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**Annuals**
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- Senior Care Acquisition Report
- Hospital M&A Market: Five-Year Review and Outlook
- Biotechnology Acquisition Report
- Pharmaceutical Acquisition Report
- Medical Device Acquisition Report

**Transaction Database**
- Deal Search Online (www.dealsearchonline.com)

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### The Health Care M&A Report

**First Quarter, 2011**

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TABLE OF CONTENTS

INTRODUCTION .......................................................................................... v
BEHAVIORAL HEALTH CARE ................................................................. 1
BIOTECHNOLOGY ...................................................................................... 7
E-HEALTH .................................................................................................. 23
HOME HEALTH CARE and HOSPICE ...................................................... 33
HOSPITALS ............................................................................................... 41
LABORATORIES, MRI and DIALYSIS ....................................................... 57
LONG-TERM CARE .................................................................................. 67
MANAGED CARE ..................................................................................... 90
MEDICAL DEVICES ............................................................................... 95
PHARMACEUTICALS ............................................................................ 121
PHYSICIAN MEDICAL GROUPS ............................................................... 137
REHABILITATION .................................................................................. 151
OTHER .................................................................................................... 157
INDEX ................................................................................................... 175
INTRODUCTION

This is the 71st issue of The Health Care M&A Report, which tracks the merger and acquisition market in the health care industry. General trends in the market are discussed in this Introduction and supported by data from individual deals that appear in the body of the text. Each entry details a transaction, describing the target and acquirer. It also provides the price, terms, acquisition multiples and other financial information, where these are available. Finally, the commentary section offers additional analysis.

This issue reports on 229 separate transactions that were announced in the first quarter of 2011 and lists them alphabetically by target within 13 separate health care sectors.

- Behavioral Health Care
- Biotechnology
- E-Health
- Home Health Care
- Hospitals
- Laboratories, MRI & Dialysis
- Long-Term Care
- Managed Care
- Medical Devices
- Pharmaceuticals
- Physician Medical Groups
- Rehabilitation
- Other
- Laboratories, MRI & Dialysis
- Other

Below we illustrate some of the more significant trends in the health care merger and acquisition market with a series of charts, providing details of its size and of the kinds of players involved. These general figures and statistics are followed by sections on the M&A market for each of the 13 sectors of the health care industry. Finally, the financial and strategic details of the individual deals that make up this market are set out in the body of the text.

Notable trends in the first quarter’s health care M&A market which impacted multiple sectors include the following. These are discussed further in the individual sections below.

1. Financial buyers made a strong showing in several health care sectors, accounting for 31% of all dollars spent on health care M&A activity.

2. Acquisition activity was strong in facility-based services sectors such as Hospitals and Long-Term Care.

3. Long-Term Care and Medical Devices attracted the most investor interest and capital for deal making during the first quarter.

4. The search for new drugs and revenue streams continued to blur the boundary between Biotechnology and Pharmaceuticals as participants in both industries sought to replace the loss of revenues from drugs going off patent.

5. Health care reform has prompted Managed Care Organizations to look for acquisitions outside their core business, and seek deals in e-Health and Consumer Healthcare (“Other”).

6. The Q1:11 dollar volume in each of the Laboratory and Rehabilitation sectors was greater than the combined 2009 and 2010 dollar volumes for each sector, though for different specific reasons. Underlying both was the availability of capital to get the deals done.
For reasons of timeliness, each transaction is tracked by the date of the announcement rather than the date of consummation, or closing date. This generally coincides with a significant event, such as the signing of a letter of intent or the receipt of regulatory clearance. It is assumed that once a letter of intent is signed, for example, the parties to the deal consider it to be economically viable relative to the market conditions at the time of the signing. The chart above presents these 229 deals in relation to the number of deals that were announced during the four previous quarters.

The chart divides the health care industry into two broad segments: the nine sectors we have traditionally covered that offer “services” and the four sectors we subsequently began covering that are focused on products and “technology.” These two segments also figure in the discussion below.

With 229 deals announced during Q1:11, M&A activity was down 6% from the previous quarter’s 251 transactions, but up 1% from the 226 deals in the year-ago quarter (Q1:10). The 129 deals in the health care services segment represent 56% of the total transaction volume announced during Q1:11, with the 100 deals in the health care technology segment making up the remaining 44%. Year-over-year, the services segment is now capturing a larger proportion of this market’s deal volume as investor confidence in these businesses increases.
# Deal Volume by Segment and Sector

<table>
<thead>
<tr>
<th>Sector</th>
<th>Q1:11</th>
<th>Q4:10</th>
<th>% Change</th>
<th>Q1:10</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Services Segment:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Long-Term Care</td>
<td>36</td>
<td>35</td>
<td>3%</td>
<td>20</td>
<td>80%</td>
</tr>
<tr>
<td>Hospitals</td>
<td>24</td>
<td>24</td>
<td>0%</td>
<td>9</td>
<td>167%</td>
</tr>
<tr>
<td>Physician Groups</td>
<td>18</td>
<td>29</td>
<td>-38%</td>
<td>12</td>
<td>50%</td>
</tr>
<tr>
<td>Labs, MRI, Dialysis</td>
<td>11</td>
<td>8</td>
<td>38%</td>
<td>8</td>
<td>38%</td>
</tr>
<tr>
<td>Home Health Care</td>
<td>6</td>
<td>9</td>
<td>-33%</td>
<td>14</td>
<td>-57%</td>
</tr>
<tr>
<td>Behavioral Health Care</td>
<td>4</td>
<td>2</td>
<td>100%</td>
<td>0</td>
<td>NM</td>
</tr>
<tr>
<td>Rehabilitation</td>
<td>3</td>
<td>5</td>
<td>-40%</td>
<td>2</td>
<td>50%</td>
</tr>
<tr>
<td>Managed Care</td>
<td>1</td>
<td>1</td>
<td>0%</td>
<td>2</td>
<td>-50%</td>
</tr>
<tr>
<td>Other</td>
<td>26</td>
<td>24</td>
<td>8%</td>
<td>26</td>
<td>0%</td>
</tr>
<tr>
<td>Services Subtotal</td>
<td>129</td>
<td>137</td>
<td>-6%</td>
<td>93</td>
<td>39%</td>
</tr>
<tr>
<td><strong>Technology Segment:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Medical Devices</td>
<td>43</td>
<td>42</td>
<td>2%</td>
<td>41</td>
<td>5%</td>
</tr>
<tr>
<td>Biotechnology</td>
<td>24</td>
<td>26</td>
<td>-8%</td>
<td>30</td>
<td>-20%</td>
</tr>
<tr>
<td>Pharmaceuticals</td>
<td>21</td>
<td>27</td>
<td>-22%</td>
<td>39</td>
<td>-46%</td>
</tr>
<tr>
<td>e-Health</td>
<td>12</td>
<td>19</td>
<td>-37%</td>
<td>23</td>
<td>-48%</td>
</tr>
<tr>
<td>Technology Subtotal</td>
<td>100</td>
<td>114</td>
<td>-12%</td>
<td>133</td>
<td>-25%</td>
</tr>
<tr>
<td><strong>Grand Total</strong></td>
<td>229</td>
<td>251</td>
<td>-9%</td>
<td>226</td>
<td>1%</td>
</tr>
</tbody>
</table>

*Preliminary figures

The table above lists the percentage contribution of each sector to the first quarter’s total deal volume, along with comparisons to the previous and year-ago quarters. The three most active sectors of the health care M&A market taken together account for approximately 45% of the total deal volume announced during the first quarter of 2011.

In Q1:11, the three most active individual sectors were Medical Devices (43), Long-Term Care (36) and a tie between Biotechnology and Hospitals (24 each). Combined, the top three figures captured 45% of the quarter’s total deal volume. The three largest sectors of the previous quarter in terms of deal volume (Medical Devices, Long-Term Care and Physician Medical Groups) accounted for about 43% of that period’s total transaction volume.
## THE ACQUIRERS

<table>
<thead>
<tr>
<th>Acquirer</th>
<th>Listing</th>
<th>Sector</th>
<th>Deals</th>
</tr>
</thead>
<tbody>
<tr>
<td>Health Care REIT</td>
<td>NYSE: HCN</td>
<td>Long-Term Care</td>
<td>5</td>
</tr>
<tr>
<td>Pfizer, Inc.</td>
<td>NYSE: PFE</td>
<td>Pharmaceuticals</td>
<td>4</td>
</tr>
<tr>
<td>Cephalon</td>
<td>NASDAQ: CEPH</td>
<td>Pharmaceuticals</td>
<td>3</td>
</tr>
<tr>
<td>IPC The Hospitalist</td>
<td>NASDAQ: IPCM</td>
<td>Physician Medical Groups</td>
<td>3</td>
</tr>
<tr>
<td>PerkinElmer</td>
<td>NYSE: PKI</td>
<td>Medical Devices</td>
<td>3</td>
</tr>
</tbody>
</table>

*Multiple Acquirers—Three Or More Deals*

A total of 199 companies were involved in the Q1:11 health care M&A market as buyers (Q4:10, 199). Ninety-five publicly traded corporations announced a combined total of 118 deals; 84 privately held companies announced 89 deals; and 20 not-for-profit organizations announced 22 deals.

Companies that made three or more acquisitions during Q1:11 are tabulated in the chart above. Each of the remaining multiple acquirers made two deals apiece. The publicly traded corporations include Alexion Pharmaceuticals, Boston Scientific Corp., Emergency Medical Services Corp., Emeritus Senior Living, Quest Diagnostics, The Ensign Group, LHC Group, Meda AB, RadNet and Valeant Pharmaceuticals International. The privately held companies include Acadiana Management, DJO Global, Gruenenthal GmbH, Platinum Health Care and U.S. Healthworks. The not-for-profit organizations include Memorial Health Systems and NorthShore University Health System. All remaining buyers made a single deal.
### Acquirer Listing and Market Share

<table>
<thead>
<tr>
<th>Acquirer Type (By Listing)</th>
<th>Q1:10</th>
<th>Q2:10</th>
<th>Q3:10</th>
<th>Q4:10</th>
<th>Q1:11</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Deals</td>
<td>Dollars</td>
<td>Deals</td>
<td>Dollars</td>
<td>Deals</td>
</tr>
<tr>
<td>Publicly Traded</td>
<td>53%</td>
<td>93%</td>
<td>61%</td>
<td>87%</td>
<td>60%</td>
</tr>
<tr>
<td>Privately Held</td>
<td>34%</td>
<td>6%</td>
<td>32%</td>
<td>12%</td>
<td>30%</td>
</tr>
<tr>
<td>Not-For-Profit</td>
<td>13%</td>
<td>1%</td>
<td>7%</td>
<td>1%</td>
<td>10%</td>
</tr>
</tbody>
</table>

**Deals Announced and Dollars Spent By Acquirer Type**

The table above classifies acquirers according to their listing type: publicly traded corporation, privately held company or not-for-profit organization. For each type, it presents the percentage of deals and dollars that type captured in a given quarter. In Q1:11, for example, acquisitions made by publicly traded corporations were responsible for approximately 85% of all dollars spent in the health care M&A market, while those made by privately held companies were responsible for 13% and those made by not-for-profit organizations were responsible for just 2%.

The table also shows that in terms of dollar volume, not-for-profit organizations hover around the 1% mark even though they may account for between 7% and 13% of the total deal volume. The share of dollars captured by not-for-profits is low in part because of the frequent use of mergers by this cohort, particularly among hospitals, to structure transactions; mergers typically lack prices to contribute to the overall dollar figures.

What the table above also shows us is that publicly traded corporations habitually outstrip their privately held and not-for-profit counterparts in the percentage of M&A dollars they capture, due both to their ability to access the public equity markets and to the sizable cash flow that larger corporations generate.
FINANCIAL VS. STRATEGIC BUYER

<table>
<thead>
<tr>
<th>Financial Buyers</th>
<th>Q1:10</th>
<th>Q2:10</th>
<th>Q3:10</th>
<th>Q4:10</th>
<th>Q1:11</th>
</tr>
</thead>
<tbody>
<tr>
<td>Deals Announced</td>
<td>12</td>
<td>13</td>
<td>23</td>
<td>19</td>
<td>21</td>
</tr>
<tr>
<td>Percentage of Deal Volume</td>
<td>6%</td>
<td>6%</td>
<td>10%</td>
<td>8%</td>
<td>9%</td>
</tr>
<tr>
<td>Dollars Committed</td>
<td>$3.5 billion</td>
<td>$1.8 billion</td>
<td>$14.4 billion</td>
<td>$10.4 billion</td>
<td>$16.0 billion</td>
</tr>
<tr>
<td>Percentage of Dollars Spent</td>
<td>14%</td>
<td>4%</td>
<td>21%</td>
<td>16%</td>
<td>31%</td>
</tr>
</tbody>
</table>

The Impact Of Financial Buyers On The Health Care M&A Market

Despite the negative press they sometimes receive in the general media, financial buyers have not historically dominated the M&A market in the health care industry. Strategic buyers, most of them publicly traded corporations, have accounted for the lion’s share of deal making.

The table above indicates that financial buyers are now returning to the M&A market after posting nominal figures during the depths of the Great Recession, and they are bringing with them a backlog of capital to invest. Ten of the 21 deals announced in the first quarter of 2011 targeted the Long-Term Care sector; most of them were carried out by real estate investment trusts, or REITs.
A total of $51.0 billion was committed to fund the 229 transactions of the first quarter of 2011. The chart above displays the percentage contribution of each sector to the total dollars spent during the quarter. Long-Term Care, Medical Devices and Pharmaceuticals captured the three highest amounts, posting $12.7 billion, $12.3 billion and $8.6 billion, respectively. These three sectors were also the biggest spenders in the previous quarter (though with a different ranking), posting $9.6 billion, $21.3 billion and $9.0 billion, respectively.

At the other end of the spectrum, four service sectors combined, Behavioral Health Care, Home Health Care, Managed Care and Physician Medical Groups, accounted for a total of $117.0 million, or approximately 0.2% of the first quarter’s total dollar volume.
Based on purchase prices revealed to date, a total of $51.0 billion was committed in Q1:11 to finance the quarter’s acquisition activity. While the technology segment continues to attract a greater percentage of health care M&A dollars than the corresponding services segment does, the gap between the two has been narrowing over recent quarters. While the technology sectors captured 77% of all M&A dollars in the year-ago quarter, Q1:10, they captured just 55% in Q1:11.

After rising over several quarters, the median price paid per transaction during the first quarter of 2011 was $55.0 million, the same as in the previous quarter, Q4:10.


**BILLION-DOLLAR DEALS, FIRST QUARTER 2011**

<table>
<thead>
<tr>
<th>Acquirer</th>
<th>Listing</th>
<th>Target</th>
<th>Listing</th>
<th>Price (In $ billions)</th>
<th>Sector</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ventas, Inc.</td>
<td>NYSE: VTR</td>
<td>Nationwide Health Properties, Inc.</td>
<td>NYSE: NHP</td>
<td>7.4</td>
<td>Long-Term Care</td>
</tr>
<tr>
<td>Danaher Corporation</td>
<td>NYSE: DHR</td>
<td>Beckman Coulter, Inc.</td>
<td>NYSE: BEC</td>
<td>6.8</td>
<td>Medical Devices</td>
</tr>
<tr>
<td>Clayton, Dubilier &amp; Rice, LLC</td>
<td>Private</td>
<td>Emergency Medical Services Corp.</td>
<td>NYSE: EMS</td>
<td>3.2</td>
<td>Other</td>
</tr>
<tr>
<td>Terumo Corporation</td>
<td>T: 4543</td>
<td>CaridianBCT</td>
<td>Private</td>
<td>2.6</td>
<td>Medical Devices</td>
</tr>
<tr>
<td>Health Care REIT</td>
<td>NYSE: HCN</td>
<td>Genesis real estate assets</td>
<td>Private</td>
<td>2.4</td>
<td>Long-Term Care</td>
</tr>
<tr>
<td>Astellas Pharma, Inc.</td>
<td>T: 4503</td>
<td>Rights to kidney cancer drug candidate</td>
<td>Private</td>
<td>1.5</td>
<td>Pharmaceuticals</td>
</tr>
<tr>
<td>Kindred Healthcare Services, Inc.</td>
<td>NYSE: KND</td>
<td>RehabCare Group, Inc.</td>
<td>NYSE: RHB</td>
<td>1.3</td>
<td>Rehabilitation</td>
</tr>
<tr>
<td>Eli Lilly and Co.</td>
<td>NYSE: LLY</td>
<td>Diabetes venture, Part II</td>
<td>Private</td>
<td>1.2</td>
<td>Pharmaceuticals</td>
</tr>
<tr>
<td>Forest Laboratories, Inc.</td>
<td>NYSE: FRX</td>
<td>Clinical Data, Inc.</td>
<td>NASDAQ: CLDA</td>
<td>1.2</td>
<td>Pharmaceuticals</td>
</tr>
<tr>
<td>Amgen, Inc.</td>
<td>NASDAQ: AMGN</td>
<td>BioVex Group, Inc.</td>
<td>Private</td>
<td>1.0</td>
<td>Biotechnology</td>
</tr>
</tbody>
</table>

**Billion-Dollar Deals Announced In Q1:11**

As shown in the table above, the first quarter of 2011 saw the announcement of 10 billion-dollar deals (Q4:10, 13). Their combined value of $28.6 billion accounts for 56% of the quarter’s total M&A dollars (Q4:10, 71%).

Six of the billion-dollar deals are in the technology segment while four are in the services segment. Seven of the transactions have strategic buyers (Q4:10, 11) while three have financial buyers (Q4:10, 2), consisting of two REITs and one private equity group.
Both foreign and domestic buyers have been active in the health care M&A market. Domestic buyers had dominated the U.S. health care M&A market up until Q4:07, when foreign buyers began outspending their American counterparts for about five quarters.

The chart above tracks their progress from Q4:07 through Q1:11. It gives three data points for each quarter. First is the total number of health care M&A dollars spent in that quarter on all transactions. The next two figures are derived from the top 20 deals of the quarter as measured in dollar value. Accordingly, the second data point is the number of dollars spent by all foreign buyers among the top 20 deals. Similarly, the third data point is the number of dollars spent by all U.S. buyers among the top 20 deals. (Since the top 20 deals in any given quarter generally account for approximately four-fifths of all dollars spent, the inclusion of the remaining deals, all of lesser value, does not materially alter the overall pattern of results.)

With the onset of the Credit Crunch in mid-2007, foreign buyers came to have the upper hand. Part of the reason for the preponderance of foreign buyers was that the dollar had been historically low against other major currencies—and a lower dollar made acquisitions in America by foreign buyers cheaper and more attractive. The low dollar also tended to keep American buyers in the American market and away from relatively more expensive foreign opportunities.

However, since the beginning of 2009, domestic buyers appear in general to be outspending their foreign counterparts; Q1:10 is the only exception to this rule. Going forward, the trend toward globalization will likely raise the levels of cross-border M&A in the health care technology sectors while attempts to enhance local and regional health care delivery networks in the U.S. will foster a strong domestic market.
OF SPECIAL NOTE

To keep our readers abreast of the rapid and ever-changing developments in the M&A market, Irving Levin Associates issues The Health Care M&A Weekly 50 times a year. This bulletin, which reaches your desk by e-mail, lists all of the health care M&A deals announced during the week along with prices and links. Further detail and analysis of these transactions are provided in our monthly newsletter, The Health Care M&A Monthly, which is intended to serve two purposes. First, it offers up-to-date information on the market by collecting all the deals that have been announced during the previous month. Second, the newsletter places those deals in context by providing commentary on the market itself. Each month, we discuss emerging trends in individual sectors of the health care industry, interpret the investment implications of select deals and report information about deals we have heard to be brewing, but which have yet to be formally announced.

After the end of each quarter, we issue this source book, The Health Care M&A Report, to follow up on these transactions with more comprehensive information on the quarter’s deals. We utilize such sources as SEC filings, discussions with bankers and consultants involved in certain transactions, and interviews with company management to bring our readers reliable, value-added information on this important and rapidly evolving market. The Irving Levin online M&A database, Deal Search Online, which includes 15 years’ worth of M&A data, is updated weekly and is at your disposal 24 hours a day, seven days a week. So even after the publication of this source book, we make subsequent updates to the deals contained in it available to subscribers through our online database and our monthly newsletter. We hope that you will find our services a valuable tool for your business.
Behavioral Health Care

The Behavioral Health Care sector produced four transactions during Q1:11; this represents 33% of the 12 deals announced during the past 12 months. During this period, M&A activity has been meager. Apart from an usually large $3.1 billion deal in Q2:10, most deals in this sector have been small, localized acquisitions.

Based on revealed prices, the 12 Behavioral Health Care deals in the past four quarters cost a combined total of nearly $3.5 billion; just $28.0 million of that was spent during the first quarter.

<table>
<thead>
<tr>
<th></th>
<th>Q1:10</th>
<th>Q2:10</th>
<th>Q3:10</th>
<th>Q4:10</th>
<th>Q1:11</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dollars Spent On Behavioral Health Care M&amp;A, By Quarter</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

The businesses acquired during the first quarter, as in the fourth, included operators of psychiatric hospitals and behavioral health programs. The buyers included one publicly traded, one privately held and two not-for-profit organizations. The targets each included a unit of one publicly traded corporation, two privately held companies and one not-for-profit.

In the first quarter’s largest Behavioral Health Care deal, hospital operator Universal Health Services is selling MeadowWood Behavioral Health, a 58-bed acute psychiatric hospital in Delaware, to Pioneer Behavioral Health for $21.5 million. This sale came about as a divestiture requirement imposed by federal antitrust regulators on Universal Health Services in connection with its $3.1 billion acquisition of Psychiatric Solutions. Both the buyer and the seller are publicly traded corporations. We expect several more divestments from Universal Health Services in 2011.

In the second largest deal, The University of Colorado is selling North Pavilion, a 75,000 square-foot property, to the Mental Health Center of Denver for $3.5 million. The buyer plans an $11.0 million renovation of the facility as an adult services clinic. The purchase price covers the cost of the real property. The resources of several smaller clinics will be consolidated into the center.
In the third largest deal, Memorial Health System of South Bend, Indiana, is paying $3.0 million to acquire certain behavioral health care assets from The Madison Center, an organization that has been in bankruptcy proceedings. The assets primarily include three buildings with 90 beds. A judge confirmed this acquisition on April 1, 2011.

The first two of these three deals rank among the five largest Behavioral Health Care deals of the past 12 months, listed below.

<table>
<thead>
<tr>
<th>Largest Behavioral Health Care Deals Of The Past 12 Months</th>
<th>Value</th>
<th>Quarter</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. United Health Services acquired Psychiatric Solutions</td>
<td>$3.1 billion</td>
<td>Q2:10</td>
</tr>
<tr>
<td>2. Onex Corp. acquired ResCare</td>
<td>$390.0 million</td>
<td>Q3:10</td>
</tr>
<tr>
<td>3. Pioneer Behavioral Health acquired MeadowWood</td>
<td>$21.5 million</td>
<td>Q1:11</td>
</tr>
<tr>
<td>4. St. Joseph’s acquired St. Vincent’s Hospital Westchester</td>
<td>$7.5 million</td>
<td>Q4:10</td>
</tr>
<tr>
<td>5. Mental Health Center of Denver acquired North Pavilion</td>
<td>$3.5 million</td>
<td>Q1:11</td>
</tr>
</tbody>
</table>
Biotechnology

During Q1:11, the Biotechnology sector posted a total of 24 deals, or 22% of the 109 biotech deals announced during the past four quarters. These 24 deals represent an 8% decrease from the 26 deals announced in the previous quarter, Q4:11, and a 20% decrease from the 30 deals announced in the year-ago quarter, Q1:10.

![Biotechnology Mergers & Acquisitions Total Transactions By Quarter]

Based on prices revealed to date, a total of $6.7 billion was spent to finance the first quarter’s activity, or roughly 11% of the $59.2 billion committed during the past 12 months.

<table>
<thead>
<tr>
<th>Quarter</th>
<th>Q1:10</th>
<th>Q2:10</th>
<th>Q3:10</th>
<th>Q4:10</th>
<th>Q1:11</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dollars Spent On Biotechnology M&amp;A, By Quarter</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>$6.6 billion</td>
<td>$15.7 billion</td>
<td>$30.6 billion</td>
<td>$6.2 billion</td>
<td>$6.7 billion</td>
</tr>
</tbody>
</table>

Twenty companies announced a combined total of 24 deals: 18 publicly traded corporations announced a total of 22 deals while two privately held companies announced one deal each. Pfizer announced three deals while Alexion Pharmaceuticals and Cephalon announced two deals apiece. Six deals, or one-quarter of the sector total, involved foreign buyers acquiring an American-listed company. Eight of the targets were publicly traded corporations or portions thereof while 16 were privately held companies. Seattle Genetics made two sales. Seven of the targets were foreign-listed.

The target businesses in Q1:11 are all involved in the discovery and use of cellular and molecular processes and platforms to solve problems or make products, both diagnostic and therapeutic. The therapeutic areas involved include cancer, CNS disorders, infectious disease, inflammation and macular degeneration. Some of the targets have just a portfolio of intellectual property, while others have marketed products; some targets involve specific products, others entire companies.

With the credit markets not flowing as freely as in the past, companies continue to hold on to their cash. This is reflected in a significant number of deals to acquire the rights to experimental therapeutic candidates: they generally consist of a small upfront payment, often a licensing fee, and very large

Source: Irving Levin Associates, Inc.
milestone payments that will be made only if certain development, regulatory or commercialization thresholds are achieved. Twelve deals in Q1:11 had this structure. By contrast, acquisitions of established biotech companies with marketed products are generally structured in terms of stock, cash or a combination of both. Twelve of the deals in the first quarter have this latter deal structure.

In the largest Biotechnology deal of the first quarter, Amgen is paying up to $1.0 billion in upfront and milestone payments to acquire BioVex, a company that is developing novel biologics to treat cancer and prevent infectious diseases. This acquisition enlarges Amgen’s pipeline of cancer-fighting drugs; the buyer is well positioned to leverage the target’s OncoVEX, which is currently in phase 3 trials for melanoma and other indications, in multiple solid tumor indications.

In the second largest deal of Q1:11, one that is worth as much as $750.0 million, Intra-Cellular Therapies is entering into a collaboration with Japan’s Takeda Pharmaceutical Co. to develop and commercialize certain schizophrenia treatments. Apart from an upfront cash payment, Takeda has committed to pay up to $500.0 million in development milestones and up to $250.0 million in sales-based milestones.

In the third largest transaction, Seattle-based Theraclone Sciences (TS) is entering into an R&D collaboration with pharma giant Pfizer to use TS’s I-STAR technology to discover protective monoclonal antibodies. The deal could bring Theraclone up to $632.0 million.

None of these three transactions figure among the five largest deals of the past 12 months, listed below. Note that the buyers in these large deals are generally pharmaceutical companies in search of new revenue streams as a number of their existing drugs face impeding patent cliffs.

**Five Largest Biotechnology Deals Of The Past 12 Months**

<table>
<thead>
<tr>
<th>Rank</th>
<th>Company 1</th>
<th>Company 2</th>
<th>Value</th>
<th>Quarter</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Sanofi-Aventis</td>
<td>Genzyme Corp.</td>
<td>$20.1 billion</td>
<td>Q3:10</td>
</tr>
<tr>
<td>2.</td>
<td>Astellas</td>
<td>OSI Pharmaceuticals</td>
<td>$4.0 billion</td>
<td>Q2:10</td>
</tr>
<tr>
<td>3.</td>
<td>Grifols SA</td>
<td>Talecris</td>
<td>$4.0 billion</td>
<td>Q2:10</td>
</tr>
<tr>
<td>4.</td>
<td>Celgene</td>
<td>Abraxis BioScience</td>
<td>$2.9 billion</td>
<td>Q2:10</td>
</tr>
<tr>
<td>5.</td>
<td>Johnson &amp; Johnson</td>
<td>Crucell, NV</td>
<td>$2.3 billion</td>
<td>Q3:10</td>
</tr>
</tbody>
</table>
E-Health

Twelve deals were announced in the e-Health sector during Q1:11, representing approximately 19% of the 64 e-Health transactions announced during the past 12 months. The recent downturn in M&A activity is due in large part to investors’ focus on technology opportunities outside of e-Health, particularly in the area of social media such as LinkedIn.

Based on prices revealed to date, approximately $182.8 million was committed to finance this quarter’s 12 deals. The first quarter figure thus represents about 3% of the approximately $6.5 billion spent during the past four quarters to finance the period’s 64 e-Health transactions.

Twelve organizations announced one deal each: six publicly traded corporations and six privately held companies. Conversely, all 12 of the targets are privately held companies. The targets in these deals include companies involved in billing solutions, digital telepathology, health exchange services, medical transcription solutions and SaaS providers and websites.

In the largest e-Health deal of the first quarter, Harris Corporation, a communications and information technology company, is paying $155.0 million to buy Carefx, a provider of interoperability workflow solutions using its Fusionfx platform. Carefx’s solution suite is used by over 800 hospitals, health care systems and health information exchanges in North America, Europe and Asia, so this acquisition significantly expands the buyer’s footprint in the health care industry.

The Health Care M&A Report, First Quarter 2011
xx
In the second largest deal of the quarter, Transcend Services is paying approximately $12.1 million, or 1.0x revenue, to purchase DTS America, a medical transcription company based in Nashville, Tennessee, that serves 30 hospitals plus several surgery centers in 13 states.

In the third largest transaction of Q1:11, a reverse merger valued at $7.75 million, Technest is acquiring AccelPath, a provider of digital telepathology and other services to laboratories and hospitals. Immediately following this deal, former AccelPath members will beneficially own nearly three-quarters of the combined company’s stock.

None of these three transactions ranks among the top five e-Health deals for the past 12-month period, listed in the table below.

Five Largest e-Health Deals Of The Past 12 Months

<table>
<thead>
<tr>
<th>Rank</th>
<th>Company 1</th>
<th>Company 2</th>
<th>Value</th>
<th>Quarter</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>UnitedHealth/Ingenix</td>
<td>Executive Health</td>
<td>$1.5 billion</td>
<td>Q3:10</td>
</tr>
<tr>
<td>2.</td>
<td>Allscripts-Misys</td>
<td>Eclipsys, Inc.</td>
<td>$1.3 billion</td>
<td>Q2:10</td>
</tr>
<tr>
<td>3.</td>
<td>MedAssets</td>
<td>Broadlane</td>
<td>$850.0 million</td>
<td>Q3:10</td>
</tr>
<tr>
<td>4.</td>
<td>Oracle</td>
<td>Phase Forward</td>
<td>$685.0 million</td>
<td>Q2:10</td>
</tr>
<tr>
<td>5.</td>
<td>Aetna</td>
<td>Medicity</td>
<td>$500.0 million</td>
<td>Q4:10</td>
</tr>
</tbody>
</table>
The Home Health Care and Hospice (HHCH) sector posted six transactions in Q1:11, down one-third from the nine deals announced in the previous quarter and down 57% from the 14 deals announced in the year-ago quarter, Q1:10. These six represent just 9% of the 35 HHCH deals announced during the past 12 months.

Based on purchase prices revealed to date, the first quarter’s M&A activity attracted $58.1 million. During the past 12-month period, a total of approximately $1.45 billion has been spent to finance that period’s 35 deals. Many deals in this sector tend to be small (under $5.0 million), with no price disclosed.

In Q1:11, five companies announced six deals. Three publicly traded corporations announced four transactions while two privately held companies announced one deal each. Publicly traded LHC Group announced two deals. Five of the targets were privately held companies, and one was a unit of a publicly traded corporation.

In the largest HHCH deal of Q1:11, Lincare Holdings acquired an otherwise unidentified provider of home health services for $30.4 million in cash, contingent consideration and deferred acquisition obligations.

In the second largest deal of the quarter, Praxair is selling its home health care services division in the United States to Apria Healthcare for approximately $5.8 million, or 0.25x projected 2011 revenue. This divestment allows Praxair to concentrate on its other business segments, including industrial gases. For its part, Apria enlarges its network of home respiratory and oxygen providers with this acquisition.
In the third largest deal of the quarter, Cincinnati-based Caregivers Health Network is selling its Medicare-certified home health agency to publicly traded Almost Family for $5.3 million. This acquisition, valued at approximately 1.1x revenue, extends the buyer’s home health provider network from northern Kentucky into southern Ohio.

The first of these transactions ranks among the top five deals of the past 12-month period, listed below.

<table>
<thead>
<tr>
<th>Five Largest Home Health/Hospice Deals Of The Past 12 Months</th>
<th>Value</th>
<th>Quarter</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Gentiva acquired Odyssey HealthCare</td>
<td>$984.0 million</td>
<td>Q2:10</td>
</tr>
<tr>
<td>2. Highland Capital acquired American HomePatient</td>
<td>$235.2 million</td>
<td>Q2:10</td>
</tr>
<tr>
<td>3. Skilled Nursing acquired nine home health businesses</td>
<td>$62.0 million</td>
<td>Q2:10</td>
</tr>
<tr>
<td>4. Lincare Holdings acquired a home health agency</td>
<td>$30.4 million</td>
<td>Q1:11</td>
</tr>
<tr>
<td>5. Visiting Nurse Services acquired St. Vincent’s Lombardi program</td>
<td>$30.2 million</td>
<td>Q3:10</td>
</tr>
</tbody>
</table>
Hospitals

Twenty-four transactions were announced in the Hospital sector during Q1:11. These 24 represent 27% of the 90 deals announced during the past 12 months. The first quarter’s deals are level with the 24 transactions announced in the previous quarter, and represent a 167% increase over the nine in the year-ago quarter, Q1:10. The adoption of health care reform legislation last year helped spur M&A activity because participants in the market are now better able to make revenue and cash-flow predictions for the facilities that they wish to buy or sell.

The assets that were acquired through these 24 transactions include a combined total of 47 hospitals and approximately 7,791 acute care beds. Most of these deals involved general acute care hospitals. Included in this cohort are three critical access facilities with 65 beds and two surgical hospitals with over 20 beds. However, two other deals involved the acquisition of two long-term acute care hospitals, or LTACs, with a combined total of approximately 62 beds.

Based on prices revealed so far, a total of $1.6 billion was committed to finance the 24 hospital deals in Q1:11. For the past 12 months, a total of $10.2 billion has been committed to hospital M&A; the first quarter figure represents 16% of the year’s total.

<table>
<thead>
<tr>
<th>Quarter</th>
<th>2010</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q1:10</td>
<td>$2.2 billion</td>
<td>$1.6 billion</td>
</tr>
<tr>
<td>Q2:10</td>
<td>$1.3 billion</td>
<td>$719.0 million</td>
</tr>
<tr>
<td>Q3:10</td>
<td>$6.6 billion</td>
<td>$1.6 billion</td>
</tr>
<tr>
<td>Q4:10</td>
<td>$719.0 million</td>
<td></td>
</tr>
</tbody>
</table>

\textit{Dollars Spent On Hospital M&A, By Quarter}

Twenty-three acquirers announced a combined total of 24 transactions in Q1:11. Two publicly traded corporations announced one deal apiece for a combined total of four hospitals with 383 beds. Twelve privately held companies announced 13 deals for a combined total of 33 hospitals with 5,285 beds; within this cohort, Acadiana Management announced making two deals. And, finally, nine not-for-profit hospitals announced nine deals affecting a total of 10 hospitals with 2,123 beds.

From the seller’s side of the equation, 13 transactions in the first quarter targeted 26 hospitals with 842 beds that were owned by privately held companies, and 11 transactions targeted 21 acute care hospitals with 6,949 beds owned by not-for-profits.
The average price to revenue multiple in this dataset was 0.7x; the median, 0.67x. Both were very close to the comparable figures for calendar year 2010.

In the largest Hospital deal of Q1:11, Trinity Health, the country’s fourth largest Catholic health system, is acquiring Loyola University Health System (LUHS) in Chicago for approximately $475.0 million. LUHS operates two acute care facilities, 28 outpatient facilities and two long-term acute care facilities. The acquisition of one Catholic provider by another stands in contrast to several recent smaller deals in which non-Catholic providers have acquired Catholic hospitals.

In the second largest deal, UPMC Health System is paying $300.0 million, or 0.95x revenue, to acquire Hamot Medical Center, a 351-bed acute care facility in Erie, Pennsylvania. This deal was first mooted in mid-2010, and closed February 1, 2011.

In the third largest deal of the quarter, one worth approximately $200.0 million, LHP Hospital Group is forming a joint venture with St. Mary’s Hospital, a 175-bed acute care facility in Waterbury, Connecticut. While LHP will own a majority of the joint venture, governance of the JV is to be 50-50. St. Mary’s had approached 16 potential capital partners to strike up a deal.

The first of these three transactions ranks among the top five deals of the past 12-month period, listed in the table below.

<table>
<thead>
<tr>
<th>Five Largest Hospital Deals Of The Past 12 Months</th>
<th>Value</th>
<th>Quarter</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Khazanah acquired Parkway Holdings</td>
<td>$3.3 billion</td>
<td>Q3:10</td>
</tr>
<tr>
<td>2. Two PEGs acquired Healthscope</td>
<td>$1.7 billion</td>
<td>Q3:10</td>
</tr>
<tr>
<td>3. Trinity Health acquired Loyola University Health System</td>
<td>$475.0 million</td>
<td>Q1:11</td>
</tr>
<tr>
<td>4. Management bought out Prospect Medical</td>
<td>$363.0 million</td>
<td>Q3:10</td>
</tr>
<tr>
<td>5. Adventist Health acquired University Community Health</td>
<td>$355.0 million</td>
<td>Q3:10</td>
</tr>
</tbody>
</table>

Some large deals received large swaths of media attention during the early part of this year. Community Health Systems recently abandoned its proposal to buy Tenet HealthCare Corp. for $7.0 billion. The deal was first announced in Q4:10; all that remains of it now is a residue of lawsuits and mutual recrimination. Boston-based Steward Health Care System, which is backed by Cerberus Capital, floated a proposal to acquire Miami’s Jackson Health System for $1.1 billion, which Jackson Health rebuffed and Steward finally abandoned. Despite these two drawbacks, raising sufficient capital to get the deals done was not an issue. Our historical figures have been adjusted to reflect these changes.
Laboratories, MRI and Dialysis

During the first quarter of 2011, 11 deals were announced in the Laboratories, MRI and Dialysis sector; these 11 account for 25% of the 44 transactions announced during the past 12 months. The first quarter’s figure is up 38% from the eight deals in both Q4:10 and the year-ago quarter, Q1:10. The acquired businesses include imaging centers and dialysis facilities, among others.

While deal volume rose modestly, dollar volume shot up dramatically. The total amount spent in Q1:11 is greater than the total amount spent in this sector in the two years 2009 and 2010 combined. Although this surge cannot be traced to any single factor—some of the deals are opportunistic, others strategic; some were primarily motivated by sellers, other by buyers—it is clear that the financial markets are making sufficient capital available to support this increased activity in this sector. Whether it continues at this level will depend on investors’ perceptions of the potential returns on investment from the businesses operating in this sector.

A total of $2.5 billion, based on revealed prices, was spent to finance the first quarter’s M&A activity. The first quarter dollar volume represents 53% of the approximately $4.7 billion that was committed to finance the 44 transactions in the past 12-month period.

<table>
<thead>
<tr>
<th>Quarter</th>
<th>Q1:10</th>
<th>Q2:10</th>
<th>Q3:10</th>
<th>Q4:10</th>
<th>Q1:11</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dollars Spent On Laboratory M&amp;A, By Quarter</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>$116.8 million</td>
<td>$913.2 million</td>
<td>$1.2 billion</td>
<td>$24.0 million</td>
<td>$2.5 billion</td>
<td></td>
</tr>
</tbody>
</table>
In the largest Laboratory deal of the first quarter, Thermo Fisher Scientific sold Athena Diagnostics to Quest Diagnostics for $740.0 million in cash, or 6.7x revenue. Athena provides diagnostic testing services for neurological diseases with an emphasis on gene testing. In a smaller deal, Quest also paid $344.0 million, or 2.7x revenue, for Celera Corporation, a publicly traded corporation that offers personalized disease management through clinical laboratory tests and disease management services.

In the second largest deal of the quarter, DaVita acquired DSI Renal Care, a smaller competitor that provides dialysis services to patients with end-stage renal disease, for $689.2 million, or 1.9x revenue.

And in the quarter’s third largest deal, Novartis paid $470.0 million in cash, or 2.4x revenue, to acquire Genoptix, a publicly traded lab that provides cancer detection services. This combination strengthens NVS’s commitment to a model of personalized medicine that unites diagnosis and treatment.

All four of the transactions mentioned above rank among the top five for the recent 12-month period, listed below. A strong influx of capital into this industry supported this robust M&A activity.

<table>
<thead>
<tr>
<th>Five Largest Laboratory Deals Of The Past 12 Months</th>
<th>Value</th>
<th>Quarter</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. LabCorp. acquired Genzyme’s genetic testing unit</td>
<td>$925.0 million</td>
<td>Q3:10</td>
</tr>
<tr>
<td>2. Quest Diagnostics acquired Athena Diagnostics</td>
<td>$740.0 million</td>
<td>Q1:11</td>
</tr>
<tr>
<td>3. DaVita acquired DSI Renal</td>
<td>$689.2 million</td>
<td>Q1:11</td>
</tr>
<tr>
<td>4. Novartis acquired Genoptix</td>
<td>$470.0 million</td>
<td>Q1:11</td>
</tr>
<tr>
<td>5. Quest Diagnostics acquired Celera Corp.</td>
<td>$344.0 million</td>
<td>Q1:11</td>
</tr>
</tbody>
</table>
Long-Term Care

In Q1:11, 36 transactions were announced in the Long-Term Care sector; these 36 represent approximately 29% of the 126 transactions announced during the past 12 months. The first quarter’s deals represent a 3% increase over the prior quarter’s deal volume, and an 80% increase over the year-ago quarter, Q1:10.

The first quarter’s transactions encompass a combined total of 1,005 facilities (Q4:10, 511) with 61,224 senior care beds or units (Q4:10, 18,726). The big numbers generated in the first quarter are directly attributed to the active participation of real estate investment trusts, or REITs, in the merger and acquisition market. The senior care properties targeted include not only individual assisted living facilities, CCRCs, independent living facilities and skilled nursing facilities, but large seniors housing portfolios and entire senior care companies.

During Q1:11 and based on revealed prices, approximately $12.7 billion was spent to fund the quarter’s 36 deals. This first quarter figure thus represents 55% of the approximately $23.1 billion that has been committed in the past 12 months to finance that period’s 126 transactions to buy 1,647 facilities with 132,273 beds/units.

Twenty-nine buyers announced 36 deals in the first quarter. Six publicly traded corporations announced 12 deals to acquire 924 facilities with 52,873 beds/units. Health Care REIT announced five deals while The Ensign Group and Emeritus Corporation announced two deals apiece. Twenty-two privately held companies announced 23 deals to buy 80 facilities with 8,289 beds/units. Within this cohort, Platinum Healthcare announced two transactions. Finally, one not-for-profit announced an acquisition of one facility with 62 beds.

On the sell side, two deals targeted a total of 668 facilities with 41,483 beds/units owned by publicly traded corporations. Twenty-nine deals targeted privately held companies with a combined total of 322...
facilities and 18,204 beds/units. Finally, five deals targeted not-for-profits with 15 facilities and 1,537 beds/units.

In the largest Long-Term Care deal of Q1:11, involving the merger of two REITs, Ventas is acquiring Nationwide Health Properties, a competitor operating in the seniors housing and allied industries. The price is approximately $7.4 billion. The target has 667 properties with 41,399 beds/units. The merger of these two companies will create the largest health care-oriented real estate investment trust in the country.

In the second largest deal of Q1:11, JER Partners and Formation Capital are selling the real estate assets of seniors housing provider Genesis HealthCare to Health Care REIT in a deal valued at $2.4 billion. The assets include 147 facilities in 11 states. Genesis HealthCare will continue to operate the facilities pursuant to a long-term, triple-net master lease.

Health Care REIT is also responsible for the quarter’s third largest deal, one worth $890.0 million. Benchmark Senior Living is entering into a sale/manageback transaction with the REIT to own and operate 34 senior housing communities in the New England market with 3,009 units.

All three transactions rank among the five largest deals of the past 12-month period, listed below. Note that all five have financial buyers, specifically REITs.

<table>
<thead>
<tr>
<th>Five Largest Long-Term Care Deals Of The Past 12 Months</th>
<th>Value</th>
<th>Quarter</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Ventas acquired Nationwide Health Properties</td>
<td>$7.4 billion</td>
<td>Q1:11</td>
</tr>
<tr>
<td>2. HCP acquired HCR ManorCare portfolio</td>
<td>$6.1 billion</td>
<td>Q4:10</td>
</tr>
<tr>
<td>3. Ventas acquired Atria portfolio</td>
<td>$3.1 billion</td>
<td>Q4:10</td>
</tr>
<tr>
<td>4. Health Care REIT acquired Genesis portfolio</td>
<td>$2.4 billion</td>
<td>Q1:11</td>
</tr>
<tr>
<td>5. Health Care REIT acquired Benchmark portfolio</td>
<td>$890.0 million</td>
<td>Q1:11</td>
</tr>
</tbody>
</table>
Managed Care

The Managed Care sector produced just one transaction in Q1:11. This figure represents 8% of the 12 Managed Care deals announced during the past 12 months.

Due both to uncertainty over the long-term impact of health care reform and the potential of capping medical loss ratios, Managed Care companies have not been active acquirers in the Managed Care sector. They have, however, been buying in the e-Health and “Other” sectors, where the businesses they are acquiring are likely not to be as impacted by reform as their core health insurance franchises may be.

Based on prices revealed to date, just over $4.1 billion was committed to fund the 12 Managed Care deals in the past 12 months. No purchase price was given for Q1:11’s one deal.

<table>
<thead>
<tr>
<th>Quarter</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q1:10</td>
<td>$18.0 million</td>
</tr>
<tr>
<td>Q2:10</td>
<td>$107.1 million</td>
</tr>
<tr>
<td>Q3:10</td>
<td>$4.1 billion</td>
</tr>
<tr>
<td>Q4:10</td>
<td>—</td>
</tr>
<tr>
<td>Q1:11</td>
<td>—</td>
</tr>
</tbody>
</table>

\[\text{Dollars Spent On Managed Care M&A, By Quarter}\]

In the quarter’s lone deal, One Call Medical, a provider of specialty services to the insurance industry, is buying Express Dental Care, a national managed dental network.

The top five transactions in the Managed Care industry for the last four quarters are listed below.

<table>
<thead>
<tr>
<th>Five Largest Managed Care Deals Of The Past 12 Months</th>
<th>Value</th>
<th>Quarter</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Private equity investors acquired Multiplan</td>
<td>$3.1 billion</td>
<td>Q3:10</td>
</tr>
<tr>
<td>2. HealthSpring acquired Bravo Health</td>
<td>$545.0 million</td>
<td>Q3:10</td>
</tr>
<tr>
<td>3. Cigna Healthcare acquired Vanbreda International</td>
<td>$410.0 million</td>
<td>Q3:10</td>
</tr>
<tr>
<td>4. Coventry acquired Mercy Health Plan</td>
<td>$102.8 million</td>
<td>Q3:10</td>
</tr>
<tr>
<td>5. Centene acquired Citrus Health Care</td>
<td>$28.7 million</td>
<td>Q3:10</td>
</tr>
</tbody>
</table>

Source: Irving Levin Associates, Inc.
Medical Devices

The Medical Device sector posted a total of 43 deals in Q1:11, up 2% from the 42 deals in Q4:10, and up 5% from the 41 deals in the year-ago quarter, Q1:10. The first quarter figure represents approximately one-quarter of the 174 Medical Device deals announced in the past 12 months.

Based on revealed prices, a total of $12.3 billion was committed to finance the first quarter’s 43 transactions. The first quarter’s amount represents 28% of the $44.4 billion committed during the past 12-month period to finance that period’s 174 transactions.

A total of 39 acquirers announced 43 deals in Q1:11. Thirty publicly traded corporations announced a combined total of 33 deals, with PerkinElmer announcing three and Boston Scientific Corp. announcing two. Nine privately held companies announced a total of 10 deals, with DJO Global announcing two. Of the targets, 36 were privately held companies and seven were publicly traded corporations or units thereof.

Twelve of the targets were foreign companies acquired by American-listed firms while seven of the acquirers were foreign firms buying an American-listed company. The businesses targeted during the first quarter included manufacturers and fabricators of anesthesia machines, catheter navigation technology, dispensing solutions, implants, radiation therapy devices and surgical lasers, among others.

