



Harris Williams & Co.
middle market[®]

DME Discussion Materials

December 26, 2012

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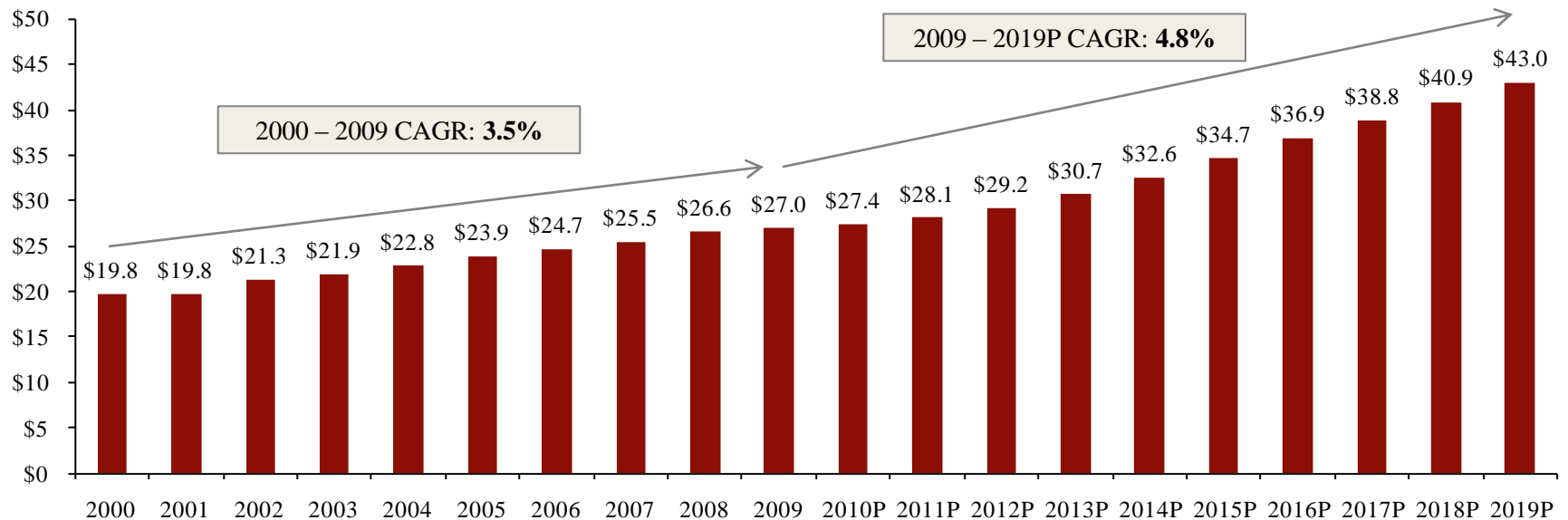
Durable Medical Equipment (“DME”) Market Overview

The underlying growth trends of the durable medical equipment market are favorable.

- National health spending increased from 9.2% of GDP, or \$256 billion, in 1980 to 17.6% of GDP, or \$2.5 trillion, in 2009.
 - The DME sector has grown from \$19.8 billion in 2000 to \$28.1 billion in 2011, a 3.2% CAGR
 - However, DME represents only 5.2% of Medicare’s spending
- DME expenditures are expected to grow at a CAGR of 4.8%, reaching \$43.0 billion by 2019P as demand accelerates due to demographic trends in the U.S.

Historical and Projected Durable Medical Equipment Expenditures in the U.S.

For the Years Ended and Ending December 31, 2000 – 2019P
(\$ in billions)



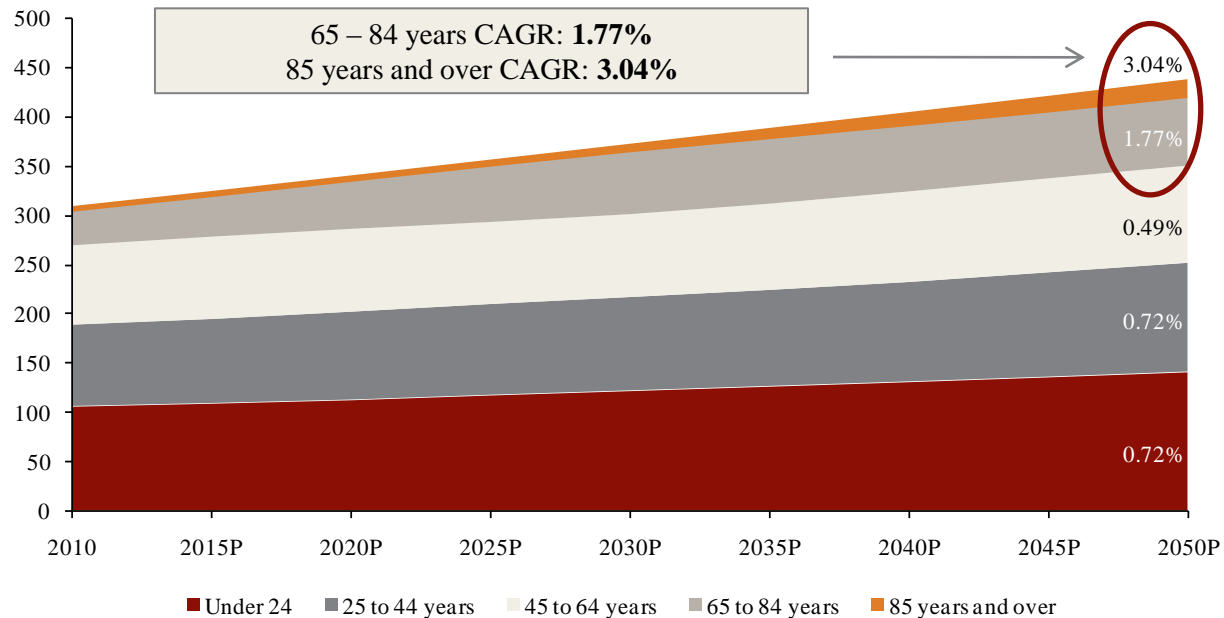
Source: Center for Medicare and Medicaid Services

The DME industry will continue to benefit from the aging of the U.S. population.

