



**HOULIHAN
CAPITAL**

Value. Added.



Industry Observations – June 30, 2019

Healthcare Industry

Select Healthcare Public Company Industry Data As of June 30, 2019

(USD in millions, except per share data)

Company Name	Ticker	Market Data				LTM Operating Data			Forward Estimates		
		Price at 06/30/19	% of 52 Week High	Equity Value	Enterprise Value	Debt / Total Capital	Total Assets	LTM Revenue	LTM EBITDA	CY 2019 Revenue Estimate	CY 2019 EBITDA Estimate
Healthcare Equipment and Supplies											
Align Technology, Inc.	ALGN	\$273.70	68.6%	\$21,897.34	\$21,194.62	9.4%	\$2,234.43	\$2,078.54	\$557.83	\$2,446.97	\$643.29
Boston Scientific Corporation	BSX	\$42.98	99.9%	\$59,770.24	\$68,986.18	50.7%	\$0.00	\$10,077.00	\$2,684.00	\$10,647.30	\$3,186.00
Haemonetics Corporation	HAE	\$120.34	99.5%	\$6,168.74	\$6,480.22	34.4%	\$1,274.77	\$967.58	\$188.53	\$993.31	\$290.62
ICU Medical, Inc.	ICUI	\$251.91	78.3%	\$5,192.98	\$4,937.29	2.9%	\$1,613.27	\$1,358.94	\$262.97	\$1,277.75	\$318.00
Integra LifeSciences Holdings Corporation	IART	\$55.85	84.1%	\$4,773.88	\$6,041.35	51.1%	\$0.00	\$1,492.50	\$334.29	\$1,522.36	\$368.99
Medtronic plc	MDT	\$97.39	97.2%	\$130,615.25	\$151,865.93	33.5%	\$89,694.00	\$30,557.00	\$9,234.00	\$31,028.71	\$9,928.91
NuVasive, Inc.	NUVA	\$58.54	80.8%	\$3,037.40	\$3,657.74	44.8%	\$1,751.10	\$1,115.97	\$234.46	\$1,154.64	\$294.18
ResMed Inc.	RMD	\$122.03	98.9%	\$17,498.20	\$18,945.53	39.8%	\$4,098.53	\$2,525.24	\$758.61	\$2,735.67	\$827.69
Stryker Corporation	SYK	\$205.58	99.9%	\$76,702.97	\$85,177.04	43.0%	\$25,937.00	\$13,876.00	\$3,892.00	\$14,779.67	\$4,206.34
Teleflex Incorporated	TFX	\$331.15	98.0%	\$15,283.93	\$17,752.03	47.1%	\$6,268.07	\$2,474.74	\$672.01	\$2,585.44	\$799.75
The Cooper Companies, Inc.	COO	\$336.89	100.0%	\$16,671.93	\$18,400.90	35.2%	\$6,203.40	\$2,593.90	\$788.50	\$2,695.87	\$913.35
Healthcare Providers and Services											
Centene Corporation	CNC	\$52.44	70.4%	\$21,676.96	\$22,114.10	36.8%	\$34,368.00	\$66,226.00	\$3,137.00	\$73,730.88	\$3,168.78
Cigna Corporation	CI	\$157.55	69.5%	\$59,783.55	\$101,541.66	49.2%	\$154,348.00	\$75,145.00	\$6,983.00	\$133,611.95	\$11,595.27
Community Health Systems, Inc.	CYH	\$2.67	49.9%	\$303.95	\$14,759.81	108.3%	\$16,309.00	\$13,842.00	\$1,418.00	\$12,956.13	\$1,626.17
DaVita Inc.	DVA	\$56.26	71.1%	\$9,361.52	\$23,851.32	72.0%	\$22,605.94	\$11,299.82	\$2,054.92	\$11,435.85	\$2,212.60
HCA Healthcare, Inc.	HCA	\$135.17	91.7%	\$46,269.69	\$86,249.38	106.6%	\$43,379.00	\$47,771.00	\$9,341.00	\$50,905.34	\$9,792.54
Humana Inc.	HUM	\$265.30	74.5%	\$35,824.79	\$40,856.31	38.2%	\$28,349.00	\$58,740.00	\$3,420.00	\$63,581.44	\$3,723.82
Select Medical Holdings Corporation	SEM	\$15.87	73.3%	\$2,149.06	\$7,380.24	71.3%	\$7,021.49	\$5,152.93	\$627.39	\$5,324.26	\$675.38
Tenet Healthcare Corporation	THC	\$20.66	52.0%	\$2,130.70	\$19,639.02	88.2%	\$23,158.00	\$18,159.00	\$2,729.00	\$18,191.31	\$2,688.79
WellCare Health Plans, Inc.	WCG	\$285.07	87.7%	\$14,342.40	\$13,590.44	35.3%	\$13,205.90	\$22,530.10	\$996.30	\$26,743.27	\$1,151.00

Notes: LTM (latest twelve months); Enterprise Value (market capitalization less total cash and short-term investments plus short-term borrowings and total long-term debt);

