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2016 Top 25 Firm

as ranked by Accounting Today

2015 Best of the Best Firm

as ranked by Accounting Today

2014 Fastest Growing Firm

as ranked by Inside Public Accounting

Strategic Thinking.
Sound Insights.
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MARKET HIGHLIGHTS

The S&P 500 Health Equipment & Supplies (Industry) Index has outperformed the S&P 500 Index over the past 3, 12 and 24 months, with the price increase approximately 8%, 3% and 5% higher, respectively, during each time period. However, over the last 6 months it underperformed with the price increase about 6% less.

The Ophthalmology Devices sector had the highest median LTM revenue multiple (5.5x) in Q1. The Ophthalmology Devices and Surgical Devices sectors had the highest LTM EBITDA multiple (19.0x). In all sectors, LTM revenue multiples were up over the last 3 and 12 months, with the exception being Surgical Devices. All sectors, except Cardiovascular Devices, had increases in EBITDA multiples over the last 3 and 12 months.

With the exception of the Surgical Devices sector which decreased 13.4%, all sectors median price change increased during the past 3 months with the median price decreases between 2.0% and 12.1%. From a twelve month perspective the outlook was **very** positive. All sectors had substantial price increases, with the median increase between 15.1% and 32.1%, with the exception of the Surgical Devices sector which had

a median price decline of 9.1%.

The two best individual performers in Q1 were Glaukos Corporation (+49.6%) and Masimo Corporation (+38.4%). The individual company that declined the most in Q1 was Avinger (-48.6%).

From an EPS perspective, each sector, except Cardiovascular Devices, had at least one company with more than \$4.00 per share of earnings in 2016. The top earning company overall in 2016 was Intuitive Surgical (\$18.73). Companies with more than \$4.00 per share in 2016 earnings included: Johnson & Johnson, Roche, 3M, Becton, Dickinson, and Company, Baxter, Teleflex, Masimo, The Cooper Companies, Stryker, Intuitive Surgical, C. R. Bard, and BioMérieux.

The largest M&A announcement in Q1 was Mars' acquisition of VCA for \$9.1B.

The largest M&A deals that closed in Q1 were Takeda's acquisition of ARIAD Pharmaceuticals for \$5.1B and Hologic's of Cynosure for \$1.5B.

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MARKET SECTOR	Median % Change		PEG Ratio	Earnings Ratio	
	Price			2017E	LTM
	3 mo	12 mo			
Diversified Medical Devices and Conglomerates	11.2%	15.1%	2.1x	30.8x	23.0x
Cardiovascular Devices	12.1%	32.1%	1.7x	44.8x	21.8x
Ophthalmology Devices	2.0%	23.0%	NM	31.0x	NM
Orthopedics Devices	10.9%	24.4%	1.8x	30.3x	19.8x
Surgical Devices	(13.4%)	(9.1%)	2.8x	63.2x	28.1x
Diagnostics	5.2%	19.6%	2.0x	34.3x	28.2x

EV/REVENUE MULTIPLES

MARKET SECTOR	Median 3/31/17	LTM		NTM 3/31/17
		Median % Change		
		3 mo	12 mo	
Diversified Medical Devices and Conglomerates	4.5x	10.1%	12.0%	4.2x
Cardiovascular Devices	4.6x	6.2%	7.6%	4.4x
Ophthalmology Devices	5.5x	23.2%	12.6%	7.2x
Orthopedics Devices	4.6x	3.9%	15.6%	4.3x
Surgical Devices	3.2x	(9.9%)	(6.6%)	4.2x
Diagnostics	4.4x	1.8%	13.1%	4.1x

EV/EBITDA MULTIPLES

MARKET SECTOR	Median 3/31/17	Median % Change		NTM 3/31/17
		LTM EBITDA Multiples		
		3 mo	12 mo	
Diversified Medical Devices and Conglomerates	16.1x	5.6%	4.8%	14.2x
Cardiovascular Devices	18.0x	(1.6%)	(1.3%)	16.7x
Ophthalmology Devices	19.0x	14.0%	16.1%	17.0x
Orthopedics Devices	14.7x	6.0%	17.7%	14.7x
Surgical Devices	19.0x	5.7%	7.7%	18.3x
Diagnostics	18.0x	5.7%	18.7%	14.9x

INDICES	Price 3/31/17	% Change			
		3 mo	6 mo	12 mo	24 mo
S&P 500	2,363	5.5%	9.0%	14.7%	14.3%
Dow Jones Industrial Average	20,663	4.6%	12.9%	16.8%	16.2%
NASDAQ Composite Index	5,912	9.8%	11.3%	21.4%	20.6%
Russell 2000 Index	1,386	2.1%	10.7%	24.4%	10.6%
S&P 500 Health Care (Sector)	860	7.9%	3.1%	9.7%	2.3%
S&P 500 Health Care Equipment & Supplies (Industry)	1,063	13.2%	2.5%	17.8%	19.1%

Source: Capital IQ. (\$ in '000, except per share)

