

# Healthcare & Life Sciences



## Market Monitor

### Specialty Pharmacy



## Harris Williams & Co.'s Healthcare & Life Sciences Group directs its efforts among three focus sectors.

Ancillary Services and Outsourcing	Market Size (mm)	Growth Rate <sup>1</sup>	Medical and Life Science Products	Market Size (mm)	Growth Rate <sup>1</sup>	Facilities and Alternate Site Care	Market Size (mm)	Growth Rate <sup>1</sup>
<i>Manufacturing Services:</i>			• Medical/Surgical Supplies	\$21,300	9.2%	• Home Health	\$35,600	8.0%
• Pharma Services	\$15,000	14.2%	• Medical Devices	80,200	11.0%	• Hospice	9,800	11.0%
• Contract Manufacturing	6,900	10.3%	• Dental Supplies	5,000	7.5%	• Behavioral/Mental Health	25,000	5.5%
<i>Provider Services:</i>			• DME	6,650	19.2%	• Rehabilitation	9,400	6.0%
• IT-based Outsourcing	4,900	5.6%	• Life Science Tools	26,700	5.4%	• Diagnostic Imaging	125,000	10.0%
• Disease Management	20,000	18.0%			• ASCs	8,000	7.5%	
• Clinical Laboratories	40,000	4.5%			• Long-Term Care	111,700	4.5%	
					• Surgical Hospitals	150,000	4.0%	
					• Dialysis	10,000	10.0%	
					• Dental Care	94,000	7.0%	
<b>Total</b>	<b>\$86,800</b>	<b>9.8%</b>	<b>Total</b>	<b>\$139,850</b>	<b>10.0%</b>	<b>Total</b>	<b>\$578,500</b>	<b>6.5%</b>

Sources: The Centers for Medicare and Medicaid Services, Office of the Actuary, and industry reports.

(1) One-year weighted average growth rate.

- Companies in these segments operate in markets with certain common characteristics.
  - Positive demographic outlook
  - Generate positive cash flow
  - Low degree of technological risk
  - Operate in highly fragmented markets with substantial M&A activity
- In the following pages we outline our high-level thoughts regarding the specialty pharmacy industry.
- For more information on the Healthcare & Life Sciences Group or the specialty pharmacy industry, please contact any of the individuals below.

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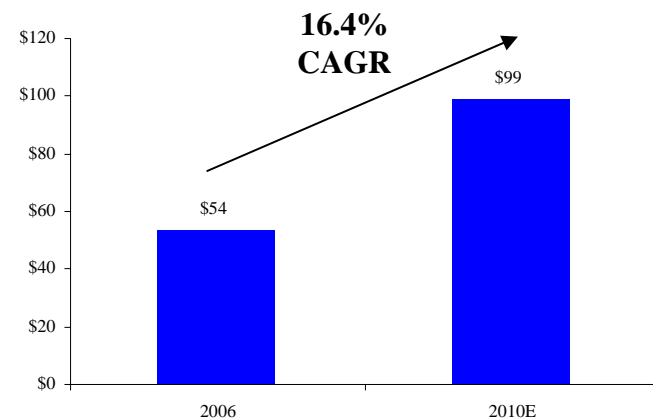


## Industry Focus: Specialty Pharmacy

Specialty pharmacy drug spend is expected to grow at a 16.4% compound annual growth rate (“CAGR”) from \$54 billion in 2006 to \$99 billion in 2010.

- The specialty pharmacy industry exists to serve patients with chronic health needs who require pharmaceuticals with complex delivery characteristics.
- While only 3% of the U.S. population possesses the chronic diseases served by the specialty pharmacy industry, spending represents 20% of the U.S. drug costs – and is expected to reach 26% by 2010.
- A reason for the high cost of specialty pharmaceuticals is the relatively small population of patients and manufacturers’ need to cover high development costs.
- Specialty pharmacies act as intermediaries between pharmaceutical manufacturers, payors, providers, and patients; providing services such as:
  - Specialized handling requirements
  - Clinical compliance management
  - Physician education
  - Patient education and care coordination
  - Reimbursement support
  - Custom dosing
- Drivers of growth include:
  - Aging population and increased prevalence of chronic diseases
  - Extending pipeline of new therapeutics
  - Direct to consumer advertising
  - Patient demand for in-home therapy
  - Increased acceptance of mail-order distribution
  - Payor demand for less costly outpatient delivery
  - Payor demand for outcomes data

**Specialty Pharmacy Drug Spend**  
(\$ in billions)



Source: Express Scripts analysis of CMS and IMS data

## Industry Focus: Specialty Pharmacy

While the patient population requiring specialty pharmaceutical treatments is small, the high cost per patient and the expansion of the conditions covered support continued growth.

- Biopharmaceutical companies have identified therapies for 16+ chronic conditions.
  - More than 400 drugs in the development pipeline
  - 35% to 40% of new drugs are specialty in nature
  - 40% to 50% of specialty drugs are administered through infusion
- Increasing number of sophisticated biotech drugs are capable of self-administration supporting the mail-order delivery model.
- Combination of home infusion and specialty pharmacy companies addresses need for a sophisticated caregiver to administer complicated drugs through infusion.
- Highly recurring nature of services provides strong revenue visibility for pharmacies and drives acquirers' strategic interest.

### Selected Chronic Conditions Addressed by Specialty Pharmacies

Disease	Description	Average Annual Cost Per Patient <sup>1</sup>	Total Annual US Market <sup>1</sup>	Patient Population
RSV	Highly contagious respiratory infection found predominantly in infants	\$800	Over \$700 million	90,000-115,000 infants per year <sup>1</sup>
HIV/ AIDS	Blood transfused disease that gradually weakens immune system	\$12,000	\$4.2 billion	1.2 million in US (350,000 receiving treatment) <sup>2</sup>
Infertility	Inability to produce offspring	\$10,000	\$600,000	6 million women <sup>3</sup>
Multiple Sclerosis	Incurable autoimmune disorder of the CNS	\$12,000	\$2 billion	300,000 <sup>4</sup>
Rheumatoid Arthritis	Chronic inflammatory disorder wherein the body attacks the body's joints	\$19,016	\$8 billion	2.1 million <sup>5</sup>
Crohn's Disease	Serious inflammation of the GI tract	\$9,100	\$3.6 billion	500,000 <sup>1</sup>
Growth Hormone Deficiency	Body produces inadequate growth hormone resulting in slow development	\$18,000	\$550 million	15,000-25,000 <sup>1</sup>
Hepatitis C	Blood transfused disease of the liver	\$30,000	\$600 million	4.1 million <sup>6</sup>
Pulmonary Hypertension	High blood pressure in lungs leads to potentially fatal respiratory problems	\$65,000	\$500 million	163,000 <sup>7</sup>
Hemophilia	Inability of blood to clot appropriately	\$80,000-\$125,000	\$2 billion	20,000 <sup>8</sup>
Gaucher Disease	Deficiency of enzymes leads to bone erosion and enlarged spleen	\$200,000	\$619 million	50,000-100,000 <sup>9</sup>
Allergic Asthma	Chronic inflammatory disorder of the pulmonary airways	\$10,000	\$750 million (by 2008)	10 million <sup>10</sup>

