



Healthcare Services

Quarterly Update
Second Quarter 2017



CAPITAL PLACEMENTS • MERGERS, ACQUISITIONS & DIVESTITURES • RESTRUCTURINGS

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Q2 2017 Highlights

July, 2017

Deal volume in healthcare M&A for Q2 2017 totaled 365 transactions, 14% lower than the same period in 2016 and 15% lower than the preceding quarter, according to preliminary figures from Irving Levin Associates Inc. Deal value in Q2 2017 totaled \$99.8 billion, up 70% compared with Q1 2017, and 13% higher than the same period a year earlier. However, one deal accounted for approximately 25% of the quarter's total involving medical device company Becton, Dickinson & Co.'s (NYSE: BDX) announced acquisition of C.R. Bard, Inc. (NYSE: BCR) in April for \$24 billion.

The services segment remained strong in Q2 2017, with 218 deals accounting for 60% of the total deal volume. Many investors, particularly private equity, have shifted their focus to sectors with less reimbursement risk. eHealth transactions continued to climb as enhanced digital health capabilities can potentially benefit nearly every area in the healthcare sector with greater efficiencies as companies try to reduce costs and better serve broader populations. Telehealth companies have proliferated rapidly in recent years. In the first half of 2017, M&A in telehealth totaled 11 deals, compared with 13 deals announced in all of 2016. In June 2017, Teladoc (NYSE: TDOC) announced the acquisition of Best Doctors, Inc., a medical consultation company with a global network of more than 50,000 medical experts, for \$440 million. M&A in the Lab, MRI and Dialysis sectors increased nearly 30% in the first half of 2017, compared with the same time last year as buyers in most of this year's transactions consisted of publicly-traded companies, with financial buyers only accounting for four of the 22 deals.

Given the legislative uncertainty surrounding healthcare reform, the M&A environment for hospitals softened in Q2 2017, as many leading for-profit systems seek to optimize their portfolio and reduce leverage, while large not-for profit health systems seek alternative strategies to build their network. Notwithstanding this softening in M&A activity, the benefits of scale continue to drive hospital consolidation and a number of notable transactions were announced in Q2 2017. These include the merger of Beth Israel Deaconess and Lahey Health, Baptist Memorial Health Care and Mississippi Baptist Health Systems, Fairview Health and HealthEast and Hackensack Meridian Health and JFK Health.

Several recent large hospital acquisitions have utilized the REIT market as a primary funding source, with healthcare REITs remaining healthy despite uncertainty in Washington. In May 2017, Steward Health Care announced its plan to acquire IASIS Healthcare to create a 36-hospital system with estimated revenues of \$8 billion. The deal, was backed by a REIT, Medical Properties Trust, and private-equity firm Cerberus Capital Management. The combined Steward and IASIS entity would have nearly 7,500 patient beds across 10 states with approximately 38,000 employees including more than 1,800 directly employed physicians. In a similar manner, Ventas Inc., one of the nation's largest healthcare REITs, partly funded Ardent's merger with LHP Hospital Group through a secured loan to Ardent.

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



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 *Recent Representative Transaction*



Louisiana Medical Center and Heart Hospital ("LMCHH") located in St. Tammany Parish, Louisiana, operated as a 136-bed acute care and cardiovascular hospital dedicated to providing patients with advanced medical treatment.

SOLIC professionals were retained to assess various strategic alternatives. Specifically, SOLIC professionals developed and reviewed potential marketing strategies and execution mechanics to effect a strategic transaction pursuant to Section 363 of the U.S. Bankruptcy Code, and as part of its services as Chief Restructuring Officer and Head of Strategy arranged the successful sale of LMCHH to Stirling Properties for \$22 million in May 2017. Stirling Properties intends to lease the facility to Ochsner Health Systems, with plans to open a post-acute care hospital campus with long-term acute care, skilled nursing and inpatient rehabilitation services.

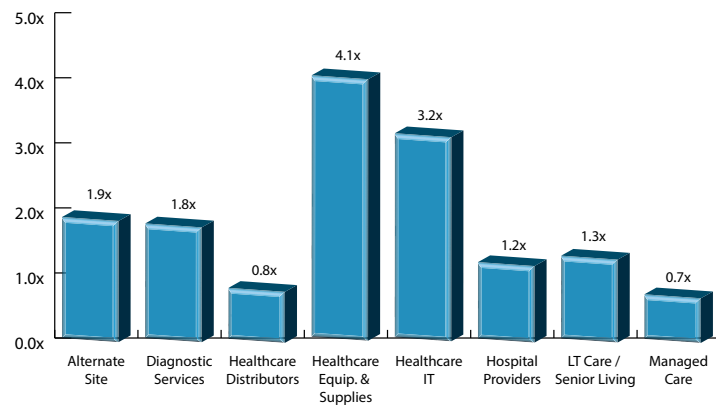


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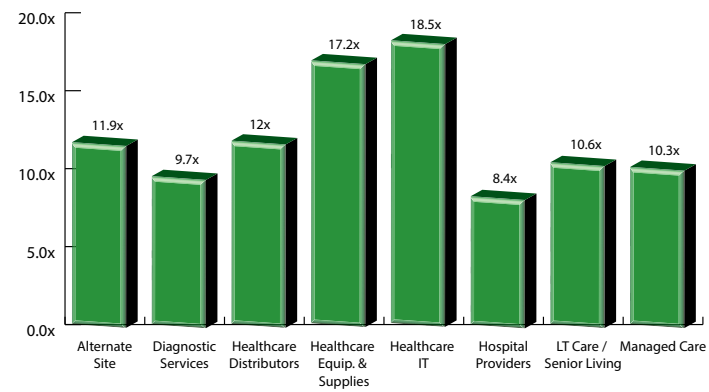
Market Overview



Enterprise Value To Revenue

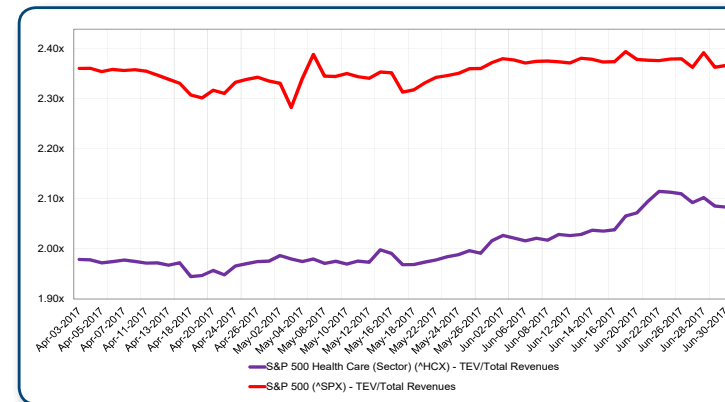


Enterprise Value To EBITDA

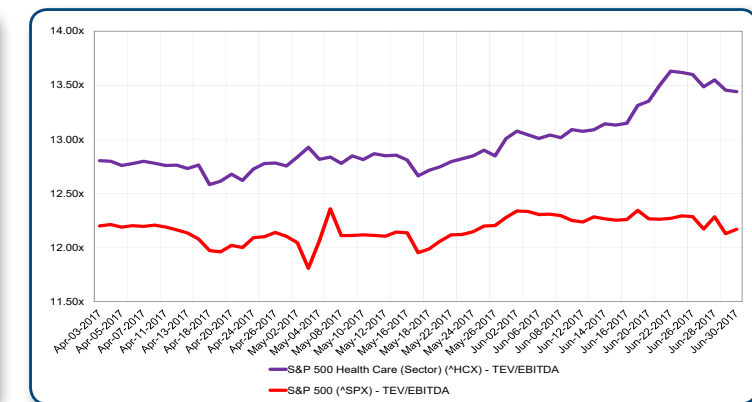


Revenue and EBITDA multiples for the S&P 500 remains unchanged, while the healthcare sector increased in Q2 2017.

