

# Healthcare Sector Update



March 2015

## Summary – Healthcare Services

- The S&P Healthcare Services Index has increased by 16.0% over the last three months, outperforming the S&P 500 (1.8% increase over the last three months).
- Over the past three months:
  - > The best performing sectors were Emergency Services (up 32.5%) and Managed Care – Government (up 24.5%)
  - > The worst performing sectors were Physician Practice Management (down 0.5%), and Specialty Managed Care (down 13.9%)
- The current median LTM revenue and LTM EBITDA multiples for the Healthcare Services industry overall are 1.75x and 12.1x, respectively.
- The sectors with the highest valuation multiples include:
  - > Healthcare REITS (12.96x LTM Revenue, 19.0x LTM EBITDA)
- HCIT (3.49x LTM Revenue, 21.3x LTM EBITDA)

## Summary – Pharmaceutical / Medical Devices / Life Sciences

- The S&P 500 – Pharmaceuticals, Biotechnology & Life Sciences Index has risen 2.0% over the last three months, outperforming the S&P 500 (1.8% increase over the last three months).
- Over the past three months:
  - > The best performing sectors were Neural Implant Devices (up 25.3%), Pharmaceuticals (up 22.5%) and Diagnostic Imaging Devices (up 17.7%)
  - > The worst performing sector was Conglomerates (down 1.2%)
- The current median LTM revenue and LTM EBITDA multiples for the Pharmaceutical / Medical Device / Life Science industry overall are 3.44x and 14.8x, respectively.
- The sectors with the highest valuation multiples include:
  - Biotechnology (8.58x LTM Revenue, 17.2x LTM EBITDA)
  - Pharmaceuticals (5.57x LTM Revenue, 17.0x LTM EBITDA)
  - Large-Cap Pharmaceuticals (5.16x LTM Revenue, 16.5x LTM EBITDA)

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**MARKET SECTOR**

	No. of Cos.	Ag. Eqty Mkt. Value	Median % Change		LTM Multiples		Earnings Ratio		PEG Ratio 2015E
			3 mo	12 mo	Rev	EBITDA	LTM	2015E	
Acute Care Hospitals	5	\$54,708	3.1%	32.6%	1.22x	8.6x	23.8x	17.7x	1.7x
Assisted Living	5	7,948	5.9%	1.0%	2.59x	18.8x	19.3x	15.3x	NM
Care Management / TPA	7	10,801	2.7%	7.3%	1.59x	12.7x	23.8x	20.3x	1.3x
Clinical Laboratories	6	30,190	8.8%	31.5%	2.39x	12.7x	20.8x	17.4x	1.5x
Consumer Directed Health & Wellness	9	14,522	7.9%	(17.7%)	3.18x	16.3x	45.3x	24.3x	2.0x
Contract Research Orgs	7	23,735	18.4%	20.3%	2.32x	14.8x	24.8x	21.3x	1.2x
Diagnostic Imaging	3	640	4.0%	(20.7%)	1.75x	6.0x	NM	23.5x	2.3x
Dialysis Services	2	41,020	4.4%	14.2%	2.01x	10.9x	24.0x	20.8x	2.0x
Distribution / Supply	7	124,501	4.2%	21.7%	0.35x	14.1x	27.5x	19.0x	1.9x
Emergency Services	2	2,518	32.5%	(1.9%)	2.77x	10.3x	20.7x	17.9x	0.9x
HCIT	15	48,331	3.8%	(15.5%)	3.49x	21.3x	44.4x	27.0x	1.7x
Healthcare REITs	13	94,082	4.8%	18.8%	12.96x	19.0x	23.2x	27.2x	6.0x
Healthcare Staffing	5	13,166	3.7%	24.6%	1.18x	14.9x	32.7x	25.0x	1.5x
Home Care / Hospice	6	4,894	18.1%	40.6%	0.85x	12.1x	24.2x	19.0x	1.4x
Long Term Care	4	3,741	6.8%	16.8%	0.95x	9.9x	24.2x	15.4x	1.2x
Managed Care – Commercial	7	243,633	14.5%	47.1%	0.73x	9.9x	18.7x	17.6x	1.3x
Managed Care – Government	3	14,470	24.5%	69.0%	0.28x	11.8x	38.3x	24.6x	1.4x
Other Services	4	13,967	8.0%	16.4%	2.11x	24.6x	35.7x	33.8x	1.9x
Pharmacy Management	6	81,921	5.4%	11.7%	0.79x	12.7x	38.7x	18.5x	1.4x
Physician Practice Mgmt	2	6,893	(0.5%)	(3.2%)	1.79x	11.6x	22.5x	20.3x	1.4x
Psychiatric Hospitals	3	6,669	4.7%	16.3%	0.44x	7.8x	32.1x	27.2x	1.4x
Specialty Managed Care	2	4,733	(13.9%)	2.9%	0.30x	4.6x	8.7x	11.9x	1.6x
Surgicenters / Rehabilitation	8	11,887	10.0%	24.4%	2.27x	10.6x	19.4x	19.0x	1.4x
<b>Total / Median (\$MM)</b>	<b>131</b>	<b>\$858,971</b>	<b>5.4%</b>	<b>16.4%</b>	<b>1.75x</b>	<b>12.1x</b>	<b>24.1x</b>	<b>20.3x</b>	<b>1.4x</b>

Source: Capital IQ

**CAPITALIZATION PROFILE**

	No. of Cos.	Ag. Eqty Mkt. Value	% Total No. of Cos.	% Ag. Eqty Mkt. Value	Median Stock Performance			
					3 mo	YTD	12 mo	36 mo
> \$5 billion	34	\$718,813	26.0%	83.7%	7.6%	108.0%	27.3%	80.7%
\$1 billion – \$5 billion	46	117,649	35.1%	13.7%	10.0%	129.4%	17.6%	78.2%
\$250 million – \$1 billion	36	21,216	27.5%	2.5%	7.8%	109.3%	16.0%	74.7%
\$100 million – \$250 million	3	603	2.3%	0.1%	(11.2%)	267.4%	(30.5%)	136.3%
< \$100 million	12	689	9.2%	0.1%	5.2%	29.7%	(3.3%)	9.1%
<b>Total / Median (\$MM)</b>	<b>131</b>	<b>\$858,971</b>	<b>100.0%</b>	<b>100.0%</b>	<b>5.4%</b>	<b>109.3%</b>	<b>16.4%</b>	<b>78.2%</b>

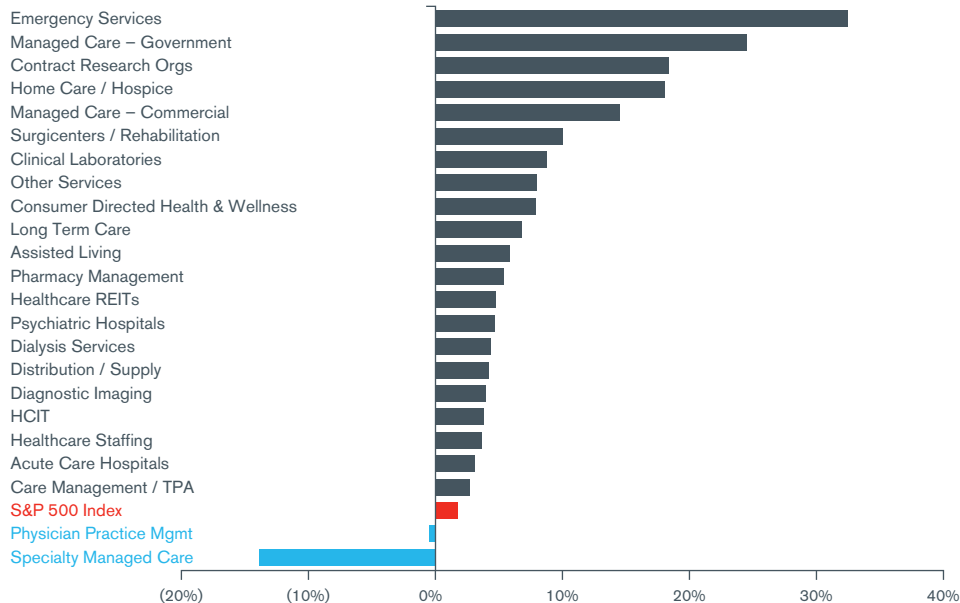
Source: Capital IQ

**MARKET INDICES**

	Value at 2/28/15	% Change			
		3 mo	YTD	12 mo	36 mo
Dow Jones Industrial Average	\$18,132.7	1.7%	1.7%	11.1%	40.0%
S&P 500 Index	2,104.5	1.8%	2.2%	13.2%	54.1%
NASDAQ Composite Index	4,963.5	3.6%	4.8%	15.2%	67.3%
Russell 2000 Index	1,233.4	5.1%	2.4%	4.3%	52.1%
AMEX Sector Index – Healthcare	114.8	14.4%	14.5%	(15.1%)	31.0%
S&P Healthcare Facilities (Sub Ind) Index	414.0	6.2%	(1.8%)	37.9%	126.9%
S&P Healthcare Providers & Services (Industry) Index	635.2	9.4%	5.1%	38.8%	122.8%
S&P Managed Healthcare (Sub Ind) Index	413.9	20.2%	13.0%	73.2%	108.8%
S&P Healthcare Services	448.3	16.0%	9.1%	21.9%	85.3%

Source: Capital IQ

**Median % Change – 3 months**



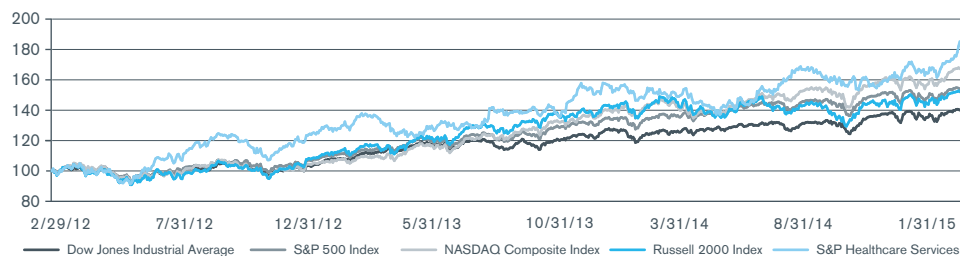
Source: Capital IQ

**INTEREST RATES**

	Value at 2/28/2015	1 mo ago	3 mo ago	12 mo ago
LIBOR – USD – 5 Months	0.00%	0.00%	0.00%	0.00%
U.S. Treasury – 2 years	0.00%	0.49%	0.02%	0.33%
U.S. Treasury – 5 years	1.50%	1.25%	1.50%	1.51%
U.S. Treasury – 10 years	2.00%	1.73%	2.19%	2.66%
U.S. Treasury – 30 years	2.60%	2.30%	2.92%	2.92%
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 2/28/15	% Change		52-Week		Market Cap	Ent Val (TEV)	LTM		EPS		LTM Multiples		Earnings Ratio		PEG Ratio 2015E
			3 mo	12 mo	High	Low			Rev	EBITDA	2014	2015E	Rev	EBITDA	LTM	2015E	
<b>Acute Care Hospitals</b>																	
Community Health Systems, Inc.	CYH	\$48.52	3.1%	16.9%	\$57.72	\$34.55	\$5,664	\$22,750	\$18,639.0	\$2,737.0	\$1.32	\$3.94	1.22x	8.3x	36.8x	12.3x	0.72x
HCA Holdings, Inc.	HCA	71.54	2.7%	39.7%	76.18	47.17	30,088	60,698	36,918.0	7,385.0	4.16	4.95	1.64x	8.2x	17.2x	14.5x	1.15x
Lifepoint Hospitals Inc.	LPNT	71.96	4.0%	32.6%	76.50	50.51	3,181	5,322	4,483.1	577.0	2.69	3.97	1.19x	9.2x	26.8x	18.1x	1.70x
Tenet Healthcare Corp.	THC	46.30	(3.6%)	4.9%	63.61	37.95	4,560	16,709	16,615.0	1,952.0	0.34	2.10	1.01x	8.6x	NM	22.0x	1.69x
Universal Health Services Inc.	UHS	113.35	8.3%	41.2%	115.64	73.06	11,215	14,756	8,065.3	1,475.1	5.42	6.42	1.83x	10.0x	20.9x	17.7x	1.77x
<b>Median</b>			<b>3.1%</b>	<b>32.6%</b>									<b>1.22x</b>	<b>8.6x</b>	<b>23.8x</b>	<b>17.7x</b>	<b>1.69x</b>
<b>Assisted Living</b>																	
AdCare Health Systems Inc.	ADK	\$4.50	13.6%	3.7%	\$5.05	\$3.58	\$86	\$232	\$227.3	\$12.4	NM	NM	1.02x	18.8x	NM	NM	NM
Brookdale Senior Living Inc.	BKD	37.51	5.9%	11.8%	37.54	29.50	6,883	13,046	3,343.5	605.1	(1.01)	(1.42)	3.90x	21.6x	NM	NM	NM
Capital Senior Living Corp.	CSU	25.00	(1.8%)	(1.7%)	26.89	20.33	727	1,361	380.1	63.7	(0.83)	0.10	3.58x	21.4x	NM	NM	NM
Five Star Quality Care Inc.	FVE	3.64	(17.3%)	(37.1%)	6.09	3.23	177	214	1,103.3	20.2	(0.12)	0.24	0.19x	10.6x	NM	15.3x	NM
Skarbiec Holding S.A.	SKH	10.76	8.0%	NM	10.81	8.11	73	66	25.7	7.1	0.58	NM	2.59x	9.4x	19.3x	NM	NM
<b>Median</b>			<b>5.9%</b>	<b>1.0%</b>									<b>2.59x</b>	<b>18.8x</b>	<b>19.3x</b>	<b>15.3x</b>	<b>NM</b>
<b>Care Management / TPA</b>																	
Alere Inc.	ALR	\$45.47	14.0%	23.8%	\$45.65	\$31.94	\$3,799	\$7,146	\$2,586.7	\$562.5	(\$2.28)	\$2.43	2.76x	12.7x	NM	18.7x	1.10x
Care.com, Inc.	CRCM	7.99	(6.0%)	(56.8%)	21.30	7.00	252	168	105.7	(33.0)	(1.07)	(0.74)	1.59x	NM	NM	NM	NM
CorVel Corporation	CRVL	35.43	2.2%	(23.0%)	53.35	28.08	722	691	490.7	66.8	1.49	1.62	1.41x	10.3x	23.8x	21.9x	NM
Crawford & Company	CRD.B	9.09	1.3%	7.3%	12.22	8.04	454	565	1,142.9	87.2	0.55	0.70	0.49x	6.5x	16.5x	13.0x	1.30x
ExamWorks Group, Inc.	EXAM	40.40	2.7%	11.1%	42.49	27.79	1,631	2,055	775.6	108.4	0.25	0.42	2.65x	19.0x	NM	NM	NM
Hooper Holmes Inc.	HH	0.59	6.7%	7.3%	0.83	0.44	42	38	56.1	(2.5)	NM	NM	0.67x	NM	NM	NM	NM
MAXIMUS, Inc.	MMS	59.23	13.1%	23.9%	60.00	37.94	3,901	3,752	1,761.4	277.0	2.25	2.44	2.13x	13.5x	26.3x	24.3x	1.26x
<b>Median</b>			<b>2.7%</b>	<b>7.3%</b>									<b>1.59x</b>	<b>12.7x</b>	<b>23.8x</b>	<b>20.3x</b>	<b>1.26x</b>