In the largest Medical Device deal of Q1:11, Danaher Corporation is paying $6.8 billion, or 1.8x revenue, to acquire competitor Beckman Coulter, a company that provides biomedical testing instrument systems, tests and supplies for clinical laboratories. Beckman Coulter is to become part of Danaher’s life sciences and diagnostics business.
In the second largest deal of the first quarter, Gambro is selling CaridianBCT to Japan’s Terumo Corporation for $2.6 billion, or nearly 5x revenue. CaridianBCT is a Colorado-based company that specializes in equipment used in blood banks and other disposable medical devices. This acquisition expands the buyer’s blood transfusion-related operations.

The quarter’s third largest deal involves Boston Scientific Corp. paying $375.0 million to acquire Atritech, a medical device company focused on products used to repair structural heart disease. This acquisition gives Boston Scientific a device that may serve as an alternative to anticoagulant drugs for a certain class of patients.

The first two of these first quarter transactions rank among the top five Medical Device deals for the past 12 months, as listed below.

<table>
<thead>
<tr>
<th>Five Largest Medical Device Deals Of The Past 12 Months</th>
<th>Value</th>
<th>Quarter</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Novartis acquired the remainder of Alcon</td>
<td>$12.9 billion</td>
<td>Q4:10</td>
</tr>
<tr>
<td>2. Danaher acquired Beckman Coulter</td>
<td>$6.8 billion</td>
<td>Q1:11</td>
</tr>
<tr>
<td>3. Covidien acquired ev3</td>
<td>$2.6 billion</td>
<td>Q2:10</td>
</tr>
<tr>
<td>4. Terumo Corp. acquired CaridianBCT</td>
<td>$2.6 billion</td>
<td>Q1:11</td>
</tr>
<tr>
<td>5. Thermo Fisher acquired Dionex</td>
<td>$2.1 billion</td>
<td>Q4:10</td>
</tr>
</tbody>
</table>
Pharmaceuticals

Twenty-one transactions were announced in the Pharmaceutical sector during Q1:11, down 22% from the 27 deals in Q4:10 and down 46% from the 39 deals in the year-ago quarter, Q1:10. These 21 deals represent 19% of the 109 Pharmaceutical deals announced during the past 12 months.

Based on prices revealed to date, a total of $8.6 billion was committed during Q1:11 to finance the quarter’s 21 deals. The first quarter’s figure represents approximately 23% of the $37.2 billion committed during the past 12 months to finance that period’s 109 transactions.

<table>
<thead>
<tr>
<th>Quarter</th>
<th>Q1:10</th>
<th>Q2:10</th>
<th>Q3:10</th>
<th>Q4:10</th>
<th>Q1:11</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dollars Spent On Pharmaceutical M&amp;A, By Quarter</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>$10.0 billion</td>
<td>$11.9 billion</td>
<td>$4.7 billion</td>
<td>$12.0 billion</td>
<td>$8.6 billion</td>
<td></td>
</tr>
</tbody>
</table>

A total of 18 organizations announced a combined total of 21 deals. Twelve publicly traded companies announced making a combined total of 14 deals; within this cohort, Meda AB and Valeant Pharmaceuticals announced two deals apiece. Six privately held companies announced a combined total of seven deals, with Gruenenthal announcing two. Conversely, 11 of the targets were publicly traded corporations or units thereof while 10 were privately held companies.

As to cross-border activity, seven of the targets were foreign companies and 11 of the buyers were foreign-domiciled companies. The targeted business assets included branded and specialty pharmaceuticals, as well as OTC and generic pharmaceutical products and companies. Therapeutic areas included anesthesia, constipation, diabetes and kidney cancer, among others.

In the largest Pharmaceutical transaction of Q1:11, one worth as much as $1.4 billion, Aveo Pharmaceuticals is selling to Japan’s Astellas Pharma the rights to develop and commercialize tivozanib, an experimental treatment for kidney cancer. This agreement gives Astellas access to a kidney cancer drug which, potentially, could rival drugs manufactured by Pfizer and Bayer AG. Aveo originally bought the rights to develop tivozanib from Kyowa Hakko Kirin in 2006.
In the second largest deal, which is worth up to $1.236 billion, Boehringer-Ingelheim GmbH is entering into a diabetes-drug partnership with Eli Lilly & Co. to develop and commercialize several diabetes drug candidates. This deal is one of two related transactions between the two companies to develop diabetes drugs. In the other one, Boehringer stands to receive up to $650.0 million from Lilly. The partnership will focus on developing and commercializing several diabetes drugs, including one from Boehringer that is under regulatory review and another in late-stage testing.

In the third largest Pharmaceutical transaction of Q1:11, Forest Laboratories is acquiring Clinical Data, a company that develops and commercializes therapeutic products, for $1.2 billion. This acquisition gives Forest Viibryd, a drug for treating major depressive disorder which was approved by the FDA in January 2011. Revenue from this new drug is intended to replace revenue from Forest’s proprietary drugs Lexapro and Namenda, which are losing patent protection in 2012 and 2015, respectively.

Only the first of these three transactions ranks among the top five transactions for the past 12 months, listed below.

<table>
<thead>
<tr>
<th>Five Largest Pharmaceutical Deals Of The Past 12 Months</th>
<th>Value</th>
<th>Quarter</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Biovail acquired Valeant Pharmaceuticals</td>
<td>$3.9 billion</td>
<td>Q2:10</td>
</tr>
<tr>
<td>2. Abbott Laboratories acquired Piramal’s domestic formulations</td>
<td>$3.7 billion</td>
<td>Q2:10</td>
</tr>
<tr>
<td>3. Pfizer acquired King Pharmaceuticals</td>
<td>$3.6 billion</td>
<td>Q4:10</td>
</tr>
<tr>
<td>4. Astellas acquired rights to kidney cancer drug</td>
<td>$1.4 billion</td>
<td>Q1:11</td>
</tr>
<tr>
<td>5. Eisai acquired rights to lorcaserin</td>
<td>$1.4 billion</td>
<td>Q3:10</td>
</tr>
</tbody>
</table>
Physician Medical Groups

Eighteen deals were announced in the Physician Medical Group sector during Q1:11, down 38% from the 29 deals announced in the previous quarter, Q4:10, but up 50% from the 12 in the year-ago quarter, Q1:10. The first quarter figure also represents 26% of the 69 deals announced in this sector during the past 12 months.

The buyers in this market have tended to be specialized PPMs targeting specific medical group practices. Within the past year, however, hospital systems have begun to re-enter the market as buyers as they build up accountable care organizations, or ACOs. In eight of the deals in Q1:11, the buyer was a hospital or hospital system. The first quarter saw transactions targeting cardiology, hospitalist, internal medicine and orthopedics practices, to name a few. Combined, these practices represent nearly 510 physicians.

![Physician Medical Group Mergers & Acquisitions Total Transactions By Quarter]

Based on prices revealed to date, a total of $30.8 million was committed to fund the first quarter’s M&A activity. This amount represents approximately 20% of the $158.5 million that has been spent on Physician Medical Group transactions in the past 12 months. These figures represent minimums; we believe that no other sector of health care underreports pricing as Physician Medical Groups. The first quarter 2011 figure below, for example, derives from three out of 18 deals.

<table>
<thead>
<tr>
<th>Quarter</th>
<th>Q1:10</th>
<th>Q2:10</th>
<th>Q3:10</th>
<th>Q4:10</th>
<th>Q1:11</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$297.7 million</td>
<td>$17.1 million</td>
<td>$60.6 million</td>
<td>$50.0 million</td>
<td>$30.8 million</td>
</tr>
</tbody>
</table>

Dollars Spent On Physician Medical Group M&A, By Quarter

Fifteen organizations announced a combined total of 18 deals. Four publicly traded corporations announced six deals, with IPC The Hospitalist announcing three. Four privately held companies announced one deal each. Seven not-for-profit organizations announced eight deals, with NorthShore University HealthSystem announcing two. The targeted practices involved the assets of 16 privately held companies, one publicly traded corporation and one not-for-profit.

In the largest deal of the first quarter, hospital operator Community Health Systems is selling Willamette Community Medical Group, a multi-specialty physician clinic, to Oregon Healthcare Resources for $14.6
million in cash. The physicians are in effect buying back their clinic from the hospital operator. Community Health Systems inherited this physician group when it acquired Triad Hospitals in 2007.

In the second largest transaction, publicly traded Emergency Medical Services’ Emcare division acquired North Pinellas Anesthesia Associates and Northwood Anesthesia Associates, which offer anesthesia services in the Florida market, for an estimated $13.8 million in cash. The acquired practices provide outsourced anesthesia services to two hospitals and seven outpatient surgery centers in the Tampa market. It should be noted that Emergency Medical Services was itself privatized in Q1:11 by a private equity firm for approximately $3.2 billion (see “Other” below).

In the third largest deal with a purchase price, IntegraMed America paid $2.4 million to acquire Northwest Center for Reproductive Sciences, a physician medical group practice in Kirkland, Washington, specializing in reproductive medicine. The target practice is to be merged with IntegraMed’s existing Seattle Reproductive Medicine practice.

The first two of three deals rank among the top five deals of the past 12 months, listed below. Despite the recent increase of hospital acquirers in this market, four of the five acquirers are specialty PPMs.

**Five Largest Physician Medical Group Deals Of The Past 12 Months**

<table>
<thead>
<tr>
<th>Rank</th>
<th>Acquirer</th>
<th>Target Practice</th>
<th>Value</th>
<th>Quarter</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>TeamHealth</td>
<td>Morningstar Emergency Physicians</td>
<td>$57.9 million</td>
<td>Q3:10</td>
</tr>
<tr>
<td>2.</td>
<td>Mednax</td>
<td>Greensboro Anesthesia</td>
<td>$50.0 million</td>
<td>Q4:10</td>
</tr>
<tr>
<td>3.</td>
<td>Oregon Healthcare</td>
<td>Willamette Community Medical</td>
<td>$14.6 million</td>
<td>Q1:11</td>
</tr>
<tr>
<td>4.</td>
<td>Emcare</td>
<td>N. Pinellas Anesthesia Associates</td>
<td>$13.8 million</td>
<td>Q1:11</td>
</tr>
<tr>
<td>5.</td>
<td>Mednax</td>
<td>Associates in Neonatology</td>
<td>$8.1 million</td>
<td>Q2:10</td>
</tr>
</tbody>
</table>
Rehabilitation

Three transactions were announced in the Rehabilitation sector during the first quarter of 2011; this figure represents 23% of the 13 deals announced in this sector during the past 12 months. The businesses acquired in these deals include physical therapy groups, orthotics & prosthetics providers and rehabilitation management programs.

As in the Laboratory, MRI & Dialysis sector, dollar volume in the Rehabilitation sector rose dramatically. The amount committed during Q1:11 is five times the size of the dollar volume in 2009 and 2010 combined. This increase, however, reflects less of a general trend in the Rehabilitation industry and more of an opportunistic acquisition by one buyer.

A total of $1.3 billion was committed to finance the first quarter’s activity. That amount represents the lion’s share of the $1.5 billion committed during the past 12 months to finance that period’s 13 deals.

| Quarter | Transactions
|---------|---------------
| Q1:10   | 2             |
| Q2:10   | 4             |
| Q3:10   | 1             |
| Q4:10   | 5             |
| Q1:11   | 3             |

**Rehabilitation Merger & Acquisitions**

**Total Transactions By Quarter**

![Bar chart showing transactions by quarter](chart.png)  
*Source: Irving Levin Associates, Inc.*

Three publicly traded corporations announced one acquisition each. Conversely, the targets included two privately held companies and one publicly traded corporation.

In the largest Rehabilitation transaction of Q1:11, seniors housing and care provider Kindred Healthcare Services is paying $1.3 billion to acquire RehabCare Group, a company that provides rehabilitation program management services in hospitals, skilled nursing facilities and outpatient settings. This acquisition will expand Kindred Healthcare’s continuum of post-acute care services at both its owned and its managed centers. With operations in 46 states and annualized revenue of $6.0 billion, the resulting company will be the largest post-acute care services provider in the country.

In the second largest deal of the quarter, Hanger Orthopedic Group extended its national provider network by acquiring an orthotics and prosthetics company for a purchase price of $5.8 million. Consideration includes cash, promissory notes and contingent consideration.
In the third largest deal, U.S. Physical Therapy is paying $4.77 million to acquire a 65% interest in a 14-clinic physical therapy group located in the Southeast region. The price paid implies a purchase price of $7.34 million, and a price to revenue multiple of 0.8x, for a 100% interest in the target business.

Only the first of these deals ranks among the top five transactions of the past 12 months, listed below. However, in terms of purchase price, it is over six times larger than the remaining four deals combined.

<table>
<thead>
<tr>
<th>The Largest Rehabilitation Deals Of The Past 12 Months</th>
<th>Value</th>
<th>Quarter</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Kindred Healthcare acquired RehabCare Group</td>
<td>$1.3 billion</td>
<td>Q1:11</td>
</tr>
<tr>
<td>2. Hanger Orthopedic acquired Accelerated Care Plus</td>
<td>$155.0 million</td>
<td>Q4:10</td>
</tr>
<tr>
<td>3. HealthSouth acquired Sugar Land Rehabilitation Hospital</td>
<td>$23.6 million</td>
<td>Q3:10</td>
</tr>
<tr>
<td>4. Emeritus acquired The Weston Group</td>
<td>$18.0 million</td>
<td>Q4:10</td>
</tr>
<tr>
<td>5. HealthSouth acquired Desert Canyon Rehab</td>
<td>$10.0 million</td>
<td>Q2:10</td>
</tr>
</tbody>
</table>
**Other**

Twenty-six “Other” health care services mergers and acquisitions were announced in Q1:11, representing 28% of the 92 “Other” deals announced in this sector during the past 12 months. Businesses targeted in the first quarter included contract research organizations, medical transport companies, occupational medicine clinics and outpatient surgery centers, to name a few.

A significant number of the businesses that are listed in what appears at first glance to be a catch-all category conduct their operations at sites alternative to, or perform services ancillary to, other providers who are thought to be more centrally positioned in the health care delivery system and thus more immediately linked with patients and consumers. Still other businesses in this category are relatively new entrants to the health care industry. Due to the novelty and behind-the-scenes nature of these businesses, which incidentally attract less public scrutiny and governmental regulation, entrepreneurs, including private equity firms, perceive more investment opportunities here than in some of the more mature and picked-over sectors of the health care industry. Further, many of the businesses included here appear to be more amenable to a retail model than, say, a physician medical group.

![Bar chart showing "Other" Mergers and Acquisitions Total Transactions By Quarter]

**Source: Irving Levin Associates, Inc.**

Based on revealed prices, a total of $4.9 billion was committed in Q1:11 to carry out these 26 deals. This amount represents 19% of the $26.2 billion that has been committed during the past 12 months to pay for that period’s 92 deals.

<table>
<thead>
<tr>
<th>Quarter</th>
<th>Total Dollars Committed</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q1:10</td>
<td>$1.9 billion</td>
</tr>
<tr>
<td>Q2:10</td>
<td>$2.7 billion</td>
</tr>
<tr>
<td>Q3:10</td>
<td>$10.6 billion</td>
</tr>
<tr>
<td>Q4:10</td>
<td>$8.0 billion</td>
</tr>
<tr>
<td>Q1:11</td>
<td>$4.9 billion</td>
</tr>
</tbody>
</table>

*Dollars Spent On Other Services M&A, By Quarter*

Twenty-five groups announced a combined total of 26 deals. Eight publicly traded corporations announced one deal apiece. Fifteen privately held companies announced a total of 16 deals, with U.S. Healthworks announcing two. Finally, two not-for-profit organizations announced one deal each. Conversely, the targets included five publicly traded corporations or divisions thereof and 21 privately held companies.
In the largest “Other” health care transaction of Q1:11, the private equity firm Clayton, Dubilier & Rice is paying $3.2 billion to buy Emergency Medical Services Corp., a publicly traded holding company that operates American Medical Response, a medical transport unit, and Emcare, an emergency room-focused PPM. The deal is valued at approximately 1.2x revenue.

In the second largest “Other” deal of the first quarter, Walgreen Cos. is selling Walgreen Health Initiatives, its pharmacy benefit manager (PBM) subsidiary, to Catalyst Health Solutions for $525.0 million in cash. This acquisition expands the buyer’s core PBM business. Catalyst Health will, in turn, provide PBM services for Walgreen Cos.

And in Q1:11’s third largest deal, Warburg Pincus is paying $438.0 million, or 0.8x revenue, to buy Rural/Metro Corp., a company that provides medical transport and ambulance response services.

Only one of these transactions ranks among the top five deals of the past 12 months, listed below. Three of the acquirers are strategic buyers, two are financial buyers.

<table>
<thead>
<tr>
<th>Five Largest Other Services Deals Of The Past 12 Months</th>
<th>Value</th>
<th>Quarter</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Carlyle Group acquired NBTY</td>
<td>$3.8 billion</td>
<td>Q3:10</td>
</tr>
<tr>
<td>2. Reckitt Benckiser acquired SSL International</td>
<td>$3.8 billion</td>
<td>Q3:10</td>
</tr>
<tr>
<td>3. Clayton, Dubilier &amp; Rice acquired Emergency Medical</td>
<td>$3.2 billion</td>
<td>Q1:11</td>
</tr>
<tr>
<td>4. McKesson acquired US Oncology</td>
<td>$2.2 billion</td>
<td>Q4:10</td>
</tr>
<tr>
<td>5. Cardinal Health acquired Kinray</td>
<td>$1.3 billion</td>
<td>Q4:10</td>
</tr>
</tbody>
</table>
BEHAVIORAL HEALTH CARE
<table>
<thead>
<tr>
<th>TARGET</th>
<th>CITY</th>
<th>STATE</th>
<th>ACQUIRER</th>
<th>CITY</th>
<th>STATE</th>
<th>DATE</th>
<th>PRICE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Camelot System of Care</td>
<td>Austin</td>
<td>Texas</td>
<td>Sequel Youth and Family Services, LLC</td>
<td>Huntsville</td>
<td>Alabama</td>
<td>3/4/11</td>
<td>$3,000,000</td>
</tr>
<tr>
<td>Madison Center</td>
<td>South Bend</td>
<td>Indiana</td>
<td>Memorial Health System</td>
<td>South Bend</td>
<td>Indiana</td>
<td>3/1/11</td>
<td>$3,000,000</td>
</tr>
<tr>
<td>MeadowWood Behavioral Health</td>
<td>New Castle</td>
<td>Delaware</td>
<td>Pioneer Behavioral Health</td>
<td>Peabody</td>
<td>Massachusetts</td>
<td>3/15/11</td>
<td>$21,500,000</td>
</tr>
<tr>
<td>North Pavilion</td>
<td>Denver</td>
<td>Colorado</td>
<td>Mental Health Center of Denver</td>
<td>Denver</td>
<td>Colorado</td>
<td>2/16/11</td>
<td>$3,500,000</td>
</tr>
</tbody>
</table>
Charterhouse Group is selling Camelot System of Care, a company that serves at-risk youth and has developed residential programs that focus on autism and autism-related disorders.

ANNOUNCEMENT DATE: March 4, 2011
PRICE: Not disclosed
TERMS: Not disclosed

With this acquisition, Sequel now operates 31 programs in 16 states. Camelot was advised by Cain Brothers in this transaction. Senior debt financing was provided by Fifth Third Bank and MidCap Financial, LLC.

Madison Center is selling its inpatient hospital and physician services. These assets provide behavioral health services.

ANNOUNCEMENT DATE: March 1, 2011
PRICE: $3,000,000
TERMS: In bankruptcy proceedings.

This acquisition expands MHS's inpatient behavioral health care offerings. A judge confirmed this acquisition on April 1, 2011. The assets primarily include three buildings; a fourth building on the campus was acquired by Saint Vincent de Paul Society. Madison Center defaulted on $58 million in bonds, and was propelled into bankruptcy in October 2010. Oglethorpe, LLC also bid for the facility, but would not commit to providing mental health services to the indigent.
Universal Health Services is selling MeadowWood Behavioral Health, an acute psychiatric hospital with 58 beds. In 2010, the hospital generated revenue of $15 million.

**ANNOUNCEMENT DATE:** March 15, 2011

**PRICE:** $21,500,000

**TERMS:** Not disclosed

This acquisition marks the buyer's entry into Delaware; it has programs in neighboring Pennsylvania. The company plans to seek approval for additional beds at the facility in the coming year. This sale came about as a divestiture requirement imposed on Universal Health Services in connection with its acquisition of Psychiatric Solutions. To fund this deal, PHC received a funding commitment of up to $23.5 million of senior secured term debt and a $3.0 million senior secured revolving credit facility from Jefferies Finance, LLC.

The University of Colorado is selling North Pavilion, a 75,000 square-foot building. Constructed in 1952 as Mt. Airy Psychiatric Hospital, it was sold to the University in 1989.

**ANNOUNCEMENT DATE:** February 16, 2011

**PRICE:** $3,500,000

**TERMS:** $3.5 million for the property.

This acquisition will provide the buyer with additional beds at the facility in the coming year. The resources of smaller clinics will be consolidated into the center.
BIOTECHNOLOGY
<table>
<thead>
<tr>
<th>TARGET</th>
<th>CITY</th>
<th>STATE</th>
<th>ACQUIRER</th>
<th>CITY</th>
<th>STATE</th>
<th>DATE</th>
<th>PRICE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Acne treatment collaboration</td>
<td>Palo Alto</td>
<td>California</td>
<td>Medicis Pharmaceutical Corp.</td>
<td>Scottsdale</td>
<td>Arizona</td>
<td>2/10/11</td>
<td>$160,000,000</td>
</tr>
<tr>
<td>Antibody technology collaboration</td>
<td>Bothell</td>
<td>Washington</td>
<td>Pfizer, Inc.</td>
<td>New York</td>
<td>New York</td>
<td>1/18/11</td>
<td>$208,000,000</td>
</tr>
<tr>
<td>Antibody-drug conjugate collaboration</td>
<td>Bothell</td>
<td>Washington</td>
<td>Abbott Laboratories</td>
<td>Abbott Park</td>
<td>Illinois</td>
<td>3/22/11</td>
<td>$208,000,000</td>
</tr>
<tr>
<td>Anti-cancer monoclonal antibody</td>
<td>London</td>
<td>England</td>
<td>Biothera</td>
<td>Eagan</td>
<td>Minnesota</td>
<td>3/10/11</td>
<td></td>
</tr>
<tr>
<td>Anti-inflammatory alliance</td>
<td>Berkeley</td>
<td>California</td>
<td>Les Laboratoires Servier</td>
<td>Suresnes</td>
<td>France</td>
<td>1/14/11</td>
<td>$505,000,000</td>
</tr>
<tr>
<td>Autoimmune disease collaboration</td>
<td>Plymouth</td>
<td>Michigan</td>
<td>Merck &amp; Co., Inc.</td>
<td>Whitehouse Station</td>
<td>New Jersey</td>
<td>3/3/11</td>
<td>$307,000,000</td>
</tr>
<tr>
<td>BioVex Group, Inc.</td>
<td>Woburn</td>
<td>Massachusetts</td>
<td>Amgen, Inc.</td>
<td>Thousand Oaks</td>
<td>California</td>
<td>1/24/11</td>
<td>$1,000,000,000</td>
</tr>
<tr>
<td>Calistoga Pharmaceuticals, Inc.</td>
<td>Seattle</td>
<td>Washington</td>
<td>Gilead Sciences, Inc.</td>
<td>Foster City</td>
<td>California</td>
<td>2/22/11</td>
<td>$600,000,000</td>
</tr>
<tr>
<td>Cancer collaboration</td>
<td>Seattle</td>
<td>Washington</td>
<td>Pfizer, Inc.</td>
<td>New York</td>
<td>New York</td>
<td>1/19/11</td>
<td>$632,000,000</td>
</tr>
<tr>
<td>Cancer therapeutics partnership</td>
<td>Cambridge</td>
<td>Massachusetts</td>
<td>Eisai Co. Ltd.</td>
<td>Tokyo</td>
<td>Japan</td>
<td>3/10/11</td>
<td>$206,000,000</td>
</tr>
<tr>
<td>Chemgenex Pharmaceuticals, Ltd.</td>
<td>Jupiter</td>
<td>Florida</td>
<td>OPKO Health, Inc.</td>
<td>Miami</td>
<td>Florida</td>
<td>2/1/11</td>
<td>$10,600,000</td>
</tr>
<tr>
<td>CURNA, Inc.</td>
<td>Salt Lake City</td>
<td>Utah</td>
<td>BioTimes, Inc.</td>
<td>Alameda</td>
<td>California</td>
<td>2/14/11</td>
<td>$4,820,000</td>
</tr>
<tr>
<td>Glycosan BioSystems, Inc.</td>
<td>Munich</td>
<td>Germany</td>
<td>Evotec AG</td>
<td>Hamburg</td>
<td>Germany</td>
<td>2/9/11</td>
<td>$21,800,000</td>
</tr>
<tr>
<td>Kinao Biotecnologies GmbH</td>
<td>Quebec City</td>
<td>Quebec</td>
<td>Yakult Honsha Co., Ltd.</td>
<td>Tokyo</td>
<td>Japan</td>
<td>3/9/11</td>
<td>$69,200,000</td>
</tr>
<tr>
<td>License for perifosine in Japan</td>
<td>Whitehouse Station</td>
<td>New Jersey</td>
<td>FUJIFILM Holdings Corp.</td>
<td>Tokyo</td>
<td>Japan</td>
<td>2/27/11</td>
<td>$490,000,000</td>
</tr>
<tr>
<td>Oncology collaboration</td>
<td>S. San Francisco</td>
<td>California</td>
<td>Human Genome Sciences, Inc.</td>
<td>Rockville</td>
<td>Maryland</td>
<td>3/17/11</td>
<td>$495,000,000</td>
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<td>Rights to celiac disease treatment</td>
<td>Baltimore</td>
<td>Maryland</td>
<td>Cephalon, Inc.</td>
<td>Frazer</td>
<td>Pennsylvania</td>
<td>2/9/11</td>
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<td>Rights to Tosedostat</td>
<td>Oxford</td>
<td>England</td>
<td>Celithera Therapeutics, Inc.</td>
<td>Seattle</td>
<td>Washington</td>
<td>3/14/11</td>
<td>$10,000,000</td>
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<td>RNA-targeted medicine alliance</td>
<td>Hoersholm</td>
<td>Denmark</td>
<td>Pfizer, Inc.</td>
<td>New York</td>
<td>New York</td>
<td>1/14/11</td>
<td>$614,000,000</td>
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<td>SynthRx, Inc.</td>
<td>Bellaire</td>
<td>Texas</td>
<td>ADVENTRX Pharmaceuticals, Inc.</td>
<td>San Diego</td>
<td>California</td>
<td>2/14/11</td>
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<td>Talgen Therapeutics, Inc.</td>
<td>Cambridge</td>
<td>Massachusetts</td>
<td>Alexion Pharmaceuticals, Inc.</td>
<td>Cheshire</td>
<td>Connecticut</td>
<td>1/13/11</td>
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<td>Therapy for MoCD</td>
<td>Cologne</td>
<td>Germany</td>
<td>Alexion Pharmaceuticals, Inc.</td>
<td>Cheshire</td>
<td>Connecticut</td>
<td>2/10/11</td>
<td>$45,000,000</td>
</tr>
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</table>
TARGET: **Acne treatment collaboration**

**LISTING:** NASDAQ: ANAC  
**LOCATION:** Palo Alto, California  
**UNITS:**  
**REVENUE:**  
**NET INCOME:**

Anacor Pharmaceuticals is entering into an R&D agreement to discover and develop boron-based small molecule compounds directed against a target for the potential treatment of acne.

**ANNOUNCEMENT DATE:** February 10, 2011  
**PRICE:** $160,000,000 (approximate)  
**TERMS:** $7.0 million in an upfront payment; up to $153 million in research, development, regulatory and sales milestones.

This deal allows for the development of product candidates using ANAC's proprietary boron chemistry platform. MRX will have an option to obtain an exclusive license for products covered by this agreement. It potentially expands MRX's dermatology pipeline.

ACQUIRER: **Medicis Pharmaceutical Corp.**

**LISTING:** NYSE: MRX  
**CEO:** Jonah Shacknai  
**PHONE:** 602-808-8800  
**LOCATION:** 7720 N. Dobson Road, Scottsdale, Arizona 85256  
**WEB SITE:** www.medicis.com

Medicis Pharmaceutical is a specialty pharma company focused on dermatological, aesthetic and podiatric conditions. On a trailing 12-month basis, MRX generated revenue of $700 million, EBITDA of $248 million and net income of $120 million.

**PRICE:** 
**PRICE PER UNIT:** 
**PRICE/REVENUE:** 
**PRICE/INCOME:**

**TARGET: **Antibody technology collaboration**

**LISTING:** NASDAQ: SGEN  
**LOCATION:** Bothell, Washington  
**UNITS:**  
**REVENUE:**  
**NET INCOME:**

Seattle Genetics is entering into a deal to develop the company's antibody drug-conjugate technology to treat a single cancer target.

**ANNOUNCEMENT DATE:** January 6, 2011  
**PRICE:** $208,000,000 (approximate)  
**TERMS:** $8 million in upfront payments; over $200 million in milestone payments.

This agreement gives PFE access to a technology that selectively delivers anti-cancer agents to tumor cells, sparing other cells and reducing the toxic effects of traditional chemotherapy. The target has not been disclosed.

ACQUIRER: **Pfizer, Inc.**

**LISTING:** NYSE: PFE  
**CEO:** Ian C. Read  
**PHONE:** 212-573-2323  
**LOCATION:** 235 East 42nd Street, New York, New York 10017  
**WEB SITE:** www.pfizer.com

Pfizer is the world's largest manufacturer of pharmaceuticals. On a trailing 12-month basis, PFE generated revenue of $67 billion, EBITDA of $27 billion and net income of $6 billion.

**PRICE:** 
**PRICE PER UNIT:** 
**PRICE/REVENUE:** 
**PRICE/INCOME:**
TARGET: Antibody-drug conjugate collaboration
ACQUIRER: Abbott Laboratories

LISTING: NASDAQ: SGEN
LOCATION: Bothell, Washington
NET INCOME:

CEO: Miles White
PHONE: 847-937-6100
100 Abbott Park Road
FAX: 847-937-1511
Abbott Park, Illinois 60064
WEB SITE: www.abbott.com

TARGET: Antibody-drug conjugate collaboration
ACQUIRER: Abbott Laboratories

LISTING: NYSE: ABT
LOCATION: Bothell, Washington
CEO: Miles White
PHONE: 847-937-6100
100 Abbott Park Road
FAX: 847-937-1511
Abbott Park, Illinois 60064
WEB SITE: www.abbott.com

Seattle Genetics is entering into a collaboration agreement to utilize SGEN’s antibody-drug conjugate (ADC) technology with antibodies to a single oncology target.

ANNOUNCEMENT DATE: March 22, 2011
PRICE: $208,000,000 (approximate)
TERMS: $8 million in an upfront payment. Up to $200 million in certain milestone payments. Royalties on worldwide sales of relevant ADC products.

This deal expands ABT’s pipeline of cancer treatments. It is also SGEN’s second collaboration with a big pharma this year. ADC’s are monoclonal antibodies that selectively deliver potent anti-cancer agents to tumor cells.

TARGET: Anti-cancer monoclonal antibody
ACQUIRER: Biothera

LISTING: LSE: ASM
LOCATION: London, England
NET INCOME:

CEO: Richard G. Mueller
PHONE: 651-675-0300
3388 Mike Collins Drive
FAX: 651-675-0400
Eagan, Minnesota 55121
WEB SITE: www.biothera.com

Antisoma plc is selling AS1402, a monoclonal antibody that targets an aberrant form of the cell-surface protein MUC1 that is widely expressed in many types of cancer. The candidate was in phase 2 trials.

ANNOUNCEMENT DATE: March 10, 2011
PRICE: Not disclosed
TERMS: Not disclosed

With the failure of another drug candidate in phase 3 trials, Antisoma has turned its attention to providing value to shareholders, which includes reducing staffing numbers and selling off assets. Biothera plans to study the interaction of AS1402 with its Imprime PGG immunotherapy.
<table>
<thead>
<tr>
<th><strong>TARGET:</strong> Anti-inflammatory alliance</th>
<th><strong>ACQUIRER:</strong> Les Laboratoires Servier</th>
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<tbody>
<tr>
<td><strong>LISTING:</strong> NASDAQ: XOMA</td>
<td><strong>LISTING:</strong> Private</td>
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<tr>
<td><strong>LOCATION:</strong> Berkeley, California</td>
<td><strong>CEO:</strong> 35 rue de Verdun Suresnes, France 92284</td>
</tr>
<tr>
<td><strong>UNITS:</strong></td>
<td><strong>PHONE:</strong> FAX:</td>
</tr>
<tr>
<td><strong>REVENUE:</strong></td>
<td><a href="http://www.servier.com">www.servier.com</a></td>
</tr>
<tr>
<td><strong>NET INCOME:</strong></td>
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</tbody>
</table>

XOMA Ltd. is entering into an agreement to develop and commercialize XOMA 052, an investigational drug candidate for treating inflammation in multiple diseases.

Under terms of this regional agreement, XOMA retains the right to develop and commercialize this drug for Behcet's uveitis and other inflammatory and oncology indications in the United States and Japan. Servier retains similar rights in the rest of the world. If XOMA reacquires the diabetes and cardiovascular rights in the U.S. and Japan, the milestone payments could be as high as $470 million, as noted above; if, however, it does not reacquire these rights, the milestone payments could rise as high as $800 million, raising the price to $835 million.

<table>
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<tr>
<th><strong>TARGET:</strong> Autoimmune disease collaboration</th>
<th><strong>ACQUIRER:</strong> Merck &amp; Co., Inc.</th>
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<tbody>
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<td><strong>LISTING:</strong> Private</td>
<td>**LISTING:**NYSE: MRK</td>
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<tr>
<td><strong>LOCATION:</strong> Plymouth, Michigan</td>
<td><strong>CEO:</strong> Kenneth C. Frazier 908-423-1000 One Merck Drive 908-735-8787</td>
</tr>
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<td><strong>UNITS:</strong></td>
<td>Whitehouse Station, New Jersey 8889</td>
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<tr>
<td><strong>REVENUE:</strong></td>
<td><strong>WEB SITE:</strong> <a href="http://www.merck.com">www.merck.com</a></td>
</tr>
<tr>
<td><strong>NET INCOME:</strong></td>
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</table>

Lycera Corp. is entering into a research collaboration to discover, develop and commercialize small molecules that target T-helper cells, key mediators of inflammation. The focus is on drug candidates to treat rheumatoid arthritis, psoriasis, inflammatory bowel syndrome and multiple sclerosis.

This collaboration agreement enlarges MRK's pipeline of autoimmune disease drug candidates. MRK's participation will expedite Lycera's discovery efforts and its ability to enter the clinic.

**Les Laboratoires Servier is a pharma company involved in the fields of diabetes, CNS disorders, oncology and rheumatology. It generates annual revenue of Eur 3.7 billion.**

**Merck is a pharmaceutical company that also provides pharmaceutical benefit services. On a trailing 12-month basis, MRK generated revenue of $46 billion, EBITDA of $15.8 billion and net income of $859 million.**
TARGET:  BioVex Group, Inc.

LISTING:  Private
LOCATION:  Woburn, Massachusetts
UNITS:  
REVENUE:  
NET INCOME:  

BioVex is developing novel biologics to treat cancer and prevent infectious diseases.

ACQUIRER:  Amgen, Inc.

LISTING:  NASDAQ: AMGN
CEO:  Kevin Sharer  PHONE:  805-447-1000
One Amgen Center Drive  FAX:  805-447-1010
Thousand Oaks, California 91320
WEB SITE:  www.amgen.com

Amgen is a biotech company engaged in the discovery, development and manufacture of human therapeutics based on advances in cellular and molecular biology. On a trailing 12-month basis, AMGN generated revenue of $15 billion, EBITDA of $6.7 billion and net income of $4.5 billion.

ANNOUNCEMENT DATE:  January 24, 2011
PRICE:  $1,000,000,000 (approximate)
TERMS:  $425 million in cash at closing; up to $575 million in certain regulatory and sales milestone payments.

This acquisition enlarges AMGN's pipeline of cancer-fighting drugs. BioVex's OncoVEX is an oncolytic vaccine in phase 3 clinical development for treating melanoma and head and neck cancer. AMNG is well positioned to leverage this vaccine in multiple solid tumor indications. This transaction closed March 7, 2011.

TARGET:  Calistoga Pharmaceuticals, Inc.

LISTING:  Private
LOCATION:  Seattle, Washington
UNITS:  333 Lakeside Drive
REVENUE:  
NET INCOME:  

Calistoga Pharmaceuticals is developing targeted therapies to improve the health of patients with cancer or inflammatory disease.

ACQUIRER:  Gilead Sciences, Inc.

LISTING:  NASDAQ: GILD
CEO:  John Martin  PHONE:  650-574-3000
333 Lakeside Drive  FAX:  650-578-9264
Foster City, California 94404
WEB SITE:  www.gilead.com

Gilead Sciences discovers, develops and commercializes therapeutics to advance the care of patients with life-threatening diseases. On a trailing 12-month basis, GILD generated revenue of $7.6 billion, EBITDA of $4.2 billion and net income of $2.9 million.

ANNOUNCEMENT DATE:  February 22, 2011
PRICE:  $600,000,000
TERMS:  $375 million in cash. Up to $225 in additional milestone payments.

The target has a portfolio of proprietary compounds that selectively target isoforms of phosphoinositide-3 kinase, a signaling pathway that has been shown to be central for cellular proliferation, survival and trafficking. Calistoga's lead program, CAL-101, is in phase 2 trials for certain kinds of lymphoma. J.P. Morgan Securities LLC provided Calistoga with financial advice on this deal.
**TARGET:**  
*Cancer collaboration*

**LISTING:** Private  
**LOCATION:** Seattle, Washington  
**REVENUE:**  
**NET INCOME:**  

Theraclone Sciences (TS) is entering into an R&D collaboration to use TS's I-STAR technology to discover protective monoclonal antibodies against up to four undisclosed targets in infectious disease and cancer.

**ANNOUNCEMENT DATE:** January 19, 2011  
**PRICE:** $632,000,000 (approximate)  
**TERMS:** Research funding and milestone payments of up to $632 million. Royalties on the sale of products.

This agreement gives PFE access to a technology that allows it to discover protective antibodies. PFE already has between 15 and 20 antibodies in clinical development.

**ACQUIRER:**  
Pfizer, Inc.

**LISTING:** NYSE: PFE  
**CEO:** Ian C. Read  
**PHONE:** 212-573-2323  
235 East 42nd Street  
New York, New York 10017  
**FAX:** 212-573-7851  
**WEB SITE:** www.pfizer.com

Pfizer is the world's largest manufacturer of pharmaceuticals. On a trailing 12-month basis, PFE generated revenue of $67 billion, EBITDA of $27 billion and net income of $6 billion.

**TARGET:**  
*Cancer therapeutics partnership*

**LISTING:** Private  
**LOCATION:** Cambridge, Massachusetts  
**REVENUE:**  
**NET INCOME:**  

Epizyme is entering into a partnership to discover, develop and commercialize therapeutics targeting EZH2, an epigenetic enzyme, for the treatment of lymphoma and other cancers in genetically defined patients.

**ANNOUNCEMENT DATE:** March 10, 2011  
**PRICE:** $206,000,000  
**TERMS:** $6 million in upfront and initial milestone payments; up to $200 million in other milestones. Up to double-digit royalties.

Under terms of this partnership, Eisai is to fund 100 percent of R&D through human proof of concept, at which point Epizyme has the right to opt into a profit share and co-commercialization arrangement for the United States. This deal enlarges Eisai's oncology therapies pipeline.

**ACQUIRER:**  
Eisai Co. Ltd.

**LISTING:** T: 4523  
**CEO:** Haruo Naito  
**PHONE:** 81-3-3817-3700  
4-6-10 Koishikawa, Bunkyo-ku  
Tokyo, Japan 112-8088  
**FAX:** 81-3-3811-3077  
**WEB SITE:** www.eisai.co.jp

Eisai manufactures and markets pharmaceutical drugs, OTC drugs and food additives, among other products. For the nine months ending March 31, 2010, Eisai projected revenue of Yen 820 billion and net income of Yen 40 billion.
**TARGET:** Chemgenex Pharmaceuticals, Ltd.  
**LISTING:** ASX: CXS  
**LOCATION:** Australia  
**CEO:** Kevin Buchi  
**PHONE:** 610-344-0200  
**FAX:** 610-738-6590  
**WEB SITE:** www.cephalon.com  
**REVENUE:**  
**NET INCOME:**  

Chemgenex is a biopharma focused on hematology. Its lead candidate, OMAPRO, is indicated for treating chronic myeloid leukemia.

**ANNOUNCEMENT DATE:** March 28, 2011  
**PRICE:** $231,000,000 (approximate)  
**TERMS:** $0.70 for each share of CXS share; $0.20 for each ASX-listed Chemgenex option.

This bid offers CXS shareholders a 59% premium to the stock's prior-day price. This acquisition expands the buyer's oncology drug pipeline. CXS's lead candidate just finished a phase 3 trial; the company expects to file an NDA with the US FDA in the second half of 2011. As part of the deal, CEPH is converting notes and exercising call options to acquire a 27.57% interest in CXS; thus, cost to CEPH for stock and options is approximately $163.0 million. BofA Merrill Lynch and Canaccord Genuity are providing CEPH and CXS, respectively, with financial advice on this deal.

**TARGET:** CURNA, Inc.  
**LISTING:** Private  
**LOCATION:** Jupiter, Florida  
**CEO:** Phillip Frost  
**PHONE:** 305-575-4100  
**FAX:** 305-575-6049  
**WEB SITE:** www.opko.com  
**REVENUE:**  
**NET INCOME:**  

CURNA is involved in the discovery of new drugs for treating such illnesses as cancer, heart disease, metabolic disorders and genetic anomalies.

**ANNOUNCEMENT DATE:** February 1, 2011  
**PRICE:** $10,600,000 (approximate)  
**TERMS:** $10.0 million at closing, $600,000 in liabilities. Contingent payment also possible on certain licensing and collaboration agreements with third parties.

This acquisition brings a new platform technology, which is based on up-regulation of protein production through interference with non-coding RNAs. It contrasts with most other approaches which down-regulate protein production. The target company has developed and patented molecules which increase the production of over 90 key proteins involved in a large number of diseases.
**TARGET:** Glycosan BioSystems, Inc.  
**ACQUIRER:** BioTimes, Inc.  

**LISTING:** Private  
**LOCATION:** Salt Lake City, Utah  
**REVENUE:**  
**NET INCOME:**  

Glycosan manufactures biocompatible gels that mimic the extracellular matrix. Its products support the growth and directed differentiation of stem cells.  

**ANNOUNCEMENT DATE:** February 14, 2011  
**PRICE:** $4,820,000 (approximate)  
**TERMS:** Issuance of 332,906 BTX common shares and warrants to purchase 206,612 additional shares at $10.00 per share. Assumption of $218,000 in obligations.  

This deal enlarges BTX's intellectual property portfolio. The buyer expects to utilize the target's technology in the development of some future stem cell-based therapeutic products.  

**TARGET:** Kinaxo Biotechnologies GmbH  
**ACQUIRER:** Evotec AG  

**LISTING:** Private  
**LOCATION:** Munich, Germany  
**REVENUE:** $3,400,000  
**NET INCOME:**  

Kinaxo is a drug discovery alliance company that supports the development of targeted drugs.  

**ANNOUNCEMENT DATE:** February 9, 2011  
**PRICE:** $21,800,000 (approximate)  
**TERMS:** Initial purchase price of Eur 12 million, consisting of Eur 3 million in cash and 2.6 million shares of EVT stock. Earnouts of up to Eur 4 million, based on performance milestones.  

This acquisition should add revenue of Eur 2.5 million in 2011. Kinaxo's capabilities will allow EVT and its partners to make earlier informed decisions on drug efficacy, safety and response in patients.
**TARGET:** License for perifosine in Japan

**ACQUIRER:** Yakult Honsha Co., Ltd.

**LISTING:** NASDAQ: AEZS

**LOCATION:** Quebec City, Quebec

**REVENUE:**

**NET INCOME:**

Aeterna Zentaris has signed an agreement to develop, register and market perifosine in Japan. Perifosine is an oral PI3K/Akt inhibitor in clinical trials for the treatment of colorectal cancer and multiple myeloma.

**ANNOUNCEMENT DATE:** March 9, 2011

**PRICE:** $69,200,000 (approximate)

**TERMS:** Eur 6 million in upfront payment; up to Eur 44 million in certain milestone payments.

This is AEZS's third out-licensing program for this drug; it has already out-licensed it to Keryx Pharmaceuticals in North America and to Handok in Korea. The current deal gives Yakult Honsha an addition to its oncology drug franchise.

**TARGET:** Merck BioManufacturing Network

**ACQUIRER:** FUJIFILM Holdings Corp.

**LISTING:** NYSE: MRK

**LOCATION:** Whitehouse Station, New Jersey

**REVENUE:**

**NET INCOME:**

Merck & Co. is selling Disoynth RTP and MSD Biologics, which together own all assets of the Merck BioManufacturing Network (MBN). MBN is a provider of contract manufacturing and development services for the biopharma industry.

**ANNOUNCEMENT DATE:** February 27, 2011

**PRICE:** $490,000,000 (approximate)

**TERMS:** Yen 40 billion. Purchase of all equity interest.

This transaction gives the buyer expanded contract manufacturing capacity. Under terms of the agreement, MBN will continue to service certain of MRK's needs.
TARGET:  Oncology collaboration  

LISTING:  Private  
LOCATION:  S. San Francisco, California  
UNITS:  
REVENUE:  
NET INCOME:  

FivePrime Therapeutics is entering into a collaboration agreement to develop and commercialize FP-1039, a candidate for treating various forms of cancer.

ANNOUNCEMENT DATE:  March 17, 2011  
PRICE:  $495,000,000 (approximate)  
TERMS:  Upfront license fee of $50 million; up to $445 million in milestone payments. Royalties on net sales of FP-1039.

This deal gives HGSI exclusive development and commercialization rights in the U.S., Canada and the European Union. FivePrime has co-promotion rights in the U.S. and retains full rights to the drug in the rest of the world not covered by the HGSI deal. This deal enlarges HGSI's cancer drug development pipeline.

TARGET:  Rights to celiac disease treatment  

LISTING:  Private  
LOCATION:  Baltimore, Maryland  
UNITS:  
REVENUE:  
NET INCOME:  

Alba Therapeutics Corp. is granting an option to acquire all of its assets relating to larazotide acetate, a tight junction modulator indicated for the treatment of celiac disease. It is advancing toward a phase 2b clinical trial.

ANNOUNCEMENT DATE:  February 9, 2011  
PRICE:  $22,000,000 (approximate)  
TERMS:  $7.0 million upfront fee. Option exercise price of $15 million.

This transaction will add to CEPH's immunology pipeline. The drug candidate has the potential to be the first pharmacologic therapy available for celiac disease, which affects approximately 3 million people in the United States. It causes an autoimmune response in the small intestines when gluten is present.
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<thead>
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<th>TARGET:</th>
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<td>NET INCOME:</td>
<td></td>
<td>Seattle, Washington 98119</td>
<td>WEB SITE:</td>
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</table>

Chroma Therapeutics Ltd. is granting marketing and co-development rights for Tosedostat in North, Central and South America. Tosedostat is an oral aminopeptidase inhibitor that has demonstrated significant response in blood-related cancers and solid tumors.

ANNOUNCEMENT DATE: March 14, 2011
PRICE: $10,000,000
TERMS: $5.0 million in cash upfront. An additional $5.0 million in milestone payments when a pivotal trial is initiated. Development-based milestones.

The two companies plan to start a phase 3 clinical trial for certain kinds of acute myeloid leukemia. The drug candidate is a departure from cytotoxic chemotherapy toward more tumor-selective targeted therapy that interferes with cellular pathways for tumor survival. Subject to a funding cap of $50 million for the first three years, CTIC and Chroma will be responsible for 75% and 25%, respectively, of the development costs.

<table>
<thead>
<tr>
<th>TARGET:</th>
<th>RNA-targeted medicine alliance</th>
<th>ACQUIRER:</th>
<th>Pfizer, Inc.</th>
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<td>LISTING:</td>
<td>NYSE: PFE</td>
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<tr>
<td>LOCATION:</td>
<td>Hoersholm, Denmark</td>
<td>CEO:</td>
<td>Ian C. Read</td>
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<tr>
<td>UNITS:</td>
<td></td>
<td>PHONE:</td>
<td>212-573-2323</td>
</tr>
<tr>
<td>REVENUE:</td>
<td></td>
<td>235 East 42nd Street</td>
<td>FAX:</td>
</tr>
</tbody>
</table>

Santaris A/S is entering into a collaboration agreement to develop and commercialize RNA-targeted medicines using the company's Locked Nucleic Acid (LCA) drug platform.

