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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*

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**Sound Insights.**  
**Positive Action.**

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# Medical Device Update

## MARKET HIGHLIGHTS

**The S&P 500 Health Equipment & Supplies (Industry) Index has outperformed the S&P 500 Index over the past 3, 6, and 12 months**, with the price increase 11-12% greater during each time period. Over the last 24 months, it also outperformed with the price increase over 30% greater.

**The Surgical Devices sector had the highest median LTM revenue multiple (4.65x) in Q2.** The Ophthalmology Devices sector had the highest LTM EBITDA multiple (18.8x). In most sectors, LTM revenue multiples were up over both the last 3 months and 12 months with the exception being Diversified Medical Devices and Conglomerates (12 months). The 3 and 12 month changes in LTM EBITDA multiples were up in every market sector.

**All sectors showed stock price increases over the last 3 months, with the sector median price change increasing between 9.9% and 21.4%**

From a twelve month perspective, the outlook was less positive. Orthopedics Devices, Diversified Medical Devices and Conglomerates, and Cardiovascular Devices all had price increases, between 11.9% and 25.4%. On the other hand, Ophthalmology Devices decreased 3.6% and Surgical Devices 18.1%.

**The two best individual performers in Q2 were Heartware International (+83.9%) and Cardiovascular Systems (+81.2%).** The individual companies that declined the most in Q2 were Second Sight Medical Products (-28.1%) and AtriCure (-16.6%).

From an EPS perspective, each sector had at least one company with more than \$3.00 per share of earnings in 2015. **The top earning company overall in 2015 was Intuitive Surgical (\$15.54).**

*David Wiedenfeld, CFA, CPA  
Medical Devices Industry Analyst*

MARKET SECTOR	Median % Change		PEG Ratio	Earnings Ratio	
	Price			LTM	2016E
	3 mo	12 mo	2016E		
Diversified Medical Devices and Conglomerates	11.2%	16.6%	2.24x	30.95x	23.79x
Cardiovascular Devices	18.1%	11.9%	1.83x	33.38x	23.77x
Ophthalmology Devices	9.9%	(3.6%)	1.70x	38.77x	30.08x
Orthopedics Devices	12.8%	25.4%	2.07x	26.63x	22.46x
Surgical Devices	16.6%	(18.1%)	2.42x	50.59x	29.94x

EV/REVENUE MULTIPLES

MARKET SECTOR	Median	LTM		NTM
		Median % Change		
		6/30/16	3 mo	
Diversified Medical Devices and Conglomerates	4.39x	7.7%	(1.7%)	4.05x
Cardiovascular Devices	4.36x	11.8%	15.2%	4.44x
Ophthalmology Devices	4.24x	18.6%	37.5%	4.78x
Orthopedics Devices	4.27x	11.0%	25.1%	3.50x
Surgical Devices	4.65x	11.7%	2.5%	3.77x

EV/EBITDA MULTIPLES

MARKET SECTOR	Median	Median % Change		NTM
		LTM EBITDA Multiples		
		6/30/16	3 mo	
Diversified Medical Devices and Conglomerates	16.93x	9.0%	15.1%	14.11x
Cardiovascular Devices	16.71x	8.7%	9.7%	14.80x
Ophthalmology Devices	18.78x	13.9%	16.8%	16.31x
Orthopedics Devices	14.73x	23.2%	19.0%	13.92x
Surgical Devices	15.37x	37.6%	14.9%	17.99x

INDICIES	Price	% Change			
	6/30/16	3 mo	6 mo	12 mo	24 mo
S&P 500 Index	2,098.86	1.7%	1.7%	1.7%	7.1%
Dow Jones Industrial Average	17,929.99	1.2%	1.9%	1.8%	6.6%
NASDAQ Composite Index	4,842.67	(0.5%)	(4.4%)	(2.9%)	9.9%
Russell 2000 Index	1,151.92	3.7%	0.2%	(8.1%)	(3.4%)
S&P 500 Sector Indices - Health Care Sector Index	829.45	5.6%	(1.3%)	(3.7%)	17.7%
S&P 500 Health Care Equipment & Supplies (Industry) Index	1,004.87	11.1%	11.2%	12.7%	31.1%

