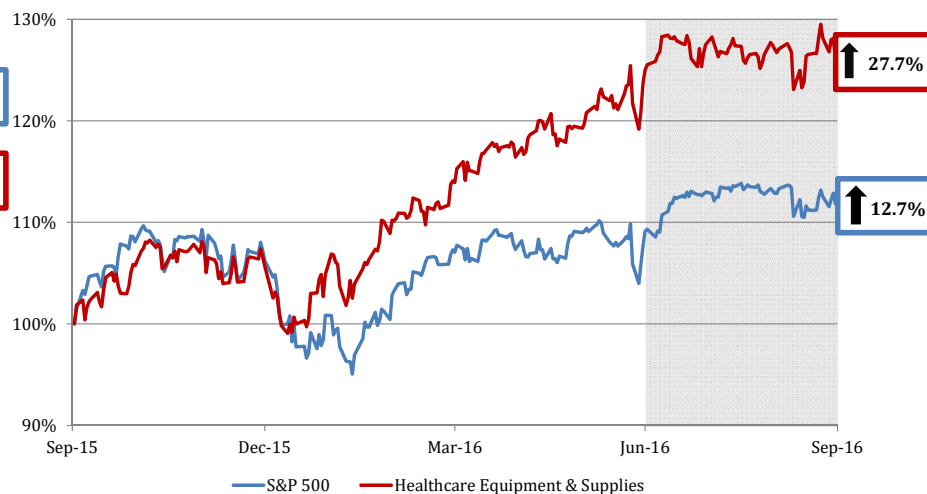
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Industry Sector Overview – Recent Stock Price Performance

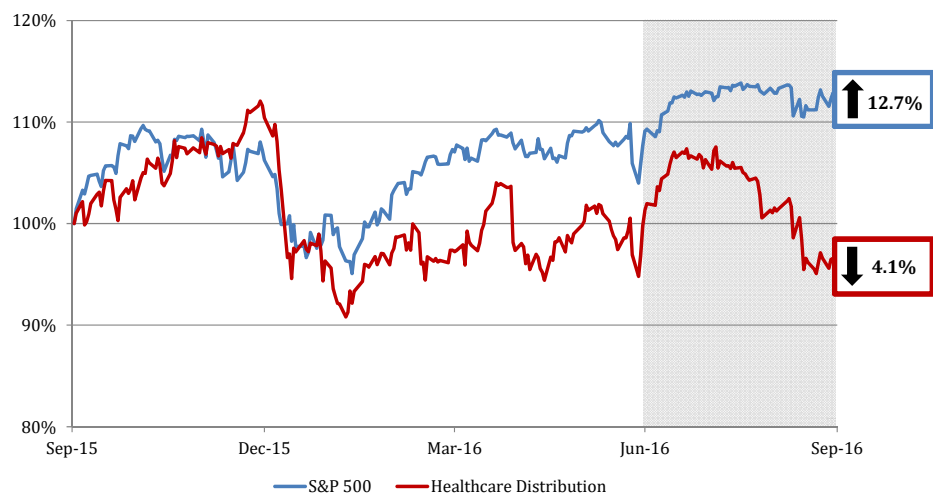
Healthcare Technology



Healthcare Equipment & Supplies



Healthcare Distribution



Source: S&P Capital IQ



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Industry Sector Overview – Public Company Analysis

(\$ in millions, except per share)

