

# Q4 2013 Healthcare Services Market Snapshot

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# Signal Hill at a Glance

Signal Hill is a leading independent advisory boutique serving the M&A and private capital raising needs of growth companies. Signal Hill's experienced bankers provide deep domain expertise and an unyielding commitment to clients in our sectors: Internet & Digital Media, Internet Infrastructure, Services and Software. With more than 600 completed transactions and offices in Baltimore, Bangalore, Boston, Mumbai, Nashville, New York, Reston and San Francisco, Signal Hill leverages deep strategic industry and financial sponsor relationships to help our clients achieve Greater Outcomes®.

## Recent Mergers & Acquisitions, Strategic Advisory Transactions

- Mergers & Acquisitions
- Equity Private Placements
- Restructurings
- Strategic Advisory
- Special Committee Advisory
- Fairness Opinions

 HAS RECEIVED GROWTH EQUITY INVESTMENT FROM  IDG Ventures <b>SAIFPartners</b> JANUARY 2014	 a portfolio company of Reed Elsevier HAS BEEN ACQUIRED BY  JANUARY 2014	 HAS RECEIVED AN INVESTMENT FROM  DECEMBER 2013	 HAS ACQUIRED Newton Alliance, LLC DECEMBER 2013	 HAS BEEN ACQUIRED BY  DECEMBER 2013	 HAS BEEN ACQUIRED BY  NOVEMBER 2013	 HAS BEEN ACQUIRED BY  NOVEMBER 2013	 HAS BEEN ACQUIRED BY  NOVEMBER 2013
 Trust the Experts MAJORITY STAKE ACQUISITION BY  NOVEMBER 2013	 HAS RECEIVED AN EQUITY INVESTMENT FROM  OCTOBER 2013	 HAS BEEN ACQUIRED BY  OCTOBER 2013	 HAS BEEN ACQUIRED BY  SEPTEMBER 2013	 HAS BEEN ACQUIRED BY  SEPTEMBER 2013	 Predictable Patient Recruitment HAS BEEN ACQUIRED BY  AUGUST 2013	 HAS BEEN ACQUIRED BY  AUGUST 2013	 Relevant   Intelligent   Secure HAS BEEN ACQUIRED BY  AUGUST 2013
 HAS BEEN ACQUIRED BY  AUGUST 2013	 SOFTWARE EMPLOYED MINORITY RECAPITALIZATION BY  JULY 2013	 A Division of Inspire Capital HAVE BEEN ACQUIRED BY  JULY 2013	 HAS BEEN ACQUIRED BY  POWERING YOUR BUSINESS JUNE 2013	 HAS RECEIVED EQUITY FUNDING FROM  JUNE 2013	 HAS BEEN ACQUIRED BY  Enterprise Group JUNE 2013	 The IT Design Company CERTAIN ASSETS HAVE BEEN ACQUIRED BY  MAY 2013	 HAS BEEN ACQUIRED BY  APRIL 2013
 HAS RECEIVED EQUITY FUNDING FROM  MARCH 2013	 HAS BEEN ACQUIRED BY  MARCH 2013	 HAS RECEIVED GROWTH EQUITY INVESTMENT FROM  MARCH 2013	 EXPERIENCE E-COMMERCE 2.0 HAS BEEN ACQUIRED BY  MARCH 2013	 HAS RECEIVED GROWTH EQUITY INVESTMENT FROM  FEBRUARY 2013	 criterion HAS BEEN ACQUIRED BY  FEBRUARY 2013	 HAS BEEN ACQUIRED BY  JANUARY 2013	 HAS BEEN ACQUIRED BY  JANUARY 2013

# Signal Hill's Healthcare Services Practice

 <p>HAS BEEN ACQUIRED BY</p>  <p>SEPTEMBER 2013</p>	 <p>HAS BEEN ACQUIRED BY</p>  <p>AUGUST 2012</p>	 <p>HAS BEEN ACQUIRED BY</p>  <p>NOVEMBER 2011</p>	<p>Mid-Atlantic Skilled Nursing Group ("Sellers")</p> <p>HAS BEEN ACQUIRED IN A SALE-LEASEBACK TRANSACTION</p>  <p>AUGUST 2011</p>
 <p>HAS BEEN ACQUIRED BY</p>  <p>AUGUST 2011</p>	 <p>HAS BEEN ACQUIRED BY</p>  <p>JUNE 2011</p>	 <p>HAS BEEN ACQUIRED BY</p>  <p>JUNE 2011</p>	 <p>HAS BEEN ACQUIRED BY</p>  <p>MARCH 2011</p>
 <p>HAS BEEN ACQUIRED BY</p>  <p>APRIL 2010</p>	 <p>HAS BEEN ACQUIRED BY</p>  <p>JULY 2010</p>	 <p>HAS BEEN ACQUIRED BY</p>  <p>DECEMBER 2009</p>	 <p>HAS ACQUIRED</p>  <p>NOVEMBER 2009</p>

# Q4 2013 Healthcare Services M&A Overview

The Healthcare Services sector declined in terms of deal velocity from Q3 2013 to Q4 2013, from 138 announced deals to 90. While this figure is almost 35 percent lower than the prior quarter, it is in line with metrics from Q1 and Q2 2013. Following suit, total announced Enterprise Value (EV) also decreased by more than 52 percent. Median announced deal size increased, however, pointing to the fact that deal values were more evenly dispersed in Q4 2013 than in Q3 2013. There was a lack of available data surrounding EBITDA multiples this quarter, hence the omission.


<i>Source: Signal Hill</i>	Q4 2012	Q1 2013	Q2 2013	Q3 2013	Q4 2013
Number of Announced Deals	131	80	89	138	90
<i>% change from prior quarter</i>	17.0%	(38.9)%	11.3%	55.1%	(34.8)%
Total Announced Enterprise Value (\$M)	\$4,756.0	\$1,936.5	\$23,795.3 <sup>(1)</sup>	\$12,120.9	\$5,757.3
<i>% change from prior quarter</i>	0.6%	(59.3)%	1128.8%	(49.1)%	(52.5)%
Median Announced Deal Size (\$M)	\$23.1	\$32.2	\$25.0	\$17.1	\$25.8
<i>% change from prior quarter</i>	82.3%	39.2%	(22.2)%	(31.5)%	50.3%
Median EV/TTM EBITDA Multiple	10.4x	10.1x	9.4x	8.6x	NM <sup>(2)</sup>
<i>% change from prior quarter</i>	18.6%	(2.5)%	(7.7)%	(8.2)%	NA

(1) Includes \$15,773.0M Life Technologies / Thermo Fisher Scientific transaction

(2) This figure is NM as there were only two disclosed EBITDA multiples in Q4 2013

