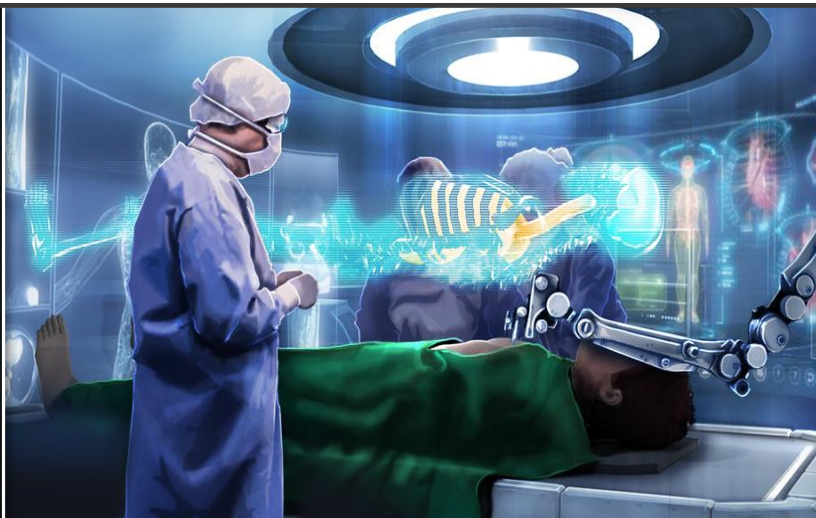

SCOTT-MACON

INVESTMENT BANKING

HEALTHCARE INDUSTRY

Quarterly Update | Q2 2019



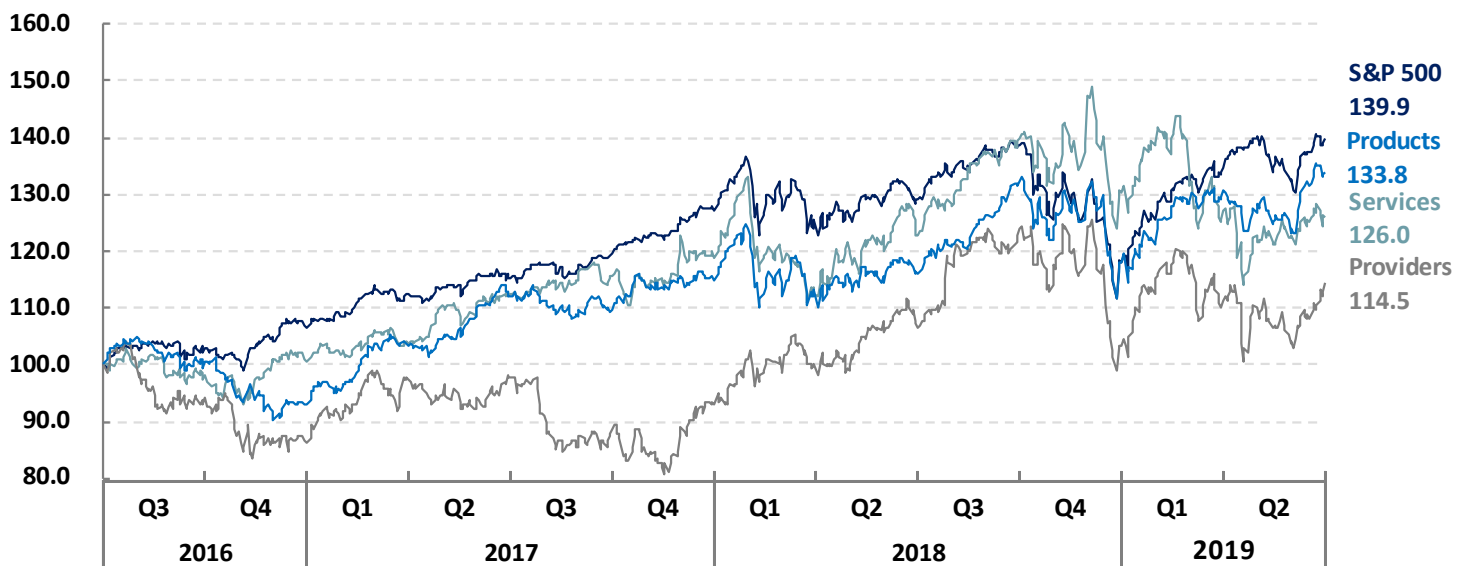
M&A ADVISORY | VALUATION SERVICES | ADVISORY SERVICES | DEBT/EQUITY FINANCINGS

Introduction

Scott-Macon's Q2 2019 Healthcare Industry Update – At a Glance

- **U.S. healthcare M&A activity in Q2 2019 continues to show signs of strength with 289 deals announced, an 11% increase from the prior year.**
- **Private-sector partnerships and non-traditional businesses making forays into the healthcare space have continued to change the status-quo. Notable examples include:**
 - JPMorgan acquiring a healthcare payment processing firm (InstaMed)
 - Closing of the previously announced acquisition of DaVita Medical by UnitedHealth Group
 - Amazon, Berkshire Hathaway and JPMorgan forming “Haven,” a non-profit aimed at improving healthcare and lowering costs for their 1.2M employees
- **The fragmented physician practice market continues to consolidate across specialties with strong interest from both strategic and private equity buyers.**
 - Notable examples include CityMD / Summit Medical Group (announced June 2019); Varian / Cancer Treatment Services (closed June 2019) ; Akumin / Advanced Diagnostics Group (closed May 2019)
- **The shift from volume- to value-based care, shrinking hospital margins and the increasing influence of consumerism are pushing hospitals and health systems to consider new partnerships in order to remain competitive.**
 - Sanford Health and UnityPoint announced a merger in June 2019 that would create one of the largest nonprofit health systems in the United States
- **Private equity firms continue to partner with companies in highly fragmented verticals to accelerate growth and capture market share.**
 - Examples include: revenue cycle management, ophthalmology/dermatology practices and behavioral health
- **Please contact Nate Cortright at ncortright@scott-macon.com should you wish to discuss how Scott-Macon can assist you in achieving your business objectives.**