Source: Capital IQ as of February 28, 2015; For definitions, see page 9

Healthcare Sector Update

(\$ in millions, except per share amounts)

Company Name	Ticker	Price 2/28/15	% Change		52-Week		Market Cap	Ent Val (TEV)	LTM		EPS		LTM Multiples		Earnings Ratio		PEG Ratio 2015E
			3 mo	12 mo	High	Low			Rev	EBITDA	2014	2015E	Rev	EBITDA	LTM	2015E	
<b>Clinical Laboratories</b>																	
Bio-Reference Laboratories Inc.	BRLI	\$34.94	23.5%	38.3%	\$35.57	\$24.19	\$970	\$1,008	\$859.8	\$115.2	\$1.90	\$2.00	1.17x	8.7x	20.8x	17.4x	1.01x
Invitae Corporation	NVTA	18.68	NM	NM	22.35	16.59	575	518	0.8	(38.3)	NM	NM	633.49x	NM	NM	NM	NM
Laboratory Corp. of America Holdings	LH	123.03	17.6%	31.5%	124.57	92.50	12,340	14,807	6,011.6	1,167.6	5.91	7.60	2.46x	12.7x	20.8x	16.2x	1.67x
Psychemedics Corp.	PMD	16.41	8.8%	(7.9%)	18.40	12.42	88	91	29.2	5.5	0.60	0.93	3.11x	16.5x	27.4x	17.6x	0.88x
Quest Diagnostics Inc.	DGX	70.14	7.4%	32.3%	72.86	51.86	10,122	13,749	7,435.0	1,409.0	3.78	4.76	1.85x	9.8x	18.6x	14.7x	1.51x
Sonic Healthcare Limited	SHL	15.18	2.0%	(2.2%)	15.55	12.89	6,095	7,653	3,297.2	584.6	0.77	0.84	2.32x	13.1x	20.6x	18.1x	2.48x
<b>Median</b>			<b>8.8%</b>	<b>31.5%</b>									<b>2.39x</b>	<b>12.7x</b>	<b>20.8x</b>	<b>17.4x</b>	<b>1.51x</b>
<b>Contract Research Orgs</b>																	
Albany Molecular Research Inc.	AMRI	\$16.22	(0.3%)	4.0%	\$23.95	\$13.73	\$529	\$642	\$276.6	\$33.3	(\$0.10)	\$0.82	2.32x	19.3x	NM	19.8x	2.47x
Charles River Laboratories International, Inc.	CRL	76.67	18.4%	29.1%	77.17	49.60	3,628	4,262	1,297.7	288.6	2.70	3.60	3.28x	14.8x	28.4x	21.3x	2.07x
ICON Public Limited Company	ICLR	69.01	24.3%	47.3%	70.03	35.33	4,249	4,000	1,503.3	262.1	2.73	3.54	2.66x	15.3x	25.3x	19.5x	0.95x
INC Research Holdings, Inc.	INCR	29.93	22.7%	NM	31.84	19.61	1,833	2,127	809.7	149.5	(0.51)	1.25	2.63x	14.2x	NM	24.0x	1.17x
PAREXEL International Corporation	PRXL	64.46	10.2%	20.3%	65.38	41.79	3,532	3,577	1,993.9	297.1	2.66	2.91	1.79x	12.0x	24.2x	22.1x	1.24x
PRA Health Sciences, Inc.	PRAH	31.52	44.3%	NM	31.99	18.47	1,885	2,749	1,266.6	154.3	(0.83)	1.42	2.17x	17.8x	NM	22.2x	1.17x
Quintiles Transnational Holdings Inc.	Q	64.98	12.4%	20.0%	66.28	46.27	8,078	9,518	4,165.8	687.3	2.72	3.10	2.28x	13.8x	23.9x	21.0x	1.54x
<b>Median</b>			<b>18.4%</b>	<b>20.3%</b>									<b>2.32x</b>	<b>14.8x</b>	<b>24.8x</b>	<b>21.3x</b>	<b>1.24x</b>
<b>Diagnostic Imaging</b>																	
Alliance Healthcare Services, Inc.	AIQ	\$23.91	6.2%	(20.7%)	\$35.40	\$18.92	\$253	\$764	\$437.4	\$127.3	NM	NM	1.75x	6.0x	NM	NM	NM
American Shared Hospital Services	AMS	2.40	(5.4%)	(21.3%)	3.42	1.98	13	48	15.4	8.0	NM	NM	3.15x	6.0x	NM	NM	NM
RadNet, Inc.	RDNT	8.76	4.0%	351.5%	10.35	1.95	374	990	710.4	115.9	0.29	0.37	1.39x	8.5x	NM	23.5x	2.35x
<b>Median</b>			<b>4.0%</b>	<b>(20.7%)</b>									<b>1.75x</b>	<b>6.0x</b>	<b>NM</b>	<b>23.5x</b>	<b>2.35x</b>
<b>Dialysis Services</b>																	
DaVita HealthCare Partners Inc.	DVA	\$74.60	(2.5%)	8.5%	\$78.52	\$66.60	\$16,099	\$24,321	\$12,780.7	\$2,399.8	\$3.33	\$3.80	1.90x	10.1x	22.4x	19.6x	1.70x
Fresenius Medical Care AG & Co. KGAA	FME	82.08	11.4%	19.8%	82.10	52.46	24,921	34,301	16,134.3	2,928.4	3.45	3.72	2.13x	11.7x	25.7x	22.0x	2.22x
<b>Median</b>			<b>4.4%</b>	<b>14.2%</b>									<b>2.01x</b>	<b>10.9x</b>	<b>24.0x</b>	<b>20.8x</b>	<b>1.96x</b>

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			3 mo	12 mo	High	Low			Rev	EBITDA	2014	2015E	Rev	EBITDA	LTM	2015E	
<b>Distribution / Supply</b>																	
Aceto Corp.	ACET	\$21.41	2.0%	17.1%	\$23.78	\$16.52	\$623	\$693	\$519.0	\$49.1	\$0.77	\$1.18	1.33x	14.1x	27.8x	18.1x	NM
AmerisourceBergen Corporation	ABC	102.76	12.9%	51.5%	103.71	62.55	22,567	22,264	123,981.4	1,407.1	0.15	4.74	0.18x	15.8x	NM	21.7x	1.72x
Cardinal Health, Inc.	CAH	87.99	7.1%	23.0%	89.43	63.06	29,048	30,143	93,928.0	2,441.0	3.24	4.62	0.32x	12.3x	27.2x	19.0x	1.76x
Henry Schein, Inc.	HSIC	140.05	2.1%	17.6%	143.89	109.34	11,736	12,946	10,371.4	867.4	5.44	5.94	1.25x	14.9x	25.7x	23.6x	2.14x
McKesson Corporation	MCK	228.70	8.5%	29.2%	231.55	162.90	53,252	60,592	173,870.0	3,921.0	7.31	12.08	0.35x	15.5x	31.3x	18.9x	1.18x
Owens & Minor Inc.	OMI	35.66	4.2%	2.7%	36.35	31.55	2,249	2,800	9,440.2	238.0	1.06	1.93	0.30x	11.8x	33.7x	18.5x	2.41x
Patterson Companies, Inc.	PDCO	50.08	3.9%	21.7%	51.49	37.03	5,027	5,409	4,328.2	410.2	2.14	2.40	1.25x	13.2x	23.4x	20.9x	2.10x
<b>Median</b>			<b>4.2%</b>	<b>21.7%</b>									<b>0.35x</b>	<b>14.1x</b>	<b>27.5x</b>	<b>19.0x</b>	<b>1.93x</b>
<b>Emergency Services</b>																	
Adeptus Health Inc.	ADPT	\$44.35	45.7%	NM	\$44.80	\$23.35	\$437	\$598	\$210.7	\$9.3	(\$0.34)	\$0.56	2.84x	NM	NM	NM	NM
Air Methods Corp.	AIRM	52.99	19.4%	(1.9%)	60.74	40.31	2,081	2,719	1,004.8	264.5	2.56	2.97	2.71x	10.3x	20.7x	17.9x	0.93x
<b>Median</b>			<b>32.5%</b>	<b>(1.9%)</b>									<b>2.77x</b>	<b>10.3x</b>	<b>20.7x</b>	<b>17.9x</b>	<b>0.93x</b>
<b>HCIT</b>																	
Allscripts Healthcare Solutions, Inc.	MDRX	\$12.01	(0.1%)	(35.4%)	\$19.68	\$11.00	\$2,164	\$2,687	\$1,377.9	\$56.9	(\$0.37)	\$0.45	1.95x	47.2x	NM	26.8x	1.08x
athenahealth, Inc.	ATHN	127.07	8.3%	(34.5%)	206.19	97.30	4,854	4,947	752.6	61.6	(0.08)	1.16	6.57x	80.4x	NM	NM	NM
Cerner Corporation	CERN	72.06	11.9%	17.4%	73.24	48.39	24,687	23,396	3,312.8	962.0	1.50	2.11	7.06x	24.3x	48.0x	34.2x	1.91x
Computer Programs & Systems Inc.	CPSI	52.60	(10.5%)	(23.1%)	71.89	47.40	590	555	204.7	53.2	2.94	2.76	2.71x	10.4x	17.9x	19.0x	1.46x
Healthstream Inc.	HSTM	25.88	(9.7%)	(10.2%)	32.17	20.76	716	595	170.7	28.1	0.37	0.33	3.49x	21.2x	NM	77.8x	3.89x
HMS Holdings Corp.	HMSY	17.54	(15.9%)	(14.3%)	23.69	15.10	1,540	1,604	443.2	88.0	0.16	0.62	3.62x	18.2x	NM	28.2x	1.06x
Inovalon Holdings, Inc.	INOV	31.06	NM	NM	33.75	25.89	4,488	4,656	336.2	113.6	NM	NM	13.85x	41.0x	NM	NM	NM
MedAssets, Inc.	MDAS	19.21	(0.7%)	(20.9%)	26.09	17.00	1,156	2,034	720.2	215.3	(0.34)	1.19	2.82x	9.4x	NM	16.1x	1.50x
Medical Transcription Billing, Corp.	MTBC	2.64	(13.7%)	NM	5.00	2.02	29	29	14.2	0.0	(0.85)	0.06	2.05x	NM	NM	44.0x	NM
Medidata Solutions, Inc.	MDSO	48.11	12.6%	(24.9%)	68.21	32.10	2,618	2,586	335.1	36.3	0.11	0.87	7.72x	71.3x	NM	55.3x	2.13x
Merge Healthcare Incorporated	MRGE	4.00	27.4%	59.4%	4.73	1.97	386	570	212.3	35.9	(0.00)	0.21	2.68x	15.9x	NM	18.8x	0.48x
National Research Corp.	NRCI.B	32.75	(3.1%)	(18.2%)	44.95	30.20	405	367	98.8	32.2	0.74	2.84	3.71x	11.4x	44.4x	11.5x	0.96x
Premier, Inc.	PINC	36.66	7.8%	9.6%	36.90	26.52	1,369	1,057	939.8	315.4	17.95	1.49	1.13x	3.4x	2.0x	24.6x	2.23x
Quality Systems Inc.	QSII	17.38	18.0%	(0.5%)	18.89	13.01	1,048	923	477.0	43.0	0.36	0.64	1.93x	21.5x	48.3x	27.0x	1.93x
The Advisory Board Company	ABCO	54.12	27.0%	(15.5%)	70.14	37.47	2,282	2,195	581.6	49.9	0.17	1.29	3.77x	44.0x	NM	42.0x	2.46x
<b>Median</b>			<b>3.8%</b>	<b>(15.5%)</b>									<b>3.49x</b>	<b>21.3x</b>	<b>44.4x</b>	<b>27.0x</b>	<b>1.70x</b>

