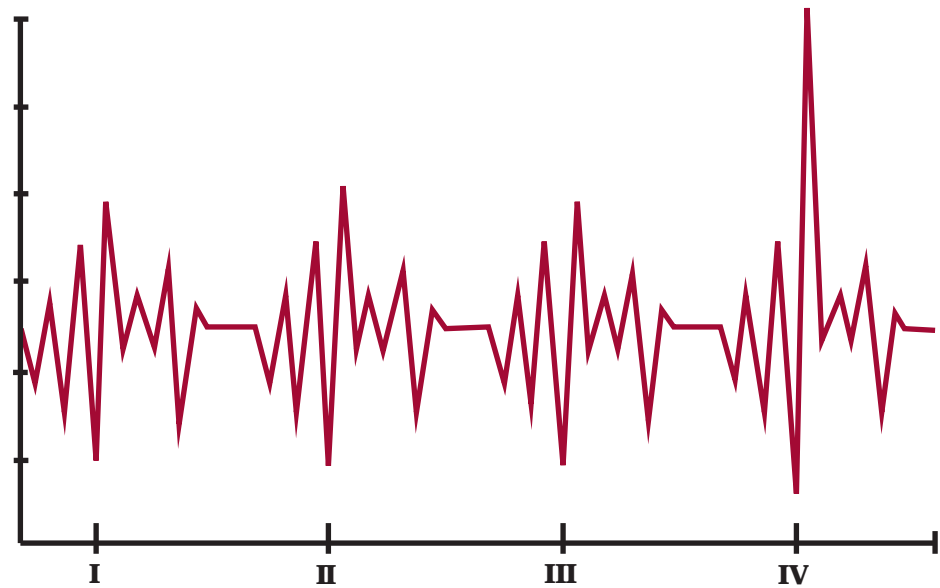


# THE HEALTH CARE M&A REPORT

## FOURTH QUARTER 2013

A SUPPLEMENT TO THE HEALTH CARE M&A MONTHLY



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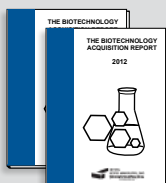
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## **INTRODUCTION**

This is the 82nd 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, followed by a look at each of the 13 sectors we cover. In the Index, each entry details a transaction, describing the target and acquirer. It also provides the price, terms, acquisition multiples and other financial information, when available. Finally, the commentary section offers additional analysis.

This issue reports on the 281 transactions that were announced in the fourth quarter of 2013, listed alphabetically by target with 13 separate health care sectors.

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

Significant trends are noted with a series of charts, providing details of size and the 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. We categorize these sectors as either Services or Technology. Services includes Behavioral Health Care, Home Health & Hospice, Hospitals, Laboratories/MRI & Dialysis, Long-Term Care, Managed Care, Physician Medical Groups, Rehabilitation and Other. The Technology sector includes Biotechnology, eHealth, Medical Devices and Pharmaceuticals.

A note on our methodology: For reasons of timeliness, we record each transaction by the date of the announcement rather than the closing date. Announcements generally coincide with a significant event, such as the signing of a letter of intent, the receipt of regulatory clearance, or even the closing date itself. The assumption is 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.

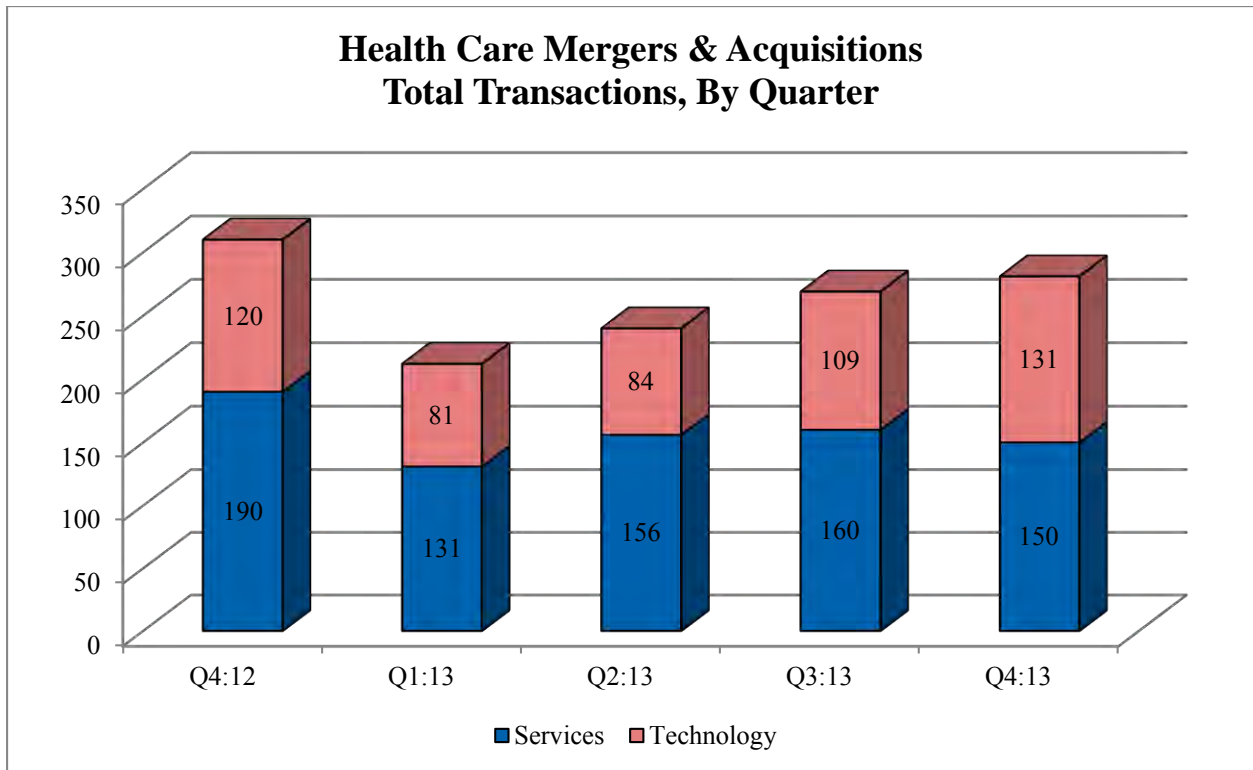
Also, beginning with the third quarter of 2012, we changed our methodology for reporting the dollar value of the transactions involving milestone payments, which are common in the biotech and pharmaceutical acquisition market. Prior to Q3:12, the reported price was the maximum, assuming all milestone payments were made in the future, which is obviously not a given. Now we measure each deal only by the upfront cash payment as the value of the deal, although we still report the potential milestone payments.

## NOTABLE TRENDS IN Q4:13

Notable trends in the fourth quarter's health care M&A market include:

1. Deal volume increased slightly in the fourth quarter of 2013, up 4% (to 281 deals), while deal value declined 15% (to \$43.6 billion), compared with the third quarter. Looking back to Q4:12, however, Q4:13 deal volume fell 21%, while deal value soared 79%. Billion-dollar deals mushroomed: In Q4:13, 12 were announced, compared with eight in the previous quarter and only four in the same quarter a year ago. Despite all those large deals, the median value of all Q4:13 deals with disclosed prices slumped to \$31 million from a median value of \$37.6 million in the third quarter.
2. Both the health care services and technology sectors turned in mixed performances. On the services side, deal volume declined 6% (to 150 deals), while deal value rose 1% (to \$17.2 billion). Several post-acute care sectors continued to see increasing numbers of transactions, particularly Long-Term Care, which saw 65 transactions in Q4:13. The Hospital sector, which experienced a swell of deal-making activity in Q4:12 (to 37 deals), held steady through 2013 with between 21 to 24 deals announced each quarter. The Home Health & Hospice, Physician Medical Group and Rehabilitation sectors each rebounded after a soft Q1:13.
3. In health care technology, deal volume rose 20% (to 131 deals), while deal value declined 23% (to \$26.4 billion). Deal-making activity gained strength as the year progressed for the Biotechnology and Pharmaceutical sectors. Both posted their best quarter in Q4:13, with 30 deals and 47 deals, respectively. The eHealth and Medical Device sectors also ended 2013 on a high note, compared with a slowdown of deal activity earlier in the year. eHealth M&A dropped off in Q2:13, but regained strength as the industry began to consolidate. Medical device companies were buffeted by the 2.3% excise tax that went into effect on January 1, 2013. With no legislative relief in sight, this sector probably won't stage a strong comeback in 2014.
4. Preliminary data shows a total of 1,001 healthcare transactions announce in all four quarters of 2013, which was 8% lower than the 1,092 deals announced in all of 2012. That statistic reflects an unusually quiet first quarter in 2013, which most sectors overcame later in the year. However, deal value reached \$163.4 billion in 2013, up 14% over the \$143.7 billion posted in 2012, which was the lowest in the past 10 years. These figures can change, we must note, as some fourth quarter announcements seemed to run into trouble early in Q1:14. In fact, one \$4 billion German hospital transaction announced in Q2:12 fell apart later that year. It was resurrected in Q3:13 in slightly different form and is still on track to close in the first quarter of 2014. Expect change in 2014, and you won't be disappointed.

## Quarterly Mergers & Acquisitions Deal Volume



*Source: Health Care M&A News, January 2014*

With 281 deals announced during the fourth quarter, acquisition activity was up 4%, compared with the 269 transactions announced in the previous quarter, but dropped 9% versus the 310 deals announced in the year-ago quarter (Q4:12).

The health care services industry represented 53% of the deals made public during Q4:13 and the health care technology category made up 47%. This balance is consistent with trends seen in the previous four quarters, in which services accounted for the majority of all deals. However, the margin narrowed considerably in the past two quarters, in which the services sector accounted for less than 60% of that quarter's deal volume. The widest margin was a 65% share for services deals in Q2:13.

## Deal Volume by Health Care Sector

Sector	Q4:13	Q3:13	% Change	Q4:12	% Change
	Deals	Deals		Deals	
<b>Services</b>					
Behavioral Health Care	2	2	0%	3	-33%
Home Health & Hospice	10	5	100%	9	11%
Hospitals	21	24	-13%	37	-43%
Laboratories, MRI & Dialysis	8	8	0%	11	-27%
Long-Term Care	65	59	10%	61	7%
Managed Care	4	6	-33%	6	-33%
Physician Medical Groups	20	15	33%	19	5%
Rehabilitation	6	4	50%	7	-14%
Other	14	37	-62%	37	-62%
Services Subtotal	150	160	-6%	190	-21%
<b>Technology</b>					
Biotechnology	30	25	20%	32	-6%
eHealth	24	17	41%	22	9%
Medical Devices	30	23	30%	35	-14%
Pharmaceuticals	47	44	7%	31	52%
Technology Subtotal	131	109	20%	120	9%
<b>Grand Total</b>	<b>281</b>	<b>269</b>	<b>4%</b>	<b>310</b>	<b>-9%</b>

Source: Health Care M&A News, January 2014

Overall, the number of deals grew by just 4% from the previous quarter's deal volume but decreased by 9% compared with the fourth quarter of 2012. In this most recent quarter, Long-Term Care remained the most active sector, with 65 deals, up 10% over the previous quarter. Pharmaceuticals placed second, with 47 deals, while Biotechnology and Medical Devices tied for third with 30 deals apiece.

A few sectors managed to post growth against Q4:12, which was the busiest quarter for deal-making, at 310 deals. Long-Term Care and Pharmaceuticals, of course, but some smaller sectors benefited from increased investor interest, such as Home Health & Hospice, Physician Medical Groups and eHealth.

## Acquirers with Three or More Deals

Acquirer	Listing	Sector	Deals
IPC The Hospitalist Company	Nasdaq: IPCM	Physician Medical Groups	5
Roche Holding AG	SIX: RO	Various	4
ALPHAEON Corporation	Private	Various	3
American Realty Capital Healthcare Trust	Private	Long-Term Care	3
Aviv REIT, Inc.	NYSE: AVIV	Long-Term Care	3
Capital Senior Living Corporation	NYSE: CSU	Long-Term Care	3
Capitol Seniors Housing	Private	Long-Term Care	3
NorthStar Healthcare Income, Inc.	NYSE: NRF	Long-Term Care	3
Senior Housing Properties Trust	NYSE: SNH	Long-Term Care	3
TeamHealth Holdings Inc.	NYSE: TMH	Physician Medical Groups	3

*Source: Health Care M&A News, January 2014*

A total of 239 companies were involved in fourth quarter health care transactions as buyers, compared with 241 companies in the third quarter of 2013. One hundred-ten publicly-traded corporations announced a total of 139 deals during the quarter, valued at a total of \$39.4 billion.

There were 109 privately held companies that took part in 121 deals worth a total of \$4.1 billion.

Finally, 20 nonprofit entities announced 21 transactions, totaling \$21.1 million. Only one of those deals had a disclosed price.

## Acquirers by Listing and Market Share

### *Deals Announced and Dollars Spent by Acquirer Type*

Acquirer Type (By listing)	Q4:12		Q1:13		Q2:13		Q3:13		Q4:13	
	Deals	Dollars	Deals	Dollars	Deals	Dollars	Deals	Dollars	Deals	Dollars
Publicly traded	48%	87%	48%	82%	46%	93%	52%	91%	50%	90%
Privately held	43%	10%	43%	14%	43%	5%	41%	9%	43%	9%
Nonprofit	9%	3%	9%	4%	11%	2%	7%	0%	8%	0%

*Source: Health Care M&A News, January 2014*

The chart above shows acquirers according to their listing: public, private or non-profit companies, and the percentage of deals and dollars that particular type accounted for in the given quarter. In this quarter, for example, public corporations made 50% of the deals, and were responsible for 90% of the dollars spent in the health care merger and acquisition market.

On the other hand, private companies made 43% of the deals in this quarter, and accounted for just 9% of the quarter's dollar volume. Nonprofits made just 8% of the deals. The figure of 0% in dollars spent indicates that only one of the deals announced in this category did not disclose prices.

Public corporations typically dominate the health care merger and acquisition market, in number of deals and dollars spent, due to their access to public equity markets as well as the higher cash flow that larger corporations can generate. This pattern exists across all quarters, and Q4:13 shows that public companies were taking advantage of the continued strength of the equity markets.

## Financial vs. Strategic Buyers

### *The Impact of Financial Buyers on the Health Care Merger & Acquisition Market*

<b>Financial Buyers</b>	<b>Q4:12</b>	<b>Q1:13</b>	<b>Q2:13</b>	<b>Q3:13</b>	<b>Q4:13</b>
<b>Deals announced</b>	26	26	30	44	40
<b>Share of deal volume</b>	8.4%	12.3%	12.5%	16.4%	14.2%
<b>Dollars committed</b>	\$2.86 billion	\$1.38 billion	\$2.02 billion	\$4.75 billion	\$5.61 billion
<b>Share of dollars spent</b>	11.8%	8.8%	3.8%	9.3%	12.9%

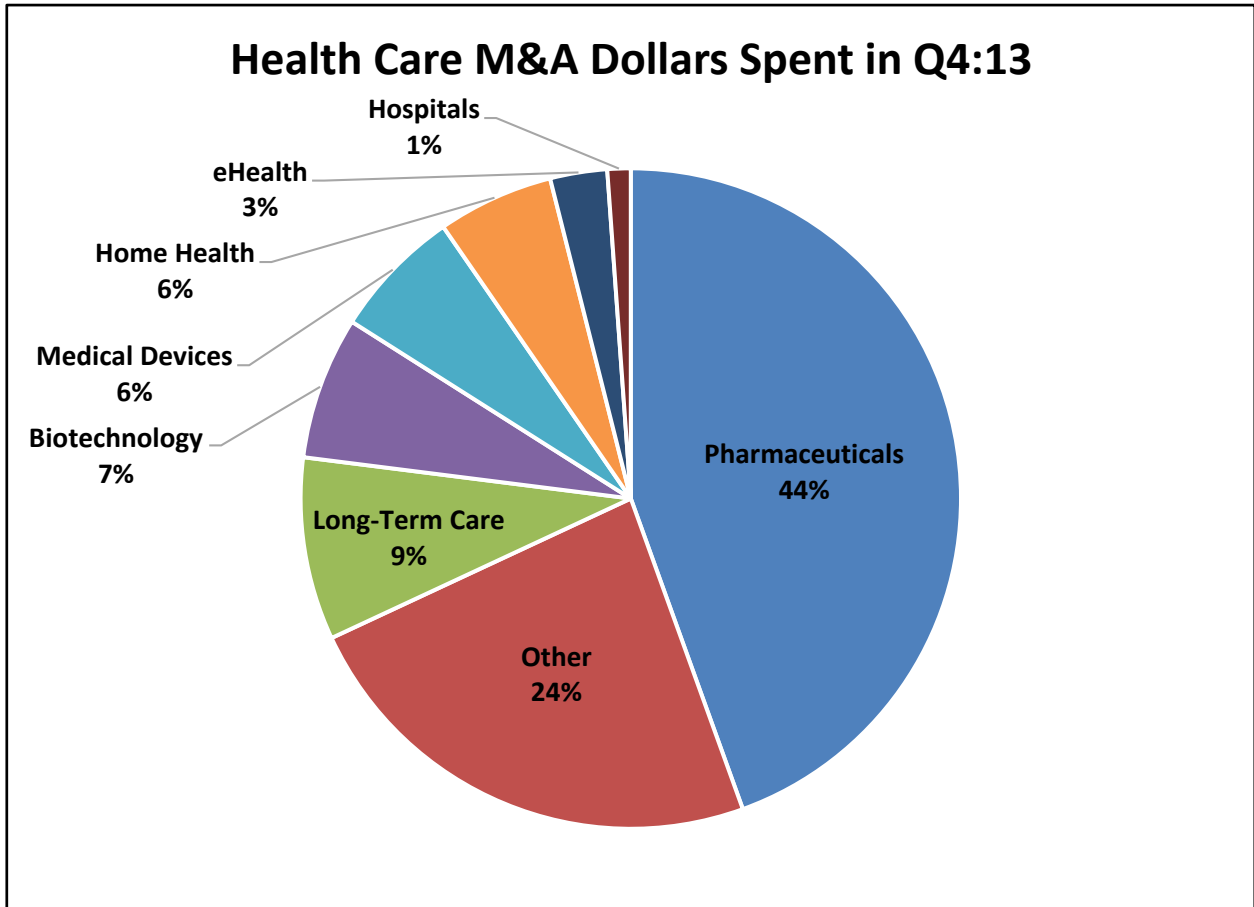
*Source: Health Care M&A News, January 2014*

Financial buyers, including real estate investment trusts and private equity firms, have not historically dominated the health care merger and acquisition market. Rather, strategic buyers have accounted for the most deals.

Financial buyers have accounted for 3.8% to 12.9% of the dollar volume in the last five quarters, with the highest percentage reported in Q4:13. The smallest percentage, seen in the second quarter, can be explained by the fact that the equity markets had a significant rally and some hit historic highs. As a result, private equity firms were not committing as much new capital to buying higher priced public companies.

Of the 40 deals announced by financial buyers in Q4:13, 25 were made by real estate investment trusts and the remaining 15 were made by private equity firms. Their investments focused on Long-Term Care (29), Pharmaceuticals (3), “Other” (3) and e-Health (2). Laboratories, MRI & Dialysis, Hospitals and Biotechnology posted one deal apiece.

## Dollar Volume in Q4:13



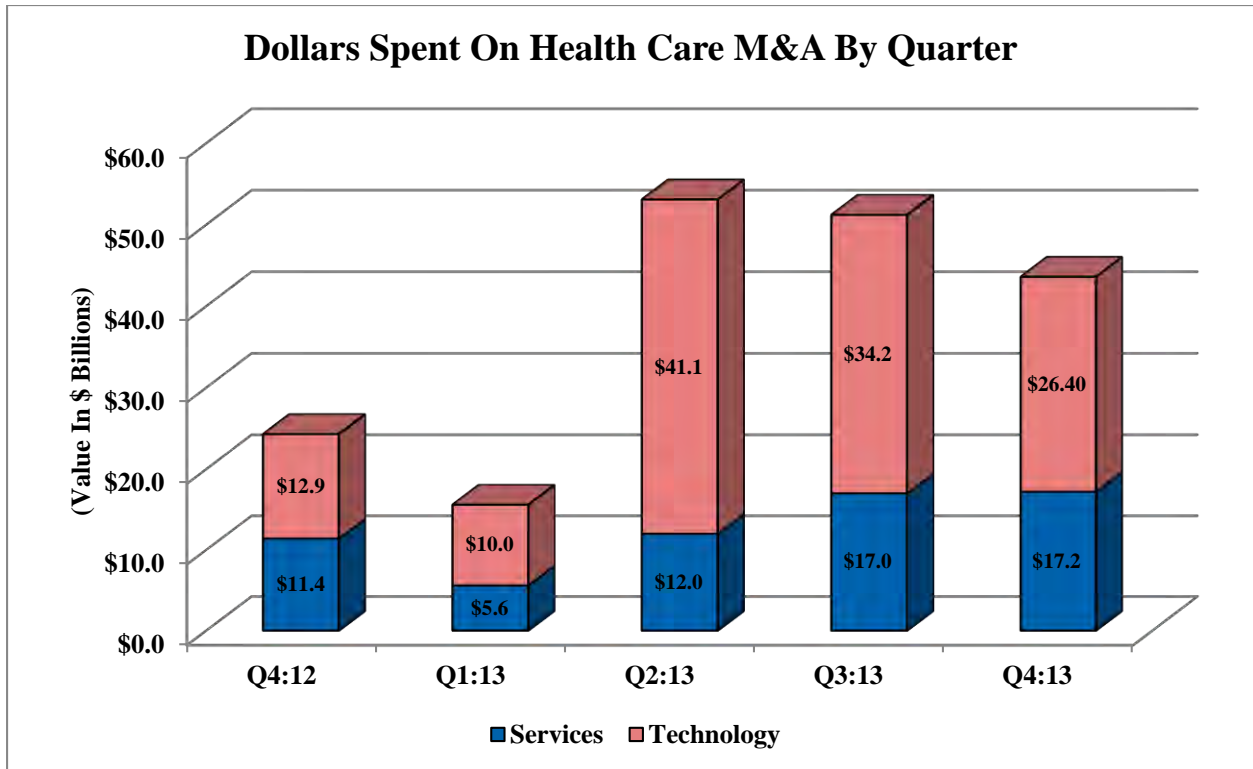
*Source: Health Care M&A News, January 2014*

A total of \$43.6 billion was spent to fund the 281 transactions in the fourth quarter, based on disclosed prices. This chart shows the percentage contribution of each sector to the total dollar volume during the quarter. The highest dollar amounts went to Pharmaceuticals (\$19.3 billion), Other (\$10.2 billion), Long-Term Care (\$3.9 billion), Biotechnology (\$3.0 billion) and Medical Devices (\$2.7 billion).

At the other end of the spectrum, four sectors did not account for more than 1% of the quarter's dollar volume: Hospitals (\$496 million), Rehabilitation (\$37.7 million), Physician Medical Groups (\$19.8 million) and Laboratories, MRI & Dialysis (\$7.5 million). Behavioral Health Care and Managed Care had some deal activity, but no disclosed prices.



## Dollar Value: Services vs. Technology Segments



Source: *Health Care M&A News*, January 2014

Based on purchase prices revealed to date, a total of \$43.6 billion was committed to fund Q4:13 transactions. We typically see the Technology sector exceed the Services sector in terms of dollars committed to acquisitions, and that pattern continued in 2013.

The median price paid per transaction during the fourth quarter was \$31 million, slightly lower than the \$37.7 million in the previous quarter, but virtually the same as the median price of \$30 million seen a year earlier, in Q4:12.

## Top 10 Transactions in Q4:13

Acquirer	Listing	Target	Listing	Price (in millions)	Target Sector
McKesson Corporation	NYSE: MCK	Celesio AG	XETRA: CLS1.DE	\$8,300	Other
Shire plc	NASDAQ: SHPG	ViroPharma Incorporated	NASDAQ: VPHM	\$4,200	Pharmaceuticals
Bayer Group	XETRA: BAYN:DE	Algeta ASA	Oslo: ALGETA.OL	\$2,900	Pharmaceuticals
AstraZeneca plc	NYSE: AZN	Global diabetes assets	NYSE: BMY	\$2,700	Pharmaceuticals
Salix Pharmaceuticals, Ltd.	NASDAQ: SLXP	Santarus, Inc.	NASDAQ: SNTS	\$2,600	Pharmaceuticals
CVS Caremark	NYSE: CVS	Coram LLC	Private	\$2,100	Home Health Care
Royal DSM, N.V. and JLL Partners	Euronext: DSM KON	Patheon Inc.	TSX: PTI	\$1,950	Other
Grifols S.A.	NASDAQ: GRFS	Blood transfusion diagnostics business	NYSE: NVS	\$1,675	Biotechnology
Endo Health Solutions Inc.	NASDAQ: ENDP	Paladin Labs Inc.	TSX: PLB.TO	\$1,600	Pharmaceuticals
Madison Dearborn Partners	Private	Ikaria, Inc.	Private	\$1,600	Pharmaceuticals

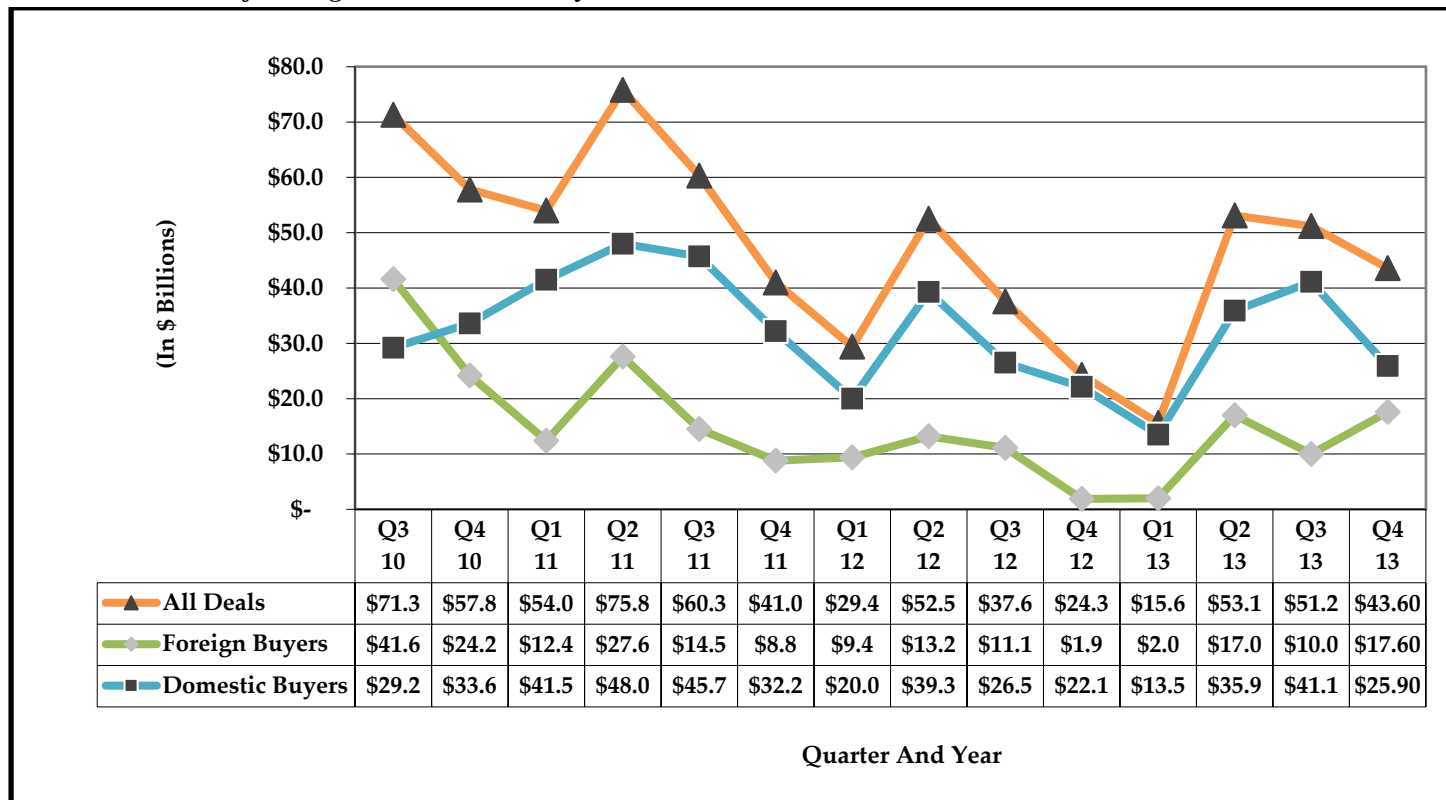
Source: *Health Care M&A News, January 2014*

Big deal-making in Q4:13 exceeded the performance of the previous quarter, when 12 deals reached or exceeded the billion-dollar mark. In the fourth quarter of 2013, all 10 of the top 10 deals were valued at \$1.0 billion or more, compared with four billion-dollar deals announced in Q4:12. The 10 deals above accounted for 70% of the total dollar volume in the fourth quarter. At press time, the largest deal announced in the fourth quarter, McKesson's \$8.3 billion bid for the German wholesale and retailer, Celesio AG, was falling short of the required level of shareholder approval.

The combined total value of the top 10 transactions in Q4:13 was \$29.6 billion, down 21% from the third quarter, when the combined total of the top 10 deals was \$37.4 billion. However, this quarter's 10 largest transactions far surpassed the total of the top 10 deals in Q4:12, which was \$15.5 billion.

## Dollar Volume: Domestic vs. Foreign Buyers

### Multi-Year Trend of Foreign and Domestic Buyers in the Health Care M&A Market



Source: Health Care M&A News, January 2014

Both foreign and domestic buyers were active in the health care acquisition market. Typically, domestic companies have dominated this buyer market, and the trend continued through the fourth quarter of 2013. Only once in the past 14 quarters—in Q3:10—did foreign buyers outspend American companies.

The gap between domestic and foreign buyers in Q4:13 was \$8.3 billion, the lowest sum recorded in the past 14 quarters. We'd have to go back to Q4:10 to find the second narrowest gap between domestic and foreign buyers, at \$9.4 billion. The widest gap was the \$31.2 billion recorded in Q3:11.

Three factors contributing to the narrowed gap in Q4:13 were the improving economic outlook for the European Union, the shutdown of the federal government in the first two weeks of October 2013 due to the Congressional budget impasse, and the botched roll-out of Healthcare.gov, the federal government's health insurance exchange, on October 1. Uncertainty over the implementation of the Affordable Care Act has been mitigated somewhat by the Obama administration's delay of certain mandates regarding small businesses, and the rescue effort launched in October to get the Healthcare.gov website stable and running.

Dollar volume for domestic buyers actually declined in the fourth quarter, down \$15.2 billion from the previous quarter. Foreign spending grew by \$7.6 billion compared with the previous quarter, more than replacing the \$7.0 billion that disappeared from the second quarter into the third quarter of 2013.

## Resources for Our Readers

To keep you abreast of the rapid developments in the merger and acquisition market, *Health Care Deal News* is published 50 times a year. This email bulletin lists the health care merger and acquisition deals announced during the week, together with prices and links, as well as articles on the more interesting Technology and Services deals and charts with data on a specific sector, or monthly and quarterly M&A results.

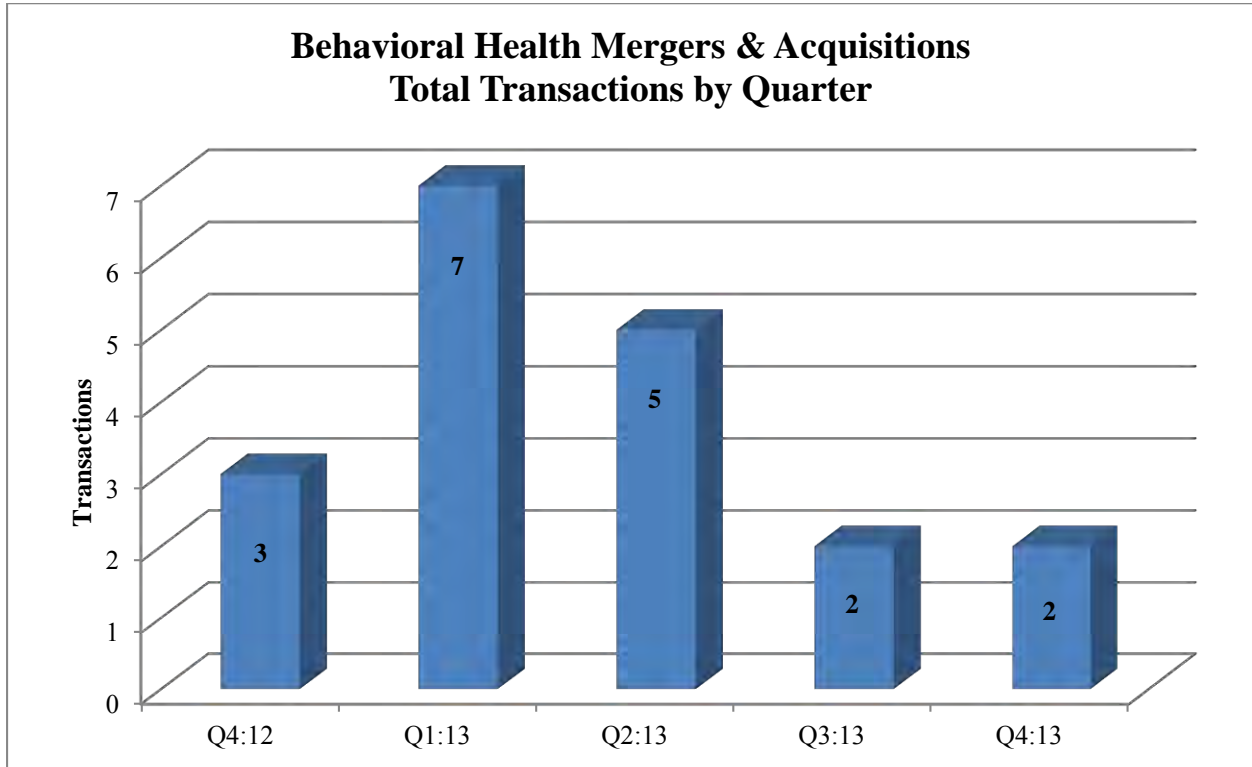
Further detail and analysis of these transactions are provided in the monthly newsletter, *Health Care M&A News*, which reports on the deals announced during the previous month and puts them in the context of emerging trends, where public and private equity investors are moving, and the impacts of those trends.

At the end of each quarter we issue this source book, *The Health Care M&A Report*, to follow up on the transactions with more comprehensive information. We utilize sources such as SEC filings, discussions with bankers, brokers and consultants involved in certain transactions, and interviews with company management to bring our readers reliable, value-added information on the important and rapidly evolving market.

Our online database, *Deal Search Online*, which includes 18 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 report, we may update the deals contained in it. That information is available to subscribers through our online database and our monthly newsletter. We hope that you find our services a valuable tool for your business.

## Behavioral Health Care

Only two deals were publicly announced in Q4:13, and represented 13% of the 16 transactions in this sector in the past 12 months.



*Source: Health Care M&A News, January 2014*

One of the two deals came with a disclosed price of \$4.5 million, representing just 3% of the total dollars spent in the past 12 months.

### ***Dollars Spent on Behavioral Health Care Mergers & Acquisitions, by Quarter***

Q4:12	Q1:13	Q2:13	Q3:13	Q4:13
\$291,400,000	\$39,803,000	\$91,800,000	-	\$4,500,000

The first deal announced in this space in Q4:13 came from privately held Behavioral Health Group based in Dallas, Texas, which is increasingly focused on opioid addictions and treatment. In its third acquisition of the year, BHG bought Midsouth Treatment Center in Dyersburg, Tennessee for an undisclosed price. Midsouth Treatment Center specializes in pain pill and opioid addictions. The previous acquisition announcements from BHG were for three opioid treatment programs in eastern Kentucky in January, and a single opioid treatment program based in Columbia, Tennessee, announced in May.

The second deal involved an acquirer from outside the Behavioral Health Care sector, privately held Accelera Innovations, Inc., which offers cloud-based software-as-a-service (SaaS) solutions to the healthcare industry. The target was Behavioral Health Care Associates, Ltd. of Schaumburg, Illinois, which provides billing, practice management and administrative services to doctors and clinicians. In support of

the billing and practice management services, BHCA also provides in-house psychiatric evaluations, complete neuropsychological testing, assessments and treatment services. It also provides comprehensive laboratory services such as EKGs, drug screens, blood work-ups and detoxification services. Accelerera paid \$4.5 million for BHCA, which will be integrated into its existing platform and offer patients a way to self-monitor and track their health, share that data with their physician, with the aim of facilitating ongoing communication and better outcomes.

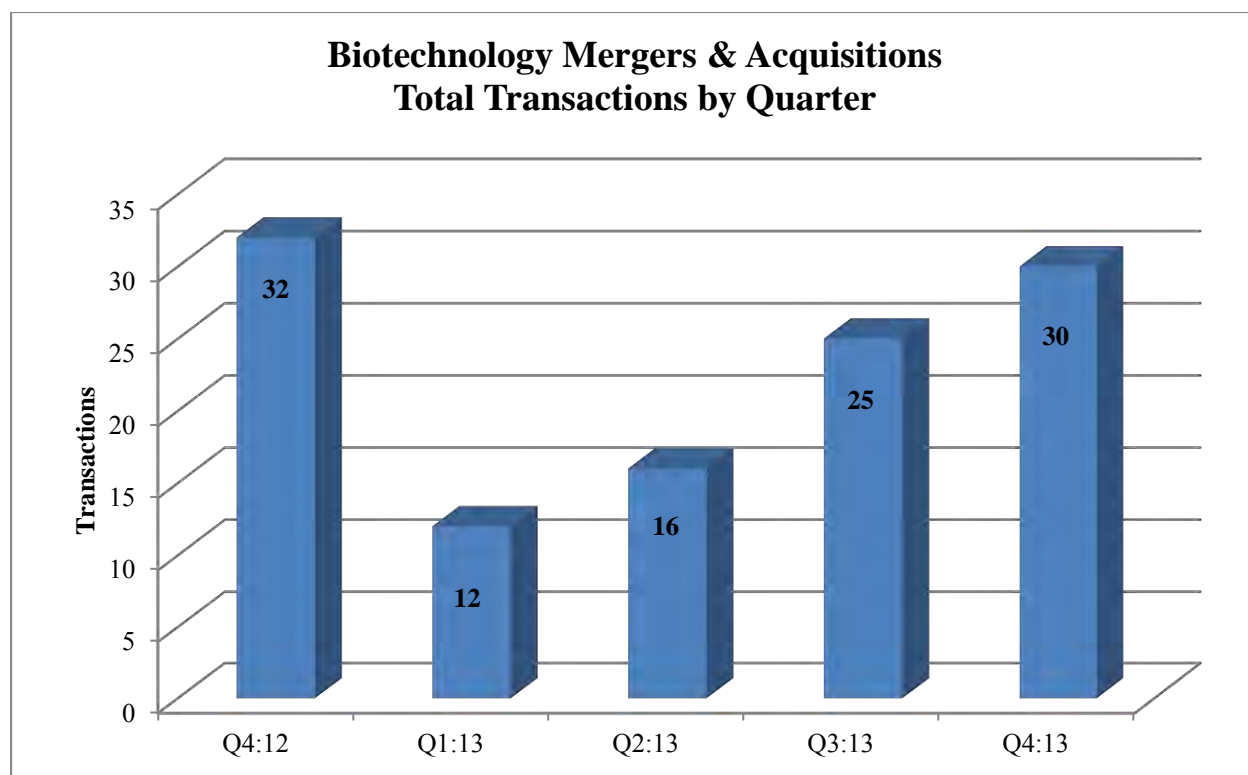
Only five of the 16 deals announced in this sector during 2013 came with prices, and most of those were fairly low. Not surprisingly, the Accelerera Innovations/Behavioral Health Care Associates deal shows up on the chart of the five largest deals in the past 12 months. The first quarter of 2013 proved to be one of the most active for this sector in some time, primarily due to Acadia Healthcare Company's buying spree back then.

***Five Largest Behavioral Health Care Deals in the Past 12 Months***

<b>Acquirer</b>	<b>Target</b>	<b>Price</b>	<b>Quarter</b>
Acadia Healthcare Company	2 psychiatric facilities	\$91,800,000	Q2:13
Acadia Healthcare Company	Delta Medical Center	\$23,100,000	Q1:13
Recovery and Rehabilitation Partnership Ltd.	Nelson House	\$10,403,000	Q1:13
Acadia Healthcare Company	Greenleaf Center	\$6,300,000	Q1:13
Accelerera Innovations, Inc.	Behavioral Health Care Associates	\$4,500,000	Q4:13

## Biotechnology

During the fourth quarter of 2013, 30 transactions were announced in the Biotechnology sector, representing 36% of the 83 deals made in the last 12 months. Twenty-three of the transactions were conducted by 20 public companies and most acquirers were either a biotech or pharmaceutical company. The three outliers were medical device company Baxter International, the British laboratory research firm Randox Laboratories, and Infinity Oil & Gas, which is essentially a shell company.



*Source: Health Care M&A News, January 2014*

A total of \$3.0 billion was spent to finance the fourth quarter's activity, or 10% of the \$30.3 billion committed in the preceding 12 months.

### *Dollars Spent on Biotechnology Mergers & Acquisitions, by Quarter*

Q4:12	Q1:13	Q2:13	Q3:13	Q4:13
\$2,714,728,500	\$428,100,000	\$16,634,600,000	\$10,155,047,000	\$3,041,163,316

Eleven of the targets were based outside the U.S., from Australia to Switzerland, while 12 of the acquirers were foreign-based. Nine target companies were publicly traded. Seven transactions involved acquiring the rights to compounds or therapies, and one was for a patent.

The largest deal in Biotechnology in Q4:13 also made the list of the top five largest deals announced in the past year. It was the only billion-dollar deal announced in this sector in the fourth quarter, which is

unusual, although not unheard of. (In Q1:13, a generally slow quarter, not a single billion-dollar deal was announced.) The Spanish pharmaceutical company Grifols, S.A., agreed to pay \$1.67 billion for the blood transfusion diagnostics business from Novartis AG. That business was part of the former Chiron, a California-based biotech company that Novartis acquired in 2006. The assets acquired include *in vitro* diagnostic products and technology for transfusion medicine and immunology, a manufacturing plant in the United States and commercial offices in the U.S., Switzerland and Hong Kong. Following this acquisition, Grifols' Diagnostic Division will account for more than 20% of its annual sales. The transaction is expected to close in the first half of 2014.

Deal value dropped precipitously after that billion-dollar deal. Maryland-based biopharmaceutical company Emergent BioSolutions, Inc. acquired Cangene Corporation, one of Canada's older biopharmaceutical companies. The price of \$222 million was equivalent to \$3.24 per share of Cangene, which is focused on the development and commercialization of specialty therapeutics. Its biodefense, commercial specialty pharmaceuticals and contract manufacturing products are highly complementary to EBS's business.

Clovis Oncology, Inc., a biopharmaceutical company based in Denver, Colorado, announced the purchase of Italian biopharmaceutical firm EOS (Ethical Oncology Science) S.p.A. The attraction was EOS' global (except in China) development and commercialization rights for lucitanib, a unique cancer treatment now in Phase 1 and 2a clinical trials. EOS sublicensed its rights to lucitanib in Europe and the rest of the world, excluding China, to Les Laboratoires Servier in 2012. The \$200 million price will be paid in the form of \$10 million in cash and \$190 million in Clovis stock.

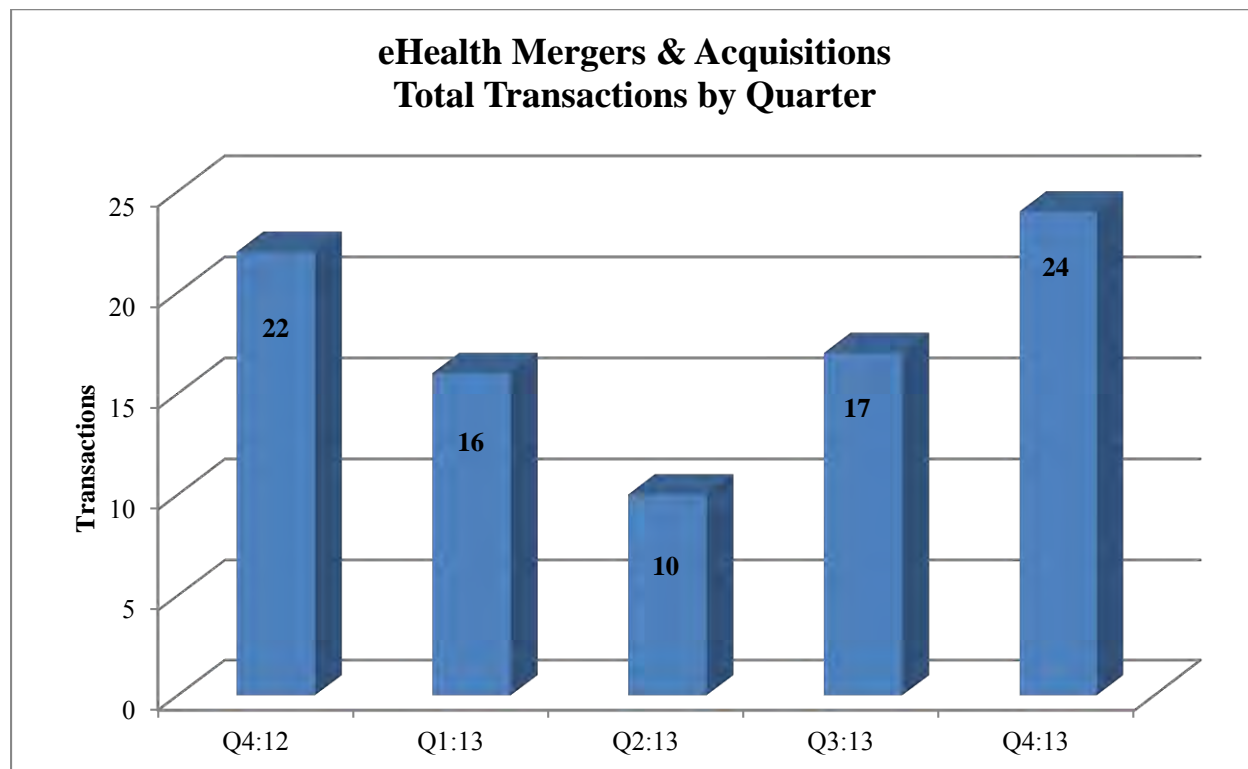
***Five Largest Biotechnology Deals in the Past 12 Months***

<b>Acquirer</b>	<b>Target</b>	<b>Price</b>	<b>Quarter</b>
Thermo Fisher Scientific Inc.	Life Technologies Corporation	\$15,800,000,000	Q2:13
Perrigo Company	Elan Corporation, plc	\$8,600,000,000	Q3:13
Grifols S.A.	Blood transfusion diagnostics business	\$1,675,000,000	Q4:13
OPKO Health, Inc.	PROLOR Biotech, Inc.	\$480,000,000	Q2:13
bioMerieux, Inc.	BioFire Diagnostics, Inc.	\$450,000,000	Q3:13



## eHealth

Merger and acquisition activity continued its upward trend in the fourth quarter, with 24 announced deals. This quarter's deals represent 36% of the 67 deals in the previous 12 months.



*Source: Health Care M&A News, January 2014*

Only eight deals came with disclosed prices in this quarter, with one deal accounting for the majority of the total, at \$850 million. The dollar volume in Q4:13 represents 44% of the \$2.7 billion spent in this category in the last four quarters.

### *Dollars Spent on eHealth Mergers & Acquisitions, by Quarter*

Q4:12	Q1:13	Q2:13	Q3:13	Q4:13
<b>\$313,268,000</b>	<b>\$569,250,000</b>	<b>\$105,000,000</b>	<b>\$862,232,000</b>	<b>\$1,214,290,000</b>

The largest deal in eHealth for the fourth quarter is also the largest deal of the past 12 months. Experian plc agreed to pay \$850 million for privately held Passport Communications, which provides data, analytics and software to the U.S. healthcare payments market through 2,500 hospitals and more than 9,000 other healthcare providers. The acquisition will significantly expand Experian Healthcare's market reach.

Another healthcare industry outsider, Towers Watson & Co., made the second-largest purchase in this sector, which also made the top-five list. Towers Watson paid \$215 million for Liazon Corporation, a privately held New York company that develops and delivers private benefit exchanges for employers and their employees. The deal follows Towers Watson's purchase of Extend Health in June 2012, another private exchange company.

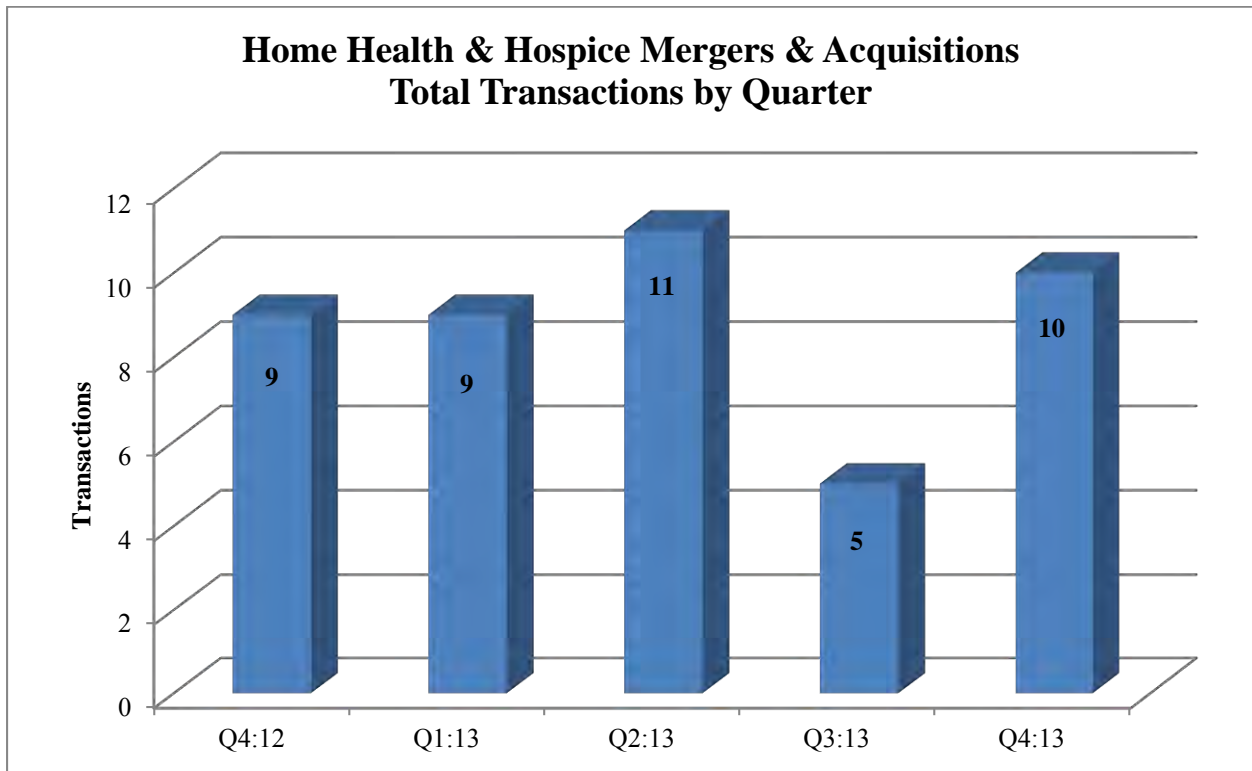
Dollar value dropped off quickly in this category, as the third largest acquisition was for \$54 million. The buyer was another healthcare industry outsider, Lexmark International, Inc., which began as a manufacturer of printers and copiers, and has branched into digital imaging. The target, Pacsgear, provides connectivity solutions for healthcare providers to capture, manage and share medical images and related documents, and to integrate them with existing picture archiving and communication systems and EMRs.

***Five Largest eHealth Deals in the Past 12 Months***

<b>Acquirer</b>	<b>Target</b>	<b>Price</b>	<b>Quarter</b>
Experian plc	Passport Health Communications, Inc.	\$850,000,000	Q4:13
Vitera Healthcare Solutions, LLC	Greenway Medical Technologies	\$644,000,000	Q3:13
athenahealth, Inc.	Epocrates, Inc.	\$293,000,000	Q1:13
Allscripts	dbMotion, Ltd.	\$235,000,000	Q1:13
Towers Watson & Co.	Liazon Corporation	\$215,000,000	Q4:13

## Home Health & Hospice

The Home Health & Hospice sector rebounded in Q4:13, to 10 transactions from a nadir of only five deals announced in the previous quarter. The quarter's transactions represent 29% of the 35 deals announced in the past 12 months. Deal-making activity was positively impacted by a growing interest in post-acute health care services from private equity investors, hospitals and health systems, in addition to consolidation among home health agencies.



*Source: Health Care M&A News, January 2014*

Five out of the 10 transactions announced in the fourth quarter came with disclosed prices for a combined total of \$2.4 billion million, or 77% of the \$3.1 billion announced in the past 12 months. Most sales of home health and hospice companies or agencies are small and local and don't have disclosed prices. Dollar values can be negligible, as in Q1:13, or quite stunning, as in Q4:13.

### *Dollars Spent on Home Health & Hospice Mergers & Acquisitions, by Quarter*

Q4:12	Q1:13	Q2:13	Q3:13	Q4:13
\$366,800,000	\$36,463,000	\$257,425,000	\$421,300,000	\$2,417,920,000

The largest deal announced in this quarter carried the largest transaction price announced in this space in the last 12 months. CVS Caremark, the retail pharmacy giant, paid \$2.1 billion for Coram LLC, the home infusion business of Apria Healthcare Group Inc. Coram is one of the nation's largest providers of comprehensive infusion services. It will become part of CVS' Pharmacy Services division and is expected

to generate approximately \$1.4 billion in revenues during the first 12 months following the close of the deal in the first quarter of 2014.

Centene Corporation, a multi-line managed care enterprise serving under-insured and low-income populations, acquired a 68% equity stake in U.S. Medical Management, LLC (USMM) for \$200 million. Based in Troy, Michigan, USMM provides in-home health services for high acuity populations. Services include primary care, health risk assessments, home health, hospice, podiatry, radiology, DME, lab and pharmacy.

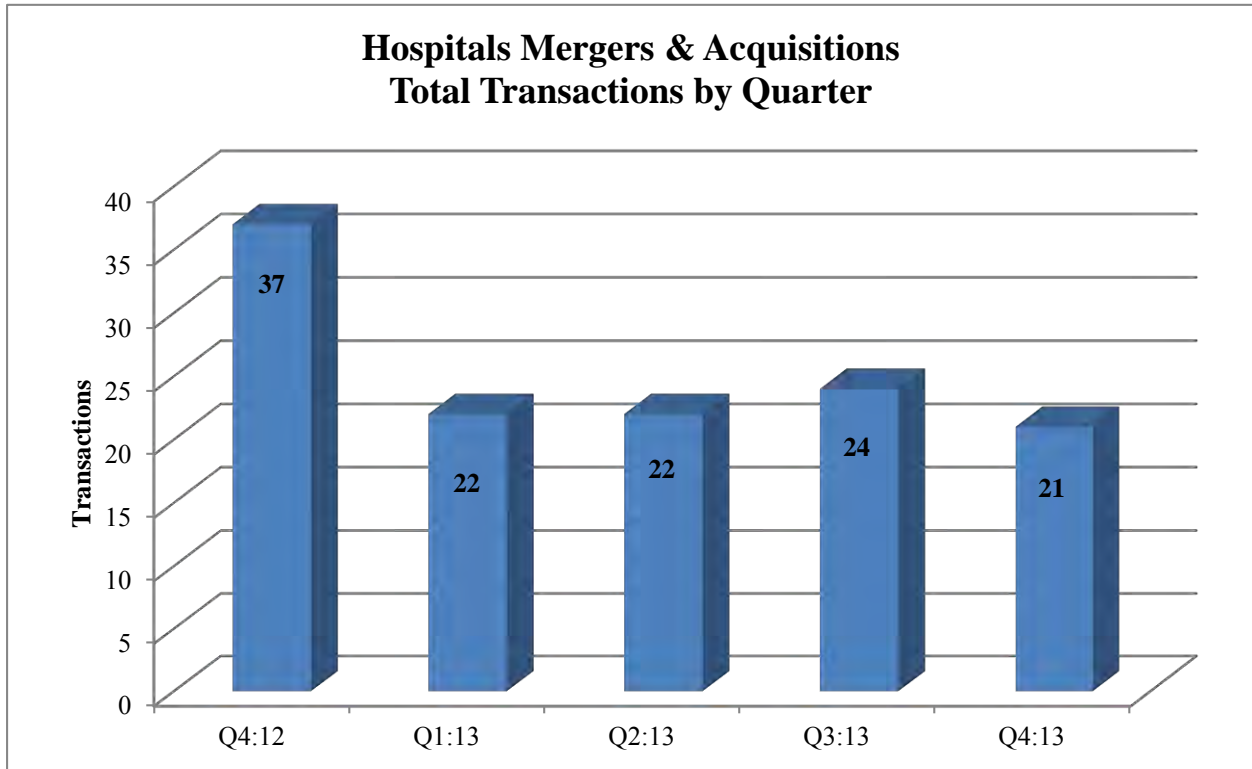
Kindred Healthcare, Inc. announced the third-largest deal in this sector, with its \$95 million acquisition of Senior Home Care, Inc., based in Clearwater, Florida. Senior Home Care operates through 47 locations in Florida and Louisiana. It generates annualized revenues of approximately \$143 million. Kindred currently operates 10 transitional care hospitals within Senior Home Care's existing service areas in Florida. In Louisiana, Kindred currently operates one transitional care hospital and, through its RehabCare division, five hospital-based acute rehabilitation units within Senior Home Care's service areas.

***Five Largest Home Health Care and Hospice Transactions in the Last 12 Months***

<b>Acquirer</b>	<b>Target</b>	<b>Price</b>	<b>Quarter</b>
CVS Caremark	Coram LLC	\$2,100,000,000	Q4:13
Gentiva Health Services, Inc.	Harden Healthcare Holdings, Inc.	\$408,800,000	Q3:13
BioScrip, Inc.	CarePoint Partners Holdings LLC	\$223,000,000	Q2:13
Centene Corporation	U.S. Medical Management, LLC	\$200,000,000	Q4:13
Kindred Healthcare, Inc.	Senior Home Care, Inc.	\$95,000,000	Q4:13

## Hospitals

There were 21 deals announced in the Hospital sector during Q4:13, a slight decrease from the preceding quarter. This quarter's deal volume represented 24% of the 89 hospital transactions announced in the previous 12 months.



*Source: Health Care M&A News, January 2014*

Only three of the 24 announced transactions came with disclosed prices and those were far below the billion-dollar levels achieved in the previous two quarters. That explains why the \$496 million that was spent on financing the 21 deals in Q4:13, represents a mere 0.035% of the \$14.0 billion spent in the past 12 months.

### *Dollars Spent on Hospital Mergers & Acquisitions, by Quarter*

Q4:12	Q1:13	Q2:13	Q3:13	Q4:13
\$1,056,567,000	\$451,960,000	\$5,595,500,000	\$12,458,360,000	\$495,900,000

Even with such a precipitous drop in deal values from quarter to quarter, the largest deal announced in Q4:13 made it onto the list of top five deals in the past 12 months. Britain-based Bupa, whose operating interests include a healthcare insurance business, senior care homes, hospitals and home health services, acquired Hong Kong-based Quality HealthCare Medical Services for \$355 million. Fortis Healthcare Ltd., India's largest private hospital chain was the seller, and this deal marked its third divestiture since April 2013. Quality HealthCare has a network of 50 medical centers, more than 500 affiliated clinics and more than 20 dental and physiotherapy centers across Hong Kong.

The second largest hospital acquisition was U.S.-based, as Sabra Health Care REIT, Inc. paid nearly \$120 million to acquire Forest Park Medical Center in Frisco, Texas. This acute care hospital contains 30 inpatient rooms, 14 family suites, 10 ICU beds and 12 operating rooms. Approximately \$10.5 million of the purchase price is being held in escrow for up to 20 months, the release of which is contingent on the tenant achieving certain performance hurdles. The seller will be paid a fee of \$500,000 annually during the escrow period. Concurrent with the purchase, Sabra assumed the existing long-term triple net lease with Forest Park Medical Center at Frisco, LLC, resulting in annual lease revenues determined in accordance with GAAP of \$13.3 million and an initial yield on cash rent of 8.75%.

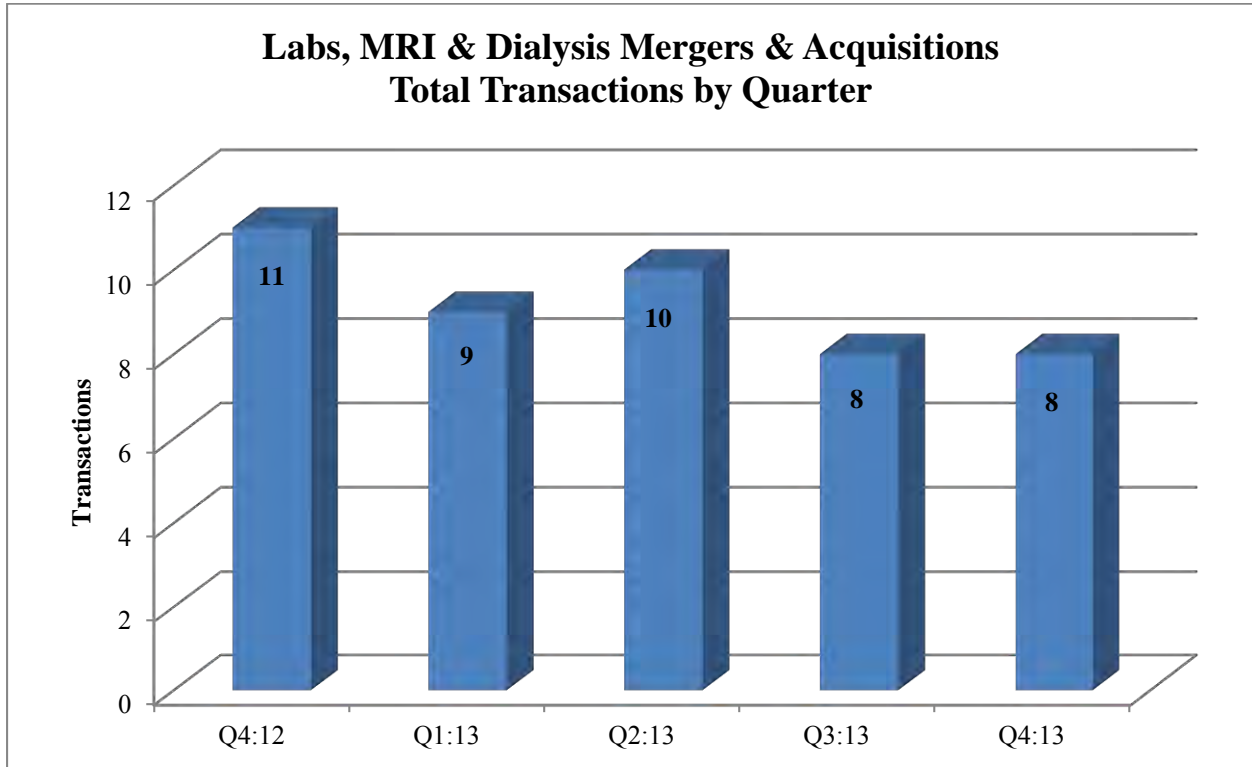
Rush University Medical Center and Wheaton Franciscan Services, Inc. completed the closing for the change of corporate members of Rush Oak Park Hospital, formerly Oak Park Hospital. The deal for \$21.1 million required approval from the Illinois Health Facilities & Services Planning and Review Board, as well as the Vatican. Because Wheaton is no longer a sponsor of the 114-bed medical and surgical hospital, it is no longer a Catholic hospital. ROPH will operate as a not-for-profit, tax-exempt charitable organization without a specific religious affiliation.

***Five Largest Hospital Deals in the Past 12 Months***

<b>Acquirer</b>	<b>Target</b>	<b>Price</b>	<b>Quarter</b>
Community Health Systems, Inc.	Health Management Associates, Inc.	\$7,600,000,000	Q3:13
Tenet Healthcare Corporation	Vanguard Health Systems, Inc.	\$4,300,000,000	Q2:13
Fresenius Helios	43 German hospitals	\$4,175,200,000	Q3:13
Catholic Health Initiatives	St. Luke's Episcopal Health System	\$1,000,000,000	Q2:13
Bupa	Quality HealthCare Medical Services	\$355,000,000	Q4:13

## Laboratories, MRI and Dialysis

During the fourth quarter eight transactions were announced, equaling the number of transactions in the previous quarter. The Q4:13 deals represent 23% of the 35 deals announced in the past 12 months.



*Source: Health Care M&A News, January 2014*

Only one of the eight transactions came with a disclosed price, and it was very low at that—just \$7.5 million—representing just 0.4% of the \$1.9 billion spent in this sector in the last 12 months.