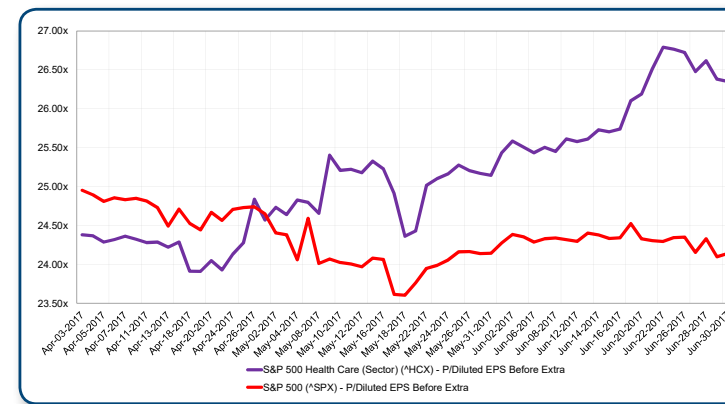
S&P Healthcare Index vs. the S&P 500
Total Enterprise Value / Revenue



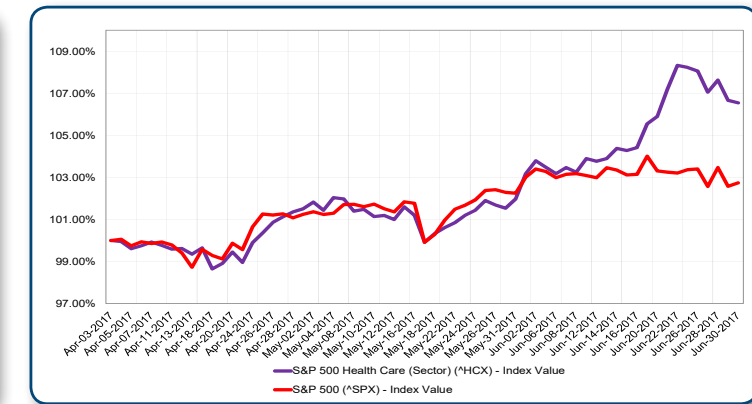
S&P Healthcare Index vs. the S&P 500
Total Enterprise Value / EBITDA



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

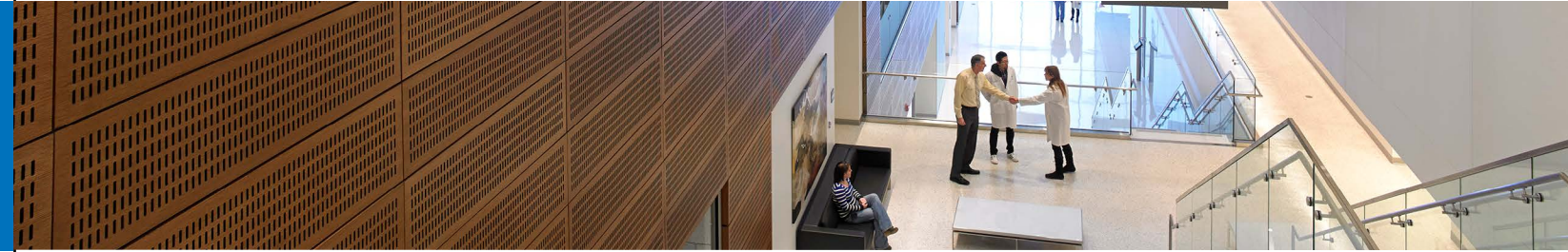


S&P Healthcare Index vs. the S&P 500
Relative Performance (%)





Notable Industry Developments



For the First Time Ever, Less Than Half of Physicians are Independent

According to an American Medical Association study, only 47.1% of physicians had ownership stakes in a medical practice, down from 53.2% in 2012. The report indicated that doctors, especially young doctors, have been shifting from owning their own practice to joining larger ones. Research shows that ownership and employment shifts reflect the industry's increasing compliance costs and new payment models. Maintaining the necessary information technology and quality and safety compliance often requires a larger asset base to spread costs, while payment reforms like accountable care organizations value an integrated care model. Health systems had also been aggressively acquiring physician practices as they aim to better align physician networks to reduce medical variations, improve outcomes, and satisfy payment reforms that require the broader population to remain healthy. However, this trend has seemingly stalled according to recent data, as hospitals have "as many practices as they can handle." This trend is supported by the fact that physician compensation is one of the fastest growing expenses in health systems, as it has become as high as 10% of total expenses for some systems.

Average Hospital Revenue Cycles Losing Roughly \$22 Million to Missed Revenue Capture

Even though hospitals have benefitted from a cost focus over the past few years in terms of having healthy margins despite cuts to reimbursement, revenue cycle performance has lagged across key areas and it now costs more just to achieve flat performance, according to Healthcare Finance. According to a recent study from the Advisory Board, this cost focus has cost hospitals \$22 million in revenue capture opportunities (based on a 350-bed hospital). They also found that "median performing organizations" are in a rut when it comes to net days in accounts receivable, and the overall cost to collect has deteriorated by 70 basis points of net patient revenue from 2011 to 2015. Four market forces are driving these negative trends: increased patient consumerism driven by higher financial obligations, aggressive commercial denials and more complex payer contracts, physician engagement on documentation, and poorly executed integrations that waste potential economies of scale.

May 2017

U.S. Nonprofit Hospitals' Median Operating Margin Fell in Fiscal Year 2016

According to Moody's Investor Services, growth in expenses outpaced growth in revenues at U.S. nonprofit hospitals. Annual operating expenses grew 7.5% in fiscal year 2016 compared to the year prior. Annual operating revenue grew 6.6% during the same time period. Overall, the analysis found hospitals' median operating margin decreased from 3.4% in fiscal year 2015 to 2.7% the following year. The decline in profitability was attributed to lower reimbursement and rising expenses.

A New Bill Would Make It Difficult for Physician-Owned Hospitals to Grow

A new bill introduced in the U.S. House of Representatives would repeal the federal law essentially banning construction of physician-owned hospitals and making it difficult for these facilities to grow, according to a report published by the American Medical Association (AMA). Physician-owned hospitals provide the highest quality of care to patients, and are consistently among the top hospitals recognized for high quality care and patient satisfaction under the Centers for Medicare and Medicaid Services (CMS)-administered Hospital Value-Based Purchasing (VBP) Program. Seven of the top 10 performing hospitals and 40 of the top 100 performing hospitals were physician-owned in the 2017 rankings, despite accounting for 5% of hospitals that participate in the VBP. An analysis of CMS payment data found that physician-owned hospitals have saved Medicare \$3.2 billion over a 10-year period.

June 2017

Healthcare Legislation Would Have a Negative Credit Impact for Most Hospitals

According to Moody's Investors Service, healthcare legislation proposed at the end of June by Senate Republicans would have a negative impact. The warning covers the 31 states and the District of Columbia where Medicaid was expanded under the Affordable Care Act, but not the other 19 states. The bill is credit negative for both for-profit and not-for-profit hospitals because various aspects would reduce the number of people with insurance coverage and the comprehensiveness of that coverage. Fitch Ratings also issued a negative outlook for hospitals based on the reduced Medicaid funding to states. According to Fitch, hospitals would be hurt by changes in the payor mix and lower patient volumes for public hospitals.