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			3 mo	12 mo	High	Low			Rev	EBITDA	2014	2015E	Rev	EBITDA	LTM	2015E	
<b>Consumer Directed Health &amp; Wellness</b>																	
Benefitfocus, Inc.	BNFT	\$32.56	20.2%	(49.7%)	\$72.69	\$19.58	\$834	\$832	\$137.4	(\$51.7)	(\$2.51)	(\$2.13)	6.05x	NM	NM	NM	NM
Castlight Health, Inc.	CSLT	7.29	(41.4%)	NM	41.95	6.52	658	466	45.6	(84.8)	(1.16)	(0.70)	10.21x	NM	NM	NM	NM
Connecture, Inc.	CNXR	8.64	NM	NM	10.39	8.04	187	207	81.7	(3.2)	(0.85)	0.04	2.54x	NM	NM	NM	NM
Everyday Health, Inc.	EVDY	14.30	10.5%	NM	19.89	10.86	441	423	184.3	26.8	0.47	0.75	2.30x	15.8x	NM	19.0x	0.44x
HealthEquity, Inc.	HQY	20.27	(18.4%)	NM	27.74	16.11	1,110	1,002	80.1	21.8	0.20	0.29	12.50x	46.1x	NM	69.2x	2.51x
Healthways Inc.	HWAY	22.38	43.6%	49.6%	23.30	13.99	795	1,045	742.2	78.5	(0.16)	0.40	1.41x	13.3x	NM	NM	NM
IMS Health Holdings, Inc.	IMS	26.32	5.3%	NM	28.48	21.63	8,820	12,223	2,641.0	600.0	(0.59)	1.44	4.63x	20.4x	NM	18.2x	1.63x
Streamline Health Solutions, Inc.	STRM	4.10	0.5%	(34.6%)	6.28	3.22	76	85	27.5	(10.8)	(0.50)	(0.36)	3.10x	NM	NM	NM	NM
WebMD Health Corp.	WBMD	44.05	20.6%	(0.8%)	53.30	34.48	1,601	1,847	580.4	113.2	0.97	1.49	3.18x	16.3x	45.3x	29.6x	2.37x
<b>Median</b>			<b>7.9%</b>	<b>(17.7%)</b>									<b>3.18x</b>	<b>16.3x</b>	<b>45.3x</b>	<b>24.3x</b>	<b>2.00x</b>
<b>Healthcare REITs</b>																	
Aviv REIT, Inc.	AVIV	\$35.98	6.8%	41.9%	\$40.33	\$23.67	\$1,744	\$3,066	\$182.4	\$150.4	\$0.77	\$1.17	16.81x	20.4x	46.6x	30.8x	4.35x
CareTrust REIT, Inc.	CTRE	12.71	(21.4%)	NM	22.35	11.12	401	734	58.9	40.5	(0.36)	0.23	12.46x	18.1x	NM	55.3x	NM
HCP, Inc.	HCP	42.36	(5.4%)	9.3%	49.61	36.00	19,518	29,363	2,266.3	1,781.4	1.94	2.05	12.96x	16.5x	21.8x	20.6x	6.97x
Health Care REIT, Inc.	HCN	77.11	4.7%	31.3%	84.88	56.45	26,947	38,692	3,305.9	1,717.4	1.43	1.83	11.70x	22.5x	NM	42.1x	8.00x
Healthcare Realty Trust Incorporated	HR	28.54	8.1%	19.1%	31.20	23.08	2,837	4,237	370.6	219.8	0.35	0.46	11.43x	19.3x	NM	62.0x	15.51x
LTC Properties Inc.	LTC	44.63	6.8%	18.4%	48.85	36.46	1,586	1,881	119.0	107.1	1.99	2.03	15.81x	17.6x	22.4x	22.0x	4.40x
National Health Investors Inc.	NHI	71.18	7.4%	15.4%	76.98	56.53	2,674	3,549	177.4	167.5	3.04	3.35	20.00x	21.2x	23.4x	21.2x	3.54x
Newcastle Investment Corp.	NCT	4.84	(1.4%)	(83.5%)	30.84	4.00	321	–	419.4	NA	1.51	1.09	–	NA	3.9x	4.4x	(0.10x)
Omega Healthcare Investors Inc.	OHI	40.06	4.8%	25.3%	45.46	31.65	5,553	7,927	504.8	467.2	1.74	1.59	15.70x	17.0x	23.0x	25.3x	7.90x
Sabra Health Care REIT, Inc.	SBRA	32.69	15.5%	14.8%	33.86	24.01	1,936	2,961	183.5	157.9	0.78	1.44	16.14x	18.8x	41.9x	22.7x	4.10x
Senior Housing Properties Trust	SNH	22.35	(0.8%)	0.2%	24.60	20.72	5,252	8,025	844.9	474.4	0.81	0.82	9.50x	16.9x	27.6x	27.2x	6.00x
Universal Health Realty Income Trust	UHT	50.83	5.2%	19.4%	54.86	40.89	676	885	62.2	41.4	3.99	0.89	14.23x	21.4x	12.7x	57.2x	NM
Ventas, Inc.	VTR	74.47	4.1%	19.3%	81.93	58.40	24,635	35,714	3,071.3	1,663.1	1.59	1.81	11.63x	21.5x	46.8x	41.0x	8.94x
<b>Median</b>			<b>4.8%</b>	<b>18.8%</b>									<b>12.96x</b>	<b>19.0x</b>	<b>23.2x</b>	<b>27.2x</b>	<b>6.00x</b>

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			3 mo	12 mo	High	Low			Rev	EBITDA	2014	2015E	Rev	EBITDA	LTM	2015E	
<b>Healthcare Staffing</b>																	
AMN Healthcare Services Inc.	AHS	\$22.56	31.8%	62.0%	\$23.23	\$10.35	\$1,063	\$1,218	\$1,036.0	\$83.9	\$0.69	\$0.90	1.18x	14.5x	32.7x	25.0x	2.09x
Cross Country Healthcare, Inc.	CCRN	12.96	21.5%	24.6%	13.51	5.26	405	463	617.8	15.5	0.10	0.28	0.75x	NM	NM	45.7x	4.57x
Envision Healthcare Holdings, Inc.	EVHC	36.62	3.6%	8.8%	38.02	30.36	6,721	8,428	4,397.6	551.1	0.66	1.46	1.92x	15.3x	NM	25.1x	1.39x
IPC Healthcare, Inc.	IPCM	43.24	(1.9%)	(15.8%)	52.60	36.12	747	812	694.0	72.6	2.21	2.20	1.17x	11.2x	19.6x	19.6x	0.98x
Team Health Holdings, Inc.	TMH	59.27	3.7%	31.7%	63.13	43.18	4,230	5,018	2,819.6	291.8	1.35	2.60	1.78x	17.2x	43.9x	22.8x	1.46x
<b>Median</b>			<b>3.7%</b>	<b>24.6%</b>									<b>1.18x</b>	<b>14.9x</b>	<b>32.7x</b>	<b>25.0x</b>	<b>1.46x</b>
<b>Home Care / Hospice</b>																	
Addus HomeCare Corporation	ADUS	\$21.90	(5.1%)	(23.9%)	\$29.45	\$17.02	\$238	\$228	\$312.9	\$21.9	\$1.07	\$1.27	0.73x	10.4x	21.3x	17.3x	1.15x
Almost Family Inc.	AFAM	35.62	29.0%	29.9%	36.18	19.74	338	381	495.8	27.7	1.47	2.04	0.77x	13.7x	24.2x	17.5x	1.59x
Amedisys Inc.	AMED	30.17	18.7%	77.9%	31.27	12.86	1,007	1,115	1,188.3	66.3	0.72	1.07	0.94x	16.8x	NM	28.2x	2.57x
Chemed Corp.	CHE	116.48	5.8%	37.7%	117.36	80.94	1,980	2,113	1,456.3	196.8	5.57	6.57	1.45x	10.7x	20.9x	17.7x	1.77x
LHC Group, Inc.	LHCG	33.80	43.8%	43.5%	35.01	19.69	602	677	717.9	58.7	1.26	1.62	0.94x	11.5x	26.8x	20.9x	1.27x
Providence Service Corp.	PRSC	46.00	17.6%	73.0%	49.41	23.91	729	784	1,304.4	62.3	1.64	2.27	0.60x	12.6x	40.2x	20.2x	1.26x
<b>Median</b>			<b>18.1%</b>	<b>40.6%</b>									<b>0.85x</b>	<b>12.05x</b>	<b>24.23x</b>	<b>18.98x</b>	<b>1.43x</b>
<b>Long Term Care</b>																	
Diversicare Healthcare Services Inc.	DVCR	\$10.68	6.9%	94.5%	\$13.32	\$5.24	\$66	\$113	\$344.2	\$13.1	NM	NM	0.33x	8.6x	NM	NM	NM
Kindred Healthcare Inc.	KND	21.22	6.7%	(2.0%)	26.81	16.94	1,681	4,338	5,027.6	342.8	(0.24)	1.38	0.86x	12.7x	NM	15.4x	1.10x
National Healthcare Corp.	NHC	63.01	4.6%	22.3%	65.14	50.91	889	904	871.7	104.6	3.14	5.19	1.04x	8.6x	20.1x	12.1x	NM
The Ensign Group, Inc.	ENSG	44.07	11.8%	11.3%	47.78	26.02	1,106	1,117	1,027.4	99.4	1.56	2.37	1.09x	11.2x	28.3x	18.6x	1.24x
<b>Median</b>			<b>6.8%</b>	<b>16.8%</b>									<b>0.95x</b>	<b>9.9x</b>	<b>24.2x</b>	<b>15.4x</b>	<b>1.17x</b>
<b>Managed Care – Commercial</b>																	
Aetna Inc.	AET	\$99.55	14.1%	36.9%	\$101.98	\$66.85	\$35,012	\$43,270	\$58,003.2	\$4,737.1	\$5.68	\$7.16	0.75x	9.1x	17.5x	13.9x	1.33x
Anthem, Inc.	ANTM	146.45	14.5%	61.7%	148.76	89.03	39,071	53,587	73,874.1	5,571.7	8.96	9.85	0.73x	9.6x	16.3x	14.9x	1.34x
Cigna Corp.	CI	121.63	18.2%	52.8%	122.42	73.47	31,434	35,271	34,914.0	3,885.0	7.83	8.32	1.01x	9.1x	15.5x	14.6x	1.24x
Health Net, Inc.	HNT	57.35	11.6%	68.4%	58.91	30.39	4,410	4,041	14,008.6	349.5	1.80	3.26	0.29x	11.6x	31.9x	17.6x	0.84x
Humana Inc.	HUM	164.38	19.1%	46.2%	166.20	103.89	24,593	26,817	48,500.0	2,620.0	7.36	8.87	0.55x	10.2x	22.3x	18.5x	1.61x

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			3 mo	12 mo	High	Low			Rev	EBITDA	2014	2015E	Rev	EBITDA	LTM	2015E	
<b>Managed Care – Commercial (cont.)</b>																	
UnitedHealth Group Incorporated	UNH	\$113.63	15.2%	47.1%	\$116.58	\$73.61	\$108,368	\$119,722	\$130,474.0	\$11,330.0	\$5.70	\$6.20	0.92x	10.6x	19.9x	18.3x	1.57x
Universal American Corp	UAM	9.26	5.2%	23.6%	9.56	6.68	745	788	2,039.8	(3.0)	(0.35)	0.21	0.39x	NM	NM	45.0x	1.64x
Median			14.5%	47.1%									0.73x	9.9x	18.7x	17.6x	1.34x
<b>Managed Care – Government</b>																	
Centene Corp.	CNC	\$61.46	24.5%	93.0%	\$62.27	\$27.56	\$7,303	\$6,797	\$15,689.0	\$575.0	\$2.23	\$2.61	0.43x	11.8x	27.6x	23.5x	1.43x
Molina Healthcare, Inc.	MOH	63.69	24.6%	69.0%	64.33	32.86	3,176	2,543	9,372.2	268.6	1.30	2.53	0.27x	9.5x	49.0x	25.2x	0.82x
WellCare Health Plans, Inc.	WCG	90.81	23.1%	46.9%	91.88	55.43	3,991	3,578	12,959.9	242.7	1.44	3.69	0.28x	14.7x	NM	24.6x	1.76x
Median			24.5%	69.0%									0.28x	11.8x	38.3x	24.6x	1.43x
<b>Other Services</b>																	
Healthcare Services Group Inc.	HCSG	\$33.57	11.3%	24.7%	\$34.00	\$25.51	\$2,392	\$2,305	\$1,293.2	\$74.8	\$0.31	\$0.99	1.78x	30.8x	NM	33.8x	2.11x
PDI, Inc.	PDII	1.79	(7.3%)	(62.3%)	5.44	1.30	28	(1.8)	119.9	(8.8)	(0.99)	(1.13)	(0.01x)	0.2x	NM	NM	NM
Sharps Compliance Corp.	SMED	5.49	25.9%	14.4%	6.80	3.80	85	69	28.4	1.2	0.08	0.14	2.43x	59.6x	NM	39.2x	1.47x
Stericycle, Inc.	SRCL	134.97	4.7%	18.4%	136.80	108.62	11,462	13,121	2,555.6	717.0	3.79	4.67	5.13x	18.3x	35.7x	28.9x	1.89x
Median			8.0%	16.4%									2.11x	24.6x	35.7x	33.8x	1.89x
<b>Pharmacy Management</b>																	
BioScrip Inc.	BIOS	\$6.11	(5.7%)	(14.3%)	\$8.75	\$5.26	\$419	\$843	\$984.1	(\$44.3)	(\$0.62)	\$0.11	0.86x	NM	NM	NM	NM
Catamaran Corporation	CCT	49.88	(1.5%)	10.9%	54.19	32.38	10,349	10,741	21,581.9	845.7	1.53	2.57	0.50x	12.7x	35.2x	19.4x	0.84x
Express Scripts Holding Company	ESRX	84.79	2.0%	12.6%	88.83	64.64	61,634	73,379	100,887.1	6,689.1	2.64	5.43	0.73x	11.0x	32.1x	15.6x	1.26x
Omnicare Inc.	OCR	76.74	9.1%	30.3%	79.70	56.41	7,453	9,415	6,417.6	741.7	1.74	4.15	1.47x	12.7x	44.2x	18.5x	1.41x
Omnicell, Inc.	OMCL	35.05	8.9%	21.8%	35.79	25.00	1,248	1,122	440.9	69.2	0.83	1.36	2.54x	16.2x	42.2x	25.7x	1.46x
PharMerica Corporation	PMC	25.00	14.6%	3.7%	30.48	19.42	818	1,172	1,894.5	123.3	1.64	1.86	0.62x	9.5x	NM	13.5x	1.92x
Median			5.4%	11.7%									0.79x	12.7x	38.7x	18.5x	1.41x
<b>Physician Practice Mgmt</b>																	
Birner Dental Management Services Inc.	BDMS	\$13.90	(10.3%)	(23.8%)	\$22.40	\$12.05	\$26	\$36	\$64.8	\$3.6	NM	NM	0.55x	10.0x	NM	NM	NM
MEDNAX, Inc.	MD	71.47	9.2%	17.5%	72.39	49.82	6,867	7,383	2,438.9	559.0	3.18	3.52	3.03x	13.2x	22.5x	20.3x	1.40x
Median			(0.5%)	(3.2%)									1.79x	11.6x	22.5x	20.3x	1.40x