ANNOUNCEMENT DATE: January 4, 2011
PRICE: $614,000,000 (approximate)
TERMS: $14 million in a technology access fee; up to $600 million in milestone payments. Royalties on sales of products.

This collaboration expands upon an existing relationship between Santaris and Wyeth, which PFE subsequently acquired. It envisages developing up to 10 RNA targets selected by PFE.
Intra-Cellular Therapies is entering into a collaboration to develop and commercialize selective phosphodiesterase type 1 inhibitors for the treatment of cognitive impairment associated with schizophrenia.

**TARGET:** Schizophrenia collaboration  
**ACQUIRER:** Takeda Pharmaceutical Co. Ltd.

**LISTING:** Private  
**LOCATION:** New York, New York  
**UNITS:**

**REVENUE:**  
**NET INCOME:**

Intra-Cellular Therapies is entering into a collaboration to develop and commercialize selective phosphodiesterase type 1 inhibitors for the treatment of cognitive impairment associated with schizophrenia.

**ANNOUNCEMENT DATE:** March 3, 2011  
**PRICE:** $750,000,000 (approximate)  
**TERMS:** Upfront cash payment. Up to $500 million in development milestones; up to $250 million in sales-based milestones. Tiered royalties on net sales.

This collaboration agreement enlarges the buyer's pipeline of CNS drug candidates, one of Takeda's core therapeutic areas.

**TARGET:** SynthRx, Inc.  
**ACQUIRER:** ADVENTRX Pharmaceuticals, Inc.

**LISTING:** Private  
**LOCATION:** Bellaire, Texas  
**UNITS:**

**REVENUE:**  
**NET INCOME:**

SynthRx is developing a purified form of a rheologic and antithrombotic agent, poloxamer 188, which may be indicated for the treatment of microvascular disorders such as sickle cell.

**ANNOUNCEMENT DATE:** February 14, 2011  
**PRICE:** $32,830,000 (approximate)  
**TERMS:** Upfront and milestone payments, to be made in shares of stock.

This acquisition gives the buyer a late-stage asset for its drug pipeline. The candidate 188 may also have therapeutic benefits for heart attack, stroke and hemorrhagic shock.
**TARGET:** *Taligen Therapeutics, Inc.*

**ACQUIRER:** *Alexion Pharmaceuticals, Inc.*

**LISTING:** Private

**LOCATION:** Cambridge, Massachusetts

**REVENUE:**

**NET INCOME:**

A development stage biotech, Taligen Therapeutics has pre-clinical compounds, including potential treatments for patients with ophthalmic diseases such as age-related macular degeneration (AMD), as well as other novel antibody and protein regulators.

**ANNOUNCEMENT DATE:** January 31, 2011

**PRICE:** $111,000,000

**TERMS:** Upfront cash payment of $111 million. Additional contingent payments possible, based on reaching certain clinical efficacy and product approval milestones.

This acquisition broadens the buyer's pipeline of product candidates and expands its capabilities in translational medicine.

**TARGET:** *Therapy for MoCD*

**ACQUIRER:** *Alexion Pharmaceuticals, Inc.*

**LISTING:** Private

**LOCATION:** Cologne, Germany

**UNITS:**

**REVENUE:**

**NET INCOME:**

Orphatec Pharmaceuticals GmbH is selling its investigational therapy to treat molybdenum cofactor deficiency (MoCD) Type A, a rare genetic disorder characterized by severe brain damage and rapid death in newborns.

**ANNOUNCEMENT DATE:** February 10, 2011

**PRICE:** $45,000,000 (approximate)

**TERMS:** $3.0 million in cash upfront; additional payments of up to $42.0 million based on reaching various development, regulatory and commercial milestones.

The acquired therapy is designed to replace the deficient cPMP, which enables McCD production so that the infant's body can eliminate the toxic sulfite.
E-HEALTH
<table>
<thead>
<tr>
<th>TARGET</th>
<th>ACQUIRER</th>
<th>CITY</th>
<th>STATE</th>
<th>DATE</th>
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</thead>
<tbody>
<tr>
<td>AccelPath, LLC</td>
<td>Technest Holdings, Inc.</td>
<td>Westwood</td>
<td>Massachusetts</td>
<td>1/17/11</td>
<td>$7,750,000</td>
</tr>
<tr>
<td>AMSplus, Inc.</td>
<td>AdvantEdge Healthcare Solutions</td>
<td>Braintree</td>
<td>Massachusetts</td>
<td>1/7/11</td>
<td>$3,000,000</td>
</tr>
<tr>
<td>CareCentric assets</td>
<td>Mediware Corporation</td>
<td>Atlanta</td>
<td>Georgia</td>
<td>3/31/11</td>
<td>$150,000,000</td>
</tr>
<tr>
<td>Carefx Corporation</td>
<td>Harris Corporation</td>
<td>Scottsdale</td>
<td>Arizona</td>
<td>2/22/11</td>
<td>$7,000,000</td>
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<tr>
<td>DTS America, Inc.</td>
<td>Transcend Services, Inc.</td>
<td>Nashville</td>
<td>Tennessee</td>
<td>3/3/11</td>
<td>$12,100,000</td>
</tr>
<tr>
<td>Gateway EDI</td>
<td>The TriZetto Group</td>
<td>St. Louis</td>
<td>Missouri</td>
<td>2/22/11</td>
<td>$4,000,000</td>
</tr>
<tr>
<td>Health Ware Concepts, Inc.</td>
<td>Med-Mets, LLC</td>
<td>Wallingford</td>
<td>Connecticut</td>
<td>3/7/11</td>
<td>$12,100,000</td>
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<tr>
<td>Oncology Care Home Health, Inc.</td>
<td>WellDoc</td>
<td>Wilmington</td>
<td>Delaware</td>
<td>2/7/11</td>
<td>$7,000,000</td>
</tr>
<tr>
<td>Online division of Hocks</td>
<td>HealthWarehouse.com, Inc.</td>
<td>Vandalia</td>
<td>Ohio</td>
<td>2/15/11</td>
<td>$908,000</td>
</tr>
<tr>
<td>StaffMD, Inc.</td>
<td>VoiceRX</td>
<td>Homosassa</td>
<td>Florida</td>
<td>2/14/11</td>
<td>$908,000</td>
</tr>
<tr>
<td>StaffMD, Inc.</td>
<td>Interlinecare</td>
<td>Toronto</td>
<td>Ontario</td>
<td>1/10/11</td>
<td>$908,000</td>
</tr>
</tbody>
</table>
TARGET:  *AccelPath, LLC*

**LISTING:**  Private

**LOCATION:**  Westwood, Massachusetts

**UNITS:**  

**REVENUE:**  

**NET INCOME:**  

AccelPath is a provider of digital telepathology and other services to laboratories and hospitals.

**ANNOUNCEMENT DATE:**  January 17, 2011

**PRICE:**  $7,750,000 (approximate)

**TERMS:**  Reverse merger. Issuance of 86,151,240 new shares.

Immediately following this deal, former AccelPath members will beneficially own approximately 72.5% of the combined company's stock. This allows AccelPath to go public without an IPO.

---

ACQUIRER:  *Technest Holdings, Inc.*

**LISTING:**  OTCBB: TCNH

**CEO:**  Gino Pereira  

**PHONE:**  301-767-2810

**FAX:**  301-767-2811

**LOCATION:**  Bethesda, Maryland 20817

**WEB SITE:**  www.technestinc.com

Technest is involved in three-dimensional facial recognition and three-dimensional imaging devices and systems for health care and security. On a trailing 12-month basis, it generated revenue of $2.75 million.

---

TARGET:  *AMSplus, Inc.*

**LISTING:**  Private

**LOCATION:**  Braintree, Massachusetts

**UNITS:**  

**REVENUE:**  

**NET INCOME:**  

Medquist Holdings (fka CBay Systems) is selling AMSplus, a provider of billing and practice management services to health care providers.

**ANNOUNCEMENT DATE:**  January 7, 2011

**PRICE:**  Not disclosed

**TERMS:**  Not disclosed

This acquisition expands the buyer's footprint in New England and enhances its suite of billing and practice management solutions available to physician medical practices, hospitals and outpatient surgery centers. Falcon Capital Partners represented Medquist/CBay as its advisor in this deal.

ACQUIRER:  *AdvantEdge Healthcare Solutions*

**LISTING:**  Private

**CEO:**  David Langsam  

**PHONE:**  908-279-8111

**FAX:**  908-791-3330

**LOCATION:**  Warren, New Jersey 7059

**WEB SITE:**  www.AHSRCM.com

AdvantEdge Healthcare Solutions (AHS) provides medical billing services, practice management and accounts receivable management services for specialty physicians and outpatient surgery centers.
TARGET:  CareCentric assets

LISTING:  Private
LOCATION:  Atlanta, Georgia
UNITS:  11711 West 79th Street
REVENUE:  Lenexa, Kansas 66214
NET INCOME:  CareCentric is selling its assets related to management solutions for HME, home health and home infusion.

ANNOUNCEMENT DATE:  March 31, 2011
PRICE:  $3,000,000
TERMS:  $2.1 million in cash, $900,000 in assumed liabilities.

This acquisition adds over 300 customers to MEDW's clientele. The CareCentric assets are to be integrated with MEDW's Alternate Care Solutions business line. MEDW acquires CareCentric's Caretinuum, MestaMed and PharMed products. The acquisition closed effective April 11, 2011.

ACQUIRER:  Mediware Information Systems, Inc.

LISTING:  NASDAQ: MEDW
CEO:  Thomas Mann
PHONE:  913-307-1000
LOCATION:  Lenexa, Kansas 66214
FAX:  913-307-1111
WEB SITE:  www.mediware.com

MEDiware Information Systems develops, markets, licenses, implements and supports clinical management information solutions. On a trailing 12-month basis, MEDW generated revenue of $52 million, EBITDA of $9 million and net income of $4.6 million.

TARGET:  Carefx Corporation

LISTING:  Private
LOCATION:  Scottsdale, Arizona
UNITS:  1025 West Nasa Boulevard
REVENUE:  Melbourne, Florida 32919
NET INCOME:  Carefx is a provider of interoperability workflow solutions using its Fusionfx platform. Its solution suite is used in over 800 hospitals, health care systems and health information exchanges in North America, Europe and Asia.

ANNOUNCEMENT DATE:  February 22, 2011
PRICE:  $155,000,000
TERMS:  Cash. Subject to post-closing adjustments.

This acquisition enables the buyer to provide an expanded range of interoperability solutions to both government and commercial health care providers.

ACQUIRER:  Harris Corporation

LISTING:  NYSE: HRS
CEO:  Howard L. Lance
PHONE:  321-727-9100
LOCATION:  Melbourne, Florida 32919
FAX:  321-724-3973
WEB SITE:  www.harris.com

Harris Corp. operates as a communications and information technology company that serves government and commercial markets. On a trailing 12-month basis, HRS generated revenue of $5.6 billion, EBITDA of $1.2 billion and net income of $625 million.
TARGET:  

**DTS America, Inc.**

**LISTING:** Private
**LOCATION:** Nashville, Tennessee
**REVENUE:** $12,000,000
**NET INCOME:**

DTS America is a medical transcription company that serves 30 hospitals plus several surgery centers in 13 states. The company generates approximately $12 million in annual revenue.

**ANNOUNCEMENT DATE:** March 3, 2011
**PRICE:** $12,100,000 (approximate)
**TERMS:** $7.9 million in cash; earnout of up to $4.2 million in cash in 2012. No debt assumed.

The acquisition increases TRCR's penetration of the medical transcription market, and will increase its annual revenue run rate to $124.0 million. Suender M&A Advisors initiated the transaction and is advisor to DTS.

**ACQUIRER: Transcend Services, Inc.**

**LISTING:** NASDAQ: TRCR
**CEO:** Larry Gerdes
**PHONE:** 800-205-7047
**LOCATION:** Atlanta, Georgia 30328
**REVENUE:**
**NET INCOME:**
**WEB SITE:** www.transcendservices.com

Transcend Services provides medical transcription services to the health care industry. On a trailing 12-month basis, TRCR generated revenue of $87 million, EBITDA of $29 million and net income of $15 million.

**PRICE PER UNIT:**
**PRICE/REVENUE:** 1.01
**PRICE/INCOME:**

**TARGET: Gateway EDI**

**LISTING:** Private
**LOCATION:** St. Louis, Missouri
**REVENUE:**
**NET INCOME:**

Gateway EDI is a company focused on health care revenue cycle management.

**ANNOUNCEMENT DATE:** February 22, 2011
**PRICE:** Not disclosed
**TERMS:** Not disclosed

This acquisition expands the buyer's health care IT software and services capabilities.

**ACQUIRER: The TriZetto Group**

**LISTING:** Private
**CEO:** Trace Devanny
**PHONE:** 800-569-1222
**LOCATION:** Greenwood Village, Colorado 80111
**WEB SITE:** www.trizetto.com

The TriZetto Group is a health care information technology company to the health care payor industry.
<table>
<thead>
<tr>
<th>TARGET:</th>
<th>Health Ware Concepts, Inc.</th>
<th>ACQUIRER:</th>
<th>Med-Metrix, LLC</th>
</tr>
</thead>
<tbody>
<tr>
<td>LISTING:</td>
<td>Private</td>
<td>LISTING:</td>
<td>Private</td>
</tr>
<tr>
<td>LOCATION:</td>
<td>Wall, New Jersey</td>
<td>CEO:</td>
<td>Ronald Davi</td>
</tr>
<tr>
<td>UNITS:</td>
<td></td>
<td>PHONE:</td>
<td>201-782-0200</td>
</tr>
<tr>
<td>REVENUE:</td>
<td></td>
<td>ADDRESS:</td>
<td>100 Paragon Drive, Suite 230 Montvale, New Jersey 7645</td>
</tr>
<tr>
<td>NET INCOME:</td>
<td></td>
<td>FAX:</td>
<td>201-782-0108</td>
</tr>
<tr>
<td></td>
<td></td>
<td>WEB SITE:</td>
<td><a href="http://www.med-metrix.com">www.med-metrix.com</a></td>
</tr>
</tbody>
</table>

Health Ware Concepts is a provider of SaaS decision support technology, consulting and revenue recovery services to the health care industry. Med-Metrix is a provider of performance and revenue cycle management services to the health care industry.

ANNOUNCEMENT DATE: March 7, 2011
PRICE: Not disclosed
PRICE PER UNIT: Not disclosed
PRICE/REVENUE: Not disclosed
PRICE/INCOME: Not disclosed

This acquisition broadens the buyer's decision support and analytic capabilities, making the company more attractive to clients.

<table>
<thead>
<tr>
<th>TARGET:</th>
<th>Intelecare</th>
<th>ACQUIRER:</th>
<th>Remedy Health Media</th>
</tr>
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<tbody>
<tr>
<td>LISTING:</td>
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<td>LISTING:</td>
<td>Private</td>
</tr>
<tr>
<td>LOCATION:</td>
<td>New Haven, Connecticut</td>
<td>CEO:</td>
<td>Michael Cunnion</td>
</tr>
<tr>
<td>UNITS:</td>
<td></td>
<td>PHONE:</td>
<td>212-695-2223</td>
</tr>
<tr>
<td>REVENUE:</td>
<td></td>
<td>ADDRESS:</td>
<td>500 Fifth Avenue, Suite 1900 New York, New York 10110</td>
</tr>
<tr>
<td>NET INCOME:</td>
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</tr>
<tr>
<td></td>
<td></td>
<td>WEB SITE:</td>
<td><a href="http://www.remedyhealthmedia.com">www.remedyhealthmedia.com</a></td>
</tr>
</tbody>
</table>

Intelecare specializes in medical adherence solutions to increase prescription compliance for consumers, health plans and pharmacies. Its web-based service enables patients and caregivers to create their reminders through a number of delivery methods. Backed by private equity firm Veronis Suhler Stevenson, Remedy Health Media is involved in consumer health and wellness information.

ANNOUNCEMENT DATE: January 20, 2011
PRICE: Not disclosed
PRICE PER UNIT: Not disclosed
PRICE/REVENUE: Not disclosed
PRICE/INCOME: Not disclosed

This acquisition enhances the buyer's technology capability, interactive reach and customer base. It adds market-adopted mobile solutions and interactive online communication services.
**TARGET:**  
**Oncology Care Home Health, Inc.**  
**LISTING:** Private  
**LOCATION:** Wilmington, Delaware  
**REVENUE:**  
**NET INCOME:**  

Oncology Care Home Health is an education and consulting company focused on aiding home health providers implement specialized oncology home health care programs.

**ANNOUNCEMENT DATE:** February 7, 2011  
**PRICE:**  
**TERMS:** Not disclosed

This acquisition complements WellDoc's DiabetesManager.

**ACQUIRER:**  
**WellDoc**  
**LISTING:** Private  
**CEO:** Ryan Sysko  
**PHONE:** 443-692-3100  
**FAX:** 443-692-3099  
**WEB SITE:** www.welldoc.com  

WellDoc develops solutions to improve chronic disease management outcomes and reduce health care costs.

**TARGET:**  
**Online division of Hocks**  
**LISTING:** Private  
**LOCATION:** Vandalia, Ohio  
**REVENUE:** $4,800,000  
**NET INCOME:**  

Hocks Pharmacy is selling its online assets. It resells OTC medications, diabetic supplies and medical equipment.

**ANNOUNCEMENT DATE:** February 15, 2011  
**PRICE:** $908,000 (approximate)  
**TERMS:** $200,000 in cash; issuance of 166,667 shares of HEWA stock worth approximately $708,000.  

Healthwarehouse.com operates as a retail pharmacy and healthcare e-commerce company. On a trailing 12-month basis, it generated revenue of $5.3 million and a net loss of $3.0 million.

This acquisition enlarges the buyer's customer base; when the deal closed HealthWarehouse will have 160,000 customers. First, a new company, Hocks Acquisition bought the Hocks assets; the following day, Hocks Acquisition merged with HealthWarehouse.com. The deal could add as much as $4.8 million to the buyer's revenue.
TARGET:  *StaffMD, Inc.*  
ACQUIRER:  *Generation Zero Group, Inc.*  

**LISTING:** Private  
**LOCATION:** Homosassa, Florida  
**REVENUE:**  
**NET INCOME:**  

StaffMD is a physician-oriented online job board. Generation Zero Group focuses on the Internet, technology and entertainment related businesses.

**ANNOUNCEMENT DATE:** February 14, 2011  
**PRICE:** $7,050,000  
**TERMS:** 6 million shares of restricted common stock (worth $3.0 million); $100,000 in cash; a note in the amount of $3.95 million.  

The buyer's subsidiary MedicalWork, LLC has merged with StaffMD to form the unit known as PhysicianWork.com. It is believed that this transaction will significantly enlarge the company's physician recruiting business.

**TARGET:**  *Wallace Wireless, Inc.*  
ACQUIRER:  *Vocera Communications, Inc.*  

**LISTING:** Private  
**LOCATION:** Toronto, Ontario  
**REVENUE:**  
**NET INCOME:**  

Wallace Wireless develops software solutions that deliver pages, text messages and alerts directly to smart phones over both WiFi and cellular data networks. Vocera Communications is a provider of hospital communication solutions.

**ANNOUNCEMENT DATE:** January 10, 2011  
**PRICE:** Not disclosed  
**TERMS:** Not disclosed

This acquisition gives the buyer access to the target's communication solutions to capture the number of health professionals that are migrating their communications to smart phones. The text-oriented technology complements Vocera's voice-oriented technology.
HOME HEALTH CARE
<table>
<thead>
<tr>
<th>TARGET</th>
<th>CITY</th>
<th>STATE</th>
<th>ACQUIER</th>
<th>CITY</th>
<th>STATE</th>
<th>DATE</th>
<th>PRICE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Caregivers Health Network, Inc.</td>
<td>Cincinnati</td>
<td>Ohio</td>
<td>Almost Family, Inc.</td>
<td>Louisville</td>
<td>Kentucky</td>
<td>3/29/11</td>
<td>$5,300,000</td>
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<tr>
<td>Faith Home Health and Hospice</td>
<td>Wichita</td>
<td>Kansas</td>
<td>Harden Healthcare, LLC</td>
<td>Austin</td>
<td>Texas</td>
<td>1/5/11</td>
<td></td>
</tr>
<tr>
<td>First quarter acquisition</td>
<td></td>
<td></td>
<td>Lincare Holdings, Inc.</td>
<td>Clearwater</td>
<td>Florida</td>
<td>3/31/11</td>
<td>$30,402,000</td>
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<tr>
<td>Hospice Complete assets</td>
<td>Tuscali</td>
<td>Alabama</td>
<td>LHC Group</td>
<td>Lafayette</td>
<td>Louisiana</td>
<td>1/3/11</td>
<td></td>
</tr>
<tr>
<td>U.S. health care division</td>
<td>Danbury</td>
<td>Connecticut</td>
<td>Apria Healthcare Group</td>
<td>Lake Forest</td>
<td>California</td>
<td>2/2/11</td>
<td>$22,400,000</td>
</tr>
<tr>
<td>Vital Hospice</td>
<td>Hammond</td>
<td>Louisiana</td>
<td>LHC Group</td>
<td>Lafayette</td>
<td>Louisiana</td>
<td>1/3/11</td>
<td></td>
</tr>
</tbody>
</table>
TARGET: Caregivers Health Network, Inc.  
LISTING: Private  
LOCATION: Cincinnati, Ohio  
REVENUE: $5,000,000  
NET INCOME:  

Caregivers Health Network is selling its Medicare-certified home health agency. The business generates annual revenue of $5.0 million.  

ANNOUNCEMENT DATE: March 29, 2011  
PRICE: $5,300,000  
TERMS: Cash and a note payable.  

ACQUIRER: Almost Family, Inc.  
LISTING: NASDAQ: AFAM  
CEO: William Yarmuth  
PHONE: 502-891-1000  
9510 Ormsby Station Road  
FAX: 502-891-8067  
Louisville, Kentucky 40223  
WEB SITE: www.almostfamily.com  

Almost Family provides adult day care, visiting nurse and other services such as infusion therapy, oxygen and durable medical equipment. On a trailing 12-month basis, AFAM generated revenue of $337 million, EBITDA of $55 million and net income of $31 million.  

PRICE PER UNIT:  
PRICE/REVENUE: 1.06  
PRICE/INCOME:  

This acquisition extends the buyer's home health provider network from northern Kentucky into southern Ohio. This deal closed April 1, 2011.  

TARGET: Faith Home Health and Hospice  
LISTING: Private  
LOCATION: Wichita, Kansas  
REVENUE:  
NET INCOME:  

Faith Home Health and Hospice provides hospice and palliative care services in the Wichita market. The company began eight years ago.  

ANNOUNCEMENT DATE: January 5, 2011  
PRICE: Not disclosed  
TERMS: Not disclosed  

ACQUIRER: Harden Healthcare, LLC  
LISTING: Private  
CEO: Lew Little  
PHONE: 512-634-4965  
1703 W. 5th Street, Ste. 800  
FAX: 512-634-4966  
Austin, Texas 78703  
WEB SITE: www.hardenhealthcare.com  

Harden Healthcare provides a complete continuum of care for seniors and others needing short- and long-term health care.  

PRICE PER UNIT:  
PRICE/REVENUE:  
PRICE/INCOME:  

This acquisition is an add-on to Harden's 2010 acquisition of Voyager HospiceCare. Voyager already owns and operates Wichita-based Hospice Care of Kansas, so this deal provides opportunities to achieve cost savings and expand its Kansas provider network. Medicare cuts and potential changes to regulatory regimes were cited as a reason for the target to partner with a larger organization.
TARGET:  *First quarter acquisition*

**LISTING:** Private  
**LOCATION:**  
**UNITS:**  
**REVENUE:**  
**NET INCOME:**  

The target is a provider of home health care services.

**ANNOUNCEMENT DATE:** March 31, 2011  
**PRICE:** $30,402,000 (approximate)  
**TERMS:** Stock purchase deal. $17,812,000 in cash, net of cash acquired; $9,590,000 in contingent consideration; $3,000,000 in deferred acquisition obligations.

This acquisition expands the buyer's network of home health care services providers.

ACQUIRER:  *Lincare Holdings, Inc.*

**LISTING:** NASDAQ: LNCR  
**CEO:** John P. Byrnes  
**PHONE:** 727-530-7700  
**19387 US 19 North, Suite 500**  
**FAX:** 727-532-9692  
**Clearwater, Florida 33764**  
**WEB SITE:** www.lincare.com

LNCR provides such home health services as respiratory therapy, infusion therapy and rehabilitation services. On a trailing 12-month basis, LNCR generated revenue of $1.7 billion, EBITDA of $454 million and net income of $184 million.

TARGET:  *Hospice Complete assets*

**LISTING:** Private  
**LOCATION:** Trussville, Alabama  
**UNITS:**  
**REVENUE:** $4,800,000  
**NET INCOME:**  

Hospice Complete is selling certain assets, including its agencies in Trussville, Jasper, Anniston/Oxford and Tuscaloosa. Combined annual revenue from the four agencies is approximately $4.8 million.

**ANNOUNCEMENT DATE:** January 3, 2011  
**PRICE:** Not disclosed  
**TERMS:** Asset purchase agreement.

The acquired assets cover 22 counties in Alabama, a certificate-of-need state. The area has a population of 1.7 million, 255,000 of whom are over the age of 65.

ACQUIRER:  *LHC Group*

**LISTING:** NASDAQ: LHCG  
**CEO:** Keith Myers  
**PHONE:** 337-233-1307  
**420 West Pinhook Road**  
**FAX:** 337-235-8037  
**Lafayette, Louisiana 70503**  
**WEB SITE:** www.lhcgroup.com

LHC Group provides post-acute health care services primarily to Medicare beneficiaries in rural markets in the southern U.S. On a trailing 12-month basis, LHCG generated revenue of $608 million, EBITDA of $105 million and net income of $50 million.
<table>
<thead>
<tr>
<th>TARGET:</th>
<th>U.S. health care division</th>
<th>ACQUIRER:</th>
<th>Apria Healthcare Group</th>
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<tbody>
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<td>NYSE: PX</td>
<td>LISTING:</td>
<td>Private</td>
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<tr>
<td>LOCATION:</td>
<td>Danbury, Connecticut</td>
<td>CEO:</td>
<td>Norman Payson</td>
</tr>
<tr>
<td>UNITS:</td>
<td></td>
<td>PHONE:</td>
<td>949-639-2000</td>
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<tr>
<td>REVENUE:</td>
<td>$90,000,000 (2011)</td>
<td>26220 Enterprise Court</td>
<td>949-639-2600</td>
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<tr>
<td>NET INCOME:</td>
<td></td>
<td>Lake Forest, California 92630</td>
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<tr>
<td></td>
<td></td>
<td>WEB SITE:</td>
<td><a href="http://www.apria.com">www.apria.com</a></td>
</tr>
</tbody>
</table>

Praxair is selling its home health care services division in the United States. The business is projected to generate 2011 revenue of approximately $90 million.

**ANNOUNCEMENT DATE:** February 2, 2011  
**PRICE:** $22,400,000 (approximate)  
**TERMS:** Not disclosed

PX recorded a pre-tax charge of $58.0 million and a $40.0 million after-tax charge on this divestment. This allows the seller to concentrate on its other business segments. This acquisition enhances the buyer's home respiratory services business.

<table>
<thead>
<tr>
<th>TARGET:</th>
<th>Vital Hospice</th>
<th>ACQUIRER:</th>
<th>LHC Group</th>
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<tbody>
<tr>
<td>LISTING:</td>
<td>Private</td>
<td>LISTING:</td>
<td>NASDAQ: LHCG</td>
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<tr>
<td>LOCATION:</td>
<td>Hammond, Louisiana</td>
<td>CEO:</td>
<td>Keith Myers</td>
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<tr>
<td>UNITS:</td>
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<td>PHONE:</td>
<td>337-233-1307</td>
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<tr>
<td>REVENUE:</td>
<td>$1,500,000</td>
<td>420 West Pinhook Road</td>
<td>337-235-8037</td>
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<tr>
<td>NET INCOME:</td>
<td></td>
<td>Lafayette, Louisiana 70503</td>
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<td></td>
<td></td>
<td>WEB SITE:</td>
<td><a href="http://www.lhcgroup.com">www.lhcgroup.com</a></td>
</tr>
</tbody>
</table>

Vital Hospice is a provider of hospice and palliative care services. The business generates annual revenue of about $1.5 million.

**ANNOUNCEMENT DATE:** January 3, 2011  
**PRICE:** Not disclosed  
**TERMS:** Asset purchase

LHC Group provides post-acute health care services primarily to Medicare beneficiaries in rural markets in the southern U.S. On a trailing 12-month basis, LHCG generated revenue of $608 million, EBITDA of $105 million and net income of $50 million.

The service area of the acquired company includes 18 parishes with an estimated population of 2.1 million. The agency is to operate under the name of Feliciana Hospice and Palliative Care.
HOSPITALS
<table>
<thead>
<tr>
<th>TARGET</th>
<th>CITY</th>
<th>STATE</th>
<th>ACQUIER</th>
<th>CITY</th>
<th>STATE</th>
<th>DATE</th>
<th>PRICE</th>
</tr>
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<tbody>
<tr>
<td>Coast Plaza Hospital</td>
<td>Norwalk</td>
<td>California</td>
<td>Avanti Hospitals, LLC</td>
<td>Manhattan Beach</td>
<td>California</td>
<td>3/25/11</td>
<td></td>
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<tr>
<td>Edmond Specialty Hospital</td>
<td>Edmond</td>
<td>Oklahoma</td>
<td>Acadiana Management Group, LLC</td>
<td>Lafayette</td>
<td>Louisiana</td>
<td>1/13/11</td>
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<td>Lafayette</td>
<td>Louisiana</td>
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</table>
### Target: Coast Plaza Hospital

**Listing:** Private  
**Location:** Norwalk, California  
**Units:** 112 (beds)  
**Revenue:** $41,000,000  
**Net Income:**  

Coast Plaza Hospital is a 112-bed acute care facility. For 2009, the hospital generated net patient revenue of $41.0 million and a net loss of $4.6 million.

**Announcement Date:** March 25, 2011  
**Price:** Not disclosed  
**Terms:** Not disclosed

This acquisition gives the buyer its fourth acute care facility in Los Angeles County.

### Acquirer: Avanti Hospitals, LLC

**Listing:** Private  
**CEO:** Poe corn  
**Phone:** 424-241-1550  
**Fax:**  
**Address:** 114 N. Sepulveda Blvd., Suite 230, Manhattan Beach, California 90266  
**Website:** www.avantihospitals.com

Formed in 2008, Avanti Health System owns and manages three acute care facilities in Los Angeles County.

### Target: Edmond Specialty Hospital

**Listing:** Private  
**Location:** Edmond, Oklahoma  
**Units:** 36 (beds)  
**Revenue:** $8,500,000  
**Net Income:**  

Edmond Specialty Hospital is a long-term acute-care hospital. The facility is licensed for 36 beds. For the year ended May 31, 2009, it generated net patient revenue of $8.5 million and a net loss of $524,000.

**Announcement Date:** January 13, 2011  
**Price:** Not disclosed  
**Terms:** Not disclosed

This is one of two LTACs the buyer announced acquiring at the same time; the other is located in Wichita, Kansas. This acquisition enlarges the buyer's provider network in the Midwest. Going forward, the facility is to be known as LTAC of Edmond.

### Acquirer: Acadiana Management Group, LLC

**Listing:** Private  
**CEO:** August Rantz, III  
**Phone:** 337-269-9828  
**Fax:** 337-269-9823  
**Address:** 101 La Rue France, Suite 500, Lafayette, Louisiana 70508  
**Website:** www.amgihm.com

Acadiana Management manages health care facilities such as long-term acute care hospitals, medical clinics, sleep centers and rehabilitation hospitals. It currently operates 12 such facilities.
TARGET: Elkhart General Healthcare System
LISTING: Private
LOCATION: Elkhart, Indiana
UNITS: 297 (beds)
REVENUE: $257,400,000
NET INCOME: $53,300,000 (EBITDA)

Elkhart General Healthcare System operates 297-bed Elkhart Memorial Hospital, an acute care facility. For 2009, Elkhart General generated net patient revenue of $257.4 million, EBITDA of $53.3 million and net income of $32.1 million.

ANNOUNCEMENT DATE: March 17, 2011
PRICE: Merger
TERMS: Merger. Memorandum of understanding signed.

The two organizations plan to merge under a new board created from an equal number of board members from each side. The two parties are considering this merger to recruit physicians and meet the challenges of the health care reform law.

ACQUIRER: Memorial Health System
LISTING: Nonprofit
CEO: Phil Newbold
PHONE: 574-647-1000
615 North Michigan Street
South Bend, Indiana 46601
FAX: 574-233-2400
WEB SITE: www.qualityoflife.org

Memorial Health System operates 325-bed Memorial Hospital, Memorial Medical Group, Memorial Home Care and Memorial MedFlight.

TARGET: Hamot Medical Center
LISTING: Nonprofit
LOCATION: Erie, Pennsylvania
UNITS: 351 (beds)
REVENUE: $315,200,000
NET INCOME: $33,000,000 (EBITDA)

Hamot Medical Center is a 351-bed acute care facility. For the year ended June 30, 2010, the hospital generated net patient revenue of $315.2 million, EBITDA of $33 million and net income of $22.9 million.

ANNOUNCEMENT DATE: February 1, 2011
PRICE: $300,000,000 (approximate)
TERMS: $100 million for a foundation; $200 million in capital commitments over 10 years.

This deal was first mooted in mid-2010, and closed February 1, 2011. Under terms of the agreement, Hamot will continue to supply services for at least the next 20 years. This deal extends UPMC’s service area north to Lake Erie and environs.

ACQUIRER: UPMC Health System
LISTING: Nonprofit
CEO: Jeffrey Romoff
PHONE: 412-647-8762
200 Lothrop Street
Pittsburgh, Pennsylvania 15213
FAX: 412-647-5551
WEB SITE: www.upmc.edu

UPMC Health System is a 20-hospital integrated health care delivery system based in the Pittsburgh region. It generates annual revenue of about $8.0 billion.
TARGET: Hoopeston Regional Health Center

ACQUIRER: Carle Foundation Hospital

LISTING: Private
LOCATION: Hoopeston, Illinois
UNITS: 25 (beds)
REVENUE: $19,900,000
NET INCOME: $2,400,000 (EBITDA)

Hoopeston Regional Health Center is a 25-bed critical access hospital. For the year ended September 30, 2009, the hospital generated net patient revenue of $19.9 million, EBITDA of $2.4 million and net income of $1.9 million.

ANNOUNCEMENT DATE: March 11, 2011
PRICE: Not disclosed
TERMS: Not disclosed

Price per unit: Not disclosed
Price/revenue: Not disclosed
Price/income: Not disclosed

This acquisition expands the buyer's hospital and clinic network in Illinois; the deal excludes Hoopeston Regional's long-term care facilities. The hospital and its three rural health clinics serve Vermillion County and are staffed by 18 physicians and mid-level providers. Hoopeston and Carle have worked together in several areas. Carle made a $4.0 million loan to Hoopeston, which has also $8.4 million in outstanding obligations. Forgiveness of debt and paying off the loan implies a purchase price of $12.4 million and a price to revenue multiple of 0.62x.

TARGET: Hospital of Saint Raphael

ACQUIRER: Yale-New Haven Hospital

LISTING: Nonprofit
LOCATION: New Haven, Connecticut
UNITS: 511 (beds)
REVENUE: $450,300,000
NET INCOME: $ 15,400,000 (EBITDA)

The Hospital of Saint Raphael (HSR) is a 511-bed acute care facility. For the 12 months ended September 30, 2009, HSR generated net patient revenue of $450.3 million, EBITDA of $15.4 million and a net loss of $7.2 million.

ANNOUNCEMENT DATE: March 25, 2011
PRICE: $135,000,000
TERMS: Asset purchase. Capital improvement of up to $135.0 million.

Price per unit: $264,188
Price/revenue: 0.29
Price/income: 8.76

Yale-New Haven Hospital is an 855-bed acute care facility. For the 12 months ended September 30, 2009, it generated net patient revenue of $1.2 billion and net income of $52.9 million.

Under terms of the agreement, this deal would create a hospital with two campuses. HSR would retain its Catholic identity.
TARGET:  
**Johnston Memorial Hospital**

**LISTING:** Private  
**LOCATION:** Tishomingo, Oklahoma  
**UNITS:** 15 (beds)  
**REVENUE:** $3,800,000  
**NET INCOME:**

First Physicians Capital Group is selling Johnston Memorial Hospital, a 15-bed critical access facility, the only hospital in Johnston County. For the year ended September 30, 2009, it generated net patient revenue of $3.8 million and a net loss of $706,000.

**ANNOUNCEMENT DATE:** January 17, 2011  
**PRICE:** $1,600,000  
**TERMS:** See below for details.

ACQUERER:  
**Sisters of Mercy Health System**

**LISTING:** Nonprofit  
**CEO:** Lynn Britton  
**PHONE:** 314-579-6100  
**FAX:** 314-628-3723  
**LOCATION:** Chesterfield, Missouri 63017  
**WEB SITE:** www.mercy.net

Sisters of Mercy Health System operates 26 acute care hospitals in four Midwestern states. For the year ended June 30, 2009, the system generated total operating revenue of $3.9 billion, EBITDA of $273.7 million and operating income of $24.4 million.

**PRICE PER UNIT:** $106,667  
**PRICE/REVENUE:** 0.42  
**PRICE/INCOME:**

This acquisition expands the buyer's network of rural hospitals; the facility has been renamed Mercy Hospital Tishomingo. The land, building and equipment were purchased by RSE Enterprises of Ada, Oklahoma, from Physicians Capital Group of Beverly Hills, California. Mercy is leasing the facility as a critical access hospital with three physicians, two physician assistants and a staff of 40.

TARGET:  
**Lafayette Surgical Specialty Hospital**

**LISTING:** Private  
**LOCATION:** Lafayette, Louisiana  
**UNITS:** 20 (beds)  
**REVENUE:**

Lafayette Surgical Specialty Hospital has eight operating rooms and 20 inpatient beds. It specializes in orthopedic, neurological, ENT, urological, gynecological, plastics and general surgical procedures and pain management. In 2010, physicians performed 8,000 procedures.

**ANNOUNCEMENT DATE:** January 5, 2011  
**PRICE:** Not disclosed  
**TERMS:** For a 56.9% interest.

ACQUERER:  
**National Surgical Hospitals**

**LISTING:** Private  
**CEO:** John G. Rex-Waller  
**PHONE:** 312-627-8400  
**FAX:** 312-474-1950  
**LOCATION:** Chicago, Illinois 60606  
**WEB SITE:** www.nshinc.com

National Surgical Hospital owns, operates and develops surgical hospitals and surgery centers. It operates 14 hospitals and seven orthopedic-focused surgery centers in nine states.

**PRICE PER UNIT:**  
**PRICE/REVENUE:**  
**PRICE/INCOME:**

The 32 physician-owners will retain a minority interest in the facility. This acquisition increases to 15 the number of surgical hospitals that the buyer operates. Funding for this deal was made possible by the buyer's concurrent recapitalization with Irving Place, a private equity firm.
TARGET: Landmark Medical Center

LISTING: Nonprofit
LOCATION: Woonsocket, Rhode Island
UNITS: 203 (beds)
REVENUE: $130,100,000
NET INCOME:

Landmark Medical Center is a two-hospital system with 203 beds with acute care and rehabilitative services in Woonsocket and North Smithfield. For 2009, it generated net patient revenue of $130.1 million and a net loss of $5.5 million.

ANNOUNCEMENT DATE: February 17, 2011
PRICE: Not disclosed
TERMS: Nonbinding LOI. Asset purchase agreement.

Boston-based Caritas Christi had proposed buying Landmark in 2009, but when it was bought itself by Steward Health Care in 2010, it let the deal lapse in December of that year. The special master handling Landmark's sale may entertain other offers up to April 1, 2011.

TARGET: Loyola University Health System

LISTING: Nonprofit
LOCATION: Chicago, Illinois
UNITS: 820 (beds)
REVENUE: $1,100,000,000
NET INCOME:

Loyola University is selling Loyola University Health System, which operates two acute care facilities, 28 outpatient facilities and two long-term acute care facilities. The System generates annual revenue of $1.1 billion, but lost $42.9 million in 2009.

ANNOUNCEMENT DATE: March 7, 2011
PRICE: $475,000,000
TERMS: Merger. $75 million toward new medical research facility; $100 million; commit to $300 million in capital and equipment over next seven years.

This acquisition marks Trinity Health's entry into Illinois and the Chicago market. Under terms of the deal, Trinity will pay off LUHS's debt and, together with the University, contributed $150 million to build a research facility in the Mayfield suburb of Chicago. Further, the University will receive $100 million to support medical research and training. Illinois' CON board approved this deal on May 11, 2011.
TARGET:  
**Mercy Health Partners**

- **LISTING:** Nonprofit
- **LOCATION:** Scranton, Pennsylvania
- **UNITS:** 313 (beds)
- **REVENUE:** $183,900,000
- **NET INCOME:**

Catholic Health Partners of Cincinnati is selling 198-bed Mercy Hospital, 48-bed Mercy Tyler Hospital and 67-bed Mercy Special Care Hospital, an LTAC. For 2009, they generated net patient revenue of $183.9 million.

**ANNOUNCEMENT DATE:** February 10, 2011

**PRICE:** $150,000,000 (approximate)

**TERMS:** Not disclosed

The lack of consolidation in the Scranton market, leaving it overbedded, prompted the sale of Mercy Health Partners to a larger organization. CYH already owns 10 hospitals in Pennsylvania; the closest one is 20 miles from Scranton in Wilkes-Barre. The $150.0 million sale price will offset $214 million in liabilities that will be assumed by parent company Catholic Health Partners, including about $50 million to fund pensions. This deal closed May 2, 2011.

**ACQUIRER:** Community Health Systems, Inc.

- **LISTING:** NYSE: CYH
- **CEO:** Wayne T. Smith
- **PHONE:** 615-465-7000
- **FAX:** 615-645-7001
- **WEB SITE:** www.chs.net

Community Health Systems owns, leases or operates 126 hospitals with 18,000 beds in 29 states. On a trailing 12-month basis, CYH generated revenue of $12.4 billion, EBITDA of $1.7 billion and net income of $255 million.

**PRICE PER UNIT:** $479,233

**PRICE/REVENUE:** 0.81

**PRICE/INCOME:**

TARGET:  
**Morton Hospital and Medical Center**

- **LISTING:** Nonprofit
- **LOCATION:** Taunton, Massachusetts
- **UNITS:** 153 (beds)
- **REVENUE:** $127,400,000
- **NET INCOME:** $9,900,000 (EBITDA)

Morton Hospital and Medical Center is a 153-bed acute care facility. For the 12 months ended September 30, 2009, the hospital generated net patient revenue of $127.4 million, EBITDA of $9.9 million and net income of $5.5 million.

**ANNOUNCEMENT DATE:** March 31, 2011

**PRICE:** $178,500,000 (approximate)

**TERMS:** Repayment of $28 million in debt; assumption of $30.5 million in unfunded liability of pension plan. Up to $120 million in capital commitments over 10 years.

Morton Hospital decided to sell to Steward Health rather than Southcoast Health System. This deal will enlarge the buyer's growing hospital network in eastern Massachusetts. The acquisition will result in the target becoming for-profit.

**ACQUIRER:** Steward Health Care System

- **LISTING:** Private
- **CEO:** Ralph de la Torre
- **PHONE:** 617-419-4700
- **FAX:**
- **WEB SITE:** www.steward.org

Backed by private equity, Steward Health Care manages eight hospitals in Massachusetts, six of which come from the former Caritas Christi Health System.

**PRICE PER UNIT:** $1,166,667

**PRICE/REVENUE:** 1.40

**PRICE/INCOME:** 18.03
TARGET: **National Surgical Hospitals**

**LISTING:** Private  
**LOCATION:** Chicago, Illinois  
**UNITS:**  
**REVENUE:**  
**NET INCOME:**

National Surgical Hospital (NSH) owns, operates and develops surgical hospitals and surgery centers. It operates 14 hospitals and seven orthopedic-focused surgery centers in nine states.

**ANNOUNCEMENT DATE:** January 5, 2011  
**PRICE:** Not disclosed  
**TERMS:** For a majority interest. Recapitalization.

Irving Place Capital is buying out NSH owners Ferrer Freeman & Co., Charlesbank Capital Partners and JPMorgan Asset Management. Concurrent with the recapitalization, NSH acquired a surgical hospital in Louisiana. Cain Brothers provided Irving Place with advice on this transaction.

ACQUIRER: **Irving Place Capital**

**LISTING:** Private  
**CEO:** John Howard  
**PHONE:** 212-551-4500  
**LOCATION:** 277 Park Avenue, 39th floor  
**FAX:** New York, New York 10172  
**WEB SITE:** www.irvingplacecapital.com  

Irving Place Capital is a private equity firm focused on the middle market. Since 1997, it has invested in over 50 companies and raised over $4 billion of capital.

**PRICE PER UNIT:**  
**PRICE/REVENUE:**  
**PRICE/INCOME:**

TARGET: **Nebraska Heart Hospital, LLC**

**LISTING:** Private  
**LOCATION:** Lincoln, Nebraska  
**UNITS:** 54 (beds)  
**REVENUE:** $59,900,000  
**NET INCOME:**

Twelve physician owners are selling a stake in Nebraska Heart Hospital, a 54-bed acute care facility specializing in cardiac care. For 2009, the hospital generated net patient revenue of $59.9 million and net income of $11.6 million.

**ANNOUNCEMENT DATE:** February 9, 2011  
**PRICE:** Not disclosed  
**TERMS:** Not disclosed

This sale was prompted in part by a law passed last year prohibiting physician-owned hospitals from adding patient beds or operating rooms. The combined facilities would become part of Denver-based Catholic Health Initiatives. The target property is assessed at $15.2 million, but in 2005 the business was valued at $50.0 million.

ACQUIRER: **Saint Elizabeth Regional Medical Center**

**LISTING:** Nonprofit  
**CEO:**  
**PHONE:** 402-219-8000  
**LOCATION:** 555 South 70th Street  
**FAX:** Lincoln, Nebraska 68510  
**WEB SITE:** www.stelizabethonline.com

Saint Elizabeth Regional Medical Center is a 257-bed acute care facility. For the year ended June 30, 2009, it generated revenue of $251.1 million and a net loss of $5.5 million.
TARGET: Physicians Hospital System

LISTING: Private
LOCATION: Mishawaka, Indiana
UNITS: 2219 W. Olive Ave #266
REVENUE: $1,600,000,000
NET INCOME:

Physicians Hospital System operates a physician-driven health care facility network in Northern Indiana, including acute care facilities and long-term acute care facilities.

ANNOUNCEMENT DATE: February 1, 2011
PRICE: Not disclosed
TERMS: Not disclosed

ACQUIRER: Healthcare of Today, Inc.

LISTING: Private
CEO: Henry Jan
PHONE: 866-963-2717
2219 W. Olive Ave #266
FAX: 310-362-8657
Burbank, California 91506
WEB SITE: www.healthcareoftoday.com

Formed in May 2008, Healthcare of Today is a diversified services company with five areas: biotech, health care staffing, nurse education, senior health care services and senior health care facilities.

PRICE PER UNIT:
PRICE/REVENUE:
PRICE/INCOME:

This acquisition expands the buyer's health care business into the hospital sector.

TARGET: Resurrection Health Care

LISTING: Nonprofit
LOCATION: Chicago, Illinois
UNITS: 2,740 (beds)
REVENUE: $1,600,000,000
NET INCOME:

Resurrection Health Care operates six hospitals with 2,740 beds and a variety of ancillary facilities in Illinois. For 2010, it generated revenue of $1.6 billion.

ANNOUNCEMENT DATE: February 3, 2011
PRICE: Merger
TERMS: Nonbinding letter of intent.

ACQUIRER: Provena Health

LISTING: Private
CEO: Guy R. Wiebking
PHONE: 708-478-6300
19065 Hickory Creek Drive
Mokena, Illinois 60448
WEB SITE: www.provena.org

Provena Health operates six hospitals, 17 senior care facilities and other ancillary services. For 2010, it generated revenue of $1.4 billion.

PRICE PER UNIT:
PRICE/REVENUE:
PRICE/INCOME:

This merger would create the largest Catholic hospital system in Illinois with a combined 12 facilities and $3.0 billion in operating revenue.
HCA is selling Spring Branch Medical Center, a 160-bed acute care facility whose inpatient services were terminated in 2010. Only 40 of the 509 full-time employees remained at the facility to manage outpatient programs.

**TARGET:** Spring Branch Medical Center  
**ACQUIRER:** McVey & Co. Investments, LLC

- **LISTING:** Private  
- **LOCATION:** Houston, Texas  
- **UNITS:** 160 (beds)  
- **NET INCOME:**

McVey & Co. is a real estate investment trust. The company invests in energy, health care and real estate.