### *Dollars Spent on Laboratories, MRI and Dialysis Mergers & Acquisitions, By Quarter*

Q4:12	Q1:13	Q2:13	Q3:13	Q4:13
\$106,100,000	\$507,400,000	\$1,221,900,000	\$118,816,000	\$7,500,000

The only deal that came with a price was the bid by Trinity Biotech plc, the Irish biotechnology company, for the blood bank screening business sold by the UK-based Lab 21 Ltd. for \$7.5 million. The acquired business generates annual revenues of \$4 million, of which \$3.5 million is generated from syphilis products, and the remainder from malaria products.

Other deals in this quarter probably carried much higher price tags, such as Quest Diagnostics' purchase of ConVerge Diagnostic Services LLC, which was sold by private equity firm Water Street Healthcare Partners. ConVerge is a full-services laboratory providing clinical, cytology and anatomic pathology

testing services to patients and providers in New England. The transaction includes its laboratory in Peabody, Massachusetts and its patient service centers operating in Connecticut, Massachusetts and New Hampshire.

Another transaction involved a private equity firm buying into a diagnostic laboratory company. Levine Leichtman Capital Partners of Beverly Hills, California paid an undisclosed price for Genova Diagnostics, a global specialty clinical diagnostic lab company owned by Nautic Partners, LLC and Ferrer Freeman & Company, LLC. Genova offers more than 125 specialized diagnostic assessments that cover digestive, metabolic, immunology, endocrinology and other physiological areas. It currently serves more than 10,000 primary care physicians, specialists and other healthcare providers.

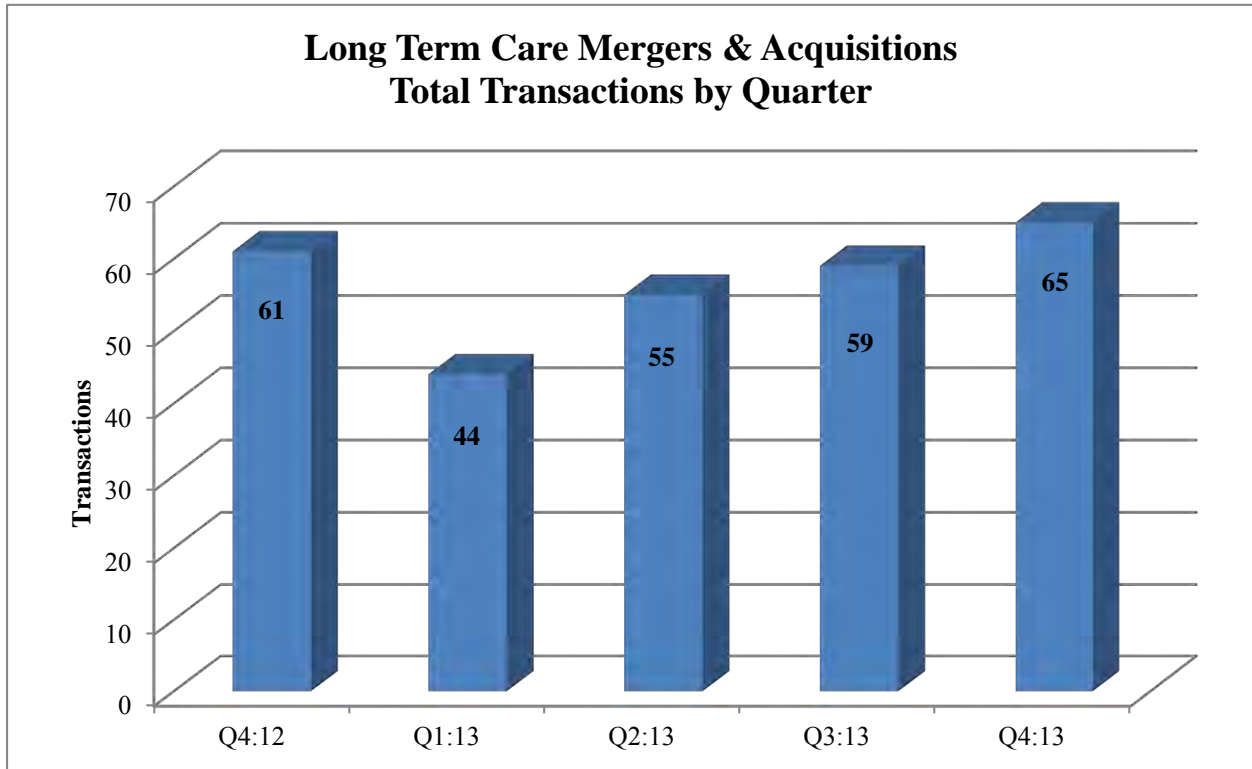
***Five Largest Laboratories, MRI and Dialysis Deals in the Past 12 Months***

<b>Acquirer</b>	<b>Target</b>	<b>Price</b>	<b>Quarter</b>
LifeLabs Medical Laboratory Services	CML HealthCare Inc.	\$1,220,000,000	Q2:13
Illumina, Inc.	Verinata Health, Inc.	\$350,000,000	Q1:13
JLL Partners, Inc. and Ampersand Partners	BioClinica, Inc. & CoreLab Partners, Inc.	\$123,000,000	Q1:13
BGS Acquisition Corp.	TransnetYX Holding Corp.	\$95,700,000	Q3:13
Health Management Corporation of America	Health Diagnostics Management, LLC	\$34,400,000	Q1:13



## Long-Term Care

Deal volume continued to grow in the fourth quarter, up 10% compared with the previous quarter. Long-Term Care was still the busiest of all the health care sectors, with 65 announced transactions, representing 29% of the 223 deals announced in the past 12 months.



*Source: Health Care M&A News, January 2014*

Based on revealed prices, nearly \$3.9 billion was committed to finance the fourth quarter deals, accounting for 36% of the \$10.9 billion spent in the last 12 months. Of the 65 deals announced, all but five had prices.

### *Dollars Spent on Long-Term Care Mergers & Acquisitions, by Quarter*

Q4:12	Q1:13	Q2:13	Q3:13	Q4:13
\$2,913,425,000	\$1,621,150,300	\$2,599,421,000	\$2,811,179,000	\$3,889,111,796

Of the acquirers, 11 were publicly traded and 37 were private companies. Three buyers were private equity firms and 13 were REITs. Six of the sellers were publicly traded, while seven were nonprofits and the rest were private companies or assets owned by them. No acquirer made more than three announced acquisitions in this quarter, but there were several companies that made that list: American Realty Capital Healthcare Trust, Aviv REIT, Inc. Capital Senior Living Corporation, Capitol Seniors Housing, NorthStar Healthcare Income, Inc. and Senior Housing Properties Trust.

Two of the quarter's deals made the list for largest deals in the past year. The first was the November 2013 sale of 52 independent living communities by Holiday Retirement Corporation, which is owned by funds

controlled by Fortress Investment Group, to Newcastle Investment Corp., a REIT that is advised by affiliates of Fortress Investment Group. The terms of the deal were for approximately \$300 million in cash and \$700 million of new debt, making the purchase price \$1.01 billion. The communities are 100% private pay and are located in 24 states with an average occupancy of 90.5% as of September 30, 2013. Newcastle will be leasing these communities back to Holiday at an initial annual yield of 6.5%, equal to \$65.65 million.

Prior to that, Holiday Retirement Corporation sold 26 independent living communities to Ventas, one of the largest healthcare REITs in the country, for \$790 million in a sale/leaseback deal. The combined total of units in these communities is 3,138, with an overall occupancy rate of 94%. At the time of this deal's announcement in October, there was some speculation that more deals would follow as Fortress still had 280 buildings in its portfolio and its Fannie Mae debt was maturing (close to \$4.5 billion before this deal).

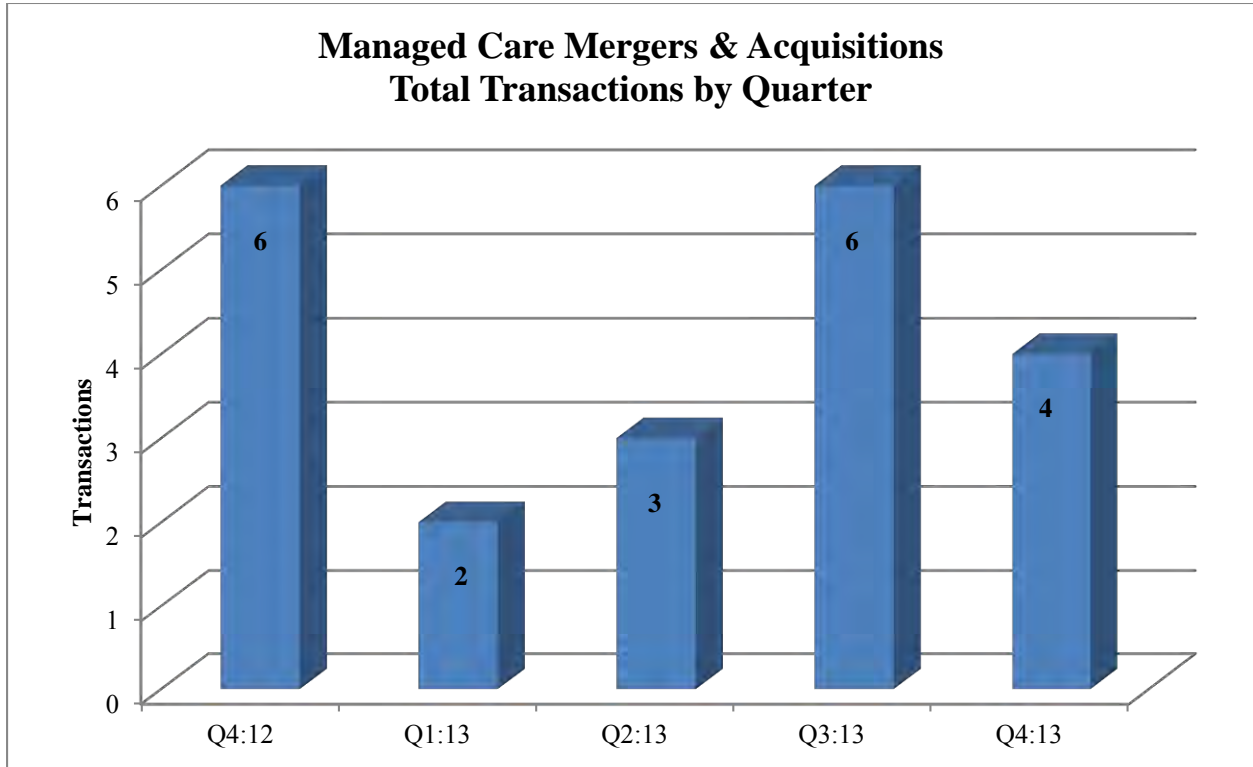
Sure enough, the third largest deal in this sector also involved Holiday Retirement's sale of 25 independent living communities to National Health Investors, Inc. This deal, for \$491 million, was announced the day after its billion-dollar deal was announced. The facilities will continue to be operated by affiliates of Holiday Retirement pursuant to a 17-year master lease.

***Five Largest Long-Term Care Deals in the Past 12 Months***

<b>Acquirer</b>	<b>Target</b>	<b>Price</b>	<b>Quarter</b>
Health Care REIT, Inc.	47 Revera Canadian properties	\$1,010,000,000	Q2:13
Newcastle Investment Corp.	52 independent living communities	\$1,010,000,000	Q4:13
Ventas	26 Holiday Retirement communities	\$790,000,000	Q4:13
Swiss Prime Site AG	Tertianum AG	\$529,650,000	Q2:13
Omega Healthcare Investors, Inc.	Ark Holding Company	\$525,000,000	Q3:13

## Managed Care

This once-busy sector has seen a significant slowdown in deal activity since 2012. During the fourth quarter of 2013, four managed care transactions were announced, a slight decrease from the six deals announced in the previous quarter. This quarter's deals account for 27% of the 15 deals announced in the past 12 months.



*Source: Health Care M&A News, January 2014*

None of the deals came with a disclosed price.

### *Dollars Spent on Managed Care Mergers & Acquisitions, by Quarter*

Q4:12	Q1:13	Q2:13	Q3:13	Q4:13
\$5,388,000,000	\$33,250,000	-	\$25,000,000	-

No doubt the largest deal, even without a disclosed price, was Aetna Inc.'s acquisition of InterGlobal, based in Farnham, England, from private equity firm Alchemy Partners. InterGlobal has more than 65,000 medical members worldwide and specializes in international private medical insurance from groups and individuals in Europe, Asia, Africa and the Middle East. Aetna expects to finance the acquisition from available resources. The transaction is expected to close during the first half of 2014 and be neutral to Aetna's financial results in 2014.

Centene Corporation, which announced its \$200 million acquisition of home health care company U.S. Medical Management in this quarter, also acquired a majority interest in Fidelis SecureCare of Michigan, Inc., for an undisclosed price. Under the terms of the agreement, Centene and Fidelis will own and

operate the Fidelis SecureCare Michigan health plan, which provides expert clinical care and coordination services to dual-eligible beneficiaries through its SecureHome clinics. Fidelis' affiliated SecureHome clinics in Detroit, Michigan, were not part of this acquisition. The transaction is expected to close in the fourth quarter of 2014.

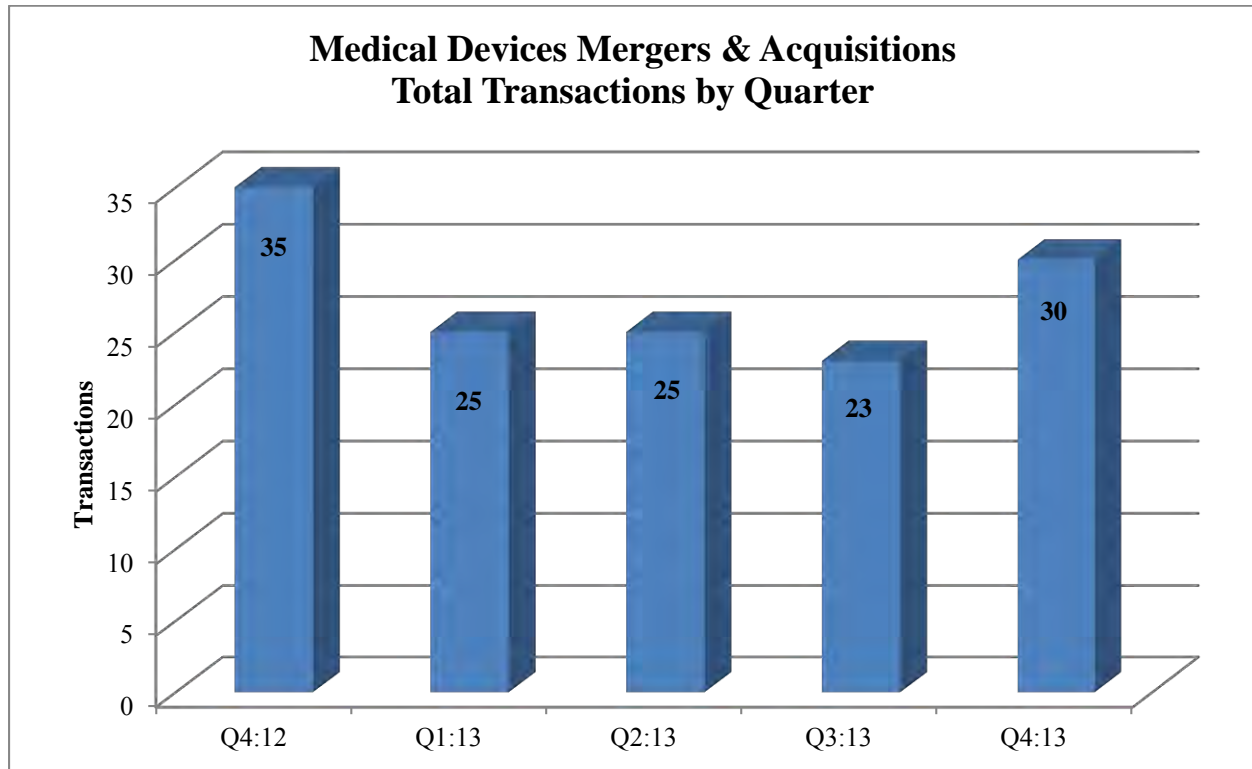
Atlanta, Georgia-based Stratose announced its acquisition of HFN, Inc., in Oak Brook, Illinois, for an undisclosed price. This was its first acquisition since 2011, when Stratose made three deals that expanded its footprint in East Coast markets and established its presence in the dental market. HFN offers comprehensive healthcare management services, workers' comp return-to-work and group health programs, as well as claims negotiation services. It is the largest independently owned PPO network in Illinois, also serving northwestern Indiana, eastern Iowa and Wisconsin. Stratose, which provides healthcare cost containment solutions with proprietary technology, has already made an acquisition in Q1:14, for an undisclosed price, of course.

***Five Largest Managed Care Deals in the Past 12 Months***

<b>Acquirer</b>	<b>Target</b>	<b>Price</b>	<b>Quarter</b>
Citrus Universal Healthcare, Inc.	Universal Health Care Group	\$33,250,000	Q1:13
Magellan Health Services, inc.	AlphaCare of New York	\$17,500,000	Q3:13
Molina Healthcare, Inc.	Certain assets of Community Health Solutions	\$7,500,000	Q3:13

## Medical Devices

There were 30 deals announced during Q4:13 in the Medical Device sector, a 30% increase over the previous quarter. The fourth quarter figure represents 29% of the 103 deals made in the past 12 months.



*Source: Health Care M&A News, January 2014*

Based on disclosed prices, \$2.8 billion was committed to finance these fourth quarter transactions. The total accounts for 39% of the \$7.0 billion that was spent in 2013.

### *Dollars Spent on Medical Device Mergers & Acquisitions, by Quarter*

Q4:12	Q1:13	Q2:13	Q3:13	Q4:13
\$7,604,055,000	\$1,382,678,200	\$2,353,783,000	\$5,352,400,000	\$2,780,075,000

Two of this quarter's deals qualified for the "five largest" list covering 2013. The largest acquisition was Covidien plc's \$860 million purchase of Given Imaging Ltd. of Duluth, Georgia. Given Imaging's special focus is on gastrointestinal medical devices. Its product portfolio includes a capsule endoscope for imaging the esophagus, colon and small bowel. The purchase will significantly expand Covidien's presence in the \$3 billion gastrointestinal device market, but does not change Covidien's guidance as a result of this transaction.

The second largest transaction also made the top-five list of big deals, as CareFusion Corp. paid \$500 million to acquire the Vital Signs business of GE Healthcare. Vital Signs manufactures single-patient-use consumables for respiratory care and anesthesiology, as well as products for temperature management and

patient monitoring consumables. The acquisition significantly expands CareFusion's Specialty Disposables business by adding global scale and new anesthesiology products.

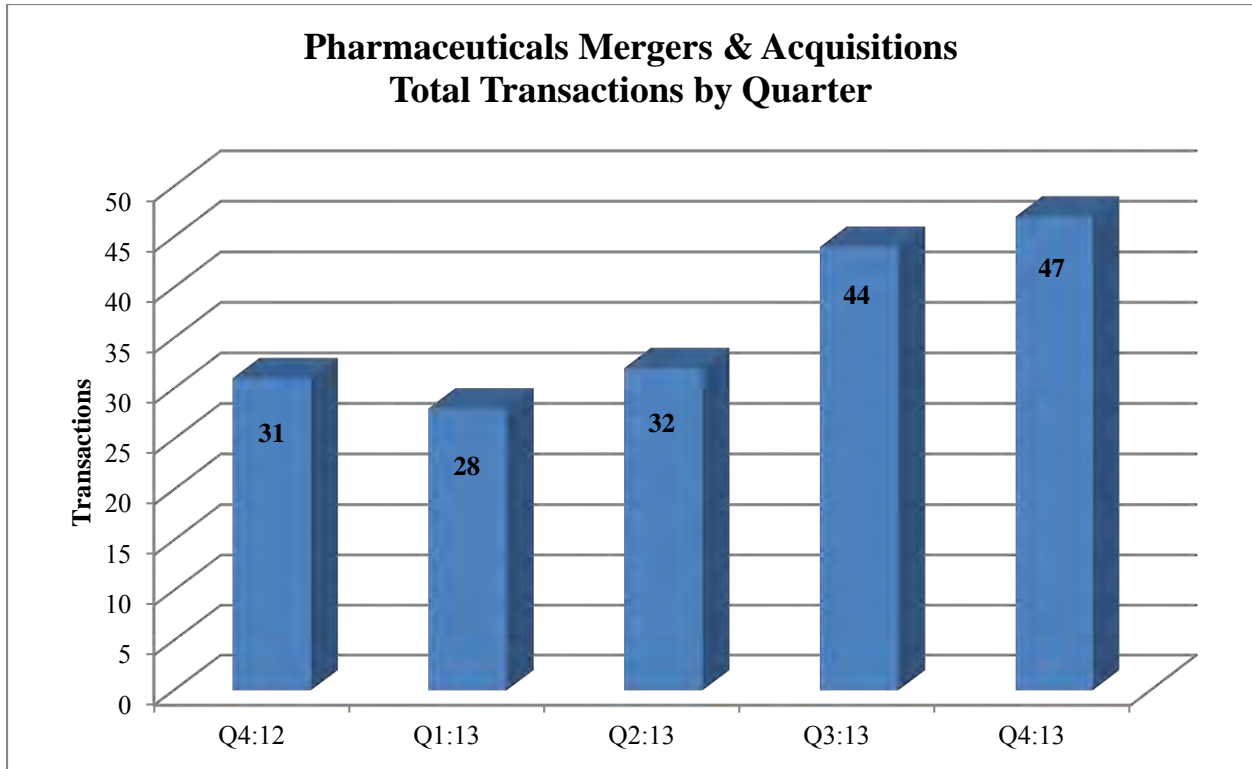
Teleflex Incorporated made two acquisitions in October 2013, but only one came with a disclosed price. On October 1, the company announced the purchase of the microlaparoscopy technology business of InnoLap Surgical, an Israeli medical device company, for an undisclosed price. On October 29, it announced its \$262.5 million acquisition of Vidacare Corporation in Shavano Park, Texas. Vidacare provides intraosseous (IO), or inside-the-bone, devices. Its proprietary products include the EZ-IO Vascular Access System, the OnControl Bone Marrow System and the OnControl Bone Access System.

***Five Largest Medical Device Deals in the Past 12 Months***

<b>Acquirer</b>	<b>Target</b>	<b>Price</b>	<b>Quarter</b>
Kohlberg Kravis Roberts & Co. L.P.	Panasonic Healthcare Co., Ltd.	\$1,670,000,000	Q3:13
Stryker Corporation	MAKO Surgical Corp.	\$1,650,000,000	Q3:13
Bayer HealthCare LLC	Conceptus, Inc.	\$1,100,000,000	Q2:13
Covidien plc	Given Imaging Ltd.	\$860,000,000	Q4:13
CareFusion Corp.	Vital Signs division of GE Healthcare	\$500,000,000	Q4:13

## Pharmaceuticals

The Pharmaceutical sector posted 47 transactions during the fourth quarter of 2013, representing 31% of the 151 deals announced in the past 12 months. The number of acquisitions increased by 7% compared with the previous quarter.



*Source: Health Care M&A News, January 2014*

Based on revealed prices, seven of the 47 deals had prices of \$1 billion or more. In all, \$19.3 billion was spent to finance the quarter's transactions, up 9% over the previous quarter. As large as that figure seems, it represents just 29% of the \$66.7 billion spent in the past 12 months.

### *Dollars Spent on Pharmaceutical Mergers & Acquisitions, by Quarter*

Q4:12	Q1:13	Q2:13	Q3:13	Q4:13
\$2,275,634,900	\$7,608,115,789	\$22,008,545,000	\$17,778,056,054	\$19,349,803,888

Of the 43 transactions, 31 were announced by publicly traded buyers. Among the target companies, 23 were public companies or products of a public company, and 24 were private companies. Twelve of the buyers were foreign-based, as were 14 of the targets.

Shire plc's \$4.2 billion bid for ViroPharma Incorporated was large enough to rank fourth on the list of largest pharmaceutical deals in 2013. ViroPharma, based in Exton, Pennsylvania, is a biopharma focused on rare diseases. Its commercial product, Cinryze, is a leading brand for the prophylactic treatment of hereditary angioedema (HAE). Shire expects the addition of Cinryze to its Rare Disease business unit will

increase revenues by \$2 billion in 2014, which will represent approximately 40% of Shire's total product sales on a pro forma basis.

The second largest deal in this sector as Bayer Group's \$2.9 billion acquisition of the Norwegian pharmaceutical maker Algeta ASA. Its lead product is Xofigo, a cancer drug it has developed jointly with Bayer since 2009. Xofigo began selling in the United States in 2013. This transaction further expands Bayer's oncology portfolio, and brings in a product with blockbuster potential. The deal is expected to close in the first quarter of 2014.

Bristol-Myers Squibb's decision to sell its share of global diabetes alliance assets to its long-time partner, AstraZeneca plc, was the third largest deal announced in the fourth quarter at \$2.7 billion. The assets include the intellectual property and global rights for the diabetes business developed during the partnership, including Onglyza®, Kombiglyze™ XR, Komboglyze™, dapaglifozin (marketed as Forxiga® outside the U.S.), Byetta®, Bydureon®, metreleptin and Symlin®. The transaction consolidates worldwide ownership of the diabetes business within AstraZeneca, which has agreed to pay up to \$1.4 billion in regulatory, launch and sales-related payments, as well as royalties up to 2015 and an additional \$225 million when certain assets are substantially transferred.

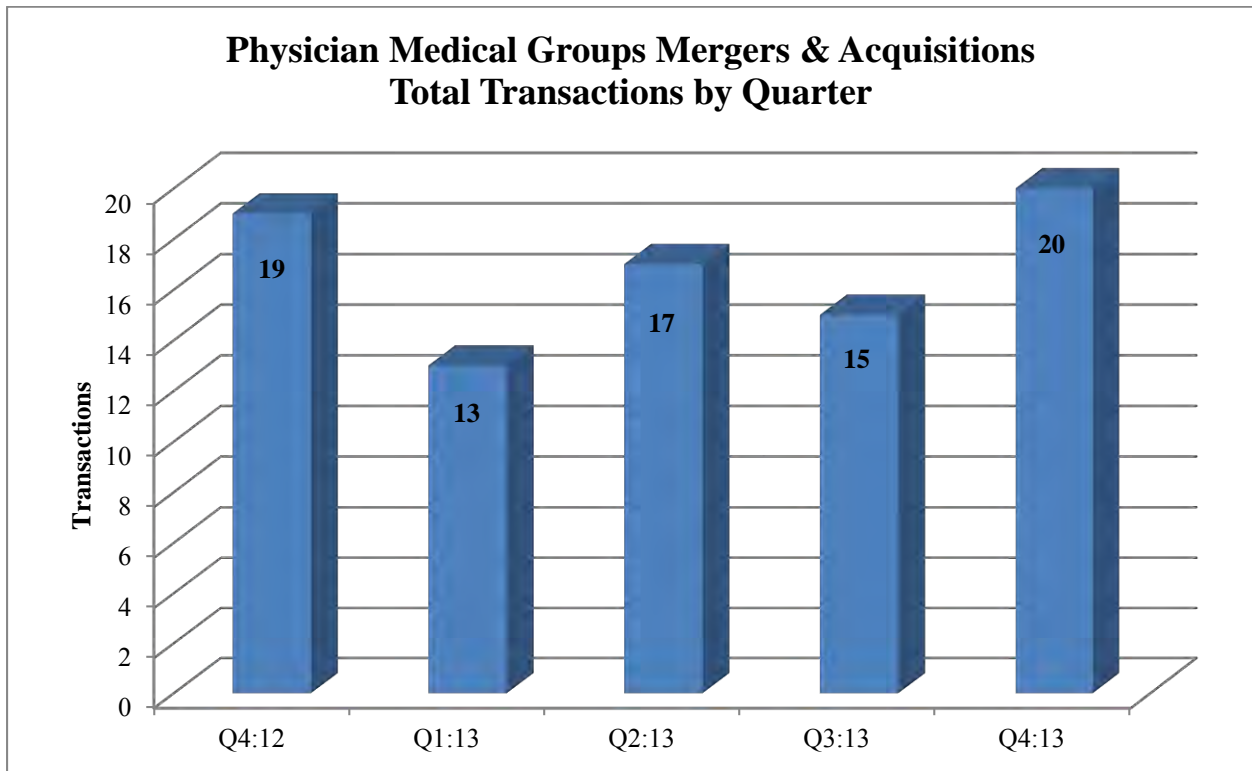
***Five Largest Pharmaceutical Deals in the Past 12 Months***

<b>Acquirer</b>	<b>Target</b>	<b>Price</b>	<b>Quarter</b>
Amgen, Inc.	Onyx Pharmaceuticals, Inc.	\$9,700,000,000	Q3:13
Valeant Pharmaceuticals International, Inc.	Bausch + Lomb Holdings Inc.	\$8,700,000,000	Q2:13
Actavis, Inc.	Warner Chilcott plc	\$8,500,000,000	Q2:13
Shire plc	ViroPharma Incorporated	\$4,200,000,000	Q4:13
Biogen Idec, Inc.	Rights to Tysabri	\$3,250,000,000	Q1:13



## Physician Medical Groups

There were 20 announced transactions in this sector, accounting for 31% of the 65 deals in the past 12 months. Interest in Physician Medical Groups remains strong as hospitals and health systems try to lock in local physician referrals and physicians seek partners to help them handle the increasing workload of revenue management, meeting the federal government’s requirements for electronic health records, among other issues.



Source: *Health Care M&A News*, January 2014

Only one of the 20 deals came with a disclosed price, just \$19.8 million. This sector does not typically have many deals with announced prices.

### *Dollars Spent on Physician Medical Groups Mergers & Acquisitions, by Quarter*

Q4:12	Q1:13	Q2:13	Q3:13	Q4:13
-	\$400,880,000	\$125,000,000	\$37,500,000	\$19,800,000

Three of the acquirers were publicly traded companies that accounted for 10 deals: IPC The Hospitalist Company (5), Team Health Holdings (3) and MEDNAX (2). Among the 10 other deals, three involved nonprofit acquirers.

The single transaction in this sector that had a disclosed price was IPC’s \$19.8 million acquisition of four post-acute care practices from Park Avenue Medical Associates. Park Avenue Medical sold four practices: Park Avenue Health Care Management, LLC; Park Avenue Medical Associates, PC; Park Avenue Medical

Associates, LLC; and Geriatric Services, PC, all in the New York metropolitan area. This deal brings IPC into a new market and adds to its existing operations in the northeastern United States.

IPC's other announcements were also for multiple medical practices, including two Michigan-based groups and three Florida practices. Each is located in markets where IPC already has an established presence.

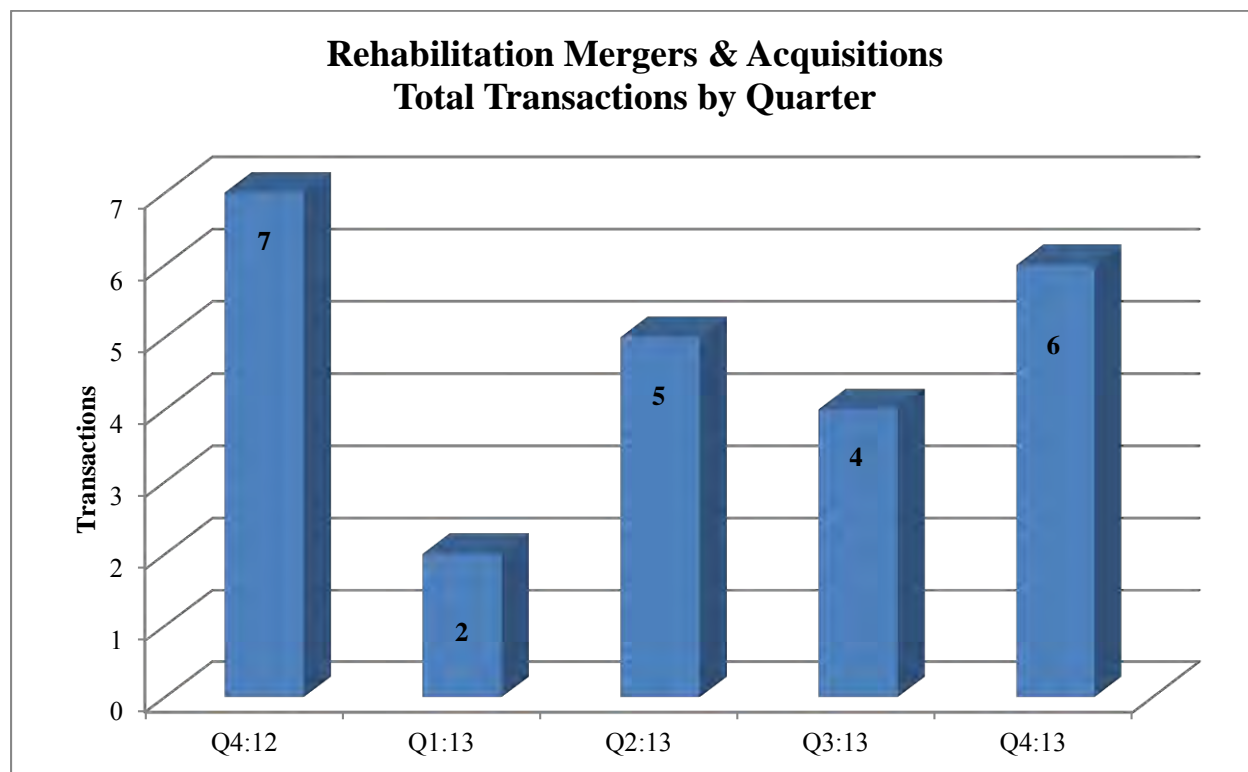
Some smaller, privately held companies made acquisitions in the fourth quarter, such as PhyMed Healthcare Group, Prospira PainCare, Inc., Sheridan, Sound Physicians and TriHealth. All are seeking to establish a national presence, so this sector will remain active through 2014.

***Five Largest Physician Medical Group Deals in the Past 12 Months***

<b>Acquirer</b>	<b>Target</b>	<b>Price</b>	<b>Quarter</b>
Northwestern Memorial HealthCare	Northwestern Medical Faculty Foundation	\$388,880,000	Q1:13
Radiation Therapy Services, Inc.	OnCure Holdings, Inc.	\$125,000,000	Q2:13
Physicians Realty Trust	Crescent City Surgical Centre Facility, LLC	\$37,500,000	Q3:13
IPC The Hospitalist Company	4 post-acute care practices	\$19,800,000	Q4:13
TeamHealth	Two Physician Medical Groups	\$12,000,000	Q1:13

## Rehabilitation

Six deals were announced in the fourth quarter of 2013, comparable to the seven deals announced in the year-ago quarter. One factor contributing to the low number of deals is that rehabilitation facilities are often sold as part of a larger hospital or long-term care transactions, and so are counted in those sectors' deals. This quarter's deals represent 35% of the 17 deals announced in the previous 12 months.



*Source: Health Care M&A News, January 2014*

Two transactions had disclosed prices, amounting to approximately \$37.7 million. That figure represents 21% of the nearly \$179.6 million spent in this sector in the past 12 months.

### *Dollars Spent on Rehabilitation Mergers & Acquisitions, by Quarter*

Q4:12	Q1:13	Q2:13	Q3:13	Q4:13
\$1,500,000	\$32,900,000	\$4,988,900	\$104,000,000	\$37,683,000

U.S. Physical Therapy, Inc. made both of the deals with disclosed prices. The largest, at \$36 million, made the list of top-five deals in 2013. Although the price was disclosed, the target's identity was not. U.S. Physical Therapy's announcement described the target as 11 clinics and three on-site industrial client locations. Programs offered by the unidentified target include traditional physical therapy and corporate wellness. The business has annual revenues exceeding \$11.5 million, and sees more than 65,000 patient visits per year. Approximately 75% of those visits are related to workers compensation.

Its second acquisition target was also unidentified, although U.S. Physical Therapy disclosed that it paid \$1,683,000 for a 60% interest in the 12-clinic group. This practice sees approximately 75,000 patients per year and produces total revenue of \$6.4 million. The transaction closed on December 10, 2013.

Private equity firms made a few acquisitions in this sector, as well. ATI Physical Therapy, a portfolio company of KRG Capital Partners, made a deal for three outpatient physical therapy practices, two in Michigan and one in Tennessee. Since KRG invested in ATI in December 2012, it has completed five acquisitions and provides rehab services through 290 clinics in 10 states.

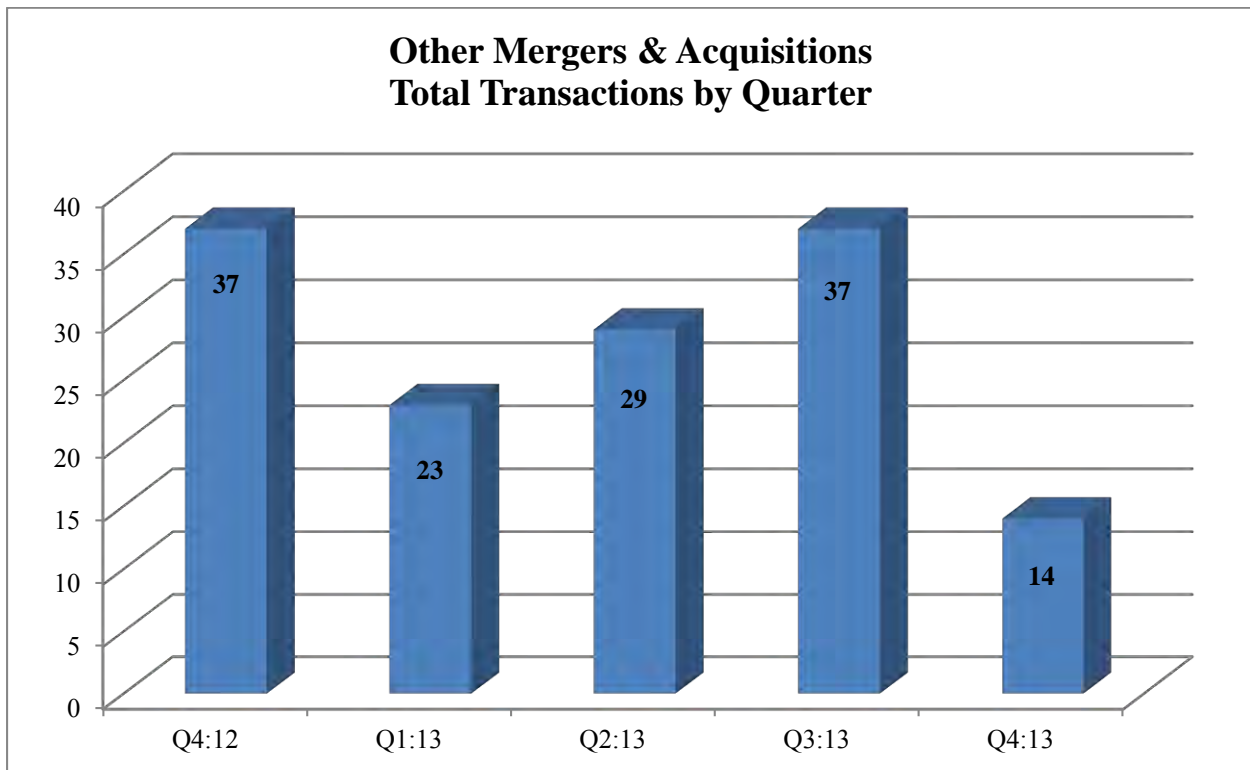
***Five Largest Rehabilitation Deals in the Past 12 Months***

<b>Acquirer</b>	<b>Target</b>	<b>Price</b>	<b>Quarter</b>
HSRE-TST III, LLC	2 rehabilitation hospitals	\$90,000,000	Q3:13
U.S. Physical Therapy, Inc.	Physical therapy business	\$36,000,000	Q4:13
Norvin Healthcare Properties	Central Texas Rehabilitation Hospital	\$32,900,000	Q2:13
Kindred Healthcare	TherEX, Inc.	\$14,000,000	Q3:13
U. S. Physical Therapy, Inc.	5 clinic physical therapy group	\$3,800,000	Q2:13

## Other

There were only 14 transactions announced in the fourth quarter of 2013, representing 14% of the 103 deals in the past 12 months in what we refer to as the “Other” category.

Our parameters for this category include products and services that are related to human health care, but in an ancillary way. For example, we count deals that involve contract research organizations, ambulatory surgery centers, institutional and specialty pharmacy companies, dental practices and management, staffing and pharmacy benefit plans, among others. Some examples of businesses we do not include are agriculture-based companies, animal nutrition- or health-related products, infant nutrition products and retail pharmacy chains.



*Source: Health Care M&A News, January 2014*

Based on revealed prices, approximately \$10.3 billion was spent to finance the quarter’s transactions, representing 64% of the \$15.9 billion spent in the past 12 months. Only two transactions included an announced price, and both were billion-dollar-plus deals.

### *Dollars Spent on Other Services Mergers & Acquisitions, by Quarter*

Q4:12	Q1:13	Q2:13	Q3:13	Q4:13
\$1,274,300,400	\$2,522,493,900	\$2,108,735,800	\$1,014,720,000	\$10,250,000,000

The largest deal in the sector was the \$8.3 billion bid for Celesio AG, an international wholesale and retail company, as well as a provider of logistics and services to the pharmaceutical and healthcare sectors. The bidder was McKesson Corporation, which agreed to purchase Franz Haniel & Cie. GmbH, which holds

50.01% of Celesio, and then made a tender offer of €23.00 per share to the remaining shareholders. At press time, the completion of this deal was in question, as McKesson announced it would increase its tender offer to €23.50 per share, representing its best and final offer.

The other deal with a disclosed price was for \$1.95 billion, made by a joint venture between the Netherlands-based global science company Royal DSM, N.V. and the U.S.-based private equity firm JLL Partners. The target is Patheon Inc. of Mississauga, Ontario, a contract development and commercial manufacturing services company working with the global pharmaceutical industry. The intent is to combine Patheon with Royal DSM's DSM Pharmaceutical Products division to form a new company. JLL will own 51% and DSM will own 49% of the new company, which has yet to be formally named.

***Five Largest Other Services Deals in the Past 12 Months***

<b>Acquirer</b>	<b>Target</b>	<b>Price</b>	<b>Quarter</b>
McKesson Corporation	Celesio AG	\$8,300,000,000	Q4:13
Cardinal Health, Inc.	AssuraMed	\$2,070,000,000	Q1:13
Royal DSM, N.V. and JLL Partners	Patheon Inc.	\$1,950,000,000	Q4:13
EBOS Group Limited	Symbion	\$1,100,000,000	Q2:13
Roper Industries	Managed Health Care Associates, Inc.	\$1,000,000,000	Q2:13

# **BEHAVIORAL HEALTH CARE**





<b>FOURTH QUARTER 2013 BEHAVIORAL HEALTH CARE TRANSACTIONS</b>
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<b>TARGET</b>	<b>CITY</b>	<b>STATE</b>	<b>ACQUIRER</b>	<b>CITY</b>	<b>STATE</b>	<b>DATE</b>	<b>PRICE</b>
Midsouth Treatment Center	Dyersburg	Tennessee	Behavioral Health Group	Dallas	Texas	November 5, 2013	
Behavioral Health Care Associates, Ltd.	Schaumburg	Illinois	Accelera Innovations, Inc.	Frankfort	Illinois	December 4, 2013	\$4,500,000



**TARGET:** *Midsouth Treatment Center*

**ACQUIRER:** *Behavioral Health Group*

**LISTING:** Private

**LISTING:** Private

**LOCATION:** Dyersburg, Tennessee

**CEO:** Michael Cannizzaro **PHONE:** 214-365-6100

**UNITS:**

8300 Douglas Ave., Ste 750 **FAX:**

**REVENUE:**

Dallas, Texas 75225

**NET INCOME:**

**WEB SITE:** www.bhgrecovery.com

Midsouth Treatment Center is a medically supervised treatment center for pain pill and opioid addiction, including methadone, counseling and referral.

Behavioral Health Group is a leading provider of opioid addiction treatment services. It has 32 outpatient treatment centers across the South and Midwest.

**ANNOUNCEMENT DATE:** November 5, 2013

**PRICE:** Not disclosed

**TERMS:**

**PRICE PER UNIT:**

**PRICE/REVENUE:**

**PRICE/INCOME:**

Midsouth Treatment Centers was owned by Elizabeth Tyus, RN and Rachel Farmer, MD, who will remain as Medical Director of the newly named BHG Dyersburg Treatment Center during the transition phase.

**TARGET:** *Behavioral Health Care Associates, Ltd.*

**ACQUIRER:** *Accelera Innovations, Inc.*

**LISTING:** Private

**LISTING:** Private

**LOCATION:** Schaumburg, Illinois

**CEO:** John Wallin **PHONE:** 866-920-0758

**UNITS:**

20511 Abbey Dr. **FAX:**

**REVENUE:**

Frankfort, Illinois 60423

**NET INCOME:**

**WEB SITE:** www.accelerainnovations.com

Behavioral Health Care Associates, Ltd. provides billing, practice management and administrative services to doctors and other clinicians. BHCA also provides laboratory services, detoxification services, MEPS military screenings and research trials.

Accelera Innovations, Inc. offers cloud-based software-as-a-service solutions to the healthcare industry that includes technology and services to providers and payers.

**ANNOUNCEMENT DATE:** December 4, 2013

**PRICE:** \$4,500,000

**TERMS:** \$4.5 mln in cash to purchase 100% of BHCA's stock. \$4.5 mln payment schedule (days from closing): \$1 mln @ 90 days, \$750k @ 180 days, \$750k @ 270 days, \$750k @ 360 days, \$750k @ 450 days, \$550k @ 540 days.

**PRICE PER UNIT:**

**PRICE/REVENUE:**

**PRICE/INCOME:**

Accelera Innovations, Inc. plans to integrate BHCA assets into its existing platform and offer patients a way to self-monitor and track common ailments and conditions, and in turn share that data with their primary care physician to facilitate ongoing communications around condition management.



# **BIOTECHNOLOGY**



**FOURTH QUARTER 2013 BIOTECHNOLOGY TRANSACTIONS**

TARGET	CITY	STATE	ACQUIRER	CITY	STATE	DATE	PRICE
TAP Biosystems Group plc	Royston	England	Satorius Stedim Biotech GmbH	Goettingen	Germany	October 7, 2013	\$44,570,502
Stem cell business	New York	New York	Mesoblast Limited	Melbourne	Australia	October 10, 2013	\$50,000,000
Rights to antibody-drug conjugate technology	Waltham	Massachusetts	Novartis Corporation	East Hanover	New Jersey	October 11, 2013	
ADC Therapeutics	St. Thomas	U.S. Virgin Islands	MedImmune, Inc.	Gaithersburg	Maryland	October 15, 2013	\$20,000,000
Spirogen	St. Thomas	U.S. Virgin Islands	MedImmune, Inc.	Gaithersburg	Maryland	October 15, 2013	\$200,000,000
Rights to filgrastim and pegfilgrastim	Indianapolis	Indiana	Amgen, Inc.	Thousand Oaks	California	October 22, 2013	
Biolife Science Qld Limited	Sydney	Australia	Imugene Ltd.	Melbourne	Australia	October 23, 2013	\$3,600,000
NextBio	Santa Clara	California	Illumina, Inc.	Canton	Massachusetts	October 28, 2013	
Seminal Neural Stem Cell Patent Portfolio	Calgary	Alberta	StemCells, Inc.	Palo Alto	California	October 29, 2013	\$194,000
2 Leading Inhibitors	Viale Pasteur	Italy	Ignitya, Inc.	San Diego	California	November 1, 2013	
Ignitya, Inc.	San Diego	California	Infinity Oil & Gas Company	Denver	Colorado	November 1, 2013	\$29,498,814
Rights to Cytori Cell Therapy	San Diego	California	Loiem Vascular	Beijing	China	November 4, 2013	\$31,000,000
Blood transfusion diagnostics business	Basel	Switzerland	Grifols S.A.	Barcelona	Spain	November 11, 2013	\$1,675,000,000
Early-stage cancer treatments	Tuebingen	Germany	Roche Holding AG	Basel	Switzerland	November 13, 2013	\$17,000,000
Concertis Biosystems, Corp.	San Diego	California	Sorrento Therapeutics, Inc.	San Diego	California	November 14, 2013	\$11,300,000
Worldwide rights to pacritinib	Seattle	Washington	Baxter International Inc.	Deerfield	Illinois	November 15, 2013	\$60,000,000
Cisbio Bioassays	Codolet	France	Argos Soditic	Paris	France	November 18, 2013	
EOS S.p.A.	Milan	Italy	Clovis Oncology, Inc.	Boulder	Colorado	November 19, 2013	\$200,000,000
Callidus Biopharma	Doylestown	Pennsylvania	Amicus Therapeutics	Cranbury	New Jersey	November 20, 2013	\$40,000,000
Jennerex, Inc.	San Francisco	California	SillaJen, Inc.	Busan	South Korea	November 26, 2013	\$150,000,000
Rights to GastroPanel	Helsinki	Finland	Randox Laboratories	Antrim	United Kingdom	November 27, 2013	
Patent for dengue fever antibodies	Cambridge	Massachusetts	Visterra, Inc.	Cambridge	Massachusetts	December 2, 2013	
Rights to anti-cancer stem cell therapies	Redwood City	California	Celgene Corporation	Summit	New Jersey	December 3, 2013	\$155,000,000
Rights to DARPs	Wagistrasse	Switzerland	Roche Holding AG	Basel	Switzerland	December 4, 2013	\$61,000,000
Cangene Corporation	Brewyn	Pennsylvania	Emergent BioSolutions, Inc.	Rockville	Maryland	December 11, 2013	\$222,000,000
Rights to Parkinson's disease antibody	Dublin	Ireland	Roche Holding AG	Basel	Switzerland	December 11, 2013	\$45,000,000
Kyalin Biosciences, Inc.	San Diego	California	Retrophin, Inc.	New York	New York	December 12, 2013	
Medistem, Inc.	San Diego	California	Intrexon Corporation	Blacksburg	Virginia	December 20, 2013	\$26,000,000
Pinnacle Biologics, Inc.	Bannockburn	Illinois	Concordia Healthcare Corp.	Oakville	Ontario	December 24, 2013	
Fabrus, Inc.	La Jolla	California	Senesco Technologies, Inc.	Bridgewater	New Jersey	December 30, 2013	





**TARGET:** *TAP Biosystems Group plc*

**ACQUIRER:** *Sartorius Stedim Biotech GmbH*

**LISTING:** Private  
**LOCATION:** Royston, England  
**UNITS:**  
**REVENUE:**  
**NET INCOME:**

**LISTING:** FWB: SRT  
**CEO:** Joachim Kreuzburg  
August-Spindler-Strasse 11  
Goettingen, Germany 37079  
**PHONE:** 49 551 308 0  
**FAX:** 49 551308 3289  
**WEB SITE:** www.sartorius.com

TAP Biosystems specializes in the design and development of innovative cell culture systems particularly for biopharmaceutical applications. Its portfolio includes automated cell processing systems and other bench-top equipment.

Sartorius Stedim Biotech, a subsidiary of The Sartorius Group, is a leading international laboratory and process technology provider covering the segment of bioprocess solutions, lab products & services and industrial weighing.

**ANNOUNCEMENT DATE:** October 7, 2013  
**PRICE:** \$44,570,502  
**TERMS:** Sartorius offered EUR 33 million.

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

This acquisition will enable Sartorius to further extend its bioprocess portfolio in the area of fermentation, especially in the early phases of product and process development. The transaction is expected to close at the end of 2013.

**TARGET:** *Stem cell business*

**ACQUIRER:** *Mesoblast Limited*

**LISTING:** NASDAQ: OSIR  
**LOCATION:** New York, New York  
**UNITS:**  
**REVENUE:**  
**NET INCOME:**

**LISTING:** ASX: MSB  
**CEO:** Silviu Itescu  
505 Fifth Avenue, Level 3  
Melbourne, Australia 10017  
**PHONE:** 212-880-2060  
**FAX:** 212-880-2061  
**WEB SITE:** www.mesoblast.com

Osiris Therapeutics is selling its entire culture-expanded mesenchymal stem cell (MSC) business.

Mesoblast Limited develops biologic products for the broad field of regenerative medicine.

**ANNOUNCEMENT DATE:** October 10, 2013  
**PRICE:** \$50,000,000  
**TERMS:** \$20 million in cash upon closing of the transaction, \$15 million in stock upon transfer of the assets, \$15 million in cash in 6 months and up to \$50 million more in milestones.

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

Acquisition of Osiris' entire MSC intellectual property portfolio, including 110 granted patents globally: 48 in the U.S., 21 in Europe and nine in Japan. The granted patents cover composition of matter, uses and methods claims to 2015. Additional patent applications, if granted, will extend patent protection to 2031. The acquired portfolio is highly complementary and additive to Mesoblast's existing patent estate. This acquisition closed on October 10, 2013.

**TARGET:** *Rights to antibody-drug conjugate technology*

**LISTING:** NASDAQ: IMGN

**LOCATION:** Waltham, Massachusetts

**UNITS:**

**REVENUE:**

**NET INCOME:**

ImmunoGen, Inc. is licensing the exclusive right to use its antibody-drug conjugate (ADC) technology to develop anticancer therapeutics to an undisclosed target.

**ANNOUNCEMENT DATE:** October 11, 2013

**PRICE:** Not disclosed

**TERMS:**

**ACQUIRER:** *Novartis Corporation*

**LISTING:** NYSE: NVS

**CEO:** Joseph Jimenez

1 South Ridgedale Ave.,  
Bldg. 122

East Hanover, New Jersey 07936

**WEB SITE:** www.us.novartis.com

**PHONE:** 862-778-8300

**FAX:**

Novartis is a world leader that provides health care solutions. The U.S. is a major center of R&D, manufacturing, sales and marketing for the global organization.

**PRICE PER UNIT:**

**PRICE/REVENUE:**

**PRICE/INCOME:**

This is the second license to be taken by Novartis under a 2010 agreement between the two companies. For each license, ImmunoGen receives an upfront payment and is entitled to receive milestone payments potentially totaling approximately \$200 million plus royalties resulting from the license.

**TARGET:** *ADC Therapeutics*

**LISTING:** Private

**LOCATION:** St. Thomas, U.S. Virgin Islands

**UNITS:**

**REVENUE:**

**NET INCOME:**

Auven Therapeutics, a global private equity firm, is selling one of its portfolio companies, ADC Therapeutics, which specializes in antibody-drug conjugates (ADC) for the treatment of cancer.

**ANNOUNCEMENT DATE:** October 15, 2013

**PRICE:** \$20,000,000

**TERMS:** Cash upfront and predetermined milestones for two programs from a defined list.

**ACQUIRER:** *MedImmune, Inc.*

**LISTING:** NYSE: AZN

**CEO:** Bahija Jallal, Ph.D.

One MedImmune Way

Gaithersburg, Maryland 20878

**WEB SITE:** www.medimmune.com

**PHONE:** 301-398-0000

**FAX:**

MedImmune Inc. is the global biologics research and development arm of AstraZeneca plc.

**PRICE PER UNIT:**

**PRICE/REVENUE:**

**PRICE/INCOME:**

MedImmune has entered into a collaboration agreement with ADC Therapeutics to jointly develop two of ADC's antibody-drug conjugate programs in preclinical development. Auven Therapeutics will match MedImmune's investment in ADC Therapeutics. Lazard Freres & Co. LLC acted as lead advisor to ADC Therapeutics and Arnold & Porter LLP served as legal counsel.

**TARGET:** *Spirogen*

**LISTING:** Private  
**LOCATION:** St. Thomas, U.S. Virgin Islands  
**UNITS:**  
**REVENUE:**  
**NET INCOME:**

Auven Therapeutics, a global private equity firm, is selling Spirogen, one of its portfolio companies. Spirogen develops antibody-drug conjugates (ADC), which promise to deliver highly toxic drugs directly to the cancer target.

**ANNOUNCEMENT DATE:** October 15, 2013

**PRICE:** \$200,000,000  
**TERMS:** Cash upfront, and deferred consideration of up to \$240 million based on reaching predetermined development milestones.

Existing out-licensing agreements remain in place, milestones and royalty rights under which have been transferred into a holding company 75% owned by Auven. Lazard Freres & Co. LLC acted as lead advisor to Spirogen and Arnold & Porter LLP served as legal counsel. Coveington & Burling LLP advised AstraZeneca on the transaction, together with AstraZeneca's in-house counsel.

**TARGET:** *Rights to filgrastim and pegfilgrastim*

**LISTING:** Private  
**LOCATION:** Indianapolis, Indiana  
**UNITS:**  
**REVENUE:** \$200,000,000 (2012)  
**NET INCOME:**

Roche is selling its rights to filgrastim and pegfilgrastim, white blood cell boosting therapeutics for cancer patients, in 100 markets including Eastern Europe, Latin America, Asia, the Middle East and Africa.

**ANNOUNCEMENT DATE:** October 22, 2013

**PRICE:** Not disclosed  
**TERMS:**

Roche had licensed the rights to both drugs from Kirin-Amgen, Inc, a joint venture between Amgen and Kirin Holdings Co. Limited. Amgen expects this deal will be accretive starting in 2014. It currently markets the drugs in the U.S. and Europe under the trade names Neupogen and Neulasta. Kyowa Hakko Kirin Co., Ltd of Japan will retain product rights and market filgrastim and pegfilgrastim in some selected Asian territories, including China and Japan. This acquisition is expected to become effective on January 1, 2014.

**ACQUIRER:** *MedImmune, Inc.*

**LISTING:** NYSE: AZN  
**CEO:** Bahija Jallal, Ph.D. **PHONE:** 301-398-0000  
**One MedImmune Way FAX:**  
Gaithersburg, Maryland 20878  
**WEB SITE:** www.medimmune.com

MedImmune, Inc. is the global biologics research and development arm of Astra Zeneca plc.

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

**ACQUIRER:** *Amgen, Inc.*

**LISTING:** NASDAQ: AMGN  
**CEO:** Robert A. Bradway **PHONE:** 805-447-1000  
**One Amgen Center Drive FAX:** 805-447-1010  
Thousand Oaks, California 91320-1799  
**WEB SITE:** www.amgen.com

Amgen is the world's largest biotech company, engaged in the discovery, development and manufacture of human therapeutics. On a trailing 12-month basis, it generated revenue of \$16.5 billion, EBITDA of \$6.7 billion and net income of \$4.5 billion.

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

**TARGET:** *Biolife Science Qld Limited*

**ACQUIRER:** *Imugene Ltd.*

**LISTING:** Private  
**LOCATION:** Sydney, Australia  
**UNITS:**

**LISTING:** ASX: IMU  
**CEO:** Steve Harris  
7/21 Northumberland Street  
Collingwood  
Melbourne, Australia 3066  
**PHONE:** 61 3 9416 0032  
**FAX:** 61 3 8080 0796  
**WEB SITE:** www.imugene.com

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

Biolife Science Qld Limited has the rights to a novel cancer immunotherapy platform used to treat tumors related to breast cancer and gastric cancer.

Imugene Ltd. is a pharmaceutical company with a drug delivery platform at the center of its assets.

**ANNOUNCEMENT DATE:** October 23, 2013  
**PRICE:** \$3,600,000 (approximate)  
**TERMS:** Issue of 300 million shares of Imugene stock to purchase 100% of Biolife.

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

An additional AUD 2.5 million will be raised via the placement of 250 million shares at \$0.01. Forrest Capital coordinated the acquisition and will be lead manager for the capital raise.

**TARGET:** *NextBio*

**ACQUIRER:** *Illumina, Inc.*

**LISTING:** Private  
**LOCATION:** Santa Clara, California  
**UNITS:**  
**REVENUE:**  
**NET INCOME:**

**LISTING:** NASDAQ: ILMN  
**CEO:** Jay T. Flatley  
250 Royall Street  
Canton, Massachusetts 02021  
**PHONE:** 858-202-4500  
**FAX:** 858-202-4766  
**WEB SITE:** www.illumina.com

NextBio's big data technology enables users to systematically integrate and interpret public and proprietary molecular data and clinical information from individual patients, population studies and model organisms.

Illumina is a leading developer, manufacturer and marketer of life science tools, and integrated tools and systems for the analysis of genetic variation and function.

**ANNOUNCEMENT DATE:** October 28, 2013  
**PRICE:** Not disclosed  
**TERMS:**

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

With the addition of NextBio's platform, Illumina will be able to offer customers enterprise level bioinformatics solutions that accelerate the discovery of new associations between the human genome and disease and to incorporate those discoveries into healthcare. The transaction is expected to close by the end of October.

**TARGET:** *Seminal Neural Stem Cell Patent Portfolio*

**LISTING:** Nonprofit  
**LOCATION:** Calgary, Alberta  
**UNITS:**  
**REVENUE:**  
**NET INCOME:**

The Seminal Neural Stem Cell Patent Portfolio arose from the research of Samuel Weiss and Brent Reynolds while at the University of Calgary.

**ANNOUNCEMENT DATE:** October 29, 2013  
**PRICE:** \$194,000 (approximate)  
**TERMS:** 139,548 shares of common stock to Neurospheres Holdings Ltd., an intellectual property holding company affiliated with the University of Calgary.

StemCells acquired a portfolio of issued U.S. and Canadian patents to which it had previously held an exclusive worldwide license. The portfolio broadly claims the manufacture and proliferation of purified populations of human neural stem cells and their use as therapeutics and as tools for drug discovery. One of the acquired patents has a term extending to 2024 and claims the use of human neural stem cells to remyelinate endogenous host cells. This acquisition was completed on October 29, 2013.

**TARGET:** *2 Leading Inhibitors*

**LISTING:** Private  
**LOCATION:** Viale Pasteur, Italy  
**UNITS:**  
**REVENUE:**  
**NET INCOME:**

Nerviano Medical Sciences is selling the global development and commercialization rights to RXDX-101 and RXDX-102, two leading tyrosine kinase inhibitors.

**ANNOUNCEMENT DATE:** November 1, 2013  
**PRICE:** Not disclosed  
**TERMS:** Upfront fee plus milestone and tiered royalty payments.

Ignyta will assume sole responsibility for global develop and commercialization of RXDX-101 and RXDX-102.

**ACQUIRER:** *StemCells, Inc.*

**LISTING:** NASDAQ: STEM  
**CEO:** Martin McGlynn  
**PHONE:** 650-475-3100  
3155 Porter Drive  
**FAX:** 650-475-3101  
Palo Alto, California 94304  
**WEB SITE:** www.stemcellsinc.com

StemCells, Inc. is a clinical-stage biotech focused on discovering, developing and commercializing cell-based therapeutics to treat diseases of the central nervous system and liver.

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

**ACQUIRER:** *Ignyta, Inc.*

**LISTING:** Private  
**CEO:** Jonathan E. Lim  
**PHONE:** 858-255-5959  
11095 Flintkote Avenue, Ste D  
**FAX:**  
San Diego, California 92121  
**WEB SITE:** www.ignyta.com

Ignyta, Inc. is a biotechnology company developing precision medicine with integrated Rx/Dx solutions for cancer patients.

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

**TARGET:** *Ignyta, Inc.*

**LISTING:** Private  
**LOCATION:** San Diego, California  
**UNITS:**  
**REVENUE:**  
**NET INCOME:**

Ignyta, Inc. is a biotechnology company developing precision medicine with integrated Rx/Dx solutions for cancer patients.

**ANNOUNCEMENT DATE:** November 1, 2013  
**PRICE:** \$29,498,814 (approximately)  
**TERMS:** 4,916,469 shares of IGASD common stock, 87% on a fully diluted basis.

Beginning November 1, 2013, Ignyta will trade under the ticker symbol IGASD until about December 2, 2013, when it will be quoted under the symbol RXDX on the OTCBB. This acquisition closed on October 31, 2013.

**ACQUIRER:** *Infinity Oil & Gas Company*

**LISTING:** OTCBB: IGASD  
**CEO:** Tim Brittan **PHONE:** 303-825-0899  
730 17th Street, Ste 250 **FAX:** 303-825-3342  
Denver, Colorado 80202  
**WEB SITE:** <http://www.infinityog.com/>

Infinity Oil & Gas Company is essentially a shell company.

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

**TARGET:** *Rights to Cytori Cell Therapy*

**LISTING:** NASDAQ: CYTX  
**LOCATION:** San Diego, California  
**UNITS:**  
**REVENUE:**  
**NET INCOME:**

Cytori Therapeutics is selling the rights to Cytori Cell Therapy, which is derived from its Celution System. The Celution System is a medical device that enables access to a patient's own adipose (fat tissue) - derived regenerative cells at the point-of-

**ANNOUNCEMENT DATE:** November 4, 2013  
**PRICE:** \$31,000,000  
**TERMS:** \$24 million in cash in exchange for 8 million shares of Cytori. Plus up to \$500 million in milestones for a 30 year exclusive license.

Lorem Vascular is licensing the rights to commercialize Cytori Cell Therapy for the cardiovascular, renal and diabetes markets in China, Hong Kong, Malaysia, Singapore and Australia. One board seat will be granted to Lorem Vascular. The company will initiate an immediate launch in Hong Kong, Singapore and Australia. A subsequent launch in China and Malaysia is planned in 2014.

**ACQUIRER:** *Lorem Vascular*

**LISTING:** Private  
**CEO:** K.T. Lim **PHONE:**  
**FAX:**  
Beijing, China  
**WEB SITE:** [www.loremvascular.com](http://www.loremvascular.com)

Lorem Vascular aims to become a leader in cardiovascular care with world-class regenerative medicine therapy. It is headquartered in Beijing, with offices in Hong Kong, Kuala Lumpur, Singapore and Melbourne.