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

COMPANY	TICKER	Price 6/30/16	% Change		52-Week		Market Cap	Ent Val (TEV)	LTM		NTM		EPS		Earnings Ratio		PEG Ratio 2016	
			3 mo	12 mo	High	Low			Rev	EBITDA	Rev	EBITDA	2015	2016	LTM	2016		
<b>Diversified Medical Devices and Conglomerates</b>																		
Johnson & Johnson	JNJ	\$121.30	11.3%	24.5%	\$121.41	\$81.79	\$ 333,653	\$317,177	\$70,182	\$22,235	\$72,684	\$24,530	\$ 5.48	\$ 6.59	22.11x	18.64x	3.31x	
3M Company	MMM	175.12	5.0%	13.5%	175.14	134.00	106,213	115,881	30,105	8,570	30,748	8,975	7.58	8.25	22.51x	21.72x	2.31x	
Becton, Dickinson and Company	BDX	169.59	11.2%	19.7%	172.20	128.87	35,987	46,770	12,234	3,176	12,641	3,803	3.35	8.56	45.33x	20.52x	1.82x	
Baxter International Inc.	BAX	45.22	9.6%	(35.3%)	46.95	32.18	24,973	24,888	9,940	1,583	10,159	1,885	0.72	1.64	6.82x	28.54x	2.18x	
CR Bard Inc.	BCR	235.16	15.9%	37.8%	235.16	169.09	17,242	18,169	3,449	1,043	3,703	1,195	1.77	10.15	NM	23.20x	2.35x	
ResMed Inc.	RMD	63.23	11.1%	12.2%	64.12	48.99	8,878	8,595	1,773	498	2,037	602	2.47	2.69	25.91x	23.79x	2.24x	
Teleflex Incorporated	TFX	177.31	13.7%	30.9%	177.36	122.13	7,730	8,403	1,798	426	1,898	545	4.91	7.24	34.63x	25.11x	2.35x	
Masimo Corporation	MASI	52.52	28.7%	35.6%	53.55	33.03	2,572	2,658	640	126	686	154	1.55	1.83	30.95x	28.65x	1.98x	
Nevro Corp.	NVRO	73.76	33.3%	37.2%	77.94	36.51	2,089	1,946	102	(58)	195	(38)	(2.54)	(1.74)	NM	NM	NM	
Penumbra, Inc.	PEN	59.50	31.5%	NA	61.60	NA	1,827	1,682	205	4	252	(4)	0.08	(0.14)	NM	NM	NM	
Natus Medical Inc.	BABY	37.80	(3.5%)	(11.2%)	51.05	29.34	1,232	1,150	374	69	383	82	1.14	1.65	33.16x	24.73x	1.34x	
Abaxis, Inc.	ABAX	47.23	6.5%	NA	58.15	37.71	1,063	933	219	53	243	58	0.91	1.32	34.73x	NM	NM	
NovoCure Limited	NVCR	11.67	(12.6%)	0.0%	30.89	9.87	986	774	41	NM	182	NM	(3.67)	(1.22)	NM	NM	NM	
AtriCure, Inc.	ATRC	14.13	(16.6%)	(42.7%)	28.15	13.44	468	459	135	(21)	167	(15)	(0.97)	(1.19)	NM	NM	NM	
<b>Median</b>			<b>11.2%</b>	<b>16.6%</b>											<b>30.95x</b>	<b>23.79x</b>	<b>2.24x</b>	

