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About SOLIC

SOLIC Capital Advisors, LLC (“SCA”) is a leading specialty investment bank providing merger & acquisition, restructuring, capital placement and valuation advisory services to companies, lenders, institutional investors, the legal community and other creditor constituencies. SCA is a subsidiary of SOLIC Holdings, LLC which includes: SOLIC Capital Advisors (financial advisory), SOLIC Capital Partners (principal investing), SOLIC Capital, LLC (FINRA registered Broker/Dealer), and SOLIC Capital Management (asset management services).

July, 2015

Announced healthcare M&A transaction in the second quarter of 2015 totaled 312, down 4% compared with the same quarter a year ago, according to preliminary figures from Irving Levin Associates, Inc. Deal value in Q2 2015 reached \$54.2 billion, 60% less than the Q2 2014 total of \$135.8 billion, which was the largest Q2 on record. One key factor in the lower dollar volume for this year’s Q2 was the lack of billion-dollar-plus acquisitions. Q2 2015 had 10 one billion-dollar-plus transactions, totaling approximately \$40.7 billion. The same quarter a year earlier had 14 deals at \$1 billion or more, representing a total of \$117.1 billion. The Long-term Care sector generated the highest transaction volume for the quarter with 21% of the quarter’s transactions (64 deals) with REITs announcing 14 acquisitions totaling \$4.1 billion.

In terms of key industry developments, on June 25, 2015, King v. Burwell was decided by the majority of the U.S. Supreme Court Justices (6-3) in favor of upholding the subsidies paid to lower income individuals through the federal health care exchange. Within days of this decision, Centene Corporation (NYSE: CNC) announced its acquisition of Health Net Inc. (NYSE: HNT) for \$6.8 billion at a 19.5x price-to-EBITDA ratio. The following day, Aetna (NYSE: AET) announced its acquisition of Humana Inc. (NYSE: HUM) for \$37 billion at a 13.7x price-to-EBITDA multiple, and Anthem agreed to acquire Cigna in a \$54 billion deal at a 13.1x price-to-EBITDA multiple.


Both for-profit and not-for-profit hospitals are likely to remain very active in M&A, driven by a need to consolidate in order to gain market strength and economies of scale, as well as to diversify revenue sources and service offerings. For some hospitals, revenue growth from acquisitions is masking slower organic revenue growth, which has been constrained by reimbursement pressures and weak inpatient volume trends. But other factors are driving M&A including hospitals’ desire to leverage infrastructure investments, to increase their purchasing power, and to increase their negotiating power with managed care companies, which are also consolidating. For the target hospital, an acquisition by a larger system can provide access to capital necessary to fund unaffordable projects, including technology system upgrades. Acquisitions by larger, higher-rated hospitals can also benefit bondholders if debt is guaranteed or refunded.

As previously mentioned, healthcare REITs are continuing to engage in M&A in 2015, with REITs acquiring other REITs as well as operating companies. According to a recent Moody’s report, deal activity is projected to continue due to REITs’ drive for growth, as profitability is driven by an ability to acquire real estate at returns in excess of capital costs. Competition for healthcare real estate will remain intense as a multitude of buyers, including non-traded REITs and private equity funds, are flush with capital they need to deploy. Furthermore, potential buyers can amplify returns with attractively priced debt financing that remains readily available. The healthcare industry remains highly fragmented and operators across the continuum of care (including skilled nursing, post-acute care, hospitals, and seniors housing) are seeking scale in order to improve the quality and efficiency of their delivery models.

We welcome your comments and hope you find our SOLICconnect report informative.