EBITDA (earnings before interest, taxes, depreciation and amortization)

Source: Capital IQ

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(USD in millions, except per share data)

Company Name	Ticker	Market Data				LTM Operating Data			Forward Estimates		
		Price at 06/30/19	% of 52 Week High	Equity Value	Enterprise Value	Debt / Total Capital	Total Assets	LTM Revenue	LTM EBITDA	CY 2019 Revenue Estimate	CY 2019 EBITDA Estimate
Pharmaceuticals											
AbbVie Inc.	ABBV	\$72.72	72.6%	\$107,506.72	\$132,816.68	126.0%	\$56,769.00	\$32,647.00	\$13,946.00	\$32,953.16	\$16,643.35
Akorn, Inc.	AKRX	\$5.15	26.2%	\$648.13	\$1,116.99	69.8%	\$1,437.19	\$675.83	-\$64.42	\$692.99	\$76.41
Bristol-Myers Squibb Company	BMJ	\$45.35	71.2%	\$74,180.11	\$67,808.94	28.3%	\$34,834.00	\$23,288.00	\$7,256.00	\$24,046.39	\$7,940.39
Eli Lilly and Company	LLY	\$110.79	83.8%	\$102,018.85	\$114,166.62	86.6%	\$38,006.80	\$24,684.10	\$7,658.70	\$22,181.16	\$7,519.19
Amneal Pharmaceuticals, Inc.	AMRX	\$7.17	29.3%	\$916.99	\$3,524.90	77.7%	\$4,384.59	\$1,833.92	\$443.33	\$1,728.81	\$456.13
Merck & Co., Inc.	MRK	\$83.85	96.9%	\$215,883.93	\$229,500.08	49.4%	\$82,354.00	\$43,073.00	\$16,095.00	\$44,678.28	\$18,330.50
Mylan N.V.	MYL	\$19.04	48.1%	\$9,814.51	\$23,127.58	54.0%	\$31,906.60	\$11,244.90	\$3,541.20	\$11,624.66	\$3,594.01
Perrigo Company plc	PRGO	\$47.62	59.0%	\$6,475.91	\$9,849.37	37.1%	\$11,119.50	\$4,689.20	\$837.50	\$4,765.05	\$902.80
Pfizer Inc.	PFE	\$43.32	93.2%	\$240,504.18	\$274,517.27	44.1%	\$155,421.00	\$53,859.00	\$22,369.00	\$53,448.20	\$23,128.82
The Medicines Company	MDCO	\$36.47	87.7%	\$2,891.34	\$3,529.29	109.7%	\$0.00	-\$3.30	-\$146.03	\$4.66	-\$167.66

Notes: LTM (latest twelve months); Enterprise Value (market capitalization less total cash and short-term investments plus short-term borrowings and total long-term debt);

EBITDA (earnings before interest, taxes, depreciation and amortization)

Source: Capital IQ

Select Healthcare Public Company Valuation Metrics As of June 30, 2019

(USD in millions, except per share data)