# Notable Q4 2013 Healthcare Services M&A Transactions

## Select Healthcare Services Transactions, Q4 2013

 <p><b>CORAM</b> specialty infusion services</p>	<p><b>Coram LLC Acquired by CVS Caremark Corporation (NYSE: CVS)</b> EV: \$2,100.0M Revenue Multiple: 1.6x EBITDA Multiple: 16.0x</p>	<p>Coram LLC, the specialty infusion services and enternal nutrition business unit of Apria Healthcare Group, has been acquired by CVS Caremark. The acquisition will provide CVS Caremark comprehensive resources to more effectively manage the cost of specialty drugs, including infused therapies, whether they are covered through the medical or the pharmacy benefit.</p>	
 <p><b>USMM</b> U.S. Medical Management</p>	<p><b>U.S. Medical Management to be Acquired by Centene Corporation (NYSE: CNC)</b> EV: \$293.6M</p>	<p>U.S. Medical Management, a leading management services organization and provider of in-home health services for high acuity populations, has entered into a definitive agreement to be acquired by Centene Corporation, a leading multi-line healthcare enterprise that provides programs and related services to the under-insured and uninsured. The acquisition is a capability expansion for Centene, allowing the company to offer quality healthcare services and programs for an aging population in the comfort of their own homes.</p>	
<p><b><i>The following housing portfolios were sold by Holiday Retirement. Holiday Retirement operates 333 independent living properties around the United States.</i></b></p>			
	<p><b>52-Property Portfolio of Senior Housing Properties to be Acquired by Newcastle Investment Corp. (NYSE: NCT)</b> EV: \$1,010.0M</p>	<p>A 52-property portfolio of senior housing properties will be acquired by Newcastle Investment Corp. Newcastle is a real estate investment trust (REIT) primarily focused on senior housing along with other types of real estate and debt. Newcastle is externally managed and advised by an affiliate of Fortress Investment Group.</p>	
	<p><b>26-Property Portfolio of Independent Living Communities Acquired by Ventas, Inc. (NYSE: VTR)</b> EV: \$790.0M</p>	<p>A 26-property portfolio of independent living communities has been acquired by Ventas, Inc., a leading Chicago-based REIT with a diversified portfolio of nearly 1,500 senior housing communities, medical office buildings, skilled nursing facilities and hospitals.</p>	
	<p><b>25 Independent Living Facilities Located in 12 States to be Acquired by National Health Investors (NYSE: NHI)</b> EV: \$491.0M</p>	<p>25 independent living facilities will be acquired by National Health Investors, a healthcare-focused REIT that finances healthcare real estate through acquisitions and leaseback deals. In addition to senior housing, the REIT's portfolio includes skilled nursing, medical office buildings and specialty hospitals.</p>	

# Q4 2013 Healthcare Services M&A Transactions

Date Announced	Target	Acquirer	Enterprise Value	Enterprise Value	
				Revenue	EBITDA
31-Dec-13	Comprehensive Behavioral Care, Inc.	Imagen Radiomagnetica, S De R. L.	-	-	-
23-Dec-13	Four Post Acute and Long Term Care Skilled Nursing Facilities	Aviv REIT, Inc. (NYSE:AVIV)	\$20.0	-	-
26-Dec-13	Four Senior Living Communities in Indiana and South Carolina	Capital Senior Living Corp. (NYSE:CSU)	\$64.9	-	-
20-Dec-13	St. Mary's Hospital	Prime Healthcare Services, Inc.	\$30.0	-	-
18-Dec-13	Journey Healing Centers	Elements Behavioral Health, Inc.	-	-	-
18-Dec-13	Global Medical, LLC	RecoverCare LLC	-	-	-
18-Dec-13	William Laboratories, Inc.	Temptime Corporation	-	-	-
18-Dec-13	Fidelis SecureCare of Michigan, Inc.	Centene Corp. (NYSE:CNC)	-	-	-
18-Dec-13	PT Solutions Holdings, LLC	New Harbor Capital Management LLC	-	-	-
17-Dec-13	Maplewood Manor Nursing Home	Zenith Care Health Group	\$14.1	-	-
16-Dec-13	Amian Health Services, L.L.C.	Angels of Mercy, Inc.	\$0.1	0.1x	-
12-Dec-13	U.S. Medical Management, LLC	Centene Corp. (NYSE:CNC)	\$293.3	1.8x	-
10-Dec-13	Habit OPCO, Inc.	CRC Health Group, Inc.	-	-	-
10-Dec-13	Wellstar Health System, WellStar HME & Infusion Division	Advanced Home Care, Inc.	-	-	-
9-Dec-13	Onco360	PharMerica Corporation (NYSE:PMC)	-	-	-
9-Dec-13	J&S Medical Associates, Inc.	Laboratory Supply Company, Inc.	-	-	-
9-Dec-13	Wellbrooke of Crawfordsville	HealthLease Properties Real Estate Investment Trust (TSX:HLP.UN)	\$15.9	-	-
9-Dec-13	Rainbow Health & Rehab Of Memphis, LLC	OHI Asset, LLC	\$13.5	-	-
9-Dec-13	Dwight Orthopedic Rehabilitation Company	ATI Holdings, LLC	-	-	-
6-Dec-13	Post Acute Medical at San Antonio, LLC	Carter Validus Mission Critical REIT, Inc.	\$25.8	-	-
5-Dec-13	Clinical Development Group, LLC	Sarah Cannon Research Institute, LLC	-	-	-
5-Dec-13	Four Properties In Ohio And Indiana	Aviv REIT, Inc. (NYSE:AVIV)	\$44.9	-	-
4-Dec-13	The Inn at Robbins Brook and Forge Hill	Health Care REIT, Inc. (NYSE:HCN); Benchmark Senior Living LLC	\$63.2	-	-
3-Dec-13	Associates in Ob-Gyn, Inc.	Trihealth, Inc.	-	-	-
27-Nov-13	Coram, Inc.	CVS Caremark Corporation (NYSE:CVS)	\$2,100.0	1.6x	16.0x
26-Nov-13	Carolina Medical Homes, LLC, Certain Assets	WellCare Health Plans, Inc. (NYSE:WCG)	-	-	-
22-Nov-13	Adventist Health Gresham Surgery Center	Portland Adventist Medical Center, Inc.	-	-	-
22-Nov-13	MedAct, Inc.	Brightree, LLC	-	-	-
21-Nov-13	OmniSYS, LLC	Moelis Capital Partners LLC	-	-	-
21-Nov-13	Three Seniors Housing Facilities Located in Pennsylvania and New Jersey	Care Investment Trust LLC	\$52.5	-	-



