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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 part of the SOLIC platform that includes: financial advisory, principal investing, and asset management services.

April, 2014

Merger and acquisition volume in the healthcare industry totaled 232 transactions for Q1 2014 across 13 sectors. The combined spending on these deals stands at \$49.6 billion. Compared with the first quarter of 2013, the number of deals rose by 9%, and the spending volume exceeds the Q1 2013 spending total by 217%, according to preliminary figures from Irving Levin Associates, Inc. Excluding the \$25 billion bid by Actavis plc (NYSE: ACT) for Forest Laboratories (NYSE: FRX) announced in February, the Q1 2014 deal volume total would be \$24.6 billion, a still robust 54% increase compared with Q1 2013.

Notably during Q1 2014, Community Health Systems (NYSE: CYH) finally closed its \$7.6 billion acquisition of Health Management Associates (NYSE: HMA) in January, after it agreed to divest hospitals in two states to satisfy antitrust concerns. When the deal closed, Community Health Systems became the largest hospital chain in the country (by hospital count) with over 270 hospitals.

The healthcare M&A market in 2014 is projected to accelerate as strategic acquirers become increasingly aggressive in a pursuit of new sources of growth and active capital markets appear to be welcoming a new wave of high growth companies. Corporate buyers and industry-focused private equity firms are actively pursuing both platform and accretive acquisitions as evidenced by strategic transactions and private equity portfolio exits, such as the \$4.4 billion sale of Multiplan, Inc. by private equity sponsors Silver Lake and BC Partners to Starr Investment Holdings and Partners Group.

At the sector level, healthcare IT M&A transactions, in particular, are projected to be active in 2014 with the pending implementation of ICD-10, a next-generation coding system. Ultimately, failure to comply could cause missed payments for healthcare providers. With revenue on the line, the companies that serve this area are getting more attention from strategic and private equity buyers. Complying with the Meaningful Use Stage 2 regulations, which require more extensive data-sharing, will also contribute to increased transactions given the deadline on the horizon in a few years.

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



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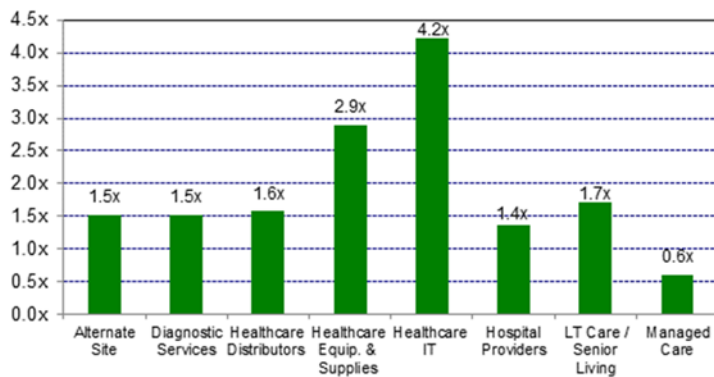
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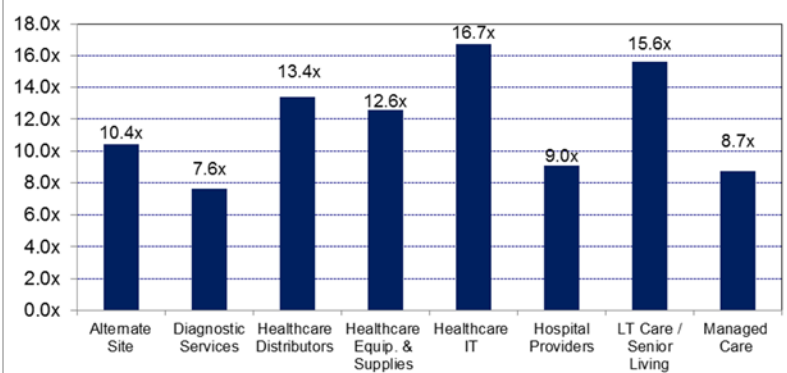
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Healthcare Services: Market Overview