Company Name	Ticker	LTM Operating Statistics						Trading Multiples			
		Return On Assets	Return On Equity	Return On Capital	Revenue Growth	EBITDA Growth	EBITDA Margin	TEV/ LTM Revenue	TEV/ CY 2019 Revenue	TEV/ LTM EBITDA	TEV/ CY 2019 EBITDA
Healthcare Equipment and Supplies											
Align Technology, Inc.	ALGN	15.1%	31.6%	24.2%	29.9%	27.5%	26.8%	10.2x	8.7x	38.0x	32.9x
Boston Scientific Corporation	BSX	0.0%	0.0%	6.7%	6.1%	4.8%	26.6%	6.8x	6.5x	25.7x	21.7x
Haemonetics Corporation	HAE	5.2%	7.7%	6.5%	7.0%	36.0%	19.5%	6.7x	6.5x	34.4x	22.3x
ICU Medical, Inc.	ICUI	7.5%	4.4%	9.2%	-4.1%	5.4%	19.4%	3.6x	3.9x	18.8x	15.5x
Integra LifeSciences Holdings Corporation	IART	0.0%	0.0%	4.9%	8.9%	0.0%	22.4%	4.0x	4.0x	18.1x	16.4x
Medtronic plc	MDT	4.5%	9.2%	5.4%	2.0%	-1.9%	30.2%	5.0x	4.9x	16.4x	15.3x
NuVasive, Inc.	NUVA	4.1%	6.1%	4.8%	7.5%	4.6%	21.0%	3.3x	3.2x	15.6x	12.4x
ResMed Inc.	RMD	10.1%	21.8%	12.4%	11.1%	16.8%	30.0%	7.5x	6.9x	25.0x	22.9x
Stryker Corporation	SYK	8.2%	33.7%	10.5%	9.0%	12.0%	28.0%	6.1x	5.8x	21.9x	20.2x
Teleflex Incorporated	TFX	4.9%	7.2%	6.4%	10.2%	13.9%	27.2%	7.2x	6.9x	26.4x	22.2x
The Cooper Companies, Inc.	COO	5.0%	12.7%	5.7%	10.9%	10.3%	30.4%	7.1x	6.8x	23.3x	20.1x
	Mean	5.9%	12.2%	8.8%	9.0%	11.8%	25.6%	6.1x	5.8x	24.0x	20.2x
	Median	5.0%	7.7%	6.5%	8.9%	10.3%	26.8%	6.7x	6.5x	23.3x	20.2x
Healthcare Providers and Services											
Centene Corporation	CNC	5.0%	11.0%	8.7%	30.9%	40.5%	4.7%	0.3x	0.3x	7.0x	7.0x
Cigna Corporation	CI	3.4%	10.9%	7.1%	75.0%	41.4%	9.3%	1.4x	0.8x	14.5x	8.8x
Community Health Systems, Inc.	CYH	3.3%	N/A	4.1%	-4.9%	72.1%	10.2%	1.1x	1.1x	10.4x	9.1x
DaVita Inc.	DVA	4.4%	13.0%	5.4%	1.7%	-14.0%	18.2%	2.1x	2.1x	11.6x	10.8x
HCA Healthcare, Inc.	HCA	10.8%	N/A	13.8%	7.6%	12.5%	19.6%	1.8x	1.7x	9.2x	8.8x
Humana Inc.	HUM	6.4%	16.8%	12.1%	8.2%	-6.6%	5.8%	0.7x	0.6x	11.9x	11.0x
Select Medical Holdings Corporation	SEM	4.0%	11.2%	4.7%	13.8%	15.6%	12.2%	1.4x	1.4x	11.8x	10.9x
Tenet Healthcare Corporation	THC	5.2%	14.1%	6.8%	-4.8%	1.7%	15.0%	1.1x	1.1x	7.2x	7.3x
WellCare Health Plans, Inc.	WCG	4.7%	14.2%	10.3%	27.3%	40.4%	4.4%	0.6x	0.5x	13.6x	11.8x
	Mean	5.3%	13.0%	8.1%	17.2%	22.6%	11.1%	1.2x	1.1x	10.8x	9.5x
	Median	4.7%	13.0%	7.1%	8.2%	15.6%	10.2%	1.1x	1.1x	11.6x	9.1x

Notes: LTM (latest twelve months); NTM (next twelve months); EBITDA (earnings before interest, taxes, depreciation and amortization); TEV (total enterprise value)

Source: Capital IQ

Select Healthcare Public Company Valuation Metrics As of June 30, 2019

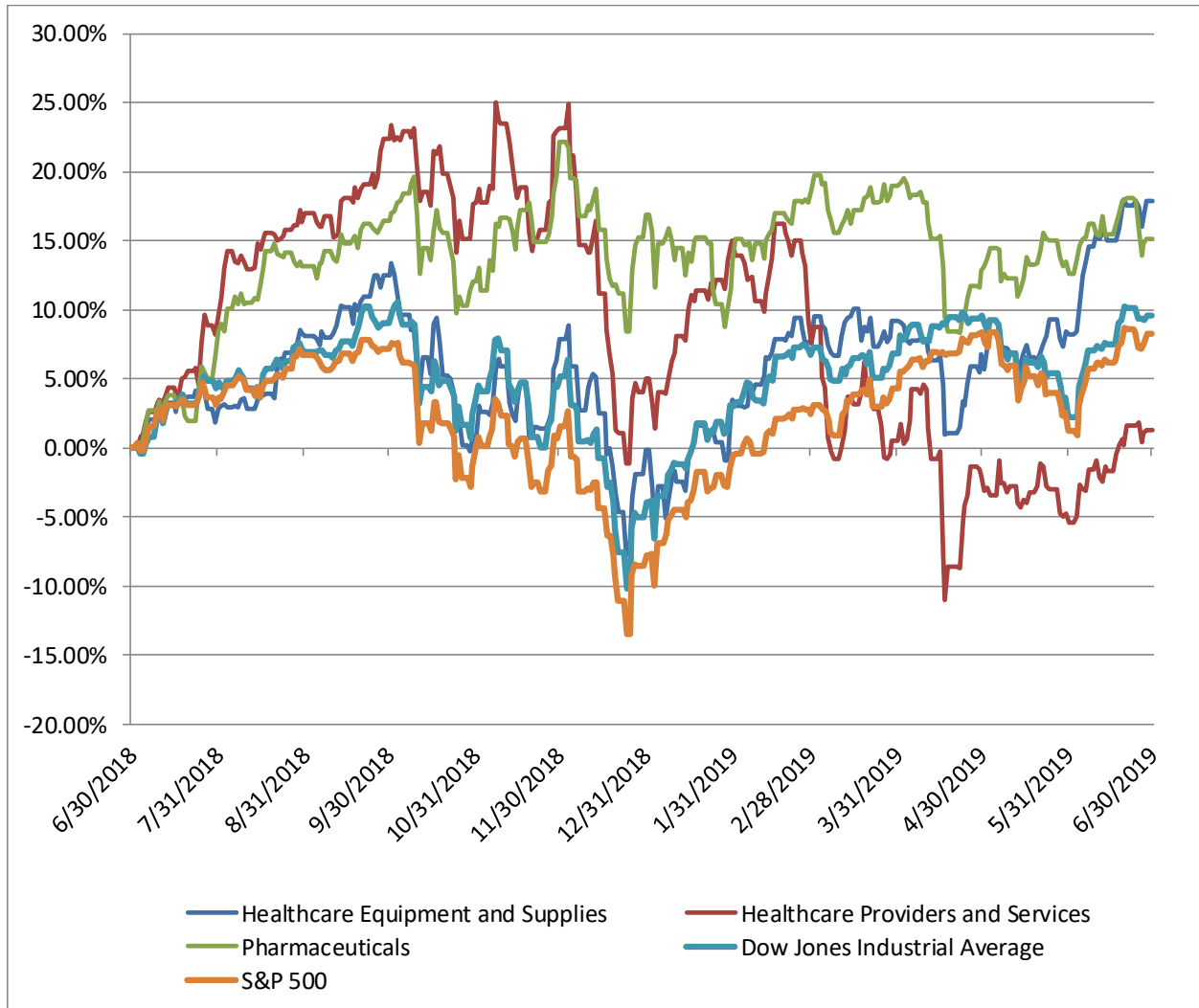
(USD in millions, except per share data)