# Q4 2013 Healthcare Services M&A Transactions

Date Announced	Target	Acquirer	Enterprise Value	Enterprise Value	
				Revenue	EBITDA
20-Nov-13	Desert Oasis Recovery LLC	Shadow Mountain Recovery	-	-	-
19-Nov-13	25 Independent Living Facilities Located In 12 States	National Health Investors Inc. (NYSE:NHI)	\$491.0	-	-
18-Nov-13	52-Property Portfolio of Senior Housing Properties	Newcastle Investment Corp. (NYSE:NCT)	\$1,010.0	-	-
17-Nov-13	Black Bear Lodge	Foundations Recovery Network, LLC	-	-	-
13-Nov-13	MedWest Health System, Inc.	DLP Healthcare, LLC	\$26.3	-	-
13-Nov-13	Genova Diagnostics, Inc.	Levine Leichtman Capital Partners	-	-	-
11-Nov-13	Lovelace Health Plan and Lovelace Insurance Company	Blue Cross & Blue Shield of New Mexico	-	-	-
7-Nov-13	Medical Services of America, Inc., Private Duty operations of the Medi Home Private Care Division	Addus HomeCare Corporation (NasdaqGS:ADUS)	-	-	-
7-Nov-13	Coordinated Home Health Care, Inc.	Addus HomeCare Corporation (NasdaqGS:ADUS)	-	-	-
7-Nov-13	200 Acres Five Manufactured Home Communities In Ohio And New York	UMH Properties Inc. (NYSE:UMH)	\$11.8	-	-
5-Nov-13	SunCrest Healthcare, Inc.	Almost Family Inc. (NasdaqGS:AFAM)	\$75.5	0.5x	14.5x
5-Nov-13	Nine Nursing Centers	Kindred Healthcare Inc. (NYSE:KND)	\$83.0	9.2x	-
4-Nov-13	Senior Home Care, Inc.	Kindred Healthcare Inc. (NYSE:KND)	\$95.0	0.7x	-
4-Nov-13	Eligibility Plus, Inc.	Hawes Financial Group, Inc.	-	-	-
4-Nov-13	Five Post-Acute and Long-Term Care Skilled Nursing Facilities in Ohio and Arkansas	Aviv REIT, Inc. (NYSE:AVIV)	\$42.2	-	-
4-Nov-13	Peregrine Health Management Company, Athenaeum Facility	NorthStar Realty Finance Corp. (NYSE:NRF); NorthStar Healthcare Income, Inc.	\$3.1	-	-
4-Nov-13	Two Senior Living Communities in Ohio and Georgia	Capital Senior Living Corp. (NYSE:CSU)	\$21.6	-	-
4-Nov-13	Senior Living Communities in Fitchburg, Wisconsin	Capital Senior Living Corp. (NYSE:CSU)	\$16.0	-	-
4-Nov-13	One Senior Living Community Located in Milford, Massachusetts	Capital Senior Living Corp. (NYSE:CSU)	-	-	-
4-Nov-13	3 Skilled Nursing Facilities in Texas	Fundamental Long Term Care Holdings LLC	\$18.5	-	-
1-Nov-13	Urgent Medical Care	U.S. Healthworks, Inc.	-	-	-
1-Nov-13	AST Bearings LLC	Motion Industries, Inc.	-	-	-
1-Nov-13	Tekra Corporation	EIS, Inc.	-	-	-
31-Oct-13	Heritage Health Care, Inc.	HealthPRO Management Services, LLC	-	-	-
31-Oct-13	The Woodlands Assisted Living, LLC	National Health Investors Inc. (NYSE:NHI)	\$9.0	-	-
30-Oct-13	Remed Realty, L.P.	St. Andrews Acquisitions, Inc.	-	-	-
30-Oct-13	Health & Beyond, LLC	Intelligent Living Inc. (OTCPK:ILIV)	-	-	-
28-Oct-13	Cedarbrooke Chateau	Chartwell Retirement Residences	\$27.0	-	-
25-Oct-13	HRC Investors Corp, 26-Property Portfolio of Independent Living Communities	Ventas, Inc. (NYSE:VTR)	\$790.0	-	-
25-Oct-13	Willows at Hamburg	HealthLease Properties Real Estate Investment Trust (TSX:HLP.UN)	\$13.5	-	-



# Q4 2013 Healthcare Services M&A Transactions

Date Announced	Target	Acquirer	Enterprise Value	Enterprise Value	
				Revenue	EBITDA
25-Oct-13	Align Networks, Inc.	Apax Partners LLP	-	-	-
25-Oct-13	Avalon Springs Health Campus	Trilogy Real Estate of Porter, LLC	\$11.5	-	-
24-Oct-13	100,000-Square-Foot Sumner Station Facility	HighPoint Health System	-	-	-
24-Oct-13	Medical Diagnostic Associates	MedRisk, Inc.	-	-	-
24-Oct-13	Four Affiliated Park Avenue Companies	IPC The Hospitalist Company, Inc. (NasdaqGS:IPCM)	-	-	-
22-Oct-13	Autism Intervention Specialists, LLC	Pacific Child & Family Associates, LLC; Scopia Capital	-	-	-
22-Oct-13	PLUS Diagnostics, Inc.	Miraca Life Sciences, Inc.	\$83.1	1.1x	-
22-Oct-13	Shiel Medical Laboratory, Inc.	Spectra Laboratories, Inc.	-	-	-
22-Oct-13	ApeniMED, Inc.	IOD Incorporated	-	-	-
22-Oct-13	Oncimmune USA, LLC	Health Diagnostic Laboratory, Inc.	-	-	-
21-Oct-13	South Bay Medical Arts	-	\$3.8	-	-
17-Oct-13	St. Joseph Nursing Home of Company of Utica, Inc.	Personal Healthcare, LLC	-	-	-
16-Oct-13	Campbell Clinic Surgery Center-Midtown	Campbell Clinic Inc.	\$3.2	-	-
16-Oct-13	The Aston Gardens at Parkland Commons Senior Living Facility in Broward County	AG Parkland Senior Housing I, LLC	\$62.8	-	-
14-Oct-13	Heart of America Surgery Center LLC	Midwest Division, Inc.	-	-	-
11-Oct-13	Tigermed-BDM Inc.	Hongkong Tigermed Consulting Co., Ltd.	\$3.9	-	-
11-Oct-13	7 Senior Care Locations	CHP Partners LP	\$94.7	-	-
9-Oct-13	Imperium Health Management, LLC	Almost Family Inc. (NasdaqGS:AFAM)	\$9.4	-	-
9-Oct-13	Ann-Way Assisted Living Facility Inc.	Green Tree Assisted Living LLC	-	-	-
8-Oct-13	Williamson Memorial Hospital, LLC	Appalachian Regional Healthcare, Inc.	-	-	-
8-Oct-13	Solterra Subacute Services	Solterra of Arizona, LLC	\$0.4	-	-
7-Oct-13	ConVerge Diagnostic Services, LLC	Quest Diagnostics Inc. (NYSE:DGX)	-	-	-
7-Oct-13	Compucyte Corporation	Thorlabs, Inc.	-	-	-
7-Oct-13	Greater Orlando Hospitalists, P.A.	IPC The Hospitalist Company, Inc. (NasdaqGS:IPCM)	-	-	-
7-Oct-13	Aston Gardens Senior Housing Portfolio	Kayne Anderson Capital Advisors, L.P.; Discovery Senior Living	-	-	-
4-Oct-13	Providian Companies	Align Networks, Inc.	-	-	-
4-Oct-13	Three Assisted Living Facilities in Florida	Aviv REIT, Inc. (NYSE:AVIV)	\$13.0	-	-
3-Oct-13	Castleview Hospital Surgery Center	Castleview Hospital, LLC	-	-	-
3-Oct-13	Westfield Hospital	Lehigh Valley Health Network, Inc.	-	-	-
1-Oct-13	Mazor Robotics Ltd., Renaissance System	Doctors Hospital of Sarasota, Inc.	-	-	-

## Q4 2013 Healthcare Services IPO Data

<b>IPO Date</b>	<b>Issuer</b>	<b>Amount Raised</b>	<b>% Net Proceeds to Company</b>	<b>Offer Price</b>	<b>1-Day</b>	<b>30-Day</b>	<b>90-Day</b>
30-Oct-13	Surgical Care Affiliates (NasdaqGS:SCA)	\$269.9	93.8%	\$24.0	12.9%	26.8%	NA

# Q4 2013 Healthcare Services Public Company Valuation Metrics

<i>Source: Signal Hill</i>				Enterprise Value as a Multiple of:							
<i>Pricing Date: 12/31/2013</i>	<b>% Of 52</b>	<b>Equity Value</b>	<b>Enterprise Value</b>	<b>Revenue</b>			<b>EBITDA</b>			<b>EBITDA Margin</b>	
<b>Median Metrics</b>	<b>Wk High</b>	<b>(\$ in mm)</b>	<b>(\$ in mm)</b>	<b>LTM</b>	<b>2013E</b>	<b>2014E</b>	<b>LTM</b>	<b>2013E</b>	<b>2014E</b>	<b>LTM</b>	<b>2013E</b>
Acute Care	90.7%	3,921.9	10,934.7	1.3x	1.0x	0.9x	8.3x	7.6x	6.7x	15.8%	13.0%
Alternate Site	94.3%	1,328.9	2,249.5	1.9x	2.1x	2.0x	7.4x	8.1x	7.7x	26.5%	26.3%
Behavioral	96.5%	2,006.4	2,133.0	1.0x	0.9x	0.8x	7.6x	7.9x	7.4x	13.3%	11.1%
Home Health	89.4%	423.2	462.2	0.7x	0.7x	0.6x	9.5x	10.1x	9.6x	7.6%	6.9%
Laboratories	75.1%	1,568.3	1,211.3	1.8x	1.7x	1.8x	7.6x	7.7x	7.7x	23.3%	22.4%
Managed Care	97.6%	16,093.3	18,293.3	0.4x	0.4x	0.4x	7.8x	7.8x	6.8x	5.8%	5.7%
Senior Care / Rehab	91.1%	865.8	1,116.2	1.2x	1.0x	1.0x	7.8x	8.4x	7.6x	14.7%	12.1%
<b>All Select Healthcare Services</b>	<b>91.1%</b>	<b>1,568.3</b>	<b>2,133.0</b>	<b>1.2x</b>	<b>1.0x</b>	<b>0.9x</b>	<b>7.8x</b>	<b>7.9x</b>	<b>7.6x</b>	<b>14.7%</b>	<b>12.1%</b>