COMPANY	TICKER	Price 3/31/17	% Change		52-Week		Market Cap	Ent Val (TEV)	LTM		NTM		EPS		Earnings Ratio		PEG Ratio 2017	
			3 mo	12 mo	High	Low			Rev	EBITDA	Rev	EBITDA	2016	2017	LTM	2017		
Diversified Medical Devices and Conglomerates																		
Johnson & Johnson	JNJ	\$124.55	8.1%	15.1%	\$ 129.00	\$107.69	\$ 337,641	\$ 323,234	\$ 71,890	\$ 24,964	\$ 75,002	\$ 26,400	\$ 5.93	\$ 7.08	21.0x	17.6x	2.9x	
Roche Holding AG	ROG	255.75	11.7%	3.6%	265.15	218.26	217,723	233,444	52,626	20,624	52,792	21,146	10.96	15.48	23.0x	16.5x	2.4x	
3M Company	MMM	191.33	7.1%	14.8%	193.50	163.17	114,338	123,400	30,109	8,697	30,449	8,976	8.16	8.63	23.4x	21.9x	2.3x	
Becton, Dickinson and Company	BDX	183.44	10.8%	20.8%	186.11	150.71	39,041	49,091	12,419	3,262	12,145	4,163	4.49	9.44	30.5x	19.4x	1.9x	
Baxter International Inc.	BAX	51.86	17.0%	26.2%	52.33	40.52	28,106	28,077	10,163	1,972	10,185	2,228	9.01	2.17	NM	24.6x	2.0x	
C. R. Bard, Inc.	BCR	248.54	10.6%	22.6%	252.25	201.55	17,973	18,709	3,714	1,149	3,890	1,254	7.03	11.64	35.4x	21.4x	2.1x	
ResMed Inc.	RMD	71.97	16.0%	24.5%	73.46	55.43	10,195	10,575	1,968	539	2,155	615	2.49	2.78	31.2x	24.5x	1.9x	
Teleflex Incorporated	TFX	193.73	20.2%	23.4%	198.89	136.53	8,699	9,189	1,868	487	2,070	626	4.98	8.10	38.9x	24.1x	2.1x	
Masimo Corporation	MASI	93.26	38.4%	122.9%	96.68	41.19	4,702	4,396	695	164	753	195	5.65	2.33	16.5x	39.7x	2.5x	
Penumbra, Inc.	PEN	83.45	30.8%	NA	84.85	NA	2,790	2,662	263	1	NA	5	0.44	(0.04)	189.7x	NM	NM	
Nevro Corp.	NVRO	93.70	29.0%	NA	106.93	56.42	2,734	2,596	229	NA	318	NA	(1.12)	(0.60)	NM	NM	NM	
Merit Medical Systems, Inc.	MMSI	28.90	9.1%	NA	31.70	17.94	1,441	1,746	604	94	714	111	0.45	1.13	64.2x	25.1x	2.0x	
Natus Medical Incorporated	BABY	39.25	12.8%	2.1%	44.39	29.54	1,270	1,163	382	NM	NA	NM	1.29	1.79	30.4x	21.6x	1.2x	
Abaxis, Inc.	ABAX	48.50	(8.1%)	6.9%	55.95	41.78	1,093	956	226	52	237	50	1.36	1.28	33.0x	36.4x	2.1x	
NovoCure Limited	NVCR	8.10	3.2%	(44.1%)	17.00	5.95	714	590	83	(104)	186	(55)	(1.54)	(0.76)	NM	NM	NM	
AtriCure, Inc.	ATRC	19.15	(2.1%)	13.8%	20.81	13.44	638	633	155	(21)	175	(5)	(1.05)	(1.00)	NM	NM	0.0x	
Median			11.2%	15.1%											30.8x	23.0x	2.1x	

COMPANY	TICKER	EV/REVENUE MULTIPLES					NTM
		TTM		% Change		NTM	
		Trailing					
		3/31/17	3 mo	12 mo	3 mo		
Diversified Medical Devices and Conglomerates							
Johnson & Johnson	JNJ	4.5x	4.2x	4.0x	7.3%	12.5%	4.3x
Roche Holding AG	ROG	4.4x	4.3x	4.3x	4.0%	2.2%	4.4x
3M Company	MMM	4.1x	3.9x	3.6x	5.2%	12.9%	4.1x
Becton, Dickinson and Company	BDX	4.0x	3.6x	3.9x	9.0%	2.3%	4.0x
Baxter International Inc.	BAX	2.8x	2.4x	2.2x	14.8%	26.4%	2.8x
C. R. Bard, Inc.	BCR	5.0x	4.8x	4.5x	6.0%	11.6%	4.8x
ResMed Inc.	RMD	5.4x	4.8x	4.5x	11.3%	19.4%	4.9x
Teleflex Incorporated	TFX	4.9x	4.2x	4.0x	17.9%	21.6%	4.4x
Masimo Corporation	MASI	6.3x	5.0x	3.4x	26.0%	83.7%	5.8x
Penumbra, Inc.	PEN	10.1x	7.7x	6.6x	31.7%	52.9%	8.4x
Nevro Corp.	NVRO	11.4x	10.1x	20.3x	12.0%	(44.0%)	8.2x
Merit Medical Systems, Inc.	MMSI	2.9x	2.6x	1.9x	12.4%	52.2%	2.4x
Natus Medical Incorporated	BABY	3.0x	2.7x	3.1x	11.7%	(2.3%)	2.3x
Abaxis, Inc.	ABAX	4.2x	4.6x	4.2x	(8.4%)	1.1%	4.0x
NovoCure Limited	NVCR	7.1x	8.3x	29.5x	(14.5%)	(75.9%)	3.2x
AtriCure, Inc.	ATRC	4.1x	4.3x	4.0x	(5.7%)	0.8%	3.6x
Median		4.5x	4.3x	4.0x	10.1%	12.0%	4.2x