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

**TARGET:** *Blood transfusion diagnostics business*

**LISTING:** NYSE: NVS

**LOCATION:** Basel, Switzerland

**UNITS:**

**REVENUE:**

**NET INCOME:**

Novartis AG is selling the bulk of its blood transfusion diagnostics business, which was part of the former Chiron, an Emeryville, California biotech company that it acquired in 2006.

**ANNOUNCEMENT DATE:** November 11, 2013

**PRICE:** \$1,675,000,000

**TERMS:** A bridge loan for \$1.5 billion has been fully subscribed in equal parts by Nomura, BBVA and Morgan Stanley.

The assets acquired include in vitro diagnostic products and technology for transfusion medicine and immunology, a manufacturing plant in the U.S. and commercial offices in the U.S., Switzerland and Hong Kong. Following the acquisition, Grifols' Diagnostic Division will account for more than 20% of the company's sales, with an estimated turnover of close to \$1.0 billion. Grifols advisors were Osborne Clarke S.L.P. and Proskauer Rose LLP. Nomura acted as financial advisor to Grifols. The transaction is expected to close in the first half of 2014.

**ACQUIRER:** *Grifols S.A.*

**LISTING:** NASDAQ: GRFS

**CEO:** Victor Grifols

Avinguda de la Generalitat, 152  
Barcelona, Spain 8174

**WEB SITE:** www.grifols.com

**PHONE:** 34 935 710 500

**FAX:**

Grifols, S.A. is a specialty biopharmaceutical company which produces a range of plasma derivative products primarily in the European Union, the United States and Canada.

**PRICE PER UNIT:**

**PRICE/REVENUE:**

**PRICE/INCOME:**

**TARGET:** *Early-stage cancer treatments*

**LISTING:** Private

**LOCATION:** Tuebingen, Germany

**UNITS:**

**REVENUE:**

**NET INCOME:**

Immatics biotechnologies GmbH will collaborate with Roche to research and develop a number of new tumor-associated peptide-based cancer vaccine candidates and other immunotherapies in oncology.

**ANNOUNCEMENT DATE:** November 13, 2013

**PRICE:** \$17,000,000

**TERMS:** Upfront payment of \$17 million plus milestones that may exceed \$1 billion and royalties across three cancer indications, based on sales of the cancer vaccines and immunotherapies.

The most advanced cancer vaccine candidate in this deal is IMA942, for the treatment of gastric cancer, which is ready for Phase 1 trials. Roche will be responsible for the clinical development and commercialization of all of the immunotherapies generated by Immatics as a result of this collaboration.

**ACQUIRER:** *Roche Holding AG*

**LISTING:** SIX: RO

**CEO:** Dr. Severin Schwan  
Roche Holding Ag, Grenzacher  
Basel, Switzerland 4070

**WEB SITE:** www.roche.com

**PHONE:** 41 61 688 11 11

**FAX:** 41 61 691 93 9

Roche Holding AG is the world's largest biotech company, with differentiated medicines in oncology, infectious diseases, inflammation, metabolism and neuroscience.

**PRICE PER UNIT:**

**PRICE/REVENUE:**

**PRICE/INCOME:**

**TARGET:** *Concortis Biosystems, Corp.*

**ACQUIRER:** *Sorrento Therapeutics, Inc.*

**LISTING:** Private  
**LOCATION:** San Diego, California  
**UNITS:**  
**REVENUE:**  
**NET INCOME:**

**LISTING:** NASDAQ: SRNE  
**CEO:** Henry Ji, Ph.D. **PHONE:** 858-210-3700  
6042 Corenerstone Ct. West **FAX:** 858-210-3759  
San Diego, California 92121  
**WEB SITE:** www.sorrentotherapeutics.com

Concortis is a biotechnology company creating next-generation biotherapeutics using its proprietary conjugation technology and novel drug delivery systems.

Sorrento Therapeutics is a development-stage biopharmaceutical company engaged in the acquisition, discovery, development and commercialization of proprietary drug therapeutics that address unmet medical needs.

**ANNOUNCEMENT DATE:** November 14, 2013

**PRICE:** \$11,300,000

**TERMS:** Upon closing, Sorrento will issue an aggregate of 1,331,978 shares of its common stock to Concortis shareholders.

**PRICE PER UNIT:**

**PRICE/REVENUE:**

**PRICE/INCOME:**

This acquisition gives Sorrento a comprehensive technology platform for generation of antibody drug conjugates (ADC). As part of the transaction, David (Zhenwei) Miao, Ph.D., co-founder and president of Concortis, will become Sorrento's chief technology officer. This acquisition was completed on December 19, 2013.

**TARGET:** *Worldwide rights to pacritinib*

**ACQUIRER:** *Baxter International Inc.*

**LISTING:** NASDAQ: CTIC  
**LOCATION:** Seattle, Washington  
**UNITS:**  
**REVENUE:**  
**NET INCOME:**

**LISTING:** NYSE: BAX  
**CEO:** Robert L. Parkinson, Jr. **PHONE:** 224-948-2000  
One Baxter Parkway **FAX:**  
Deerfield, Illinois 60015  
**WEB SITE:** www.baxter.com

Cell Therapeutics, Inc. has agreed to an exclusive worldwide licensing agreement to develop and commercialize pacritinib, a novel therapy against genetic mutations linked to myelofibrosis, leukemia and certain solid tumors.

Baxter International develops, manufactures and markets products to treat hemophilia, immune disorders, infectious diseases and other chronic and acute medical conditions. It had 2012 sales of \$14.2 billion from its BioScience and Medical Devices division

**ANNOUNCEMENT DATE:** November 15, 2013

**PRICE:** \$60,000,000

**TERMS:** Price includes an equity investment of \$30 million in CTI. Also, CTI is eligible to receive clinical, regulatory and commercial launch milestone payments of up to \$112 million, \$40 million of which relates to clinical milestones in 2014.

**PRICE PER UNIT:**

**PRICE/REVENUE:**

**PRICE/INCOME:**

Results from earlier Phase 1 and 2 studies of pacritinib showed encouraging results, and two Phase 3 trials are planned. Baxter will gain exclusive commercialization rights for all indications for pacritinib outside the United States. Baxter and CTI will jointly commercialize pacritinib in the United States.



**TARGET:** *Cisbio Bioassays*

**LISTING:** Private

**LOCATION:** Codolet, France

**UNITS:**

**REVENUE:**

**NET INCOME:**

The Belgian group IBA is selling Cisbio Bioassays, which develops and markets products and technologies used for in vitro diagnostics and drug discovery.

**ANNOUNCEMENT DATE:** November 18, 2013

**PRICE:** Not disclosed

**TERMS:**

**ACQUIRER:** *Argos Soditic*

**LISTING:** Private

**CEO:** Gilles Lorang

14, rue de Bassano 75782

Paris, France Cedex 16

**WEB SITE:** [www.argos-soditic.com](http://www.argos-soditic.com)

**PHONE:** 33 1 53 67 20 50

**FAX:**

Argos Soditic is an independent European private equity group. It has carried out more than 50 transactions focused on management buy-outs and buy-ins in small and medium-sized companies.

**PRICE PER UNIT:**

**PRICE/REVENUE:**

**PRICE/INCOME:**

This acquisition represents a major step forward for Cisbio Bioassays, as it opens up prospects for strategic growth, and will enable the company to strengthen its market positions.

**TARGET:** *EOS S.p.A.*

**LISTING:** Private

**LOCATION:** Milan, Italy

**UNITS:**

**REVENUE:**

**NET INCOME:**

EOS (Ethical Oncology Science) S.p.A. is a privately held Italian biopharmaceutical company developing a novel targeted therapy to treat cancer. It owns the global (excluding China) development and commercialization rights for lucitanib.

**ANNOUNCEMENT DATE:** November 19, 2013

**PRICE:** \$200,000,000

**TERMS:** \$200 million in the form of \$10 million cash and \$190 million in Clovis stock. Clovis will pay an additional \$65 million upon FDA approval of lucitanib.

**ACQUIRER:** *Clovis Oncology, Inc.*

**LISTING:** NASDAQ: CLVS

**CEO:** Patrick J. Mahaffy

2525 28th Street, Ste. 100

Boulder, Colorado 80301

**WEB SITE:** [www.clovisoncology.com](http://www.clovisoncology.com)

**PHONE:** 303-655-5000

**FAX:** 303-245-0360

Clovis Oncology is a biopharmaceutical company focused on acquiring, developing and commercializing innovative anti-cancer agents in the U.S., Europe and other international markets. It targets programs at specific subsets of cancer populations.

**PRICE PER UNIT:**

**PRICE/REVENUE:**

**PRICE/INCOME:**

In 2012, EOS sublicensed lucitanib rights in Europe and the rest-of-world (ROW) markets, excluding China, to Les Laboratoires Servier. Clovis holds exclusive rights for lucitanib in the U.S. and Japan, and will collaborate with Servier on the global clinical development of lucitanib. This acquisition was completed on November 19, 2013.

**TARGET:** *Callidus Biopharma*

**ACQUIRER:** *Amicus Therapeutics*

**LISTING:** Private  
**LOCATION:** Doylestown, Pennsylvania  
**UNITS:**  
**REVENUE:**  
**NET INCOME:**

**LISTING:** NASDAQ: FOLD  
**CEO:** John F. Crowley  
**PHONE:** 609-662-2000  
6 Cedar Brook Drive  
**FAX:**  
Cranbury, New Jersey 08512  
**WEB SITE:** [www.amicustherapeutics.com](http://www.amicustherapeutics.com)

Callidus Biopharma is a drug discovery company focused on best-in-class enzyme replacement therapies (ERTs) for lysosomal storage disorders (LSDs). Its lead ERT is a recombinant human acid-alpha glucosidase for Pompe disease.

Amicus Therapeutics is a biopharmaceutical company focused on therapies for rare and orphan diseases. It is developing novel, first-in-class treatments for a broad range of human genetic diseases, particularly for individuals with LSDs.

**ANNOUNCEMENT DATE:** November 20, 2013  
**PRICE:** \$40,000,000  
**TERMS:** Cash, including equity and expected debt financing.

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

With this acquisition, Amicus owns the worldwide rights to three next-generation ERTs currently in preclinical development. Callidus shareholders will receive \$15 million in shares of Amicus common stock; up to \$10 million in milestone payments through Phase 2 development; and up to \$105 million for achievement of late-stage development, regulatory and approval milestones. This acquisition was completed on November 20, 2013.

**TARGET:** *Jennerex, Inc.*

**ACQUIRER:** *SillaJen, Inc.*

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

**LISTING:** Private  
**CEO:** Dr. Eun-Sang Moon  
**PHONE:** 82 51 510 7550  
307 Hyowon Industry-  
**FAX:** 82 51 510 7558  
University Cooperation Bldg.  
Busan, South Korea 609-735  
**WEB SITE:** [www.sillajen.com](http://www.sillajen.com)

Jennerex is a clinical-stage biotechnology company recognized for its development of best-in-class targeted oncolytic immunotherapies for solid tumors. Its lead product candidate is Pexa-Vec (JX-594), a first-line therapy for liver cancer.

SillaJen is a privately held biotherapeutics and contract research company focused on the development of targeted biological products for cancer.

**ANNOUNCEMENT DATE:** November 26, 2013  
**PRICE:** \$150,000,000  
**TERMS:** Total consideration, including potential future milestone payments.

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

Jennerex will become a wholly owned subsidiary of SillaJen, but will keep its name and remain headquartered in San Francisco. Wedbush PacGrow Life Sciences is acting as exclusive financial advisor to SillaJen, and Latham & Watkins LLP is serving as legal advisor. Centerview Partners LLC and Gunderson Dettmer Stough Villeneuve Franklin & Hachigian, LLP are acting as financial and legal advisors to Jennerex, respectively.

**TARGET:** *Rights to GastroPanel*

**ACQUIRER:** *Randox Laboratories*

**LISTING:** Private  
**LOCATION:** Helsinki, Finland  
**UNITS:**  
**REVENUE:**  
**NET INCOME:**

**LISTING:** Private  
**CEO:** Peter FitzGerald  
55 Diamond Road  
Antrim, United Kingdom BT29 4QY  
**PHONE:** 44 0 28 9442 2413  
**FAX:** 44 0 28 9445 2912  
**WEB SITE:** www.randox.com

Biohit Oyj is selling the worldwide licensing rights to its GastroPanel product, a non-invasive blood test for the diagnosis and screening of gastric disorders.

Randox Laboratories research and develop solutions designed to make diagnostic testing quicker with higher accuracy and reliability.

**ANNOUNCEMENT DATE:** November 27, 2013  
**PRICE:** Not disclosed  
**TERMS:**

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

The addition of GastroPanel will significantly increase the range of diagnostic products Randox offers. The GastroPanel will be offered on Randox analyzers used in hospitals and reference laboratories through its global distribution network in 145 countries. The acquisition was completed on November 27.

**TARGET:** *Patent for dengue fever antibodies*

**ACQUIRER:** *Visterra, Inc.*

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

**LISTING:** Private  
**CEO:** Brian Pereira  
One Kendall Square, Ste B3301  
Cambridge, Massachusetts 02139  
**PHONE:** 617-498-1070  
**FAX:** 617-498-1073  
**WEB SITE:** www.visterrainc.com

The Massachusetts Institute of Technology (MIT) is offering an exclusive patent license to a family of early-stage monoclonal antibodies that target dengue virus.

Visterra, Inc. discovers and develops novel antibodies for the prevention and treatment of major infectious diseases.

**ANNOUNCEMENT DATE:** December 2, 2013  
**PRICE:** Not disclosed  
**TERMS:**

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

The antibodies were developed by MIT in the laboratory of Dr. Ram Sasisekharan, a founder of Visterra. Visterra will apply its proprietary network analysis technology to develop a human monoclonal antibody product candidate capable of broadly neutralizing all four dengue virus serotypes. This transaction closed on December 2, 2013.

**TARGET:** *Rights to anti-cancer stem cell therapies*

**LISTING:** NASDAQ: OMED

**LOCATION:** Redwood City, California

**UNITS:**

**REVENUE:**

**NET INCOME:**

OncoMed Pharmaceuticals, Inc. will jointly develop and commercialize up to six anti-cancer stem cell (CSC) product candidates from its biologics pipeline, including demcizumab (OMP-21M18, Anti-DLL4).

**ANNOUNCEMENT DATE:** December 3, 2013

**PRICE:** \$155,000,000

**TERMS:** \$155 million upfront plus Celgene will purchase \$22.25 million of OncoMed stock at a price of \$15.13 per share. There are also option exercise payments and milestones that could exceed \$3.2 billion.

**ACQUIRER:** *Celgene Corporation*

**LISTING:** NASDAQ: CELG

**CEO:** Robert J. Hugin  
MBA

86 Morris Avenue  
Summit, New Jersey 07901

**WEB SITE:** www.celgene.com

**PHONE:** 908-673-9000

**FAX:** 908-673-9001

Celgene Corporation, a biopharmaceutical company, discovers, develops and commercializes novel therapies for cancer and immune-inflammatory related diseases.

After OncoMed conducts initial clinical studies, Celgene has an option to license worldwide rights to up to six novel anti-CSC therapeutic candidates. OncoMed retains global co-development and U.S. co-commercialization rights for five of the six anti-CSC product candidates with 50/50 profit sharing, and royalties to be received in other territories. Celgene has an exclusive option on demcizumab, which is currently in Phase 1b clinical studies.

**TARGET:** *Rights to DARPins*

**LISTING:** Private

**LOCATION:** Wagistrasse, Switzerland

**UNITS:**

**REVENUE:**

**NET INCOME:**

Molecular Partners AG is entering into a research collaboration and licensing agreement. Molecular Partners is a biotech company focused on research, development and commercialization of a class of biological drugs known as DARPins.

**ANNOUNCEMENT DATE:** December 4, 2013

**PRICE:** \$61,000,000

**TERMS:** \$61 million upfront plus up to \$1.11 billion in development and sales milestones.

**ACQUIRER:** *Roche Holding AG*

**LISTING:** SIX: RO

**CEO:** Dr. Severin Schwan  
Roche Holding Ag, Grenzacher  
Basel, Switzerland 4070

**WEB SITE:** www.roche.com

**PHONE:** 41 61 688 11 11

**FAX:** 41 61 691 93 9

Roche Holding AG is the world's largest biotech company, with differentiated medicines in oncology, infectious diseases, inflammation, metabolism and neuroscience.

Molecular Partners holds a strong patent estate covering all DARPIn applications. Its internal pipeline is expanded by partnered programs with Allergan, Janssen and other pharma companies. The DARPIn platform complements Roche's internal capabilities in the large molecule space.

**TARGET:** *Cangene Corporation*

**ACQUIRER:** *Emergent BioSolutions, Inc.*

**LISTING:** TSX: CNJ.TO

**LISTING:** NYSE: EBS

**LOCATION:** Brewyn, Pennsylvania

**CEO:** Fuad El-Hibri

**PHONE:** 301-795-1800

**UNITS:**

2273 Research Blvd., Suite 400

**FAX:** 301-795-1899

**REVENUE:** \$119,380,000 (ttm)

Rockville, Maryland 20850

**NET INCOME:** \$14,053,000 (EBITDA)

**WEB SITE:** www.emergentbiosolutions.com

Cangene Corporation, one of Canada's oldest biopharmaceutical companies, is focused on the development and commercialization of specialty therapeutics.

Emergent BioSolutions is a biopharma focused on developing, manufacturing and commercializing immunobiotics for commercial and biodefense purposes. On a trailing 12-month basis, EBS generated revenue of \$309 million, EBITDA of \$63 million and net income of \$32 million.

**ANNOUNCEMENT DATE:** December 11, 2013

**PRICE:** \$222,000,000

**PRICE PER UNIT:**

**TERMS:** \$222 million in cash, equivalent to \$3.24 per Cangene share.

**PRICE/REVENUE:** 1.86

**PRICE/INCOME:** 15.80

The biodefense, commercial specialty biopharmaceuticals, and contract manufacturing products offered by Cangene are highly complementary to EBS's business. The acquisition is expected to close in the first calendar quarter of 2014. Credit Suisse Securities is acting as financial advisor to Cangene and Miller Thomson LLP and BakerHostetler LLP are serving as legal counsel. Bank of America Merrill Lynch is acting as financial advisor to Emergent, and DLA Piper LLP and McCarthy Tetrault LLP are acting as legal advisors.

**TARGET:** *Rights to Parkinson's disease antibody*

**ACQUIRER:** *Roche Holding AG*

**LISTING:** NASDAQ: PRTA

**LISTING:** SIX: RO

**LOCATION:** Dublin, Ireland

**CEO:** Dr. Severin Schwan

**PHONE:** 41 61 688 11 11

**UNITS:**

Roche Holding Ag, Grenzacher

**FAX:** 41 61 691 93 9

**REVENUE:**

Basel, Switzerland 4070

**NET INCOME:**

**WEB SITE:** www.roche.com

Prothena Corporation plc, formerly a business unit of Elan Corporation, will collaborate to develop and commercialize antibodies, including PRX002, an antibody for the treatment of Parkinson's disease.

Roche Holding AG is the world's largest biotech company, with differentiated medicines in oncology, infectious diseases, inflammation, metabolism and neuroscience.

**ANNOUNCEMENT DATE:** December 11, 2013

**PRICE:** \$45,000,000

**PRICE PER UNIT:**

**TERMS:** \$45 million in upfront payment and near-term clinical milestones, plus \$380 million in milestones, and \$175 million in ex-US commercial milestone payments. Total upfront and milestones equates to \$600 million.

**PRICE/REVENUE:**

**PRICE/INCOME:**

Roche and Prothena will collaborate on the development of PRX002, and potentially other antibodies, sharing all U.S. development costs and potential U.S. profits on a 70/30 basis. Roche will have sole responsibility for developing and commercializing PRX002 outside the U.S., where Prothena will receive up to double-digit royalties on sales of the potential drug. Prothena's legal and financial advisors on the transaction were Latham & Watkins LLP and BioAsset Advisors, respectively.

**TARGET:** *Kyalin Biosciences, Inc.*

**ACQUIRER:** *Retrophin, Inc.*

**LISTING:** Private  
**LOCATION:** San Diego, California  
**UNITS:**  
**REVENUE:**  
**NET INCOME:**

**LISTING:** OTCQB: RTRX  
**CEO:** Martin Shkreli  
777 Third Ave., 22nd floor  
New York, New York 10017  
**PHONE:** 212-983-1310  
**FAX:**  
**WEB SITE:** www.retrophin.com

Kyalin Biosciences, Inc. is an early-stage company that develops therapies targeting the core symptoms of autism and related conditions. Its lead product is an optimized intranasal delivery form of carbetocin.

Retrophin is a biotechnology company focused on discovering and developing treatments for rare and life-threatening diseases.

**ANNOUNCEMENT DATE:** December 12, 2013  
**PRICE:** Not disclosed  
**TERMS:**

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

Kyalin's development of carbetocin for the treatment of autism and related conditions is a seamless fit with Retrophin's strategy. As part of the transaction, Dr. Rao, Founder and President of Kyalin, joined Retrophin on December 12. The deal is scheduled to close by year-end.

**TARGET:** *Medistem, Inc.*

**ACQUIRER:** *Intrexon Corporation*

**LISTING:** OTCBB: MEDS  
**LOCATION:** San Diego, California  
**UNITS:**  
**REVENUE:** \$10,000 (ttm)  
**NET INCOME:**

**LISTING:** Private  
**CEO:** Randal Kirk  
1872 Pratt Drive  
Blacksburg, Virginia 24060  
**PHONE:** 540-961-0725  
**FAX:**  
**WEB SITE:** www.dna.com

Medistem is developing ERC-124, a universal stem cell product derived from the endometrium. It possesses special abilities to stimulate new blood vessel formation and can differentiate into lung, liver, heart, brain, bone, cartilage, fat and pancreatic tis

Intrexon is a life sciences company that uses modular DNA control systems in therapeutics, human protein production, industrial enzymes and agro-bio. Its UltraVector platform provides industrial-scale design of complex biological systems.

**ANNOUNCEMENT DATE:** December 20, 2013  
**PRICE:** \$26,000,000  
**TERMS:**

**PRICE PER UNIT:**  
**PRICE/REVENUE:** 2,600.00  
**PRICE/INCOME:**

By integrating Medistem's ERC cell platform into Intrexon's existent broad technology portfolio, Intrexon plans to develop two classes of clinical products: engineering stem cells for therapeutic delivery of secreted proteins, or for producing exosomes. On a 12-month trailing basis, Medistem had a net loss of \$971,000.

**TARGET:** *Pinnacle Biologics, Inc.*

**ACQUIRER:** *Concordia Healthcare Corp.*

**LISTING:** Private

**LISTING:** TSX: CXR

**LOCATION:** Bannockburn, Illinois

**CEO:** Mark Thompson

**PHONE:** 905-842-5150

**UNITS:**

277 Lakeshore Road East,  
Ste 302

**FAX:**

**REVENUE:**

Oakville, Ontario L6H1J9

**NET INCOME:**

**WEB SITE:** [www.concordiapharma.ca/](http://www.concordiapharma.ca/)

Pinnacle Biologics is a biopharmaceutical research and development company specializing in orphan diseases. Its European subsidiary, Pinnacle BiologicsBV, is headquartered in Amsterdam.

Concordia Healthcare Corp. is an integrated healthcare company that targets three areas: legacy pharmaceutical products, specialized healthcare distribution that services the diabetes market, and the acquisition and/or development of orphan drugs.

**ANNOUNCEMENT DATE:** December 24, 2013

**PRICE:** Not disclosed

**TERMS:**

**PRICE PER UNIT:**

**PRICE/REVENUE:**

**PRICE/INCOME:**

Pinnacle's PDT with Photofrin is FDA-approved for multiple indications, including the treatment of non-small cell lung cancer and esophageal cancer. It has orphan drug designation for cancer of the bile duct. This addition to Concordia, newly listed on the Toronto Stock Exchange, expands its portfolio and increases its R&D strength. The transaction was completed on December 24, 2013.

**TARGET:** *Fabrus, Inc.*

**ACQUIRER:** *Senesco Technologies, Inc.*

**LISTING:** Private

**LISTING:** OTCQB: SNTI

**LOCATION:** La Jolla, California

**CEO:** Leslie J. Browne

**PHONE:** 908-864-4444

**UNITS:**

721 Route 202/206, Ste 130

**FAX:** 908-864-4440

**REVENUE:**

Bridgewater, New Jersey 08807

**NET INCOME:**

**WEB SITE:** [www.senesco.com](http://www.senesco.com)

Fabrus, Inc. is a biotechnology company focused on expanding the clinical impact of antibodies by addressing drug targets resistant to traditional antibody discovery methods.

Senesco Technologies, Inc. is a clinical-stage biotech specializing in cancer therapeutics.

**ANNOUNCEMENT DATE:** December 30, 2013

**PRICE:** Merger

**TERMS:** The present shareholders of Senesco and Fabrus will each receive approximately 50% of the combined company.

**PRICE PER UNIT:**

**PRICE/REVENUE:**

**PRICE/INCOME:**

Fabrus has two collaborations in place with large pharma and biotech companies to discover antibodies to their targets. It will merge with a wholly-owned subsidiary of Senesco, and Senesco shareholders will be entitled to their existing securities. A non-binding letter of intent has been signed. The parties expect to sign a definitive agreement in early 2014, and close at the same time or shortly thereafter.





# **E-HEALTH**



**FOURTH QUARTER 2013 E-HEALTH TRANSACTIONS**

<b>TARGET</b>	<b>CITY</b>	<b>STATE</b>	<b>ACQUIRER</b>	<b>CITY</b>	<b>STATE</b>	<b>DATE</b>	<b>PRICE</b>
PACSGEAR	Pleasanton	California	Lexmark International Inc.	Lexington	Kentucky	October 3, 2013	\$54,000,000
NextTech	Tampa	Florida	Francisco Partners	San Francisco	California	October 8, 2013	
Rights to TouchMD	Cedar City	Utah	ALPHAEON Corporation	Newport Beach	California	October 10, 2013	
McKesson Automation	Pittsburgh	Pennsylvania	Francisco Partners	San Francisco	California	October 16, 2013	
Virtual Physician's Network	Orlando	Florida	DMH International, Inc.	Coral Springs	Florida	October 21, 2013	
ApeniMED	Minneapolis	Minnesota	IOD Incorporated	Green Bay	Wisconsin	October 22, 2013	
Avado, Inc.	Redmond	Washington	WebMD Corporation	New York	New York	October 29, 2013	
SymphonyCare	Madison	Wisconsin	MEDSEEK	Birmingham	Alabama	October 30, 2013	
OneFit Medical	Besancon	France	EOS imaging	Paris	France	November 5, 2013	\$5,360,000
Worry Free Labs	New York	New York	PointClear Solutions	Atlanta	Georgia	November 5, 2013	
Passport Health Communications, Inc.	Franklin	Tennessee	Experian plc	London	England	November 6, 2013	\$850,000,000
Healthcare analytics platform	Newton Square	Pennsylvania	Qualimetrix	Miami	Florida	November 8, 2013	
Meal Metrics	Winnipeg	Manitoba	PointClickCare	Mississauga	Ontario	November 12, 2013	
A SaaS solutions company			Streamline Health Solutions, Inc.	Cincinnati	Ohio	November 14, 2013	\$6,500,000
A SaaS solutions company			Streamline Health Solutions, Inc.	Cincinnati	Ohio	November 14, 2013	\$13,750,000
Silverstone Solutions, Inc.	San Francisco	California	BiologicTx	Totowa	New Jersey	November 18, 2013	
UA drug management program	Tucson	Arizona	Sinfonia HealthCare Corporation	Tucson	Arizona	November 21, 2013	
Liazon Corporation	New York	New York	Towers Watson & Co.	New York	New York	November 22, 2013	\$215,000,000
Perceptiv Instruments	Suffolk	England	Instem Life Science Systems Ltd.	Conshohocken	Pennsylvania	November 22, 2013	
Tynetec Ltd.	Northumberland	United Kingdom	Legrand Electric Ltd.	West Hartford	Connecticut	December 2, 2013	
SentiCare	Hopkinton	Massachusetts	RxAdvance	Southborough	Massachusetts	December 4, 2013	
QUMAS	Jersey City	New Jersey	Accelrys, Inc.	San Diego	California	December 9, 2013	\$50,000,000
SurgiChem Limited	Stockport	United Kingdom	Omniceil, Inc.	Mountain View	California	December 9, 2013	\$19,680,000
WellnessFX, Inc.	San Francisco	California	Health Elements, LLC	Capistrano Beach	California	December 9, 2013	



**TARGET:** *PACSGEAR*

**ACQUIRER:** *Lexmark International Inc.*

**LISTING:** Private  
**LOCATION:** Pleasanton, California  
**UNITS:**  
**REVENUE:**  
**NET INCOME:**

**LISTING:** NYSE: LXX  
**CEO:** Paul Rooke  
**PHONE:** 859-232-2000  
740 W. New Circle Road  
**FAX:**  
Lexington, Kentucky 40550  
**WEB SITE:** www.lexmark.com

PACSGEAR is a leading provider of connectivity solutions for healthcare providers to capture, manage, and share medical images and related documents. PACSGEAR delivers solutions in more than 50 countries and approximately half of all U.S. hospitals.

Lexmark International, founded in 1991, quickly established itself as a top global provider of printing solutions. In 2012, Lexmark had \$3.8 billion in total revenue.

**ANNOUNCEMENT DATE:** October 3, 2013

**PRICE:** \$54,000,000

**TERMS:** Cash.

**PRICE PER UNIT:**

**PRICE/REVENUE:**

**PRICE/INCOME:**

This acquisition continues Lexmark's strategy to acquire software expertise in global markets, while returning more than 50% of free cash flow to shareholders. PACSGEAR will report into the Perceptive Software division, and is synergistic with its existing healthcare content management and workflow solutions.

**TARGET:** *NextTech*

**ACQUIRER:** *Francisco Partners*

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

**LISTING:** Private  
**CEO:** Dipanjan Deb  
**PHONE:** 415-418-2900  
One Letterman Drive, Bldg. C  
**FAX:** 415-418-2999  
San Francisco, California 94129  
**WEB SITE:** www.franciscopartners.com

NexTech offers fully integrated specialty specific, certified electronic medical records (EMRs), practice management and marketing software that covers a wide array of specialty practice needs. It has a client base of more than 7,000 providers and 40,000 office staff members.

Francisco Partners is a global private equity firm that specializes in investments in technology companies. FP has raised approximately \$7 billion and invested in more than 100 technology companies.

**ANNOUNCEMENT DATE:** October 8, 2013

**PRICE:** Not disclosed

**TERMS:**

**PRICE PER UNIT:**

**PRICE/REVENUE:**

**PRICE/INCOME:**

This partnership between NexTech and Francisco Partners is designed to enhance and support NexTech's infrastructure and growth in medical specialties, including bariatric surgery, dermatology, gastroenterology, ophthalmology, orthopedic surgery, otolaryngology, plastic surgery, general surgery centers and urology. NextTech was advised by Raymond James and Holland & Knight LLP. Shearman & Sterling LLP acted as legal advisor to Francisco Partners.

**TARGET:** *Rights to TouchMD*

**ACQUIRER:** *ALPHAEON Corporation*

**LISTING:** Private  
**LOCATION:** Cedar City, Utah  
**UNITS:**  
**REVENUE:**  
**NET INCOME:**

**LISTING:** Private  
**CEO:** Robert E. Grant  
**PHONE:** 949-260-1700  
4040 MacArthur Blvd., Ste. 210  
**FAX:**  
Newport Beach, California 92660  
**WEB SITE:** www.alphaeon.com

TouchMD is an interactive software platform that helps specialty physicians educate patients before, during and after practice consultation, which increases practice conversion rates and enhances the patient experience.

ALPHAEON Corporation is a wholly-owned subsidiary of Strathspey Crown Holdings, LLC. It is a lifestyle healthcare company that produces products and services to promote consumer wellness, beauty and performance.

**ANNOUNCEMENT DATE:** October 10, 2013  
**PRICE:** Not disclosed  
**TERMS:**

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

TouchMD is a premier practice development platform with compelling customer data showing increases in practice revenue and patient engagement. The platform is currently in use by more than 700 physicians in 10 countries and has been proven effective in helping practices better educate their patients on lifestyle healthcare procedures and treatments. Starting in January 2014, ALPHAEON will be exclusively responsible for sales and marketing of TouchMD in the U.S. and international markets.

**TARGET:** *McKesson Automation*

**ACQUIRER:** *Francisco Partners*

**LISTING:** NYSE: MCK  
**LOCATION:** Pittsburgh, Pennsylvania  
**UNITS:**  
**REVENUE:**  
**NET INCOME:**

**LISTING:** Private  
**CEO:** Dipanjan Deb  
**PHONE:** 415-418-2900  
One Letterman Drive, Bldg. C  
**FAX:** 415-418-2999  
San Francisco, California 94129  
**WEB SITE:** www.franciscopartners.com

McKesson Automation is a unit of McKesson Corporation that offers integrated pharmacy automation solutions for hospitals and health systems.

Francisco Partners is a global private equity firm that specializes in investments in technology companies. FP has raised approximately \$7 billion and invested in more than 100 technology companies.

**ANNOUNCEMENT DATE:** October 16, 2013  
**PRICE:** Not disclosed  
**TERMS:**

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

McKesson Automation helps hospitals and health systems streamline the delivery of medications. The business offers a range of products addressing every stage of medication delivery within a hospital, including pharmacy, nursing and surgical services. Francisco Partners was advised by Robert W. Baird and Kirkland & Ellis LLP. The transaction was completed on November 4, 2013.

**TARGET:** *Virtual Physician's Network*

**ACQUIRER:** *DMH International, Inc.*

**LISTING:** Private  
**LOCATION:** Orlando, Florida  
**UNITS:**  
**REVENUE:**  
**NET INCOME:**

**LISTING:** OTCBB: DMHI  
**CEO:** Rik J. Deitsch  
12502 West Atlantic Blvd  
Coral Springs, Florida 33071  
**PHONE:** 954-509-0911  
**FAX:**  
**WEB SITE:** www.dmhintl.com

Virtual Physician's Network (VPN) is a mobile healthcare business applications company offering the first fully integrated virtual event and professional networking platform combined with practice tools for surgeons, healthcare professionals and medical vendors.

DMH International, Inc., through its subsidiary Touch Medical Solutions, is a medical software and device company specializing in electronic records for hospital, medical and personal use, as well as medical transcription and paperless medical office solutions.

**ANNOUNCEMENT DATE:** October 21, 2013  
**PRICE:** Not disclosed  
**TERMS:**

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

VPN's mobile app is available in the App Store, in Google Play and on their web-based application. The addition of VPN will bring new applications and markets as well as seasoned management, software designers and sales support expanding DMHI's product offerings and reducing its time to market for all products and services. The merger is expected to be completed by the end of January 2014.

**TARGET:** *ApeniMED*

**ACQUIRER:** *IOD Incorporated*

**LISTING:** Private  
**LOCATION:** Minneapolis, Minnesota  
**UNITS:**  
**REVENUE:**  
**NET INCOME:**

**LISTING:** Private  
**CEO:**  
1030 Ontario Road  
Green Bay, Wisconsin 54311  
**PHONE:** 800-236-3355  
**FAX:** 920-469-5010  
**WEB SITE:** www.iodedge.com

ApeniMED is a provider of healthcare interoperability and Healthway (formerly the Nationwide Health Information Network Exchange) connectivity.

IOD Incorporated, a health information management company with more than 30 years of experience, combines innovative technologies and services to streamline workflows, maximize productivity and reduce costs for hospitals.

**ANNOUNCEMENT DATE:** October 22, 2013  
**PRICE:** Not disclosed  
**TERMS:**

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

Through Healthway, ApeniMED facilitates more timely health information exchange, including eDetermine for fully automating Social Security determinations between the SSA and providers. This acquisition closed on October 22, 2013.

**TARGET:** *Avado, Inc.*

**ACQUIRER:** *WebMD Corporation*

**LISTING:** Private  
**LOCATION:** Redmond, Washington  
**UNITS:**  
**REVENUE:**  
**NET INCOME:**

**LISTING:** NASDAQ: WBMD  
**CEO:** Wayne T. Gattinella **PHONE:** 212-624-3700  
111 8th Avenue, 7th Floor **FAX:** 212-624-3800  
New York, New York 10011  
**WEB SITE:** www.webmd.com

Avado, Inc. is a developer of cloud-based patient relationship management tools and technologies that enable better communication between consumers and health care professionals.

WebMD Corporation provides connectivity and a full suite of services to the health care industry to improve administrative efficiencies and clinical effectiveness. On a trailing 12-month basis, WBMD generated revenue of \$488 million and EBITDA of \$47 million.

**ANNOUNCEMENT DATE:** October 29, 2013  
**PRICE:** Not disclosed  
**TERMS:**

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

WebMD is committed to playing a leading role in the emerging patient relationship management space. Avado's innovative technology and tools will complement, and further accelerate WebMD's efforts to connect patients with their healthcare providers. This acquisition was completed on October 29, 2013.

**TARGET:** *SymphonyCare*

**ACQUIRER:** *MEDSEEK*

**LISTING:** Private  
**LOCATION:** Madison, Wisconsin  
**UNITS:**  
**REVENUE:**  
**NET INCOME:**

**LISTING:** Private  
**CEO:** Peter Kuhn **PHONE:** 205-982-5800  
3000 Riverchase Galleria, **FAX:**  
Suite 1500  
Birmingham, Alabama 35244  
**WEB SITE:** www.medseek.com

SymphonyCare provides population health and care management solutions through population segmentation, risk stratification, care management workflow and quality reporting tools.

MEDSEEK provides enterprise eHealth solutions for hospitals, health systems, clinicians and ACOs virtually influence patient behavior before, during and after the clinical encounter through its MEDSEEK Influence platform.

**ANNOUNCEMENT DATE:** October 30, 2013  
**PRICE:** Not disclosed  
**TERMS:**

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

This acquisition expands MEDSEEK's capabilities in the emerging population health and care management market, creating opportunities for the company to offer an additional set of software and services to its customer based and emerging provider markets. The acquisition closed on October 30, 2013.



**TARGET:** *OneFit Medical*

**ACQUIRER:** *EOS imaging*

**LISTING:** Private  
**LOCATION:** Besancon, France  
**UNITS:**  
**REVENUE:**  
**NET INCOME:**

**LISTING:** Paris: EOSI  
**CEO:** Marie Meynadier **PHONE:** 33 1 55 25 60 60  
10 Rue Mercoeur **FAX:**  
Paris, France 75011  
**WEB SITE:** www.eos-imaging.com

OneFit Medical publishes knee and hip surgery planning software and manufactures patient-specific cutting guides for orthopedic surgeons.

EOS imaging designs, develops and markets EOS, a patented medical imaging system. The company is authorized to market the system in 31 countries, including the U.S., Japan, Canada, Australia and the European Union.

**ANNOUNCEMENT DATE:** November 5, 2013

**PRICE:** \$5,360,000

**PRICE PER UNIT:**

**TERMS:** EOS will acquire 100% of OneFit Medical for EUR4 million, including EUR0.5 million in cash through the issuance of 603.449 EOS imaging ABSAs (shares with warrants attached) to OneFit Medical.

**PRICE/REVENUE:**

**PRICE/INCOME:**

OneFit Medical currently markets its patient-specific solutions to French and European manufacturers of orthopedic implants. Its medical software will be incorporated within the software solution portfolio currently developed by EOS imaging, which is based on its proprietary patient-specific 3D images with anatomic information content.

**TARGET:** *Worry Free Labs*

**ACQUIRER:** *PointClear Solutions*

**LISTING:** Private  
**LOCATION:** New York, New York  
**UNITS:**  
**REVENUE:**  
**NET INCOME:**

**LISTING:** Private  
**CEO:** David Karabinos **PHONE:** 800-286-7611  
47 Perimeter Center East, **FAX:**  
Ste 440  
Atlanta, Georgia 30346  
**WEB SITE:** www.pointclearsolutions.com

Worry Free Labs is a high-end mobile app user-experience design and development firm.

PointClear Solutions is a healthcare software development firm.

**ANNOUNCEMENT DATE:** November 5, 2013

**PRICE:** Not disclosed

**PRICE PER UNIT:**

**TERMS:**

**PRICE/REVENUE:**

**PRICE/INCOME:**

Under terms of the acquisition, Worry Free Labs will operate as a subsidiary of PointClear Solutions. Through this acquisition, PointClear has strengthened its portfolio with consumer-focused solutions and positioned itself to drive greater value for its clients. The combined company now offers an in-depth set of user experience and user interface capabilities.

**TARGET:** *Passport Health Communications, Inc.*

**LISTING:** Private  
**LOCATION:** Franklin, Tennessee  
**UNITS:**  
**REVENUE:**  
**NET INCOME:**

Passport Health Communications is a leading provider of data, analytics and software in the U.S. health care payments market. It works with more than 2,500 hospitals and more than 9,000 other healthcare providers.

**ANNOUNCEMENT DATE:** November 6, 2013  
**PRICE:** \$850,000,000  
**TERMS:** Cash.

The acquisition of Passport Health will significantly expand the group's market reach and add new capabilities in other segments of the billings cycle, including patient engagement, scheduling, claims processing, payment processing and patient follow-up.

**ACQUIRER:** *Experian plc*

**LISTING:** LSE: EXPN  
**CEO:** Don Robert  
**PHONE:** 44 0 844 481 8000  
Cardinal Place, 80 Victoria St. **FAX:**  
London, England SW1E 5JL  
**WEB SITE:** www.experianplc.com

Experian entered the healthcare payments market with its 2008 acquisition of SearchAmerica, and further consolidated its position in 2011 with the acquisition of Medical Present Value. It merged the businesses to create Experian Healthcare.

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

**TARGET:** *Healthcare analytics platform*

**LISTING:** Private  
**LOCATION:** Newton Square, Pennsylvania  
**UNITS:**  
**REVENUE:**  
**NET INCOME:**

Visual Intelligence LLC, a progressive business intelligence and advanced analytics company, is selling its healthcare analytics platform. It retains its social media and consumer intention analytics platforms.

**ANNOUNCEMENT DATE:** November 8, 2013  
**PRICE:** Not disclosed  
**TERMS:**

The addition of the healthcare analytics platform accelerates Qualmetrix's software and platform development efforts.

**ACQUIRER:** *Qualmetrix*

**LISTING:** Private  
**CEO:** Adam House  
**PHONE:** 786-431-0418  
1201 Brickell Avenue, Ste 210 **FAX:**  
Miami, Florida 33131  
**WEB SITE:** www.qualmetrix.com

Qualmetrix delivers healthcare analytics, actionable insights and reporting to payers, providers and employers.

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

**TARGET:** *Meal Metrics*

**ACQUIRER:** *PointClickCare*

**LISTING:** Private  
**LOCATION:** Winnipeg, Manitoba  
**UNITS:**  
**REVENUE:**  
**NET INCOME:**

**LISTING:** Private  
**CEO:** Mike Wessinger  
**PHONE:** 905-858-8885  
6975 Creditiew Road, Suite 4  
**FAX:** 905-858-2248  
Mississauga, Ontario L5N 8E9  
**WEB SITE:** www.pointclickcare.com

Meal Metrics provides web-based nutritional management software for long-term care patients.

PointClickCare, through its electronic health record (EHR) platform, helps long-term care providers of all sizes manage the complete lifecycle of resident care which includes clinical, billing and administration processes.

**ANNOUNCEMENT DATE:** November 12, 2013  
**PRICE:** Not disclosed  
**TERMS:**

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

Upon acquisition, Meal Metrics' software will be sold under the brand name PointClickCare Tray Card, which provides long-term care facilities with organization-wide access to resident nutritional care information, automated updates, and the flexibility to adjust and modify nutritional management at a single point of control. The transaction closed on November 1, 2013.

**TARGET:** *A SaaS solutions company*

**ACQUIRER:** *Streamline Health Solutions, Inc.*

**LISTING:** Private  
**LOCATION:**  
**UNITS:**  
**REVENUE:** \$3,900,000 (2013)  
**NET INCOME:**

**LISTING:** NASDAQ: STRM  
**CEO:** Robert E. Watson  
**PHONE:** 513-794-7100  
10200 Alliance Road, Ste. 200  
**FAX:** 513-794-9700  
Cincinnati, Ohio 45242  
**WEB SITE:** www.streamlinehealth.net

The target is an unidentified patient access and scheduling capabilities company that has 29 clients, nine of whom are Streamline clients.

Streamline Health Solutions provides workflow and document management technology solutions that enhance efficiencies and business processes for hospitals and physician groups in North America. Trailing 12-month revenues were about \$18.4 million.

**ANNOUNCEMENT DATE:** November 14, 2013  
**PRICE:** \$6,500,000  
**TERMS:** Cash.

**PRICE PER UNIT:**  
**PRICE/REVENUE:** 1.67  
**PRICE/INCOME:**

The target company sells its solutions generally under a perpetual license model. However, Streamline did with Meta Health Technology, a company it acquired in 2012. The transaction is expected to close in the fiscal fourth quarter of 2013.

**TARGET:** *A SaaS solutions company*

**ACQUIRER:** *Streamline Health Solutions, Inc.*

**LISTING:** Private

**LISTING:** NASDAQ: STRM

**LOCATION:**

**CEO:** Robert E. Watson **PHONE:** 513-794-7100

**UNITS:**

10200 Alliance Road, Ste. 200 **FAX:** 513-794-9700

**REVENUE:**

Cincinnati, Ohio 45242

**NET INCOME:**

**WEB SITE:** www.streamlinehealth.net

The unidentified target company provides financial and operational analytics software solutions and sells its solutions as a SaaS-based model.

Streamline Health Solutions provides workflow and document management technology solutions that enhance efficiencies and business processes for hospitals and physician groups in North America. Trailing 12-month revenues were about \$18.4 million.

**ANNOUNCEMENT DATE:** November 14, 2013

**PRICE:** \$13,750,000

**PRICE PER UNIT:**

**TERMS:** Cash and STRM stock.

**PRICE/REVENUE:**

**PRICE/INCOME:**

This acquisition will improve and expand STRM's SaaS-based solutions, and provide cross selling opportunities. The target company has 35 clients, none of whom are Streamline clients. The transaction is expected to close in the fiscal fourth quarter of 2013 or in the first quarter of 2014.

**TARGET:** *Silverstone Solutions, Inc.*

**ACQUIRER:** *BiologicTx*

**LISTING:** Private

**LISTING:** Private

**LOCATION:** San Francisco, California

**CEO:** Sal Rafanelli, RPh **PHONE:** 877-567-8087

**UNITS:**

40-D Commerce Way **FAX:** 877-567-8089

**REVENUE:**

Totowa, New Jersey 07512

**NET INCOME:**

**WEB SITE:** www.biologictx.com

Silverstone Solutions is an advanced enterprise software application that provides the tools needed to rapidly and accurately match living organ donors with patients who have willing, healthy but incompatible donors.

BiologicTx was founded as the first, solely focused infusion and pharmacy provider of biologic and oral transplant therapy management. Its team strives to advance desensitization, immunosuppressive and rejection treatments worldwide.

**ANNOUNCEMENT DATE:** November 18, 2013

**PRICE:** Not disclosed

**PRICE PER UNIT:**

**TERMS:**

**PRICE/REVENUE:**

**PRICE/INCOME:**

The acquisition of Silverstone Solutions includes its Kidney Paired Donation software, Silverstone Matchgrid, a sophisticated proprietary software application that assists clinicians in accurately matching individuals awaiting kidney transplants with viable living kidney donors. Silverstone founder David S. Jacobs will join BiologicTx as chief technology officer.

**TARGET:** *UA drug management program*

**LISTING:** Private  
**LOCATION:** Tucson, Arizona  
**UNITS:**  
**REVENUE:**  
**NET INCOME:**

Faculty and research members at University of Arizona are selling a medication management program they developed.

**ANNOUNCEMENT DATE:** November 21, 2013  
**PRICE:** Not disclosed  
**TERMS:** Under the licensing agreement, SinfoniaRx will assume the program's current contracts, employees and software.

The software fits well with Sinfonia's focus on preventing expensive, out-of-home health care. The technology developed by UA has served more than 2.5 million individuals with significant medical conditions. This acquisition was completed on November 21, 2013.

**ACQUIRER:** *Sinfonia HealthCare Corporation*

**LISTING:** Private  
**CEO:** Fletcher McCusker  
**PHONE:** 520-547-0090  
One East Toole Avenue  
**FAX:**  
Tucson, Arizona 85701  
**WEB SITE:** www.sinfoniahealth.com

SinfoniaRX is a new division of Sinfonia HealthCare Corp.

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

**TARGET:** *Liazon Corporation*

**LISTING:** Private  
**LOCATION:** New York, New York  
**UNITS:**  
**REVENUE:**  
**NET INCOME:**

Founded in 2007, Liazon Corporation develops and delivers private benefit exchanges for active employees.

**ANNOUNCEMENT DATE:** November 22, 2013  
**PRICE:** \$215,000,000  
**TERMS:**

The deal, which follows the purchase of Extend Health in June 2012, adds to Towers Watson's strength in the private exchange market. The addition will be dilutive to adjusted EPS by approximately \$0.10 to \$0.15 in fiscal year 2014. There is no impact to the forecasted EBITDA margins. This transaction closed on November 22. Cadwalader, Wickersham & Taft LLP acted as legal advisor to Towers Watson. Lowenstein Sandler LLP acted as legal advisor to Liazon Corporation.

**ACQUIRER:** *Towers Watson & Co.*

**LISTING:** NYSE: TW  
**CEO:** John J. Haley  
**PHONE:** 212-725-7550  
875 Third Avenue  
**FAX:**  
New York, New York 10022  
**WEB SITE:** www.towerswatson.com

Towers Watson operates as a global professional services company that provides consulting and other professional services. On a trailing 12-month basis, it generated revenue of \$3.4 billion, EBITDA of \$631 million and net income of \$230.0 million

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

**TARGET:** *Perceptive Instruments*

**ACQUIRER:** *Instem Life Science Systems Ltd.*

**LISTING:** Private  
**LOCATION:** Suffolk, England  
**UNITS:**  
**REVENUE:**  
**NET INCOME:**

**LISTING:** Private  
**CEO:** Phil Reason  
**PHONE:** 610-941-0990  
161 Washington Street  
**FAX:**  
Conshohocken, Pennsylvania 19428  
**WEB SITE:** www.instem.com

Perceptive develops, manufactures and supplies image analysis and data processing solutions that are primarily focused on the areas of genetic toxicology, microbiology and immunology.

Instem is a leading provider of IT applications to the early development healthcare market delivering solutions for data collection, management and analysis. Its portfolio of software increases productivity by automating study-related processes.

**ANNOUNCEMENT DATE:** November 22, 2013  
**PRICE:** Not disclosed  
**TERMS:**

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

As part of Instem, Perceptive will now have access to additional capabilities in marketing, sales, management and software development. This transaction continues Instem's consolidation of the life sciences IT marketplace. This acquisition was completed on November 22, 2013.

**TARGET:** *Tynetec Ltd.*

**ACQUIRER:** *Legrand Electric Ltd.*

**LISTING:** Private  
**LOCATION:** Northumberland, United Kingdom  
**UNITS:**  
**REVENUE:**  
**NET INCOME:**

**LISTING:** Private  
**CEO:** John Selldorff  
**PHONE:** 877-295-3472  
60 Woodlawn Street  
**FAX:**  
West Hartford, Connecticut 06110  
**WEB SITE:** www.legrand.us

Tynetec makes the Aid Call wireless nurse call system, the Advent XT Warden Call, and the Reach plus GSM for use in homes or assisted living facilities. It has two manufacturing facilities in Blyth, Northumberland.

Legrand Electric Ltd. provides products and systems for electrical installations and information networks. Its current business units are Wiring Devices, Power Distribution and Cable Management.

**ANNOUNCEMENT DATE:** December 2, 2013  
**PRICE:** Not disclosed  
**TERMS:**

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

Tynetec Ltd. will become a fourth business unit of Legrand Electric, focused on healthcare and assisted living wireless communications. Its products are used in the home and assisted living facilities, enabling the elderly and disabled to quickly and securely call for assistance. Its new Reach plus GSM system works for those who do not have a fixed phone line.

**TARGET:** *SentiCare*

**ACQUIRER:** *RxAdvance*

**LISTING:** Private  
**LOCATION:** Hopkinton, Massachusetts  
**UNITS:**  
**REVENUE:**  
**NET INCOME:**

**LISTING:** Private  
**CEO:** Ravi Ika  
2 Park Central Drive  
Southborough, Massachusetts 01772  
**PHONE:** 508-804-6900  
**FAX:**  
**WEB SITE:** www.rxadvance.com

SentiCare is a medication adherence solution company. Its PillStation product offers the only real-time camera-based medication reminder and remote monitoring solution in the market.

RxAdvance is a full service pharmacy benefit management (PBM) company.

**ANNOUNCEMENT DATE:** December 4, 2013  
**PRICE:** Not disclosed  
**TERMS:**

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

This acquisition will allow RxAdvance to ensure that highly chronic patients are adherent to their prescription regimen to control avoidable medical costs. This acquisition was completed on December 4, 2013.

**TARGET:** *QUMAS*

**ACQUIRER:** *Accelrys, Inc.*

**LISTING:** Private  
**LOCATION:** Jersey City, New Jersey  
**UNITS:**  
**REVENUE:** \$19,300,000 (2012)  
**NET INCOME:**

**LISTING:** NASDAQ: ACCL  
**CEO:** Max Carnecchia  
5005 Wateridge Vista Drive  
San Diego, California 92121  
**PHONE:** 858-799-5000  
**FAX:**  
**WEB SITE:** www.accelrys.com

QUMAS provides cloud-based and on-premises compliance software supporting regulatory and quality operations in the following industries: pharmaceuticals/biotech, contract organizations and medical devices.

Accelrys, Inc. provides scientific innovation lifecycle management software. Its solutions are used by more than 1,300 customers in the various industries. Its annual revenue projection is \$179 million.

**ANNOUNCEMENT DATE:** December 9, 2013  
**PRICE:** \$50,000,000  
**TERMS:** Cash upfront.

**PRICE PER UNIT:**  
**PRICE/REVENUE:** 2.59  
**PRICE/INCOME:**

The integration of QUMAS solutions into the Accelrys product portfolio will provide a single vendor scientific innovation lifecycle management (SILM) solution that is already in high demand for product lifecycle management. The acquisition is expected to be neutral to Accelrys' Non-GAAP earnings per share for the year ending Dec. 31, 2013 on \$1 million to \$2 million in NonGAAP revenue contribution. This transaction closed on December 9, 2013.

**TARGET:** *SurgiChem Limited*

**ACQUIRER:** *Omniceil, Inc.*

**LISTING:** Private  
**LOCATION:** Stockport, United Kingdom  
**UNITS:**  
**REVENUE:**  
**NET INCOME:**

**LISTING:** NASDAQ: OMCL  
**CEO:** Randall Lipps  
1201 Charleston Road  
Mountain View, California 94303  
**PHONE:** 650-251-6100  
**FAX:** 650-251-6266  
**WEB SITE:** www.omnicell.com

SurgiChem Limited, a wholly-owned subsidiary of Bupa Care Homes plc, provides medication adherence packaging systems and solutions to the UK community and home care markets. The company has 21 employees.

Omniceil provides various medication control and patient safety solutions for acute care health facilities. On a trailing 12-month basis, OMCL generated revenue of \$365 million, EBITDA of \$50.9 million and net income of \$22.7 million.

**ANNOUNCEMENT DATE:** December 9, 2013

**PRICE:** \$19,680,000

**TERMS:** Cash upfront.

**PRICE PER UNIT:**

**PRICE/REVENUE:**

**PRICE/INCOME:**

SurgiChem's products address the issue of medication non-adherence. The combination of SurgiChem and Omnicell's MTS brand of products will broaden its offerings of proven multi- and single-dose products in the UK medication adherence packaging market.

**TARGET:** *WellnessFX, Inc.*

**ACQUIRER:** *Health Elements, LLC*

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

**LISTING:** Private  
**CEO:** Paul Jacobson  
34921 Calle del Sol  
Capistrano Beach, California 92624  
**PHONE:** 877-711-1271  
**FAX:**  
**WEB SITE:** www.healthelements.com

Founded in 2010, WellnessFX, Inc. provides online personalized health software, blood tests through leading laboratories and consultations with health professionals. Its affiliation with Thorne Research allows customers full access to Thorne's products.

Health Elements, LLC offers proprietary health management systems for patients and healthcare professionals targeting medically supervised weight loss. The service includes an easy-to-use patient portal.

**ANNOUNCEMENT DATE:** December 9, 2013

**PRICE:** Not disclosed

**TERMS:**

**PRICE PER UNIT:**

**PRICE/REVENUE:**

**PRICE/INCOME:**

Thorne Research is the largest shareholder in the combined company. The acquisition will combine Health Elements and WellnessFX under the WellnessFX brands. Through this acquisition, WellnessFX diagnostic tools along with Health Elements nutrition tracking tools and other mobile affiliations will be available to consumers through the 13,000 health practitioners affiliated with Thorne Research. WellnessFX will maintain operations in San Francisco and Los Angeles.



# **HOME HEALTH CARE**



FOURTH QUARTER 2013 HOME HEALTH CARE TRANSACTIONS						
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TARGET	CITY	STATE	ACQUIRER	CITY	STATE	DATE	PRICE
South Norfolk Carers Limited	Brooke	United Kingdom	Healthcare Homes	Langham, Colchester, Essex	United Kingdom	October 1, 2013	
Healthcare Innovations Private Services	Oklahoma City	Oklahoma	Jordan Health Services	Mount Vernon	Texas	October 9, 2013	
Senior Home Care, Inc.	Clearwater	Florida	Kindred Healthcare, Inc.	Louisville	Kentucky	November 4, 2013	\$95,000,000
SCP Specialty Infusion	Chicago	Illinois	AxelaCare Health Solutions	Lenexa	Kansas	November 5, 2013	
SunCrest HealthCare	Madison	Tennessee	Almost Family, Inc.	Louisville	Kentucky	November 5, 2013	\$75,500,000
Coordinated Home Health Care, LLC	Las Cruces	New Mexico	Addus HomeCare Corporation	Palatine	Illinois	November 7, 2013	
Medi Home Private Care division	Lexington	South Carolina	Addus HomeCare Corporation	Palatine	Illinois	November 7, 2013	
Coram LLC	Denver	Colorado	CVS Caremark	Woonsocket	Rhode Island	November 27, 2013	\$2,100,000,000
U.S. Medical Management, LLC	Troy	Michigan	Centene Corporation	St. Louis	Missouri	December 12, 2013	\$200,000,000
At Home Health Services, LLC	Mokena	Illinois	Accelera Innovations, Inc.	Frankfort	Illinois	December 17, 2013	\$1,420,000



**TARGET:** *South Norfolk Carers Limited*

**LISTING:** Private

**LOCATION:** Brooke, United Kingdom

**UNITS:**

**REVENUE:**

**NET INCOME:**

South Norfolk Carers Limited is a provider of home-based care services for the elderly and people with physical and learning disabilities in and around Norwich and Bungay. The company has 45 employees.

**ANNOUNCEMENT DATE:** October 1, 2013

**PRICE:** Not disclosed

**TERMS:**

**ACQUIRER:** *Healthcare Homes*

**LISTING:** Private

**CEO:** **PHONE:** 01206 233190

Lodge House, Lodge Lane **FAX:**

Langham, Colchester, Essex, United Kingdom CO4 5NE

**WEB SITE:** [www.healthcarehomes.co.uk/](http://www.healthcarehomes.co.uk/)

Founded in 2005, Healthcare Homes is a provider of care homes and homecare, exclusively in East Anglia. Its subsidiary, Manorcourt Homecare, will merge with South Norfolk Carers.

**PRICE PER UNIT:**

**PRICE/REVENUE:**

**PRICE/INCOME:**

The acquisition takes Manorcourt Homecare's number of branches to 14 across the eastern counties. South Norfolk Carers has an excellent reputation for providing high quality home care.

**TARGET:** *Healthcare Innovations Private Services*

**LISTING:** Private

**LOCATION:** Oklahoma City, Oklahoma

**UNITS:**

**REVENUE:**

**NET INCOME:**

Healthcare Innovations Private Services (HCIPS) is the largest provider of Medicaid home health services in the state of Oklahoma.

**ANNOUNCEMENT DATE:** October 9, 2013

**PRICE:** Not disclosed

**TERMS:**

**ACQUIRER:** *Jordan Health Services*

**LISTING:** Private

**CEO:** Dean Anthony **PHONE:** 800-234-1866  
Holland

PO Box 1387 **FAX:**

Mount Vernon, Texas

**WEB SITE:** [www.jhsi.com](http://www.jhsi.com)

Jordan Health Services, a portfolio company of Palladium Equity Partners, provides home health and hospice services to pediatric and adult patients from 40 locations throughout Texas. It serves 14,500 clients.

**PRICE PER UNIT:**

**PRICE/REVENUE:**

**PRICE/INCOME:**

This acquisition is inline with Jordan's strategy to expand its footprint in the southwest region of the U.S. HCIPS will continue to operate under its trade name. Greenberg Taurig, P.A. acted as legal counsel to Jordan. CIT Capital Securities LLC served as exclusive financial advisor and Winstead PC acted as legal counsel to HCIPS.

**TARGET:** *Senior Home Care, Inc.*

**ACQUIRER:** *Kindred Healthcare, Inc.*

**LISTING:** Private  
**LOCATION:** Clearwater, Florida  
**UNITS:**  
**REVENUE:** \$143,000,000 (annualized)  
**NET INCOME:**

**LISTING:** NYSE: KND  
**CEO:** Paul J. Diaz  
**PHONE:** 502-596-7300  
680 South Fourth Street  
**FAX:** 502-569-7499  
Louisville, Kentucky 40202-2412  
**WEB SITE:** www.kindredhealthcare.com

Senior Home Care, Inc. is a home health provider that operates through 47 locations in Florida and Louisiana.

Kindred Healthcare, Inc. is the largest diversified provider of post-acute care services in the U.S. It operates hospitals, nursing centers, rehabilitation facilities, and home health and hospice. The company has a trailing 12-month revenue of \$6.2 billion.

**ANNOUNCEMENT DATE:** November 4, 2013

**PRICE:** \$95,000,000

**TERMS:** Cash upfront. Kindred plans to fund through operating cash and process from its revolving credit facility.

**PRICE PER UNIT:**

**PRICE/REVENUE:** 0.66

**PRICE/INCOME:**

Kindred operates 10 Transitional Care Hospitals within Senior Home Care's existing services areas in Florida. In Louisiana, the company operates one Transitional Care Hospital and five hospital-based acute rehabilitation units. Kindred expects the transaction to be accretive to earnings in 2014. This acquisition completed on December 2, 2013.

**TARGET:** *SCP Specialty Infusion*

**ACQUIRER:** *AxelaCare Health Solutions*

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

**LISTING:** Private  
**CEO:** Ted Kramm  
**PHONE:** 913-747-3700  
9801 Renner Blvd., Ste 275  
**FAX:** 913-747-3760  
Lenexa, Kansas 66219  
**WEB SITE:** www.axelacare.com

SCP Specialty Infusion is the parent of Siron Infusion, Inc., a leading acute home infusion provider. It and its affiliate companies are being sold by Shore Capital Partners, a private equity firm based in Chicago, Illinois.

AxelaCare is a leading provider of specialized immune globulin therapy and other intravenous home infusion therapies. Its parent, AxelaCare Holdings, LP, is a portfolio company of Harvest Partners, a private equity firm based in New York City.

**ANNOUNCEMENT DATE:** November 5, 2013

**PRICE:** Not disclosed

**TERMS:**

**PRICE PER UNIT:**

**PRICE/REVENUE:**

**PRICE/INCOME:**

SCP Specialty Infusion and its affiliates, Siron Infusion, Access IV, HomeCare IV and Infusource, have merged with AxelaCare Holdings, LP. The acquisition will create a new top-five home infusion company with both chronic and acute care service lines and a nationwide pharmacy network, effectively doubling the number of AxelaCare's pharmacies in Arizona, California, Colorado, Kansas, Louisiana, Maryland, New Mexico, Oklahoma, Oregon, Pennsylvania, with branches scheduled to open in Nebraska, New England and other states in the next two quarters.

**TARGET:** *SunCrest HealthCare*

**LISTING:** Private  
**LOCATION:** Madison, Tennessee  
**UNITS:**

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

SunCrest provides skilled home health and personal care services through more than 75 branches across 14 states. Its annual net revenue run rate is expected to approach \$500 million.

**ANNOUNCEMENT DATE:** November 5, 2013

**PRICE:** \$75,500,000

**TERMS:** Stock. The transaction will be funded primarily from AGAM's existing cash and borrowings from its senior secured revolving credit facility.

This acquisition provides additional scale with \$150 million in annual revenues; \$134 million in home health and \$16 million in personal care. It adds a new Southeast geographic cluster across Tennessee, Georgia and Mississippi, adjacent to existing locations, and significantly expands AFAM's current clusters in Florida, the Northeast and Midwest. It also complements AFAM's previous Imperium ACO acquisition by adding home health services to certain Imperium locations. This acquisition completed on December 9, 2013.