Matt Caine
Managing Director
 mcaine@soliccapi.com

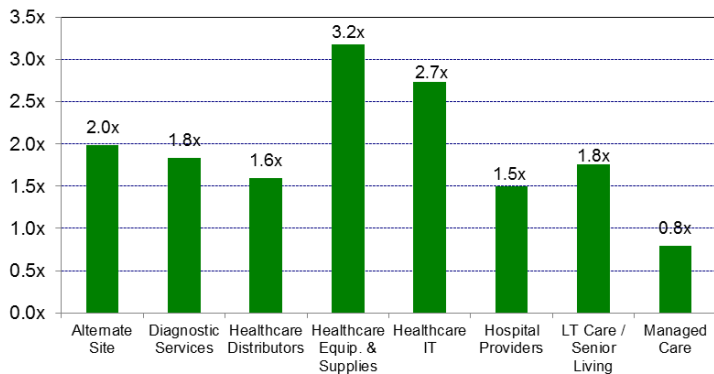
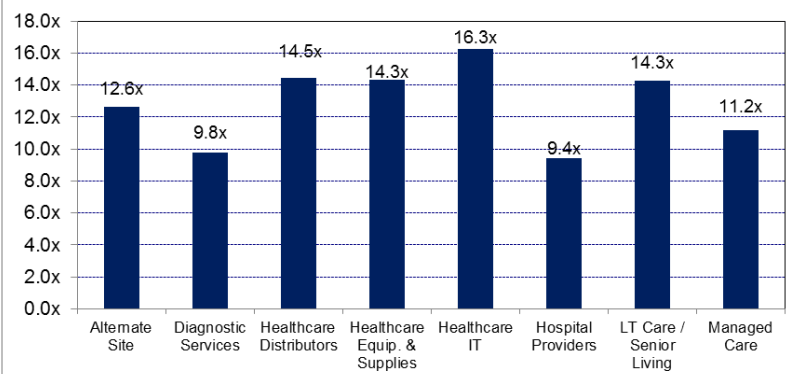
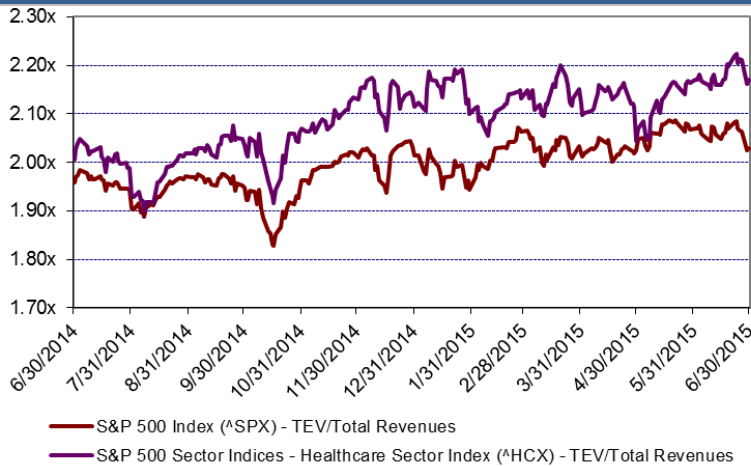
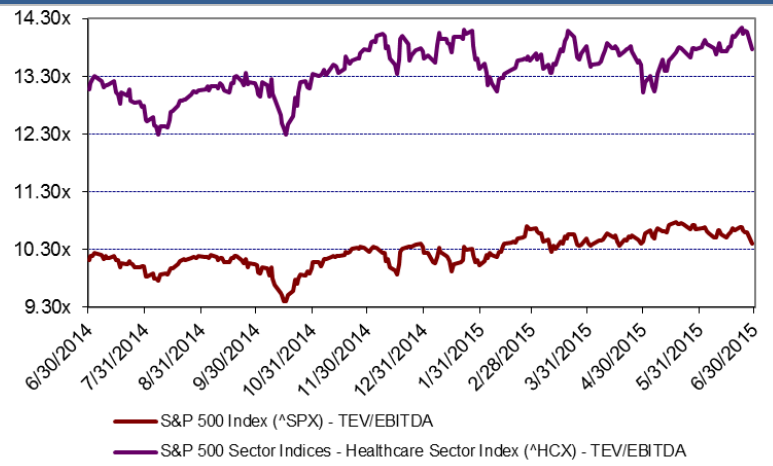
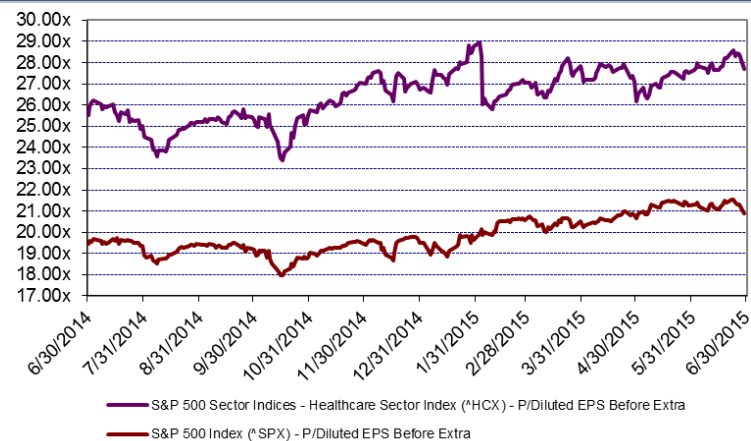
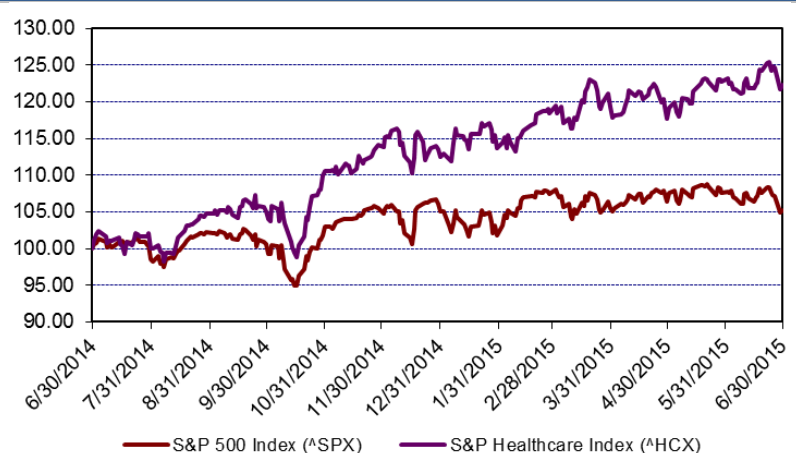


Gregory Hagood
Senior Managing Director
 ghagood@soliccapi.com



Edward R. Casas, MD
Senior Managing Director
 ecasas@soliccapi.com

Healthcare Services: Market Overview

Enterprise Value to Revenue

Enterprise Value to EBITDA

S&P Healthcare Index vs. the S&P 500 – Total Enterprise Value / Revenue

S&P Healthcare Index vs. the S&P 500 – Total Enterprise Value / EBITDA

S&P Healthcare Index vs. the S&P 500 – Price / Diluted EPS

S&P Healthcare Index vs. S&P 500 – Relative Performance (%)