COMPANY	TICKER	EV/EBITDA MULTIPLES					NTM
		TTM		% Change		NTM	
		Trailing					
		3/31/17	3 mo	12 mo	3 mo		
Diversified Medical Devices and Conglomerates							
Johnson & Johnson	JNJ	12.9x	12.6x	12.7x	2.6%	2.2%	12.2x
Roche Holding AG	ROG	11.3x	11.2x	11.5x	1.3%	(1.2%)	11.0x
3M Company	MMM	14.2x	13.5x	12.9x	4.9%	9.7%	13.7x
Becton, Dickinson and Company	BDX	15.0x	14.1x	15.1x	6.4%	(0.4%)	11.8x
Baxter International Inc.	BAX	14.2x	13.3x	14.6x	7.2%	(2.3%)	12.6x
C. R. Bard, Inc.	BCR	16.3x	15.6x	14.8x	4.3%	10.1%	14.9x
ResMed Inc.	RMD	19.6x	17.0x	15.9x	15.3%	23.5%	17.2x
Teleflex Incorporated	TFX	18.9x	16.3x	17.6x	15.6%	7.4%	14.7x
Masimo Corporation	MASI	26.7x	24.0x	18.5x	11.6%	44.5%	22.5x
Penumbra, Inc.	PEN	NM	NM	NM	NM	NM	NM
Nevro Corp.	NVRO	NM	NM	NM	NM	NM	NM
Merit Medical Systems, Inc.	MMSI	18.6x	20.3x	13.4x	(8.4%)	38.3%	15.7x
Natus Medical Incorporated	BABY	15.9x	14.8x	16.7x	7.4%	(5.0%)	13.5x
Abaxis, Inc.	ABAX	18.2x	19.7x	18.8x	(7.6%)	(3.1%)	18.2x
NovoCure Limited	NVCR	NM	NM	NM	NM	NM	NM
AtriCure, Inc.	ATRC	NM	NM	NM	NM	NM	NM
Median		16.1x	15.2x	14.9x	5.6%	4.8%	14.2x

Source: Capital IQ. (\$ in '000, except per share)

COMPANY	TICKER	Price 3/31/17	% Change		52-Week		Market Cap	Ent Val (TEV)	LTM		NTM		EPS		Earnings Ratio		PEG Ratio 2017E	
			3 mo	12 mo	High	Low			Rev	EBITDA	Rev	EBITDA	2016	2017	LTM	2017		
Cardiovascular Devices																		
Medtronic plc	MDT	\$ 80.56	13.1%	7.4%	\$89.27	\$69.35	\$ 110,277	\$ 131,110	\$ 29,361	\$ 9,088	\$30,477	\$ 9,868	\$ 2.48	\$ 4.58	28.4x	17.5x	2.2x	
Boston Scientific Corporation	BSX	24.87	15.0%	32.2%	25.65	18.65	34,046	39,334	8,386	2,184	8,798	2,499	0.25	1.24	99.5x	19.6x	1.7x	
Edwards Lifesciences Corporation	EW	94.07	0.4%	6.6%	121.75	81.12	19,989	19,541	2,964	896	3,267	1,054	2.61	3.41	36.0x	27.6x	1.7x	
ABIOMED, Inc.	ABMD	125.20	11.1%	32.1%	132.95	92.03	5,284	5,060	415	90	536	135	0.85	1.18	117.1x	105.3x	3.4x	
Integer Holdings Corporation	ITGR	40.20	36.5%	12.8%	41.80	18.10	1,246	2,924	1,387	264	1,410	301	0.19	2.93	NM	13.0x	1.0x	
Cardiovascular Systems, Inc.	CSII	28.28	16.8%	172.7%	29.70	11.45	922	843	191	NM	NM	NM	(1.72)	(0.09)	NM	NM	NM	
AngioDynamics, Inc.	ANGO	17.35	2.8%	41.2%	18.18	10.71	633	694	356	47.7	360	55.1	(1.21)	0.70	NM	21.8x	1.5x	
LeMaitre Vascular, Inc.	LMAT	24.63	(2.8%)	58.7%	27.04	13.52	460	436	89	NM	99	NM	0.55	0.66	44.8x	38.1x	2.2x	
Median			12.1%	32.1%											44.8x	21.8x	1.7x	

EV/REVENUE MULTIPLES

COMPANY	TICKER	TTM					NTM
		Trailing		% Change			
		3/31/17	3 mo	12 mo	3 mo	12 mo	
Cardiovascular Devices							
Medtronic plc	MDT	4.5x	4.1x	4.3x	8.8%	2.7%	4.3x
Boston Scientific Corporation	BSX	4.7x	4.3x	4.2x	9.6%	12.6%	4.5x
Edwards Lifesciences Corporation	EW	6.6x	6.8x	7.3x	(2.7%)	(10.2%)	6.0x
ABIOMED, Inc.	ABMD	12.2x	11.7x	12.6x	4.1%	(3.3%)	9.4x
Integer Holdings Corporation	ITGR	2.1x	1.9x	3.4x	8.6%	(38.1%)	2.1x
Cardiovascular Systems, Inc.	CSII	4.4x	4.1x	1.5x	8.4%	186.1%	3.9x
AngioDynamics, Inc.	ANGO	1.9x	2.0x	1.6x	(0.3%)	21.1%	1.9x
LeMaitre Vascular, Inc.	LMAT	4.9x	5.1x	3.3x	(3.5%)	47.4%	4.4x
Median		4.6x	4.2x	3.8x	6.2%	7.6%	4.4x