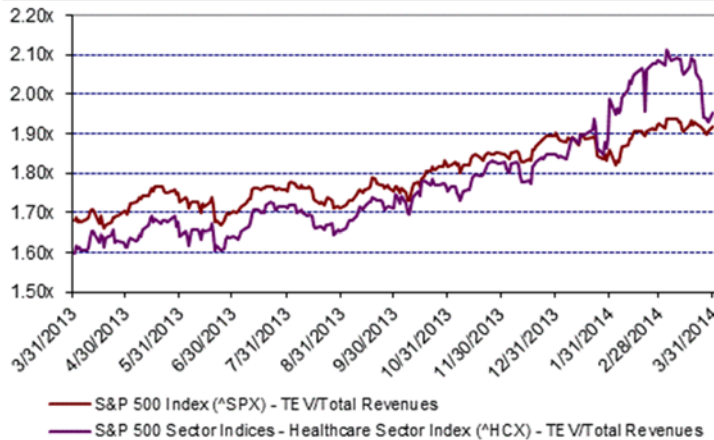
Enterprise Value to Revenue



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
3/12/2014	<p>According to a Moody's report, the "Two-Midnight Rule" will reduce revenue for most hospitals. Effective October 2013, acute care hospitals classify most hospital visits under 48 hours as outpatient cases. Previously, inpatient status was largely determined by medical necessity. It is expected that the rule change will weaken hospital operating profitability in calendar year 2014 because it will lower Medicare reimbursement for such cases. Key observations include: i) reimbursement difference between inpatient and outpatient cases, as the rule could cause revenue reduction averaging \$3,000 to \$4,000 per case; ii) hospitals with short lengths of stay and less complex cases, such as smaller community hospitals, will be most affected; iii) profitability will suffer as the high fixed costs of inpatient care are spread over a smaller base of inpatients; iv) many small hospitals lack adequate staff to adapt to the new rule; and v) the rule could reduce recovery auditor contractor (RAC) reviews of hospital admissions practices, offering some financial relief.</p>
2/20/2014	<p>In February, the White House announced a further delay of the employer mandate provision of the Patient Protection and Affordable Care Act (ACA) for medium-size employers. The deferment of the employer mandate is a credit negative for not-for-profit hospitals because it postpones increased coverage of previously uninsured patients and a subsequent reduction of hospitals' bad debt and charity care – the primary benefit of the ACA. The employer mandate is vital to hospitals because it offsets the costs of the ACA, which include agreed-upon cuts to Medicare Disproportionate Share monies (DSH) and existing rate cuts that are hardwired in the annual Medicare updates. According to CMS, hospitals are facing more than \$300 billion in reductions to Medicare payments through 2019 as a result of healthcare reform. This loss of revenue is meant to be balanced by the reduction in uninsured patients. The delay in the employer mandate causes a timing mismatch between the benefit of fewer uninsured patients and the negative impact hospitals face related to reduced payment updates and cuts to Medicare and Medicaid DSH.</p>
2/12/2014	<p>Moody's outlook for U.S. for-profit hospitals changed to positive from stable. The change reflects the following: i) the expectation that aggregate same-facility EBITDA growth will approach 7% over the next 12 to 18 months; ii) the ACA will lower for-profit hospitals' bad debt expense as the uninsured population declines due to the expansion of coverage ACA; iii) prior-year comparisons will improve given the significant decline in performance by some for-profit hospitals, especially with respect to volumes, in 2013, and the anniversary of the 2% cut in Medicare reimbursement from sequestration in April 2014; and iv) the large recent combinations of for-profit hospital operators (in January 2014, Community Health Systems Inc. completed the acquisition of Health Management Associates, while Tenet Healthcare Corp. completed its acquisition of Vanguard Health Systems in October 2013) will modestly benefit aggregate EBITDA growth in 2014.</p>
1/14/2014	<p>Academic Medical Center (AMC) hospitals typically have stronger credit profiles than community and other teaching hospitals, according to a recent Moody's report. Their tripartite missions of clinical, research and teaching activity, as well as their strategic partnerships with top research universities, provide AMC hospitals with distinct credit strengths that differentiate them from other not-for-profit (NFP) hospitals. Further, AMC hospitals that are owned by universities often receive tangible and intangible benefits from their parent universities. Despite these strengths, AMC hospitals are not immune to the credit risks facing the healthcare industry and some of their financial metrics are weaker than those of the entire NFP hospital sector. Positive credit factors that distinguish AMC hospitals from other NFP hospitals include strategic and financial ties to prestigious research universities with top tier medical schools; and growing restricted investments and endowments. Negative credit factors challenging AMC hospitals include weaker operating cash flow margins, as the research and education lines of business often require financial subsidy, negative pressure on graduate medical education funding and federally sponsored research; a challenging payor mix, with a high median Medicaid exposure (18% for adult AMC hospitals compared to a median 13% for all NFP hospitals in FY 2012); and ongoing financial support of associated medical schools with annual transfers facing upward pressure as universities address their own slowed revenue growth.</p>
1/07/2014	<p>According to a recent Moody's report, two key provisions of the ACA will have significant implications for health insurers: i) the beginning of coverage for individuals obtaining insurance through the healthcare exchanges, and ii) an \$8 billion industry assessment. Regarding the insurance exchanges, it will be important to get a read on not only the number enrolled at the end of the open enrollment period in March, but also their demographics. An older, less healthy population would imply not only higher medical costs and downward earnings pressure in 2014, but also upward pressure for premiums in 2015. Neither outcome bodes well for a vibrant exchange going forward. Both WellPoint Inc. and Health Net Inc., having participated fairly aggressively on the exchanges, are more exposed to a potential adverse earnings development.</p>

Healthcare Services: Selected M&A Transactions

Alternate Site					
Transaction Date	Target	Buyer	Enterprise Value (\$ in millions)	Enterprise Value / Revenue	Enterprise Value / EBITDA
3/11/2014	Three Primary Care Clinics	Apollo Medical Holdings, Inc. (OTCPK:AMEH)	\$-	-	-
Apollo Medical Holdings, Inc. completed the acquisition of three primary care clinics which provide primary care, pediatric services, lab, and imaging services in Los Angeles. Terms of the transaction were not disclosed.					
3/4/2014	Piedmont Neonatology, P.C.	MEDNAX, Inc. (NYSE:MD)	\$-	-	-
MEDNAX, Inc. completed the acquisition of North Carolina-based Piedmont Neonatology, PC. Terms of the transaction were not disclosed. Piedmont Neonatology consists of six neonatologists who provide a wide spectrum of services including neonatal intensive care; delivery room; and maternal, newborn nursery and emergency department consults at Cone Health Women's Hospital in Greensboro, North Carolina.					
2/13/2014	LCA-Vision, Inc. (NasdaqGS:LCAV)	PhotoMedex, Inc. (NasdaqGS:PHMD)	\$106	0.8x	-
PhotoMedex, Inc. entered into a definitive agreement to acquire LCA-Vision Inc. LCA-Vision operates 52 LasikPlus laser vision correction centers and 10 pre- and post-operative satellite centers.					
2/11/2014	nSequence Center for Advanced Dentistry	National Dentex Corporation	\$-	-	-
National Dentex Corporation, an operator of dental laboratories that serve 40,000 dental clinicians with a full range of custom-made dental prosthetic appliances, acquired nSequence Center for Advanced Dentistry, a full service digital and conventional dental laboratory that specializes in CT-guided surgery and prosthetics. National Dentex benefits from the addition of broad surgical and prosthetic guidance capability, and also a proprietary surgery planning system that has been cleared by the Food and Drug Administration.					

Diagnostic Services

Transaction Date	Target	Buyer	Enterprise Value (\$ in millions)	Enterprise Value / Revenue	Enterprise Value / EBITDA
3/11/2014	Summit Health	Quest Diagnostics (NYSE: DGX)	\$-	-	-
<p>Quest Diagnostics entered into a definitive purchase agreement to acquire Summit Health. Terms of the transaction were not disclosed. Summit Health is a leading provider of on-site prevention and wellness programs primarily for employers. Summit Health's services complement the health and wellness business of Quest Diagnostics, which includes the company's Blueprint for Wellness® health assessment services for employers and individuals.</p>					
3/7/2014	Skiff Medical Center, Laboratory Business	Health Enterprises Medical Laboratory, LLC	\$-	-	-
<p>Health Enterprises Medical Laboratory, LLC completed the acquisition of the laboratory business of Skiff Medical Center. Iowa-based Skiff Medical Center provides diagnostic information and test results for health screening and monitoring purposes. Terms of the transaction were not disclosed.</p>					
1/28/2014	Laboratory Partners Inc., Talon Division	Laboratory Corp. of America Holdings (NYSE:LH)	\$11	-	-
<p>Laboratory Corp. of America Holdings completed the acquisition of the Talon Division from Laboratory Partners, Inc. Laboratory Partners, Inc. provides medical laboratory services for the long term care industry and independent physician practices. The company offers clinical laboratory and chart auditing services; physician services that include specimen collection and resulting; and lab testing services.</p>					
1/22/2014	Solstas Lab Partners Group	Quest Diagnostics (NYSE: DGX)	\$570	-	-
<p>Quest Diagnostics completed the acquisition of Solstas Lab Partners Group, LLC from Welsh, Carson, Anderson & Stowe. Solstas Lab Partners is a full-service commercial lab company. It operates in nine southeastern states and will bolster Quest's presence in that part of the country.</p>					
1/16/2014	Ortho-Clinical Diagnostics, Inc.	Carlyle Group LP (NasdaqGS:CG)	\$4,150	2.2x	-
<p>The Carlyle Group LP entered into a binding offer to acquire Johnson & Johnson's Ortho-Clinical Diagnostics business, a global provider of solutions for screening, diagnosing, monitoring and confirming diseases. The Carlyle Group expects to benefit from the demand for sophisticated medical diagnostic products and services worldwide.</p>					

Healthcare Distributors

Transaction Date	Target	Buyer	Enterprise Value (\$ in millions)	Enterprise Value / Revenue	Enterprise Value / EBITDA
3/17/2014	Town and Country Medical, Inc.	Therapy Support, Inc.	\$-	-	-
Therapy Support, Inc. completed the acquisition of Town & Country Medical, Inc., a provider of durable medical equipment and consulting services to hospice and long term care facilities. Terms of the transaction were not disclosed.					