**ANNOUNCEMENT DATE:** February 3, 2011  
**PRICE:** Not disclosed  
**PRICE PER UNIT:** Not disclosed  
**PRICE/REVENUE:** Not disclosed  
**PRICE/INCOME:** Not disclosed

The buyer plans to reopen 50 inpatient beds. The facility is to be operated by a new subsidiary, SBMC Healthcare.

St. Joseph Medical Center is a 792-bed acute care facility. It generates approximately $245 million in annual net revenue.

**TARGET:** St. Joseph Medical Center  
**ACQUIRER:** Iasis Healthcare, LLC

- **LISTING:** Nonprofit  
- **LOCATION:** Houston, Texas  
- **UNITS:** 792 (beds)  
- **REVENUE:** $245,000,000  
- **NET INCOME:**

A Texas Pacific Group portfolio company, Iasis Healthcare owns 17 acute care hospitals and one behavioral health hospital with 2,886 beds. It generates annual revenue of about $2.6 billion.

**ANNOUNCEMENT DATE:** March 18, 2011  
**PRICE:** $156,800,000 (approximate)  
**PRICE PER UNIT:** $197,980  
**PRICE/REVENUE:** 0.64  
**PRICE/INCOME:**

This deal gives Iasis the oldest hospital in Houston, and expands the company's presence in Texas to five hospitals. While the majority owner of the hospital, HPA of Charlotte, North Carolina, is in Chapter 7 bankruptcy proceedings, the hospital itself is profitable and is not part of the bankruptcy proceedings. A group of independent investors, mostly physicians on staff, will retain a 21.8% interest in the hospital. This deal closed May 2, 2011.
TARGET:  

**St. Joseph's Health Services**

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St. Joseph's Health Services operates a 25-bed acute care facility and three clinics. For the 12 months ended June 30, 2009, the hospital generated net patient revenue of $15.9 million and net income of $402,781.

**ANNOUNCEMENT DATE:**  March 7, 2011

**PRICE:**  Not disclosed

**TERMS:**  Merger

ACQUIRER:  

**Gundersen Lutheran Health Systems**

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<tr>
<td>CEO:</td>
<td>Jeffrey E. Thompson</td>
</tr>
<tr>
<td>PHONE:</td>
<td>608-782-7300</td>
</tr>
<tr>
<td>LOCATION:</td>
<td>LaCrosse, Wisconsin</td>
</tr>
<tr>
<td>WEB SITE:</td>
<td><a href="http://www.gundluth.org">www.gundluth.org</a></td>
</tr>
</tbody>
</table>

Gundersen Lutheran Health Systems operates an integrated delivery system across 19 counties. It includes 256 staffed acute care beds.

**PRICE PER UNIT:**  Not disclosed

**PRICE/REVENUE:**  Not disclosed

This merger caps a five-month period during which Gundersen managed St. Joseph's. Gundersen already operates a clinic in Hillsboro which, following the merger, will be transferred to the St. Joseph's location.

TARGET:  

**St. Mary's Hospital**

<table>
<thead>
<tr>
<th>LISTING:</th>
<th>Nonprofit</th>
</tr>
</thead>
<tbody>
<tr>
<td>LOCATION:</td>
<td>Waterbury, Connecticut</td>
</tr>
<tr>
<td>UNITS:</td>
<td>175 (beds)</td>
</tr>
<tr>
<td>REVENUE:</td>
<td>$196,500,000</td>
</tr>
<tr>
<td>NET INCOME:</td>
<td>$18,400,000 (EBITDA)</td>
</tr>
</tbody>
</table>

St. Mary's Hospital is a 175-bed acute care facility. For the year ended September 30, 2009, St. Mary's generated net patient revenue of $196.5 million, EBITDA of $18.4 and net income of $12.8 million.

**ANNOUNCEMENT DATE:**  March 22, 2011

**PRICE:**  $200,000,000 (approximate)

**TERMS:**  Joint venture to be majority owned by LHP. LHP to invest nearly $200 million to eliminate debt, secure pensions, establish a foundation and make capital expenditures.

**PRICE PER UNIT:**  $1,142,857

**PRICE/REVENUE:**  1.02

**PRICE/INCOME:**  10.87

While LHP will own a majority of the joint venture, governance of the JV is to be 50-50. St. Mary's will continue to abide by Catholic ethical and religious directives. St. Mary's had approached 16 potential capital partners.

LHP Hospital Group provides capital and managerial expertise to not-for-profit hospitals and hospital systems.
**TARGET:** Texas Regional Medical Center  
**LISTING:** Private  
**LOCATION:** Sunnyvale, Texas  
**UNITS:** 70 (beds)  
**REVENUE:**  
**NET INCOME:**

Texas Regional Medical Center is a 70-bed acute care facility opened in 2009.

**ACQUIRER:** Sabra Health Care REIT  
**LISTING:** NASDAQ: SBRA  
**CEO:** Rick Matros  
**PHONE:** 888-393-8248  
18500 Von Karman, Suite 550  
**FAX:** 949-679-8868  
Irvine, California 92612  
**WEB SITE:** www.sabrahealth.com

Sabra is a REIT focused on health care. It has a portfolio of 86 long-term care and related facilities.

**ANNOUNCEMENT DATE:** March 31, 2011  
**PRICE:** $62,700,000  
**TERMS:** Sale-leaseback. Triple net lease.

With this acquisition, SBRA diversifies away from its primary tenant and from long-term care into acute care properties. The hospital is to be leased back to Texas Regional Medical Center, Ltd., a partnership that includes about 75 physicians who practice at the hospital. The transaction is to be funded from SBRA’s available cash and is expected to provide an initial yield of 9.25% from cash rent. This deal closed May 1, 2011.

**TARGET:** Twin City Hospital  
**LISTING:** Private  
**LOCATION:** Dennison, Ohio  
**UNITS:** 25 (beds)  
**REVENUE:** $15,800,000  
**NET INCOME:**

Twin City Hospital is a 25-bed critical access hospital. For 2009, the facility generated net patient revenue of $15.8 million and a net loss of $1.9 million.

**ACQUIRER:** Trinity Hospital Twin City  
**LISTING:** Nonprofit  
**CEO:** James W. Pope  
**PHONE:** 419-882-8373  
6832 Convent Boulevard  
Sylvania, Ohio 43560  
**FAX:** 419-882-7360  
**WEB SITE:** www.fscsylaniana.org

Trinity Hospital Twin City is an affiliate of Franciscan Services Corporation. FSC owns and manages health care facilities in Ohio, Texas and Kentucky.

**ANNOUNCEMENT DATE:** March 9, 2011  
**PRICE:** Not disclosed  
**TERMS:** In Chapter 11 bankruptcy protection.

This sale will allow the target to remain open. It will also broaden the network of facilities at which its physician group can provide services. Quorum Health Resources will continue to operate the hospital until the transaction is complete.
### Valley Baptist Health System

**TARGET:** Valley Baptist Health System  
**LISTING:** Nonprofit  
**LOCATION:** Harlingen, Texas  
**UNITS:** 866 (beds)  
**REVENUE:** $527,000,000  
**NET INCOME:**  

Valley Baptist Health System operates two acute care hospitals in Brownsville and Harlingen with 866 beds. It also operates a health plan and ancillary services. The System generates annual revenue of about $527.0 million.

**ANNOUNCEMENT DATE:** February 16, 2011  
**PRICE:** Not disclosed  
**TERMS:** Joint venture

A nonbinding LOI was signed to form a J.V. Under terms of the deal, the System would remain not-for-profit while the two hospitals would become for-profit. This would increase Vanguard's presence in Texas; it already has operations in San Antonio.

### Wichita Specialty Hospital

**TARGET:** Wichita Specialty Hospital  
**LISTING:** Private  
**LOCATION:** Wichita, Kansas  
**UNITS:** 26 (beds)  
**REVENUE:** $5,600,000  
**NET INCOME:**  

Wichita Specialty Hospital is a long-term acute-care hospital. The facility is licensed for 26 beds, 40 licensed physicians and 77 employees. For the year ended May 31, 2009, it generated net patient revenue of $5.6 million and a net loss of $408,000.

**ANNOUNCEMENT DATE:** January 13, 2011  
**PRICE:** Not disclosed  
**TERMS:** Not disclosed

This is one of two LTACs the buyer announced acquiring at the same time; the other is located in Edmond, Oklahoma. This acquisition enlarges the buyer's provider network in the Midwest. Going forward, the facility is to be known as LTAC of Wichita.
LABORATORIES, MRI AND DIALYSIS
<table>
<thead>
<tr>
<th>TARGET</th>
<th>CITY</th>
<th>STATE</th>
<th>ACQUIER</th>
<th>CITY</th>
<th>STATE</th>
<th>DATE</th>
<th>PRICE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Athena Diagnostics</td>
<td>Worcester</td>
<td>Massachusetts</td>
<td>Quest Diagnostics, Inc.</td>
<td>Madison</td>
<td>New Jersey</td>
<td>2/24/11</td>
<td>$740,000,000</td>
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<tr>
<td>Celera Corporation</td>
<td>Alameda</td>
<td>California</td>
<td>Quest Diagnostics, Inc.</td>
<td>Madison</td>
<td>New Jersey</td>
<td>3/18/11</td>
<td>$344,000,000</td>
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<tr>
<td>Central Coast Clinical Laboratories</td>
<td>Templeton</td>
<td>California</td>
<td>Pathology, Inc.</td>
<td>Torrance</td>
<td>California</td>
<td>2/1/11</td>
<td>$689,200,000</td>
</tr>
<tr>
<td>DSI Renal, Inc.</td>
<td>Nashville</td>
<td>Tennessee</td>
<td>DaVita, Inc.</td>
<td>Denver</td>
<td>Colorado</td>
<td>2/4/11</td>
<td>$7,100,000,000</td>
</tr>
<tr>
<td>Five multi-modality imaging centers</td>
<td>Bowie</td>
<td>Maryland</td>
<td>RadNet, Inc.</td>
<td>Los Angeles</td>
<td>California</td>
<td>3/7/11</td>
<td>$7,100,000,000</td>
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<tr>
<td>Genoptix, Inc.</td>
<td>Carlsbad</td>
<td>California</td>
<td>Novartis AG</td>
<td>Basel</td>
<td>Switzerland</td>
<td>1/24/11</td>
<td>$470,000,000</td>
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<tr>
<td>Great Lakes Intraoperative Neuromonitoring</td>
<td>Williamsville</td>
<td>New York</td>
<td>Impulse Monitoring, Inc.</td>
<td>Columbia</td>
<td>Maryland</td>
<td>1/7/11</td>
<td>$200,000,000</td>
</tr>
<tr>
<td>Lancaster Laboratories</td>
<td>Lancaster</td>
<td>Pennsylvania</td>
<td>Eurofins Scientific</td>
<td>Kraainem</td>
<td>France</td>
<td>2/24/11</td>
<td>$200,000,000</td>
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<tr>
<td>Medical Developers, LLC</td>
<td>Buenos Aires</td>
<td>Argentina</td>
<td>Radiation Therapy Services Holding, Inc.</td>
<td>Fort Myers</td>
<td>Florida</td>
<td>3/2/11</td>
<td>$80,000,000</td>
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<tr>
<td>Seven Imaging centers</td>
<td>Birmingham</td>
<td>Alabama</td>
<td>Outpatient Imaging Affiliates, LLC</td>
<td>Nashville</td>
<td>Tennessee</td>
<td>3/14/11</td>
<td>$2,900,000</td>
</tr>
<tr>
<td>Two imaging centers</td>
<td>Brooklyn</td>
<td>New York</td>
<td>RadNet, Inc.</td>
<td>Los Angeles</td>
<td>California</td>
<td>1/6/11</td>
<td>$2,900,000</td>
</tr>
</tbody>
</table>
TARGET:  

**Athena Diagnostics**

**LISTING:** NYSE: TMO  
**LOCATION:** Worcester, Massachusetts  
**REVENUE:** $110,000,000  
**NET INCOME:**

Thermo Fisher Scientific is selling Athena Diagnostics, a company that provides diagnostic testing services for neurological diseases with an emphasis on gene testing. It offers over 350 tests, including ones for Alzheimer's disease and a variety of neuromuscular disorders.

**ANNOUNCEMENT DATE:** February 24, 2011  
**PRICE:** $740,000,000  
**TERMS:** Cash  
**PRICE/REVENUE:** 6.72

This acquisition establishes the buyer as a leader in esoteric and genetic testing for neurology. This is one of two divestments the seller announced at the same time; the other business was its Lancaster Laboratories subsidiary.

**ACQUIRER:**  

**Quest Diagnostics, Inc.**

**LISTING:** NASDAQ: DGX  
**CEO:** Surya Mohapatra  
**PHONE:** 800-222-0446  
**FAX:**  
**WEB SITE:** www.QuestDiagnostics.com

Quest Diagnostics provides diagnostic testing, information and services to the health care industry. On a trailing 12-month basis, DGX generated revenue of $7.4 billion, EBITDA of $1.6 billion and net income of $719 million.

**PRICE:** $740,000,000  
**PRICE/REVENUE:** 6.72

**TERMS:**

---

TARGET:  

**Celera Corporation**

**LISTING:** NASDAQ: CRA  
**LOCATION:** Alameda, California  
**REVENUE:** $128,200,000  
**NET INCOME:**

Celera Corp. offers personalized disease management through clinical laboratory tests and disease management services. On a trailing 12-month basis, CRA generated revenue of $128.2 million, negative EBITDA of $21 million and a net loss of $24.6 million.

**ANNOUNCEMENT DATE:** March 18, 2011  
**PRICE:** $344,000,000  
**TERMS:** Cash tender offer of $8.00 per share. Price net of cash and short-term investments.  
**PRICE/REVENUE:** 2.68

The transaction is valued at $344.0 million after taking into account CRA's $327.0 million in cash and short-term investments. It offers CRA shareholders a 28% premium to the stock's prior-day price. The deal gives DGX immediate access to a large range of proprietary tests and products, as well as a strong line of biomarkers.

**ACQUIRER:**  

**Quest Diagnostics, Inc.**

**LISTING:** NASDAQ: DGX  
**CEO:** Surya Mohapatra  
**PHONE:** 800-222-0446  
**FAX:**  
**WEB SITE:** www.QuestDiagnostics.com

Quest Diagnostics provides diagnostic testing, information and services to the health care industry. On a trailing 12-month basis, DGX generated revenue of $7.4 billion, EBITDA of $1.6 billion and net income of $719 million.

**PRICE:** $344,000,000 (approximate)  
**PRICE/REVENUE:** 2.68

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The Health Care M&A Report, First Quarter 2011

61
TARGET:  Central Coast Clinical Laboratories
LISTING:  Private
LOCATION:  Templeton, California
UNITS:  
REVENUE:  
NET INCOME:  

Central Coast Clinical Laboratories is a CLIA certified and CAP accredited clinical laboratory. It provides testing services for providers in San Luis Obispo County.

ANNOUNCEMENT DATE:  February 1, 2011
PRICE:  Not disclosed
TERMS:  Not disclosed

This acquisition gives the buyer complementary clinical testing services. The deal was carried out by Pathology's parent, Pathology Holdings, Inc.

ACQUIRER:  Pathology, Inc.
LISTING:  Private
CEO:  Vicki DiFrancesco
PHONE:  310-769-0561
FAX:  
WEB SITE:  www.pathologyinc.com

Pathology, Inc. is a women's health laboratory, providing anatomic and molecular diagnostic testing services.

TARGET:  DSI Renal, Inc.
LISTING:  Private
LOCATION:  Nashville, Tennessee
UNITS:  8,000 (ESRD patients)
REVENUE:  $360,000,000
NET INCOME:  $65,640,000 (EBITDA)

DSI Renal Care provides dialysis services to patients with end-stage renal disease. Operating 106 dialysis centers that serve approximately 8,000 ESRD patients, it generates annual revenue of about $360.0 million.

ANNOUNCEMENT DATE:  February 4, 2011
PRICE:  $689,200,000
TERMS:  Not disclosed

This acquisition expands the buyer's network of dialysis centers in the country. DVA intends to bring its broader line of chronic kidney disease products and services to DSI's patient base. Credit Suisse provided DVA with financial advice on this transaction.

ACQUIRER:  DaVita, Inc.
LISTING:  NYSE: DVA
CEO:  Kent Thiry
PHONE:  303-405-2100
FAX:  
WEB SITE:  www.davita.com

DaVita provides integrated dialysis services for patients suffering from end-stage renal disease (ESRD). It serves 124,000 patients through 1,600 facilities. On a trailing 12-month basis, DVA generated revenue of $6.4 billion, EBITDA of $1.2 billion and net income of $446 million.

PRICE PER UNIT:  $86,150
PRICE/REVENUE:  1.91
PRICE/INCOME:  10.49
**TARGET:** Five multi-modality imaging centers  
**LISTING:** Private  
**LOCATION:** Bowie, Maryland  
**UNITS:**  
**REVENUE:** $10,000,000  
**NET INCOME:**  

Diagnostic Health Corporation is selling five multi-modality diagnostic imaging centers. Located in Bowie, Chevy Chase, Frederick, Rockville and Waldorf, they provide MRI, CT, ultrasound, mammography, x-ray and other related services. They generate about $10 million in annual revenue.

**ANNOUNCEMENT DATE:** March 7, 2011  
**PRICE:** $7,100,000 (approximate)  
**TERMS:** $7.1 million in cash and the assumption of certain capital leases.

The tuck-in acquisition strengthens the buyer's network of imaging centers in Maryland. The Chevy Chase and Waldorf locations are new for RDNT; the company already has operations in the Bowie, Frederick and Rockville locations.

**TARGET:** Genoptix, Inc.  
**LISTING:** NASDAQ: GXDX  
**LOCATION:** Carlsbad, California  
**UNITS:**  
**REVENUE:** $197,000,000  
**NET INCOME:** $47,000,000 (EBITDA)  

Genoptix provides diagnostic lab services, specializing in detecting cancer in bone marrow, blood and lymph nodes. On a trailing 12-month basis, it generated revenue of $197 million, EBITDA of $47 million and net income of $23 million.

**ANNOUNCEMENT DATE:** January 24, 2011  
**PRICE:** $470,000,000 (approximate)  
**TERMS:** $25.00 in cash per share.

This bid offers GXDX shareholders a 27% premium to the stock's prior-day price. The addition of GXDX provides NVS with a strong foundation for the company's individualized treatment programs, which seek to match diagnoses with treatments on a personalized basis.

**ACQUIRER:** RadNet, Inc.  
**LISTING:** NASDAQ: RDNT  
**CEO:** Howard Berger  
**PHONE:** 310-445-2800  
**FAX:** 310-445-2980  
**LOCATION:** Bowie, Maryland  
**REVENUE:**  
**WEB SITE:** www.radnet.com

RadNet provides diagnostic imaging services through 201 outpatient imaging centers. On a 12-month trailing basis, RDNT generated revenue of $549 million, EBITDA of $94 million and a net loss of $13 million.

**ACQUIRER:** Novartis AG  
**LISTING:** NYSE: NVS  
**CEO:** Daniel Vasella  
**PHONE:** 41 61 324 11 11  
**FAX:** 41 61 324 80 01  
**LOCATION:** Carlsbad, California  
**WEB SITE:** www.novartis.com

Novartis is engaged in sales and product innovation in pharmaceuticals, generics, consumer health and eye care, as well as animal health. On a trailing 12-month basis, NVS generated revenue of $50.2 billion, EBITDA of $15.5 billion and net income of $9.9 billion.
**TARGET:** Great Lakes Intraoperative Neuromonitoring
**ACQUIRER:** Impulse Monitoring, Inc.

**LISTING:** Private  
**LOCATION:** Williamsville, New York  
**CEO:** Gene Cattarina  
**PHONE:** 410-740-2370  
**FAX:**  
**WEB SITE:** www.imi.net

Archer Medical Diagnostic Testing is selling Great Lakes Intraoperative Neuromonitoring, which assesses neurological function involving the brain, spinal cord and related structures at 14 hospitals in western New York.

**ANNOUNCEMENT DATE:** January 7, 2011  
**PRICE:** Not disclosed  
**TERMS:** Not disclosed

This acquisition expands the buyer's network of providers in the western New York area, including Buffalo and Rochester. It also helps it to service new clients acquired during the past year in the Syracuse area.

**TARGET:** Lancaster Laboratories  
**ACQUIRER:** Eurofins Scientific

**LISTING:** NYSE: TMO  
**LOCATION:** Lancaster, Pennsylvania  
**CEO:** Gilles Martin  
**PHONE:** 32 2 766 16 20  
**FAX:**  
**WEB SITE:** www.eurofins.com

Thermo Fisher Scientific is selling Lancaster Laboratories, a contract-testing lab for drug and environmental sciences companies. In 2010, it generated revenue of $115.0 million.

**ANNOUNCEMENT DATE:** February 24, 2011  
**PRICE:** $200,000,000 (approximate)  
**TERMS:** Cash

This bolt-on acquisition strengthens the buyer's presence in the North American laboratory sector. This is one of two laboratory divestments the seller announced making at the same time.
TARGET: Medical Developers, LLC

LISTING: Private
LOCATION: Buenos Aires, Argentina

UNITS: 2270 Colonial Boulevard
REVENUE: $53,100,000
NET INCOME: $17,500,000 (EBITDA)

Medical Developers is a developer and operator of cancer treatment facilities in Latin America. In 2010, it generated revenue of $53.1 million and pro forma adjusted EBITDA of $17.5 million.

ANNOUNCEMENT DATE: March 2, 2011
PRICE: $80,000,000
TERMS: Acquired an additional 72% interest in target, raising total stake to 91%. $47.5 million in cash, $16.25 million in notes, $16.25 million in equity.

This deal, carried out by the buyer's Radiation Therapy Services International subsidiary, expands the buyer's footprint in Latin America; Medical Developers has 29 centers in six countries in the region. The cash portion was financed through the issuance of $50.0 million of additional senior subordinated notes.

TARGET: Seven imaging centers

LISTING: Private
LOCATION: Birmingham, Alabama
UNITS: 7 (centers)

Diagnostic Health Corp. is selling seven outpatient imaging centers in Alabama, Colorado and Tennessee.

ANNOUNCEMENT DATE: March 14, 2011
PRICE: Not disclosed
TERMS: Not disclosed

This acquisition increases to 25 the total number of imaging centers that Outpatient Imaging operates. The buyer often operates its imaging centers and joint ventures with physician groups, and may offer to operate the acquired centers in the same way. This divestment leaves the seller with 12 freestanding centers in six states.
TARGET: Two imaging centers
LISTING: Private
LOCATION: Brooklyn, New York
UNITS: 1510 Cotner Avenue
REVENUE: $7,000,000
NET INCOME:

Presgar Imaging is selling two multi-modality imaging centers, Highway Imaging in Brooklyn and Parkland Diagnostic in Orchard Park. Providing MRI, CT, ultrasound, mammography and x-ray services, they generate $7 million in annual revenue.

ANNOUNCEMENT DATE: January 6, 2011
PRICE: $2,900,000 (approximate)
TERMS: $2.2 million in cash; $700,000 in assumption of debt.

ACQUIRER: RadNet, Inc.
LISTING: NASDAQ: RDNT
CEO: Howard Berger
PHONE: 310-445-2800
FAX: 310-445-2980
LOCATION: 1510 Cotner Avenue
WEB SITE: www.radnet.com

RadNet provides diagnostic imaging services through outpatient imaging centers in six states. On a trailing 12-month basis, RDNT generated revenue of $528 million, EBITDA of $90 million and a net loss of $17 million.

PRICE PER UNIT:
PRICE/REVENUE: 0.41
PRICE/INCOME:

The acquisition of Highway Imaging expands the buyer's presence in Brooklyn, a market it entered in 2010. The addition of Parkland Diagnostic represents an expansion of the buyer's cluster of centers in Rochester, and is the company's first center in the Buffalo market. This deal closed January 31, 2011.
LONG-TERM CARE
## First Quarter 2011 Long-Term Care Transactions

<table>
<thead>
<tr>
<th>TARGET CITY</th>
<th>STATE</th>
<th>AQUIRER CITY</th>
<th>STATE</th>
<th>DATE</th>
<th>PRICE</th>
</tr>
</thead>
<tbody>
<tr>
<td>20 independent and assisted living facilities</td>
<td>Five States</td>
<td>Senior Housing Properties Trust</td>
<td>Massachusetts</td>
<td>Newton, Massachusetts</td>
<td>3/8/11</td>
</tr>
<tr>
<td>Benchmark Senior Living properties</td>
<td>Wellesley, Massachusetts</td>
<td>Health Care REIT</td>
<td>Ohio</td>
<td>Tredyffrin, Pennsylvania</td>
<td>2/15/11</td>
</tr>
<tr>
<td>Brandywine portfolio</td>
<td>Mount Laurel, New Jersey</td>
<td>Health Care REIT</td>
<td>Ohio</td>
<td>Tredyffrin, Pennsylvania</td>
<td>2/15/11</td>
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<tr>
<td>Calgary Place</td>
<td>Salt Lake City, Utah</td>
<td>The Enlis Group, Inc.</td>
<td>Washington</td>
<td>Tredyffrin, Pennsylvania</td>
<td>12/1/11</td>
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<tr>
<td>Chickasaw St. Joseph Villa, Marian Center</td>
<td>Tredyffrin, Pennsylvania</td>
<td>Milestone Venture Partners, LLC</td>
<td>Missouri</td>
<td>Tredyffrin, Pennsylvania</td>
<td>3/31/11</td>
</tr>
<tr>
<td>Cambridge Place</td>
<td>Lexington, Kentucky</td>
<td>Regional operator</td>
<td>Ohio</td>
<td>Tredyffrin, Pennsylvania</td>
<td>2/28/11</td>
</tr>
<tr>
<td>Charlton Place</td>
<td>South Tacoma, Washington</td>
<td>Round Lake, LLC</td>
<td>Washington</td>
<td>Mercer Island, Washington</td>
<td>1/31/11</td>
</tr>
<tr>
<td>Christus St. Joseph Villa, Marian Center</td>
<td>Salt Lake City, Utah</td>
<td>The Enlis Group, Inc.</td>
<td>California</td>
<td>Mission Viejo, California</td>
<td>1/21/11</td>
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<tr>
<td>Cypress Court</td>
<td>Mesa, Arizona</td>
<td>Emeritus Corporation</td>
<td>Washington</td>
<td>Seattle, Washington</td>
<td>1/31/11</td>
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<tr>
<td>Danby House</td>
<td>Winston Salem, North Carolina</td>
<td>Not disclosed</td>
<td>North Carolina</td>
<td>Winston Salem, North Carolina</td>
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<td>Deaconess LTC portfolio</td>
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<td>Illinois</td>
<td>Skokie, Illinois</td>
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<tr>
<td>Elk Run Assisted Living</td>
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<td>Not disclosed</td>
<td>Minnesota</td>
<td>Minneapolis, Minnesota</td>
<td>3/31/11</td>
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<tr>
<td>Five skilled nursing facilities</td>
<td>Arkansas and Missouri</td>
<td>AdCare Health Systems, Inc.</td>
<td>Ohio</td>
<td>Springfield, Ohio</td>
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<tr>
<td>Forestview Manor</td>
<td>Meredith, New Hampshire</td>
<td>Cornerstone Healthcare Plus REIT</td>
<td>California</td>
<td>Irvine, California</td>
<td>1/14/11</td>
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<tr>
<td>Genesis real estate assets</td>
<td>Kennet Square, Pennsylvania</td>
<td>Health Care REIT</td>
<td>Ohio</td>
<td>Tredyffrin, Pennsylvania</td>
<td>2/28/11</td>
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<tr>
<td>Golden Living Centers of Kenosha</td>
<td>Kenosha, Wisconsin</td>
<td>Platinum Health Care, LLC</td>
<td>Illinois</td>
<td>Skokie, Illinois</td>
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<td>Goldenrod Manor Care Center</td>
<td>Clarinda, Iowa</td>
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<td>Illinois</td>
<td>Tredyffrin, Pennsylvania</td>
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<tr>
<td>Good Neighbor Care Center of Eugene</td>
<td>Eugene, Oregon</td>
<td>Living Care Senior Housing Development, LLC</td>
<td>Washington</td>
<td>Seattle, Washington</td>
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<td>HMR Advantage Health Systems</td>
<td>Sumter, South Carolina</td>
<td>Ark Holdings, Inc.</td>
<td>Tennessee</td>
<td>Memphis, Tennessee</td>
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<td>Hopewell Health Care Center</td>
<td>Sumter, South Carolina</td>
<td>Regional operator</td>
<td>Ohio</td>
<td>Tredyffrin, Pennsylvania</td>
<td>2/14/11</td>
</tr>
<tr>
<td>Kenwell Assisted Living</td>
<td>Kenmore, New York</td>
<td>Not disclosed</td>
<td>New York</td>
<td>Tredyffrin, Pennsylvania</td>
<td>3/22/11</td>
</tr>
<tr>
<td>Mount Saint Francis Health Center</td>
<td>Woonsocket, Rhode Island</td>
<td>Good Neighbor Care Center of Eugene</td>
<td>California</td>
<td>Newport Beach, California</td>
<td>1/21/11</td>
</tr>
<tr>
<td>Silverado Senior Living</td>
<td>Rocklin, California</td>
<td>Health Care REIT</td>
<td>Ohio</td>
<td>Tredyffrin, Pennsylvania</td>
<td>2/7/11</td>
</tr>
<tr>
<td>Springfield Place/J.F. Hawkins Nursing Home</td>
<td>Newberry, South Carolina</td>
<td>Not disclosed</td>
<td>Ohio</td>
<td>Tredyffrin, Pennsylvania</td>
<td>2/28/11</td>
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<tr>
<td>Springfield Skilled Care Center and Lodges</td>
<td>Springfield, Missouri</td>
<td>Not disclosed</td>
<td>North Carolina</td>
<td>Winston Salem, North Carolina</td>
<td>1/10/11</td>
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<td>The Fountains of Crystal Lake</td>
<td>Crystal Lake, Illinois</td>
<td>Not disclosed</td>
<td>California</td>
<td>Ventura, California</td>
<td>3/15/11</td>
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<tr>
<td>The Heritage Retirement Community</td>
<td>Tomball, Texas</td>
<td>Not disclosed</td>
<td>Tennessee</td>
<td>Tredyffrin, Pennsylvania</td>
<td>1/25/11</td>
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<tr>
<td>The Lexington, Victoria Care Center</td>
<td>Ventura, California</td>
<td>The Enlis Group, Inc.</td>
<td>California</td>
<td>Mission Viejo, California</td>
<td>3/18/11</td>
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<td>The Sterling at Vintage Hills</td>
<td>Temecula, California</td>
<td>CSH</td>
<td>District of Columbia</td>
<td>Washington, District of Columbia</td>
<td>1/28/11</td>
</tr>
<tr>
<td>Two assisted living facilities</td>
<td>Austell, Georgia</td>
<td>Harvard Management Companies</td>
<td>Ohio</td>
<td>Tredyffrin, Pennsylvania</td>
<td>3/4/11</td>
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<td>Woodbury Mews</td>
<td>Woodbury, New Jersey</td>
<td>Capital Health Group, LLC</td>
<td>Kentucky</td>
<td>Lexington, Kentucky</td>
<td>3/31/11</td>
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<tr>
<td>Woodmark at Steel Lake</td>
<td>Woodmark at Steel Lake</td>
<td>Federal Way Management Companies</td>
<td>Washington</td>
<td>Seattle, Washington</td>
<td>3/31/11</td>
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<td>Wynwood</td>
<td>Mandeville, Louisiana</td>
<td>Emeritus Corporation</td>
<td>Washington</td>
<td>Seattle, Washington</td>
<td>3/31/11</td>
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</tbody>
</table>
### TARGET: 20 independent and assisted living facilities

**LISTING:** Private  
**LOCATION:** Five, States  
**UNITS:** 2,111  
**REVENUE:**  
**NET INCOME:** $23,500,000 (estimated EBITDA)

Steven D. Bell & Co. is selling a portfolio of 20 independent and assisted living facilities with 2,111 units in five states. Average occupancy was 88%.

**ANNOUNCEMENT DATE:** March 8, 2011  
**PRICE:** $304,000,000  
**TERMS:** Not disclosed

The facilities are located in North Carolina (7), South Carolina (5), Florida (4), Virginia (2) and Georgia (2). They have a combined total of 814 independent living units, 939 assisted living units, 311 Alzheimer's units and 47 skilled nursing beds. Fifteen communities are to be owned by SNH and managed by Five Star Quality Care, while the remaining five communities are to be owned by SNH and leased to Five Star Quality Care.

### ACQUIRER: Senior Housing Properties Trust

**LISTING:** NYSE: SNH  
**CEO:** David J. Hegarty  
**PHONE:** 617-796-8350  
**FAX:** 617-796-8349  
**WEB SITE:** www.snhreit.com

Senior Housing Properties Trust, a real estate investment trust, primarily invests in senior housing properties. On a trailing 12-month basis, SNH generated revenue of $339 million, EBITDA of $299 million and net income of $116 million.

### TARGET: Benchmark Senior Living properties

**LISTING:** Private  
**LOCATION:** Wellesley, Massachusetts  
**UNITS:** 3,009  
**REVENUE:**  
**NET INCOME:**

Benchmark Senior Living is entering into a partnership to own and operate 34 senior housing communities with 3,009 units. The facilities are located in New England.

**ANNOUNCEMENT DATE:** February 15, 2011  
**PRICE:** $890,000,000 (approximate)  
**TERMS:** Sale/manageback transaction

This transaction is to be structured as a RIDEA partnership owned 95% by HCN and 5% by Benchmark. Under terms of the deal, Benchmark will manage the facilities under an incentive-based management contract. The relevant communities are located in Connecticut (14), Massachusetts (13), Rhode Island (3), New Hampshire (2), Vermont (1) and Maine (1). The average age of the facilities is 12 years.
**TARGET:** Brandywine portfolio | **ACQUIRER:** Health Care REIT
---|---
**LISTING:** Private | **LISTING:** NYSE: HCN
**LOCATION:** Mount Laurel, New Jersey | **CEO:** George L. Chapman
**UNITs:** 1,845 | **PHONE:** 419-247-2800
**REVENUE:** | **FAX:** 419-247-2826
**NET INCOME:** |
---|---
Brandywine Senior Living is entering into a sale/leaseback of 19 seniors housing communities with 1,845 units of assisted living, Alzheimer's care, independent living and skilled nursing. The facilities are located in the Northeast.

**ANNOUNCEMENT DATE:** February 15, 2011
**PRICE:** $600,000,000 (approximate)
**TERMS:** Sale/leaseback

Health Care REIT invests in seniors housing properties, skilled nursing facilities and medical office buildings. On a trailing 12-month basis, it generated $681 million, EBITDA of $498 million and net income of $62 million.

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**TARGET:** Cambridge Place | **ACQUIRER:** Regional operator
---|---
**LISTING:** Private | **LISTING:** Private
**LOCATION:** Lexington, Kentucky | **CEO:** Private
**UNITs:** 118 (beds) | **PHONE:**
**REVENUE:** $7,024,000 | **FAX:**
**NET INCOME:** $995,000 (EBITDA) | **WEB SITE:**
---|---
A regional company is selling Cambridge Place, a 118-bed skilled nursing facility. Built in 1976 on 2.6 acres, it was 79% occupied at the time of sale. Census was approximately 73% Medicaid, 15% private pay and 11% Medicare.

**ANNOUNCEMENT DATE:** February 28, 2011
**PRICE:** $7,800,000
**TERMS:** Not disclosed

The buyer is a regional operator of seniors housing and care facilities.

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Cambridge Place was the last nursing home owned by the seller, who wanted to concentrate on the company's assisted living facilities. The buyer exited the Kentucky nursing home market in 2006, and wanted the right acquisition to get back in. A local bank provided the financing. Senior Living Investment Brokerage handled the transaction.
**TARGET:**  
*Charlton Place*

- **LISTING:** Private  
- **LOCATION:** South Tacoma, Washington  
- **UNITS:** 96  
- **REVENUE:** $2,442,000  
- **NET INCOME:** $268,000 (EBITDA)

Columbia Pacific is selling Charlton Place, a 96-unit assisted living facility that is licensed for 105 beds. Built in 1982 on 3.2 acres, it was 93% occupied at the time of sale. Census was 92% Medicaid and 8% private pay.

**ANNOUNCEMENT DATE:** January 31, 2011

**PRICE:** $2,650,000  
**TERMS:** Not disclosed

Round Lake is involved in developing and owning seniors housing industry.

**ACQUIRER: **  
*Round Lake, LLC*

- **LISTING:** Private  
- **CEO:** Bill Moore  
- **PHONE:** 206-232-1462  
- **FAX:** 206-232-8960  
- **WEB SITE:** www.roundlakellc.com

**LOCATION:** Mercer Island, Washington 98040

**PRICE PER UNIT:** $27,604  
**PRICE/REVENUE:** 1.08  
**PRICE/INCOME:** 9.88

The facility was well maintained and well staffed, but since most of the census was Medicaid, the cash flow potential was limited even at stabilized occupancy. There are 84 studios, 10 one-bedrooms and two two-bedroom units. Unlike many of the facilities owned by Columbia Pacific, this one was not managed by Emeritus Corp. JCH Consulting represented the seller in this deal.

---

**TARGET: **  
*Christus St. Joseph Villa, Marian Center*

- **LISTING:** Private  
- **LOCATION:** Salt Lake City, Utah  
- **UNITS:** 339 (beds)  
- **REVENUE:**  
- **NET INCOME:**

Christus Health System is selling Christus St. Joseph Villa, a CCRC which includes Christus Marian Center, a behavioral health center. It has 223 skilled nursing beds, 48 assisted living units and 68 independent living units. It has 70% occupancy.

**ANNOUNCEMENT DATE:** January 21, 2011

**PRICE:** $16,569,000  
**TERMS:** Cash

This acquisition brings to 85 the number of health care facilities that ENSG operates. The facility is to be operated by ENSG subsidiary Milestone Healthcare.

**ACQUIRER: **  
*The Ensign Group, Inc.*

- **LISTING:** NASDAQ: ENSG  
- **CEO:** Christopher Christensen  
- **PHONE:** 949-487-9500  
- **FAX:** 949-487-9400  
- **WEB SITE:** www.ensigngroup.net

**LOCATION:** Mission Viejo, California 92691

**PRICE PER UNIT:** $48,876  
**PRICE/REVENUE:**

The Ensign Group operates senior care facilities in six Western states. On a trailing 12-month basis, ENSG generated revenue of $623 million, EBITDA of $87 million and net income of $38 million.
TARGET: Cypress Court

LISTING: Nonprofit
LOCATION: Mesa, Arizona
UNITS: 126
REVENUE: $4,300,000 (2,009)
NET INCOME: $1,075,000 (EBITDA)

Care Institute of Mesa is selling Cypress Court, a 126-unit assisted living facility with 104 assisted living and 22 memory care units. Built in 1996 on 5.6 acres, it was 82% occupied at the time of sale. Census was 50% Medicaid and 50% private pay.

ANNOUNCEMENT DATE: January 31, 2011
PRICE: $12,855,000
TERMS: Not disclosed

ACQUIRER: Emeritus Corporation

LISTING: NYSE: ESC
CEO: Granger Cobb
PHONE: 206-298-2909
3131 Elliott Avenue, Suite 500
FAX: 206-301-4500
Seattle, Washington 98121
WEB SITE: www.emeritus.com

Emeritus Corporation is an operator of assisted living facilities. ESC owns, leases or manages 289 communities in 36 states. On a trailing 12-month basis, ESC generated revenue of $953 million, EBITDA of $145 million and a net loss of $56 million.

PRICE PER UNIT: $102,024
PRICE/REVENUE: 2.98
PRICE/INCOME: 11.95

Not disclosed

The facility has 88 studios and deluxe studios and 38 one-bedroom units. It is anticipated that expenses may be further reduced as a percentage of revenue as ESC makes some changes to the facility. Marcus & Millichap represented the seller in this deal.

TARGET: Danby House

LISTING: Private
LOCATION: Winston Salem, North Carolina
UNITS: 52
REVENUE: $2,335,000
NET INCOME: $446,000 (EBITDA)

Senior Living Communities is selling Danby House, a 52-unit assisted living facility with 28 assisted living and 24 memory care units. Built in 1986 on 2.7 acres, it was 63% occupied at the time of sale. Census was 48% Medicaid and 52% private pay.

ANNOUNCEMENT DATE: March 1, 2011
PRICE: $4,050,000
TERMS: Not disclosed

ACQUIRER: Not disclosed

LISTING: Private
CEO: North Carolina

The buyer is an operator of seniors living facilities, based in North Carolina.

PRICE PER UNIT: $77,885
PRICE/REVENUE: 1.73
PRICE/INCOME: 9.08

Not disclosed

The assisted living units (with 52 beds) were built in 1986 and the memory care units (with 48 beds) were built in 1996. Marcus & Millichap represented the seller in this transaction.
TARGET:  *Deaconess LTC portfolio*

- **LISTING:** Nonprofit  
- **LOCATION:** Missouri  
- **UNITS:** 947 (beds)  
- **REVENUE:** $36,000,000  
- **NET INCOME:** $3,200,000 (EBITDAR)

Cincinnati-based Deaconess is selling a portfolio of 11 Missouri seniors housing and care facilities. The portfolio includes 852 skilled nursing beds and 122 assisted living beds. Medicaid is the predominant payor source.

**ANNOUNCEMENT DATE:** February 1, 2011  
**PRICE:** $27,200,000  
**TERMS:** Not disclosed

ACQUIRER: *Platinum Health Care, LLC*

- **LISTING:** Private  
- **CEO:** Ben Klein  
- **PHONE:** 847-329-4100  
- **LOCATION:** Missouri  
- **REVENUE:** $36,000,000  
- **NET INCOME:** $3,200,000 (EBITDAR)  
- **WEB SITE:** www.platinumhc.net

Platinum Health Care provides a full range of back office functionality on a contractual basis to senior housing communities.

**PRICE PER UNIT:** $28,722  
**PRICE/REVENUE:** 0.75  
**PRICE/INCOME:** 8.5

This divestment reduces the seller's sprawl into several geographically disparate markets. The buyer operates several facilities in Missouri already so this acquisition will bolster its presence there. This deal was brokered by Healthcare Realty Brokerage.

TARGET: *Elk Run Assisted Living*

- **LISTING:** Private  
- **LOCATION:** Evergreen, Colorado  
- **UNITS:** 62  
- **REVENUE:** $1,600,000  
- **NET INCOME:** $500,000 (EBITDA)

A local partnership developed and is selling Elk Run Assisted Living, a 62-unit assisted living facility that is licensed for 68 beds. Built in 2002 on 5.5 acres, it was 70% occupied at the time of sale. Census was 30% Medicaid and 70% private pay.

**ANNOUNCEMENT DATE:** March 31, 2011  
**PRICE:** $7,000,000  
**TERMS:** Not disclosed

ACQUIRER: *Not disclosed*

- **LISTING:** Nonprofit  
- **CEO:**  
- **PHONE:**  
- **LOCATION:** Minnesota  
- **WEB SITE:**

The buyer is a not-for-profit organization based in Minnesota.

**PRICE PER UNIT:** $112,903  
**PRICE/REVENUE:** 4.37  
**PRICE/INCOME:** 14

The buyer assumed a HUD loan in the amount of $4.6 million. This is the buyer's first operation in Colorado. Marcus & Millichap represented the seller in this transaction.
**TARGET:** Five skilled nursing facilities  
**LISTING:** Private  
**LOCATION:** Arkansas and, Missouri  
**UNITS:** 506 (beds)  
**REVENUE:** $25,000,000  
**NET INCOME:**

The target portfolio includes four skilled nursing facilities in Arkansas with 416 beds and one in Missouri with 90 beds. In 2010, they generated revenue of over $25 million.

**ANNOUNCEMENT DATE:** March 15, 2011  
**PRICE:** $20,000,000  
**TERMS:** Not disclosed

**ACQUIRER:** AdCare Health Systems, Inc.  
**LISTING:** AMEX: ADK  
**CEO:** Gary L. Wade  
**PHONE:** 937-964-8974  
**FAX:** 937-964-8961  
**WEB SITE:** www.adcarehealth.com

AdCare is involved in owning and operating seniors housing communities, as well as providing home health care services in Ohio. On a trailing 12-month basis, ADK generated revenue of $33 million, EBITDA of $215,200 and a net loss of $1.7 million.

**PRICE:** Not disclosed  
**PRICE/REVENUE:** 0.80  
**PRICE/INCOME:**

The buyer acquired the four Arkansas properties through asset sales; it acquired a 10-year lease for the Missouri property. These acquisitions contribute to an annual revenue run rate now calculated at $175 million. ADK plans to finance this acquisition through a combination of traditional bank financing and loan guarantees by the USDA. This deal expands the company's presence into two new states.

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**TARGET:** Forestview Manor  
**LISTING:** Private  
**LOCATION:** Meredith, New Hampshire  
**UNITS:** 69  
**REVENUE:** $3,637,000 (2,009)  
**NET INCOME:** $1,099,000 (EBITDA)

A sole proprietor is selling Forestview Manor, a 69-unit assisted living facility licensed for 76 beds. It provides assisted living and Alzheimer's services. Built in 1997 on 15.2 acres, it was 87% occupied at the time of sale.

**ANNOUNCEMENT DATE:** January 14, 2011  
**PRICE:** $10,750,000  
**TERMS:** Not disclosed

**ACQUIRER:** Cornerstone Healthcare Plus REIT  
**LISTING:** Private  
**CEO:** Terry Roussel  
**PHONE:** 949-852-1007  
**FAX:** 949-852-2729  
**WEB SITE:** www.crefunds.com

Cornerstone Healthcare Plus REIT is a real estate investment trust.

**PRICE:** $155,797  
**PRICE/REVENUE:** 2.95  
**PRICE/INCOME:** 9.78

The facility consists of three buildings, with nine units added in 2009. This property last sold in 2008 for $7.5 million. Evans Senior Living represented the seller in the current transaction.
TARGET:  

Genesis real estate assets

ACQUIRER:  

Health Care REIT

JER Partners and Formation Capital are selling the real estate assets of seniors housing provider Genesis HealthCare. Assets include 147 facilities in 11 states.

**ANNOUNCEMENT DATE:** February 28, 2011

**PRICE:** $2,400,000,000 (approximate)

**TERMS:** Not disclosed

Genesis HealthCare will continue to operate the facilities pursuant to a long-term, triple-net master lease. Also, HCN has the option to acquire a 9.9% ownership interest in Genesis for a fixed price equal to $47 million throughout the initial lease term. UBS Investment Bank provided HCN with financial advice on this deal; BofA Merrill Lynch and Citi provided Genesis with similar advice. This deal closed April 4, 2011.

TARGET:  

Golden Living Centers of Kenosha

ACQUIRER:  

Platinum Health Care, LLC

A sole proprietor is selling Golden Living Centers of Kenosha, a 97-bed skilled nursing facility. Built in 1960 with an addition in 1974, it was 79% occupied at the time of sale. The census was 82% Medicaid, 10% private pay and 8% Medicare.

**ANNOUNCEMENT DATE:** March 31, 2011

**PRICE:** $3,950,000

**TERMS:** Not disclosed

Platinum Health Care provides a full range of back office functionality on a contractual basis to senior housing communities.

The target facility had been leased to Golden Living and the lease was coming due in March 2011. The seller, an individual from New York, listed the facility in November 2010. There are 42 semi-private rooms, seven private rooms and two three-bedded rooms, but the buyer will reduce the *operational* beds to 91. Oxford Finance provided a $3.6 million first mortgage plus $400,000 for capital expenditures, which will be added to the loan. Marcus & Millichap represented the seller in this deal.
TARGET: Goldenrod Manor Care Center  
LISTING: Private  
LOCATION: Clarinda, Iowa  
UNITS: 49 (beds)  
REVENUE: $2,085,000  
NET INCOME: $186,000 (EBITDA)  

A group of local investors is selling Goldenrod Manor Care Center, a 49-bed skilled nursing facility. Built in 1977 on 2.1 acres, it was 80% occupied at the time of sale. Census was 37.9% Medicaid, 53% private pay and 6.1% Medicare.

ANNOUNCEMENT DATE: February 28, 2011  
PRICE: $1,100,000  
TERMS: Not disclosed  

The buyer in this transaction is an individual.

TARGET: Good Neighbor Care Center of Eugene  
LISTING: Private  
LOCATION: Eugene, Oregon  
UNITS: 49  
REVENUE: $3,886,000  
NET INCOME: $1,270,000 (EBITDA)  

A national owner is selling Good Neighbor Care Center of Eugene, a 49-unit assisted living facility that is licensed for 79 beds. Built in 2000 on 3.5 acres, it was 98% occupied at the time of sale. Census was 20% Medicaid and 80% private pay.