- The number of Americans aged 65 or older is expected to increase from 40 million in 2010 to approximately 55 million in 2020P, a CAGR of 1.5%.
 - This figure is expected to reach 90 million by 2050P
- By 2050P, Americans over 65 years of age will account for over 20% of the entire U.S. population.

U.S. Population Growth by Age Group

For the Years Ended and Ending December 31, 2010 – 2050P
(populations in millions)



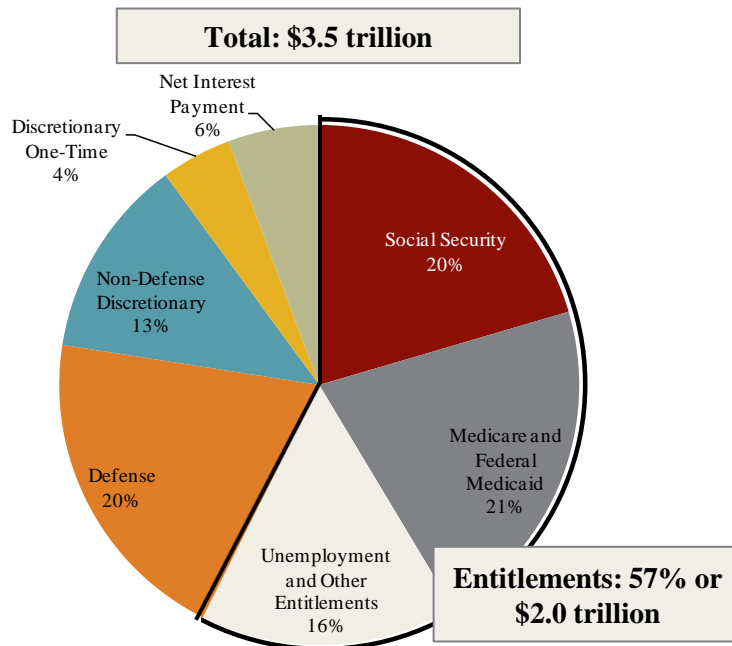
Source: U.S. Census Bureau

Together, Medicare and Medicaid represent the largest U.S. entitlement programs, and individually are the two largest unfunded liabilities on the U.S. balance sheet.

- Medicare and Medicaid make up 21% of all federal expenses, meaning that any effort to balance the federal budget must find a way to address them.
- Medicare and Medicaid together made up 37% of total federal entitlement expenses in fiscal 2010.
 - Combined, the cost of the two programs exceeds that of Social Security
 - Unfunded Medicare liabilities are estimated at \$22.8 trillion, and the estimated present value of future federal Medicaid expenses are even greater at \$35.3 trillion

U.S. Expenses for Fiscal Year 2010

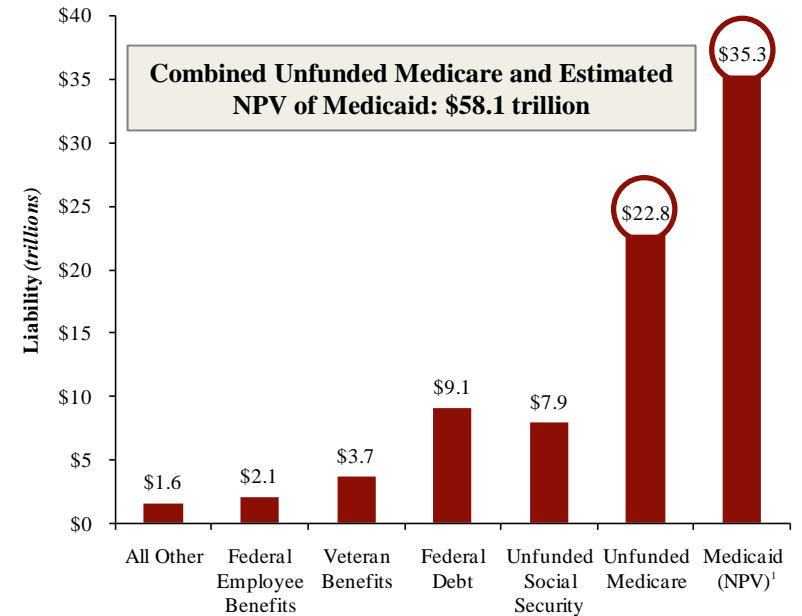
For the Federal Fiscal Year Ended September 30, 2010



Source: White House Office of Management and Budget

U.S. Federal Liabilities

As of Federal Fiscal Year Ended September 30, 2010
(\$ in trillions)



Source: White House Office of Management and Budget

(1) Medicaid funding is appropriated on an as-needed basis, making "funded" status inapplicable. NPV estimates the present value of spending through 2085P.