2/19/2014	Reliable Medical, Inc.	Dynamic Healthcare Services, Inc.	\$-	-	-
Dynamic Healthcare Services, Inc. completed the acquisition of Reliable Home Medical Equipment, Inc., a supplier of medical equipment to residents in New Jersey. Terms of the transaction were not disclosed.					

1/31/2014	Professional Hospital Supply, Inc.	Medline Industries, Inc.	\$-	-	-
Medline Industries, Inc. completed the acquisition of Professional Hospital Supply, Inc. Professional Hospital Supply, Inc. offers bulk and just-in-time stockless delivery programs, as well as custom procedure trays and integrated packaging systems. Terms of the transaction were not disclosed.					

Healthcare Equipment & Supplies

Transaction Date	Target	Buyer	Enterprise Value (\$ in millions)	Enterprise Value / Revenue	Enterprise Value / EBITDA
3/14/2014	Telerhythmics, LLC	Digirad Imaging Solutions, Inc.	\$3	0.7x	-
Digirad Imaging Solutions, Inc. completed the acquisition of membership interests of Telerythmics, LLC. Telerhythmics provides 24-hour cardiac event monitoring on an outsourced basis to hospitals and physicians' offices. Digirad makes and markets solid-state digital gamma ray cameras to healthcare providers.					

2/18/2014	Berchtold GmbH & Co. KG	Stryker Corporation (NYSE:SYK)	\$172	1.4x	-
Stryker Corporation entered into a definitive agreement to acquire Berchtold. With facilities in Germany and the U.S., Berchtold sells surgical infrastructure equipment such as surgical tables, equipment booms and lighting systems for operating rooms and ICUs. The acquisition is expected to be neutral to Stryker's 2014 earnings per share.					

Healthcare Equipment & Supplies (cont.)

Transaction Date	Target	Buyer	Enterprise Value (\$ in millions)	Enterprise Value / Revenue	Enterprise Value / EBITDA
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2/3/2014	Lake Region Medical, Inc.	Accellent, Inc.	\$315	-	-
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Accellent, Inc. completed the acquisition of a majority stake in Lake Region Medical, Inc., a developer and manufacturer of medical devices and components.

2/3/2014	ArthroCare Corp. (NasdaqGS:ARTC)	Smith & Nephew, Inc.	\$1,700	4.0x	17.8x
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Smith & Nephew, Inc. entered into a definitive agreement to acquire ArthroCare Corporation. ArthroCare develops and manufactures surgical devices, instruments and implants. Sports medicine and ear, nose and throat are its two core product areas, and it has a small presence in the areas of spine, gynecology, urology and wound care.

1/30/2014	Solana Surgical, LLC	Wright Medical Group Inc. (NasdaqGS:WMGI)	\$90	-	-
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Wright Medical Group, Inc. acquired Solana Surgical, a global orthopedic company and a leader in sterile, disposable instrument kits. The acquisition leverages Wright's own foot and ankle product lines and accelerates growth opportunities for its direct sales force.

1/30/2014	OrthoPro, LLC	Wright Medical Group Inc. (NasdaqGS:WMGI).	\$36	-	-
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Wright Medical Group, Inc. acquired OrthoPro, a provider of innovative foot and ankle products. This acquisition increases Wright's focus on the surgical podiatry market.

1/6/2014	TYRX, Inc.	Medtronic, Inc. (NYSE:MDT)	\$160	-	-
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Medtronic, Inc. completed the acquisition of TYRX, Inc. TYRX designs, develops, manufactures, and commercializes implantable combination drug/device products focused on infection control for patients.

Healthcare IT

Transaction Date	Target	Buyer	Enterprise Value (\$ in millions)	Enterprise Value / Revenue	Enterprise Value / EBITDA
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3/3/2014	Transition Assist, LLC	Mercer, LLC	\$-	-	-
<p>Mercer entered into a definitive agreement to acquire Transition Assist, a subsidiary of Marsh & McLennan Companies (NYSE: MMC), for an undisclosed price. Transition Assist is a health information exchange that specializes in helping retirees in employer-sponsored plans select Medicare supplemental health insurance. It will become part of the full suite of Mercer Marketplace solutions and gives Mercer access to individual retirees who are not eligible for an employer-sponsored plan.</p>					

2/24/2014	PeopleLYNK	Greenway Medical Technologies, Inc.	\$-	-	-
<p>Greenway Medical Technologies, Inc. completed the acquisition of PeopleLYNK, a provider of patient engagement solutions for healthcare providers to work with patients via text messages, email or voice calls. This transaction is a natural fit with Greenway's PrimeSUITE integrated practice management and EHR business, as it automates patient interactions such as reminders, lab results, prescription notifications, and clinical alerts. Financial terms of the transaction were not disclosed.</p>					

2/19/2014	Audax Health Solutions, Inc.	Optum	\$-	-	-
<p>Optum, part of the UnitedHealth Group (NYSE: UNH), completed the acquisition of majority stake in Audax Health Solutions Inc. Financial terms of the transaction were not disclosed, but industry speculation is estimating an amount between \$100 million and more than \$400 million. Audax offers clinical and plan-based benefit management information solutions and owns and operates a healthcare community through its platform, Careverge.</p>					

1/9/2014	HealthTronics, Inc.	Altaris Capital Partners, LLC	\$140	-	-
<p>Altaris Capital Partners, LLC completed the acquisition of HealthTronics, Inc. HealthTronics is a specialty healthcare company that provides urological products and services, including advanced health record systems, billing and revenue management services.</p>					