ANNOUNCEMENT DATE: March 31, 2011  
PRICE: $11,800,000  
TERMS: Not disclosed  

The target is a memory care facility located in the second largest city in the state. The campus consists of five residential buildings and one administrative building, all of which are one-story. Many of the units are double occupancy. The sale was a strategic divestiture for the seller, who wanted to raise capital for other corporate needs. Senior Living Investment Brokerage handled the transaction.
TARGET:  

HMR Advantage Health Systems

ACQUIRER:  

Ark Holdings, Inc.

LISTING:  

Private

LOCATION:  

South Carolina

UNITS:  

2,000  (beds)

REVENUE:  

WEB SITE:

HMR Advantage Health Systems owns and operates 21 skilled nursing centers in the Carolinas and Georgia. In addition to skilled nursing, it offers rehab care, assisted living, long-term care and hospice care.

ANNOUNCEMENT DATE:  

January 26, 2011

PRICE:  

$143,800,000

TERMS:  

Not disclosed

PRICE PER UNIT:  

$71,900

PRICE/REVENUE:  

PRICE/INCOME:  

This deal expands the buyer's presence in the Southeast. With the addition of HMR, Ark Holding will have 59 homes and over 6,000 patient beds. Through this transaction, Ark also acquired Hallmark Hospice, previously owned and operated by HMR. The deal was financed primarily by Walker & Dunlop, utilizing the HUD 232/222 loan program; in addition to $104.7 million of HUD financing, Capital Source provided a 5-year $35 million revolving credit facility. This deal closed December 29, 2010.

TARGET:  

Hopewell Health Care Center

ACQUIRER:  

Regional operator

LISTING:  

Private

LOCATION:  

Sumter, South Carolina

UNITS:  

96  (beds)

REVENUE:  

$4,913,000

NET INCOME:  

$465,000  (EBITDA)

WEB SITE:

A Georgia-based operator is selling Hopewell Health Care Center, a 96-bed skilled nursing facility. Built in 1964, it was 92% occupied at the time of sale.

ANNOUNCEMENT DATE:  

February 14, 2011

PRICE:  

$4,285,000

TERMS:  

Not disclosed

PRICE PER UNIT:  

$44,635

PRICE/REVENUE:  

0.87

PRICE/INCOME:  

9.21

This was the seller's last nursing home in South Carolina; the company decided to sell in order to focus on other properties. The buyer owns a portfolio of facilities in the Carolinas, and teamed up with a local operator. With an increase in the private pay census along with some cost cutting, EBITDA should grow to $550,000. Senior Living Investment Brokerage handled the transaction.
### Kenwell Assisted Living

**LISTING:** Nonprofit  
**LOCATION:** Kenmore, New York  
**UNITS:** 76  
**REVENUE:** $2,050,000  
**NET INCOME:** $480,000 (EBITDA)

A not-for-profit organization is selling Kenwell Assisted Living, a 76-unit assisted living facility that is licensed for 148 beds. Built in 1954, it was 91% occupied at the time of sale. Census was 67% Medicaid and 33% private pay.

**ANNOUNCEMENT DATE:** March 22, 2011  
**PRICE:** $4,000,000  
**TERMS:** Not disclosed

The identity of the buyer was not disclosed.

### Mount Saint Francis Health Center

**LISTING:** Private  
**LOCATION:** Woonsocket, Rhode Island  
**UNITS:** 158 (beds)  
**REVENUE:** $9,500,000  
**NET INCOME:** $605,000 (EBITDA)

A receiver is selling Mount Saint Francis Health Center, a 158-bed skilled nursing facility. Built in 1910 as an orphanage and gut rehabbed in 1984 and converted to its current use, it was 83% occupied at the time of sale. Census was 87% Medicaid, 8% private.

**ANNOUNCEMENT DATE:** March 31, 2011  
**PRICE:** $4,971,000  
**TERMS:** Not disclosed

The seller ran into legal and financial difficulties, and in 2008 the receiver agreed to sell the facility to the manager, American Senior Living Communities for $12.0 million. HUD took back possession of the loan and sold it as part of a larger portfolio of loans, so that offer was rejected. Marcus & Millichap was hired in September 2010 to sell the facility; the current deal closed in March 2011. The three-story building has 76 semi-private rooms and six private rooms.
 TARGET: Nationwide Health Properties, Inc. 
 LISTING: NYSE: NHP 
 LOCATION: Newport Beach, California 
 UNITS: 41,399 
 REVENUE: $431,000,000 
 NET INCOME: $365,000,000 

Nationwide Health Properties is a REIT operating in the seniors housing and allied industries. It has 667 properties. On a 12-month trailing basis, it generated revenue of $431 million, EBITDA of $365 million and net income of $129 million.

ANNOUNCEMENT DATE: February 28, 2011 
 PRICE: $7,400,000,000 (approximate) 
 TERMS: Each share of NHP common stock to be exchanged for 0.7866 shares of VTR.

This deal offers NHP shareholders a 15.5% premium to the stock's prior-day price. The merger of these two companies will create the largest health care-oriented REIT in the country, and lower the capital costs of the resulting entity. On closing, current VTR and NHP shareholders will own 65% and 35%, respectively, of the combined company. Centerview Partners and J.P. Morgan Securities are providing financial advice to VTR and NHP, respectively.

 ACQUIRER: Ventas, Inc. 
 LISTING: NYSE: VTR 
 CEO: Debra A. Cafaro 
 PHONE: 312-660-3800 
 FAX: 312-660-3850 
 111 South Wacker Drive 
 Chicago, Illinois 60606 
 WEB SITE: www.ventasreit.com 

Ventas is a leading health care REIT with a diverse portfolio of properties in 42 states. On a trailing 12-month basis, it generated revenue of $1.0 billion, EBITDA of $656 million and net income of $218 million.

 TARGET: Sanctuary at St. Joseph's 
 LISTING: Nonprofit 
 LOCATION: South Bend, Indiana 
 UNITS: 177 (beds) 
 REVENUE: $7,881,000 
 NET INCOME: 

Trinity Health is selling Sanctuary at St. Joseph's, a 177-bed skilled nursing facility. Built in 1968, it was 62% occupied at the time of sale. For the most recent period, it generated revenue of $7,881,000 and a net operating loss of ($565,000).

ANNOUNCEMENT DATE: March 31, 2011 
 PRICE: $5,250,000 
 TERMS: Not disclosed 

The target facility was operated by Trinity Health, a Catholic not-for-profit hospital system. It was losing money and had a history of challenging surveys. It was not located on one of Trinity's hospital campuses, which prompted the sale. The buyer leased the facility to Indianapolis-based American Senior Communities, which will now operate 59 senior living facilities in Indiana. Senior Living Investment Brokerage handled the transaction.
TARGET: Senior Star Living

LISTING: Private
LOCATION: Tulsa, Oklahoma
UNITS: 1,687
REVENUE: 
NET INCOME:

Senior Star Living is entering into a partnership to own and operate nine seniors housing communities with 1,687 units. The facilities are located in the Midwest.

ANNOUNCEMENT DATE: February 15, 2011
PRICE: $360,000,000 (approximate)
TERMS: Sale/manageback

ACQUIRER: Health Care REIT

LISTING: NYSE: HCN
CEO: George L. Chapman
PHONE: 419-247-2800
4500 Dorr Street
FAX: 419-247-2826
Toledo, Ohio 43615
WEB SITE: www.hcreit.com

Health Care REIT invests in seniors housing properties, skilled nursing facilities and medical office buildings. On a trailing 12-month basis, it generated $681 million, EBITDA of $498 million and net income of $62 million.

PRICE PER UNIT: $213,397
PRICE/REVENUE:
PRICE/INCOME:

This transaction is to be structured as a RIDEA partnership owned 90% by HCN and 10% by Senior Star. Senior Star continues to provide management services under an incentive-based management contract. The communities are located in Missouri (2), Ohio (2), Oklahoma (2), New Mexico (1), Iowa (1) and Illinois (1).

TARGET: Silverado Senior Living

LISTING: Private
LOCATION: Irvine, California
UNITS: 1,454
REVENUE: 
NET INCOME:

Silverado Senior Living is entering into a partnership to own and operate 18 seniors housing communities with 1,454 units. The portfolio consists of 97% Alzheimer's care and 3% post-acute care. The facilities are located in the Southwest.

ANNOUNCEMENT DATE: February 15, 2011
PRICE: $298,000,000 (approximate)
TERMS: Sale

ACQUIRER: Health Care REIT

LISTING: NYSE: HCN
CEO: George L. Chapman
PHONE: 419-247-2800
4500 Dorr Street
FAX: 419-247-2826
Toledo, Ohio 43615
WEB SITE: www.hcreit.com

HCN is contributing six communities to this partnership while Silverado is contributing 12. This transaction is to be structured as a RIDEA partnership owned 95% by HCN and 5% by Senior Star. The communities are located in California (9), Texas, (7), Arizona (1) and Utah (1).
Horizon West Healthcare is selling its leased interest in a portfolio of 27 skilled nursing facilities in California and Utah with a total of 2,977 beds. Backed by Menlo Park-based GI Partners, Plum Healthcare Group is engaged in the seniors housing and care industry. It owns 23 skilled nursing facilities in California, Utah and Arizona.

This deal expands Plum Healthcare's network of skilled nursing facilities in California and Utah. It more than doubles the number of facilities in that network. The acquisition is subject to the approval of the California Department of Public Health, expected in late April or May. The acquisition does not include four assisted-living centers and three retirement communities owned by Horizon.

Newberry County is selling Springfield Place and J.F. Hawkins Nursing Home, a 211-unit, two-campus CCRC with 53 independent living units, 40 assisted living units and 118 skilled nursing beds. At the time of sale, it was 91% occupied.

The two campuses of this CCRC are located just two blocks apart. The independent units are 85% occupied, the assisted living 90% and the skilled nursing 100%. The campuses are in good physical condition. Evans Senior Investments represented the seller in this transaction.
TARGET:  Springfield Skilled Care Center and Lodges
ACQUIRER:  Not disclosed

LISTING:  Private
LOCATION:  Springfield, Missouri
UNITS:  219 (beds)
REVENUE:  $7,250,000
NET INCOME:  $1,630,000 (EBITDA)

The former operator's estate is selling Springfield Skilled Care Center and Lodges, a 219-bed skilled nursing facility with 120 skilled care beds and 99 residential care units. Built in 1986, it was 90% occupied at the time of sale.

ANNOUNCEMENT DATE:  January 10, 2011
PRICE:  $11,500,000
TERMS:  Not disclosed
PRICE PER UNIT:  52,511
PRICE/REVENUE:  1.58
PRICE/INCOME:  7.05

The skilled nursing portion of the target facility was built in 1986 with a skilled Alzheimer's addition in 2008. The residential care portion, called the Lodges, was built in 1961 and serves mostly a Department of Mental Health Population. Senior Living Investment Brokerage handled the transaction.

TARGET:  The Fountains of Crystal Lake
ACQUIRER:  Not disclosed

LISTING:  Private
LOCATION:  Crystal Lake, Illinois
UNITS:  97 (beds)
REVENUE:  $7,000,000
NET INCOME:  $705,000 (EBITDA)

Arcapita is selling The Fountains of Crystal Lake, a 97-bed skilled nursing facility. Built in 1989 on 4 acres, it was 75% occupied at the time of sale. Census was 50% private pay and 50% Medicare.

ANNOUNCEMENT DATE:  February 1, 2011
PRICE:  $6,500,000
TERMS:  Not disclosed
PRICE PER UNIT:  67,010
PRICE/REVENUE:  0.93
PRICE/INCOME:  9.22

This nursing home was put under contract in 2009, but because the manager/joint venture partner (Sunrise Senior Living) was focusing on reorganization priorities, the sale closing got postponed. A new manager was brought in late in 2010, and the contract proceeded on the same terms. Senior living Investment Brokerage handled the transaction. The facility has been renamed Springs at Crystal Lake.
Tomball Regional Medical Center is selling The Heritage Retirement Community, a 178-unit CRC with 40 independent living units, 78 assisted living units and 60 skilled nursing beds. Built in 2001, it was 94% occupied at the time of sale.

**ANNOUNCEMENT DATE:** January 25, 2011

**PRICE:** $13,000,000

**TERMS:** Not disclosed

The buyer is a health care-oriented real estate investment trust.

The target property is located about 35 miles northwest of Houston. The buyer will be leasing the community to a regional operator who is headquartered in the Dallas area. Senior Living Investment Brokerage handled the transaction.

A long-term care company is selling The Lexington, a 125-bed assisted living facility and Victoria Care Center, a 188-bed skilled nursing facility.

**ANNOUNCEMENT DATE:** March 18, 2011

**PRICE:** $13,264,000

**TERMS:** Cash

ENSG has been operating Victoria Care Center as a leased facility since 2003. This acquisition expands the buyer's facility network in California. The Lexington has an occupancy rate of 80%, which the buyer hopes to raise; even so, operations from the facility are expected to be accretive to 2011 earnings. ESGN paid $5,925,000 for The Lexington and $7,339,000 for the underlying assets of Victoria Care Center.
HH Hunt is selling The Oaks at Kingsport, a 36-unit assisted living facility. Built in 1993 on 2.5 acres, it was 90% occupied at the time of sale. The buyer is a limited liability company whose identity was not disclosed.

**TARGET:** The Oaks at Kingsport
**ACQUIRER:** Not disclosed

| LISTING:  | Private |
| LOCATION: | Kingsport, Tennessee |
| UNITS:    | 36 |
| REVENUE:  | $1,195,000 |
| NET INCOME: | $165,000 (EBITDA) |

This facility sold with extra land for $300,000, taking the total price to $2.3 million. The buyer assumed a HUD loan in the amount of $1.685 million with an interest rate of 5.19%. The facility has seven private rooms and 29 semi-private rooms for a total of 43 licensed beds. Renaissance Senior Living is to be the manager. Marcus & Millichap represented the seller in this deal.

**ANNOUNCEMENT DATE:** January 1, 2011

**PRICE:** $2,000,000
**TERMS:** Not disclosed

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MBK Senior Living is selling The Sterling at Vintage Hills, a 152-unit retirement community with 51 independent living, 72 assisted living and 29 memory care units. Built in 2002 on 19 acres, it was 100% occupied at the time of sale.

**TARGET:** The Sterling at Vintage Hills
**ACQUIRER:** CSH

| LISTING:  | Private |
| LOCATION: | Temecula, California |
| UNITS:    | 152 |
| REVENUE:  | $6,959,000 |
| NET INCOME: | $2,100,000 (EBITDA) |

CSH is involved in the seniors housing and care industry.

**ANNOUNCEMENT DATE:** January 28, 2011

**PRICE:** $27,150,000
**TERMS:** Sale-manageback

MBK purchased this property in July 2005 for $20.15 million. Nine acres of the 19 acquired are available for future development. The buyer assumed $13.7 million of Fannie Mae debt. CB Richard Ellis represented the seller, who will manage it for the buyer. The buyer purchased the community as part of its joint venture with Harvard Management Company.

**PRICE PER UNIT:** $178,618
**PRICE/REVENUE:** 3.90
**PRICE/INCOME:** 12.92
TARGET:  Two assisted living facilities

ACQUIRER:  Harvard Management Companies

LISTING:  Private
LOCATION:  Austell, Georgia
UNITS:  120
REVENUE:  $6,500,000
NET INCOME:  $1,820,000 (EBITDA)

Carlyle Realty Partners is selling Arbor Terrace of Cobb in Austell and Arbor Terrace of Tucker in Tucker, Georgia. Both are 60-unit assisted living facilities. At the time of sale, they were 92% occupied. Census was 100% private pay.

ANNOUNCEMENT DATE:  March 4, 2011
PRICE:  $25,100,000
TERMS:  Not disclosed
PRICE PER UNIT:  $209,167
PRICE/REVENUE:  3.86
PRICE/INCOME:  13.79

Harvard Management Companies is the buyer.

The two target facilities were built in 1999-2000. They were purchased by Carlyle Realty in 2005 for $15.3 million and a cap rate of 6.2%; even after $2 million to $3 million spent on capital expenditures over the years, there was a good return. The Arbor Company is to remain as the manager.

TARGET:  Woodbury Mews

ACQUIRER:  Capital Health Group, LLC

LISTING:  Private
LOCATION:  Woodbury, New Jersey
UNITS:  228
REVENUE:  
NET INCOME:  

Woodbury Mews is a retirement community with 130 independent living units and 98 assisted living and memory care units. Built in 2000, the community was 91% occupied at the time of sale.

ANNOUNCEMENT DATE:  February 1, 2011
PRICE:  Not disclosed
TERMS:  Not disclosed
PRICE PER UNIT:  
PRICE/REVENUE:  
PRICE/INCOME:  

An affiliate of Capital Funding Group, Capital Health Group is a private equity company specializing in making debt and equity investments in the senior housing industry. Contact information below is for Capital Funding Group.

CHG, together with partner Westport Capital Partners, LLC, purchased the defaulted notes on May 20, 2010, then foreclosed on February 1, 2011. The new manager will be Kaplan Development Group.
TARGET: **Woodmark at Steel Lake**

**LISTING:** Private  
**LOCATION:** Federa Way, Washington  
**UNITS:** 87  
**REVENUE:** $3,800,000  
**NET INCOME:**

A local investor is selling Woodmark at Steel Lake, an 87-unit assisted living facility with a total of 101 assisted living and memory care beds. Built in 1997, it was 100% occupied at the time of sale.

**ANNOUNCEMENT DATE:** January 31, 2011  
**PRICE:** $9,500,000  
**TERMS:** Not disclosed

Columbia Pacific Management is involved in the seniors housing industry.

**ACQUIRER:** **Columbia Pacific Management**

**LISTING:** Private  
**CEO:** Dan Baty  
**PHONE:** 206-728-9063  
**FAX:** 600 University St.  
Seattle, Washington 98101  
**WEB SITE:**

Columbia Pacific has hired Emeritus Senior Living to manage the property. The facility appears to have been overstaffed, and should generate EBITDA of $900,000 when it is run more efficiently. Vantage Pointe Capital Management & Advisory handled the transaction.

**TARGET:** **Wynwood Mandeville**

**LISTING:** NYSE: BKD  
**LOCATION:** Mandeville, Louisiana  
**UNITS:** 84  
**REVENUE:** $3,230,000  
**NET INCOME:** $950,000 (EBITDA)

Brookdale Senior Living is selling Wynwood Mandeville, an 84-unit assisted living facility. Built in 1998 on 6.3 acres, it was 93% occupied at the time of sale. Census was 100% private pay.

**ANNOUNCEMENT DATE:** March 31, 2011  
**PRICE:** $10,400,000  
**TERMS:** Not disclosed

Emeritus Corporation is an operator of assisted living facilities. ESC owns, leases or manages 289 communities in 36 states. On a trailing 12-month basis, ESC generated revenue of $1 billion, EBITDA of $157 million and a net loss of $56 million.

**ACQUIRER:** **Emeritus Corporation**

**LISTING:** NYSE: ESC  
**CEO:** Granger Cobb  
**PHONE:** 206-298-2909  
**FAX:** 206-301-4500  
3131 Elliott Avenue, Suite 500  
Seattle, Washington 98121  
**WEB SITE:** www.emeritus.com

The facility appears to have been a better fit for Emeritus than for Brookdale. The property was originally developed by Alterra Healthcare, which was subsequently bought by Brookdale, and has 81 studios and three one-bedroom units. The financial data is for the 12 months ended June 30, 2010. Key Bank provided the financing for Emeritus. Marcus & Millichap represented the seller in this deal.
MANAGED CARE
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<th>TARGET</th>
<th>CITY</th>
<th>STATE</th>
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<td>Florida</td>
<td>One Call Medical, Inc.</td>
<td>Parsippany</td>
<td>New Jersey</td>
<td>2/16/11</td>
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**TARGET:**  
*Express Dental Care*

- **LISTING:** Private  
- **LOCATION:** Tampa, Florida  
- **UNITS:**  
- **REVENUE:**  
- **NET INCOME:** 

Express Dental Care is a national dental network that addresses the specific needs of the workers' compensation, auto and liability industries.

- **ANNOUNCEMENT DATE:** February 16, 2011  
- **PRICE:** Not disclosed  
- **TERMS:** Not disclosed

**ACQUIRER:**  
*One Call Medical, Inc.*

- **LISTING:** Private  
- **CEO:** don Duford  
- **PHONE:** 800-872-2875  
- **LOCATION:** 20 Waterview Boulevard, Parsippany, New Jersey 7054  
- **FAX:**  
- **WEB SITE:** www.onecallmedical.com

One Call Medical is a provider of specialty services to the insurance industry.

- **PRICE PER UNIT:** Not disclosed  
- **PRICE/REVENUE:**  
- **PRICE/INCOME:**

This acquisition promotes the buyer's strategy of providing claims professionals with a portfolio of value-added specialty services. One Call Medical can now offer dental referral services to its client base.
MEDICAL DEVICES
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<th>TARGET</th>
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TARGET: Accuri Cytometers, Inc.  
ACQUIRER: BD

LISTING: Private  
LOCATION: Ann Arbor, Michigan  
ACQUIRER: BD

LISTING: NYSE: BDX  
CEO: Edward Ludwig  
PHONE: 201-847-6800  
FAX: 201-847-6475  
One Becton Drive  
Franklin Lakes, New Jersey 7417

WEB SITE: www.bd.com

REVENUE:  
NET INCOME:  

Accuri Cytometers develops and manufactures personal flow cytometers for researchers.  
BD (fka Becton, Dickinson & Co.) manufactures and sells a broad line of supplies, devices and systems. On a trailing 12-month basis, BDX generated revenue of $7.5 billion, EBITDA of $2.2 billion and net income of $1.2 billion.

ANNOUNCEMENT DATE: February 8, 2011  
PRICE: $204,970,000 (approximate)  
TERMS: Net of $3,112,000 in cash acquired.

This acquisition expands the buyer's presence into the emerging affordable personal flow cytometer space.

TARGET: ArtusLabs, Inc.  
ACQUIRER: PerkinElmer, Inc.

LISTING: Private  
LOCATION: Research Triangle Park, North Carolina  
UNITS: 940 Winter Street  
REVENUE: $4,100,000 (apportioned)  
WEBSITE: www.perkinelmer.com  

WEB SITE: www.perkinelmer.com

REVENUE:  
NET INCOME:  

ArtusLabs offers the Ensemble scientific knowledge platform to accelerate R&D in the pharma and chemical industries, among others.  
PerkinElmer provides products and systems to the telecom, medical, pharmaceutical, chemical, semiconductor and photographic markets. On a trailing 12-month basis, PKI generated revenue of $1.7 billion, EBITDA of $262 million and net income of $136 million.

ANNOUNCEMENT DATE: March 24, 2011  
PRICE: $22,200,000 (approximate)  
TERMS: $14.7 million in cash at closing; up to an additional $15.0 million in contingent consideration, with an estimated fair value of $7.5 million at closing.

This is one of two businesses PKI is acquiring to enhance its ability to provide knowledge management services in laboratories; the other is CambridgeSoft Corp. The two generate combined annual revenue of $65 million. Revenues have been apportioned between the two deal in relation to their purchase prices.
TARGET:  
**ATG Rehab**

LISTING:  Private
LOCATION:  Rocky Hill, Connecticut
UNITS:  
REVENUE:  
NET INCOME:  

Assistive Technology Group, dba ATG Rehab, is a supplier of complex rehabilitation equipment and assistive technologies. It operates 26 offices in 19 states.

ANNOUNCEMENT DATE:  January 18, 2011
PRICE:  Not disclosed
TERMS:  Not disclosed

This investment by Audax is intended to spur ATG's development through regional growth and production innovation. ATG is likely to expand through a series of add-on acquisitions. Shattuck Hammond Partners advised ATG. JPMorgan provided senior debt financing to support the transaction.

ACQUIRER:  **Audax Group**

LISTING:  Private
CEO:  Geoffrey S. Rehnert  PHONE:  617-859-1500
101 Huntington Avenue  FAX:  617-859-1600
Boston, Massachusetts 2199
WEB SITE:  www.audaxgroup.com

Audax Group is an investment firm focused on the middle market.

TARGET:  
**Atherotech**

LISTING:  Private
LOCATION:  Birmingham, Alabama
UNITS:  
REVENUE:  
NET INCOME:  

Spun out of the University of Alabama, Atherotech is a developer of a novel cholesterol test. It provides cardiometabolic testing services that offers an advanced lipid profile test.

ANNOUNCEMENT DATE:  January 13, 2011
PRICE:  (approximate)
TERMS:  Not disclosed

Behrman's investment should help to fuel the growth of this diagnostic testing company. Behrman has made investments in this space before, including Esoterix and WIL Research Laboratories.

ACQUIRER:  **Behrman Capital**

LISTING:  Private
CEO:  Grant G. Behrman  PHONE:  212-980-6500
126 East 56th Street, 27th Floor  FAX:  212-980-7024
New York, New York 10022
WEB SITE:  www.behrmancap.com

Behrman Capital is a private equity investment firm.
TARGET: Atritech, Inc.  
LISTING: Private  
LOCATION: Plymouth, Massachusetts  
REVENUE:  
NET INCOME:  

Atritech is a medical device company focused on products that repair structural heart disease. It has developed the Watchman, a device to close the left atrial appendage in patients with atrial fibrillation who are at risk of ischemic stroke.

ANNOUNCEMENT DATE: January 19, 2011  
PRICE: $375,000,000 (approximate)  
TERMS: $100 million in an upfront payment. Up to $275 million in milestone payments through 2015.

This acquisition gives BSX a device that may serve as an alternative to anticoagulant drugs in this class of patients. The Watchman is still in trials in the United States; it is approved in Europe and was commercialized outside the U.S. in 2009. The deal is expected to be dilutive to EPS in 2011 and 2012, and accretive thereafter.

TARGET: Beckman Coulter, Inc.  
LISTING: NYSE: BEC  
LOCATION: Brea, California  
REVENUE: $3,670,000,000  
NET INCOME: $840,000,000 (EBITDA)

Beckman Coulter provides biomedical testing instrument systems, tests and supplies for clinical laboratories. On a trailing 12-month basis, it generated revenue of $3.67 billion, EBITDA of $840 million and net income of $215 million.

ANNOUNCEMENT DATE: February 7, 2011  
PRICE: $6,800,000,000 (approximate)  
TERMS: $83.50 for each share of BEC. Assumption of debt and net of cash acquired.

Beckman Coulter is to become part of DHR's life sciences and diagnostics business. This acquisition will more than double DHR's revenue from life sciences. This bid offers BEC shareholders an 11% premium to the prior-day price and a 45% premium to the price the day before takeover rumors surfaced in mid-December. Morgan Stanley and Goldman Sachs provided financial advice to DHR and BEC, respectively, on this transaction.
TARGET:  *Beijing Skywing Technology*  
LISTING:  Private  
LOCATION:  Beijing, China  
UNITS:  
REVENUE:  
NET INCOME:  

Beijing Skywing Technology manufactures cell culture media products and bioreactors.

ACQUIRER:  *Merck KGaA*  
LISTING:  DE: MRCG  
CEO:  Karl-Ludwig Kley  
PHONE:  6151-72-72-0  
FAX:  6151-72-2000  
LOCATION:  Darmstadt, Germany 64293  
WEB SITE:  www.merck.de

Merck KGaA is a chemical and pharmaceutical company. For 2008, the company generated revenue of Eur 7.6 billion.

ANNOUNCEMENT DATE:  January 5, 2011  
PRICE:  $18,200,000  (approximate)  
TERMS:  RMB 120 million

Beijing Skywing will be added to Merck's Millipore division, a laboratory supply company that was acquired in 2010. Skywing has close relationships with Chinese vaccine makers, which contributed to the decision to acquire the company.

TARGET:  *Byers Peak*  
LISTING:  Private  
LOCATION:  Denver, Colorado  
UNITS:  
REVENUE:  
NET INCOME:  

Byers Peak manufactures medical devices for OEM and emerging technology companies in the therapeutic device market. It includes products for surgical navigation, arterial disease and kidney dialysis, among others.

ACQUIRER:  *Sparton Corporation*  
LISTING:  NYSE: SPA  
CEO:  Cary B. Wood  
PHONE:  800-772-7866  
LOCATION:  425 North Martingale Road  
WEB SITE:  www.sparton.com

Sparton Corp. offers electronic manufacturing services. On a trailing 12-month basis, the company generated revenue of $171 million, EBITDA of $6.6 million and net income of $8.3 million.

ANNOUNCEMENT DATE:  February 22, 2011  
PRICE:  $4,350,000  
TERMS:  All-cash transaction.

This acquisition expands SPA's presence in the therapeutic devices market. The deal was carried out by its wholly owned subsidiary Sparton BP Medical Denver, LLC.
TARGET:  *Cadent Holdings, Inc.*

**LISTING:**  Private  
**LOCATION:**  Carlstadt, New Jersey  
**UNITS:**  2560 Orchard Parkway  
**REVENUE:**  
**NET INCOME:**  

Cadent is a provider of 3D digital scanning solutions for orthodontics and dentistry.

**ANNOUNCEMENT DATE:**  March 29, 2011  
**PRICE:**  $190,000,000  
**TERMS:**  Cash  

Align Technology designs, manufactures and markets the invisalign system for treating malocclusion or the misalignment of teeth. On a trailing 12-month basis, it generated revenue of $387 million, EBITDA of $114 million and net income of $74 million.

This acquisition expands the buyer's presence in the restorative industry. The two companies have partnered before on developing certain product lines. Cadent's services allow for digital records storage and digital impressions for making crowns and bridges, veneers, implants and other restorative dental procedures.

**TARGET:**  *CambridgeSoft Corp.*

**LISTING:**  Private  
**LOCATION:**  Cambridge, Massachusetts  
**UNITS:**  940 Winter Street  
**REVENUE:**  $61,600,000 (apportioned)  
**NET INCOME:**  

CambridgeSoft is a provider of discovery, collaboration and knowledge enterprise solutions, serving primarily pharma, biotech and chemical companies.

**ANNOUNCEMENT DATE:**  March 24, 2011  
**PRICE:**  $221,800,000  
**TERMS:**  $221.8 million in cash at closing for all the capital stock of CambridgeSoft, inclusive of an adjustment for net working capital  

This is one of two businesses PKI is acquiring to enhance its ability to provide knowledge management services in laboratories; the other is ArtusLabs, Inc. The two generate combined annual revenue of $65 million. Revenues have been apportioned between the two deals in relation to their purchase prices.

**ACQUIRER:**  *Align Technology, Inc.*

**LISTING:**  NASDAQ: ALGN  
**CEO:**  Thomas Prescott  
**PHONE:**  408-470-1000  
**LOCATION:**  2560 Orchard Parkway  
**FAX:**  408-470-1010  
**CEO:**  Thomas Prescott  
**WEB SITE:**  www.aligntech.com  

**ACQUIRER:**  *PerkinElmer, Inc.*

**LISTING:**  NYSE: PKI  
**CEO:**  Robert F. Friel  
**PHONE:**  781-663-6900  
**LOCATION:**  940 Winter Street  
**FAX:**  781-431-4255  
**WEB SITE:**  www.perkinelmer.com  

**ACQUIRER:**  *PerkinElmer, Inc.*

**LISTING:**  NYSE: PKI  
**CEO:**  Robert F. Friel  
**PHONE:**  781-663-6900  
**LOCATION:**  940 Winter Street  
**FAX:**  781-431-4255  
**WEB SITE:**  www.perkinelmer.com  

**ACQUIRER:**  *PerkinElmer, Inc.*

**LISTING:**  NYSE: PKI  
**CEO:**  Robert F. Friel  
**PHONE:**  781-663-6900  
**LOCATION:**  940 Winter Street  
**FAX:**  781-431-4255  
**WEB SITE:**  www.perkinelmer.com  

**ACQUIRER:**  *PerkinElmer, Inc.*
TARGET: Cardiogenesis Corporation  
LISTING: OTCBB: CGCP  
LOCATION: Irvine, California  
UNITS:  
REVENUE: $11,600,000  
NET INCOME: $12,000 (EBITDA)  

Cardiogenesis designs, develops and distributes laser-based surgical products and accessories for treating cardiovascular disease. On a trailing 12-month basis, it generated revenue of $11.6 million, EBITDA of $12,000 and a net loss of $315,000.

ANNOUNCEMENT DATE: March 29, 2011  
PRICE: $22,000,000 (approximate)  
TERMS: $0.457 per share in cash. $22 million net of cash and liabilities acquired.

ACQUIRER: CryoLife, Inc.  
LISTING: NYSE: CRY  
CEO: Steven G. Anderson  
PHONE: 770-419-3355  
FAX: 770-426-0031  
Kennesaw, Georgia 30144  
WEB SITE: www.cryolife.com

CryoLife processes and distributes implantable living human tissues for use in cardiac and vascular surgeries. On a trailing 12-month basis, it generated revenue of $117 million, EBITDA of $19 million and net income of $4 million.

PRICE PER UNIT:  
PRICE/REVENUE: 1.89  
PRICE/INCOME: 1833.33

This expands the buyer's portfolio of surgical systems for the treatment of cardiovascular disease, particularly refractory angina. Piper Jaffray and B. Riley & Co. provided CRY and CGCP, respectively, with financial advice on this transaction.

TARGET: CaridianBCT  
LISTING: Private  
LOCATION: Lakewood, Colorado  
UNITS:  
REVENUE: $524,000,000  
NET INCOME: $185,700,000 (EBITDA)  

Gambro is selling CaridianBCT, a company that specializes in equipment used in blood banks and other disposable medical devices. In 2010, it generated sales of $524.0 million.

ANNOUNCEMENT DATE: March 7, 2011  
PRICE: $2,600,000,000 (approximate)  
TERMS: Not disclosed

ACQUIRER: Terumo Corporation  
LISTING: T: 4543  
CEO: Takashi Wachi  
PHONE: 81-3-3374-8111  
44-1, 2-chome, Hatagaya, Shibuya-ku  
Tokyo, Japan 151-0722  
WEB SITE: www.terumo.co.jp

Terumo Corporation manufactures and distributes medical products, including cardiovascular technologies and implants.

PRICE PER UNIT:  
PRICE/REVENUE: 4.96  
PRICE/INCOME: 14.00

This acquisition expands the buyer's blood transfusion-related operations. After the deal is complete, Terumo will generate revenue of $850 million from these operations. Investor AB and EQT IV, the seller's financial backers, hired Goldman Sachs to provide financial advice on this deal.
<table>
<thead>
<tr>
<th>TARGET: Chameleon BioSurfaces</th>
<th>ACQUIRER: Biotectix, LLC</th>
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</thead>
<tbody>
<tr>
<td>LISTING: Private</td>
<td>LISTING: Private</td>
</tr>
<tr>
<td>LOCATION: England</td>
<td>CEO: James Arps</td>
</tr>
<tr>
<td>UNITS:</td>
<td>PHONE: 734-585-5126</td>
</tr>
<tr>
<td>REVENUE:</td>
<td>FAX: 940 North Main St.</td>
</tr>
<tr>
<td>NET INCOME:</td>
<td>Ann Arbor, Michigan 48104</td>
</tr>
<tr>
<td></td>
<td>WEB SITE: <a href="http://www.biotectix.com">www.biotectix.com</a></td>
</tr>
</tbody>
</table>

Chameleon BioSurfaces, Ltd. is selling all its assets, including its technology for advanced polymer coatings for implantable medical devices. The assets also include issued and pending patents.

**ANNOUNCEMENT DATE:** March 28, 2011  
**PRICE:** Not disclosed  
**TERMS:** Not disclosed

Biotectix is developing a new class of conductive polymer materials and coatings for implantable devices and sensors.

This acquisition enlarges the buyer's intellectual property portfolio and gives the company a technology that utilizes novel electrically conductive polymer coatings for improved biocompatibility, conformal coverage, electrical performance and drug release.

<table>
<thead>
<tr>
<th>TARGET: chemagen Biopolymer-Technologie AG</th>
<th>ACQUIRER: PerkinElmer, Inc.</th>
</tr>
</thead>
<tbody>
<tr>
<td>LISTING: Private</td>
<td>LISTING: NYSE: PKI</td>
</tr>
<tr>
<td>LOCATION: Baesweiler, Germany</td>
<td>CEO: Robert F. Friel</td>
</tr>
<tr>
<td>UNITS:</td>
<td>PHONE: 781-663-6900</td>
</tr>
<tr>
<td>REVENUE:</td>
<td>FAX: 781-431-4255</td>
</tr>
<tr>
<td>NET INCOME:</td>
<td>WEB SITE: <a href="http://www.perkinelmer.com">www.perkinelmer.com</a></td>
</tr>
</tbody>
</table>

chemagen Biopolymer-Technologie is involved in the field of automated nucleic acid isolation.

**ANNOUNCEMENT DATE:** February 14, 2011  
**PRICE:** $42,700,000 (approximate)  
**TERMS:** $35.0 million in cash at closing; up to an additional $20.3 million in contingent consideration, with an estimated fair value of $7.7 million at closing.

PerkinElmer provides products and systems to the telecom, medical, pharmaceutical, chemical, semiconductor and photographic markets. On a trailing 12-month basis, PKI generated revenue of $1.7 billion, EBITDA of $262 million and net income of $136 million.

This acquisition brings a set of complementary products to PKI's product portfolio aimed at the molecular diagnostics market. It adds new hardware and reagent capabilities.
TARGET: Circle City Medical, Inc.

LISTING: Private
LOCATION: Carmel, Indiana
UNITS: 1430 Decision Street
REVENUE: Vista, California 92081
NET INCOME: web site: www.DJOglobal.com

Circle City Medical is a wholesaler of orthopedic devices to retail stores, including surgical implants and biopsy instruments.

ANNOUNCEMENT DATE: March 10, 2011
PRICE: $15,000,000 (approximate)
TERMS: $13.0 million, subject to a post-closing adjustment. Up to an additional $2 million as a royalty payment based on future sales of a specific product line over the next six years.

This acquisition enlarges the buyer's wholesaling capabilities in the Midwest.

ACQUIRER: DJO Global, Inc.

LISTING: Private
CEO: Les Cross
PHONE: 760-727-1280
LOCATION: Carmel, Indiana
1430 Decision Street
Vista, California 92081
FAX: 800-936-6569
WEB SITE: www.DJOglobal.com

A Blackstone portfolio company, DJO Global develops and manufactures medical devices for musculo-skeletal health, vascular health and pain management. In 2010, the company generated revenue of $965.97 million and a net loss of $52.2 million.

TARGET: Dameca

LISTING: Private
LOCATION: Copenhagen, Denmark
UNITS: Breitner Center, Amstelplein 2
REVENUE: Amsterdam, Netherlands 1096 BC
NET INCOME: web site: www.philips.com

Dameca is a provider of anesthesia machines and accessories for the operating room such as panels, pendant systems, flow meters and suction units.

ANNOUNCEMENT DATE: March 10, 2011
PRICE: Not disclosed
TERMS: Not disclosed

This acquisition expands the buyer's presence in the patient monitoring and interventional imaging systems markets.

ACQUIRER: Royal Philips Electronics

LISTING: NYSE: PHG
CEO: Frans van Houten
PHONE: 31 20 59 77 777
LOCATION: Copenhagen, Denmark
Breitner Center, Amstelplein 2
FAX: 31 20 59 77 070
Amsterdam, Netherlands 1096 BC
WEB SITE: www.philips.com

PHG is a global conglomerate operating in consumer products, components, semiconductors, information technology, lighting, professional products, among others. On a trailing 12-month basis, PHG generated revenue of $36.4 billion and EBITDA of $4.9 billion.

The acquisition expands the buyer's presence in the patient monitoring and interventional imaging systems markets.
TARGET: Dispensing Solutions, Inc.  
LISTING: Private  
LOCATION: Santa Ana, California  
UNITS:  
REVENUE: $30,000,000  
NET INCOME:  

Dispensing Solutions markets turnkey dispensing programs in the point-of-care, government and contract packaging markets. It generates annual revenue of $30 million.

ANNOUNCEMENT DATE: January 20, 2011  
PRICE:  
TERMS: Not disclosed

This acquisition is intended to strengthen PSSI's customers' clinical success and financial positions. In addition to its corporate headquarters in California, the target has regional offices in Illinois and Georgia.

ACquirer: PSS World Medical, Inc.  
LISTING: NASDAQ: PSSI  
CEO: David Smith  
PHONE: 904-332-3000  
4345 Southpoint Boulevard  
FAX: 904-332-3395  
Jacksonville, Florida 32216  
WEB SITE: www.pssd.com

PSS World Medical markets and distributes medical products to physicians, elder care providers and other providers. On a trailing 12-month basis, PSSI generated revenue of $1.97 billion, EBITDA of $153 million and net income of $68 million.

TARGET: Eleme Medical  
LISTING: Private  
LOCATION: Merrimack, New Hampshire  
UNITS:  
REVENUE: $5,000,000  
NET INCOME:  

Eleme Medical is a venture capital-backed company that manufactures a non-invasive SmoothShapes XV system for the temporary reduction in the appearance of cellulite.

ANNOUNCEMENT DATE: February 3, 2011  
PRICE: $2,500,000 (approximate)  
TERMS: Cash for Eleme's assets and certain liabilities.

The buyer wishes to integrate the target's SmoothShapes XV system into its product portfolio. It complements the company's existing technologies for cellulite reduction. The deal includes licensing rights to the intellectual property related to this technology.

ACquirer: Cynosure, Inc.  
LISTING: NASDAQ: CYNO  
CEO: Michael R. Davin  
PHONE: 978-256-4200  
5 Carlisle Road  
FAX: 978-256-6556  
Westford, Massachusetts 1886  
WEB SITE: www.cynosure.com

Cynosure develops and markets aesthetic treatment systems to the dermatology, plastic surgery, and general medical markets. On a trailing 12-month basis, it generated revenue of $82 million, EBITDA of $388,000 and a net loss of $5.6 million.

PRICE PER UNIT:  
PRICE/REVENUE: 0.5  
PRICE/INCOME:  
Cash for Eleme's assets and certain liabilities.
TARGET:  

Embrella Cardiovascular, Inc.

ACQUIRER:  

Edwards Lifesciences Corp.

LISTING:  

Private

LOCATION:  

Wayne, Pennsylvania

UNITS:

Embrella Cardiovascular is the developer of the Embrella Embolic Deflector System, which is used during transcatheter heart value (THV) procedures. It allows blood flow to the brain while simultaneously deflecting embolic material.

LISTING:  

NYSE: EW

CEO:  

Michael A. Mussallem

LOCATION:  

Irvine, California

CEO:

One Edwards Way

PHONE:  

949-250-2500

WEB SITE:  

www.edwards.com

FAX:  

949-250-2525

WEB SITE:  

www.edwards.com

PRICE:  

$43,000,000 (approximate)

TERMS:  

Cash

PRICE:  

$70,000,000 (approximate)

TERMS:  

$8.46 per share in cash.

PRICE PER UNIT:

PRICE/REVENUE:  

2.33

PRICE/INCOME:  

8.75

This acquisition expands the devices in the buyer's transcatheter valve replacement portfolio, which is a growth area for the company. In 2010, EW's THV segment grew by 87% to $65.3 million.

TARGET:  

Emergent Group, Inc.

ACQUIRER:  

Universal Hospital Services, Inc.

LISTING:  

AMEX: LZR

LOCATION:  

Sun Valley, California

UNITS:

Emergent Group provides surgical equipment to hospitals, surgical care centers and other health care providers. On a trailing 12-month basis, LZR generated revenue of $30 million, EBITDA of $8 million and net income of $3.2 million.

LISTING:  

Private

CEO:  

Gary Blackford

LOCATION:  

Edina, Minnesota

CEO:

7700 France Avenue South

PHONE:  

952-893-3200

WEB SITE:  

www.uhs.com

FAX:  

952-893-0704

WEB SITE:  

www.uhs.com

PRICE:  

$70,000,000 (approximate)

PRICE:  

$8.46 per share in cash.

PRICE PER UNIT:

PRICE/REVENUE:  

2.33

PRICE/INCOME:  

8.75

This bid offers LZR shareholders a 38% premium to the stock's prior-day price. The acquisition allows the buyer to expand its offerings into state-of-the-art surgical equipment and services for their hospital and surgery center customers. This agreement contains a 21-day go-shop provision. This deal closed on April 1, 2011.
Epicentre Biotechnologies is a provider of nucleic acid sample preparation reagents and specialty enzymes used in sequencing and microarray applications. Included in the assets is the Nextera technology for next-generation sequencing library preparation.

**ANNOUNCEMENT DATE:** January 11, 2011

**PRICE:** $105,000,000

**TERMS:** $70 million in cash; up to $35 million in contingent consideration.

This acquisition gives ILMN a technology that should improve throughput, handle higher sample volumes and lower costs, making the company more competitive.

Facet Solutions develops total facet arthroplasty devices, which may be used in spinal fusion.

**ANNOUNCEMENT DATE:** January 12, 2011

**PRICE:** Not disclosed

**TERMS:** Not disclosed

This acquisition expands the technology platforms that the buyer can utilize in designing and manufacturing spinal fusion systems. Facet brings with it certain assets of Archus Orthopaedics, including an intellectual property portfolio acquired in 2009 that is focused on posterior motion preservation technology.
Target: **Femcare Holdings Limited**

**Listing:** Private  
**Location:** Southampton, England 
**Units:**  
**Revenue:** $16,000,000  
**Net Income:**

Femcare Holdings manufactures and distributes the Filshie Clip System, a female surgical contraception device used in tubal ligation. Eighty percent of Femcare's $16 million in annual revenue comes from the Filshie Clip, which is sold in over 45 countries.

**Announcement Date:** March 18, 2011  
**Price:** $41,000,000 (approximate)  
**Terms:** GBP 25 million.

This acquisition expands the buyer's women's health care franchise. The acquisition includes trading subsidiaries Femcare-Nikomed of England and Femcare Australia. This deal was financed with $15.0 million in excess cash reserves and from proceeds from a loan from JPMorgan Chase.

Target: **IntElect Medical**

**Listing:** Private  
**Location:** Boston, Massachusetts 
**Units:**  
**Revenue:**

IntElect Medical is developing a system to enable clinicians to visualize stimulation fields in the brain and provide more precise targeting of therapy.

**Announcement Date:** January 6, 2011  
**Price:** $78,000,000 (approximate)  
**Terms:** Cash

Taking into account BSX's existing equity and debt positions, the effective purchase price was $60.0 million, funded from cash on hand. This deal expands the company's portfolio of deep brain stimulation (DBS) products. It is thought that DBS therapy could help treat many diseases and conditions, such as Parkinson's.
Baird Venture Partners is selling Interlace Medical, a medical device company that has developed the MyoSure hysteroscopic tissue removal system for removing intrauterine fibroids and polyps. Hologic develops, manufactures and sells diagnostic and medical imaging systems, primarily serving the health care needs of women. On a 12-month trailing basis, HOLX generated revenue of $1.7 billion, EBITDA of $603 million and a net loss of $63 million.

This acquisition continues the company's expansion into the women's health space. The contingent payments are to be payable in cash based upon a multiple of the incremental revenue growth over the prior year. Interlace previously received funding from the following investors: Spray Venture Partners, New Leaf Venture Partners, Baird Venture Partners, HLM Venture Partners, Hambrecht & Quist Capital Management LLC and Aperture Venture Partners.

CareFusion is selling its international surgical products unit. Based in Rolle, Switzerland, it sells medical consumable products in Europe and the Asia-Pacific. The business generates annual revenue of $440 million. Medline is a manufacturer and distributor of medical and health care products to hospitals, long-term care facilities and other providers.

This divestment will allow the seller to concentrate on its core medical technology business. Under terms of the agreement, Medline will continue to distribute CareFusion products in certain markets.
**TARGET: Jolife**

**LISTING:** Private  
**LOCATION:** Lund, Sweden  
**ACQUIRER:** Medtronic, Inc.  
**LISTING:** NYSE: MDT  
**CEO:** William Hawkins  
**PHONE:** 763-514-4000  
**LOCATION:** 710 Medtronic Parkway, Minneapolis, Minnesota 55432  
**FAX:** 763-514-4879  
**WEB SITE:** www.medtronic.com

Jolife develops, manufactures and sells the LUCAS Chest Compression System, together with complementary technologies. LUCAS assists first responders, paramedics, nurses and physicians by delivering quality chest compressions consistently and without inter...  

**ANNOUNCEMENT DATE:** March 1, 2011  
**PRICE:** $53,000,000 (approximate)  
**TERMS:** Not disclosed

Medtronic is a medical device company. On a trailing 12-month basis, MDT generated revenue of $15.6 billion, EBITDA of $5.6 billion and net income of $3.3 billion.

The target is to become part of MDT’s Physio-Control unit, based in Redmond, Washington. The two companies have worked together in a partnership since 2004. MDT plans to spin off Physio-Control as a separate company; this acquisition gives the unit more heft.