Uncertainty in the regulatory environment will factor into valuation of DME assets.

National Competitive Bidding

- 32% average price cut for all competitively bid products in the first nine MSAs.
- Most significant impact on the credit risk associated with DME customers.
- Second round of competitive bidding (i.e., 91 additional MSAs) already delayed six months to July 2013.
- Some level of uncertainty regarding firms' ability to hold dealer pricing and protect margins.
- Market share and strong relationships with dealers will differentiate under competitive bidding environment.

Excise Tax

- 2.3% excise tax on medical device manufacturers or importers starting January 1, 2013.
- Does not apply to medical devices determined to be purchased by the general public at retail for individual use.

While DME's growth opportunities in Europe are attractive, the reimbursement outlook remains uncertain.

- Europe is generally more mature and stable than the U.S., with bidding a normal phenomenon.
- Fiscal and budgetary issues in the European Zone are creating challenges from reimbursement cuts to the proliferation of rental models.

| Germany | France | Denmark |
|--|--|---|
| <ul style="list-style-type: none">• Public insurance companies required to pursue competitive bidding• New Health Funds put in place in January 2009, providing reimbursement to 180+ public insurers• Employees will have choice of insurers, which then have competitive bidding with dealers• Increasing private pay market for scooters, walking aids, and hygiene products | <ul style="list-style-type: none">• Beginning August 2008, French social security pays nursing homes a flat fee per patient• Nursing homes are beginning to recycle durable medical equipment rather than purchasing new equipment for each patient• Homecare standard beds are now rented to consumers instead of sold• There is discussion by the French government of reduced wheelchair reimbursement in the second half of 2011, delayed from 2010 | <ul style="list-style-type: none">• As of January 2009, scooters are only reimbursed for 50% of their initial value• Consumers must make up the difference in value themselves |

DME Overview

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Appendix: Healthcare & Life Sciences Group

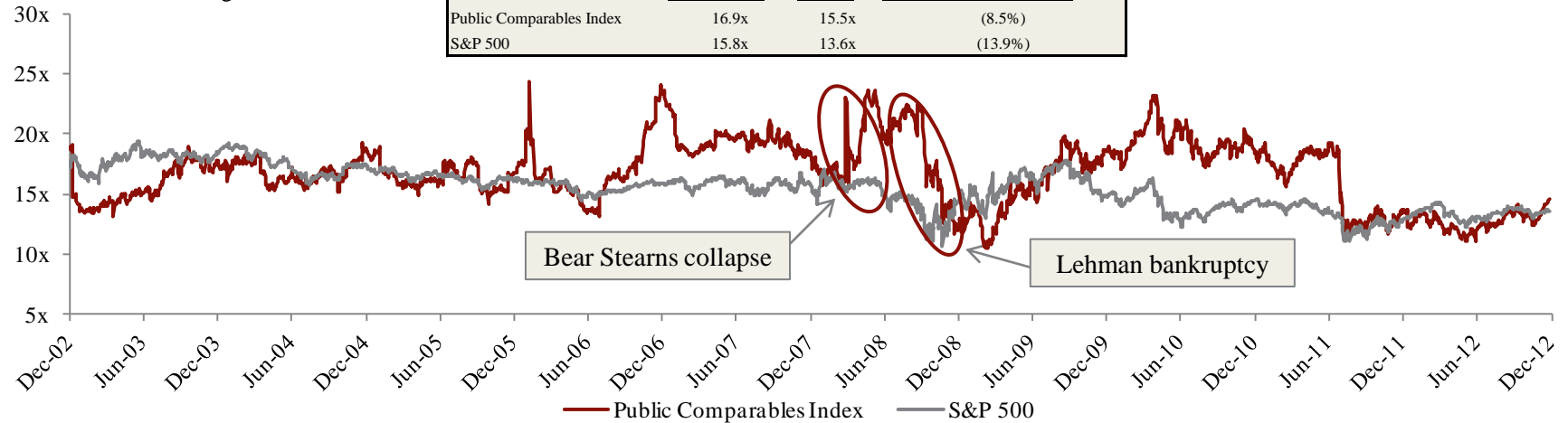
III

Despite depressed valuation multiples post-crisis, on a Price/NTM Earnings basis, public comparables currently trade above the S&P 500.

Historical NTM P/E Multiples

For the 10 Years Ending December 26, 2012

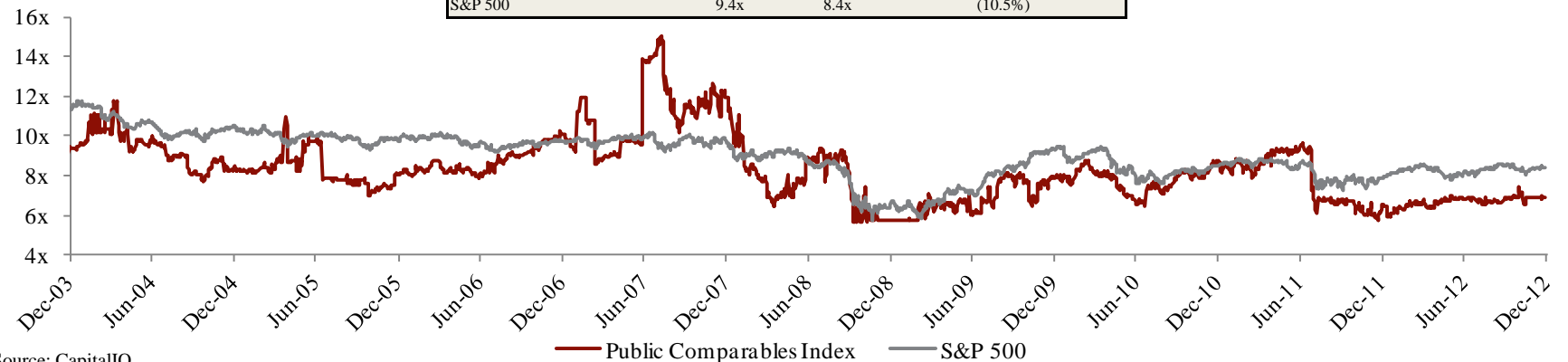
| | 10 Yr Median | Current | % Var. from 10 Yr Median |
|--------------------------|--------------|---------|--------------------------|
| Public Comparables Index | 16.9x | 15.5x | (8.5%) |
| S&P 500 | 15.8x | 13.6x | (13.9%) |