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			3 mo	12 mo	High	Low			Rev	EBITDA	2014	2015E	Rev	EBITDA	LTM	2015E	
<b>Psychiatric Hospitals</b>																	
AAC Holdings, Inc.	AAC	\$35.99	24.7%	NM	\$38.43	\$17.91	\$759	\$745	\$121.6	\$16.7	\$0.41	\$0.62	NM	NM	NM	NM	NM
Acadia Healthcare Company, Inc.	ACHC	63.23	2.0%	27.9%	66.88	38.76	4,202	5,204	1,004.6	205.4	1.50	2.07	NM	NM	42.2x	30.5x	1.34x
Magellan Health, Inc.	MGLN	64.07	4.7%	4.8%	64.43	52.37	1,708	1,639	3,760.1	208.8	2.90	2.69	0.44x	7.8x	22.1x	23.8x	1.40x
<b>Median</b>			<b>4.7%</b>	<b>16.3%</b>									<b>0.44x</b>	<b>7.8x</b>	<b>32.1x</b>	<b>27.2x</b>	<b>1.37x</b>
<b>Specialty Managed Care</b>																	
Assurant Inc.	AIZ	\$61.27	(9.4%)	(6.6%)	\$69.94	\$59.82	\$4,219	\$4,168	\$10,381.7	\$934.7	\$6.44	\$6.11	0.40x	4.5x	9.5x	10.0x	1.61x
Triple-S Management Corporation	GTS	18.85	(18.5%)	12.5%	25.49	14.70	514	478	2,320.1	99.7	2.41	1.36	0.21x	4.8x	7.8x	13.9x	1.56x
<b>Median</b>			<b>(13.9%)</b>	<b>2.9%</b>									<b>0.30x</b>	<b>4.6x</b>	<b>8.7x</b>	<b>11.9x</b>	<b>1.59x</b>
<b>Surgicenters / Rehabilitation</b>																	
AmSurg Corp.	AMSG	\$60.10	16.5%	37.0%	\$60.97	\$40.00	\$2,851	\$5,664	\$1,621.9	\$478.1	\$1.27	\$3.25	3.49x	11.8x	47.2x	18.5x	1.30x
Civitas Solutions, Inc.	CIVI	18.99	10.9%	NM	20.00	11.88	702	1,346	1,286.4	134.1	(0.71)	0.65	1.05x	10.0x	NM	29.2x	NM
Hanger, Inc.	HGR	25.89	20.7%	(27.0%)	37.60	18.25	890	1,425	1,060.7	156.2	1.61	1.87	1.34x	9.1x	15.7x	13.8x	1.13x
HEALTHSOUTH Corp.	HLS	43.46	5.7%	33.0%	46.45	31.56	3,814	6,203	2,374.3	582.7	2.24	2.29	2.61x	10.6x	19.4x	19.0x	2.19x
The Joint Corp.	JYNT	7.97	29.0%	NM	8.80	6.00	78	75	6.7	(0.4)	(0.13)	(0.26)	11.19x	NM	NM	NM	NM
Select Medical Holdings Corporation	SEM	13.56	(6.0%)	21.0%	16.17	10.95	1,779	3,398	3,020.4	352.8	0.91	0.90	1.12x	9.6x	14.9x	15.1x	1.51x
Surgical Care Affiliates, Inc.	SCAI	32.48	2.1%	6.8%	34.36	26.55	1,252	2,208	832.7	188.7	1.42	1.66	2.65x	11.7x	NM	19.5x	1.95x
US Physical Therapy Inc.	USPH	42.39	9.1%	27.8%	44.00	29.56	520	581	301.0	52.7	1.70	1.93	1.93x	11.0x	27.6x	22.0x	1.30x
<b>Median</b>			<b>10.0%</b>	<b>24.4%</b>									<b>2.27x</b>	<b>10.6x</b>	<b>19.4x</b>	<b>19.0x</b>	<b>1.41x</b>

**Definitions**

**PEG Ratio:** Price Earnings to Growth

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

**EPS:** Earnings Per Share

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

**LTM:** Last Twelve Months

Source: Capital IQ as of February 28, 2015

MARKET SECTOR	No. of Cos.	Ag. Eqty Mkt. Value	Median % Change		LTM Multiples		Earnings Ratio		PEG Ratio 2015E
			3 mo	12 mo	Rev	EBITDA	LTM	2015E	
Biotechnology	74	\$644,525	8.2%	(0.8%)	8.58x	17.2x	33.0x	24.7x	1.4x
Cardiology Devices	19	252,900	11.6%	20.8%	3.77x	15.3x	24.9x	25.8x	1.9x
Conglomerates	5	474,646	(1.2%)	11.3%	3.50x	11.1x	25.2x	20.6x	2.7x
Dental Devices	8	21,888	5.6%	27.7%	2.90x	16.5x	27.4x	22.2x	1.7x
Diagnostic Imaging Devices	4	10,299	17.7%	7.0%	1.53x	12.4x	26.3x	19.6x	1.5x
Diversified Medical Devices	21	114,858	5.0%	17.3%	3.37x	14.4x	29.7x	23.0x	1.8x
Infection Prevention Devices	2	5,729	2.7%	40.1%	3.13x	16.5x	36.4x	27.7x	1.8x
Lab Equipment	2	8,884	5.0%	19.9%	2.06x	11.8x	19.7x	24.5x	1.9x
Lab Instrumentation & Devices	4	13,393	1.5%	8.1%	3.22x	14.7x	57.7x	21.2x	2.2x
Large-Cap Pharmaceuticals	7	784,650	3.2%	17.7%	5.16x	16.5x	46.3x	18.8x	2.1x
Life Science Conglomerates	3	84,649	2.4%	4.4%	3.84x	18.0x	33.1x	18.0x	1.7x
Life Science Consumables	6	13,142	6.8%	9.8%	2.61x	13.0x	31.3x	28.8x	1.5x
Mobility Devices	4	3,563	11.8%	26.7%	0.46x	6.5x	24.8x	18.0x	1.5x
Neural Implant Devices	2	3,750	25.3%	13.8%	4.17x	14.8x	43.1x	22.6x	1.5x
Ophthalmology Devices	6	9,475	14.4%	20.6%	2.24x	18.2x	40.6x	21.0x	1.0x
Orthopedics Devices	5	60,118	4.1%	18.1%	3.60x	12.4x	28.7x	18.9x	2.3x
Pharmaceuticals	34	97,190	22.5%	45.6%	5.57x	17.0x	32.3x	27.2x	1.7x
Surgical Devices	6	20,420	4.9%	8.7%	5.14x	12.4x	44.6x	28.1x	2.1x
<b>Total / Median (\$MM)</b>	<b>212</b>	<b>\$2,624,083</b>	<b>5.3%</b>	<b>17.5%</b>	<b>3.44x</b>	<b>14.8x</b>	<b>31.8x</b>	<b>22.4x</b>	<b>1.8x</b>

Source: Capital IQ

**CAPITALIZATION PROFILE**

	No. of Cos.	Ag. Eqty Mkt. Value	% Total No. of Cos.	% Ag. Eqty Mkt. Value	Median Stock Performance			
					3 mo	YTD	12 mo	36 mo
> \$5 billion	50	\$2,484,724	23.6%	94.7%	7.6%	161.8%	27.7%	105.8%
\$1 billion – \$5 billion	53	106,914	25.0%	4.1%	23.9%	213.3%	22.8%	187.2%
\$250 million – \$1 billion	54	25,852	25.5%	1.0%	18.6%	207.6%	12.2%	72.8%
\$100 million – \$250 million	31	4,946	14.6%	0.2%	19.7%	275.3%	15.6%	130.6%
< \$100 million	24	1,647	11.3%	0.1%	5.7%	132.2%	(9.7%)	42.7%
<b>Total / Median (\$MM)</b>	<b>212</b>	<b>\$2,624,083</b>	<b>100.0%</b>	<b>100.0%</b>	<b>5.3%</b>	<b>207.6%</b>	<b>17.5%</b>	<b>105.8%</b>

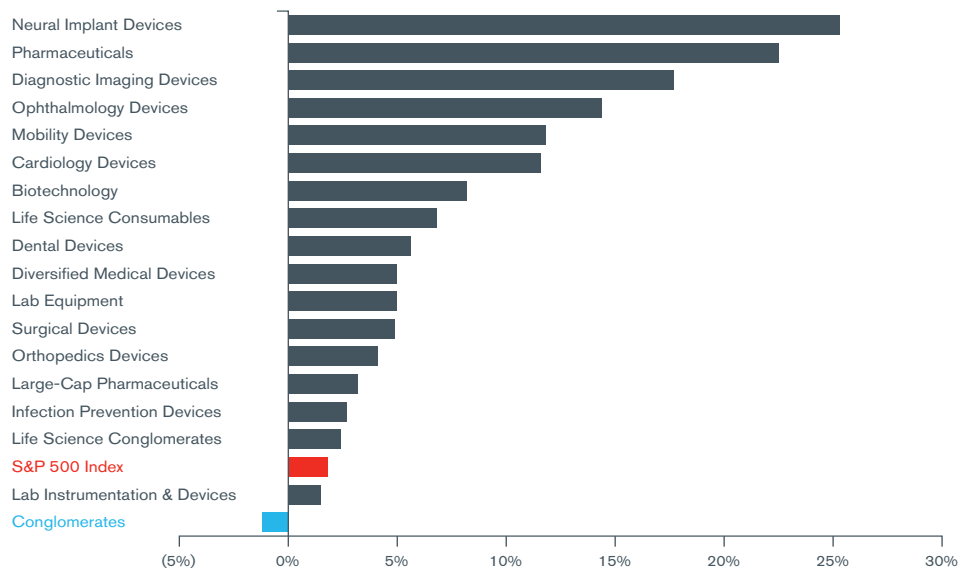
Source: Capital IQ

**INTEREST RATES**

	Value at 2/28/15	1 mo ago	3 mo ago	12 mo ago
LIBOR – USD – 5 Months	0.00%	0.00%	0.00%	0.00%
U.S. Treasury – 2 years	0.00%	0.49%	0.02%	0.33%
U.S. Treasury – 5 years	1.50%	1.25%	1.50%	1.51%
U.S. Treasury – 10 years	2.00%	1.73%	2.19%	2.66%
U.S. Treasury – 30 years	2.60%	2.30%	2.92%	2.92%
U.S. Prime Rate	3.25%	3.25%	3.25%	3.25%