Hospital Providers

Transaction Date	Target	Buyer	Enterprise Value (\$ in millions)	Enterprise Value / Revenue	Enterprise Value / EBITDA
3/28/2014	Community Medical Center, Inc.	Billings Clinic; RegionalCare Hospital Partners, Inc.	\$-	-	-
<p>Billings Clinic and RegionalCare Hospital Partners, Inc. agreed to acquire the Community Medical Center located in Montana. The parties have spent more than a year working to form a partnership. Under the merger, multiyear commitments are in place to maintain charity care, current services and the physician residency program. As a part of the transaction, Community Medical Center will become a for-profit hospital. Financial terms were not disclosed.</p>					
3/20/2014	Botsford Health Care	Beaumont Health System, Oakwood Healthcare, Inc.	\$-	-	-
<p>The proposed merger of Beaumont Health System, Oakwood Healthcare Inc. and Botsford Health Care could give the new \$3.8 billion health corporation more affordable access to capital. If a Beaumont-Oakwood-Botsford deal closes, the new system would control eight hospitals, 3,015 beds and about 30% of Southeast Michigan's inpatient days. The new company would employ 25,500 workers, and the systems have more than 5,000 physicians on its hospital medical staffs.</p>					
3/19/2014	Cypress Pointe Surgical Hospital	Carter Validus Mission Critical REIT, Inc.	\$25	-	-
<p>Carter Validus Mission Critical REIT, Inc. completed the acquisition of Louisiana-based Cypress Pointe Surgical Hospital, a 30-bed surgical specialty hospital facility. The facility includes six ICU rooms, six fully digital operating rooms, two procedure rooms, open design MRI, a diagnostic lab, and a full service pharmacy.</p>					
3/17/2014	St. Anthony's Health System	OSF Healthcare System	\$-	-	-
<p>OSF Healthcare System signed a letter of intent to acquire St. Anthony's Health System, one of the largest integrated healthcare systems in Illinois. The affiliation with OSF would give Saint Anthony's and the surrounding communities access to enhanced high-quality healthcare close to home. Terms of the transaction were not disclosed.</p>					
3/14/2014	Conemaugh Health System, Inc.	DLP Healthcare, LLC	\$-	-	-
<p>DLP Healthcare, LLC signed a letter of intent to acquire Conemaugh Health System, Inc. in Johnstown, Pennsylvania giving the system its first presence in Pennsylvania. Duke LifePoint, a joint venture between nonprofit Duke University Health System in Durham, N.C., and for-profit LifePoint Hospitals in Brentwood, would contribute more than \$500 million into Conemaugh during the next decade as part of the deal. The acquisition would include all three of Conemaugh's hospitals, as well as its outpatient centers and physician practices. Financial terms of the deal were not disclosed.</p>					
3/13/2014	CDH-Delnor Health System, Inc.	Northwestern Memorial Healthcare (NMHC)	\$-	-	-
<p>NMHC signed a letter of intent to acquire Illinois-based CDH-Delnor Health System, Inc. doing business as Cadence Health. The new health system will operate under the Northwestern Medicine brand name and its governance will include equal representation from Cadence Health and NMHC. Terms of the transaction were not disclosed.</p>					

Hospital Providers (cont.)

Transaction Date	Target	Buyer	Enterprise Value (\$ in millions)	Enterprise Value / Revenue	Enterprise Value / EBITDA
3/6/2014	Yale-New Haven Hospital, Inc.	Tenet Healthcare Corp. (NYSE:THC)	\$-	-	-
<p>Tenet created a strategic alliance with Yale New Haven Health System located in Connecticut in a bid to gain scale in the greater Northeast. Under terms of the deal, Dallas-based Tenet and Yale New Haven would remain independent, but would forge new partnerships together. Core goals of the partnership will include enhanced care coordination in the region, clinical integration with local physician groups and the establishment of value-based contracts with payers and employers. Financial terms of the deal were not disclosed.</p>					
3/6/2014	St. Elizabeth Medical Center	Faxton St. Luke's Healthcare	\$-	-	-
<p>Faxton St. Luke's Healthcare and St. Elizabeth Medical Center, both based in Utica, New York, announced their affiliation and the formation of Mohawk Valley Health System. Financial terms of the deal were not disclosed. Mohawk Valley, the new parent organization for Faxton St. Luke's and St. Elizabeth, will be governed by an 18-member board of directors, with equal representation from the Faxton St. Luke's and St. Elizabeth boards.</p>					
3/6/2014	Williamson Memorial Hospital	Appalachian Regional Healthcare	\$-	-	-
<p>Lexington, Kentucky-based Appalachian Regional Healthcare (ARH) resubmitted a certificate of need application to acquire Williamson Memorial Hospital located in West Virginia. ARH initially agreed to buy 76-bed Williamson Memorial from for-profit, Naples, Florida-based Health Management Associates in October for \$15 million. In November, ARH officials said they planned to close Williamson Memorial once the acquisition was complete, which was expected to occur in February. However, ARH withdrew the initial CON application to allow extra time for a company to transform Williamson Memorial from an acute-care hospital into a behavioral health facility. In addition, ARH has now been working to close the deal with Franklin, Tennessee-based Community Health Systems, which acquired Health Management earlier this year. A new purchase price has been set at \$8 million.</p>					
3/4/2014	Wild Rose Community Memorial Hospital	ThedaCare, Inc.	\$-	-	-
<p>Wisconsin-based Wild Rose Community Memorial Hospital and Wisconsin-based ThedaCare signed a letter of intent to affiliate. ThedaCare will install its Epic electronic health record system in Wild Rose Community and its four physician clinics. In addition, ThedaCare and the hospital will work together to reduce duplicative care, streamline care access to patients, collaborate on quality improvement projects. Financial details were not disclosed.</p>					
3/4/2014	Lower Oconee Community Hospital	Charlton Healthcare Corp (CHC)	\$-	-	-
<p>Less than one month after shutting its doors due to low volumes and rising expenses, Lower Oconee Community Hospital in Glenwood, Georgia reopened under new management. CHC bought the 25-bed critical access hospital. Terms of the deal were not disclosed.</p>					

Hospital Providers (cont.)