EV/EBITDA MULTIPLES

COMPANY	TICKER	TTM					NTM
		Trailing		% Change			
		3/31/17	3 mo	12 mo	3 mo	12 mo	
Cardiovascular Devices							
Medtronic plc	MDT	14.4x	13.3x	14.6x	8.5%	(1.3%)	13.3x
Boston Scientific Corporation	BSX	18.0x	16.5x	16.7x	9.3%	8.0%	15.7x
Edwards Lifesciences Corporation	EW	21.8x	22.7x	25.7x	(3.8%)	(15.3%)	18.5x
ABIOMED, Inc.	ABMD	56.5x	57.4x	60.8x	(1.6%)	(7.0%)	37.5x
Integer Holdings Corporation	ITGR	11.1x	9.9x	18.0x	12.5%	(38.3%)	9.7x
Cardiovascular Systems, Inc.	CSII	NM	NM	NM	NM	NM	58.7x
AngioDynamics, Inc.	ANGO	14.5x	15.9x	14.2x	(8.3%)	2.3%	11.3x
LeMaitre Vascular, Inc.	LMAT	21.9x	22.9x	17.7x	(4.4%)	23.6%	17.6x
Median		18.0x	16.5x	17.7x	(1.6%)	(1.3%)	16.7x

Source: Capital IQ. (\$ in '000, except per share)

COMPANY	TICKER	Price 3/31/17	% Change		52-Week		Market Cap	Ent Val (TEV)	LTM		NTM		EPS		Earnings Ratio		PEG Ratio 2017E	
			3 mo	12 mo	High	Low			Rev	EBITDA	Rev	EBITDA	2016	2017	LTM	2017		
Ophthalmology Devices																		
The Cooper Companies, Inc.	COO	\$199.89	14.3%	29.8%	\$ 202.70	\$ 152.09	\$ 9,782	\$ 11,115	\$ 2,016	\$ 618	\$ 2,143	\$ 701	\$ 5.59	\$ 9.24	32.9x	21.2x	1.8x	
Carl Zeiss Meditec AG	AFX	42.75	15.7%	38.3%	45.09	28.43	3,824	3,881	1,182	194	1,261	213	1.36	1.49	29.0x	30.1x	3.0x	
Glaukos Corporation	GKOS	51.30	49.6%	204.3%	52.49	14.25	1,756	1,660	114	9	163	11	0.12	0.17	NM	265.1x	3.6x	
IRIDEX Corporation	IRIX	11.87	(15.6%)	16.1%	16.64	9.87	137	113	46	(2)	49	NM	(1.15)	(0.67)	NM	NM	NM	
Second Sight Medical Products, Inc.	EYES	1.21	(38.6%)	(74.9%)	6.05	1.06	68	57	4	(33)	NA	(31)	(0.84)	(0.53)	NM	NM	NM	
Presbia PLC	LENS	3.14	(10.3%)	(28.3%)	5.50	3.01	53	47	0	(15)	NA	(7)	(1.18)	(0.69)	NM	NM	NM	
Median			2.0%	23.0%											31.0x	NM	NM	

COMPANY	TICKER	EV/REVENUE MULTIPLES					NTM
		TTM		% Change		3/31/17	
		Trailing		3 mo	12 mo		
Ophthalmology Devices							
The Cooper Companies, Inc.	COO	5.5x	5.0x	4.9x	11.0%	12.6%	5.2x
Carl Zeiss Meditec AG	AFX	3.3x	2.7x	2.1x	23.2%	55.5%	3.1x
Glaukos Corporation	GKOS	14.5x	10.4x	6.5x	39.0%	124.3%	10.2x
IRIDEX Corporation	IRIX	2.4x	3.3x	2.2x	(24.9%)	11.6%	2.3x
Second Sight Medical Products, Inc.	EYES	14.4x	11.6x	17.7x	23.9%	(18.5%)	9.1x
Presbia PLC	LENS	NM	NM	NM	NM	NM	17.4x
Median		5.5x	5.0x	4.9x	23.2%	12.6%	7.2x

COMPANY	TICKER	EV/EBITDA MULTIPLES					NTM
		TTM		% Change		3/31/17	
		Trailing		3 mo	12 mo		
Ophthalmology Devices							
The Cooper Companies, Inc.	COO	18.0x	16.0x	16.1x	12.3%	11.9%	15.9x
Carl Zeiss Meditec AG	AFX	20.0x	17.3x	16.6x	15.6%	20.3%	18.2x
Glaukos Corporation	GKOS	NM	NM	NM	NM	NM	NM
IRIDEX Corporation	IRIX	NM	NM	NM	NM	NM	NM
Second Sight Medical Products, Inc.	EYES	NM	NM	NM	NM	NM	NM
Presbia PLC	LENS	NM	NM	NM	NM	NM	NM
Median		19.0x	16.6x	16.3x	14.0%	16.1%	17.0x

