



Life Sciences & Health Care Quarterly update

Q2 2019

Smart health communities⁽¹⁾

Expanded connectivity and the exponential growth of technology are enabling smart health communities (SHCs), which could offer a modern take on community-based well-being and disease prevention. SHCs are characterized by the following features:



They empower individuals to proactively manage their health and well-being.



They foster a sense of community and belonging.



They use data to meaningfully improve outcomes.



They use digital technology and behavioral science.



They create new and innovative ecosystems.

Technology driving the shift⁽²⁾

A significant body of research shows that about 80 percent of health outcomes are caused by factors unrelated to the medical system. Nontraditional players, including public, nonprofit, and commercial enterprises are establishing “communities” focused on prevention and well-being.

Digital technologies have significant potential to bring community-based solutions to scale, hugely increasing their impact. In 20 years, technology may allow for SHCs to become more integrated into our daily lives, allowing for more preventative and personalized health interventions that can exist alongside or in collaboration with our existing health care structures.

Digital technology and behavioral science⁽³⁾

SHCs are able to leverage new technologies and behavioral science to:

- Increase access and convenience.
- Inform behavioral interventions.
- Facilitate data collection.

Meaningful use of data to improve outcomes⁽⁴⁾

As technology makes data collection and data sharing easier, SHCs can utilize data to:

- Predict risk.
- Create a continuous learning loop through experimentation and innovation.
- Conduct research and evaluation.

Recent relevant M&A activity

Dassault Systèmes Americas Corp. acquires Medidata Solutions, Inc.:

On June 12, 2019, French technology company Dassault Systèmes announced it will acquire New York-based Medidata Solutions, Inc. for \$5.8 billion.⁽⁵⁾ Medidata has a cloud-based platform that gives researchers the tools to manage and collect data from clinical trials to provide patients with smarter treatments.⁽⁶⁾ This deal represents Dassault’s largest acquisition and emphasizes their commitment to advancing personalized health solutions.⁽⁷⁾

DLH Holdings Corp. acquires Social & Scientific Systems, Inc.:

On June 10, 2019, Atlanta-based DLH Holdings Corporation, a leading provider of innovative healthcare services and solutions, announced it has acquired Social & Scientific Systems (“SSS”) for \$70 million.⁽⁸⁾ SSS is a leading public health service organization that utilizes advanced research, data analytics, and secure IT services, and this acquisition fully aligns with DLH’s strategy of expansion into the Public Health and Life Sciences space.⁽⁹⁾

In this update

- Smart health communities offer a unique complement to our traditional health care system.

Also:

- Selected Recent Life Sciences & Health Care (“LSHC”) M&A Transactions
- LSHC Sector Breakdown and Analysis
- Selected Macroeconomic and Sector Data

Who We Are

Deloitte Corporate Finance LLC (“DCF”) is a leading global middle market M&A advisor. DCF’s professionals have extensive knowledge of and experience in the Life Sciences & Health Care space.

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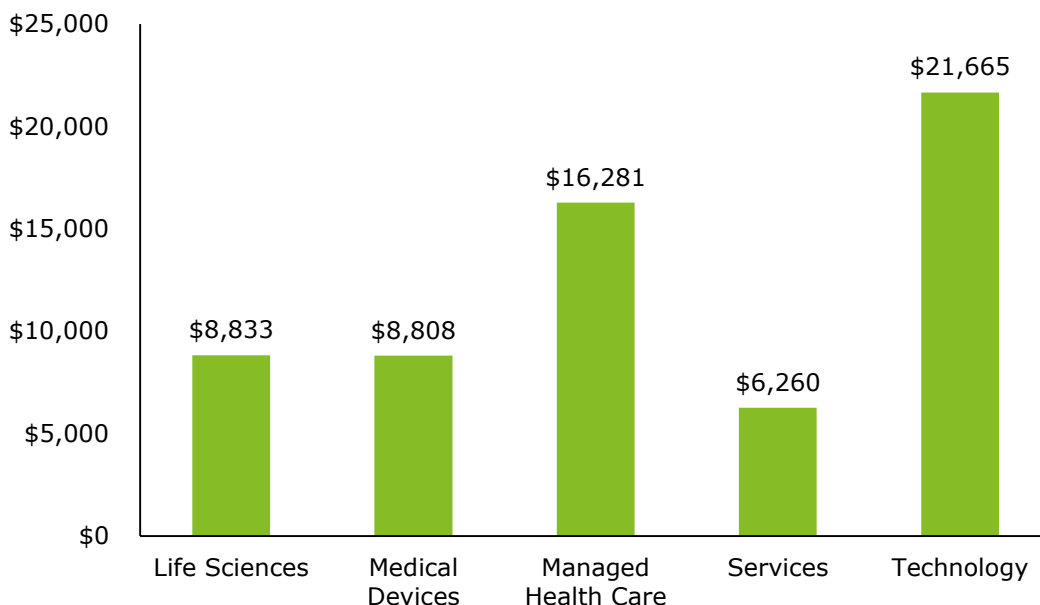
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Q2 2019 US LSHC M&A aggregate transaction value ⁽¹⁾⁽ⁱ⁾