Historical TEV/ LTM EBITDA Multiples

For the 10 Years Ending December 26, 2012

| | 10 Yr Median | Current | % Var. from 10 Yr Median |
|--------------------------|--------------|---------|--------------------------|
| Public Comparables Index | 8.3x | 6.9x | (16.1%) |
| S&P 500 | 9.4x | 8.4x | (10.5%) |



Source: CapitalIQ

Note: Public comparables index includes Getinge AB, ResMed Inc., Hill-Rom Holdings, Inc., Paramount Bed Co. Ltd., Invacare Corporation, Prism Medical Ltd., and Rotech Healthcare, Inc.

Overview of Public Comparables

| Company | Summary Description |
|--|---|
| <p>Getinge AB</p> | <p>Getinge AB, a medical technology company, engages in the provision of medical technical equipment for surgery, intensive care, infection control, care ergonomics, and wound care primarily in western Europe, the United States, and Canada. The company operates in three segments: Medical Systems, Extended Care, and Infection Control. The Medical Systems segment offers surgical work-station systems and products under the Maquet brand for cardio surgery and intensive care. The Extended Care segment provides systems for hygiene and the lifting of elderly and disabled persons, as well as products that prevent and treat pressure ulcers under the ArjoHuntleigh brand. This segment's product range comprises bathing and shower solutions, lifting equipment, and mattresses for the treatment and prevention of pressure ulcers, as well as service and consulting. The company was founded in 1904 and is headquartered in Getinge, Sweden.</p> |
| <p>ResMed Inc.</p> | <p>ResMed Inc., through its subsidiaries, engages in the development, manufacture, and distribution of medical equipment for treating, diagnosing, and managing sleep-disordered breathing and other respiratory disorders. It offers various products for the treatment of obstructive sleep apnea and other respiratory disorders, including airflow generators, diagnostic products, mask systems, headgear products, and ventilation devices, as well as other optional accessories, such as cold passover humidifiers, carry bags, and breathing circuits. The company also provides data communications and data control products. ResMed Inc. markets its products to sleep clinics, home healthcare dealers, and third-party payers. The company sells its products through a network of distributors, independent manufacturers, representatives, and direct sales force in approximately 70 countries primarily in the United States, Germany, France, the United Kingdom, Switzerland, Australia, Japan, Norway, and Sweden. ResMed Inc. was founded in 1989 and is based in San Diego, California.</p> |
| <p>Hill-Rom Holdings, Inc.</p> | <p>Hill-Rom Holdings, Inc. manufactures and provides medical technologies and related services for the health care industry worldwide. It offers patient support system, safe mobility and handling solutions, medical equipment rental services, surgical products, and information technology solutions, as well as non-invasive therapeutic products for acute and chronic medical conditions. The company rents and sells patient support systems. It also provides rentals and health care provider asset management services for moveable medical equipment, such as ventilators, defibrillators, intravenous pumps, and patient monitoring equipment; mobility solutions, including lifts and other devices used to move patients; architectural products comprising headwalls and power columns; and health care furniture solutions. It sells its products primarily to acute and extended care health care facilities through direct sales force and distributors. The company was formerly known as Hillenbrand Industries, Inc. and changed its name to Hill-Rom Holdings, Inc. in March 2008. Hill-Rom Holdings, Inc. was founded in 1969 and is headquartered in Batesville, Indiana.</p> |
| <p>Paramount Bed Holdings Co., Ltd.</p> | <p>Paramount Bed Holdings Co., Ltd., through its subsidiaries, manufactures and sells medical and nursing-care products in Japan and internationally. The company offers hospital bed products, including ICU, VIP room, electric, manual crank, bariatric, pediatric, infant, and psychiatric beds, as well as accessories for beds; mattress products comprising standard and pressure reduction mattress; emergency and transport stretchers; and chemotherapy/dialysis chairs. Its products also include bed side items, such as bed side table, adjustable table, overbed table, rehabilitation table, folding beds, and bed side cabinets; and various ward equipments consisting of walking aids, IV stands, nursing carts, transfer products, examination tables, partitions, furniture, and clothes baskets. In addition, the company provides homecare beds, mattress, bed side items, wheel chairs, and transfer products, as well as automatic urine bottles; and luxury products, such as adjustable beds, custom-made and ready-made mattresses, and pillows. Paramount Bed Holdings Co., Ltd. was founded in 1947 and is headquartered in Tokyo, Japan.</p> |