Transaction Date	Target	Buyer	Enterprise Value (\$ in millions)	Enterprise Value / Revenue	Enterprise Value / EBITDA
3/4/2014	Grandview Medical Center	TriStar Health System, Inc.	\$-	-	-
Brentwood Tennessee -based TriStar Health - a division of Nashville, Tennessee-based HCA (NYSE: HCA) - completed its acquisition of Grandview Medical Center in Jasper, Tennessee, from Capella Healthcare. Terms of the agreement were not disclosed. The 70-bed Grandview is now part of TriStar's Parkridge Health System in Chattanooga, Tennessee. With the acquisition completed, Parkridge includes five facilities in the Chattanooga market.					
3/3/2014	Wilson Medical Center	DLP Healthcare, LLC	\$-	-	-
DLP Healthcare and Wilson Medical Center located in North Carolina have finalized their joint venture. Under the agreement, DLP owns 80% of the 294-bed hospital, and Wilson Medical Center and the community own 20%. Additionally, a minimum of \$120 million in capital investments will be made at the hospital during the next decade. Wilson Medical Center is now governed by a 10-member board equally represented by Duke LifePoint and community members.					
3/1/2014	Providence Health & Services	Saint John's Health Center	\$-	-	-
Providence Health & Services will assume sponsorship of Saint John's Health Center in Santa Monica California. The agreement also includes the John Wayne Cancer Institute. The hospital will be Providence's sixth in the Los Angeles area. Providence expects to make \$100 million in capital investments at Saint John's. Financial terms of the transaction were not disclosed.					
2/28/2014	Mercy Regional Health Center, Inc.	Via Christi Health, Inc.	\$-	-	-
Via Christi Health, Inc. completed the acquisition of the remaining 50% stake in Kansas-based Mercy Regional Health Center under a transfer agreement between the Memorial Hospital Association (MHA) and Via Christi Health. Since 1996, Via Christi and the MHA have had a joint 50-50 ownership of Mercy, with Via Christi providing management services. Under the new agreement, the MHA transferred its ownership of Mercy to Via Christi Health. Via Christi has agreed to provide \$15.5 million in capital to fund the expansion of outpatient services and other improvements. Financial terms of the transaction were not disclosed.					
2/28/2014	Palo Verde Mental Health	Universal Health Services Inc. (NYSE:UHS)	\$-	-	-
UHS announced that it completed the acquisition of Palo Verde Behavioral Health from Tucson Medical Center. Palo Verde offers inpatient care and outpatient or partial hospitalization care for people with serious mental illnesses, mental health and substance abuse disorders, and post-traumatic stress disorder. Currently, 48 adult inpatient psychiatric beds are available. Under UHS, Palo Verde becomes a free-standing, for-profit, private psychiatric facility and continues providing inpatient and intensive outpatient psychiatric services. Terms of the agreement were not disclosed.					
2/20/14	Foundation Bariatric Real Estate of San Antonio, LLP	Physicians Realty Trust (NYSE:DOC)	\$19	-	-
Physicians Realty Trust closed an Agreement of Sale and Purchase with the Foundation Bariatric Real Estate of San Antonio to purchase a surgical hospital located in San Antonio, Texas. The hospital totals approximately 46,000 sq. ft. and is 100% occupied.					
2/17/2014	Chindex Intl., Inc. (NasdaqGS:CHDX)	TPG Capital, LP and Fosun Industrial Co. Ltd.	\$369	2.0x	32.4x
TPG Capital and Fosun Industrial entered into a definitive merger agreement to acquire Chindex International, Inc. Based in Bethesda, Maryland, Chindex is a healthcare company that provides services in China through the operations of United Family Healthcare, a network of private primary care hospitals and affiliated ambulatory clinics.					

Hospital Providers (cont.)

Transaction Date	Target	Buyer	Enterprise Value (\$ in millions)	Enterprise Value / Revenue	Enterprise Value / EBITDA
2/3/2014	Sisters' Community Health Care Center	Heartland Community Health Clinic	-	-	-
Illinois-based Heartland Community Health Clinic took over Sisters' Community Health Care Center of OSF Saint Francis Medical Center (also in Illinois), solidifying its place as a major primary care provider. The merger is a three-way collaboration between St. Francis, Heartland and the University of Illinois College of Medicine at Peoria. Financial terms of the transaction were not disclosed.					
1/29/2014	Hackettstown Regional Medical Center	Atlantic Health System, Inc.	\$54	-	-
Atlantic Health System, Inc. agreed to acquire Hackettstown Regional Medical Center, a provider of medical care services to patients in New Jersey and Pennsylvania.					
1/27/2014	Health Management Associates Inc.	Community Health Systems, Inc. (NYSE:CYH)	\$7,630	1.3x	8.7x
CYH closed its \$7.6 billion acquisition of HMA after it agreed to divest hospitals in two states to satisfy antitrust concerns. The facilities are the 250-bed Riverview Regional Medical Center in Gadsden, Alabama and the 116-bed Carolina Pines Regional Medical Center in Hartsville, South Carolina. CYH is now the largest hospital chain in the country, by hospital count.					
1/13/2014	Memorial Health System of East Texas	Catholic Health Initiatives	\$-	-	-
Catholic Health Initiatives signed a letter of intent to acquire Memorial Health System of East Texas, an operator of not-for-profit hospitals in Lufkin, Livingston, and San Augustine Texas. Financial terms of the transaction were not disclosed.					

Long-Term Care

Transaction Date	Target	Buyer	Enterprise Value (\$ in millions)	Enterprise Value / Revenue	Enterprise Value / EBITDA
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3/31/2014	Four Senior Care Properties	National Health Investors Inc. (NYSE:NHI)	\$42	-	-
National Health Investors Inc. signed a sale-leaseback arrangement to acquire one assisted living community in Idaho with 105 units and three skilled nursing facilities in Oregon with 196 beds from Prestige Care, Inc.					

3/31/2014	Conservatory Senior Living	Kayne Anderson Real Estate (KAREA)	\$290	-	-
In conjunction with Discovery Management Group, a team focused on the development, marketing and management of resort-style senior communities, KAREA acquired 1,053 independent senior living units in Texas. The Conservatory portfolio consists of five independent living communities located in The Woodlands, Spring, Keller, Plano and Austin. Going forward, KAREA's strategy is to continue to assemble institutional-grade assets through strategic acquisitions and/or developments. KAREA anticipates owning a portfolio in excess of 3,600 units, representing approximately \$850 million of transaction value, by year-end 2014.					

3/17/2014	80 Senior Care Facilities	Formation Capital, LLC & Eclipse Health Holdings, LLC	\$1,050	-	-
Formation Capital and Eclipse Health Holdings entered into a definitive agreement to acquire a healthcare real estate portfolio comprising over 8,500 beds across 43 primarily private pay senior housing facilities and 37 skilled nursing facilities in 14 different states, with about 35% located in Florida.					

2/28/2014	Two California Senior Living Communities	American Realty Capital, LLC	\$105	-	-
American Realty Capital purchased two senior living properties from MBK Senior Living. The two properties are Casa de Santa Fe in Rocklin, California and Summerhill Villa in Santa Clarita, California, and are 98.7% and 98.4% occupied, respectively. Casa de Santa Fe in Rocklin has 71 independent living units, 64 assisted living units and 24 memory care units. Summerhill Villa in Santa Clarita has 96 assisted living units and 38 memory care units. Both were built in 2001.					

2/25/2014	Restora Healthcare Company, LLC	Buyer Consortium	\$5	-	-
HealthCap Partners, LLC, Healthcare Finance Group, LLC, American Realty Capital LLC, AcuityHealthcare, LP, and Tutera & Co. entered into an asset purchase agreement to acquire substantially all assets of bankrupt Restora Healthcare Company, LLC for \$5 million. The buyers will serve as the stalking horse bidder and will also assume liabilities and obligations under the Prepetition Loan Facility and DIP Facility and be responsible for payment of Cure Costs of up to \$0.45 million. Restora owns two long-term acute care hospitals in Mesa, Arizona, and Sun City, Arizona, each with 120 beds.					