(1) Pharmaceutical Care Management Association

(2) Kaiser Family Foundation

(3) American Pregnancy Association

(4) Mayo Clinic

(5) National Institute of Arthritis and Musculoskeletal and Skin Diseases

(6) Centers for Disease Control and Prevention

(7) American Lung Association

(8) National Heart, Lung, and Blood Institute

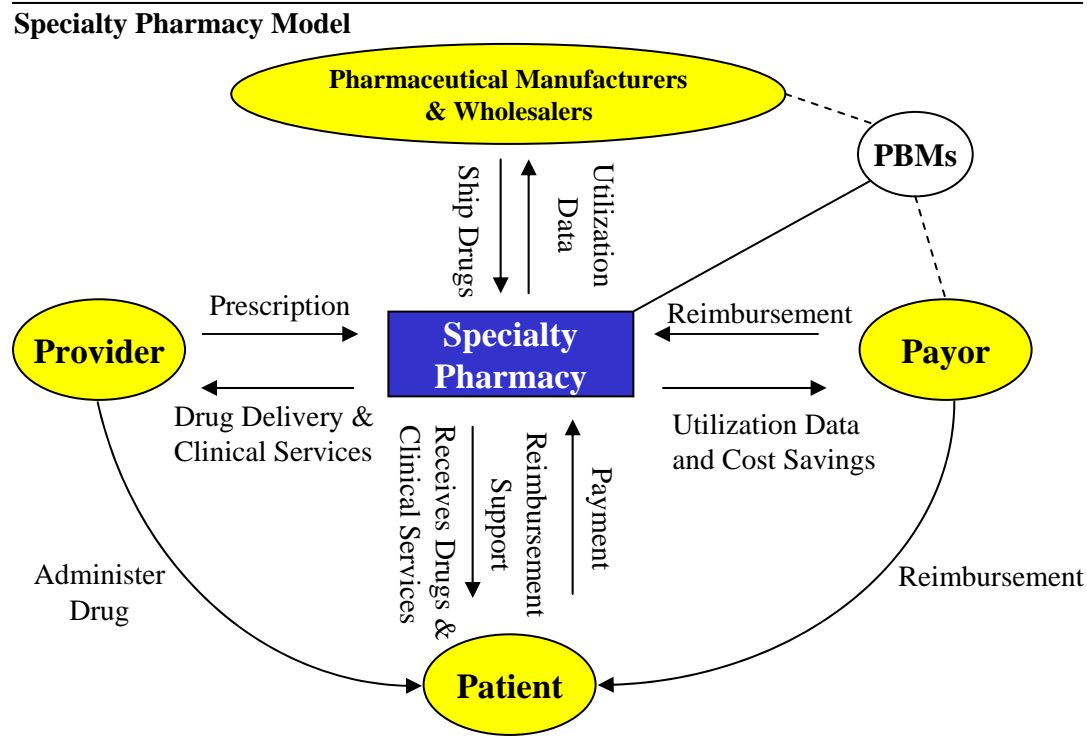
(9) National Human Genome Research Institute

(10) Asthma and Allergy Foundation of America

## Industry Focus: Specialty Pharmacy

Specialty pharmacies are positioned at the nexus of the specialty pharmaceutical delivery model and ideally situated to capitalize on the convergence of broader healthcare trends.

- Consolidation of specialty pharmacies by integrated pharmacies, pharmacy benefit managers, and home infusion companies has resulted in businesses with the scale to provide services to other constituents within the pharmaceutical delivery system.
  - Information to manufacturers
  - Medication adherence on behalf of providers
  - Education to patients
  - Compliance data to payor and ability to manage costs



## Industry Focus: Specialty Pharmacy

Consolidation of the specialty pharmacy industry has predominately been driven by strategic considerations on an opportunistic basis and valuations are highly dependent on the acquirer’s perceived vision for the combined entity.

- Through discussions with multiple industry sources, Harris Williams & Co. has identified several specific drivers of value.
  - Consideration for specific disease states served
  - Ability to contract with payors
  - Quality of referral sources and depth of relationships
  - Relationships with suppliers and guaranteed access to therapeutics
  - Achieving minimum scale

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### Strategic Valuation Consideration

Lower valuation

Higher valuation



#### Retail Provider

- Transaction focus; e.g. mail order
- No contracted revenues – low visibility
- Low interaction with patient – “non-sticky”
  - Not administering therapy
- Competes on price and scale through ability to have access to pharmaceuticals
- Lower margin business

#### Hybrid Provider

- A variety of combinations of “retail” and “contracted”
  - May have some contracted revenue
  - May provide some additional services
    - Patient education
    - Administer therapy
    - Reimbursement assistance

#### Contracted Provider

- High visibility into future revenues
- Provide information to multiple constituents
  - Ensure access to provider
  - Support medication adherence to payors
  - Provide education to patients
- Preferred relationships with manufacturers
  - Scale ensures access
  - Provide utilization data to manufacturers

## Industry Focus: Specialty Pharmacy

M&A activity within the specialty pharmacy industry has been robust, with strategic acquirers seeking add-on acquisitions to increase scale or broaden capabilities as well as new entrants acquiring complementary services to broaden scope of services.

- Valuations vary widely based on perceived strategic fit with the acquirer.

### Recent Change of Control Transactions

#### Selected Financial Data for Target Companies

(\$ in 000s)