Overview of Public Comparables

Overview of Public Comparables

| Company | Summary Description |
|--------------------------------------|--|
| <p>Invacare Corporation</p> | <p>Invacare Corporation designs, manufactures, and distributes medical equipment and supplies for non-acute care environment, including the home health care, retail, and extended care markets worldwide. The company offers mobility and seating products. Further, it manufactures and markets healthcare furnishings comprising beds, case goods, and patient handling equipment for the long-term care markets; specialty clinical recliners for dialysis and oncology clinics; and other home medical equipment and accessory products. Additionally, the company offers home medical equipment for rent. It serves home health care and medical equipment providers, distributors, and government locations through its sales force, telesales associates, and various organizations of independent manufacturers' representatives and distributors. Invacare Corporation was founded in 1885 and is headquartered in Elyria, Ohio.</p> |
| <p>Prism Medical Ltd.</p> | <p>Prism Medical Ltd. engages in the manufacture and sale of durable medical equipment and related services for the mobility challenged in Canada, the United Kingdom, and the United States. The company provides patient moving and handling equipment, including fixed ceiling lifts, portable ceiling lifts, floor lifts, slings, shower chairs, portable track systems, transfer and repositioning aids, bathing systems, track systems, and other ancillary patient handling products; and installation, training, and maintenance services. It also distributes third party products, such as stair lifts, baths, and beds. Prism Medical Ltd. offers its products under various brand names through a combination of direct sales, regional sales and service centers, and independent dealers to the home care, acute care, and long-term care markets; and operates showroom/sales centers in Montreal and Orlando. The company was formerly known as Prism Equities Inc. and changed its name to Prism Medical Ltd. in June 2004. Prism Medical Ltd. was founded in 1996 and is headquartered in Toronto, Canada.</p> |
| <p>Rotech Healthcare Inc.</p> | <p>Rotech Healthcare Inc., together with its subsidiaries, provides home medical equipment and related products and services in the United States. It rents and sells oxygen and other respiratory therapy equipment and services. The company also sells and rents a line of durable medical equipment, such as hospital beds, wheelchairs, walkers, patient aids, and other ancillary supplies. Its patient service technicians or clinicians provide instruction and training to the patient and the patient's family regarding equipment use and maintenance for the prescribed therapy. The company principally serves older patients with breathing disorders, such as chronic obstructive pulmonary diseases, which include chronic bronchitis, emphysema, obstructive sleep apnea, and other cardiopulmonary disorders. It provides equipment and services in 48 states through approximately 425 operating locations located primarily in non-urban markets. The company was founded in 1981 and is headquartered in Orlando, Florida.</p> |

Market Performance of Public Comparables

Member FINRA/SIPC

Market Performance of Public Comparables¹

(\$ in 000s, except per share data)

| Company | Ticker | Market Capitalization | 52-Week | | Current Price | As a % of High | Stock Performance | |
|-------------------------------------|------------|-----------------------|---------|---------|---------------|----------------|-------------------|--------------|
| | | | High | Low | | | 1-Year | 3-Year |
| DME Manufacturers | | | | | | | | |
| Getinge AB | OM:GETI B | \$7,986,899 | \$34.19 | \$25.37 | \$33.58 | 98.2% | 34.9% | 73.7% |
| ResMed Inc. | NYSE:RMD | 5,937,613 | 42.94 | 24.41 | 41.24 | 96.0% | 63.4% | 57.3% |
| Hill-Rom Holdings, Inc. | NYSE:HRC | 1,735,489 | 36.13 | 24.69 | 28.48 | 78.8% | (17.0%) | 19.5% |
| Paramount Bed Holdings Co., Ltd. | TSE:7817 | 926,395 | 33.84 | 24.47 | 30.15 | 89.1% | 6.1% | 38.9% |
| Invacare Corporation | NYSE:IVC | 525,311 | 20.66 | 12.87 | 16.31 | 78.9% | 4.0% | (36.7%) |
| Prism Medical Ltd. | TSXV:PM | 44,842 | 6.69 | 4.88 | 5.33 | 79.7% | 12.1% | (10.5%) |
| Rotech Healthcare Inc. | OTCPK:ROHI | 12,357 | 2.05 | 0.26 | 0.47 | 22.9% | (62.7%) | 9.3% |
| Median of DME Manufacturers: | | \$926,395 | | | | 79.7% | 6.1% | 19.5% |

(1) As of December 26, 2012.

Comparison of Public Comparables' Financials

Member FINRA/SIPC

Selected Financials for Public Comparables

(\$ in 000s)