Evolution of Payment Models Slowed by Delays

In May 2017, the Centers for Medicare and Medicaid (CMS) delayed the expansion of several mandatory bundled care payment programs until January 2018 from mid-2017. Orthopedic and cardiac bundling programs were envisioned under the Affordable Care Act as a way to help improve quality and reduce costs by holding hospitals financially accountable for a patient's total outcome, not just the outcome of an individual surgery. Many government officials, including Health and Human Services Secretary Tom Price, have voiced opposition to the mandatory bundling programs. According to a recent Moody's report, despite the delay, the shift towards value-based payments and away from fee-for-service will continue, albeit more slowly under the new administration. Private payors will increasingly drive this change as well.

Selected M&A Transactions

Date	Target	Buyer	Enterprise Value (\$ mm)	Enterprise Value / Revenue	Enterprise Value / EBITDA
Alternate Site					
06/20/17	PAREXEL International Corp. (Nasdaq:PRXL)	Pamplona Capital Management	\$5,007.4	2.4x	14.6x
Description:	Pamplona Capital Management, LLP signed a definitive agreement to acquire PAREXEL International Corp. (Nasdaq:PRXL), a provider of clinical research and logistics, medical communications, consulting, commercialization, and advanced technology products and services for pharmaceutical, biotechnology, and medical device industries. PAREXEL International Corp. was founded in 1983 and is headquartered in Waltham, Massachusetts.				
06/19/17	Best Doctors, Inc.	Teladoc, Inc. (NYSE:TDOC)	\$440.0	n/a	n/a
Description:	Teladoc, Inc. (NYSE:TDOC) acquired Best Doctors, Inc., a provider of access to medical experts and treating physicians to provide expert answers and advisory services about a medical condition or treatment plan. Best Doctors, Inc. was founded in 1989 and is based in Quincy, Massachusetts.				
05/05/17	Chartercare Health Partners	Blackstone Valley Surgicare Acquisition, L.P.	\$1.5	n/a	n/a
Description:	Blackstone Valley Surgicare Acquisition, L.P., acquired Chartercare Health Partners, an operator of freestanding outpatient surgical facilities in Rhode Island. Chartercare Health Partners was founded in 1976 and is based in Johnston, Rhode Island.				

Diagnostic Services

06/08/17	CompuNet Clinical Laboratories, LLC	Premier Health Partners, Inc.	n/a	n/a	n/a
Description:	Premier Health Partners, Inc. acquired a 33% stake in CompuNet Clinical Laboratories, LLC, a provider of clinical diagnostic laboratories for physicians, patients, hospitals, industry, and managed care partners. CompuNet Clinical Laboratories, LLC was founded in 1986 and is based in Dayton, Ohio.				



Date	Target	Buyer	Enterprise Value (\$ mm)	Enterprise Value / Revenue	Enterprise Value / EBITDA
05/15/17	Cleveland Skin Pathology Laboratory, Inc.	Aurora Diagnostics, LLC	n/a	n/a	n/a
Description:	Aurora Diagnostics, LLC acquired Cleveland Skin Pathology Laboratory, Inc., a provider of skin disease diagnosing laboratory services. Cleveland skin Pathology Laboratory, Inc. was founded in 1972 and is based in Cleveland, Ohio.				
04/18/17	Pathology Associates of Princeton	Aurora Diagnostics, LLC	n/a	n/a	n/a
Description:	Aurora Diagnostics, LLC acquired Pathology Associates of Princeton, a provider of laboratory and anatomic pathology services to the University Medical Center of Plainsboro and central New Jersey. Pathology Associates of Princeton is based in Plainsboro, New Jersey.				
04/03/17	University Pathologists, LLC	Aurora Diagnostics Holdings, LLC	n/a	n/a	n/a
Description:	Aurora Diagnostics Holdings, LLC acquired University Pathologists, LLC, a provider of pathology solutions to hospitals in Connecticut, Rhode Island, and Massachusetts. University Pathologists, LLC is based in Warwick, Rhode Island.				

Healthcare Distributors

06/08/17	Mid-Atlantic Health Care, Inc.	MIMA Healthcare, LLC	n/a	n/a	n/a
Description:	MIMA Healthcare, LLC acquired Mid-Atlantic Health Care, Inc., a provider of respiratory products and services. Mid-Atlantic Health Care, Inc. is located in Beltsville, Maryland.				
06/06/17	Professional Healing Solutions, LLC	Anatomy Holdings, LLC	n/a	n/a	n/a
Description:	Anatomy Holdings, LLC acquired Professional Healing Solutions, LLC, a distributor of disposable advanced wound care dressing supplies. Professional Healing Solutions, LLC is based in Crossville, Tennessee.				

Date	Target	Buyer	Enterprise Value (\$ mm)	Enterprise Value / Revenue	Enterprise Value / EBITDA
05/23/17	PartsSource, Inc.	Great Hill Partners, LLC	n/a	n/a	n/a
Description:	Great Hill Partners, LLC acquired PartsSource, Inc., a supplier of biomedical replacement parts and procurement solutions to medical providers. PartsSource, Inc. was founded in 2001 and is based in Aurora, Ohio.				
05/16/17	Columbus Medical Equipment, Inc. and Dependable Medical Equipment	National Seating & Mobility, Inc.	n/a	n/a	n/a
Description:	National Seating & Mobility, Inc. acquired Columbus Medical Equipment, Inc. and Dependable Medical Equipment, providers of healthcare equipment and home healthcare equipment.				
05/08/17	Transfill Equipment Supplies and Services, Inc.	Linde Gas North America, LLC	n/a	n/a	n/a
Description:	Linde Gas North America, LLC acquired Transfill Equipment Supplies and Service, Inc., a supplier of medical oxygen and cylinder testing & repairs. Transfill Equipment Supplies & Services, Inc. was founded in 1998 and is based in Gallatin, Tennessee.				
05/05/17	VWR Corporation (Nasdaq:VWR)	Avantor Performance Materials, Inc.	\$6,476.9	1.4x	13.5x
Description:	Avantor Performance Materials, Inc. signed a definitive agreement to acquire VWR Corporation (Nasdaq:VWR), a provider of laboratory products, services, and solutions to the life science, general research, and applied markets. VWR Corporation was founded in 1852 and is headquartered in Radnor, Pennsylvania.				
05/02/17	Byram Healthcare Centers, Inc.	Owens & Minor, Inc. (NYSE:OMI)	\$380.0	n/a	n/a
Description:	Owens & Minor, Inc. (NYSE:OMI) signed a definitive agreement to acquire Byram Healthcare Centers, Inc., a supplier of disposable medical devices to patients with chronic diseases. Byram Healthcare Centers, Inc. was founded in 1968 and is based in White Plains, New York.				
04/03/17	The Progressive Orthopaedic Company, LLC	IBS Investment Bank	n/a	n/a	n/a
Description:	IBS Investment Bank acquired a minority stake in The Progressive Orthopaedic Company, LLC, a distributor of orthopedic implants. The Progressive Orthopaedic Company, LLC was founded in 2013 and is based in North Palm Beach, Florida.				