EV/REVENUE MULTIPLES

COMPANY	TICKER	TTM					NTM
		Trailing		% Change		6/30/16	
		3 mo	12 mo	3 mo	12 mo		
<b>Diversified Medical Devices and Conglomerates</b>							
Johnson & Johnson	JNJ	4.52x	4.03x	3.52x	12.3%	28.5%	4.36x
3M Company	MMM	3.85x	3.63x	3.22x	6.0%	19.5%	3.77x
Becton, Dickinson and Company	BDX	3.82x	3.88x	4.92x	(1.5%)	(22.2%)	3.70x
Baxter International Inc.	BAX	2.50x	2.19x	2.75x	14.1%	(8.9%)	2.45x
CR Bard Inc.	BCR	5.27x	4.52x	3.98x	16.6%	32.4%	4.91x
ResMed Inc.	RMD	4.85x	4.43x	4.59x	9.5%	5.5%	4.22x
Teleflex Incorporated	TFX	4.67x	4.02x	3.53x	16.3%	32.3%	4.43x
Masimo Corporation	MASI	4.15x	3.36x	3.39x	23.5%	22.6%	3.88x
Nevro Corp.	NVRO	19.15x	19.91x	36.36x	(3.8%)	(47.3%)	9.96x
Penumbra, Inc.	PEN	8.20x	6.49x	NM	26.4%	NM	6.67x
Natus Medical Inc.	BABY	3.08x	3.18x	3.58x	(3.3%)	(14.0%)	3.00x
Abaxis, Inc.	ABAX	4.26x	4.07x	5.11x	4.7%	(16.5%)	3.84x
NovoCure Limited	NVCR	18.90x	26.65x	NM	(29.1%)	NM	4.25x
AtriCure, Inc.	ATRC	3.39x	4.08x	5.81x	(16.8%)	(41.6%)	2.74x
<b>Median</b>		<b>4.39x</b>	<b>4.05x</b>	<b>3.78x</b>	<b>7.7%</b>	<b>(1.7%)</b>	<b>4.05x</b>

EV/EBITDA MULTIPLES

COMPANY	TICKER	TTM					NTM
		Trailing		% Change		6/30/16	
		3 mo	12 mo	3 mo	12 mo		
<b>Diversified Medical Devices and Conglomerates</b>							
Johnson & Johnson	JNJ	14.26x	12.75x	10.49x	11.8%	36.0%	12.93x
3M Company	MMM	13.52x	12.95x	11.90x	4.4%	13.6%	12.91x
Becton, Dickinson and Company	BDX	14.73x	15.16x	19.04x	(2.9%)	(22.7%)	12.30x
Baxter International Inc.	BAX	15.72x	14.64x	10.80x	7.4%	45.5%	13.20x
CR Bard Inc.	BCR	17.42x	14.80x	13.23x	17.7%	31.6%	15.20x
ResMed Inc.	RMD	17.26x	15.61x	15.40x	10.6%	12.1%	14.28x
Teleflex Incorporated	TFX	19.74x	17.46x	15.56x	13.1%	26.9%	15.41x
Masimo Corporation	MASI	21.03x	18.04x	18.03x	16.6%	16.6%	17.21x
Nevro Corp.	NVRO	NM	NM	NM	NM	NM	NM
Penumbra, Inc.	PEN	NM	NM	NM	NM	NM	NM
Natus Medical Inc.	BABY	16.59x	16.97x	19.45x	(2.2%)	(14.7%)	13.94x
Abaxis, Inc.	ABAX	17.59x	18.33x	24.74x	(4.1%)	(28.9%)	16.11x
NovoCure Limited	NVCR	NM	NM	NM	NM	NM	NM
AtriCure, Inc.	ATRC	NM	NM	NM	NM	NM	NM
<b>Median</b>		<b>16.93x</b>	<b>15.39x</b>	<b>15.48x</b>	<b>9.0%</b>	<b>15.1%</b>	<b>14.11x</b>