| Company | Size ¹ | | Profitability ¹ | | Growth ² | | | Leverage ¹ | |
|-------------------------------------|-----------------------|--------------------|----------------------------|--------------|---------------------|--------------|--------------|-----------------------|--------------|
| | Market Capitalization | LTM Sales | LTM Margins | | Three-Year Growth | | | Net Debt / | |
| | | | EBITDA | EBIT | Sales | EBITDA | EBIT | Equity | LTM EBITDA |
| DME Manufacturers | | | | | | | | | |
| Getinge AB | \$7,986,899 | \$3,655,450 | 23.7% | 17.8% | 4.3% | 9.6% | 9.4% | 1.1 x | 2.8 x |
| ResMed Inc. | 5,937,613 | 1,393,472 | 28.6% | 22.6% | 14.1% | 15.4% | 15.1% | (0.4 x) | (1.6 x) |
| Hill-Rom Holdings, Inc. | 1,735,489 | 1,634,300 | 18.0% | 12.4% | 5.6% | 14.3% | 21.4% | 0.3 x | 0.9 x |
| Paramount Bed Holdings Co., Ltd. | 926,395 | 376,878 | 22.9% | 16.1% | (7.1%) | 27.1% | 52.8% | (0.2 x) | (1.8 x) |
| Invacare Corporation | 525,311 | 1,791,171 | 6.0% | 3.7% | 0.9% | (0.2%) | 1.5% | 0.4 x | 2.0 x |
| Prism Medical Ltd. | 44,842 | 78,621 | 11.1% | 7.8% | 12.5% | 1.9% | (1.2%) | 0.4 x | 1.4 x |
| Rotech Healthcare Inc. | 12,357 | 465,724 | 16.1% | 1.9% | (3.9%) | 11.6% | 64.6% | (1.5 x) | 6.8 x |
| Median of DME Manufacturers: | \$926,395 | \$1,393,472 | 18.0% | 12.4% | 4.3% | 11.6% | 15.1% | 0.3 x | 1.4 x |

(1) As of December 26, 2012.

(2) LTM as of each company's most recent quarterly filing.

Comparison of Public Companies' Trading Multiples

Member FINRA/SIPC

Comparable DME manufacturers are currently trading at a median of 6.9x LTM EBITDA and 5.7x NTM EBITDA.

- Public comparables are trading at a NTM P/E Ratio of 15.5x.

Comparison of Public Companies' Trading Multiples¹

(\$ in 000s)

| Company | Market Capitalization | Enterprise Value | Enterprise Value/LTM | | | Enterprise Value/NTM | | | NTM P/E Ratio |
|----------------------------------|-----------------------|---------------------|----------------------|---------------|---------------|----------------------|---------------|---------------|---------------|
| | | | Sales | EBITDA | EBIT | Sales | EBITDA | EBIT | |
| DME Manufacturers | | | | | | | | | |
| Getinge AB | \$7,986,899 | \$10,426,192 | 2.9 x | 12.0 x | 16.0 x | -- | -- | -- | -- |
| ResMed Inc. | 5,937,613 | 5,312,822 | 3.8 x | 13.3 x | 16.9 x | 3.5x | 11.8x | 14.7x | 18.8x |
| Hill-Rom Holdings, Inc. | 1,735,489 | 2,003,889 | 1.2 x | 6.8 x | 9.9 x | 1.1x | 6.1x | 10.2x | 14.2x |
| Paramount Bed Holdings Co., Ltd. | 926,395 | 745,364 | 2.0 x | 8.7 x | 12.3 x | -- | -- | -- | -- |
| Invacare Corporation | 525,311 | 741,686 | 0.4 x | 6.9 x | 11.2 x | 0.5x | -- | 14.7x | 16.9x |
| Prism Medical Ltd. | 44,842 | 57,388 | 0.7 x | 6.6 x | 9.4 x | 0.7x | 4.7x | 9.1x | 7.6x |
| Rotech Healthcare Inc. | 12,357 | 518,418 | 1.1 x | 6.9 x | 57.2 x | 1.1x | 5.4x | 21.7x | -- |
| Low of Entire Group: | \$12,357 | \$57,388 | 0.4 x | 6.6 x | 9.4 x | 0.5 x | 4.7 x | 9.1 x | 7.6 x |
| Median of Entire Group: | \$926,395 | \$745,364 | 1.2 x | 6.9 x | 12.3 x | 1.1 x | 5.7 x | 14.7 x | 15.5 x |
| High of Entire Group: | \$7,986,899 | \$10,426,192 | 3.8 x | 13.3 x | 57.2 x | 3.5 x | 11.8 x | 21.7 x | 18.8 x |

(1) As of December 26, 2012.

(2) LTM as of each company's most recent quarterly filing.