Source: Capital IQ

**Median % Change – 3 months**



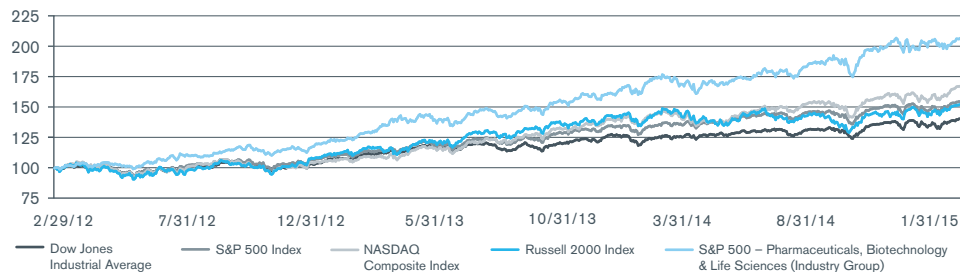
Source: Capital IQ

**MARKET INDICES**

	Value at 2/28/2015	% Change			
		3 mo	YTD	12 mo	36 mo
Dow Jones Industrial Average	\$18,132.7	1.7%	1.7%	11.1%	40.0%
S&P 500 Index	2,104.5	1.8%	2.2%	13.2%	54.1%
NASDAQ Composite Index	4,963.5	3.6%	4.8%	15.2%	67.3%
Russell 2000 Index	1,233.4	5.1%	2.4%	4.3%	52.1%
S&P Life Science Tools & Services (Industry) Index	309.3	0.8%	4.2%	4.8%	79.4%
S&P 500 Pharmaceuticals (Industry) Index	602.7	0.7%	3.4%	15.2%	80.5%
Dow Jones U.S. Pharmaceuticals & Biotechnology Index	721.5	3.3%	5.6%	19.4%	113.6%
S&P 500 Biotechnology (Industry) Index	3,975.0	5.0%	6.9%	27.6%	216.3%
Dow Jones U.S. Medical Equipment Index	970.7	4.7%	5.0%	22.0%	82.7%
<b>S&amp;P 500 – Pharmaceuticals, Biotechnology &amp; Life Sciences (Industry Group)</b>	<b>797.8</b>	<b>2.0%</b>	<b>4.5%</b>	<b>18.2%</b>	<b>106.6%</b>

Source: Capital IQ

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



Source: Capital IQ

(\$ in millions, except per share amounts)

Company Name	Ticker	Price 2/28/15	% Change		52-Week		Market Cap	Ent Val (TEV)	LTM		EPS		LTM Multiples		Earnings Ratio		PEG Ratio 2015E
			3 mo	12 mo	High	Low			Rev	EBITDA	2014	2015E	Rev	EBITDA	LTM	2015E	
<b>Biotechnology</b>																	
Acceleron Pharma, Inc.	XLRN	\$40.63	4.9%	(13.4%)	\$53.93	\$23.61	\$1,310	\$1,121	\$14.6	(\$49.3)	(\$1.24)	(\$1.59)	NM	NM	NM	NM	NM
Acorda Therapeutics, Inc.	ACOR	33.84	(7.2%)	(7.6%)	45.45	28.26	1,441	1,424	401.5	61.6	0.42	0.63	3.55x	23.1x	80.6x	54.0x	1.77x
Adamas Pharmaceuticals, Inc.	ADMS	17.28	17.6%	NM	21.63	12.02	296	158	55.8	18.7	(0.58)	(0.71)	2.84x	8.5x	8.2x	NM	NM
Affimed N.V.	ADMS	6.17	(19.3%)	NM	8.30	3.55	148	95	10.4	(7.8)	(0.26)	(1.26)	9.18x	NM	32.9x	NM	NM
Akebia Therapeutics, Inc.	AKBA	9.26	(23.3%)	NM	31.00	8.47	188	70	-	(37.4)	(6.38)	(0.98)	NA	NM	NM	NM	NM
Alexion Pharmaceuticals, Inc.	ALXN	180.37	(7.5%)	2.0%	203.30	136.37	36,462	34,665	2,233.7	955.8	3.26	5.89	15.52x	36.3x	55.3x	30.6x	1.39x
Alkermes plc	ALKS	70.25	27.7%	44.3%	74.96	38.49	10,402	10,129	618.8	10.9	(0.21)	(0.32)	16.37x	NM	NM	NM	NM
Amarin Corporation plc	AMRN	1.51	17.1%	(13.2%)	2.09	0.78	264	352	54.2	(95.1)	(0.58)	(0.33)	6.49x	NM	NM	NM	NM
Amgen Inc.	AMGN	157.72	(4.6%)	27.2%	173.14	108.20	119,688	123,377	20,063.0	8,901.0	6.70	9.28	6.15x	13.9x	23.5x	17.0x	1.60x
Ascendis Pharma A/S	ASND	17.73	NM	NM	21.97	17.00	389	379	21.1	(2.7)	(0.63)	(0.85)	17.96x	NM	NM	NM	NM
Atara Biotherapeutics, Inc.	ATRA	19.56	(27.6%)	NM	35.45	10.10	476	372	-	(28.2)	(5.62)	(1.91)	NA	NM	NM	NM	NM
Athersys, Inc.	ATHX	2.59	81.1%	(31.5%)	3.93	1.08	201	169	2.3	(27.4)	(0.33)	(0.39)	NM	NM	NM	NM	NM
Auspex Pharmaceuticals, Inc.	ASPX	67.24	177.5%	172.2%	73.32	14.75	2,090	1,949	-	(34.5)	(2.50)	(1.78)	NA	NM	NM	NM	NM
Avalanche Biotechnologies, Inc.	AAVL	36.18	(8.4%)	NM	62.48	22.00	886	720	0.6	(24.2)	(2.20)	(1.49)	NM	NM	NM	NM	NM
Bellicum Pharmaceuticals, Inc.	BLCM	23.22	NM	NM	33.63	18.20	600	422	2.6	(10.3)	(14.74)	(1.00)	NM	NM	NM	NM	NM
Bio Blast Pharma Ltd.	ORPN	6.78	(1.7%)	NM	10.00	4.50	96	64	-	(7.1)	(0.57)	(1.35)	NA	NM	NM	NM	NM
Biogen Idec Inc.	BIIB	409.59	33.1%	20.2%	412.02	272.02	96,096	94,840	9,700.3	4,604.9	12.37	17.02	9.78x	20.6x	33.1x	24.1x	1.44x
BioSpecifics Technologies Corp.	BSTC	38.96	2.7%	64.2%	42.00	22.23	253	236	13.5	6.8	NM	NM	17.47x	34.6x	61.0x	NM	NM
Calithera Biosciences, Inc.	CALA	15.22	42.6%	NM	33.48	6.51	273	308	-	(18.6)	(10.39)	(1.74)	NA	NM	NM	NM	NM
Cara Therapeutics Inc.	CARA	10.25	10.9%	(45.7%)	23.25	7.53	233	175	3.2	(15.1)	(0.93)	(1.22)	NM	NM	NM	NM	NM
Celgene Corporation	CELG	121.53	6.9%	51.2%	125.45	66.85	97,296	96,625	7,670.4	3,070.5	2.39	4.82	12.60x	31.5x	50.8x	25.2x	1.00x
Cepheid	CPHD	56.84	3.2%	5.9%	59.68	36.94	4,051	4,036	470.1	12.4	(0.72)	0.23	8.58x	NM	NM	NM	NM
Coherus Biosciences, Inc.	CHRS	31.59	130.1%	NM	33.16	12.27	1,051	1,111	25.8	(47.9)	(5.75)	(3.20)	NM	NM	NM	NM	NM
ContraFect Corporation	CFRX	4.33	55.7%	NM	5.20	2.50	88	56	-	(15.0)	(2.89)	(0.85)	NA	NM	NM	NM	NM
Curis, Inc.	CRIS	3.08	108.1%	1.0%	3.50	1.09	332	311	9.8	(15.7)	(0.22)	(0.26)	NM	NM	NM	NM	NM
Dicerna Pharmaceuticals, Inc.	DRNA	24.43	106.7%	(33.5%)	42.50	8.00	434	341	-	(36.5)	(2.11)	(2.83)	NA	NM	NM	NM	NM
Dyadic International, Inc.	DYAI	0.96	(25.4%)	(46.6%)	1.87	0.80	30	34	13.9	(3.9)	NM	NM	2.46x	NM	NM	NM	NM
Emergent BioSolutions, Inc.	EBS	29.97	20.6%	21.1%	30.74	19.31	1,125	1,134	450.1	97.3	0.90	1.28	2.52x	11.7x	52.4x	23.5x	1.02x
Exelixis, Inc.	EXEL	2.93	76.5%	(58.5%)	7.58	1.26	572	735	25.1	(214.5)	(1.38)	(0.86)	29.28x	NM	NM	NM	NM
FibroGen, Inc.	FGEN	31.82	40.5%	NM	40.59	20.10	1,841	1,807	133.9	(22.6)	(1.26)	(1.44)	13.50x	NM	NM	NM	NM
Forward Pharma A/S	FWP	23.28	16.8%	NM	27.44	17.50	1,067	1,074	-	(13.9)	(0.83)	(1.52)	NA	NM	NM	NM	NM
Genomic Health Inc.	GHDX	30.40	(8.6%)	15.1%	37.75	23.90	964	861	275.7	(16.7)	(0.78)	(0.56)	3.12x	NM	NM	NM	NM
Gilead Sciences Inc.	GILD	103.53	3.2%	25.1%	116.83	63.50	154,198	156,867	24,890.0	16,687.0	7.35	9.50	6.30x	9.4x	14.1x	10.9x	0.67x
GlycoMimetics, Inc.	GLYC	8.32	(14.0%)	(31.7%)	18.99	6.02	157	96	15.1	(7.4)	(0.64)	(0.41)	6.35x	NM	NM	NM	NM
Histogenics Corporation	HSGX	10.67	NM	NM	12.97	7.04	136	78	-	(32.0)	(6.85)	(2.73)	NA	NM	NM	NM	NM
Immunomedics Inc.	IMMU	4.08	(1.2%)	(13.9%)	5.48	3.04	381	359	4.4	(44.8)	(0.51)	(0.61)	NM	NM	NM	NM	NM
Immune Design Corp.	IMDZ	22.04	(30.7%)	NM	40.13	11.51	372	289	4.7	(20.9)	(21.13)	(1.92)	NM	NM	NM	NM	NM

Source: Capital IQ as of February 28, 2015; For definitions, see page 17

## Healthcare Sector Update

(\$ in millions, except per share amounts)