**TARGET:** *Coordinated Home Health Care, LLC*

**LISTING:** Private  
**LOCATION:** Las Cruces, New Mexico  
**UNITS:**  
**REVENUE:**  
**NET INCOME:**

Coordinated Home Health Care provides home living assistance and personalized care. It offers two programs, Support Plus and Care Management.

**ANNOUNCEMENT DATE:** November 7, 2013

**PRICE:** Not disclosed

**TERMS:**

This acquisition includes 16 offices located in southern New Mexico, and further expands Addus' presence in that state. The transaction closed effective as of December 1, 2013.

**ACQUIRER:** *Almost Family, Inc.*

**LISTING:** NASDAQ: AFAM  
**CEO:** William B. Yarmuth **PHONE:** 502-891-1000  
9510 Ormsby Station Road, **FAX:**  
Ste 300  
Louisville, Kentucky 40223  
**WEB SITE:** www.almostfamily.com

Almost Family is a leading regional provider of home health nursing service. It and its subsidiaries operate a Medicare-certified segment and a personal care segment. With this transaction, it will operate more than 240 branch locations in 14 states.

**PRICE PER UNIT:**

**PRICE/REVENUE:**

**PRICE/INCOME:**

**ACQUIRER:** *Addus HomeCare Corporation*

**LISTING:** NASDAQ: ADUS  
**CEO:** Mark Heaney **PHONE:** 847-303-5300  
2401 S. Plum Grove Road **FAX:**  
Palatine, Illinois 60067  
**WEB SITE:** www.addus.com

Addus HomeCare provides comprehensive home and community-based services, including skilled nursing, personal aides and rehabilitation. It has more than 120 locations in 19 states, with approximately 13,000 employees.

**PRICE PER UNIT:**

**PRICE/REVENUE:**

**PRICE/INCOME:**

**TARGET:** *Medi Home Private Care division*

**LISTING:** Private

**LOCATION:** Lexington, South Carolina

**UNITS:**

**REVENUE:**

**NET INCOME:**

Medical Services of America, Inc. is selling its Medi Home Private Duty operations.

**ANNOUNCEMENT DATE:** November 7, 2013

**PRICE:** Not disclosed

**TERMS:** The asset purchase agreement provides for separate closings with respect to each state. The closing in South Carolina was effective on November 1, 2013.

The acquisition includes two agencies located in South Carolina; four agencies located in Tennessee; and two agencies located in Ohio. The South Carolina business will be incorporated into Addus' existing operations in that state. This is the first entry into Ohio and Tennessee for Addus. The transaction closed on October 17, 2013, but was not announced until November 7, 2013.

**TARGET:** *Coram LLC*

**LISTING:** Private

**LOCATION:** Denver, Colorado

**UNITS:**

**REVENUE:**

**NET INCOME:**

Apria Healthcare Group Inc. is selling Coram LLC, its home infusion business. Apria Healthcare is a portfolio company of The Blackstone Group.

**ANNOUNCEMENT DATE:** November 27, 2013

**PRICE:** \$2,100,000,000

**TERMS:**

This transaction is expected to close by the end of the first quarter of 2014. Goldman, Sachs & Co. and Blackstone Advisory Partners served as financial advisors to Apria Healthcare. Simpson Thacher & Barlett LLP served as legal advisor. Barclays served as financial advisor to CVS, and Sullivan and Cromwell LLP served as legal advisor. Dechert LLP served as legal advisor to CVS on anti-trust issues.

**ACQUIRER:** *Addus HomeCare Corporation*

**LISTING:** NASDAQ: ADUS

**CEO:** Mark Heaney

2401 S. Plum Grove Road

Palatine, Illinois 60067

**WEB SITE:** www.addus.com

**PHONE:** 847-303-5300

**FAX:**

Addus HomeCare provides comprehensive home and community-based services, including skilled nursing, personal aides and rehabilitation. It has more than 120 locations in 19 states, with approximately 13,000 employees.

**PRICE PER UNIT:**

**PRICE/REVENUE:**

**PRICE/INCOME:**

**ACQUIRER:** *CVS Caremark*

**LISTING:** NYSE: CVS

**CEO:** Jon Roberts

One CVS Drive

Woonsocket, Rhode Island 02895

**WEB SITE:** www.cvscaremark.com

**PHONE:** 401-765-1500

**FAX:**

CVS Caremark operates more than 7,600 CVS/pharmacy stores in the United States. This acquisition boosts its specialty pharmacy offerings by adding infused therapies for the treatment of acute and chronic conditions.

**PRICE PER UNIT:**

**PRICE/REVENUE:**

**PRICE/INCOME:**



**TARGET:** *U.S. Medical Management, LLC*

**LISTING:** Private

**LOCATION:** Troy, Michigan

**UNITS:**

**REVENUE:** \$230,000,000 (expected)

**NET INCOME:**

U.S. Medical Management provides a continuum of in-home services including primary care, health risk assessments, home health, hospice, podiatry, radiology DME, lab and pharmacy.

**ANNOUNCEMENT DATE:** December 12, 2013

**PRICE:** \$200,000,000

**TERMS:** For a 68% interest in USMM, approximately one-third cash and two-thirds stock upfront.

This investment is part of Centene's strategy to effectively manage the complex needs of its high-acuity population. USMM is a leader in house-call medicine, conducting more than 400,000 physician house calls annually and more than 2,500 face-to-face patient interactions on a daily basis. The deal is expected to close in the first quarter of 2014, and be accretive to earnings per share by \$0.02 to \$0.05 in 2014, and \$0.20 to \$0.25 in 2015. This acquisition was completed on January 6, 2014.

**TARGET:** *At Home Health Services, LLC*

**LISTING:** Private

**LOCATION:** Mokena, Illinois

**UNITS:**

**REVENUE:**

**NET INCOME:**

At Home Health Services, LLC and All Staffing Services, LLC are being acquired. At Home Health Services was founded in 2006 as an in-home healthcare agency.

**ANNOUNCEMENT DATE:** December 17, 2013

**PRICE:** \$1,420,000

**TERMS:** \$500,000 paid within 90 days of closing, \$420,000 paid within eight months of closing, net accounts receivable within 12 months of closing, and \$500,000 paid within 18 months of closing.

Accelera plans to integrate the acquired assets into its existing platform and offer patients a way to self-monitor and track common ailments and conditions, and share that data with their primary care physician.

**ACQUIRER:** *Centene Corporation*

**LISTING:** NYSE: CNC

**CEO:** Don Howard

7700 Forsyth Blvd.

St. Louis, Missouri 63105

**WEB SITE:** www.centene.com

**PHONE:** 314-725-4477

**FAX:**

Centene Corp. is a multi-line healthcare enterprise providing programs and services to the rising number of under-insured and uninsured individuals. Its CeliCare division offers states exchange-based and other coverage solutions for low-income populations.

**PRICE PER UNIT:**

**PRICE/REVENUE:** 0.87

**PRICE/INCOME:**

**ACQUIRER:** *Accelera Innovations, Inc.*

**LISTING:** Private

**CEO:** John Wallin

20511 Abbey Dr.

Frankfort, Illinois 60423

**WEB SITE:** www.accelerainnovations.com

**PHONE:** 866-920-0758

**FAX:**

Accelera Innovations, Inc. offers cloud-based software-as-a-service (SaaS) solutions to the healthcare industry that include technology and services to providers and payers.

**PRICE PER UNIT:**

**PRICE/REVENUE:**

**PRICE/INCOME:**



# **HOSPITALS**



**FOURTH QUARTER 2013 HOSPITAL TRANSACTIONS**

<b>TARGET</b>	<b>CITY</b>	<b>STATE</b>	<b>ACQUIRER</b>	<b>CITY</b>	<b>STATE</b>	<b>DATE</b>	<b>PRICE</b>
Downey Regional Medical Center	Downey	California	PIH Health	Whittier	California	October 1, 2013	
Westfield Hospital	Allentown	Pennsylvania	Lehigh Valley Health Network	Allentown	Pennsylvania	October 3, 2013	
Meriter Health Services	Madison	Wisconsin	UnityPoint Health	West Des Moines	Iowa	October 10, 2013	
Mercy Hospital Hot Springs	Hot Springs	Arkansas	Catholic Health Initiatives	Englewood	Colorado	October 14, 2013	
Quality HealthCare Medical Services	Hong Kong		Bupa	London	England	October 14, 2013	\$355,000,000
Jordan Hospital	Plymouth	Massachusetts	Beth Israel Deaconess Medical Center	Boston	Massachusetts	October 16, 2013	
Kewanee Hospital	Kewanee	Illinois	OSF Healthcare Systems	Peoria	Illinois	October 16, 2013	
Forest Park Medical Center	Frisco	Texas	Sabra Health Care REIT, Inc.	Irvine	California	October 22, 2013	\$119,800,000
Williamson Memorial Hospital	Williamson	West Virginia	Appalachian Regional Healthcare	Lexington	Kentucky	October 22, 2013	
Oak Park Hospital	Oak Park	Illinois	Rush University Medical Center	Chicago	Illinois	October 25, 2013	\$21,100,000
Karmanos Cancer Institute	Detroit	Michigan	McLaren Health Care	Flint	Michigan	October 30, 2013	
WestCare	Sylva and Bryson City	North Carolina	Duke LifePoint Healthcare, LLC	Brentwood	Tennessee	October 31, 2013	
Unicoi County Memorial Hospital	Erwin	Tennessee	Mountain States Health Alliance	Johnson City	Tennessee	November 1, 2013	
Children's Clinic of South Snohomish County	Edmonds	Washington	Swedish Medical Group	Seattle	Washington	November 4, 2013	
AtlantiCare health system	Atlantic City	New Jersey	Geisinger Health System	Danville	Pennsylvania	November 13, 2013	
Rockford Health System	Rockford	Illinois	Cadence Health	Winfield	Illinois	November 20, 2013	
District One Hospital	Faribault	Minnesota	Allina Health	Minneapolis	Minnesota	November 26, 2013	
Halifax Regional Medical Center	Roanoke Rapids	North Carolina	Novant Health	Winston-Salem	North Carolina	December 6, 2013	
Port Huron Hospital	Port Huron	Michigan	McLaren Health Care	Flint	Michigan	December 11, 2013	
Wing Memorial Hospital	Palmer	Massachusetts	Baystate Health	Springfield	Massachusetts	December 18, 2013	
Casa Grande Regional Medical Center	Casa Grande	Arizona	Banner Health	Phoenix	Arizona	December 30, 2013	



**TARGET:** *Downey Regional Medical Center*

**LISTING:** Nonprofit  
**LOCATION:** Downey, California  
**UNITS:** 199 (beds)  
**REVENUE:** \$170,697,920 (2012)  
**NET INCOME:** \$4,709,342 (EBITDA)

Downey Regional Medical Center (DRMC) is a 199-bed acute care facility. For the year ended June 30, 2012, the hospital generated total operating revenue of \$170.7 million and an EBITDA of \$4.7 million.

**ANNOUNCEMENT DATE:** October 1, 2013  
**PRICE:** Not disclosed  
**TERMS:**

**ACQUIRER:** *PIH Health*

**LISTING:** Nonprofit  
**CEO:** James West  
12522 Lambert Rd.  
Whittier, California 90606  
**PHONE:** 562-968-0811  
**FAX:**  
**WEB SITE:** www.pihhealth.org

PIH Health is a regional network that serves more than 1.5 million residents in the Los Angeles, Orange County and San Gabriel Valley region.

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

DRMC initially entered into an agreement with PIH health to manage its day-to-day operations before being acquired. The new name of DRMC will be PIH Health Hospital - Downey. This acquisition was completed on October 1, 2013.

**TARGET:** *Westfield Hospital*

**LISTING:** Nonprofit  
**LOCATION:** Allentown, Pennsylvania  
**UNITS:** 22 (beds)  
**REVENUE:** \$13,652,403 (2011)  
**NET INCOME:** \$983,091 (EBITDA)

Westfield Hospital operates 25 licensed beds, three operating rooms and an emergency department in the main hospital. Westfield Surgery Center for ambulatory surgery also is located on the campus and includes three operating rooms and two procedure rooms.

**ANNOUNCEMENT DATE:** October 3, 2013  
**PRICE:** Not disclosed  
**TERMS:**

**ACQUIRER:** *Lehigh Valley Health Network*

**LISTING:** Nonprofit  
**CEO:** Ronald Swinfard  
1200 S Cedar Crest Blvd  
Allentown, Pennsylvania 118103  
**PHONE:** 610-402-8000  
**FAX:**  
**WEB SITE:** www.lvhn.org

Lehigh Valley Health Network cares for more orthopedic patients in the hospital than any other provider in the Lehigh Valley.

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

LVHN plans to transform Westfield into the Center for Orthopedic Medicine. The surgery center operation also would be run by LVHN as part of the transaction. Preliminary plans are to convert the emergency department into an urgent care facility and open the Center for Orthopedic Medicine in early 2014.

**TARGET:** *Meriter Health Services*

**ACQUIRER:** *UnityPoint Health*

**LISTING:** Nonprofit

**LISTING:** Nonprofit

**LOCATION:** Madison, Wisconsin

**CEO:** Bill Leaver

**PHONE:** 515-241-6161

**UNITS:** 302 (staffed beds)

1776 West Lakes Parkway,  
Ste 400

**FAX:**

**REVENUE:** \$406,474,356 (2011)

West Des Moines, Iowa 50266

**NET INCOME:** \$24,650,845 (EBITDA)

**WEB SITE:** www.unitypoint.org

Meriter Health Services is comprised of Meriter Medical Group, offering primary care, Meriter Hospital, a 448-bed community hospital, and Physicians Plus Insurance Corporation.

UnityPoint Health operates a regional health care delivery system that includes 12 hospitals in 10 Iowa cities, three hospitals in three Illinois cities and about 800 employed physicians. It has more than 24,000 employees and annual revenues of \$2.7 billion.

**ANNOUNCEMENT DATE:** October 10, 2013

**PRICE:** Not disclosed

**TERMS:**

**PRICE PER UNIT:**

**PRICE/REVENUE:**

**PRICE/INCOME:**

Meriter will maintain a local governing board responsible for decisions about what services are provided by Meriter and how capital is spent. UnityPoint Health, as the sole corporate member of Meriter, will have control over bylaws, the operating budget and appointing the CEO. Cain Brothers served as exclusive financial advisor to Meriter in connection with the transaction.

**TARGET:** *Mercy Hospital Hot Springs*

**ACQUIRER:** *Catholic Health Initiatives*

**LISTING:** Nonprofit

**LISTING:** Nonprofit

**LOCATION:** Hot Springs, Arkansas

**CEO:** Kevin E. Lotton

**PHONE:** 303-298-9100

**UNITS:** 255 (staffed beds)

198 Inverness Drive West

**FAX:**

**REVENUE:** \$190,965,716 (2012)

Englewood, Colorado 80112

**NET INCOME:** \$10,404,880 (EBITDA)

**WEB SITE:** www.catholichealthinit.org

Mercy Health, the sixth-largest Catholic health care system in the U.S., is transferring ownership of its 282-bed Mercy Hot Springs hospital and 80-physician clinic to CHI and its affiliate, St. Vincent Health System in Little Rock, Arkansas.

Catholic Health Initiatives (CHI) is the third-largest faith-based health system, operating in 18 states with 87 hospitals, 40 long-term care, assisted- and residential living facilities, two academic medical centers, two accredited nursing colleges and home health agencies.

**ANNOUNCEMENT DATE:** October 14, 2013

**PRICE:** Not disclosed

**TERMS:** Letter of intent.

**PRICE PER UNIT:**

**PRICE/REVENUE:**

**PRICE/INCOME:**

The parties will negotiate the terms of the agreement, and if an agreement is reached they plan to complete the transaction by December 31, 2013. Mercy Hot Spring will be operated as part of an integrated network with St. Vincent Health System.



**TARGET:** *Quality HealthCare Medical Services*

**LISTING:** Private  
**LOCATION:** Hong Kong,

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

**ACQUIRER:** *Bupa*

**LISTING:** Private  
**CEO:** Stuart Fletcher  
15 - 19 Bloomsbury Way  
London, England WC1A 2BA  
**WEB SITE:** www.bupa.com

**PHONE:** 44 20 7656 2000  
**FAX:**

Fortis Healthcare is selling Quality HealthCare Medical Services, the largest private clinic network in Hong Kong. This marks the third sale of an overseas business by Fortis in the past six months.

Bupa's operating interests include a healthcare insurance business, care homes for the elderly, hospitals and home health, among others. It has more than 52,000 employees with operations around the world, but primarily in the UK, Australia, Spain, New Zealand and the U.S.

**ANNOUNCEMENT DATE:** October 14, 2013

**PRICE:** \$355,000,000

**TERMS:**

**PRICE PER UNIT:**

**PRICE/REVENUE:**

**PRICE/INCOME:**

Quality HealthCare has a network of 50 medical centers, more than 500 affiliated clinics and more than 20 dental and physiotherapy centers. JP Morgan and Religare Capital Markets acted as advisors to Fortis in this transaction. The acquisition is expected to be completed by the end of October 2013.

**TARGET:** *Jordan Hospital*

**LISTING:** Nonprofit  
**LOCATION:** Plymouth, Massachusetts  
**UNITS:** 155 (beds)  
**REVENUE:** \$203,029,603 (2012)  
**NET INCOME:** \$19,437,715 (EBITDA)

Jordan Hospital serves 12 towns in Plymouth and Barnstable counties as a 155-bed acute care community hospital.

**ANNOUNCEMENT DATE:** October 16, 2013

**PRICE:** Not disclosed

**TERMS:**

**ACQUIRER:** *Beth Israel Deaconess Medical Center*

**LISTING:** Nonprofit  
**CEO:** Kevin Tabb, M.D.  
330 Brookline Avenue  
Boston, Massachusetts 02215  
**WEB SITE:** www.bidmc.org

**PHONE:** 617-667-7000  
**FAX:**

Beth Israel Deaconess Medical Center (BIDMC) is a teaching hospital of Harvard Medical School.

**PRICE PER UNIT:**

**PRICE/REVENUE:**

**PRICE/INCOME:**

Under the agreement, which will become effective January 1, 2014, BIDMC will be the sole corporate member of Jordan Health Systems and Jordan Hospital. This structure is the same relationship BIDMC has with its Milton and Needham hospitals. Jordan Hospital will be renamed Beth Israel Deaconess Hospital-Plymouth to reflect the greater integration.

**TARGET:** *Kewanee Hospital*

**ACQUIRER:** *OSF Healthcare Systems*

**LISTING:** Nonprofit

**LISTING:** Nonprofit

**LOCATION:** Kewanee, Illinois

**CEO:** Sister Judith Ann  
Duvall

**PHONE:** 309-655-2850

**UNITS:** 25 (beds)

800 NE Glen Oak Avenue

**FAX:** 309-655-6869

**REVENUE:** \$29,132,720 (2012)

Peoria, Illinois 61603

**NET INCOME:** \$5,194,101 (EBITDA)

**WEB SITE:** www.osfhealthcare.org

Founded in 1919, Kewanee Hospital is a 25-bed critical access hospital that provides a full range of services.

OSF Healthcare System operates seven acute care hospitals, one long-term care nursing facility and a 2,000-physician medical group. For the year ending September 30, 2010, it generated gross patient services revenue of \$4.7 billion.

**ANNOUNCEMENT DATE:** October 16, 2013

**PRICE:** Not disclosed

**TERMS:**

**PRICE PER UNIT:**

**PRICE/REVENUE:**

**PRICE/INCOME:**

This acquisition will ensure that the community Kewanee Hospital serves will have local access to high quality and cost effective health care services for many years to come. Kewanee Hospital is expected to join the Catholic healthcare system next spring.

**TARGET:** *Forest Park Medical Center*

**ACQUIRER:** *Sabra Health Care REIT, Inc.*

**LISTING:** Private

**LISTING:** NASDAQ: SBRA

**LOCATION:** Frisco, Texas

**CEO:** Rick Matros

**PHONE:** 888-393-8248

**UNITS:** 54 (beds)

18500 Von Karman St., Ste 550

**FAX:** 949-679-8868

**REVENUE:** \$13,300,000

Irvine, California 92612

**NET INCOME:**

**WEB SITE:** www.sabrahealth.com

Forest Park Medical Center is an acute care hospital, comprised of 30 inpatient rooms, 14 family suites, 10 ICU beds and 12 operating rooms.

Sabra is a REIT focused on investing in senior care and health care properties. Its largest tenant is Sun Healthcare Group.

**ANNOUNCEMENT DATE:** October 22, 2013

**PRICE:** \$119,800,000

**PRICE PER UNIT:** \$2,218,519

**TERMS:** Approximately \$10.5 million of the purchase price is being held in escrow for up to 20 months, contingent upon the tenant achieving certain performance hurdles. The seller will be paid a fee of \$0.5 million per annum during the escrow period.

**PRICE/REVENUE:** 9.01

**PRICE/INCOME:**

On September 30, 2013, Sabra entered into an agreement to provide up to \$66.8 million of financing for the construction of a 54-bed acute care hospital. Construction is expected to be completed by mid-2014. On October 22, 2013, Sabra exercised an option to purchase the hospital and associated parking structure. This acquisition was completed on October 22, 2013.

**TARGET:** *Williamson Memorial Hospital*  
**LISTING:** NYSE:HMA  
**LOCATION:** Williamson, West Virginia  
**UNITS:** 69 (beds)  
**REVENUE:** \$32,813,207 (total-9/30/12)  
**NET INCOME:** \$1,765,164 (EBITDA-9/30/12)

**ACQUIRER:** *Appalachian Regional Healthcare*  
**LISTING:** Nonprofit  
**CEO:** Jerry Haynes  
**PHONE:** 606-281-2440  
**FAX:**  
 1220 Harrodsburg Road  
 Lexington, Kentucky 40533  
**WEB SITE:** www.arh.org

Health Management Associates in selling Williamson Memorial Hospital, a 76-bed acute care facility.

Appalachian Regional Healthcare (ARH) owns and operates nine hospitals with nearly 700 beds in Kentucky and West Virginia.

**ANNOUNCEMENT DATE:** October 22, 2013  
**PRICE:** Merger  
**TERMS:**

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

As part of the Certificate of Need, ARH will request approval to merge Williamson Memorial Hospital with Williamson ARH Hospital, located in South Williamson, Kentucky. ARH is exploring options for the future use of the Williamson Memorial campus. The final transfer of ownership will likely occur in early 2014. Until then, Williamson Memorial will continue to operate and provide patient care as it does today.

**TARGET:** *Oak Park Hospital*  
**LISTING:** Nonprofit  
**LOCATION:** Oak Park, Illinois  
**UNITS:** 237 (beds)  
**REVENUE:** \$107,513,164 (2012)  
**NET INCOME:** \$2,288,749 (EBITDA)

**ACQUIRER:** *Rush University Medical Center*  
**LISTING:** Nonprofit  
**CEO:** Larry J. Goodman, MD  
**PHONE:** 312-942-5000  
**FAX:**  
 1653 W. Congress Parkway  
 Chicago, Illinois 60612  
**WEB SITE:** www.rush.edu

Oak Park Hospital, now renamed Rush Oak Park Hospital, is a general medical and surgical hospital with 114 beds.

Rush is comprised of Rush University Medical Center, Rush University, Rush Health, and now Rush Oak Park Hospital. Rush has more than 6,000 employees and faculty.

**ANNOUNCEMENT DATE:** October 25, 2013  
**PRICE:** \$21,100,000  
**TERMS:**

**PRICE PER UNIT:** \$89,030  
**PRICE/REVENUE:** 0.20  
**PRICE/INCOME:** 9.22

Rush University Medical Center and Wheaton Franciscan Services, Inc. completed the closing of corporate members of Rush Oak Park Hospital on October 25. Because Wheaton is no longer a sponsor of ROPH, it is no longer a Catholic hospital. ROPH will now operate as a not-for-profit, tax-emept charitable organization without a specific religious affiliation.

**TARGET:** *Karmanos Cancer Institute*

**ACQUIRER:** *McLaren Health Care*

**LISTING:** Private  
**LOCATION:** Detroit, Michigan  
**UNITS:**  
**REVENUE:**  
**NET INCOME:**

**LISTING:** Nonprofit  
**CEO:** Philip A Incarnati  
3235 Beecher Road  
Flint, Michigan 48532  
**PHONE:** 810-342-1100  
**FAX:**  
**WEB SITE:** www.mclaren.org

The Barbara Ann Karmanos Cancer Institute and the Karmanos Cancer Center will become a member of the nonprofit McLaren Health Care system. They will retain their names and remain as separate legal entities.

McLaren Health Care is large, clinically integrated health delivery system that includes 10 hospitals, ambulatory surgery centers, imaging centers and other entities. It's current cancer care delivery network has presence in 58% of Michigan's counties.

**ANNOUNCEMENT DATE:** October 30, 2013  
**PRICE:** Not disclosed  
**TERMS:**

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

The acquisition will create the largest cancer research and provider network in Michigan, and expand access to advanced cancer care in Detroit and communities throughout the state. Under the terms of the agreement, McLaren will provide a substantial capital investment over a multi-year period to assist with capital upgrades at Karmanos facilities and to fund clinical trials, basic and translational research programs.

**TARGET:** *WestCare*

**ACQUIRER:** *Duke LifePoint Healthcare, LLC*

**LISTING:** Nonprofit  
**LOCATION:** Sylva and Bryson City, North Carolina  
**UNITS:** 110 (beds)  
**REVENUE:** \$95,971,223 (2011)  
**NET INCOME:**

**LISTING:** NASDAQ: LPNT  
**CEO:** William F. Carpenter III  
103 Powell Court  
Brentwood, Tennessee 37027  
**PHONE:** 615-372-8540  
**FAX:**  
**WEB SITE:** www.dlphealthcare.com

WestCare has partnered with Duke LifePoint and sold two of its hospitals - Harris Regional Hospital and Swain County Hospital - along with their respective outpatient facilities.

Duke LifePoint (DLP) Healthcare is a joint venture between an academic health system and a hospital operations company - Duke University Health System and LifePoint Hospitals.

**ANNOUNCEMENT DATE:** October 31, 2013  
**PRICE:** Not disclosed  
**TERMS:**

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

The WestCare Board of Trustees pursued a relationship with a healthcare partner to provide significant clinical, quality, operational, and financial resources and expertise to position Harris Regional Hospital and Swain County Hospital to realize their full potential. Duke LifePoint Healthcare is a game-changing partner, and the new model will allow the hospitals to focus on meeting the local healthcare needs. The two sides signed a non-binding memorandum of understanding. These two hospitals had a combined EBITDA of -\$4,280,643 in 2011.

**TARGET:** *Unicoi County Memorial Hospital*

**LISTING:** Nonprofit

**LOCATION:** Erwin, Tennessee

**UNITS:**

**REVENUE:**

**NET INCOME:**

Unicoi County Memorial Hospital is a general medical and surgical hospital with 83 beds.

**ANNOUNCEMENT DATE:** November 1, 2013

**PRICE:** Not disclosed

**TERMS:**

**ACQUIRER:** *Mountain States Health Alliance*

**LISTING:** Nonprofit

**CEO:** Dennis Vonderfecht

400 N. State of Franklin Rd  
Johnson City, Tennessee 37604

**WEB SITE:** www.msha.com

**PHONE:** 423-431-6111

**FAX:**

Mountain States Health Alliance is a locally owned and managed healthcare system, formed in 1998. With 14 hospitals and approximately 9,000 employees, it is the largest system in northeast Tennessee and southwest Virginia.

**PRICE PER UNIT:**

**PRICE/REVENUE:**

**PRICE/INCOME:**

Now that Unicoi is part of MSHA, the health system plans to make critical investments in the facility, such as information technology upgrades and necessary repairs to the hospital building. Plans for construction of a new facility will begin to move forward. The strategic planning process is expected to take several months, with architect selection slated to begin in 2015, and the new hospital opening in 2017.

**TARGET:** *Children's Clinic of South Snohomish County*

**LISTING:** Nonprofit

**LOCATION:** Edmonds, Washington

**UNITS:**

**REVENUE:**

**NET INCOME:**

The Children's Clinic provides newborn and pediatric care, immunizations, adolescent medicine, and wellness and preventative medicine.

**ANNOUNCEMENT DATE:** November 4, 2013

**PRICE:** Not disclosed

**TERMS:**

**ACQUIRER:** *Swedish Medical Group*

**LISTING:** Nonprofit

**CEO:** Anthony Armada

600 University St., Suite 1200  
Seattle, Washington 98101

**WEB SITE:** www.swedish.org

**PHONE:** 206-386-6000

**FAX:**

Swedish Medical Group, a division of Swedish Health Services, is a network of nearly 900 providers in more than 100 primary and specialty care clinics located throughout the Greater Seattle region.

**PRICE PER UNIT:**

**PRICE/REVENUE:**

**PRICE/INCOME:**

The Children's Clinic will be renamed Swedish Children's Clinic-Edmonds. By joining Swedish, the clinic can access many of the same shared resources as other SMG members, including electronic medical records.

**TARGET:** *AtlantiCare health system*

**ACQUIRER:** *Geisinger Health System*

**LISTING:** Nonprofit

**LISTING:** Nonprofit

**LOCATION:** Atlantic City, New Jersey

**CEO:** Glenn D. Steele Jr., MD, PhD **PHONE:** 800-332-8901

**UNITS:**

100 North Academy Avenue **FAX:**

**REVENUE:**

Danville, Pennsylvania 17822-4910

**NET INCOME:**

**WEB SITE:** [www.geisinger.org](http://www.geisinger.org)

AtlantiCare health system has more than 600 physicians and 5,461 employees in nearly 70 locations, including AtlantiCare Regional Medical Center, the AtlantiCare Foundation, and AtlantiCare Regional Health Services.

Geisinger is an integrated health services organization known for its use of electronic health records and the development and implementation of innovative care models. It serves more than 2.6 million residents throughout 44 counties in Pennsylvania.

**ANNOUNCEMENT DATE:** November 13, 2013

**PRICE:** Not disclosed

**TERMS:** Letter of intent.

**PRICE PER UNIT:**

**PRICE/REVENUE:**

**PRICE/INCOME:**

The due diligence and approval process is expected to take nine to 12 months to complete.

**TARGET:** *Rockford Health System*

**ACQUIRER:** *Cadence Health*

**LISTING:** Nonprofit

**LISTING:** Nonprofit

**LOCATION:** Rockford, Illinois

**CEO:** Michael Vivoda **PHONE:** 630-315-8000

**UNITS:**

25 N. Winfield Road **FAX:**

**REVENUE:**

Winfield, Illinois 60190

**NET INCOME:**

**WEB SITE:** [www.cadencehealth.org](http://www.cadencehealth.org)

Founded with Rockford's first hospital in 1883, Rockford Health System has grown to become the Rockford region's largest and most comprehensive health system. Rockford Memorial Hospital has 396 beds and a medical staff of more than 440 physicians.

Formed in 2011, Cadence Health was a result of the merger between Central Dupage Health and Delnor Community Health System. Cadence is a locally based health system which employs more than 6,100 professionals and delivers health care to more than 1 million patients.

**ANNOUNCEMENT DATE:** November 20, 2013

**PRICE:** Merger

**TERMS:**

**PRICE PER UNIT:**

**PRICE/REVENUE:**

**PRICE/INCOME:**

The two systems announced the intent to combine systems to form an enhanced Cadence Health that would offer access to care in more than 40 locations. During the next several months, RHS and Cadence Health will work to further define the potential partnership, which remains subject to regulatory review and approval.

**TARGET:** *District One Hospital*

**LISTING:** Private  
**LOCATION:** Faribault, Minnesota  
**UNITS:** 40 (beds)  
**REVENUE:** \$45,830,860 (2012)  
**NET INCOME:** \$822,071 (EBITDA)

District One Hospital is a community health care facility located on the Healthcare Campus in Faribault.

**ANNOUNCEMENT DATE:** November 26, 2013  
**PRICE:** Merger  
**TERMS:**

The primary objective of the partnership is to ensure ongoing local access to a hospital, primary and specialty health care services. The deal will give District One increased operational efficiencies and access to capital.

**ACQUIRER:** *Allina Health*

**LISTING:** Nonprofit  
**CEO:** Kenneth Paulus  
**PHONE:** 612-262-5000  
2925 Chicago Avenue  
**FAX:**  
Minneapolis, Minnesota 55407  
**WEB SITE:** [allinahealth.org](http://allinahealth.org)

Allina Health is a not-for-profit health care system with more than 90 clinics, 12 hospitals, 14 pharmacies, specialty care centers and specialty medical services. It is merging its Sister Kenny Rehabilitation Institute with Courage Center. Net operating revenue in 2011 was \$3.2 billion

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

**TARGET:** *Halifax Regional Medical Center*

**LISTING:** Nonprofit  
**LOCATION:** Roanoke Rapids, North Carolina  
**UNITS:** 135  
**REVENUE:** \$87,570,325 (2012)  
**NET INCOME:** \$5,628,413 (EBITDA)

Halifax Regional Medical Center is licensed for 204 beds, including psychiatric and nursery. It offers an array of medical and surgical services, including 24-hour emergency care.

**ANNOUNCEMENT DATE:** December 6, 2013  
**PRICE:** Merger  
**TERMS:**

Following a one-year management agreement during which due diligence will be completed, Halifax Regional Medical Center intends to merge with Novant Health.

**ACQUIRER:** *Novant Health*

**LISTING:** Private  
**CEO:** Carl S. Amato  
**PHONE:** 336-718-5600  
2085 Frontis Plaza Blvd  
**FAX:**  
Winston-Salem, North Carolina 27103  
**WEB SITE:** [www.novanthealth.com](http://www.novanthealth.com)

Novant Health is an integrated network of physician practices, outpatient centers and hospitals with operations in the Carolinas, Virginia and Georgia. The Novant Health network consists of more than 1,100 physicians and 24,000 employees at more than 450 locations.

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

**TARGET:** *Port Huron Hospital*

**ACQUIRER:** *McLaren Health Care*

**LISTING:** Nonprofit  
**LOCATION:** Port Huron, Michigan  
**UNITS:** 186 (beds)  
**REVENUE:** \$164,878,774 (2012)  
**NET INCOME:** \$17,194,848 (EBITDA)

**LISTING:** Nonprofit  
**CEO:** Philip A Incarnati  
**PHONE:** 810-342-1100  
3235 Beecher Road  
**FAX:**  
Flint, Michigan 48532  
**WEB SITE:** www.mclaren.org

Blue Water Health Services, parent of Port Huron Hospital, has agreed to transfer ownership of the hospital to McLaren.

McLaren Health Care is a large, clinically integrated health delivery system that includes 10 hospitals, ambulatory surgery centers, imaging centers and other entities. Its cancer care delivery network has a presence in 58% of Michigan's counties

**ANNOUNCEMENT DATE:** December 11, 2013  
**PRICE:** Not disclosed  
**TERMS:** Letter of intent.

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

With this agreement, Port Huron Hospital will be able to draw from the resources and expertise of an 11-hospital system. Due diligence activities will take several months to complete.

**TARGET:** *Wing Memorial Hospital*

**ACQUIRER:** *Baystate Health*

**LISTING:** Nonprofit  
**LOCATION:** Palmer, Massachusetts  
**UNITS:** 74 (beds)  
**REVENUE:** \$95,492,568 (2012)  
**NET INCOME:** \$7,125,955 (EBITDA)

**LISTING:** Nonprofit  
**CEO:** Mark R. Tolosky  
**PHONE:** 413-794-0000  
280 Chestnut Street  
**FAX:**  
Springfield, Massachusetts 01199  
**WEB SITE:** www.baystatehealth.org

Wing Memorial Hospital and Medical Centers are being acquired. The 74-bed hospital provides a broad range of emergency, medical, surgical and psychiatric services. The five medical centers are located in Belchertown, Ludlow, Monson, Palmer, and Wilbraham.

Baystate Health, based in western Massachusetts, serves more than 750,000 people. It has a total of 824 beds across four facilities.

**ANNOUNCEMENT DATE:** December 18, 2013  
**PRICE:** Not disclosed  
**TERMS:**

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

The two organizations have signed a letter of intent to propose the transfer of ownership of Wing Memorial to Baystate Health. Wing physicians and providers pre-acquisition send half of their referrals to Baystate. Through this transaction, Wing will strengthen Baystate's local health network and enable patients to get more of their care closer to home.



**TARGET:** *Casa Grande Regional  
Medical Center*

**LISTING:** Nonprofit

**LOCATION:** Casa Grande, Arizona

**UNITS:** 174 (beds)

**REVENUE:** \$135,316,817 (2012)

**NET INCOME:** \$8,388,371 (EBITDA)

**ACQUIRER:** *Banner Health*

**LISTING:** Nonprofit

**CEO:** Peter Fine

1441 N. 12th Street

Phoenix, Arizona 85006

**WEB SITE:** www.bannerhealth.com

**PHONE:** 602-747-4000

**FAX:**

Regional Care Services Corporation is offering its subsidiary Casa Grande Regional Medical Center, a hospital providing comprehensive care to Casa Grande and the communities of western Pinal County.

Banner Health operates eight hospitals with 2,525 beds. The system generates annual revenue of \$3.3 billion.

**ANNOUNCEMENT DATE:** December 30, 2013

**PRICE:** Not disclosed

**TERMS:**

**PRICE PER UNIT:**

**PRICE/REVENUE:**

**PRICE/INCOME:**

Banner Health signed a letter of intent to acquire Casa Grande Regional Medical Center. The acquisition is expected to be completed during the spring of 2014. Banner has also agreed to provide interim funding as needed for CGRMC to continue regular operations until the acquisition is complete.



**LABORATORIES, MRI  
AND DIALYSIS**



<b>FOURTH QUARTER 2013 LABORATORIES, MRI AND DIALYSIS TRANSACTIONS</b>
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<b>TARGET</b>	<b>CITY</b>	<b>STATE</b>	<b>ACQUIRER</b>	<b>CITY</b>	<b>STATE</b>	<b>DATE</b>	<b>PRICE</b>
Enterix, Inc.	North Ryde	Australia	Clinical Genomics Technologies Pty Ltd.	New South Wales	Australia	October 1, 2013	
ConVerge Diagnostic Services, LLC	Peabody	Massachusetts	Quest Diagnostics	Madison	New Jersey	October 7, 2013	
Medexa Diagnostisk Service AB	Limhamn	Sweden	Indutrade AB	Stockholm	Sweden	October 8, 2013	
Blood bank screening business	Cambridge and New Ma	United Kingdom	Trinity Biotech plc	Dublin	Ireland	October 17, 2013	\$7,500,000
PLUS Diagnostics	Union	New Jersey	Miraca Life Sciences	Irving	Texas	October 22, 2013	
Shiel Medical Laboratory, Inc.	Brooklyn	New York	Spectra Laboratories, Inc.	Rockleigh	New Jersey	October 22, 2013	
Genova Diagnostics, Inc.	Asheville	North Carolina	Levine Leichtman Capital Partners	Beverly Hills	California	November 13, 2013	
Diagnostic Healthcare Ltd	Altrincham	United Kingdom	Ultrasound Now	Chester	United Kingdom	December 3, 2013	



**TARGET:** *Enterix, Inc.*

**ACQUIRER:** *Clinical Genomics Technologies Pty Ltd.*

**LISTING:** Private  
**LOCATION:** North Ryde, Australia  
**UNITS:**  
**REVENUE:**  
**NET INCOME:**

**LISTING:** Private  
**CEO:** Lawrence LaPointe  
**PHONE:** 61 2 9888 9065  
11 Julius Ave., North Ryde  
**FAX:** 61 2 9475 4678  
New South Wales, Australia 2113  
**WEB SITE:** [www.clinicalgenomics.com/](http://www.clinicalgenomics.com/)

As part of its previously announced strategy to divest non-core businesses, Quest Diagnostics is selling Enterix, which makes colorectal cancer screening tests. Quest is expected to take a \$25 million loss on the sale after tax.

Clinical Genomics Technologies, formed in 2006, initially focused on delivering a blood test for colorectal cancer based on gene-base biomarkers. The resulting new blood test is undergoing valuation in independent clinical trials in Australia and Europe.

**ANNOUNCEMENT DATE:** October 1, 2013  
**PRICE:** Not disclosed  
**TERMS:**

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

The acquisition provides Clinical Genomics with a GMP-licensed facility in New Jersey as well as access to a NATA-approved laboratory in Australia that the company will use to launch its new blood test for colorectal cancer starting early next year in Australia. This acquisition was completed on September 30, 2013.

**TARGET:** *ConVerge Diagnostic Services, LLC*

**ACQUIRER:** *Quest Diagnostics*

**LISTING:** Private  
**LOCATION:** Peabody, Massachusetts  
**UNITS:**  
**REVENUE:**  
**NET INCOME:**

**LISTING:** NYSE: DGX  
**CEO:** Steve Rusckowski  
**PHONE:** 800-222-0446  
3 Giralda Farms  
**FAX:**  
Madison, New Jersey 07940  
**WEB SITE:** [www.questdiagnostics.com](http://www.questdiagnostics.com)

Water Street Healthcare Partners is selling one of its portfolio companies, ConVerge Diagnostic Services, LLC, a leading full-services laboratory providing clinical, cytology and anatomic pathology testing services to patients and providers in New England.

Quest Diagnostics is the world's leading provider of diagnostic information services. This is its fourth acquisition of a laboratory business in 2013.

**ANNOUNCEMENT DATE:** October 7, 2013  
**PRICE:** Not disclosed  
**TERMS:**

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

The transaction includes ConVerge's laboratory in Peabody, Massachusetts and its patient service centers operating in Massachusetts, New Hampshire and Connecticut. ConVerge will operate as a wholly owned subsidiary of Quest and its laboratory will operate as part of Quest's national lab network. Quest expects the transaction to be neutral to adjusted earnings per share in 2013 and modestly accretive to EPS in 2014.

**TARGET:** *Medexa Diagnostisk Service AB*

**LISTING:** Private

**LOCATION:** Limhamn, Sweden

**UNITS:**

**REVENUE:** \$4,000,000 (approximate)

**NET INCOME:**

Medexa Diagnostisk Service AB is a high-end technology firm for diagnostic ultrasound, magnetic resonance imaging (MRI) and fetal surveillance.

**ANNOUNCEMENT DATE:** October 8, 2013

**PRICE:** Not disclosed

**TERMS:**

**ACQUIRER:** *Indutrade AB*

**LISTING:** STO: INDTB

**CEO:** Johnny Alvarsson

Raseborgsgatan 9

Stockholm, Sweden SE-164 06

**WEB SITE:** <http://www.indutrade.se/en/>

**PHONE:** 46 8 703 03 00

**FAX:** 46 8 752 79 39

InduTrade markets and sells components within selected niches. Since 2008, it has grown from a generated revenue of SEK 60 million to approximately SEK 400 million.

**PRICE PER UNIT:**

**PRICE/REVENUE:**

**PRICE/INCOME:**

The acquisition is expected to have a marginally positive impact on Indutrade's earnings per share. Indutrade took possession of the company on October 8, 2013.

**TARGET:** *Blood bank screening business*

**LISTING:** Private

**LOCATION:** Cambridge and New Market, United Kingdom

**UNITS:**

**REVENUE:** \$4,000,000 (approximate)

**NET INCOME:**

Lab 21 Ltd is selling its blood bank screening business, including best-in-class TPHA and ELISA products. Of its \$4 million in revenue, \$3.5 million comes from its syphilis products and the rest from malaria products.

**ANNOUNCEMENT DATE:** October 17, 2013

**PRICE:** \$7,500,000

**TERMS:** \$7.5 million including acquisition costs.

**ACQUIRER:** *Trinity Biotech plc*

**LISTING:** NASDAQ: TRIB

**CEO:** Ronan O'Caomh

3 Rock Road, Sandyford

Industrial Estates

Dublin, Ireland L2 18

**WEB SITE:** [www.trinitybiotech.com](http://www.trinitybiotech.com)

**PHONE:** 353-1-2769800

**FAX:**

Trinity Biotech is a leading developer and manufacturer of diagnostic products for the point-of-care and clinical laboratory markets. It has facilities in Ireland, California, Massachusetts and Kansas.

**PRICE PER UNIT:**

**PRICE/REVENUE:** 0.38

**PRICE/INCOME:**

Trinity plans to transition the production activities of the existing facilities in Bray, Ireland and Jamestown, New York. Trinity is recognizing a charge of \$2.5 million in the Q3 statement mainly covering reorganization and redundancy costs associated with the closure of the UK manufacturing operations. This acquisition was completed on October 17, 2013.



**TARGET:** *PLUS Diagnostics*

**LISTING:** Private  
**LOCATION:** Union, New Jersey  
**UNITS:**  
**REVENUE:**  
**NET INCOME:**

PLUS Diagnostics, sold by Water Street Healthcare Partners, is an anatomic pathology company which has laboratories in New Jersey and California. The labs offer a comprehensive menu of specialty diagnostic testing and consultative services.

**ANNOUNCEMENT DATE:** October 22, 2013  
**PRICE:** Not disclosed  
**TERMS:**

PLUS Diagnostics was a regional lab in 2006 when it was acquired by Water Street. Water Street then transformed it into a bi-coastal entity and added innovative new tests. This acquisition completed on October 22, 2013.

**ACQUIRER:** *Miraca Life Sciences*

**LISTING:** Private  
**CEO:** Frank Basile  
6655 N MacArthur Blvd  
Irving, Texas 75039  
**PHONE:** 1-800-979-8292  
**FAX:**  
**WEB SITE:** [www.miracalifesciences.com/](http://www.miracalifesciences.com/)

Miraca Life Sciences is an academic-caliber pathology laboratory with diagnostic services in the fields of dermatology, gastroenterology, hematology and urology. It has seven labs and serves more than 3,500 patients each day.

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

**TARGET:** *Shiel Medical Laboratory, Inc.*

**LISTING:** Private  
**LOCATION:** Brooklyn, New York  
**UNITS:**  
**REVENUE:**  
**NET INCOME:**

Founded in 1919, Shiel Medical Laboratory, Inc. is one of the oldest continuously operating clinical laboratories in the United States. Its main testing facility is in the Booklyn Navy Yard.

**ANNOUNCEMENT DATE:** October 22, 2013  
**PRICE:** Not disclosed  
**TERMS:**

The acquisition will expand Spectra's existing laboratory services capabilities. The transaction is expected to close in the fourth quarter of 2013.

**ACQUIRER:** *Spectra Laboratories, Inc.*

**LISTING:** NYSE: FMS  
**CEO:**  
8 King Rd  
Rockleigh, New Jersey 07647  
**PHONE:** 201-767-7070  
**FAX:**  
**WEB SITE:** [www.fmc-ag.com/](http://www.fmc-ag.com/)

Established in 1982, Spectra Laboratories, Inc. is a subsidiary of Fresenius Medical Care AG & Co KGaA. It is the leading provider of renal-specific laboratory testing services in the United States.

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

**TARGET:** *Genova Diagnostics, Inc.*

**ACQUIRER:** *Levine Leichtman Capital Partners*

**LISTING:** Private

**LISTING:** Private

**LOCATION:** Asheville, North Carolina

**CEO:** 335 N. Maple Dr., Ste 130  
Beverly Hills, California 90210

**PHONE:** 310-275-5335

**UNITS:**

**FAX:** 310-275-1441

**REVENUE:**

**NET INCOME:**

**WEB SITE:** www.llcp.com

Nautic Partners, LLC and Ferrer Freeman & Company LLC are selling Genova Diagnostics, a global specialty clinical laboratory company.

Levine Leichtman Capital Partners manages approximately \$6.5 billion of institutional investment capital through private equity partnerships, distressed debt and leveraged loan funds.

**ANNOUNCEMENT DATE:** November 13, 2013

**PRICE:** Not disclosed

**TERMS:**

**PRICE PER UNIT:**

**PRICE/REVENUE:**

**PRICE/INCOME:**

Genova offers more than 125 specialized diagnostic assessments that cover digestive, metabolic, immunology, endocrinology and other physiological areas. It currently serves more than 10,000 primary care physicians, specialists and other healthcare providers. Genova was advised by Lazard Middle Market, and Goodwin Procter served as legal advisor to Genova.

**TARGET:** *Diagnostic Healthcare Ltd*

**ACQUIRER:** *Ultrasound Now*

**LISTING:** Private

**LISTING:** Private

**LOCATION:** Altrincham, United Kingdom

**CEO:** Julie Burnage  
Maple House, Park West,  
Sealand Road

**PHONE:** 44 0 1244 375974

**UNITS:**

**FAX:** 44 0 1244 374100

**REVENUE:**

Chester, United Kingdom CH1 4RN

**NET INCOME:**

**WEB SITE:** www.ultrasoundnow.co.uk

Diagnostic Healthcare operates a network of centers across the UK, providing MRI scans, ultrasound, bone density scans (DEXA scan), health screening and reporting services.

Ultrasound Now offers end-to-end ultrasound solutions to both private and NHS patients in hospitals, GP surgeries, dedicated community sites and private clinics and hospitals.

**ANNOUNCEMENT DATE:** December 3, 2013

**PRICE:** Merger

**TERMS:**

**PRICE PER UNIT:**

**PRICE/REVENUE:**

**PRICE/INCOME:**

The combined business will offer enhanced services in more than 45 clinics in the North West, Yorkshire, the Midlands and North Wales, scanning more than 80,000 ultrasound patients a year. The merger will double the number of customers serviced under the Diagnostic Healthcare umbrella.

# **LONG-TERM CARE**



**FOURTH QUARTER 2013 LONG-TERM CARE TRANSACTIONS**

TARGET	CITY	STATE	ACQUIRER	CITY	STATE	DATE	PRICE
Cameron Hall Portfolio	Canton & Ellijay	Georgia	Senior Housing Properties Trust	Newton	Massachusetts	October 1, 2013	\$19,100,000
3 assisted living communities	Various	Florida	Aviv REIT, Inc.	Chicago	Illinois	October 4, 2013	\$13,000,000
8 senior living communities	Various	Southeast	American Realty Capital Healthcare Trust	New York	New York	October 4, 2013	\$143,000,000
6 senior living communities	Various	Florida	Kayne Anderson Real Estate Advisors	Boca Raton	Florida	October 7, 2013	\$400,000,000
Eight senior living properties		Texas	CNL Healthcare Properties, Inc.	Orlando	Florida	October 7, 2013	\$187,200,000
Sutter Oaks Midtown Nursing Center	Sacramento	California	Plum Healthcare Group, LLC	San Marcos	California	October 7, 2013	
2 assisted living communities	Fenton and Lake Swartz	Michigan	Regional owner/operator			October 8, 2013	\$2,850,000
3 assisted living communities	Various	North Carolina	Cornerstone Core Properties REIT, Inc.	Irvine	California	October 8, 2013	\$15,300,000
St. Joseph Nursing Home	Utica	New York	Personal Healthcare, LLC		New York	October 17, 2013	
The Lighthouse at Lincoln	Lincoln	Rhode Island	LCB Senior Living, LLC	Norwood	Massachusetts	October 18, 2013	\$11,000,000
Parkwood Place Healthcare Center	Lufkin	Texas	Texas Owner/Operator		Texas	October 21, 2013	\$2,000,000
Graceland at Garden Ridge	Garden Ridge	Texas	Cara Graceland LLC		Texas	October 23, 2013	\$5,600,000
26 Holiday Retirement communities	Various	Various	Ventas	Chicago	Illinois	October 25, 2013	\$790,000,000
Avalon Springs Health Campus	Valparaiso	Indiana	Trilogy Health Services	Louisville	Kentucky	October 25, 2013	\$11,469,996
Willows at Hamburg	Lexington	Kentucky	HealthLease Properties REIT	Toronto	Ontario	October 25, 2013	\$14,123,350
Cedarbrooke Chateau	Mission	British Columbia	Chartwell Retirement Residences	Mississauga	Ontario	October 28, 2013	\$27,000,000
Midtown Manor	Hollywood	Florida	Florida Operator	Palm Beach	Florida	October 29, 2013	\$5,700,000
Woodbury Mews	Woodbury	New Jersey	Sentio Healthcare Properties, Inc.	Orlando	Florida	October 29, 2013	\$38,100,000
McKnight Terrace	Middletown	Ohio	Capital Senior Living Corporation	Dallas	Texas	October 30, 2013	
Blackhawk	Spring Hills	Kansas	NorthStar Healthcare Income, Inc.	New York	New York	October 31, 2013	\$7,000,000
Colorado Springs Senior Homes	Colorado Springs	Colorado	TrustCare	Colorado Springs	Colorado	October 31, 2013	\$1,810,000
Grace Gardens	Leawood	Kansas	NorthStar Healthcare Income, Inc.	New York	New York	October 31, 2013	\$8,000,000
Radius Healthcare Center	Danvers	Massachusetts	Tryko Partners, LLC	Brick	New Jersey	October 31, 2013	\$4,000,000
Regal Pointe	Middletown	New Jersey	The Carlyle Group	Washington	D.C.	October 31, 2013	
Whitcomb House	Milford	Massachusetts	Capital Senior Living Corporation	Dallas	Texas	October 31, 2013	
Woodlands Assisted Living	Middle River	Maryland	National Health Investors, Inc.	Murfreesboro	Tennessee	October 31, 2013	\$9,000,000
Arbor View Healthcare & Rehab Center	St. Joseph	Missouri	Illinois-based operator		Illinois	November 1, 2013	\$2,550,000
Gardens at Westlake	Westlake	Ohio	American Realty Capital Healthcare Trust	New York	New York	November 1, 2013	\$22,500,000
Ladiga Manor	Jacksonville	Alabama	Regional owner/operator			November 1, 2013	\$3,500,000
Regal Estate/Bradford Place	Independence	Kansas	Regional operator			November 1, 2013	\$3,250,000
5 post-acute and long-term care SNFs	Ohio and	Arkansas	Aviv REIT, Inc.	Chicago	Illinois	November 4, 2013	\$42,200,000
Parkrose Estates	Liverpool	New York	Capitol Seniors Housing	Washington	D.C.	November 4, 2013	\$17,000,000
Sugarland Hills	Herndon	Virginia	Capitol Seniors Housing	Washington	D.C.	November 4, 2013	\$15,600,000
9 nursing centers	Long Beach	California	Kindred Healthcare, Inc.	Louisville	Kentucky	November 5, 2013	\$83,000,000
Chandler House	Jefferson City	Tennessee	Senior Housing Properties Trust	Newton	Massachusetts	November 5, 2013	\$9,900,000
Villa Pueblo Senior Living Community	Pueblo	Colorado	Frontline Management	Longmont	Colorado	November 5, 2013	\$3,650,000
52 independent living communities	Various	states	Newcastle Investment Corp.	New York	New York	November 18, 2013	\$1,010,000,000
25 independent living communities	Various	states	National Health Investors, Inc.	Murfreesboro	Tennessee	November 19, 2013	\$491,000,000
Heritage Oaks	Richmond	Virginia	Fortress Investment Group LLC	New York	New York	November 25, 2013	\$13,325,000
2 assisted living communities	Franklin and Acton	Massachusetts	Benchmark Senior Living	Wellesley	Massachusetts	November 27, 2013	\$63,250,000
Camden County Health Services Center	Blackwood	New Jersey	Ocean Healthcare	Lakewood	New Jersey	November 27, 2013	\$37,100,000
TriSun Care Center Lakeside	San Antonio	Texas	American Realty Capital Healthcare Trust	New York	New York	November 27, 2013	\$12,250,000
2 skilled nursing facilities	Kissimmee and St. Clou	Florida	Private skilled nursing company		Florida	November 29, 2013	\$24,175,000
2 skilled nursing facilities		Texas	Out-of-state operator			November 30, 2013	\$10,000,000
LTC campus and specialty hospital	Indiana and	Ohio	Aviv REIT, Inc.	Chicago	Illinois	December 5, 2013	\$44,900,000
Wellbrooke of Crawfordsville	Crawfordsville	Indiana	HealthLease Properties REIT	Toronto	Ontario	December 9, 2013	\$16,980,000
Arlington West Nursing & Rehab	Baltimore	Maryland	Brinton Woods Senior Living	Lutherville	Maryland	December 11, 2013	\$7,466,000
Standish Village	Dorchester	Massachusetts	Sentio Healthcare Properties, Inc.	Orlando	Florida	December 11, 2013	\$15,550,000
Whispering Pines Retirement Center	Warrenton	Missouri	ClearPath Senior Holdings, LLC	St. Louis	Missouri	December 11, 2013	\$4,450,000
Walnut Manor and Homestead	Walnut	Illinois	Heritage Enterprises Inc.	Bloomington	Illinois	December 16, 2013	\$1,412,450
Willow Pointe Assisted Living	Verona	Wisconsin	Senior Housing Properties Trust	Newton	Massachusetts	December 16, 2013	\$12,000,000
MorningStar at Dayton Place	Aurora	Colorado	CNL Lifestyle Properties, Inc.	Orlando	Florida	December 19, 2013	\$29,900,000
Windsor Place	Florida	Florida	Private Partnership	Memphis	Tennessee	December 20, 2013	\$5,600,000
Park Place	Spartanburg	South Carolina	Meridian Senior Living	Hickory	North Carolina	December 24, 2013	\$8,250,000
4 assisted living communities	Indiana and	South Carolina	Capital Senior Living Corporation	Dallas	Texas	December 26, 2013	\$64,900,000
Pinebrook Retirement Living	Milford	Ohio	NorthStar Healthcare Income, Inc.	New York	New York	December 27, 2013	\$15,600,000
Towne Club at Peachtree	Peachtree City	Georgia	Capitol Seniors Housing	Washington	D.C.	December 27, 2013	\$33,000,000
2 skilled nursing facilities	Cohasset and Lexington	Massachusetts	New York investor		New York	December 31, 2013	\$13,850,000
Assisted living facility	Redding	California	Summit Healthcare REIT, Inc.	Irvine	California	December 31, 2013	\$3,500,000
Coulterville Care Center	Coulterville	Illinois	The Tutera Group	Kansas City	Missouri	December 31, 2013	\$4,300,000
Golden Living Center	Oakmont	Pennsylvania	New York investor		New York	December 31, 2013	\$5,950,000
Heather Ridge Commons	North Canton	Ohio	Local doctor	Akron	Ohio	December 31, 2013	\$1,800,000
Highland Center	Brackenridge	Pennsylvania	Care Rite Centers	Brooklyn	New York	December 31, 2013	\$4,750,000
Regency Rehab & Skilled Nursing	Council Bluffs	Iowa	Covington Health Group, LLC	Atlanta	Georgia	December 31, 2013	\$2,500,000
Woodview Healthcare	Fort Wayne	Indiana	FNR Healthcare	Skokie	Illinois	December 31, 2013	\$13,000,000



**TARGET:** *Cameron Hall Portfolio*

**ACQUIRER:** *Senior Housing Properties Trust*

**LISTING:** Private  
**LOCATION:** Canton & Ellijay, Georgia  
**UNITS:** 153  
**REVENUE:** \$5,245,000  
**NET INCOME:** \$1,529,000 (EBITDA)

**LISTING:** NYSE: SNH  
**CEO:** David J. Hegarty  
255 Washington Street  
Newton, Massachusetts 02458  
**PHONE:** 617-796-8350  
**FAX:** 617-796-8349  
**WEB SITE:** www.snhreit.com

Cameron Hall Canton was built in 1997 and has 72 assisted living units and 22 memory care units, and is licensed for 105 beds. Cameron Hall Ellijay was built in 2008 and has 59 assisted living units and is licensed for 70 beds. They are located 40 miles apart.

Senior Housing Properties Trust is a REIT that owns more than 384 properties in 40 states. It has a stock market capitalization in excess of \$4.5 billion.

**ANNOUNCEMENT DATE:** October 1, 2013

**PRICE:** \$19,100,000

**TERMS:**

**PRICE PER UNIT:** \$124,837

**PRICE/REVENUE:** 3.64

**PRICE/INCOME:** 12.49

The buyer partnered with Five Star Quality Care for the acquisition, and Five Star will manage the properties. Cameron Hall Canton underwent renovations in 2001, 2006 and 2008 and has 48,905 square feet. Cameron Hall Ellijay has 43,201 square feet. There is little competition in the Ellijay area. Combined occupancy was 85%. Senior Living Investment Brokerage handled the transaction, which closed on October 1.

**TARGET:** *3 assisted living communities*

**ACQUIRER:** *Aviv REIT, Inc.*

**LISTING:** Private  
**LOCATION:** Various, Florida  
**UNITS:** 200  
**REVENUE:** \$4,552,000  
**NET INCOME:** \$1,033,000

**LISTING:** NYSE: AVIV  
**CEO:** Craig M. Bernfield  
303 West Madison  
Chicago, Illinois 60606  
**PHONE:** 312-855-0930  
**FAX:** 312-855-1684  
**WEB SITE:** www.avivam.com

The three communities are located in Brooksville, Lakeland and Haines City and have a total licensed capacity for 310 beds. Average occupancy was 79.5%, and they were all built at least 30 years ago with renovations in the 1980s.

Aviv REIT is a real estate investment trust that went public in March 2013. It has invested primarily in skilled nursing facilities but also has a growing portfolio of senior living assets.

**ANNOUNCEMENT DATE:** October 4, 2013

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

**TERMS:**

**PRICE PER UNIT:** \$65,000

**PRICE/REVENUE:** 2.86

**PRICE/INCOME:** 12.58

The sellers were Florida Diversified Business Management and Holding Co. LLC and Pinnacle Healthcare Services, Inc., both owned by the same individual. Aviv will be leasing the properties to Florida-based Better Senior Living Consulting, which operates nine assisted living facilities in Florida. The triple-net lease will have an initial 10-year term with an initial cash yield of 10% and annual compounded escalators based on the CPI. Colliers International represented the seller, and the deal closed on September 30.

**TARGET:** 8 senior living communities

**ACQUIRER:** American Realty Capital Healthcare Trust

**LISTING:** Private  
**LOCATION:** Various, Southeast  
**UNITS:** 640  
**REVENUE:**  
**NET INCOME:** \$8,600,000 (approx. EBITDA)

**LISTING:** Private  
**CEO:** Nicholas S. Schorsch **PHONE:** 212-415-6500  
405 Park Avenue, 15th Fl. **FAX:**  
New York, New York 10022  
**WEB SITE:** www.americanrealtycap.com

This sale by an affiliate of Prudential Real Estate Investors includes three communities in Georgia, three in Florida and one each in Tennessee and North Carolina. Average occupancy was 93% and there are 453 assisted living units and 187 memory care units.

ARC-Healthcare Trust is part of American Realty Capital, a diversified real estate company that sponsors several non-traded REITs. The Healthcare Trust has been aggressively purchasing senior living properties since its first acquisition in late 2012.

**ANNOUNCEMENT DATE:** October 4, 2013

**PRICE:** \$143,000,000

**TERMS:** Cash plus assumed debt.

**PRICE PER UNIT:** \$223,438

**PRICE/REVENUE:**

**PRICE/INCOME:** 16.63

Included in the sale was a 3.78 acre site in Georgia that is zoned for 99 units. The sale of six of the properties closed earlier, with the remaining two in early October. The average age of the portfolio is approximately 15 years, and the buyer will retain the current manager, The Arbor Company, which is based in Georgia. There are a total of 364,100 square feet among the eight properties. Cassidy Turley represented the seller in the deal.

**TARGET:** 6 senior living communities

**ACQUIRER:** Kayne Anderson Real Estate Advisors

**LISTING:** NYSE: GE  
**LOCATION:** Various, Florida  
**UNITS:** 1930  
**REVENUE:**  
**NET INCOME:** \$30,000,000 (Approx. EBITDA)

**LISTING:** Private  
**CEO:** Al Rabil **PHONE:** 561-300-6200  
1 Town Center Road, Ste. 300 **FAX:**  
Boca Raton, Florida 33486  
**WEB SITE:** www.kaynecapital.com

This portfolio, known as Aston Gardens, consists of six communities in Naples, Parkland, Sun City, Tampa and Venice with a total of 1,930 units. Occupancy is 97% and the units are 82% independent living and 18% assisted living.

Kayne Anderson Real Estate Advisors is the real estate private equity arm of Kayne Anderson Capital Advisors, L.P., a \$24 billion investment management firm with 30 years of experience.

**ANNOUNCEMENT DATE:** October 7, 2013

**PRICE:** \$400,000,000 Approximate

**TERMS:** A 90/10 joint venture with Discovery Senior Care

**PRICE PER UNIT:** \$207,254

**PRICE/REVENUE:**

**PRICE/INCOME:** 13.33

This portfolio was purchased in 2006 by a joint venture between GE Healthcare Finance (75%) and Sunrise Senior Living (25%) for \$460 million. Subsequent to the purchase, occupancy declined from 95% to below 85%, and GE bought out Sunrise and put Discovery Senior Living in as the manager and JV partner, but at a smaller share. Discovery turned it around and GE decided to sell it. This transaction was completed on October 7, 2013.



**TARGET:** *Eight senior living properties*

**LISTING:** Private

**LOCATION:** Texas

**UNITS:** 900

**REVENUE:**

**NET INCOME:**

Known as the South Bay II portfolio, seven of the communities are in Texas and one is in Illinois. The 900 units are comprised of 415 independent living units, 254 assisted living units, 173 memory care units and 72 skilled nursing units with 72 beds.

**ANNOUNCEMENT DATE:** October 7, 2013

**PRICE:** \$187,200,000

**TERMS:**

**ACQUIRER:** *CNL Healthcare Properties, Inc.*

**LISTING:** Private

**CEO:** Thomas K. Sittema

450 South Orange Avenue

Orlando, Florida 32801

**WEB SITE:** w.cnlhealthcareproperties.com

**PHONE:** 407-650-1000

**FAX:**

CNL Healthcare Properties, Inc. formerly CNL Healthcare Trust, is an investment offering that intends to qualify as a non-traded REIT. CNL Financial Group, LLC is the sponsor of CNL Healthcare Properties.