2/20/2014	Emeritus Corp. (NYSE:ESC)	Brookdale Senior Living, Inc. (NYSE:BKD).	\$5,362	2.8x	15.6x
Brookdale Senior Living signed a definitive merger agreement to acquire Emeritus Corp. Emeritus is the second largest seniors housing provider in the U.S. and the largest assisted living provider. It has 512 communities with 46,170 units, of which 186 are owned, 311 are leased and 15 are managed for third parties.					

2/18/2014	Nye Senior Services, LLC	Sabra Health Care REIT, Inc. (NasdaqGS:SBRA)	\$90	-	-
Sabra Health Care completed the acquisition of six senior housing campuses near Omaha, Nebraska from Nye Senior Services, LLC. The six senior housing campuses have a total of 673 beds/units, covering the spectrum of care (292 skilled nursing beds, 213 independent living units and 168 assisted living units). All six facilities are located within approximately 100 miles of Omaha, Nebraska.					

Long-Term Care (cont.)					
Transaction Date	Target	Buyer	Enterprise Value (\$ in millions)	Enterprise Value / Revenue	Enterprise Value / EBITDA
2/11/2014	Sunrise Senior Living, LLC	Health Care REIT, Inc. (NYSE:HCN); Revera, Inc.	\$300	-	-
Health Care REIT and Revera entered into a definitive agreement to acquire an 80% stake of Sunrise Senior Living, LLC. Sunrise manages 290 senior living communities with 26,400 units in the U.S., Canada and the U.K.					
2/3/2014	Deaconess HomeCare, LLC & Elk Valley Health Services	LHC Group, (NASDAQ: LHCG)	\$60	-	-
LHC Group Inc., a national provider of home health, hospice and comprehensive post-acute healthcare services, signed a definitive stock purchase agreement with BioScrip®, Inc. (NASDAQ: BIOS) to purchase two of its operating subsidiaries, doing business as Deaconess HomeCare and Elk Valley Health Services. The combined service area of Deaconess HomeCare and Elk Valley Health Services, collectively one of the nation's largest home health providers, includes 121 counties for home health, 30 counties for hospice and 95 counties for community-based services in the states of Mississippi, Tennessee, Kentucky, Illinois, and Nebraska. This transaction will add 33 locations in five states, increasing LHC Group's geographical footprint to 342 locations across 27 states. The deal subsequently closed on April 1, 2014.					
1/15/2014	Seven Senior Housing Communities	Capital Health Group	\$96	-	-
Capital Health Group acquired a regional portfolio of seven senior housing communities. The portfolio was sold by joint ventures composed of private investors and public REITs. The properties comprise 657 units including independent living, assisted living and memory care. Five of the properties are located in the Salt Lake City metro area, with the remaining two properties located in St. George, Utah and Las Vegas, Nevada. The acquisition also includes a 1.4-acre land parcel adjacent to the St. George community, for which there are plans to build a 48-unit memory care building in mid-2014.					
1/13/2014	Rosewood Care Center	The Cahill Group	\$250	-	-
As part of an effort by Cahill to build out its healthcare portfolio, Cahill completed the acquisition of Rosewood Care Center, an owner and operator of nursing care centers with 13 locations in Illinois and one location in Missouri.					
1/6/2014	North Ridge	Aviv REIT, Inc. (NYSE:AVIV)	\$40	-	-
Located in Minnesota, North Ridge is a rental Continuing Care Retirement Community that includes 124 independent living units, 73 assisted living units and 351 skilled nursing beds. Occupancy is stable, with the SNF beds averaging above 95% occupancy. Aviv will lease the property to Mission Health in Tampa, Florida.					

Managed Care

Transaction Date	Target	Buyer	Enterprise Value (\$ in millions)	Enterprise Value / Revenue	Enterprise Value / EBITDA
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2/18/2014	Blue Cross of Northeastern Pennsylvania	HighMark, Inc.	\$-	-	-
<p>The Boards of Directors of Blue Cross of Northeastern Pennsylvania (BCNEPA) and Highmark announced the signing of a definitive agreement to merge. The merger will allow the entities to create greater efficiencies and offer new products and services to meet the changing healthcare needs of their members, customers, providers and the people of northeastern and north central Pennsylvania. Together, BCNEPA and Highmark provide health insurance plans that serve nearly 5 million members in 62 of Pennsylvania's 67 counties, as well as in Delaware and West Virginia. Financial terms of the transaction were not disclosed.</p>					

2/17/2014	MultiPlan, Inc.	Partners Group Holding AG (SWX:PGHN); Starr Investment Holdings, LLC	\$4,400	-	-
<p>A group led by Starr Investment Holdings and Partners Group Holding AG completed the acquisition of MultiPlan, Inc. in one of the biggest private equity investments to date. MultiPlan, currently owned by private equity firms BC Partners Ltd and Silver Lake, helps manage the claims process for large health insurers and has a network of over 900,000 healthcare providers.</p>					

2/4/2014	Arkansas Managed Care Organization, Inc.	Stratose, Inc.	\$-	-	-
<p>Stratose, Inc., a provider of healthcare cost containment solutions for medical, dental, and workers compensation claims announced the acquisition of Arkansas Managed Care Organization, the largest independent healthcare statewide PPO network in Arkansas. Financial terms of the transaction were not disclosed.</p>					

1/17/2014	PPOplus, LLC	Stratose, Inc.	\$-	-	-
<p>Stratose, Inc. completed the acquisition of PPOplus, LLC, a Louisiana-based preferred provider organization that represents insurance carriers, third party administrators, self-funded employers and other managed care organizations. Financial terms of the transaction were not disclosed.</p>					

1/9/2014	Summit Holding Southeast Inc.	American Financial Group Inc. (NYSE:AFG)	\$250	-	-
<p>American Financial Group Inc. signed a definitive agreement to acquire Summit Holdings Southeast, Inc. from Liberty Mutual Holding Company Inc. American Financial paid \$260 million at closing, and in addition, made a capital contribution of about \$140 million. Based in Lakeland, Florida, Summit is a provider of workers' compensation solutions in the southeastern U.S., with approximately \$520 million of premiums written. The deal subsequently closed on April 1, 2014.</p>					