HISTORICAL STOCK PERFORMANCE

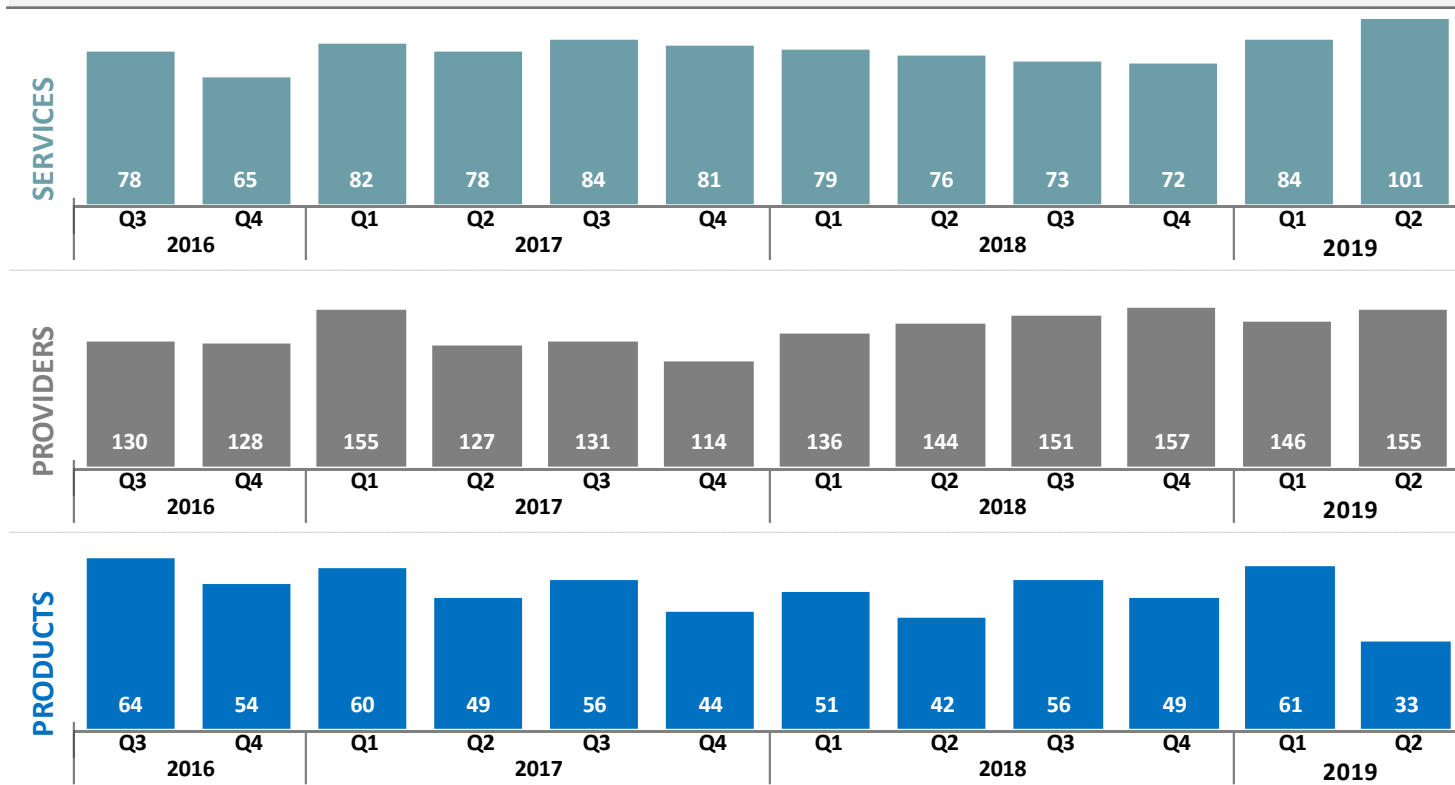


Key Metrics

SEGMENT SNAPSHOT

	M&A Stats Q2-19		Trailing 18mo M&A Median		Public Comps	
	# Deals	TEV (\$mm)	TEV / Revenue	TEV / EBITDA	TEV / Revenue	TEV / EBITDA
Healthcare IT and Tech-enabled Services	65	\$ 6,490.0	3.23x	11.1x	4.38x	26.5x
Consumer Driven Healthcare	6	25.0	5.17x	NA	6.66x	25.0x
Facilities Management	3	-	NA	NA	1.67x	15.0x
Workforce Solutions	9	220.0	1.64x	11.6x	1.44x	20.3x
Insurance - Commercial	6	113.1	0.37x	10.4x	1.03x	13.2x
Insurance - Government	4	-	0.85x	18.8x	0.40x	10.8x
Distribution	2	11.4	0.69x	9.6x	0.41x	11.2x
Labs	6	-	2.80x	NA	2.24x	12.2x
Services Segment	101	6,859.5	2.38x	11.1x	1.77x	14.3x
Acute	10	52.8	0.90x	8.5x	1.25x	9.1x
Senior Living / Long-term Care	32	165.6	1.64x	16.8x	2.07x	18.5x
Behavioral	17	1.4	NA	NA	1.89x	12.3x
Home Health	23	218.2	0.70x	4.7x	2.24x	22.2x
Specialty	73	1,456.0	1.40x	9.7x	1.68x	10.0x
Providers Segment	155	1,893.9	1.12x	8.4x	1.72x	12.7x
Supplies & Distribution	8	-	1.40x	13.1x	0.36x	9.1x
Durable Medical Equipment	3	6.7	1.09x	7.6x	1.72x	15.5x
Medical Devices & Products	2	-	3.75x	15.6x	5.17x	21.9x
Specialty Devices & Products	19	7,602.8	4.48x	16.0x	5.69x	22.1x
Consumer	1	-	1.94x	15.2x	0.61x	10.1x
Products Segment	33	\$ 7,609.5	3.15x	15.2x	4.70x	16.4x

M&A Volume by Segment



Note: Number of deals represents all deals announced during the period.

Notable Deals

DEAL SPOTLIGHT

May 31, 2019 (closed)



\$94B PAYMENTS PROCESSED	300 EMPLOYEES	2004 YEAR FOUNDED	\$115M VC EQUITY & DEBT RAISED
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- InstaMed powers a better healthcare payments experience on one platform that connects patients, providers and payers for every healthcare payment transaction
- The acquisition expands JPMorgan’s suite of payment solutions with a proprietary platform designed specifically for the complex healthcare market
 - According to Takis Georgakopoulos, JPMorgan’s Head of Wholesale Payments, the company has made significant investments in its Wholesale Payments business over the years and this acquisition will give them a unique advantage in one of the fastest growing sectors.
- The deal represents JPMorgan’s largest acquisition in over a decade

LARGEST DEALS

\$ in billions

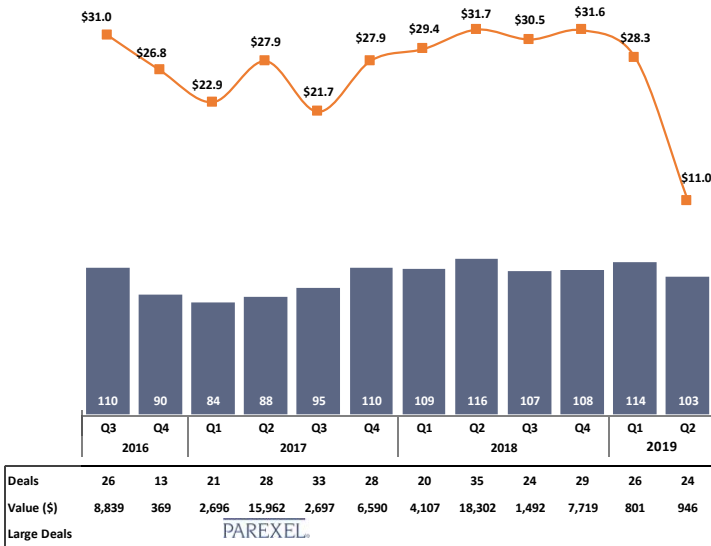
	Acquirer	Target	Fast Facts		Acquirer	Target	Fast Facts
1			TEV: \$6.7 Revenue: \$1.5 Founded: NA	6			TEV: \$0.3 Revenue: \$0.1 Founded: 1989
2			TEV: \$5.8 Revenue: \$0.7 Founded: 1999	7			TEV: \$0.2 Revenue: \$0.1 Founded: 1989
3			TEV: \$0.9 Revenue: \$0.8 Founded: 2004	8			TEV: \$0.2 Revenue: NA Founded: 2010
4			TEV: \$0.5 Revenue: NA Founded: 2004	9			TEV: \$0.2 Revenue: <\$0.1 Founded: 2010
5			TEV: \$0.5 Revenue: NA Founded: 2006	10			TEV: \$0.2 Revenue: NA Founded: 1999