Source: Capital IQ. (\$ in '000, except per share)

COMPANY	TICKER	Price 3/31/17	% Change		52-Week		Market Cap	Ent Val (TEV)	LTM		NTM		EPS		Earnings Ratio		PEG Ratio 2017E	
			3 mo	12 mo	High	Low			Rev	EBITDA	Rev	EBITDA	2016	2017	LTM	2017		
Orthopedics Devices																		
Stryker Corporation	SYK	\$ 131.65	9.9%	22.7%	\$ 133.59	\$106.26	\$ 49,089	\$ 52,619	\$11,325	\$ 3,107	\$12,174	\$ 3,404	\$ 4.35	\$ 6.41	30.3x	20.3x	2.1x	
Zimmer Biomet Holdings, Inc.	ZBH	122.11	18.3%	14.5%	133.21	95.63	24,571	35,180	7,684	2,800	7,887	3,057	1.51	8.60	NM	13.9x	1.5x	
NuVasive, Inc.	NUVA	74.68	10.9%	53.5%	76.31	47.87	3,779	4,257	962	208	1,068	290	0.69	2.02	NM	35.5x	2.7x	
Wright Medical Group N.V.	WMGI	31.12	35.4%	87.5%	31.31	15.85	3,176	3,728	690	33	763	83	(1.60)	(0.29)	NM	NM	NM	
Exactech, Inc.	EXAC	25.20	(7.7%)	24.4%	29.00	19.42	360	367	258	42	268	47	0.01	1.29	NM	19.4x	1.5x	
Median			10.9%	24.4%											30.3x	19.8x	1.8x	

EV/REVENUE MULTIPLES

COMPANY	TICKER	TTM					NTM
		Trailing		% Change			
		3/31/17	3 mo	12 mo	3 mo	12 mo	
Orthopedics Devices							
Stryker Corporation	SYK	4.6x	4.5x	4.0x	3.9%	15.6%	4.3x
Zimmer Biomet Holdings, Inc.	ZBH	4.6x	4.2x	5.2x	9.6%	(11.8%)	4.5x
NuVasive, Inc.	NUVA	4.4x	4.3x	3.0x	3.5%	46.9%	4.0x
Wright Medical Group N.V.	WMGI	5.4x	4.1x	5.1x	30.4%	5.6%	4.9x
Exactech, Inc.	EXAC	1.4x	1.6x	1.2x	(8.2%)	19.9%	1.4x
Median		4.6x	4.2x	4.0x	3.9%	15.6%	4.3x

EV/EBITDA MULTIPLES

COMPANY	TICKER	TTM					NTM
		Trailing		% Change			
		3/31/17	3 mo	12 mo	3 mo	12 mo	
Orthopedics Devices							
Stryker Corporation	SYK	16.9x	16.4x	15.0x	3.2%	13.0%	15.5x
Zimmer Biomet Holdings, Inc.	ZBH	12.6x	11.0x	13.3x	14.1%	(5.8%)	11.5x
NuVasive, Inc.	NUVA	20.4x	18.8x	14.9x	8.8%	37.5%	14.7x
Wright Medical Group N.V.	WMGI	NM	88.4x	NM	NM	NM	45.0x
Exactech, Inc.	EXAC	8.7x	9.4x	7.1x	(8.1%)	22.4%	7.8x
Median		14.7x	16.4x	14.1x	6.0%	17.7%	14.7x

Source: Capital IQ. (\$ in '000, except per share)

COMPANY	TICKER	Price 3/31/17	% Change		52-Week		Market Cap	Ent Val (TEV)	LTM		NTM		EPS		Earnings Ratio		PEG Ratio 2017E
			3 mo	12 mo	High	Low			Rev	EBITDA	Rev	EBITDA	2016	2017	LTM	2017	
Surgical Devices																	
Intuitive Surgical, Inc.	ISRG	\$766.47	20.9%	27.5%	\$ 770.28	\$ 591.04	\$ 28,149	\$ 25,594	\$ 2,704	\$ 1,046	\$ 2,960	\$ 1,076	\$ 18.73	\$23.71	40.9x	32.3x	2.8x
CONMED Corporation	CNMD	44.41	0.5%	5.9%	50.16	37.60	1,236	1,707	764	127	386	133	0.52	1.88	85.4x	24.0x	NM
Entellus Medical, Inc.	ENTL	13.80	(27.3%)	(24.1%)	22.63	12.31	302	290	75	(24)	72	(24)	(1.53)	(1.28)	NM	NM	NM
Avinger, Inc.	AVGR	1.90	(48.6%)	(80.2%)	14.48	1.59	45	51	19	(49)	13	(40)	(3.39)	(1.83)	NM	NM	NM
Median			(13.4%)	(9.1%)											63.2x	28.1x	2.8x