# Q4 2013 Healthcare Services Public Company Valuation Metrics

## Select U.S. and International Public Companies

Company Name	Price 12/31/13	% of 52 Week High	Equity Value	Enterprise Value	'12-'14E Rev Growth	'13E EBITDA Margin	TEV / Revenue			TEV / EBITDA			Price / Earnings			P/E / LTG Rate			LTG Rate	
							LTM	2013E	2014E	LTM	2013E	2014E	LTM	2013E	2014E	LTM	2013E	2014E		
<b>Acute Care</b>																				
HCA Holdings, Inc.	\$47.71	96%	\$20,845	\$50,330	8%	17%	1.5x	1.3x	1.3x	7.8x	7.8x	7.4x	15.3x	14.5x	12.5x	1.4x	1.3x	1.1x	11%	
							\$33,780	\$37,933	\$38,628	\$6,433	\$6,433	\$6,842	\$3.12	\$3.30	\$3.80					
Universal Health Services Inc.	\$81.26	97%	\$7,985	\$11,771	12%	15%	1.6x	1.4x	1.3x	8.5x	9.2x	8.6x	15.4x	17.7x	15.5x	1.4x	1.6x	1.4x	11%	
							\$7,248	\$8,417	\$8,800	\$1,383	\$1,274	\$1,373	\$5.27	\$4.60	\$5.23					
Tenet Healthcare Corp.	\$42.12	85%	\$4,179	\$10,098	35%	11%	1.1x	0.9x	0.6x	8.2x	7.6x	5.2x	NM	23.3x	15.4x	NM	2.3x	1.5x	10%	
							\$9,548	\$11,617	\$16,734	\$1,226	\$1,324	\$1,951	(\$0.48)	\$1.80	\$2.74					
Community Health Systems, Inc.	\$39.27	77%	\$3,664	\$13,606	4%	15%	1.0x	1.0x	1.0x	8.4x	7.2x	6.5x	20.7x	13.5x	10.1x	1.4x	0.9x	0.7x	15%	
							\$13,043	\$13,052	\$13,987	\$1,628	\$1,895	\$2,104	\$1.89	\$2.91	\$3.89					
Health Management Associates Inc.	\$13.10	76%	\$3,465	\$3,481	8%	12%	171.6x	0.5x	0.5x	-3088.3x	4.4x	4.0x	NM	25.2x	19.3x	NM	2.5x	1.9x	10%	
							\$20	\$6,757	\$6,817	(\$1)	\$795	\$878	(\$0.18)	\$0.52	\$0.68					
Lifepoint Hospitals Inc.	\$52.84	98%	\$2,484	\$4,107	16%	12%	1.1x	0.9x	0.9x	8.5x	7.6x	6.9x	19.6x	18.7x	16.4x	2.2x	2.1x	1.8x	9%	
							\$3,619	\$4,407	\$4,592	\$485	\$540	\$595	\$2.69	\$2.83	\$3.23					

<b>Min</b>	<b>\$2,484</b>	<b>\$3,481</b>	<b>4%</b>	<b>11%</b>	<b>1.0x</b>	<b>0.5x</b>	<b>0.5x</b>	<b>-3088.3x</b>	<b>4.4x</b>	<b>4.0x</b>	<b>15.3x</b>	<b>13.5x</b>	<b>10.1x</b>	<b>1.4x</b>	<b>0.9x</b>	<b>0.7x</b>	<b>9%</b>
<b>Mean</b>	<b>\$7,104</b>	<b>\$15,566</b>	<b>14%</b>	<b>14%</b>	<b>29.7x</b>	<b>1.0x</b>	<b>0.9x</b>	<b>-507.8x</b>	<b>7.3x</b>	<b>6.4x</b>	<b>17.8x</b>	<b>18.8x</b>	<b>14.9x</b>	<b>1.6x</b>	<b>1.8x</b>	<b>1.4x</b>	<b>11%</b>
<b>Median</b>	<b>\$3,922</b>	<b>\$10,935</b>	<b>10%</b>	<b>13%</b>	<b>1.3x</b>	<b>1.0x</b>	<b>0.9x</b>	<b>8.3x</b>	<b>7.6x</b>	<b>6.7x</b>	<b>17.5x</b>	<b>18.2x</b>	<b>15.5x</b>	<b>1.4x</b>	<b>1.8x</b>	<b>1.4x</b>	<b>11%</b>
<b>Max</b>	<b>\$20,845</b>	<b>\$50,330</b>	<b>35%</b>	<b>17%</b>	<b>171.6x</b>	<b>1.4x</b>	<b>1.3x</b>	<b>8.5x</b>	<b>9.2x</b>	<b>8.6x</b>	<b>20.7x</b>	<b>25.2x</b>	<b>19.3x</b>	<b>2.2x</b>	<b>2.5x</b>	<b>1.9x</b>	<b>15%</b>

<b>Alternate Site</b>																			
DaVita HealthCare Partners Inc.	\$63.37	97%	\$13,479	\$21,747	28%	20%	1.9x	1.9x	1.8x	9.5x	9.1x	9.2x	23.9x	16.5x	16.8x	2.1x	1.4x	1.5x	11%
							\$11,174	\$11,729	\$12,393	\$2,278	\$2,392	\$2,370	\$2.65	\$3.85	\$3.77				
AmSurg Corp.	\$45.92	94%	\$1,480	\$2,582	14%	34%	2.5x	2.4x	2.2x	7.4x	7.1x	6.3x	21.3x	20.8x	18.3x	1.6x	1.6x	1.4x	13%
							\$1,042	\$1,079	\$1,201	\$351	\$366	\$410	\$2.16	\$2.21	\$2.51				
Surgical Care Affiliates, Inc.	\$34.84	97%	\$1,329	\$2,249	8%	18%	2.9x	2.9x	2.7x	12.2x	16.0x	12.9x	NM	NM	31.2x	NM	NM	NA	NA
							\$770	\$784	\$835	\$185	\$141	\$175	(\$0.09)	(\$0.17)	\$1.12				
Alliance Healthcare Services, Inc.	\$24.74	75%	\$258	\$804	NA	NA	1.8x	NA	NA	5.7x	NA	NA	NM	NA	NA	NM	NA	NA	NA
							\$453	NA	NA	\$141	NA	NA	(\$2.12)	NA	NA				
RadNet, Inc.	\$1.67	50%	\$67	\$653	9%	15%	1.0x	0.9x	0.9x	6.8x	6.4x	6.3x	1.3x	28.9x	20.0x	0.3x	5.8x	4.0x	5%
							\$684	\$700	\$701	\$96	\$102	\$104	\$1.32	\$0.06	\$0.08				