Aggregate transaction value (\$ in millions)



Q2 2019 US LSHC M&A activity deal list ⁽²⁾⁽ⁱ⁾

Date announced	Status	Sub-sector	Target	Buyer	Size (\$MM) transaction
11-Jul-19	Announced	Health Care Technology	Jungla Inc.	Invitae Corporation (NYSE:NVTA)	\$65.0
10-Jul-19	Announced	Medical Distributors	Aspen Surgical Products, Inc.	Audax Group, Inc.	170.0
9-Jul-19	Closed	Life Sciences	Spitfire Pharma, LLC	Altimune, Inc. (NasdaqGM:ALT)	93.0
8-Jul-19	Closed	Medical Distributors	The Sheridan at Cooper City	AS Cooper City Owner, LLC	37.5
2-Jul-19	Closed	Life Sciences	Medical Office Tower in Center City Philadelphia	University of Pennsylvania Health System, Inc.	99.3
1-Jul-19	Closed	Facilities	Little Rock Diagnostic Clinic	Flagship Little Rock, LLC	34.9
27-Jun-19	Closed	Facilities	Wildewood Downs Nursing & Rehabilitation Center	The Charlotte Assisted Living & Memory Care	35.0
25-Jun-19	Closed	Technology	Stem Cell & Regenerative Medicine International, Inc	Astellas Institute for Regenerative Medicine	46.7
17-Jun-19	Closed	Technology	Singular BIO, Inc.	Invitae Corporation (NYSE:NVTA)	53.8
17-Jun-19	Announced	Technology	Array BioPharma Inc. (NasdaqGM:ARRY)	Pfizer Inc. (NYSE:PFE)	11,499.3
17-Jun-19	Closed	Medical Distributors	BrightWater Medical, Inc.	Merit Medical Systems, Inc. (NasdaqGS:MMSI)	50.0
12-Jun-19	Announced	Services	Medidata Solutions, Inc. (NasdaqGS:MDSO)	Dassault Systemes Americas Corp.	6,028.5
10-Jun-19	Closed	Life Sciences	Social & Scientific Systems, Inc.	DLH Holdings Corp. (NasdaqCM:DLHC)	70.0

Notes:

i) Only US deals with reported transaction size greater than \$30MM listed.

Q2 2019 US LSHC M&A activity deal list ⁽¹⁾ (i)