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		Return On Assets	Return On Equity	Return On Capital	Revenue Growth	EBITDA Growth	EBITDA Margin	TEV/ LTM Revenue	TEV/ CY 2019 Revenue	TEV/ LTM EBITDA	TEV/ CY 2019 EBITDA
Pharmaceuticals											
AbbVie Inc.	ABBV	11.4%	N/A	20.0%	16.1%	12.6%	41.8%	4.5x	4.5x	10.7x	9.2x
Akorn, Inc.	AKRX	-4.7%	-63.0%	-5.5%	-17.5%	N/A	-6.6%	1.4x	1.5x	N/A	45.2x
Bristol-Myers Squibb Company	BMJ	11.7%	38.1%	19.4%	8.6%	26.4%	31.0%	3.2x	3.0x	10.4x	9.4x
Eli Lilly and Company	LLY	9.0%	28.6%	16.4%	7.4%	23.6%	32.1%	4.8x	5.1x	14.9x	16.2x
Amneal Pharmaceuticals, Inc.	AMRX	6.9%	-77.3%	8.3%	60.9%	52.3%	27.0%	2.7x	2.3x	10.0x	7.2x
Merck & Co., Inc.	MRK	6.3%	20.2%	9.6%	5.4%	11.5%	31.0%	4.9x	4.6x	15.7x	11.7x
Mylan N.V.	MYL	3.1%	2.8%	4.0%	-4.0%	-0.5%	31.5%	2.4x	2.3x	7.6x	7.3x
Perrigo Company plc	PRGO	2.6%	2.2%	3.2%	-4.3%	-22.5%	18.9%	2.0x	2.0x	10.4x	9.9x
Pfizer Inc.	PFE	5.9%	16.5%	8.9%	2.1%	4.4%	41.1%	4.5x	4.5x	11.0x	11.2x
The Medicines Company	MDCO	-12.7%	-17752.2%	-15.0%	-86.3%	N/A	N/A	426.0x	351.9x	N/A	N/A
	Mean	4.0%	-1976.0%	6.9%	-1.2%	13.5%	27.5%	45.6x	38.2x	11.4x	14.1x
	Median	6.1%	2.8%	8.6%	3.8%	12.1%	31.0%	3.9x	3.8x	10.6x	9.9x

Notes: LTM (latest twelve months); NTM (next twelve months); EBITDA (earnings before interest, taxes, depreciation and amortization); TEV (total enterprise value)

Source: Capital IQ

Healthcare Public Company LTM Equity Performance
As of June 30, 2019



Note: The indices are derived from the equity performance of the previously listed companies. Source: Capital IQ