Target Company	Description	Acquirer	Date	Size		Profitability		Enterprise Value/LTM		
				Acquisition Price	LTM Sales	LTM Margins		Sales	EBITDA	EBIT
National Medical Health Card Systems	Mail-order specialty pharmacy services.	SXC Health Solutions, Corp.	Apr-08	\$135,240	\$624,800	0.9%	(0.6%)	0.2 x	24.3 x	NM
Biomed America, Inc. <sup>1</sup>	Specialty infusion pharmacy.	Allion Healthcare, Inc.	Apr-08	\$120,000	\$60,000	25.0%	NA	2.0 x	8.0 x	NA
Critical Homecare Solutions Holdings	Home infusion therapy related services.	MBF Healthcare Acquisition Corp.	Feb-08	420,000	218,000	18.8%	NA	1.9 x	10.2 x	NA
Coram, Inc.	Home infusion and specialty pharmacy services.	Apria Healthcare Group, Inc.	Dec-07	350,000	564,516	4.0%	3.8%	0.6 x	15.5 x	16.1 x
Critical Care Systems, Inc.	Specialty infusion therapy services.	MedcoHealth Solutions, Inc.	Nov-07	185,670	107,070	11.2%	10.4%	1.7 x	15.5 x	16.7 x
PolyMedica Corp.	Direct-to-consumer diabetes supplies.	MedcoHealth Solutions, Inc.	Oct-07	1,530,520	711,870	13.9%	10.1%	2.2 x	15.5 x	21.3 x
B.J.K., Inc.	Institutional pharmacy services.	Chem Rx Corporation	Oct-07	231,100	272,203	8.8%	NA	0.8 x	9.6 x	NA
HomeChoice Partners	Infusion therapy services.	DaVita, Inc.	Sep-07	NA	NA	NA	NA	NA	NA	NA
Option Care, Inc.	Specialty pharmacy and infusion therapy.	Walgreen Co.	Aug-07	779,140	1,113,057	4.8%	4.4%	0.7 x	14.7 x	15.9 x
ICORE Healthcare	Specialty infusion services.	Magellan Health Services Inc.	Jul-07	287,710	58,240	16.3%	16.1%	4.9 x	30.4 x	30.6 x
Caremark Rx, Inc.	Mail-order and specialty pharmacy services.	CVS	Mar-07	27,322,060	69,753,962	2.6%	2.3%	0.4 x	14.9 x	17.1 x
MediSystem Technologies, Inc.	Provides pharmacy consulting services.	Shoppers Drug Mart Corp.	Oct-06	80,819	47,991	10.8%	7.3%	1.7 x	15.6 x	23.0 x
MP TotalCare, Inc.	Mail-order specialty pharmacy services.	Warburg Pincus LLC	Oct-05	NA	NA	NA	NA	NA	NA	NA
Priority Healthcare Corp.	Specialty pharmacy and specialty infusion services.	Express Scripts, Inc.	Oct-05	1,340,940	1,959,016	4.1%	3.6%	0.7 x	16.7 x	18.9 x
CCS Medical, Inc.	Provides diabetes supplies and prescription medications.	Warburg Pincus LLC	Oct-05	NA	NA	NA	NA	NA	NA	NA
Accredo Health Group, Inc.	Specialty retail pharmacy services.	MedcoHealth Solutions, Inc.	Aug-05	2,554,650	1,774,063	8.9%	7.9%	1.4 x	16.1 x	18.2 x
NeighborCare, Inc.	Institutional pharmacy and home infusion services.	Omnicare, Inc.	Jul-05	1,851,220	1,542,683	7.8%	5.8%	1.2 x	15.4 x	20.6 x
Chronimed, Inc.	Specialty pharmacy services.	Bioscip, Inc.	Mar-05	73,790	737,900	1.8%	1.4%	0.1 x	5.7 x	6.9 x
US Oncology, Inc.	Cancer-related pharmacy and infusion services.	Welsh, Carson, Anderson & Stowe	Aug-04	1,569,370	2,241,957	10.1%	6.8%	0.7 x	6.9 x	10.3 x
Hemophilia Resources of America, Inc.	Hemophilia specialty pharmacy and infusion supplies.	Accredo Health Group, Inc.	Jun-04	NA	NA	NA	NA	NA	NA	NA
Advance PCS	Specialty pharmacy and PBM.	Caremark Rx, Inc.	Apr-04	6,906,910	14,679,600	2.9%	2.5%	0.5 x	16.2 x	18.6 x
<b>Median</b>			---	<b>\$420,000</b>	<b>\$711,870</b>	<b>8.8%</b>	<b>5.1%</b>	<b>0.8 x</b>	<b>15.5 x</b>	<b>18.2 x</b>

(1) Financials calculated using annualized fourth-quarter revenue and EBITDA.

## Public Comparables

### Recent Market Performance<sup>1</sup>

(\$ in 000s)

Company	Ticker	Market Capitalization	52-Week		Current Price	As a % of High	Stock Performance	
			High	Low			One-Year	Three-Year
<b>Retail and Specialty Pharmacies</b>								
CVS Caremark Corp	NYSE: CVS	\$61,163,085	\$43.75	\$34.80	\$42.79	97.8%	11.0%	56.0%
Walgreen Co.	NYSE: WAG	35,676,261	48.09	32.50	36.02	74.9%	(20.2%)	(20.6%)
Rite Aid Corp.	NYSE: RAD	1,896,536	6.73	1.91	2.25	33.4%	(64.4%)	(43.2%)
Allion Healthcare, Inc.	NasdaqNM: ALLI	116,179	7.58	3.76	5.98	78.9%	19.6%	NA
<b>Pharmacy Benefit Management Services</b>								
Medco Health Solutions, Inc.	NYSE: MHS	24,547,580	54.63	38.01	48.45	88.7%	24.6%	93.8%
Express Scripts, Inc.	NasdaqNM: ESRX	18,110,066	79.10	47.63	72.11	91.2%	41.3%	212.2%
HealthExtras, Inc.	NasdaqNM: HLEX	1,344,688	32.16	23.16	31.25	97.2%	2.7%	82.3%
BioScrip, Inc.	NasdaqNM: BIOS	164,423	9.82	3.73	4.29	43.7%	2.4%	(18.0%)
<b>Home Health and Infusion Services</b>								
Lincare Holdings, Inc.	NasdaqNM: LNCR	1,907,618	40.91	23.45	26.06	63.7%	(35.0%)	(40.7%)
Amedisys, Inc.	NasdaqNM: AMED	1,346,211	53.50	34.27	50.81	95.0%	36.2%	124.3%
Apria Healthcare Group, Inc.	NYSE: AHG	739,142	31.57	15.31	16.85	53.4%	(41.8%)	(46.5%)
Gentiva Health Services, Inc.	NasdaqNM: GTIV	573,547	23.02	17.03	20.14	87.5%	(1.7%)	26.7%
<b>Institutional Pharmacy</b>								
Omnicare, Inc.	NYSE: OCR	2,977,723	38.01	15.42	24.48	64.4%	(34.6%)	(36.1%)
PharMerica Corp.	NYSE: PMC	622,636	23.20	12.99	20.47	88.2%	NA	NA
<b>Distributors</b>								
Cardinal Health, Inc.	NYSE: CAH	20,177,031	73.00	49.23	56.54	77.5%	(22.0%)	(2.4%)
McKesson Corp.	NYSE: MCK	15,985,134	68.43	51.08	57.65	84.2%	(8.7%)	43.2%
AmerisourceBergen Corp.	NYSE: ABC	6,654,699	53.56	38.42	41.33	77.2%	(19.3%)	NA
<b>Median</b>	--	<b>\$1,907,618</b>	<b>\$40.91</b>	<b>\$23.45</b>	<b>\$31.25</b>	<b>78.9%</b>	<b>(5.2%)</b>	<b>12.2%</b>
<b>S&amp;P 500</b>	--	--	<b>\$1,565.15</b>	<b>\$1,273.37</b>	<b>\$1,400.38</b>	<b>89.5%</b>	<b>22.5%</b>	<b>52.6%</b>

(1) As of May 30, 2008

## Public Comparables

### Selected Financial Data

(\$ in 000s)

