

CONTENTS

3 Market Highlights

4 Medical Device Sector Summary

- 5 Diversified Medical Devices and Conglomerates
- 6 Cardiovascular Devices
- 7 Ophthalmology Devices
- 8 Orthopedics Devices
- 9 Surgical Devices
- 10 Diagnostic Devices

11 Selected Medical Device M&A Transactions

12 Corporate Finance Services

13 Contact



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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MARKET HIGHLIGHTS

As of June 30, 2017, the S&P 500 Health Equipment & Supplies (Industry) Index has outperformed the S&P 500 Index over the past 3, 6, 12 and 24 months, with the price increase about 8%, 16%, 1%, and 14% points higher, respectively, during each time period.

The Diversified Medical Devices and Conglomerates and Cardiovascular sectors had the highest median LTM revenue multiple (5.0x) in Q2. The Surgical Devices sectors had the highest LTM EBITDA multiple (22.9x), albeit based on a small selection of profitable companies. The medical device industry is enjoying continued positive valuation momentum with increasing valuation multiples: In all sectors, trailing revenue multiples were up over the last 3 and 12 months, with the exceptions being Ophthalmology Devices (down over 3 months) and Surgical Devices (down over 12 months). All sectors except Cardiovascular Devices (down over 12 months), had increases in EBITDA multiples over the last 3 and 12 months.

All sectors' median price increased during the past 3 months with the median price decreasing between 2.0% and 16.3%. From a twelve month perspective the outlook was also very positive. All sectors had substantial price increases, with the median increase between 12.2% and 24.9%, with the exception of the Surgical Devices sector which had a median price decline of 9.4%.

The two best individual performers in Q2 were NovoCure Limited (+114.9%) and Valeant Pharmaceuticals International (+56.1%). The individual companies that declined the most in Q2 were Avinger (-77.0%) and Titan Medical (-59.1%).

The largest M&A announcement in Q2 was Becton Dickinson's acquisition of C. R. Bard for \$24.8 billion or 6.6x revenue. Several private equity players made acquisitions: Pamplona Capital, Bain Capital, GTCR, Carlyle, and Apax Partners were buyers in some of the largest deals of the quarter.

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MARKET SECTOR	Median % Change		PEG Ratio	Earnings Ratio	
	Price			2017E	LTM
	3 mo	12 mo			
Diversified Medical Devices and Conglomerates	7.8%	21.0%	2.3x	33.3x	24.7x
Cardiovascular Devices	12.3%	24.9%	2.0x	70.5x	23.0x
Ophthalmology Devices	2.0%	12.2%	2.5x	33.0x	26.8x
Orthopedics Devices	5.8%	15.8%	2.3x	31.2x	22.5x
Surgical Devices	16.3%	(9.4%)	3.9x	81.6x	33.7x
Diagnostics	10.4%	24.2%	2.5x	35.6x	28.3x

EV/REVENUE MULTIPLES

MARKET SECTOR	Median 6/30/17	LTM Median % Change		NTM Median 6/30/17
		3 mo	12 mo	
		Diversified Medical Devices and Conglomerates	5.0x	
Cardiovascular Devices	5.0x	9.3%	1.8%	4.7x
Ophthalmology Devices	3.7x	(2.0%)	0.4%	3.8x
Orthopedics Devices	4.7x	2.4%	6.3%	4.4x
Surgical Devices	4.1x	5.7%	(7.6%)	5.0x
Diagnostics	4.8x	7.9%	10.3%	4.4x

EV/EBITDA MULTIPLES

MARKET SECTOR	Median 6/30/17	Median % Change LTM EBITDA Multiples		NTM Median 6/30/17
		3 mo	12 mo	
		Diversified Medical Devices and Conglomerates	19.7x	
Cardiovascular Devices	19.6x	9.1%	(4.7%)	18.9x
Ophthalmology Devices	15.4x	6.0%	16.3%	14.5x
Orthopedics Devices	13.9x	5.5%	2.2%	12.1x
Surgical Devices	22.9x	18.6%	7.1%	22.0x
Diagnostics	19.9x	9.7%	16.6%	16.3x

INDICES	Price	% Change			
	6/30/17	3 mo	6 mo	12 mo	24 mo
S&P 500	2,423	2.3%	8.2%	15.5%	17.5%
Dow Jones Industrial Average	21,350	3.0%	8.0%	19.1%	21.2%
NASDAQ Composite Index	6,140	3.8%	14.1%	26.8%	23.1%
Russell 2000 Index	1,415	2.4%	4.3%	22.9%	12.9%
S&P 500 Health Care (Sector)	917	6.4%	15.1%	10.5%	6.5%
S&P 500 Health Care Equipment & Supplies (Industry)	1,171	10.0%	24.6%	16.5%	31.4%