Company Name	Ticker	Price 2/28/15	% Change		52-Week		Market Cap	Ent Val (TEV)	LTM		EPS		LTM Multiples		Earnings Ratio		PEG Ratio 2015E
			3 mo	12 mo	High	Low			Rev	EBITDA	2014	2015E	Rev	EBITDA	LTM	2015E	
<b>Biotechnology (cont.)</b>																	
INSYS Therapeutics, Inc.	INSY	\$60.06	55.1%	33.9%	\$61.52	\$20.52	\$2,101	\$2,039	\$222.1	\$66.5	\$1.85	\$1.90	9.18x	30.6x	42.3x	31.7x	1.32x
Juno Therapeutics Inc.	JUNO	46.92	NM	NM	61.70	34.71	4,243	4,005	–	(121.2)	(1.56)	(1.51)	NA	NM	NM	NM	NM
Ligand Pharmaceuticals Incorporated	LGND	55.07	2.3%	(21.0%)	80.21	41.99	1,078	1,105	64.5	23.4	0.56	1.09	17.12x	47.3x	98.3x	50.5x	1.68x
Loxo Oncology, Inc.	LOXO	12.84	24.7%	NM	16.45	9.90	214	95	–	–	(1.94)	(1.75)	NA	NA	NM	NM	NM
Macrocare Ltd.	MCUR	9.55	23.5%	NM	14.30	6.82	155	102	–	(18.6)	(2.07)	(1.33)	NA	NM	NM	NM	NM
Momenta Pharmaceuticals Inc.	MNTA	13.65	16.4%	(7.8%)	16.25	9.38	728	536	52.3	(90.7)	(1.91)	(0.39)	10.26x	NM	NM	NM	NM
Myriad Genetics Inc.	MYGN	34.07	1.6%	(5.9%)	42.50	31.56	2,423	2,258	724.9	204.4	1.45	1.82	3.11x	11.0x	23.5x	18.7x	1.34x
Neotherics, Inc.	NEOT	6.71	(37.8%)	NM	14.10	6.11	91	81	–	(8.9)	(1.72)	(3.67)	NA	NM	NM	NM	NM
Neurocrine Biosciences Inc.	NBIX	39.05	95.9%	121.5%	40.75	12.17	3,257	3,063	–	(63.6)	(0.81)	(0.99)	NA	NM	NM	NM	NM
Nexvet Biopharma Public Limited Company	NVET	10.03	NM	NM	11.00	8.40	111	85	0.0	(10.9)	NM	NM	NM	NM	NM	NM	NM
Ocular Therapeutix, Inc.	OCUL	35.77	111.4%	NM	36.98	11.90	763	697	0.3	(22.5)	(2.73)	(1.44)	NM	NM	NM	NM	NM
Osiris Therapeutics, Inc.	OSIR	17.27	31.3%	13.1%	17.69	11.80	593	546	59.9	2.7	0.06	0.41	9.11x	NM	NM	42.1x	NM
Otonomy, Inc.	OTIC	37.08	54.4%	NM	40.45	15.19	880	714	–	(37.4)	(4.14)	(2.98)	NA	NM	NM	NM	NM
Paratek Pharmaceuticals, Inc.	PRTK	29.23	53.4%	NM	39.80	16.00	421	532	0.4	(7.1)	(2.99)	(2.49)	NM	NM	NM	NM	NM
PDL BioPharma, Inc.	PDLI	6.98	(15.5%)	(18.6%)	10.26	6.52	1,136	1,294	487.5	457.8	1.86	2.20	2.65x	2.8x	3.8x	3.2x	NM
Pfenex Inc.	PFNX	14.70	83.8%	NM	15.14	5.28	300	252	12.9	(5.9)	(2.77)	(0.15)	19.59x	NM	NM	NM	NM
ProMetic Life Sciences Inc.	PLI	1.97	7.9%	41.5%	2.00	0.68	1,077	1,096	15.7	(26.0)	(0.00)	(0.02)	NM	NM	NM	NM	NM
ProQR Therapeutics N.V.	PRQR	18.83	24.1%	NM	23.02	11.00	439	306	0.4	(19.8)	(1.32)	(0.96)	NM	NM	NM	NM	NM
Proton Therapeutics Inc	PRTO	10.81	2.5%	NM	12.65	8.57	178	282	2.9	(6.1)	(2.26)	(1.41)	NM	NM	NM	NM	NM
Regeneron Pharmaceuticals, Inc.	REGN	413.84	(0.5%)	24.5%	437.64	269.50	41,823	41,380	2,819.6	891.1	3.07	10.52	14.68x	46.4x	NM	39.3x	2.01x
Roka Bioscience, Inc.	ROKA	4.17	5.3%	NM	13.00	2.97	74	21	4.4	(27.8)	(2.21)	(1.99)	4.71x	NM	NM	NM	NM
Sage Therapeutics, Inc.	SAGE	43.45	9.9%	NM	47.76	24.25	1,121	993	–	(33.8)	(1.67)	(1.94)	NA	NM	NM	NM	NM
Spark Therapeutics, Inc.	ONCE	57.59	NM	NM	63.63	40.16	1,353	1,286	0.0	–	(2.27)	(1.31)	NM	NA	NM	NM	NM
Spectrum Pharmaceuticals, Inc.	SPPI	6.23	(13.6%)	(25.4%)	9.27	5.65	410	357	176.5	(10.2)	(0.76)	(0.46)	2.02x	NM	NM	NM	NM
T2 Biosystems, Inc.	TTOO	16.58	(7.5%)	NM	24.50	13.40	332	279	0.1	(30.0)	(4.15)	(2.25)	NM	NM	NM	NM	NM
Targacept, Inc.	TRGT	2.63	8.2%	(46.7%)	5.23	2.25	90	(7.2)	0.2	(37.9)	(0.91)	(1.04)	NM	0.2x	NM	NM	NM
Theravance Inc.	THRX	18.06	19.4%	(51.2%)	37.39	10.58	2,106	2,591	8.4	(32.8)	(0.66)	(0.12)	NM	NM	NM	NM	NM
Tokai Pharmaceuticals, Inc.	TKAI	15.13	3.1%	NM	30.00	9.67	339	233	–	(22.3)	(3.05)	(1.41)	NA	NM	NM	NM	NM
TRACON Pharmaceuticals, Inc.	TCON	13.43	NM	NM	14.97	9.02	162	133	2.6	(6.1)	(2.25)	(1.85)	NM	NM	NM	NM	NM
Ultragenyx Pharmaceutical Inc.	RARE	54.27	24.5%	(2.7%)	69.77	32.02	1,891	1,690	–	(48.8)	(2.10)	(2.26)	NA	NM	NM	NM	NM
United Therapeutics Corporation	UTHR	155.05	17.0%	52.9%	164.38	84.63	7,236	6,667	1,288.5	571.0	6.28	10.17	5.17x	11.7x	24.7x	15.2x	1.09x
Vanda Pharmaceuticals, Inc.	VNDA	10.76	(17.4%)	(28.9%)	19.25	8.34	419	289	50.2	(54.7)	0.55	(1.00)	5.76x	NM	19.6x	NM	NM
Vascular Biogenics Ltd.	VBLT	4.04	(34.8%)	NM	17.02	3.95	80	76	–	(14.4)	(0.98)	(1.28)	NA	NM	NM	NM	NM
Versartis, Inc.	VSAR	19.81	9.9%	NM	36.86	16.15	565	395	–	(46.0)	(4.39)	(2.52)	NA	NM	NM	NM	NM
Vertex Pharmaceuticals Incorporated	VRTX	119.43	1.3%	47.7%	127.69	59.79	28,913	28,372	580.4	(579.4)	(3.14)	(0.79)	NM	NM	NM	NM	NM
Vital Therapies, Inc.	VTL	22.15	7.0%	NM	35.20	10.66	528	449	–	(45.5)	(3.57)	(2.51)	NA	NM	NM	NM	NM
Zafgen, Inc.	ZFGN	38.65	63.7%	NM	43.03	16.01	1,010	891	–	(28.6)	(4.67)	(2.41)	NA	NM	NM	NM	NM
<b>Median</b>			<b>8.2%</b>	<b>(0.8%)</b>									<b>8.58x</b>	<b>17.23x</b>	<b>33.01x</b>	<b>24.65x</b>	<b>1.37x</b>

Source: Capital IQ as of February 28, 2015; For definitions, see page 17

## Healthcare Sector Update

(\$ in millions, except per share amounts)

Company Name	Ticker	Price 2/28/15	% Change		52-Week		Market Cap	Ent Val (TEV)	LTM		EPS		LTM Multiples		Earnings Ratio		PEG Ratio 2015E	
			3 mo	12 mo	High	Low			Rev	EBITDA	2014	2015E	Rev	EBITDA	LTM	2015E		
<b>Cardiology Devices</b>																		
ABIOMED, Inc.	ABMD	\$60.79	71.1%	115.6%	\$61.94	\$20.29	\$2,460	\$2,346	\$213.2	\$23.9	\$0.44	\$0.75	11.01x	NM	NM	81.4x	2.54x	
AngioDynamics Inc.	ANGO	18.60	6.3%	20.8%	19.80	13.06	664	803	357.8	53.6	0.14	0.72	2.24x	15.0x	NM	25.8x	1.72x	
Bellerophon Therapeutics LLC	BLPH	12.00	NM	NM	12.92	0.00	143	112	0.0	(63.6)	NM	NM	NA	NM	NM	NM	NM	
Boston Scientific Corporation	BSX	16.90	31.3%	29.0%	17.01	11.10	22,486	26,158	7,308.0	1,675.0	(0.09)	0.91	3.58x	15.6x	NM	18.7x	1.85x	
Cardiovascular Systems Inc.	CSII	37.71	23.0%	7.7%	39.00	23.15	1,192	1,091	160.6	(31.1)	(1.07)	(1.01)	6.79x	NM	NM	NM	NM	
CareDx, Inc	CDNA	6.11	(13.3%)	NM	10.89	5.40	72	46	25.2	(0.2)	(0.19)	(0.45)	1.82x	NM	NM	NM	NM	
Edwards Lifesciences Corp.	EW	133.02	2.6%	90.7%	137.58	68.76	14,345	13,504	2,322.9	563.4	7.48	4.21	5.81x	24.0x	17.8x	31.6x	2.16x	
Greatbatch, Inc.	GB	53.14	7.2%	22.6%	54.70	42.23	1,328	1,439	687.8	128.4	2.14	2.65	2.09x	11.2x	24.8x	20.1x	1.72x	
Heartware International Inc.	HTWR	85.23	15.9%	(11.2%)	98.00	69.05	1,450	1,387	278.4	(8.3)	(1.14)	(1.76)	4.98x	NM	NM	NM	NM	
LeMaitre Vascular, Inc.	LMAT	7.62	3.7%	(7.0%)	8.50	6.48	132	114	70.4	10.3	0.23	0.26	1.61x	11.0x	33.1x	29.1x	1.57x	
Lombard Medical, Inc.	EVAR	5.65	(24.7%)	NM	11.34	4.83	91	41	13.3	(33.5)	(2.39)	(2.10)	3.07x	NM	NM	NM	NM	
Medtronic plc	MDT	77.59	5.0%	30.9%	79.45	55.85	186,556	184,234	17,410.0	5,703.0	3.11	4.16	10.58x	32.3x	24.9x	18.6x	2.42x	
Neovasc Inc.	NVC	9.81	54.8%	67.2%	10.19	4.00	527	510	14.2	(11.7)	(0.23)	(0.26)	NM	NM	NM	NM	NM	
REVA Medical, Inc.	RVA	0.41	21.4%	34.3%	0.44	0.09	139	113	0.0	(20.5)	(0.17)	(0.07)	NA	NM	NM	NM	NM	
St. Jude Medical Inc.	STJ	66.68	(1.9%)	(1.0%)	71.90	54.80	18,756	21,195	5,622.0	1,760.0	3.46	3.97	3.77x	12.0x	19.3x	16.8x	1.80x	
Stereotaxis Inc.	STXS	2.37	48.1%	(52.2%)	5.26	1.32	49	60	35.0	(4.6)	(0.26)	NM	1.70x	NM	NM	NM	NM	
Sunshine Heart Inc.	SSH	5.75	26.4%	(30.8%)	8.84	3.49	97	61	0.1	(25.9)	(1.51)	(1.50)	NM	NM	NM	NM	NM	
Thoratec Corp.	THOR	40.72	30.6%	9.6%	41.13	22.50	2,203	1,973	477.6	85.5	0.89	1.17	4.13x	23.1x	45.8x	34.9x	3.76x	
TriVascular Technologies, Inc.	TRIV	10.26	(23.8%)	NM	17.99	8.00	209	171	31.8	(49.5)	(3.27)	(2.14)	5.36x	NM	NM	NM	NM	
<b>Median</b>			<b>11.6%</b>	<b>20.8%</b>									<b>3.77x</b>	<b>15.3x</b>	<b>24.9x</b>	<b>25.8x</b>	<b>1.85x</b>	
<b>Conglomerates</b>																		
3M Company	MMM	\$168.65	5.3%	25.2%	\$169.98	\$129.70	\$107,051	\$111,457	\$31,821.0	\$8,543.0	\$7.49	\$8.18	3.50x	13.0x	22.5x	20.6x	2.10x	
Agilent Technologies Inc.	A	42.21	(1.2%)	(25.9%)	59.58	37.68	14,183	13,726	6,999.0	1,242.0	1.43	1.77	1.96x	11.1x	29.5x	23.9x	2.12x	
Becton, Dickinson and Company	BDX	146.72	4.6%	27.3%	149.14	111.07	28,308	29,656	8,468.0	2,167.0	5.82	6.66	3.50x	13.7x	25.2x	22.0x	2.85x	
Johnson & Johnson	JNJ	102.51	(5.3%)	11.3%	109.49	90.83	285,028	270,699	74,331.0	25,032.0	5.70	6.12	3.64x	10.8x	18.0x	16.8x	3.00x	
Kimberly-Clark Corporation	KMB	109.66	(5.9%)	(0.6%)	119.01	103.50	40,077	46,586	19,724.0	4,218.0	3.91	5.73	2.36x	11.0x	28.0x	19.2x	2.75x	
<b>Median</b>			<b>(1.2%)</b>	<b>11.3%</b>									<b>3.50x</b>	<b>11.1x</b>	<b>25.2x</b>	<b>20.6x</b>	<b>2.75x</b>	
<b>Dental Devices</b>																		
COLTENE Holding AG	CLTN	\$70.26	6.1%	25.1%	\$70.47	\$51.54	\$296	\$313	\$163.5	\$27.9	\$3.51	\$3.66	1.91x	11.2x	20.5x	19.2x	NM	
DENTSPLY International Inc.	XRAY	53.01	(3.6%)	16.8%	56.25	43.83	7,440	8,482	2,922.6	585.8	2.24	2.56	2.90x	14.5x	23.7x	20.7x	2.17x	
Nobel Biocare Holding AG	NOBN	17.93	1.3%	22.5%	19.41	12.46	2,196	2,074	714.6	125.5	0.51	0.59	2.90x	16.5x	32.6x	30.6x	1.66x	
Orthofix International N.V.	OFIX	32.43	16.2%	45.9%	36.90	21.99	598	592	398.5	53.4	1.16	1.43	1.49x	11.1x	NM	22.7x	1.18x	

Source: Capital IQ as of February 28, 2015; For definitions, see page 17

Healthcare Sector Update

(\$ in millions, except per share amounts)