<b>Min</b>	<b>\$67</b>	<b>\$653</b>	<b>8%</b>	<b>15%</b>	<b>1.0x</b>	<b>0.9x</b>	<b>0.9x</b>	<b>5.7x</b>	<b>6.4x</b>	<b>6.3x</b>	<b>1.3x</b>	<b>16.5x</b>	<b>16.8x</b>	<b>0.3x</b>	<b>1.4x</b>	<b>1.4x</b>	<b>5%</b>
<b>Mean</b>	<b>\$3,322</b>	<b>\$5,607</b>	<b>15%</b>	<b>22%</b>	<b>2.0x</b>	<b>2.0x</b>	<b>1.9x</b>	<b>8.3x</b>	<b>9.6x</b>	<b>8.7x</b>	<b>15.5x</b>	<b>22.1x</b>	<b>21.6x</b>	<b>1.3x</b>	<b>2.9x</b>	<b>2.3x</b>	<b>10%</b>
<b>Median</b>	<b>\$1,329</b>	<b>\$2,249</b>	<b>11%</b>	<b>19%</b>	<b>1.9x</b>	<b>2.1x</b>	<b>2.0x</b>	<b>7.4x</b>	<b>8.1x</b>	<b>7.7x</b>	<b>21.3x</b>	<b>20.8x</b>	<b>19.2x</b>	<b>1.6x</b>	<b>1.6x</b>	<b>1.5x</b>	<b>11%</b>
<b>Max</b>	<b>\$13,479</b>	<b>\$21,747</b>	<b>28%</b>	<b>34%</b>	<b>2.9x</b>	<b>2.9x</b>	<b>2.7x</b>	<b>12.2x</b>	<b>16.0x</b>	<b>12.9x</b>	<b>23.9x</b>	<b>28.9x</b>	<b>31.2x</b>	<b>2.1x</b>	<b>5.8x</b>	<b>4.0x</b>	<b>13%</b>

<b>Behavioral</b>																			
Universal Health Services Inc.	\$81.26	97%	\$7,985	\$11,771	12%	15%	1.6x	1.4x	1.3x	8.5x	9.2x	8.6x	15.4x	17.7x	15.5x	1.4x	1.6x	1.4x	11%
							\$7,248	\$8,417	\$8,800	\$1,383	\$1,274	\$1,373	\$5.27	\$4.60	\$5.23				
Acadia Healthcare Company, Inc.	\$47.33	96%	\$2,391	\$2,972	44%	20%	4.7x	4.2x	3.5x	23.6x	20.9x	16.4x	65.3x	44.3x	32.8x	2.8x	1.9x	1.4x	23%
							\$638	\$712	\$847	\$126	\$142	\$181	\$0.72	\$1.07	\$1.44				
Magellan Health Services Inc.	\$59.91	97%	\$1,622	\$1,294	6%	7%	0.4x	0.4x	0.4x	5.3x	5.0x	5.7x	11.5x	13.7x	23.2x	0.8x	1.0x	1.7x	14%
							\$3,368	\$3,485	\$3,635	\$243	\$257	\$225	\$5.19	\$4.37	\$2.58				
Providence Service Corp.	\$25.72	82%	\$347	\$387	2%	5%	0.3x	0.3x	0.3x	6.6x	6.6x	6.2x	18.4x	16.9x	15.5x	1.2x	1.1x	1.0x	15%
							\$1,132	\$1,127	\$1,149	\$58	\$58	\$62	\$1.39	\$1.52	\$1.66				

<b>Min</b>	<b>\$347</b>	<b>\$387</b>	<b>2%</b>	<b>5%</b>	<b>0.3x</b>	<b>0.3x</b>	<b>0.3x</b>	<b>5.3x</b>	<b>5.0x</b>	<b>5.7x</b>	<b>11.5x</b>	<b>13.7x</b>	<b>15.5x</b>	<b>0.8x</b>	<b>1.0x</b>	<b>1.0x</b>	<b>11%</b>
<b>Mean</b>	<b>\$3,086</b>	<b>\$4,106</b>	<b>16%</b>	<b>12%</b>	<b>1.8x</b>	<b>1.6x</b>	<b>1.4x</b>	<b>11.0x</b>	<b>10.5x</b>	<b>9.2x</b>	<b>27.7x</b>	<b>23.1x</b>	<b>21.8x</b>	<b>1.6x</b>	<b>1.4x</b>	<b>1.4x</b>	<b>16%</b>
<b>Median</b>	<b>\$2,006</b>	<b>\$2,133</b>	<b>9%</b>	<b>11%</b>	<b>1.0x</b>	<b>0.9x</b>	<b>0.8x</b>	<b>7.6x</b>	<b>7.9x</b>	<b>7.4x</b>	<b>16.9x</b>	<b>17.3x</b>	<b>19.4x</b>	<b>1.3x</b>	<b>1.3x</b>	<b>1.4x</b>	<b>15%</b>
<b>Max</b>	<b>\$7,985</b>	<b>\$11,771</b>	<b>44%</b>	<b>20%</b>	<b>4.7x</b>	<b>4.2x</b>	<b>3.5x</b>	<b>23.6x</b>	<b>20.9x</b>	<b>16.4x</b>	<b>65.3x</b>	<b>44.3x</b>	<b>32.8x</b>	<b>2.8x</b>	<b>1.9x</b>	<b>1.7x</b>	<b>23%</b>

# Q4 2013 Healthcare Services Public Company Valuation Metrics

## Select U.S. and International Public Companies

(\$ in millions, except per share data) Company Name	Price 12/31/13	% of 52 Week High	Equity Value	Enterprise Value	'12-'14E Rev Growth	'13E EBITDA Margin	TEV / Revenue			TEV / EBITDA			Price / Earnings			P/E / LTG Rate			LTG Rate	
							LTM	2013E	2014E	LTM	2013E	2014E	LTM	2013E	2014E	LTM	2013E	2014E		
<b>Home Health</b>																				
Gentiva Health Services Inc.	\$12.41	90%	\$450	\$1,180	11%	9%	0.7x \$1,666	0.7x \$1,738	0.6x \$2,104	7.4x \$160	7.3x \$161	5.9x \$201	NM (\$6.13)	13.8x \$0.90	10.4x \$1.19	NM	1.4x	1.0x	10%	
Amedisys Inc.	\$14.63	78%	\$475	\$503	(9%)	4%	0.4x \$1,326	0.4x \$1,245	0.4x \$1,207	9.5x \$53	10.1x \$50	11.3x \$44	NM (\$6.23)	60.4x \$0.24	NM \$0.06	NM	4.0x	NM	15%	
LHC Group, Inc.	\$24.04	89%	\$423	\$462	5%	8%	0.7x \$642	0.7x \$662	0.7x \$687	7.7x \$60	8.6x \$54	8.0x \$58	16.5x \$1.45	18.1x \$1.33	17.0x \$1.42	1.5x	1.6x	1.5x	11%	
Almost Family Inc.	\$32.33	95%	\$304	\$277	14%	6%	0.8x \$353	0.8x \$357	0.6x \$457	12.2x \$23	12.7x \$22	10.2x \$27	25.1x \$1.29	27.8x \$1.16	24.4x \$1.33	2.3x	2.5x	2.2x	11%	
Addus HomeCare Corporation	\$22.45	69%	\$245	\$216	11%	7%	0.8x \$260	0.8x \$264	0.7x \$301	11.1x \$19	11.3x \$19	9.6x \$22	21.4x \$1.05	23.1x \$0.97	19.7x \$1.14	1.6x	1.7x	1.5x	14%	