Healthcare Facilities

Company	Ticker	Closing Price 9/30/16	% of 52 Week High	Equity Value	Enterprise Value	LTM			LTM Margins		Enterprise Value / LTM	
						Revenue	Gross Profit	EBITDA	Gross Profit	EBITDA	Revenue	EBITDA
HCA Holdings, Inc.	HCA	\$75.63	90%	\$31,225	\$62,639	\$40,684	\$15,304	\$7,962	37.6%	19.6%	1.5x	7.9x
Tenet Healthcare Corp.	THC	\$22.66	57%	\$2,248	\$18,796	\$19,630	\$7,058	\$2,276	36.0%	11.6%	1.0x	8.3x
Community Health Systems, Inc.	CYH	\$11.54	25%	\$1,296	\$18,534	\$19,233	\$7,151	\$2,097	37.2%	10.9%	1.0x	8.8x
Universal Health Services, Inc.	UHS	\$123.22	88%	\$12,275	\$15,832	\$9,424	\$4,004	\$1,694	42.5%	18.0%	1.7x	9.3x
HEALTHSOUTH Corp.	HLS	\$40.57	94%	\$4,059	\$7,376	\$3,432	\$1,441	\$784	42.0%	22.8%	2.1x	9.4x
AmSurg Corp.	AMSG	\$67.05	77%	\$3,770	\$6,864	\$2,838	\$1,139	\$718	40.2%	25.3%	2.4x	9.6x
Lifepoint Hospitals, Inc.	LPNT	\$59.23	78%	\$2,677	\$5,299	\$5,853	\$1,929	\$642	33.0%	11.0%	0.9x	8.3x
Select Medical Holdings Corp.	SEM	\$13.50	94%	\$1,723	\$4,718	\$4,178	\$708	\$438	17.0%	10.5%	1.1x	10.8x
Hanger Orthopedic Group, Inc.	HNGR	\$8.50	48%	\$302	\$837	\$1,061	\$354	\$159	33.4%	15.0%	0.8x	5.3x
Average			72%	\$6,620	\$15,655	\$11,815	\$4,343	\$1,863	35.4%	16.1%	1.4x	8.6x
Median			78%	\$2,677	\$7,376	\$5,853	\$1,929	\$784	37.2%	15.0%	1.1x	8.8x

Healthcare Services

Company	Ticker	Closing Price 9/30/16	% of 52 Week High	Equity Value	Enterprise Value	LTM			LTM Margins		Enterprise Value / LTM	
						Revenue	Gross Profit	EBITDA	Gross Profit	EBITDA	Revenue	EBITDA
DaVita, Inc.	DVA	\$66.07	84%	\$13,964	\$22,583	\$14,347	\$4,077	\$2,540	28.4%	17.7%	1.6x	8.9x
Laboratory Corp. of America Holdings	LH	\$137.48	97%	\$14,215	\$20,273	\$9,192	\$3,110	\$1,702	33.8%	18.5%	2.2x	11.9x
Quest Diagnostics, Inc.	DGX	\$84.63	97%	\$12,187	\$15,736	\$7,498	\$2,936	\$1,475	39.2%	19.7%	2.1x	10.7x
MEDNAX, Inc.	MD	\$66.25	80%	\$6,179	\$7,479	\$2,988	\$1,028	\$649	34.4%	21.7%	2.5x	11.5x
RadNet, Inc.	RDNT	\$7.40	99%	\$349	\$998	\$859	\$180	\$105	21.0%	12.2%	1.2x	9.5x
Alliance Healthcare Services, Inc.	AIQ	\$6.86	63%	\$74	\$692	\$494	\$215	\$118	43.5%	23.9%	1.4x	5.9x
Average			87%	\$7,828	\$11,294	\$5,896	\$1,924	\$1,098	33.4%	18.9%	1.8x	9.7x
Median			90%	\$9,183	\$11,608	\$5,243	\$1,982	\$1,062	34.1%	19.1%	1.8x	10.1x

Source: S&P Capital IQ.



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Industry Sector Overview – Public Company Analysis

(\$ in millions, except per share)