Company Name	Ticker	Price 2/28/15	% Change		52-Week		Market Cap	Ent Val (TEV)	LTM		EPS		LTM Multiples		Earnings Ratio		PEG Ratio 2015E
			3 mo	12 mo	High	Low			Rev	EBITDA	2014	2015E	Rev	EBITDA	LTM	2015E	
<b>Dental Devices (cont.)</b>																	
Osstem Implant Co., Ltd.	A048260	\$41.65	25.6%	103.7%	\$44.88	\$19.28	\$591	\$599	\$219.5	\$27.4	\$1.09	\$1.89	2.73x	21.9x	48.1x	22.0x	NM
Sirona Dental Systems Inc.	SIRO	90.82	5.1%	28.9%	93.51	69.82	5,266	4,979	1,165.4	269.1	3.16	4.09	4.27x	18.5x	28.7x	22.2x	1.50x
Straumann Holding AG	STMN	275.59	6.5%	28.2%	293.99	184.39	4,303	4,027	715.0	172.6	10.10	9.17	5.63x	23.3x	26.1x	30.1x	2.54x
Tornier N.V.	TRNX	24.44	(8.4%)	27.3%	28.53	16.68	1,197	1,245	345.0	24.3	(0.60)	(0.33)	3.61x	NM	NM	NM	NM
<b>Median</b>			<b>5.6%</b>	<b>27.7%</b>									<b>2.90x</b>	<b>16.5x</b>	<b>27.4x</b>	<b>22.2x</b>	<b>1.66x</b>
<b>Orthopedics Devices</b>																	
Exactech Inc.	EXAC	\$23.35	5.3%	0.2%	\$26.52	\$19.87	\$322	\$336	\$248.4	\$44.8	\$1.18	\$1.23	1.35x	7.5x	19.8x	18.9x	1.26x
NuVasive, Inc.	NUVA	45.75	4.1%	24.5%	51.23	31.35	2,203	2,209	762.4	124.8	(0.36)	1.10	2.90x	17.7x	NM	41.5x	4.02x
Stryker Corporation	SYK	94.75	2.0%	18.1%	98.24	75.78	35,887	34,860	9,675.0	2,604.0	1.34	5.00	3.60x	13.4x	70.7x	18.9x	2.38x
Wright Medical Group Inc.	WMGI	24.63	(15.9%)	(22.6%)	33.74	23.56	1,252	1,303	294.5	(41.6)	(4.83)	(1.67)	4.43x	NM	NM	NM	NM
Zimmer Holdings, Inc.	ZMH	120.39	7.2%	28.3%	121.84	90.48	20,455	20,245	4,673.3	1,787.9	4.19	6.43	4.33x	11.3x	28.7x	18.7x	2.16x
<b>Median</b>			<b>4.1%</b>	<b>18.1%</b>									<b>3.60x</b>	<b>12.4x</b>	<b>28.7x</b>	<b>18.9x</b>	<b>2.27x</b>
<b>Diagnostic Imaging Devices</b>																	
Analogic Corporation	ALOG	\$86.66	19.0%	(8.1%)	\$98.73	\$63.28	\$1,072	\$956	\$525.8	\$66.6	\$3.81	\$4.42	1.82x	14.4x	26.3x	19.6x	1.45x
Digirad Corporation	DRAD	4.27	16.3%	22.0%	4.73	3.03	79	58	55.6	5.1	0.17	0.22	1.04x	11.2x	33.3x	19.4x	1.21x
Fonar Corp.	FONR	13.34	12.5%	(41.1%)	22.80	9.32	82	100	81.3	15.3	1.70	NM	1.23x	6.6x	7.9x	NM	NM
Hologic Inc.	HOLX	32.38	20.8%	48.7%	32.49	20.24	9,065	12,476	2,549.1	914.4	0.18	1.60	4.89x	13.6x	NM	20.2x	2.45x
<b>Median</b>			<b>17.7%</b>	<b>7.0%</b>									<b>1.53x</b>	<b>12.4x</b>	<b>26.3x</b>	<b>19.6x</b>	<b>1.45x</b>
<b>Mobility Devices</b>																	
Hill-Rom Holdings, Inc.	HRC	\$47.92	4.7%	26.7%	\$49.33	\$35.45	\$2,708	\$3,176	\$1,757.7	\$283.8	\$1.03	\$2.58	1.81x	11.2x	46.5x	18.6x	1.49x
Invacare Corporation	IVC	18.97	25.4%	(4.3%)	20.81	11.65	609	591	1,270.2	(4.3)	(2.15)	(0.36)	0.46x	NM	NM	NM	NM
Prism Medical Ltd.	PM	8.33	18.8%	61.9%	8.74	4.44	40	15	73.0	7.8	2.63	0.48	0.20x	1.9x	3.2x	17.4x	NM
ReWalk Robotics Ltd.	RWLK	17.17	(34.9%)	NM	43.71	11.50	206	162	4.0	(19.3)	(6.34)	(1.06)	NM	NM	NM	NM	NM
<b>Median</b>			<b>11.8%</b>	<b>26.7%</b>									<b>0.46x</b>	<b>6.5x</b>	<b>24.8x</b>	<b>18.0x</b>	<b>1.49x</b>
<b>Infection Prevention Devices</b>																	
Cantel Medical Corp.	CMN	\$45.40	4.3%	40.3%	\$46.39	\$29.91	\$1,885	\$1,949	\$503.3	\$95.9	\$1.12	\$1.30	3.87x	20.3x	43.7x	35.1x	1.95x
Steris Corp.	STE	64.52	1.2%	39.8%	68.04	45.70	3,844	4,312	1,806.5	337.5	2.21	3.16	2.39x	12.8x	29.2x	20.4x	1.75x
<b>Median</b>			<b>2.7%</b>	<b>40.1%</b>									<b>3.13x</b>	<b>16.5x</b>	<b>36.4x</b>	<b>27.7x</b>	<b>1.85x</b>
<b>Neural Implant Devices</b>																	
Cyberonics Inc.	CYBX	\$68.50	28.6%	0.0%	\$76.48	\$48.19	\$1,783	\$1,640	\$292.3	\$101.3	\$2.45	\$2.61	5.61x	16.2x	27.9x	26.3x	1.27x
Integra LifeSciences Holdings Corporation	IART	60.01	21.9%	27.6%	60.06	42.50	1,967	2,526	928.3	188.7	1.03	3.16	2.72x	13.4x	58.3x	19.0x	1.69x
<b>Median</b>			<b>25.3%</b>	<b>13.8%</b>									<b>4.17x</b>	<b>14.8x</b>	<b>43.1x</b>	<b>22.6x</b>	<b>1.48x</b>

Source: Capital IQ as of February 28, 2015; For definitions, see page 17

## Healthcare Sector Update

(\$ in millions, except per share amounts)

Company Name	Ticker	Price 2/28/15	% Change		52-Week		Market Cap	Ent Val (TEV)	LTM		EPS		LTM Multiples		Earnings Ratio		PEG Ratio 2015E
			3 mo	12 mo	High	Low			Rev	EBITDA	2014	2015E	Rev	EBITDA	LTM	2015E	
<b>Ophthalmology Devices</b>																	
IRIDEX Corporation	IRIX	\$10.65	26.6%	13.3%	\$11.01	\$6.41	\$105	\$92	\$42.8	\$3.0	NM	NM	2.14x	30.6x	66.3x	NM	NM
Lumenis Ltd.	LMNS	11.61	14.4%	(4.8%)	13.08	8.16	413	360	289.7	28.2	0.36	0.62	1.24x	12.8x	32.3x	18.7x	0.67x
Optos plc	OPTS	5.28	37.7%	53.6%	5.31	2.27	385	396	168.9	21.1	0.18	0.22	2.35x	18.8x	49.0x	23.8x	NM
Presbia PLC	LENS	6.98	NM	NM	8.34	0.00	93	114	0.2	(12.9)	NM	(1.18)	NM	NM	NM	NM	NM
Second Sight Medical Products, Inc.	EYES	16.17	5.5%	NM	24.02	8.05	560	583	2.4	(19.3)	NM	NM	NM	NM	NM	NM	NM
The Cooper Companies Inc.	COO	163.97	(2.9%)	27.9%	171.54	123.49	7,920	9,295	1,758.0	524.5	7.05	7.82	5.29x	17.7x	29.8x	21.0x	1.40x
<b>Median</b>			<b>14.4%</b>	<b>20.6%</b>									<b>2.24x</b>	<b>18.2x</b>	<b>40.6x</b>	<b>21.0x</b>	<b>1.04x</b>
<b>Surgical Devices</b>																	
Alphatec Holdings, Inc.	ATEC	\$1.45	13.3%	2.8%	\$1.92	\$1.16	\$145	\$231	\$207.0	\$26.2	(\$0.16)	(\$0.02)	1.12x	8.8x	NM	NM	NM
Avinger, Inc.	AVGR	11.40	NM	NM	14.42	9.85	117	137	11.5	(23.9)	(5.16)	(3.29)	11.89x	NM	NM	NM	NM
Bovie Medical Corporation	BVX	3.38	(13.9%)	7.3%	5.00	3.00	61	62	27.7	(5.0)	(1.03)	NM	2.22x	NM	NM	NM	NM
CONMED Corporation	CNMD	51.30	20.9%	10.0%	52.15	35.85	1,414	1,589	734.5	128.1	1.16	1.87	2.16x	12.4x	44.2x	27.4x	1.77x
Entellus Medical, Inc.	ENTL	21.75	NM	NM	24.91	0.00	384	398	44.8	(5.5)	(3.63)	(1.13)	8.88x	NM	NM	NM	NM
Intuitive Surgical, Inc.	ISRG	500.00	(3.4%)	12.4%	541.23	346.46	18,300	17,068	2,116.0	701.6	11.11	17.41	8.07x	24.3x	45.0x	28.7x	2.46x
<b>Median</b>			<b>4.9%</b>	<b>8.7%</b>									<b>5.14x</b>	<b>12.4x</b>	<b>44.6x</b>	<b>28.08x</b>	<b>2.11x</b>
<b>Diversified Medical Devices</b>																	
Abaxis, Inc.	ABAX	\$60.92	6.1%	60.5%	\$66.05	\$36.77	\$1,373	\$1,264	\$203.0	\$39.7	\$0.87	\$1.21	6.23x	31.9x	70.0x	50.3x	2.74x
AtriCure, Inc.	ATRC	17.68	(5.6%)	(15.0%)	21.63	13.19	486	426	106.9	(19.1)	(0.61)	(0.88)	3.99x	NM	NM	NM	NM
Baxter International Inc.	BAX	69.15	(5.3%)	(0.5%)	77.31	65.95	37,519	43,934	16,671.0	4,276.0	3.56	4.20	2.64x	10.3x	19.4x	16.5x	2.77x
Capnia, Inc.	CAPN	6.30	89.2%	NM	8.19	1.02	43	85	0.0	(3.8)	NM	NM	NA	NM	NM	NM	NM
CareFusion Corporation	CFN	60.08	1.5%	48.2%	60.36	37.76	12,273	12,419	4,081.0	928.0	2.35	2.84	3.04x	13.4x	25.5x	21.1x	1.92x
CR Bard Inc.	BCR	169.14	1.1%	17.3%	180.35	132.81	12,561	13,080	3,323.6	978.7	3.76	8.15	3.94x	13.4x	45.0x	20.8x	1.83x
CryoLife Inc.	CRY	10.48	3.8%	5.2%	12.29	8.40	293	259	144.6	14.9	0.25	(0.01)	1.79x	17.5x	41.4x	NM	NM
Hospira Inc.	HSP	87.54	46.8%	102.3%	87.77	40.41	14,977	15,931	4,463.7	729.9	1.95	2.45	3.57x	21.8x	44.9x	35.8x	3.52x
IDEXX Laboratories, Inc.	IDXX	156.83	5.0%	24.6%	168.51	113.49	7,391	7,967	1,485.8	319.1	3.58	4.37	5.36x	25.0x	43.8x	35.9x	2.51x
InfuSystem Holdings, Inc.	INFU	2.64	(4.3%)	0.0%	4.50	2.47	59	85	60.8	16.7	0.15	0.27	1.39x	5.1x	18.9x	9.8x	0.49x
Masimo Corporation	MASI	29.47	12.3%	15.3%	31.38	19.30	1,551	1,543	580.0	105.8	1.30	1.31	2.66x	14.6x	22.7x	22.6x	1.39x
Medovex Corp.	MDVX	4.50	NM	NM	5.32	4.28	41	41	0.0	(0.7)	NM	NM	NA	NM	NM	NM	NM
Misonix, Inc.	MSON	12.43	15.3%	85.5%	14.90	5.57	95	87	20.0	(0.1)	0.36	0.42	4.33x	NM	34.5x	29.6x	0.99x
Natus Medical Inc.	BABY	35.79	4.6%	42.6%	39.12	21.54	1,143	1,076	355.8	61.1	0.97	1.46	3.02x	17.6x	36.9x	24.5x	1.53x
Nevro Corp.	NVRO	41.83	55.0%	NM	48.94	24.35	1,039	1,159	29.1	(27.7)	(1.90)	(3.01)	NM	NM	NM	NM	NM
PhotoMedex, Inc.	PHMD	1.80	4.7%	(87.7%)	16.82	1.01	37	102	219.4	(0.4)	(1.50)	(1.33)	0.46x	NM	NM	NM	NM
ResMed Inc.	RMD	64.36	21.0%	46.2%	67.50	42.19	9,046	8,615	1,616.3	491.2	2.46	2.75	5.33x	17.5x	26.2x	23.4x	1.87x
Sientra, Inc.	SIEN	18.38	5.8%	NM	19.99	12.53	274	430	41.9	(5.9)	(2.52)	(1.19)	10.27x	NM	NM	NM	NM
SurModics, Inc.	SRDX	24.05	14.5%	(3.4%)	25.99	18.00	311	280	57.8	22.0	0.89	0.90	4.86x	12.8x	27.1x	26.7x	1.71x
Teleflex Incorporated	TFX	121.69	2.1%	19.3%	123.09	99.56	5,043	5,811	1,827.1	411.1	4.10	6.24	3.18x	14.1x	29.7x	19.5x	1.66x
Varian Medical Systems, Inc.	VAR	92.97	5.0%	10.9%	95.70	76.73	9,304	8,858	3,076.2	657.7	3.84	4.41	2.88x	13.5x	24.2x	21.1x	2.38x
<b>Median</b>			<b>5.0%</b>	<b>17.3%</b>									<b>3.37x</b>	<b>14.4x</b>	<b>29.7x</b>	<b>23.0x</b>	<b>1.85x</b>

Source: Capital IQ as of February 28, 2015; For definitions, see page 17

Healthcare Sector Update

(\$ in millions, except per share amounts)