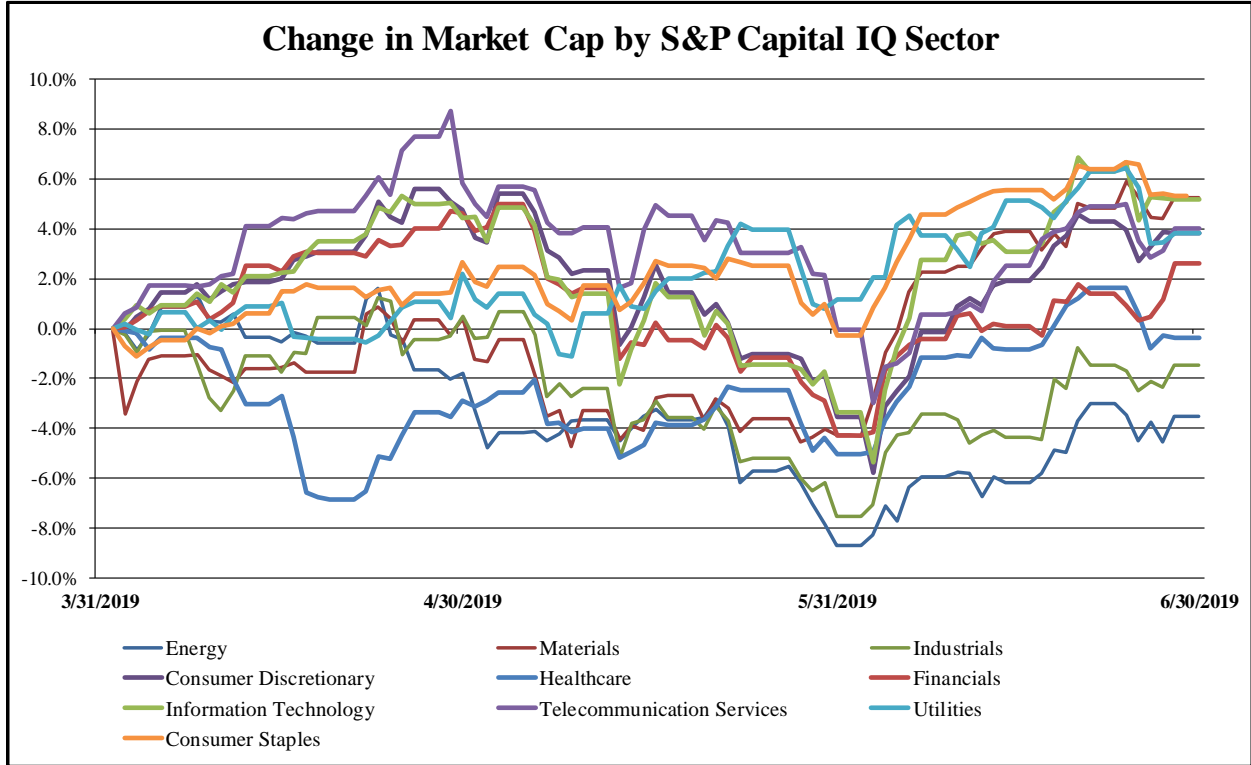
Recent M&A Activity in Healthcare Industry June 30, 2018 to June 30, 2019

(USD in millions)