Date	Target	Buyer	Enterprise Value (\$ mm)	Enterprise Value / Revenue	Enterprise Value / EBITDA
Healthcare Equipment & Supplies					
06/28/17	The Spectranetics Corporation (NasdaqGS:SPNC)	Philips Holding USA, Inc.	\$2,073.4	7.5x	n/a
Description:	Philips Holding USA, Inc. entered into a definitive agreement to acquire The Spectranetics Corporation (NasdaqGS:SPNC), a developer, manufacturer, and marketer of single-use medical devices used in minimally invasive cardiovascular procedures. The Spectranetics Corporation was founded in 1984 and is headquartered in Colorado Springs, Colorado.				
06/22/17	Electrical Geodesics, Inc. (AIM:EGI)	Philips Holding USA, Inc.	\$37.4	2.3x	n/a
Description:	Philips Holding USA, Inc. entered into an agreement to acquire Electrical Geodesics, Inc. (AIM:EGI), a designer, developer, and commercializer of a range of non-invasive neurodiagnostic products used to monitor and interpret brain activity. Electrical Geodesics, Inc. was founded in 1992 and is based in Eugene, Oregon.				
06/19/17	Refine, LLC	Sinclair Pharma plc (AIM:SPH)	\$7.3	n/a	n/a
Description:	Sinclair Pharma plc (AIM:SPH) acquired the Refine Support System of Refine, LLC, a seller of medical devices for cosmetic & reconstructive procedures. Refine, LLC was founded in 2011 and is headquartered in Santa Rosa, California.				
06/12/17	Miramar Labs, Inc. (OTCQB:MRLB)	Sientra, Inc. (Nasdaq:SIEN)	\$34.0	1.7x	n/a
Description:	Sientra, Inc. (Nasdaq:SIEN) entered into an agreement and plan of merger to acquire Miramar Labs, Inc. (OTCQB:MRLB), a medical technology company focused on developing and commercializing products utilizing its proprietary microwave technology platform. Miramar Labs, Inc. is headquartered in Santa Clara, California.				
05/23/17	BarioSurg, Inc.	EnteroMedics, Inc. (NasdaqCM:ETRM)	\$31.3	n/a	n/a
Description:	EnteroMedics Inc. (NasdaqCM:ETRM) acquired BarioSurg, Inc., a developer of a long-term minimally invasive and reversible technology for bariatric surgeons to treat obesity and metabolic diseases. BarioSurg, Inc. was incorporated in 2008 and is based in Lake Forest, California.				

Date	Target	Buyer	Enterprise Value (\$ mm)	Enterprise Value / Revenue	Enterprise Value / EBITDA
05/09/17	MedicaMetrix, Inc.	Cardiff International, Inc. (OTCPK:CDIF)	\$6.0	n/a	n/a
Description:	Cardiff International, Inc. (OTCPK:CDIF) signed a letter of intent agreement to acquire MedicaMetrix, Inc., a provider of urological medical devices. MedicaMetrix, Inc. was founded in 2007 and is based in Wayland, Massachusetts.				
05/09/17	Nuelle, Inc.	Aytu BioScience, Inc. (OTCPK:AYTU)	\$32.6	n/a	n/a
Description:	Aytu BioScience, Inc. (OTCPK:AYTU) acquired Nuelle, Inc., a designer and manufacturer of medical devices for women's health. Nuelle, Inc. was incorporated in 2012 and is based in Mountain View, California.				
05/02/17	Caisson Interventional, LLC	LivaNova PLC (Nasdaq:LIVN)	\$95.3	n/a	n/a
Description:	LivaNova PLC (NasdaqGS:LIVN) acquired the remaining 51% stake in Caisson Interventional, LLC, a medical device company focused on the design, development, and clinical evaluation of a novel percutaneous mitral valve replacement system. Caisson Interventional, LLC was incorporated in 2012 and is based in Maple Grove, Minnesota.				
05/01/17	Span-America Medical Systems (Nasdaq:SPAN)	Savaria Corporation	\$73.7	1.2x	10.1x
Description:	Savaria Corporation (TSX:SIS) completed the acquisition of Span-America Medical Systems, Inc. (NasdaqGM:SPAN), a manufacturer and distributor of therapeutic support surfaces and other related products for the medical, consumer, and industrial markets. Span-America Medical Systems, Inc. was founded in 1970 and is headquartered in Greenville, South Carolina.				
04/23/17	C.R. Bard, Inc. (NYSE:BCR)	Becton, Dickinson and Co. (NYSE:BDX)	\$24,821.6	6.6x	21.4x
Description:	Becton, Dickinson and Company (NYSE:BDX) signed a definitive agreement to acquire C. R. Bard, Inc. (NYSE:BCR), a designer, manufacturer, packager, distributor, and seller of medical, surgical, diagnostic, and patient care devices. C. R. Bard, Inc. was founded in 1907 and is headquartered in Murray Hill, New Jersey.				

Date	Target	Buyer	Enterprise Value (\$ mm)	Enterprise Value / Revenue	Enterprise Value / EBITDA
04/18/17	Medtronic plc, Patient Care, Deep Vein Thrombosis and Nutritional Insufficiency Businesses	Cardinal Health, Inc. (NYSE:CAH)	\$6,059.1	2.5x	n/a
Description:	Cardinal Health, Inc. (NYSE:CAH) entered into a definitive agreement to acquire Patient Care, Deep Vein Thrombosis and Nutritional Insufficiency businesses from Medtronic plc (NYSE:MDT). The businesses include the operations of manufacturing compression systems and anti-embolism stockings to reduce the incidence of Deep Vein Thrombosis and Pulmonary Embolism.				

Healthcare IT

06/23/17	Praxify Technologies, Inc.	athenahealth, Inc. (Nasdaq:ATHN)	\$63.0	n/a	n/a
Description:	athenahealth, Inc. (NasdaqGS:ATHN) completed the acquisition of Praxify Technologies, Inc., a developer of electronic health record (EHR) applications for physicians and patients. Praxify Technologies, Inc. was founded in 2010 and is headquartered in Palo Alto, California.				
06/12/17	Ommdom, Inc.	Invitae Corporation (NYSE:NVTA)	\$6.1	n/a	n/a
Description:	Invitae Corporation (NYSE:NVTA) completed the acquisition of Ommdom, Inc., a provider of CancerGene Connect for collecting & managing genetic family histories. Ommdom, Inc. was incorporated in 2015 and is based in Dallas, Texas.				
06/01/17	DILIsym Services, Inc.	Simulations Plus, Inc. (NasdaqCM:SLP)	\$9.5	n/a	n/a
Description:	Simulations Plus, Inc. (NasdaqCM:SLP) completed the acquisition of DILIsym Services, Inc., a developer of drug-induced liver injury (DILI) simulation software. DILIsym Services, Inc. was incorporated in 2014 and is based in Research Triangle Park, North Carolina.				
05/11/17	Sycle, LLC	Cochlear Limited (ASX:COH)	\$78.0	n/a	n/a
Description:	Cochlear Limited (ASX:COH) completed the acquisition of Sycle, LLC, a developer of practice management software in audiology. Sycle, LLC was founded in 2001 and is based in San Francisco, California.				

Date	Target	Buyer	Enterprise Value (\$ mm)	Enterprise Value / Revenue	Enterprise Value / EBITDA
04/18/17	ArroHealth	Ciox Health	\$130.0	n/a	n/a
Description:	Ciox Health completed the acquisition of ArroHealth, a provider of technology-enabled risk adjustment solutions to Medicare Advantage, managed Medicaid, and commercial health plans, as well as for the health insurance exchange marketplace. ArroHealth was founded in 1991 and is based in Hauppauge, New York.				
04/12/17	Entrada, Inc.	NextGen Healthcare Information Systems, LLC	\$34.0	2.8x	n/a
Description:	NextGen Healthcare Information Systems, LLC completed the acquisition of Entrada, Inc., a provider of clinical documentation and document sharing solutions. Entrada, Inc. was founded in 2005 and is based in Brentwood, Tennessee.				