**PRICE PER UNIT:** \$208,000

**PRICE/REVENUE:**

**PRICE/INCOME:**

The average age of the communities is just two years, which is why the overall occupancy is a low 70%. This will be the second portfolio that CNL has purchased from affiliates of the seller, a developer located in Dallas, Texas. The closing is expected to take place in the first quarter of 2014. Key Bank will be providing the financing.

**TARGET:** *Sutter Oaks Midtown Nursing Center*

**LISTING:** Nonprofit

**LOCATION:** Sacramento, California

**UNITS:** 100 (beds)

**REVENUE:**

**NET INCOME:**

Sutter Health is selling its 100-bed Sutter Oaks Midtown Nursing Center, a skilled nursing facility in Sacramento.

**ANNOUNCEMENT DATE:** October 7, 2013

**PRICE:** Not disclosed

**TERMS:**

**ACQUIRER:** *Plum Healthcare Group, LLC*

**LISTING:** Private

**CEO:** Paul Hubbard

100 E. San Marcos Blvd., #200

San Marcos, California 92069

**WEB SITE:**

**PHONE:** 760-471-0388

**FAX:**

Plum Healthcare Group is a privately owned chain of skilled nursing facilities.

**PRICE PER UNIT:**

**PRICE/REVENUE:**

**PRICE/INCOME:**

Sutter Health sold to focus on it's core business of acute hospital care. The facility will be renamed Midtown Oaks Post Acute.

**TARGET:** *2 assisted living communities*  
**LISTING:** Private  
**LOCATION:** Fenton and Lake Swartz, Michigan  
**UNITS:** 39  
**REVENUE:** \$1,388,000  
**NET INCOME:** \$365,000 (EBITDA)

**ACQUIRER:** *Regional owner/operator*  
**LISTING:** Private  
**CEO:**  
**PHONE:**  
**FAX:**  
**WEB SITE:**

The Pines of Lake Fenton was built in 2001 and has 20 assisted living units with an occupancy rate of 90%. The Pines of Swartz Creek was built in 1998 and has 19 assisted living units (with a license for 20 beds) with an occupancy rate of 100%.

**ANNOUNCEMENT DATE:** October 8, 2013  
**PRICE:** \$2,850,000  
**TERMS:**

**PRICE PER UNIT:** \$73,077  
**PRICE/REVENUE:** 2.05  
**PRICE/INCOME:** 7.81

The seller was a local owner who wanted to divest these two assets, which are located 15 miles apart in Genesee County. The 12.8% cap rate was above market averages because of their small size with no economies of scale. Evans Senior Investments represented the seller in the transaction, which closed on October 8.

**TARGET:** *3 assisted living communities*  
**LISTING:** Private  
**LOCATION:** Various, North Carolina  
**UNITS:** 188 (beds)  
**REVENUE:**  
**NET INCOME:**

**ACQUIRER:** *Cornerstone Core Properties REIT, Inc.*  
**LISTING:** Private  
**CEO:** Terry G. Roussel  
**PHONE:** 949-852-1007  
1920 Main Street, Ste. 400  
**FAX:** 949-852-2729  
Irvine, California 92614  
**WEB SITE:** www.crefunds.com

The communities include Carteret House in Newport with 64 beds and built in 1994, Hamlet House in Hamlet with 60 beds and built in 1999, and Shelby House in Shelby with 64 beds and built in 1991. The total square footage is 87,282.

Cornerstone Core Properties REIT is a non-traded REIT that invests in investment-grade real estate across the country. Since 2006 it has acquired 23 properties for a total price of \$209.5 million, and since 2011, 12 of them have been sold.

**ANNOUNCEMENT DATE:** October 8, 2013  
**PRICE:** \$15,300,000  
**TERMS:** Sale/leaseback

**PRICE PER UNIT:** \$81,383  
**PRICE/REVENUE:**  
**PRICE/INCOME:**

Cornerstone will lease the three properties to Meridian Senior Living, which will continue to operate them pursuant to a 15-year lease. Meridian operates more than 120 senior living facilities with more than 4,400 units in 12 states, including 44 in North Carolina and two other properties owned by Cornerstone. This transaction closed on October 4.

**TARGET:** *St. Joseph Nursing Home*

**ACQUIRER:** *Personal Healthcare, LLC*

**LISTING:** Nonprofit  
**LOCATION:** Utica, New York  
**UNITS:** 120 (beds)  
**REVENUE:**  
**NET INCOME:**

**LISTING:** Private  
**CEO:** Ephraim Zigelbaum  
**PHONE:**  
**FAX:**  
New York  
**WEB SITE:**

St. Joseph Nursing Home has been sponsored by the Carmelite Sisters for the Aged and Infirm since 1971. It is a licensed 120-bed skilled nursing facility.

Personal Healthcare and its affiliates own and operate seven nursing facilities in New York and Massachusetts, ranging in size from 80 beds to 183 beds.

**ANNOUNCEMENT DATE:** October 17, 2013  
**PRICE:** Not disclosed  
**TERMS:**

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

This acquisition, which is not expected to close for many months due to the New York change of ownership requirements, will be completed by affiliates of Personal Healthcare, LLC, which include URNC, LLC and URNC Realty, LLC.

**TARGET:** *The Lighthouse at Lincoln*

**ACQUIRER:** *LCB Senior Living, LLC*

**LISTING:** Private  
**LOCATION:** Lincoln, Rhode Island  
**UNITS:** 60  
**REVENUE:**  
**NET INCOME:**

**LISTING:** Private  
**CEO:** Michael A. Stoller  
**PHONE:** 781-619-9320  
3 Edgewater Drive, Ste. 101  
**FAX:** 781-619-9321  
Norwood, Massachusetts 02062  
**WEB SITE:** [www.lcbseNIorliving.com](http://www.lcbseNIorliving.com)

The Lighthouse at Lincoln (the new name) was built in 2009 as a 60-unit Alzheimer's facility. At the time of sale, occupancy was approaching 60%.

LCB Senior Living was founded in 2010 by the management team of the former Newton Senior Living. The company currently manages two assisted living communities, owns and operates two others and has two others under construction that will open in late 2014.

**ANNOUNCEMENT DATE:** October 18, 2013  
**PRICE:** \$11,000,000  
**TERMS:** Bank debt and equity.

**PRICE PER UNIT:** \$183,333  
**PRICE/REVENUE:**  
**PRICE/INCOME:**

This community was third-party managed for a local investor, which may account for the low occupancy. Wells Fargo Bank provided \$8.6 million in three-year financing with two one-year extension options. A fund managed by Prudential Real Estate Investors provided \$3.9 million of equity, with about \$700,000 coming from joint venture partner Berkshire Realty Ventures and LCB. The total capitalization for the deal was \$13.2 million. Cushman & Wakefield's Senior Housing Capital Markets Group arranged the financing for the acquisition, which closed in September.

**TARGET:** *Parkwood Place Healthcare Center*

**LISTING:** Private  
**LOCATION:** Lufkin, Texas  
**UNITS:** 115 (beds)  
**REVENUE:** \$5,900,000  
**NET INCOME:**

**ACQUIRER:** *Texas Owner/Operator*

**LISTING:**  
**CEO:** **PHONE:**  
**FAX:**  
Texas  
**WEB SITE:**

Parkwood Place is a licensed 115-bed skilled nursing facility with a high Medicaid census. It was originally built in 1915 and now has 57,500 square feet. Occupancy is approximately 77%.

The buyer, based in Central Texas, operates several nursing facilities throughout Texas.

**ANNOUNCEMENT DATE:** October 21, 2013

**PRICE:** \$2,000,000

**TERMS:**

**PRICE PER UNIT:** \$17,391

**PRICE/REVENUE:** 0.34

**PRICE/INCOME:**

The seller was a national operator from the East Coast. With a local operator now managing it, they may be able to increase the census and focus on a higher quality mix. It recently had a negative EBITDA of about \$180,000. The facility is located one block away from a major Lufkin hospital, which may allow the buyer to expand the facility's Medicare census. Lufkin is located in East Texas. The acquisition was funded by a local community bank, and Senior Living Investment Brokerage handled the transaction, which closed on October 21.

**TARGET:** *Graceland at Garden Ridge*

**LISTING:** Private  
**LOCATION:** Garden Ridge, Texas  
**UNITS:** 45  
**REVENUE:** \$1,900,000 (approximate)  
**NET INCOME:**

**ACQUIRER:** *Cara Graceland LLC*

**LISTING:** Private  
**CEO:** Steve Wood **PHONE:**  
**FAX:**  
Texas  
**WEB SITE:**

Sodalis Elder Living sold this assisted living facility which is licensed for 52 beds and was built in 2002. Of the total units, eight are for memory care. The facility was built in 2002 and occupancy is 92%.

This is the first senior living investment for the newly established owner.

**ANNOUNCEMENT DATE:** October 23, 2013

**PRICE:** \$5,600,000 Approximate

**TERMS:**

**PRICE PER UNIT:** \$124,444

**PRICE/REVENUE:** 2.95

**PRICE/INCOME:**

Love Funding provided bridge financing of \$4.6 million in August so the buyer could close on the transaction before the purchase and sale agreement expired. The deal was supposed to be funded by HUD, but there was a backlog at HUD because it had reached its lending limit, and then the government shutdown delayed things further. It was subsequently refinanced with HUD in October in the amount of \$4.92 million. The sale closed on August 27.

**TARGET:** *26 Holiday Retirement communities*  
**LISTING:** Private  
**LOCATION:** Various, Various  
**UNITS:** 3138  
**REVENUE:** \$97,000,000 (estimated)  
**NET INCOME:** \$49,500,000 (estimated EBITDA)

**ACQUIRER:** *Ventas*  
**LISTING:** NYSE: VTR  
**CEO:** Debra Cafaro **PHONE:** 877-483-6827  
 353 North Clark Street **FAX:** 312-655-5049  
 Chicago, Illinois 60654  
**WEB SITE:** www.ventasreit.com

Holiday Retirement Corporation, owned by funds controlled by Fortress Investment Group, sold 26 independent living communities with 3,138 units with an overall occupancy rate of 94%.

Ventas is one of the largest health care REITs in the country with a diversified portfolio of seniors housing and care properties, medical office buildings and long-term acute care hospitals.

**ANNOUNCEMENT DATE:** October 25, 2013  
**PRICE:** \$790,000,000  
**TERMS:** Sale/leaseback.

**PRICE PER UNIT:** \$251,753  
**PRICE/REVENUE:** 8.14  
**PRICE/INCOME:** 15.96

There had been rumors in the market that Ventas made an offer for the entire Holiday Retirement Corporation portfolio earlier in the year. This transaction, most likely for the better Holiday properties given the 94% occupancy rate (at least 400 basis points higher than the rest of the portfolio) and the high per-unit price, may be a first stage of future deals, or provide Fortress with some flexibility in deciding what to do with the remainder of the portfolio (approximately 280 buildings) before the Fannie Mae debt matures (close to \$4.5 billion before this deal).

**TARGET:** *Avalon Springs Health Campus*  
**LISTING:** TSX: HLP.UN  
**LOCATION:** Valparaiso, Indiana  
**UNITS:** 132 (beds)  
**REVENUE:**  
**NET INCOME:**

**ACQUIRER:** *Trilogy Health Services*  
**LISTING:** Private  
**CEO:** Randall Bufford **PHONE:** 502-412-5847  
 303 N. Hurstbourne Pkwy, **FAX:** 502-412-0407  
 Ste 200  
 Louisville, Kentucky 40222  
**WEB SITE:** www.trilogyhs.com

Avalon Springs Health Campus has been leased to Trilogy Healthcare, which had a purchase option for the building that has now been exercised. It was sold by HealthLease Properties REIT.

Trilogy Health Services operates more than 60 senior living communities that usually offer a combination of assisted living and post-acute care. They are located in Illinois, Indiana, Kentucky, Michigan and Ohio.

**ANNOUNCEMENT DATE:** October 25, 2013  
**PRICE:** \$11,469,996  
**TERMS:**

**PRICE PER UNIT:** \$86,894  
**PRICE/REVENUE:**  
**PRICE/INCOME:**

This transaction closed in October. It had no material net impact on funds from operations for HealthLease.

**TARGET:** *Willows at Hamburg*

**ACQUIRER:** *HealthLease Properties REIT*

**LISTING:** NYSE: HCN  
**LOCATION:** Lexington, Kentucky  
**UNITS:** 123 (beds)  
**REVENUE:**  
**NET INCOME:**

**LISTING:** TSX: HLP.UN  
**CEO:** Zeke Turner **PHONE:** 416-361-0152  
333 Bay Street, Suite 3400 **FAX:** 416-361-0470  
Toronto, Ontario M5H 2S7  
**WEB SITE:** www.hlpreit.com

The Willows at Hamburg has 54 licensed skilled nursing beds, 34 assisted living units and 35 memory care units. Trilogy Healthcare has been leasing the facility.

HealthLease Properties REIT owns a portfolio of mostly new seniors housing and care properties in Canada and the U.S. The properties are leased to experienced tenants on a triple-net lease basis.

**ANNOUNCEMENT DATE:** October 25, 2013

**PRICE:** \$14,123,350

**TERMS:**

**PRICE PER UNIT:** \$114,824

**PRICE/REVENUE:**

**PRICE/INCOME:**

HealthLease purchased this property from Health Care REIT and the expected first year rent is \$1,205,745, resulting in an initial yield of 8.54%. This purchase closed in October.

**TARGET:** *Cedarbrooke Chateau*

**ACQUIRER:** *Chartwell Retirement Residences*

**LISTING:** Private  
**LOCATION:** Mission, British Columbia  
**UNITS:** 138  
**REVENUE:**  
**NET INCOME:**

**LISTING:** TSX: CSH.UN  
**CEO:** Brent Binions **PHONE:** 905-501-9219  
100 Milverton Dr., Ste.700 **FAX:** 905-501-0813  
Mississauga, Ontario L5R 4H1  
**WEB SITE:** www.chartwellreit.com

Cedarbrooke Chateau is a 138-unit retirement community that was built in 2009 and has current occupancy of 73%.

Chartwell is a REIT that indirectly owns and operates a range of senior residences from independent supportive living through assisted living to long-term care in Canada and the U.S. It is one of the largest such owner/operators in North America.

**ANNOUNCEMENT DATE:** October 28, 2013

**PRICE:** \$27,000,000

**TERMS:** Canadian \$27.0 million.

**PRICE PER UNIT:** \$195,652

**PRICE/REVENUE:**

**PRICE/INCOME:**

This acquisition will offer operational synergies with a nearby 126-unit community, Chartwell Carrington House Retirement Residence. The purchase was financed with a C\$15.3 million mortgage bearing an interest rate of 4.35%, with the remainder funded from Chartwell's credit facility. This acquisition closed in late October.

**TARGET:** *Midtown Manor*

**ACQUIRER:** *Florida Operator*

**LISTING:** Private  
**LOCATION:** Hollywood, Florida  
**UNITS:** 52  
**REVENUE:** \$2,200,000 (estimated)  
**NET INCOME:** \$460,000 (approx. EBITDA)

**LISTING:** Private  
**CEO:** **PHONE:**  
**FAX:**  
Palm Beach, Florida  
**WEB SITE:**

Midtown Manor is a three-story, 105-bed assisted living facility with a current occupancy rate of 97% (based on beds). There are about 52 units, and most of them are semi-private. The majority of the residents are funded under Florida's diversion program.

The buyer owns and operates a few other senior living properties in Florida.

**ANNOUNCEMENT DATE:** October 29, 2013

**PRICE:** \$5,700,000

**TERMS:**

**PRICE PER UNIT:** \$109,615

**PRICE/REVENUE:** 2.59

**PRICE/INCOME:** 12.39

The facility was originally built in the 1960s as a hotel, and in the 1980s an addition was built when it was converted to assisted living. This was the only senior living asset of the seller, known as Comfort Care of Hollywood. The Smith DeMarco Group of Re/Max Executive Realty represented the seller in this transaction, which closed on October 15.

**TARGET:** *Woodbury Mews*

**ACQUIRER:** *Sentio Healthcare Properties, Inc.*

**LISTING:** Private  
**LOCATION:** Woodbury, New Jersey  
**UNITS:** 227  
**REVENUE:**  
**NET INCOME:**

**LISTING:** Private  
**CEO:** John Mark Ramsey **PHONE:** 407-999-7679  
189 S. Orange Ave., Ste. 1700 **FAX:**  
Orlando, Florida 32801  
**WEB SITE:** sentiohealthcareproperties.com

Woodbury Mews has a total of 227 units, comprised of 129 independent living units, 57 assisted living units and 41 memory care units.

Sentio Healthcare Properties is a public, non-traded REIT which invests exclusively in health care-related real estate. It has an affiliation with Kohlberg Kravis Roberts & Co. L.P.

**ANNOUNCEMENT DATE:** October 29, 2013

**PRICE:** \$38,100,000

**TERMS:**

**PRICE PER UNIT:** \$167,841

**PRICE/REVENUE:**

**PRICE/INCOME:**

This is the first investment made by Sentio as a result of an initial \$150 million of convertible preferred equity that KKR has committed over a two to three year period. Sentio has hired Addit, LLC to manage the community. The sellers were affiliates of Capital Health Group and Westport Capital Partners LLC.

**TARGET:** *McKnight Terrace*

**ACQUIRER:** *Capital Senior Living Corporation*

**LISTING:** Private  
**LOCATION:** Middletown, Ohio  
**UNITS:** 61  
**REVENUE:**  
**NET INCOME:**

**LISTING:** NYSE: CSU  
**CEO:** Lawrence A. Cohen **PHONE:** 972-770-5600  
14160 Dallas Parkway, St. 300 **FAX:** 972-770-5666  
Dallas, Texas 75254  
**WEB SITE:** www.capitalsenior.com

McKnight Terrace was built in 1998 for about \$10 million by a local not-for-profit hospital. The community has about 47,000 square feet and had previously suffered from low occupancy. Of the 61 units, 40 are assisted living and 20 are memory care.

Capital Senior Living operates more than 100 senior living communities in 23 states with a capacity for more than 13,600 residents.

**ANNOUNCEMENT DATE:** October 30, 2013  
**PRICE:** Not disclosed  
**TERMS:**

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

The local hospital sold the building in 2008 for \$6.0 million to Rittenhouse Senior Living, which then sold it in 2012 to a small Kentucky owner/operator for approximately \$4.0 million after being unable to turn it around. This Kentucky owner has now re-sold the property after turning the census around. The transaction closed at the end of September.

**TARGET:** *Blackhawk*

**ACQUIRER:** *NorthStar Healthcare Income, Inc.*

**LISTING:** Private  
**LOCATION:** Spring Hills, Kansas  
**UNITS:** 48  
**REVENUE:** \$1,900,000 (nnialized)  
**NET INCOME:** \$975,000 (EBITDA)

**LISTING:** NYSE: NRF  
**CEO:** David Hamamoto **PHONE:** 212-547-2600  
399 Park Avenue, 18th Floor **FAX:** 212-547-2700  
New York, New York 10022  
**WEB SITE:** www.nrfc.com

Blackhawk is a 48-unit assisted living facility that was built in 2006 and 2010 and has 40 assisted living units and eight dedicated Alzheimer's units. The Medicaid census is about 15%, and overall occupancy runs at 100%.

The buyer is a REIT and is part of NorthStar Realty Finance Corp., a commercial real estate investment and asset management company. It focuses on senior and subordinate debt investments secured primarily by commercial, multifamily, and healthcare property.

**ANNOUNCEMENT DATE:** October 31, 2013  
**PRICE:** \$7,000,000  
**TERMS:**

**PRICE PER UNIT:** \$145,833  
**PRICE/REVENUE:** 3.68  
**PRICE/INCOME:** 7.18

There are 40 studios/one-bedrooms from 324 square feet to 434 square feet with monthly rents between \$2,700 and \$3,150. There are eight Alzheimer's studios between 324 square feet and 434 square feet with monthly rents of \$3,850. Marcus & Millichap represented the seller on the transaction, which closed on October 8.



**TARGET:** *Colorado Springs Senior Homes*

**LISTING:** Private

**LOCATION:** Colorado Springs, Colorado

**UNITS:** 36

**REVENUE:** \$950,000 (estimated)

**NET INCOME:** \$275,000 (estimated EBITDA)

**ACQUIRER:** *TrustCare*

**LISTING:** Private

**CEO:**

Colorado Springs, Colorado

**WEB SITE:**

**PHONE:**

**FAX:**

Colorado Springs Senior Homes has 36 units and it operates at 100% occupancy, of which about 85% is Medicaid. It was built in 1985 and comprises about 25,600 square feet.

TrustCare is a start-up and this is its first acquisition in the seniors housing business.

**ANNOUNCEMENT DATE:** October 31, 2013

**PRICE:** \$1,810,000

**TERMS:**

**PRICE PER UNIT:** \$50,278

**PRICE/REVENUE:** 1.91

**PRICE/INCOME:** 6.58

The facility operated in a local PACE program. The buyer obtained financing from a bank in Pueblo, Colorado, with an SBA guarantee. Denver-based Pym's Capital Resources represented the seller and found the buyer for the transaction, which closed on October 31.

**TARGET:** *Grace Gardens*

**LISTING:** Nonprofit

**LOCATION:** Leawood, Kansas

**UNITS:** 44

**REVENUE:** \$1,230,000

**NET INCOME:** \$760,000

**ACQUIRER:** *NorthStar Healthcare Income, Inc.*

**LISTING:** NYSE: NRF

**CEO:** David Hamamoto

399 Park Avenue, 18th Floor

New York, New York 10022

**WEB SITE:** www.nrfc.com

**PHONE:** 212-547-2600

**FAX:** 212-547-2700

Grace Gardens consists of 44 independent living villas in 11 quadplexes that were built between 2002 and 2007 on 13.74 acres. There is a clubhouse with indoor pool, fitness center, lounge and private dining room. Occupancy is 75%.

The buyer is a REIT and is part of NorthStar Realty Finance Corp., a commercial real estate investment and asset management company. It focuses on senior and subordinate debt investments secured primarily by commercial, multifamily, and healthcare property.

**ANNOUNCEMENT DATE:** October 31, 2013

**PRICE:** \$8,000,000

**TERMS:**

**PRICE PER UNIT:** \$181,818

**PRICE/REVENUE:** 6.50

**PRICE/INCOME:** 10.53

When the remaining 11 units are leased, revenues and EBITDA could grow to \$1.7 million and \$1.1 million respectively. There is additional land available to add more units when the initial 44 units are stabilized. Marcus & Millichap represented the seller, a local Baptist Church Foundation, on the transaction, which closed on October 8.

**TARGET:** *Radius Healthcare Center*

**ACQUIRER:** *Tryko Partners, LLC*

**LISTING:** NYSE: VTR

**LISTING:** Private

**LOCATION:** Danvers, Massachusetts

**CEO:** Yitzchok Rokowsky

**PHONE:** 732-961-9991

**UNITS:** 159 (beds)

575 Route 70, 2nd Floor

**FAX:** 732-961-9994

**REVENUE:** \$10,316,000 (2012)

Brick, New Jersey 08723

**NET INCOME:**

**WEB SITE:** www.tryko.com

Radius Healthcare is a 159-bed skilled nursing facility that was built in 1972 and maintains occupancy of 84%. There are eight private rooms, 20 semi-private rooms and 37 triples. The census is 91% Medicaid.

Established in 1989, Tryko is a private equity real estate investment group that is active in the acquisition of under-utilized commercial and residential properties. Its current portfolio includes 3,000 residential units, 150,000 square feet of commerci

**ANNOUNCEMENT DATE:** October 31, 2013

**PRICE:** \$4,000,000 Approximate

**TERMS:**

**PRICE PER UNIT:** \$25,157

**PRICE/REVENUE:** 0.39

**PRICE/INCOME:**

Expenses were about \$100,000 over revenues in 2012, but with higher occupancy it should be much more profitable. The buyer may convert some of the triples into semi-private rooms, and some of the semi-privates to private in order to drive better paying customers. Marcus & Millichap represented the seller, a publicly traded REIT, in this transaction, which closed on October 31.

**TARGET:** *Regal Pointe*

**ACQUIRER:** *The Carlyle Group*

**LISTING:** Private

**LISTING:** NASDAQ: CG

**LOCATION:** Middletown, New Jersey

**CEO:** David M. Rubenstein

**PHONE:** 202-347-2626

**UNITS:** 128

1001 Pennsylvania Avenue

**FAX:** 202-347-1818

**REVENUE:**

Washington, D.C. 20004

**NET INCOME:**

**WEB SITE:** www.carlyle.com

Regal Pointe was built in 1982 as an affordable senior housing community, financed with tax credits and bonds. It now can be 100% market rate, and there are just 22 affordable units remaining occupied. Overall occupancy is just below 85%.

The Carlyle Group is one of the world's largest private equity firms with \$180 billion of assets under management. This acquisition was completed with equity from Carlyle Realty Partners VI L.P., a \$2.25 billion U.S. real estate investment fund.

**ANNOUNCEMENT DATE:** October 31, 2013

**PRICE:** Not disclosed

**TERMS:** Cash

**PRICE PER UNIT:**

**PRICE/REVENUE:**

**PRICE/INCOME:**

There are 96 studios and 32 one-bedrooms, and the community recently underwent extensive renovations of common areas, the kitchen and the residential units as it transitions to market rate rents. The affordable rents average \$1,100 per month, while market rate averages \$2,880 per month. The new owner plans to convert some of the studios to assisted living and memory care, and they have hired The Arbor Company as the new manager (rebranding it as Arbor Terrace of Middletown). The sale closed on October 17, and HFF represented the seller.

**TARGET:** *Whitcomb House*

**ACQUIRER:** *Capital Senior Living Corporation*

**LISTING:** Private  
**LOCATION:** Milford, Massachusetts  
**UNITS:** 68  
**REVENUE:**  
**NET INCOME:**

**LISTING:** NYSE: CSU  
**CEO:** Lawrence A. Cohen **PHONE:** 972-770-5600  
14160 Dallas Parkway, St. 300 **FAX:** 972-770-5666  
Dallas, Texas 75254  
**WEB SITE:** www.capitalsenior.com

Whitcomb House is a 68-unit assisted living community that is licensed for 66 assisted living beds and 21 memory care beds. Two of the buildings were converted and renovated to their present use from 1996 to 2000, and a third building was added in 2006.

Capital Senior Living operates more than 100 senior living communities in 23 states with a capacity for more than 13,600 residents.

**ANNOUNCEMENT DATE:** October 31, 2013  
**PRICE:** Not disclosed  
**TERMS:**

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

The seller was a local owner who developed the property and managed it before selling. Occupancy has been averaging in the mid-90% area, and recently increased above 97%. There are a total of 48,565 square feet in the three buildings, which are interconnected, and the campus is on 9.3 acres. Cassidy Turley represented the seller in the transaction, which closed on October 31.

**TARGET:** *Woodlands Assisted Living*

**ACQUIRER:** *National Health Investors, Inc.*

**LISTING:** Private  
**LOCATION:** Middle River, Maryland  
**UNITS:** 63  
**REVENUE:** \$2,800,000 (approximate)  
**NET INCOME:** \$700,000 (approx. EBITDA)

**LISTING:** NYSE: NHI  
**CEO:** Justin Hutchens **PHONE:** 615-890-9100  
222 Robert Rose Drive **FAX:**  
Murfreesboro, Tennessee 37129  
**WEB SITE:** www.nhinvestors.com

Woodlands is a 63-unit assisted living facility that was built in 1999 and has an average occupancy rate of 80%. Average monthly rates are close to \$4,000. It is located in the suburbs of Baltimore.

National Health Investors is a REIT that invests in health care properties, primarily in the seniors housing industry. It has a market capitalization in excess of \$1.7 billion.

**ANNOUNCEMENT DATE:** October 31, 2013  
**PRICE:** \$9,000,000  
**TERMS:**

**PRICE PER UNIT:** \$142,857  
**PRICE/REVENUE:** 3.21  
**PRICE/INCOME:** 12.86

This property was owned by a mom and pop provider and there is significant room for improvement. NHI has also agreed to fund \$500,000 in renovations that will enable the buyer to transition the community to a higher price point. Ambrose Capital represented the seller on the deal, which closed October 31.

**TARGET:** *Arbor View Healthcare & Rehab Center*

**LISTING:** NYSE: FVE  
**LOCATION:** St. Joseph, Missouri  
**UNITS:** 120 (beds)  
**REVENUE:** \$4,300,000  
**NET INCOME:**

**ACQUIRER:** *Illinois-based operator*

**LISTING:** Private  
**CEO:**  
**PHONE:**  
**FAX:**  
Illinois  
**WEB SITE:**

Arbor View was built in 1979 and is a one-story structure with about 35,000 square feet on 4.8 acres. Overall occupancy was about 65% with 60% Medicaid, 20% private pay, 15% Medicare and 5% insurance. It had been losing money.

**ANNOUNCEMENT DATE:** November 1, 2013

**PRICE:** \$2,550,000

**TERMS:**

**PRICE PER UNIT:** \$21,250

**PRICE/REVENUE:** 0.59

**PRICE/INCOME:**

Five Star Quality Care decided earlier in 2013 to divest nearly a dozen skilled nursing facilities as it focuses on the private pay seniors housing market. This property had been on the Focus Facility list which hurt occupancy and the financial performance. The sale closed after the seller was able to remove it from the Focus list. The Illinois buyer already operates in Missouri and should be able to operate this facility more efficiently and return it to profitability. Senior Living Investment Brokerage handled the transaction.

**TARGET:** *Gardens at Westlake*

**LISTING:** Private  
**LOCATION:** Westlake, Ohio  
**UNITS:** 97  
**REVENUE:** \$5,000,000 (estimate in-place)  
**NET INCOME:** \$1,800,000 (estimated EBITDA)

**ACQUIRER:** *American Realty Capital Healthcare Trust*

**LISTING:** Private  
**CEO:** Nicholas S. Schorsch  
**PHONE:** 212-415-6500  
405 Park Avenue, 15th Fl. **FAX:**  
New York, New York 10022  
**WEB SITE:** [www.americanrealtycap.com](http://www.americanrealtycap.com)

Gardens at Westlake is a 97-unit assisted living community that was built in 1987 with a full renovation in 2007. Occupancy runs at 98%, and the one-bedroom units range from 600 to 710 square feet, while the two-bedroom units are from 850 to 1,200 square feet.

ARC-Healthcare Trust is part of American Realty Capital, a diversified real estate company that sponsors several non-traded REITs. The Healthcare Trust has been aggressively purchasing senior living properties since its first acquisition in late 2012.

**ANNOUNCEMENT DATE:** November 1, 2013

**PRICE:** \$22,500,000

**TERMS:**

**PRICE PER UNIT:** \$231,959

**PRICE/REVENUE:** 4.50

**PRICE/INCOME:** 12.50

This is a very large community, with about 132,560 total square feet, of which about 70,000 is rentable. There are 26 two-bedroom units and 71 one-bedroom units. The seller, Spectrum Retirement Communities, will remain as the manager for the buyer. This transaction closed on October 31.

**TARGET:** *Ladiga Manor*

**ACQUIRER:** *Regional owner/operator*

**LISTING:** Private  
**LOCATION:** Jacksonville, Alabama  
**UNITS:** 42  
**REVENUE:** \$1,192,000  
**NET INCOME:** \$255,000 (EBITDA)

**LISTING:** Private  
**CEO:**  
**PHONE:**  
**FAX:**

**WEB SITE:**

Ladiga Manor is an assisted living facility with 27 assisted living units and 15 memory care units under the Specialty Care Assisted Living Facilities (SCALF) program. It was built in 2009 and overall occupancy has been 79%.

This is the first property in Alabama for the regional owner/operator.

**ANNOUNCEMENT DATE:** November 1, 2013

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

**TERMS:**

**PRICE PER UNIT:** \$83,333

**PRICE/REVENUE:** 2.94

**PRICE/INCOME:** 13.73

Even though occupancy is not at 100%, the seller has an active CON for an additional nine SCALF beds that are currently not being utilized. The buyer plans to complete an expansion for a new secured memory care unit and possibly include cottages on the site. The seller was a local partnership that is exiting the business. Senior Living Investment Brokerage handled the transaction, which closed on November 1.

**TARGET:** *Regal Estate/Bradford Place*

**ACQUIRER:** *Regional operator*

**LISTING:** Private  
**LOCATION:** Independence, Kansas  
**UNITS:** 95 (beds)  
**REVENUE:** \$3,963,000 (annualized)  
**NET INCOME:** \$323,000 (annualized EBITDA)

**LISTING:** Private  
**CEO:**  
**PHONE:**  
**FAX:**

**WEB SITE:**

Regal Estate is now a 54-bed skilled nursing facility built in 1969 with 18,163 square feet. Bradford Place is a 40-bed residential care facility built in 1962 and 2000 with 9,721 square feet. Overall occupancy was 94.7%.

The buyer has a home office less than 20 miles from Independence, Kansas, and they already have a strong presence in the state.

**ANNOUNCEMENT DATE:** November 1, 2013

**PRICE:** \$3,250,000

**TERMS:**

**PRICE PER UNIT:** \$34,211

**PRICE/REVENUE:** 0.82

**PRICE/INCOME:** 10.06

The seller had operated these facilities for a long time and the family decided to retire from the business, as this was their only asset. The buyer, a large regional operator, expects to have some operational efficiencies. The financial data is six months ended December 31, 2012 annualized. Senior Living Investment Brokerage handled the transaction, which closed on November 1.

**TARGET:** *5 post-acute and long-term care SNFs*

**LISTING:** Private  
**LOCATION:** Ohio and, Arkansas  
**UNITS:**  
**REVENUE:**  
**NET INCOME:**

Peregrine Health Services is selling four Ohio triple-net leased properties and Concepts Management is selling one Arkansas triple-net leased property.

**ANNOUNCEMENT DATE:** November 4, 2013

**PRICE:** \$42,200,000

**TERMS:**

**ACQUIRER:** *Aviv REIT, Inc.*

**LISTING:** NYSE: AVIV  
**CEO:** Craig M. Bernfield  
**PHONE:** 312-855-0930  
303 West Madison  
**FAX:** 312-855-1684  
Chicago, Illinois 60606  
**WEB SITE:** www.avivam.com

Aviv REIT is a real estate investment trust that went public in March 2013. It has invested primarily in skilled nursing facilities but also has a growing portfolio of senior living assets.

**PRICE PER UNIT:**

**PRICE/REVENUE:**

**PRICE/INCOME:**

Peregrine is an operator of 16 SNFs in Ohio and Concepts operates four SNFs. The transaction was sourced by Concepts and brought to Aviv due to the company's long-term relationship. This acquisition was completed on November 4, 2013.

**TARGET:** *Parkrose Estates*

**LISTING:** Private  
**LOCATION:** Liverpool, New York  
**UNITS:** 100  
**REVENUE:**  
**NET INCOME:** \$1,230,000 (tr. 12 mo. EBITDA)

Parkrose Estates is a 100-unit independent living community that was built in 1994 and renovated in 2004. Occupancy has been 100% for quite a while. There are studios, one- and two-bedroom units.

**ANNOUNCEMENT DATE:** November 4, 2013

**PRICE:** \$17,000,000

**TERMS:** Cash

**ACQUIRER:** *Capitol Seniors Housing*

**LISTING:** Private  
**CEO:** Scott Stewart  
**PHONE:** 202-585-1454  
975 F Street, N.W., 9th Fl.  
**FAX:**  
Washington, D.C. 20004  
**WEB SITE:** www.capitolseniorshousing.com

Capitol Seniors Housing and its joint venture partner, Harvard Management Company, own seniors housing communities and hire third party managers to operate them.

**PRICE PER UNIT:** \$170,000

**PRICE/REVENUE:**

**PRICE/INCOME:** 13.82

The seller, Spectrum Retirement Communities, is going to continue as the manager. Key Bank provided bridge financing. Marcus & Millichap represented the seller on the transaction, which closed on October 11.

**TARGET:** *Sugarland Hills*

**LISTING:** Private  
**LOCATION:** Herndon, Virginia  
**UNITS:** 80  
**REVENUE:** \$ 1,500,000 (estimated)  
**NET INCOME:**

Built in 2008, Sugarland Hills is an age-restricted senior living community located about 20 miles outside of Washington, D.C. In-place rents are just \$2,200 per month, and occupancy was near 70%.

**ANNOUNCEMENT DATE:** November 4, 2013

**PRICE:** \$15,600,000

**TERMS:**

**ACQUIRER:** *Capitol Seniors Housing*

**LISTING:** Private  
**CEO:** Scott Stewart  
975 F Street, N.W., 9th Fl.  
Washington, D.C. 20004  
**PHONE:** 202-585-1454  
**FAX:**  
**WEB SITE:** www.capitolseniorshousing.com

Capitol Seniors Housing and its joint venture partner, Harvard Management Company, own seniors housing communities and hire third party managers to operate them.

**PRICE PER UNIT:** \$195,000

**PRICE/REVENUE:** 10.40

**PRICE/INCOME:**

Capitol Seniors Housing plans on spending about \$700,000 to build a commercial kitchen at the site. Apparently, there already exists a dining room. The plan is to convert the building into a full-service independent living retirement community, with rents starting at \$3,200 per month, and then moving them closer to \$4,000 over time. Avison Young represented the seller, American Seniors Housing, and the transaction closed on October 31. The Arbor Company has been hired to manage the community.

**TARGET:** *9 nursing centers*

**LISTING:** NYSE: HCP  
**LOCATION:** Long Beach, California  
**UNITS:**  
**REVENUE:**  
**NET INCOME:**

HCP, Inc. is selling the real estate associated with nine skilled nursing facilities it currently leases to Kindred. The annual lease payments on the nine properties had been approximately \$9.0 million.

**ANNOUNCEMENT DATE:** November 5, 2013

**PRICE:** \$83,000,000 (approximate)

**TERMS:**

**ACQUIRER:** *Kindred Healthcare, Inc.*

**LISTING:** NYSE: KND  
**CEO:** Paul J. Diaz  
680 South Fourth Street  
Louisville, Kentucky 40202-2412  
**PHONE:** 502-596-7300  
**FAX:** 502-569-7499  
**WEB SITE:** www.kindredhealthcare.com

Kindred Healthcare, Inc. is the largest diversified provider of post-acute care services in the U.S. It operates hospitals, nursing centers, rehabilitation facilities, and home health and hospice. The company has a trailing 12-month revenue of \$6.2 billion.

**PRICE PER UNIT:**

**PRICE/REVENUE:**

**PRICE/INCOME:**

This transaction is inline with Kindred's overall strategy to reduce its most expensive debt by purchasing the real estate of its lease obligations. Kindred anticipates that the transaction with HCP will close in the fourth quarter of 2013 and will be slightly accretive to earnings in 2014.

**TARGET:** *Chandler House*

**ACQUIRER:** *Senior Housing Properties Trust*

**LISTING:** Private  
**LOCATION:** Jefferson City, Tennessee  
**UNITS:** 60  
**REVENUE:**  
**NET INCOME:**

**LISTING:** NYSE: SNH  
**CEO:** David J. Hegarty  
255 Washington Street  
Newton, Massachusetts 02458  
**PHONE:** 617-796-8350  
**FAX:** 617-796-8349  
**WEB SITE:** www.snhreit.com

Chandler House is a 60-unit assisted living community with 20 memory care units in one building and 40 assisted living units in another. It was built in 2001 and occupancy has been 100% with a waiting list. The license is for 64 beds.

Senior Housing Properties Trust is a REIT that owns more than 390 health care properties in 40 states and Washington, D.C.

**ANNOUNCEMENT DATE:** November 5, 2013  
**PRICE:** \$9,900,000  
**TERMS:**

**PRICE PER UNIT:** \$165,000  
**PRICE/REVENUE:**  
**PRICE/INCOME:**

The seller was a mom and pop operator who obviously did a good job running the community given its 100% occupancy. Senior Housing Properties Trust has hired Five Star Quality Care to manage it. The transaction closed on October 13, and Cassidy Turley represented the seller.

**TARGET:** *Villa Pueblo Senior Living Community*

**ACQUIRER:** *Frontline Management*

**LISTING:** Nonprofit  
**LOCATION:** Pueblo, Colorado  
**UNITS:** 228  
**REVENUE:** \$7,015,000  
**NET INCOME:**

**LISTING:** Private  
**CEO:** Steven Veluscek  
P.O. Box 195  
Longmont, Colorado 80502  
**PHONE:** 303-675-6784  
**FAX:** 303-675-5659  
**WEB SITE:** www.frontlinemgmt.com

Villa Pueblo is a CCRC that includes 127 independent living units, 41 assisted living units and 60 skilled nursing beds. It was built in stages between 1961 and 2011.

Frontline Management is a full service healthcare management company specializing in the management of skilled and intermediate care nursing facilities, assisted living facilities, and independent living communities.

**ANNOUNCEMENT DATE:** November 5, 2013  
**PRICE:** \$3,650,000  
**TERMS:**

**PRICE PER UNIT:** \$16,009  
**PRICE/REVENUE:** 0.52  
**PRICE/INCOME:**

This CCRC was sold by not-for-profit hospital company Centura Health System that owns 15 hospitals and seven senior living facilities. The community was losing about \$1.2 million annually, which prompted the sale. Evans Senior Investments represented the seller in this transaction, which closed on October 31.



**TARGET:** *52 independent living communities*

**LISTING:** Private

**LOCATION:** Various, states

**UNITS:** 5,885

**REVENUE:**

**NET INCOME:** \$72,500,000 (estimated EBITDA)

The 52 communities are owned by Holiday Retirement Corporation and are 100% private pay, and are located in 24 states with an average occupancy of 90.5% as of September 30, 2013.

**ANNOUNCEMENT DATE:** November 18, 2013

**PRICE:** \$1,010,000,000

**TERMS:** Approximately \$300 million of cash and \$700 million of new debt.

Newcastle will be leasing these communities back to Holiday at an initial annual yield of 6.5%, which equals \$65.65 million. Assuming a minimum 1.1x rent coverage, that would put EBITDA at a minimum of \$72.2 million. The 17-year lease will have rent escalators equal to 4.5% for the first three years and up to 3.75% thereafter. Newcastle sold 57.95 million shares of common stock to fund the equity portion of the acquisition with gross proceeds of \$304.2 million. The acquisition was completed on December 24, 2013.

**TARGET:** *25 independent living communities*

**LISTING:** Private

**LOCATION:** Various, states

**UNITS:** 2,841 units

**REVENUE:**

**NET INCOME:**

Holiday Retirement is selling 25 IL facilities in Arkansas (2), California (7), Georgia (3), South Carolina (2), Washington (4) and one each in Idaho, Indiana, Louisiana, New Jersey, Ohio, Oklahoma and Oregon. Their median age is 16 years and average occupancy is 89%.

**ANNOUNCEMENT DATE:** November 19, 2013

**PRICE:** \$491,000,000

**TERMS:**

The 25 independent living facilities will continue to be operated by affiliates of Holiday Retirement pursuant to a 17-year master lease. The lease equates to an initial cash yield of 6.5% on the purchase price with annual escalators of 4.5% in years 2 through 4 and annual escalators thereafter at 3.5%, or a maximum of 3.75%, depending on the CPI in the preceding year. Wells Fargo Securities, LLC served as financial advisor to NHI on this transaction, which was completed on December 23, 2013.

**ACQUIRER:** *Newcastle Investment Corp.*

**LISTING:** NYSE: NCT

**CEO:** Kenneth M. Riis

1345 Avenue of the Americas

New York, New York 10105

**WEB SITE:** www.newcastleinv.com

**PHONE:** 212-798-6100

**FAX:**

Newcastle is a REIT that is advised by affiliates of Fortress Investment Group. During 2013 it has been evolving into a seniors housing and health care REIT. With the close of this transaction, Newcastle will have invested \$600 million of equity in senior

**PRICE PER UNIT:** \$171,623

**PRICE/REVENUE:**

**PRICE/INCOME:** 13.93

**ACQUIRER:** *National Health Investors, Inc.*

**LISTING:** NYSE: NHI

**CEO:** Justin Hutchens

222 Robert Rose Drive

Murfreesboro, Tennessee 37129

**WEB SITE:** www.nhinvestors.com

**PHONE:** 615-890-9100

**FAX:**

National Health Investors is a REIT that invests in health care properties, primarily in the seniors housing industry. It has a market capitalization in excess of \$1.7 billion.

**PRICE PER UNIT:** \$172,826

**PRICE/REVENUE:**

**PRICE/INCOME:**

**TARGET:** *Heritage Oaks*

**LISTING:** Private  
**LOCATION:** Richmond, Virginia  
**UNITS:** 121  
**REVENUE:** \$2,900,000 (estimated)  
**NET INCOME:** \$1,000,000 (estimated EBITDA)

Heritage Oaks is a 121-unit independent living community that was built in 1987 on seven acres. It has a mix of studios, one- and two-bedroom units. Occupancy has been below 80% recently, but had previously been as high as 90%.

**ANNOUNCEMENT DATE:** November 25, 2013

**PRICE:** \$13,325,000

**TERMS:**

**ACQUIRER:** *Fortress Investment Group LLC*

**LISTING:** NYSE: FIG  
**CEO:** Wesley R. Edens  
**PHONE:** 212-798-6100  
1345 Avenue of the Americas  
**FAX:**  
New York, New York 10105  
**WEB SITE:** www.fortress.com

Fortress Investment Group is a publicly owned investment manager. It invests in distressed and undervalued assets and tangible and intangible assets such as real estate, capital assets, natural resources, and intellectual property.

**PRICE PER UNIT:** \$110,124

**PRICE/REVENUE:** 4.59

**PRICE/INCOME:** 13.32

ARA Seniors Housing represented the seller, and the transaction closed in less than 60 days. The seller, Heritage Oaks Retirement Community, LLC, is a single-asset owner based in Norman, Oklahoma. The transaction closed in late November.

**TARGET:** *2 assisted living communities*

**LISTING:** Private  
**LOCATION:** Franklin and Acton, Massachusetts  
**UNITS:** 176  
**REVENUE:**  
**NET INCOME:** \$3,750,000 (estimated EBITDA)

Forge Hill Senior Living in Franklin was built in 1999 and has 97 units, including assisted living, memory care and independent living. Robbins Brook in Acton was built in 2000 and has 79 units, including assisted living and Alzheimer's care. Overall occupancy was above 90%.

**ANNOUNCEMENT DATE:** November 27, 2013

**PRICE:** \$63,250,000

**TERMS:**

**ACQUIRER:** *Benchmark Senior Living*

**LISTING:** Private  
**CEO:** Thomas H. Grape  
**PHONE:** 781-489-7100  
40 Williams Street, Ste. 350  
**FAX:** 781-489-7200  
Wellesley, Massachusetts 02481  
**WEB SITE:** www.benchmarkseniorliving.com

Benchmark Senior Living is a New England-concentrated senior living provider with more than 40 communities including 20 in Massachusetts, 17 in Connecticut, four in New Hampshire and one each in Maine, Rhode Island and Vermont.

**PRICE PER UNIT:** \$359,375

**PRICE/REVENUE:**

**PRICE/INCOME:** 16.87

This portfolio was last sold in 2010 for \$43.0 million when occupancy was 97%, and before that it was sold for \$34.5 million in 2007. Benchmark made this purchase with Health Care REIT, with which it has a previous relationship. HFF represented AEW Capital Management in the current sale, which closed on October 31.

**TARGET:** *Camden County Health Services Center*  
**LISTING:** Nonprofit  
**LOCATION:** Blackwood, New Jersey  
**UNITS:** 450 (beds)  
**REVENUE:** \$30,000,000 (approximate)  
**NET INCOME:** \$3,500,000 pro forma EBITDA

**ACQUIRER:** *Ocean Healthcare*  
**LISTING:** Private  
**CEO:** 485 River Avenue  
**PHONE:** 855-646-5669  
**FAX:** Lakewood, New Jersey 08701  
**WEB SITE:** www.oceanhealthcare.com

This Camden-County owned campus includes a 300-bed skilled nursing facility and a 150-bed behavioral care facility. The campus was built in 1996 and overall occupancy is 94%. It is located less than 15 miles from Philadelphia.

Ocean Healthcare operates 16 health care facilities in New Jersey plus a home health and hospice business. Its facilities include skilled nursing and rehab, adult day care, behavioral care and assisted living.

**ANNOUNCEMENT DATE:** November 27, 2013  
**PRICE:** \$37,100,000  
**TERMS:**

**PRICE PER UNIT:** \$82,444  
**PRICE/REVENUE:** 1.24  
**PRICE/INCOME:** 10.60

Under county ownership, the campus was losing more than \$4 million a year, mostly because of overstaffing and high wages and benefits. Under new management, annual EBITDA should be closer to \$3.0 million to \$4.0 million. The buyer will lease the psych component back to the county but will operate it for the county. Marcus & Millichap represented the seller on the transaction, which closed on November 25.

**TARGET:** *TriSun Care Center Lakeside*

**ACQUIRER:** *American Realty Capital Healthcare Trust*

**LISTING:** Private  
**LOCATION:** San Antonio, Texas  
**UNITS:** 120 (beds)  
**REVENUE:**  
**NET INCOME:**

**LISTING:** Private  
**CEO:** Nicholas S. Schorsch **PHONE:** 212-415-6500  
**FAX:** 405 Park Avenue, 15th Fl.  
**WEB SITE:** www.americanrealtycap.com  
 New York, New York 10022

TriSun Care Center is a skilled nursing facility that was built in 2012 and opened in December 2012. At the time of closing, the census was close to 70% and expected to increase to 90% by the end of March 2014. The quality mix is currently about 24%.

ARC-Healthcare Trust is part of American Realty Capital, a diversified real estate company that sponsors several non-traded REITs. The Healthcare Trust has been aggressively purchasing senior living properties since its first acquisition in late 2012.

**ANNOUNCEMENT DATE:** November 27, 2013  
**PRICE:** \$12,250,000  
**TERMS:**

**PRICE PER UNIT:** \$102,083  
**PRICE/REVENUE:**  
**PRICE/INCOME:**

The seller was a joint venture between SunTex Ventures and a Texas developer. ARC assumed an in-place lease with TRISUN, a wholly-owned subsidiary of Harden Healthcare, located in Austin, Texas. Harden operates more than 35 properties in Texas. A 70-unit assisted living community is being developed next to this campus, which ARC may also buy. SRS Real Estate Partners represented the sellers on the transaction, which closed on November 21.

**TARGET:** 2 skilled nursing facilities

**ACQUIRER:** Private skilled nursing company

**LISTING:** Private  
**LOCATION:** Kissimmee and St. Cloud, Florida  
**UNITS:** 240 (beds)  
**REVENUE:** \$21,070,000 (2013 annualized)  
**NET INCOME:** \$3,255,000 (EBITDA annualized)

**LISTING:** Private  
**CEO:** Florida  
**PHONE:**  
**FAX:**  
**WEB SITE:**

The Palms in Kissimmee has 120 beds and was built in 1998 with 44,851 square feet. Southern Oaks in St. Cloud has 120 beds and was built in 1986 with 35,338 square feet. The combined occupancy was 94% with a 32% quality mix.

**ANNOUNCEMENT DATE:** November 29, 2013

**PRICE:** \$24,175,000

**TERMS:**

**PRICE PER UNIT:** \$100,729

**PRICE/REVENUE:** 1.15

**PRICE/INCOME:** 7.43

The revenue and EBITDA above are based on the first four months of 2013 annualized and include a 5% management fee. In 2012, revenues and EBITDA were \$20,488,000 and \$2,215,000, respectively. The Palms has had a Medicare census of 21% while Southern Oaks has been closer to 13%. Marcus & Millichap represented the seller on the transaction, which closed on November 29.

**TARGET:** 2 skilled nursing facilities

**ACQUIRER:** Out-of-state operator

**LISTING:** Private  
**LOCATION:** Texas  
**UNITS:** 230 (beds)  
**REVENUE:** \$10,203,000 (2013 annualized)  
**NET INCOME:** \$1,133,000 (EBITDA)

**LISTING:**  
**CEO:**  
**PHONE:**  
**FAX:**  
**WEB SITE:**

One skilled nursing facility is located in central Texas and has 132 beds. It was built in 1958 with additions in the 1970s, 1980s and 1990s. The second facility is in the Fort Worth area and has 98 beds, and was built in 1962 with a major renovation completed in 2008.

**ANNOUNCEMENT DATE:** November 30, 2013

**PRICE:** \$10,000,000

**TERMS:**

**PRICE PER UNIT:** \$43,478

**PRICE/REVENUE:** 0.98

**PRICE/INCOME:** 8.83

The financial data above was based on the first seven months of 2013 annualized, but the facility was undergoing some renovations at the time. Occupancy was at just 70%. Pro forma revenues and EBITDA should be \$10.482 million and \$1.442 million, respectively. Marcus & Millichap represented the seller, a small out-of-state operator, on the transaction, which closed on November 15.

**TARGET:** *LTC campus and specialty hospital*

**LISTING:** Private

**LOCATION:** Indiana and, Ohio

**UNITS:**

**REVENUE:**

**NET INCOME:**

The Ohio campus includes an assisted living facility (ALF), a skilled nursing facility (SNF) and a long-term acute care hospital (LTAC), plus the right to build a new LTAC. The fourth property is a specialty hospital in Indiana.

**ANNOUNCEMENT DATE:** December 5, 2013

**PRICE:** \$44,900,000

**TERMS:**

**ACQUIRER:** *Aviv REIT, Inc.*

**LISTING:** NYSE: AVIV

**CEO:** Craig M. Bernfield

303 West Madison

Chicago, Illinois 60606

**WEB SITE:** [www.avivam.com](http://www.avivam.com)

**PHONE:** 312-855-0930

**FAX:** 312-855-1684

Aviv REIT is a real estate investment trust that went public in March 2013. It has invested primarily in skilled nursing facilities but also has a growing portfolio of senior living assets.

**PRICE PER UNIT:**

**PRICE/REVENUE:**

**PRICE/INCOME:**

Maplewood Senior Living will lease the ALF on the Ohio campus for an initial cash yield of 8.0% for an initial term of 10 years with escalators. The SNF and LTAC on the Ohio campus will be leased to Cardinal Care Management for an initial cash yield of 9.8% for 10 years with escalators. The specialty hospital in Indiana will be leased to Physician's Hospital with an initial cash yield of 10.0% for 10 years with escalators. Only Cardinal Care is a new tenant of Aviv.

**TARGET:** *Wellbrooke of Crawfordsville*

**LISTING:** Private

**LOCATION:** Crawfordsville, Indiana

**UNITS:** 100 (beds)

**REVENUE:**

**NET INCOME:**

Wellbrooke of Crawfordsville was built recently and is leased on a triple-net lease basis to a 50-50 joint venture between Mainstreet Property Group, LLC and Life Care Services, a large Iowa-based seniors housing manager. It has 70 SNF units and 30 assisted living units.

**ANNOUNCEMENT DATE:** December 9, 2013

**PRICE:** \$16,980,000

**TERMS:** Cash plus 181,246 Class B units of MPG Healthcare LP valued at C\$9.71 per unit.

**ACQUIRER:** *HealthLease Properties REIT*

**LISTING:** TSX: HLP.UN

**CEO:** Zeke Turner

333 Bay Street, Suite 3400

Toronto, Ontario M5H 2S7

**WEB SITE:** [www.hlpreit.com](http://www.hlpreit.com)

**PHONE:** 416-361-0152

**FAX:** 416-361-0470

HealthLease Properties REIT owns a portfolio of mostly new seniors housing and care properties in Canada and the U.S. The properties are leased to experienced tenants on a triple-net lease basis.

**PRICE PER UNIT:** \$169,800

**PRICE/REVENUE:**

**PRICE/INCOME:**

This is the fourth Wellbrooke-branded facility in Indiana with a design that incorporates hotel-like amenities and concierge-based services. It was acquired under the REIT's pre-existing development agreement with Mainstreet which provides the REIT with the right to acquire any seniors housing and care properties developed by Mainstreet. The MPG units are exchangeable into REIT units on a one-to-one basis.

**TARGET:** *Arlington West Nursing & Rehab*

**LISTING:** Private  
**LOCATION:** Baltimore, Maryland  
**UNITS:** 82 (beds)  
**REVENUE:** \$8,200,000 (2012)  
**NET INCOME:** \$880,000 (EBITDA)

Arlington West is an 82-bed skilled nursing facility that was built in 2004 and has a Medicaid census close to 82% and a Medicare census of 17%. Overall occupancy was 90% in 2012 and 85% in 2013.

**ANNOUNCEMENT DATE:** December 11, 2013

**PRICE:** \$7,466,000  
**TERMS:** For the 100% value.

**ACQUIRER:** *Brinton Woods Senior Living*

**LISTING:** Private  
**CEO:** Daren Cortese  
**PHONE:** 410-560-4925  
9515 Deerco Road, Ste. 407  
**FAX:**  
Lutherville, Maryland 21093  
**WEB SITE:** www.brintonwoods.com

Brinton Woods is a privately-owned skilled nursing company with three facilities in Maryland and one in Washington, D.C.

**PRICE PER UNIT:** \$91,049  
**PRICE/REVENUE:** 0.91  
**PRICE/INCOME:** 8.48

In 2008, Brinton Woods purchased a 25% interest in Arlington West and took over management as part of the agreement. The facility was underperforming at the time and Brinton Woods was able to turn it around. Occupancy in 2013 slipped to 85%, resulting in estimated EBITDA of \$750,000 on slightly higher revenues. Brinton Woods purchased the remaining 75% interest.

**TARGET:** *Standish Village*

**LISTING:** Private  
**LOCATION:** Dorchester, Massachusetts  
**UNITS:** 85  
**REVENUE:** \$5,500,000 (estimated)  
**NET INCOME:** \$1,300,000 (estimated EBITDA)

Standish Village is an 85-unit assisted living and memory care community that is licensed for 108 beds. Occupancy was 97% in October. It is an old mill on the river that was built more than a hundred years ago and fully renovated in the mid-1990s.

**ANNOUNCEMENT DATE:** December 11, 2013

**PRICE:** \$15,550,000  
**TERMS:** Cash plus a \$10.88 million Freddie Mac loan.

**ACQUIRER:** *Sentio Healthcare Properties, Inc.*

**LISTING:** Private  
**CEO:** John Mark Ramsey  
**PHONE:** 407-999-7679  
189 S. Orange Ave., Ste. 1700  
**FAX:**  
Orlando, Florida 32801  
**WEB SITE:** sentiohealthcareproperties.com

Sentio Healthcare Properties is a public, non-traded REIT which invests exclusively in health care-related real estate. It has an affiliation with Kohlberg Kravis Roberts & Co. L.P.

**PRICE PER UNIT:** \$182,941  
**PRICE/REVENUE:** 2.83  
**PRICE/INCOME:** 11.96

This is the second acquisition Sentio has completed pursuant to its investment agreement with Kohlberg Kravis Roberts. Sentio is buying a 95% interest in the community. This acquisition was a joint venture between Sentio and the seller, Senior Living Residences, LLC, which will keep a 5% interest and continue to manage the community. Monthly rates for assisted living range from \$5,500 to \$5,700, and average \$6,750 for memory care. The transaction closed on December 6.

**TARGET:** *Whispering Pines Retirement Center*

**LISTING:** Private  
**LOCATION:** Warrenton, Missouri  
**UNITS:** 58  
**REVENUE:** \$1,000,000  
**NET INCOME:** \$350,000

Whispering Pines was originally built to assisted living specifications in 2000 but the developer never applied for a CON. It therefore operated as independent living, and went into receivership in June 2013. Occupancy was 75% at purchase.

**ANNOUNCEMENT DATE:** December 11, 2013

**PRICE:** \$4,450,000

**TERMS:**

**ACQUIRER:** *ClearPath Senior Holdings, LLC*

**LISTING:** Private  
**CEO:** 337 W. Lockwood Avenue  
St. Louis, Missouri 63119  
**PHONE:** 314-918-9600  
**FAX:**  
**WEB SITE:**

ClearPath Senior Holdings is a newly formed company that will invest in and develop senior living communities in Missouri. This is the company's first acquisition, and it has a few developments in the early stages, also in Missouri.

**PRICE PER UNIT:** \$76,724

**PRICE/REVENUE:** 4.45

**PRICE/INCOME:** 12.71

Year to date revenues and EBITDA annualized for 2013 were approximately \$1.0 million and \$350,000, respectively. In the first year of new ownership, based on improving occupancy to 90%, EBITDA is expected to increase to \$525,000. Current rents average between \$1,750 and \$2,400 per month, but the buyer may apply for an assisted living CON and if successful, the unit rents would increase by about \$1,000 per month. Missouri-based Provision Senior Living will be the manager. The acquisition closed on October 31.

**TARGET:** *Walnut Manor and Homestead*

**LISTING:** Private  
**LOCATION:** Walnut, Illinois  
**UNITS:** 70 (beds)  
**REVENUE:** \$2,722,000  
**NET INCOME:** \$35,100 (EBITDA)

This little campus includes a 62-bed skilled nursing facility called Walnut Manor, which was built in 1977 with 18,350 square feet (93% occupancy), and Homestead, an eight-unit independent living building built in 1998 with 7,500 square feet (63% occupancy).

**ANNOUNCEMENT DATE:** December 16, 2013

**PRICE:** \$1,412,450

**TERMS:** Sale of stock.

**ACQUIRER:** *Heritage Enterprises Inc.*

**LISTING:** Private  
**CEO:** Steve Wannemacher  
115 W. Jefferson St., Ste. 401  
Bloomington, Illinois 61701  
**PHONE:** 309-828-4361  
**FAX:** 309-829-5477  
**WEB SITE:** [www.heritageofcare.com](http://www.heritageofcare.com)

Heritage Enterprises was founded in 1963 and now operates a portfolio of skilled nursing facilities (Heritage Health) and assisted living facilities (Evergreen Senior Living). It also operates a pharmacy business (Greentree Pharmacy).

**PRICE PER UNIT:** \$20,178

**PRICE/REVENUE:** 0.52

**PRICE/INCOME:** 40.24

Walnut is a rural community, but the facility was known for having a very stable staff. The transaction was a stock sale, and since Heritage Enterprises had been managing the campus for many years, management knew the risks and any potential liability was quantifiable. The seller was a group of 26 stockholders from the local community. Senior Living Investment Brokerage handled the transaction, which closed on December 16.

**TARGET:** *Willow Pointe Assisted Living*

**LISTING:** Private  
**LOCATION:** Verona, Wisconsin  
**UNITS:** 68  
**REVENUE:**  
**NET INCOME:**

Willow Pointe is a 68-unit assisted living community that has 48 assisted living units and 20 memory care units.

**ANNOUNCEMENT DATE:** December 16, 2013

**PRICE:** \$12,000,000

**TERMS:**

**ACQUIRER:** *Senior Housing Properties Trust*

**LISTING:** NYSE: SNH  
**CEO:** David J. Hegarty  
255 Washington Street  
Newton, Massachusetts 02458  
**PHONE:** 617-796-8350  
**FAX:** 617-796-8349  
**WEB SITE:** www.snhreit.com

Senior Housing Properties Trust is a REIT that owns more than 380 properties in 40 states. It has a stock market capitalization in excess of \$4.0 billion.

**PRICE PER UNIT:** \$176,471

**PRICE/REVENUE:**

**PRICE/INCOME:**

Senior Housing Properties Trust will lease the community to Five Star Quality Care. Senior Care Realty represented the seller in the transaction, which closed in early December.

**TARGET:** *MorningStar at Dayton Place*

**LISTING:** Private  
**LOCATION:** Aurora, Colorado  
**UNITS:** 238  
**REVENUE:**  
**NET INCOME:**

MorningStar at Dayton was built in 1987, added 41 cottages in 2009 and underwent a \$1.0 million renovation in 2010. It has independent living, assisted living and memory care units, and in early December, occupancy was 84.5%.

**ANNOUNCEMENT DATE:** December 19, 2013

**PRICE:** \$29,900,000

**TERMS:** Sale/Leaseback

**ACQUIRER:** *CNL Lifestyle Properties, Inc.*

**LISTING:** Private  
**CEO:** Stephen H. Maudlin  
450 South Orange Avenue  
Orlando, Florida 32801  
**PHONE:** 407-540-7500  
**FAX:** 407-540-2544  
**WEB SITE:** www.cnllifestylereit.com

CNL Lifestyle Properties is a non-traded REIT that owns a portfolio of 139 properties in the U.S. and Canada in the lifestyle sectors, including ski resorts, golf courses, marinas and seniors housing, among others.

**PRICE PER UNIT:** \$125,630

**PRICE/REVENUE:**

**PRICE/INCOME:**

Aurora is a suburb located about 12 miles to the southeast of Denver and is the third most populous city in the state. MorningStar Senior Living will continue to manage the property, and they have 21 properties with 2,552 units under management or development in six states, including six other seniors housing communities in the Denver area. The transaction closed in mid-December.



**TARGET:** *Windsor Place*

**ACQUIRER:** *Private Partnership*

**LISTING:** Private  
**LOCATION:** Naples, Florida  
**UNITS:** 50  
**REVENUE:** \$2,071,000  
**NET INCOME:** \$207,000 (EBITDA)

**LISTING:** Private  
**CEO:** **PHONE:**  
**FAX:**  
Memphis, Tennessee  
**WEB SITE:**

Windsor Place is a 50-unit assisted living community with 35,707 square feet that was built in 1997. Occupancy was just 80%, but the community had a higher-than-average acuity level among its residents.