Healthcare Services: Notable Industry Developments

Date	Industry Development
6/30/2015	<p>M&A activity in the health insurance sector hit a frenzied pace over the past few weeks with several major deals either rumored, announced or rejected. The activity follows a relatively tame period of several years following the passage of the Affordable Care Act (ACA), during which health insurers were seemingly satisfied with smaller acquisitions that added or improved capabilities, but did not substantially increase the acquiring company's membership, geographic footprint or product offerings. Four major offers have been announced in 2015, valued at more than \$108 billion, with approximately \$54 billion slated to be financed with new debt. If completed, each of the deals would have credit positive implications for the buyer, according to Moody's, due to improvement to its business profile, such as market position and/or product offerings. However, the positives could be overshadowed by the negative credit impact of these deals' substantial increase in debt, leverage and goodwill.</p>
6/30/2015	<p>The for-profit hospital industry is well positioned with respect to the anticipated wave of M&A amongst the largest for-profit health insurers, but consolidation could have some important longer term ramifications, according to Fitch Ratings. M&A amongst health insurers is not likely to immediately result in outright price pressure for hospitals. In many markets, health insurers are already fairly consolidated and recent actions by hospitals to build market presence will shore up negotiating power. However, over the longer term it could have a negative effect on competition by smaller insurers in some markets. In addition, it could accelerate the nascent shift towards value based payments for hospitals and other healthcare providers if larger insurers find it financially beneficial to advance the use of these payment models. The planned tie-up of Aetna and Humana could create the second largest national for-profit health insurer by revenue if approved by anti-trust regulators. Horizontal M&A activity amongst acute care hospitals to build bigger systems with more negotiating clout with payors has been a durable trend since the passage of the ACA in early 2010. More recently, hospitals have been expanding their presence in key geographies through acquisitions and financial partnerships in adjacent care delivery verticals as well as taking actions to improve financial alignment with physicians.</p>
6/30/2015	<p>Shortly after the close of Q2 2015, the U.S. House of Representatives overwhelmingly passed a bill that would provide greater federal funding for medical research and speed up the approval processes for both drugs and medical devices. The bill, known as the 21st Century Cures Act, still must be introduced, pass the U.S. Senate and be signed by the President before it becomes law. But if enacted as written now, the bill would have credit positive implications for several subsectors within healthcare, including life sciences, branded pharmaceuticals and medical devices, according to Moody's.</p>
6/25/2015	<p>The June 25 Supreme Court decision in the King v. Burwell lawsuit upholding the legality of the insurance subsidies for persons living in the 34 states that had not established their own health exchanges was a positive development for non-profit hospitals. A ruling ending the subsidies would have been a major detriment to healthcare credits, because insurance could have become unaffordable to several million Americans, exposing hospitals to more uncompensated expenses. According to Bond Buyer, the King v. Burwell Supreme Court decision provides a lifeline to many of the state-run exchanges that have been struggling financially and technologically, particularly those in Hawaii, Oregon, Massachusetts, Maryland, New Mexico and Nevada, which have reportedly suspended their operations either permanently or temporarily. The Supreme Court ruling has also led to a frenzy of merger activity within the large insurer market. Both hospitals and physicians are concerned that these mergers could simultaneously reduce reimbursement and trim networks. Such concerns are reinvigorating consolidation in the provider market, particularly as the administration advances shared cost savings ideas as Medicare Accountable Care Organizations (ACOs). Although hospitals, particularly those in Medicaid expansion states and those located in states with more robust economies, have reported reductions in bad debt and charity care, certain features of Obamacare have left single-site, rural hospitals and critical access hospitals vulnerable to financial uncertainty due to upcoming anticipated insurer consolidation.</p>

Healthcare Services: Selected M&A Transactions

Alternate Site					
Transaction Date	Target	Buyer	Enterprise Value (\$ in millions)	Enterprise Value / Revenue	Enterprise Value / EBITDA
5/18/2015	Virtual Radiologic Corporation	MEDNAX, Inc. (NYSE: MD)	\$500	2.7x	-
<p>MEDNAX acquired Virtual Radiologic, aka vRad, a leading radiology physician service and telemedicine company with a network of more than 350 radiologists, 75% of whom are trained in a sub-specialty. This is MEDNAX's first acquisition in the radiology and telemedicine area.</p>					
5/13/2015	The Oxford Centre, Inc.	AAC Holdings, Inc. (NYSE: AAC)	\$35	2.9x	6.2x
<p>AAC Holdings signed a definitive agreement to acquire The Oxford Centre, a comprehensive 76-bed addiction treatment center on a 110-acre campus. It also operates three outpatient offices in Oxford, Tupelo and Olive Branch, Mississippi. This is AAC's sixth acquisition in 2015.</p>					
4/14/2015	New York Radiology Partners	RadNet, Inc. (NASDAQ:RDNT)	\$34	-	-
<p>RadNet acquired New York Radiology Partners, a provider of diagnostic imaging radiology services. New York Radiology Partners operates eight facilities throughout the city's boroughs and completes more than 800 procedures a day, and more than 200,000 annually.</p>					

Diagnostic Services

Transaction Date	Target	Buyer	Enterprise Value (\$ in millions)	Enterprise Value / Revenue	Enterprise Value / EBITDA
6/29/2015	CBR Systems, Inc.	AMAG Pharmaceuticals, Inc. (NasdaqGS:AMAG)	\$700	5.7x	29.0x
<p>AMAG Pharmaceuticals entered into a definitive agreement to acquire CBR Systems, an operator of a cord blood stem cell bank that serves families in the U.S. and internationally.</p>					
6/29/2015	Emory Genetics Laboratory	Eurofins Scientific SA (ENXTPA:ERF)	\$53	-	-
<p>Eurofins Scientific signed an agreement to acquire a 75% stake in Emory Genetics Laboratory from Emory University. Emory Genetics Laboratory provides biochemical, cytogenetics, and molecular genetic testing services.</p>					
6/19/2015	CytoMedical Design Group LLC, Assets Of Prepacyte®-CB Cord Blood Business	Cryo-Cell International, Inc. (OTCPK:CCEL)	\$2	-	-
<p>Cryo-Cell International entered into an asset purchase agreement to acquire specified assets of Prepacyte®-CB cord blood business from CytoMedical Design Group. Assets of Prepacyte®-CB Cord Blood Business comprises a processing system used in cell processing laboratories to process and store stem cells from umbilical cord blood.</p>					
6/4/2015	Bio-Reference Laboratories (NASDAQ: BRLI)	OPKO Health, Inc. (NYSE: OPK)	\$1,516	1.7x	13.1x
<p>OPKO Health signed a definitive agreement to acquire Bio-Reference Laboratories, one of the largest full-service diagnostic laboratories in the world. OPKO plans to leverage the national marketing, sales and distribution resources to boost sales of its 4Kscore test, a blood test to evaluate a patient's risk of aggressive prostatic cancer.</p>					
6/1/2015	DIATHERIX Laboratories, Inc.	Eurofins Scientific SA (ENXTPA:ERF)	\$50	-	-
<p>Eurofins Scientific signed an agreement to acquire DIATHERIX Laboratories, a molecular diagnostic laboratory that offers diagnostic services for detection of infectious diseases.</p>					

Healthcare Distributors

Transaction Date	Target	Buyer	Enterprise Value (\$ in millions)	Enterprise Value / Revenue	Enterprise Value / EBITDA
6/16/2015	International Medical Equipment & Service, Inc.	Richardson Healthcare	\$12	1.2x	-
<p>Richardson Healthcare acquired the assets of International Medical Equipment & Service. International Medical Equipment & Service engages in the sale and remarketing of CT, MRI, ultrasound, and x-ray systems.</p>					
6/5/2015	The Harvard Drug Group, LLC	Cardinal Health, Inc. (NYSE:CAH)	\$1,115	2.5x	-
<p>Cardinal Health agreed to acquire The Harvard Drug Group, a provider of branded and generic pharmaceuticals, and prescription and over-the-counter medications and related products.</p>					
5/1/2015	Medical Imaging Resources, Inc.	Oxford Instruments plc (LSE:OXIG)	\$24	1.4x	4.2x
<p>Oxford Instruments acquired Medical Imaging Resources, a distributor of pre-owned medical imaging and mobile medical imaging solutions in the U.S. and internationally.</p>					