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

COMPANY	TICKER	Price 6/30/17	% 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	\$132.29	6.1%	9.1%	\$ 137.00	\$109.32	\$ 356,367	\$ 349,731	\$ 72,174	\$ 25,120	\$ 76,653	\$ 27,375	\$ 5.93	\$ 7.11	22.2x	18.6x	3.0x	
Roche Holding AG	ROG	254.89	(1.4%)	(2.9%)	284.95	227.86	217,626	234,039	54,941	21,531	55,228	22,033	10.96	15.92	21.9x	15.7x	2.7x	
3M Company	MMM	208.19	8.8%	18.9%	214.57	163.85	124,339	133,790	30,385	8,685	31,149	9,407	8.16	8.95	25.2x	23.4x	2.4x	
Becton, Dickinson and Company	BDX	195.11	6.2%	15.0%	196.59	161.29	44,359	54,106	12,321	3,202	12,291	3,461	4.49	9.45	32.4x	20.9x	2.1x	
Baxter International Inc.	BAX	60.54	15.9%	33.9%	61.52	43.13	32,914	32,832	10,263	2,131	10,449	2,361	9.01	2.27	18.0x	26.8x	2.0x	
C. R. Bard, Inc.	BCR	316.11	27.2%	34.4%	316.95	203.63	22,954	23,815	3,779	1,162	3,966	1,312	7.03	11.81	40.2x	27.0x	2.5x	
ResMed Inc.	RMD	77.87	8.9%	23.2%	79.44	56.59	11,043	11,385	2,029	559	2,182	629	2.49	2.77	34.2x	27.7x	2.3x	
Teleflex Incorporated	TFX	207.76	6.8%	17.2%	211.22	136.53	9,345	10,745	1,931	506	2,128	615	4.98	8.16	43.2x	25.9x	2.3x	
Masimo Corporation	MASI	91.18	(2.7%)	73.6%	104.71	51.10	4,663	4,319	710	171	772	199	5.65	2.59	15.5x	35.1x	2.0x	
Penumbra, Inc.	PEN	87.75	3.7%	47.5%	91.00	56.05	2,951	2,719	279	(3)	332	7	0.44	(0.13)	NM	NM	NM	
Nevro Corp.	NVRO	74.43	(19.9%)	0.9%	106.93	65.82	2,180	2,056	255	(25)	335	(18)	(1.12)	(0.96)	NM	NM	NM	
Merit Medical Systems, Inc.	MMSI	38.15	30.5%	92.4%	38.55	19.61	1,904	2,115	637	96	734	117	0.45	1.17	56.7x	32.6x	2.5x	
NovoCure Limited	NVCR	17.30	114.9%	48.2%	17.90	5.95	1,525	1,432	105	(85)	199	(60)	(1.54)	(0.56)	NM	NM	NM	
Natus Medical Incorporated	BABY	37.30	(3.2%)	(1.3%)	44.39	33.15	1,215	1,252	419	66	500	87	1.29	1.70	35.9x	22.1x	1.2x	
Abaxis, Inc.	ABAX	53.02	9.7%	12.3%	55.95	44.12	1,201	1,059	227	52	244	49	1.36	1.29	36.8x	NM	NM	
AtriCure, Inc.	ATRC	24.25	28.6%	71.6%	24.85	13.45	823	828	160	(21)	181	(5)	(1.05)	(0.96)	NM	NM	NM	
Median			7.8%	21.0%											33.3x	25.9x	2.3x	