Hospital Providers

06/27/17	Laughlin Memorial Hospital, Inc.	Mountain States Health Alliance	n/a	n/a	n/a
Description:	Mountain States Health Alliance acquired Laughlin Memorial Hospital, Inc., a 143-bed, general and medical surgery hospital. Laughlin Memorial Hospital, Inc. was founded in 1939 and is based in Greeneville, Tennessee.				
06/16/17	Palmetto Health	Greenville Health System, LLC	n/a	n/a	n/a
Description:	Greenville Health System, LLC agreed to acquire Palmetto Health, a not-for-profit health care resource, operator of various hospitals and a network of physician practices. Palmetto Health was incorporated in 1996 and is based in Columbia, South Carolina.				
06/05/17	Physicians Care Surgical Hospital, LP	Jefferson Health System, Inc. & Main Line Health, Inc.	n/a	n/a	n/a
Description:	Jefferson Health System, Inc. and Main Line Health, Inc. agreed to acquire an unknown stake in Physicians Care Surgical Hospital, a specialty medical center for surgical procedures. Physicians Care Surgical Hospital was incorporated in 2007 and is based in Royersford, Pennsylvania.				

Date	Target	Buyer	Enterprise Value (\$ mm)	Enterprise Value / Revenue	Enterprise Value / EBITDA
05/31/17	Outpatient Clinic Building	Healthcare Trust of America, Inc. (NYSE:HTA)	\$49.7	n/a	n/a
Description:	Healthcare Trust of America, Inc. (NYSE:HTA) completed the acquisition of an Outpatient Clinic building providing medical care to veterans. The clinic is located in Sunrise, Florida.				
05/30/17	5 Pennsylvania Hospitals	Reading Health System	n/a	n/a	n/a
Description:	Reading Health System signed a definitive agreement to acquire five Pennsylvania hospitals. Pottstown Memorial Medical Center has 232 beds and is located in Pottstown. Brandywine Hospital has 169 beds and is located in Coatesville. Phoenixville Hospital has 151 beds and is located in Phoenixville. Jennersville Regional Hospital has 63 beds and is located in West Grove. Chestnut Hill Hospital has 148 beds and is located in Philadelphia.				
05/24/17	Mission Regional Medical Center	Prime Healthcare Services, Inc.	n/a	n/a	n/a
Description:	Prime Healthcare Services, Inc. signed a letter of intent to acquire Mission Regional Medical Center, a 297-bed, non-profit community hospital. Mission Regional Medical Center was founded in 1954 and is based in Mission, Texas.				
05/23/17	Carrus Specialty Hospital & Carrus Rehabilitation Hospital	Global Medical REIT, Inc. (NYSE:GMRE)	\$26.0	n/a	n/a
Description:	Global Medical REIT, Inc. (NYSE:GMRE) completed the acquisition of Carrus Specialty Hospital & Carrus Rehabilitation Hospital. Carrus Specialty Hospital is a 16-bed, physician owned, post-acute care facility. Carrus Rehabilitation Hospital is a 24-bed inpatient rehabilitation facility. Both hospitals are located in Sherman, Texas.				
05/19/17	11 IASIS Hospitals	Medical Properties Trust (NYSE:MPW)	\$1,400.0	n/a	n/a
Description:	Medical Properties Trust, Inc. (NYSE:MPW) signed definitive agreements to acquire ten acute care hospitals and one behavioral health facility. The facilities are located in Utah, Arizona, Texas and Arkansas.				
05/19/17	IASIS Healthcare, LLC	Steward Health Care System, LLC	n/a	n/a	n/a
Description:	Steward Health Care System, LLC entered into a definitive agreement to acquire IASIS Healthcare, LLC, an owner and operator of 17 acute care hospital facilities and one behavioral health hospital facility with a total of 3,581 licensed beds, various outpatient service facilities, 147 physician clinics, and imaging centers located in Utah, Arizona, Texas, Louisiana, and Colorado. IASIS Healthcare, LLC was founded in 1998 and is headquartered in Franklin, Tennessee.				

Date	Target	Buyer	Enterprise Value (\$ mm)	Enterprise Value / Revenue	Enterprise Value / EBITDA
05/12/17	Henderson County Community Hospital & McKenzie Regional Hospital	SSH Tennessee, LLC	n/a	n/a	n/a
Description:	SSH Tennessee, LLC signed a definitive agreement to acquire Henderson County Community Hospital and McKenzie Regional Hospital. Henderson County Community Hospital is a 45-bed, community hospital located in Lexington, Tennessee. McKenzie Regional Hospital is a 45-bed, acute care hospital located in McKenzie, Tennessee.				
05/10/17	National Specialty Hospitals, Inc.	Surgery Partners, Inc. (NasdaqGS:SGRY)	\$760.0	n/a	n/a
Description:	Surgery Partners, Inc. (NasdaqGS:SGRY) entered into a definitive merger agreement to acquire National Specialty Hospitals, Inc., an owner and operator of a chain of surgical hospitals and ambulatory surgery centers. National Specialty Hospitals, Inc. was founded in 1998 and is based in Chicago, Illinois.				
05/10/17	Surgery Partners, Inc. (NasdaqGS:SGRY)	Bain Capital Private Equity, LP	\$2,787.1	2.4x	11.1x
Description:	Bain Capital, LP entered into a stock purchase agreement to acquire Surgery Partners, Inc. (NasdaqGS:SGRY), an operator of 150 acute care and surgical facilities in 29 states. Surgery Partners, Inc. was founded in 2004 and is headquartered in Nashville, Tennessee.				
05/04/17	St. Francis Health Center, Inc.	AHS Medical Holdings, LLC & University of Kansas Health System	n/a	n/a	n/a
Description:	Ardent Health Services and University of Kansas Health System agreed to acquire St. Francis Health Center, Inc., a 259-bed, not-for-profit hospital. St. Francis Health center, Inc. was founded in 1909 and is based in Topeka, Kansas.				
05/02/17	JFK Health System, Inc.	Hackensack Meridian Health	n/a	n/a	n/a
Description:	Hackensack Meridian Health, Inc. executed a letter of intent to acquire JFK Health System, Inc., a 498-bed, acute care hospital, inpatient and outpatient rehabilitation centers, and nursing and convalescent facility. JFK Health System, Inc. was founded in 1997 and is based in Edison, New Jersey.				
05/02/17	Memorial Satilla Health	HCA Healthcare, Inc. (NYSE:HCA)	n/a	n/a	n/a
Description:	HCA Holdings, Inc. (NYSE:HCA) acquired Memorial Satilla Health, a 231-bed, full service, acute care hospital. Memorial Satilla Health was founded in 1987 and is based in Waycross, Georgia.				