Healthcare Equipment & Supplies

Transaction Date	Target	Buyer	Enterprise Value (\$ in millions)	Enterprise Value / Revenue	Enterprise Value / EBITDA
6/23/2015	XTRAC and VTRAC businesses (NASDAQ: PHMD)	MELA Sciences, Inc. (NASDAQ: MELA)	\$43	1.4x	-
<p>MELA Sciences entered into an asset purchase agreement to acquire XTRAC and VTRAC businesses. XTRAC and VTRAC comprises the business operations that manufacture excimer laser treatment system and excimer lamp system for addressing skin diseases including psoriasis and vitiligo.</p>					
6/19/2015	Aptus Endosystems, Inc.	Medtronic plc (NYSE:MDT)	\$110	-	-
<p>Medtronic acquired the assets of Aptus Endosystems, a medical device company that develops, manufactures, and distributes endograft anchoring systems for endovascular aneurysm repair.</p>					
6/19/2015	CardioInsight Technologies Inc.	Medtronic plc (NYSE:MDT)	\$93		
<p>Medtronic acquired CardioInsight Technologies, a medical device company that develops a cardiac mapping technology to map electrical disorders of the heart.</p>					
6/18/2015	Welch Allyn, Inc.	Hill-Rom Holdings, Inc. (NYSE: HRC)	\$2,051	-	-
<p>Hill-Rom Holdings entered into a definitive agreement to acquire Welch Allyn, a global manufacturer of physical examination instruments and EMR-connected vital signs and cardiac monitoring solutions. The combined company will focus on developing patient care solutions that improve clinical and economic outcomes.</p>					
4/20/2015	Spinal Modulation, Inc.	St. Jude Medical Inc. (NYSE:STJ)	\$175	-	-
<p>St. Jude Medical agreed to acquire the remaining stake in Spinal Modulation, a developer of medical devices for improving the lives of patients with chronic pain.</p>					
4/1/2015	Xlumena, Inc.	Boston Scientific Corp. (NYSE: BSX)	\$75	-	-
<p>Boston Scientific Corporation announced an agreement to acquire Xlumena, a developer, manufacturer and seller of minimally invasive devices for endoscopic ultrasound guided transluminal drainage within the gastrointestinal tract.</p>					

Healthcare IT					
Transaction Date	Target	Buyer	Enterprise Value (\$ in millions)	Enterprise Value / Revenue	Enterprise Value / EBITDA
6/30/2015	Nuvera, Inc., Mobile Personal Emergency Response System and Telehealth Business Assets	Nortek Security & Control, LLC	\$12	4.0x	-
<p>Nortek Security & Control acquired mobile personal emergency response system and telehealth business assets from Nuvera, a provider of telehealth and telecare platforms and products for healthy aging, chronic condition management, and post-acute care.</p>					
6/24/2015	Sage Technologies Co.	Arcadia Solutions, LLC	\$28	-	-
<p>Arcadia Solutions acquired Sage Technologies, a provider of managed services and operations support to health care providers and insurance companies that operate in a shared financial risk and managed quality of care environment.</p>					
5/11/2015	Acclaris, Inc.	Towers Watson & Co. (NasdaqGS:TW)	\$140	-	-
<p>Towers Watson & Co. acquired Acclaris through its subsidiary Extend Health. Acclaris offers SaaS technology and services to support account-based healthcare plans.</p>					
4/30/2015	HT Systems, LLC	Imprivata, Inc. (NYSE:IMPR)	\$24	-	-
<p>Imprivata acquired HT Systems, a healthcare technology company that provides biometric patient identification solutions for hospitals, and associated clinics and physician practices across the U.S.</p>					

Hospital Providers					
Transaction Date	Target	Buyer	Enterprise Value (\$ in millions)	Enterprise Value / Revenue	Enterprise Value / EBITDA
6/29/2015	Victory Healthcare Plano Hospital	Nobilis Health Corp. (NYSE:HLTH)	\$6	-	-
Nobilis Health announced an agreement to acquire Victory Healthcare Plano Hospital, a 25 bed hospital with six operating rooms. Victory Healthcare Plano Hospital is located in Plano, TX.					
6/16/2015	Parkview Adventist Medical Center	Mid Coast Hospital	\$-	-	-
Mid Coast Hospital agreed to acquire Parkview Adventist Medical Center located in Brunswick, ME. Terms of the transaction were not disclosed.					
6/12/2015	Columbus Hospital LTACH LLC	Quantum International Income Corp. (TSXV:QIC)	\$29	1.1x	-
Quantum International Income signed a definitive agreement to acquire Columbus Hospital LTACH, which operates an acute care specialty hospital for higher acuity patients.					
6/11/2015	Reliant Hospital Partners LLC	HealthSouth Corp. (NYSE:HLS)	\$730	2.9x	8.9x
HealthSouth has announced an agreement to acquire Reliant Hospital Partners, a portfolio company of Nautic Partners. It operates a portfolio of 11 inpatient rehabilitation hospitals in Texas, Massachusetts and Ohio, plus three inpatient satellite locations in Massachusetts, for a total of 902 beds. All of the hospitals are leased.					
6/8/2015	Lodi Health	Adventist Health	\$100	-	-
Adventist Health agreed to acquire Lodi Health, the operator of Lodi Memorial Hospital. Lodi Health includes a 182-bed acute care facility, as well as 15 clinics, several outpatient centers, an adult day care center and a child care center. Lodi Health is located in Lodi, CA.					
6/5/2015	Ty Cobb Regional Medical Center	St. Mary's Health Care System	\$13	-	-
St. Mary's Health Care acquired the 56-bed Ty Cobb Regional Medical Center, its CON, grounds and certain related services. The Ty Cobb Healthcare System retains its home health agency, the Gables, the Ty Cobb Museum and rental properties. Ty Cobb Regional Medical Center is located in Lavonia, GA.					
5/31/2015	St. Louis University Hospital	SSM Health	\$-	-	-
SSM Health announced an agreement to acquire 356-bed St. Louis University Hospital located in St. Louis, MO. Terms of the transaction were not disclosed.					
5/21/2015	Newton Medical Center	Piedmont Healthcare	\$-	-	-
Piedmont Healthcare announced an agreement to acquire Newton Medical Center, a 97 bed facility located in Covington, GA. Terms of the transaction were not disclosed.					