**TARGET: Laprolan N.V.**

**LISTING:** Private  
**LOCATION:** Beuningen, Netherlands  
**ACQUIRER:** Rochester Medical Corporation  
**LISTING:** NASDAQ: ROCM  
**CEO:** Anthony J. Conway  
**PHONE:** 507-533-9600  
**LOCATION:** One Rochester Medical Drive, Stewartville, Minnesota 55976  
**FAX:** 507-533-9725  
**WEB SITE:** www.rocm.com

Fornix BV is selling its subsidiary Laprolan, a company that distributes wound care, ostomy care and urology products in the Dutch market. For 2010, it generated revenue of approximately $10.5 million.

**ANNOUNCEMENT DATE:** January 12, 2011  
**PRICE:** $13,730,000 (approximate)  
**TERMS:** Eur 10.35 million.

Rochester Medical develops, manufactures and markets various latex-free and PVC-free urinary continence and urine drainage care products. On a trailing 12-month basis, ROCM generated revenue of $41 million and EBITDA of $2.3 million.

This acquisition aids the buyer's plan to expand in continental Europe. Laprolan has distributed ROCM's products for 16 years. This deal closed April 7, 2011.
**TARGET:** Microfluidics International Corporation
**LISTING:** OTCBB: MFLU
**LOCATION:** Newton, Massachusetts
**UNITS:** 1925 West Field Court
**REVENUE:** $17,200,000
**NET INCOME:** $993,000 (EBITDA)

Microfluidics International designs and manufactures lab and commercial equipment used in producing micro and nano scale materials for pharmanas and biotechs. On at trailing 12-month basis, it generated revenue of $17.2 million, EBITDA of $993,000.

**ANNOUNCEMENT DATE:** January 11, 2011
**PRICE:** $18,800,000 (approximate)
**TERMS:** $1.35 in cash for each of Microfluidics' 14.43 million shares, for a total of $14.1 million. Assumption of $4.7 million in debt.

This bid offers MFLU shareholders a 69% premium to the stock's volume-weighted average share price for the prior 30 trading days. This acquisition adds enabling technology to one of the buyer's key platforms supporting pharmaceutical R&D. In addition, Global Strategic Partners (GSP), a subsidiary of Celgene, had agreed to sell to IEX, on the same conditions as the offer, the MFLU $5 million debenture previously issued to GSP; these convertible shares represent about 28% of the outstanding shares of MFLU.

**ACQUIRER:** IDEX Corporation
**LISTING:** NYSE: IEX
**CEO:** Lawrence D. Kingsley
**PHONE:** 847-498-7070
1925 West Field Court
FAX: 847-498-3940
Lake Forest, Illinois 60045
**WEB SITE:** www.idexcorp.com

IDEX manufactures and sells pumps, flow meters, other fluidics systems and components, and engineered products. On a trailing 12-month basis, it generated revenue of $1.45 billion, EBITDA of $305 million and net income of $147 million.

**TARGET:** Nerites Corporation
**LISTING:** Private
**LOCATION:** Madison, Wisconsin
**UNITS:** 735 Pennsylvania Drive
**REVENUE:** 
**NET INCOME:** 

Nerites Corp. is a developer of medical adhesives and anti-fouling coatings.

**ANNOUNCEMENT DATE:** January 31, 2011
**PRICE:** $20,000,000
**TERMS:** Cash. Asset acquisition.

The acquisition of Nerites' technology platform of adhesive-based biomaterials will allow the company to further penetrate the regenerative medicine market of soft tissue surgical repair, orthopedics, sports medicine, spine and neurosurgery. Revenue from product sales is not expected for three to five years.

**ACQUIRER:** Kensey Nash Corporation
**LISTING:** NASDAQ: KNSY
**CEO:** Joseph W. Kaufmann
**PHONE:** 484-713-2100
735 Pennsylvania Drive
**FAX:** 484-713-2900
Exton, Pennsylvania 19341
**WEB SITE:** www.kenseynash.com

Kensey Nash develops and makes absorbable biomaterials-based products for cardiology, orthopedics, spine and wound care, among other markets. On a trailing 12-month basis, KNSY generated revenue of $78 million, EBITDA of $37 million and net income of $18 million.
TARGET:  *O.R. Solutions, Inc.*

**LISTING:** Private  
**LOCATION:** Chantilly, Virginia  
**UNITS:**  
**REVENUE:** $55,000,000  
**NET INCOME:**

O.R. Solutions develops and markets surgical fluid warming and cooling systems for use in acute care settings. The business generates about $55.0 million in annual revenue, with 85% of sales coming from custom fit sterile drapes.

**ANNOUNCEMENT DATE:** March 4, 2011  
**PRICE:** $260,000,000 (approximate)  
**TERMS:** Not disclosed

This acquisition expands the buyer's presence in the U.S. health care industry, specifically in the acute care market. The deal was originally announced in November 2010, and closed on March 4, 2011.

ACQUIRER:  *Ecolab, Inc.*

**LISTING:** NYSE: ECL  
**CEO:** Douglas Baker  
**PHONE:** 651-293-2233  
**LOCATION:** Chantilly, Virginia  
**UNITS:**  
**REVENUE:**  
**NET INCOME:**

Ecolab develops and markets products and services for the hospitality, food service, health care and industrial markets. On a trailing 12-month basis, ECL generated revenue of $6.1 billion, EBITDA of $1.2 billion and net income of $530 million.

**ANNOUNCEMENT DATE:** March 4, 2011  
**PRICE:** $260,000,000  
**PRICE PER UNIT:**

This sale also includes SYK's manufacturing facility in Lebanon, New Hampshire. This deal expands the buyer's presence in the orthopedics space. This deal closed February 1, 2011.  

TARGET:  *OP-1 product family*  

**LISTING:** NYSE: SYK  
**LOCATION:** Kalamazoo, Michigan  
**REVENUE:**  
**NET INCOME:**

Stryker Corp is selling its OP-1 product family, which includes OP-1 implant, OP-1 putty, Opgenra and Soigraft, for use in orthopedic bone applications.

**ANNOUNCEMENT DATE:** February 1, 2011  
**PRICE:** $60,000,000  
**TERMS:** All-share transaction.

Olympus is involved in the imaging industry including medical endoscopes and digital cameras. For the year ended March 31, 2010, Olympus generated revenue of Yen 883.1 billion, operating income of Yen 60.1 billion and net income of Yen 47.8 billion.

ACQUIRER:  *Olympus Corporation*  

**LISTING:** T: 7733  
**CEO:** Tsuyoshi Kikukawa  
**PHONE:** 81-3-3340-2111  
**LOCATION:** Kalamazoo, Michigan  
**REVENUE:**  
**NET INCOME:**

This sale also includes SYK's manufacturing facility in Lebanon, New Hampshire. This deal expands the buyer's presence in the orthopedics space. This deal closed February 1, 2011.
**TARGET:**  
Patient Plus Limited

**LISTING:** Private  
**LOCATION:** Knutford, Englans  
**REVENUE:** $4,880,000  
**NET INCOME:**

Ark Therapeutics is selling Patient Plus Limited, a provider of wound care therapies. It generates annual income of about GBP 3 million.

**ANNOUNCEMENT DATE:** February 8, 2011  
**PRICE:** $4,392,000 (approximate)  
**TERMS:** GBP 765,00 upfront; a further GBP 1,935 million based on reaching certain revenue and other milestones.

This acquisition expands the buyer's skin care franchise. The transaction was carried out by Crawford Woundcare, a unit of Crawford Healthcare.

**ACQUIRER:** Crawford Healthcare Holdings

**LISTING:** Private  
**CEO:** Richard Anderson  
**PHONE:** Cheshire, England  
**FAX:**

Backed by private equity, Crawford Healthcare is growing, through acquisitions, to become a leading skin care company.

**PRICE PER UNIT:**

**PRICE/REVENUE:** 0.90

**PRICE/INCOME:**

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**TARGET:** Phoenix Biotech Corp.

**LISTING:** Private  
**LOCATION:** Toronto, Ontario  
**REVENUE:** $1,250,000  
**NET INCOME:**

Phoenix Biotech manufactures and sells a syphilis total antibody test, which is the only FDA approved total antibody elisa test on the U.S. market.

**ANNOUNCEMENT DATE:** February 2, 2011  
**PRICE:** $2,500,000  
**TERMS:** $1.0 million paid upfront; $1.5 million to be paid over the next 12 months.

Phoenix's products are to be combined with TRIB's Trinity Capita syphilis range, giving the company a strong presence in the syphilis testing market. Prior to this deal, TRIB distributed Phoenix's products in the United States on a non-exclusive basis.

**ACQUIRER:** Trinity Biotech plc

**LISTING:** NASDAQ: TRIB  
**CEO:** Ronan O'Caoimh  
**PHONE:** 353-1276-9800  
**FAX:** 353-1276-9888  
**WEB SITE:** www.trinitybiotech.com

Trinity Biotech develops, manufactures and markets rapid diagnostic test kits used for the clinical laboratory, point-of-care and self-testing segments of the diagnostic market. On a trailing 12-month basis, TRIB generated revenue of $89.6 million and EBITDA of $16.6 million.

**PRICE PER UNIT:**

**PRICE/REVENUE:** 2

**PRICE/INCOME:**

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TARGET:  
**PVT**

ACQUIRER:  
**Roche Holding AG**

LISTING:  
Private

LOCATION:  
Waiblingen, Germany

CEO:  
Severin Schwan

PHONE:  
41-61-688-1111

FAX:  
41-61-691-9391

WEB SITE:  
www.roche.com

REVENUE:

TARGET:  
Rights to skin products

ACQUIRER:  
**Mylan Laboratories, Inc.**

LISTING:  
NYSE: MYL

CEO:  
Robert J. Coury

PHONE:  
724-514-1800

FAX:  
724-514-1870

WEB SITE:  
www.mylan.com

Humeca is granting exclusive U.S. rights for the distribution of plastic surgery and burn treatment products. Humeca's MEEK micografting system for skin transplantation offers an alternative to the more common mesh graft technique.

This acquisition diversifies MYL's dermatology portfolio and supplements its advanced wound and burn care business.
TARGET:  Rikco International, LLC/Dr. Comfort

ACQUIRER:  DJO Global, Inc.

LISTING:  Private
LOCATION:  Mequon, Wisconsin
UNITS:  1430 Decision Street
REVENUE:  $71,800,000

LISTING:  Private
CEO:  Les Cross
LOCATION:  Vista, California 92081
UNITS:  1430 Decision Street
REVENUE:  $71,800,000

TARGET:  Rikco International, dba Dr. Comfort, develops, manufactures and markets therapeutic footwear and related medical and comfort products.

ACQUIRER:  A Blackstone portfolio company, DJO Global develops and manufactures medical devices for musculo-skeletal health, vascular health and pain management. In 2010 the company generated revenue of $965.97 million and a net loss of $52.2 million.

ANNOUNCEMENT DATE:  March 15, 2011
PRICE:  $254,600,000 (approximate)
TERMS:  Cash

PRICE PER UNIT:
PRICE/REVENUE:  3.54
PRICE/INCOME:

This acquisition allows the buyer to tap into the rapidly growing diabetes care market in podiatry practices, orthotic and prosthetic centers, HME providers and independent pharmacies. The buyer entered into a financing commitment with Credit Suisse to provide up to $260.0 million of senior unsecured financing for this deal.

TARGET:  Robinson MedSurg, LLC

ACQUIRER:  Bacterin International Holdings, Inc.

LISTING:  Private
LOCATION:  Denver, Colorado
UNITS:  600 Cruiser Lane
REVENUE:  Belgrade, Montana 59714

LISTING:  AMEX: BONE
CEO:  Guy S. Cook
LOCATION:  Belgrade, Montana 59714
UNITS:  600 Cruiser Lane
REVENUE:  Belgrade, Montana 59714

TARGET:  Robinson MedSurg is a medical device distribution company focused on maxillofacial and craniofacial surgery devices.

ACQUIRER:  Bacterin International researches, develops, manufactures and commercializes bioactive coatings for medical devices. On a trailing 12-month basis, it generated revenue of $12.3 million and a net loss of $14 million.

ANNOUNCEMENT DATE:  March 18, 2011
PRICE:  $2,000,000
TERMS:  $1.0 million at closing; contingent payment of $1.0 million in stock based on achieving certain revenue goals over the next two years.

PRICE PER UNIT:
PRICE/REVENUE:
PRICE/INCOME:

This acquisition will allow the buyer to leverage its sales force, which will now have additional products to offer its clients.
TARGET:  
**Star Infusion and Compression Therapies**

LISTING:  Private  
LOCATION:  Grosse Ile, Michigan  
REVENUE:  
NET INCOME:  

Star Infusion and Compression Therapies, LLC is a provider of ambulatory pumps and related services to oncologists in Michigan and Ohio.

ANNOUNCEMENT DATE:  March 10, 2011  
PRICE:  Not disclosed  
TERMS:  Cash  

ACQUIRER:  **InfuSystem Holdings, Inc.**

LISTING:  AMEX: INFU  
CEO:  Sean McDevitt  PHONE:  248-291-1210  
31700 Research Park Drive  FAX:  800-455-4338  
Madison Heights, Michigan 48071  
WEB SITE:  www.infusystem.com  

InfuSystem Holdings provides ambulatory infusion pump management services for oncologists. On a trailing 12-month basis, INFU generated revenue of $47 million, EBITDA of $7.6 million and a net loss of $1.9 million.

PRICE PER UNIT:  
PRICE/REVENUE:  
PRICE/INCOME:  

This acquisition expands the buyer's patient following and oncology practice base.

TARGET:  
**Timm Medical Technologies, Inc.**

LISTING:  Private  
LOCATION:  Eden Prairie, Minnesota  
REVENUE:  
NET INCOME:  

Timm Medical develops and sells products and services for the diagnosis and treatment of urological disorders, primarily in the area of erectile dysfunction.

ANNOUNCEMENT DATE:  January 24, 2011  
PRICE:  Not disclosed  
TERMS:  Not disclosed  

ACQUIRER:  **Actient Pharmaceuticals, LLC**

LISTING:  Private  
CEO:  Ed Fiorentino  PHONE:  847-607-8890  
150 S. Saunders Rd., Suite 120  FAX:  847-607-9019  
Lake Forest, Illinois 60045  
WEB SITE:  www.actientpharma.com  

Backed by the private equity firm of GTCR, Actient Pharmaceuticals is a specialty pharma company.

PRICE PER UNIT:  
PRICE/REVENUE:  
PRICE/INCOME:  

This acquisition is consistent with Actient's focus on urology, giving it complementary treatments. The buyer can now offer customers pharmaceutical and medical device solutions to urological problems.
TARGET: TomoTherapy, Inc.  
LISTING: NASDAQ: TOMO  
LOCATION: Madison, Wisconsin  
UNITS: 1310 Chesapeake Terrace, Sunnyvale, California 94089  
REVENUE: $195,000,000  
NET INCOME:  

TomoTherapy develops, manufactures, markets and sells radiation therapy solutions for cancer treatment. On a trailing 12-month basis, it generated revenue of $195 million, negative EBITDA of $28 million and a net loss of $30 million.

ANNOUNCEMENT DATE: March 7, 2011  
PRICE: $277,000,000 (approximate)  
TERMS: Each share of TOMO to be exchanged for $3.15 in cash and 0.1648 shares of ARAY stock.

This combination creates a leading radiation oncology company with annual revenue of about $400.0 million. The $4.80 per share bid offers TOMO shareholders a 31% premium to the stock's prior-day price. UBS Investment Bank and BofA Merrill Lynch provided ARAY and TOMO, respectively, with financial advice on this deal.

TARGET: VasoNova  
LISTING: Private  
LOCATION: Menlo Park, California  
UNITS: 155 South Limerick Road, Limerick, Pennsylvania 19468  
REVENUE:  
NET INCOME:  

VasoNova has developed a central venous catheter navigation technology that permits real-time accurate confirmation of placement of peripherally inserted central catheters and central venous catheters.

ANNOUNCEMENT DATE: January 10, 2011  
PRICE: $55,000,000  
TERMS: $25 million in an upfront payment. Additional payments of between $15 million and $30 million, based on achieving certain regulatory and revenue targets over the next three years.

This acquisition expands the buyer's access product offerings and adds real-time catheter tip positioning capability to its portfolio. Investors in VasoNova include CMEA Capital, California Technology Ventures LLC, Research Corporation Technologies, Arboretum Ventures, Aphelion Capital and Coronis Medical Ventures LLC. Gravitas Healthcare LLC acted as financial advisor for VasoNova.
TARGET:  
Zerusa, Ltd.

LISTING:  Private
LOCATION:  Galway, Ireland
REVENUE:  $1,700,000  (2010)
NET INCOME:

Zerusa is a medical device company that manufactures and distributes Guardian hemostasis valves. The valves are used in medical procedures to stop blood flow while catheters are inserted.

ANNOUNCEMENT DATE:  January 27, 2011
PRICE:  $4,300,000
TERMS:  $3.9 million at closing; $400,000 six months after closing.

ACQUIRER:  Vascular Solutions, Inc.

LISTING:  NASDAQ: VASC
CEO:  Howard Root
PHONE:  763-656-4300
6464 Sycamore Court
FAX:  763-656-4251
Minneapolis, Minnesota 55369
WEB SITE:  www.vascularsolutions.com

Vascular Solutions develops solutions for interventional cardiologists and interventional radiologists. On a trailing 12-month basis, it generated revenue of $76 million, EBITDA of $10.6 million and net income of $8 million.

PRICE PER UNIT:
PRICE/REVENUE:  2.53
PRICE/INCOME:

Prior to the deal, VASC sold the valves only in the United States under an exclusive relationship with Zerusa; now VASC will sell the values internationally through its existing global distribution network. The Guardian valve offers a competitive advantage; a special sealing system allows for the easy entry and removal of medical devices.
PHARMACEUTICALS
<table>
<thead>
<tr>
<th>TARGET</th>
<th>CITY</th>
<th>STATE</th>
<th>ACQUIRER</th>
<th>CITY</th>
<th>STATE</th>
<th>DATE</th>
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<td>Antula Healthcare AB</td>
<td>Stockholm</td>
<td>Sweden</td>
<td>Meda AB</td>
<td>Solna</td>
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<td>Forest Laboratories, Inc.</td>
<td>New York</td>
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<td>$27,560,000</td>
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</tbody>
</table>
**TARGET: Antula Healthcare AB**

**LISTING:** Private

**LOCATION:** Stockholm, Sweden

**UNITS:** 

**REVENUE:** $78,000,000

**NET INCOME:** 

Antula is a generic pharma company that concentrates on OTC products. Its brands consist of SB12, Anti, Zyx, Becur, Ac3, Lactal Balans, Eeze, Nalox and Inside. It generates sales of about SEK 500 million.

**ANNOUNCEMENT DATE:** February 21, 2011

**PRICE:** $280,900,000 (approximate)

**TERMS:** SEK 1.8 billion on a debt-free basis.

This acquisition expands the buyer's OTC business. Together, Meda's and Antula's OTC products will make up about 20% of Meda's revenue.

**ACQUIRER: Meda AB**

**LISTING:** STO: MEDAA

**CEO:** Anders Lonner

**PHONE:** 46 8 630 19 00

**LOCATION:** Solna, Sweden SE-170 09

**FAX:** 46 8 6301950

**WEB SITE:** www.meda.se

Meda is a specialty pharma company that markets prescription and OTC drugs and medical equipment in Nordic Europe. For 2009, Meda generated revenue of SEK 13.2 billion and EBITDA of SEK 4.4 billion.

**PRICE PER UNIT:** 

**PRICE/REVENUE:** 3.60

**PRICE/INCOME:**


**TARGET: Clinical Data, Inc.**

**LISTING:** NASDAQ: CLDA

**LOCATION:** Newton, Massachusetts

**UNITS:** 

**REVENUE:** $17,100,000

**NET INCOME:** 

Clinical Data, a biotech, develops and commercializes therapeutic products. On a trailing 12-month basis, CLDA generated revenue of $17.1 million.

**ANNOUNCEMENT DATE:** February 22, 2011

**PRICE:** $1,200,000,000 (approximate)

**TERMS:** $30.00 in cash per share. Additional payments of $6.00 per share on certain commercial milestones.

This bid offers CLDA shareholders an 11.5% discount to the stock's prior-day price. This acquisition gives FRX Viibryd, a drug for treating major depressive disorders that was approved by the FDA in January 2011. Revenue from the new drug will replace revenue from FRX proprietary drugs Lexapro and Namenda, which are losing patent protection in 2012 and 2015, respectively. Viibryd is expected to have market exclusivity in the U.S. until 2020.

**ACQUIRER: Forest Laboratories, Inc.**

**LISTING:** NYSE: FRX

**CEO:** Howard Solomon

**PHONE:** 212-421-7850

**LOCATION:** New York, New York 10022

**FAX:** 212-750-9152

**WEB SITE:** www.frx.com

Forest Laboratories develops, manufactures and sells drug products, with a focus on those treating central nervous system disorders. On a trailing 12-month basis, FRX generated revenue of $4.3 billion, EBITDA of $1.2 billion and net income of $747 million.

**PRICE PER UNIT:** 

**PRICE/REVENUE:** 70.17

**PRICE/INCOME:**
TARGET:  
CPEX Pharmaceuticals, Inc.

ACQUIRER:  
FCB I Holdings, inc.

TARGET:  
CyDex Pharmaceuticals, Inc.

ACQUIRER:  
Ligand Pharmaceuticals, Inc.

CPEX is involved with pharmaceutical products that use its validated drug delivery platform technology. On a trailing 12-month basis, it generated revenue of $22 million, EBITDA of $3.2 million and net income of $2.0 million.

ANNOUNCEMENT DATE:  January 4, 2011
PRICE:  $76,600,000 (approximate)
TERMS:  $27.25 per share in cash.

This bid offers CPEX shareholders an 11% premium to the stock's prior-day price. This deal may allow CPEX to recapitalize. CPEX's drug delivery technology, CPE-215, enhances permeation and absorption of pharmaceutical molecules across biological membranes, such as the skin, nasal mucosa and eye. RBC Capital Markets provided CPEX with financial advice on this deal.

CyDex Pharmaceuticals is a specialty pharma that has developed and licensed its Captisol technology.

ANNOUNCEMENT DATE:  January 26, 2011
PRICE:  $35,500,000 (approximate)
TERMS:  $31.2 million in cash upfront; $4.3 million cash at one-year anniversary. Contingent payments also possible, related to certain transactions.

This deal enlarges LGND's portfolio of drugs and drug partners. CyDex generates its revenue from four marketed drugs, license and milestone payments. The upfront payment consists of $11.2 million of internal cash and $20 million borrowed on a term loan from Oxford Finance Corporation.
Eli Lilly & Co. is entering into a diabetes-drug partnership with Boehringer to jointly develop and commercialize several diabetes drugs.

**TARGET:** Diabetes venture, Part I  
**ACQUIRER:** Boehringer Ingelheim GmbH

**LISTING:** NYSE: LLY  
**LOCATION:** Indianapolis, Indiana  
**REVENUE:**  
**NET INCOME:**

Eli Lilly & Co. is entering into a diabetes-drug partnership with Boehringer to jointly develop and commercialize several diabetes drugs. The partnership will focus on developing and commercializing several diabetes drugs, including one from Boehringer that is under regulatory review and another in late-stage testing. This deal helps bring Boehringer's drug candidates to market more quickly and widely, and shares development costs with LLY.

**ANNOUNCEMENT DATE:** January 11, 2011  
**PRICE:** $650,000,000 (approximate)  
**TERMS:** Up to $650 million in regulatory milestone payments.

Boehringer Ingelheim is a major pharmaceutical company. For 2008, it generated revenue of Eur 11.6 billion, EBIT of Eur 2.0 billion and income after tax of Eur 1.4 billion.

**PRICE PER UNIT:**  
**PRICE/REVENUE:**  
**PRICE/INCOME:**

This deal is one of two related transactions between the two companies to develop diabetes drugs. The partnership will focus on developing and commercializing several diabetes drugs, including one from Boehringer that is under regulatory review and another in late-stage testing. This deal helps bring Boehringer's drug candidates to market more quickly and widely, and shares development costs with LLY.

**TARGET:** Diabetes venture, Part II  
**ACQUIRER:** Eli Lilly and Co.

**LISTING:** Private  
**LOCATION:** Ingelheim, Germany  
**REVENUE:**  
**NET INCOME:**

Boehringer-Ingelheim GmbH is entering into a diabetes-drug partnership to develop and commercialize several diabetes drug candidates.

**ANNOUNCEMENT DATE:** January 11, 2011  
**PRICE:** Eur 300 million in an upfront payment; up to Eur 625 million in regulatory milestone payments.

Eli Lilly and Co. is engaged in the discovery, development, manufacture and sale of pharmaceutical products. On a trailing 12-month basis, LLY generated revenue of $22.8 billion, EBITDA of $7.9 billion and net income $4.8 billion.

**PRICE PER UNIT:**  
**PRICE/REVENUE:**  
**PRICE/INCOME:**

This deal is one of two related transactions between the two companies to develop diabetes drugs. The partnership is to focus on developing and commercializing several diabetes drugs, including one from Boehringer that is under regulatory review and another in late-stage testing. This partnership gives LLY access to a portfolio of metabolic drugs whose revenues could offset the loss of revenue from several LLY drugs going off patent in the near term.
TARGET:  **Gemin X Pharmaceuticals**  
LISTING:  Private  
LOCATION:  Malvern, Pennsylvania  
REVENUE:  
NET INCOME:  

Gemin X is involved in developing cancer treatments. Based in Pennsylvania, it has research operations in Montreal, Quebec.

ANNOUNCEMENT DATE:  March 21, 2011  
PRICE:  $525,000,000 (approximate)  
TERMS:  $225 million in cash upfront; up to $300 million in regulatory and sales milestones.

This acquisition broadens the buyer's oncology drug development pipeline. Gemin X's obatoclax is in a mid-stage trial for small-cell lung cancer.

ACQUIRER:  **Cephalon, Inc.**  
LISTING:  NASDAQ: CEPH  
CEO:  Kevin Buchi  
PHONE:  610-344-0200  
FAX:  610-738-6590  
WEB SITE:  www.cephalon.com

Cephalon develops and markets products for treating sleep disorders, neurological and psychiatric disorders, cancer and pain. On a 12-month trailing basis, CEPH generated revenue of $2.8 billion, EBITDA of $1.1 billion and net income of $426 million.

TARGET:  **North American rights to Zovirax**  
LISTING:  NYSE: GSK  
LOCATION:  Brentford, England  
REVENUE:  
NET INCOME:  

GlaxoSmithKline is selling the U.S. and Canadian rights to all nonophthalmic topical formulations of Zovirax.

ANNOUNCEMENT DATE:  February 3, 2011  
PRICE:  $300,000,000  
TERMS:  Not disclosed

This acquisition was carried out by VRX subsidiary, Biovail Laboratories International. It increases the profitability of the brand for Biovail, which had previously been the exclusive distributor in the United States, and expands its rights into Canada.

ACQUIRER:  **Valeant Pharmaceuticals International**  
LISTING:  NYSE: VRX  
CEO:  J. Michael Pearson  
PHONE:  905-286-3100  
FAX:  905-286-3150  
WEB SITE:  www.valeant.com

Valeant Pharmaceuticals is a pharma company involved in dermatology, neurology and branded generics. On a trailing 12-month basis, it generated revenue of $912 million, EBITDA of $407 million and net income of $144 million.
Johnson and Johnson is selling its OraPharma dental health subsidiary. It develops and distributes pharmaceutical products that maintain and restore oral health. Its main product, Arestin, is an antibiotic used to treat periodontitis.

**ANNOUNCEMENT DATE**: January 5, 2011  
**PRICE**: Not disclosed  
**TERMS**: Not disclosed

Water Street plans to build the OraPharma brand into a leading specialty pharma focused on dental and oral health care.

Novalar Pharmaceuticals, Inc. is selling OraVerse, its first-in-class local anesthesia reversal agent. OraVerse is indicated for reversal of the soft-tissue anesthesia, i.e., anesthesia of the lip and tongue.

**ANNOUNCEMENT DATE**: March 18, 2011  
**PRICE**: Not disclosed  
**TERMS**: Not disclosed

This deal is being carried out by Septodont's American branch. Under the terms of sale, Septodont is to assume full responsibility for OraVerse including sales, marketing and regulatory activities for the North American and unpartnered international markets.
**TARGET:**  Paddock Laboratories, Inc.  
**ACQUIRER:**  The Perrigo Company

**LISTING:**  Private  
**LOCATION:**  Minneapolis, Minnesota  
**REVENUE:**  $200,000,000  

Paddock Laboratories manufactures and markets generic pharmaceutical products. It generates approximately $200 million in annual sales from a portfolio of over 35 products.

**ANNOUNCEMENT DATE:**  January 20, 2011  
**PRICE:**  $540,000,000  
**TERMS:**  Cash

The Perrigo Company manufactures store brand OTC pharmaceutical products, as well as nutritional products. On a trailing 12-month basis, PRGO generated revenue of $2.4 billion, EBITDA of $483 million and net income of $247 million.

**PRICE PER UNIT:**  Not disclosed  
**PRICE/REVENUE:**  2.70  
**PRICE/INCOME:**  Not disclosed

This acquisition expands the buyer's generic drug portfolio, and adds incremental scale to its operations. This deal has a tax benefit of $95 million, which lowers the effective purchase price to $445 million and the price to revenue multiple to 2.2x. The deal is to be financed from $80 million in cash on hand, $310 million from an existing bank agreement and $150 million from a new term loan. Morgan Stanley provided PRGO with financial advice on this deal while Jefferies & Co. and Green Holcomb & Fisher provided Paddock with similar advice.

**TARGET:**  Pain patent portfolio  
**ACQUIRER:**  Gruenenthal GmbH

**LISTING:**  Private  
**LOCATION:**  Princeton, New Jersey  

Nectid, Inc. is selling a patent portfolio and two key drug discovery platforms relating to the treatment of pain.

**ANNOUNCEMENT DATE:**  March 22, 2011  
**PRICE:**  Not disclosed  
**TERMS:**  Not disclosed

Gruenenthal GmbH is a specialty pharma that is engaged in pain drug discovery and research.

**PRICE PER UNIT:**  Not disclosed  
**PRICE/REVENUE:**  Not disclosed  
**PRICE/INCOME:**  Not disclosed

This acquisition is the buyer's second recent enlargement of its pain patent portfolio. In the past two years, it has compiled a portfolio of 110 NCEs for pain and depression. The company expects to file an IND for at least one drug candidate within the remainder of the year.
**TARGET:** Patent portfolio  
**LISTING:** OTCBB: PRTT  
**LOCATION:** Princeton, New Jersey  
**REVENUE:**  
**NET INCOME:**  

Protect Pharmaceutical Corporation is selling a portfolio of patents. The patents relate to opioid formulations and methods of treating acute and chronic pain.

**ANNOUNCEMENT DATE:** February 9, 2011  
**PRICE:** $1,600,000  
**TERMS:** $1.45 million in cash at closing;  
$150,000 after transfer of all documents relating to patents.

This sale allows the seller to concentrate on drug programs to treat diabetic neuropathic pain, fibromyalgia, posttherapeutic neuralgia and epilepsy.

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**TARGET:** PharmaSwiss S.A.  
**LISTING:** Private  
**LOCATION:** Zug, Switzerland  
**REVENUE:** $246,654,000  
**NET INCOME:**  

PharmaSwiss is a branded generics and OTC pharmaceutical company, with a product portfolio in seven therapeutic areas. For 2010, it generated revenue of Eur180 million.

**ANNOUNCEMENT DATE:** February 1, 2011  
**PRICE:** $520,714,000 (approximate)  
**TERMS:** Eur 350 million on closing; up to an additional Eur 30 million on achievement of certain milestones.

This acquisition extends the buyer's presence in Eastern Europe; PharmaSwiss sells in Poland, Hungary, the Czech Republic and Serbia. Over time, VRX's business in central Europe will be combined under the PharmaSwiss corporate structure. The company's 2011 sales are expected to be Eur 200 million, which results in a price to revenue multiple of 1.87x. Selling stockholders include HBM BioVentures (Cyaman) Ltd. and Polish Enterprise Fund VI. This deal closed March 10, 2011.
**TARGET:** Plexxikon, Inc.  
**LISTING:** Private  
**LOCATION:** Berkeley, California  
**REVENUE:**  
**NET INCOME:**  

Plexxikon develops novel small molecule treatments for human disease, including CNS disorders, autoimmune and neuroinflammatory diseases and oncology.

**ANNOUNCEMENT DATE:** February 28, 2011  
**PRICE:** $935,000,000 (approximate)  
**TERMS:** $805 million upfront; up to $130 million in launch milestones.

This acquisition bolsters the buyer's pipeline. Plexxikon's lead program is PLX4032, a candidate for the treatment of melanoma and some solid tumors that is being jointly developed by Plexxikon and Roche. This deal also gives Daiichi access to Plexxikon's platform technology for developing small molecule drugs.

**TARGET:** ProStrakan Group plc  
**LISTING:** LSE: PSK  
**LOCATION:** Galashiels, Scotland  
**REVENUE:** $162,890,000  
**NET INCOME:** $17,600,000 (EBITDA)

ProStrakan is a specialty pharma engaged in developing and commercializing prescription medicines for the treatment of unmet therapeutic needs. In 2010, it generated revenue of GBP 100.2 million and EBITDA of GBP 10.8 million.

**ANNOUNCEMENT DATE:** February 21, 2011  
**PRICE:** $474,600,000 (approximate)  
**TERMS:** GBP 292 million GBP 1.20 per share in cash.

This acquisition, which offers PSK shareholders a 41% premium, gives the buyer an established European and U.S. sales platform. It also gives Kyowa access to a number of medicines that were recently approved. PSK had been considering alternatives ever since it rebuffed an approach from Norgine in late 2010. BofA Merrill Lynch is providing Kyowa with financial advice on this deal while J.P. Morgan Cazenove and Numis are advising PSK. The acquisition closed April 21, 2011.

**ACQUIRER:** Daiichi Sankyo Co.  
**LISTING:** T: 4568  
**CEO:** Joji Nakayama  
**PHONE:** 813-6225-1111  
**LOCATION:** 3-5-1 Nihonbashi-honco, chuo-ku, Tokyo, Japan 103-8426  
**WEB SITE:** www.daiichisankyo.com

Daiichi Sankyo Co. is currently Japan's second largest pharma company by sales. For the six months ended October 31, 2010, it generated revenue of Yen 499 billion, operating income of Yen 90 billion and net income of Yen 52 billion.

**ACQUIRER:** Kyowa Hakko Kirin Co. Ltd.  
**LISTING:** T: 4151  
**CEO:** Yuzuru Matsuda  
**PHONE:** 81-3-3282-0007  
**LOCATION:** 1-6-1 Ohtemachi, Chiyoda-ku, Tokyo, Japan 100-8185  
**WEB SITE:** www.kyowa-kirin.co.jp

Kyowa Hakko Kirin is a leading biopharma in Japan. For the three months ended March 31, 2011, the company generated revenue of Yen 114.9 billion and net income of Yen 14.8 billion.
Aveo Pharmaceuticals is selling the rights to develop and commercialize tivozanib, an experimental treatment for kidney cancer. It is a VEGF receptor inhibitor that blocks the production of new blood vessels, preventing tumors from growing.

Astellas Pharma is Japan's second-largest drug manufacturer. For the 12 months ended March 31, 2009, Astellas generated revenue of $9.9 billion and net income of $1.7 billion.

This agreement gives Astellas access to a kidney cancer drug which, potentially, could rival drugs manufactured by Pfizer (Sutent) and Bayer AG. The resources gained from this deal will also allow Aveo to accelerate the development of its drug candidates for breast and colon cancer. Aveo originally bought the rights to develop tivozanib from Kyowa Hakko Kirin in 2006.

Salix is a specialty pharma firm focused on acquiring, developing and commercializing prescription drugs for treating gastrointestinal diseases. On a trailing 12-month basis, SLXP generated revenue of $289 million and a net loss of $59 million.

This deal comes two months after partner Pfizer returned Relistor to PGNX; it gives PGNX a commercial partner to re-establish its Relistor business. This deal excludes Japan. In addition to the consideration above, PGNX will receive 60% of all revenue received from all non-U.S. sublicensees.
TARGET: **Solabegron**  
**LISTING:** NYSE; GSK  
**LOCATION:** Middlesex, England  
**UNITS:**  
**REVENUE:**  
**NET INCOME:**  

GlaxoSmithKline is selling all assets related to Solabegron, a beta-3 adrenoceptor agonist that has demonstrated positive results in phase 2 trials for treating overactive bladder in women and irritable bowel syndrome.

**ANNOUNCEMENT DATE:** March 25, 2011  
**PRICE:** Not disclosed  
**TERMS:** Not disclosed  

This is the buyer's first product candidate. The company plans to advance the drug into phase 3 testing later in 2011. AltheRx's current Chief Scientific Officer used to be a senior vice president at GSK.

ACQUIRER: **AltheRx, Inc.**  
**LISTING:** Private  
**CEO:** Shawn O'Brien  
**PHONE:** 610-246-9434  
**FAX:** 610-458-8369  
**WEB SITE:** www.altherx.com  

AltheRx advances projects through clinical development.

TARGET: **St. Joseph's Aspirin**  
**LISTING:** NYSE: JNJ  
**LOCATION:** New Brunswick, New Jersey  
**UNITS:**  
**REVENUE:**  
**NET INCOME:**  

Johnson & Johnson is selling its St. Joseph's brand aspirin. The brand is 145 years old. It is one of the top three aspirins in the low-dose market.

**ANNOUNCEMENT DATE:** January 10, 2011  
**PRICE:** Not disclosed  
**TERMS:** Not disclosed  

Backed by private equity, Ilex Consumer Products Group owns brands in the health, beauty and TOC pharmaceutical sector.

ACQUIRER: **Ilex Consumer Products Group, Inc.**  
**LISTING:** Private  
**CEO:** Robert Bailey  
**PHONE:** 410-670-7525  
**FAX:**  
**WEB SITE:** www.ilexgroup.com  

JPB Capital Partners II recently completed a significant equity investment in Ilex CGP that supported the acquisition of St. Joseph's Aspirin. Together with Ilex CGP's original sponsors, Ilex Capital Group, JPB will own a majority of the operating company. The brand is being sold by JNJ's McNeil Consumer Healthcare Division. The buyer plans to increase brand support for St. Joseph's and extend its lines.
<table>
<thead>
<tr>
<th><strong>TARGET:</strong></th>
<th><strong>ACQUIRER:</strong> Meda AB</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>US OTC product portfolio, Part II</strong></td>
<td><strong>LISTING:</strong> NYSE: GSK</td>
</tr>
<tr>
<td><strong>LISTING:</strong></td>
<td><strong>STO: MEDAA</strong></td>
</tr>
<tr>
<td><strong>LOCATION:</strong> Brentford, England</td>
<td><strong>CEO:</strong> Anders Lonner</td>
</tr>
<tr>
<td><strong>ACQUIRER:</strong></td>
<td><strong>PHONE:</strong> 46 8 630 19 00</td>
</tr>
<tr>
<td><strong>LISTING:</strong></td>
<td><strong>FAX:</strong> 46 8 6301950</td>
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<tr>
<td><strong>REVENUE:</strong> $12,250,000</td>
<td><strong>WEB SITE:</strong> <a href="http://www.meda.se">www.meda.se</a></td>
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<td><strong>UNITS:</strong></td>
<td></td>
</tr>
<tr>
<td><strong>NET INCOME:</strong></td>
<td></td>
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<tr>
<td>GlaxoSmithKline is selling a portfolio of two over-the-counter (OTC) products sold in the United States. Annual sales are about SEK 80 million.</td>
<td>Meda is a specialty pharma company that markets prescription and OTC drugs and medical equipment in Nordic Europe. For 2009, Meda generated revenue of SEK 13.2 billion and EBITDA of SEK 4.4 billion.</td>
</tr>
<tr>
<td><strong>ANNOUNCEMENT DATE:</strong> January 4, 2011</td>
<td><strong>PRICE:</strong> $27,560,000 (approximate)</td>
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<tr>
<td><strong>PRICE:</strong></td>
<td><strong>PRICE/REVENUE:</strong> 2.24</td>
</tr>
<tr>
<td><strong>TERMS:</strong> SEK 180 million.</td>
<td><strong>PRICE/INCOME:</strong></td>
</tr>
</tbody>
</table>

This is the second acquisition by Meda in as many months of OTC products from GSK; in December 2010, it acquired a portfolio of three OTC products. These two acquisitions continue to develop Meda's presence in the United States generic drugs market.
PHYSICIAN MEDICAL GROUPS
<table>
<thead>
<tr>
<th>TARGET</th>
<th>CITY</th>
<th>STATE</th>
<th>ACQUIRER</th>
<th>CITY</th>
<th>STATE</th>
<th>DATE</th>
<th>PRICE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Associated Cardiovascular Consultants</td>
<td>Cherry Hill</td>
<td>New Jersey</td>
<td>Lourdes Health System</td>
<td>Camden</td>
<td>New Jersey</td>
<td>1/19/11</td>
<td></td>
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<tr>
<td>Deepath Physicians Group</td>
<td>Gurnee</td>
<td>Illinois</td>
<td>NorthShore University HealthSystem</td>
<td>Evanston</td>
<td>Illinois</td>
<td>2/14/11</td>
<td></td>
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<tr>
<td>Hammond Clinic</td>
<td>Munster</td>
<td>Indiana</td>
<td>Franciscan Alliance, Inc.</td>
<td>Mishawaka</td>
<td>Indiana</td>
<td>2/10/11</td>
<td></td>
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<tr>
<td>Heart Clinic</td>
<td>Scottsdale</td>
<td>Arizona</td>
<td>Cardiovascular Consultants, Ltd.</td>
<td>Phoenix</td>
<td>Arizona</td>
<td>2/1/11</td>
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<tr>
<td>Heart Clinic</td>
<td>Tampa</td>
<td>Florida</td>
<td>IPC-The Hospitalist Co.</td>
<td>North Hollywood</td>
<td>California</td>
<td>1/26/11</td>
<td></td>
</tr>
<tr>
<td>Hospitalist practice of Gil Menja, MD</td>
<td>Riverside</td>
<td>California</td>
<td>IPC-The Hospitalist Co.</td>
<td>North Hollywood</td>
<td>California</td>
<td>1/26/11</td>
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<tr>
<td>Inland Hospitalist Medical Group, Inc.</td>
<td>Okeechobe</td>
<td>Florida</td>
<td>Metropolitan Health Networks, Inc.</td>
<td>Boca Raton</td>
<td>Florida</td>
<td>1/6/11</td>
<td></td>
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<td>Lundholm Surgical Group</td>
<td>Des Plaines</td>
<td>Illinois</td>
<td>NorthShore University HealthSystem</td>
<td>Evanston</td>
<td>Illinois</td>
<td>1/4/11</td>
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<td>Mid-Michigan Hospitalist Group, PC</td>
<td>Tampa</td>
<td>Florida</td>
<td>Emergency Medical Services Corp.</td>
<td>Greenwood Village</td>
<td>Colorado</td>
<td>1/11/11</td>
<td>$13,800,000</td>
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<td>Kirkland</td>
<td>Washington</td>
<td>IntegrMed America, Inc.</td>
<td>Purchase</td>
<td>New York</td>
<td>1/18/11</td>
<td>$2,400,000</td>
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<td>Northwest Center for Reproductive Sciences</td>
<td>Springfield</td>
<td>Oregon</td>
<td>Oregon Healthcare Resources, LLC</td>
<td>Eugene</td>
<td>Oregon</td>
<td>2/11/11</td>
<td>$14,800,000</td>
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<td>Oregon Medical Group</td>
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<td>Arizona</td>
<td>Carondelet Health Network</td>
<td>Emeryville</td>
<td>California</td>
<td>3/22/11</td>
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<tr>
<td>Southwest Heart</td>
<td>Sacramento</td>
<td>California</td>
<td>CEP America</td>
<td>Atlanta</td>
<td>Georgia</td>
<td>2/18/11</td>
<td></td>
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<tr>
<td>The PAPP Clinic</td>
<td>North</td>
<td>Texas</td>
<td>Radiology Associates of North Texas, P.A.</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
TARGET: Associated Cardiovascular Consultants
LISTING: Private
LOCATION: Cherry Hill, New Jersey
UNITS: 31 (physicians)
REVENUE: 
NET INCOME: 

ACQUIRER: Lourdes Health System
LISTING: Nonprofit
CEO: Alexander J. Hatala
PHONE: 856-757-3812
FAX: 
WEB SITE: www.lourdesnet.org

Associated Cardiovascular Consultants, PA is a physician medical group practice specializing in cardiology. The practice's 31 cardiologists provide services from seven locations in southern New Jersey. In 2008, the practice conducted 8,700 procedures.

ANNOUNCEMENT DATE: January 19, 2011
PRICE: Not disclosed
TERMS: Not disclosed

This acquisition helps create a local integrated delivery system in which cardiologists and the hospitals will jointly manage cardiac services.

TARGET: Cardiology Associates, PC
LISTING: Private
LOCATION: Washington, DC
UNITS: 27 (physicians)
REVENUE: 
NET INCOME: 

ACQUIRER: MedStar Health, Inc.
LISTING: Nonprofit
CEO: Kenneth A. Samet
PHONE: 410-772-6505
FAX: 410-715-1930
WEB SITE: www.medstarhealth.org

Cardiology Associates is a physician medical group practice specializing in cardiology. Its 27 physicians provide services from four locations in Maryland and one in Washington, DC.

ANNOUNCEMENT DATE: February 17, 2011
PRICE: Not disclosed
TERMS: Not disclosed

This acquisition expands MedStar's provider network in Maryland and the District of Columbia.
TARGET: Deerpath Physicians Group

LISTING: Private
LOCATION: Gurnee, Illinois
UNITS: 5 (physicians)
REVENUE: NET INCOME:

Deerpath Physicians Group is a physician medical group practice, concentrating on internal medicine. The practice has five physicians.

ANNOUNCEMENT DATE: February 14, 2011
PRICE: Not disclosed
TERMS: Not disclosed

ACQUIRER: NorthShore University HealthSystem

LISTING: Nonprofit
CEO: Mark R. Neaman
PHONE: 847-570-2000
1301 Central Street
Evanston, Illinois 60201
FAX: 847-570-2001
WEB SITE: www.northshore.org

NorthShore University HealthSystem is a four-campus hospital system in the Chicago market. The system generates annual revenue of over $1.5 billion.

PRICE PER UNIT: Not disclosed
PRICE/REVENUE: Not disclosed
PRICE/INCOME: Not disclosed

This is one of two internal medicine practices the buyer announced acquiring at the same time. Both are suburban practices, and these deals extend the buyer's provider network.

TARGET: Hammond Clinic

LISTING: Private
LOCATION: Munster, Indiana
UNITS: 60 (physicians)
REVENUE: NET INCOME:

The Hammond Clinic is a physician group practice. Its 60 physicians provide services from locations in Munster and St. John.

ANNOUNCEMENT DATE: February 10, 2011
PRICE: Not disclosed
TERMS: Not disclosed

ACQUIRER: Franciscan Alliance, Inc.

LISTING: Nonprofit
CEO: 
PHONE: 574-256-3935
1515 Dragoon Trail
Mishawaka, Indiana 46544
FAX: 574-256-3935
WEB SITE: www.franciscanalliance.org

Franciscan Alliance operates 13 hospitals in Indiana and Illinois, serving a geographic area with a population of 3.7 million people.

PRICE PER UNIT: Not disclosed
PRICE/REVENUE: Not disclosed
PRICE/INCOME: Not disclosed

This acquisition adds to the buyer's physician network, which currently has 250 doctors employed at its four hospitals in Northwest Indiana.
TARGET: **Heart Clinic**

**LISTING:** Private  
**LOCATION:** Scottsdale, Arizona  
**REVENUE:**  
**NET INCOME:**

Heart Clinic is a physician medical group practice specializing in cardiology. The practice has two cardiologists.

**ANNOUNCEMENT DATE:** February 1, 2011  
**PRICE:** Not disclosed  
**TERMS:** Merger

This acquisition expands the buyer's provider network in the Scottsdale market.

**ACQUIRER:** **Cardiovascular Consultants, Ltd.**

**LISTING:** Private  
**CEO:** James Chisolm  
**PHONE:** 602-867-8644  
**LOCATION:** 3805 E. Bell Road, Suite 3100 Phoenix, Arizona 85032  
**FAX:** 602-787-2197  
**WEB SITE:** www.cvcheart.com

Cardiovascular Consultants is a physician medical group whose 38 physicians and 15 mid-level practitioners provide services in 17 locations in and around Phoenix.