Private Equity Group (“PEG”) vs Corporate Acquirers

- For the 18th straight quarter in a row, healthcare M&A volume exceeded 200 deals
- This quarter’s total announced deal count (289) was higher than Q2 2018 by 27, however total value was down when compared year-over-year primarily driven by fewer \$1.0B+ deals
- Add-on activity by private equity backed companies continues at historic levels

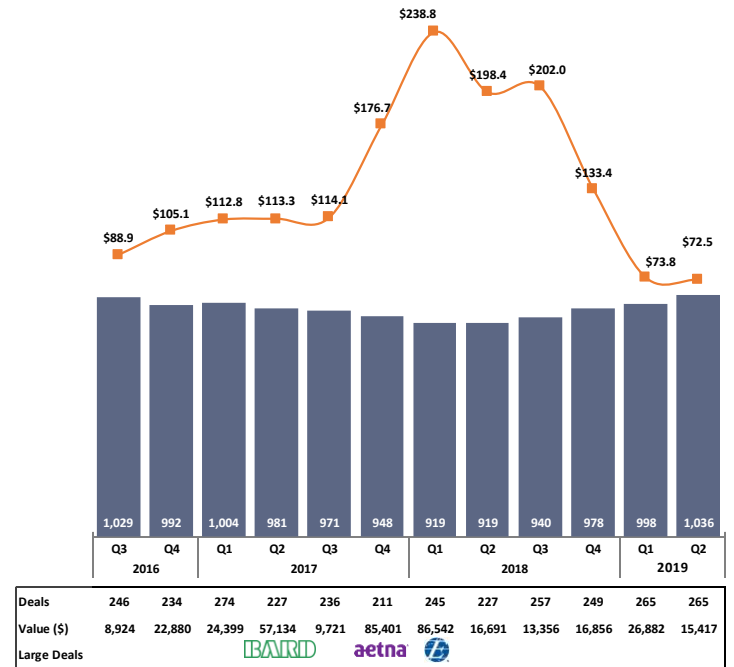
PEG DEAL TRENDS (TTM) ⁽¹⁾

\$ in billions



CORPORATE DEAL TRENDS (TTM)

\$ in billions



“SERIAL” PEG ACQUIRERS ⁽¹⁾

Acquirer	# of Deals TTM Jun. 2019
Audax Group	3
BELHEALTH Investment Partners	2
BainCapital PRIVATE EQUITY	2
VERITAS CAPITAL	2
LINDEN	2

“SERIAL” CORPORATE ACQUIRERS

Acquirer	# of Deals TTM Jun. 2019
ENSIGN GROUP	13
PINNACLE DERMATOLOGY	8
Quest Diagnostics™	7
BayMark HEALTH SERVICES	5
CORA Physical Therapy	5

(1) Excludes add-on investments made by private equity portfolio companies. TTM: Trailing 12 months.

Deal Volume and Value by Industry Segment

- Sub \$500M middle-market M&A activity remains robust across all segments within the U.S. Healthcare industry
- Consistent with prior quarters, a majority of middle-market deals do not disclose transaction values and metrics

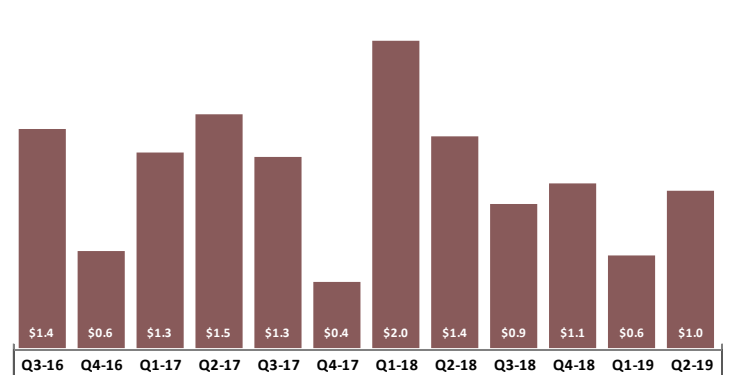
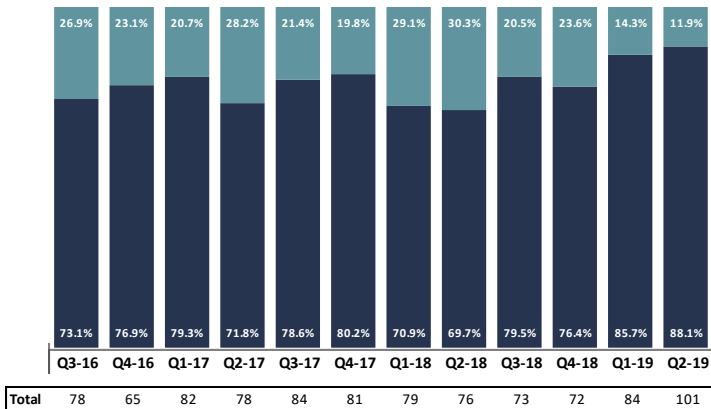
DEAL VOLUME (SUB \$500M)

Value Not Disclosed Value Disclosed

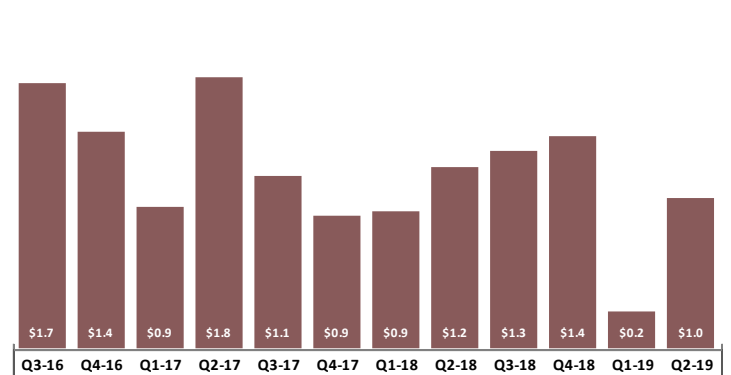
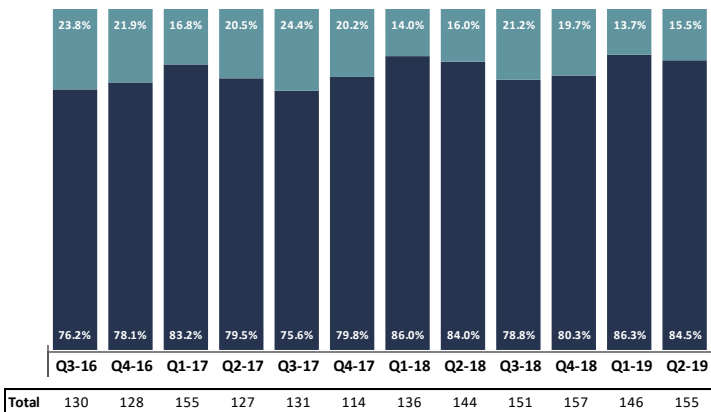
DISCLOSED DEAL VALUE (SUB \$500M)