Close Date	Target	Acquirer	Target Company Primary Industry	Implied Enterprise Value
12/20/2018	Express Scripts Holding Company	Cigna Corporation	Health Care Services	\$68,671.41
10/11/2018	Envision Healthcare Corporation	KKR & Co. L.P. (nka:KKR & Co. Inc.); KKR	Health Care Services	\$10,418.63
2/15/2019	Loxo Oncology, Inc.	Eli Lilly and Company	Biotechnology	\$7,391.13
7/26/2018	HCR ManorCare, Inc.	ProMedica Health System, Inc.	Health Care Facilities	\$6,142.17
4/1/2019	Auris Health, Inc.	Ethicon US, LLC	Health Care Technology	\$5,750.00
2/11/2019	athenahealth, Inc.	Veritas Capital Fund Management, LLC; Evergreen	Health Care Technology	\$5,638.50
11/16/2018	LifePoint Health, Inc. (nka:Legacy LifePoint Health, Inc.)	RCCH HealthCare Partners	Health Care Facilities	\$5,598.11
1/22/2019	Tesaro, Inc.	GlaxoSmithKline plc	Biotechnology	\$4,990.71
8/27/2018	Cotiviti Holdings, Inc.	Verscend Technologies, Inc.	Health Care Technology	\$4,929.27
6/19/2019	DaVita Medical Holdings, LLC	Collaborative Care Holdings, LLC	Health Care Services	\$4,340.00
7/2/2018	Kindred Healthcare, Inc. (nka:Kindred Healthcare, LLC)	TPG Capital, L.P.; Welsh, Carson, Anderson & Stowe;	Health Care Facilities	\$4,171.80
2/22/2019	DJO Global, Inc.	Colfax Corporation	Health Care Equipment	\$3,150.00
4/1/2019	Advanced Sterilization Products Services Inc.	Fortive Corporation	Health Care Equipment	\$2,700.00
10/1/2018	LifeScan, Inc.	Platinum Equity, LLC	Health Care Equipment	\$2,100.00
2/21/2019	NxStage Medical, Inc.	Fresenius Medical Care Holdings, Inc.	Health Care Equipment	\$2,013.26
7/31/2018	Abaxis, Inc.	Zoetis Inc.	Health Care Equipment	\$1,827.84
12/21/2018	Endocyte, Inc.	Novartis AG	Pharmaceuticals	\$1,757.96
4/30/2019	Brammer Bio, LLC	Thermo Fisher Scientific Inc.	Biotechnology	\$1,700.00
5/7/2019	IFM Tre, Inc.	Novartis AG	Biotechnology	\$1,605.66
1/4/2019	UHS Holdco, Inc. (nka:Agiliti Holdco, Inc.)	Federal Street Acquisition Corp. (nka:Agiliti, Inc.)	Health Care Services	\$1,440.00
7/11/2018	Curo Health Services, LLC	TPG Capital, L.P.; Welsh, Carson, Anderson & Stowe;	Health Care Facilities	\$1,400.00
3/8/2019	Civitas Solutions, Inc.	Centerbridge Partners, L.P.	Health Care Services	\$1,372.72
11/9/2018	K2M Group Holdings, Inc.	Stryker Corporation	Health Care Equipment	\$1,339.96
8/1/2018	naviHealth, Inc.	Clayton, Dubilier & Rice, Inc.	Health Care Services	\$1,338.18
3/5/2019	BrightSpring Health Services	PharMerica Corporation	Health Care Services	\$1,320.00
5/17/2019	Paragon Bioservices, Inc.	Catalent Pharma Solutions, Inc.	Life Sciences Tools and Services	\$1,200.00
7/11/2018	VVC Holding Corp.	Veritas Capital Fund Management, LLC	Health Care Technology	\$1,050.00
2/1/2019	Technology Business of MModal IP LLC	3M Company	Health Care Technology	\$1,000.00
8/23/2018	Agilis Biotherapeutics, LLC	PTC Therapeutics, Inc.	Biotechnology	\$945.00
10/1/2018	GreatCall, Inc.	Best Buy Co., Inc.	Health Care Services	\$800.00
11/13/2018	MatrixCare, Inc.	ResMed Operations Inc.	Health Care Technology	\$750.00
9/5/2018	AdvancedMD, Inc.	Global Payments Inc.	Health Care Technology	\$700.00
9/20/2018	US Medical Dermatology Portfolio of Allergan plc	Almirall, LLC	Pharmaceuticals	\$650.00
4/17/2019	Osiris Therapeutics, Inc.	Smith & Nephew plc	Biotechnology	\$625.80
10/16/2018	Augmenix, Inc.	Boston Scientific Corporation	Health Care Equipment	\$600.00
7/2/2018	American Technical Molding Inc./UTI Holdings LLC/Greatbatch	Viant Medical, LLC	Health Care Equipment	\$600.00
8/1/2018	Exosome Diagnostics, Inc.	Bio-Techne Corporation	Biotechnology	\$575.00
12/12/2018	Keryx Biopharmaceuticals, Inc.	Akebia Therapeutics, Inc.	Biotechnology	\$570.46
12/31/2018	Netsmart LLC.	AlpInvest Partners B.V.; TA Associates Management,	Health Care Technology	\$567.97
1/31/2019	Aurora Diagnostics, LLC	Sonic Healthcare Limited	Health Care Services	\$540.00
8/6/2018	CBR Acquisition Holdings Corp.	GI Partners, LLC; GI Partners Fund V LP	Health Care Services	\$530.00
5/31/2019	InstaMed Communications, LLC	JPMorgan Chase & Co.	Health Care Technology	\$500.00
11/27/2018	Corium International, Inc.	Gurnet Point Capital Limited	Pharmaceuticals	\$492.51
10/25/2018	Advanced Bioprocessing Business Of Becton, Dickinson and	Thermo Fisher Scientific Inc.	Biotechnology	\$477.00
6/11/2019	VertiFlex Inc.	Boston Scientific Corporation	Health Care Equipment	\$465.00
9/19/2018	Celence, Inc.	Amicus Therapeutics, Inc.	Biotechnology	\$452.00
11/15/2018	GENEWIZ, Inc.	Brooks Automation, Inc.	Life Sciences Tools and Services	\$450.00
10/10/2018	Cartiva, Inc.	Wright Medical Group, Inc.	Health Care Equipment	\$435.00
8/31/2018	Visterra, Inc.	Otsuka America, Inc.	Biotechnology	\$430.00
9/12/2018	Halo Pharma, Inc./8121117 Canada Inc./Halo Pharmaceutical Canada	Cambrex Corporation	Pharmaceuticals	\$425.00
1/16/2019	Perosphere Inc.	AMAG Pharmaceuticals, Inc.	Pharmaceuticals	\$423.20
11/23/2018	All Assets of ebbu, Inc.	11065220 Canada Inc.	Pharmaceuticals	\$407.80
5/29/2019	Abide Therapeutics Inc.	H. Lundbeck A/S	Biotechnology	\$400.00
1/24/2019	Hammes Medical Office Portfolio	Welltower Inc.	Health Care Services	\$391.00