Company	Size <sup>1</sup>		Profitability <sup>1</sup>		Growth <sup>2</sup>		Leverage <sup>1</sup>
	LTM Revenue	LTM EBITDA	LTM Margins		Three-Year Growth		Net Debt / LTM EBITDA
			EBITDA	EBIT	Revenue	EBITDA	
<b>Retail and Specialty Pharmacies</b>							
CVS Caremark Corp	\$84,466,900	\$6,488,900	7.7%	6.3%	43.6%	51.3%	1.4 x
Walgreen Co.	55,081,400	3,927,600	7.1%	5.8%	12.9%	15.1%	0.1 x
Rite Aid Corp.	28,961,755	603,182	2.1%	0.7%	19.1%	(8.2%)	10.7 x
Allion Healthcare, Inc. <sup>3</sup>	252,952	11,208	4.4%	3.1%	41.5%	70.6%	(2.6 x)
<b>Pharmacy Benefit Management Services</b>							
Medco Health Solutions, Inc.	46,309,500	2,062,200	4.5%	3.6%	8.4%	22.2%	1.7 x
Express Scripts, Inc.	18,368,900	1,199,700	6.5%	6.0%	6.2%	26.3%	1.2 x
HealthExtras, Inc.	2,039,969	66,591	3.3%	2.9%	63.5%	28.9%	(2.2 x)
BioScrip, Inc.	1,228,985	15,051	1.2%	0.7%	5.7%	11.4%	3.2 x
<b>Home Health and Infusion Services</b>							
Lincare Holdings, Inc.	1,632,951	516,160	31.6%	24.3%	12.3%	5.7%	1.4 x
Amedisys, Inc.	757,440	119,140	15.7%	13.7%	35.2%	39.0%	3.3 x
Apria Healthcare Group, Inc.	1,770,489	299,882	16.9%	9.2%	5.2%	0.4%	2.2 x
Gentiva Health Services, Inc.	1,253,477	101,732	8.1%	6.5%	18.9%	63.6%	3.0 x
<b>Institutional Pharmacy</b>							
Omnicare, Inc.	6,201,924	526,399	8.5%	6.6%	8.4%	(6.6%)	4.7 x
PharMerica Corp.	1,538,196	64,992	4.2%	2.6%	52.7%	9.0%	3.4 x
<b>Distributors</b>							
Cardinal Health, Inc.	89,386,000	2,540,300	2.8%	2.4%	9.3%	4.3%	0.9 x
McKesson Corp.	101,703,000	1,837,000	1.8%	1.4%	8.1%	17.2%	0.2 x
AmerisourceBergen Corp.	68,055,542	877,327	1.3%	1.2%	10.0%	11.5%	0.7 x
<b>Median:</b>	<b>\$6,201,924</b>	<b>\$526,399</b>	<b>4.5%</b>	<b>3.6%</b>	<b>12.3%</b>	<b>15.1%</b>	<b>1.4 x</b>

(1) Balance sheet statistics are based on the most recent period available and income statistics are based on the most recent twelve month period.

(2) Growth rates are based on latest three available fiscal years.

(3) Balance sheet and income statement statistics do not reflect Biomed America acquisition.

## Public Comparables

### Trading Multiples<sup>1</sup>

(\$ in 000s)

Company	Enterprise Value	Enterprise Value/LTM		
		Revenue	EBITDA	EBIT
<b>Retail and Specialty Pharmacies</b>				
CVS Caremark Corp	\$70,283,685	0.8 x	10.8 x	13.3 x
Walgreen Co.	36,148,761	0.7 x	9.2 x	11.2 x
Rite Aid Corp.	8,332,587	0.3 x	13.8 x	42.5 x
Allion Healthcare, Inc.	87,246	0.3 x	7.8 x	11.3 x
<b>Pharmacy Benefit Management Services</b>				
Medco Health Solutions, Inc.	28,126,480	0.6 x	13.6 x	17.0 x
Express Scripts, Inc.	19,558,566	1.1 x	16.3 x	17.7 x
HealthExtras, Inc.	1,198,818	0.6 x	18.0 x	20.5 x
BioScrip, Inc.	212,932	0.2 x	14.1 x	23.9 x
<b>Home Health and Infusion Services</b>				
Lincare Holdings, Inc.	2,631,593	1.6 x	5.1 x	6.6 x
Amedisys, Inc.	1,739,208	2.3 x	14.6 x	16.8 x
Apria Healthcare Group, Inc.	1,389,132	0.8 x	4.6 x	8.5 x
Gentiva Health Services, Inc.	880,815	0.7 x	8.7 x	10.8 x
<b>Institutional Pharmacy</b>				
Omnicare, Inc.	5,455,410	0.9 x	10.4 x	13.2 x
PharMerica Corp.	841,636	0.5 x	12.9 x	21.0 x
<b>Distributors</b>				
Cardinal Health, Inc.	22,453,431	0.3 x	8.8 x	10.3 x
McKesson Corp.	16,420,134	0.2 x	8.9 x	11.2 x
AmerisourceBergen Corp.	7,288,723	0.1 x	8.3 x	9.3 x
<b>Median:</b>	<b>\$5,455,410</b>	<b>0.6 x</b>	<b>10.4 x</b>	<b>13.2 x</b>

(1) As of May 30, 2008

## Representative HW&Co. Healthcare & Life Sciences Transactions

<p><b>Ancillary Services and Outsourcing</b></p>	<p><b>Resources On Call</b> Healthcare Staffing</p> <p>has been acquired by</p> <p><b>Nursefinders.</b> The Professional Choice.</p> <p>a portfolio company of</p>	<p><b>MHA</b> Exceptional Service. Extraordinary People.</p> <p>a portfolio company of</p> <p><b>GTCR</b> Advent International</p> <p>has been acquired by</p>	<p><b>Masterplan</b></p> <p>a portfolio company of</p> <p><b>THREE CITIES RESEARCH, INC.</b></p> <p>has been acquired by</p> <p><b>BerkshirePartners</b></p>	<p><b>Heartland</b> INFORMATION SERVICES</p> <p>a subsidiary of</p> <p><b>HCR ManorCare</b></p> <p>has been acquired by</p>	<p><b>OMNIFLIGHT</b></p> <p>a portfolio company of</p> <p>has been acquired by</p>
<p><b>Medical and Life Science Products</b></p>	<p><b>(IPA)</b> INNOVATION + PASSION + AUTOMATION</p> <p>Healthcare Automation Technology</p> <p>has been acquired by</p> <p><b>RiversidePartners, LLC</b></p>	<p><b>MicroGroup</b></p> <p>a portfolio company of</p> <p><b>MCM</b> CAPITAL PARTNER</p> <p><b>National City Equity Partners</b></p> <p>has been acquired by</p>	<p><b>Seabrook International, LLC</b></p> <p>has been acquired by</p>	<p><b>DHD Healthcare</b> Innovations for respiratory care</p> <p>a portfolio company of</p> <p>has been acquired by</p> <p><b>smiths</b> Smiths Group plc</p>	<p><b>THE Hilsinger COMPANY</b></p> <p>a portfolio company of</p> <p>has been acquired by</p> <p><b>PNCEQUITYPARTNERS</b></p>
<p><b>Facilities and Alternate Site Care</b></p>	<p><b>encompass</b> HOME HEALTH</p> <p>a portfolio company of</p> <p><b>Apax PARTNERS</b></p> <p>has been acquired by</p> <p><b>THOMA CRESSEY BRAVO</b></p>	<p><b>DentalCare PARTNERS</b></p> <p>a portfolio company of</p> <p><b>REICHERT PERRY O'KEEFE &amp; COMPANY</b></p> <p>has been acquired by</p> <p><b>MSD Capital, L.P.</b></p> <p><b>NORTH PEAK CAPITAL LLC</b></p>	<p><b>REMYDA</b> Recruitment for life Sciences Programs for Existing Professionals</p> <p>a portfolio company of</p> <p><b>Prospect Partners, LLC</b> A private equity firm focused on the Senior Middle Market</p> <p>has been acquired by</p> <p><b>UNITED MEDICAL HEALTHCARE</b></p>	<p><b>Senior Home Care, Inc.</b></p> <p>a portfolio company of</p> <p><b>SUMMIT PARTNERS</b></p> <p>has been acquired by</p>	<p><b>HOUSECALL</b> medical resources</p> <p>a portfolio company of</p> <p>has been acquired by</p>

For additional information regarding our Healthcare & Life Sciences Group or Harris Williams & Co., please visit our website at: [www.harriswilliams.com](http://www.harriswilliams.com).