\$ in billions

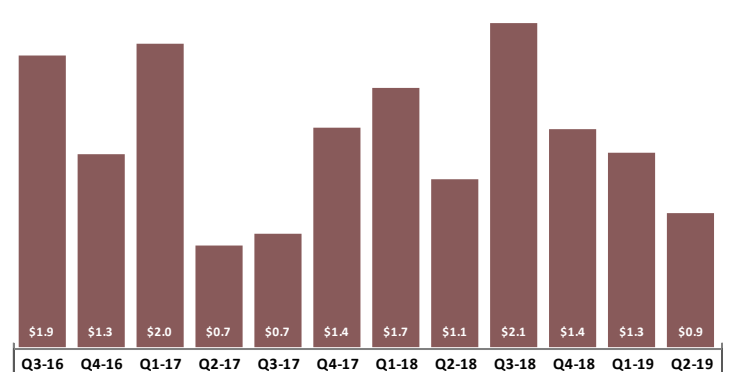
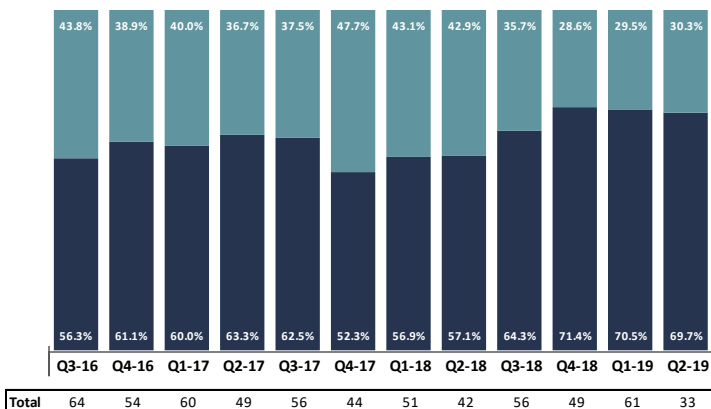
SERVICES



PROVIDERS



PRODUCTS



Introduction

Scott-Macon is one of the oldest independent investment banks in the United States focused exclusively on middle-market transactions. Founded in 1973 by Alfred L. Scott, the firm’s senior professionals have extensive experience in mergers and acquisitions advisory, debt and equity financing, corporate valuations, fairness opinions and general corporate financial consulting.

In business for over 40 years, Scott-Macon has been retained to undertake a diverse range of domestic and international corporate finance engagements for both public and privately-held corporations. The firm’s professionals have significant operating and advisory experience across key industry sectors.

HEALTHCARE INDUSTRY EXPERIENCE

Services Segment	Providers Segment	Products Segment
Revenue Cycle Management	Non-acute Care	Disposables
Facility Management	Home Health & Hospice	Commercial
Tech-enabled	Laboratories	Consumer
Data Analytics	Acute Care	Clinical Devices
Insurance	Long-Term Care	Distribution
Medical Review	Behavioral Health	Non-Clinical Devices
Consulting	Specialty Care	Diagnostic
Regulatory Compliance	Alternative / Integrative Health	Durable Medical Equipment

INDUSTRY GROUPS



Footnotes

1. Pitchbook
2. S&P CapitalIQ
3. Scott-Macon proprietary transaction information

Disclaimer:

In the preparation of the information contained in this document, Scott-Macon, Ltd. has endeavored to present information that is as accurate and current as possible from sources believed to be reliable. However, inadvertent errors can occur. Therefore, the information is provided “as is”, without any representation or warranty of any kind, expressed or implied. Any reproduction, retransmission, republication, or other use of all or part of this document is expressly prohibited, unless written permission has been granted by Scott-Macon, Ltd. All other rights are reserved.

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CONTACTS

Nathan D. Cortright
 Managing Director
 Group Head, Healthcare
ncortright@scott-macon.com
 (203) 246-6527

Alfred L. Scott
 President & Founder
als@scott-macon.com
 (212) 755-8200

Robert B. Dimmitt
 Senior Managing Director
rdimmitt@scott-macon.com
 (212) 755-8200

Alex L. Scott
 Managing Director
ascott@scott-macon.com
 (212) 755-8200

Jeffrey M. Tepper
 Managing Director
jtepper@scott-macon.com
 (212) 755-8200

Leslie S. Lau
 Senior Vice President
llau@scott-macon.com
 (646) 572-2411

Joshua H. Keatts
 Vice President
jkeatts@scott-macon.com
 (646) 572-2440

Spencer R. Berg
 Vice President
sberg@scott-macon.com
 (646) 572-2420

George B. James
 Senior Associate
gjames@scott-macon.com
 (646) 572-2461

Select Healthcare Transactions

 <p>has been acquired by</p> 	 <p>has been acquired by</p>  <p>a portfolio company of</p> 	 <p>has been acquired by</p> 	 <p>has been acquired by</p> 	 <p>has acquired</p> 	 <p>has acquired</p> 
 <p>has been recapitalized by</p> 	 <p>has been acquired by</p> 	 <p>has been acquired by</p> 	 <p>has been acquired by</p> 	 <p>has acquired</p> 	 <p>has sold its laboratory services business to</p> 
 <p>has been acquired by</p> 	 <p>has acquired</p> 	 <p>has been acquired by a joint venture between</p> 	 <p>has entered into a debt facility with</p> 	 <p>has been acquired by</p> 	 <p>has been acquired by</p> 
 <p>has been acquired by</p> 	 <p>has been acquired by</p> 	 <p>has been acquired by</p> 	 <p>has been acquired by</p> 	 <p>has been acquired by</p> 	 <p>has been acquired by</p> 
 <p>has sold its securement division to</p> 	 <p>has acquired</p> 	 <p>has acquired</p> 	 <p>has been acquired by</p> 	 <p>has sold its managed care business to</p> 	 <p>has acquired</p> 

Note: These include companies where Principals of Scott-Macon were active advisors while employed at Scott-Macon and previous firms.
All logos listed above are registered trademarks of the respective companies.

Trailing 18 Month M&A Transactions

SERVICES

Announced Date	Target	Buyer	Enterprise Value	Enterprise Value /	
				Revenue	EBITDA
06/12/2019	Medidata Solutions, Inc.	Dassault Systemes Americas Corp.	\$ 5,822.3	8.82x	NM
05/21/2019	Putnam Associates, Inc.	Ashfield Healthcare Communications Ltd	60.0	NA	11.1x
05/21/2019	Kyne Communications	Huntsworth plc	20.5	2.01x	NA
04/30/2019	Advanced Medical Personnel Services, Inc.	AMN Healthcare, Inc.	220.0	1.67x	11.6x
03/27/2019	WellCare Health Plans, Inc.	Centene Corporation	17,300.0	0.85x	18.8x
03/14/2019	DCP Holding Company	DentaQuest, LLC	41.5	0.37x	10.4x
03/11/2019	Voalte, Inc.	Hill-Rom, Inc.	195.0	4.88x	NA
03/05/2019	Prescribe Wellness, LLC	Tabula Rasa HealthCare, Inc.	150.0	5.17x	NM
12/19/2018	Technology Business of MModal IP, LLC	3M Company	1,000.0	5.00x	10.0x
11/12/2018	athenahealth, Inc.	Veritas Capital Fund Management, LLC	5,638.5	4.30x	21.3x
11/05/2018	MatrixCare, Inc.	ResMed Operations, Inc.	750.0	6.15x	25.0x
08/16/2018	NuGEN Technologies, Inc.	Tecan Group, Ltd.	54.5	3.78x	NA
08/15/2018	GreatCall, Inc.	Best Buy Co., Inc.	800.0	2.67x	NA
08/13/2018	UHS Holdco, Inc.	Thomas H. Lee Partners, L.P.	1,440.0	2.67x	9.9x
06/19/2018	Cotiviti Holdings, Inc.	Verscend Technologies, Inc.	4,929.3	6.68x	17.1x
06/12/2018	Health Prime International, LLC	GPB Capital Holdings, LLC	60.0	3.87x	NA
05/28/2018	Counsyl, Inc.	Myriad Genetics, Inc.	375.0	2.80x	NA
04/09/2018	Phillips, DiPisa & Associates Inc. and Leaders For Today, LLC	AMN Healthcare Services, Inc.	37.0	1.61x	NA
04/06/2018	MedFORCE Technologies, Inc.	Ideagen, PLC	8.7	1.85x	NA
03/28/2018	CMH Services Subsidiary, LLC	HGS Population Health, LLC	14.0	0.23x	NA
03/27/2018	Accelovance, Inc.	Linical USA, Inc.	32.9	1.23x	NA
03/08/2018	Express Scripts Holding Company	Cigna Corporation	68,671.4	0.69x	9.6x
03/07/2018	ABILITY Network, Inc.	Inovalon Holdings, Inc.	1,200.0	8.57x	16.6x
02/26/2018	Intermedix Corporation	R1 RCM, Inc.	460.0	2.38x	9.6x
02/20/2018	Dohmen Life Science Services	JLL Partners	537.4	NA	11.1x
02/09/2018	Genex Services, LLC	Stone Point Capital, LLC	99.0	0.53x	NA
01/22/2018	Data Sciences International, Inc.	Harvard Bioscience, Inc.	70.0	1.59x	NA
01/09/2018	Arbour Group, LLC	Keystone Capital, Inc.	ND	ND	ND
01/04/2018	Connecture, Inc.	Francisco Partners Management, LLC	108.3	1.41x	NM
Median			\$ 195.0	2.38x	11.1x