Hospital Providers (cont.)

Transaction Date	Target	Buyer	Enterprise Value (\$ in millions)	Enterprise Value / Revenue	Enterprise Value / EBITDA
5/15/2015	Watertown Regional Medical Center	LifePoint Health (NASDAQ:LPNT)	\$-	-	-
<p>LifePoint Health announced an agreement to acquire Watertown Regional Medical Center, a 95-bed acute care facility. Watertown Regional Medical Center is located in Watertown, WI. Terms of the transaction were not disclosed.</p>					
5/12/2015	Skiff Medical Center	Catholic Health Initiatives ; Mercy Health Network, Inc.	\$-	-	-
<p>Catholic Health Initiatives and Mercy Health Network entered into asset purchase agreement to acquire Skiff Medical Center. Skiff Medical Center is located in Newton, IA. Terms of the transaction were not disclosed.</p>					
5/12/2015	Meridian Health System, Inc.	Hackensack University Medical Center	\$-	-	-
<p>Hackensack University Medical Center signed a definitive agreement to acquire Meridian Health System. Meridian Health System operates hospitals in NJ and is based out of Neptune, NJ. Terms of the transaction were not disclosed.</p>					
5/4/2015	Southwest Regional Medical Center	The Washington Hospital	\$-	-	-
<p>The Washington Hospital entered into an agreement to acquire Southwest Regional Medical Center from Essent Healthcare. Southwest Regional Medical Center is located in Waynesburg, PA. The deal subsequently closed on July 1, 2015. Terms of the transaction were not disclosed.</p>					
4/28/2015	St. Joseph's Hospital Health Center	Trinity Health System	\$-	-	-
<p>Trinity Health System agreed to acquire St. Joseph's Hospital Health Center, a non-profit regional health care system based in Syracuse, NY. Terms of the transaction were not disclosed.</p>					
4/21/2015	Optim Healthcare	National Specialty Hospitals, Inc.	\$-	-	-
<p>National Specialty Hospitals agreed to acquire a majority stake in Optim Healthcare. Optim Healthcare operates a network of orthopedic surgical centers and medical centers in Georgia. Terms of the transaction were not disclosed.</p>					
4/15/2015	Pennock Health Services	Spectrum Health	\$56	-	-
<p>Spectrum Health announced an agreement to acquire Pennock Health. Pennock Health operates an 88-bed acute care facility, Gun Lake Medical Center, two diagnostic centers and a 50-physician medical group. Pennock Health Services will be renamed Spectrum Health Pennock.</p>					

Hospital Providers (cont.)

Transaction Date	Target	Buyer	Enterprise Value (\$ in millions)	Enterprise Value / Revenue	Enterprise Value / EBITDA
4/10/2015	Houston Orthopedic & Spine Hospital	Memorial Hermann Healthcare System, Inc.	\$-	-	-
<p>Memorial Hermann Healthcare System acquired Houston Orthopedic & Spine Hospital, which operates as a specialty orthopedic and neuro-spine healthcare facility in Houston, TX. Terms of the transaction were not disclosed.</p>					
4/6/2015	AHS Medical Holdings LLC	Ventas, Inc. (NYSE:VTR)	\$1,750	0.9x	-
<p>Ventas announced an agreement to acquire AHS Medical Holdings. AHS Medical Holdings owns and operates a network of health systems that provide health care services and is located in Nashville, TN.</p>					
4/2/2015	Wellmont Health System	Mountain States Health Alliance	\$-	-	-
<p>Mountain States Health Alliance announced an agreement to acquire Wellmont Health System, a provider of healthcare services operating a regional network of hospitals and healthcare facilities in Kingsport, Bristol, Johnson City, and surrounding communities in Northeast Tennessee and Southwest Virginia. Wellmont Health System is based in Kingsport, TN. Terms of the transaction were not disclosed.</p>					
4/1/2015	Robinson Memorial Hospital	University Hospitals Cleveland Medical Center Inc.	\$-	-	-
<p>University Hospitals Cleveland acquired 280-bed Robinson Memorial Hospital located in Ravenna, OH. Terms of the transaction were not disclosed.</p>					

Long-Term Care					
Transaction Date	Target	Buyer	Enterprise Value (\$ in millions)	Enterprise Value / Revenue	Enterprise Value / EBITDA
6/25/2015	Four Skilled Nursing Facilities	Sabra Health Care REIT (NASDAQ:SBRA)	\$234	-	-
<p>Sabra Health Care REIT agreed to acquire four skilled nursing facilities, which are located in Hyattsville, Annapolis, Hagerstown and Silver Spring, MD. They specialize in transitional care and medically complex post-surgical, ventilator and dialysis patients. Their occupancy is 95%.</p>					
6/22/2015	28 Senior Living Communities	New Senior Investment Group (NYSE: SNR)	\$640	-	-
<p>New Senior Investment announced an agreement to acquire 28 independent living communities from Holiday Retirement Corporation. These communities have 3,298 units and average occupancy of 88%. They are located in 21 states and are 100% private pay.</p>					
6/15/2015	24 Skilled Nursing Facilities	Genesis HealthCare LLC (NYSE: GEN)	\$240	-	-
<p>Genesis HealthCare announced an agreement to acquire 24 skilled nursing facilities from Revera, Inc. These facilities are located in New Jersey (8), Vermont (5), Washington (3), Connecticut (2), Massachusetts (2) and one each in Maryland, Virginia, New Hampshire and Rhode Island.</p>					
5/27/2015	Three Assisted Living Communities	Prudential Real Estate	\$110	-	-
<p>Prudential Real Estate acquired three assisted living communities. Two of the communities are located in Tennessee: Hendersonville, with 130 units built in 2012 and Franklin, with 126 units built in 2014. The other community in Glastonbury, CT has 135 units that were built in 2014. All three offer assisted living and memory care.</p>					
5/19/2015	32 Independent Living Communities	NorthStar Realty Finance Corp. (NYSE: NRF)	\$875	-	-
<p>NorthStar Realty Finance acquired 32 independent living communities from Harvest Facility Holdings. The facilities consist of 3,983 units across 12 states.</p>					
4/23/2015	15 CCRCs	NorthStar Healthcare Income	\$640	-	-
<p>NorthStar Healthcare Income announced an agreement to acquire 15 continuing care retirement communities (CCRCs) from Arcapita. The communities span 11 states and consist of six entrance-fee and nine rental CCRCs, totaling 3,637 units. About 65% are rental properties and 35% are entrance-fee.</p>					
4/15/2015	Remington Park at Baytown	Capital Senior Living Corp. (NYSE:CSU)	\$30	-	-
<p>Capital Senior Living acquired Remington Park at Baytown. Remington Park at Baytown comprises a 129-unit independent and assisted living community.</p>					
4/6/2015	Four Assisted Living Communities	ROC Seniors Housing Fund	\$74	-	-
<p>ROC Seniors Housing Fund acquired four assisted living and memory care communities. Each community has 75 units serving 57 assisted living residents and includes a separate secured wing that serves 40 Alzheimer's and dementia care residents. These four communities are in the Houston, Odessa and Austin, TX markets.</p>					