COMPANY	TICKER	EV/REVENUE MULTIPLES						NTM
		TTM			% Change			
		Trailing			3 mo		12 mo	
		3/31/17	3 mo	12 mo	3 mo	12 mo		
Surgical Devices								
Intuitive Surgical, Inc.	ISRG	9.5x	8.5x	8.9x	10.9%	6.3%	8.6x	
CONMED Corporation	CNMD	2.2x	2.3x	1.9x	(1.4%)	18.2%	4.4x	
Entellus Medical, Inc.	ENTL	3.9x	4.7x	4.8x	(18.3%)	(19.4%)	4.1x	
Avinger, Inc.	AVGR	2.6x	4.7x	10.1x	(44.0%)	(73.9%)	4.0x	
Median		3.2x	4.7x	6.8x	(9.9%)	(6.6%)	4.2x	

COMPANY	TICKER	EV/EBITDA MULTIPLES						NTM
		TTM			% Change			
		Trailing			3 mo		12 mo	
		3/31/17	3 mo	12 mo	3 mo	12 mo		
Surgical Devices								
Intuitive Surgical, Inc.	ISRG	24.5x	21.9x	25.1x	11.8%	(2.7%)	23.8x	
CONMED Corporation	CNMD	13.5x	13.5x	11.4x	(0.3%)	18.0%	12.8x	
Entellus Medical, Inc.	ENTL	NM	NM	NM	NM	NM	NM	
Avinger, Inc.	AVGR	NM	NM	NM	NM	NM	NM	
Median		19.0x	17.7x	18.3x	5.7%	7.7%	18.3x	

Source: Capital IQ. (\$ in '000, except per share)

COMPANY	TICKER	Price 3/31/17	% Change		52-Week		Market Cap	Ent Val (TEV)	LTM		NTM		EPS		Earnings Ratio		PEG Ratio 2017E	
			3 mo	12 mo	High	Low			Rev	EBITDA	Rev	EBITDA	2016	2017	LTM	2017		
Diagnostics																		
Danaher Corporation	DHR	\$ 85.53	9.9%	(9.8%)	\$ 102.79	\$ 75.71	\$ 59,296	\$ 70,676	\$ 16,882	\$ 4,115	\$ 17,853	\$ 4,254	\$ 3.08	\$ 3.92	27.8x	21.8x	1.8x	
Grifols, S.A.	GRFS	18.88	17.5%	22.0%	19.16	14.27	15,306	19,601	4,330	1,207	4,641	1,459	0.84	1.18	0.0x	NM	NM	
Sysmex Corporation	6869	60.54	4.4%	(3.4%)	73.27	53.90	12,602	12,172	2,227	605	2,363	674	1.55	1.86	34.3x	32.5x	2.9x	
Hologic, Inc.	HOLX	42.55	6.1%	23.3%	42.97	32.64	11,884	14,558	2,872	1,045	3,137	1,059	1.16	1.99	36.4x	21.3x	1.7x	
bioMérieux S.A.	BIM	169.64	13.3%	48.0%	169.64	106.00	6,675	6,971	2,249	467	2,411	513	4.79	5.72	34.9x	29.9x	1.5x	
QIAGEN N.V.	QGEN	28.97	(0.4%)	24.9%	30.25	20.71	6,544	7,080	1,338	395	1,406	475	0.35	1.24	82.0x	22.6x	1.6x	
Bio-Rad Laboratories, Inc.	BIO	199.34	9.4%	45.8%	209.50	135.02	5,899	5,494	2,068.2	270.5	2,108.3	305.3	0.95	2.75	209.8x	73.9x	7.8x	
Opko Health, Inc.	OPK	8.00	(14.0%)	(23.0%)	12.15	7.13	4,466	4,402	1,221.7	59.4	1,307.6	NA	(0.05)	(0.12)	NM	NM	NM	
DiaSorin S.p.A.	DIA	67.69	14.0%	17.1%	68.27	53.30	3,706	3,630	608.8	223.4	686.9	NA	2.15	2.62	31.0x	26.5x	3.2x	
Alere Inc.	ALR	39.73	2.0%	(21.5%)	50.90	31.47	3,457	6,460	2,385	356	2,407	466	1.86	2.11	21.4x	20.1x	2.0x	
Neogen Corporation	NEOG	65.55	(0.7%)	30.2%	69.09	46.10	2,499	2,374	352.8	76.0	394.8	87.9	0.97	1.14	60.7x	52.3x	3.1x	
Abaxis, Inc.	ABAX	48.50	(8.1%)	6.9%	55.95	41.78	1,093	956	226	52	237	52	1.36	1.28	33.0x	36.4x	2.1x	
Median			5.2%	19.6%											34.3x	28.2x	2.0x	

EV/REVENUE MULTIPLES

COMPANY	TICKER	TTM		% Change		NTM	
		Trailing		3 mo	12 mo		
		3/31/17	3 mo	12 mo	3 mo		12 mo
Diagnostics							
Danaher Corporation	DHR	4.2x	2.7x	3.8x	55.5%	11.3%	4.0x
Grifols, S.A.	GRFS	4.5x	3.9x	3.9x	15.7%	15.0%	4.2x
Sysmex Corporation	6869	5.5x	5.4x	5.6x	0.8%	(2.9%)	5.2x
Hologic, Inc.	HOLX	5.1x	4.9x	4.7x	2.6%	8.1%	4.6x
bioMérieux S.A.	BIM	3.1x	2.9x	2.1x	7.3%	44.9%	2.9x
QIAGEN N.V.	QGEN	5.3x	5.6x	4.6x	(4.7%)	15.9%	5.0x
Bio-Rad Laboratories, Inc.	BIO	2.7x	2.4x	1.8x	9.4%	46.7%	2.6x
Opko Health, Inc.	OPK	3.6x	4.2x	11.4x	(14.5%)	(68.5%)	3.4x
DiaSorin S.p.A.	DIA	6.0x	5.6x	5.0x	6.9%	19.3%	5.3x
Alere Inc.	ALR	2.7x	2.7x	3.2x	1.0%	(16.7%)	2.7x
Neogen Corporation	NEOG	6.7x	6.9x	5.7x	(2.9%)	18.2%	6.0x
Abaxis, Inc.	ABAX	4.2x	4.6x	4.2x	(8.4%)	1.1%	4.0x
Median		4.4x	4.4x	4.4x	1.8%	13.1%	4.1x