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 Sales	LTM EBITDA	
<u>Alternate Site</u>										
AMED	Amedisys Inc.	\$14.89	\$18.70	\$8.81	79.6%	\$487.2	\$517.0	0.4x	11.1x	NM
AMSG	AmSurg Corp.	47.08	48.71	31.72	96.7%	1,529.5	2,608.5	2.4x	7.1x	20.7x
DVA	DaVita HealthCare Partners Inc.	68.85	70.68	52.75	97.4%	14,678.8	23,024.1	2.0x	9.5x	23.8x
DB:FME	Fresenius Medical Care AG & Co. KGAA	69.91	77.78	64.19	89.9%	21,082.5	29,705.7	2.0x	10.3x	19.1x
GTV	Gentiva Health Services Inc.	9.12	13.85	8.45	65.8%	335.3	1,421.0	0.8x	10.9x	NM
IPCM	IPC The Hospitalist Company, Inc.	49.08	63.70	39.06	77.0%	837.4	902.4	1.5x	13.6x	20.5x
Mean								1.5x	10.4x	21.1x
<u>Diagnostic Services</u>										
AIQ	Alliance Healthcare Services, Inc.	\$33.53	\$35.40	\$7.50	94.7%	\$352.8	\$895.0	2.0x	6.4x	NM
BRLI	Bio-Reference Laboratories Inc.	27.68	37.97	23.36	72.9%	767.2	805.3	1.1x	8.7x	19.1x
LH	Laboratory Corp. of America Holdings	98.21	108.00	87.01	90.9%	8,377.3	10,993.1	1.9x	9.0x	15.7x
DGX	Quest Diagnostics Inc.	57.92	64.10	50.46	90.4%	8,355.7	11,559.7	1.6x	7.9x	10.9x
RDNT	RadNet, Inc.	2.84	3.35	1.50	84.8%	116.8	692.3	1.0x	6.3x	NM
Mean								1.5x	7.6x	15.2x
<u>Healthcare Distributors</u>										
ABC	AmerisourceBergen Corporation	\$65.59	\$71.92	\$51.29	91.2%	\$15,033.3	\$16,505.6	0.2x	14.6x	41.8x
CAH	Cardinal Health, Inc.	69.98	74.40	41.65	94.1%	23,995.4	25,188.4	0.3x	9.8x	NM
HSIC	Henry Schein, Inc.	119.37	120.72	88.90	98.9%	10,199.0	10,995.9	1.2x	13.5x	24.2x
MCK	McKesson Corporation	176.57	188.02	102.68	93.9%	40,633.5	43,076.5	0.3x	12.9x	33.1x
OCR	Omnicare Inc.	59.67	64.87	40.46	92.0%	5,954.1	7,850.1	1.3x	11.3x	NM
OMI	Owens & Minor Inc.	35.03	38.55	29.90	90.9%	2,213.6	2,326.6	0.3x	9.4x	19.9x
SRCL	Stericycle, Inc.	113.62	121.61	103.51	93.4%	9,668.0	11,053.8	5.2x	17.2x	31.9x
TMO	Thermo Fisher Scientific, Inc.	120.24	127.63	75.27	94.2%	47,109.1	51,771.1	4.0x	18.6x	34.4x
Mean								1.6x	13.4x	30.9x
<u>Healthcare Equip. & Supplies</u>										
ABT	Abbott Laboratories	\$38.51	\$40.49	\$32.70	95.1%	\$59,423.6	\$57,982.6	2.7x	13.1x	25.7x
BAX	Baxter International Inc.	73.58	75.68	62.80	97.2%	39,802.1	46,258.1	3.0x	11.6x	20.1x
BDX	Becton, Dickinson and Company	117.08	117.26	93.06	99.8%	22,598.9	24,054.9	3.0x	11.3x	25.0x
BSX	Boston Scientific Corporation	13.52	14.08	7.07	96.0%	17,893.3	21,923.3	3.1x	13.8x	NM
BEAT	BioTelemetry, Inc.	10.09	11.98	2.30	84.2%	263.4	241.9	2.0x	18.0x	NM
JNJ	Johnson & Johnson	98.23	98.60	80.31	99.6%	277,826.3	266,800.3	3.7x	11.6x	20.4x
MDT	Medtronic, Inc.	61.54	61.74	45.39	99.7%	61,590.2	60,156.2	3.6x	10.6x	17.5x
SIE	Siemens Aktiengesellschaft	134.55	139.50	104.07	96.5%	113,615.4	126,015.0	1.2x	11.0x	NM
STJ	St. Jude Medical Inc.	65.39	68.79	39.79	95.1%	18,564.4	20,909.4	3.8x	12.3x	26.3x
Mean								2.9x	12.6x	22.5x

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 Sales	LTM EBITDA	
Healthcare IT										
MDRX	Allscripts Healthcare Solutions, Inc.	\$18.03	\$19.68	\$12.36	91.6%	\$3,228.3	\$3,727.6	2.7x	NM	NM
ATHN	athenahealth, Inc.	160.24	206.70	82.01	77.5%	5,989.9	6,149.0	10.3x	NM	NM
CERN	Cerner Corporation	56.25	63.07	45.27	89.2%	19,347.0	18,633.4	6.6x	25.0x	49.8x
CPSI	Computer Programs & Systems Inc.	64.60	71.89	47.23	89.9%	721.2	698.8	3.5x	13.0x	21.9x
HMSY	HMS Holdings Corp.	19.05	28.13	17.39	67.7%	1,666.6	1,806.0	3.7x	14.1x	42.3x
MDAS	MedAssets, Inc.	24.71	26.58	16.31	93.0%	1,527.1	2,297.8	3.4x	11.1x	NM
OMCL	Omnicell, Inc.	28.62	30.33	17.01	94.4%	1,040.7	936.2	2.5x	17.8x	42.7x
QSII	Quality Systems Inc.	16.88	24.15	16.28	69.9%	1,016.3	922.4	2.1x	12.7x	NM
WBMD	WebMD Health Corp.	41.40	51.41	22.23	80.5%	1,598.0	1,725.4	3.4x	23.5x	NM
Mean								4.2x	16.7x	39.2x
Hospital Providers										
CYH	Community Health Systems, Inc.	\$39.17	\$51.29	\$35.11	76.4%	\$4,440.9	\$14,030.7	1.1x	8.2x	25.9x
HCA	HCA Holdings, Inc.	52.50	52.68	35.20	99.7%	23,297.2	52,834.2	1.6x	8.1x	15.6x
LPNT	Lifepoint Hospitals Inc.	54.55	56.77	43.13	96.1%	2,572.8	4,394.0	1.2x	9.0x	20.4x
THC	Tenet Healthcare Corp.	42.81	49.48	36.87	86.5%	4,177.1	15,273.1	1.4x	11.4x	NM
UHS	Universal Health Services Inc.	82.07	86.08	59.08	95.3%	8,092.9	11,658.1	1.6x	8.6x	16.0x
Mean								1.4x	9.0x	19.5x
Long-Term Care / Senior Living										
BKD	Brookdale Senior Living Inc.	\$33.51	\$34.37	\$24.42	97.5%	\$4,167.1	\$6,746.4	2.7x	15.7x	14.7x
CSU	Capital Senior Living Corp.	25.99	27.10	19.87	95.9%	750.0	1,257.8	3.7x	23.0x	19.4x
DVCR	Diversicare Healthcare Services Inc.	6.27	6.33	4.45	99.1%	38.2	95.2	0.3x	26.6x	13.6x
ESC	Emeritus Corp.	31.44	32.30	18.15	97.3%	1,527.1	5,459.1	2.8x	15.8x	14.8x
ENSG	The Ensign Group, Inc.	43.64	46.39	31.57	94.1%	967.2	1,158.3	1.3x	9.2x	NM
KND	Kindred Healthcare Inc.	23.42	23.57	9.75	99.4%	1,267.4	2,761.3	0.6x	9.8x	NM
SKH	Skilled Healthcare Group, Inc.	5.27	7.51	4.08	70.2%	207.7	622.6	0.7x	9.2x	NM
Mean								1.7x	15.6x	15.6x
Managed Care										
AET	Aetna Inc.	\$74.97	\$76.71	\$50.40	97.7%	\$27,191.6	\$34,877.2	0.7x	8.4x	14.1x
CI	Cigna Corp.	83.73	90.63	61.88	92.4%	22,727.2	25,291.2	0.8x	8.7x	16.2x
ESRX	Express Scripts Holding Company	75.09	79.37	54.57	94.6%	58,233.2	70,196.2	0.7x	10.7x	NM
HNT	Health Net, Inc.	34.01	35.70	25.40	95.3%	2,721.2	2,787.3	0.3x	8.1x	16.0x
HUM	Humana Inc.	112.72	119.93	69.07	94.0%	17,440.4	19,305.4	0.5x	8.3x	14.6x
UNH	UnitedHealth Group Incorporated	81.99	83.32	57.01	98.4%	81,103.9	92,025.9	0.8x	8.7x	14.9x
WLP	WellPoint Inc.	99.55	102.56	65.82	97.1%	28,118.8	41,998.0	0.6x	8.2x	11.5x
Mean								0.6x	8.7x	14.5x