Note: \$ in millions. Information above only represents transactions with partial or full announced deal terms.

ND: SM proprietary deal stat has been included in the median.

NA: Not available.

NM: Not meaningful.

Trailing 18 Month M&A Transactions

PROVIDERS						
Announced Date	Target	Buyer	Enterprise Value	Enterprise Value /		
				Revenue	EBITDA	
06/24/2019	Home Care Business in South Central U.S.	Nova Leap Health Corp.	\$ 0.7	0.46x	3.8x	
05/20/2019	Cancer Treatment Services International, Inc.	Varian Medical Systems, Inc.	283.0	6.51x	NA	
05/16/2019	AccentCare, Inc.	Advent International Corporation	909.0	1.12x	NA	
04/15/2019	Advanced Diagnostics Group	Akumin Inc.	214.0	NA	7.1x	
04/02/2019	ISDI Holdings, Inc.	IMAC Management of Illinois, LLC.	5.3	1.06x	NA	
04/01/2019	Alacare Home Health & Hospice	Encompass Health Corporation	217.5	1.86x	NA	
02/07/2019	Concord Imaging	Touchstone Imaging	ND	ND	ND	
01/22/2019	Hughes Center for Functional Medicine, P.A.	HLYK Florida, LLC	2.0	0.66x	5.4x	
12/18/2018	Civitas Solutions, Inc.	Centerbridge Partners, L.P.	1,372.7	0.86x	8.4x	
12/10/2018	BrightSpring Health Services	PharMerica Corporation	1,320.0	0.66x	NA	
11/09/2018	Four Imaging Centers from Diagnostic Professionals	Akumin Inc.	12.1	0.63x	NA	
10/10/2018	Compassionate Care Hospice Group, Inc.	Amedisys Hospice, LLC	324.5	1.57x	12.0x	
10/03/2018	Birner Dental Management Services, Inc.	Mid-Atlantic Dental Service Holdings, LLC	38.5	0.63x	NM	
10/01/2018	Medical Arts Radiology	RadNet, Inc.	61.6	1.54x	NA	
09/11/2018	Valley Healthcare Group, LLC/Northwest Medical, Inc.	Great Elm Capital Group, Inc.	66.0	1.40x	NA	
08/20/2018	Business Assets of Comprehensive Home Care, Inc.	Nova Leap Health Corp.	1.6	0.50x	NA	
08/15/2018	11 Imaging Centers from Rose Radiology Centers	Akumin Inc.	25.0	0.91x	5.2x	
08/13/2018	Living at Home SeniorCare, LLC	AME, LLC	0.4	0.46x	NA	
07/23/2018	LifePoint Health, Inc.	RCCH HealthCare Partners	5,598.1	0.90x	8.5x	
07/17/2018	Giant Creative/Strategy, LLC	Huntsworth, PLC	80.0	2.50x	11.4x	
07/10/2018	Creative Connections, Inc.	Civitas Solutions, Inc.	2.9	0.50x	NA	
06/11/2018	Envision Healthcare Corporation	KKR & Co. L.P.	10,418.6	1.30x	9.7x	
06/04/2018	Integrated Medical Delivery, LLC	N. Harris Computer Corporation	6.1	1.22x	NA	
05/30/2018	Ernest Health, Inc.	OEP Capital Advisors, L.P.	175.0	2.48x	NA	
04/21/2018	Sound Inpatient Physicians, Inc.	Summit Partners, LLP	2,150.0	1.40x	21.2x	
04/03/2018	Aging Well Adult Day Health Center And Living Well Adult Day Health Center	Civitas Solutions, Inc.	13.2	1.64x	NA	
03/19/2018	Business Assets of Home Health Solutions, Inc.	Nova Leap Health Corp.	1.2	0.63x	3.8x	
03/15/2018	Camellia Healthcare	Encompass Health Corporation	135.0	1.73x	NA	
03/02/2018	HCR ManorCare, Inc.	ProMedica Health System, Inc.	6,142.2	1.64x	16.8x	
02/28/2018	Ambercare Corporation, Inc.	Addus HealthCare, Inc.	40.0	0.70x	NA	
01/16/2018	HealthFair USA, Inc.	Community Care Health Network, Inc.	160.0	3.56x	NA	
01/09/2018	Business Assets of Family Tree Home Care, Inc.	Nova Leap Health Corp.	2.1	0.65x	4.7x	
Median			\$ 63.8	1.12x	8.4x	

Note: \$ in millions. Information above only represents transactions with partial or full announced deal terms.

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NM: Not meaningful.