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

COMPANY	TICKER	Price 6/30/16	% Change		52-Week		Market Cap	Ent Val (TEV)	LTM		NTM		EPS		Earnings Ratio		PEG Ratio 2016E
			3 mo	12 mo	High	Low			Rev	EBITDA	Rev	EBITDA	2015	2016	LTM	2016	
<b>Cardiovascular Devices</b>																	
Medtronic plc	MDT	\$86.77	15.0%	17.1%	\$86.91	\$55.54	\$ 121,021	\$ 139,679	\$28,833	\$ 8,735	\$29,913	\$ 9,769	\$ 2.41	\$ 4.37	34.99x	NM	NM
Boston Scientific Corporation	BSX	23.37	24.2%	32.0%	23.37	14.18	31,710	37,049	7,595	1,939	8,273	2,288	(0.18)	1.09	NM	21.64x	2.13x
St. Jude Medical Inc.	STJ	78.00	41.7%	6.7%	80.84	48.83	22,174	27,898	5,644	1,600	6,109	1,822	3.07	4.06	31.34x	19.93x	1.94x
Edwards Lifesciences Corp.	EW	99.73	12.2%	40.0%	112.00	62.53	21,119	20,769	2,601	747	2,974	873	2.25	2.76	42.45x	38.48x	2.25x
ABIOMED, Inc.	ABMD	109.29	17.5%	66.3%	110.68	64.03	4,699	4,487	330	69	439	90	2.65	0.79	NM	NM	NM
Heartware International Inc.	HTWR	57.75	83.9%	(20.6%)	94.15	25.02	1,014	1,015	262	NM	NM	NM	(4.21)	(3.40)	NM	NM	NM
Integer Holdings Corporation	ITGR	30.93	(11.8%)	(42.6%)	63.19	28.55	953	2,661	971	181.1	1,458	316.9	(0.29)	3.14	NM	10.35x	0.82x
Cardiovascular Systems Inc.	CSII	18.38	81.2%	(30.5%)	32.91	7.50	600	538	175	NM	189	NM	(1.04)	(1.62)	NM	NM	NM
AngioDynamics Inc.	ANGO	14.37	18.7%	(12.4%)	17.00	9.71	521	623	348	45.8	356	51.9	(0.09)	0.56	NM	25.89x	1.73x
LeMaitre Vascular, Inc.	LMAT	14.27	(7.3%)	18.3%	18.44	10.77	262	236	79	16	87	20.1	0.42	0.48	31.78x	29.41x	1.55x
<b>Median</b>			<b>18.1%</b>	<b>11.9%</b>											<b>33.38x</b>	<b>23.77x</b>	<b>1.83x</b>

COMPANY	TICKER	EV/REVENUE MULTIPLES					NTM
		TTM		% Change		NTM	
		Trailing		3 mo	12 mo		
<b>Cardiovascular Devices</b>							
Medtronic plc	MDT	4.84x	4.37x	6.05x	10.9%	(19.9%)	4.67x
Boston Scientific Corporation	BSX	4.88x	4.17x	3.80x	17.0%	28.3%	4.48x
St. Jude Medical Inc.	STJ	4.94x	3.85x	4.16x	28.4%	19.0%	4.57x
Edwards Lifesciences Corp.	EW	7.99x	7.40x	6.09x	7.9%	31.2%	6.98x
ABIOMED, Inc.	ABMD	13.61x	12.37x	11.34x	10.1%	20.1%	10.22x
Heartware International Inc.	HTWR	3.88x	1.80x	4.25x	115.4%	(8.8%)	4.41x
Integer Holdings Corporation	ITGR	2.74x	3.39x	2.22x	(19.1%)	23.6%	1.82x
Cardiovascular Systems Inc.	CSII	3.07x	1.50x	4.32x	105.1%	(28.9%)	2.85x
AngioDynamics Inc.	ANGO	1.79x	1.59x	2.01x	12.7%	(10.9%)	1.75x
LeMaitre Vascular, Inc.	LMAT	2.99x	3.29x	2.68x	(9.1%)	11.5%	2.71x
<b>Median</b>		<b>4.36x</b>	<b>3.62x</b>	<b>4.20x</b>	<b>11.8%</b>	<b>15.2%</b>	<b>4.44x</b>