Date	Target	Buyer	Enterprise Value (\$ mm)	Enterprise Value / Revenue	Enterprise Value / EBITDA
05/01/17	Four Tenet Healthcare Hospitals (NYSE:THC)	HCA Holdings, Inc. (NYSE:HCA)	\$725.0	n/a	n/a
Description:	HCA Holdings, Inc. (NYSE:HCA) entered into a definitive agreement to acquire four hospitals from Tenet Healthcare Hospitals (NYSE:THC). Northwest Medical Center has 423 beds and is located in Houston, Texas. Park Plaza Hospital has 444 beds and is located in Houston, Texas. Cypress Fairbanks Medical Center Hospital has 181 beds and is located in Houston, Texas. Plaza Specialty Hospital is a 65-bed, long-term acute care hospital located in Houston, Texas.				
05/01/17	Mississippi Baptist Health Systems, Inc.	Baptist Memorial Health Care Corp.	n/a	n/a	n/a
Description:	Baptist Memorial Health Care Corp. signed a letter of intent to acquire Mississippi Baptist Health Systems, Inc., a 564-bed, Christian based, non-profit, comprehensive medical center. Mississippi Baptist Health Systems, Inc. was founded in 1911 and is based in Jackson, Mississippi.				
05/01/17	Jourdanton Hospital Corporation	Methodist Healthcare System of San Antonio, Ltd., LLP	n/a	n/a	n/a
Description:	Methodist Healthcare System of San Antonio, Ltd., LLP, completed the acquisition of assets of Jourdanton Hospital Corporation, a 67-bed, acute care hospital. Jourdanton Hospital Corporation was founded in 1963 and is located in San Antonio, Texas.				
05/01/17	Tomball Texas Hospital Company, LLC	HCA Healthcare, Inc. (NYSE:HCA)	n/a	n/a	n/a
Description:	HCA Healthcare, Inc. (NYSE:HCA) acquired the assets of Tomball Texas Hospital Company, LLC, a 350-bed, acute care hospital. Tomball Texas Hospital Company, LLC was founded in 1976 and is based in Tomball, Texas.				
04/19/17	The Memorial Hospital of Rhode Island	Prime Healthcare Services, Inc.	n/a	n/a	n/a
Description:	Prime Healthcare Services, Inc. signed a letter of intent to acquire The Memorial Hospital of Rhode Island, a 294-bed, community teaching hospital. The Memorial Hospital of Rhode Island was founded in 1901 and is based in Pawtucket, Rhode Island. SOLIC Capital Advisors, LLC acted as financial advisor to Care New England Health System of Providence, Rhode Island.				

Date	Target	Buyer	Enterprise Value (\$ mm)	Enterprise Value / Revenue	Enterprise Value / EBITDA
04/19/17	Memorial University Medical Center, Inc.	HCA Healthcare, Inc. (NYSE:HCA)	\$430.0	n/a	n/a
Description:	HCA Holdings, Inc. (NYSE:HCA) signed a letter of intent to acquire assets of Memorial University Medical Center, Inc., a 604-bed, academic & tertiary care hospital. Memorial University Medical Center, Inc. was founded in 1955 and is based in Savannah, Georgia.				
04/11/17	De Queen Medical Center	Undisclosed Buyer	\$4.0	n/a	n/a
Description:	An undisclosed buyer acquired De Queen Medical Center, a 122-bed, acute care hospital. DeQueen Medical center was founded in 1968 and is located in De Queen, Arkansas.				
04/06/17	New England Baptist Hospital, Inc.	Beth Israel Deaconess Medical Center, Inc. & Lahey Health System, Inc.	n/a	n/a	n/a
Description:	Beth Israel Deaconess Medical Center, Inc. and Lahey Health System, Inc. signed a letter of intent to acquire New England Baptist Hospital, Inc., a 118-bed, orthopedic, medical, and surgical care hospital. New England Baptist Hospital, Inc. was founded in 1893 and is based in Boston, Massachusetts.				
04/03/17	Walla Walla General Hospital	Providence Health & Services	n/a	n/a	n/a
Description:	Providence Health and Services agreed to acquire Walla Walla General Hospital, a 72-bed, acute care hospital. Walla Walla General Hospital was founded in 1899 and is located in Walla Walla, Washington. In July 2017, the hospital noted that it will close.				
04/03/17	Richland Memorial Hospital	The Carle Foundation	n/a	n/a	n/a
Description:	Richland Memorial Hospital will join The Carle Foundation. Richland Memorial Hospital is a 134-bed, not-for-profit hospital located in Olney, Illinois.				
04/03/17	Ministry St. Joseph's Hospital	Marshfield Clinic Health System	n/a	n/a	n/a
Description:	Marshfield Clinic Health System signed a definitive agreement to acquire Ministry St. Joseph's Hospital, a 220-bed, tertiary hospital. Ministry St. Joseph's Hospital was founded in 1890 and is located in Marshfield, Wisconsin.				

Date	Target	Buyer	Enterprise Value (\$ mm)	Enterprise Value / Revenue	Enterprise Value / EBITDA
Long-Term Care / Senior Living					
06/30/17	Kindred Healthcare SNF Portfolio (NYSE:KND)	BlueMountain Capital Management, LLC	\$700.0	n/a	n/a
Description:	BlueMountain Capital Management, LLC entered into an asset purchase agreement to acquire the skilled nursing facility business from Kindred Healthcare Operating, Inc. The skilled nursing portfolio includes 89 nursing centers with 11,308 licensed beds and seven assisted living facilities with 380 licensed beds.				
06/29/17	Oyster Creek Manor	Undisclosed Buyer	\$14.4	n/a	n/a
Description:	An undisclosed buyer acquired Oyster Creek Manor, a 54-unit, assisted living and 23-unit, memory care unit facility. Oyster Creek Manor is located in Missouri City, Texas.				
06/28/17	Nazareth Vista, LLC	Colonial Oaks Senior Living Holdco, LLC	\$25.8	n/a	n/a
Description:	Colonial Oaks Senior Living Holdco, LLC acquired Nazareth Vista, LLC, a 65-unit, independent living and assisted living community. Nazareth Vista, LLC was incorporated in 2012 and is based in Belmont, California.				
06/28/17	Nazareth Classic Care Community, LLC	Colonial Oaks Senior Living Holdco, LLC	\$8.0	n/a	n/a
Description:	Colonial Oaks Senior Living Holdco, LLC acquired Nazareth Classic Care Community, LLC, a 45-bed, memory care community. Nazareth Classic Care Community, LLC was incorporated in 2007 and is based in San Mateo, California.				
06/28/17	Nazareth Classic Care of Fairfield, LLC	Colonial Oaks Senior Living Holdco, LLC	\$7.5	n/a	n/a
Description:	Colonial Oaks Senior Living Holdco, LLC acquired Nazareth Classic Care of Fairfield, LLC, a memory care community. Nazareth Classic Care of Fairfield, LLC was incorporated in 2009 and is based in San Mateo, California.				
06/28/17	Nazareth Park Place, LLC	Colonial Oaks Senior Living Holdco, LLC	\$4.5	n/a	n/a
Description:	Colonial Oaks Senior Living Holdco, LLC acquired Nazareth Park Place, LLC, an assisted living facility. Nazareth Park Place, LLC was incorporated in 2008 and is based in San Mateo, California.				