COMPANY	TICKER	TTM		% Change		NTM	
		Trailing		3 mo	12 mo		
		3/31/17	3 mo	12 mo	3 mo		12 mo
Diagnostics							
Danaher Corporation	DHR	17.2x	11.3x	16.4x	52.4%	4.6%	16.6x
Grifols, S.A.	GRFS	16.2x	13.8x	13.4x	17.6%	20.8%	13.4x
Sysmex Corporation	6869	20.1x	19.2x	20.7x	5.0%	(2.5%)	18.0x
Hologic, Inc.	HOLX	13.9x	13.6x	13.0x	2.6%	7.6%	13.7x
bioMérieux S.A.	BIM	14.9x	14.0x	11.0x	6.3%	36.2%	13.6x
QIAGEN N.V.	QGEN	17.9x	19.5x	15.9x	(8.0%)	12.5%	14.9x
Bio-Rad Laboratories, Inc.	BIO	20.3x	17.4x	12.4x	16.5%	63.8%	18.0x
Opko Health, Inc.	OPK	74.1x	53.4x	NM	38.9%	NM	NM
DiaSorin S.p.A.	DIA	16.2x	14.9x	13.3x	8.7%	21.8%	13.9x
Alere Inc.	ALR	18.1x	17.9x	14.3x	1.0%	26.4%	13.9x
Neogen Corporation	NEOG	31.3x	32.7x	26.3x	(4.3%)	18.7%	27.0x
Abaxis, Inc.	ABAX	18.2x	19.7x	18.8x	(7.6%)	(3.1%)	18.2x
Median		18.0x	17.7x	14.3x	5.7%	18.7%	14.9x

EV/EBITDA MULTIPLES

COMPANY	TICKER	TTM		% Change		NTM	
		Trailing		3 mo	12 mo		
		3/31/17	3 mo	12 mo	3 mo		12 mo
Diagnostics							
Danaher Corporation	DHR	17.2x	11.3x	16.4x	52.4%	4.6%	16.6x
Grifols, S.A.	GRFS	16.2x	13.8x	13.4x	17.6%	20.8%	13.4x
Sysmex Corporation	6869	20.1x	19.2x	20.7x	5.0%	(2.5%)	18.0x
Hologic, Inc.	HOLX	13.9x	13.6x	13.0x	2.6%	7.6%	13.7x
bioMérieux S.A.	BIM	14.9x	14.0x	11.0x	6.3%	36.2%	13.6x
QIAGEN N.V.	QGEN	17.9x	19.5x	15.9x	(8.0%)	12.5%	14.9x
Bio-Rad Laboratories, Inc.	BIO	20.3x	17.4x	12.4x	16.5%	63.8%	18.0x
Opko Health, Inc.	OPK	74.1x	53.4x	NM	38.9%	NM	NM
DiaSorin S.p.A.	DIA	16.2x	14.9x	13.3x	8.7%	21.8%	13.9x
Alere Inc.	ALR	18.1x	17.9x	14.3x	1.0%	26.4%	13.9x
Neogen Corporation	NEOG	31.3x	32.7x	26.3x	(4.3%)	18.7%	27.0x
Abaxis, Inc.	ABAX	18.2x	19.7x	18.8x	(7.6%)	(3.1%)	18.2x
Median		18.0x	17.7x	14.3x	5.7%	18.7%	14.9x

Source: Capital IQ. (\$ in '000, except per share)