**PRICE PER UNIT:**  
**PRICE/REVENUE:**  
**PRICE/NET INCOME:**

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TARGET: **Hospitalist practice of Gil Menja, MD**

**LISTING:** Private  
**LOCATION:** Tampa, Florida  
**UNITS:**  
**REVENUE:**  
**NET INCOME:**

Gil Menja, MD is a physician medical practice specializing in the provision of hospitalist services.

**ANNOUNCEMENT DATE:** January 26, 2011  
**PRICE:** Not disclosed  
**TERMS:** Not disclosed

This acquisition expands the buyer's network of hospitalist services providers in Florida.

**ACQUIRER:** **IPC-The Hospitalist Co.**

**LISTING:** NASDAQ: IPCM  
**CEO:** Adam Singer  
**PHONE:** 888-447-2362  
**LOCATION:** 4605 Lankershim Boulevard North Hollywood, California 91602  
**FAX:** 818-766-3999  
**WEB SITE:** www.hospitalist.com

IPC provides management services to hospitalists. On a trailing 12-month basis, IPCM generated revenue of $348 million, EBITDA of $39 million and net income of $23 million.

**PRICE PER UNIT:**  
**PRICE/REVENUE:**  
**PRICE/NET INCOME:**
TARGET:  Inland Hospitalist Medical Group, Inc.
LISTING:  Private
LOCATION:  Riverside, California
UNITS:  4605 Lankershim Boulevard
REVENUE:  North Hollywood, California 91602
NET INCOME:  

Inland Hospitalist Medical Group is a physician medical group specializing in the provision of hospitalist services. It generates an annualized volume of about 42,000 patient encounters.

ANNOUNCEMENT DATE:  January 26, 2011
PRICE:  Not disclosed
TERMS:  Not disclosed

An acquisition inaugurates the buyer's entry into the Southern California market; it will serve as a springboard for the company's expansion into the large metropolitan areas of this market.

ACQUIRER:  IPC-The Hospitalist Co.
LISTING:  NASDAQ: IPCM
CEO:  Adam Singer  PHONE:  888-447-2362
4605 Lankershim Boulevard  FAX:  818-766-3999
North Hollywood, California 91602
WEB SITE:  www.hospitalist.com

IPC provides management services to hospitalists. On a trailing 12-month basis, IPCM generated revenue of $348 million, EBITDA of $39 million and net income of $23 million.

TARGET:  Ladia & Ladia, M.D.s, P.A.
LISTING:  Private
LOCATION:  Okeechobee, Florida
UNITS:  2 (physician) 777 Yamato Road
REVENUE:  Boca Raton, Florida 33431
NET INCOME:  

Ladia & Ladia is a physician group practice specializing in internal medicine.

ANNOUNCEMENT DATE:  January 6, 2011
PRICE:  Not disclosed
TERMS:  Acquisition of assets, assumption of certain liabilities.

The target practice includes 130 Humana Medicare Advantage plans and has been contracted with MDF's Metcare since 2007. This deal increases the buyer's network of primary care centers.

ACQUIRER:  Metropolitan Health Networks, Inc.
LISTING:  AMEX: MDF
CEO:  Michael M. Earley  PHONE:  561-805-8500
777 Yamato Road  FAX:  561-805-8501
Boca Raton, Florida 33431
WEB SITE:  www.metcare.com

Metropolitan Health Networks operates provider service networks that provide and arrange medical care to Medicare beneficiaries in Florida. On a trailing 12-month basis, MDF generated revenue of $363 million, EBITDA of $32 million and net income of $20 million.
TARGET: **Lundholm Surgical Group**

**LISTING:** Nonprofit  
**LOCATION:** Rockford, Illinois  
**UNITS:** 6 (physicians)  
**REVENUE:**  
**NET INCOME:**

Lundholm Surgical Group is a physician medical group practice specializing in orthopedics. The practice has six physicians.

**ANNOUNCEMENT DATE:** February 11, 2011  
**PRICE:** Not disclosed  
**TERMS:** Merger

**ACQUIRER:** **SwedishAmerican Health System**

**LISTING:** Nonprofit  
**CEO:** Bill Gorski  
**PHONE:** 815-968-4400  
**LOCATION:** 1401 East State Street  
**FAX:** Rockford, Illinois 61104  
**WEB SITE:** www.swedishamerican.org

SwedishAmerican Health System operates 357-bed Swedish American Hospital.

**PRICE PER UNIT:**  
**PRICE/REVENUE:**  
**PRICE/INCOME:**

The practice is to be known as SwedishAmerican Medical Group/Lundholm Orthopedics.

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TARGET: **Maine Ridge Medical Associates**

**LISTING:** Private  
**LOCATION:** Des Plaines, Illinois  
**UNITS:** 5 (physicians)  
**REVENUE:**  
**NET INCOME:**

Maine Ridge Medical Associates is a physician medical group practice, concentrating on internal medicine. The practice has five physicians.

**ANNOUNCEMENT DATE:** February 14, 2011  
**PRICE:** Not disclosed  
**TERMS:** Not disclosed

**ACQUIRER:** **NorthShore University HealthSystem**

**LISTING:** Nonprofit  
**CEO:** Mark R. Neaman  
**PHONE:** 847-570-2000  
**LOCATION:** 1301 Central Street  
**FAX:** Evanston, Illinois 60201  
**WEB SITE:** www.northshore.org

NorthShore University HealthSystem is a four-campus hospital system in the Chicago market. The system generates annual revenue of over $1.5 billion.

**PRICE PER UNIT:**  
**PRICE/REVENUE:**  
**PRICE/INCOME:**

This is one of two internal medicine practices the buyer announced acquiring at the same time. Both are suburban practices, and these deals extend the buyer's provider network.
TARGET: Mid-Michigan Hospitalist Group, PC
LISTING: Private
LOCATION: Grand Blanc, Michigan
UNITS:
REVENUE:
NET INCOME:

Mid-Michigan Hospitalist Group is a physician medical group specializing in the provision of hospitalist services. It generates an annualized volume of about 20,000 patient encounters.

ANNOUNCEMENT DATE: March 23, 2011
PRICE: Not disclosed
TERMS: Not disclosed

ACQUIRER: IPC-The Hospitalist Co.
LISTING: NASDAQ: IPCM
CEO: Adam Singer
PHONE: 888-447-2362
4605 Lankershim Blvd. Suite 617
North Hollywood, California 91602
FAX: 818-766-3999
WEB SITE: www.hospitalist.com

IPC provides management services to hospitalists. On a trailing 12-month basis, IPCM generated revenue of $363 million, EBITDA of $42 million and net income of $24 million.

PRICE PER UNIT:
TERMS:
PRICE/REVENUE:
PRICE/INCOME:

This acquisition expands the buyer's presence in the Michigan market; the practice is based in a suburb of Flint. IPCM already has post-care care practices in the market with which it can coordinate the hospitalist services of the target.

TARGET: North Pinellas Anesthesia Associates
LISTING: Private
LOCATION: Tampa, Florida
UNITS: 40 (clinicians)
REVENUE: $15,000,000
NET INCOME:

North Pinellas Anesthesia Associates and Northwood Anesthesia Associates provide anesthesia services in the Tampa market. They generate $15.0 million in annual revenue.

ANNOUNCEMENT DATE: January 11, 2011
PRICE: $13,800,000 (apportioned)
TERMS: Not disclosed

ACQUIRER: Emergency Medical Services Corp.
LISTING: NYSE: EMS
CEO: William A. Sanger
PHONE: 303-495-1200
6200 South Syracuse Way
Greenwood Village, Colorado 80111
FAX:
WEB SITE: www.emsc.net

Emergency Medical Services provides outsourced emergency department staffing and ambulance services through its two divisions. On a trailing 12-month basis, EMS generated revenue of $2.8 billion, EBITDA of $303 million and net income of $125 million.

PRICE PER UNIT: $345,000
TERMS:
PRICE/REVENUE: 0.92
PRICE/INCOME:

The acquired practices provide outsourced anesthesia services to two hospitals and seven outpatient surgery centers in the Tampa market. This is one of two businesses EMS acquired for a combined price of $30.2 million, which has been divided between the two in proportion to their individual revenue figures. This deal closed January 11, 2011.
TARGET: Northwest Center for Reproductive Sciences

ACQUIRER: IntegraMed America, Inc.

LISTING: Private
LOCATION: Kirkland, Washington
UNITS: 3 (physicians)
REVENUE: $5,000,000
NET INCOME: 

Northwest Center for Reproductive Sciences is a physician medical group practice specializing in reproductive medicine. The practice has three reproductive endocrinologists, and generated $5 million in revenue in 2010.

ANNOUNCEMENT DATE: January 18, 2011
PRICE: $2,400,000 (approximate)
TERMS: Not disclosed

IntegraMed manages health care facilities in the fertility and vein care markets. On a trailing 12-month basis, INMD generated revenue of $234 million, EBITDA of $16 million and net income of $5 million.

PRICE PER UNIT: $800,000
PRICE/REVENUE: 0.48
PRICE/INCOME:

The target is to be merged with INMD's existing Seattle Reproductive Medicine practice, which has eight physicians providing services from three locations across Seattle. This acquisition and merger expands the buyer's facility and provider network in the Pacific Northwest.

TARGET: Oregon Medical Group

ACQUIRER: Oregon Healthcare Resources, LLC

LISTING: NYSE: CYH
LOCATION: Springfield, Oregon
UNITS: 100 (physicians)
REVENUE: 
NET INCOME: 

Community Health Systems is selling Willamette Community Medical Group, a multi-specialty physician clinic that operates as Oregon Medical Group. It has approximately 100 physicians who practice from 16 area clinics.

ANNOUNCEMENT DATE: February 1, 2011
PRICE: $14,600,000
TERMS: Cash

Oregon Healthcare Resources, LLC was formed to acquire Oregon Medical Group.

PRICE PER UNIT: $146,000
PRICE/REVENUE:
PRICE/INCOME:

The seller inherited this physician group when it acquired Triad Hospitals. The physicians likely decided they had the critical mass to direct their practice, and separated from CYH.
TARGET: **Southwest Heart**

**LISTING:** Private  
**LOCATION:** Tucson, Arizona  
**UNITS:** 6 (physicians)  
**REVENUE:**  
**NET INCOME:**

Southwest Heart is a physician medical group practice specializing in cardiology. The practice includes six physicians and two nurse-practitioners.

**ANNOUNCEMENT DATE:** February 14, 2011  
**PRICE:** Not disclosed  
**TERMS:** Not disclosed

ACQUIRER: **Carondelet Health Network**

**LISTING:** Nonprofit  
**CEO:** Ruth W. Brinkley  
**PHONE:** 520-872-3000  
**LOCATION:** Tucson, Arizona  
**UNITS:**  
**REVENUE:**  
**NET INCOME:**

Carondelet Health Network, a member of Ascension Health, is a Catholic integrated delivery system. It has three acute care hospitals with 733 beds.

**WEB SITE:** www.carondelet.org

This transaction is being carried out by subsidiary Carondelet Specialist Group. This addition raises to 15 the number of practitioners in Carondelet Specialist Group.

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TARGET: **Sutter Emergency Medical Associates**

**LISTING:** Private  
**LOCATION:** Sacramento, California  
**UNITS:** 75 (physicians)  
**REVENUE:**  
**NET INCOME:**

Sutter Emergency Medical Associates (SEMA) is an equity-based physician medical group practice specializing in emergency departments (EDs). It has 75 physicians, practicing at six emergency departments in Northern California.

**ANNOUNCEMENT DATE:** March 22, 2011  
**PRICE:** Not disclosed  
**TERMS:** Merger

ACQUIRER: **CEP America**

**LISTING:** Private  
**CEO:** Wesley A. Curry  
**PHONE:** 800-476-1504  
**LOCATION:** Emeryville, California  
**UNITS:**  
**REVENUE:**  
**NET INCOME:**

CEP America is a provider of physician staffing, management and consulting services for over 70 emergency department and ambulatory care practices in seven states.

**WEB SITE:** www.cepamerica.com

This merger expands CEP's presence in the Northern California ED market, adding over 200,000 to its patient base. SEMA currently holds ED staffing contracts at Sutter Auburn Faith Hospital; Sutter David Hospital; Sutter Memorial Hospital, Sacramento; Sutter General Hospital, Sacramento; Memorial Medical Center, Modesto; and Memorial Hospital of Los Banos.
TARGET: The PAPP Clinic

LISTING: Private
LOCATION: Newnan, Georgia
UNITS: 38 (physicians)
REVENUE:
NET INCOME:

The PAPP Clinic is a multispecialty physician group practice with 38 physicians in 11 medical specialties at six locations throughout Coweta County.

ANNOUNCEMENT DATE: February 18, 2011
PRICE: Not disclosed
TERMS: Formation of a joint operating company.

Under terms of the agreement, The PAPP Clinic will pursue an affiliation with Piedmont Healthcare as part of Piedmont Physicians Group (PPG). This deal adds to PPG's 120 physicians practicing at 50 offices in the greater Atlanta market. The enhancement of its physician practice arm will allow Piedmont to build up an accountable Care Organization.

ACQUIRER: Piedmont Healthcare

LISTING: Nonprofit
CEO: R. Timothy Stack
PHONE: 404-605-5000
Atlanta, Georgia 30309
FAX:
WEB SITE: www.piedmont.org

Piedmont Healthcare is a four-hospital integrated delivery system with nearly 825 acute care beds.

TARGET: Three radiology groups

LISTING: Private
LOCATION: North, Texas
UNITS: 110 (physicians)
REVENUE:
NET INCOME:

Radiology Associates of Tarrant County, Southwest Imaging and Interventional Specialists and Grapevine Radiology Associates are merging their respective practices.

ANNOUNCEMENT DATE: March 5, 2011
PRICE: Merger
TERMS: Merger

The merger of three groups, Radiology Associates of North Texas employs 110 board-certified radiologists and 260 additional medical and administrative staff.

ACQUIRER: Radiology Associates of North Texas, P.A.

LISTING: Private
CEO: John A. Queralt
PHONE: 817-321-0300
816 W. cannon
Fort Worth, Texas 76104
FAX: 817-321-0342
WEB SITE: www.ratc.com

The merger of these three groups creates the largest radiology practice in the Lone Star State; it also stands among the larger radiology practices in the country. The new entity is to provide imaging services to 18 hospitals and 18 imaging centers.
REHABILITATION
<table>
<thead>
<tr>
<th>TARGET</th>
<th>CITY</th>
<th>STATE</th>
<th>ACQUIRER</th>
<th>CITY</th>
<th>STATE</th>
<th>DATE</th>
<th>PRICE</th>
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<tbody>
<tr>
<td>14-clinic physical therapy group</td>
<td>Southeast</td>
<td></td>
<td>U. S. Physical Therapy, Inc.</td>
<td>Houston</td>
<td>Texas</td>
<td>1/3/11</td>
<td>$4,770,000</td>
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<tr>
<td>Orthotics and prosthetics company</td>
<td></td>
<td></td>
<td>Hanger Orthopedic Group</td>
<td>Austin</td>
<td>Texas</td>
<td>3/31/11</td>
<td>$5,800,000</td>
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<tr>
<td>RehabCare Group, Inc.</td>
<td>St. Louis</td>
<td>Missouri</td>
<td>Kindred Healthcare Services, Inc.</td>
<td>Louisville</td>
<td>Kentucky</td>
<td>2/8/11</td>
<td>$1,300,000,000</td>
</tr>
</tbody>
</table>
TARGET: **14-clinic physical therapy group**  
LISTING: Private  
LOCATION: Southeast  
UNITS:  
REVENUE: $9,000,000  
NET INCOME:  

The target is a 14-clinic physical therapy group located in the Southeast region. It generates annual revenue of $9.0 million.

**ANNOUNCEMENT DATE:** January 3, 2011  
**PRICE:** $4,770,000  
**TERMS:** For a 65% interest.

**ACQUIRER:** **U. S. Physical Therapy, Inc.**  
LISTING: NASDAQ: USPH  
CEO: Christopher J. Reading  
PHONE: 713-297-7000  
1300 W. Sam Houston Parkway  
FAX: 713-297-7090  
Houston, Texas 77042  
WEB SITE: www.usph.com

U.S. Physical Therapy operates 264 outpatient physical and occupational therapy clinics in 35 states. On a trailing 12-month basis, USPH generated revenue of $208 million, EBITDA of $37 million and net income of $14 million.

This acquisition expands the buyer's network of outpatient clinics in the Southeast. The price paid implies a purchase price of $7.34 million, and a price to revenue multiple of 0.8x, for a 100% interest in the target business.

TARGET: **Orthotics and prosthetics company**  
LISTING: Private  
LOCATION:  
UNITS:  
REVENUE:  
NET INCOME:  

The target is a privately held provider of orthotics and prosthetics services.

**ANNOUNCEMENT DATE:** March 31, 2011  
**PRICE:** $5,800,000  
**TERMS:** Of the aggregate purchase price, $700,000 consisted of promissory notes, and $600,000 is made up of contingent consideration payable in the next two years.

**ACQUIRER:** **Hanger Orthopedic Group**  
LISTING: NYSE: HGR  
CEO: Thomas F. Kirk  
PHONE: 512-777-3800  
10910 Domain Drive, Suite 300  
Austin, Texas 78758  
WEB SITE: www.hanger.com

Hanger Orthopedic Group specializes in practice management for orthotics and prosthetics. On a trailing 12-month basis, HGR generated revenue of $836 million, EBITDA of $128 million and net income of $24 million.

This acquisition adds to the buyer's national network of providers of orthotics and prosthetics services.
TARGET:  RehabCare Group, Inc.

LISTING:  NYSE: RHB
LOCATION:  St. Louis, Missouri
UNITS:  680 S. Fourth Street
REVENUE:  $1,260,000,000
NET INCOME:  $141,000,000 (EBITDA)

RehabCare provides rehabilitation program management services in hospitals, skilled nursing facilities and outpatient settings. On a trailing 12-month basis, RHB generated revenue of $1.26 billion, EBITDA of $141 million and net income of $46 million.

ANNOUNCEMENT DATE:  February 8, 2011
PRICE:  $1,300,000,000 (approximate)
TERMS:  $26.00 in cash and 0.471 shares of KND stock for each share of RHB stock. Assumption of $413 million in debt.

ACQUIRER:  Kindred Healthcare Services, Inc.

LISTING:  NYSE: KND
CEO:  Paul Diaz  PHONE:  502-596-7300
680 S. Fourth Street  FAX:  502-596-7499
Louisville, Kentucky 40202
WEB SITE:  www.kindredhealthcare.com

KND provides health care services primarily for the elderly, operating long-term acute care hospitals and nursing homes, as well as providing ancillary services. On a trailing 12-month basis, KND generated revenue of $4.3 billion, EBITDA of $197 million and net income of $52 million.

PRICE PER UNIT:
PRICE/REVENUE:  1.03
PRICE/INCOME:  9.21

This bid offers RHB shareholders a 37% premium to the stock's prior-day price. The deal will expand KND's continuum of post-acute care services at its owned and managed centers. With operations in 46 states and annualized revenue of $6 billion, the resulting company will be the largest post-acute care provider in the country. Morgan Stanley and Citigroup provided KND and RHB, respectively, with financial advice on this transaction.
<table>
<thead>
<tr>
<th>TARGET</th>
<th>CITY</th>
<th>STATE</th>
<th>ACQUIRER</th>
<th>CITY</th>
<th>STATE</th>
<th>DATE</th>
<th>PRICE</th>
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<td>America Service Group, Inc.</td>
<td>Brentwood</td>
<td>Tennessee</td>
<td>Valitas Health Services</td>
<td>St. Louis</td>
<td>Missouri</td>
<td>3/3/11</td>
<td>$250,000,000</td>
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<td>Blythe Ambulance Service</td>
<td>Blythe</td>
<td>California</td>
<td>Emergency Medical Services Corp.</td>
<td>Greenwood Village</td>
<td>Colorado</td>
<td>1/5/11</td>
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<td>Breast Surgical Services, Inc.</td>
<td>Woodlands</td>
<td>Texas</td>
<td>United Medical Systems, Inc.</td>
<td>Westborough</td>
<td>Massachusetts</td>
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<td>Cascade Occupational Medicine Physicians, Inc.</td>
<td>Portland</td>
<td>Oregon</td>
<td>Humana, Inc.</td>
<td>Louisville</td>
<td>Kentucky</td>
<td>3/22/11</td>
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<td>Clinical development outsourcing business</td>
<td>Eden Prairie</td>
<td>Minnesota</td>
<td>inVentiv Health, Inc.</td>
<td>Somerset</td>
<td>New Jersey</td>
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<td>Constitution Eye Surgery Center, LLC.</td>
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<td>Connecticut</td>
<td>Hartford Hospital</td>
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<td>Emergency Medical Services Corp.</td>
<td>Greenwood Village</td>
<td>Colorado</td>
<td>Clayton, Dubill &amp; Rice, LLC</td>
<td>New York</td>
<td>New York</td>
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<td>Fairbanks Urgent Care Center</td>
<td>Fairbanks</td>
<td>Alaska</td>
<td>U.S. HealthWorks</td>
<td>Valencia</td>
<td>California</td>
<td>1/3/11</td>
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<td>Ferrosan Consumer Healthcare</td>
<td>Copenhagen</td>
<td>Denmark</td>
<td>Pfizer, Inc.</td>
<td>New York</td>
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<td>Focused Health Solutions</td>
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<td>Illinois</td>
<td>HealthFitness</td>
<td>Minneapolis</td>
<td>Minnesota</td>
<td>2/28/11</td>
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<td>Fresno Surgical Hospital</td>
<td>Fresno</td>
<td>California</td>
<td>St. Agnes Medical Center</td>
<td>Fresno</td>
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<td>Utah</td>
<td>CRIWorldwide, LLC</td>
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<td>The Woodlands</td>
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<td>Alberta</td>
<td>Total Safety</td>
<td>Houston</td>
<td>Texas</td>
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<td>Outpatient surgery center</td>
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<td>AnSurg Corporation</td>
<td>Nashville</td>
<td>Tennessee</td>
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<td>Dublin</td>
<td>Ireland</td>
<td>1/14/11</td>
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<td>Qualitix Clinical Research</td>
<td>Taipei</td>
<td>Taiwan</td>
<td>QS, LLC</td>
<td>Taipei</td>
<td>Taiwan</td>
<td>3/8/11</td>
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<td>Rural/Metro Corporation</td>
<td>Scottsdale</td>
<td>Arizona</td>
<td>Warburg Pincus, LLC</td>
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<td>CareCentrix, Inc.</td>
<td>East Hartford</td>
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<td>1/11/11</td>
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<td>Specialty Therapeutic Care</td>
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<td>Texas</td>
<td>Enhanced Equity Fund, LP</td>
<td>New York</td>
<td>New York</td>
<td>1/20/11</td>
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<td>Three Acute locations</td>
<td>Cleveland</td>
<td>Ohio</td>
<td>Hudec Dental</td>
<td>Cleveland</td>
<td>Ohio</td>
<td>2/21/11</td>
<td></td>
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<td>Two medical centers</td>
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<td>Florida</td>
<td>U.S. HealthWorks</td>
<td>Valencia</td>
<td>California</td>
<td>2/1/11</td>
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<td>Valesta</td>
<td>Mechelen</td>
<td>Belgium</td>
<td>On Assignment, Inc.</td>
<td>Caborasas</td>
<td>California</td>
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<td>Walgreen Health Initiatives</td>
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<td></td>
<td>Catalyst Health Solutions, Inc.</td>
<td>Rockville</td>
<td>Maryland</td>
<td>3/9/11</td>
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</tbody>
</table>
America Service Group provides managed health care services to correctional facilities. On a trailing 12-month basis, it generated revenue of $630 million, EBITDA of $22.5 million and net income of $9.7 million.

**TARGET:** America Service Group, Inc.  
**ACQUIRER:** Valitas Health Services

**LISTING:** NASDAQ: ASGR  
**LOCATION:** Brentwood, Tennessee  
**REVENUE:** $630,000,000  
**NET INCOME:** $22,500,000 (EBITDA)

Valitas is the parent of Correction Medical Services. In 2009, it generated revenue of $790 million.

**ANNOUNCEMENT DATE:** March 3, 2011  
**PRICE:** $250,000,000 (approximate)  
**TERMS:** $26.00 per share in cash.

The combination of these two companies creates an organization providing health care to inmates at 400 prisons; combined revenue for 2011 is expected to be $1.4 billion. The deal offers ASGR shareholders a 48.7% premium to the stock's prior-day price; however, relatively low acquisition multiples have prompted a number of lawsuits. Barclays Capital and BofA Merrill Lynch have provided customary mezzanine financing commitment letters for the deal.

Blythe Ambulance Service is a provider of medical transport services.

**TARGET:** Blythe Ambulance Service  
**ACQUIRER:** Emergency Medical Services Corp.

**LISTING:** Private  
**LOCATION:** Blythe, California  
**REVENUE:**  
**NET INCOME:**

Emergency Medical Services provides outsourced emergency department staffing and ambulance services through its two divisions. On a trailing 12-month basis, EMS generated revenue of $2.8 billion, EBITDA of $303 million and net income of $125 million.

**ANNOUNCEMENT DATE:** January 5, 2011  
**PRICE:** Not disclosed  
**TERMS:** Not disclosed

This acquisition is being carried out by EMS subsidiary American Medical Response (AMR). AMR already holds the 9-1-1 contract with Riverside County so this transaction increases its capacity to fulfill that contract.
TARGET:  
**Breast Surgical Services, Inc.**

**LISTING:** Private  
**LOCATION:** Woodlands, Texas  
**UNITS:**  
**REVENUE:**  
**NET INCOME:**

Breast Surgical Services is a provider of stereotactic breast surgical procedures.

**ANNOUNCEMENT DATE:** January 10, 2011  
**PRICE:** Not disclosed  
**TERMS:** Cash  

This acquisition expands the buyer's presence in the southern Texas market for breast surgical procedures, primarily breast biopsies.

ACQUIRER:  
**United Medical Systems, Inc.**

**LISTING:** Private  
**CEO:** Jorgen Madsen  
**PHONE:** 508-870-6565  
**FAX:** 508-870-0682  
**LOCATION:** Westborough, Massachusetts 1581  
**WEB SITE:** www.ums-usa.com

United Medical Systems, a subsidiary of Germany's United Medical Systems International AG, has contracts with 625 medical centers internationally to provide lithotripsy and stereotactic breast biopsy services and procedures.

**PRICE PER UNIT:** Not disclosed  
**PRICE/REVENUE:** Not disclosed  
**PRICE/INCOME:** Not disclosed

TARGET:  
**Cascade Occupational Medicine Physicians, Inc.**

**LISTING:** Private  
**LOCATION:** Portland, Oregon  
**UNITS:**  
**REVENUE:**  
**NET INCOME:**

Cascade Occupational Medicine Physicians operates two medical centers in Hillsboro and Portland, where they provide occupational health services and urgent care, as well as physical therapy, wellness and other services.

**ANNOUNCEMENT DATE:** March 22, 2011  
**PRICE:** Not disclosed  
**TERMS:** Not disclosed  

This acquisition is being carried out by HUM subsidiary, Concentra, a division recently acquired. This deal enlarges Concentra's footprint in the greater Portland market. The target also provides services in Swan lake and Lake Oswego.

ACQUIRER:  
**Humana, Inc.**

**LISTING:** NYSE: HUM  
**CEO:** Michael B. McCallister  
**PHONE:** 502-580-1000  
**FAX:** 502-580-3639  
**LOCATION:** Louisville, Kentucky 40202  
**WEB SITE:** www.humana.com

Humana offers various health and supplemental benefit plans. On a trailing 12-month basis, it generated revenue of $33.2 billion, EBITDA of $2.3 billion and net income of $1.2 billion.

**PRICE PER UNIT:** Not disclosed  
**PRICE/REVENUE:** Not disclosed  
**PRICE/INCOME:** Not disclosed
TARGET: *Clinical development outsourcing business*  
**LISTING:** Private  
**LOCATION:** Eden Prairie, Minnesota  
**UNITS:** 500 Atrium Drive  
**REVENUE:** $400,000,000  
**NET INCOME:**  

Ingenix is selling its i3 clinical development outsourcing business. The assets generate gross annual revenue of $400 million.

**ANNOUNCEMENT DATE:** January 20, 2011  
**PRICE:** Not disclosed  
**TERMS:** Not disclosed  

This is the buyer's first major acquisition since being privatized in mid-2010. The acquired assets include i3 Research, i3 Statprobe and i3 Pharma Resourcing. Ingenix is realigning its remaining business under its newly launched Ingenix Life Sciences division.

### TARGET: *Constitution Eye Surgery Center, LLC.*

**LISTING:** Private  
**LOCATION:** Newington, Connecticut  
**UNITS:** 10,600 (annual procedures)  
**REVENUE:** $14,232,000 (2011)  
**NET INCOME:** $5,322,000 (NOI)  

Constitution Eye Surgery Center is an outpatient surgery center focused on ophthalmological procedures, 70% of which involve cataracts. Thirty physicians use its four operating rooms. In 2010, 10,600 procedures were performed.

**ANNOUNCEMENT DATE:** January 20, 2011  
**PRICE:** $27,500,000  
**TERMS:** Not disclosed  

CESC is in need of maintenance and upgrades to the physical plant, which is 12 years old, and requires the implementation of electronic health records. Accordingly, it sought the resources of a larger provider. This acquisition extends the buyer's network of surgical facilities. Initial funding for this deal will come from the hospital's line of credit with Bank of America, and from restructuring the hospital's debt later in 2011. Census for the center is approximately 62% Medicare, 4% Medicaid and 33% commercial insurance.

### ACQUIRER: *Hartford Hospital*

**LISTING:** Nonprofit  
**CEO:** Elliot Joseph  
**PHONE:** 860-545-5000  
**FAX:** 860-545-5066  
**WEB SITE:** www.harthosp.org

Hartford Hospital is a 799-bed acute care facility. For 2009, the hospital generated net patient revenue of $707.2 million and EBITDA of $46.9 million.

**PRICE:** $27,500,000  
**PRICE PER UNIT:** 2,594  
**PRICE/REVENUE:** 1.93  
**PRICE/INCOME:** 5.16
TARGET: Emergency Medical Services Corp.

LISTING: NYSE: EMS
LOCATION: Greenwood Village, Colorado
UNITS: 
REVENUE: $2,780,000,000
NET INCOME: $303,000,000 (EBITDA)

EMS operates American Medical Response, a medical transport unit, and Emcare, an emergency room-focused PPM. On a trailing 12-month basis, it generates revenue of $2.78 billion, EBITDA of $303 million and net income of $125 million.

ANNOUNCEMENT DATE: February 14, 2011
PRICE: $3,200,000,000 (approximate)
TERMS: $64.00 per share. Price includes assumption of about $934 million in indebtedness.

This bid offers EMS shareholders a 9% discount to the stock's prior-day price; however, it is 19% above the price the day before the company said it would seek strategic alternatives. The buyer may seek to unlock value by separating the medical transport and physician practice management parts of the business. Goldman Sachs and Bank of America advised EMS. Barclays Capital, Deutsche Bank Securities, BofA Merrill Lynch, affiliates of Morgan Stanley, RBC Capital Markets and UBS Investment Bank have committed financing to help the buyer close the deal.

TARGET: Fairbanks Urgent Care Center

LISTING: Private
LOCATION: Fairbanks, Alaska
UNITS: 
REVENUE: 
NET INCOME:

Fairbanks Urgent Care Center offers urgent care, occupational medicine and physical therapy services.

ANNOUNCEMENT DATE: January 3, 2011
PRICE: Not disclosed
TERMS: Not disclosed

This acquisition raises the buyer's number of centers in Alaska to five.
TARGET:  *Ferrosan Consumer Healthcare*

**LISTING:** Private  
**LOCATION:** Copenhagen, Denmark  
**REVENUE:**  
**NET INCOME:**

Ferrosan Consumer Health sells science-based consumer health care products, primarily in the Nordic region and in emerging markets in central and eastern Europe.

**ANNOUNCEMENT DATE:** February 7, 2011  
**PRICE:** (approximate)  
**TERMS:** Not disclosed

**ACQUIRER: Pfizer, Inc.**

**LISTING:** NYSE: PFE  
**CEO:** Ian C. Read  
**PHONE:** 212-573-2323  
**LOCATION:** New York, New York 10017  
**WEB SITE:** [www.pfizer.com](http://www.pfizer.com)

Pfizer is the world's largest manufacturer of pharmaceuticals. On a trailing 12-month basis, PFE generated revenue of $67 billion, EBITDA of $27 billion and net income of $6 billion.

**PRICE PER UNIT:** Not disclosed  
**PRICE/REVENUE:** Not disclosed  
**PRICE/INCOME:** Not disclosed

This acquisition expands the buyer's presence in dietary supplements. The target will operate as part of Pfizer Consumer Healthcare. Barclays Capital and Guggenheim Securities provided PFE with financial advice on this deal.

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TARGET: *Focused Health Solutions*

**LISTING:** Private  
**LOCATION:** Deerfield, Illinois  
**REVENUE:**  
**NET INCOME:**

Focused Health Solutions, through its proprietary technology platform, offers its clients disease management programs. It has programs specializing in diabetes, hypertension, congestive heart failure, coronary artery disease and asthma.

**ANNOUNCEMENT DATE:** February 28, 2011  
**PRICE:** Not disclosed  
**TERMS:** Not disclosed

**ACQUIRER: HealthFitness**

**LISTING:** Private  
**CEO:** Paul Lotharius  
**PHONE:** 800-639-7913  
**LOCATION:** Minneapolis, Minnesota 55431  
**WEB SITE:** [www.hfit.com](http://www.hfit.com)

A Trustmark portfolio company, HealthFitness provides integrated health promotion and fitness management solutions to large employers and others.

**PRICE PER UNIT:** Not disclosed  
**PRICE/REVENUE:** Not disclosed  
**PRICE/INCOME:** Not disclosed

Acquiring and integrating the target's programs allows the buyer to offer its customers a greater range of disease and fitness management programs.
TARGET: *Fresno Surgical Hospital*  
**LISTING:** Private  
**LOCATION:** Fresno, California  
**UNITS:** 31 (suites)  
**REVENUE:**  
**NET INCOME:**  

Texas-based Cirrus Health is selling its 51% interest in Fresno Surgical Hospital, an outpatient surgical facility that has 31 suites.  

**ANNOUNCEMENT DATE:** January 13, 2011  
**PRICE:** Not disclosed  
**TERMS:** For a 51% interest.  

A group of physicians will retain the remaining 49% stake. This deal enlarges the surgical capacity of the buyer, and expands its local facility network.

**ACQUIRER: St. Agnes Medical Center**  
**LISTING:** Nonprofit  
**CEO:** Nancy Hollingsworth  
**PHONE:** 559-450-3000  
**FAX:**  
**LOCATION:** Fresno, California 93720  
**WEB SITE:** www.samc.com  

A member of Trinity Health, St. Agnes Medical Center is a 436-bed acute care facility.

**TARGET: Lifetree Clinical Research, LC**  
**LISTING:** Private  
**LOCATION:** Salt Lake City, Utah  
**UNITS:** 60 (beds)  
**REVENUE:**  
**NET INCOME:**  

Lifetree Clinical Research offers multi-therapeutic clinical trials management site expertise in phase 1-4 clinical trials at its 60-bed research facility.

**ANNOUNCEMENT DATE:** January 12, 2011  
**PRICE:** Not disclosed  
**TERMS:** Not disclosed  

This acquisition of the target's 60 beds strengthens the buyer's clinical pharmacology network, doubling its capacity to 120 beds.

**ACQUIRER: CRI Worldwide, LLC**  
**LISTING:** Private  
**CEO:** Jeffrey Kinell  
**PHONE:** 856-533-5020  
**FAX:** 856-235-0048  
**LOCATION:** Mount Laurel, New Jersey 8054  
**WEB SITE:** www.criww.com  

CRI Worldwide is a clinical research organization with expertise in psychiatry, pediatrics, pain and neurology.
TARGET:  
**MES Group, Inc.**

**LISTING:** Private  
**LOCATION:** The Woodlands, Texas  
**UNITS:**  
**REVENUE:** $129,000,000 (2010)  
**NET INCOME:**  

MES Group is a provider of independent medical examinations, peer reviews and utilization reviews to various markets.

**ANNOUNCEMENT DATE:** January 11, 2011  
**PRICE:** $210,000,000 (approximate)  
**TERMS:** $175 million in cash, $25 million in 1,424,501 shares of stock; up to $10 million in assumed debt.

This acquisition expands the buyer's business footprint and revenue stream. It is EXAM's second acquisition since going public in October 2010. The deal is to be funded from cash on hand and the company's revolving credit facility. William Blair and Raymond James provided financial advice on this deal to EXAM and MES, respectively.

ACQUIRER:  
**ExamWorks Group, Inc.**

**LISTING:** NYSE: EXAM  
**CEO:** James K. Price  
**PHONE:** 404-952-2400  
**FAX:** 404-846-1554  
**WEB SITE:** www.examworks.com

ExamWorks provides independent medical examinations, peer and bill reviews to a variety of industries. On a trailing 12-month basis, it generated revenue of $125 million, EBITDA of $19 million and a net loss of $3 million.

**PRICE PER UNIT:**  
**PRICE/REVENUE:** 1.62  
**PRICE/INCOME:**

TARGET:  
**NovaMed, Inc.**

**LISTING:** NASDAQ: NOVA  
**LOCATION:** Chicago, Illinois  
**UNITS:** 37 (surgery centers)  
**REVENUE:** $155,000,000  
**NET INCOME:** $42,000,000 (EBITDA)

NovaMed owns and operates outpatient surgery centers. It operates 37 such centers in 19 states. On a trailing 12-month basis, it generated revenue of $155 million, EBITDA of $42 million and net income of $6.4 million.

**ANNOUNCEMENT DATE:** January 21, 2011  
**PRICE:** $214,000,000 (approximate)  
**TERMS:** $13.25 per share in cash; assumption of $105 million in debt.

The deal enlarges and extends the buyer's network of outpatient surgery centers. This bid is being made by Surgery Center Holdings affiliate Surgery Partners. It offers NOVA shareholders a 54.6% premium to the stock's price before the buyer made its first bid on August 2, 2010. Jefferies Finance LLC and THL Credit have committed to provide debt financing for this deal. William Blair & Co. provided NOVA with financial advice on this deal. This deal closed on May 4, 2011.

ACQUIRER:  
**Surgery Center Holdings, inc.**

**LISTING:** Private  
**CEO:** Michael Doyle  
**PHONE:** 813-569-6500  
**FAX:** 813-569-6262  
**WEB SITE:** www.surgery-partners.com

An H.I.G. Capital portfolio company, Surgery Center Holdings acquires, develops and manages outpatient surgery centers. It currently owns and operates 12 such centers.

**PRICE PER UNIT:** $5,783,784  
**PRICE/REVENUE:** 1.38  
**PRICE/INCOME:** 5.09
TARGET:  
On.Site Advanced Medical Services

ACQUIRER:  Total Safety

On.Site Advanced Medical Services is a provider of remote mobile medical services and occupational health care. The company offers medical technicians, mobile treatment centers, ambulances for industrial clients in Alberta and British Columbia.

A DJL Merchant Banking Partners portfolio company, Total Safety is a provider of integrated safety strategies for clients.

ANNOUNCEMENT DATE:  March 29, 2011
PRICE:  Not disclosed
TERMS:  Not disclosed

This acquisition expands the buyer's ability to service clients in Alberta and British Columbia. Added services include medical transport. The target business was founded by paramedics, who are staying on after the deal closes.

TARGET:  Outpatient surgery center

ACQUIRER:  AmSurg Corporation

The target is an outpatient surgery center.

AmSurg owns a majority interest in and operates 202 outpatient surgery centers. On a trailing 12-month basis, the company generated revenue of $710 million, EBITDA of $254 million and net income of $52 million.

ANNOUNCEMENT DATE:  February 1, 2011
PRICE:  $3,800,000 (approximate)
TERMS:  For a majority interest.

This acquisition enlarges the buyer's national network of ambulatory surgery centers.
TARGET: *Oxford Outcomes*

LISTING: Private
LOCATION: Oxford, England
UNITS: South County Business Park
REVENUE: Dublin, Ireland 18
NET INCOME: 

Oxford Outcomes provides specialist services in the areas of patient reported outcomes, health economics, epidemiology and translation to the CRO industry. It also has offices in the United States and Canada.

ANNOUNCEMENT DATE: January 14, 2011
PRICE: Not disclosed
TERMS: Not disclosed

ICLR is a CRO providing clinical research and development services on a global basis to the pharmaceutical and biotechnology industries. On a trailing 12-month basis, ICON generated revenue of $895 million, EBITDA of $134 million and net income of $96 million.

PRICE PER UNIT: Not disclosed
PRICE/REVENUE: 
PRICE/INCOME: 

This acquisition strengthens ICLR's capabilities in providing clients with health outcomes services. Fairmont Partners provided Oxford Outcomes with financial advice on this deal.


TARGET: *Qualitix Clinical Research*

LISTING: Private
LOCATION: Taipei, Taiwan
UNITS: Building F, Nan Kang Biotech Park
REVENUE: 
NET INCOME: 

Qualitix is a full-service CRO with offices in Taiwan and China. Its areas of expertise include toxicology, DMPK, bioanalytical, translational medicine, early stage clinical and late-stage clinical research.

ANNOUNCEMENT DATE: March 8, 2011
PRICE: Not disclosed
TERMS: For a majority interest.

QPS is a contract research organization with offices in Taiwan and the United States. It supports discovery, preclinical and clinical drug development.

PRICE PER UNIT: 
PRICE/REVENUE: 
PRICE/INCOME: 

This acquisition vertically integrates Qualitix and QPS, offering clients a broader range of CRO services and enlarged capacity. Qualitix is a spin-off of the biotech company Genovate, Inc.
### Target: Regulus Pharmaceutical Consulting, Inc.

**Listing:** Private  
**Location:** Boulder, Colorado  
**Units:**  
**Revenue:**  
**Net Income:**

Regulus Pharmaceutical Consulting is a regulatory affairs and quality assurance consultancy to the life sciences industry.

**Announcement Date:** March 1, 2011  
**Price:** Not disclosed  
**Terms:** Not disclosed

This acquisition enlarges the buyer's overall CRO business by expanding its regulatory and strategic development expertise.

### Acquirer: Clinipace Worldwide

**Listing:** Private  
**CEO:** Jeff Williams  
**Phone:** 919-224-8800  
**Fax:** 919-321-2322  
**Web Site:** www.clinipace.com  

Clinipace Worldwide is a global clinical research organization (CRO) specializing in fully-integrated research services for growth-oriented and mid-tier biopharmaceutical and medical device firms.

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### Target: Rural/Metro Corporation

**Listing:** NASDAQ: RURL  
**Location:** Scottsdale, Arizona  
**Units:**  
**Revenue:** $548,000,000  
**Net Income:** $71,000,000 (EBITDA)

Rural/Metro Corp. provides medical transport and ambulance response services. On a trailing 12-month basis, RURL generated revenue of $548 million, EBITDA of $71 million and net income of $7 million.

**Announcement Date:** March 28, 2011  
**Price:** $438,000,000 (approximate)  
**Terms:** $17.25 per share in cash.

This bid offers RURL shareholders a 37% premium to the stock's prior-day price; however, announcement of the deal spiked the share price, effectively eliminating the premium and initiating a number of shareholder lawsuits. The deal allows RURL to grow without the unwelcome scrutiny the company had been receiving. RBC Capital Markets and Moelis & Company are providing RURL with financial advice while Citigroup Global Markets, Inc., Credit Suisse and Jefferies & Company are providing Warburg Pincus with similar advice.

### Acquirer: Warburg Pincus, LLC

**Listing:** Private  
**CEO:** Sean Carney  
**Phone:** 212-878-0600  
**Fax:** 212-878-9351  
**Web Site:** www.warburgpincus.com  

Warburg Pincus is a private equity firm. The organization has invested more than $26 billion in over 570 companies in over 30 countries.
TARGET: Sleep Management Solutions, LLC

ACQUIRER: CareCentrix, Inc.

LISTING: Private
LOCATION: Suffield, Connecticut
CEO: Eric Reimer
PHONE: 860-528-4038
FAX: 323 Pitkin Street
WEB SITE: www.carecentrix.com

LISTING: Private
LOCATION: East Hartford, Connecticut 6108
CEO: Eric Reimer
PHONE: 860-528-4038
FAX: 323 Pitkin Street
WEB SITE: www.carecentrix.com

LISTING: Private
LOCATION: Suffield, Connecticut
CEO: Eric Reimer
PHONE: 860-528-4038
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LISTING: Private
LOCATION: East Hartford, Connecticut 6108
CEO: Eric Reimer
PHONE: 860-528-4038
FAX: 323 Pitkin Street
WEB SITE: www.carecentrix.com

Sleep Management Solutions (SMS) is a sleep benefits management company that works with payors to manage the costs associated with sleep services, particularly in the home setting.

A Water Street Healthcare Partners portfolio company, CareCentrix manages home nursing, infusion and medical equipment services. It has contracted revenue of about $600 million.

This acquisition adds to the buyer's range of cost containment services. SMS's solutions help contain the cost of diagnostic testing and medical equipment for patients with sleep disorders.

TARGET: Specialty Therapeutic Care

ACQUIRER: Enhanced Equity Fund, LP

LISTING: Private
LOCATION: Houston, Texas
CEO: Christopher Garcia
PHONE: 212-207-3386
FAX: 212-207-9031
WEB SITE: www.enhancedequity.com

LISTING: Private
LOCATION: New York, New York 10022
CEO: Christopher Garcia
PHONE: 212-207-3386
FAX: 212-207-9031
WEB SITE: www.enhancedequity.com

LISTING: Private
LOCATION: Houston, Texas
CEO: Christopher Garcia
PHONE: 212-207-3386
FAX: 212-207-9031
WEB SITE: www.enhancedequity.com

LISTING: Private
LOCATION: New York, New York 10022
CEO: Christopher Garcia
PHONE: 212-207-3386
FAX: 212-207-9031
WEB SITE: www.enhancedequity.com

Specialty Therapeutic Care is a specialty pharmacy and a leading distributor of blood products and pharmaceuticals.

Enhanced Equity Fund is a private equity fund. It is focused on providing capital to lower-middle market growth companies (generally with less than $100 million in revenue). Most of its portfolio companies are in the health care space.

This investment provides STC with the resources to grow and take market share in the specialty pharmaceuticals industry. The Braff Group served as M&A advisor to STC in this deal.
TARGET: **Three Allcare locations**

**LISTING:** Private  
**LOCATION:** Cleveland, Ohio  
**UNITS:**  
**REVENUE:**  
**NET INCOME:**

The target includes three locations in the Cleveland market that formerly provided dental care under the Allcare name. They are located in Mentor, Middleburg Heights and Canton.

**ANNOUNCEMENT DATE:** February 21, 2011  
**PRICE:** Not disclosed  
**TERMS:** Not disclosed

Allcare abruptly closed at the end of 2010. In addition to acquiring these three locations, which allows Hudec to expand its dental office network, the company has also become custodian of patient dental and lab records for seven closed Allcare locations.

**ACQUIRER:** **Hudec Dental**

**LISTING:** Private  
**CEO:** John Hudec  
**PHONE:** 216-325-9777  
**FAX:**  
Cleveland, Ohio  
**WEB SITE:** www.hudecdental.com

Hudec Dental provides dental services to 78,000 patients through 11 locations in Northeast Ohio.

**TARGET:** **Two medical centers**

**LISTING:** Private  
**LOCATION:** Ft. Lauderdale, Florida  
**UNITS:**  
**REVENUE:**  
**NET INCOME:**

The targets include Medwork 84 in Ft. Lauderdale and Medstar in Pompano Beach. Both offer occupational medicine services, including diagnosis and treatment for injury and illness, among other services.

**ANNOUNCEMENT DATE:** February 1, 2011  
**PRICE:** Not disclosed  
**TERMS:** Not disclosed

This acquisition expands the buyer's clinic network in Florida.

**ACQUIRER:** **U.S. HealthWorks**

**LISTING:** Private  
**CEO:** Daniel D. Crowley  
**PHONE:** 661-678-2600  
**FAX:** 661-678-2700  
25124 Springfield Court  
Valencia, California 91355  
**WEB SITE:** www.ushealthworks.com

TARGET: Valesta

LISTING: Private
LOCATION: Mechelen, Belgium

TARGET: Walgreen Health Initiatives

LISTING: NYSE: WAG
LOCATION: 11,000,000 (PBM members)

Acquirer: On Assignment, Inc.

LISTING: NASDAQ: ASGN
CEO: Peter Dameris
PHONE: 818-878-7900
LOCATION: 26745 Malibu Hills Road
NET INCOME:
FAX: 818-878-7930
WEB SITE: www.onassignment.com

Announcement Date: February 28, 2011
Price: $24,888,000 (approximate)
Price Per Unit:
Terms: Eur 12.8 million; earnout of up to Eur 5.2 million based on financial performance over the next three years.
Price/Revenue:
Price/Income:

Valesta is a provider of staffing services in the area of clinical research in Western Europe. ASGN provides temporary professionals in certain industries: biotech, pharma, food and beverage, chemical, environmental and health care. On a trailing 12-month basis, ASGN generated revenue of $438 million, EBITDA of $27 million and a net loss of $9.9 million.