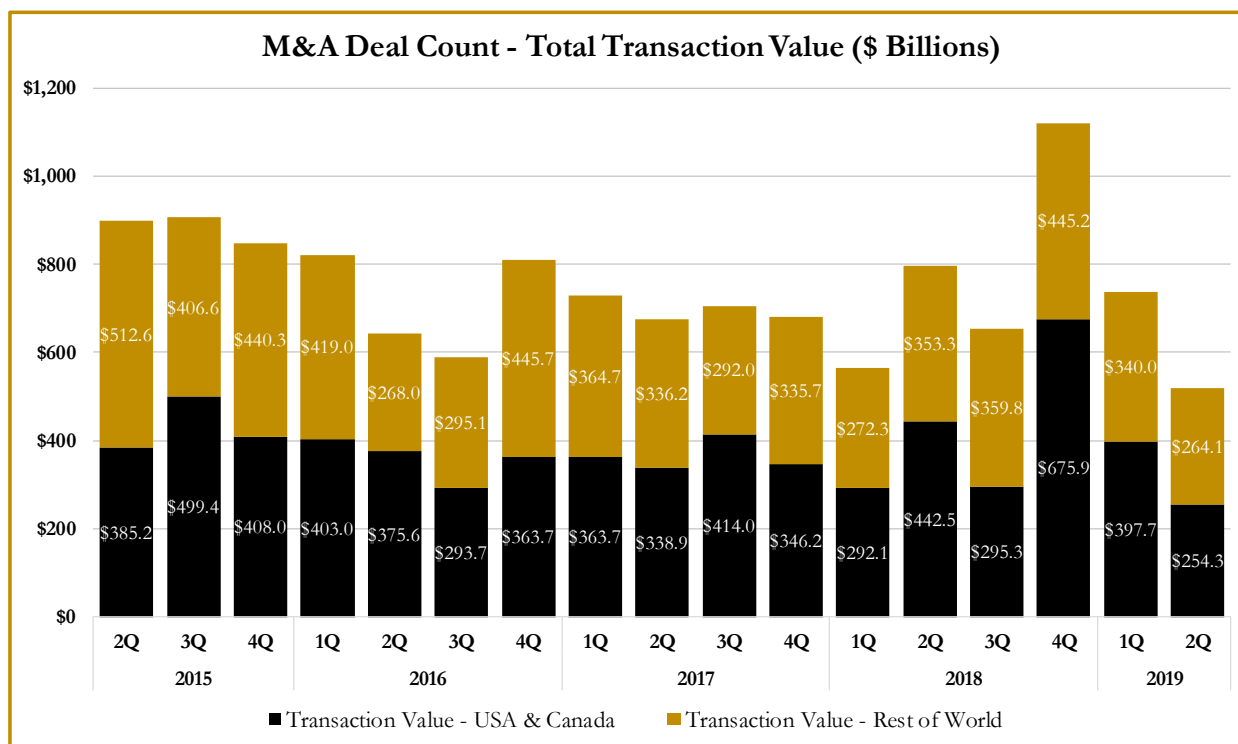
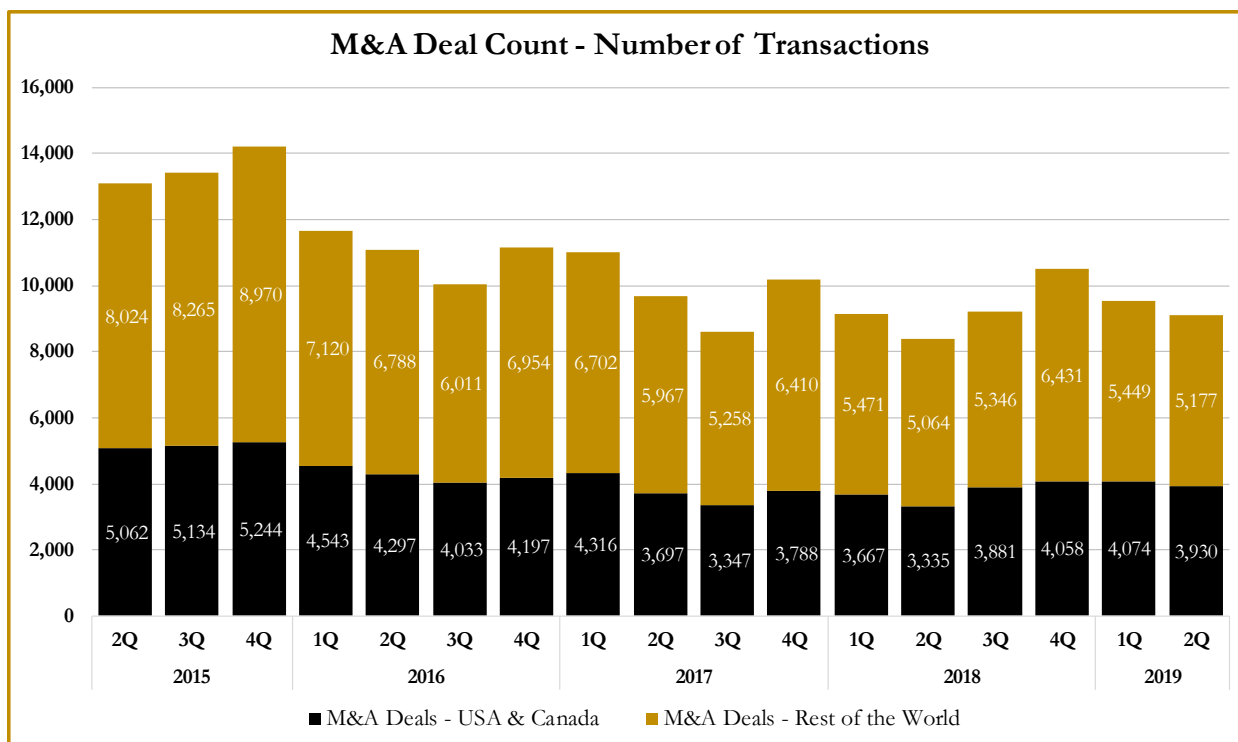
Source: Capital IQ