Managed Care

Transaction Date	Target	Buyer	Enterprise Value (\$ in millions)	Enterprise Value / Revenue	Enterprise Value / EBITDA
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6/20/2015	Cigna Corp. (NYSE:CI)	Anthem, Inc. (NYSE:ANTM)	\$50,732	1.4x	13.1x
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Anthem announced an agreement to acquire Cigna, a health services organization that provides insurance and related products and services in the U.S. and internationally.

5/5/2015	APS Healthcare, Inc.	The Keystone Peer Review Organization, Inc.	\$24	-	-
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The Keystone Peer Review Organization acquired APS Healthcare. APS Healthcare delivers provider supportive services to its members in the U.S. and Puerto Rico.

4/17/2015	Accountable Health Solutions	Hooper Holmes, Inc. (NYSE:HH)	\$7	0.5x	-
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Hooper Wellness acquired Accountable Health Solutions, a provider of comprehensive health and wellness programs to employers and health plan clients. The Company combines smart technology, healthcare and behavior change expertise to improve health, increase efficiencies and reduce costs.

Healthcare Services: Valuation Metrics by Sector

Ticker	Company Name	Stock Price	52 - Week		% of 52 Week High	Market Cap (\$ mm)	Enterprise Value (\$ mm)	Enterprise Value to:		P/E
			High	Low				LTM Revenue	LTM EBITDA	
Alternate Site ^[1]										
AMED	Amedisys Inc.	\$39.73	\$43.61	\$15.31	91.1%	\$1,337.6	\$1,433.7	1.2x	15.5x	NM
AMSG	AmSurg Corp.	69.95	72.85	45.19	96.0%	3,386.5	6,314.4	3.3x	11.8x	58.8x
DVA	DaVita HealthCare Partners Inc.	79.47	85.17	70.41	93.3%	17,081.4	25,193.7	1.9x	10.4x	40.2x
DB:FME	Fresenius Medical Care AG & Co. KGAA	69.14	91.63	53.96	75.5%	25,054.5	35,266.4	2.1x	11.3x	23.0x
IPCM	IPC Healthcare, Inc.	55.39	58.73	36.12	94.3%	963.1	1,028.0	1.5x	14.4x	27.8x
Mean								2.0x	12.6x	30.3x
Diagnostic Services ^[2]										
AIQ	Alliance Healthcare Services, Inc.	\$18.69	\$31.01	\$17.83	60.3%	\$197.9	\$779.7	1.8x	6.4x	19.5x
BRLI	Bio-Reference Laboratories Inc.	41.25	46.74	26.32	88.3%	1,146.9	1,191.6	1.4x	10.3x	22.7x
LH	Laboratory Corp. of America Holdings	121.22	131.19	95.61	92.4%	12,170.5	18,686.6	2.9x	14.6x	26.9x
DGX	Quest Diagnostics Inc.	72.52	89.00	56.27	81.5%	10,416.5	14,206.5	1.9x	9.5x	20.8x
RDNT	RadNet, Inc.	6.69	10.35	4.71	64.6%	296.2	898.5	1.2x	8.1x	32.0x
Mean								1.8x	9.8x	22.4x
Healthcare Distributors										
ABC	AmerisourceBergen Corporation	\$106.34	\$120.68	\$72.01	88.1%	\$23,361.4	\$25,031.1	0.2x	16.7x	NM
CAH	Cardinal Health, Inc.	83.65	91.91	68.54	91.0%	27,674.2	28,494.2	0.3x	11.2x	24.5x
HSIC	Henry Schein, Inc.	142.12	146.45	109.34	97.0%	11,883.9	13,231.8	1.3x	14.8x	25.9x
MCK	McKesson Corporation	224.81	243.61	178.28	92.3%	52,228.5	58,201.5	0.3x	14.2x	29.8x
OCR	Omnicare Inc.	94.25	96.54	59.85	97.6%	9,075.1	10,862.0	1.7x	14.4x	50.0x
OMI	Owens & Minor Inc.	34.00	36.35	31.55	93.5%	2,145.5	2,561.0	0.3x	10.4x	35.8x
SRCL	Stericycle, Inc.	133.91	142.69	114.26	93.8%	11,388.6	12,944.7	4.9x	17.7x	35.7x
TMO	Thermo Fisher Scientific, Inc.	129.76	139.03	107.33	93.3%	51,651.9	65,649.1	3.9x	16.2x	30.1x
Mean								1.6x	14.5x	33.1x
Healthcare Equip. & Supplies ^[3]										
ABT	Abbott Laboratories	\$49.08	\$50.47	\$39.28	97.2%	\$73,068.2	\$72,236.2	3.5x	15.6x	36.8x
BAX	Baxter International Inc.	69.93	77.31	64.01	90.5%	38,009.1	45,570.1	2.7x	10.9x	20.6x
BDX	Becton, Dickinson and Company	141.65	149.98	112.15	94.4%	29,659.5	41,529.5	4.9x	19.1x	26.0x
BSX	Boston Scientific Corporation	17.70	18.62	11.10	95.1%	23,730.0	27,756.0	3.8x	16.1x	NM
BEAT	BioTelemetry, Inc.	9.43	11.33	6.44	83.2%	255.1	267.6	1.6x	14.9x	NM
JNJ	Johnson & Johnson	97.46	109.49	95.10	89.0%	270,261.0	257,925.0	3.5x	10.5x	17.4x
MDT	Medtronic plc	74.10	79.50	59.83	93.2%	104,951.6	121,718.6	6.0x	19.4x	30.7x
SIE	Siemens Aktiengesellschaft	101.59	118.41	89.45	85.8%	84,851.3	96,585.1	1.2x	8.9x	13.0x
STJ	St. Jude Medical Inc.	73.07	76.33	54.80	95.7%	20,468.5	23,285.5	4.2x	13.2x	20.8x
Mean								3.2x	14.3x	23.6x

[1] AMSG PE multiple is excluded from the mean.