ACQUIRER	TARGET	Date Announced	Headquarters		Enterprise Value	LTM		Enterprise Value / LTM		
			Buyer	Target		Revenue	EBITDA	Revenue	EBITDA	
Selected Medical Device Company M&A Transactions Announced Q1 2017 (with Deal Value Disclosed)										
Mars, Incorporated	VCA Inc.	1/9/2017	United States	United States	\$ 9,084,589	\$ 2,516,863	\$ 492,430	3.6x	18.4x	
Tech Mahindra (Americas), Inc.	The HCI Group	3/6/2017	United States	United States	220,000	114,000	NA	1.9x	NA	
Diagnósticos da América S.A.	Salomão e Zoppi Serviços Médicos e Participações S/A	1/19/2017	Brazil	Brazil	187,319	NA	NA	NA	NA	
Aevis Victoria SA	LifeWatch AG	1/24/2017	Switzerland	Switzerland	184,519	113,832	11,306	1.6x	16.3x	
ABRY Partners, LLC	Integrity Tracking, LLC	2/8/2017	United States	United States	130,000	NA	NA	NA	NA	
Acino Pharma AG	Litha Healthcare Group Limited	2/28/2017	Switzerland	South Africa	100,000	NA	NA	NA	NA	
Hitachi Chemical Co. America, Ltd.	PCT, LLC, a Caladrius Company	3/16/2017	United States	United States	97,500	NA	NA	NA	NA	
Permira Advisers Ltd.	Lyophilization Services Of New England, Inc.	3/27/2017	United Kingdom	United States	80,000	NA	NA	NA	NA	
Sonic Healthcare Limited	Medizinisches Labor Bremen GbR	1/30/2017	Australia	Germany	67,380	32,086	NA	2.1x	NA	
Diaxonhit	SAS Capforce Plus	1/4/2017	France	France	30,297	NA	NA	NA	NA	
Teijin Limited	Takiron Co.,Ltd., Medical Business	1/24/2017	Japan	Japan	16,718	NA	NA	NA	NA	
Intrexon Corporation	GenVec, Inc.	1/24/2017	United States	United States	7,752	511	(7,125)	15.2x	NM	
Poplar Healthcare	Bostwick Laboratories, Inc.	1/24/2017	United States	United States	6,355	NA	NA	NA	NA	
Median					98,750	113,832	11,306	2.1x	17.4x	

Source: Capital IQ. (\$ in '000, except per share)

ACQUIRER	TARGET	Date Closed	Headquarters		Enterprise Value	LTM		Enterprise Value / LTM		
			Buyer	Target		Revenue	EBITDA	Revenue	EBITDA	
Selected Medical Device Company M&A Transactions Closed Q1 2017 (with Deal Value Disclosed)										
Takeda Pharmaceuticals U.S.A., Inc.	ARIAD Pharmaceuticals, Inc.	2/15/2017	United States	United States	5,139,001	\$ 186,243	(126,159)	27.6x	NM	
Hologic, Inc.	Cynosure, Inc.	3/21/2017	United States	United States	1,479,354	433,532	57,204	3.4x	25.9x	
Nordson Corporation	Vention Medical, Inc., Advanced Technologies Business	4/3/2017	United States	United States	716,500	150,000	48,000	4.8x	14.9x	
Instrumentation Laboratory Company	Accriva Diagnostics Holdings, Inc.	1/19/2017	United States	United States	378,482	NA	NA	NA	NA	
The GEO Group, Inc.	Community Education Centers, Inc.	4/6/2017	United States	United States	360,000	NA	NA	NA	NA	
Welch Allyn, Inc.	Mortara Instrument, Inc.	2/14/2017	United States	United States	330,000	115,000	NA	2.9x	NA	
Integra LifeSciences Holdings Corporation	Derma Sciences, Inc.	2/22/2017	United States	United States	160,392	88,628	(6,276)	1.8x	NM	
LDC (Managers) Limited	Fishawack Communications Ltd.	1/25/2017	United Kingdom	United Kingdom	47,871	NA	NA	NA	NA	
Cytori Therapeutics, Inc.	Azaya Therapeutics Incorporated	2/15/2017	United States	United States	20,611	NA	NA	NA	NA	
Derma Sciences, Inc.	Medihoney Pty Ltd.	1/11/2017	United States	Australia	18,250	NA	NA	NA	NA	
Teleflex Medical Canada Inc.	Pyng Medical Corp.	4/3/2017	Canada	Canada	16,688	4,731	(358)	3.5x	NM	
CB Scientific, Inc.	Marutronics LLC	2/24/2017	United States	United States	23,250	NA	NA	NA	NA	
NA	METRAX GmbH	2/17/2017	NA	Germany	12,430	18,202	NA	0.7x	NA	
Dynatronics Corporation	Hausmann Industries, Inc.	4/3/2017	United States	United States	10,000	14,835	1,200	0.7x	8.3x	
Median					#	104,132	101,814	421	3.1x	14.9x

Source: Capital IQ. (\$ in '000, except per share)

CORPORATE FINANCE SERVICES

The sale of a company can represent the culmination of years of effort by its investors and management. With this in mind, Armanino guides our clients through the sale process, bringing to bear extensive structuring, preparation, negotiation, valuation and corporate finance experience and judgment to optimize value.

Our team has developed its expertise through many M&A, divestiture and strategic partnering transactions for closely-held businesses across most major technology sectors.

Corporate Finance Services include:

- Sell-Side Representation
- Buy-Side Representation
- Intellectual Property and Patents Sales
- Purchaser Representative (SEC Reg 501)

The professionals in our practice have many years of business valuation and corporate finance experience with companies in every major industrial sector and size to deliver superior results for private technology companies in Silicon Valley.

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We help companies pursuing a sale or merger involving all or part of their business, as well as organizations interested in partial divestitures of a division or assets. We provide end-to-end strategic advisory, introducing the company to potential acquirers and managing a rigorous process to optimize competition, achieve strategic valuations and successfully close transactions.

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We represent clients pursuing strategic acquisitions, such as asset purchases, mergers, and intellectual property procurements. Our financial advisory includes market analyses, target identification, financial modeling, deal negotiations, preliminary due diligence and final negotiation of the definitive agreements.

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PURCHASER REPRESENTATIVE SERVICES

A Purchaser Representative may be necessary in merger and acquisition transactions where the consideration is not all cash, but includes securities that are not registered with the SEC.

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