Date announced	Status	Sub-sector	Target	Buyer	Size (\$MM) transaction
10-Jun-19	Announced	Technology	Tilos Therapeutics, Inc.	Merck & Co., Inc. (NYSE:MRK)	773.0
10-Jun-19	Closed	Technology	Nanopharm Ltd./Gateway Analytical LLC	AptarGroup, Inc. (NYSE:ATR)	50.0
10-Jun-19	Closed	Life Sciences	Endocare, Inc./Scion Medical Limited	Varian Medical Systems, Inc. (NYSE:VAR)	185.0
7-Jun-19	Announced	Facilities	Watsonville Hospital Corporation	Halsen Healthcare, LLC	40.0
6-Jun-19	Closed	Facilities	RxHelpline, LLC/TogetherHealth PAP LLC/TogetherHealth Insurance, LLC	Health Plan Intermediaries Holdings, LLC	68.1
6-Jun-19	Announced	Technology	Exonics Therapeutics, Inc.	Vertex Pharmaceuticals Incorporated (NasdaqGS:VRTX)	1,000.0
5-Jun-19	Closed	Technology	Vilex in Tennessee, Inc./ Orthex, LLC	OrthoPediatrics Corp. (NasdaqGM:KIDS)	59.8
21-May-19	Closed	Services	Putnam Associates, Inc.	Ashfield Healthcare Communications Ltd	88.6
21-May-19	Announced	Technology	Peloton Therapeutics, Inc.	Merck & Co., Inc. (NYSE:MRK)	2,202.6
20-May-19	Closed	Technology	Just Biotherapeutics, Inc.	Evotec SE (XTRA:EVT)	90.0
20-May-19	Closed	Facilities	Cancer Treatment Services International, Inc.	Varian Medical Systems, Inc. (NYSE:VAR)	283.0
17-May-19	Closed	Technology	InstaMed Communications, LLC	JPMorgan Chase & Co. (NYSE:JPM)	500.0
10-May-19	Closed	Managed Health Care	Alpha Care Medical Group, Inc.	Allied Physicians of California IPA; APC-LSMA Designatec	45.0
9-May-19	Closed	Medical Distributors	VertiFlex Inc.	Boston Scientific Corporation (NYSE:BSX)	465.0
9-May-19	Announced	Life Sciences	Substantially all Assets of SugarLeaf Labs, LLC and Forest Remedies LLC	Neptune Wellness Solutions Inc. (TSX:NEPT)	150.0
8-May-19	Closed	Life Sciences	Xiidra of Shire US, Inc.	Novartis AG (SWX:NOVN)	5,300.0
6-May-19	Closed	Technology	Abide Therapeutics Inc.	H. Lundbeck A/S (CPSE:LUN)	400.0
2-May-19	Announced	Technology	Interstate Blood Bank, Inc.	Grifols Worldwide Operations Ltd.	100.0
2-May-19	Announced	Medical Devices	Acelity, Inc.	3M Company (NYSE:MMM)	6,725.0
2-May-19	Announced	Medical Distributors	Solsys Medical, LLC	Misonix, Inc. (NasdaqGM:MSON)	116.7
30-Apr-19	Closed	Medical Devices	GenePOC Inc.	Meridian Bioscience Canada Inc.	120.0
30-Apr-19	Closed	Services	Advanced Medical Personnel Services, Inc.	AMN Healthcare, Inc.	220.0
26-Apr-19	Announced	Services	Aratana Therapeutics, Inc. (NasdaqGM:PETX)	Elanco Animal Health Incorporated (NYSE:ELAN)	251.1
17-Apr-19	Closed	Technology	Cyto-Sen Therapeutics, Inc.	Kiadis Pharma N.V. (ENXTAM:KDS)	87.5
17-Apr-19	Closed	Technology	NAMIC Fluid Management Portfolio of AngioDynamics, Inc.	Medline Industries, Inc.	167.5
15-Apr-19	Closed	Life Sciences	Paragon Bioservices, Inc.	Catalent Pharma Solutions, Inc.	1,200.0
15-Apr-19	Closed	Services	TIC Acquisition Holdings, LLC	Akumin Corp.	47.1
15-Apr-19	Closed	Managed Health Care	ADG Acquisition Holdings, Inc.	Akumin Corp.	117.5
15-Apr-19	Closed	Life Sciences	SFL Radiology Holdings, LLC	Akumin Corp.	47.7
1-Apr-19	Closed	Life Sciences	IFM Tre	Novartis AG (SWX:NOVN)	1,575.0
1-Apr-19	Closed	Managed Health Care	Substantially All Assets of Alacare Home Health & Hospice	Encompass Health Corporation (NYSE:EHC)	217.5
1-Apr-19	Closed	Medical Devices	Chemistry Holdings Inc.	CURE Pharmaceutical Holding Corp. (OTCPK:CURR)	105.8

Note:

i) Only US deals with reported transaction size greater than \$30MM listed.

LSHC sector breakdown: financial detail (1)