[2] RDNT PE multiple is excluded from the mean.

[3] MDT revenue multiple is excluded from the mean.

Healthcare Services: Valuation Metrics by Sector (cont.)

Ticker	Company Name	Stock Price	52 - Week		% of 52 Week High	Market Cap (\$ mm)	Enterprise Value (\$ mm)	Enterprise Value to:		P/E	
			High	Low				LTM Revenue	LTM EBITDA		
Healthcare IT ^[4]											
MDRX	Allscripts Healthcare Solutions, Inc.	\$13.68	\$17.17	\$11.00	79.7%	\$2,575.8	\$3,060.1	2.2x	48.1x	NM	
ATHN	athenahealth, Inc.	114.58	153.25	107.88	74.8%	4,417.4	4,622.5	5.8x	74.4x	NM	
CERN	Cerner Corporation	69.06	75.72	50.30	91.2%	23,762.0	23,704.0	6.7x	23.7x	46.7x	
CPSI	Computer Programs & Systems Inc.	53.42	66.71	47.40	80.1%	604.5	563.7	2.8x	11.5x	19.5x	
HMSY	HMS Holdings Corp.	17.17	23.69	15.07	72.5%	1,520.2	1,584.5	3.5x	18.0x	107.3x	
MDAS	MedAssets, Inc.	22.06	25.57	17.00	86.3%	1,331.7	2,189.1	3.0x	10.2x	NM	
OMCL	Omicell, Inc.	37.71	39.10	26.00	96.4%	1,366.9	1,227.3	2.7x	18.0x	45.5x	
QSII	Quality Systems Inc.	16.57	18.75	13.01	88.4%	999.1	868.6	1.8x	17.1x	36.8x	
WBMD	WebMD Health Corp.	44.28	53.30	34.48	83.1%	1,633.5	1,850.4	3.1x	15.4x	41.6x	
Mean								2.7x	16.3x	38.0x	
Hospital Providers ^[5]											
CYH	Community Health Systems, Inc.	\$62.97	\$65.00	\$42.05	96.9%	\$7,432.6	\$24,859.6	1.3x	8.4x	21.9x	
HCA	HCA Holdings, Inc.	90.72	93.09	53.61	97.5%	37,587.2	67,938.2	1.8x	8.8x	19.1x	
LPNT	Lifepoint Hospitals Inc.	86.95	86.99	60.04	100.0%	3,852.6	5,901.9	1.2x	9.7x	31.7x	
THC	Tenet Healthcare Corp.	57.88	63.61	41.47	91.0%	5,743.0	18,233.0	1.1x	8.7x	54.4x	
UHS	Universal Health Services Inc.	142.10	144.00	91.26	98.7%	14,079.4	17,497.2	2.1x	11.4x	24.6x	
Mean								1.5x	9.4x	24.3x	
Long-Term Care / Senior Living											
BKD	Brookdale Senior Living Inc.	\$34.70	\$39.89	\$30.12	87.0%	\$6,530.0	\$12,888.5	3.4x	19.0x	14.7x	
CSU	Capital Senior Living Corp.	24.50	27.75	20.33	88.3%	722.3	1,377.0	3.5x	20.6x	19.4x	
DVCR	Diversicare Healthcare Services Inc.	12.90	17.15	6.41	75.2%	80.4	133.4	0.4x	6.2x	13.6x	
ENSG	The Ensign Group, Inc.	51.06	53.88	28.00	94.8%	1,299.5	1,234.1	1.1x	12.8x	32.1x	
GEN	Genesis Healthcare, Inc.	6.60	9.32	5.81	70.8%	1,013.4	5,763.4	1.2x	13.7x	NM	
KND	Kindred Healthcare Inc.	20.29	24.94	16.94	81.4%	1,693.3	4,959.2	0.9x	13.2x	NM	
Mean								1.8x	14.3x	19.9x	
Managed Care											
AET	Aetna Inc.	\$127.46	\$134.40	\$71.81	94.8%	\$44,509.0	\$51,666.6	0.9x	10.4x	21.1x	
CI	Cigna Corp.	162.00	170.68	85.75	94.9%	41,693.5	45,233.5	1.3x	11.6x	20.4x	
ESRX	Express Scripts Holding Company	88.94	92.46	65.08	96.2%	64,863.1	76,315.5	0.7x	11.3x	31.4x	
HNT	Health Net, Inc.	64.12	65.33	40.84	98.1%	4,946.1	4,522.3	0.3x	12.9x	35.2x	
HUM	Humana Inc.	191.28	219.79	115.51	87.0%	28,650.1	30,816.1	0.6x	11.4x	24.5x	
UNH	UnitedHealth Group Incorporated	122.00	124.11	78.74	98.3%	116,132.3	127,309.3	0.9x	10.7x	20.1x	
ANTM	Anthem, Inc.	164.14	173.59	106.52	94.6%	43,420.9	59,886.7	0.8x	10.0x	17.0x	
Mean								0.8x	11.2x	24.2x	
OVERALL SECTOR								Mean	1.9x	12.8x	27.0x

[4] ATHN and CERN revenue multiples, MDRX and ATHN EBITDA multiples, and the HMSY PE multiple are excluded from the mean.

[5] THC PE multiple is excluded from the mean.

Notes

- Sources: Capital IQ, Bond Buyer, Bloomberg, company 10-K, 10-Q and 8-K SEC filings, annual reports, press releases, and others as indicated.
- Any public companies chosen for the “SCA Healthcare Services Universe” are companies commonly used for industry information to show performance within a sector. They do not include all public companies that could be categorized within the sector and were not created as benchmarks; they do not imply benchmarking and do not constitute recommendations for a particular security and/or sector. The charts and graphs used in this report have been compiled by SOLIC Capital Advisors solely for purposes of illustration.