This acquisition expands the buyer's footprint in Europe and adds to the company's service offerings within the life sciences industry.

Acquirer: Catalyst Health Solutions, Inc.

LISTING: NASDAQ: CHSI
CEO: David T. Blair
PHONE: 301-548-2900
LOCATION: 800 King Farm Boulevard
NET INCOME:
FAX: 301-548-2991
WEB SITE: www.chsi.com

Announcement Date: March 9, 2011
Price: $525,000,000
Price Per Unit: $48
Price/Revenue:
Price/Income:

Walgreen Cos. is selling Walgreen Health Initiatives, its pharmacy benefit manager subsidiary. In 2010, it processed 88 million prescriptions and covered 11 million lives.

Catalyst Health Solutions, through its subsidiaries, operates as a pharmacy benefit management company. On a trailing 12-month basis, CHSI generated revenue of $3.76 billion, EBITDA of $152 million and net income of $81 million.

This acquisition expands the buyer's core PBM business. CHSI will, in turn, provide PBM services for WAG. Once the deal closes, CHSI will serve 18 million lives and handle 165 million prescriptions annually. Citi, Goldman Sachs and Jefferies & Co. provided WAG with financial advice while BofA Merrill Lynch provided CHSI with similar advice.
<table>
<thead>
<tr>
<th>Name</th>
<th>Sector</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>14-clinic physical therapy group</td>
<td>Rehabilitation</td>
<td>155</td>
</tr>
<tr>
<td>20 independent and assisted living facilities</td>
<td>Long-Term Care</td>
<td>71</td>
</tr>
<tr>
<td>Abbott Laboratories</td>
<td>Biotechnology</td>
<td>12</td>
</tr>
<tr>
<td>Acadiana Management Group, LLC</td>
<td>Hospitals</td>
<td>45, 56</td>
</tr>
<tr>
<td>AccelPath, LLC</td>
<td>e-Health</td>
<td>27</td>
</tr>
<tr>
<td>Accuray, Inc.</td>
<td>Medical Devices</td>
<td>119</td>
</tr>
<tr>
<td>Accuray Cytometers, Inc.</td>
<td>Medical Devices</td>
<td>99</td>
</tr>
<tr>
<td>Acne treatment collaboration</td>
<td>Biotechnology</td>
<td>11</td>
</tr>
<tr>
<td>Actient Pharmaceuticals, LLC</td>
<td>Medical Devices</td>
<td>118</td>
</tr>
<tr>
<td>AdCare Health Systems, Inc.</td>
<td>Long-Term Care</td>
<td>76</td>
</tr>
<tr>
<td>AdvantEdge Healthcare Solutions</td>
<td>e-Health</td>
<td>27</td>
</tr>
<tr>
<td>ADVENTRX Pharmaceuticals, Inc.</td>
<td>Biotechnology</td>
<td>21</td>
</tr>
<tr>
<td>Alexion Pharmaceuticals, Inc.</td>
<td>Biotechnology</td>
<td>22</td>
</tr>
<tr>
<td>Align Technology, Inc.</td>
<td>Medical Devices</td>
<td>103</td>
</tr>
<tr>
<td>Almost Family, Inc.</td>
<td>Home Health Care</td>
<td>37</td>
</tr>
<tr>
<td>AltheRx, Inc.</td>
<td>Pharmaceuticals</td>
<td>134</td>
</tr>
<tr>
<td>America Service Group, Inc.</td>
<td>Other</td>
<td>161</td>
</tr>
<tr>
<td>American Senior Living Communities</td>
<td>Long-Term Care</td>
<td>80</td>
</tr>
<tr>
<td>Amgen, Inc.</td>
<td>Biotechnology</td>
<td>14</td>
</tr>
<tr>
<td>AMSplus, Inc.</td>
<td>e-Health</td>
<td>27</td>
</tr>
<tr>
<td>AmSurg Corporation</td>
<td>Other</td>
<td>168</td>
</tr>
<tr>
<td>Antibody technology collaboration</td>
<td>Biotechnology</td>
<td>11</td>
</tr>
<tr>
<td>Antibody-drug conjugate collaboration</td>
<td>Biotechnology</td>
<td>12</td>
</tr>
<tr>
<td>Anti-cancer monoclonal antibody</td>
<td>Biotechnology</td>
<td>12</td>
</tr>
<tr>
<td>Anti-inflammatory alliance</td>
<td>Biotechnology</td>
<td>13</td>
</tr>
<tr>
<td>Antula Healthcare AB</td>
<td>Pharmaceuticals</td>
<td>125</td>
</tr>
<tr>
<td>Apria Healthcare Group</td>
<td>Home Health Care</td>
<td>39</td>
</tr>
<tr>
<td>Ark Holdings, Inc.</td>
<td>Long-Term Care</td>
<td>79</td>
</tr>
<tr>
<td>ArtusLabs, Inc.</td>
<td>Medical Devices</td>
<td>99</td>
</tr>
<tr>
<td>Associated Cardiovascular Consultants</td>
<td>Physician Medical Groups</td>
<td>141</td>
</tr>
<tr>
<td>Astellas Pharma, Inc.</td>
<td>Pharmaceuticals</td>
<td>133</td>
</tr>
<tr>
<td>ATG Rehab</td>
<td>Medical Devices</td>
<td>100</td>
</tr>
<tr>
<td>Athena Diagnostics</td>
<td>Laboratories, MRI and Dialysis</td>
<td>61</td>
</tr>
<tr>
<td>Atherotech</td>
<td>Medical Devices</td>
<td>100</td>
</tr>
<tr>
<td>Atritech, Inc.</td>
<td>Medical Devices</td>
<td>101</td>
</tr>
<tr>
<td>Audax Group</td>
<td>Medical Devices</td>
<td>100</td>
</tr>
<tr>
<td>Autoimmune disease collaboration</td>
<td>Biotechnology</td>
<td>13</td>
</tr>
<tr>
<td>Avanti Hospitals, LLC</td>
<td>Hospitals</td>
<td>45</td>
</tr>
<tr>
<td>Bacterin International Holdings, Inc.</td>
<td>Medical Devices</td>
<td>117</td>
</tr>
<tr>
<td>BD</td>
<td>Medical Devices</td>
<td>99</td>
</tr>
<tr>
<td>Beckman Coulter, Inc.</td>
<td>Medical Devices</td>
<td>101</td>
</tr>
<tr>
<td>Behrman Capital</td>
<td>Medical Devices</td>
<td>100</td>
</tr>
<tr>
<td>Beijing Skywing Technology</td>
<td>Medical Devices</td>
<td>102</td>
</tr>
<tr>
<td>Benchmark Senior Living properties</td>
<td>Long-Term Care</td>
<td>71</td>
</tr>
<tr>
<td>Biotectix, LLC</td>
<td>Medical Devices</td>
<td>105</td>
</tr>
<tr>
<td>Biothera</td>
<td>Biotechnology</td>
<td>12</td>
</tr>
<tr>
<td>BioTimes, Inc.</td>
<td>Biotechnology</td>
<td>17</td>
</tr>
<tr>
<td>BioVex Group, Inc.</td>
<td>Biotechnology</td>
<td>14</td>
</tr>
<tr>
<td>Blythe Ambulance Service</td>
<td>Other</td>
<td>161</td>
</tr>
<tr>
<td>Company Name</td>
<td>Sector</td>
<td>Page Numbers</td>
</tr>
<tr>
<td>------------------------------------------------------------------------------</td>
<td>----------------------------</td>
<td>--------------</td>
</tr>
<tr>
<td>Boehringer Ingelheim GmbH</td>
<td>Pharmaceuticals</td>
<td>127</td>
</tr>
<tr>
<td>Boston Scientific Corporation</td>
<td>Medical Devices</td>
<td>101, 110</td>
</tr>
<tr>
<td>Brandywine portfolio</td>
<td>Long-Term Care</td>
<td>72</td>
</tr>
<tr>
<td>Breast Surgical Services, Inc.</td>
<td>Other</td>
<td>162</td>
</tr>
<tr>
<td>Byers Peak</td>
<td>Medical Devices</td>
<td>102</td>
</tr>
<tr>
<td>Cadent Holdings, Inc.</td>
<td>Medical Devices</td>
<td>103</td>
</tr>
<tr>
<td>Calistoga Pharmaceuticals, Inc.</td>
<td>Biotechnology</td>
<td>14</td>
</tr>
<tr>
<td>Cambridge Place</td>
<td>Long-Term Care</td>
<td>72</td>
</tr>
<tr>
<td>CambridgeSoft Corp.</td>
<td>Medical Devices</td>
<td>103</td>
</tr>
<tr>
<td>Camelot System of Care</td>
<td>Behavioral Health Care</td>
<td>5</td>
</tr>
<tr>
<td>Cancer collaboration</td>
<td>Biotechnology</td>
<td>15</td>
</tr>
<tr>
<td>Cancer therapeutics partnership</td>
<td>Biotechnology</td>
<td>15</td>
</tr>
<tr>
<td>Capital Health Group, LLC</td>
<td>Long-Term Care</td>
<td>87</td>
</tr>
<tr>
<td>Cardiogenesis Corporation</td>
<td>Medical Devices</td>
<td>104</td>
</tr>
<tr>
<td>Cardiology Associates, PC</td>
<td>Physician Medical Groups</td>
<td>141</td>
</tr>
<tr>
<td>Cardiovascular Consultants, Ltd.</td>
<td>Physician Medical Groups</td>
<td>143</td>
</tr>
<tr>
<td>CareCentric assets</td>
<td>e-Health</td>
<td>28</td>
</tr>
<tr>
<td>CareCentrix, Inc.</td>
<td>Other</td>
<td>171</td>
</tr>
<tr>
<td>Carefx Corporation</td>
<td>e-Health</td>
<td>28</td>
</tr>
<tr>
<td>Caregivers Health Network, Inc.</td>
<td>Home Health Care</td>
<td>37</td>
</tr>
<tr>
<td>CaridianBCT</td>
<td>Medical Devices</td>
<td>104</td>
</tr>
<tr>
<td>Carle Foundation Hospital</td>
<td>Hospitals</td>
<td>47</td>
</tr>
<tr>
<td>Carondelet Health Network</td>
<td>Physician Medical Groups</td>
<td>148</td>
</tr>
<tr>
<td>Cascade Occupational Medicine Physicians, Inc.</td>
<td>Other</td>
<td>162</td>
</tr>
<tr>
<td>Catalyst Health Solutions, Inc.</td>
<td>Other</td>
<td>173</td>
</tr>
<tr>
<td>Celera Corporation</td>
<td>Laboratories, MRI and Dialysis</td>
<td>61</td>
</tr>
<tr>
<td>Cell Therapeutics, Inc.</td>
<td>Biotechnology</td>
<td>20</td>
</tr>
<tr>
<td>Central Coast Clinical Laboratories</td>
<td>Laboratories, MRI and Dialysis</td>
<td>62</td>
</tr>
<tr>
<td>CEP America</td>
<td>Physician Medical Groups</td>
<td>148</td>
</tr>
<tr>
<td>Cephalon, Inc.</td>
<td>Biotechnology</td>
<td>16, 19, 128</td>
</tr>
<tr>
<td>Chameleon BioSurfaces assets</td>
<td>Medical Devices</td>
<td>105</td>
</tr>
<tr>
<td>Charlton Place</td>
<td>Long-Term Care</td>
<td>73</td>
</tr>
<tr>
<td>chemagen Biopolymer-Technologie AG</td>
<td>Medical Devices</td>
<td>105</td>
</tr>
<tr>
<td>Chemgenex Pharmaceuticals, Ltd.</td>
<td>Biotechnology</td>
<td>16</td>
</tr>
<tr>
<td>Christus St. Joseph Villa, Marian Center</td>
<td>Long-Term Care</td>
<td>73</td>
</tr>
<tr>
<td>Circle City Medical, Inc.</td>
<td>Medical Devices</td>
<td>106</td>
</tr>
<tr>
<td>Clayton, Dubilier &amp; Rice, LLC</td>
<td>Other</td>
<td>164</td>
</tr>
<tr>
<td>Clinical Data, Inc.</td>
<td>Pharmaceuticals</td>
<td>125</td>
</tr>
<tr>
<td>Clinical development outsourcing business</td>
<td>Other</td>
<td>163</td>
</tr>
<tr>
<td>Clinipace Worldwide</td>
<td>Other</td>
<td>170</td>
</tr>
<tr>
<td>Coast Plaza Hospital</td>
<td>Hospitals</td>
<td>45</td>
</tr>
<tr>
<td>Columbia Pacific Management</td>
<td>Long-Term Care</td>
<td>88</td>
</tr>
<tr>
<td>Community Health Systems, Inc.</td>
<td>Hospitals</td>
<td>50</td>
</tr>
<tr>
<td>Constitution Eye Surgery Center, LLC.</td>
<td>Other</td>
<td>163</td>
</tr>
<tr>
<td>Cornerstone Healthcare Plus REIT</td>
<td>Long-Term Care</td>
<td>76</td>
</tr>
<tr>
<td>CPEX Pharmaceuticals, Inc.</td>
<td>Pharmaceuticals</td>
<td>126</td>
</tr>
<tr>
<td>Crawford Healthcare Holdings</td>
<td>Medical Devices</td>
<td>115</td>
</tr>
<tr>
<td>CRI Worldwide, LLC</td>
<td>Other</td>
<td>166</td>
</tr>
<tr>
<td>CryoLife, Inc.</td>
<td>Medical Devices</td>
<td>104</td>
</tr>
<tr>
<td>CSH</td>
<td>Long-Term Care</td>
<td>86</td>
</tr>
</tbody>
</table>

The Health Care M&A Report, First Quarter 2011

178
<table>
<thead>
<tr>
<th>Company Name</th>
<th>Industry</th>
<th>Quarter</th>
</tr>
</thead>
<tbody>
<tr>
<td>CURNA, Inc.</td>
<td>Biotechnology</td>
<td>16</td>
</tr>
<tr>
<td>CyDex Pharmaceuticals, Inc.</td>
<td>Pharmaceuticals</td>
<td>126</td>
</tr>
<tr>
<td>Cynosure, Inc.</td>
<td>Medical Devices</td>
<td>107</td>
</tr>
<tr>
<td>Cypress Court</td>
<td>Long-Term Care</td>
<td>74</td>
</tr>
<tr>
<td>Daiichi Sankyo Co.</td>
<td>Pharmaceuticals</td>
<td>132</td>
</tr>
<tr>
<td>Dameca</td>
<td>Medical Devices</td>
<td>106</td>
</tr>
<tr>
<td>Danaher Corporation</td>
<td>Medical Devices</td>
<td>101</td>
</tr>
<tr>
<td>Danby House</td>
<td>Long-Term Care</td>
<td>74</td>
</tr>
<tr>
<td>DaVita, Inc.</td>
<td>Laboratories, MRI and Dialysis</td>
<td>62</td>
</tr>
<tr>
<td>Deaconess LTC portfolio</td>
<td>Long-Term Care</td>
<td>75</td>
</tr>
<tr>
<td>Deerpath Physicians Group</td>
<td>Physician Medical Groups</td>
<td>142</td>
</tr>
<tr>
<td>Diabetes venture, Part I</td>
<td>Pharmaceuticals</td>
<td>127</td>
</tr>
<tr>
<td>Diabetes venture, Part II</td>
<td>Pharmaceuticals</td>
<td>127</td>
</tr>
<tr>
<td>Dispensing Solutions, Inc.</td>
<td>Medical Devices</td>
<td>107</td>
</tr>
<tr>
<td>DJO Global, Inc.</td>
<td>Medical Devices</td>
<td>106</td>
</tr>
<tr>
<td>DJO Global, Inc.</td>
<td>Medical Devices</td>
<td>117</td>
</tr>
<tr>
<td>DSI Renal, Inc.</td>
<td>Laboratories, MRI and Dialysis</td>
<td>62</td>
</tr>
<tr>
<td>DTS America, Inc.</td>
<td>e-Health</td>
<td>29</td>
</tr>
<tr>
<td>Ecolab, Inc.</td>
<td>Medical Devices</td>
<td>114</td>
</tr>
<tr>
<td>Edmond Specialty Hospital</td>
<td>Hospitals</td>
<td>45</td>
</tr>
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<td>Edwards Lifesciences Corp.</td>
<td>Medical Devices</td>
<td>108</td>
</tr>
<tr>
<td>Eisai Co. Ltd.</td>
<td>Biotechnology</td>
<td>15</td>
</tr>
<tr>
<td>Eleme Medical</td>
<td>Medical Devices</td>
<td>107</td>
</tr>
<tr>
<td>Eli Lilly and Co.</td>
<td>Pharmaceuticals</td>
<td>127</td>
</tr>
<tr>
<td>Elk Run Assisted Living</td>
<td>Long-Term Care</td>
<td>75</td>
</tr>
<tr>
<td>Elkhart General Healthcare System</td>
<td>Hospitals</td>
<td>46</td>
</tr>
<tr>
<td>Embrella Cardiovascular, Inc.</td>
<td>Medical Devices</td>
<td>108</td>
</tr>
<tr>
<td>Emergency Medical Services Corp.</td>
<td>Physician Medical Groups, Other</td>
<td>146, 164, 161</td>
</tr>
<tr>
<td>Emergent Group, Inc.</td>
<td>Medical Devices</td>
<td>108</td>
</tr>
<tr>
<td>Emeritus Corporation</td>
<td>Long-Term Care</td>
<td>74, 88</td>
</tr>
<tr>
<td>Enhanced Equity Fund, LP</td>
<td>Other</td>
<td>171</td>
</tr>
<tr>
<td>Epicentre Biotechnologies</td>
<td>Medical Devices</td>
<td>109</td>
</tr>
<tr>
<td>Eurofins Scientific</td>
<td>Laboratories, MRI and Dialysis</td>
<td>64</td>
</tr>
<tr>
<td>Evotec AG</td>
<td>Biotechnology</td>
<td>17</td>
</tr>
<tr>
<td>ExamWorks Group, Inc.</td>
<td>Other</td>
<td>167</td>
</tr>
<tr>
<td>Express Dental Care</td>
<td>Managed Care</td>
<td>93</td>
</tr>
<tr>
<td>Facet Solutions, Inc.</td>
<td>Medical Devices</td>
<td>109</td>
</tr>
<tr>
<td>Fairbanks Urgent Care Center</td>
<td>Other</td>
<td>164</td>
</tr>
<tr>
<td>Faith Home Health and Hospice</td>
<td>Home Health Care</td>
<td>37</td>
</tr>
<tr>
<td>FCB I Holdings, Inc.</td>
<td>Pharmaceuticals</td>
<td>126</td>
</tr>
<tr>
<td>Femcare Holdings Limited</td>
<td>Medical Devices</td>
<td>110</td>
</tr>
<tr>
<td>Ferrosan Consumer Healthcare</td>
<td>Other</td>
<td>165</td>
</tr>
<tr>
<td>First quarter acquisition</td>
<td>Home Health Care</td>
<td>38</td>
</tr>
<tr>
<td>Five multi-modality imaging centers</td>
<td>Laboratories, MRI and Dialysis</td>
<td>63</td>
</tr>
<tr>
<td>Five skilled nursing facilities</td>
<td>Long-Term Care</td>
<td>76</td>
</tr>
<tr>
<td>Focused Health Solutions</td>
<td>Other</td>
<td>165</td>
</tr>
<tr>
<td>Forest Laboratories, Inc.</td>
<td>Pharmaceuticals</td>
<td>125</td>
</tr>
<tr>
<td>Forestview Manor</td>
<td>Long-Term Care</td>
<td>76</td>
</tr>
<tr>
<td>Franciscan Alliance, Inc.</td>
<td>Physician Medical Groups</td>
<td>142</td>
</tr>
<tr>
<td>Fresno Surgical Hospital</td>
<td>Other</td>
<td>166</td>
</tr>
<tr>
<td>Company Name</td>
<td>Sector/Industry</td>
<td>Page</td>
</tr>
<tr>
<td>--------------------------------------------------</td>
<td>----------------------------------------</td>
<td>------</td>
</tr>
<tr>
<td>FUJIFILM Holdings Corp.</td>
<td>Biotechnology</td>
<td>18</td>
</tr>
<tr>
<td>Gateway EDI</td>
<td>e-Health</td>
<td>29</td>
</tr>
<tr>
<td>Gemin X Pharmaceuticals</td>
<td>Pharmaceuticals</td>
<td>128</td>
</tr>
<tr>
<td>Generation Zero Group, Inc.</td>
<td>e-Health</td>
<td>32</td>
</tr>
<tr>
<td>Genesis real estate assets</td>
<td>Long-Term Care</td>
<td>77</td>
</tr>
<tr>
<td>Genoptix, Inc.</td>
<td>Laboratories, MRI and Dialysis</td>
<td>63</td>
</tr>
<tr>
<td>Gilead Sciences, Inc.</td>
<td>Biotechnology</td>
<td>14</td>
</tr>
<tr>
<td>Globus Medical, Inc.</td>
<td>Medical Devices</td>
<td>109</td>
</tr>
<tr>
<td>Glycosan BioSystems, Inc.</td>
<td>Biotechnology</td>
<td>17</td>
</tr>
<tr>
<td>Golden Living Centers of Kenosha</td>
<td>Long-Term Care</td>
<td>77</td>
</tr>
<tr>
<td>Goldenrod Manor Care Center</td>
<td>Long-Term Care</td>
<td>78</td>
</tr>
<tr>
<td>Good Neighbor Care Center of Eugene</td>
<td>Long-Term Care</td>
<td>78</td>
</tr>
<tr>
<td>Great Lakes Intraoperative Neuromonitoring</td>
<td>Laboratories, MRI and Dialysis</td>
<td>64</td>
</tr>
<tr>
<td>Gruenenthal GmbH</td>
<td>Pharmaceuticals</td>
<td>130, 131</td>
</tr>
<tr>
<td>Gundersen Lutheran Health Systems</td>
<td>Hospitals</td>
<td>54</td>
</tr>
<tr>
<td>Hammond Clinic</td>
<td>Physician Medical Groups</td>
<td>142</td>
</tr>
<tr>
<td>Hamot Medical Center</td>
<td>Hospitals</td>
<td>46</td>
</tr>
<tr>
<td>Hanger Orthopedic Group</td>
<td>Rehabilitation</td>
<td>155</td>
</tr>
<tr>
<td>Harden Healthcare, LLC</td>
<td>Home Health Care</td>
<td>37</td>
</tr>
<tr>
<td>Harris Corporation</td>
<td>e-Health</td>
<td>28</td>
</tr>
<tr>
<td>Hartford Hospital</td>
<td>Other</td>
<td>163</td>
</tr>
<tr>
<td>Harvard Management Companies</td>
<td>Long-Term Care</td>
<td>87</td>
</tr>
<tr>
<td>Health Care REIT</td>
<td>Long-Term Care</td>
<td>71, 72, 77, 82</td>
</tr>
<tr>
<td>Health Ware Concepts, Inc.</td>
<td>e-Health</td>
<td>30</td>
</tr>
<tr>
<td>Healthcare of Today, Inc.</td>
<td>Hospitals</td>
<td>52</td>
</tr>
<tr>
<td>HealthFitness</td>
<td>Other</td>
<td>165</td>
</tr>
<tr>
<td>HealthWarehouse.com, Inc.</td>
<td>e-Health</td>
<td>31</td>
</tr>
<tr>
<td>Heart Clinic</td>
<td>Physician Medical Groups</td>
<td>143</td>
</tr>
<tr>
<td>HMR Advantage Health Systems</td>
<td>Long-Term Care</td>
<td>79</td>
</tr>
<tr>
<td>Hologic, Inc.</td>
<td>Medical Devices</td>
<td>111</td>
</tr>
<tr>
<td>Hoopeston Regional Health Center</td>
<td>Hospitals</td>
<td>47</td>
</tr>
<tr>
<td>Hopewell Health Care Center</td>
<td>Long-Term Care</td>
<td>79</td>
</tr>
<tr>
<td>Hospice Complete assets</td>
<td>Home Health Care</td>
<td>38</td>
</tr>
<tr>
<td>Hospital of Saint Raphael</td>
<td>Hospitals</td>
<td>47</td>
</tr>
<tr>
<td>Hospitalist practice of Gil Menja, MD</td>
<td>Physician Medical Groups</td>
<td>143</td>
</tr>
<tr>
<td>Hudec Dental</td>
<td>Other</td>
<td>172</td>
</tr>
<tr>
<td>Human Genome Sciences, Inc.</td>
<td>Biotechnology</td>
<td>19</td>
</tr>
<tr>
<td>Humana, Inc.</td>
<td>Other</td>
<td>162</td>
</tr>
<tr>
<td>Iasis Healthcare, LLC</td>
<td>Hospitals</td>
<td>53</td>
</tr>
<tr>
<td>ICON plc</td>
<td>Other</td>
<td>169</td>
</tr>
<tr>
<td>IDEX Corporation</td>
<td>Medical Devices</td>
<td>113</td>
</tr>
<tr>
<td>Ilex Consumer Products Group, Inc.</td>
<td>Pharmaceuticals</td>
<td>134</td>
</tr>
<tr>
<td>Illumina</td>
<td>Medical Devices</td>
<td>109</td>
</tr>
<tr>
<td>Impulse Monitoring, Inc.</td>
<td>Laboratories, MRI and Dialysis</td>
<td>64</td>
</tr>
<tr>
<td>InfuSystem Holdings, Inc.</td>
<td>Medical Devices</td>
<td>118</td>
</tr>
<tr>
<td>Inland Hospitalist Medical Group, Inc.</td>
<td>Physician Medical Groups</td>
<td>144</td>
</tr>
<tr>
<td>IntegraMed America, Inc.</td>
<td>Physician Medical Groups</td>
<td>147</td>
</tr>
<tr>
<td>Intelecare</td>
<td>e-Health</td>
<td>30</td>
</tr>
<tr>
<td>IntElec Medical</td>
<td>Medical Devices</td>
<td>110</td>
</tr>
<tr>
<td>Interlace Medical</td>
<td>Medical Devices</td>
<td>111</td>
</tr>
<tr>
<td>Company Name</td>
<td>Industry</td>
<td>Notes</td>
</tr>
<tr>
<td>------------------------------------</td>
<td>-----------------------------------</td>
<td>----------------</td>
</tr>
<tr>
<td>International surgical products</td>
<td>Medical Devices</td>
<td>111</td>
</tr>
<tr>
<td>unit</td>
<td></td>
<td></td>
</tr>
<tr>
<td>inVentiv Health, Inc.</td>
<td>Other</td>
<td>163</td>
</tr>
<tr>
<td>IPC-The Hospitalist Co.</td>
<td>Physician Medical Groups</td>
<td>143, 144, 146</td>
</tr>
<tr>
<td>Irving Place Capital</td>
<td>Hospitals</td>
<td>51</td>
</tr>
<tr>
<td>Johnston Memorial Hospital</td>
<td>Hospitals</td>
<td>48</td>
</tr>
<tr>
<td>Jolife</td>
<td>Medical Devices</td>
<td>112</td>
</tr>
<tr>
<td>Kensey Nash Corporation</td>
<td>Medical Devices</td>
<td>113</td>
</tr>
<tr>
<td>Kenwell Assisted Living</td>
<td>Long-Term Care</td>
<td>80</td>
</tr>
<tr>
<td>Kinaxo Biotechnologies GmbH</td>
<td>Biotechnology</td>
<td>17</td>
</tr>
<tr>
<td>Kindred Healthcare Services, Inc.</td>
<td>Rehabilitation</td>
<td>156</td>
</tr>
<tr>
<td>Kyowa Hakko Kirin Co. Ltd.</td>
<td>Pharmaceuticals</td>
<td>132</td>
</tr>
<tr>
<td>Ladia &amp; Ladia, M.D.s, P.A.</td>
<td>Physician Medical Groups</td>
<td>144</td>
</tr>
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<td>Lafayette Surgical Specialty Hospital</td>
<td>Hospitals</td>
<td>48</td>
</tr>
<tr>
<td>Lancaster Laboratories</td>
<td>Laboratories, MRI and Dialysis</td>
<td>64</td>
</tr>
<tr>
<td>Landmark Medical Center</td>
<td>Hospitals</td>
<td>49</td>
</tr>
<tr>
<td>Laprolan N.V.</td>
<td>Medical Devices</td>
<td>112</td>
</tr>
<tr>
<td>Les Laboratoires Servier</td>
<td>Biotechnology</td>
<td>13</td>
</tr>
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<td>LHC Group</td>
<td>Home Health Care</td>
<td>38, 39</td>
</tr>
<tr>
<td>LHP Hospital Group, Inc.</td>
<td>Hospitals</td>
<td>54</td>
</tr>
<tr>
<td>License for perifosine in Japan</td>
<td>Biotechnology</td>
<td>18</td>
</tr>
<tr>
<td>Lifetree Clinical Research, LC</td>
<td>Other</td>
<td>166</td>
</tr>
<tr>
<td>Ligand Pharmaceuticals, Inc.</td>
<td>Pharmaceuticals</td>
<td>126</td>
</tr>
<tr>
<td>Lincare Holdings, Inc.</td>
<td>Home Health Care</td>
<td>38</td>
</tr>
<tr>
<td>Living Care Senior Housing Development, LLC</td>
<td>Long-Term Care</td>
<td>78</td>
</tr>
<tr>
<td>Lourdes Health System</td>
<td>Physician Medical Groups</td>
<td>141</td>
</tr>
<tr>
<td>Loyola University Health System</td>
<td>Hospitals</td>
<td>49</td>
</tr>
<tr>
<td>Lundholm Surgical Group</td>
<td>Physician Medical Groups</td>
<td>145</td>
</tr>
<tr>
<td>Madison Center</td>
<td>Behavioral Health Care</td>
<td>5</td>
</tr>
<tr>
<td>Maine Ridge Medical Associates</td>
<td>Physician Medical Groups</td>
<td>145</td>
</tr>
<tr>
<td>McVey &amp; Co. Investments, LLC</td>
<td>Hospitals</td>
<td>53</td>
</tr>
<tr>
<td>MeadowWood Behavioral Health</td>
<td>Behavioral Health Care</td>
<td>6</td>
</tr>
<tr>
<td>Meda AB</td>
<td>Pharmaceuticals</td>
<td>125, 135</td>
</tr>
<tr>
<td>Medical Developers, LLC</td>
<td>Laboratories, MRI and Dialysis</td>
<td>65</td>
</tr>
<tr>
<td>Medisica Pharmaceutical Corp.</td>
<td>Biotechnology</td>
<td>11</td>
</tr>
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<td>Mediware Information Systems, Inc.</td>
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<td>28</td>
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<td>Medline Industries, Inc.</td>
<td>Medical Devices</td>
<td>111</td>
</tr>
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<td>Med-Metrix, LLC</td>
<td>e-Health</td>
<td>30</td>
</tr>
<tr>
<td>MedStar Health, Inc.</td>
<td>Physician Medical Groups</td>
<td>141</td>
</tr>
<tr>
<td>Medtronic, Inc.</td>
<td>Medical Devices</td>
<td>112</td>
</tr>
<tr>
<td>Memorial Health System</td>
<td>Behavioral Health Care, Hospitals</td>
<td>5, 46</td>
</tr>
<tr>
<td>Mental Health Center of Denver</td>
<td>Behavioral Health Care</td>
<td>6</td>
</tr>
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<td>Merck &amp; Co., Inc.</td>
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<td>13</td>
</tr>
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<td>Merck BioManufacturing Network</td>
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<td>18</td>
</tr>
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<td>Merck KGaA</td>
<td>Medical Devices</td>
<td>102</td>
</tr>
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<td>Mercy Health Partners</td>
<td>Hospitals</td>
<td>50</td>
</tr>
<tr>
<td>MES Group, Inc.</td>
<td>Other</td>
<td>167</td>
</tr>
<tr>
<td>Metropolitan Health Networks, Inc.</td>
<td>Physician Medical Groups</td>
<td>144</td>
</tr>
<tr>
<td>Microfluidics International Corp.</td>
<td>Medical Devices</td>
<td>113</td>
</tr>
<tr>
<td>Mid-Michigan Hospitalist Group, PC</td>
<td>Physician Medical Groups</td>
<td>146</td>
</tr>
<tr>
<td>Morton Hospital and Medical Center</td>
<td>Hospitals</td>
<td>50</td>
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</tbody>
</table>

The Health Care M&A Report, First Quarter 2011

181
<table>
<thead>
<tr>
<th>Company Name</th>
<th>Industry</th>
<th>Quarter</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mount Saint Francis Health Center</td>
<td>Long-Term Care</td>
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<td>Medical Devices</td>
<td>116</td>
</tr>
<tr>
<td>National Surgical Hospitals</td>
<td>Hospitals</td>
<td>48, 51</td>
</tr>
<tr>
<td>Nationwide Health Properties, Inc.</td>
<td>Long-Term Care</td>
<td>81</td>
</tr>
<tr>
<td>Nebraska Heart Hospital, LLC</td>
<td>Hospitals</td>
<td>51</td>
</tr>
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<td>Nerites Corporation</td>
<td>Medical Devices</td>
<td>113</td>
</tr>
<tr>
<td>North American rights to Zovirax</td>
<td>Pharmaceuticals</td>
<td>128</td>
</tr>
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<td>North Pavilion</td>
<td>Behavioral Health Care</td>
<td>6</td>
</tr>
<tr>
<td>North Pinellas Anesthesia Associates</td>
<td>Physician Medical Groups</td>
<td>146</td>
</tr>
<tr>
<td>NorthShore University HealthSystem</td>
<td>Physician Medical Groups</td>
<td>142, 145</td>
</tr>
<tr>
<td>Northwest Center for Reproductive Sciences</td>
<td>Physician Medical Groups</td>
<td>147</td>
</tr>
<tr>
<td>NovaMed, Inc.</td>
<td>Other</td>
<td>167</td>
</tr>
<tr>
<td>Novartis AG</td>
<td>Laboratories, MRI and Dialysis</td>
<td>63</td>
</tr>
<tr>
<td>O.R. Solutions, Inc.</td>
<td>Medical Devices</td>
<td>114</td>
</tr>
<tr>
<td>Olympus Corporation</td>
<td>Medical Devices</td>
<td>114</td>
</tr>
<tr>
<td>On Assignment, Inc.</td>
<td>Other</td>
<td>173</td>
</tr>
<tr>
<td>On.Site Advanced Medical Services</td>
<td>Other</td>
<td>168</td>
</tr>
<tr>
<td>Oncology Care Home Health, Inc.</td>
<td>e-Health</td>
<td>31</td>
</tr>
<tr>
<td>Oncology collaboration</td>
<td>Biotechnology</td>
<td>19</td>
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<tr>
<td>One Call Medical, Inc.</td>
<td>Managed Care</td>
<td>93</td>
</tr>
<tr>
<td>Online division of Hocks</td>
<td>e-Health</td>
<td>31</td>
</tr>
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<td>OP-1 product family</td>
<td>Medical Devices</td>
<td>114</td>
</tr>
<tr>
<td>OPKO Health, Inc.</td>
<td>Biotechnology</td>
<td>16</td>
</tr>
<tr>
<td>OraPharma, Inc.</td>
<td>Pharmaceuticals</td>
<td>129</td>
</tr>
<tr>
<td>OraVerse</td>
<td>Pharmaceuticals</td>
<td>129</td>
</tr>
<tr>
<td>Oregon Healthcare Resources, LLC</td>
<td>Physician Medical Groups</td>
<td>147</td>
</tr>
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<td>Oregon Medical Group</td>
<td>Physician Medical Groups</td>
<td>147</td>
</tr>
<tr>
<td>Orthotics and prosthetics company</td>
<td>Rehabilitation</td>
<td>155</td>
</tr>
<tr>
<td>Outpatient Imaging Affiliates, LLC</td>
<td>Laboratories, MRI and Dialysis</td>
<td>65</td>
</tr>
<tr>
<td>Outpatient surgery center</td>
<td>Other</td>
<td>168</td>
</tr>
<tr>
<td>Oxford Outcomes</td>
<td>Other</td>
<td>169</td>
</tr>
<tr>
<td>Paddock Laboratories, Inc.</td>
<td>Pharmaceuticals</td>
<td>130</td>
</tr>
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<td>Pain patent portfolio</td>
<td>Pharmaceuticals</td>
<td>130</td>
</tr>
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<td>Patent portfolio</td>
<td>Pharmaceuticals</td>
<td>131</td>
</tr>
<tr>
<td>Pathology, Inc.</td>
<td>Laboratories, MRI and Dialysis</td>
<td>62</td>
</tr>
<tr>
<td>Patient Plus Limited</td>
<td>Medical Devices</td>
<td>115</td>
</tr>
<tr>
<td>PerkinElmer, Inc.</td>
<td>Medical Devices</td>
<td>99, 103, 105</td>
</tr>
<tr>
<td>Pfizer, Inc.</td>
<td>Biotechnology, Other</td>
<td>11, 15, 20, 165</td>
</tr>
<tr>
<td>PharmaSwiss S.A.</td>
<td>Pharmaceuticals</td>
<td>131</td>
</tr>
<tr>
<td>Phoenix Biotech Corp.</td>
<td>Medical Devices</td>
<td>115</td>
</tr>
<tr>
<td>Physicians Hospital System</td>
<td>Hospitals</td>
<td>52</td>
</tr>
<tr>
<td>Piedmont Healthcare</td>
<td>Physician Medical Groups</td>
<td>149</td>
</tr>
<tr>
<td>Pioneer Behavioral Health</td>
<td>Behavioral Health Care</td>
<td>6</td>
</tr>
<tr>
<td>Platinum Health Care, LLC</td>
<td>Long-Term Care</td>
<td>75, 77</td>
</tr>
<tr>
<td>Plexxikon, Inc.</td>
<td>Pharmaceuticals</td>
<td>132</td>
</tr>
<tr>
<td>Plum Healthcare Group, LLC</td>
<td>Long-Term Care</td>
<td>83</td>
</tr>
<tr>
<td>ProStrakann Group plc</td>
<td>Pharmaceuticals</td>
<td>132</td>
</tr>
<tr>
<td>Provena Health</td>
<td>Hospitals</td>
<td>52</td>
</tr>
<tr>
<td>PSS World Medical, Inc.</td>
<td>Medical Devices</td>
<td>107</td>
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<tr>
<td>PVT</td>
<td>Medical Devices</td>
<td>116</td>
</tr>
</tbody>
</table>

The Health Care M&A Report, First Quarter 2011
<table>
<thead>
<tr>
<th>Company/Location</th>
<th>Category</th>
<th>Sub-Category(s)</th>
<th>Page(s)</th>
</tr>
</thead>
<tbody>
<tr>
<td>QPS, LLC</td>
<td>Other</td>
<td></td>
<td>169</td>
</tr>
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<td>Qualitix Clinical Research</td>
<td>Other</td>
<td></td>
<td>169</td>
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<td>Quest Diagnostics, Inc.</td>
<td>Laboratories, MRI and Dialysis</td>
<td></td>
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<td>Radiation Therapy Services Holding, Inc.</td>
<td>Laboratories, MRI and Dialysis</td>
<td></td>
<td>65</td>
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<td>Radiology Associates of North Texas, P.A.</td>
<td>Physician Medical Groups</td>
<td></td>
<td>149</td>
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<tr>
<td>RadNet, Inc.</td>
<td>Laboratories, MRI and Dialysis</td>
<td></td>
<td>63, 66</td>
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<td>Regional operator</td>
<td>Long-Term Care</td>
<td></td>
<td>72, 79</td>
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<tr>
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<td>Hospitals</td>
<td></td>
<td>49</td>
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<td>Regulus Pharmaceutical Consulting, Inc.</td>
<td>Other</td>
<td></td>
<td>170</td>
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<td>RehabCare Group, Inc.</td>
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<td></td>
<td>156</td>
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<td>e-Health</td>
<td></td>
<td>30</td>
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<td>Resurrection Health Care</td>
<td>Hospitals</td>
<td></td>
<td>52</td>
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<td>Rights to celiac disease treatment</td>
<td>Biotechnology</td>
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<td>Rights to kidney cancer drug candidate</td>
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<td>133</td>
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<td>Rights to Relistor</td>
<td>Pharmaceuticals</td>
<td></td>
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<td>Rights to skin products</td>
<td>Medical Devices</td>
<td></td>
<td>116</td>
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<td>Rights to Tosedostat</td>
<td>Biotechnology</td>
<td></td>
<td>20</td>
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<td></td>
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<td>Robinson MedSurg, ILC</td>
<td>Medical Devices</td>
<td></td>
<td>117</td>
</tr>
<tr>
<td>Roche Holding AG</td>
<td>Medical Devices</td>
<td></td>
<td>116</td>
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<tr>
<td>Rochester Medical Corporation</td>
<td>Medical Devices</td>
<td></td>
<td>112</td>
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<td>Round Lake, LLC</td>
<td>Long-Term Care</td>
<td></td>
<td>73</td>
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<tr>
<td>Royal Philips Electronics</td>
<td>Medical Devices</td>
<td></td>
<td>106</td>
</tr>
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<td>Rural/Metro Corporation</td>
<td>Other</td>
<td></td>
<td>170</td>
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<tr>
<td>Sabra Health Care REIT</td>
<td>Hospitals</td>
<td></td>
<td>55</td>
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<td>Saint Elizabeth Regional Medical Center</td>
<td>Hospitals</td>
<td></td>
<td>51</td>
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<td>Salix Pharmaceuticals, Inc.</td>
<td>Pharmaceuticals</td>
<td></td>
<td>133</td>
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<tr>
<td>Sanctuary at St. Joseph's</td>
<td>Long-Term Care</td>
<td></td>
<td>81</td>
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<tr>
<td>Schizophrenia collaboration</td>
<td>Biotechnology</td>
<td></td>
<td>21</td>
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<tr>
<td>Senior Housing Properties Trust</td>
<td>Long-Term Care</td>
<td></td>
<td>71</td>
</tr>
<tr>
<td>Senior Star Living</td>
<td>Long-Term Care</td>
<td></td>
<td>82</td>
</tr>
<tr>
<td>Septodont</td>
<td>Pharmaceuticals</td>
<td></td>
<td>129</td>
</tr>
<tr>
<td>Sequel Youth and Family Services, LLC</td>
<td>Behavioral Health Care</td>
<td></td>
<td>5</td>
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<tr>
<td>Seven imaging centers</td>
<td>Laboratories, MRI and Dialysis</td>
<td></td>
<td>65</td>
</tr>
<tr>
<td>Silverado Senior Living</td>
<td>Long-Term Care</td>
<td></td>
<td>82</td>
</tr>
<tr>
<td>Sisters of Mercy Health System</td>
<td>Hospitals</td>
<td></td>
<td>48</td>
</tr>
<tr>
<td>Skilled nursing portfolio</td>
<td>Long-Term Care</td>
<td></td>
<td>83</td>
</tr>
<tr>
<td>Sleep Management Solutions, LLC</td>
<td>Other</td>
<td></td>
<td>171</td>
</tr>
<tr>
<td>Solabegron</td>
<td>Pharmaceuticals</td>
<td></td>
<td>134</td>
</tr>
<tr>
<td>Southwest Heart</td>
<td>Physician Medical Groups</td>
<td></td>
<td>148</td>
</tr>
<tr>
<td>Spartan Corporation</td>
<td>Medical Devices</td>
<td></td>
<td>102</td>
</tr>
<tr>
<td>Specialty Therapeutic Care</td>
<td>Other</td>
<td></td>
<td>171</td>
</tr>
<tr>
<td>Spring Branch Medical Center</td>
<td>Hospitals</td>
<td></td>
<td>53</td>
</tr>
<tr>
<td>Springfield Place/J.F. Hawkins Nursing Home</td>
<td>Long-Term Care</td>
<td></td>
<td>83</td>
</tr>
<tr>
<td>Springfield Skilled Care Center and Lodges</td>
<td>Long-Term Care</td>
<td></td>
<td>84</td>
</tr>
<tr>
<td>St. Agnes Medical Center</td>
<td>Other</td>
<td></td>
<td>166</td>
</tr>
<tr>
<td>St. Joseph Medical Center</td>
<td>Hospitals</td>
<td></td>
<td>53</td>
</tr>
<tr>
<td>St. Joseph's Aspirin</td>
<td>Pharmaceuticals</td>
<td></td>
<td>134</td>
</tr>
<tr>
<td>St. Joseph's Health Services</td>
<td>Hospitals</td>
<td></td>
<td>54</td>
</tr>
<tr>
<td>Organization Name</td>
<td>Industry/Division</td>
<td>Value</td>
<td></td>
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<td>St. Mary's Hospital</td>
<td>Hospitals</td>
<td>54</td>
<td></td>
</tr>
<tr>
<td>StaffMD, Inc.</td>
<td>e-Health</td>
<td>32</td>
<td></td>
</tr>
<tr>
<td>Star Infusion and Compression Therapies</td>
<td>Medical Devices</td>
<td>118</td>
<td></td>
</tr>
<tr>
<td>Steward Health Care System</td>
<td>Hospitals</td>
<td>50</td>
<td></td>
</tr>
<tr>
<td>Surgery Center Holdings, inc.</td>
<td>Other</td>
<td>167</td>
<td></td>
</tr>
<tr>
<td>Sutter Emergency Medical Associates</td>
<td>Physician Medical Groups</td>
<td>148</td>
<td></td>
</tr>
<tr>
<td>SwedishAmerican Health System</td>
<td>Physician Medical Groups</td>
<td>145</td>
<td></td>
</tr>
<tr>
<td>SynthRx, Inc.</td>
<td>Biotechnology</td>
<td>21</td>
<td></td>
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<tr>
<td>Takeda Pharmaceutical Co. Ltd.</td>
<td>Biotechnology</td>
<td>21</td>
<td></td>
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<td>Taligen Therapeutics, Inc.</td>
<td>Biotechnology</td>
<td>22</td>
<td></td>
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<td>e-Health</td>
<td>27</td>
<td></td>
</tr>
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<td>Medical Devices</td>
<td>119</td>
<td></td>
</tr>
<tr>
<td>Terumo Corporation</td>
<td>Medical Devices</td>
<td>104</td>
<td></td>
</tr>
<tr>
<td>Texas Regional Medical Center</td>
<td>Hospitals</td>
<td>55</td>
<td></td>
</tr>
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<td>The Ensign Group, Inc.</td>
<td>Long-Term Care</td>
<td>73</td>
<td></td>
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<td>The Ensign Group, Inc.</td>
<td>Long-Term Care</td>
<td>85</td>
<td></td>
</tr>
<tr>
<td>The Fountains of Crystal Lake</td>
<td>Long-Term Care</td>
<td>84</td>
<td></td>
</tr>
<tr>
<td>The Heritage Retirement Community</td>
<td>Long-Term Care</td>
<td>85</td>
<td></td>
</tr>
<tr>
<td>The Lexington, Victoria Care Center</td>
<td>Long-Term Care</td>
<td>85</td>
<td></td>
</tr>
<tr>
<td>The Oaks at Kingsport</td>
<td>Long-Term Care</td>
<td>86</td>
<td></td>
</tr>
<tr>
<td>The PAPP Clinic</td>
<td>Physician Medical Groups</td>
<td>149</td>
<td></td>
</tr>
<tr>
<td>The Perrigo Company</td>
<td>Pharmaceuticals</td>
<td>130</td>
<td></td>
</tr>
<tr>
<td>The Sterling at Vintage Hills</td>
<td>Long-Term Care</td>
<td>86</td>
<td></td>
</tr>
<tr>
<td>The TriZetto Group</td>
<td>e-Health</td>
<td>29</td>
<td></td>
</tr>
<tr>
<td>Therapy for MoCD</td>
<td>Biotechnology</td>
<td>22</td>
<td></td>
</tr>
<tr>
<td>Three Allcare locations</td>
<td>Other</td>
<td>172</td>
<td></td>
</tr>
<tr>
<td>Three radiology groups</td>
<td>Physician Medical Groups</td>
<td>149</td>
<td></td>
</tr>
<tr>
<td>Timm Medical Technologies, Inc.</td>
<td>Medical Devices</td>
<td>118</td>
<td></td>
</tr>
<tr>
<td>TonoTherapy, Inc.</td>
<td>Medical Devices</td>
<td>119</td>
<td></td>
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<td>Two imaging centers</td>
<td>Laboratories, MRI and Dialysis</td>
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<td>Two medical centers</td>
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<td>Universal Hospital Services, Inc.</td>
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<td>Valeant Pharmaceuticals International</td>
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<td>Vascular Solutions, Inc.</td>
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<td>VasoNova</td>
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