	Enterprise value (\$MM)	Three-year revenue CAGR	LTM			EV / LTM	
			Revenue (\$MM)	EBITDA (\$MM)	EBITDA margin	Revenue	EBITDA
Assisted Living / Long-Term Care (4)							
Brookdale Senior Living Inc. (NYSE:BKD)	\$7,235.2	(7.0) %	\$3,421.5	\$500.8	14.6 %	2.1 x	14.4 x
The Ensign Group, Inc. (NasdaqGS:ENSG)	4,240.2	13.9	2,097.7	193.8	9.2	2.0	21.9
Capital Senior Living Corporation (NYSE:CSU)	1,404.3	2.7	456.6	58.8	12.9	3.1	23.9
National HealthCare Corporation (AMEX:NHC)	1,328.3	2.5	984.0	100.8	10.2	1.3	13.2
Median		2.6 %			11.6 %	2.1 x	18.2 x
Hospitals (4)							
HCA Healthcare, Inc. (NYSE:HCA)	\$81,937.4	5.9 %	\$47,771.0	\$9,341.0	19.6 %	1.7 x	8.8 x
Tenet Healthcare Corporation (NYSE:THC)	17,467.3	(1.9)	18,159.0	2,729.0	15.0	1.0	6.4
Universal Health Services, Inc. (NYSE:UHS)	15,714.9	5.5	10,889.2	1,695.2	15.6	1.4	9.3
Community Health Systems, Inc. (NYSE:CYH)	14,245.6	(10.8)	13,842.0	1,418.0	10.2	1.0	10.0
Median		1.8 %			15.3 %	1.2 x	9.0 x
Psychiatric and Behavioral Health (2)							
Acadia Healthcare Company, Inc. (NasdaqGS:ACHC)	\$6,747.3	14.0 %	\$3,030.8	\$562.7	18.6 %	2.2 x	12.0 x
AAC Holdings, Inc. (NYSE:AAC)	418.1	7.9	269.6	(29.5)	NA	1.6	NA
Median		11.0 %			18.6 %	1.9 x	12.0 x
Rehabilitation Facilities (3)							
Encompass Health Corporation (NYSE:EHC)	\$8,926.1	9.9 %	\$4,355.3	\$906.3	20.8 %	2.0 x	9.8 x
Select Medical Holdings Corporation (NYSE:SEM)	6,259.3	9.1	5,152.9	630.3	12.2	1.2	9.9
U.S. Physical Therapy, Inc. (NYSE:USPH)	1,684.5	10.7	457.1	72.4	15.8	3.7	23.3
Median		9.9 %			15.8 %	2.0 x	9.9 x
Surgery Centers (1)							
Surgery Partners, Inc. (NasdaqGS:SGRY)	\$2,979.5	21.9 %	\$1,777.0	\$330.2	18.6 %	1.7 x	9.0 x
Median		21.9 %			18.6 %	1.7 x	9.0 x
Clinical Laboratories (3)							
Laboratory Corporation of America Holdings (NYSE:LH)	\$23,525.6	7.7 %	\$11,276.3	\$1,913.6	17.0 %	2.1 x	12.3 x
Quest Diagnostics Incorporated (NYSE:DGX)	18,019.7	0.1	7,538.0	1,501.0	19.9	2.4	12.0
Chemed Corporation (NYSE:CHE)	6,022.9	5.1	1,805.5	278.8	15.4	3.3	21.6
Median		5.1 %			17.0 %	2.4 x	12.3 x
Diagnostic Imaging (1)							
RadNet, Inc. (NasdaqGM:RDNT)	\$1,799.8	6.3 %	\$1,015.3	\$119.0	11.7 %	1.8 x	15.1 x
Median		6.3 %			11.7 %	1.8 x	15.1 x
Dialysis Services (3)							
Fresenius SE & Co. KGaA (DB:FRE)	\$56,559.4	6.4 %	\$38,051.6	\$6,460.2	17.0 %	1.5 x	8.8 x
DaVita Inc. (NYSE:DVA)	21,474.9	(7.0)	11,299.8	2,054.9	18.2	1.9	10.5
American Renal Associates Holdings, Inc. (NYSE:ARA)	716.4	9.1	817.2	174.1	21.3	0.9	4.1
Median		6.4 %			18.2 %	1.5 x	8.8 x
Home Care / Hospice (4)							
Amedisys, Inc. (NasdaqGS:AMED)	\$4,200.6	9.6 %	\$1,730.7	\$176.0	10.2 %	2.4 x	23.9 x
LHC Group, Inc. (NasdaqGS:LHCG)	4,053.8	34.7	2,021.5	191.6	9.5	2.0	21.2
Addus HomeCare Corporation (NasdaqGS:ADUS)	974.6	16.5	547.6	41.0	7.5	1.8	23.8
BioScrip, Inc. (NasdaqGS:BIOS)	866.2	(9.7)	719.3	41.9	5.8	1.2	20.7
Median		13.1 %			8.5 %	1.9 x	22.5 x