## Market Monitor Data

The following pages include recently available public data for the constituent companies of our focus sectors.

Ancillary Services  
and Outsourcing

Medical & Life  
Science Products

Facilities and Alternate  
Site Care

## Market Monitor: Ancillary Services and Outsourcing

(\$ in millions, except per share data)	Ticker	Price at		Market Cap	Debt <sup>(1)</sup>	Cash & Equivalents	Enterprise Value (EV)	Last Twelve Months (LTM)		EV / LTM		LTM Margins		LTM Date
		5/30/08	5/30/08					Revenue	EBITDA	Revenue	EBITDA	Gross	EBITDA	
<b>Manufacturing Services:</b>														
<b>Pharma Services</b>														
	Albany Molecular Research Inc.	AMRI	\$13.98	\$444	\$14	\$87	\$371	\$198	\$29	1.9x	12.8x	30.0%	14.7%	3/31/2008
	Charles River Laboratories International Inc.	CRL	64.28	4,379	510	248	4,641	1,277	328	3.6x	14.2x	38.6%	25.7%	3/29/2008
	Covance Inc.	CVD	81.98	5,154	43	233	4,964	1,689	307	2.9x	16.2x	32.2%	18.2%	3/31/2008
	ICON plc	ICLR	70.50	2,044	131	111	2,064	696	97	3.0x	21.3x	44.1%	13.9%	3/31/2008
	IMS Health Inc.	RX	24.24	4,396	1,567	216	5,747	2,256	617	2.5x	9.3x	56.1%	27.3%	3/31/2008
	inVentiv Health Inc.	VTIV	32.70	1,081	361	49	1,393	1,018	128	1.4x	10.9x	31.3%	12.6%	3/31/2008
	Kendle International Inc.	KNDL	37.79	556	200	30	726	595	69	1.2x	10.5x	34.0%	11.6%	3/31/2008
	MDS, Inc.	TSX:MDS	18.78	2,298	301	144	2,455	1,268	37	1.9x	66.4x	35.5%	2.9%	1/31/2008
	Parxel International Corp.	PRXL	24.59	1,392	52	53	1,391	1,085	113	1.3x	12.3x	28.5%	10.4%	3/31/2008
	PDI Inc.	PDII	8.25	118	-	116	2	117	(7)	NM	NM	26.9%	(5.9%)	3/31/2008
	Pharmaceutical Product Development Inc.	PPDI	44.21	5,290	-	492	4,798	1,478	297	3.2x	16.1x	46.0%	20.1%	3/31/2008
	<i>Mean</i>									2.3x	19.0x	36.7%	13.8%	
	<i>Median</i>									2.2x	13.5x	34.0%	13.9%	
<b>Contract Manufacturing</b>														
	Cambrex Corp.	CBM	\$6.15	\$179	\$120	\$40	\$258	\$248	\$52	1.0x	5.0x	35.7%	21.0%	3/31/2008
	King Pharmaceuticals Inc.	KG	10.26	2,530	400	1,417	1,513	2,053	705	0.7x	2.1x	73.4%	34.3%	3/31/2008
	Patheon Inc.	TSX:PTI	4.13	375	232	32	574	694	71	0.8x	8.0x	10.3%	10.3%	1/31/2008
	West Pharmaceutical Services Inc.	WST	47.43	1,533	418	107	1,844	1,033	179	1.8x	10.3x	28.5%	17.3%	3/31/2008
	<i>Mean</i>									1.1x	6.4x	37.0%	20.7%	
	<i>Median</i>									0.9x	6.5x	32.1%	19.1%	
<b>Provider Services:</b>														
<b>HCTT - Automation</b>														
	Allscripts Healthcare Solutions Inc.	MDRX	\$12.43	\$709	\$135	\$54	\$791	\$289	\$46	2.7x	17.3x	49.9%	15.8%	3/31/2008
	Athenahealth, Inc.	ATHN	31.67	1,025	2	67	960	109	12	8.8x	77.6x	55.7%	11.4%	3/31/2008
	Emageon Inc.	EMAG	2.30	49	-	18	31	97	1	0.3x	27.2x	47.3%	1.2%	3/31/2008
	HLTH Corporation	HLTH	11.93	2,190	650	1,415	1,425	537	73	2.7x	19.5x	59.9%	13.6%	3/31/2008
	McKesson Corp.	MCK	57.65	15,985	1,797	1,362	16,420	101,703	1,837	0.2x	8.9x	4.9%	1.8%	3/31/2008
	MedAssets, Inc.	MDAS	17.86	794	208	128	874	205	52	4.3x	16.8x	84.3%	25.5%	3/31/2008
	NightHawk Radiology Holdings, Inc.	NHWK	7.63	235	99	67	267	167	33	1.6x	8.0x	57.5%	20.0%	3/31/2008
	Omicell Inc.	OMCL	13.28	437	-	143	294	227	26	1.3x	11.5x	53.0%	11.2%	3/31/2008