<b>Min</b>			<b>\$245</b>	<b>\$216</b>	<b>(9%)</b>	<b>4%</b>	<b>0.4x</b>	<b>0.4x</b>	<b>0.4x</b>	<b>7.4x</b>	<b>7.3x</b>	<b>5.9x</b>	<b>16.5x</b>	<b>13.8x</b>	<b>10.4x</b>	<b>1.5x</b>	<b>1.4x</b>	<b>1.0x</b>	<b>10%</b>
<b>Mean</b>			<b>\$379</b>	<b>\$528</b>	<b>6%</b>	<b>7%</b>	<b>0.7x</b>	<b>0.7x</b>	<b>0.6x</b>	<b>9.6x</b>	<b>10.0x</b>	<b>9.0x</b>	<b>21.0x</b>	<b>28.6x</b>	<b>17.8x</b>	<b>1.8x</b>	<b>2.3x</b>	<b>1.6x</b>	<b>12%</b>
<b>Median</b>			<b>\$423</b>	<b>\$462</b>	<b>11%</b>	<b>7%</b>	<b>0.7x</b>	<b>0.7x</b>	<b>0.6x</b>	<b>9.5x</b>	<b>10.1x</b>	<b>9.6x</b>	<b>21.4x</b>	<b>23.1x</b>	<b>18.3x</b>	<b>1.6x</b>	<b>1.7x</b>	<b>1.5x</b>	<b>11%</b>
<b>Max</b>			<b>\$475</b>	<b>\$1,180</b>	<b>14%</b>	<b>9%</b>	<b>0.8x</b>	<b>0.8x</b>	<b>0.7x</b>	<b>12.2x</b>	<b>12.7x</b>	<b>11.3x</b>	<b>25.1x</b>	<b>60.4x</b>	<b>24.4x</b>	<b>2.3x</b>	<b>4.0x</b>	<b>2.2x</b>	<b>15%</b>

<b>Laboratories</b>																				
Quest Diagnostics Inc.	\$53.54	84%	\$7,786	\$10,956	(2%)	20%	1.5x \$7,146	1.5x \$7,128	1.5x \$7,119	7.6x \$1,439	7.7x \$1,432	7.7x \$1,428	10.1x \$5.31	13.7x \$3.90	12.7x \$4.20	1.0x	1.3x	1.2x	11%	
Laboratory Corp. of America Holdings	\$91.37	85%	\$7,986	\$10,496	2%	22%	1.8x \$5,777	1.8x \$5,819	1.8x \$5,925	8.2x \$1,274	8.4x \$1,254	8.7x \$1,203	15.1x \$6.07	13.1x \$6.99	13.7x \$6.65	1.4x	1.2x	1.2x	11%	
Myriad Genetics Inc.	\$20.98	55%	\$1,568	\$1,211	9%	40%	1.8x \$682	1.7x \$708	1.9x \$653	4.4x \$273	4.3x \$284	4.8x \$251	10.0x \$2.09	9.8x \$2.13	12.1x \$1.74	0.9x	0.9x	1.1x	11%	
Genomic Health Inc.	\$29.27	75%	\$900	\$786	12%	2%	3.1x \$253	3.0x \$262	2.7x \$295	158.9x \$5	152.1x \$5	72.5x \$11	NM (\$0.05)	NM (\$0.10)	NM \$0.16	NM	NM	NM	23%	
Bio-Reference Laboratories Inc.	\$25.54	67%	\$707	\$735	18%	14%	1.0x \$715	1.0x \$731	0.9x \$806	7.2x \$102	7.1x \$103	6.5x \$113	15.5x \$1.65	15.9x \$1.61	13.5x \$1.90	1.0x	1.1x	0.9x	15%	

<b>Min</b>			<b>\$707</b>	<b>\$735</b>	<b>(2%)</b>	<b>2%</b>	<b>1.0x</b>	<b>1.0x</b>	<b>0.9x</b>	<b>4.4x</b>	<b>4.3x</b>	<b>4.8x</b>	<b>10.0x</b>	<b>9.8x</b>	<b>12.1x</b>	<b>0.9x</b>	<b>0.9x</b>	<b>0.9x</b>	<b>11%</b>
<b>Mean</b>			<b>\$3,789</b>	<b>\$4,837</b>	<b>8%</b>	<b>20%</b>	<b>1.9x</b>	<b>1.8x</b>	<b>1.7x</b>	<b>37.3x</b>	<b>35.9x</b>	<b>20.1x</b>	<b>12.7x</b>	<b>13.1x</b>	<b>13.0x</b>	<b>1.1x</b>	<b>1.1x</b>	<b>1.1x</b>	<b>14%</b>
<b>Median</b>			<b>\$1,568</b>	<b>\$1,211</b>	<b>9%</b>	<b>20%</b>	<b>1.8x</b>	<b>1.7x</b>	<b>1.8x</b>	<b>7.6x</b>	<b>7.7x</b>	<b>7.7x</b>	<b>12.6x</b>	<b>13.4x</b>	<b>13.1x</b>	<b>1.0x</b>	<b>1.1x</b>	<b>1.1x</b>	<b>11%</b>
<b>Max</b>			<b>\$7,986</b>	<b>\$10,956</b>	<b>18%</b>	<b>40%</b>	<b>3.1x</b>	<b>3.0x</b>	<b>2.7x</b>	<b>158.9x</b>	<b>152.1x</b>	<b>72.5x</b>	<b>15.5x</b>	<b>15.9x</b>	<b>13.7x</b>	<b>1.4x</b>	<b>1.3x</b>	<b>1.2x</b>	<b>23%</b>