Date	Target	Buyer	Enterprise Value (\$ mm)	Enterprise Value / Revenue	Enterprise Value / EBITDA
06/19/17	Hawthorn Retirement Group, LLC	Columbia Pacific Advisors, LLC	\$2,600.0	n/a	n/a
Description:	Columbia Pacific Advisors, LLC agreed to acquire Hawthorn Retirement Group, LLC, a provider of management and consulting services to retirement, personal care, assisted living, and memory care communities. Hawthorn Retirement Group, LLC was founded in 2000 and is based in Vancouver, Washington.				
06/15/17	The Villages at Palmerton	Care Investment Trust & Inspirit Senior Living, LLC	\$13.0	n/a	n/a
Description:	Care Investment Trust LLC and Inspirit Senior Living LLC acquired The Palmerton & The Willow, personal care and memory care facilities located in Fairfax, Virginia.				
06/15/17	Woodlake at Tolland Nursing & Rehabilitation Center	MedEquities Realty Trust (NYSE:MRT)	\$10.0	n/a	n/a
Description:	MedEquities Realty Trust, Inc. (NYSE:MRT) completed the acquisition of Woodlake at Tolland Nursing & Rehabilitation Center, a 130-bed, skilled nursing facility. Woodlake at Tolland Nursing & Rehabilitation Center is located in Tolland, Connecticut.				
06/14/17	Napa Skilled Nursing Center, LLC	Colonial Oaks Senior Living Holdco, LLC	\$6.3	n/a	n/a
Description:	Colonial Oaks Senior Living Holdco, LLC entered into asset purchase agreement to acquire Napa Skilled Nursing Center, LLC, a skilled nursing community. Napa Skilled Nursing Center, LLC was incorporated in 2008 and is based in San Mateo, California.				
06/14/17	Nazareth Rose Garden of Napa, LLC	Colonial Oaks Senior Living Holdco, LLC	\$4.8	n/a	n/a
Description:	Colonial Oaks Senior Living Holdco, LLC entered into asset purchase agreement to acquire Nazareth Rose Garden of Napa, LLC, an assisted living community. Nazareth Rose Garden of Napa, LLC was incorporated in 2008 and is based in San Mateo, California.				
06/14/17	Nazareth Agua Caliente Villa, LLC	Colonial Oaks Senior Living Holdco, LLC	\$3.1	n/a	n/a
Description:	Colonial Oaks Senior Living Holdco, LLC entered into an asset purchase agreement to acquire Nazareth Agua Caliente Villa, LLC, an assisted living community. Nazareth Agua Caliente Villa, LLC was incorporated in 2010 and is based in Sonoma, California.				

Date	Target	Buyer	Enterprise Value (\$ mm)	Enterprise Value / Revenue	Enterprise Value / EBITDA
06/06/17	Pointe North Gables	Hernandez Family Ventures	\$7.8	n/a	n/a
Description:	Hernandez Family Ventures acquired Pointe North Gables, a 94-unit, 34,232 square foot assisted living community. Pointe North Gables was built in 1966 and is located in West Miami, Florida.				
06/05/17	The Rio at Cabezon & The Rio at Fox Hollow	CareTrust REIT, Inc. (Nasdaq:CTRE)	\$27.3	10.9x	n/a
Description:	CareTrust REIT, Inc. (NasdaqGS:CTRE) acquired The Rio at Cabezon and The Rio at Fox Hollow. The Rio at Cabezon is a 136-bed, long term and transitional care facility located in Albuquerque, New Mexico. The Rio at Fox Hollow is a 126-bed, long term and transitional care facility located in Brownsville, Texas.				
05/18/17	Sanctuary at the Abbey	Advantage Living Centers	\$6.5	n/a	n/a
Description:	Advantage Living Centers acquired Sanctuary at the Abbey, a 144-bed, 51,120 square foot facility. Sanctuary at the Abbey was built in 1962 and is located in Warren, Michigan.				
05/08/17	Care Capital Properties, Inc. (NYSE:CCP)	Sabra Health Care REIT, Inc. (Nasdaq:SBRA)	\$4,076.2	12.1x	13.2x
Description:	Sabra Health Care REIT, Inc. (NasdaqGS:SBRA) entered into a definitive agreement to acquire Care Capital Properties, Inc. (NYSE:CCP), a real estate investment trust focusing on post-acute facilities. Care Capital Properties, Inc. was incorporated in 2015 and is based in Chicago, Illinois.				
05/04/17	Sentio Healthcare Properties, Inc.	Kayne Anderson Real Estate Advisors	\$825.0	n/a	n/a
Description:	Kayne Anderson Real Estate Advisors signed a definitive merger agreement to acquire Sentio Healthcare Properties, Inc., a real estate investment trust with a portfolio of 34 senior housing properties in 16 states.				
05/04/17	Meadowood Retirement Village, LLC & Meadowood Properties, LLC	AdCare Health Systems, Inc. (NYSE:ADK)	\$5.5	n/a	n/a
Description:	AdCare Health Systems, Inc. (AMEX:ADK) completed the acquisition of Meadowood Retirement Village, LLC and Meadowood Properties, LLC, a 106-bed, assisted living facility. Meadowood Retirement Village, LLC is located in Glencoe, Alabama.				
04/27/17	26 Senior Living Communities	The Blackstone Group	\$750.0	n/a	n/a
Description:	Blackstone Group (NYSE:BX) acquired 26 senior living communities with a total of 3,400 units.				

Date	Target	Buyer	Enterprise Value (\$ mm)	Enterprise Value / Revenue	Enterprise Value / EBITDA
04/11/17	Maple Winds Care Center & Autumns View	Undisclosed Buyer	\$5.2	n/a	n/a
Description:	An undisclosed buyer has acquired Maple Winds Care Center, a 50-bed, skilled nursing and long term care community, and Autumns View, a 22-bed, personal care and assisted living community. Both properties are located in Portage, Pennsylvania.				
04/06/17	The Bridge at Bay St. Joe	O&M Investments, LLC	\$6.1	n/a	n/a
Description:	O&M Investments, LLC acquired The Bridge at Bay St. Joe, a 120-bed, skilled nursing facility located in Port Saint Joe, Florida.				

Managed Care

06/13/17	Virginia Health Network, Inc.	MedCost, LLC	n/a	n/a	n/a
Description:	MedCost, LLC acquired Virginia Health Network, Inc., a preferred provider organization that organizes, manages and leases networks of health care providers. Virginia Health Network, Inc. was founded in 1988 and is based in Richmond, Virginia.				
05/01/17	Evergreen Health, Inc.	LifeBridge Health, Inc. & Anne Arundel Health System, Inc.	n/a	n/a	n/a
Description:	LifeBridge Health, Inc. and other investors signed a stock purchase agreement to acquire Evergreen Health, Inc., a provider of vision, dental, behavioral, and other health plans. Evergreen Health, Inc. was incorporated in 2011 and is based in Baltimore, Maryland.				
04/11/17	Physicians Plus Insurance Corporation	Unity Health Plans Insurance Corporation	n/a	n/a	n/a
Description:	Unity Health Plans Insurance Corporation signed a letter of intent to acquire Physicians Plus Insurance Corporation, a provider of health insurance products and services to members in Madison and south central Wisconsin. Physicians Plus Insurance Corporation was founded in 1986 and is based in Madison, Wisconsin.				

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Valuation Metrics by Sector



Ticker	Company Name	Stock Price	% of 52 Week High	Market Cap (\$mm)	Enterprise Value (\$mm)	Enterprise Value to:		P/E
						LTM Revenue	LTM EBITDA	
Alternate Site ^[1]								
AMED	Amedisys, Inc.	\$62.81	95.3%	\$2,118.5	\$2,163.5	1.5x	21.4x	46.5x
DVA	DaVita Inc.	64.76	82.2%	12,602.3	21,086.4	1.4x	8.5x	10.6x
EVHC	Envision Healthcare Corporation	62.67	77.0%	7,275.0	13,722.5	2.8x	14.7x	NM
DB:FME	Fresenius Medical Care AG & Co. KGAA	69.14	68.0%	29,538.7	39,460.1	1.9x	10.3x	20.6x
Mean						1.9x	11.9x	15.6x

Diagnostic Services ^[2]								
Ticker	Company Name	Stock Price	% of 52 Week High	Market Cap (\$mm)	Enterprise Value (\$mm)	LTM Revenue	LTM EBITDA	P/E
AIQ	Alliance Healthcare Services, Inc.	\$13.30	97.8%	\$144.1	\$795.7	1.6x	6.2x	151.6x
LH	Laboratory Corporation of America Holdings	154.14	99.6%	15,768.5	21,339.6	2.2x	11.5x	21.2x
DGX	Quest Diagnostics Incorporated	111.16	99.4%	15,209.5	18,772.5	2.5x	12.9x	22.4x
RDNT	RadNet, Inc.	7.75	97.1%	365.9	996.9	1.1x	8.2x	50.3x
Mean						1.8x	9.7x	31.3x

[1] AMED has been excluded from mean PE multiple calculation.