Overview of Comparable Transactions

Overview of Comparable Transactions

| Target Company | Acquirer | Date | Target Description |
|---------------------------------|-----------------------------------|--------|--|
| Kinetic Concepts TSS Business | ArjoHuntleigh AB | Nov-12 | Kinetic Concepts, Inc., Therapeutic Support Systems Business comprises therapeutic support systems business which includes specialty therapeutic beds, mattress replacement systems and other support surfaces and patient mobility devices for the therapeutic wound care, bariatric and critical care settings. |
| Harmar Mobility, LLC | Cortec Group | Jul-12 | Harmar Mobility, LLC manufactures lift and ramp products. It offers outside, inside, hybrid, micro, and wheelchair lift systems. The company also offers portable ramps, such as single- and multi-fold, and extended reach ramps; and residential ramps, including solid and threshold ramps. It serves customers through a network of dealers in the United States. Harmar Mobility, LLC was founded in 1998 and is based in Sarasota, Florida. |
| Acare Medical Science Co., Ltd. | Getinge AB | Jun-12 | Acare Medical Science Co., Ltd. engages in the development, production, and sale of medical equipment. It offers electric and manual beds, paralytic programmable electric beds and medication trolleys, nursing carts, periphery equipment, and pharmacy equipment. The company also offers professional installation and maintenance services. It sells its products to customers in Europe, the United States, South-east Asia, the Middle East, and Africa. Acare Medical Science Co., Ltd. was founded in 1999 and is based in Zhuhai, China. |
| Völker AG | Hill-Rom Holdings, Inc. | Feb-12 | Völker AG, together with its subsidiaries, develops and produces beds and healthcare furnishings for the institutional care sector, hospitals, and the home care sector. It offers medical products, accessories, and healthcare furniture to furnish rooms in nursing homes and hospitals; healthcare bedside cabinets and supply bars; and accessories, such as mattresses, lamps, and bed accessories. The company sells its products through distributors in the United Kingdom, Europe, the Middle East, the Americas, Asia/Pacific, and Africa. Völker AG was founded in 1912 and is based in Witten, Germany. The company has subsidiaries in France, Belgium, Britain, Austria, and Spain. As of February 13, 2012, Völker AG operates as a subsidiary of Hill-Rom Holdings, Inc. |
| M.C. Healthcare Products Inc. | Span-America Medical Systems Inc. | Dec-11 | M.C. Healthcare Products Inc. manufactures hospital beds and related products for long term care in Canada and the United States. The company provides beds; case goods; mattresses; overbed tables; dining/stack chairs; patient room/visitor and lounge/lobby seating products; and tables. It serves customers through sales representatives. The company was founded in 1912 and is based in Beamsville, Canada. As of December 9, 2011, M.C. Healthcare Products Inc. operates as a subsidiary of Span-America Medical Systems Inc. |
| Dynamic Medical Systems, LLC | Invacare Corporation | Sep-11 | Dynamic Medical Systems, LLC provides medical equipment, clinical consulting, and educational training programs to healthcare facilities in the United States. It offers beds and frames, therapeutic support surfaces, and bariatric equipment. The company also provides lifting and transferring products, such as overhead lift systems, freestanding systems, mobile lifts, raising aids, slings and accessories, slingbars, patient transfers, and air transfers and positioning solutions. The company serves long term care, hospice, and acute care hospitals; and home care patients. The company was founded in 1995 and is based in Rancho Dominguez, California. As of September 2011, Dynamic Medical Systems, LLC operates as a subsidiary of Invacare Corporation. |
| ATG Rehab Inc. | Audax Group | Jan-11 | ATG Rehab Inc. provides medical rehabilitation equipment to children, adults, and elders with mobility, seating, and positioning needs in the United States. It offers power wheelchairs, manual and lightweight wheelchairs, adaptive seating, standing and positioning frames, specialty ambulatory and toileting aids, specialty bathing aides, rental equipment, and portable ramps. |
| Arizant Inc. | 3M Co. | Oct-10 | Arizant Inc., through its subsidiaries, engages in the design, manufacture, marketing, and distribution of temperature management systems in the United States and internationally. It also provides blood/fluid warming, patient adjustable warming, and animal health systems. The company was founded in 1987 and is headquartered in Eden Prairie, Minnesota. |
| Gaymar Industries, Inc. | Stryker Corporation | Oct-10 | Gaymar Industries, Inc. produces and supplies patient temperature and pressure ulcer management devices in the United States, Canada, and internationally. |
| Joerns Healthcare Inc. | Quad-C Management, Inc. | Aug-10 | Joerns Healthcare Inc. provides beds, cabinets, and chairs for hospitals and nursing homes. It offers electric low, bariatric, and manual beds, bed panels, and accessories; and furnishings, such as casegoods, seating, tables, fabrics, and finishes. The company also provides lifts, slings, and accessories for lifting and repositioning applications; and wound management products, such as non-powered and powered products, accessories, positioners, pillows, and cushions. In addition, it offers WoundLink, an online wound care resource for healthcare providers; OneSource, a single source program to provide a package of furnishings, accessories, and services for assisted living, senior housing, and sub-acute care facilities; and capital and rental equipment services. |
| Apria Healthcare Group Inc. | The Blackstone Group | Oct-08 | Apria Healthcare Group Inc., together with its subsidiaries, provides integrated home healthcare products and services. It offers home respiratory therapy, home infusion therapy, and home medical equipment services. The company also provides oxygen therapy services; RespiMed program, an infusion therapy that provides clinical care to patients with conditions, such as cancer, gastrointestinal diseases, or infectious diseases; home medical equipment, which comprises ambulatory aids, patient-room equipment, diabetic supplies, and bathroom safety items; and Great Escapes, a program that allows patients to travel with supplemental oxygen, respiratory medications, infusion services, and home medical equipment. It offers its products and services through a network of health professionals. The company was founded in 1924 and is headquartered in Lake Forest, California with an additional office in Morrisville. |
| Respironics Inc. | Philips Holding USA Inc. | Mar-08 | Respironics, Inc. develops, manufactures, and distributes products for sleep and respiratory markets. It offers non-invasive ventilation systems, homecare pulse oximetry systems, oxygen concentrators, portable home ventilators, CPAP and BiPAP therapy devices, masks, diagnostic sleep systems, titration systems, screening devices, oral appliances, peak flow meters, spacer/holding chambers, nebulizers and compressors, and allergy products. |