	Quality Systems Inc.	QSII	32.93	902	-	78	824	180	62	4.6x	13.3x	66.6%	34.2%	12/31/2007
	Sage Group plc	SGE	4.45	5,822	1,222	152	6,893	2,430	637	2.8x	10.8x	91.7%	26.2%	3/31/2008
	WebMD Health Corp.	WBMD	30.03	1,729	-	301	1,428	342	66	4.2x	21.8x	64.8%	19.2%	3/31/2008
	<i>Mean</i>									3.0x	21.2x	57.8%	16.4%	
	<i>Median</i>									2.7x	16.8x	57.5%	15.8%	
<b>HCTT - Enterprise</b>														
	Affiliated Computer Services, Inc.	ACS	\$54.20	\$5,224	\$2,418	\$329	\$7,313	\$6,067	\$1,056	1.2x	6.9x	17.8%	17.4%	3/31/2008
	Cerner Corp.	CERN	45.37	3,655	192	251	3,596	1,539	374	2.3x	9.6x	82.3%	24.3%	3/29/2008
	Eclipsys Corp.	ECLP	20.40	1,109	45	65	1,089	489	54	2.2x	20.0x	42.7%	11.1%	3/31/2008
	Perot Systems Corp.	PER	16.52	1,968	213	201	1,980	2,702	320	0.7x	6.2x	18.3%	11.8%	3/31/2008
	<i>Mean</i>									1.6x	10.7x	40.3%	16.2%	
	<i>Median</i>									1.7x	8.3x	30.5%	14.6%	
<b>Disease Management</b>														
	Healthways Inc.	HWAY	\$32.30	\$1,135	\$278	\$41	\$1,373	\$693	\$140	2.0x	9.8x	30.6%	20.3%	2/29/2008
	<i>Mean</i>									2.0x	9.8x	30.6%	20.3%	
	<i>Median</i>									2.0x	9.8x	30.6%	20.3%	
<b>Managed Care</b>														
	CIGNA Corp.	CI	\$40.60	\$11,401	\$2,353	\$2,903	\$10,851	\$17,777	\$1,567	0.6x	6.9x	42.0%	8.8%	3/31/2008
	HealthSpring Inc.	HS	18.58	1,094	293	378	1,009	1,771	183	0.6x	5.5x	21.7%	10.3%	3/31/2008
	Humana Inc.	HUM	51.05	8,638	1,893	5,643	4,888	26,045	1,564	0.2x	3.1x	19.9%	6.0%	3/31/2008
	Unitedhealth Group, Inc.	UNH	34.21	42,034	13,222	7,040	48,216	76,688	8,810	0.6x	5.5x	26.8%	11.5%	3/31/2008
	WellCare Health Plans, Inc.	WCG	55.18	2,301	155	1,639	817	4,759	329	0.2x	2.5x	19.8%	6.9%	6/30/2007
	WellPoint Inc.	WLP	55.82	29,371	9,286	6,398	32,260	61,600	5,942	0.5x	5.4x	24.2%	9.6%	3/31/2008
	<i>Mean</i>									0.4x	4.8x	25.7%	8.9%	
	<i>Median</i>									0.5x	5.5x	22.9%	9.2%	
<b>Clinical Laboratories</b>														
	Bio-Reference Laboratories Inc.	BRLI	\$24.84	\$342	\$35	\$9	\$369	\$264	\$33	1.4x	11.1x	51.9%	12.6%	1/31/2008
	Genoptix Inc.	GKDX	27.11	443	-	85	358	71	16	5.0x	21.8x	59.6%	23.2%	3/31/2008
	Laboratory Corp. of America Holdings	LH	73.79	8,213	1,683	50	9,846	4,173	1,032	2.4x	9.5x	41.7%	24.7%	3/31/2008
	Quest Diagnostics Inc.	DGX	50.41	9,821	3,428	170	13,079	6,963	1,424	1.9x	9.2x	41.2%	20.4%	3/31/2008
	<i>Mean</i>									2.7x	12.9x	48.6%	20.2%	
	<i>Median</i>									2.1x	10.3x	46.8%	21.8%	
<b>Pharmacy Benefit Managers</b>														
	BioScrip, Inc.	BIOS	4.29	164	49	-	213	1,229	15	0.2x	14.1x	11.1%	1.2%	3/31/2008
	Express Scripts, Inc.	ESRX	\$72.11	\$18,110	\$1,960	\$512	\$19,559	\$18,369	\$1,200	1.1x	16.3x	9.9%	6.5%	3/31/2008
	HealthExtras, Inc.	HLEX	31.25	1,345	-	146	1,199	2,040	67	0.6x	18.0x	5.6%	3.3%	3/31/2008
	MedcoHealth Solutions Inc.	MHS	48.45	24,548	4,190	611	28,126	46,310	2,062	0.6x	13.6x	6.6%	4.5%	3/29/2008
	<i>Mean</i>									0.6x	15.5x	8.3%	3.9%	
	<i>Median</i>									0.6x	15.2x	8.3%	3.9%	
<b>Ancillary Services &amp; Outsourcing Companies</b>														
	<i>Mean</i>									1.9x	14.6x	39.1%	14.4%	
	<i>Median</i>									1.5x	11.0x	35.7%	12.6%	