LSHC sector breakdown: financial detail (cont.)⁽¹⁾

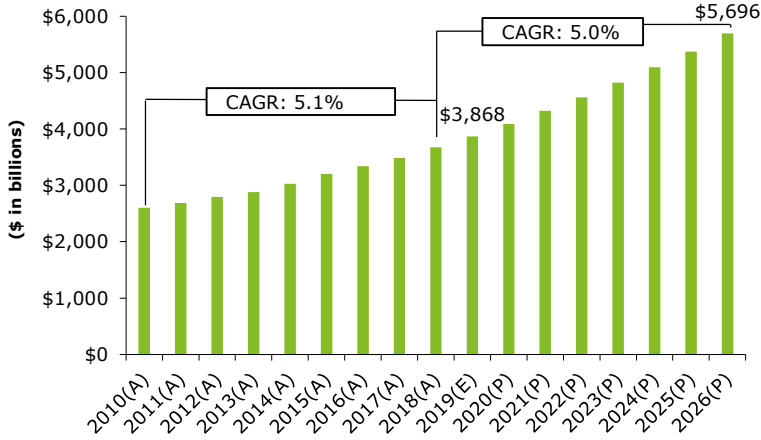
	Enterprise value (\$MM)	Three-year revenue CAGR	LTM			EV / LTM	
			Revenue (\$MM)	EBITDA (\$MM)	EBITDA margin	Revenue	EBITDA
Data/Analytics (3)							
Inovalon Holdings, Inc. (NasdaqGS:INOV)	\$3,237.3	9.2 %	\$580.4	\$155.0	26.7 %	5.6 x	20.9 x
National Research Corporation (NasdaqGS:NRC)	1,464.4	4.9	120.1	42.7	35.5	12.2	34.3
Castlight Health, Inc. (NYSE:CSLT)	393.9	23.7	155.4	(29.7)	NA	2.5	NA
Median		9.2 %			31.1 %	5.6 x	27.6 x
Tech-Enabled Services (8)							
Cerner Corporation (NasdaqGS:CERN)	\$24,005.9	6.7 %	\$5,463.3	\$1,219.7	22.3 %	4.4 x	19.7 x
Veeva Systems Inc. (NYSE:VEEV)	23,898.5	27.6	911.4	266.0	29.2	26.2	89.8
HealthEquity, Inc. (NasdaqGS:HQY)	3,621.6	29.3	304.4	103.2	33.9	11.9	35.1
Omnicell, Inc. (NasdaqGS:OMCL)	3,583.8	14.4	807.2	95.7	11.9	4.4	37.4
HMS Holdings Corp. (NasdaqGS:HMSY)	2,960.5	7.7	604.8	137.0	22.6	4.9	21.6
Allscripts Healthcare Solutions, Inc. (NasdaqGS:MDRX)	2,713.1	7.8	1,748.3	79.1	4.5	1.6	34.3
NextGen Healthcare, Inc. (NasdaqGS:NXGN)	1,286.3	2.4	529.2	41.2	7.8	2.4	31.2
Computer Programs and Systems, Inc. (NasdaqGS:CPSI)	499.6	10.7	278.7	32.3	11.6	1.8	15.5
Median		9.2 %			17.1 %	4.4 x	32.8 x
Biotechnology (7)							
AbbVie Inc. (NYSE:ABBV)	\$138,922.3	11.1 %	\$32,647.0	\$13,946.0	42.7 %	4.3 x	10.0 x
Amgen Inc. (NasdaqGS:AMGN)	118,048.5	2.3	23,750.0	12,267.0	51.7	5.0	9.6
Celgene Corporation (NasdaqGS:CELG)	79,209.0	17.6	15,768.0	7,693.0	48.8	5.0	10.3
Gilead Sciences, Inc. (NasdaqGS:GILD)	84,157.3	(12.1)	22,320.0	10,535.0	47.2	3.8	8.0
Biogen Inc. (NasdaqGS:BIIB)	47,856.9	8.1	13,811.6	7,067.1	51.2	3.5	6.8
Regeneron Pharmaceuticals, Inc. (NasdaqGS:REGN)	31,022.6	15.9	6,911.1	2,610.0	37.8	4.5	11.9
Alexion Pharmaceuticals, Inc. (NasdaqGS:ALXN)	29,403.1	17.1	4,340.7	2,158.1	49.7	6.8	13.6
Median		11.1 %			48.8 %	4.5 x	10.0 x
Contract Research and Manufacturing (8)							
IQVIA Holdings Inc. (NYSE:IQV)	\$42,139.8	33.7 %	\$10,533.0	\$1,821.0	17.3 %	4.0 x	23.1 x
Charles River Laboratories International, Inc. (NYSE:CRL)	8,374.9	19.4	2,376.7	539.0	22.7	3.5	15.5
West Pharmaceutical Services, Inc. (NYSE:WST)	9,071.1	7.0	1,745.2	363.7	20.8	5.2	24.9
Syneos Health, Inc. (NasdaqGS:SYNH)	8,051.4	67.2	4,451.9	551.5	12.4	1.8	14.6