COMPANY	TICKER	EV/EBITDA MULTIPLES					NTM
		TTM		% Change		NTM	
		Trailing		3 mo	12 mo		
<b>Cardiovascular Devices</b>							
Medtronic plc	MDT	15.99x	14.69x	19.43x	8.8%	(17.7%)	14.30x
Boston Scientific Corporation	BSX	19.11x	16.68x	16.15x	14.5%	18.3%	16.19x
St. Jude Medical Inc.	STJ	17.44x	13.24x	13.51x	31.7%	29.1%	15.31x
Edwards Lifesciences Corp.	EW	27.82x	26.00x	22.91x	7.0%	21.4%	23.79x
ABIOMED, Inc.	ABMD	64.62x	59.55x	79.02x	8.5%	(18.2%)	49.70x
Heartware International Inc.	HTWR	NM	NM	NM	NM	NM	NM
Integer Holdings Corporation	ITGR	14.69x	17.88x	12.14x	(17.8%)	21.0%	8.34x
Cardiovascular Systems Inc.	CSII	NM	NM	NM	NM	NM	NM
AngioDynamics Inc.	ANGO	13.60x	11.84x	13.45x	14.8%	1.2%	11.14x
LeMaitre Vascular, Inc.	LMAT	15.16x	17.53x	15.32x	(13.5%)	(1.0%)	11.76x
<b>Median</b>		<b>16.71x</b>	<b>17.10x</b>	<b>15.73x</b>	<b>8.7%</b>	<b>9.7%</b>	<b>14.80x</b>

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

COMPANY	TICKER	Price 6/30/16	% Change		52-Week		Market Cap	Ent Val (TEV)	LTM		NTM		EPS		Earnings Ratio		PEG Ratio 2016E	
			3 mo	12 mo	High	Low			Rev	EBITDA	Rev	EBITDA	2015	2016	LTM	2016		
<b>Ophthalmology Devices</b>																		
The Cooper Companies Inc.	COO	\$171.57	9.9%	(3.6%)	\$ 179.97	\$ 119.28	\$ 8,312	\$ 9,716	\$ 1,851	\$ 569	\$ 2,034	\$ 653	\$ 4.14	\$ 8.41	40.59x	21.23x	1.79x	
Carl Zeiss Meditec AG	AFX	40.46	31.4%	58.8%	40.76	24.64	3,290	3,336	1,203	163	1,279	204	0.86	1.35	36.95x	30.08x	1.62x	
IRIDEX Corporation	IRIX	14.79	43.6%	79.3%	15.12	6.42	149	138	43	1	49	3	0.05	0.17	NM	94.35x	NM	
Second Sight Medical Products, Inc.	EYES	3.58	(28.1%)	(73.7%)	15.28	3.17	129	119	8	(21)	10	NM	(0.56)	(0.65)	NM	NM	NM	
Presbia PLC	LENS	4.52	3.4%	(45.0%)	9.38	0.00	60	42	0	(17)	1	(14)	(1.40)	(0.99)	NM	NM	NM	
<b>Median</b>			<b>9.9%</b>	<b>(3.6%)</b>											<b>38.77x</b>	<b>30.08x</b>	<b>1.70x</b>	

EV/REVENUE MULTIPLES

COMPANY	TICKER	TTM					NTM
		Trailing		% Change			
		6/30/16	3 mo	12 mo	3 mo	12 mo	
<b>Ophthalmology Devices</b>							
The Cooper Companies Inc.	COO	5.25x	4.95x	5.62x	6.0%	(6.5%)	4.78x
Carl Zeiss Meditec AG	AFX	2.77x	2.11x	2.02x	31.2%	37.5%	2.61x
IRIDEX Corporation	IRIX	3.23x	2.21x	1.62x	45.7%	99.2%	2.81x
Second Sight Medical Products, Inc.	EYES	14.30x	18.26x	NM	(21.7%)	NM	12.29x
Presbia PLC	LENS	NM	NM	NM	NM	NM	55.43x
<b>Median</b>		<b>4.24x</b>	<b>3.58x</b>	<b>2.02x</b>	<b>18.6%</b>	<b>37.5%</b>	<b>4.78x</b>