Trailing 18 Month M&A Transactions

PRODUCTS

Announced Date	Target	Buyer	Enterprise Value	Enterprise Value /	
				Revenue	EBITDA
06/21/2019	Canfield Medical Supply, Inc.	WesBev, LLC	\$ 0.5	0.39x	7.6x
06/12/2019	Respiratory Assets of Midwest Respiratory Care, Inc.	Focus Respiratory, Inc.	6.3	1.79x	NA
06/10/2019	Endocare	Varian Medical Systems, Inc.	185.0	6.17x	NA
06/04/2019	Vilex in Tennessee	OrthoPediatrics Corp.	59.8	5.07x	NA
05/02/2019	Solsys Medical, LLC	Misonix, Inc.	116.7	6.83x	NA
05/02/2019	Acelity, Inc.	3M Company	6,725.0	4.48x	15.2x
02/12/2019	CAS Medical Systems, Inc.	Edwards Lifesciences Corporation	104.9	4.79x	NM
01/28/2019	Anatomical Pathology Business of Thermo Fisher Scientific, Inc.	PHC Holdings Corporation	1,140.0	3.31x	NA
01/16/2019	Fuse Medical, Inc.	Genexer Biotechnology Corporation	34.0	1.29x	NM
01/11/2019	Vista Research Group, LLC	Cantel Medical Corporation	10.5	5.25x	NA
12/10/2018	Nutrisystem, Inc.	Tivity Health, Inc.	1,340.7	1.94x	15.2x
11/19/2018	DJO Global, Inc.	Colfax Corporation	3,150.0	2.66x	16.8x
11/01/2018	Paradigm Spine, LLC	RTI Surgical, Inc.	299.1	7.48x	NA
09/26/2018	Vascular Clot Management Business of Applied Medical Resources Corporation	LeMaitre Vascular, Inc.	14.2	4.18x	NA
09/26/2018	Focal Therapeutics, Inc.	Hologic, Inc.	117.9	7.37x	NA
09/20/2018	AquaGuard Business of Cenorin, LLC	Covalon Technologies, Ltd.	12.5	1.45x	NA
09/11/2018	Invuity, Inc.	Stryker Corporation	200.3	4.91x	NM
08/30/2018	K2M Group Holdings, Inc.	Stryker Corporation	1,340.0	4.93x	NM
07/31/2018	Faxitron Bioptics, LLC	Hologic, Inc.	85.0	3.15x	NA
06/06/2018	Advanced Sterilization Products Services, Inc.	Fortive Corporation	2,700.0	3.48x	NA
06/05/2018	CoolSystems, Inc.	Halyard Health, Inc. (nka:Avanos Medical, Inc.)	65.0	1.86x	NA
06/04/2018	eliquence, LLC	Shanghai Xianfeng Investment Management Co., Ltd	77.2	4.83x	NA
05/16/2018	Abaxis, Inc.	Zoetis, Inc.	1,827.8	7.47x	NM
05/03/2018	CID Resources, Inc.	Superior Group of Companies, Inc.	88.2	1.35x	13.1x
05/03/2018	Advanced Surgical and Orthopedic product lines from Accellent, LLC	Viant	600.0	1.50x	NA
04/10/2018	Analogic Corporation	Altaris Capital Partners, LLC	920.9	1.96x	20.4x
04/05/2018	General Surgery Product Assets of LeMaitre Vascular, Inc.	Symmetry Surgical, Inc.	7.4	2.24x	NA
04/03/2018	Paragon Medical, Inc.	Precision Engineered Products, LLC	375.0	2.66x	15.6x
04/03/2018	Assets of LifeGlobal Group, LLC	CooperSurgical, Inc.	125.0	5.21x	NA
03/26/2018	BioMed Laboratories, LLC	Scapa Group, PLC	32.0	3.14x	22.9x
03/26/2018	OraMetrix, Inc.	DENTSPLY SIRONA, Inc.	150.0	7.50x	NA
03/16/2018	LifeScan, Inc.	Platinum Equity, LLC	2,100.0	1.40x	4.0x
03/12/2018	Cogentix Medical, Inc.	LM US Parent, Inc.	210.9	3.75x	NM
03/12/2018	Sarnova, Inc.	Patricia Industries	903.0	1.63x	NA
03/09/2018	Integrated DNA Technologies, Inc.	Danaher Corporation	2,000.0	7.69x	NA
03/05/2018	ABACA, LLC and Ambarly, LLC and Tarmac Manufacturing, LLC and Tower Management Holdings, LLC	CGX Life Sciences, Inc.	21.3	1.42x	6.1x
02/02/2018	Dielectrics, Inc.	UFP Technologies, Inc.	57.2	1.33x	NA
01/22/2018	Denville Scientific, Inc.	Thomas Scientific, Inc.	20.0	0.82x	NA
01/17/2018	Pisgah Labs, Inc.	Onyx Scientific, Ltd.	9.7	NA	8.5x
01/05/2018	All Assets of Alliqua BioMedical, Inc.	Celularity, Inc.	26.9	1.31x	NM
Median			\$ 117.3	3.15x	15.2x

Note: \$ in millions. Information above only represents transactions with partial or full announced deal terms.

ND: SM proprietary deal stat has been included in the median.

NA: Not available.

NM: Not meaningful.

Public Company Performance

SERVICES

\$ in millions, except per share data	Stock Price as	52-Week	Market	Enterprise	LTM	EBITDA	EV/LTM		
	of 6/30/19	% Change	Cap	Value (EV)	Revenue	Margins	Revenue	EBITDA	
Healthcare IT and Tech-enabled Services									
Allscripts Healthcare Solutions, Inc.	\$ 11.63	(3.1%)	\$ 1,936	\$ 2,705	\$ 1,748	4.5%	1.55x	34.2x	
Cerner Corporation	73.30	22.6%	23,853	23,931	5,463	22.3%	4.38x	19.6x	
Computer Programs and Systems, Inc.	27.79	(15.5%)	382	508	279	11.6%	1.82x	15.7x	
Evolent Health, Inc.	7.95	(62.2%)	652	765	685	(4.9%)	1.12x	NM	
HMS Holdings Corp.	32.39	49.8%	2,821	2,866	605	22.6%	4.74x	20.9x	
Inovalon Holdings, Inc.	14.51	46.2%	2,224	3,127	580	26.7%	5.39x	20.2x	
Model N, Inc.	19.50	4.8%	633	628	146	(10.1%)	4.30x	NM	
NextGen Healthcare, Inc.	19.90	2.1%	1,290	1,269	529	7.8%	2.40x	30.8x	
National Research Corporation	57.59	54.0%	1,427	1,466	120	35.5%	12.20x	34.4x	
Omnicell, Inc.	86.03	64.0%	3,546	3,634	807	11.9%	4.50x	38.0x	
R1 RCM Inc.	12.58	44.9%	1,390	1,720	997	6.5%	1.72x	26.5x	
Tabula Rasa HealthCare, Inc.	49.93	(21.8%)	1,021	1,216	221	5.7%	5.50x	NM	
Vocera Communications, Inc.	31.92	6.8%	994	1,081	175	(2.9%)	6.19x	NM	
Mean		14.8%	\$ 3,244	\$ 3,455	\$ 950	10.6%	4.29x	26.7x	
Median		6.8%	\$ 1,390	\$ 1,466	\$ 580	7.8%	4.38x	26.5x	
Consumer Driven Healthcare									
Castlight Health, Inc.	\$ 3.23	(24.0%)	\$ 465	\$ 423	\$ 155	(19.1%)	2.72x	NM	
HealthEquity, Inc.	65.40	(12.9%)	4,102	3,813	304	33.9%	12.53x	36.9x	
Teladoc Health, Inc.	66.41	14.4%	4,755	4,770	457	(6.4%)	10.44x	NM	
Tivity Health, Inc.	16.44	(53.3%)	784	1,927	670	22.0%	2.87x	13.1x	
Mean		(19.0%)	\$ 2,527	\$ 2,733	\$ 397	7.6%	7.14x	25.0x	
Median		(18.5%)	\$ 2,443	\$ 2,870	\$ 381	7.8%	6.66x	25.0x	
Facilities Management									
Healthcare Services Group, Inc.	\$ 30.32	(29.8%)	\$ 2,246	\$ 2,268	\$ 1,984	6.0%	1.14x	19.0x	
Stericycle, Inc.	47.75	(26.9%)	4,347	7,501	3,421	19.8%	2.19x	11.1x	
Mean		(28.3%)	\$ 3,297	\$ 4,884	\$ 2,703	12.9%	1.67x	15.0x	
Median		(28.3%)	\$ 3,297	\$ 4,884	\$ 2,703	12.9%	1.67x	15.0x	
Workforce Solutions									
AMN Healthcare Services, Inc.	\$ 54.25	(7.4%)	\$ 2,529	\$ 3,093	\$ 2,146	11.5%	1.44x	12.5x	
Cross Country Healthcare, Inc.	9.38	(16.6%)	345	430	801	2.6%	0.54x	20.3x	
HealthStream, Inc.	25.86	(5.3%)	838	761	242	13.3%	3.14x	23.6x	
Mean		(9.8%)	\$ 1,237	\$ 1,428	\$ 1,063	9.2%	1.71x	18.8x	
Median		(7.4%)	\$ 838	\$ 761	\$ 801	11.5%	1.44x	20.3x	
Insurance - Commercial									
Anthem, Inc.	\$ 282.21	18.6%	\$ 72,583	\$ 88,727	\$ 94,220	6.9%	0.94x	13.6x	
Cigna Corporation	157.55	(7.3%)	59,784	95,978	75,145	9.3%	1.28x	13.7x	
Humana Inc.	265.30	(10.9%)	35,825	38,646	58,740	5.8%	0.66x	11.3x	
UnitedHealth Group Incorporated	244.01	(0.5%)	231,893	257,824	231,367	8.6%	1.11x	12.9x	
Mean		(0.0%)	\$ 100,021	\$ 120,294	\$ 114,868	7.7%	1.00x	12.9x	
Median		(3.9%)	\$ 66,183	\$ 92,352	\$ 84,683	7.8%	1.03x	13.2x	
Insurance - Government									
Centene Corporation	\$ 52.44	(14.9%)	\$ 21,677	\$ 22,947	\$ 61,028	4.7%	0.38x	8.0x	
Molina Healthcare, Inc.	143.14	46.2%	8,963	7,392	17,644	7.2%	0.42x	5.8x	
WellCare Health Plans, Inc. ⁽¹⁾	285.07	15.8%	14,342	13,503	22,530	4.4%	0.60x	13.6x	
Magellan Health, Inc.	74.23	(22.6%)	1,785	2,429	7,249	1.9%	0.34x	17.8x	
Mean		6.1%	\$ 11,692	\$ 11,568	\$ 27,113	4.6%	0.43x	11.3x	
Median		0.4%	\$ 11,653	\$ 10,448	\$ 20,087	4.6%	0.40x	10.8x	
Distribution									
CVS Health Corporation	\$ 54.49	(15.3%)	\$ 70,788	\$ 160,442	\$ 209,623	6.5%	0.77x	11.8x	
Diplomat Pharmacy, Inc.	6.09	(76.2%)	455	1,091	5,407	1.9%	0.20x	10.5x	
Rite Aid Corporation	8.01	(76.8%)	431	7,098	21,624	2.2%	0.33x	14.8x	
Walgreens Boots Alliance, Inc.	54.67	(8.9%)	49,375	66,146	136,354	5.3%	0.49x	9.2x	
Mean		(44.3%)	\$ 30,262	\$ 58,694	\$ 93,252	4.0%	0.45x	11.6x	
Median		(45.7%)	\$ 24,915	\$ 36,622	\$ 78,989	3.8%	0.41x	11.2x	
Labs									
Laboratory Corporation of America Holdings	\$ 172.90	(3.7%)	\$ 17,031	\$ 23,502	\$ 11,276	17.0%	2.08x	12.3x	
Quest Diagnostics Incorporated	101.81	(7.4%)	13,681	18,071	7,538	19.9%	2.40x	12.0x	
Mean		(5.5%)	\$ 15,356	\$ 20,786	\$ 9,407	18.4%	2.24x	12.2x	
Median		(5.5%)	\$ 15,356	\$ 20,786	\$ 9,407	18.4%	2.24x	12.2x	
Median		(7.3%)	\$ 2,388	\$ 3,110	\$ 1,866	6.7%	1.77x	14.3x	