# Q4 2013 Healthcare Services Public Company Valuation Metrics

## Select U.S. and International Public Companies

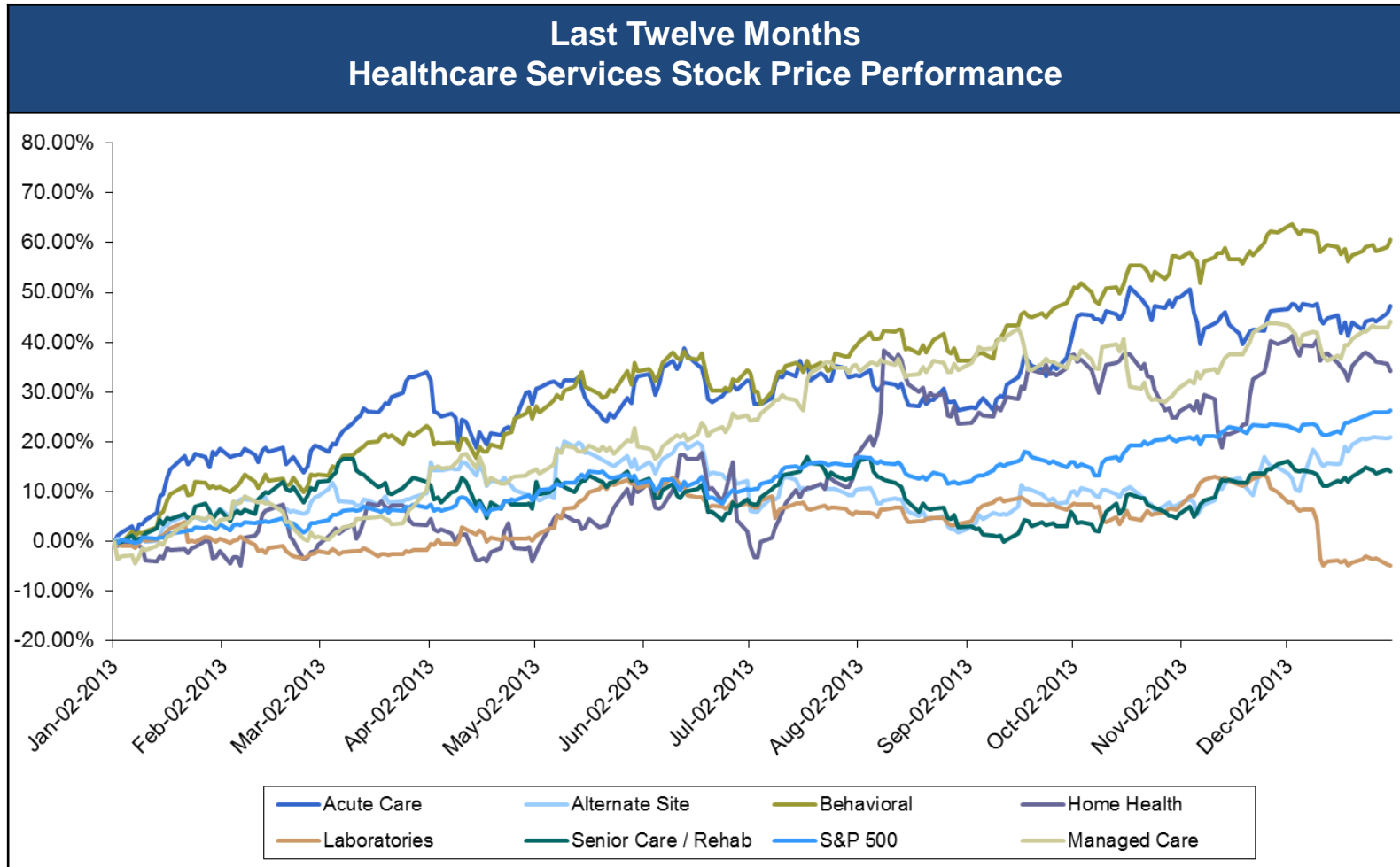
Company Name	Price 12/31/13	% of 52 Week High	Equity Value	Enterprise Value	'12-'14E Rev Growth	'13E EBITDA Margin	TEV / Revenue			TEV / EBITDA			Price / Earnings			P/E / LTG Rate			LTG Rate	
							LTM	2013E	2014E	LTM	2013E	2014E	LTM	2013E	2014E	LTM	2013E	2014E		
<b>Managed Care</b>																				
UnitedHealth Group Incorporated	\$75.30	99%	\$75,809	\$84,631	15%	9%	0.7x	0.7x	0.6x	7.7x	7.7x	7.3x	13.7x	13.7x	13.4x	1.3x	1.3x	1.2x	11%	
							\$122,489	\$122,413	\$131,736	\$10,998	\$10,953	\$11,567	\$5.50	\$5.49	\$5.62					
Cigna Corp.	\$87.48	99%	\$24,181	\$29,020	11%	11%	0.9x	0.9x	0.9x	7.8x	8.1x	7.7x	16.5x	12.7x	12.0x	1.5x	1.1x	1.1x	11%	
							\$31,849	\$31,962	\$33,903	\$3,732	\$3,576	\$3,785	\$5.30	\$6.89	\$7.31					
Aetna Inc.	\$68.59	99%	\$25,207	\$30,092	29%	8%	0.7x	0.6x	0.6x	7.7x	7.6x	6.7x	13.9x	11.5x	11.0x	1.2x	1.0x	0.9x	12%	
							\$44,038	\$47,193	\$54,435	\$3,921	\$3,959	\$4,467	\$4.95	\$5.96	\$6.25					
Humana Inc.	\$103.22	98%	\$16,093	\$18,293	9%	6%	0.4x	0.4x	0.4x	6.9x	7.0x	6.8x	11.4x	11.8x	13.0x	1.1x	1.1x	1.2x	10%	
							\$40,683	\$41,188	\$44,731	\$2,645	\$2,628	\$2,706	\$9.08	\$8.74	\$7.95					
WellCare Health Plans, Inc.	\$70.42	94%	\$3,078	\$3,022	25%	4%	0.3x	0.3x	0.3x	9.3x	7.8x	6.2x	17.1x	14.9x	13.4x	1.3x	1.2x	1.0x	13%	
							\$9,077	\$9,543	\$11,649	\$325	\$385	\$489	\$4.12	\$4.74	\$5.26					
Centene Corp.	\$58.95	87%	\$3,229	\$3,718	31%	3%	0.4x	0.3x	0.3x	13.5x	10.7x	7.5x	27.9x	20.8x	16.2x	1.3x	1.0x	0.8x	21%	
							\$10,589	\$10,969	\$13,884	\$275	\$347	\$494	\$2.11	\$2.84	\$3.65					
Molina Healthcare, Inc.	\$34.75	85%	\$1,590	\$1,888	29%	3%	0.3x	0.3x	0.2x	8.0x	8.7x	5.6x	21.3x	29.9x	16.7x	0.8x	1.1x	0.6x	28%	
							\$6,576	\$6,652	\$9,704	\$235	\$217	\$336	\$1.63	\$1.16	\$2.08					

<b>Min</b>	<b>\$1,590</b>	<b>\$1,888</b>	<b>9%</b>	<b>3%</b>	<b>0.3x</b>	<b>0.3x</b>	<b>0.2x</b>	<b>6.9x</b>	<b>7.0x</b>	<b>5.6x</b>	<b>11.4x</b>	<b>11.5x</b>	<b>11.0x</b>	<b>0.8x</b>	<b>1.0x</b>	<b>0.6x</b>	<b>10%</b>
<b>Mean</b>	<b>\$21,312</b>	<b>\$24,381</b>	<b>21%</b>	<b>6%</b>	<b>0.5x</b>	<b>0.5x</b>	<b>0.5x</b>	<b>8.7x</b>	<b>8.2x</b>	<b>6.8x</b>	<b>17.4x</b>	<b>16.5x</b>	<b>13.6x</b>	<b>1.2x</b>	<b>1.1x</b>	<b>1.0x</b>	<b>15%</b>
<b>Median</b>	<b>\$16,093</b>	<b>\$18,293</b>	<b>25%</b>	<b>6%</b>	<b>0.4x</b>	<b>0.4x</b>	<b>0.4x</b>	<b>7.8x</b>	<b>7.8x</b>	<b>6.8x</b>	<b>16.5x</b>	<b>13.7x</b>	<b>13.4x</b>	<b>1.3x</b>	<b>1.1x</b>	<b>1.0x</b>	<b>12%</b>
<b>Max</b>	<b>\$75,809</b>	<b>\$84,631</b>	<b>31%</b>	<b>11%</b>	<b>0.9x</b>	<b>0.9x</b>	<b>0.9x</b>	<b>13.5x</b>	<b>10.7x</b>	<b>7.7x</b>	<b>27.9x</b>	<b>29.9x</b>	<b>16.7x</b>	<b>1.5x</b>	<b>1.3x</b>	<b>1.2x</b>	<b>28%</b>