EV/EBITDA MULTIPLES

COMPANY	TICKER	TTM					NTM
		Trailing		% Change			
		6/30/16	3 mo	12 mo	3 mo	12 mo	
<b>Ophthalmology Devices</b>							
The Cooper Companies Inc.	COO	17.08x	16.34x	18.86x	4.5%	(9.4%)	14.88x
Carl Zeiss Meditec AG	AFX	20.49x	16.61x	14.32x	23.3%	43.1%	16.31x
IRIDEX Corporation	IRIX	NM	NM	24.64x	NM	NM	31.45x
Second Sight Medical Products, Inc.	EYES	NM	NM	NM	NM	NM	NM
Presbia PLC	LENS	NM	NM	NM	NM	NM	NM
<b>Median</b>		<b>18.78x</b>	<b>16.47x</b>	<b>18.86x</b>	<b>13.9%</b>	<b>16.8%</b>	<b>16.31x</b>

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

COMPANY	TICKER	Price 6/30/16	% Change		52-Week		Market Cap	Ent Val (TEV)	LTM		NTM		EPS		Earnings Ratio		PEG Ratio 2016E	
			3 mo	12 mo	High	Low			Rev	EBITDA	Rev	EBITDA	2015	2016	LTM	2016		
<b>Orthopedics Devices</b>																		
Stryker Corporation	SYK	\$ 119.83	11.9%	25.4%	\$ 119.83	\$86.68	\$ 44,814	\$ 44,807	\$10,062	\$ 2,717	\$11,619	\$ 3,219	\$ 3.78	\$ 5.76	28.04x	21.31x	2.16x	
Zimmer Biomet Holdings, Inc.	ZBH	120.38	12.8%	10.2%	123.43	88.27	24,037	34,146	6,767	2,631	7,620	3,003	0.77	7.96	NM	15.76x	1.44x	
NuVasive, Inc.	NUVA	59.72	22.7%	26.0%	60.09	36.81	2,976	3,340	834	165	953	232	1.26	1.51	NM	40.44x	2.80x	
Wright Medical Group N.V.	WMGI	17.37	3.8%	0.0%	24.43	15.02	1,764	2,216	519	(16)	730	39	(3.68)	(0.64)	NM	NM	NM	
Exactech Inc.	EXAC	26.74	39.3%	28.4%	27.07	16.11	377	384	246	41	257	46	1.04	1.17	25.23x	23.61x	1.98x	
<b>Median</b>			<b>12.8%</b>	<b>25.4%</b>											<b>26.63x</b>	<b>22.46x</b>	<b>2.07x</b>	

EV/REVENUE MULTIPLES

COMPANY	TICKER	TTM		% Change		NTM	
		Trailing 6/30/16	3 mo	12 mo	3 mo		12 mo
<b>Orthopedics Devices</b>							
Stryker Corporation	SYK	4.45x	4.01x	3.63x	11.0%	22.7%	3.86x
Zimmer Biomet Holdings, Inc.	ZBH	5.05x	5.19x	4.73x	(2.8%)	6.7%	4.48x
NuVasive, Inc.	NUVA	4.01x	3.01x	3.05x	32.9%	31.1%	3.50x
Wright Medical Group N.V.	WMGI	4.27x	5.15x	NM	(17.0%)	NM	3.03x
Exactech Inc.	EXAC	1.56x	1.13x	1.22x	38.6%	27.5%	1.49x
<b>Median</b>		<b>4.27x</b>	<b>4.01x</b>	<b>3.34x</b>	<b>11.0%</b>	<b>25.1%</b>	<b>3.50x</b>