Company Name	Ticker	Price 2/28/15	% Change		52-Week		Market Cap	Ent Val (TEV)	LTM		EPS		LTM Multiples		Earnings Ratio		PEG Ratio 2015E
			3 mo	12 mo	High	Low			Rev	EBITDA	2014	2015E	Rev	EBITDA	LTM	2015E	
<b>Life Science Conglomerates</b>																	
illumina Inc.	ILMN	\$195.46	2.4%	14.0%	\$213.33	\$127.69	\$27,755	\$27,708	\$1,861.4	\$609.0	\$2.37	\$3.21	14.89x	45.5x	82.5x	60.9x	2.97x
PerkinElmer Inc.	PKI	47.00	3.4%	3.7%	48.26	38.96	5,312	6,190	2,237.2	343.6	1.42	2.61	2.77x	18.0x	33.1x	18.0x	1.65x
Thermo Fisher Scientific, Inc.	TMO	130.00	0.5%	4.4%	132.00	107.33	51,582	64,797	16,889.6	3,967.8	4.71	7.34	3.84x	16.3x	27.6x	17.7x	1.45x
Median			2.4%	4.4%									3.84x	18.0x	33.1x	18.0x	1.65x
<b>Lab Instrumentation &amp; Devices</b>																	
Bruker Corporation	BRKR	\$19.03	(0.8%)	(16.3%)	\$24.93	\$17.26	\$3,207	\$3,070	\$1,808.9	\$216.4	\$0.33	\$0.75	1.70x	14.2x	57.7x	25.4x	2.59x
Great Basin Scientific, Inc.	GBSN	2.80	(27.6%)	NM	9.08	1.48	14	16	1.6	(11.0)	(17.32)	NM	9.85x	NM	NM	NM	NM
Harvard Bioscience Inc.	HBIO	5.46	11.0%	11.9%	5.93	3.68	177	185	108.7	9.4	0.07	0.28	1.70x	19.7x	78.0x	19.5x	0.98x
Waters Corporation	WAT	120.38	3.9%	8.1%	122.80	93.56	9,995	9,405	1,989.3	638.3	5.07	5.67	4.73x	14.7x	23.7x	21.2x	2.23x
Median			1.5%	8.1%									3.22x	14.7x	57.7x	21.2x	2.23x
<b>Lab Equipment</b>																	
Kewaunee Scientific Corp.	KEQU	\$18.19	2.9%	11.9%	\$19.00	\$15.74	\$48	\$49	\$115.6	\$8.3	NM	NM	0.42x	5.8x	12.0x	NM	NM
Mettler-Toledo International Inc.	MTD	314.17	7.1%	27.8%	328.00	221.00	8,837	9,203	2,486.0	518.1	11.44	12.83	3.70x	17.8x	27.5x	24.5x	1.92x
Median			5.0%	19.9%									2.06x	11.8x	19.7x	24.5x	1.92x
<b>Life Science Consumables</b>																	
Affymetrix Inc.	AFFX	\$11.70	28.1%	51.6%	\$11.94	\$6.25	\$874	\$922	\$349.0	\$37.6	(\$0.05)	\$0.30	2.64x	24.5x	NM	39.5x	1.70x
Bio-Rad Laboratories, Inc.	BIO	127.18	7.1%	(2.0%)	131.42	102.71	3,681	3,420	2,175.0	307.7	3.05	3.15	1.57x	11.1x	41.7x	40.4x	4.04x
Cambrex Corporation.	CBM	34.25	50.5%	70.7%	34.93	15.76	1,065	1,080	374.4	82.3	1.84	1.68	2.88x	13.1x	18.6x	20.4x	1.38x
Luminex Corporation	LMNX	15.74	(14.9%)	(14.8%)	21.69	15.05	675	585	227.0	45.4	0.93	0.51	2.58x	12.9x	16.9x	30.6x	1.22x
Bio-Techne Corp.	TECH	97.53	6.5%	9.8%	99.15	82.63	3,622	3,639	408.0	192.9	3.12	3.61	8.92x	18.9x	31.3x	27.0x	2.46x
VWR Corporation	VWR	24.55	(8.4%)	NM	27.14	20.60	3,225	5,829	4,375.3	458.5	1.16	1.54	1.33x	12.7x	35.2x	15.9x	0.91x
Median			6.8%	9.8%									2.61x	13.0x	31.3x	28.8x	1.54x
<b>Large-Cap Pharmaceuticals</b>																	
AbbVie Inc.	ABBV	\$60.50	(12.6%)	18.8%	\$70.76	\$45.50	\$96,430	\$103,067	\$19,960.0	\$6,708.0	\$1.10	\$4.39	5.16x	15.4x	55.0x	13.8x	0.91x
Allergan Inc.	AGN	232.74	8.8%	83.3%	234.68	115.94	69,877	67,078	7,226.4	2,474.3	5.03	8.66	9.28x	27.1x	46.3x	26.9x	1.35x
Bristol-Myers Squibb Company	BMJ	60.92	3.2%	13.3%	64.44	46.30	101,256	101,787	15,879.0	3,923.0	1.20	1.69	6.41x	25.9x	50.8x	36.1x	2.49x
Eli Lilly and Company	LLY	70.17	3.0%	17.7%	75.10	56.81	74,424	77,716	19,615.6	4,707.7	2.23	3.13	3.96x	16.5x	31.5x	22.4x	2.14x
Merck & Co. Inc.	MRK	58.54	(3.1%)	2.7%	63.62	52.49	166,148	171,991	42,237.0	14,904.0	4.07	3.39	4.07x	11.5x	14.4x	17.3x	2.34x
Pfizer Inc.	PFE	34.32	10.2%	6.9%	34.97	27.51	210,342	211,235	49,605.0	20,939.0	1.41	2.10	4.26x	10.1x	24.3x	16.3x	4.43x
Valeant Pharmaceuticals International, Inc.	VRX	196.82	35.0%	38.0%	205.70	92.72	66,172	80,071	8,257.5	3,922.4	2.67	10.45	9.70x	20.4x	79.6x	18.8x	0.57x
Median			3.2%	17.7%									5.16x	16.5x	46.3x	18.8x	2.14x

Source: Capital IQ as of February 28, 2015; For definitions, see page 17



(\$ in millions, except per share amounts)

Company Name	Ticker	Price 2/28/15	% Change		52-Week		Market Cap	Ent Val (TEV)	LTM		EPS		LTM Multiples		Earnings Ratio		PEG Ratio 2015E
			3 mo	12 mo	High	Low			Rev	EBITDA	2014	2015E	Rev	EBITDA	LTM	2015E	
<b>Pharmaceuticals</b>																	
Akorn, Inc.	AKRX	\$53.81	34.3%	108.4%	\$55.86	\$20.52	\$5,802	\$6,849	\$601.9	\$214.9	\$0.38	\$1.98	11.38x	31.9x	NM	27.2x	1.10x
Amphastar Pharmaceuticals, Inc.	AMPH	14.00	34.2%	NM	14.35	8.32	625	604	209.5	6.6	(0.16)	(0.26)	2.88x	NM	NM	NM	NM
Aratana Therapeutics, Inc.	PETX	19.26	45.4%	(17.6%)	23.82	9.20	668	575	0.6	(31.0)	(1.35)	(1.61)	NM	NM	NM	NM	NM
Auris Medical Holding AG	EARS	5.50	22.5%	NM	7.58	3.30	159	95	0.0	(20.7)	(1.02)	(1.16)	NA	NM	NM	NM	NM
BioDelivery Sciences International, Inc.	BDSI	15.00	(2.3%)	60.0%	18.48	6.71	769	697	40.4	(31.0)	(1.12)	0.36	17.27x	NM	NM	41.3x	1.65x
BioSynt Inc.	RX	8.70	(6.3%)	103.5%	10.25	3.68	121	114	10.5	3.7	0.19	0.21	10.83x	30.9x	49.5x	41.9x	NM
Catalent, Inc.	CTLT	27.97	(2.8%)	NM	30.32	19.34	3,463	5,316	1,846.8	427.0	0.64	1.71	2.88x	12.5x	43.5x	16.4x	2.81x
Cipher Pharmaceuticals Inc.	CPH	11.42	(15.1%)	56.3%	15.60	5.68	296	254	27.9	18.9	0.68	0.59	9.10x	13.4x	18.1x	19.4x	NM
Cumberland Pharmaceuticals, Inc.	CPIX	6.13	19.0%	32.4%	6.20	4.20	106	52	36.9	5.5	NM	NM	1.41x	9.4x	NM	NM	NM
Dermira, Inc.	DERM	16.73	(3.0%)	NM	22.94	12.68	412	476	0.0	(31.6)	(2.73)	(2.64)	NA	NM	NM	NM	NM
DURECT Corporation	DRRX	1.05	14.1%	(24.5%)	1.89	0.68	119	108	19.4	(20.4)	(0.20)	(0.20)	5.59x	NM	NM	NM	NM
Endo International plc	ENDP	85.60	17.0%	7.2%	87.36	53.62	14,765	18,463	2,877.2	725.9	4.22	4.84	6.42x	25.4x	NM	17.7x	2.13x
Flex Pharma, Inc.	FLKS	17.39	NM	NM	19.50	12.55	310	273	0.0	0.0	(0.57)	(1.17)	NA	NA	NM	NM	NM
Foamix Pharmaceuticals Ltd.	FOMX	8.96	69.1%	NM	11.00	4.75	201	156	3.1	(1.2)	(1.19)	(1.03)	NM	NM	NM	NM	NM
Heska Corporation	HSKA	21.50	37.9%	121.4%	22.32	8.60	136	148	89.8	6.4	0.46	0.52	1.65x	23.2x	45.8x	41.5x	1.75x
Impax Laboratories Inc.	IPXL	40.29	26.1%	56.3%	41.39	22.12	2,870	2,455	596.0	133.1	0.81	1.40	4.12x	18.4x	49.7x	28.9x	1.33x
Inotek Pharmaceuticals Corporation	ITEK	6.02	NM	NM	6.20	5.80	96	94	0.0	0.0	NM	NM	NA	NA	NM	NM	NM
Kite Pharma, Inc.	KITE	65.44	55.9%	NM	89.21	21.00	2,738	2,542	0.0	(25.6)	(0.98)	(0.39)	NA	NM	NM	NM	NM
Lannett Company, Inc.	LCI	62.40	27.0%	45.5%	65.69	29.12	2,234	2,051	368.8	202.1	3.42	3.95	5.56x	10.1x	18.3x	15.8x	1.15x
Marinus Pharmaceuticals, Inc.	MRNS	11.46	68.5%	NM	16.60	5.49	161	115	0.0	(9.8)	(2.29)	(1.80)	NA	NM	NM	NM	NM
MediWound Ltd.	MDWD	7.71	30.2%	NM	19.31	4.60	164	99	0.3	(20.3)	(0.95)	(1.15)	NM	NM	NM	NM	NM
Merus Labs International Inc.	MSL	2.03	44.8%	22.9%	2.21	1.03	165	222	26.4	14.3	(0.09)	0.06	8.40x	15.5x	NM	36.3x	NM
Mylan N.V.	MYL	57.33	(2.2%)	3.2%	59.60	44.74	21,499	29,281	7,719.6	2,085.6	NM	NM	3.79x	14.0x	24.8x	NM	NM
NeuroDerm Ltd.	NDRM	13.83	89.7%	NM	19.07	5.67	235	243	0.0	(8.3)	(0.94)	(1.37)	NA	NM	NM	NM	NM
Radius Health, Inc.	RDUS	42.65	72.7%	NM	51.22	7.46	1,573	1,529	0.0	(55.8)	(16.36)	(2.25)	NA	NM	NM	NM	NM
Revanche Therapeutics, Inc.	RVNC	16.05	(2.4%)	(40.4%)	39.86	14.02	381	203	0.4	(50.0)	(2.84)	(3.25)	NM	NM	NM	NM	NM
Salix Pharmaceuticals Ltd.	SLXP	157.20	53.1%	45.7%	172.98	86.00	10,100	12,617	1,133.5	154.8	3.92	3.86	11.13x	NM	NM	40.8x	1.95x
SciClone Pharmaceuticals, Inc.	SCLN	7.71	(9.2%)	65.8%	9.14	4.24	391	295	126.1	27.3	0.60	0.61	2.34x	10.8x	19.0x	12.6x	NM
The Medicines Company	MDCO	28.77	7.3%	(5.8%)	31.00	19.92	1,870	1,757	724.4	(7.7)	(0.50)	2.12	2.43x	NM	NM	13.6x	(1.09x)
Vitae Pharmaceuticals, Inc.	VTAE	11.62	(42.9%)	NM	23.35	5.41	254	192	23.7	(1.3)	(2.24)	(1.75)	8.12x	NM	NM	NM	NM
Xenon Pharmaceuticals Inc.	XENE	19.34	46.5%	NM	23.50	9.21	274	329	29.1	13.8	0.48	7.00	11.31x	23.8x	13.4x	2.8x	0.28x
Zoetis Inc.	ZTS	46.09	2.6%	48.6%	47.40	28.14	23,081	25,875	4,785.0	1,342.0	1.16	1.65	5.41x	19.3x	39.7x	27.9x	2.37x
Zosano Pharma Corporation	ZSAN	10.38	NM	NM	12.40	10.00	123	134	3.0	(10.8)	(2.69)	(1.87)	NM	NM	NM	NM	NM
ZS Pharma, Inc.	ZSPH	49.47	15.2%	NM	52.80	25.51	1,030	919	0.0	(49.6)	(4.27)	(3.00)	NA	NM	NM	NM	NM
<b>Median</b>			<b>22.5%</b>	<b>45.6%</b>									<b>5.57x</b>	<b>17.0x</b>	<b>32.3x</b>	<b>27.2x</b>	<b>1.65x</b>

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

Source: Capital IQ as of February 28, 2015

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