Managed Healthcare

Company	Ticker	Closing Price 9/30/16	% of 52 Week High	Equity Value	Enterprise Value	LTM			LTM Margins		Enterprise Value / LTM	
						Revenue	Gross Profit	EBITDA	Gross Profit	EBITDA	Revenue	EBITDA
Unitedhealth Group, Inc.	UNH	\$140.00	97%	\$135,485	\$154,979	\$180,904	\$41,369	\$13,793	22.9%	7.6%	0.9x	11.2x
Aetna, Inc.	AET	\$115.45	93%	\$40,794	\$41,575	\$61,647	\$16,485	\$5,729	26.7%	9.3%	0.7x	7.3x
Cigna Corp.	CI	\$130.32	87%	\$33,882	\$36,127	\$38,761	\$12,483	\$3,771	32.2%	9.7%	0.9x	9.6x
Anthem, Inc.	ANTM	\$125.31	84%	\$33,602	\$28,886	\$81,834	\$17,706	\$5,258	21.6%	6.4%	0.4x	5.5x
Humana, Inc.	HUM	\$176.89	92%	\$26,656	\$21,095	\$54,531	\$9,613	\$2,505	17.6%	4.6%	0.4x	8.4x
Centene Corp.	CNC	\$66.96	89%	\$9,190	\$10,689	\$28,062	\$5,166	\$1,256	18.4%	4.5%	0.4x	8.5x
WellCare Health Plans, Inc.	WCG	\$117.09	100%	\$5,209	\$3,593	\$14,073	\$2,073	\$565	14.7%	4.0%	0.3x	6.4x
Magellan Health Services, Inc.	MGLN	\$53.73	74%	\$1,335	\$1,580	\$4,740	\$255	\$209	5.4%	4.4%	0.3x	7.6x
Universal American Corp.	UAM	\$7.65	89%	\$631	\$721	\$1,555	\$248	\$42	15.9%	2.7%	0.5x	17.2x
Molina Healthcare, Inc.	MOH	\$58.32	82%	\$3,383	\$697	\$15,759	\$2,348	\$487	14.9%	3.1%	0.0x	1.4x
Health Net, Inc.	HNT	\$0.56	90%	\$181	\$230	\$228	\$90	\$25	39.3%	11.0%	1.0x	9.1x
Average			89%	\$29,017	\$29,994	\$48,187	\$10,774	\$3,362	19.0%	5.6%	0.5x	8.3x
Median			89%	\$17,923	\$15,892	\$33,412	\$7,390	\$1,881	18.0%	4.5%	0.4x	8.0x

Healthcare Technology

Company	Ticker	Closing Price 9/30/16	% of 52 Week High	Equity Value	Enterprise Value	LTM			LTM Margins		Enterprise Value / LTM	
						Revenue	Gross Profit	EBITDA	Gross Profit	EBITDA	Revenue	EBITDA
Cerner Corp.	CERN	\$61.75	90%	\$21,447	\$21,402	\$4,579	\$3,886	\$1,271	84.9%	27.7%	4.7x	16.8x
Athenahealth, Inc.	ATHN	\$126.12	74%	\$4,986	\$5,146	\$1,012	\$610	\$85	60.3%	8.4%	5.1x	60.3x*
Allscripts Healthcare Solutions, Inc.	MDRX	\$13.17	83%	\$2,481	\$3,966	\$1,432	\$706	\$134	49.3%	9.3%	2.8x	29.7x
Medidata Solutions, Inc.	MDSO	\$55.76	98%	\$3,168	\$3,106	\$421	\$322	\$51	76.6%	12.2%	7.4x	60.6x*
WebMD Health Corp.	WBMD	\$49.70	74%	\$2,827	\$2,851	\$671	\$420	\$163	62.6%	24.3%	4.3x	17.5x
Quality Systems, Inc.	QSII	\$11.32	65%	\$689	\$750	\$493	\$266	\$56	54.0%	11.5%	1.5x	13.3x
Healthstream, Inc.	HSTM	\$27.60	98%	\$884	\$745	\$219	\$126	\$25	57.8%	11.2%	3.4x	30.4x
Computer Programs & Systems, Inc.	CPSI	\$26.06	44%	\$317	\$469	\$227	\$96	\$35	42.5%	15.2%	2.1x	13.6x
Average			78%	\$4,600	\$4,804	\$1,132	\$804	\$227	61.0%	15.0%	3.9x	20.2x
Median			79%	\$2,654	\$2,979	\$582	\$371	\$71	59.1%	11.8%	3.8x	17.1x

Source: S&P Capital IQ. *Excluded from average and median calculation.