COMPANY	TICKER	TTM		% Change		NTM	
		Trailing 6/30/16	3 mo	12 mo	3 mo		12 mo
<b>Orthopedics Devices</b>							
Stryker Corporation	SYK	16.49x	14.96x	13.59x	10.2%	21.3%	13.92x
Zimmer Biomet Holdings, Inc.	ZBH	12.98x	13.34x	12.20x	(2.7%)	6.4%	11.37x
NuVasive, Inc.	NUVA	20.22x	14.86x	17.32x	36.1%	16.8%	14.41x
Wright Medical Group N.V.	WMGI	NM	NM	NM	NM	NM	57.02x
Exactech Inc.	EXAC	9.42x	6.70x	6.79x	40.6%	38.6%	8.43x
<b>Median</b>		<b>14.73x</b>	<b>14.10x</b>	<b>12.90x</b>	<b>23.2%</b>	<b>19.0%</b>	<b>13.92x</b>

EV/EBITDA MULTIPLES

COMPANY	TICKER	TTM		% Change		NTM	
		Trailing 6/30/16	3 mo	12 mo	3 mo		12 mo
<b>Orthopedics Devices</b>							
Stryker Corporation	SYK	16.49x	14.96x	13.59x	10.2%	21.3%	13.92x
Zimmer Biomet Holdings, Inc.	ZBH	12.98x	13.34x	12.20x	(2.7%)	6.4%	11.37x
NuVasive, Inc.	NUVA	20.22x	14.86x	17.32x	36.1%	16.8%	14.41x
Wright Medical Group N.V.	WMGI	NM	NM	NM	NM	NM	57.02x
Exactech Inc.	EXAC	9.42x	6.70x	6.79x	40.6%	38.6%	8.43x
<b>Median</b>		<b>14.73x</b>	<b>14.10x</b>	<b>12.90x</b>	<b>23.2%</b>	<b>19.0%</b>	<b>13.92x</b>

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



COMPANY	TICKER	Price 6/30/16	% Change		52-Week		Market Cap	Ent Val (TEV)	LTM		NTM		EPS		Earnings Ratio		PEG Ratio 2016E	
			3 mo	12 mo	High	Low			Rev	EBITDA	Rev	EBITDA	2015	2016	LTM	2016		
<b>Surgical Devices</b>																		
Intuitive Surgical, Inc.	ISRG	\$661.41	10.6%	36.5%	\$ 663.50	\$ 447.00	\$ 25,174	\$ 23,365	\$ 2,434	\$ 886	\$ 2,667	\$ 1,057	\$ 15.54	\$20.67	40.10x	32.67x	2.74x	
CONMED Corporation	CNMD	47.73	16.6%	(18.1%)	60.66	35.51	1,325	1,826	722	119	485	132	1.09	1.82	61.08x	27.21x	2.09x	
Entellus Medical, Inc.	ENTL	18.27	4.8%	(29.4%)	25.59	13.72	344	302	65	(18)	82	(19)	(1.06)	(1.32)	NM	NM	NM	
Avinger, Inc.	AVGR	11.93	33.0%	(7.6%)	25.11	8.25	151	155	13	(45)	63	(42)	(4.38)	(4.22)	NM	NM	NM	
Alphatec Holdings, Inc.	A TEC	0.35	37.3%	(74.6%)	1.43	0.15	36	130	181	11	27	NM	(1.79)	0.00	NM	NM	NM	
<b>Median</b>			<b>16.6%</b>	<b>(18.1%)</b>											<b>50.59x</b>	<b>29.94x</b>	<b>2.42x</b>	