S&P Capital IQ - Sector Last 3 Month Equity Performance
As of June 30, 2019

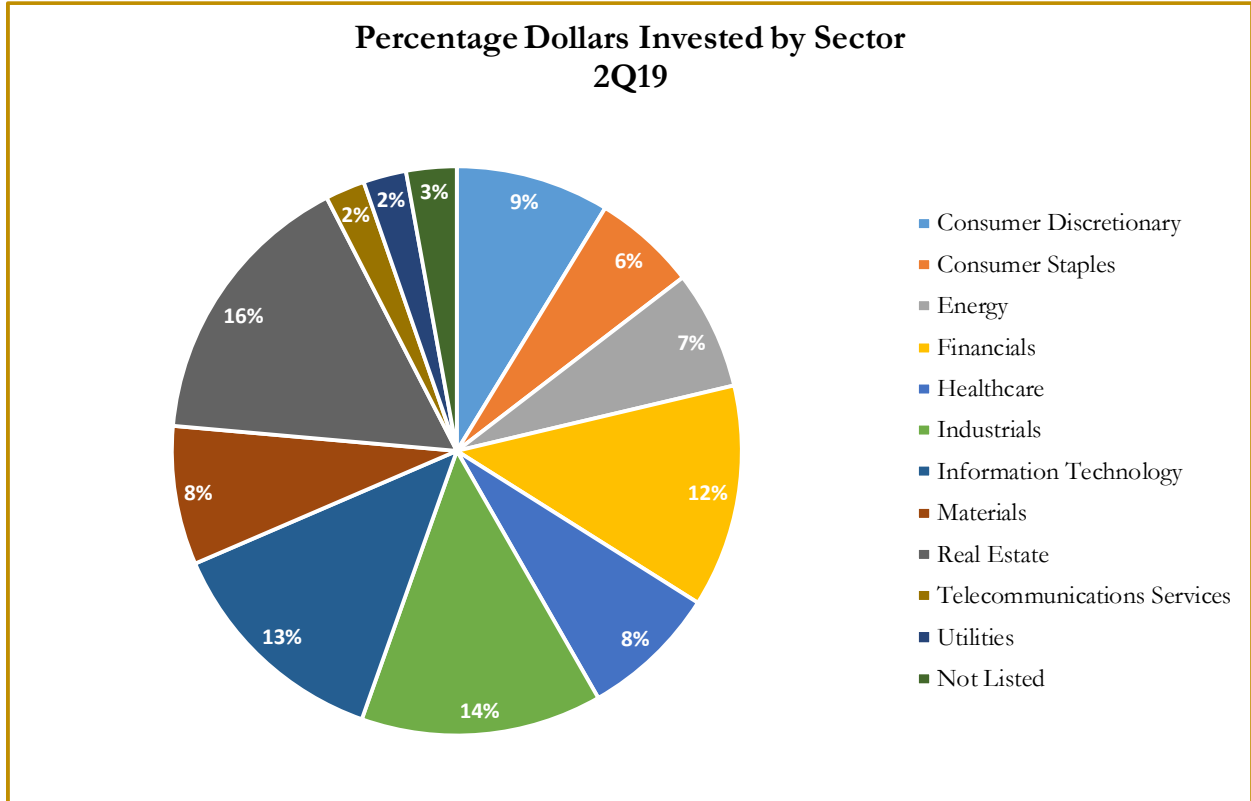


Note: The indices are derived from the equity performance of the S&P Capital IQ Sectors. Source: Capital IQ

M&A Deal Flow Statistics by S&P Capital IQ Sector As of June 30, 2019



M&A Deal Flow Statistics by S&P Capital IQ Sector
As of June 30, 2019





About Houlihan Capital

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Houlihan Capital is SOC-compliant, a FINRA and SIPC member and committed to the highest levels of professional ethics and standards.

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We provide an array of services that include enterprise valuations, portfolio valuation, valuation of carried interest, transaction opinions, tax and financial reporting compliance, purchase price allocations, and a wide variety of consulting services through our Financial Advisory Group.

Investment Banking

Through our Investment Banking Group, we offer sell side/buy side advisory and capital raises. Through our Special Situations desk, we provide services that fit outside the archetypal verticals, including liquidity solutions, transactional advisory, and secondary market advisory and trading.

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Our team provides support for a wide variety of situations including commercial and shareholder disputes, derivatives and structured finance litigation, and fraudulent conveyance.

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