This is the first assisted living acquisition completed by the Memphis-based partnership.

**ANNOUNCEMENT DATE:** December 20, 2013

**PRICE:** \$5,600,000  
**TERMS:** Cash plus the assumption of a \$3.3 million HUD loan.

**PRICE PER UNIT:** \$112,000  
**PRICE/REVENUE:** 2.70  
**PRICE/INCOME:** 27.05

The buyer has hired Florida-based Superior Residences to manage the property, and with that local presence, it is expected that the census will be increased. Senior Living Investment Brokerage handled the transaction, which closed on December 20.

**TARGET:** *Park Place*

**ACQUIRER:** *Meridian Senior Living*

**LISTING:** Private  
**LOCATION:** Spartanburg, South Carolina  
**UNITS:** 87  
**REVENUE:** \$1,811,000 (approx. 2013)  
**NET INCOME:** \$515,000 (approx. EBITDA)

**LISTING:** Private  
**CEO:** Charles Trafzger **PHONE:** 828-322-5535  
PO Box 2568 **FAX:**  
Hickory, North Carolina 28603  
**WEB SITE:** www.meridiansenior.com

Park Place is an 87-unit assisted living community licensed for 99 beds that was built in 1999. Occupancy has suffered and was below 60% at the time of sale. Average rents were \$2,400 per month.

Meridian Senior Living operates more than 80 seniors housing and care facilities in 12 states. The highest concentrations are in North Carolina (42) and Illinois (13).

**ANNOUNCEMENT DATE:** December 24, 2013

**PRICE:** \$8,250,000  
**TERMS:**

**PRICE PER UNIT:** \$94,828  
**PRICE/REVENUE:** 4.56  
**PRICE/INCOME:** 16.02

Park Place was sold to Sunwest Management in 2006, and when Sunwest started its downward spiral, the lender took title, hired a third party manager and eventually sold it in 2010 to a private investor. The property needs better marketing, and with Meridian well positioned in the Carolinas, the buyer should be able to drive the census up. Marcus & Millichap represented the seller, and the transaction closed on December 24.

**TARGET:** *4 assisted living communities*  
**LISTING:** Private  
**LOCATION:** Indiana and, South Carolina  
**UNITS:** 388  
**REVENUE:** \$14,700,000 (in-place)  
**NET INCOME:** \$5,800,000 (estimated EBITDA)

Three of these communities are in Indiana and were sold by one seller, while the fourth is in South Carolina and was sold by a different seller. There are 257 assisted living units, 83 memory care units and 48 independent living units. Occupancy is above 95%.

**ANNOUNCEMENT DATE:** December 26, 2013  
**PRICE:** \$64,900,000  
**TERMS:** Cash plus \$49.3 million of debt.

**ACQUIRER:** *Capital Senior Living Corporation*  
**LISTING:** NYSE: CSU  
**CEO:** Lawrence A. Cohen **PHONE:** 972-770-5600  
14160 Dallas Parkway, Ste. 300 **FAX:** 972-770-5666  
Dallas, Texas 75254  
**WEB SITE:** www.capitalsenior.com

Capital Senior Living operates more than 110 senior living communities in 23 states with a capacity for approximately 14,600 residents.

**PRICE PER UNIT:** \$167,268  
**PRICE/REVENUE:** 4.41  
**PRICE/INCOME:** 11.19

Average monthly rents are approximately \$3,100 and the incremental cash from facility operations that this acquisition is expected to produce is approximately \$2.3 million after debt service. The acquisition will also be accretive by \$0.03 per share. The deal was financed with \$49.3 million of 10-year fixed rate non-recourse debt with an interest rate of 5.56%. This was an off-market acquisition.

**TARGET:** *Pinebrook Retirement Living*  
**LISTING:** NYSE: WFC  
**LOCATION:** Milford, Ohio  
**UNITS:** 125  
**REVENUE:** \$4,200,000 (2015)  
**NET INCOME:** \$1,650,000 (pro forma EBITDA)

Pinebrook is located just outside Cincinnati. The 125-unit independent living community was built in 2008 by a local commercial and residential developer. Occupancy is below 70%, with in-place revenues and EBITDA of \$2.7 million and \$550,000, respectively.

**ANNOUNCEMENT DATE:** December 27, 2013  
**PRICE:** \$15,600,000  
**TERMS:** In three years, revenues and EBITDA could be \$5.4 million and \$1.9 million, respectively.

**ACQUIRER:** *NorthStar Healthcare Income, Inc.*  
**LISTING:** NYSE: NRF  
**CEO:** David Hamamoto **PHONE:** 212-547-2600  
399 Park Avenue, 18th Floor **FAX:** 212-547-2700  
New York, New York 10022  
**WEB SITE:** www.nrfc.com

The buyer is a REIT and is part of NorthStar Realty Finance Corp., a commercial real estate investment and asset management company. It focuses on senior and subordinate debt investments secured primarily by commercial, multifamily, and healthcare property.

**PRICE PER UNIT:** \$124,800  
**PRICE/REVENUE:** 3.71  
**PRICE/INCOME:** 9.45

This community opened at the beginning of the Great Recession and has not performed as expected. The three-story building has six studios with average rents of \$2,000, 70 one-bedrooms with rents between \$2,100 and \$2,800, and 49 two-bedrooms with rents between \$3,400 and \$4,100. Marcus & Millichap represented the seller, which sold the loan, and the transaction closed on December 27. Watermark Retirement Communities will manage the community.

**TARGET:** *Towne Club at Peachtree*

**ACQUIRER:** *Capitol Seniors Housing*

**LISTING:** Private

**LISTING:** Private

**LOCATION:** Peachtree City, Georgia

**CEO:** Scott Stewart

**PHONE:** 202-585-1454

**UNITS:** 153

975 F Street, N.W., 9th Fl.

**FAX:**

**REVENUE:** \$5,613,000 (2013)

Washington, D.C. 20004

**NET INCOME:** \$1,490,000 (EBITDA)

**WEB SITE:** www.capitol seniorshousing.com

This primarily independent living community was built in 2008 with 145 IL units, but in 2012, 26 of these units were converted to 34 personal care units. Seven more were converted in 2013. Overall occupancy is now 93%, with 112 IL units and 41 PC units.

Capitol Seniors Housing and its joint venture partner, Harvard Management Company, own seniors housing communities and hire third party managers to operate them.

**ANNOUNCEMENT DATE:** December 27, 2013

**PRICE:** \$33,000,000

**PRICE PER UNIT:** \$215,686

**TERMS:** Cash plus a \$20.7 million Freddie Mac loan.

**PRICE/REVENUE:** 5.88

**PRICE/INCOME:** 22.15

This is a large building with about 204,000 square feet on three floors. The IL units range in size from 672 SF to 1,488 SF with an average of 918 SF. The personal care units range from 350 SF to 1,075 SF. The IL portion is 90% occupied, while the personal care is 100% with a waiting list. There are plans to convert an additional 20 units to personal care. When completed, revenues should be about \$6.8 million with EBITDA of \$2.5 million. The Arbor Company will manage it for the buyer. Marcus & Millichap represented the seller.

**TARGET:** *2 skilled nursing facilities*

**ACQUIRER:** *New York investor*

**LISTING:** Private

**LISTING:** Private

**LOCATION:** Cohasset and Lexington, Massachusetts

**CEO:**

**PHONE:**

**UNITS:** 224 (beds)

**REVENUE:** \$17,400,000 (pro forma)

New York

**FAX:**

**NET INCOME:** \$1,500,000 (pro forma EBITDA)

**WEB SITE:**

These skilled nursing facilities were older and underperforming. Golden Living Cohasset has 72 beds, occupancy of 74% and a quality mix of 26%. Golden Living Lexington was built in 1970 and renovated in 2005, has 152 beds, occupancy of 87% and a 14% quality mix.

A private New York investor completed this acquisition. A private company based in New Jersey with facilities in Ohio, Pennsylvania, Massachusetts and New Jersey, was hired to manage the facility.

**ANNOUNCEMENT DATE:** December 31, 2013

**PRICE:** \$13,850,000

**PRICE PER UNIT:** \$61,830

**TERMS:**

**PRICE/REVENUE:** 0.80

**PRICE/INCOME:** 9.23

Combined revenues for the two facilities in 2012 were \$16,050,000 and they were operating at a combined loss in excess of \$1,000,000. Under new management, the operations should be able to improve to at least the pro forma numbers above. Marcus & Millichap represented the seller in the transaction, which closed on December 31.

**TARGET:** *Assisted living facility*

**ACQUIRER:** *Summit Healthcare REIT, Inc.*

**LISTING:** Nonprofit  
**LOCATION:** Redding, California  
**UNITS:** 40  
**REVENUE:** \$2,200,000 (pro forma)  
**NET INCOME:** \$430,000 (pro forma EBITDA)

**LISTING:** Private  
**CEO:** Kent Eikanas  
**PHONE:** 800-705-1247  
1920 Main Street, Ste. 400  
**FAX:**  
Irvine, California 92614  
**WEB SITE:** www.shreit.com

The assisted living facility was built in 1992 and has 26,000 square feet. Occupancy has been at 100%, and there are about six semi-private units. Average rates are \$4,200 per month and a 3% increase is going into effect on February 1.

Formerly known as Cornerstone Core Properties REIT, Summit Healthcare is a publicly registered non-traded REIT focused on investing in seniors housing real estate. Currently, its portfolio includes interests in 12 long-term triple-net leased healthcare fa

**ANNOUNCEMENT DATE:** December 31, 2013

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

**TERMS:**

**PRICE PER UNIT:** \$87,500

**PRICE/REVENUE:** 1.59

**PRICE/INCOME:** 8.14

Summit Healthcare has leased the property to an affiliate of Compass Senior Living, LLC pursuant to a 10-year lease with an initial yield of 8.5%. The building is in very good condition with a new roof. Currently, the facility is 100% assisted living with no memory care units. The acquisition closed on December 18.

**TARGET:** *Coulterville Care Center*

**ACQUIRER:** *The Tutera Group*

**LISTING:** Private  
**LOCATION:** Coulterville, Illinois  
**UNITS:** 75 (beds)  
**REVENUE:** \$5,192,000 (in-place)  
**NET INCOME:** \$665,000 (EBITDA)

**LISTING:** Private  
**CEO:**  
**PHONE:** 816-444-0900  
7611 State Line Rd., Ste. 301  
**FAX:** 816-822-0081  
Kansas City, Missouri 64114  
**WEB SITE:** www.tutera.com

Coulterville Care Center is a licensed 75-bed skilled nursing facility that was built in 1999 and is located about 50 miles southeast of St. Louis, Missouri. Occupancy is about 91%. There are 28,606 square feet.

The Tutera Group is a diversified health care and senior living company providing development and management services to the seniors housing and care industry.

**ANNOUNCEMENT DATE:** December 31, 2013

**PRICE:** \$4,300,000

**TERMS:**

**PRICE PER UNIT:** \$57,333

**PRICE/REVENUE:** 0.83

**PRICE/INCOME:** 6.47

This is a relatively new skilled nursing facility for Illinois, but still had a low Medicaid rate of \$101 per day. The seller received three strong offers within 10 days of marketing, and the final price was high for southern Illinois but reflected the strong census and the young age of the building. Senior Living Investment Brokerage handled the transaction, which closed on December 31.

**TARGET:** *Golden Living Center*

**ACQUIRER:** *New York investor*

**LISTING:** Private  
**LOCATION:** Oakmont, Pennsylvania  
**UNITS:** 85 (beds)  
**REVENUE:** \$7,600,000 (pro forma)  
**NET INCOME:** \$700,000 (pro forma EBITDA)

**LISTING:** Private  
**CEO:**  
**PHONE:**  
**FAX:**  
New York  
**WEB SITE:**

Golden Living of Oakmont is an 85-bed skilled nursing facility that was built in 1952 and renovated in 1992. It is located about 13 miles northeast of Pittsburgh. There are 39,124 square feet, and occupancy has been 87% with a 33% quality mix.

A private New York investor completed this acquisition. A private company based in New Jersey with facilities in Ohio, Pennsylvania, Massachusetts and New Jersey, was hired to manage the facility.

**ANNOUNCEMENT DATE:** December 31, 2013

**PRICE:** \$5,950,000

**TERMS:**

**PRICE PER UNIT:** \$70,000

**PRICE/REVENUE:** 0.78

**PRICE/INCOME:** 8.50

For some reason, this facility's Medicare rates were much lower than average (\$285 versus \$415) in the market, which may have caused the existing financial performance to be below norms. Annualized 2013 revenues were \$7.2 million and it was operating at just above breakeven after a 5% management fee. With a more local management and a slight increase in occupancy, it should be performing better with the current 33% quality mix. Marcus & Millichap represented the seller in the transaction, which closed on December 31.

**TARGET:** *Heather Ridge Commons*

**ACQUIRER:** *Local doctor*

**LISTING:** Private  
**LOCATION:** North Canton, Ohio  
**UNITS:** 98  
**REVENUE:** \$2,625,000  
**NET INCOME:** \$200,000 (EBITDA)

**LISTING:** Private  
**CEO:**  
**PHONE:**  
**FAX:**  
Akron, Ohio  
**WEB SITE:**

Heather Ridge is a 98-unit assisted living and adult senior living community in eight detached buildings on 4.06 acres. The buildings were constructed in 1995 and total 41,200 square feet. Occupancy is 83%.

The buyer is a local doctor from the Akron/Canton area and has hired a third party manager.

**ANNOUNCEMENT DATE:** December 31, 2013

**PRICE:** \$1,800,000

**TERMS:**

**PRICE PER UNIT:** \$18,367

**PRICE/REVENUE:** 0.69

**PRICE/INCOME:** 9.00

There are 24 independent living units at rates from \$1,917 to \$2,150 per month, 50 assisted living units from \$2,957 to \$4,158 per month, and 24 Alzheimer's units from \$3,681 to \$6,600 per month. This is much more of a home-like setting with residential style kitchens, and about 49% of the total square feet is used for common areas. Marcus & Millichap represented the seller, a court-appointed receiver, in this transaction, which closed on December 18.

**TARGET:** *Highland Center*

**ACQUIRER:** *Care Rite Centers*

**LISTING:** Nonprofit  
**LOCATION:** Brackenridge, Pennsylvania  
**UNITS:** 97 (beds)  
**REVENUE:** \$7,962,000  
**NET INCOME:** \$204,000 (EBITDA)

**LISTING:** Private  
**CEO:** Jay Eisenstadt  
1035 East 27th Street  
Brooklyn, New York 11210  
**PHONE:**  
**FAX:**  
**WEB SITE:**

Highland Center is a 97-bed skilled nursing facility that was built in 1967 and 1972 on 0.69 acres with about 24,000 square feet. The overall census was 90%, with 66% Medicaid, 14% Medicare, 16% insurance and 4% private pay.

Care Rite Centers is a regional owner/operator and has other properties in Pennsylvania.

**ANNOUNCEMENT DATE:** December 31, 2013  
**PRICE:** \$4,750,000  
**TERMS:**

**PRICE PER UNIT:** \$48,969  
**PRICE/REVENUE:** 0.60  
**PRICE/INCOME:** 23.28

The not-for-profit seller, Hoosier Care, Inc., had a third party manager in the building and it is possible that with new ownership there will be more of an incentive to increase the cash flow and the quality census. Senior Living Investment Brokerage handled the transaction, which closed on December 31.

**TARGET:** *Regency Rehab & Skilled Nursing*

**ACQUIRER:** *Covington Health Group, LLC*

**LISTING:** Private  
**LOCATION:** Council Bluffs, Iowa  
**UNITS:** 130 (beds)  
**REVENUE:**  
**NET INCOME:**

**LISTING:** Private  
**CEO:** Ted McMullan  
1175 Peachtree St., Ste. 1230  
Atlanta, Georgia 30361  
**PHONE:** 404-873-3434  
**FAX:**  
**WEB SITE:**

Regency is a 130-bed skilled nursing facility that was first built in 1972, with a 40-room wing added in 1986 and a major renovation in 2007. Occupancy had been at 72%, with a quality mix of 30%.

Covington owns and operates skilled nursing facilities and other health care facilities in various states.

**ANNOUNCEMENT DATE:** December 31, 2013  
**PRICE:** \$2,500,000  
**TERMS:**

**PRICE PER UNIT:** \$19,231  
**PRICE/REVENUE:**  
**PRICE/INCOME:**

Council Bluffs is located across the border from Omaha, Nebraska. The facility is located near two hospitals on 5.52 acres. At one time, revenues and EBITDA were \$6.5 million and \$540,000, respectively, but cash flow was negative at the time of the sale. The facility had some difficult times and spent a year on the federal Special Focus list. Covington has been successful in the past turning around properties. Marcus & Millichap represented the seller in the transaction, which closed on December 31.

**TARGET:** *Woodview Healthcare*

**ACQUIRER:** *FNR Healthcare*

**LISTING:** Private

**LISTING:** Private

**LOCATION:** Fort Wayne, Indiana

**CEO:** Zvi Feiner

**PHONE:** 847-568-9690

**UNITS:** 128 (beds)

8170 N. McCormick Blvd.

**FAX:** 847-568-9696

**REVENUE:** \$9,178,000

Skokie, Illinois 60076

**NET INCOME:** \$1,837,000 (EBITDA)

**WEB SITE:** www.fnrhealthcare.com

Woodview is a 128-bed skilled nursing facility, and although built in the 1970s, capital has continually been invested and it is very high quality. The private pay census is 43% and the Medicare census is 37%, both well above industry averages. The census was 84%.

FNR Healthcare, and its affiliate Feiner Investment Corporation, invest in skilled nursing facilities, office buildings, industrial properties and other health care real estate.

**ANNOUNCEMENT DATE:** December 31, 2013

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

**PRICE PER UNIT:** \$101,563

**TERMS:**

**PRICE/REVENUE:** 1.42

**PRICE/INCOME:** 7.08

The seller was an assisted living operator and he was also selling his assisted living properties, one of which was adjacent to this SNF. The facility has a new 1,500 square foot therapy gym. The 84% occupancy can be increased by taking more Medicaid patients, which the seller was hesitant to do. Senior Living Investment Brokerage handled the transaction, which closed on December 31.





# **MANAGED CARE**



FOURTH QUARTER 2013 MANAGED CARE TRANSACTIONS							
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TARGET	CITY	STATE	ACQUIRER	CITY	STATE	DATE	PRICE
HFN, Inc.	Oak Brook	Illinois	Stratose	Atlanta	Georgia	October 3, 2013	
Lovelace Health Plan	Albuquerque	New Mexico	Health Care Service Corporation	Chicago	Illinois	November 11, 2013	
InterGlobal	Farnham	England	Aetna Inc.	Hartford	Connecticut	November 25, 2013	
Fidelis SecureCare of Michigan, Inc.	Schaumburg	Illinois	Centene Corporation	St. Louis	Missouri	December 18, 2013	



**TARGET:** *HFN, Inc.*

**ACQUIRER:** *Stratose*

**LISTING:** Private  
**LOCATION:** Oak Brook, Illinois  
**UNITS:**

**LISTING:** Private  
**CEO:** Scott Smith  
Two Concourse Parkway,  
Ste 300  
Atlanta, Georgia 30328  
**PHONE:** 404-459-7201  
**FAX:** 404-459-6645  
**WEB SITE:** www.stratose.com

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

HFN, Inc. offers comprehensive healthcare management services, workers' comp return-to-work and group health programs, and claims negotiation services. It is the largest independently owned PPO network in Illinois, serving northwestern Indiana, eastern Iowa and Wisconsin.

Stratose provides healthcare cost containment solutions with proprietary technology and a suite of products and services to deliver discounts on medical, dental and workers' compensation billions.

**ANNOUNCEMENT DATE:** October 3, 2013  
**PRICE:** Not disclosed  
**TERMS:**

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

This acquisition is Stratose's first in 2013, following three strategic acquisitions in 2011 that expanded its footprint in East Coast markets, established a presence in the dental market and broadened its capabilities in claims negotiations. This acquisition was completed on October 3, 2013.

**TARGET:** *Lovelace Health Plan*

**ACQUIRER:** *Health Care Service Corporation*

**LISTING:** Private  
**LOCATION:** Albuquerque, New Mexico  
**UNITS:** 110000 (members)  
**REVENUE:**  
**NET INCOME:**

**LISTING:** Private  
**CEO:** Patricia A. Hemingway-Hall  
300 East Randolph Street  
Chicago, Illinois 60601-5099  
**PHONE:** 312-653-6000  
**FAX:** 312-938-4209  
**WEB SITE:** www.hcsc.com

This acquisition of Lovelace Health Plan includes its Medicare Advantage and commercial lines of business, but does not include Lovelace's hospitals or clinics.

An Illinois mutual legal reserve company, HCSC is the country's largest customer-owned health insurer, with more than 13 million members in its Blue Cross and Blue Shield Plans in Illinois, New Mexico, Oklahoma, and Texas.

**ANNOUNCEMENT DATE:** November 11, 2013  
**PRICE:** Not disclosed  
**TERMS:**

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

Lovelace Health System made the strategic decision to focus on growing its primary, specialty and acute care services. BCBSNM further extends its commitment to delivering products and services to the people of New Mexico. Lovelace and BCBS have a long history of working together which should simplify the transition for plan members once the transaction is finalized. The transaction is expected to close approximately December 31, 2013.

**TARGET:** *InterGlobal*

**LISTING:** Private  
**LOCATION:** Farnham, England  
**UNITS:**  
**REVENUE:**  
**NET INCOME:**

Alchemy Partners, a private equity group, is selling InterGlobal. The company has more than 65,000 medical members worldwide and specializes in international private medical insurance for groups and individuals in the Middle East, Asia, Africa and Europe.

**ANNOUNCEMENT DATE:** November 25, 2013  
**PRICE:** Not disclosed  
**TERMS:**

**ACQUIRER:** *Aetna Inc.*

**LISTING:** NYSE: AET  
**CEO:** Mark T. Bertolini  
151 Farmington Avenue  
Hartford, Connecticut 06156  
**PHONE:** 860-273-0123  
**FAX:** 860-275-2677  
**WEB SITE:** www.aetna.com

Aetna is one of the largest health insurance companies, serving approximately 44 million customers. Its products include medical, pharmacy, dental, behavioral health, group life and disability plans.

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

Aetna expects to finance the acquisition from available resources. The transaction is expected to close during the first half of 2014 and be neutral to Aetna's financial results in 2014.

**TARGET:** *Fidelis SecureCare of Michigan, Inc.*

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

Fidelis SecureCare of Michigan, a subsidiary of Fidelis SeniorCare, Inc., provides expert clinical care and coordination services to dual-eligible beneficiaries through its SecureHome clinics.

**ANNOUNCEMENT DATE:** December 18, 2013  
**PRICE:** Not disclosed  
**TERMS:** For a majority stake, Centene will pay cash purchase price payments contingent on the performance of the plan over the course of 2015.

**ACQUIRER:** *Centene Corporation*

**LISTING:** NYSE: CNC  
**CEO:** Don Howard  
7700 Forsyth Blvd.  
St. Louis, Missouri 63105  
**PHONE:** (314) 725-4477  
**FAX:**  
**WEB SITE:** www.centene.com

Centene is a multi-line healthcare enterprise providing programs and services to the rising number of under-insured and uninsured individuals. Its CeltiCare division offers states exchange-based and other coverage solutions for low-income populations.

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

Under the arrangement, Centene and Fidelis will own and operate the Fidelis SecureCare Michigan health plan. Fidelis' affiliated SecureHome clinics in Detroit are not part of the acquisition. The transaction is expected to close in the fourth quarter of 2014.

# **MEDICAL DEVICES**





**FOURTH QUARTER 2013 MEDICAL DEVICE TRANSACTIONS**

TARGET	CITY	STATE	ACQUIRER	CITY	STATE	DATE	PRICE
Microlaparoscopy technology	M.P. Misgav	Israel	Teleflex Incorporated	Limerick	Pennsylvania	October 1, 2013	
Pipeline Biomedical	Cedar Knolls	New Jersey	MAKO Surgical Corp.	Ft. Lauderdale	Florida	October 2, 2013	\$6,450,000
Assets of Radial Assist	Roswell	Georgia	Merit Medical Systems, Inc.	South Jordan	Utah	October 7, 2013	\$2,500,000
Lanx, Inc.	Broomfield	Colorado	Biomet, Inc.	Warsaw	Indiana	October 7, 2013	
UroMed Technology, Inc.	San Ramon	California	Laborie Medical Technologies, Inc.	Missassauga	Ontario	October 8, 2013	
Nanostim, Inc.	Milpitas	California	St. Jude Medical, Inc.	St. Paul	Minnesota	October 14, 2013	\$123,500,000
Orthoplastics, Ltd.	Bacup	England	MedPlast Inc.	Tempe	Arizona	October 14, 2013	
Biotech International	Provence	France	Wright Medical Group, Inc.	Arlington	Tennessee	October 16, 2013	\$75,000,000
Confluent Surgical product lines	Mansfield	Massachusetts	Integra LifeSciences Holdings Corp.	Plainsboro	New Jersey	October 28, 2013	\$235,000,000
Fast Forward Medical	Plymouth	Minnesota	Vention Medical	Marlborough	Massachusetts	October 29, 2013	
Obesity intervention division	Irvine	California	Apollo Endosurgery, Inc.	Austin	Texas	October 29, 2013	\$90,000,000
Vidacare Corporation	Shavano Park	Texas	Teleflex Incorporated	Limerick	Pennsylvania	October 29, 2013	\$262,500,000
Wassenburg Medical Devices B.V.	Dodewaard	Netherlands	Pentax Medical	Montvale	New Jersey	October 31, 2013	
GADA Turkey	Istanbul	Turkey	Terumo Corporation	Lakewood	Colorado	November 4, 2013	
Jet Prep Ltd.	Herzliya	Israel	Cantel Medical Corp.	Little Falls	New Jersey	November 6, 2013	
Anteis S.A.	Geneva	Switzerland	Merz Pharma Group	Frankfurt am Main	Germany	November 11, 2013	
U.S. rights to Schwind Amaris laser system	Kleinostheim	Germany	ALPHAEON Corporation	Newport Beach	California	November 13, 2013	
Vital Signs division of GE Healthcare	Totowa	New Jersey	CareFusion Corp.	San Diego	California	November 18, 2013	\$500,000,000
QHR and assets of Triodent	Katikati	New Zealand	DENTSPLY International, Inc.	York	Pennsylvania	November 22, 2013	
BioHorizons, Inc.	Birmingham	Alabama	Henry Schein, Inc.	Melville	New York	November 26, 2013	
CircuLite, Inc.	Teaneck	New Jersey	HeartWare International, Inc.	Framingham	Massachusetts	December 3, 2013	\$30,000,000
Rights to Lap Pak	Columbia	Maryland	The OR Company	Tacoma	Washington	December 3, 2013	
Pulsion Medical Systems SE	Feldkirchen	Germany	Getinge Group	Stockholm	Sweden	December 4, 2013	\$188,375,000
Given Imaging Ltd.	Duluth	Georgia	Covidien plc	Mansfield	Massachusetts	December 8, 2013	\$860,000,000
Solta Medical	Hayward	California	Valeant Pharmaceuticals International, Inc.	Montreal	Quebec	December 16, 2013	\$250,000,000
Rights to BD Uniject SCF	Franklin Lakes	New Jersey	Biodel Inc.	Danbury	Connecticut	December 17, 2013	
Estech	San Ramon	California	AtriCure, Inc.	West Chester	Ohio	December 19, 2013	\$34,000,000
A1CNow family of products	Whippany	New Jersey	Polymer Technology Systems, Inc.	Indianapolis	Indiana	December 23, 2013	
Navigator Gamma Medical Probe	Watertown	Massachusetts	Dilon Technologies, Inc.	Newport News	Virginia	December 24, 2013	\$2,750,000
Patient Safety Technologies, Inc.	Irvine	California	Stryker Corporation	Kalamazoo	Michigan	December 31, 2013	\$120,000,000



**TARGET:** *Microlaparoscopy technology*

**LISTING:** Private  
**LOCATION:** M.P. Misgav, Israel  
**UNITS:**  
**REVENUE:**  
**NET INCOME:**

InnoLap Surgical, a portfolio company of The Trendlines Group, is selling its microlaparoscopy technology. The technology is used to reduce incision diameter, nearly eliminating the need for stitches during laparoscopic surgeries.

**ANNOUNCEMENT DATE:** October 1, 2013  
**PRICE:** Not disclosed  
**TERMS:**

**ACQUIRER:** *Teleflex Incorporated*

**LISTING:** NYSE: TFX  
**CEO:** Benson F. Smith  
155 South Limerick Road  
Limerick, Pennsylvania 19468  
**PHONE:** 610-948-5100  
**FAX:** 610-948-5101  
**WEB SITE:** www.teleflex.com

Teleflex provides medical technology products worldwide, including catheter-based products used in various clinical procedures, airway management products comprising endotracheal tubes, oral and nasal airways, laryngoscopes, face and laryngeal masks, and anesthesia circuits.

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

Teleflex was identified as a partner early on because of its interest and strategic activity in the field of laparoscopic surgeries. This acquisition closed on October 1, 2013.

**TARGET:** *Pipeline Biomedical*

**LISTING:** Private  
**LOCATION:** Cedar Knolls, New Jersey  
**UNITS:**  
**REVENUE:**  
**NET INCOME:**

Pipeline Biomedical designs or acquires unique medical products and technologies, develops them into innovative products, and brings them to market.

**ANNOUNCEMENT DATE:** October 2, 2013  
**PRICE:** \$6,450,000 (approximate)  
**TERMS:** \$2.5 million in cash already paid plus 3,953,771 unregistered shares.

**ACQUIRER:** *MAKO Surgical Corp.*

**LISTING:** NASDAQ: MAKO  
**CEO:** Maurice R. Ferré  
2555 Davie Road  
Ft. Lauderdale, Florida 33317  
**PHONE:** 866-647-6256  
**FAX:** 954-927-0446  
**WEB SITE:** www.makosurgical.com

MAKO Surgical Corp. will acquire substantially all of Pipeline's orthopedic devices and related instruments for use with both robotic devices and manual medical procedures. It is in the process of being taken over by Stryker Corp. (NYSE: SYK).

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

Since 2010, Pipeline has been MAKO's partner in developing and supplying advanced implant technologies for use with MAKO's RIO Robotic-Arm Interactive Orthopedica system. The deal closed on October 8, 2013.

**TARGET:** *Assets of Radial Assist*

**ACQUIRER:** *Merit Medical Systems, Inc.*

**LISTING:** Private  
**LOCATION:** Roswell, Georgia  
**UNITS:**  
**REVENUE:**  
**NET INCOME:**

**LISTING:** NASDAQ: MMSI  
**CEO:** Fred Lampropoulos  
**PHONE:** 1-801-253-1600  
1600 West Merit Parkway  
**FAX:** 1-801-253-165  
South Jordan, Utah 84095  
**WEB SITE:** www.merit.com

Radial Assist is selling assets which include the RAD BOARD, a product designed to provide a larger work space for physicians and an area for patients to rest their arms during radial procedures.

Merit Medical develops, manufactures and distributes proprietary disposable medical accessories for use in interventional and diagnostic procedures. On a trailing 12-month basis, MMSI generated revenue of \$383 million, EBITDA of \$58 million and net income of \$24 million.

**ANNOUNCEMENT DATE:** October 7, 2013

**PRICE:** \$2,500,000

**TERMS:** Financing for the \$2.5 million was provided by Wells Fargo Bank with an expansion of Merit's existing credit facility.

**PRICE PER UNIT:**

**PRICE/REVENUE:**

**PRICE/INCOME:**

The products will assist Merit Medical Systems in its effort to provide a complete offering for radial artery access procedures. They provide the necessary procedure set-up and enhance patient comfort.

**TARGET:** *Lanx, Inc.*

**ACQUIRER:** *Biomet, Inc.*

**LISTING:** Private  
**LOCATION:** Broomfield, Colorado  
**UNITS:**  
**REVENUE:**  
**NET INCOME:**

**LISTING:** Private  
**CEO:** Jeff Binder  
**PHONE:** 574-267-6639  
56 East Bell Drive  
**FAX:** 574-267-8137  
Warsaw, Indiana 46581  
**WEB SITE:** www.biomet.com

Lanx, Inc. is a full service spine company and a leader in minimally invasive techniques and technologies.

Backed by private equity, Biomet is involved with products used primarily by musculoskeletal medical specialists in surgical and nonsurgical therapy. It generates annual revenue of \$2.5 billion.

**ANNOUNCEMENT DATE:** October 7, 2013

**PRICE:** Not disclosed

**TERMS:**

**PRICE PER UNIT:**

**PRICE/REVENUE:**

**PRICE/INCOME:**

This acquisition will expand Biomet Spine's technology portfolio. The board of directors of both companies have approved the transaction. This acquisition closed on November 1, 2013.

**TARGET:** *UroMed Technology, Inc.*

**ACQUIRER:** *Laborie Medical Technologies, Inc.*

**LISTING:** Private  
**LOCATION:** San Ramon, California  
**UNITS:**  
**REVENUE:**  
**NET INCOME:**

**LISTING:** Private  
**CEO:** Brian Ellacott  
6415 Northwest Drive, Unit 11  
Mississauga, Ontario L4V 1X1  
**PHONE:** 905-612-1170  
**FAX:** 905-612-9731  
**WEB SITE:** www.laborie.com

UroMed Technology, Inc. offers biofeedback and electrical stimulation medical equipment and accessories, as part of its pelvic muscle rehabilitation business.

Laborie Medical Technologies, Inc., a portfolio company of Audax Group, is a leading global manufacturer and supplier of medical testing equipment and consumables with exceptional brand recognition and industry-leading technologies.

**ANNOUNCEMENT DATE:** October 8, 2013  
**PRICE:** Not disclosed  
**TERMS:**

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

The acquisition expands Laborie's offering in pelvic muscle rehabilitation and in the conservative therapy sector. Laborie supplies physician offices, hospitals and mobile providers on six continents.

**TARGET:** *Nanostim, Inc.*

**ACQUIRER:** *St. Jude Medical, Inc.*

**LISTING:** Private  
**LOCATION:** Milpitas, California  
**UNITS:**  
**REVENUE:**  
**NET INCOME:**

**LISTING:** NYSE: STJ  
**CEO:** Daniel J. Starks  
One St. Jude Medical Drive  
St. Paul, Minnesota 55117-9983  
**PHONE:** 651-756-2000  
**FAX:**  
**WEB SITE:** www.sjm.com

Nanostim is a privately owned, early-stage medical startup backed by InterWest Partners, US Venture Partners, Emergent Medical Partners and Life Science Angels. It developed the world's first miniaturized leadless pacemaker.

St. Jude Medical is a global medical device manufacturer with four major focus areas: cardiac rhythm management, atrial fibrillation, cardiovascular and neuromodulation.

**ANNOUNCEMENT DATE:** October 14, 2013  
**PRICE:** \$123,500,000  
**TERMS:** Cash upfront and additional cash payments of up to \$65 million, contingent on the achievement of certain revenue-based milestones.

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

This acquisition results from St. Jude Medical's exercise of its exclusive option to acquire Nanostim, entered into on May 3, 2011. In connection with this transaction, BofA Merrill Lynch acted as financial advisor and Gibson, Dunn & Crutcher LLP as legal advisor to St. Jude Medical. Wilson, Sonsini Goodrich & Rosati acted as legal counsel to Nanostim.

**TARGET:** *Orthoplastics, Ltd.*

**ACQUIRER:** *MedPlast Inc.*

**LISTING:** Private

**LISTING:** Private

**LOCATION:** Bacup, England

**CEO:** Harold Faig

**PHONE:** 480-553-6400

**UNITS:**

405 West Geneva Drive

**FAX:**

**REVENUE:**

Tempe, Arizona 85282

**NET INCOME:**

**WEB SITE:** www.medplastgroup.com

Orthoplastics, Ltd. is a leading custom manufacturer of ultra-high molecular weight polyethylene products and components for the global OEMs serving the orthopedic device implant market.

MedPlast Inc. is a leading provider of highly engineered custom plastic processing solutions serving the global health care market.

**ANNOUNCEMENT DATE:** October 14, 2013

**PRICE:** Not disclosed

**TERMS:**

**PRICE PER UNIT:**

**PRICE/REVENUE:**

**PRICE/INCOME:**

Through this acquisition, MedPlast can accelerate its growth into the medical device assembly and implantable markets. MedPlast will combine its technical capabilities with Orthoplastics' implantable technologies. Orthoplastics is one of the major ultra-high molecular weight polyethylene suppliers to the strictly regulated orthopedic implant market. It not only supplies material but also produces implantable orthopedic components to customer specifications.

**TARGET:** *Biotech International*

**ACQUIRER:** *Wright Medical Group, Inc.*

**LISTING:** Private

**LISTING:** NASDAQ: WMGI

**LOCATION:** Provence, France

**CEO:** Robert Palmisano

**PHONE:** 800-238-7117

**UNITS:**

5677 Airline Road

**FAX:** 901-867-9534

**REVENUE:**

Arlington, Tennessee 38002

**NET INCOME:**

**WEB SITE:** www.wmt.com

Biotech International is a leading French manufacturer of surgical implants and advanced fixation technologies for the dental and extremities markets.

Wright Medical Group is a global orthopedic company specializing in surgical solutions for the foot and ankle market. It markets its products in more than 60 countries.

**ANNOUNCEMENT DATE:** October 16, 2013

**PRICE:** \$75,000,000

**TERMS:** \$75 million payable at closing, comprised of approximately \$55 million of cash and \$20 million of Wright common stock, and up to an additional \$5 million of cash contingent upon the achievement of certain revenue milestones in 2014 and 2015.

**PRICE PER UNIT:**

**PRICE/REVENUE:**

**PRICE/INCOME:**

This transaction will significantly expand Wright's direct sales channel in France and international distribution network and add Biotech's complementary extremity product portfolio to further accelerate growth opportunities in Wright's global Extremities business. The transaction is expected to close in the fourth quarter of 2013. Biotech will spin off its dental business before the close. This acquisition completed on November 15, 2013.

**TARGET:** *Confluent Surgical product lines*

**LISTING:** NYSE: COV

**LOCATION:** Mansfield, Massachusetts

**UNITS:**

**REVENUE:** \$65,000,000 (2012)

**NET INCOME:**

Covidien plc is selling its Confluent Surgical product lines which include surgical sealants, adhesion barriers and DuraSeal.

**ANNOUNCEMENT DATE:** October 28, 2013

**PRICE:** \$235,000,000

**TERMS:** \$235 million cash upfront plus up to \$30 million based on performance measures.

The addition of the Confluent Surgical product lines enables IART's sales force and distributor partners to provide their customers with a best-in-class dural sealant. The acquisition was complete on January 15, 2014. Covidien expects the transaction to be several cents dilutive to fiscal 2014 earnings per share, but expects the dilution to be offset by its existing businesses.

**TARGET:** *Fast Forward Medical*

**LISTING:** Private

**LOCATION:** Plymouth, Minnesota

**UNITS:**

**REVENUE:**

**NET INCOME:**

Founded in 2007, Fast Forward Medical is a component technology business that focuses on design and early stage manufacturing with strong technology in the catheter design and assembly space.

**ANNOUNCEMENT DATE:** October 29, 2013

**PRICE:** Not disclosed

**TERMS:**

With the acquisition of Fast Forward, Vention Medical continues to expand its portfolio of advanced component technology offerings for the development and manufacture of catheter-based devices. This acquisition was completed on October 29, 2013.

**ACQUIRER:** *Integra LifeSciences Holdings Corp.*

**LISTING:** NASDAQ: IART

**CEO:** Stuart M. Essig

311 Enterprise Drive  
Plainsboro, New Jersey 08536

**WEB SITE:** www.integralife.com

**PHONE:** 609-275-0500

**FAX:** 609-275-5363

IART develops, manufactures and markets medical devices, implants and biomaterials for acute neurosurgical, soft tissue and orthopedic conditions. On a trailing 12-month basis, IART generated revenue of \$827 million, EBITDA of \$148 million and net income of \$25 million.

**PRICE PER UNIT:**

**PRICE/REVENUE:** 3.62

**PRICE/INCOME:**

**ACQUIRER:** *Vention Medical*

**LISTING:** Private

**CEO:** Dan Croteau

261 Cedar Hill Street  
Marlborough, Massachusetts 01752

**WEB SITE:** www.ventionmedical.com

**PHONE:** 508-481-6233

**FAX:** 508-481-6238

Vention Medical is a medical device outsourcing company that partners with clients in all phases of design, engineering, component manufacturing and finished device assembly. It is owned by KRG Capital Partners Fund IV.

**PRICE PER UNIT:**

**PRICE/REVENUE:**

**PRICE/INCOME:**

**TARGET:** *Obesity intervention division*

**ACQUIRER:** *Apollo Endosurgery, Inc.*

**LISTING:** NYSE: AGN  
**LOCATION:** Irvine, California  
**UNITS:**

**LISTING:** Private  
**CEO:** Dennis McWilliams  
1120 S. Capital of Texas Hwy,  
Bldg 1, Ste 300  
Austin, Texas 78746  
**PHONE:** 512-279-5100  
**FAX:** 512-279-5105  
**WEB SITE:** www.apolloendo.com

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

Allergan, Inc. is selling its obesity intervention division, which manufactures and markets the Lap-Band adjustable gastric band system and the Orbera intra-gastric balloon system.

Apollo Endosurgery, Inc. is a developer of medical devices and endoscopic surgical procedures.

**ANNOUNCEMENT DATE:** October 29, 2013

**PRICE:** \$90,000,000

**TERMS:** \$75 million cash upfront plus minority equity interest of \$15 million, and up to \$20 million in milestone payments.

**PRICE PER UNIT:**

**PRICE/REVENUE:**

**PRICE/INCOME:**

The acquisition of the Lap-Band and Orbera technologies provides a strong revenue stream for Apollo and will complement its current portfolio to include less invasive offerings while expanding its domestic sales channel and increasing its global reach into more than 40 countries. This acquisition completed on December 2, 2013.

**TARGET:** *Vidacare Corporation*

**ACQUIRER:** *Teleflex Incorporated*

**LISTING:** Private  
**LOCATION:** Shavano Park, Texas  
**UNITS:**  
**REVENUE:** \$70,000,000 (expected)  
**NET INCOME:** \$5,143,000 (adjusted earnings 2014)

**LISTING:** NYSE: TFX  
**CEO:** Benson F. Smith  
155 South Limerick Road  
Limerick, Pennsylvania 19468  
**PHONE:** 610-948-5100  
**FAX:** 610-948-5101  
**WEB SITE:** www.teleflex.com

Vidacare Corporation is a provider of intraosseous (IO), or inside the bone, access devices. Its proprietary products include the EZ-IO Intraosseous Vascular Access Systems, the OnControl Bone Marrow System and the OnControl Bone Access System.

Teleflex provides medical technology products worldwide, including catheter-based products used in various clinical procedures, airway management products comprising endotracheal tubes, oral and nasal airways, laryngoscopes, face and laryngeal masks, and anesthesia circuits.

**ANNOUNCEMENT DATE:** October 29, 2013

**PRICE:** \$262,500,000

**TERMS:** \$262,500,000 cash upfront plus Vidacare's net cash.

**PRICE PER UNIT:**

**PRICE/REVENUE:** 3.75

**PRICE/INCOME:** 51.04

This acquisition is part of Teleflex's strategy to invest in innovative products and technologies that can meaningfully enhance clinical efficacy, patient safety and comfort, reduce complications and lower the overall cost of care. The acquisition is expected to be completed late in the fourth quarter of 2013. Based on the closing date, this transaction is not expected to significantly impact Teleflex's 2013 revenue or adjusted earnings per share. This acquisition completed on December 2, 2013.



**TARGET:** *Wassenburg Medical Devices B.V.*

**LISTING:** Private

**LOCATION:** Dodewaard, Netherlands

**UNITS:**

**REVENUE:**

**NET INCOME:**

Wassenburg Medical Devices B.V. is a market leader in automated endoscope reprocessing (AER).

**ANNOUNCEMENT DATE:** October 31, 2013

**PRICE:** Not disclosed

**TERMS:**

**ACQUIRER:** *Pentax Medical*

**LISTING:** TSE: 7741

**CEO:** Ganesh Ramaswamy

3 Paragon Drive

Montvale, New Jersey 07645

**WEB SITE:** [www.pentaxmedical.com](http://www.pentaxmedical.com)

**PHONE:** 800-431-5880

**FAX:** 201-571-2300

Pentax Medical is a division of HOYA Group, a global med-tech company established in Tokyo, Japan. It is acquiring a majority share in the Wassenburg Group.

**PRICE PER UNIT:**

**PRICE/REVENUE:**

**PRICE/INCOME:**

This acquisition gives HOYA's global customers complete access to a superior and wider portfolio in the field of flexible endoscopy from endoscopes to AERs. The planned closing date is November 1, 2013.

**TARGET:** *GADA Turkey*

**LISTING:** Private

**LOCATION:** Istanbul, Turkey

**UNITS:**

**REVENUE:**

**NET INCOME:**

The GADA Group is selling GADA Turkey, a supplier and distributor of blood bank components and equipment to public and private healthcare facilities in Turkey. It has been a Terumo BCT distributor since 2009.

**ANNOUNCEMENT DATE:** November 4, 2013

**PRICE:** Not disclosed

**TERMS:**

**ACQUIRER:** *Terumo Corporation*

**LISTING:** TSE: 4543

**CEO:** Takashi Wachi

10811 West Collins Avenue

Lakewood, Colorado 80215

**WEB SITE:** [www.terumobct.com/](http://www.terumobct.com/)

**PHONE:** 303-232-6800

**FAX:** 303-205-2549

Terumo Corporation manufactures and distributes medical products, including cardiovascular technologies and implants. It has annual sales of \$4 billion.

**PRICE PER UNIT:**

**PRICE/REVENUE:**

**PRICE/INCOME:**

With this acquisition, Terumo will expand its presence in Turkey. This acquisition was completed on November 4, 2013.

**TARGET:** *Jet Prep Ltd.*

**LISTING:** Private  
**LOCATION:** Herzliya, Israel  
**UNITS:**  
**REVENUE:**  
**NET INCOME:**

Jet Prep developed the Jet Prep Flushing Device, a novel single-use irrigation and aspiration catheter to improve visualization during colonoscopy procedures. It has FDA and CE Mark clearances and is ready for global commercialization.

**ANNOUNCEMENT DATE:** November 6, 2013  
**PRICE:** Not disclosed  
**TERMS:**

**ACQUIRER:** *Cantel Medical Corp.*

**LISTING:** NYSE: CMN  
**CEO:** Andrew A. Krakauer **PHONE:** 973-890-7220  
150 Clove Road, 9th floor **FAX:**  
Little Falls, New Jersey 07424  
**WEB SITE:** www.cantelmedical.com

Cantel Medical Corp. is a global company dedicated to delivering innovative infection prevention and control products and services for patients and health care providers. Its products include specialized medical device reprocessing systems for endoscopy and renal dialysis, among others.

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

The Jet Prep operation will be integrated into Cantel Medical's Medivators Endoscopy business. Its group of R&D engineers will continue working on new product development.

**TARGET:** *Anteis S.A.*

**LISTING:** Private  
**LOCATION:** Geneva, Switzerland  
**UNITS:**  
**REVENUE:**  
**NET INCOME:**

Anteis S.A. is a Swiss company which specializes in the development, manufacture and commercialization of medical devices in the area of aesthetics.

**ANNOUNCEMENT DATE:** November 11, 2013  
**PRICE:** Not disclosed  
**TERMS:**

**ACQUIRER:** *Merz Pharma Group*

**LISTING:** Private  
**CEO:** Martin Zuegel **PHONE:** 490-69-15 03-0  
Eckenheimer Landstraße 100 **FAX:** 490-69-15 03-200  
Frankfurt am Main, Germany D-60318  
**WEB SITE:** www.merzusa.com

Merz Pharma Group develops and distributes innovative pharmaceutical and medical products for aesthetic and medical dermatology.

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

Through this acquisition, Merz will be able to expand its R&D pipeline in aesthetics. Merz Pharma Group's affiliate Merz North America in the U.S. is an important contributor to the aesthetics space, offering a range of products for minimally invasive treatments, including dermal fillers, scar care and stretch marks therapy and an injectable product for the treatment of varicose veins.

**TARGET:** *U.S. rights to Schwind  
Amaris laser system*

**LISTING:** Private

**LOCATION:** Kleinostheim, Germany

**UNITS:**

**REVENUE:**

**NET INCOME:**

Schwind eye-tech-solutions GmbH & Co. KG has sold the U.S. rights to market the Amaris excimer laser system, a state-of-the-art laser vision correction system used in more than 120 countries.

**ANNOUNCEMENT DATE:** November 13, 2013

**PRICE:** Not disclosed

**TERMS:**

**ACQUIRER:** *ALPHAEON Corporation*

**LISTING:** Private

**CEO:** Robert E. Grant

**PHONE:** 949-260-1700

4040 MacArthur Blvd., Ste. 210

**FAX:**

Newport Beach, California 92660

**WEB SITE:** www.alphaeon.com

ALPHAEON Corporation is a wholly-owned subsidiary of Strathspey Crown Holdings, LLC. It is a lifestyle healthcare company that produces products and services to promote consumer wellness, beauty and performance.

**PRICE PER UNIT:**

**PRICE/REVENUE:**

**PRICE/INCOME:**

ALPHAEON's licensing of the Schwind Amaris excimer laser system marks the second ophthalmic licensing transaction and fifth overall transaction announced since the company launched in July 2013. ALPHAEON will begin commercializing products and services in January 2014.

**TARGET:** *Vital Signs division of GE  
Healthcare*

**LISTING:** NYSE: GE

**LOCATION:** Totowa, New Jersey

**UNITS:**

**REVENUE:** \$250,000,000 (approximately)

**NET INCOME:**

GE Healthcare is selling its anesthesiology and respiratory product manufacturing business, Vital Signs. The division has more than 1,000 employees and annual revenue of approximately \$250 million.

**ANNOUNCEMENT DATE:** November 18, 2013

**PRICE:** \$500,000,000

**TERMS:** \$470 million in cash when U.S., China and certain other geographies were acquired; and \$30 million to be paid when remainder of international operations are acquired.

**ACQUIRER:** *CareFusion Corp.*

**LISTING:** NYSE: CFN

**CEO:** Kieran Gallahue

**PHONE:** 888-876-4287

3750 Torrey View Court

**FAX:**

San Diego, California 92130

**WEB SITE:** www.carefusion.com

CareFusion serves the healthcare industry with products and services that help hospitals measurably improve the safety and quality of care. It employs more than 15,000 people across its global operations.

**PRICE PER UNIT:**

**PRICE/REVENUE:** 2.00

**PRICE/INCOME:**

Vital Signs is a leading manufacturer of single-patient-use consumables for respiratory care and anesthesiology, as well as products for temperature management and patient monitoring consumables. The acquisition will significantly expand CareFusion's Specialty Disposables business by adding global scale and new products for anesthesiology. The transaction was completed in the U.S., China and certain other geographies on December 31, 2013.

**TARGET:** *QAHR and assets of Triodont*  
**LISTING:** Private  
**LOCATION:** Katikati, New Zealand  
**UNITS:**  
**REVENUE:** \$30,000,000 (approximate)  
**NET INCOME:**

QAHR is a direct selling organization with headquarters in Hong Kong and operations in China, and Triodont is a New Zealand-based manufacturer of a line of professional dental consumables used in restorative dentistry.

**ANNOUNCEMENT DATE:** November 22, 2013  
**PRICE:** Not disclosed  
**TERMS:**

**ACQUIRER:** *DENTSPLY International, Inc.*  
**LISTING:** NASDAQ: XRAY  
**CEO:** Bret W. Wise  
221 West Philadelphia Street  
York, Pennsylvania 17405  
**PHONE:** 717-845-7511  
**FAX:** 717-845-6377  
**WEB SITE:** www.dentsply.com

DENTSPLY designs, develops and manufactures a broad range of products for the dental market. On a trailing 12-month basis, the company generated revenue of \$2.3 billion, EBITDA of \$466 million and net income of \$273 million.

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

DENTSPLY has had a prior commercial relationship with both companies, so the incremental increase in revenue would be approximately half of the \$30 million.

**TARGET:** *BioHorizons, Inc.*  
**LISTING:** Private  
**LOCATION:** Birmingham, Alabama  
**UNITS:**  
**REVENUE:** \$115,000,000 (approximately)  
**NET INCOME:**

BioHorizons is a leader in advanced dental implant technologies and tissue regeneration products in the dental implant industry.

**ANNOUNCEMENT DATE:** November 26, 2013  
**PRICE:** Not disclosed  
**TERMS:** Payment for a 60% stake in BioHorizons, which will continue to operate as an independent company.

**ACQUIRER:** *Henry Schein, Inc.*  
**LISTING:** NASDAQ: HSIC  
**CEO:** Stanley M. Bergman  
135 Duryea Road  
Melville, New York 11747  
**PHONE:** 631-843-5500  
**FAX:**  
**WEB SITE:** www.henryschein.com

Henry Schein, Inc. is the world's largest provider of health care products and services to office-based dental, animal health and medical practitioners. It also serves dental laboratories, government and institutional health care clinics, and other alternate care sites.

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

The transaction involves two steps: A recapitalization thorough which Henry Schein will lend approximately \$145 million to fund a distribution to shareholders, among other uses, followed by an equity investment. The transaction was completed on December 31, 2013.

**TARGET:** *CircuLite, Inc.*

**LISTING:** Private  
**LOCATION:** Teaneck, New Jersey  
**UNITS:**  
**REVENUE:**  
**NET INCOME:**

CircuLite develops the SYNERGY Circulatory Support System designed to treat less sick, ambulatory, chronic heart failure patients who are not yet inotrope-dependent.

**ANNOUNCEMENT DATE:** December 3, 2013  
**PRICE:** \$ 30,000,000  
**TERMS:** Approximately \$18 million in common stock and \$12 million in cash to settle CircuLite's debt and transaction expenses, plus milestones up to \$320 million over a 10-year period.

The partial-support system developed by CircuLite is the industry's most intriguing platform for the treatment of patients with earlier stage heart failure. This technique has been demonstrated to significantly enhance the quality of life for this group. This acquisition was completed on December 1, 2013.

**TARGET:** *Rights to Lap Pak*

**LISTING:** Private  
**LOCATION:** Columbia, Maryland  
**UNITS:**  
**REVENUE:**  
**NET INCOME:**

Seguro Surgical, Inc. is selling the rights to its Lap Pak surgical device. Lap Pak is designed to replace the use of cotton towels to pack and secure the bowels during major open abdominal surgeries and to reduce post-operative adhesions.

**ANNOUNCEMENT DATE:** December 3, 2013  
**PRICE:** Not disclosed  
**TERMS:**

With The OR Company's worldwide distribution capabilities, Lap Pak can now improve patient safety on a global scale.

**ACQUIRER:** *HeartWare International, Inc.*

**LISTING:** NASDAQ: HTWR  
**CEO:** Douglas E. Godshall **PHONE:** 508-739-0950  
205 Newbury Street **FAX:** 508-739-0948  
Framingham, Massachusetts 01701  
**WEB SITE:** www.heartware.com

HeartWare develops and manufactures ventricular assist devices to treat advanced heart failure. On a trailing 12-month basis, it generated revenue of \$187.5 million and a net loss of \$58 million.

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

**ACQUIRER:** *The OR Company*

**LISTING:** Private  
**CEO:** **PHONE:** 253-441-6534  
1625 South Tacoma Way **FAX:**  
Tacoma, Washington 98409  
**WEB SITE:** www.theorcompany.com

The OR Company supplies gynecologic and general surgery products focused on instrument organization, uterine manipulation and trans-vaginal access for laparoscopic surgery.

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

**TARGET:** *Pulsion Medical Systems SE*

**ACQUIRER:** *Getinge Group*

**LISTING:** Private

**LOCATION:** Feldkirchen, Germany

**UNITS:**

**REVENUE:**

**NET INCOME:**

**LISTING:** STO: GETIB

**CEO:** Johan Malmquist

Ekebergsvagen 26

Stockholm, Sweden SE-305 05

**WEB SITE:** www.getingegroup.com

**PHONE:** 46-010 335 0000

**FAX:**

Pulsion Medical Systems SE provides specialty monitoring solutions for critically ill patients. It is particularly strong in cardiac output measurement through its PiCCO brand. It had revenues of EUR 34.6 million in 2012, with 130 employees globally.

Getinge is a major provider of equipment and systems to customers within health care, extended care and pharmaceutical industries/laboratories. In 2011, GETIB generated revenue of \$2.4 billion.

**ANNOUNCEMENT DATE:** December 4, 2013

**PRICE:** \$188,375,000

**TERMS:** Cash. The purchase price is equivalent to EUR16.90 per share.

**PRICE PER UNIT:**

**PRICE/REVENUE:**

**PRICE/INCOME:**

Getinge is a major player in the critical care arena through its ventilation and anesthesia franchises with a strong, proprietary global sales network. It is seeking to develop a broader portfolio of advanced monitoring solutions and related catheters. Through the acquisition, Pulsion, which is predominantly strong in Europe, will gain access to a global sales footprint. As of January 14, 2014, Getinge has secured the acquisition of 74.6% of the shares of Pulsion. The necessary acceptance threshold is 75%.

**TARGET:** *Given Imaging Ltd.*

**ACQUIRER:** *Covidien plc*

**LISTING:** NASDAQ: GIVN

**LOCATION:** Duluth, Georgia

**UNITS:**

**REVENUE:** \$188,850,000 (ttm)

**NET INCOME:** \$24,880,000 (EBITDA)

**LISTING:** NYSE: COV

**CEO:** Jose Almeida

15 Hampshire Street

Mansfield, Massachusetts 2048

**WEB SITE:** www.covidien.com

**PHONE:** 508-261-8000

**FAX:**

Given Imaging Ltd. is focused on gastrointestinal medical devices. It offers a broad product portfolio to health care providers including a capsule endoscope for the small bowel, esophagus and colon.

Covidien plc develops, manufactures and distributes medical devices and supplies, diagnostic imaging agents and pharmaceuticals. On a trailing 12-month basis, COV generated revenue of \$10.24 billion, EBITDA of \$2.9 billion and net income of \$1.6 billion.

**ANNOUNCEMENT DATE:** December 8, 2013

**PRICE:** \$860,000,000

**TERMS:** \$30 per share in cash. \$860 million purchase price is net of cash and investments required.

**PRICE PER UNIT:**

**PRICE/REVENUE:** 4.55

**PRICE/INCOME:** 34.57

Covidien will significantly expand its presence in the \$3 billion GI market. It will add Given Imaging to its Medical Devices business segment. On a reported U.S. GAAP basis, the transaction is expected to be dilutive to both operating margin and earnings per share in fiscal 2014. Covidien management is not changing any of its guidance as a result of this transaction.

**TARGET:** *Solta Medical*

**ACQUIRER:** *Valeant Pharmaceuticals International, Inc.*

**LISTING:** NASDAQ: SLTM  
**LOCATION:** Hayward, California  
**UNITS:**  
**REVENUE:** \$151,060,000 (ttm)  
**NET INCOME:** \$2,460,000 (EBITDA)

**LISTING:** NYSE: VRX  
**CEO:** J. Michael Pearson  
4787 Levy Street  
Montreal, Quebec  
**PHONE:** 514-744-6792  
**FAX:** 514-744-6272  
**WEB SITE:** www.valeant.com

Solta Medical designs, develops, manufactures, and markets energy-based medical device systems for aesthetic applications.

Valeant Pharmaceuticals is a multinational speciality pharmaceutical company that develops, manufactures and markets a broad range of pharmaceutical products primarily in the areas of neurology, dermatology, and branded generics.

**ANNOUNCEMENT DATE:** December 16, 2013  
**PRICE:** \$250,000,000 (approximately)  
**TERMS:** \$2.92 per share in cash.

**PRICE PER UNIT:**  
**PRICE/REVENUE:** 1.65  
**PRICE/INCOME:** 101.63

Solta's aesthetic devices are a natural fit with Valeant's facial injectables, professional skin care products and physician dispensed products. Piper Jaffray & Co. acted as financial advisor to Solta and Fenwick & West LLP acted as legal advisor to Solta. Skadden, Arps, Slate, Meagher & Flom LLP acted as legal advisor to Valeant. The HSR antitrust waiting period expired on January 14, 2014.

**TARGET:** *Rights to BD Uniject SCF*

**ACQUIRER:** *Biodel Inc.*

**LISTING:** Private  
**LOCATION:** Franklin Lakes, New Jersey  
**UNITS:**  
**REVENUE:**  
**NET INCOME:**

**LISTING:** NASDAQ: BIOD  
**CEO:** Errol De Souza  
100 Saw Mill Road  
Danbury, Connecticut 06810  
**PHONE:** 203-796-5000  
**FAX:** 203-796-5001  
**WEB SITE:** www.biodel.com

Becton, Dickinson and Company is selling the rights to BD Uniject SCF, a disposable auto-disable injection system for the delivery of liquid glucagon to treat severe hypoglycemia.

Biodel is a specialty biopharmaceutical company focused on the development and commercialization of treatments for diabetes. Its product candidates are developed by applying proprietary technologies to existing drugs in order to improve their therapeutic profiles.

**ANNOUNCEMENT DATE:** December 17, 2013  
**PRICE:** Not disclosed  
**TERMS:**

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

Biodel will develop the BD Uniject SCF as a follow-on product to complement its auto-reconstitution devices, for which an NDA submission is anticipated in 2015. Biodel's auto-reconstitution devices are designed to offer two-year stability for emergency glucagon administration with little or no training.

**TARGET:** *Estech*

**LISTING:** Private  
**LOCATION:** San Ramon, California  
**UNITS:**  
**REVENUE:**  
**NET INCOME:**

Endoscopic Technologies, Inc., dba Estech, develops and markets a portfolio of medical devices that enable cardiac surgeons to perform a variety of surgical procedures, while specializing in minimally invasive and hybrid ablation.

**ANNOUNCEMENT DATE:** December 19, 2013  
**PRICE:** \$34,000,000  
**TERMS:** 2.1 million shares upfront plus up to \$26 million in milestones.

Through this acquisition, AtriCure expands and reinforces its presence in the atrial fibrillation market. AtriCure expects the transaction to be dilutive to earnings in 2014 and accretive in 2015 and beyond. This acquisition was completed on January 2, 2014.

**ACQUIRER:** *AtriCure, Inc.*

**LISTING:** NASDAQ: ATRC  
**CEO:** David Drachman  
6033 Schumacher Pk. Dr.  
West Chester, Ohio 45069  
**PHONE:** 513-755-4100  
**FAX:** 513-755-4108  
**WEB SITE:** www.atricure.com

AtriCure develops and manufactures methods to ablate tissue during surgical procedures to create precision lesions. For 2014 ATRC generated revenue of \$18.9 million and a loss of \$9.5 million.

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

**TARGET:** *A1CNow family of products*

**LISTING:** XETRA: BAYN.DE  
**LOCATION:** Whippany, New Jersey  
**UNITS:**  
**REVENUE:**  
**NET INCOME:**

Bayer Diabetes Care is selling its A1CNow family of products which includes testing devices that provide an indicator of a diabetes patients' average blood glucose level over the past three months.

**ANNOUNCEMENT DATE:** December 23, 2013  
**PRICE:** Not disclosed  
**TERMS:**

The A1CNow acquisition strengthens the PTS product portfolio by adding testing capabilities that are being requested by many current PTS customers. This acquisition was completed on December 23, 2013.

**ACQUIRER:** *Polymer Technology Systems, Inc.*

**LISTING:** Private  
**CEO:** Robert Huffstodt  
7736 Zionsville Road  
Indianapolis, Indiana 46268  
**PHONE:** 317-870-5610  
**FAX:** 317-870-5608  
**WEB SITE:** www.cardiochek.com

Polymer Technology Systems, Inc. (PTS) is a global provider of point-of-care diagnostic products to the healthcare industry.

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



**TARGET:** *Navigator Gamma Medical Probe*

**LISTING:** NASDAQ: DYSL

**LOCATION:** Watertown, Massachusetts

**UNITS:**

**REVENUE:**

**NET INCOME:**

Dynasil Corporation of America is selling its Navigator Gamma Medical Probe product line. The probes are used by surgeons to detect cancer tracers.

**ANNOUNCEMENT DATE:** December 24, 2013

**PRICE:** \$2,750,000

**TERMS:** Cash.

**ACQUIRER:** *Dilon Technologies, Inc.*

**LISTING:** Private

**CEO:** Robert Moussa

12050 Jefferson Ave  
Newport News, Virginia 23606

**WEB SITE:**

**PHONE:** 757-269-4910

**FAX:**

Dilon Technologies designs, manufactures and commercializes medical imaging solutions worldwide based on cooperative research and development with the U.S. Department of Energy's Thomas Jefferson National Accelerator Facility and medical universities.

**PRICE PER UNIT:**

**PRICE/REVENUE:**

**PRICE/INCOME:**

This transaction is a step in Dynasil's strategy to pay down its debt. It reduced the balance of its outstanding indebtedness to Santander Bank, N.A. by \$2.75 million. Its new balance is \$2.4 million. The company also has a subordinated \$3 million note to Massachusetts Capital Resource Corporation which is not due yet. This acquisition was effective on December 23, 2013.