(1) Includes preferred stock and capitalized leases.  
Source: Capital IQ, Inc.

## Market Monitor: Medical and Life Science Products

(\$ in millions, except per share data)	Ticker	Price at 5/30/08	Market Cap	Debt <sup>(1)</sup>	Cash & Equivalents	Enterprise Value (EV)	Last Twelve Months (LTM)		EV / LTM		LTM Margins		LTM Date	
							Revenue	EBITDA	Revenue	EBITDA	Gross	EBITDA		
<b>Medical/Surgical Supplies &amp; Distribution</b>														
	Abbott Laboratories	ABT	\$56.35	\$86,965	\$13,222	\$3,637	\$96,550	\$26,734	\$6,779	3.6x	14.2x	56.2%	25.4%	3/31/2008
	Amerisourcebergen Corp.	ABC	41.33	6,655	1,225	591	7,289	68,056	877	0.1x	8.3x	3.2%	1.3%	3/31/2008
	Becton Dickinson & Co.	BDX	84.45	20,611	1,168	761	21,018	6,735	1,885	3.1x	11.1x	51.3%	28.0%	3/31/2008
	Cardinal Health Inc.	CAH	56.54	20,177	3,805	1,529	22,453	90,429	2,559	0.2x	8.8x	6.1%	2.8%	3/31/2008
	CR Bard Inc.	BCR	91.20	9,054	150	448	8,756	2,258	657	3.9x	13.3x	60.9%	29.1%	3/31/2008
	Henry Schein Inc.	HSIC	55.72	5,030	459	239	5,249	6,136	474	0.9x	11.1x	29.0%	7.7%	3/29/2008
	McKesson Corp.	MCK	57.65	15,985	1,797	1,362	16,420	101,703	1,837	0.2x	8.9x	4.9%	1.8%	3/31/2008
	Owens & Minor Inc.	OMI	47.48	1,952	212	3	2,162	6,867	180	0.3x	12.0x	10.6%	2.6%	3/31/2008
	PSS World Medical Inc.	PSSI	18.22	1,128	222	21	1,329	1,856	117	0.7x	11.4x	29.2%	6.3%	3/28/2008
	SRI Surgical Express Inc.	STRC	3.75	26	15	1	41	95	5	0.4x	8.5x	21.0%	5.0%	3/31/2008
	<i>Mean</i>									1.3x	10.8x	27.2%	11.0%	
	<i>Median</i>									0.6x	11.1x	25.0%	5.7%	
<b>Medical Devices &amp; Products</b>														
	American Medical Systems Holdings Inc.	AMMD	\$15.11	\$1,099	\$661	\$38	\$1,722	\$476	\$116	3.6x	14.9x	77.3%	24.4%	3/29/2008
	Arthrocare Corp.	ARTC	44.11	1,175	60	33	1,201	337	78	3.6x	15.3x	73.4%	23.3%	3/31/2008
	Boston Scientific Corp.	BSX	13.29	19,885	7,568	1,739	25,714	8,317	2,218	3.1x	11.6x	69.0%	26.7%	3/31/2008
	Hospira Inc.	HSP	41.94	6,672	2,229	232	8,669	3,542	757	2.4x	11.5x	37.2%	21.4%	3/31/2008
	Johnson & Johnson	JNJ	66.74	188,086	11,416	11,144	188,358	62,252	18,581	3.0x	10.1x	71.1%	29.8%	3/30/2008
	Medtronic Inc.	MDT	50.67	56,904	6,974	1,307	62,571	12,935	4,475	4.8x	14.0x	74.3%	34.6%	1/25/2008
	MetLife Inc.	MET	60.03	42,640	20,709	14,294	49,055	53,122	7,126	0.9x	6.9x	31.8%	13.4%	3/31/2008
	Smith & Nephew plc	LSE:SN	10.71	9,592	1,625	171	11,046	3,536	935	3.1x	11.8x	72.3%	26.4%	3/29/2008
	St. Jude Medical Inc.	STJ	40.75	13,808	1,416	558	14,666	3,903	1,170	3.8x	12.5x	73.6%	30.0%	3/29/2008
	Stryker Corp.	SYK	64.55	26,581	18	2,363	24,236	6,209	1,766	3.9x	13.7x	69.0%	28.4%	3/31/2008
	Thermo Fisher Scientific, Inc.	TMO	59.02	24,683	2,197	748	26,131	9,962	1,896	2.6x	13.8x	39.7%	19.0%	3/29/2008
	Zimmer Holdings Inc.	ZMH	72.80	16,853	117	476	16,493	4,007	1,570	4.1x	10.5x	76.9%	39.2%	3/31/2008
	<i>Mean</i>									3.3x	12.2x	63.8%	26.4%	
	<i>Median</i>									3.3x	12.2x	71.7%	26.6%	
<b>Dental Products</b>														
	3M Co.	MMM	\$77.56	\$54,625	\$6,182	\$3,294	\$57,513	\$24,988	\$6,690	2.3x	8.6x	48.0%	26.8%	3/31/2008
	Danaher Corp.	DHR	78.18	24,895	3,505	234	28,166	11,533	2,125	2.4x	13.3x	46.1%	18.4%	3/28/2008
	DENTSPLY International Inc.	XRAY	40.54	6,034	593	345	6,282	2,098	436	3.0x	14.4x	51.5%	20.8%	3/31/2008
	Henry Schein Inc.	HSIC	55.72	5,030	459	239	5,249	6,136	474	0.9x	11.1x	29.0%	7.7%	3/29/2008
	Patterson Companies Inc.	PDCO	34.01	4,399	190	171	4,418	2,959	380	1.5x	11.6x	34.4%	12.8%	1/26/2008
	Sirona Dental Systems Inc.	SIRO	29.66	1,625	591	111	2,105	725	170	2.9x	12.4x	45.6%	23.5%	3/31/2008
	Young Innovations Inc.	YDNT	20.46	166	34	1	200	99	25	2.0x	8.1x	52.9%	25.0%	3/31/2008
	<i>Mean</i>									2.1x	11.3x	43.9%	19.3%	
	<i>Median</i>									2.3x	11.6x	46.1%	20.8%	
<b>Durable Medical Equipment</b>														
	Hill-Rom Holdings, Inc.	HRC	\$30.75	\$1,917	\$138	\$195	\$1,861	\$2,084	\$401	0.9x	4.6x	43.3%	19.2%	3/31/2008
	Invacare Corp.	IVC	18.18	583	539	43	1,079	1,644	129	0.7x	8.4x	28.1%	7.9%	3/31/2008
	Kinetic Concepts Inc.	KCI	43.43	3,143	68	305	2,906	1,661	482	1.7x	6.0x	49.2%	29.0%	3/31/2008
	ResMed Inc.	RMD	39.39	3,043	132	307	2,868	792	202	3.6x	14.2x	60.2%	25.6%	3/31/2008
	TempurPedic International Inc.	TPX	10.74	802	597	47	1,352	1,088	253	1.2x	5.3x	47.4%	23.3%	3/31/2008
	<i>Mean</i>									1.6x	7.7x	45.6%	21.0%	
	<i>Median</i>									1.2x	6.0x	47.4%	23.3%	
<b>Life Science Tools</b>														
	Agilent Technologies Inc.	A	\$37.39	\$13,649	\$2,374	\$1,741	\$14,282	\$5,669	\$893	2.5x	16.0x	55.0%	15.8%	4/30/2008
	Appken Corp-Applied Biosystems Group	ABI	34.76	5,863	125	365	5,623	2,173	491	2.6x	11.5x	56.6%	22.6%	3/31/2008
	Beckman Coulter Inc.	BEC	69.39	4,363	989	71	5,282	2,878	544	1.8x	9.7x	46.3%	18.9%	3/31/2008
	Becton Dickinson & Co.	BDX	84.45	20,611	1,168	761	21,018	6,735	1,885	3.1x	11.1x	51.3%	28.0%	3/31/2008
	<i>Mean</i>									2.5x	12.1x	52.3%	21.3%	
	<i>Median</i>									2.6x	11.3x	53.1%	20.7%	
<b>Medical &amp; Life Science Products</b>														
	<i>Mean</i>									2.3x	11.1x	46.9%	19.8%	
	<i>Median</i>									2.5x	11.4x	48.6%	22.9%	

(1) Includes preferred stock and capitalized leases.  
Source: Capital IQ, Inc.