Overview of Comparable Transactions

| Target Company | Acquirer | Date | Target Description |
|----------------------------------|-----------------------------------|--------|--|
| VIASYS Healthcare Inc. | Cardinal Health, Inc. | Jun-07 | VIASYS Healthcare, Inc. engages in the development, manufacture, marketing, and service of medical devices, instruments, and medical and surgical products in the United States and internationally. It operates in four segments: Respiratory Care, NeuroCare, MedSystems, and Orthopedics. The Respiratory Care segment offers products for the diagnosis and treatment of pulmonary and sleep-related disorders, as well as products and services to support pharmaceutical companies and clinical research organizations. The NeuroCare segment offers neurological, vascular, and audiological diagnostic and monitoring products. The MedSystems segment offers disposable medical products. The Orthopedics segment offers specialty metal components for orthopedic products, medical-imaging equipment, cardio-vascular implants, and high precision metal components. |
| Huntleigh Technology Ltd. | Getinge AB | Jan-07 | Huntleigh Technology Ltd., together with its subsidiaries, engages in the design, manufacture, distribution, and rental of specialist medical equipment worldwide. The company offers pressure area care (PAC) products, including mattresses and pumps, overlays, seat cushions, and fluidised beds for the prevention and treatment of pressure ulcers. It provides patient positioning and transportation products, which include hospital beds, trolleys, hoists, lockers, couches, specialist beds, and nursing home furniture. The company also offers intermittent pneumatic compression (IPC) products, including deep vein thrombosis prophylaxis systems, and the IPC therapy products. In addition, the company offers various diagnostics products that comprise obstetric and vascular diagnostic and monitoring products, and vital signs monitoring products for non-invasive diagnosis and monitoring of patients. |
| Pulmonetic Systems, Inc. | Viasys Healthcare Inc. | Jun-05 | Pulmonetic Systems, Inc. engages in designing, manufacturing, and marketing products for respiratory care. It offers ventilators for home care ventilation, long acute care environments, hospitals/intensive care unit ventilation, and emergency medical services. The company also offers parts and accessories, and provides technical and clinical support services. |
| WP Domus GmbH | Invacare Corporation | Sep-04 | WP Domus GmbH designs and manufactures walking aids, bath lifts, and shower commodes. WP Domus is based in Munich, Germany. |
| Patterson Medical Products, Inc. | Patterson Dental Co. | Sep-03 | Patterson Medical Products, Inc. distributes and markets health care products to the healthcare industry. The company offers wheel chairs, head rest, neck braces, artificial legs, surgical equipments, multiple straps, and electro and laser therapy equipment. Additionally, it provides bandages, first aid kits, and physical therapy equipment. |
| Gaymar Industries, Inc. | Nautic Partners / Cortec Group | Feb-03 | |

Purchase Multiples of Comparable Transactions

Member FINRA/SIPC

The selected comparable M&A transactions have a median multiple of 10.0x LTM EBITDA.










| Purchase Multiples of Comparable Transactions | | | | | | |
|---|---------------------------------|--------|------------------|----------------------|--------|--------|
| (\$ in 000s) | | | | | | |
| Target Company | Acquirer | Date | Enterprise Value | Enterprise Value/LTM | | |
| | | | | Sales | EBITDA | EBIT |
| Manufacturers and Providers of Durable Medical Equipment | | | | | | |
| Kinetic Concepts TSS Business | ArjoHuntleigh AB | Nov-12 | \$275,000 | -- | 5.7 x | -- |
| Harmar Mobility, LLC | Cortec Group | Jul-12 | Confidential | | | |
| Acare Medical Science Co., Ltd. | Getinge AB | Jun-12 | 27,612 | -- | 9.0 x | -- |
| Völker AG | Hill-Rom Holdings, Inc. | Feb-12 | 85,000 | -- | -- | -- |
| M.C. Healthcare Products Inc. | Span-America Medical Systems In | Dec-11 | 7,499 | 0.63 x | 21.4 x | 28.0 x |
| Dynamic Medical Systems, LLC | Invacare Corporation | Sep-11 | 49,465 | -- | -- | -- |
| ATG Rehab Inc. | Audax Group | Jan-11 | Confidential | | | |
| Arizant Inc. | 3M Co. | Oct-10 | Confidential | | | |
| Gaymar Industries, Inc. | Stryker Corporation | Oct-10 | Confidential | | | |
| Joerns Healthcare Inc. | Quad-C Management, Inc. | Aug-10 | Confidential | | | |
| Apria Healthcare Group Inc. | The Blackstone Group | Oct-08 | 1,524,449 | 0.80 x | 5.0 x | 9.0 x |
| Respironics Inc. | Philips Holding USA Inc. | Mar-08 | 4,857,878 | 3.75 x | 19.4 x | 26.3 x |
| VIASYS Healthcare Inc. | Cardinal Health, Inc. | Jun-07 | 1,533,080 | 2.41 x | 16.6 x | 23.3 x |
| Huntleigh Technology Ltd. | Getinge AB | Jan-07 | 831,330 | 1.94 x | 9.9 x | 15.3 x |
| Pulmonetic Systems, Inc. | Viasys Healthcare Inc. | Jun-05 | Confidential | | | |
| WP Domus GmbH | Invacare Corporation | Sep-04 | 286,450 | 2.37 x | 10.4 x | 36.7 x |
| Patterson Medical Products, Inc. | Patterson Dental Co. | Sep-03 | 721,027 | 3.95 x | 16.7 x | 17.9 x |
| Gaymar Industries, Inc. | Nautic Partners / Cortec Group | Feb-03 | Confidential | | | |
| Low of Group: | | | \$7,499 | 0.63 x | 5.0 x | 9.0 x |
| Median of Group: | | | \$150,600 | 1.96 x | 10.0 x | 23.3 x |
| High of Group: | | | \$4,857,878 | 4.00 x | 21.4 x | 28.0 x |

DME Overview I

Public Comparables and Precedent Transactions II

Appendix: Healthcare & Life Sciences Group III

For further questions about HW&Co. or the DME sector, please call your senior coverage officer.

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