PRA Health Sciences, Inc. (NasdaqGS:PRAH)	7,506.9	26.9	2,892.1	447.4	15.5	2.6	16.8
ICON Public Limited Company (NasdaqGS:ICLR)	8,229.0	18.6	2,650.5	460.6	17.4	3.1	17.9
Medpace Holdings, Inc. (NasdaqGS:MEDP)	2,352.3	30.8	742.3	143.8	19.4	3.2	16.4
Cambrex Corporation (NYSE:CBM)	2,023.1	6.8	549.0	151.4	27.6	3.7	13.4
Median		23.1 %			18.4 %	3.3 x	16.6 x
Pharmaceuticals (4)							
Pfizer Inc. (NYSE:PFE)	\$276,339.2	1.8 %	\$53,859.0	\$22,369.0	41.5 %	5.1 x	12.4 x
Merck & Co., Inc. (NYSE:MRK)	237,041.5	3.0	43,073.0	16,095.0	37.4	5.5	14.7
Eli Lilly and Company (NYSE:LLY)	118,336.2	6.9	24,684.1	7,658.7	31.0	4.8	15.5
Bristol-Myers Squibb Company (NYSE:BMJ)	72,756.2	11.3	23,288.0	7,256.0	31.2	3.1	10.0
Median		5.0 %			34.3 %	5.0 x	13.5 x
Tools and Services (8)							
Abbott Laboratories (NYSE:ABT)	\$166,515.3	14.6 %	\$30,723.0	\$7,286.0	23.7 %	5.4 x	22.9 x
Thermo Fisher Scientific Inc. (NYSE:TMO)	136,439.4	12.4	24,630.0	6,242.0	25.3	5.5	21.9
Becton, Dickinson and Company (NYSE:BDX)	87,544.2	11.7	17,036.0	5,020.0	29.5	5.1	17.4
Illumina, Inc. (NasdaqGS:ILMN)	54,168.5	14.7	3,397.0	1,056.0	31.1	15.9	51.3
Agilent Technologies, Inc. (NYSE:A)	22,863.8	7.0	5,019.0	1,217.0	24.2	4.6	18.8
Waters Corporation (NYSE:WAT)	15,141.4	5.3	2,403.1	830.0	34.5	6.3	18.2
PerkinElmer, Inc. (NYSE:PKI)	12,582.0	10.3	2,782.8	568.0	20.4	4.5	22.2
Bio-Rad Laboratories, Inc. (NYSE:BIO)	8,913.6	4.3	2,291.9	339.9	14.8	3.9	26.2
Median		11.0 %			24.8 %	5.3 x	22.0 x
Commercial Plans (5)							
UnitedHealth Group Incorporated (NYSE:UNH)	\$257,748.2	11.7 %	\$231,367.0	\$20,002.0	8.6 %	1.1 x	12.9 x
Cigna Corporation (NYSE:CI)	96,907.2	25.2	75,145.0	6,983.0	9.3	1.3	13.9
Anthem, Inc. (NYSE:ANTM)	89,127.4	5.4	94,220.0	6,530.0	6.9	0.9	13.6
Humana Inc. (NYSE:HUM)	37,961.2	2.7	58,740.0	3,420.0	5.8	0.6	11.1
Magellan Health, Inc. (NasdaqGS:MGLN)	2,343.3	15.3	7,248.6	136.8	1.9	0.3	17.1
Median		11.7 %			6.9 %	0.9 x	13.6 x
Government Plans (3)							
Centene Corporation (NYSE:CNC)	\$22,006.6	38.5 %	\$61,028.0	\$2,877.0	4.7 %	0.4 x	7.6 x
WellCare Health Plans, Inc. (NYSE:WCG)	13,159.8	17.3	22,530.1	996.3	4.4	0.6	13.2
Molina Healthcare, Inc. (NYSE:MOH)	6,995.9	5.7	17,644.0	1,273.0	7.2	0.4	5.5
Median		17.3 %			4.7 %	0.4 x	7.6 x
Payor Services (1)							
CorVel Corporation (NasdaqGS:CRVL)	\$1,528.6	5.8 %	\$595.7	\$84.5	14.2 %	2.6 x	18.1 x
Median		5.8 %			14.2 %	2.6 x	18.1 x