[2] AIQ has been excluded from mean PE multiple calculation.

Ticker	Company Name	Stock Price	% of 52 Week High	Market Cap (\$mm)	Enterprise Value (\$mm)	Enterprise Value to:		P/E
						LTM Revenue	LTM EBITDA	
Healthcare Distributors ^[3]								
ABC	AmerisourceBergen Corporation	\$94.53	96.6%	\$20,641.6	\$22,692.6	0.2x	9.7x	18.3x
CAH	Cardinal Health, Inc.	77.92	91.1%	24,613.4	28,842.4	0.2x	9.3x	18.6x
HSIC	Henry Schein, Inc.	183.02	97.9%	14,518.9	16,582.3	1.4x	16.2x	27.8x
MCK	McKesson Corporation	164.54	82.5%	34,793.0	42,060.0	0.2x	9.6x	7.1x
OMI	Owens & Minor, Inc.	32.19	84.1%	1,970.1	2,407.1	0.3x	9.5x	19.1x
SRCL	Stericycle, Inc.	76.32	70.8%	6,507.7	9,335.3	2.6x	11.7x	39.8x
TMO	Thermo Fisher Scientific Inc.	174.47	98.6%	68,256.1	84,729.4	4.5x	18.1x	31.8x
Mean						0.8x	12.0x	23.2x

Healthcare Equipment & Supplies ^[4]								
Ticker	Company Name	Stock Price	% of 52 Week High	Market Cap (\$mm)	Enterprise Value (\$mm)	LTM Revenue	LTM EBITDA	P/E
ABT	Abbott Laboratories	\$48.61	98.0%	\$84,351.5	\$99,742.5	4.5x	20.9x	54.6x
BAX	Baxter International Inc.	60.54	98.4%	32,913.7	32,831.7	3.2x	15.4x	18.0x
BDX	Becton, Dickinson and Company	195.11	99.2%	44,358.7	54,105.7	4.4x	16.9x	32.4x
BEAT	BioTelemetry, Inc.	33.45	98.4%	958.5	958.5	4.7x	24.7x	20.9x
BSX	Boston Scientific Corporation	27.72	97.2%	37,959.8	43,317.8	5.0x	19.6x	89.0x
JNJ	Johnson & Johnson	132.29	96.6%	356,366.8	349,730.8	4.8x	13.9x	22.2x
MDT	Medtronic plc	88.75	98.9%	120,613.6	140,479.6	4.7x	15.2x	30.7x
SIE	Siemens Aktiengesellschaft	120.74	90.5%	97,593.1	116,904.1	1.4x	11.2x	17.2x
Mean						4.1x	17.2x	23.6x

[3] TMO has been excluded from mean Revenue multiple calculation.

[4] ABT and BSX have been excluded from mean PE multiple calculation.

Ticker	Company Name	Stock Price	% of 52 Week High	Market Cap (\$mm)	Enterprise Value (\$mm)	Enterprise Value to:		P/E
						LTM Revenue	LTM EBITDA	
Healthcare IT^[5]								
MDRX	Allscripts Healthcare Solutions, Inc.	\$12.76	84.1%	\$2,315.5	\$3,978.9	2.5x	26.7x	NM
ATHN	athenahealth, Inc.	140.55	94.0%	5,598.7	5,784.4	5.2x	51.5x	276.7x
CERN	Cerner Corporation	66.47	95.9%	21,963.6	21,981.9	4.6x	16.3x	34.3x
CPSI	Computer Programs and Systems, Inc.	32.80	78.1%	444.0	588.4	2.2x	20.8x	75.7x
HMSY	HMS Holdings Corp.	18.50	77.1%	1,552.3	1,581.8	3.3x	17.4x	46.3x
OMCL	Omniceil, Inc.	43.10	96.6%	1,601.8	1,769.9	2.6x	40.3x	NM
QSII	Quality Systems, Inc.	17.21	98.1%	1,079.0	1,057.4	2.1x	18.0x	59.3x
WBMD	WebMD Health Corp.	58.65	90.2%	2,127.8	2,139.1	3.1x	11.8x	30.6x
Mean						3.2x	18.5x	49.2x

Hospital Providers								
CYH	Community Health Systems, Inc.	\$9.96	73.3%	\$1,112.7	\$16,814.7	0.9x	8.7x	NM
HCA	HCA Healthcare, Inc.	87.20	95.8%	31,994.1	64,373.1	1.5x	7.8x	11.8x
LPNT	LifePoint Health, Inc.	67.15	94.6%	2,710.6	5,659.9	0.9x	7.7x	17.7x
THC	Tenet Healthcare Corp.	19.34	60.7%	1,944.3	19,684.3	1.0x	8.5x	NM
UHS	Universal Health Services, Inc.	122.08	88.0%	11,804.1	15,713.9	1.6x	9.2x	16.7x
Mean						1.2x	8.4x	15.4x

[5] ATHN & OMCL have been excluded from mean EBITDA multiple calculation. ATHN has been excluded from mean PE multiple calculation.

Ticker	Company Name	Stock Price	% of 52 Week High	Market Cap (\$mm)	Enterprise Value (\$mm)	Enterprise Value to:		P/E
						LTM Revenue	LTM EBITDA	
Long-Term Care / Senior Living								
BKD	Brookdale Senior Living Inc.	\$14.71	79.0%	\$2,739.0	\$7,846.7	1.9x	9.7x	14.7x
CSU	Capital Senior Living Corporation	15.21	76.4%	440.5	1,441.6	3.2x	18.7x	19.4x
DVCR	Diversicare Healthcare Services, Inc.	9.30	72.5%	60.1	139.5	0.3x	6.2x	13.6x
ENSG	The Ensign Group, Inc.	21.77	93.9%	1,103.8	1,333.6	0.8x	11.1x	26.3x
GEN	Genesis Healthcare, Inc.	1.74	36.6%	161.4	4,871.8	0.9x	9.6x	NM
KND	Kindred Healthcare, Inc.	11.65	92.8%	997.6	4,359.0	0.6x	8.4x	NM
Mean						1.3x	10.6x	18.5x

Managed Care^[6]								
AET	Aetna Inc.	\$151.83	97.9%	\$50,362.0	\$55,985.0	0.9x	9.8x	46.3x
ANTM	Anthem, Inc.	188.13	96.5%	49,851.9	61,455.6	0.7x	10.2x	18.2x
CNC	Centene Corporation	79.88	93.1%	13,761.7	13,793.7	0.3x	6.5x	19.8x
CI	Cigna Corporation	167.39	96.6%	42,854.3	43,521.3	1.1x	11.1x	22.3x
ESRX	Express Scripts Holding Company	63.84	79.8%	37,890.8	50,261.5	0.5x	7.0x	11.6x
HUM	Humana Inc.	240.62	99.4%	34,725.1	31,728.1	0.6x	14.0x	24.5x
UNH	UnitedHealth Group Incorporated	185.42	98.3%	178,682.1	200,200.1	1.1x	13.4x	23.7x
Mean						0.7x	10.3x	20.0x

OVERALL HEALTHCARE SECTOR			
Mean	1.9x	12.3x	24.6x

[6] AET has been excluded from mean PE multiple calculation.



NOTES

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.

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