NM: Not meaningful.

(1) Represents company that has announced potential acquisition that is subject to shareholder approval, regulatory approval and/or other customary closing conditions.

Public Company Performance

PROVIDERS									
\$ in millions, except per share data	Stock Price as	52-Week	Market	Enterprise	LTM	EBITDA	EV/LTM		
	of 6/30/19	% Change	Cap	Value (EV)	Revenue	Margins	Revenue	EBITDA	
Acute									
Community Health Systems, Inc.	\$ 2.67	(19.6%)	\$ 304	\$ 14,257	\$ 13,842	10.2%	1.03x	10.1x	
HCA Healthcare, Inc.	135.17	31.7%	46,270	82,358	47,771	19.6%	1.72x	8.8x	
Tenet Healthcare Corporation	20.66	(38.5%)	2,131	17,711	18,159	15.0%	0.98x	6.5x	
Universal Health Services, Inc.	130.39	17.0%	11,751	15,924	10,889	15.6%	1.46x	9.4x	
Mean		(2.3%)	\$ 15,114	\$ 32,562	\$ 22,665	15.1%	1.30x	8.7x	
Median		(1.3%)	\$ 6,941	\$ 16,818	\$ 16,001	15.3%	1.25x	9.1x	
Senior Living / Long-term Care									
Brookdale Senior Living Inc.	\$ 7.21	(20.7%)	\$ 1,342	\$ 7,174	\$ 3,421	14.6%	2.10x	14.3x	
Capital Senior Living Corporation	5.03	(52.9%)	152	1,392	457	12.9%	3.05x	23.7x	
Ensign Group, Inc.	56.92	58.9%	3,046	4,281	2,098	9.2%	2.04x	22.1x	
National HealthCare Corporation	81.15	15.3%	1,242	1,504	984	10.2%	1.53x	14.9x	
Mean		0.2%	\$ 1,446	\$ 3,588	\$ 1,740	11.7%	2.18x	18.8x	
Median		(2.7%)	\$ 1,292	\$ 2,892	\$ 1,541	11.6%	2.07x	18.5x	
Behavioral									
AAC Holdings, Inc.	\$ 0.86	(90.8%)	\$ 22	\$ 406	\$ 270	(10.9%)	1.50x	NM	
Acadia Healthcare Company, Inc.	34.95	(14.6%)	3,100	6,899	3,031	18.6%	2.28x	12.3x	
Mean		(52.7%)	\$ 1,561	\$ 3,652	\$ 1,650	3.8%	1.89x	12.3x	
Median		(52.7%)	\$ 1,561	\$ 3,652	\$ 1,650	3.8%	1.89x	12.3x	
Home Health									
Addus HomeCare Corporation	\$ 74.95	30.9%	\$ 977	\$ 945	\$ 548	7.5%	1.72x	23.0x	
Amedisys, Inc.	121.41	42.1%	3,891	4,271	1,731	10.2%	2.47x	24.3x	
Chemed Corporation	360.84	12.1%	5,752	5,942	1,806	15.4%	3.29x	21.3x	
LHC Group, Inc.	119.58	39.7%	3,766	4,053	2,021	9.5%	2.00x	21.2x	
Mean		31.2%	\$ 3,596	\$ 3,803	\$ 1,526	10.6%	2.37x	22.4x	
Median		35.3%	\$ 3,828	\$ 4,162	\$ 1,768	9.8%	2.24x	22.2x	
Specialty									
American Renal Associates Holdings, Inc.	\$ 7.44	(52.8%)	\$ 242	\$ 734	\$ 817	21.3%	0.90x	4.2x	
DaVita Inc.	56.26	(19.0%)	9,362	22,359	11,300	18.2%	1.98x	10.9x	
MEDNAX, Inc.	25.23	(41.7%)	2,150	4,339	3,646	14.8%	1.19x	8.0x	
Providence Service Corporation	57.34	(27.0%)	739	720	1,416	3.9%	0.51x	13.2x	
RadNet, Inc.	13.79	(8.1%)	691	1,795	1,015	11.7%	1.77x	15.1x	
Select Medical Holdings Corporation	15.87	(12.6%)	2,149	5,292	5,081	12.2%	1.04x	8.5x	
Surgery Partners, Inc.	8.14	(45.4%)	402	2,994	1,777	18.6%	1.68x	9.1x	
U.S. Physical Therapy, Inc.	122.57	27.7%	1,564	1,657	457	15.8%	3.63x	22.9x	
Mean		(20.6%)	\$ 2,618	\$ 5,439	\$ 3,318	15.3%	1.64x	11.3x	
Median		(19.0%)	\$ 1,564	\$ 2,994	\$ 1,777	15.8%	1.68x	10.0x	
Median		(12.6%)	\$ 2,131	\$ 4,281	\$ 2,021	14.6%	1.72x	12.7x	

NM: Not meaningful.