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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Recent Representative Transactions *

\$690,600,000 Sale of Assets on behalf of  MedCath Corporation (Nasdaq: MDTH) Sell Side Advisor	\$83,800,000  HEART HOSPITAL of AUSTIN has been acquired by St. David's Healthcare Partnership, L.P. Sell Side Advisor	\$156,000,000  SUMNER Regional Health Systems, Inc. has been acquired by  LIFEPOINT HOSPITALS* Sell Side Advisor	Not Disclosed  TWIN CITY HOSPITAL has been acquired by  FRANCISCAN SERVICES CORPORATION Sell Side Advisor	\$58,500,000  Morton Hospital And Medical Center has been acquired by  Steward Steward Health Care System LLC Sell Side Advisor
\$31,000,000  HUALAPAI MOUNTAIN MEDICAL CENTER has been acquired by  KINGMAN REGIONAL MEDICAL CENTER Serving Our Community with Compassion and Commitment Sell Side Advisor	\$73,000,000 ARKANSAS HEART HOSPITAL*  has been acquired by AR-MED, LLC Sell Side Advisor	\$830,000,000  Caritas CARITAS CHRISTI HEALTH CARE has been acquired by  Steward Steward Health Care System LLC Sell Side Advisor	\$38,000,000  QUINCY MEDICAL CENTER has been acquired by  Steward Steward Health Care System LLC Sell Side Advisor	\$206,900,000  TOMBALL REGIONAL MEDICAL CENTER has been acquired by  CHS Community Health Systems Sell Side Advisor
Not Disclosed  RIVERVIEW Regional Medical Center SUMNER REGIONAL HEALTH SYSTEMS, INC. has been acquired by  LIFEPOINT HOSPITALS* Sell Side Advisor	\$5,000,000  Coastal Carolina HEART has been acquired by  New Hanover Regional Medical Center Sell Side Advisor	\$86,400,000 An equity interest in  Avera Heart Hospital of South Dakota has been acquired by Avera Sell Side Advisor	\$25,000,000  MedCath MedCath Partners Division has been acquired by  DLP Cardiac Partners Duke LifePoint Healthcare Sell Side Advisor	\$38,100,000  CARDIOVASCULAR CARE GROUP has acquired MedCath's equity interest and secured loan in  BAKERSFIELD HEART HOSPITAL Sell Side Advisor
\$76,250,000  TEXSAN HEART HOSPITAL has been acquired by  METHODIST HEALTHCARE SYSTEM San Antonio, Texas Sell Side Advisor	\$62,600,000  HARLINGEN MEDICAL CENTER has been acquired by  PRIME HEALTHCARE SERVICES, INC. Sell Side Advisor	Not Disclosed  TROUSDALE MEDICAL CENTER SUMNER REGIONAL HEALTH SYSTEMS, INC. has been acquired by  LIFEPOINT HOSPITALS* Sell Side Advisor	\$32,000,000  ARIZONA HEART HOSPITAL has been acquired by  VANGUARD HEALTH SYSTEMS Sell Side Advisor	\$119,000,000  HEART HOSPITAL of NEW MEXICO has been acquired by  Lovelace Health System Sell Side Advisor

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



Located in South Hill, Virginia, Community Memorial Healthcenter ("CMH"), a non-profit community-based hospital, is long recognized as the sole healthcare provider serving residents of Southside Virginia and Northern North Carolina for 60 years. CMH, which offers a wide range of inpatient and outpatient services, is licensed to operate 99 acute care and 161 long-term care beds and has received numerous state and national accolades for quality patient care and customer service. CMH possesses a diverse medical staff of 85 physicians representing 30 medical specialties and also has 800 employees.

SCA served as the exclusive financial advisor to the CMH Board of Directors in identifying and evaluating potential strategic alternatives, including an integrated affiliation. In advising CMH, the SCA team initiated and led the transaction process, which entailed dialogue with prospective acquirers, developing and implementing a competitive solicitation process, providing valuation support and structuring and negotiating the terms of the affiliation agreement. Our team also orchestrated an accelerated 60-day due diligence process, documented all transactional disclosure schedules and supported the organizations' strategic planning process.

As a result of negotiations led by SCA with several other leading health systems, CMH executed an affiliation agreement on March 31, 2014 with the Virginia Commonwealth University Health System ("VCUHS"), a leading academic medical center based in Richmond, Virginia with an 865-bed regional referral system with more than 200 specialty areas and the region's only Level I Trauma Center. Pursuant to the terms of the affiliation, VCUHS will invest a minimum of \$75 million in CMH related to new strategic initiatives, including a new hospital facility, healthcare technologies, clinical initiatives and physician recruitment. The CMH Board of Directors will continue to oversee CMH with both local and VCUHS appointments to continue representing local interests on governance and strategic planning. The combination will help enable CMH to further enhance its mission and vision by expanding the range and depth of patient-centered, quality-driven healthcare for the residents in each of its communities.