**TARGET:** *Patient Safety Technologies, Inc.*

**LISTING:** OTCBB: PSTX

**LOCATION:** Irvine, California

**UNITS:**

**REVENUE:** \$20,030,000 (ttm)

**NET INCOME:** \$3,060,000 (EBITDA)

Patient Safety Technologies, Inc., through its wholly-owned operating subsidiary SurgiCount Medical, Inc., provides a solution to help eliminate retained surgical sponges.

**ANNOUNCEMENT DATE:** December 31, 2013

**PRICE:** \$120,000,000

**TERMS:** Cash, equivalent of \$2.22 per share.

**ACQUIRER:** *Stryker Corporation*

**LISTING:** NYSE: SYK

**CEO:** William U. Parfet

2825 Airview Boulevard  
Kalamazoo, Michigan 49002

**WEB SITE:** www.strykercorp.com

**PHONE:** 269-385-2600

**FAX:** 269-385-1062

Stryker Corporation provides reconstructive, medical and surgical, and neurotechnology and spine products for doctors, hospitals and other healthcare facilities. On a trailing 12-month basis, the company generated revenue of \$8.79 billion and EBITDA of \$1.93 billion.

**PRICE PER UNIT:**

**PRICE/REVENUE:** 5.99

**PRICE/INCOME:** 39.22

The offer represents a 50% premium to PSTX shares' prior day closing price of \$1.48. It also aligns with Stryker's focus on offering products and services that have demonstrated cost effectiveness and clinical outcomes. The transaction is expected to close in the first quarter of 2014. BofA Merrill Lynch is acting as financial advisor and Latham Watkins LLP is acting as legal counsel to PSTX.



# **PHARMACEUTICALS**



**FOURTH QUARTER 2013 PHARMACEUTICAL TRANSACTIONS**

TARGET	CITY	STATE	ACQUIRER	CITY	STATE	DATE	PRICE
Acino Holding AG	Aesch	Basel-Landschaft	Pharma Strategy Partners GmbH	New York	New York	October 2, 2013	\$441,780,000
Evolus, Inc.	Santa Barbara	California	ALPHAEON Corporation	Newport Beach	California	October 3, 2013	
Histogen, Inc.	San Diego	California	Stratus Media Group, Inc.	Los Angeles	California	October 7, 2013	
Rights to 12 generic drug products	Northvale	New Jersey	Epic Pharma, LLC	Laurelton	New York	October 8, 2013	
Rights to Hepatitis C Treatment	Philadelphia	Pennsylvania	Janssen Pharmaceuticals, Inc.	Raritan	New Jersey	October 8, 2013	
Rights to HMPL-013	Shanghai	China	Eli Lilly and Company	Indianapolis	Indiana	October 9, 2013	\$86,500,000
Sherrington Pharmaceuticals, Inc.	New York	New York	Sorrento Therapeutics, Inc.	San Diego	California	October 10, 2013	\$1,560,000
Savient Pharmaceuticals, Inc.	Bridgewater	New Jersey	Sloan Holdings C.V.	Louisville	Kentucky	October 14, 2013	\$55,000,000
Rights to Levosimendan	Cyprus	Texas	Oxygen Biotherapeutics, Inc.	Morrisville	North Carolina	October 21, 2013	\$4,800,000
Royalty rights to Type 2 diabetes products	Newark	California	PDL BioPharma, Inc.	Incline Village	Nevada	October 21, 2013	\$240,500,000
MESA Pharmacy, Inc.	Irvine	California	The PAWS Pet Company, Inc.	San Jose	California	October 29, 2013	\$8,385,000
Rights to Clindagel	Fort Worth	Texas	Onset Dermatologics, LLC	Cumberland	Rhode Island	October 30, 2013	
Rights to Gacyclidine	Valencia	California	Otonomy, Inc.	San Diego	California	October 31, 2013	
Auctus Pharma Ltd.	Hyderabad	India	Granules India Ltd.	Hyderabad	India	November 4, 2013	\$19,200,000
Rights to POL7080	Allschwil	Switzerland	Roche Holding AG	Basel	Switzerland	November 4, 2013	\$38,850,000
NDA rights to Naprelan tablets	Langhorne	Pennsylvania	Alvogen Pharma US, Inc.	Pine Brook	New Jersey	November 5, 2013	
Paladin Labs Inc.	Montreal	Quebec	Endo Health Solutions Inc.	Malvern	Pennsylvania	November 5, 2013	\$1,600,000,000
Naprelan brand tablets	Florham Park	New Jersey	Alvogen Pharma US, Inc.	Pine Brook	New Jersey	November 7, 2013	
Santarus, Inc.	San Diego	California	Salix Pharmaceuticals, Ltd.	Raleigh	North Carolina	November 7, 2013	\$2,600,000,000
Worldwide rights to Belviq	San Diego	California	Eisai Inc.	Woodcliff Lake	New Jersey	November 7, 2013	\$60,000,000
ViroPharma Incorporated	Exton	Pennsylvania	Shire plc	Dublin	Ireland	November 11, 2013	\$4,200,000,000
Rights to Nutriband delivery system	Dublin	Ireland	Nutranomics, Inc.	Draper	Utah	November 14, 2013	
Rights to 3 ophthalmic products	Whitehouse Station	New Jersey	Akorn, Inc.	Lake Forest	Illinois	November 15, 2013	\$52,800,000
Correvio LLC	Geneva	Switzerland	Cardiome Pharma Corp.	Vancouver	British Columbia	November 18, 2013	\$22,000,000
U.S. rights to Vimovo	London	England	Horizon Pharma, Inc.	Deerfield	Illinois	November 19, 2013	\$35,000,000
Rights to Polocard	Peiplinska	Poland	Pfizer Inc.	New York	New York	December 2, 2013	
U.S. rights to Saphris	Whitehouse Station	New Jersey	Forest Laboratories, Inc.	New York	New York	December 2, 2013	\$240,000,000
Rempex Pharmaceuticals, Inc.	San Diego	California	The Medicines Company	Parsippany	New Jersey	December 4, 2013	\$140,000,000
Assets of Savient Pharmaceuticals, Inc.	Bridgewater	New Jersey	Crealta Pharmaceuticals LLC	Lake Forest	Illinois	December 11, 2013	\$120,400,000
Rights to avanafil	Mountain View	California	Sanofi SA	Paris	France	December 12, 2013	
Domestic formulations business	Mumbai	India	Torrent Pharmaceuticals, Ltd.	Ahmedabad	India	December 13, 2013	\$320,000,000
Mercari Acquisition Corp.	Toronto	Canada	Concordia Healthcare Inc.	Oakville	Ontario	December 13, 2013	\$1,728,888
EU rights to Zalviso	Redwood City	California	Grunenthal GmbH	Bedminster	New Jersey	December 16, 2013	\$30,000,000
Laboratorio Arama de Uruguay Limitada	Montevideo	Uruguay	OPKO Health, Inc.	Miami	Florida	December 16, 2013	
NuPathe, Inc.	Malvern	Pennsylvania	Endo Health Solutions Inc.	Malvern	Pennsylvania	December 16, 2013	\$105,000,000
Quinnova Pharmaceuticals, LLC	Jamison	Pennsylvania	Everett Laboratories, Inc.	Chatham	New Jersey	December 16, 2013	
Vertical/Trigen Holdings	Sayreville	New Jersey	Avista Capital Partners	New York	New York	December 16, 2013	
Aqua Pharmaceutical Holdings, Inc.	West Chester	Pennsylvania	Almirall, S.A.	Barcelona	Spain	December 17, 2013	\$327,600,000
U.S. rights to Cambia	Bedminster	New Jersey	Depomed, Inc.	Newark	California	December 17, 2013	\$48,700,000
Rights to LAMA respiratory compound	New York	New York	Mylan, Inc.	Canonsburg	Pennsylvania	December 18, 2013	
Algeta ASA	Oslo	Norway	Bayer Group	Leverkusen	Germany	December 19, 2013	\$2,900,000,000
Gentium S.p.A.	Como	Italy	Jazz Pharmaceuticals plc	Dublin	Ireland	December 19, 2013	\$1,000,000,000
Global diabetes assets	New York	New York	AstraZeneca plc	London	England	December 19, 2013	\$2,700,000,000
31 generic drug products	North Wales	Pennsylvania	ANI Pharmaceuticals, Inc.	Baudette	Minnesota	December 26, 2013	\$12,500,000
Ikaria, Inc.	Hampton	New Jersey	Madison Dearborn Partners	Chicago	Illinois	December 26, 2013	\$1,600,000,000
Scientific Protein Laboratories, Inc.	Waunakee	Wisconsin	Shenzhen Hepalink Pharmaceutical Co., Ltd	Shenzhen	China	December 26, 2013	\$337,500,000
Sempra Laboratories, Inc.	Saddle Brook	New Jersey	Innovus Pharmaceuticals, Inc.	LaJolla	California	December 31, 2013	



**TARGET:** *Acino Holding AG*

**ACQUIRER:** *Pharma Strategy Partners GmbH*

**LISTING:** SIX: ACIN

**LISTING:** Private

**LOCATION:** Aesch, Basel-Landschaft

**CEO:** David Burgstahler **PHONE:** 212-593-6900

**UNITS:**

65 East 55th Street, 18th Floor **FAX:** 212-593-6901

**REVENUE:** \$286,000,000 (annualized)

New York, New York 10022

**NET INCOME:**

**WEB SITE:** www.avistacap.com

Acino Holding AG develops, manufactures and internationally markets well-proven and innovative pharmaceuticals in novel drug delivery forms.

Pharma Strategy Partners is a wholly owned subsidiary of two private equity firms, Avista Capital Partners and Nordic Capital. The contact information above is for Avista.

**ANNOUNCEMENT DATE:** October 2, 2013

**PRICE:** \$441,780,000 (approximate)

**PRICE PER UNIT:**

**TERMS:** CHF 115.00 per share represents a 33% premium to the closing share price on October 1, 2013.

**PRICE/REVENUE:** 1.54

**PRICE/INCOME:**

Avista Capital Partners and Nordic Capital are jointly launching a public tender offer to acquire Acino. Under the new ownership, Acino will be in a position to further develop its growth strategy. Subject to completion of the tender offer, Acino Holdin shares will be delisted from the SIX Swiss Exchange.

**TARGET:** *Evolus, Inc.*

**ACQUIRER:** *ALPHAION Corporation*

**LISTING:** Private

**LISTING:** Private

**LOCATION:** Santa Barbara, California

**CEO:** Robert E. Grant **PHONE:** 949-260-1700

**UNITS:**

4040 MacArthur Blvd., Ste. 210 **FAX:**

**REVENUE:**

Newport Beach, California 92660

**NET INCOME:**

**WEB SITE:** www.alphaion.com

On September 30, 2013, Evolus entered a partnership with Daewoong Pharmaceutical Co., Ltd to manage the clinical tests and regulatory approvals of Daewoong's neurotoxin in the United States and other international markets.

ALPHAION Corporation is a wholly-owned subsidiary of Strathspey Crown Holdings, LLC. It is a lifestyle healthcare company that produces products and services to promote consumer wellness, beauty and performance.

**ANNOUNCEMENT DATE:** October 3, 2013

**PRICE:** Not disclosed

**PRICE PER UNIT:**

**TERMS:**

**PRICE/REVENUE:**

**PRICE/INCOME:**

ALPHAION will market an advanced Botulinum toxin Type A neurotoxin developed by Daewoong Pharmaceutical Co., Ltd. of Seoul, South Korea, in the U.S. and several international markets. The product will be marketed under the brand name Evosyal. ALPHAION also gains the exclusive license to certain rights associated with future neurotoxin developments by Daewoong Pharmaceutical. This acquisition closed on October 3, 2013.

**TARGET:** *Histogen, Inc.*

**ACQUIRER:** *Stratus Media Group, Inc.*

**LISTING:** Private  
**LOCATION:** San Diego, California  
**UNITS:**  
**REVENUE:**  
**NET INCOME:**

**LISTING:** OTCBB: SMDI  
**CEO:** Jerry Rubinstein **PHONE:** 310-526-8700  
1800 Century Park East, 6th Fl **FAX:** 213-995-6337  
Los Angeles, California 90067  
**WEB SITE:** www.stratusmediagroup.com

Founded in 2007, Histogen, Inc. is a regenerative medicine company developing innovative therapies for conditions including hair loss and cancer.

Stratus Media Group, Inc. is essentially a shell company.

**ANNOUNCEMENT DATE:** October 7, 2013  
**PRICE:** Merger  
**TERMS:** The combined entity will be called Restorgenex and the headquarters will be located in San Diego, California.

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

The two parties have entered into a non-binding letter of intent to merge. Histogen will become a wholly owned subsidiary, and Histogen founder Gail K. Naughton will become CEO. Following successful completion of this merger, the company's goal is to build Restorgenex into a world-class cosmeceutical and pharmaceutical company in the fields of dermatology and hair restoration.

**TARGET:** *Rights to 12 generic drug products*

**ACQUIRER:** *Epic Pharma, LLC*

**LISTING:** OTCBB: ELTP  
**LOCATION:** Northvale, New Jersey  
**UNITS:**  
**REVENUE:**  
**NET INCOME:**

**LISTING:** Private  
**CEO:** **PHONE:** 718-276-8600  
227-15 North Conduit Avenue **FAX:**  
Laurelton, New York 11413  
**WEB SITE:** www.epic-pharma.com

Elite Pharmaceuticals, Inc. gives the right to manufacture, market and sell in the U.S. and Puerto Rico 12 generic drug products it owns.

Epic Pharma began operations in 2008 by purchasing the Sandoz facility in Laurelton, New York. It develops and manufactures generic prescription drugs in a variety of therapeutic categories in tablet, capsule and powder forms.

**ANNOUNCEMENT DATE:** October 8, 2013  
**PRICE:** Not disclosed  
**TERMS:** Elite will receive a license fee and milestone payments. The license fee will be computed as a percentage of the gross profit from sales. The term of the license agreement is five years and may be extended for an additional five years.

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

Epic will have the exclusive right to market six products and the non-exclusive right to market six additional products. It is responsible for all regulatory and pharmacovigilance matters related to the products and for all costs associated with the site transfer of the products.



**TARGET:** *Rights to Hepatitis C Treatment*  
**LISTING:** NYSE: GSK  
**LOCATION:** Philadelphia, Pennsylvania  
**UNITS:**  
**REVENUE:**  
**NET INCOME:**

GlaxoSmithKline plc is selling the rights to develop and commercialize GSK2336805, an investigational inhibitor for the treatment of Hepatitis C.

**ANNOUNCEMENT DATE:** October 8, 2013  
**PRICE:** Not disclosed  
**TERMS:**

**ACQUIRER:** *Janssen Pharmaceuticals, Inc.*

**LISTING:** NYSE: JNJ  
**CEO:** Bill Hait  
920 Rt 202  
Raritan, New Jersey 08869  
**PHONE:**  
**FAX:**  
**WEB SITE:** www.janssenrnd.com

Janssen Pharmaceuticals, Inc., a division of Johnson and Johnson, is dedicated to solving some of the most important unmet medical needs in infectious diseases and vaccines, oncology, immunology, neuroscience, and cardiovascular and metabolic diseases.

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

Janssen plans to initiate Phase 2 studies to evaluate the use of GSK2336805. This acquisition completed on October 8, 2013 and will add to Janssen's existing portfolio of direct acting antivirals.

**TARGET:** *Rights to HMPL-013*

**LISTING:** Private  
**LOCATION:** Shanghai, China  
**UNITS:**  
**REVENUE:**  
**NET INCOME:**

Hutchison MediPharma Limited, an R&D company majority-owned by Chi-Med, is licensing fruquintinib (HMPL-013), a targeted oncology therapy for the potential treatment of various types of solid tumors.

**ANNOUNCEMENT DATE:** October 9, 2013  
**PRICE:** \$ 86,500,000  
**TERMS:** The price includes an unspecified upfront payment and development and regulatory approval milestones. If successful, Hutchison would receive tiered royalties starting in the mid-teens percentage of net sales.

**ACQUIRER:** *Eli Lilly and Company*

**LISTING:** NYSE: LLY  
**CEO:**  
Lilly Corporate Center  
Indianapolis, Indiana 46285  
**PHONE:** 317-276-2000  
**FAX:**  
**WEB SITE:** www.lilly.com

Ely Lilly is a global pharmaceutical company conducting research in more than 55 countries, with R&D in eight countries. In 2012, net sales totaled \$22.6 billion and net income of \$4.08 billion.

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

Fruquintinib was discovered by Hutchison MediPharma and is currently in Phase 2 testing in China. Hutchison and Lilly will co-develop and commercialize the drug in China.

**TARGET:** *Sherrington  
Pharmaceuticals, Inc.*

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

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

Sherrington Pharmaceuticals, Inc. is focused on the development of a chronic pain treatment for end-stage cancer patients. Its drug candidate is known as Resiniferatoxin.

**ANNOUNCEMENT DATE:** October 10, 2013  
**PRICE:** \$1,560,000 (approximately)  
**TERMS:** 200,000 shares of Sorrento common stock to be issued to Sherrington Holders.

Resiniferatoxin is currently in an investigator-sponsored Phase 1/2 clinical trial at the National Institutes of Health under a company-sponsored Collaborative Research and Development Agreement (CRADA). Sorrento plans to initiate additional clinical studies to advance the drug rapidly. The transaction closed on October 10, 2013.

**ACQUIRER:** *Sorrento Therapeutics, Inc.*

**LISTING:** OTCQB: SRNE  
**CEO:** Henry Ji, Ph. D. **PHONE:** 858-210-3700  
6042 Cornerstone Ct. West, **FAX:**  
Ste. B  
San Diego, California 92121  
**WEB SITE:** www.sorrentotherapeutics.com

Sorrento Therapeutics, Inc. is a development-stage biopharmaceutical company engaged in the acquisition, discovery, development and commercialization of proprietary drug therapeutics.

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

**TARGET:** *Savient Pharmaceuticals,  
Inc.*

**LISTING:** NASDAQ: SVNTQ  
**LOCATION:** Bridgewater, New Jersey

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

Savient Pharmaceuticals, Inc. is a specialty biopharmaceutical company focused on developing and commercializing Krystexxa (pegloticase) for the treatment of chronic gout in adult patients who do not respond to conventional therapy.

**ANNOUNCEMENT DATE:** October 14, 2013  
**PRICE:** \$55,000,000  
**TERMS:** Sloan will acquire substantially all of Savient's assets, including all Krystexxa assets.

On October 14, Savient Pharmaceuticals announced it had filed voluntary petitions under Chapter 11 of the Bankruptcy Code, as well as a motion seeking authorization to pursue a sale to Sloan Holdings. Skadden, Arps, Slate, Meagher & Flom LLP and Cole, Schotz, Meisel, Forman & Leonard P.A. are serving as Savient's legal advisors, and Lazard is serving as its financial advisor.

**ACQUIRER:** *Sloan Holdings C.V.*

**LISTING:** Private  
**CEO:** Paul Breckinridge **PHONE:** 888-900-8796  
Jones  
4010 Dupont Circle, Ste. L-07 **FAX:**  
Louisville, Kentucky 40207  
**WEB SITE:** www.usworldmeds.com

Sloan Holdings C.V. is a subsidiary of US WorldMeds, LLC. US WorldMeds is a specialty pharmaceutical company.

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

**TARGET:** *Rights to Levosimendan*

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

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

Phyxius Pharma is a privately-held biopharmaceutical company focused on the development and near-term commercialization of levosimendan, to treat cardiac surgery patients. It is currently in Phase 3 trials with FDA Fast Track status.

**ANNOUNCEMENT DATE:** October 21, 2013

**PRICE:** \$4,800,000  
**TERMS:** 3.4 million shares of stock. Oxygen Biotherapeutics will acquire the exclusive rights to develop and commercialize levosimendan in North America.

**ACQUIRER:** *Oxygen Biotherapeutics, Inc.*

**LISTING:** Private  
**CEO:** Michael B. Jebsen  
**PHONE:** 919-855-2100  
ONE Copley Parkway,  
**FAX:** 919-855-2133  
Suite 490  
Morrisville, North Carolina 27560  
**WEB SITE:** www.oxybiomed.com

Oxygen Biotherapeutics, Inc. develops medical products that efficiently deliver oxygen to tissues in the body. It has developed a proprietary perfluorocarbon therapeutic oxygen carrier that is in clinical and preclinical trials.

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

Upon closing, Phyxius Pharma CEO John Kelly will become CEO of Oxygen Biotherapeutics. Ladenburg Thalmann & Co. Inc., a subsidiary of Ladenburg Thalmann Financial Services Inc., acted as financial advisor for the transaction. On October 30, 2013, both parties announced that researchers at the Duke Clinical Research Institute determined levosimendan reduced the death rate after operation in patients with reduced heart function undergoing heart surgery. This acquisition closed on November 14, 2013.

**TARGET:** *Royalty rights to Type 2 diabetes products*

**LISTING:** NASDAQ: DEPO  
**LOCATION:** Newark, California  
**UNITS:**  
**REVENUE:**  
**NET INCOME:**

Depomed is selling the rights to receive royalties and milestone payments on sales of its Type 2 diabetes products.

**ANNOUNCEMENT DATE:** October 21, 2013

**PRICE:** \$240,500,000  
**TERMS:** Cash upfront.

**ACQUIRER:** *PDL BioPharma, Inc.*

**LISTING:** NASDAQ: PDLI  
**CEO:** John McLaughlin  
**PHONE:** 775-832-8500  
932 Southwood Blvd.  
**FAX:** 775-832-8501  
Incline Village, Nevada 89451  
**WEB SITE:** www.pdl.com

PDL BioPharma, Inc., formerly named Protein Design Labs, Inc., was founded in 1986. The company manages antibody humanization patents and royalty assets which consist of its patents and license agreements with various biotechnology and pharmaceutical comp

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

The diabetes drugs involved in this transaction are Glumetza (from Santarus); Janumet XR (from Merck); Invokana (from Janssen Pharmaceutica), and others from Boehringer Ingelheim, LG Life Sciences and Valeant Pharmaceuticals. This acquisition allows PDL to participate in a potentially lengthy, diversified stream of royalties. This acquisition closed on October 21, 2013.

**TARGET:** *MESA Pharmacy, Inc.*

**LISTING:** Private  
**LOCATION:** Irvine, California  
**UNITS:**  
**REVENUE:** \$25,000,000 (annualized)  
**NET INCOME:**

Pharmacy Development Corp. is selling its subsidiary, MESA Pharmacy, Inc. MESA specializes in non-narcotic, transdermal topical pain medications.

**ANNOUNCEMENT DATE:** October 29, 2013

**PRICE:** \$8,385,000  
**TERMS:** 500,000 shares of series D Convertible Preferred Stock plus a royalty on collection for each prescription filled by MESA. The 500,000 shares of D Preferred are convertible into 325 millions shares of PAWS common stock.

PAWS intends to spin off its remaining airline-related properties, which will free the company of much of its debt. PAWS will change its name to Praxsyn Corporation following the acquisition. This acquisition was completed on December 31, 2013.

**TARGET:** *Rights to Clindagel*

**LISTING:** Private  
**LOCATION:** Fort Worth, Texas  
**UNITS:**  
**REVENUE:**  
**NET INCOME:**

Galderma Laboratories is selling worldwide rights to Clindagel, a prescription topical antibiotic for the treatment of acne.

**ANNOUNCEMENT DATE:** October 30, 2013

**PRICE:** Not disclosed  
**TERMS:**

Onset will begin promotion of Clindagel to dermatologists and their associates in December. Clindagel 75 ml will be available for order through Galderma Laboratories until mid-December, when the product transition to Onset is complete. Roberts Mitani acted as an advisor to Onset for the transaction. This acquisition closed on October 30, 2013.

**ACQUIRER:** *The PAWS Pet Company, Inc.*

**LISTING:** OCTQB: PAWS  
**CEO:** Daniel Wiesel  
**PHONE:** 2001 Gateway Place, Ste 410  
**FAX:** San Jose, California 95110  
**WEB SITE:** [www.thepawspetcompany.com](http://www.thepawspetcompany.com)

The PAWS Pet Company, Inc. is undergoing a transition from the pet space to the pharmaceutical space.

**PRICE PER UNIT:**  
**PRICE/REVENUE:** 0.34  
**PRICE/INCOME:**

**ACQUIRER:** *Onset Dermatologics, LLC*

**LISTING:** Private  
**CEO:** Robert Moccia  
**PHONE:** 888-713-8154  
**FAX:** 900 Highland Corporate Drive  
Cumberland, Rhode Island 02864  
**WEB SITE:** [www.onsetdermatologics.com](http://www.onsetdermatologics.com)

Onset Dermatologics, LLC is a fully-integrated prescription dermatology company with a mission to deliver innovative therapies to dermatologists and their patients.

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

**TARGET:** *Rights to Gacyclidine*

**ACQUIRER:** *Otonomy, Inc.*

**LISTING:** Private  
**LOCATION:** Valencia, California  
**UNITS:**  
**REVENUE:**  
**NET INCOME:**

**LISTING:** Private  
**CEO:** David Weber  
6275 Nancy Ridge Dr.  
San Diego, California 92121  
**PHONE:** 858-242-5200  
**FAX:** 858-200-0933  
**WEB SITE:** www.otonomy.com

An affiliate of NeuroSystec is selling certain assets and rights to intellectual property related to the use of gacyclidine for the treatment of tinnitus.

Otonomy, Inc. is a clinical stage biopharmaceutical company developing innovative therapeutics for diseases and disorders of the ear.

**ANNOUNCEMENT DATE:** October 31, 2013  
**PRICE:** Not disclosed  
**TERMS:**

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

The acquisition provides Otonomy with preclinical, clinical and manufacturing data produced by NeuroSystec. In addition, the company also acquired intellectual property rights including issued and pending patent applications that augment the current patent estate protecting OTO-311, the company's third development program. This acquisition was completed on October 31, 2013.

**TARGET:** *Auctus Pharma Ltd.*

**ACQUIRER:** *Granules India Ltd.*

**LISTING:** Private  
**LOCATION:** Hyderabad, India  
**UNITS:**  
**REVENUE:**  
**NET INCOME:**

**LISTING:** IN: GRAN  
**CEO:** Krishna Prasad  
2nd Floor, 3rd Block,  
Madhapur  
Hyderabad, India 500 081  
**PHONE:** 91 40 6676 0000  
**FAX:** 91 40 2311 5145  
**WEB SITE:** www.granulesindia.com

Auctus Pharma Ltd. is a leading active pharmaceutical ingredient (API) manufacturer in 12 different categories including antihistaminic, antihypertensive, antithrombotic and anticonvulsant. It currently sells its APIs in 50 countries.

Granules India Ltd. Is a fast growing pharmaceutical manufacturing company with world class facilities. The company produces finished dosages, pharmaceutical formulation intermediates and APIs.

**ANNOUNCEMENT DATE:** November 4, 2013  
**PRICE:** \$19,200,000  
**TERMS:** Rs 120 crore (\$19.2 million) cash upfront.

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

This acquisition fits Granules' growth strategy of being a fully integrated manufacturer while diversifying its product portfolio by adding high-value products with significant market demand. The acquisition is expected to be completed in the next three to six months.

**TARGET:** *Rights to POL7080*

**ACQUIRER:** *Roche Holding AG*

**LISTING:** Private  
**LOCATION:** Allschwil, Switzerland  
**UNITS:**  
**REVENUE:**  
**NET INCOME:**

**LISTING:** SIX: RO  
**CEO:** Dr. Severin Schwan **PHONE:** 41 61 688 11 11  
Roche Holding Ag, Grenzacher **FAX:** 41 61 691 93 9  
Basel, Switzerland 4070  
**WEB SITE:** www.roche.com

Polyphor Ltd., a privately held pharmaceutical company, is selling its rights to POL7080, an investigational macrocycle antibiotic.

Roche Holding AG is the world's largest biotech company, with differentiated medicines in oncology, infectious diseases, inflammation, metabolism and neuroscience.

**ANNOUNCEMENT DATE:** November 4, 2013

**PRICE:** \$38,850,000

**TERMS:** \$38.85 million cash upfront plus milestones up to \$516.15 million and double-digit royalties on sales.

**PRICE PER UNIT:**

**PRICE/REVENUE:**

**PRICE/INCOME:**

This acquisition is part of Roche's strategy to build a portfolio of novel antibiotics. POL7080 belongs to a new class of antibiotics that kills pseudomonas using a novel action. Pseudomonas are a superbug bacteria commonly found in hospitals.

**TARGET:** *NDA rights to Naprelan tablets*

**ACQUIRER:** *Alvogen Pharma US, Inc.*

**LISTING:** Private  
**LOCATION:** Langhorne, Pennsylvania  
**UNITS:**  
**REVENUE:**  
**NET INCOME:**

**LISTING:** Private  
**CEO:** Robert Wessman **PHONE:** 973-796-3400  
10B Bloomfield Avenue **FAX:**  
Pine Brook, New Jersey 07058  
**WEB SITE:** www.avogen.com

Stat-Trade Inc. is selling all rights and interest in the New Drug Application (NDA) for Naprelan (naproxen sodium) tablets.

Alvogen Pharma US is the U.S. subsidiary of a multinational, privately owned pharmaceuticals company focused on the development, manufacture and distribution of generic, brand and over-the-counter brands and biosimilars.

**ANNOUNCEMENT DATE:** November 5, 2013

**PRICE:** Not disclosed

**TERMS:**

**PRICE PER UNIT:**

**PRICE/REVENUE:**

**PRICE/INCOME:**

On the same date, Alvogen announced it had acquired the exclusive right to commercialize Naprelan controlled-release tablets in the United States from Shinogi Inc., the U.S. subsidiary of Shinogi & Co. Ltd., of Osaka, Japan.

**TARGET:** *Paladin Labs Inc.*

**ACQUIRER:** *Endo Health Solutions Inc.*

**LISTING:** TSX: PLB.TO

**LISTING:** NASDAQ: ENDP

**LOCATION:** Montreal, Quebec

**CEO:** Rajiv De Silva

**PHONE:** 484-216-0000

**UNITS:**

1400 Atwater Drive

**FAX:** 800-329-3636

**REVENUE:** \$270,680,000 (ttm)

Malvern, Pennsylvania 19355

**NET INCOME:** \$87,370,000 (EBITDA)

**WEB SITE:** www.endo.com

Paladin Labs is a specialty pharmaceutical company focused on acquiring or in-licensing innovative pharmaceutical products for the Canadian and world markets. Key products serve growing drug markets including ADHD, pain, urology and allergy.

Endo Health is a specialty healthcare company with four distinct business segments focused on branded and generic pharmaceuticals, devices and services.

**ANNOUNCEMENT DATE:** November 5, 2013

**PRICE:** \$1,600,000,000

**PRICE PER UNIT:**

**TERMS:** \$1.568 billion in ENDP stock and the remainder in cash. At CAD 77.00 per Paladin share, it represents a 20% premium to CAD 63.91 as of November 4.

**PRICE/REVENUE:** 5.91

**PRICE/INCOME:** 18.31

After the closing, previous Endo shareholders will own 77.5% of the shares, and Paladin Lab shareholders will own 22.5% of the new Endo. Deutsche Bank Securities Inc., Skadden, Arps, Torys LLP and KPMG acted as advisors to Endo. Deutsche Bank and RBC Capital Markets have agreed to provide committed financing to Endo as part of this transaction. Houlihan Lokey Financial Advisors, Inc. also acted as an advisor to Endo. Credit Suisse, Davies Ward Phillips & Vineberg LLP and EY acted as advisors to Paladin Labs. On December 17, the HSR Act Waiting Period was terminated early.

**TARGET:** *Naprelan brand tablets*

**ACQUIRER:** *Alvogen Pharma US, Inc.*

**LISTING:** Private

**LISTING:** Private

**LOCATION:** Florham Park, New Jersey

**CEO:** Robert Wessmen

**PHONE:** 973-796-3400

**UNITS:**

10B Bloomfield Avenue

**FAX:**

**REVENUE:**

Pine Brook, New Jersey 07058

**NET INCOME:**

**WEB SITE:** www.alvogen.com

Shionogi Inc., the U.S. subsidiary of Shionogi & Co., Ltd. in Osaka, Japan, is selling the exclusive right to commercialize Naprelan (naproxen sodium) controlled-release tablets in the United States.

Alvogen Pharma US is the U.S. subsidiary of a multinational, privately owned pharmaceuticals company focused on development, manufacture and distribution of generic, brand and over-the-counter brands and biosimilars.

**ANNOUNCEMENT DATE:** November 7, 2013

**PRICE:** Not disclosed

**PRICE PER UNIT:**

**TERMS:**

**PRICE/REVENUE:**

**PRICE/INCOME:**

The product will be marketed by Almatica Pharma Inc., a subsidiary of Alvogen. According to IMS Health data, Naprelan had annual U.S. sales of \$58 million in 2012. On the same day, Alvogen announced it had acquired all rights and interest in the New Drug Application for Naprelan from Stat-Trade, Inc., for undisclosed terms.

**TARGET:** *Santarus, Inc.*

**ACQUIRER:** *Salix Pharmaceuticals, Ltd.*

**LISTING:** NASDAQ: SNTS  
**LOCATION:** San Diego, California  
**UNITS:**  
**REVENUE:**  
**NET INCOME:**

**LISTING:** NASDAQ: SLXP  
**CEO:** Carolyn Logan  
**PHONE:** 919-862-1000  
8510 Colonnade Center Drive  
**FAX:** 919-862-1095  
Raleigh, North Carolina 27615  
**WEB SITE:** www.salix.com

Santarus is a specialty biopharmaceutical company focused on acquiring, developing and commercializing proprietary products that address the needs of patients treated by physician specialists.

Salix Pharmaceuticals develops and markets prescription products and medical devices for the prevention and treatment of gastrointestinal diseases. Its strategy is to in-license late-stage or marketed proprietary therapeutic products and market them.

**ANNOUNCEMENT DATE:** November 7, 2013

**PRICE:** \$2,600,000,000

**TERMS:** Cash. \$32.00 per share represents a 36% premium over Santarus' November 6, 2013 closing price. Salix intends to finance the deal with approximately \$800 million in cash on hand and \$1.95 billion in committed financing from Jefferies Finance LLC.

**PRICE PER UNIT:**

**PRICE/REVENUE:**

**PRICE/INCOME:**

Salix's financial advisor for the transaction is Jefferies LLC and its primary legal advisor is Covington & Burling LLP. Santarus' financial advisor for the transaction is Stifel, Nicolaus & Company, Incorporated and its legal advisor is Latham & Watkins LLP. This transaction is expected to close in the first quarter of 2014. On December 10, 2013, the waiting period under Hart-Scott-Rodino Antitrust Improvements Act of 1976 had expired. Salix completed the acquisition on January 2, 2014.

**TARGET:** *Worldwide rights to Belviq*

**ACQUIRER:** *Eisai Inc.*

**LISTING:** NASDAQ: ARNA  
**LOCATION:** San Diego, California  
**UNITS:**  
**REVENUE:**  
**NET INCOME:**

**LISTING:** TSE: 4523  
**CEO:** Lonnel Coats  
**PHONE:** 201-692-1100  
100 Tice Blvd.  
**FAX:** 201-746-3201  
Woodcliff Lake, New Jersey 7677  
**WEB SITE:** www.us.eisai.com

Arena Pharmaceuticals, Inc. expanded its marketing and supply agreement with Eisai for its Belviq (lorcaserin HCl) drug, an anti-obesity drug.

Eisai Inc. is the U.S. subsidiary of Eisai Co., Ltd., based in Tokyo, Japan.

**ANNOUNCEMENT DATE:** November 7, 2013

**PRICE:** \$ 60,000,000

**TERMS:** \$60 million cash upfront and up to \$176.5 million in regulatory and development milestone payments. Arena is eligible to receive a total of \$1.56 billion in one-time purchase price adjustment payments.

**PRICE PER UNIT:**

**PRICE/REVENUE:**

**PRICE/INCOME:**

The expanded agreement gives Eisai exclusive commercialization rights for all countries worldwide except for South Korea, Taiwan, Australia, Israel and New Zealand. This agreement amends and restates the previous agreement that granted Eisai rights to commercialize Belviq in most of North and South America. The total for milestone payments represents an increase of \$123 million from the amount remaining payable under the previous agreement.



**TARGET:** *ViroPharma Incorporated*

**ACQUIRER:** *Shire plc*

**LISTING:** NASDAQ: VPHM  
**LOCATION:** Exton, Pennsylvania  
**UNITS:**

**LISTING:** NASDAQ: SHPG  
**CEO:** Flemmin Ornskov **PHONE:** 44 1256 894 157  
5 Riverwalk, Citywest Business **FAX:**  
Campus  
Dublin, Ireland 24  
**WEB SITE:** www.shire.com

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

Shire provides treatments in neuroscience, rare diseases, gastrointestinal, internal medicine and regenerative medicine, as well as developing treatments for symptomatic conditions treated by specialist physicians.

ViroPharma is a high growth, rare disease biopharmaceutical company whose commercial product, Cinryze, is a leading brand for the prophylactic treatment of hereditary angiodema (HAE). It is developing a portfolio of therapeutics for rare and orphan diseases

**ANNOUNCEMENT DATE:** November 11, 2013

**PRICE:** \$4,200,000,000

**TERMS:** \$50 per share in cash, which represents a 27% premium to ViroPharma's closing share price on November 8, 2013. It will be funded from Shire's cash resources and existing and new bank facilities.

**PRICE PER UNIT:**

**PRICE/REVENUE:**

**PRICE/INCOME:**

This acquisition expands Shire's rare disease portfolio and Cinryze complements Shire's Firazyr products. Expected annual cost synergies of approximately \$150 million by 2015. Lazard and Morgan Stanley are acting as joint financial advisors to Shire. Goldman, Sachs & Co. is acting as financial advisor to ViroPharma. Davis Polk & Wardwell LLP is acting as legal advisor to Shire and Skadden, Arps, Slate, Meagher & Flom LLP is acting as legal advisor to ViroPharma. On January 15, 2014, Shire waived the Office of Fair Trading (OFT) approval condition for its tender offer.

**TARGET:** *Rights to Nutriband delivery system*

**ACQUIRER:** *Nutranomics, Inc.*

**LISTING:** Private  
**LOCATION:** Dublin, Ireland  
**UNITS:**  
**REVENUE:**  
**NET INCOME:**

**LISTING:** OTCBB: NNRX  
**CEO:** Tracy K. Gibbs **PHONE:** 801-576-8350  
11487 S 700 E **FAX:**  
Draper, Utah 84020  
**WEB SITE:** www.nutranomics.com/

Nutriband is offering the exclusive North American sales and distribution rights to the Nutriband delivery system, a transdermal patch that allows delivery of vitamins, minerals, amino acids, and other health supplements.

Nutranomics, Inc. is engaged in research and development of nutritional food products.

**ANNOUNCEMENT DATE:** November 14, 2013

**PRICE:** Not disclosed

**TERMS:**

**PRICE PER UNIT:**

**PRICE/REVENUE:**

**PRICE/INCOME:**

Nutranomics intends to use its substantial new product development experience to build out a much wider product line based on Nutriband technology, including Nutranomics transdermal patches designed to improve sleep, manage pain, boost energy, and control weight.

**TARGET:** *Rights to 3 ophthalmic products*  
**LISTING:** NYSE: MRK  
**LOCATION:** Whitehouse Station, New Jersey  
**UNITS:**  
**REVENUE:** \$36,000,000 (annualized)  
**NET INCOME:** \$9,634,000

Merck is selling the U.S. rights to three branded ophthalmic products, including those product rights obtained through its acquisition of Inspire Pharmaceuticals, Inc. The products are AzaSite, COSOPT and COSOPT PF.

**ANNOUNCEMENT DATE:** November 15, 2013  
**PRICE:** \$52,800,000  
**TERMS:** Cash.

**ACQUIRER:** *Akorn, Inc.*

**LISTING:** NASDAQ: AKRX  
**CEO:** Raj Rai  
**PHONE:** 847-279-6190  
1925 West Field Court  
**FAX:**  
Lake Forest, Illinois 60045  
**WEB SITE:** www.akorn.com

Akorn, Inc. is a niche pharmaceutical company engaged in the development, manufacture and marketing of multisource and branded pharmaceuticals with a focus on sterile ophthalmic and injectables.

**PRICE PER UNIT:**  
**PRICE/REVENUE:** 1.47  
**PRICE/INCOME:** 5.48

Akorn plans to ship COSOPT and COSOPT PF immediately upon close and to begin shipping AzaSite in the first quarter of 2014. In addition to the acquisition, Akorn has signed a two-year supply agreement with Merck as well as a transition services agreement with customary terms. This acquisition closed on November 15, 2013.

**TARGET:** *Correvio LLC*

**LISTING:** Private  
**LOCATION:** Geneva, Switzerland  
**UNITS:**  
**REVENUE:**  
**NET INCOME:**

Correvio is a specialty pharmaceutical company selling Aggrastat to cardiologists in more than 60 countries

**ANNOUNCEMENT DATE:** November 18, 2013  
**PRICE:** \$22,000,000  
**TERMS:**

**ACQUIRER:** *Cardiome Pharma Corp.*

**LISTING:** NASDAQ: CRME  
**CEO:** William Hunter, MD  
**PHONE:** 604-677-6905  
6190 Agronomy Rd., Ste. 405  
**FAX:** 604-677-6915  
Vancouver, British Columbia V6T 1Z3  
**WEB SITE:** www.cardiome.com

Cardiome Pharma Corp. is an integrated, commercial, specialty pharmaceutical company dedicated to developing and commercializing new therapies. Two marketed products approved in Europe are Brinavess (vernakalant IV) and Aggrastat.

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

This acquisition accelerates Cardiome's launch of Brinavess and its transformation into a global commercial organization. Cardiome has acquired 100% of Correvio through the purchase of a combination of assets and shares of its subsidiaries in exchange for 19.9% of Cardiome's outstanding shares (proforma ownership of approximately 16.6%) and a deferred cash consideration of \$12 million, which will be repaid monthly at an amount equal to 10% of cash receipts from product sales. It must be repaid by December 1, 2019.

**TARGET:** *U.S. rights to Vimovo*

**ACQUIRER:** *Horizon Pharma, Inc.*

**LISTING:** NYSE: AZN  
**LOCATION:** London, England  
**UNITS:**  
**REVENUE:**  
**NET INCOME:**

**LISTING:** NASDAQ: HZNP  
**CEO:** Timothy P. Walbert **PHONE:** 224-383-3000  
500 Lake Cook Rd., Ste. 520 **FAX:** 224-383-3001  
Deerfield, Illinois 60015  
**WEB SITE:** www.horizon-pharma.com

AstraZeneca plc is selling the U.S. rights to Vimovo delayed release tablets. AZN will retain the rights to Vimovo outside the United States.

Horizon Pharma is a specialty pharmaceutical company that develops and commercializes products to primary care, orthopedic surgeons and rheumatologists.

**ANNOUNCEMENT DATE:** November 19, 2013

**PRICE:** \$35,000,000

**TERMS:** One time payment to AZN of \$35 million and a 10% royalty on net sales to Pozen, subject to annual minimum royalties of \$5 million in 2014 and \$7.5 million each year after.

**PRICE PER UNIT:**

**PRICE/REVENUE:**

**PRICE/INCOME:**

Vimovo is approved in the U.S. to relieve the signs and symptoms of osteoarthritis, rheumatoid arthritis and ankylosing spondylitis and to decrease the risk of stomach ulcers. This acquisition expands Horizon's focus on key primary care physician targets. JMP Securities LLC acted as financial advisor and Cooley LLP acted as legal advisor to Horizon.

**TARGET:** *Rights to Polocard*

**ACQUIRER:** *Pfizer Inc.*

**LISTING:** Private  
**LOCATION:** Pelplinska, Poland  
**UNITS:**  
**REVENUE:**  
**NET INCOME:**

**LISTING:** NYSE: PFE  
**CEO:** Ian Read **PHONE:** 212-733-2323  
235 East 42nd Street **FAX:**  
New York, New York 10017  
**WEB SITE:** www.pfizer.com

ZF Polpharma SA is selling the rights to Polocard. It is a low-dose aspirin and the leading over-the-counter brand for heart attack prevention in Poland.

Pfizer is the world's largest manufacturer of pharmaceuticals. On a trailing 12-month basis, PFE generated revenue of \$56 billion, EBITDA of \$25 billion and net income of \$11 billion.

**ANNOUNCEMENT DATE:** December 2, 2013

**PRICE:** Not disclosed

**TERMS:**

**PRICE PER UNIT:**

**PRICE/REVENUE:**

**PRICE/INCOME:**

The addition of Polocard, a top OTC brand in Poland, will enhance Pfizer's Consumer Healthcare portfolio and overall position in this key market.

**TARGET:** *U.S. rights to Saphris*

**ACQUIRER:** *Forest Laboratories, Inc.*

**LISTING:** NYSE: MRK

**LISTING:** NYSE: FRX

**LOCATION:** Whitehouse Station, New Jersey

**CEO:** Howard Solomon

**PHONE:** 212-421-7850

**UNITS:**

909 Third Avenue

**FAX:** 212-750-9152

**REVENUE:** \$150,000,000 (ttm)

New York, New York 10022

**NET INCOME:**

**WEB SITE:** www.frx.com

Merck Sharp & Dohme B.V., a wholly owned subsidiary of Merck & Co., Inc. is selling the exclusive U.S. rights to Saphris. Saphris is used for the treatment of schizophrenia and acute bipolar mania in adults.

Forest Laboratories Holdings Limited, a wholly owned subsidiary of Forest Laboratories, is acquiring the rights. Forest Laboratories is largely focused on the United States market. On a trailing 12-month basis, FRX generated revenue of \$3.2 billion and EB

**ANNOUNCEMENT DATE:** December 2, 2013

**PRICE:** \$240,000,000

**PRICE PER UNIT:**

**TERMS:** \$240 million upfront payment and sales milestones.

**PRICE/REVENUE:** 1.60

**PRICE/INCOME:**

This transaction will allow Merck to focus both R&D and other commercial resources on other opportunities, while complementing Forest's product portfolio and allowing for continued access to Saphris for physicians and patients. The agreement is expected to be immediately accretive to Forest and close in early 2014.

**TARGET:** *Rempex Pharmaceuticals, Inc.*

**ACQUIRER:** *The Medicines Company*

**LISTING:** Private

**LISTING:** NASDAQ: MDCO

**LOCATION:** San Diego, California

**CEO:** Clive Meanwell

**PHONE:** 973-656-1616

**UNITS:**

8 Campus Drive

**FAX:** 973-656-9898

**REVENUE:**

Parsippany, New Jersey 07054

**NET INCOME:**

**WEB SITE:** www.themedicinescompany.com

Rempex Pharmaceuticals, Inc. has multiple potential new therapies focused on multi-drug resistant gram-negative bacteria.

The Medicines Company provides acute care hospital products worldwide. On a trailing 12-month basis, it generated revenue of \$531.3 million, EBITDA of \$75.9 million and net income of \$50.2 million.

**ANNOUNCEMENT DATE:** December 4, 2013

**PRICE:** \$140,000,000

**PRICE PER UNIT:**

**TERMS:** \$140 million in an upfront payment plus development and regulatory milestones totaling \$214 million and commercial milestones totaling \$120 million.

**PRICE/REVENUE:**

**PRICE/INCOME:**

MDCO has acquired several anti-infective assets as a result of the transaction: Carbavance, Minocin IV, RPX-602, and a preclinical development program of novel investigational agents. This transaction closed on December 4, 2013. RBC Capital Markets served as financial advisor and WilmerHale served as the legal advisor for MDCO. Rempex's financial advisor was BofA Merrill Lynch, and Cooley LLP served as its legal advisor.

**TARGET:** *Assets of Savient Pharmaceuticals, Inc.*

**LISTING:** NASDAQ: SVNT

**LOCATION:** Bridgewater, New Jersey

**UNITS:**

**REVENUE:**

**NET INCOME:**

Savient Pharmaceuticals is selling substantially all of its assets to Crelta, including Krystexxa, a novel biologic product designated as an orphan drug that targets a relatively small patient population with refractory chronic gout.

**ANNOUNCEMENT DATE:** December 11, 2013

**PRICE:** \$120,400,000

**TERMS:**

**ACQUIRER:** *Crelta Pharmaceuticals LLC*

**LISTING:** Private

**CEO:** Edward J. Fiorentino **PHONE:** 847-234-6715

150 S Saunders Rd., Ste 130 **FAX:** 847-234-0019  
Lake Forest, Illinois 60045

**WEB SITE:** www.creltapharma.com

Crelta Pharmaceuticals LLC was established in August 2013 in partnership with GCTR. It was formed to acquire, develop, and market specialty pharmaceutical products with a focus on select physician specialties.

**PRICE PER UNIT:**

**PRICE/REVENUE:**

**PRICE/INCOME:**

Through this acquisition, Crelta will ensure the continued availability of a therapy for patients suffering from chronic refractory gout. The agreement was reached following an auction by the U.S. Bankruptcy Court for the District of Delaware. Upon completion, Savient's agreements with US WorldMeds, LLC and Sloan Holdings CV will terminate. This acquisition was completed on January 10, 2014.

**TARGET:** *Rights to avanafil*

**LISTING:** NASDAQ: VVUS

**LOCATION:** Mountain View, California

**UNITS:**

**REVENUE:**

**NET INCOME:**

Vivus Inc. is selling the rights to avanafil in Africa, the Middle East and CIS/Russia. Avanafil is prescribed to treat erectile dysfunction.

**ANNOUNCEMENT DATE:** December 12, 2013

**PRICE:** Not disclosed

**TERMS:** Up to \$61 million including upfront and regulatory and sales milestone payments.

**ACQUIRER:** *Sanofi SA*

**LISTING:** NYSE: SNY

**CEO:** Chris Viehbacher **PHONE:** 33 1 53 77 40 00

174, avenue de France **FAX:** 33 1 53 77 42 4622  
Paris, France 75635

**WEB SITE:** www.sanofi-aventis.com

Sanofi is a pharmaceutical firm engaged primarily in the prescription drug market. It is the world's third largest pharma company. On a trailing 12-month basis, it generated revenue of \$47 billion, EBITDA of \$17 billion and net income of \$7.6 billion.

**PRICE PER UNIT:**

**PRICE/REVENUE:**

**PRICE/INCOME:**

Sanofi intends to market avanafil under the tradename Spedra or Stendra. Sanofi will be responsible for obtaining regulatory approval in its territories. Vivus granted exclusive license to Menarini Group to market avanafil in Europe, Australia and New Zealand. Auxilium Pharmaceuticals has the exclusive rights to market the drug in the U.S. and Canada. Aquilo Partners, L.P. acted as the exclusive advisor to Vivus on the transaction.

**TARGET:** *Domestic formulations business*

**LISTING:** BSE: ELDERPHARM.BO

**LOCATION:** Mumbai, India

**UNITS:**

**REVENUE:**

**NET INCOME:**

Elder Pharmaceuticals Limited is selling its domestic formulations business in India and Nepal. The portfolio is comprised of 30 brands with products in the women's healthcare, pain management, wound care and nutraceuticals segments.

**ANNOUNCEMENT DATE:** December 13, 2013

**PRICE:** \$320,000,000

**TERMS:** Torrent plans to use a mix of internal accruals and bank borrowings.

The transaction is a strategic fit for Torrent and will strengthen its core prescription-based business. Under the proposed transaction, Elder is selling the business on a slump sale basis and will continue to manufacture and supply the products at its existing manufacturing facilities for a period of three years. The transaction is expected to close in the first half of 2014.

**TARGET:** *Mercari Acquisition Corp.*

**LISTING:** TSXV: MV-H.V

**LOCATION:** Toronto, Canada

**UNITS:**

**REVENUE:**

**NET INCOME:**

Mercari Acquisition Corp. is essentially a shell company used as a vehicle for Concordia to go public. It will use its wholly owned subsidiary Mercari Subco Inc. to amalgamate with Concordia to complete an arm's length qualifying transaction.

**ANNOUNCEMENT DATE:** December 13, 2013

**PRICE:** \$1,728,888 Not disclosed

**TERMS:** Concordia issued Mercari shareholders 276,622 common shares at \$6.25 each.

This is a reverse merger so Concordia can go public. This acquisition was completed on December 20, 2013. Concordia began trading on the Toronto Stock Exchange using the ticker CXR.

**ACQUIRER:** *Torrent Pharmaceuticals, Ltd.*

**LISTING:** BSE: TORRENTPH.BO

**CEO:** Sidhir Mehta

Ashram Road

Ahmedabad, India 380 009

**WEB SITE:** www.torrentpharma.com

**PHONE:** 91 0 79 26585090

**FAX:** 91 0 79 26582100

Torrent Pharmaceuticals develops and markets formulations in niche therapeutic areas. On a 12-month trailing basis, it generated revenue of \$231.8 million and net income of \$30.3 million.

**PRICE PER UNIT:**

**PRICE/REVENUE:**

**PRICE/INCOME:**

**ACQUIRER:** *Concordia Healthcare Inc.*

**LISTING:** Private

**CEO:** Mark Thompson

277 Lakeshore Road East,

Ste 302

Oakville, Ontario L6H1J9

**WEB SITE:** www.concordiapharma.ca/

**PHONE:** 905-842-5150

**FAX:**

Concordia Healthcare Inc. is an integrated healthcare company that targets three areas: legacy pharmaceutical products, specialized healthcare distribution that services the diabetes market, and the acquisition and/or development of orphan drugs.

**PRICE PER UNIT:**

**PRICE/REVENUE:**

**PRICE/INCOME:**

**TARGET:** *EU rights to Zalviso*

**LISTING:** NASDAQ: ACRX  
**LOCATION:** Redwood City, California  
**UNITS:**  
**REVENUE:**  
**NET INCOME:**

AcelRx Pharmaceuticals, a specialty pharmaceutical company, is selling the European and Australian rights to Zalviso. Zalviso is an investigational pre-programmed, non-invasive, handheld system that allows hospital patients to self-dose to manage their pain.

**ANNOUNCEMENT DATE:** December 16, 2013

**PRICE:** \$30,000,000

**TERMS:** \$30 million upfront plus up to \$220 million in milestones.

**ACQUIRER:** *Grunenthal GmbH*

**LISTING:** Private  
**CEO:** Philipp von Gallwitz **PHONE:** 908-306-0024  
One Pluckemin Way **FAX:** 908-306-1631  
Bedminster, New Jersey 07921  
**WEB SITE:** <http://www.grunenthal-usa.com/>

The Grunenthal Group is an independent, family-owned, international research-based pharmaceutical company headquartered in Aachen, Germany.

**PRICE PER UNIT:**

**PRICE/REVENUE:**

**PRICE/INCOME:**

Zalviso will be added to Grunenthal's existing pain management portfolio in Europe. Grunenthal will be responsible for all commercial activities and AcelRx will be responsible for maintaining device regulatory approval in the Grunenthal territory and manufacturing and supply of Zalviso to Grunenthal.

**TARGET:** *Laboratorio Arama de Uruguay Limitada*

**LISTING:** Private  
**LOCATION:** Montevideo, Uruguay  
**UNITS:**  
**REVENUE:**  
**NET INCOME:**

Laboratorio Arama de Uruguay Limitada provides a platform to OPKO to commercialize existing and future OPKO products.

**ANNOUNCEMENT DATE:** December 16, 2013

**PRICE:** Not disclosed

**TERMS:**

**ACQUIRER:** *OPKO Health, Inc.*

**LISTING:** AMEX: OPK  
**CEO:** Phillip Frost **PHONE:** 305-575-4100  
4400 Biscayne Boulevard **FAX:** 305-575-6049  
Miami, Florida 33137  
**WEB SITE:** [www.opko.com](http://www.opko.com)

OPKO Health is a multinational biopharmaceutical and diagnostics company. On a trailing 12-month basis, it generated revenue of \$92 million and a net loss of \$99 million.

**PRICE PER UNIT:**

**PRICE/REVENUE:**

**PRICE/INCOME:**

OPKO already owns businesses in Brazil, Chile and Mexico. This acquisition establishes its footprint in Uruguay and will facilitate commercial expansion into neighboring Argentina. The transaction closed on January 8, 2014.

**TARGET:** *NuPathe, Inc.*

**ACQUIRER:** *Endo Health Solutions Inc.*

**LISTING:** NASDAQ: PATH  
**LOCATION:** Malvern, Pennsylvania  
**UNITS:**  
**REVENUE:**  
**NET INCOME:**

**LISTING:** NASDAQ: ENDP  
**CEO:** Rajiv De Silva **PHONE:** 484-216-0000  
1400 Atwater Drive **FAX:** 800-329-3636  
Malvern, Pennsylvania 19355  
**WEB SITE:** www.endo.com

NuPathe is a specialty pharmaceutical company focused on neuroscience solutions for diseases of the central nervous system including neurological and psychiatric disorders. Its primary product is Zecuity, a transdermal patch for migraine headaches.

Endo Health is a specialty healthcare company with four distinct business segments focused on branded and generic pharmaceuticals, devices and services.

**ANNOUNCEMENT DATE:** December 16, 2013  
**PRICE:** \$105,000,000 (approximately)  
**TERMS:** \$2.85 per share in cash upfront, plus up to \$3.15 per share in sales milestones for Zecuity.

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

On a 12-month trailing basis, NuPathe had a net loss of \$49.6 million. The transaction is expected to be accretive to Endo's adjusted diluted earnings within the first 12 months of closing. The transaction is expected to be completed in the early part of 2014. Skadden Arps is acting as legal advisor to Endo. MTS Securities, LLC, an affiliate of MTS Health Partners, LP, is acting as financial advisor to NuPathe and Morgan, Lewis & Bockius LLP is acting as legal advisor to NuPathe. On January 8, 2014, Teva Pharmaceutical Industries made a higher bid with the same milestone value but \$114 million upfront.

**TARGET:** *Quinnova Pharmaceuticals, LLC*

**ACQUIRER:** *Everett Laboratories, Inc.*

**LISTING:** Private  
**LOCATION:** Jamison, Pennsylvania  
**UNITS:**  
**REVENUE:**  
**NET INCOME:**

**LISTING:** Private  
**CEO:** Lucas Sigman **PHONE:** 973-324-0200  
One Main Street, Ste 203 **FAX:** 973-324-0795  
Chatham, New Jersey 07928  
**WEB SITE:** www.everettlabs.com

Amneal Enterprises, LLC, is selling Quinnova Pharmaceuticals, which is focused on patent-protected dermal delivery technologies, used to transport pharmaceutical ingredients through the epidermis.

A subsidiary of Exeltis, Everett Laboratories, Inc. is a specialty pharmaceutical company. Exeltis is a global health organization based in Madrid, Spain, specializing in women's health, respiratory and dermatology.

**ANNOUNCEMENT DATE:** December 16, 2013  
**PRICE:** Not disclosed  
**TERMS:**

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

Everett, which has focused on women's health care, is expanding into the U.S. dermatological market. This acquisition was completed on December 16, 2013.



**TARGET:** *Vertical/Trigen Holdings*

**ACQUIRER:** *Avista Capital Partners*

**LISTING:** Private

**LISTING:** Private

**LOCATION:** Sayreville, New Jersey

**CEO:** Sriram Venkataraman **PHONE:** 212-593-6900

**UNITS:**

65 East 55th Street, 18th Fl. **FAX:** 212-593-6901

**REVENUE:**

New York, New York 10022

**NET INCOME:**

**WEB SITE:** www.avistacap.com

Vertical/Trigen Holdings, comprised of Vertical Pharmaceuticals and Trigen Laboratories, is a specialty pharmaceutical company engaged in the development, marketing and distribution of branded and generic prescription drugs in the United States.

Formed in 2005, Avista Capital Partners is a private equity firm with over \$5 billion under management. It focuses on growth-oriented energy, health care, communications and media, and consumer businesses.

**ANNOUNCEMENT DATE:** December 16, 2013

**PRICE:** Not disclosed

**TERMS:**

**PRICE PER UNIT:**

**PRICE/REVENUE:**

**PRICE/INCOME:**

Vertical focuses on branded pharmaceuticals, specializing in women's health, pain management and respiratory and allergy medications. Trigen is the generic pharmaceutical arm, marketing more than 70 unique formulations in the prenatal, hematinic (iron) supplement, and cough/cold remedies. Both companies will continue to offer their full existing product lines. This acquisition was completed on December 16, 2013.

**TARGET:** *Aqua Pharmaceutical Holdings, Inc.*

**ACQUIRER:** *Almirall, S.A.*

**LISTING:** Private

**LISTING:** MCE: ALM.MC

**LOCATION:** West Chester, Pennsylvania

**CEO:** Jorge Gallardo **PHONE:** 34 93 291 30 00

**UNITS:**

General Mitre 151 **FAX:** 34 93 291 31 80

**REVENUE:**

Barcelona, Spain 8022

**NET INCOME:**

**WEB SITE:** www.almirall.es

RoundTable Healthcare Partners is selling Aqua Pharmaceutical Holdings, Inc., a specialty pharmaceutical company focused on acquiring, developing and marketing branded, prescription dermatology products.

Almirall, S.A. discovers, manufactures and distributes pharmaceutical products in Spain and abroad.

**ANNOUNCEMENT DATE:** December 17, 2013

**PRICE:** \$327,600,000

**TERMS:** \$327.6 million cash upfront plus up to \$75 million in milestones.

**PRICE PER UNIT:**

**PRICE/REVENUE:**

**PRICE/INCOME:**

Through this acquisition, Almirall will expand its dermatological product portfolio. Deutsche Bank Securities Inc. acted as exclusive financial advisor to Aqua, and Sidley Austin LLP acted as exclusive legal advisor to RoundTable in this transaction.

**TARGET:** *U.S. rights to Cambia*

**ACQUIRER:** *Depomed, Inc.*

**LISTING:** Private  
**LOCATION:** Bedminster, New Jersey  
**UNITS:**  
**REVENUE:** \$72,000,000 (annualized)  
**NET INCOME:**

**LISTING:** NASDAQ: DEPO  
**CEO:** Jim Schoeneck **PHONE:** 510-744-8000  
7999 Gateway Blvd., Ste. 300 **FAX:** 510-744-8001  
Newark, California 94560  
**WEB SITE:** <http://www.depomedinc.com>

Nautilus Neurosciences is selling the U.S. rights to its migraine medicine, Cambia, the only NSAID in the U.S. specifically indicated for migraine.

Depomed is a specialty pharmaceutical company with four approved and marketed products, Gralise, Zipsor, Glumetza and Lazanda.

**ANNOUNCEMENT DATE:** December 17, 2013  
**PRICE:** \$48,700,000  
**TERMS:** \$48.7 million cash upfront plus up to \$5 million in milestones and the assumption of third party royalties and up to \$10 million in third party milestone payments.

**PRICE PER UNIT:**  
**PRICE/REVENUE:** 0.68  
**PRICE/INCOME:**

The acquisition bolsters Depomed's portfolio in pain and neurology, and increases sales support for Cambia. Depomed expects the acquisition to be immediately accretive. This acquisition was completed on December 17, 2013.

**TARGET:** *Rights to LAMA respiratory compound*

**ACQUIRER:** *Mylan, Inc.*

**LISTING:** NYSE: PFE  
**LOCATION:** New York, New York  
**UNITS:**  
**REVENUE:**  
**NET INCOME:**

**LISTING:** NASDAQ: MYL  
**CEO:** Heather Bresch **PHONE:** 724-514-1800  
1500 Corporate Drive **FAX:** 724-514-1870  
Canonsburg, Pennsylvania 15317  
**WEB SITE:** [www.mylan.com](http://www.mylan.com)

Pfizer is selling rights to develop, manufacture and commercialize a long-acting muscarinic antagonist (LAMA) compound for various indications.

Mylan, Inc. develops, manufactures and markets generic and brand pharmaceutical products. On a 12-month trailing basis, MYL generated revenue of \$6.8 billion, EBITDA of \$1.86 billion and net income of \$605 million.

**ANNOUNCEMENT DATE:** December 18, 2013  
**PRICE:** Not disclosed  
**TERMS:** Mylan will have exclusive rights in the U.S., Canada, Australia, New Zealand, the European Union, India and Japan. The company will have co-promotion rights with Pfizer in the rest of the world.

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

Mylan expects this product, which is ready to enter Phase 2b, will be submitted to the FDA for approval as a new chemical entity, and expects the product to benefit from long-term patent protection in the U.S. through 2029. Mylan plans to develop this compound into combination therapies and use the multi-dose dry powder inhaler, also licensed from Pfizer.

**TARGET:** *Algeta ASA*

**LISTING:** Oslo: ALGETA.OL

**LOCATION:** Oslo, Norway

**UNITS:**

**REVENUE:**

**NET INCOME:**

Algeta ASA develops, manufactures and markets novel targeted therapies for patients with cancer. Its lead product is Xofigo, a drug it has developed jointly with the Bayer Group since 2009. Xofigo began selling in the U.S. in 2013.

**ANNOUNCEMENT DATE:** December 19, 2013

**PRICE:** \$2,900,000,000

**TERMS:** Cash, equivalent of NOK 17.6 billion or NOK 362 per share.

With this transaction, Bayer will further strengthen its oncology portfolio with the addition of Xofigo, and boost its blockbuster potential. Bayer intends to further invest in Algeta's Targeted Thorium Conjugate research platform. Bayer expects to close the transaction during the first quarter of 2014.