(1) Represents company that has announced potential acquisition that is subject to shareholder approval, regulatory approval and/or other customary closing conditions.

Public Company Performance

PRODUCTS									
\$ in millions, except per share data	Stock Price as	52-Week	Market	Enterprise	LTM	EBITDA	EV/LTM		
	of 6/30/19	% Change	Cap	Value (EV)	Revenue	Margins	Revenue	EBITDA	
Supplies & Distribution									
AmerisourceBergen Corporation	\$ 85.26	(0.0%)	\$ 17,920	\$ 19,687	\$ 175,151	1.3%	0.11x	8.6x	
Cardinal Health, Inc.	47.10	(3.5%)	14,039	19,681	143,530	1.9%	0.14x	7.1x	
Henry Schein, Inc.	69.90	(3.8%)	10,420	11,870	13,289	8.4%	0.89x	10.6x	
McKesson Corporation	134.39	0.7%	25,047	29,712	214,319	2.0%	0.14x	7.0x	
Owens & Minor, Inc.	3.20	(80.8%)	201	2,075	9,928	2.2%	0.21x	9.5x	
Patterson Companies, Inc.	22.90	1.0%	2,141	2,797	5,575	4.6%	0.50x	10.9x	
Premier, Inc.	39.11	7.5%	2,418	2,439	1,680	32.9%	1.45x	4.4x	
West Pharmaceutical Services, Inc.	125.15	26.0%	9,196	9,204	1,745	20.8%	5.27x	25.3x	
Mean		(6.6%)	\$ 10,173	\$ 12,183	\$ 70,652	9.3%	1.09x	10.4x	
Median		0.4%	\$ 9,808	\$ 10,537	\$ 11,608	3.4%	0.36x	9.1x	
Durable Medical Equipment									
Hill-Rom Holdings, Inc.	\$ 104.62	19.8%	\$ 6,986	\$ 8,788	\$ 2,866	19.8%	3.07x	15.5x	
Invacare Corporation	5.19	(72.1%)	175	366	959	0.2%	0.38x	NM	
Mean		(26.2%)	\$ 3,580	\$ 4,577	\$ 1,912	10.0%	1.72x	15.5x	
Median		(26.2%)	\$ 3,580	\$ 4,577	\$ 1,912	10.0%	1.72x	15.5x	
Medical Devices & Products									
Abbott Laboratories	\$ 84.10	37.9%	\$ 148,368	\$ 165,308	\$ 30,723	23.7%	5.38x	22.7x	
Baxter International Inc.	81.90	10.9%	41,783	44,655	11,082	23.4%	4.03x	17.2x	
Boston Scientific Corporation	42.98	31.4%	59,770	69,125	9,937	26.7%	6.96x	26.1x	
Cantel Medical Corp.	80.64	(18.0%)	3,345	3,527	908	17.4%	3.89x	22.3x	
Hologic, Inc.	48.02	20.8%	12,872	15,603	3,287	31.2%	4.75x	15.2x	
Johnson & Johnson	139.28	14.8%	369,796	385,337	81,593	34.4%	4.72x	13.7x	
Medtronic plc	97.39	13.8%	130,615	151,546	30,557	30.2%	4.96x	16.4x	
Mettler-Toledo International Inc.	840.00	45.2%	20,835	21,858	2,954	25.4%	7.40x	29.2x	
Stryker Corporation	205.58	21.7%	76,703	83,847	13,876	28.0%	6.04x	21.5x	
Teleflex Incorporated	331.15	23.5%	15,284	17,297	2,475	27.2%	6.99x	25.7x	
Mean		20.2%	\$ 87,937	\$ 95,810	\$ 18,739	26.8%	5.51x	21.0x	
Median		21.3%	\$ 50,777	\$ 56,890	\$ 10,510	26.9%	5.17x	21.9x	
Specialty Devices & Products									
Abiomed, Inc.	\$ 260.49	(36.3%)	\$ 11,796	\$ 11,675	\$ 769	30.9%	NM	NM	
AngioDynamics, Inc.	19.69	(11.5%)	733	824	352	14.4%	2.34x	16.3x	
AtriCure, Inc.	29.84	10.3%	1,153	1,186	209	(8.0%)	5.69x	NM	
BioTelemetry, Inc.	48.15	7.0%	1,628	1,804	386	28.5%	4.67x	16.4x	
Cardiovascular Systems, Inc.	42.93	32.7%	1,495	1,401	239	2.2%	5.86x	NM	
CONMED Corporation	85.57	16.9%	2,416	3,228	876	16.4%	3.69x	22.5x	
DexCom, Inc.	149.84	57.8%	13,643	13,437	1,128	(11.9%)	11.92x	NM	
Edwards Lifesciences Corporation	184.74	26.9%	38,519	38,476	3,821	31.4%	10.07x	32.1x	
Glaukos Corporation	75.40	85.5%	2,745	2,723	195	(3.0%)	13.95x	NM	
Globus Medical, Inc.	42.30	(16.2%)	4,187	4,059	722	29.5%	5.63x	19.1x	
Inogen, Inc.	66.76	(64.2%)	1,464	1,281	369	12.2%	3.47x	28.4x	
Intuitive Surgical, Inc.	524.55	9.6%	60,559	59,759	3,850	35.1%	NM	44.3x	
LeMaitre Vascular, Inc.	27.98	(16.4%)	550	542	108	23.0%	5.02x	21.8x	
Masimo Corporation	148.82	52.4%	7,940	7,549	877	26.2%	8.61x	32.8x	
Utah Medical Products, Inc.	95.70	(13.1%)	356	324	42	51.3%	7.74x	15.1x	
Mean		9.4%	\$ 9,946	\$ 9,885	\$ 930	18.6%	6.82x	24.9x	
Median		9.6%	\$ 2,416	\$ 2,723	\$ 386	23.0%	5.69x	22.1x	
Consumer									
GNC Holdings, Inc.	\$ 1.50	(57.4%)	\$ 126	\$ 1,401	\$ 2,311	8.9%	0.61x	6.8x	
Prestige Consumer Healthcare Inc.	31.68	(17.5%)	1,622	3,393	976	34.0%	3.48x	10.2x	
Vitamin Shoppe, Inc.	3.94	(43.3%)	93	635	1,102	5.7%	0.58x	10.1x	
Mean		(39.4%)	\$ 614	\$ 1,810	\$ 1,463	16.2%	1.55x	9.1x	
Median		(43.3%)	\$ 126	\$ 1,401	\$ 1,102	8.9%	0.61x	10.1x	
Median		8.6%	\$ 7,463	\$ 8,168	\$ 2,028	21.9%	4.70x	16.4x	

NM: Not meaningful.

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VENTURE INVESTMENT TRENDS



Note: Funding represents capital raised over the last twelve months for deals where the identified VC firm participated.