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Industry Sector Overview – Public Company Analysis

(\$ in millions, except per share)

Healthcare Equipment & Supplies

Company	Ticker	Closing Price 9/30/16	% of 52 Week High	Equity Value	Enterprise Value	LTM			LTM Margins		Enterprise Value / LTM	
						Revenue	Gross Profit	EBITDA	Gross Profit	EBITDA	Revenue	EBITDA
Medtronic, Inc.	MDT	\$86.40	97%	\$122,565	\$141,047	\$28,725	\$19,797	\$8,756	68.9%	30.5%	4.9x	16.1x
Stryker Corp.	SYK	\$116.41	94%	\$44,096	\$47,916	\$10,470	\$7,019	\$2,853	67.0%	27.2%	4.6x	16.8x
CR Bard, Inc.	BCR	\$224.28	94%	\$16,855	\$17,749	\$3,528	\$2,215	\$1,070	62.8%	30.3%	5.0x	16.6x
DENTSPLY International, Inc.	XRAY	\$59.43	90%	\$10,412	\$11,286	\$3,115	\$1,697	\$658	54.5%	21.1%	3.6x	17.2x
The Cooper Companies, Inc.	COO	\$179.26	94%	\$8,782	\$10,167	\$1,904	\$1,190	\$587	62.5%	30.8%	5.3x	17.3x
Varian Medical Systems, Inc.	VAR	\$99.53	99%	\$9,672	\$9,644	\$3,123	\$1,292	\$599	41.4%	19.2%	3.1x	16.1x
Alere, Inc.	ALR	\$43.24	80%	\$3,735	\$7,442	\$2,406	\$1,082	\$374	45.0%	15.5%	3.1x	19.9x
Steris Corp.	STE	\$73.10	93%	\$5,683	\$7,024	\$2,431	\$951	\$501	39.1%	20.6%	2.9x	14.0x
Average			93%	\$27,725	\$31,534	\$6,963	\$4,405	\$1,925	55.2%	24.4%	4.1x	16.8x
Median			94%	\$10,042	\$10,727	\$3,119	\$1,494	\$629	58.5%	24.2%	4.1x	16.7x

Healthcare Distribution

Company	Ticker	Closing Price 9/30/16	% of 52 Week High	Equity Value	Enterprise Value	LTM			LTM Margins		Enterprise Value / LTM	
						Revenue	Gross Profit	EBITDA	Gross Profit	EBITDA	Revenue	EBITDA
McKesson Corp.	MCK	\$166.75	82%	\$38,561	\$44,785	\$193,071	\$11,403	\$4,598	5.9%	2.4%	0.2x	9.7x
Cardinal Health, Inc.	CAH	\$77.70	85%	\$25,641	\$28,358	\$121,546	\$6,543	\$3,139	5.4%	2.6%	0.2x	9.0x
AmerisourceBergen Corp.	ABC	\$80.78	76%	\$17,954	\$19,228	\$144,759	\$3,987	\$1,858	2.8%	1.3%	0.1x	10.4x
Henry Schein, Inc.	HSIC	\$162.98	89%	\$13,558	\$14,884	\$11,122	\$3,131	\$958	28.1%	8.6%	1.3x	15.5x
Patterson Companies, Inc.	PDCO	\$45.94	91%	\$4,451	\$5,487	\$5,576	\$1,352	\$443	24.2%	7.9%	1.0x	12.4x
Owens & Minor, Inc.	OMI	\$34.73	84%	\$2,145	\$2,594	\$9,899	\$1,215	\$280	12.3%	2.8%	0.3x	9.3x
PharMerica Corp.	PMC	\$28.07	78%	\$867	\$1,165	\$2,064	\$329	\$131	15.9%	6.3%	0.6x	8.9x
Average			84%	\$14,740	\$16,643	\$69,720	\$3,994	\$1,629	13.5%	4.6%	0.5x	10.7x
Median			84%	\$13,558	\$14,884	\$11,122	\$3,131	\$958	12.3%	2.8%	0.3x	9.7x

Source: S&P Capital IQ.



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