***For further information regarding our Healthcare Services, please contact:
Edward R. Casas, Senior Managing Director, ecasas@soliccapi.com***

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Recent Representative Transactions *

<p>\$690,600,000 Sale of Assets on behalf of</p>  <p>MedCath Corporation (Nasdaq: MDTH)</p> <p>Sell Side Advisor</p>	<p>\$83,800,000</p>  <p>HEART HOSPITAL of AUSTIN</p> <p>has been acquired by</p> <p>St. David's Healthcare Partnership, L.P.</p> <p>Sell Side Advisor</p>	<p>\$156,000,000</p>  <p>SUMNER Regional Health Systems, Inc.</p> <p>has been acquired by</p>  <p>LIFEPPOINT HOSPITALS*</p> <p>Sell Side Advisor</p>	<p>\$75,000,000</p>  <p>Community Memorial Healthcenter</p> <p>has affiliated with</p>  <p>VCU Medical Center Virginia Commonwealth University Health System</p> <p>Financial Advisor to Community Memorial Healthcenter</p>	<p>\$58,500,000</p>  <p>Morton Hospital And Medical Center</p> <p>has been acquired by</p>  <p>Steward Steward Health Care System LLC</p> <p>Sell Side Advisor</p>
<p>\$31,000,000</p>  <p>HUALAPAI MOUNTAIN MEDICAL CENTER</p> <p>has been acquired by</p>  <p>KINGMAN REGIONAL MEDICAL CENTER <i>Serving Our Community with Compassion and Commitment</i></p> <p>Sell Side Advisor</p>	<p>\$73,000,000</p>  <p>ARKANSAS HEART HOSPITAL* THE HEART HOSPITAL</p> <p>has been acquired by</p> <p>AR-MED, LLC</p> <p>Sell Side Advisor</p>	<p>\$830,000,000</p>  <p>Caritas CARITAS CHRISTI HEALTH CARE</p> <p>has been acquired by</p>  <p>Steward Steward Health Care System LLC</p> <p>Sell Side Advisor</p>	<p>\$38,000,000</p>  <p>QUINCY MEDICAL CENTER</p> <p>has been acquired by</p>  <p>Steward Steward Health Care System LLC</p> <p>Sell Side Advisor</p>	<p>\$206,900,000</p>  <p>TOMBALL REGIONAL MEDICAL CENTER</p> <p>has been acquired by</p>  <p>CHS Community Health Systems</p> <p>Sell Side Advisor</p>
<p> ROCKFORD HEALTH system</p> <p>has merged with</p>  <p>MERCY HEALTH SYSTEM</p> <p>With all our heart. With all our mind.®</p> <p>Financial Advisor to Rockford Health System</p>	<p> Winchester Hospital <i>Advancing Health. Advancing Care.</i></p> <p>has affiliated with</p>  <p>Lahey Health</p> <p>Financial Advisor to Winchester Hospital</p>	<p>\$86,400,000 An equity interest in</p>  <p>Avera Heart Hospital of South Dakota</p> <p>has been acquired by</p>  <p>Avera</p> <p>Sell Side Advisor</p>	<p>\$25,000,000</p>  <p>MedCath</p> <p>MedCath Partners Division</p> <p>has been acquired by</p>  <p>DLP Cardiac Partners Duke LifePoint Healthcare</p> <p>Sell Side Advisor</p>	<p>\$38,100,000</p>  <p>CARDIOVASCULAR CARE GROUP</p> <p>has acquired MedCath's equity interest and secured loan in</p>  <p>BAKERSFIELD HEART HOSPITAL</p> <p>Sell Side Advisor</p>
<p>\$76,250,000</p>  <p>TEXAS HEART HOSPITAL</p> <p>has been acquired by</p>  <p>METHODIST HEALTHCARE SYSTEM San Antonio, Texas</p> <p>Sell Side Advisor</p>	<p>\$62,600,000</p>  <p>HARLINGEN MEDICAL CENTER</p> <p>has been acquired by</p>  <p>PRIME HEALTHCARE SERVICES, INC.</p> <p>Sell Side Advisor</p>	<p> United Surgical Partners INTERNATIONAL</p> <p>has acquired an interest in</p>  <p>SIUXLAND SURGERY CENTER</p> <p>Financial Advisor to Physician Members of Siouxland Surgery Center</p>	<p>\$32,000,000</p>  <p>ARIZONA HEART HOSPITAL</p> <p>has been acquired by</p>  <p>VANGUARD HEALTH SYSTEMS</p> <p>Sell Side Advisor</p>	<p>\$119,000,000</p>  <p>HEART HOSPITAL of NEW MEXICO</p> <p>has been acquired by</p>  <p>Lovelace Health System</p> <p>Sell Side Advisor</p>

* Includes transactions led by the team of SOLIC professionals at predecessor firms



With headquarters in Madison, Wisconsin, SSM Health Care of WI (“SSM of WI”), is a comprehensive not-for-profit Catholic healthcare system that is owned and operated by SSM Health Care based in St. Louis, Missouri, one of the largest Catholic systems in the country. Upland Hills Health, located in Dodgeville, Wisconsin, was recently rated one of the Top 100 critical access hospitals in the country. The dialysis programs at SSM of WI and Upland Hills Health included in the Transaction collectively consist of St. Mary’s Dialysis Center in Madison, Wisconsin, St. Clare Dialysis Center in Baraboo, Wisconsin, and the Upland Hills Health Dialysis Center in Dodgeville, Wisconsin. These dialysis centers provide essential services to patients suffering from chronic kidney disease and end stage renal disease.

SOLIC served as the exclusive financial advisor in exploring a full range of strategic transaction opportunities available to the dialysis centers. In advising SSM of WI, the SOLIC team led the transaction process, which entailed dialogue with prospective strategic partners, developing and implementing a competitive solicitation process, providing valuation and due diligence support, and structuring and negotiating the terms of the agreement with Fresenius.

SOLIC professionals led negotiations with several leading dialysis providers. As a result, Fresenius, the largest provider of services to patients with kidney disease with a network of more than 2,150 dialysis facilities, entered into agreements to acquire and operate the dialysis centers as well as provide inpatient acute dialysis services at St. Mary’s Hospital in Madison, Wisconsin.