## Market Monitor: Facilities and Alternate Site Care

(\$ in millions, except per share data)	Ticker	Price at 5/30/08	Market Cap	Debt <sup>(1)</sup>	Cash & Equivalents	Enterprise Value (EV)	Last Twelve Months (LTM)		EV / LTM		LTM Margins		LTM Date	
							Revenue	EBITDA	Revenue	EBITDA	Gross	EBITDA		
<b>Home Health</b>														
	Amedysys Inc.	AMED	\$50.81	\$1,346	\$417	\$25	\$1,738	\$757	\$119	2.3x	14.6x	55.4%	15.7%	3/31/2008
	Geniva Health Services Inc.	GTIV	20.14	574	325	18	881	1,253	103	0.7x	8.6x	42.3%	8.2%	3/30/2008
	LHC Group, Inc.	LHCG	21.67	392	6	1	397	313	41	1.3x	9.6x	48.9%	13.2%	3/31/2008
	<i>Mean</i>									1.4x	10.9x	48.9%	12.4%	
	<i>Median</i>									1.3x	9.6x	48.9%	13.2%	
<b>Hospice</b>														
	Chemed Corp.	CHE	\$36.22	\$859	\$222	\$30	\$1,052	\$1,115	\$152	0.9x	6.9x	29.6%	13.6%	3/31/2008
	Odyssey Healthcare Inc.	ODSY	10.91	357	130	40	447	432	29	1.0x	15.4x	40.7%	6.7%	3/31/2008
	<i>Mean</i>									1.0x	11.2x	35.2%	10.2%	
	<i>Median</i>									1.0x	11.2x	35.2%	10.2%	
<b>Respiratory Therapy</b>														
	Apria Healthcare Group Inc.	AHG	\$16.85	\$739	\$671	\$21	\$1,389	\$1,769	\$298	0.8x	4.7x	70.3%	16.9%	3/31/2008
	LinCare Holdings Inc.	LNCR	26.06	1,908	828	104	2,632	1,633	516	1.6x	5.1x	56.3%	31.6%	3/31/2008
	ResMed Inc.	RMD	39.39	3,043	132	307	2,868	792	202	3.6x	14.2x	60.2%	25.6%	3/31/2008
	<i>Mean</i>									2.0x	8.0x	62.3%	24.7%	
	<i>Median</i>									1.6x	5.1x	60.2%	25.6%	
<b>Behavioral/Mental Health</b>														
	Magellan Health Services Inc.	MGLN	\$40.25	\$1,630	\$10	\$345	\$1,294	\$2,319	\$187	0.6x	6.9x	8.1%	8.1%	3/31/2008
	PHC Inc.	PHC	2.90	59	3	4	58	50	5	1.2x	12.3x	44.3%	9.4%	3/31/2008
	Providence Service Corp.	PRSC	26.45	322	243	49	516	398	39	1.3x	13.4x	18.5%	9.7%	3/31/2008
	Psychiatric Solutions, Inc.	PSYS	36.47	2,021	1,305	15	3,311	1,589	261	2.1x	12.7x	38.9%	16.4%	3/31/2008
	Res-Care Inc.	RSCR	19.07	558	223	17	765	1,470	110	0.5x	6.9x	10.3%	7.5%	3/31/2008
	<i>Mean</i>									1.1x	10.4x	24.0%	10.2%	
	<i>Median</i>									1.2x	12.3x	18.5%	9.4%	
<b>Rehabilitation</b>														
	HEALTHSOUTH Corp.	HLS	\$18.73	\$1,481	\$2,051	\$60	\$3,471	\$1,778	\$308	2.0x	11.3x	44.5%	17.3%	3/31/2008
	Rehabcare Group Inc.	RHB	16.97	306	76	15	367	712	51	0.5x	7.2x	19.2%	7.2%	3/31/2008
	The Ensign Group, Inc.	ENSG	10.41	214	63	54	223	427	48	0.5x	4.7x	15.2%	11.2%	3/31/2008
	US Physical Therapy Inc.	USPH	17.16	204	11	9	206	162	27	1.3x	7.7x	47.4%	16.5%	3/31/2008
	<i>Mean</i>									1.1x	7.7x	31.6%	13.1%	
	<i>Median</i>									0.9x	7.4x	31.9%	13.9%	
<b>Diagnostic Imaging</b>														
	Alliance Imaging Inc.	AIQ	\$8.43	\$430	\$657	\$107	\$980	\$455	\$155	2.2x	19.9x	46.8%	34.0%	3/31/2008
	RadNet, Inc.	RDNT	6.52	233	476	-	709	434	72	1.6x	9.9x	31.9%	16.5%	3/31/2008
	Varian Medical Systems Inc.	VAR	47.54	5,972	122	360	5,734	1,932	401	3.0x	14.3x	40.9%	20.8%	3/28/2008
	<i>Mean</i>									2.3x	14.7x	39.9%	23.7%	
	<i>Median</i>									2.2x	14.3x	40.9%	20.8%	
<b>Amb. Surg. Centers</b>														
	AnSurg Corp.	AMSG	\$27.28	\$859	\$205	\$24	\$1,040	\$553	\$215	1.9x	4.8x	59.3%	38.8%	3/31/2008
	NovaMed Inc.	NOVA	3.93	97	103	7	193	132	37	1.5x	5.2x	46.1%	28.0%	3/31/2008
	<i>Mean</i>									1.7x	5.0x	52.7%	33.4%	
	<i>Median</i>									1.7x	5.0x	52.7%	33.4%	
<b>Long-Term Care</b>														
	Advocat Inc.	AVCA	\$12.04	\$68	\$34	\$10	\$92	\$262	\$25	0.4x	3.7x	23.2%	9.6%	3/31/2008
	Brookdale Senior Living Inc.	BKD	26.38	2,697	2,447	120	5,025	1,873	288	2.7x	17.5x	36.2%	15.4%	3/31/2008
	Capital Senior Living Corp.	CSU	8.04	214	192	25	382	191	29	2.0x	13.3x	36.2%	15.0%	3/31/2008
	Enertius Corp.	ESC	21.23	829	1,296	92	2,033	624	114	3.3x	17.8x	36.0%	18.3%	3/31/2008
	Extendicare REIT	EXE.UN	9.80	690	1,081	38	1,733	1,795	196	1.0x	8.8x	15.2%	10.9%	3/31/2008
	Kindred Healthcare Inc.	KND	27.59	1,062	273	198	1,136	4,171	178	0.3x	6.4x	23.5%	4.3%	3/31/2008
	National Healthcare Corp.	NHC	52.25	668	18	102	583	593	42	1.0x	14.0x	43.6%	7.0%	3/31/2008
	Skilled Healthcare Group Inc.	SKH	13.46	499	466	4	960	671	105	1.4x	9.1x	24.9%	15.7%	3/31/2008
	Sun Healthcare Group Inc.	SUNH	14.36	618	726	63	1,281	1,783	149	0.7x	8.6x	40.6%	8.4%	3/31/2008
	Sunrise Senior Living Inc.	SRZ	26.48	1,337	191	82	1,445	1,648	89	0.9x	16.2x	19.1%	5.4%	12/31/2006
	<i>Mean</i>									1.4x	11.5x	29.8%	11.0%	
	<i>Median</i>									1.0x	11.2x	30.5%	10.3%	
<b>Acute Care Hospitals</b>														
	Lifepoint Hospitals Inc.	LPNT	\$31.99	\$1,734	\$1,517	\$33	\$3,218	\$2,669	\$437	1.2x	7.4x	44.7%	16.4%	3/31/2008
	Tenet Healthcare Corp.	THC	5.90	2,827	4,775	292	7,310	9,005	749	0.8x	9.8x	37.7%	8.3%	3/31/2008
	Triumph International AG	TRI	36.55	30,509	11,182	3,966	37,725	12,442	2,198	3.0x	17.2x	23.5%	17.7%	12/31/2007
	Universal Health Services Inc.	UHS	65.00	3,306	1,045	9	4,342	4,851	577	0.9x	7.5x	43.1%	11.9%	3/31/2008
	<i>Mean</i>									1.5x	10.5x	37.3%	13.6%	
	<i>Median</i>									1.1x	8.6x	40.4%	14.1%	
<b>Dental Care</b>														
	American Dental Partners Inc.	ADPI	\$12.02	\$155	\$146	\$6	\$295	\$293	\$50	1.0x	6.0x	41.3%	16.9%	3/31/2008
	Bimer Dental Management Services Inc.	BDMS	20.10	36	5	1	40	40	7	1.0x	6.0x	39.0%	16.6%	3/31/2008
	<i>Mean</i>									1.0x	6.0x	40.2%	16.7%	
	<i>Median</i>									1.0x	6.0x	40.2%	16.7%	
<b>Dialysis</b>														
	DaVita Inc.	DVA	\$51.88	\$5,432	\$3,705	\$525	\$8,612	\$5,331	\$1,055	1.6x	8.2x	31.7%	19.8%	3/31/2008
	Dialysis Corp. of America	DCAI	7.35	70	8	3	75	78	9	1.0x	8.4x	39.9%	11.5%	3/31/2008
	Fresenius Medical Care AG & Co. KGAA	DB:FME	55.69	16,516	5,690	220	21,986	9,911	1,979	2.2x	11.1x	34.6%	20.0%	3/31/2008
	<i>Mean</i>									1.6x	9.2x	35.4%	17.1%	
	<i>Median</i>									1.6x	8.4x	34.6%	19.8%	
<b>Alternate Site Care</b>														
	<i>Mean</i>									1.4x	10.1x	36.8%	15.2%	
	<i>Median</i>									1.2x	8.8x	39.0%	15.4%	

(1) Includes preferred stock and capitalized leases.  
Source: Capital IQ, Inc.

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