**ACQUIRER:** *Bayer Group*

**LISTING:** XETRA: BAYN:DE

**CEO:** Marijn E. Dekkers **PHONE:** 49 214 30-1

Bayer Direct Services GmbH **FAX:**

Leverkusen, Germany 51368

**WEB SITE:** [healthcare.bayer.com](http://healthcare.bayer.com)

Bayer is a global enterprise with core competencies in the the fields of health care, agriculture and high-tech materials. In fiscal 2012, Bayer had sales of EUR 39.7 billion. Capital expenditures amounted to EUR 1.9 billion and R&D expenses to EUR 3.0 b

**PRICE PER UNIT:**

**PRICE/REVENUE:**

**PRICE/INCOME:**

**TARGET:** *Gentium S.p.A.*

**LISTING:** NASDAQ: GENT

**LOCATION:** Como, Italy

**UNITS:**

**REVENUE:** \$48,760,000 (ttm)

**NET INCOME:** \$9,390,000 (EBITDA)

Gentium is a biopharmaceutical company focused on developing and manufacturing drugs to treat a variety of rare diseases and conditions, including orphan vascular diseases related to cancer treatments. Its lead product is Defitelio.

**ANNOUNCEMENT DATE:** December 19, 2013

**PRICE:** \$1,000,000,000 (approximately)

**TERMS:** Cash, \$57.00 per share equivalent for all ordinary shares and American Depositary Shares. Jazz plans to finance the transaction with a combination of cash on hand, proceeds from an incremental term loan and revolver borrowings.

Gentium's Defitelio (defibrotide), a treatment for severe hepatic veno-occlusive disease, is highly complementary to Jazz's focus on orphan diseases in the areas of hematology and oncology. Defitelio received marketing authorization in the E.U. in October 2013. The acquisition is expected to be immediately accretive to Jazz Pharmaceuticals' adjusted earnings per share. The transaction is expected to close in the first quarter of 2014.

**ACQUIRER:** *Jazz Pharmaceuticals plc*

**LISTING:** NASDAQ: JAZZ

**CEO:** Bruce Cozadd **PHONE:** 353 1 634 4183

45 Fitzwilliam Square **FAX:**

Dublin, Ireland 2

**WEB SITE:** [www.jazzpharmaceuticals.com](http://www.jazzpharmaceuticals.com)

Jazz Pharmaceuticals is a specialty pharma involved in the neurology and psychiatry markets. On a trailing 12-month basis, it generated revenue of \$820 million, EBITDA of \$418 million and net income of \$327 million.

**PRICE PER UNIT:**

**PRICE/REVENUE:** 20.51

**PRICE/INCOME:** 106.50

**TARGET:** *Global diabetes assets*

**ACQUIRER:** *AstraZeneca plc*

**LISTING:** NYSE: BMY

**LISTING:** NYSE: AZN

**LOCATION:** New York, New York

**CEO:** Pascal Soriot

**PHONE:** 44 20 7604 8000

**UNITS:**

2 Kingdom Street

**FAX:** 44 20 7604 8851

**REVENUE:**

London, England W2 6BD

**NET INCOME:**

**WEB SITE:** www.astrazeneca.com

Bristol-Myers Squibb is selling its share of global diabetes alliance assets. The assets include rights to Onglyza, Kombiglyze XR, Komoglyze, dapagliflozin, Byetta, Bydureon, metreleptin and Smylin.

AstraZeneca plc is a global biopharma company focused on the discovery, development and commercialization of prescription medicines. On a trailing 12-month basis the company generated revenue of \$26.2 billion, EBITDA of \$9.9 billion and net income of \$4.9 1 billion.

**ANNOUNCEMENT DATE:** December 19, 2013

**PRICE:** \$2,700,000,000 (approximately)

**PRICE PER UNIT:**

**TERMS:** \$2.7 billion on completion, plus up to \$1.4 billion in regulatory, launch and sales related payments. Also, royalty payments up until 2025, and up to \$225 million when certain assets are substantially transferred.

**PRICE/REVENUE:**

**PRICE/INCOME:**

Upon completion of the transaction, AZN will own intellectual property and global rights for the development, manufacture and commercialization of the diabetes business it has shared with BMY. It reinforces AZN's commitment to patients with diabetes, a core strategic area and an important platform for returning AZN to growth. The company expects the transaction to be neutral to Core EPS in 2014. The acquisition is expected to close in January 2014. Covington & Burling advised Astrazeneca on this transaction.

**TARGET:** *31 generic drug products*

**ACQUIRER:** *ANI Pharmaceuticals, Inc.*

**LISTING:** NYSE: TEVA

**LISTING:** NASDAQ: ANIP

**LOCATION:** North Wales, Pennsylvania

**CEO:** Arthur S. Przybyl

**PHONE:** 218-634-3500

**UNITS:**

218-634-3500

**FAX:** 218-634-3540

**REVENUE:**

Baudette, Minnesota 56623

**NET INCOME:**

**WEB SITE:** www.anipharmaceuticals.com

Teva Pharmaceuticals is selling 31 previously marketed generic drug products, including 20 solid oral immediate release products, four extended release products and seven liquid products.

ANI Pharmaceuticals, Inc. is a specialty pharmaceutical company developing, manufacturing, and marketing branded and generic prescription pharmaceuticals.

**ANNOUNCEMENT DATE:** December 26, 2013

**PRICE:** \$ 12,500,000

**PRICE PER UNIT:**

**TERMS:** Cash plus a percentage of future sales.

**PRICE/REVENUE:**

**PRICE/INCOME:**

This acquisition will expand ANI's generic product portfolio beyond its current seven products. ANI will begin work immediately on transferring the production of these drugs into its manufacturing facilities in an effort to launch products beginning in the fourth quarter of 2014. This acquisition was completed on December 26, 2013.

**TARGET:** *Ikaria, Inc.*

**ACQUIRER:** *Madison Dearborn Partners*

**LISTING:** Private

**LISTING:** Private

**LOCATION:** Hampton, New Jersey

**CEO:** Sam Menco &

**PHONE:** 312-895-1000

Paul Finnegan

**UNITS:**

3 First National Plaza, Ste 4600

**FAX:** 312-895-1001

**REVENUE:**

Chicago, Illinois 60602

**NET INCOME:**

**WEB SITE:** www.mdcpl.com

Ikaria, Inc.'s investors are selling its commercial business, the exclusive provider of Inomax, which treats hypoxic respiratory failure (HRF) in newborn infants. Investors include New Mountain Capital, Arch Venture Partners, Venrock and 5AM Ventures.

Madison Dearborn is a private equity investor. It has more than \$18 billion of equity capital under management.

**ANNOUNCEMENT DATE:** December 26, 2013

**PRICE:** \$1,600,000,000

**PRICE PER UNIT:**

**TERMS:** The transaction values Ikaria at \$1.6 billion. Madison Dearborn will acquire a majority stake in Ikaria and its research business, with three high potential programs, will be spun out to existing shareholders and prefunded with \$80 million in cash.

**PRICE/REVENUE:**

**PRICE/INCOME:**

The transaction is expected to close in the first quarter of 2014. Ikaria is being advised by Credit Suisse and Morgan Stanley. Fried, Frank, Harris, Shriver & Jacobson LLP and Wilmer Cutler Pickering Hale and Dorr LLP are serving as legal advisors to Ikaria. Madison Dearborn is being advised by Barclays and Goldman Sachs, and Kirkland & Ellis LLP is serving as legal advisor. Credit Suisse will lead the debt financing related to the transaction.

**TARGET:** *Scientific Protein Laboratories, Inc.*

**ACQUIRER:** *Shenzhen Hepalink Pharmaceutical Co., Ltd*

**LISTING:** Private

**LISTING:** Shenzhen: 002399.SZ

**LOCATION:** Waunakee, Wisconsin

**CEO:** Li Li

**PHONE:** 86 755 26980200

**UNITS:**

21 Langshan Road,  
Songpingshan, Nanshan District  
Shenzhen, China 518057

**FAX:** 86 755 26980183

**REVENUE:**

**NET INCOME:**

Arsenal Capital Partners is selling Scientific Protein Laboratories (SPL), which manufactures and supplies active pharmaceutical ingredients, including heparin and pancreatin, that are used in treating pancreatitis and cystic fibrosis.

**WEB SITE:** www.hepalink.com/en

Hepalink USA, a wholly-owned subsidiary of Shenzhen Hepalink Pharmaceutical Co., Ltd, is acquiring 100% of the interest in SPL. Hepalink USA is a supplier of Heparin worldwide.

**ANNOUNCEMENT DATE:** December 26, 2013

**PRICE:** \$337,500,000

**PRICE PER UNIT:**

**TERMS:** \$337.5 million in cash plus certain contingent payments.

**PRICE/REVENUE:**

**PRICE/INCOME:**

With this acquisition, Hepalink will expand its presence as one of the leading suppliers of heparin worldwide, while providing the combined company with greater product development and growth opportunities in new markets for its full line of active pharmaceutical ingredients (APIs). The transaction is expected to close during the first half of 2014.

**TARGET:** *Semprae Laboratories, Inc.*

**ACQUIRER:** *Innovus Pharmaceuticals, Inc.*

**LISTING:** Private

**LISTING:** OTC: INNV

**LOCATION:** Saddle Brook, New Jersey

**CEO:** Bassam B. Damaj **PHONE:** 858-964-5123

**UNITS:**

4275 Executive Square, Ste 200 **FAX:** 858-964-2301

**REVENUE:** \$1,000,000 (2013)

LaJolla, California 92037

**NET INCOME:**

**WEB SITE:** www.innovuspharma.com

Semprae Laboratories, Inc. was founded in 2008 with the goal of improving women's sexual lives. Semprae markets a non-prescription product clinically proven to increase arousal, sensation, pleasure and satisfaction in women.

Innovus Pharmaceuticals, Inc. is an emerging company that delivers health solutions through its over-the-counter medicines and consumer and health products.

**ANNOUNCEMENT DATE:** December 31, 2013

**PRICE:** Not disclosed

**TERMS:**

**PRICE PER UNIT:**

**PRICE/REVENUE:**

**PRICE/INCOME:**

The acquisition of Semprae brings a number of benefits to Innovus Pharma: immediate revenue-generating non-prescription products for women's sexual health, related patents, and immediate retail presence in large U.S. retail chains. This acquisition was completed on December 30, 2013.

# **PHYSICIAN MEDICAL GROUPS**





**FOURTH QUARTER 2013 PHYSICIAN MEDICAL GROUP TRANSACTIONS**

<b>TARGET</b>	<b>CITY</b>	<b>STATE</b>	<b>ACQUIRER</b>	<b>CITY</b>	<b>STATE</b>	<b>DATE</b>	<b>PRICE</b>
Upper Michigan Cardiovascular Associates	Marquette	Michigan	Marquette General Hospital	Marquette	Michigan	October 2, 2013	
Dayton Newborn Care Specialists, Inc.	Dayton	Ohio	MEDNAX, Inc.	Sunrise	Florida	October 7, 2013	
Greater Orlando Hospitalists, P.A.	Altamonte Springs	Florida	IPC The Hospitalist Company	North Hollywood	California	October 7, 2013	
Yonge Eglinton Laser Eye Centre	Toronto	Ontario	TLC Laser Eye Centers	Chesterfield	Missouri	October 9, 2013	
Pegasus Emergency Group	Bozeman	Montana	Island Medical Management	Hauppauge	New York	October 10, 2013	
THG The Hospitalist Group LP	Mission	Texas	IPC The Hospitalist Company	North Hollywood	California	October 14, 2013	
MESA Medical Group	Lexington	Kentucky	TeamHealth Holdings Inc.	Knoxville	Tennessee	October 15, 2013	
Neuro Pain Consultants	Bloomfield Hills	Michigan	Prospira PainCare, Inc.	Mountain View	California	October 15, 2013	
4 post-acute care practices	White Plains	New York	IPC The Hospitalist Company	North Hollywood	California	October 24, 2013	\$19,800,000
Pulmonary Consultants Inc.	Montgomery	Ohio	TriHealth	Cincinnati	Ohio	October 29, 2013	
Ohio Cancer Specialists	Mansfield	Ohio	Cleveland Clinic	Cleveland	Ohio	November 1, 2013	
Wolverine Anesthesia Consultants	Orlando	Florida	TeamHealth Holdings Inc.	Knoxville	Tennessee	November 11, 2013	
Lebanon Anesthesia Associates	Lebanon	Pennsylvania	PhyMed Healthcare Group	Nashville	Tennessee	November 12, 2013	
Certain assets of Inpatient Care Unified, Inc.	Uniontown	Ohio	Sound Physicians	Tacoma	Washington	November 13, 2013	
Medical Anesthesia Consultants Medical Group Inc.	San Ramon	California	Sheridan	Sunrise	Florida	November 18, 2013	
2 Florida physician practices	Naples and Venice	Florida	IPC The Hospitalist Company	North Hollywood	California	November 20, 2013	
Emerald Physicians	Hyannis	Massachusetts	Cape Cod Healthcare Inc.	Hyannis	Massachusetts	November 23, 2013	
3 physician practices	Michigan and Florida		IPC The Hospitalist Company	North Hollywood	California	December 19, 2013	
Neonatology Center of Winchester, P.C.	Winchester	Virginia	MEDNAX, Inc.	Sunrise	Florida	December 19, 2013	
Professional Anesthesia Services, LLP	Omaha	Nebraska	TeamHealth Holdings Inc.	Knoxville	Tennessee	December 23, 2013	



**TARGET:** *Upper Michigan  
Cardiovascular Associates*

**LISTING:** Private  
**LOCATION:** Marquette, Michigan  
**UNITS:**  
**REVENUE:**  
**NET INCOME:**

Upper Michigan Cardiovascular Associates is a 12-physician group with 55 employees. It is the largest cardiology and vascular group in Michigan's Upper Peninsula.

**ANNOUNCEMENT DATE:** October 2, 2013  
**PRICE:** Not disclosed  
**TERMS:**

**ACQUIRER:** *Marquette General Hospital*

**LISTING:** Nonprofit  
**CEO:** Gary Muller  
580 W College Avenue  
Marquette, Michigan 49855  
**PHONE:** 906-228-9440  
**FAX:**  
**WEB SITE:** www.mgh.org

Marquette General is a Duke LifePoint Hospital, a federally designated Regional Referral Center and a member of Superior Health Partners.

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

Marquette General acquired Upper Michigan Cardiovascular Associates as part of its plan to develop the Marquette General Heart and Vascular Institute, placing a wide range of cardio and vascular services under a single medical service line. This acquisition completed on November 11, 2013.

**TARGET:** *Dayton Newborn Care  
Specialists, Inc.*

**LISTING:** Private  
**LOCATION:** Dayton, Ohio  
**UNITS:** 4 (physicians)  
**REVENUE:**  
**NET INCOME:**

Dayton Newborn Care Specialists provides a wide spectrum of services including neonatal intensive care, labor and delivery, newborn nursery and maternal consults at Dayton Children's Hospital, Springfield Regional Medical Center and nine other hospitals in the Dayton area.

**ANNOUNCEMENT DATE:** October 7, 2013  
**PRICE:** Not disclosed  
**TERMS:** Cash. The transaction is expected to be immediately accretive to MEDNAX's earnings.

**ACQUIRER:** *MEDNAX, Inc.*

**LISTING:** NYSE: MD  
**CEO:** Roger J. Medel, M.D.  
1301 Concord Terrace  
Sunrise, Florida 33323  
**PHONE:** 800-243-3839  
**FAX:** 954-838-9961  
**WEB SITE:** www.mednax.com

MEDNAX, Inc. is a national medical group comprised of neonatal, maternal-fetal and pediatric physician subspecialty services as well as anesthesia services. On a trailing 12-month basis, the company generated \$1.98 billion in revenue and \$450 million EBITDA.

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

The practice will become part of MEDNAX's Pediatrix Medical Group division. With this acquisition, nine physician group practices have been added in 2013, four as part of the Pediatrix Medical Group, and five as part of American Anesthesiology.

**TARGET:** *Greater Orlando Hospitalists, P.A.*  
**LISTING:** Private  
**LOCATION:** Altamonte Springs, Florida  
**UNITS:**  
**REVENUE:**  
**NET INCOME:**

Greater Orlando Hospitalists, P.A. (GOH) is an acute care hospitalist practice based in a suburb of Orlando. The practice represents an annualized volume of approximately 35,000 patients encounters.

**ANNOUNCEMENT DATE:** October 7, 2013  
**PRICE:** Not disclosed  
**TERMS:**

**ACQUIRER:** *IPC The Hospitalist Company*  
**LISTING:** NASDAQ: IPCM  
**CEO:** Adam D. Singer, M.D.  
**PHONE:** 888-447-2362  
4605 Lankershim Blvd.,  
Ste 617  
North Hollywood, California 91602  
**FAX:**  
**WEB SITE:** www.hospitalist.com

IPC The Hospitalist Company is a leading physician group practice company focused on the delivery of hospitalist medicine and related facility-based services. Its providers practice in more than 350 hospitals and 800 post-acute care facilities in 28 states.

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

The GOH transaction represents a further expansion for IPC in the Orlando market where the company already has an established presence. It's IPC's third acquisition in Florida this year in 2013. This acquisition completed on October 7, 2013.

**TARGET:** *Yonge Eglinton Laser Eye Centre*  
**LISTING:** Private  
**LOCATION:** Toronto, Ontario  
**UNITS:**  
**REVENUE:**  
**NET INCOME:**

Yonge Eglinton Laser Eye Centre provides Lasik surgery in the greater Toronto area.

**ANNOUNCEMENT DATE:** October 9, 2013  
**PRICE:** Not disclosed  
**TERMS:**

**ACQUIRER:** *TLC Laser Eye Centers*  
**LISTING:** Private  
**CEO:** George Neal  
**PHONE:** 877-852-2020  
16305 Swingley Ridge Rd.,  
Ste. 300A  
Chesterfield, Missouri 63017  
**FAX:**  
**WEB SITE:** www.tlcvision.com

TLC Laser Eye Centers provide Lasik and refractive eye care services.

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

The acquisition enhances TLC's team with the addition of seven surgeons. It closed on October 9, 2013.

**TARGET:** *Pegasus Emergency Group*

**ACQUIRER:** *Island Medical Management*

**LISTING:** Private  
**LOCATION:** Bozeman, Montana  
**UNITS:**  
**REVENUE:**  
**NET INCOME:**

**LISTING:** Private  
**CEO:** Daniel Ferrara  
**PHONE:** 631-514-7578  
88 Arkay Drive  
**FAX:**  
Hauppauge, New York 11788  
**WEB SITE:** www.islandhousemd.com

Established in 1996, Pegasus Emergency Group consists of more than 200 providers and manages Emergency Department services across seven states to more than 700,000 patients.

In 2012, Island Medical Management acquired 4M Management Systems and became a regional staffing and management organization in Ohio as well as New York. It provides services to 20 client hospitals.

**ANNOUNCEMENT DATE:** October 10, 2013  
**PRICE:** Merger  
**TERMS:**

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

This acquisition is inline with IMM's goal to build a nationwide brand that patients, physicians, and hospitals associate with the highest quality medicine. The combined company will operate under the Pegasus model and brand.

**TARGET:** *THG The Hospitalist Group LP*

**ACQUIRER:** *IPC The Hospitalist Company*

**LISTING:** Private  
**LOCATION:** Mission, Texas  
**UNITS:**  
**REVENUE:**  
**NET INCOME:**

**LISTING:** NASDAQ: IPCM  
**CEO:** Adam D. Singer, MD  
**PHONE:** 888-447-2362  
4605 Lankershim Blvd.,  
**FAX:**  
Ste. 617  
North Hollywood, California 91602  
**WEB SITE:** www.hospitalist.com

IPC acquired the assets of three affiliated hospitalist entities in South Texas: THG The Hospitalist Group LP; The Hospitalist Management Group, LLC; and MD@Home Ltd. They are collectively know as THG.

IPC The Hospitalist Company is a leading physician group practice company focused on the delivery of hospitalist medicine and related facility-based services. Its providers practice in more than 350 hospitals and 800 post-acute care facilities in 28 states.

**ANNOUNCEMENT DATE:** October 14, 2013  
**PRICE:** Not disclosed  
**TERMS:**

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

THG operates in acute care hospitals and post-acute care facilities throughout the Rio Grande Valley communities of Mission, Edinburg and McAllen. This transaction represents further expansion for IPC in the South Texas market where the company has an established presence. The THG acquisition is expected to generate approximately 85,000 acute patient encounters on an annualized basis.

**TARGET:** *MESA Medical Group*

**ACQUIRER:** *TeamHealth Holdings Inc.*

**LISTING:** Private

**LISTING:** NYSE: TMH

**LOCATION:** Lexington, Kentucky

**CEO:** Greg Roth

**PHONE:** 800-342-2898

**UNITS:**

265 Brookview Centre Way

**FAX:**

**REVENUE:**

Knoxville, Tennessee 37919

**NET INCOME:**

**WEB SITE:** www.teamhealth.com

Marshall Physician Services, LLC, operating as MESA Medical Group, manages and staffs emergency medicine and hospital medicine programs for 24 facilities in Kentucky, Indiana, Ohio and West Virginia. It is being sold by Atlanta Equity Investors.

TeamHealth is one of the largest providers of outsourced physician staffing solutions for hospitals in the U.S. More than 9,500 affiliated healthcare professionals provide services in approximately 850 civilian and military hospitals in 47 states.

**ANNOUNCEMENT DATE:** October 15, 2013

**PRICE:** Not disclosed

**TERMS:**

**PRICE PER UNIT:**

**PRICE/REVENUE:**

**PRICE/INCOME:**

This acquisition marks TeamHealth's largest to date. It represents consolidation of a well known, long-standing competitor primarily in the Kentucky market. Navigant Capital Advisors served as MESA's financial advisor and Troutman Sanders LLP served as MESA's legal counsel.

**TARGET:** *Neuro Pain Consultants*

**ACQUIRER:** *Prospira PainCare, Inc.*

**LISTING:** Private

**LISTING:** Private

**LOCATION:** Bloomfield Hills, Michigan

**CEO:** Dr. Barry Karlin

**PHONE:** 650-265-0009

**UNITS:**

1451 Grant Road, Suite 200

**FAX:**

**REVENUE:**

Mountain View, California 94040

**NET INCOME:**

**WEB SITE:** www.prospirapaincare.com

Neuro Pain Consultants is the largest group of pain management specialists in the Detroit metropolitan area, offering multi-disciplinary pain treatments and therapies for patients suffering from chronic and intractable pain.

Prospira PainCare is a leading provider of multi-disciplinary pain management and restorative health care services.

**ANNOUNCEMENT DATE:** October 15, 2013

**PRICE:** Not disclosed

**TERMS:**

**PRICE PER UNIT:**

**PRICE/REVENUE:**

**PRICE/INCOME:**

The acquisition of Neuro Pain Consultants is a continuation of Prospira's growth strategy and the establishment of its first network of pain management treatment centers in the Midwest.

**TARGET:** *4 post-acute care practices*

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

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

Park Avenue Medical Associates is selling four of its post-acute care practices: Park Avenue Health Care Management, LLC; Park Avenue Medical Associates, PC; Park Avenue Medical Associates, LLC; and Geriatric Services, PC (collectively, Park Avenue).

**ANNOUNCEMENT DATE:** October 24, 2013  
**PRICE:** \$19,800,000  
**TERMS:** \$19.8 million cash plus up to \$18.2 million in contingent payments based on a valuation study.

The transaction represents a new market for IPC in the New York metropolitan area, as well as an expansion of IPC's existing operations in Connecticut and Massachusetts. The acquisition is expected to add an incremental volume of 375,000 patients on an annualized basis. This acquisition was completed on December 12, 2013.

**ACQUIRER:** *IPC The Hospitalist Company*

**LISTING:** NASDAQ: IPCM  
**CEO:** Adam D. Singer, MD  
4605 Lankershim Blvd.,  
Ste. 617  
North Hollywood, California 91602  
**PHONE:** 888-447-2362  
**FAX:**  
**WEB SITE:** www.hospitalist.com

IPC The Hospitalist Company is a leading physician group practice company focused on the delivery of hospitalist medicine and related facility-based services. Its providers practice in more than 350 hospitals and 800 post-acute care facilities in 28 states.

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

**TARGET:** *Pulmonary Consultants Inc.*

**LISTING:** Private  
**LOCATION:** Montgomery, Ohio  
**UNITS:**  
**REVENUE:**  
**NET INCOME:**

Pulmonary Consultants employs five physicians and 13 staff members.

**ANNOUNCEMENT DATE:** October 29, 2013  
**PRICE:** Not disclosed  
**TERMS:**

Pulmonary Consultants is now known as TriHealth Pulmonary Medicine. The group will continue to see patients at their primary location in Montgomery, with satellite locations in Anderson, Bethesda Arrow Springs, Bethesda Butler and Bethesda North sleep centers. This acquisition was completed on October 29, 2013.

**ACQUIRER:** *TriHealth*

**LISTING:** Nonprofit  
**CEO:** Jerry Oliphant  
619 Oak Street  
Cincinnati, Ohio 45206  
**PHONE:** 513-569-5400  
**FAX:**  
**WEB SITE:** www.trihealth.com

TriHealth consists of two acute-care hospitals, Bethesda and Good Samaritan Hospital, and more than 80 locations. Its non-hospital services include physician practice management, fitness centers, occupational health and home health and hospice care.

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

**TARGET:** *Ohio Cancer Specialists*

**ACQUIRER:** *Cleveland Clinic*

**LISTING:** Private  
**LOCATION:** Mansfield, Ohio  
**UNITS:**  
**REVENUE:**  
**NET INCOME:**

**LISTING:** Nonprofit  
**CEO:** Delos M. Cosgrove  
**PHONE:** 800-223-2272  
9500 Euclid Avenue  
**FAX:**  
Cleveland, Ohio 44195  
**WEB SITE:** [www.clevelandclinic.org](http://www.clevelandclinic.org)

Ohio Cancer Specialists (OCS) is a full-service cancer treatment center with four physicians and 43 employees. It serves patients in Richland, Crawford, Ashland, Huron, Knox and Morrow counties.

Cleveland Clinic is a nonprofit, multispecialty academic medical center that integrates clinical and hospital care with research and education.

**ANNOUNCEMENT DATE:** November 1, 2013  
**PRICE:** Not disclosed  
**TERMS:**

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

The agreement will make OCS a part of Cleveland Clinic's Taussig Cancer Institute. Their employees and physicians will also be Cleveland Clinic employees.

**TARGET:** *Wolverine Anesthesia Consultants*

**ACQUIRER:** *TeamHealth Holdings Inc.*

**LISTING:** Private  
**LOCATION:** Orlando, Florida  
**UNITS:**  
**REVENUE:**  
**NET INCOME:**

**LISTING:** NYSE: TMH  
**CEO:** Greg Roth  
**PHONE:** 865-293-5299  
265 Brookview Centre Way  
**FAX:**  
Knoxville, Tennessee 37919  
**WEB SITE:** [www.teamhealth.com](http://www.teamhealth.com)

Edgemont Capital Partners, L.P., a boutique private investment bank, is selling Wolverine Anesthesia Consultants, with more than 60 physicians and CRNAs.

TeamHealth is one of the largest providers of outsourced physician staffing solutions for U.S. hospitals, through 18 regional locations and more than 9,600 affiliated healthcare professionals.

**ANNOUNCEMENT DATE:** November 11, 2013  
**PRICE:** Not disclosed  
**TERMS:**

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

Wolverine provides services at three hospitals and one ambulatory surgery center. All of these facilities are part of Orlando Health, a private, not-for-profit healthcare network. Edgemont Capital Partners acted as exclusive financial advisor to Wolverine, and Waller Lansden Dortch & Davis acted as legal counsel. This transaction closed on November 8, 2013.



**TARGET:** *Lebanon Anesthesia Associates*

**LISTING:** Private

**LOCATION:** Lebanon, Pennsylvania

**UNITS:**

**REVENUE:**

**NET INCOME:**

**ACQUIRER:** *PhyMed Healthcare Group*

**LISTING:** Private

**CEO:** Dr. Frederick Miller

110 29th Avenue North,  
Ste. 301

Nashville, Tennessee 37203

**WEB SITE:** www.phymed.com

**PHONE:** 8855.331.4999

**FAX:**

PhyMed Healthcare is a physician-owned leader of anesthesia, pain management and critical care professionals, with more than 350 clinicians, including 85 anesthesiologists and 245 CRNAs.

**ANNOUNCEMENT DATE:** November 12, 2013

**PRICE:** Merger

**TERMS:**

**PRICE PER UNIT:**

**PRICE/REVENUE:**

**PRICE/INCOME:**

The merger expands the PhyMed anesthesia network to Pennsylvania.

**TARGET:** *Certain assets of Inpatient Care Unified, Inc.*

**LISTING:** Private

**LOCATION:** Uniontown, Ohio

**UNITS:**

**REVENUE:**

**NET INCOME:**

**ACQUIRER:** *Sound Physicians*

**LISTING:** Private

**CEO:** Robert Bessler, M.D.

1123 Pacific Avenue  
Tacoma, Washington 98402

**WEB SITE:** www.soundphysicians.com

**PHONE:** 253-682-1710

**FAX:** 253-682-1714

Hospitalists and mid-level providers from Inpatient Care Unified will join Sound Physicians and continue to provide care at two hospitals: Akron General Medical Center and Summa Akron City Hospital.

Sound Physicians is a hospitalist organization that invests in physicians, clinical process excellence and its proprietary workflow and information technology. It currently has more than 1,000 hospitalist and acute-care physicians.

**ANNOUNCEMENT DATE:** November 13, 2013

**PRICE:** Not disclosed

**TERMS:**

**PRICE PER UNIT:**

**PRICE/REVENUE:**

**PRICE/INCOME:**

Between the two hospitals served by Inpatient Care Unified, Sound Physicians will support a team of providers with its SoundConnect workflow and communications platform and processes to drive improvements in inpatient care outcomes. It will also provide hospitalist team leadership, evidence-based workflows, tools and infrastructure.

**TARGET:** *Medical Anesthesia Consultants Medical Group Inc.*

**LISTING:** Private  
**LOCATION:** San Ramon, California  
**UNITS:**  
**REVENUE:**  
**NET INCOME:**

Established in 1985, Medical Anesthesia Consultants Medical Group (MAC) has more than 100 anesthesiologists and serves 28 clinical sites, including five hospitals and 23 ambulatory surgery centers in northern California.

**ANNOUNCEMENT DATE:** November 18, 2013  
**PRICE:** Not disclosed  
**TERMS:**

MAC specializes in general, intravenous, sedation, cardiac, neurosurgical, obstetric, orthopedic, pediatric, plastic surgery, trauma and gastrointestinal anesthesia. This acquisition marks Sheridan's first in California. Jeffries LLC served as the exclusive financial advisor to MAC, and Reed Smith and Hassard Bonnington LLP served as legal counsel to MAC.

**TARGET:** *2 Florida physician practices*

**LISTING:** Private  
**LOCATION:** Naples and Venice, Florida  
**UNITS:**  
**REVENUE:**  
**NET INCOME:**

The combined practices of Neopolitan Inpatient Care, LLC and Venetian Hospitalist Services, LLC represent an annualized volume of approximately 30,000 patient encounters.

**ANNOUNCEMENT DATE:** November 20, 2013  
**PRICE:** Not disclosed  
**TERMS:**

These transactions represent a further expansion for IPC in southwest Florida, where the company already has an established presence. IPC has completed five transactions in Florida in 2013. The acquisition of both practices was complete on November 20, 2013.

**ACQUIRER:** *Sheridan*

**LISTING:** Private  
**CEO:** John Carlyle  
1613 N. Harrison Parkway  
Sunrise, Florida 33323  
**PHONE:** 800-437-2672  
**FAX:**  
**WEB SITE:** [www.sheridanhealthcare.com](http://www.sheridanhealthcare.com)

Sheridan is a national hospital-based, multispecialty physicians services company that provides anesthesiology, radiology, emergency medicine, neonatology and other pediatric subspecialties in 25 states, through more than 2,500 providers.

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

**ACQUIRER:** *IPC The Hospitalist Company*

**LISTING:** NASDAQ: IPCM  
**CEO:** Adam D. Singer, MD  
4605 Lankershim Blvd.,  
Ste. 610  
North Hollywood, California 91602  
**PHONE:** 888-447-2362  
**FAX:**  
**WEB SITE:** [www.hospitalist.com](http://www.hospitalist.com)

IPCM is a leading physician group practice company focused on the delivery of hospitalist medicine and related facility-based services. Its providers practice in more than 350 hospitals and 800 post-acute care facilities in 28 states.

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

**TARGET:** *Emerald Physicians*

**ACQUIRER:** *Cape Cod Healthcare Inc.*

**LISTING:** Private  
**LOCATION:** Hyannis, Massachusetts  
**UNITS:**  
**REVENUE:**  
**NET INCOME:**

**LISTING:** Nonprofit  
**CEO:** Michael Lauf  
**PHONE:** 508-771-1800  
66 Lewis Bay Road  
**FAX:**  
Hyannis, Massachusetts 02601  
**WEB SITE:** www.capecodhealth.org

Emerald Physicians provides internal medicine and specialty care services. The 15-physician practice was founded in 1997 by Dr. Cormac Coyle. It also employs nine mid-level providers and cares for approximately 38,000 patients across the region.

Cape Cod Healthcare has more than 450 physicians, 4,500 employees and 1,100 volunteers, it consists of two hospitals, homecare and hospice services, skilled nursing and rehabilitation facility, and the only local laboratory service on the Cape.

**ANNOUNCEMENT DATE:** November 23, 2013  
**PRICE:** Not disclosed  
**TERMS:**

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

Dr. Coyle will remain as the business and medical director of Emerald Physicians under a five-year contract, and will continue to run the practice as he has in the past. The new arrangement will allow Emerald Physicians to preserve its model of care, which focuses on same-day access for primary care patients and same-day or 24-hour access for neurology patients.

**TARGET:** *3 physician practices*

**ACQUIRER:** *IPC The Hospitalist Company*

**LISTING:** Private  
**LOCATION:** Michigan and Florida,  
**UNITS:**  
**REVENUE:**  
**NET INCOME:**

**LISTING:** NASDAQ: IPCM  
**CEO:** Adam D. Singer, MD  
**PHONE:** 888-447-2362  
4605 Lankershim Blvd.,  
**FAX:**  
Ste. 610  
North Hollywood, California 91602  
**WEB SITE:** www.hospitalist.com

Two Michigan-based physician groups and one Florida-based physician group are being acquired.

IPCM is a leading physician group practice company focused on the delivery of hospitalist medicine and related facility-based services. Its providers practice in more than 350 hospitals and 800 post-acute care facilities in 28 states.

**ANNOUNCEMENT DATE:** December 19, 2013  
**PRICE:** Not disclosed  
**TERMS:**

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

The practices being acquired are Bruce G. Johnson, D.O., PC, in Roseville, Michigan and Allen Trager, D.O., PC, in Flint, Michigan, and one practice in Ft. Lauderdale, Florida, Victor Toledano, M.D., PA. Each of the practices is located in markets where IPC already has an established presence. Including these transactions, IPC has added 19 acute and post-acute hospitalist practices in 2013. The acquisition was completed on December 19, 2013.

**TARGET:** *Neonatology Center of Winchester, P.C.*

**LISTING:** Private

**LOCATION:** Winchester, Virginia

**UNITS:**

**REVENUE:**

**NET INCOME:**

Established in 1996, Neonatology Center of Winchester provides neonatal intensive care at Winchester Medical Center, a Level III, 30-bed neonatal intensive care unit.

**ANNOUNCEMENT DATE:** December 19, 2013

**PRICE:** Not disclosed

**TERMS:** Cash.

**ACQUIRER:** *MEDNAX, Inc.*

**LISTING:** NYSE: MD

**CEO:** Roger J. Medel, M.D.

**PHONE:** 800-243-3839

1301 Concord Terrace

**FAX:** 954-838-9961

Sunrise, Florida 33323

**WEB SITE:** www.mednax.com

MEDNAX is a national medical group comprised of neonatal, maternal-fetal and pediatric physician subspecialty services as well as anesthesia services. On a trailing 12-month basis, the company generated \$1.98 billion in revenue and \$450 million EBITDA.

**PRICE PER UNIT:**

**PRICE/REVENUE:**

**PRICE/INCOME:**

The practice will become part of MEDNAX's Pediatrix Medical Group. With this acquisition, 10 physician group practices have become part of MEDNAX in 2013, five as part of Pediatrix Medical Group, and five as part of American Anesthesiology. The transaction is expected to be immediately accretive to earnings. This acquisition was completed on December 19, 2013.

**TARGET:** *Professional Anesthesia Services, LLP*

**LISTING:** Private

**LOCATION:** Omaha, Nebraska

**UNITS:**

**REVENUE:**

**NET INCOME:**

Professional Anesthesia Services, LLP manages more than 18,000 cases annually through anesthesia management services for Bergan Mercy Medical Center and three ambulatory surgery centers.

**ANNOUNCEMENT DATE:** December 23, 2013

**PRICE:** Not disclosed

**TERMS:**

**ACQUIRER:** *TeamHealth Holdings Inc.*

**LISTING:** NYSE: TMH

**CEO:** Greg Roth

**PHONE:** 865-293-5299

265 Brookview Centre Way

**FAX:**

Knoxville, Tennessee 37919

**WEB SITE:** www.teamhealth.com

TeamHealth is one of the largest providers of outsourced physician staffing solutions for U.S. hospitals, through 18 regional locations and more than 9,600 affiliated healthcare professionals.

**PRICE PER UNIT:**

**PRICE/REVENUE:**

**PRICE/INCOME:**

This acquisition was completed on December 20, 2013.

# **REHABILITATION**



<b>FOURTH QUARTER 2013 REHABILITATION TRANSACTIONS</b>							
<b>TARGET</b>	<b>CITY</b>	<b>STATE</b>	<b>ACQUIRER</b>	<b>CITY</b>	<b>STATE</b>	<b>DATE</b>	<b>PRICE</b>
Providian Companies	Green Cove Springs	Florida	Align Networks Inc.	Jacksonville	Florida	October 4, 2013	
ReMed Recovery Care Centers, LLC	Paoli	Pennsylvania	U.S. Community Behavioral, LLC	New York	New York	October 30, 2013	
Wellness Clinics of America, LLC	Atlanta	Georgia	Incumaker, Inc.	Johns Creek	Georgia	November 19, 2013	
12-clinic physical therapy group			U.S. Physical Therapy, Inc.	Houston	Texas	December 10, 2013	\$1,683,000
3 outpatient physical therapy providers		Michigan and Tennessee	ATI Physical Therapy Holdings, LLC	Bolingbrook	Illinois	December 12, 2013	
Physical therapy business			U.S. Physical Therapy, Inc.	Houston	Texas	December 16, 2013	\$36,000,000





**TARGET:** *Providian Companies*

**ACQUIRER:** *Align Networks Inc.*

**LISTING:** Private  
**LOCATION:** Green Cove Springs, Florida  
**UNITS:**

**LISTING:** Private  
**CEO:** Butch Hofstetter  
7785 Baymeadows Way,  
Suite 305  
Jacksonville, Florida 32256  
**PHONE:** 866-389-0211  
**FAX:** 904-998-0299  
**WEB SITE:** www.alignnetworks.com

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

Founded in 2004, Providian Companies is a physical therapy and functional capacity evaluation (FCE) specialty company in the workers' compensation industry.

Align Networks Inc. is a provider of workers' compensation physical medicine programs.

**ANNOUNCEMENT DATE:** October 4, 2013  
**PRICE:** Not disclosed  
**TERMS:**

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

Clients of both companies will benefit from an expanded provider network. The acquisition will strengthen Align's physical medicine scheduling services and clinical outcomes programs, while adding an innovative and proprietary FCE program.

**TARGET:** *ReMed Recovery Care Centers, LLC*

**ACQUIRER:** *U.S. Community Behavioral, LLC*

**LISTING:** Private  
**LOCATION:** Paoli, Pennsylvania  
**UNITS:**  
**REVENUE:**  
**NET INCOME:**

**LISTING:** Private  
**CEO:** Martin Favis  
277 Park Avenue, 29th Floor  
New York, New York 10172  
**PHONE:** 212-704-5350  
**FAX:** 212-704-5351  
**WEB SITE:** www.bregalpartners.com/

Since 1984, ReMed Recovery Care Centers, LLC has been providing brain injury rehabilitation and supported living services to the Philadelphia and Pittsburgh areas.

U.S. Community Behavioral, LLC is a multi-state provider of community-based residential and behavioral services to adults and children. It was acquired in September 2013 by Bregal Partners.

**ANNOUNCEMENT DATE:** October 30, 2013  
**PRICE:** Not disclosed  
**TERMS:**

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

The acquisition will provide ReMed with support infrastructure and capital to expand its operations. ReMed will become a division of U.S. Community Behavioral. This acquisition completed on October 30, 2013.

**TARGET:** *Wellness Clinics of America, LLC*

**LISTING:** Private  
**LOCATION:** Atlanta, Georgia

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

Wellness Clinics of America (dba Wellness Centers of America), uses multi-disciplined wellness and preventative care programs, including chiropractic, massage, nutrition and weight loss, personal training, yoga and vitamins and supplements.

**ANNOUNCEMENT DATE:** November 19, 2013  
**PRICE:** Not disclosed  
**TERMS:**

**ACQUIRER:** *Incumaker, Inc.*

**LISTING:** OTC Pinks: QMKR  
**CEO:** Glen Hammer  
11720 Medlock Bridge Road  
Johns Creek, Georgia 30097  
**PHONE:** 770-622-5432  
**FAX:**  
**WEB SITE:** www.cryomist.net

Incumaker is a holding company that currently owns two CryoMist facilities, with a third acquisition of CryoMist III, LLC planned to close in early 2014.

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

Incumaker has signed a letter of intent to acquire 100% of Wellness Clinics of America. It will combine the company's offerings with its CryoMist therapy. CryoMist stimulates the body's natural healing abilities with short-term extreme cold applications.

**TARGET:** *12-clinic physical therapy group*

**LISTING:** Private  
**LOCATION:**

**UNITS:**  
**REVENUE:** \$6,400,000 (2012)  
**NET INCOME:**

USPH is acquiring a 60% majority interest in a 12-clinic physical therapy group. The practice sees approximately 75,000 patients per year and produces total revenue of \$6.4 million.

**ANNOUNCEMENT DATE:** December 10, 2013  
**PRICE:** \$1,683,000  
**TERMS:**

**ACQUIRER:** *U.S. Physical Therapy, Inc.*

**LISTING:** NASDAQ: USPH  
**CEO:** Christopher J. Reading  
1300 W. Sam Houston Parkway  
Houston, Texas 77042  
**PHONE:** 713-297-7000  
**FAX:** 713-297-7090  
**WEB SITE:** www.usph.com

U.S. Physical Therapy operates 418 outpatient physical and occupational therapy clinics in 42 states. On a trailing 12-month basis, USPH generated revenue of \$256 million, EBITDA of \$43 million and net income of \$18 million.

**PRICE PER UNIT:**  
**PRICE/REVENUE:** 0.26  
**PRICE/INCOME:**

This transaction closed on December 10, 2013.

**TARGET:** *3 outpatient physical therapy providers*

**LISTING:** Private  
**LOCATION:** Michigan and Tennessee  
**UNITS:**  
**REVENUE:**  
**NET INCOME:**

Two outpatient rehabilitation practices in Michigan and one outpatient physical therapy provider in Tennessee.

**ANNOUNCEMENT DATE:** December 12, 2013  
**PRICE:** Not disclosed  
**TERMS:**

**ACQUIRER:** *ATI Physical Therapy Holdings, LLC*

**LISTING:** Private  
**CEO:** Greg Steil  
790 Remington Blvd.  
Bolingbrook, Illinois 60440  
**PHONE:** 630-296-2222  
**FAX:** 630-759-6106  
**WEB SITE:** www.atipt.com

ATI Physical Therapy is a portfolio company of KRG Capital Partners. It provides outpatient rehab services through 290 clinics in 10 states: Delaware, Georgia, Illinois, Indiana, Maryland, Michigan, Ohio, Pennsylvania, Tennessee and Wisconsin.

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

The two Michigan-based practices are SCP Physical Therapy, LLC, with 29 clinics, and Dwight Orthopedic Rehabilitation with 22 clinics. The Tennessee-based practice is North River Physical Therapy, with eight clinics. KRG invested in ATI in December 2012, and ATI has completed five acquisitions since then.

**TARGET:** *Physical therapy business*

**LISTING:** Private  
**LOCATION:**  
**UNITS:** 65,000 (patients)  
**REVENUE:** \$ 11,500,000 (approximately)  
**NET INCOME:**

The unidentified practice includes 11 clinics and three onsite industrial client locations. Programs include traditional physical and occupational therapy, work hardening and corporate wellness. Annual revenue exceeds \$11.5 million.

**ANNOUNCEMENT DATE:** December 16, 2013  
**PRICE:** \$ 36,000,000  
**TERMS:** For a 90% interest.

**ACQUIRER:** *U.S. Physical Therapy, Inc.*

**LISTING:** NASDAQ: USPH  
**CEO:** Christopher J. Reading  
1300 W. Sam Houston Parkway  
Houston, Texas 77042  
**PHONE:** 713-297-7000  
**FAX:** 713-297-7090  
**WEB SITE:** www.usph.com

U.S. Physical Therapy operates 474 outpatient physical and occupational therapy clinics in 43 states. On a trailing 12-month basis, USPH generated revenue of \$256 million, EBITDA of \$43 million and net income of \$18 million.

**PRICE PER UNIT:**  
**PRICE/REVENUE:** 3.13  
**PRICE/INCOME:**

The acquired business sees more than 65,000 patient visits per year. Approximately 75% of those visits are related to workers comp.



**OTHER**



**FOURTH QUARTER 2013 OTHER TRANSACTIONS**

<b>TARGET</b>	<b>CITY</b>	<b>STATE</b>	<b>ACQUIRER</b>	<b>CITY</b>	<b>STATE</b>	<b>DATE</b>	<b>PRICE</b>
AAI Pharma Services Corp.	Wilmington	North Carolina	Cambridge Major Laboratories, Inc.	Germantown	Wisconsin	October 2, 2013	
Novia CareClinics, LLC	Indianapolis	Indiana	QuadMed, LLC	Sussex	Wisconsin	October 9, 2013	
ifke CRO GmbH	Mainz	Germany	Clinlogix, LLC	Spring House	Pennsylvania	October 15, 2013	
Celesio AG	Stuttgart	Germany	McKesson Corporation	San Francisco	California	October 24, 2013	\$8,300,000,000
Medical Diagnostic Associates Management, Inc.	Calabasas	California	MedRisk, Inc.	King of Prussia	Pennsylvania	October 24, 2013	
Ancora Pharmaceuticals Inc.	Woburn	Massachusetts	CordenPharma International US Inc.	Boulder	Colorado	November 1, 2013	
Urgent Medical Care	Pompano Beach	Florida	U.S. HealthWorks	Valencia	California	November 1, 2013	
CRI Lifetree	Mount Laurel	New Jersey	PRA	Raleigh	North Carolina	November 13, 2013	
American Care Air Ambulance	San Diego	California	REVA Air Ambulance	Fort Lauderdale	Florida	November 18, 2013	
Patheon Inc.	Mississauga	Ontario	Royal DSM, N.V. and JLL Partners	Heerlen	Netherlands	November 19, 2013	\$1,950,000,000
Certain assets of Politec Saúde	Sao Paulo	Brazil	Smith & Nephew plc	London	England	November 26, 2013	
QoL meds, LLC	Pittsburgh	Pennsylvania	Nautic Partners, LLC	Providence	Rhode Island	December 6, 2013	
Quotient Clinical	Nottingham	United Kingdom	Bridgepoint Development Capital	London	United Kingdom	December 11, 2013	
Certara	St. Louis	Missouri	Arsenal Capital Partners	New York	New York	December 19, 2013	





**TARGET:** *AAIPharma Services Corp.*

**ACQUIRER:** *Cambridge Major Laboratories, Inc.*

**LISTING:** Private

**LISTING:** Private

**LOCATION:** Wilmington, North Carolina

**CEO:** Michael Major

**PHONE:** 262-251-5044

**UNITS:**

W130 N10497 Washington

**FAX:** 262-251-5577

Drive

**REVENUE:**

Germantown, Wisconsin 53022

**NET INCOME:**

**WEB SITE:** www.c-mlabs.com

AAIPharma Services Corp. is a global provider of contract services (CRO) that support all phases of drug development. It is being sold by Water Street Healthcare Partners.

Cambridge Major Laboratories is a service-based chemistry outsourcing partner to the pharma and biotech industries. It is a portfolio company of American Capital, Ltd. (NASDAQ: ACAS).

**ANNOUNCEMENT DATE:** October 2, 2013

**PRICE:** Not disclosed

**TERMS:**

**PRICE PER UNIT:**

**PRICE/REVENUE:**

**PRICE/INCOME:**

This transaction is expected to be a merger of two equals that will expedite drug development and commercialization. The merger closed on October 28, 2013.

**TARGET:** *Novia CareClinics, LLC*

**ACQUIRER:** *QuadMed, LLC*

**LISTING:** Private

**LISTING:** NYSE: QUAD

**LOCATION:** Indianapolis, Indiana

**CEO:** Joel Quadracci

**PHONE:** 414-566-8085

**UNITS:**

N53 W24700 Corporate Circle

**FAX:**

**REVENUE:**

Sussex, Wisconsin 53089

**NET INCOME:**

**WEB SITE:** www.quadmedical.com

Novia CareClinics operates 50 center locations, servicing more than 90 different employers located throughout Indiana and four other states.

QuadMed offers onsite primary care clinics and healthcare management solutions to increase quality and decrease costs. It was created in 1990 as a subsidiary of Quad/Graphics, a global print and multichannel solutions provider.

**ANNOUNCEMENT DATE:** October 9, 2013

**PRICE:** Not disclosed

**TERMS:**

**PRICE PER UNIT:**

**PRICE/REVENUE:**

**PRICE/INCOME:**

The combined company will operate more than 90 clinic locations across 18 U.S. states and serve the needs of more than 150,000 patients.

**TARGET:** *ifke CRO GmbH*

**LISTING:** Private  
**LOCATION:** Mainz, Germany  
**UNITS:**  
**REVENUE:**  
**NET INCOME:**

ifke CRO GmbH is an international service provider in clinical contract research. Its core competencies include consulting, organization and conduct of multinational clinical research projects, with a special focus on diabetes mellitus and its complications.

**ANNOUNCEMENT DATE:** October 15, 2013  
**PRICE:** Not disclosed  
**TERMS:**

**ACQUIRER:** *Clinlogix, LLC*

**LISTING:** Private  
**CEO:** JeanMarie Markham **PHONE:** 215-855-9053  
321 Norristown Road, Ste. 100 **FAX:**  
Spring House, Pennsylvania 19002-2793  
**WEB SITE:** www.clinlogix.com

Clinlogix, a global clinical research organization (CRO), has pioneered the use of innovative business practices and technologies, and delivered individualized clinical research solutions to the medical device and biopharmaceutical industries.

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

Clinlogix manages projects in cardiovascular, diabetes, central nervous system and oncology, as well as a dozen other therapeutic specialties. From its base in Germany, Clinlogix Europe is a full service organization that supports the development of drugs, devices and diagnostics throughout Europe.

**TARGET:** *Celesio AG*

**LISTING:** XETRA: CLS1.DE  
**LOCATION:** Stuttgart, Germany  
**UNITS:**  
**REVENUE:**  
**NET INCOME:**

Celesio AG is a leading international wholesale and retail company and provider of logistics and services to the pharmaceutical and healthcare sectors. It owns 2,200 pharmacies and 132 wholesale pharmaceutical branches.

**ANNOUNCEMENT DATE:** October 24, 2013  
**PRICE:** \$8,300,000,000 (approximate)  
**TERMS:** \$8.3 billion includes the assumption of debt and the entire holding of Franz Haniel & Cie. GmbH at EUR 23 per share, which represents a 50.01% stake in Celesio. Voluntary public tender offers are being made for the remaining outstanding shares.

**ACQUIRER:** *McKesson Corporation*

**LISTING:** NYSE: MCK  
**CEO:** John H. Hammergren **PHONE:** 415-983-8300  
One Post Street **FAX:**  
San Francisco, California 94104  
**WEB SITE:** www.mckesson.com

McKesson's Distribution Solutions segment will take over Celesio's operations. On a trailing 12-month basis, McKesson Corp. generated revenue of \$124 billion, EBITDA of \$3.1 billion and net income of \$1.4 billion.

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

The acquisition will create one of the largest pharmaceutical wholesalers and providers of logistics and services in the global healthcare sector. The combined group is expected to have annual revenues in excess of \$150 billion. McKesson expects the transaction to be \$1.00 to \$2.00 accretive to adjusted earnings in the first 12 months. By the fourth year following the closing, McKesson anticipates annual synergies to be between \$275 million and \$325 million.

**TARGET:** *Medical Diagnostic Associates Management, Inc.*

**LISTING:** Private  
**LOCATION:** Calabasas, California  
**UNITS:**  
**REVENUE:**  
**NET INCOME:**

Medical Diagnostic Associates Management, Inc. provides access to a national diagnostic imaging and electro diagnostic services network.

**ANNOUNCEMENT DATE:** October 24, 2013  
**PRICE:** Not disclosed  
**TERMS:**

**ACQUIRER:** *MedRisk, Inc.*

**LISTING:** Private  
**CEO:** Shelley L. Boyce  
2701 Renaissance Boulevard  
King of Prussia, Pennsylvania 6  
**PHONE:** 800-225-9675  
**FAX:** 877-724-7181  
**WEB SITE:** www.medrisknet.com

Founded in 1994, MedRisk, Inc. specializes in the physical rehabilitation of injured workers.

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

The acquisition is expected to enhance both companies' ability to manage medical costs and treatment strategies for improved patient care. This acquisition was completed on October 24, 2013.

**TARGET:** *Ancora Pharmaceuticals Inc.*

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

Private equity firm Harris & Harris Group (NYSE: TINY) sold Ancora Pharmaceuticals' carbohydrate synthesis technology platform and the use of the corporate name of Ancora Pharmaceuticals.

**ANNOUNCEMENT DATE:** November 1, 2013  
**PRICE:** Not disclosed  
**TERMS:** The remaining assets of Ancora will be maintained under the corporate name SynGlyco, Inc.

**ACQUIRER:** *CordenPharma International US Inc.*

**LISTING:** Private  
**CEO:** Dr. Christian Ewers  
2075 North 55th Street  
Boulder, Colorado 80301  
**PHONE:** 800-868-8208  
**FAX:** 303-938-6488  
**WEB SITE:** www.cordenpharma.com

CordenPharma International US is the pharmaceutical brand of International Chemical Investors Group. It is a full service partner for cGMP Contract Development & Manufacturing of oral, sterile, highly potent and antibiotic pharmaceutical drug products.

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

The acquisition will provide CordenPharma with important capacity in the growing market of synthetic carbohydrates. As a result of the acquisition, Ancora's expertise in carbohydrate synthesis will be merged with CordenPharma's process development, scale-up and cGMP manufacturing capabilities. 11T Partners advised Ancora in this transaction, which closed on October 31, 2013.

**TARGET:** *Urgent Medical Care*

**ACQUIRER:** *U.S. HealthWorks*

**LISTING:** Private

**LISTING:** Private

**LOCATION:** Pompano Beach, Florida

**CEO:** Daniel Crowley

**PHONE:** 800-720-2432

**UNITS:**

25124 Springfield Court  
Ste 200

**FAX:** 661-678-2600

**REVENUE:**

Valencia, California 91355

**NET INCOME:**

**WEB SITE:** [www.ushealthworks.com](http://www.ushealthworks.com)

The Urgent Medical Care center specializes in workers' compensation, occupational medicine, and urgent care. It's open 365 days a year with no appointment necessary and same day service.

U.S. HealthWorks is one of the largest operators of occupational healthcare centers in the United States. U.S. HealthWorks is a subsidiary of not-for-profit health system Dignity Health.

**ANNOUNCEMENT DATE:** November 1, 2013

**PRICE:** Not disclosed

**TERMS:**

**PRICE PER UNIT:**

**PRICE/REVENUE:**

**PRICE/INCOME:**

With this acquisition, U.S. HealthWorks expands its presence in Florida to 14 centers, including six in South Florida, two in Fort Lauderdale. U.S. HealthWorks has a total of 203 centers and worksites in 19 states. This acquisition was completed on November 1, 2013.

**TARGET:** *CRI Lifetree*

**ACQUIRER:** *PRA*

**LISTING:** Private

**LISTING:** NYSE: KKR

**LOCATION:** Mount Laurel, New Jersey

**CEO:** Colin Shannon

**PHONE:** 919-786-8200

**UNITS:**

4130 ParkLake Ave., Ste. 400

**FAX:** 919-786-8201

**REVENUE:**

Raleigh, North Carolina 27612

**NET INCOME:**

**WEB SITE:** [www.prainternational.com](http://www.prainternational.com)

CRI Lifetree, a specialized CRO, focuses on the conduct and design of early stage, patient population studies, and is therapeutically focused in Human Abuse Liability, addiction, pain, psychiatry, neurology, pediatric and infectious disease services.

PRA is a leading clinical research organization (CRO), which was acquired by Kohlberg Kravis Roberts & Co. in June 2013.

**ANNOUNCEMENT DATE:** November 13, 2013

**PRICE:** Not disclosed

**TERMS:**

**PRICE PER UNIT:**

**PRICE/REVENUE:**

**PRICE/INCOME:**

CRI Lifetree has three clinical pharmacology centers with a capacity of nearly 200 beds, making it one of the largest providers of patient population Phase 1 and confined Phase 2 - 3 services in the U.S. The acquisition enables PRA to provide a full range of Phase 1-2 clinical research services in specialized patient populations.

**TARGET:** *American Care Air Ambulance*

**LISTING:** Private  
**LOCATION:** San Diego, California  
**UNITS:**  
**REVENUE:**  
**NET INCOME:**

Founded in 1994, American Care Air Ambulance is based in San Diego, with other bases in Spokane, Washington and Florida.

**ANNOUNCEMENT DATE:** November 18, 2013  
**PRICE:** Not disclosed  
**TERMS:**

**ACQUIRER:** *REVA Air Ambulance*

**LISTING:** Private  
**CEO:** Stuart Hayman  
1745 NW 51 Place, Hangar 73  
Fort Lauderdale, Florida 33309  
**PHONE:** 954-730-9300  
**FAX:** 954-485-6564  
**WEB SITE:** www.flyreva.com

REVA, a portfolio company of The Beekman Group, is the largest dedicated fixed-wing air ambulance service provider in the Americas. It also has bases in Phoenix, Arizona and San Juan, Puerto Rico.

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

This transaction expands REVA's coverage in the western United States and Asia. REVA now operates a fleet of more than 10 aircraft at five strategically positioned bases, with continued growth expected in new planes and markets. American Care founder Milan Floribus will join the REVA team.

**TARGET:** *Patheon Inc.*

**LISTING:** TSX: PTI  
**LOCATION:** Mississauga, Ontario  
**UNITS:**  
**REVENUE:** \$943,000,000 (ttm)  
**NET INCOME:** \$188,000,000 (EBITDA)

Patheon Inc. provides contract development and commercial manufacturing services to the global pharmaceutical industry for a range of solid and sterile dosage forms. It is being combined with DSM's DSM Pharmaceutical Products division to form a new company.

**ANNOUNCEMENT DATE:** November 19, 2013  
**PRICE:** \$1,950,000,000  
**TERMS:** Patheon at the \$9.32 per share results in a \$1.95 billion price net cash. JLL will contribute \$489 million and DSM will contribute DPP and receive a seller note of \$200 million.

**ACQUIRER:** *Royal DSM, N.V. and JLL Partners*

**LISTING:** Euronext: DSM KON  
**CEO:** Feike Sijbesma  
Het Overloon 1  
Heerlen, Netherlands 6411 TE  
**PHONE:** 31-45-578-8111  
**FAX:** 31-45-571-9753  
**WEB SITE:** www.dsm.com

Royal DSM and JLL Partners have created a pharma services company. Royal DSM operates in the life sciences and material sciences industries. On a trailing 12-month basis, DSM generated revenue of \$11.26 billion, EBITDA of \$1.53 billion and net income of \$963.6 million.

**PRICE PER UNIT:**  
**PRICE/REVENUE:** 2.07  
**PRICE/INCOME:** 10.37

Royal DSM and JLL Partners have created a company provisionally called NewCo, intended to be a leading global contract development and manufacturing company with anticipated 2014 sales of about \$2 billion (pro forma). JLL will own 51% and DSM will own 49%. NewCo will have an end-to-end offering from finished dosage (drug products) to active substances (APIs) and a global footprint in 23 locations. It will operate as an independent company, and a new name will be announced in the coming months.

**TARGET:** *Certain assets of Politec Saúde*

**LISTING:** Private  
**LOCATION:** Sao Paulo, Brazil  
**UNITS:**  
**REVENUE:**  
**NET INCOME:**

Politec Saúde is the sole distributor of Smith & Nephew Advanced Wound Management products registered in Brazil.

**ANNOUNCEMENT DATE:** November 26, 2013  
**PRICE:** Not disclosed  
**TERMS:**

**ACQUIRER:** *Smith & Nephew plc*

**LISTING:** NYSE: SNN  
**CEO:** Olivier Bohuon  
15 Adam Street  
London, England WC2N 6LA  
**PHONE:** 44 020 7401 764  
**FAX:** 44 020 7930 3  
**WEB SITE:** www.smith-nephew.com

Smith & Nephew is a global medical technology business with leadership positions in orthopedic reconstruction, advanced wound management, sports medicine and trauma. On a trailing 12-month basis, it had revenues of \$4.2 billion through Sept. 28, 2013.

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

This acquisition comprises approximately one-quarter of Politec's overall business. Politec will continue to operate its other businesses as usual, with its shareholding structure and management team unchanged. It is planned that 30 employees will transfer to Smith & Nephew Brazil upon completion of the deal.

**TARGET:** *QoL meds, LLC*

**LISTING:** Private  
**LOCATION:** Pittsburgh, Pennsylvania  
**UNITS:**  
**REVENUE:**  
**NET INCOME:**

Founded in 2000, QoL meds, LLC operates specialty pharmacies across the country and is focused on the needs of the mental health community. Over the last five years, QoL has grown from two to 87 pharmacies.

**ANNOUNCEMENT DATE:** December 6, 2013  
**PRICE:** Not disclosed  
**TERMS:**

**ACQUIRER:** *Nautic Partners, LLC*

**LISTING:** Private  
**CEO:** Scott Hilinski  
50 Kennedy Plaza, 12th Floor  
Providence, Rhode Island 02903  
**PHONE:** 401-278-6770  
**FAX:** 401-278-6387  
**WEB SITE:** www.nautic.com

Nautic Partners is a middle-market private equity firm with over \$2.5 billion of equity capital under management.

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

This is the 14th investment from Nautic Partners' most recent fund, Nautic Partners VI, L.P. QoL dispenses more than 2 million prescriptions and serves more than 50,000 patients annually. In addition to dispensing QoL offers a suite of value-added services including medication assistant and monitoring, outcomes and adherence reporting, customized packaging, patient education, assistance with reimbursement and clinical coordination, and 340b services. Raymond James Health Care Investment Banking Group advised QoL Meds in this sale.

**TARGET:** *Quotient Clinical*

**LISTING:** Private  
**LOCATION:** Nottingham, United Kingdom  
**UNITS:**  
**REVENUE:**  
**NET INCOME:**

The Quotient Bioresearch Group is selling Quotient Clinical, a contract research organization (CRO) which provides early stage drug development services to the pharmaceutical industry.

**ANNOUNCEMENT DATE:** December 11, 2013  
**PRICE:** Not disclosed  
**TERMS:** Debt finance for the transaction provided by HSBC.

Through this acquisition, Bridgepoint Development enters the growing CRO market. Quotient Clinical serves a global customer base, from top-tier pharmaceutical companies to small- and medium-sized biotech organizations. Advisors to Bridgepoint included Ernst & Young (M&A, Debt Advisory and Financial), Travers Smith (legal) and LEK (market).

**ACQUIRER:** *Bridgepoint Development Capital*

**LISTING:** Private  
**CEO:** Michael Black **PHONE:** 44 0 20 7432 3500  
30 Warwick Street **FAX:**  
London, United Kingdom W1B 5AL  
**WEB SITE:** <http://www.bridgepoint.eu/en/>

Bridgepoint Development Capital is focused on buyouts and growth capital investments, typically in businesses with an enterprise value between €20 million to €150 million.

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

**TARGET:** *Certara*

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

Certara provides model-based drug development and data analytics software and consulting services to the biopharmaceutical research and development market.

**ANNOUNCEMENT DATE:** December 19, 2013  
**PRICE:** Not disclosed  
**TERMS:**

Arsenal plans to build upon Certara's existing drug development software and consulting services to make the company a stronger, more versatile partner for its pharmaceutical and biotechnology customers. The technology will serve as the foundation for delivering personalized medicine. This transaction closed on December 19, 2013.

**ACQUIRER:** *Arsenal Capital Partners*

**LISTING:** Private  
**CEO:** Dr. Donald A. Deieso **PHONE:** 212-771-1717  
100 Park Avenue, 31st FL **FAX:** 212-771-1718  
New York, New York 10017  
**WEB SITE:** [www.arsenalcapital.com](http://www.arsenalcapital.com)

Arsenal Capital Partners invests in middle-market specialty health care, industrial and financial services companies. It currently has \$800 million of committed equity capital.

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





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