LSHC sector breakdown: financial detail (cont.)⁽¹⁾

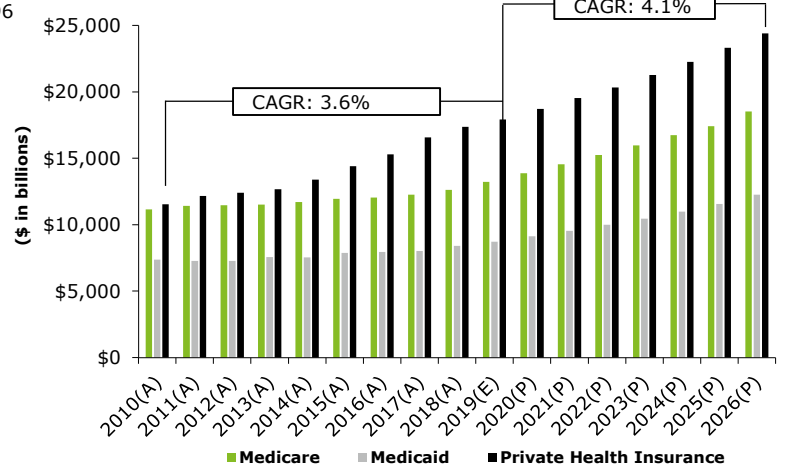
	Enterprise value (\$MM)	Three-year revenue CAGR	LTM			EV / LTM		
			Revenue (\$MM)	EBITDA (\$MM)	EBITDA margin	Revenue	EBITDA	
Pharmacy	Retail Pharmacy (3)							
	CVS Health Corporation (NYSE:CVS)	\$158,723.5	9.4 %	\$209,623.0	\$13,633.0	6.5 %	0.8 x	11.6 x
	Walgreens Boots Alliance, Inc. (NasdaqGS:WBA)	66,832.2	5.2	136,354.0	7,226.0	5.3	0.5	9.2
	Rite Aid Corporation (NYSE:RAD)	7,161.9	(12.5)	21,623.7	469.5	2.2	0.3	15.3
	Median		5.2 %			5.3 %	0.5 x	11.6 x
Pharmacy	Specialty Pharmacy (1)							
	Diplomat Pharmacy, Inc. (NYSE:DPLO)	1,072.2	13.1	5,406.8	103.4	1.9	0.2	10.4
	Median		13.1 %			1.9 %	0.2 x	10.4 x
Physicians / Staffing	Healthcare Staffing (3)							
	ASGN Incorporated (NYSE:ASGN)	\$4,225.6	18.0 %	\$3,638.3	\$389.4	10.7 %	1.2 x	10.9 x
	AMN Healthcare Services, Inc. (NYSE:AMN)	3,049.7	10.2	2,146.0	246.8	11.5	1.4	12.4
	Cross Country Healthcare, Inc. (NasdaqGS:CCRN)	408.8	1.0	801.4	21.2	2.6	0.5	19.3
	Median		10.2 %			10.7 %	1.2 x	12.4 x
Physicians / Staffing	Physician Practice Management (1)							
	MEDNAX, Inc. (NYSE:MD)	4,165.4	8.0	3,645.7	539.6	14.8	1.1	7.7
	Median		8.0 %			14.8 %	1.1 x	7.7 x
Medical Devices and Products	Medical Devices and Products (16)							
	Johnson & Johnson (NYSE:JNJ)	\$389,275.3	5.1 %	\$81,593.0	\$28,034.0	34.4 %	4.8 x	13.9 x
	Medtronic plc (NYSE:MDT)	147,734.9	2.0	30,557.0	9,234.0	30.2	4.8	16.0
	Danaher Corporation (NYSE:DHR)	108,813.4	13.7	20,077.5	4,840.3	24.1	5.4	22.5
	Stryker Corporation (NYSE:SYK)	84,688.3	11.3	13,876.0	3,892.0	28.0	6.1	21.8
	Boston Scientific Corporation (NYSE:BSX)	68,847.1	9.4	9,937.0	2,649.0	26.7	6.9	26.0
	Baxter International Inc. (NYSE:BAX)	44,409.9	3.7	11,082.0	2,590.0	23.4	4.0	17.1
	Edwards Lifesciences Corporation (NYSE:EW)	39,170.5	13.7	3,821.0	1,199.0	31.4	10.3	32.7
	Zimmer Biomet Holdings, Inc. (NYSE:ZBH)	33,160.1	5.3	7,890.8	2,466.8	31.3	4.2	13.4
	Hologic, Inc. (NasdaqGS:HOLX)	15,475.2	5.7	3,286.6	1,025.3	31.2	4.7	15.1
	Teleflex Incorporated (NYSE:TFX)	17,283.3	11.3	2,474.7	672.0	27.2	7.0	25.7
	ResMed Inc. (NYSE:RMD)	18,893.9	12.5	2,525.2	758.6	30.0	7.5	24.9
	DENTSPLY SIRONA Inc. (NasdaqGS:XRAY)	14,989.6	12.5	3,976.4	660.5	16.6	3.8	22.7
	Varian Medical Systems, Inc. (NYSE:VAR)	11,958.7	2.3	3,031.1	553.5	18.3	3.9	21.6
	STERIS plc (NYSE:STE)	13,878.8	7.6	2,782.2	687.1	24.7	5.0	20.2
	Hill-Rom Holdings, Inc. (NYSE:HRC)	8,791.2	7.0	2,865.5	566.1	19.8	3.1	15.5
Integer Holdings Corporation (NYSE:ITGR)	3,600.5	8.4	1,237.3	263.8	21.3	2.9	13.6	
	Median		8.0 %			26.9 %	4.8 x	20.9 x
Medical Supplies Distribution	Medical Supplies Distribution (6)							
	McKesson Corporation (NYSE:MCK)	\$30,664.6	3.9 %	\$214,319.0	\$4,229.0	2.0 %	0.1 x	7.3 x
	Cardinal Health, Inc. (NYSE:CAH)	19,629.9	6.8	143,530.0	2,775.0	1.9	0.1	7.1
	AmerisourceBergen Corporation (NYSE:ABC)	20,264.8	7.2	175,151.5	2,276.4	1.3	0.1	8.9
	Henry Schein, Inc. (NasdaqGS:HSIC)	11,694.6	6.9	13,288.8	1,117.5	8.4	0.9	10.5
	Patterson Companies, Inc. (NasdaqGS:PDCO)	2,748.4	1.1	5,574.5	256.4	4.6	0.5	10.7
	Owens & Minor, Inc. (NYSE:OMI)	2,087.4	0.3	9,927.5	217.4	2.2	0.2	9.6
	Median		5.4 %			2.1 %	0.2 x	9.3 x