COMPANY	TICKER
<b>Surgical Devices</b>	
Intuitive Surgical, Inc.	ISRG
CONMED Corporation	CNMD
Entellus Medical, Inc.	ENTL
Avinger, Inc.	AVGR
Alphatec Holdings, Inc.	A TEC
<b>Median</b>	

EV/REVENUE MULTIPLES

	TTM					NTM
	Trailing		% Change			
	6/30/16	3 mo	12 mo	3 mo	12 mo	
	9.60x	8.86x	7.55x	8.3%	27.1%	8.76x
	2.53x	1.85x	2.47x	36.5%	2.5%	3.77x
	4.65x	4.56x	8.16x	1.9%	(43.1%)	3.70x
	11.74x	9.37x	10.57x	25.3%	11.1%	2.45x
	0.72x	0.64x	1.11x	11.7%	(35.4%)	4.91x
<b>Median</b>	<b>4.65x</b>	<b>4.56x</b>	<b>7.55x</b>	<b>11.7%</b>	<b>2.5%</b>	<b>3.77x</b>

EV/EBITDA MULTIPLES

	TTM					NTM
	Trailing		% Change			
	6/30/16	3 mo	12 mo	3 mo	12 mo	
	26.39x	25.02x	22.96x	5.5%	14.9%	22.10x
	15.37x	11.17x	14.29x	37.6%	7.5%	13.87x
	NM	NM	NM	NM	NM	NM
	NM	NM	NM	NM	NM	NM
	12.15x	7.87x	8.90x	54.4%	36.5%	NM
<b>Median</b>	<b>15.37x</b>	<b>11.17x</b>	<b>14.29x</b>	<b>37.6%</b>	<b>14.9%</b>	<b>17.99x</b>

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.

### **SELL SIDE M&A ADVISORY**

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.

### **BUY SIDE M&A ADVISORY**

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.

### **IP AND PATENT SALES**

Armanino is among Silicon Valley's most experienced financial advisory firms for technology companies that seek to monetize assets including intellectual property (IP).

### **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.

## CONTACT

### CORPORATE FINANCE

*Sell-Side and Buy-Side Advisory,  
IP & Patent Sales, Purchase Representative*

**Gunther Hofmann, CFA, CVA**  
**Director**

44 Montgomery Street, Suite 900  
San Francisco, CA 94104  
[gunther.hofmann@armaninollp.com](mailto:gunther.hofmann@armaninollp.com)  
+1 667 800 6773

### TRANSACTION ADVISORY

*Due Diligence, Post Merger Integration*

**John Dunican, CPA**  
**Partner**

12657 Alcosta Blvd., Suite 500  
San Ramon, CA 94583  
[john.dunican@armaninollp.com](mailto:john.dunican@armaninollp.com)  
+1 925 498 1902

### VALUATION

*Purchase Price Allocation, M&A Valuation  
409A Valuation, Gift & Estate Tax*

**Alex Florea**  
**Account Executive**

50 West Fernando Ave., Suite 500  
San Jose, CA 95113  
[alex.florea@armaninollp.com](mailto:alex.florea@armaninollp.com)  
+1 669 800 6771

### AUDIT

**Matthew Perreault, CPA**  
**Partner**

12657 Alcosta Blvd., Suite 500  
San Ramon, CA 94583  
[mattt.perreault@armaninollp.com](mailto:mattt.perreault@armaninollp.com)  
+1 925 790 2755

### TAX

**David Sordello, CPA**  
**Partner**

50 West Fernando Ave., Suite 500  
San Jose, CA 95113  
[david.sordello@armaninollp.com](mailto:david.sordello@armaninollp.com)  
+1 408 200 6403

### BUSINESS SYSTEMS / ERP

*Life Sciences ERP Solutions*

**Jeffrey J. Russell, Esq.**  
**Director – Industry Practice**

50 West Fernando Ave., Suite 500  
San Jose, CA 95113  
[Jeffrey.Russell@armaninollp.com](mailto:Jeffrey.Russell@armaninollp.com)  
+1 408 386 8985