<b>Senior Care / Rehab</b>																				
Brookdale Senior Living Inc.	\$27.18	89%	\$3,378	\$5,943	10%	15%	2.4x	2.1x	2.0x	14.6x	13.8x	12.7x	NM	NM	44.3x	NM	NM	4.3x	10%	
							\$2,518	\$2,893	\$2,970	\$408	\$430	\$468	(\$0.21)	\$0.03	\$0.61					
Emeritus Corp.	\$21.63	70%	\$1,033	\$4,956	25%	19%	2.7x	2.5x	2.3x	14.7x	13.5x	12.2x	NM	NM	NM	NM	NM	NM	15%	
							\$1,829	\$1,948	\$2,155	\$336	\$368	\$406	(\$2.73)	(\$2.56)	(\$1.69)					
Kindred Healthcare Inc.	\$19.74	96%	\$1,070	\$2,360	(9%)	6%	0.4x	0.5x	0.5x	6.0x	7.0x	6.1x	NM	21.4x	17.7x	NM	2.1x	1.7x	10%	
							\$6,162	\$5,198	\$5,116	\$391	\$335	\$387	(\$1.23)	\$0.92	\$1.12					
Chemed Corp.	\$76.62	93%	\$1,351	\$1,449	0%	15%	1.0x	1.0x	1.0x	7.6x	7.0x	7.1x	17.9x	13.6x	13.4x	1.2x	0.9x	0.9x	15%	
							\$1,433	\$1,423	\$1,434	\$191	\$206	\$205	\$4.29	\$5.63	\$5.71					
The Ensign Group, Inc.	\$44.27	95%	\$974	\$1,140	9%	15%	1.3x	1.3x	1.2x	9.4x	8.7x	7.7x	68.8x	17.3x	15.7x	5.0x	1.3x	1.1x	14%	
							\$880	\$906	\$981	\$121	\$132	\$149	\$0.64	\$2.57	\$2.83					
Skilled Healthcare Group, Inc.	\$4.81	64%	\$189	\$621	(0%)	9%	0.7x	0.7x	0.7x	8.1x	8.2x	7.5x	NM	13.4x	12.0x	NM	1.1x	1.0x	12%	
							\$864	\$860	\$871	\$77	\$76	\$83	(\$0.05)	\$0.36	\$0.40					
National Healthcare Corp.	\$53.91	95%	\$758	\$571	8%	NA	0.8x	0.7x	0.7x	5.4x	NA	NA	14.4x	16.0x	14.1x	NA	NA	NA	NA	
							\$757	\$775	\$817	\$105	NA	NA	\$3.75	\$3.37	\$3.83					
Capital Senior Living Corp.	\$23.99	86%	\$670	\$1,092	12%	17%	3.2x	3.1x	2.8x	19.4x	18.2x	15.5x	NM	58.3x	38.0x	NM	3.4x	2.2x	17%	
							\$338	\$352	\$384	\$56	\$60	\$70	(\$0.55)	\$0.41	\$0.63					
Algoma Central Corp.	\$15.63	98%	\$608	\$686	NA	NA	1.3x	NA	NA	6.3x	NA	NA	15.5x	NA	NA	NA	NA	NA	NA	
							\$509	NA	NA	\$110	NA	NA	\$1.01	NA	NA					
Five Star Quality Care Inc.	\$5.49	80%	\$265	\$296	7%	3%	0.2x	0.2x	0.2x	6.5x	6.6x	5.7x	20.6x	29.3x	21.3x	NA	NA	NA	NA	
							\$1,231	\$1,364	\$1,394	\$46	\$45	\$52	\$0.27	\$0.19	\$0.26					

<b>Min</b>	<b>\$189</b>	<b>\$296</b>	<b>(9%)</b>	<b>3%</b>	<b>0.2x</b>	<b>0.2x</b>	<b>0.2x</b>	<b>5.4x</b>	<b>6.6x</b>	<b>5.7x</b>	<b>14.4x</b>	<b>13.4x</b>	<b>12.0x</b>	<b>1.2x</b>	<b>0.9x</b>	<b>0.9x</b>	<b>10%</b>
<b>Mean</b>	<b>\$1,029</b>	<b>\$1,911</b>	<b>7%</b>	<b>12%</b>	<b>1.4x</b>	<b>1.3x</b>	<b>1.3x</b>	<b>9.8x</b>	<b>10.4x</b>	<b>9.3x</b>	<b>27.4x</b>	<b>24.2x</b>	<b>22.0x</b>	<b>3.1x</b>	<b>1.8x</b>	<b>1.9x</b>	<b>13%</b>
<b>Median</b>	<b>\$866</b>	<b>\$1,116</b>	<b>8%</b>	<b>15%</b>	<b>1.2x</b>	<b>1.0x</b>	<b>1.0x</b>	<b>7.8x</b>	<b>8.4x</b>	<b>7.6x</b>	<b>17.9x</b>	<b>17.3x</b>	<b>16.7x</b>	<b>3.1x</b>	<b>1.3x</b>	<b>1.4x</b>	<b>14%</b>
<b>Max</b>	<b>\$3,378</b>	<b>\$5,943</b>	<b>25%</b>	<b>19%</b>	<b>3.2x</b>	<b>3.1x</b>	<b>2.8x</b>	<b>19.4x</b>	<b>18.2x</b>	<b>15.5x</b>	<b>68.8x</b>	<b>58.3x</b>	<b>44.3x</b>	<b>5.0x</b>	<b>3.4x</b>	<b>4.3x</b>	<b>17%</b>

# LTM Relative Healthcare Services Stock Price Performance





# Select Q4 2013 Healthcare Services Financing Activity

Announced Date	Target/Issuer	Buyers/Investors	Sector	Amount Raised (\$mm)
23-Dec-13	Accelecare Wound Centers, Inc.	River Cities Capital Funds; SV Life Sciences Advisers, LLC; Bain Capital Ventures; Yukon Partners; Revelstoke Capital Partners LLC	Alternate Site	\$70.0
16-Dec-13	Metabolon, Inc.	The Aurora Funds, Inc.; Camden Partners Holdings, LLC; Harris & Harris Group, Inc. (NasdaqGM:TINY); Sumitomo Corporation (TSE:8053); Fletcher Spaght Ventures, LP; Syngenta Ventures; Fulcrum Financial, Inc.	Labs	\$15.0
10-Dec-13	InVitae Corporation	Genesys Capital Partners Inc.; Genomic Health Inc. (NasdaqGS:GHDX); Thomas, McNerney & Partners; Redmile Group, LLC; Casdin Capital	Labs	\$40.0
6-Dec-13	HealthPartners, Inc.	-	Managed Care	\$92.5
27-Nov-13	Mozido, LLC	Atlanticus Holdings Corporation (NasdaqGS:ATLC); TomorrowVentures, LLC; Brentwood Investments, LLC	Managed Care	\$70.0
20-Nov-13	Roka Bioscience, Inc.	-	Labs	\$17.0
20-Nov-13	CeutiCare Inc.	Healthbox, LLC	Managed Care	\$0.1
15-Nov-13	n1Health, LLC	-	Managed Care	\$10.0
14-Nov-13	Thermo Fisher Scientific, Inc. (NYSE:TMO)	Maxwell (Mauritius) Pte Ltd	Labs	\$500.0
14-Nov-13	Station-X, Inc.	-	Labs	\$20.0
14-Nov-13	Alliqua, Inc. (OTCPK:ALQA)	Celgene Cellular Therapeutics; Perceptive Advisors LLC; Broadfin Capital, LLC	Labs	\$13.0
13-Nov-13	Edgewood Group, LLC	-	Senior Care / Rehab	\$10.0
8-Nov-13	Atossa Genetics, Inc. (NasdaqCM:ATOS)	Aspire Capital Partners, LLC	Labs	\$25.0
1-Nov-13	Ignyta, Inc. (OTCBB:RXDX)	Three Arch Partners; Dafna Capital Management LLC; Baker Brothers Investments; Heights Capital Management, Inc.; Del Mar Asset Management, LP; Visium Asset Management, LLC; Merlin Nexus; Sphera Funds Management Ltd; Broadfin Capital, LLC; Lombard Odier Asset Management (USA) Corp; Empery Asset Management, LP; Sphera Global HealthCare Fund; MVA Investors, LLC; venBio LLC; City Hill Ventures, LLC; Foresite Capital Management, L.L.C.; Sabby Management, LLC; Boxer Capital LLC; Armistice Capital LLC; Monashee Investment Management LLC; BioBrit, LLC; 2B LLC; LSM Capital Inc.	Labs	\$46.4
25-Oct-13	RHEONIX, INC.	Rand Capital SBIC, L.P; Cayuga Venture Fund	Labs	\$12.0

Note: Only includes financing activity >\$10M



Baltimore | Bangalore | Boston | Mumbai | Nashville | New York | Reston | San Francisco