LSHC sector data

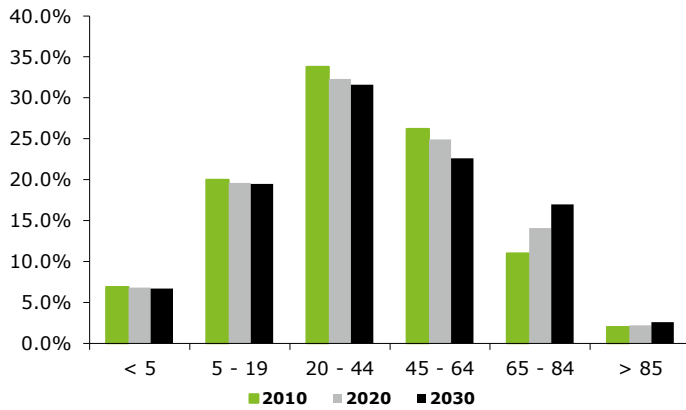
US health care spend⁽¹⁾



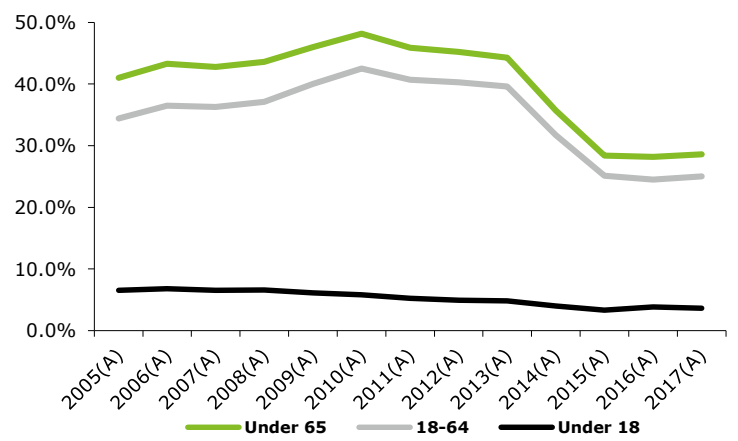
US health care spend by payor per capita⁽²⁾ (i)



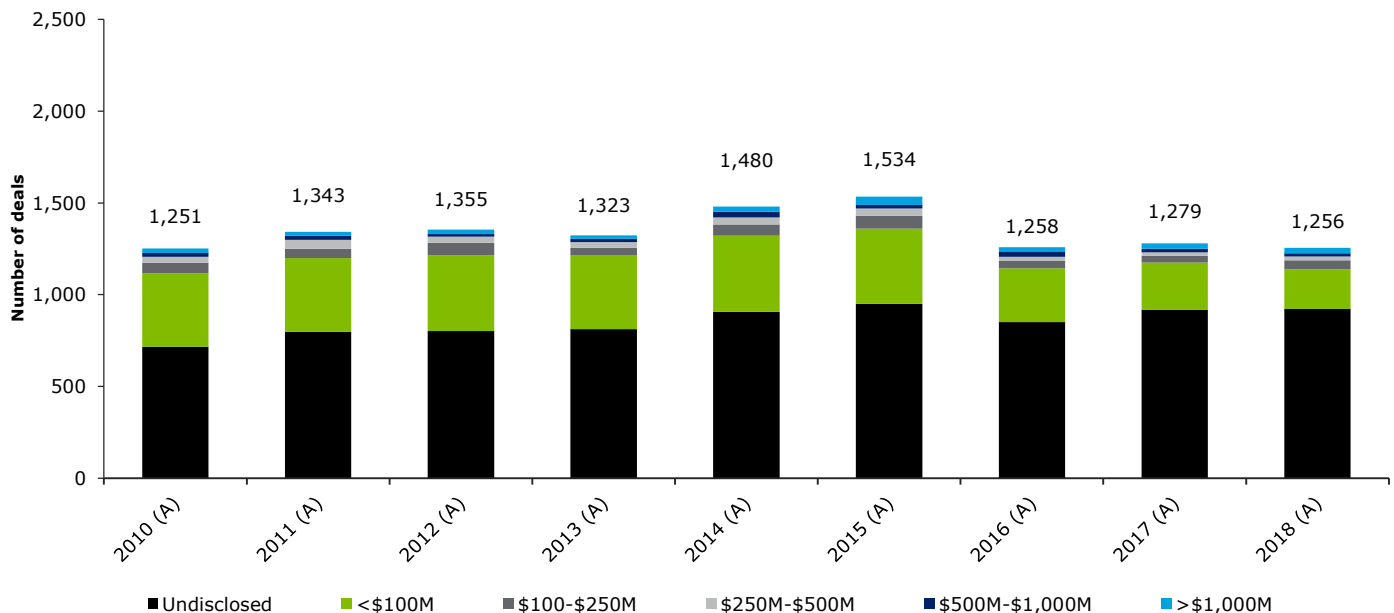
US population by age group⁽³⁾



Number of US uninsured by age group⁽⁴⁾



Annual LSHC M&A transactions by transaction size⁽⁵⁾



Note:

i) CAGR listed represents total Medicare, Medicaid and Private Health Insurance.

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