EV/REVENUE MULTIPLES

COMPANY	TICKER	TTM					NTM
		Trailing		% Change			
		6/30/17	3 mo	12 mo	3 mo	12 mo	
Diversified Medical Devices and Conglomerates							
Johnson & Johnson	JNJ	4.8x	4.5x	4.5x	7.8%	7.2%	4.6x
Roche Holding AG	ROG	4.3x	4.4x	4.7x	(4.0%)	(8.6%)	4.2x
3M Company	MMM	4.4x	4.1x	3.8x	7.4%	14.4%	4.3x
Becton, Dickinson and Company	BDX	4.4x	4.0x	3.8x	11.1%	14.9%	4.4x
Baxter International Inc.	BAX	3.2x	2.8x	2.5x	15.8%	27.8%	3.1x
C. R. Bard, Inc.	BCR	6.3x	5.0x	5.3x	25.1%	19.6%	6.0x
ResMed Inc.	RMD	5.6x	5.4x	4.8x	4.4%	15.8%	5.2x
Teleflex Incorporated	TFX	5.6x	4.9x	4.7x	13.1%	19.1%	5.0x
Masimo Corporation	MASI	6.1x	6.3x	4.2x	(3.8%)	46.5%	5.6x
Penumbra, Inc.	PEN	9.8x	10.1x	8.2x	(3.4%)	19.0%	8.2x
Nevro Corp.	NVRO	8.1x	11.4x	19.2x	(29.1%)	(57.9%)	6.1x
Merit Medical Systems, Inc.	MMSI	3.3x	2.9x	2.0x	14.9%	64.6%	2.9x
NovoCure Limited	NVCR	13.7x	7.1x	18.9x	92.0%	(27.6%)	7.2x
Natus Medical Incorporated	BABY	3.0x	3.0x	3.1x	(1.9%)	(2.9%)	2.5x
Abaxis, Inc.	ABAX	4.7x	4.2x	4.3x	10.2%	9.3%	4.3x
AtriCure, Inc.	ATRC	5.2x	4.1x	3.4x	26.3%	52.1%	4.6x
Median		5.0x	4.5x	4.4x	9.0%	15.3%	4.6x

EV/EBITDA MULTIPLES

COMPANY	TICKER	TTM					NTM
		Trailing		% Change			
		6/30/17	3 mo	12 mo	3 mo	12 mo	
Diversified Medical Devices and Conglomerates							
Johnson & Johnson	JNJ	13.9x	12.9x	14.3x	7.5%	(2.4%)	12.8x
Roche Holding AG	ROG	10.9x	11.3x	12.3x	(4.0%)	(11.7%)	10.6x
3M Company	MMM	15.4x	14.2x	13.5x	8.6%	13.9%	14.2x
Becton, Dickinson and Company	BDX	16.9x	15.0x	14.7x	12.3%	14.7%	15.6x
Baxter International Inc.	BAX	15.4x	14.2x	15.7x	8.2%	(1.9%)	13.9x
C. R. Bard, Inc.	BCR	20.5x	16.3x	17.4x	25.9%	17.7%	18.1x
ResMed Inc.	RMD	20.4x	19.6x	17.3x	3.9%	18.0%	18.1x
Teleflex Incorporated	TFX	21.2x	18.9x	19.7x	12.5%	7.6%	17.5x
Masimo Corporation	MASI	25.3x	26.7x	21.0x	(5.5%)	20.1%	21.7x
Penumbra, Inc.	PEN	NM	NM	NM	NM	NM	NM
Nevro Corp.	NVRO	NM	NM	NM	NM	NM	NM
Merit Medical Systems, Inc.	MMSI	22.0x	18.6x	14.6x	18.6%	51.3%	18.0x
NovoCure Limited	NVCR	NM	NM	NM	NM	NM	NM
Natus Medical Incorporated	BABY	19.0x	15.9x	16.7x	19.2%	13.5%	14.5x
Abaxis, Inc.	ABAX	20.5x	18.2x	17.6x	12.4%	16.6%	21.6x
AtriCure, Inc.	ATRC	NM	NM	NM	NM	NM	NM
Median		19.7x	16.1x	16.2x	10.4%	14.3%	16.6x

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

COMPANY	TICKER	Price 6/30/17	% 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	\$ 88.75	9.6%	2.3%	\$89.72	\$69.35	\$ 120,614	\$ 140,480	\$ 29,710	\$ 9,217	\$30,933	\$10,008	\$ 2.48	\$ 4.58	30.7x	NM	NM	
Boston Scientific Corporation	BSX	27.72	13.4%	18.6%	28.51	19.67	37,960	43,318	8,582	2,205	9,000	2,557	0.25	1.25	89.0x	22.1x	2.0x	
Edwards Lifesciences Corporation	EW	118.24	26.0%	18.6%	121.75	81.12	24,807	24,737	3,150	1,009	3,414	1,095	2.61	3.53	39.3x	33.5x	2.1x	
ABIOMED, Inc.	ABMD	143.30	14.6%	31.1%	147.45	95.14	6,314	6,101	445	98	570	149	0.85	1.18	122.5x	NM	NM	
Integer Holdings Corporation	ITGR	43.25	8.1%	39.8%	44.25	18.10	1,354	3,001	1,400	270	1,426	293	0.19	2.83	95.0x	15.3x	1.2x	
Cardiovascular Systems, Inc.	CSII	32.23	11.2%	75.4%	33.11	18.00	1,054	972	199	NA	223	15	(1.72)	(0.04)	NM	NM	NM	
AngioDynamics, Inc.	ANGO	16.21	(7.8%)	12.8%	18.18	13.52	596	657	356	49	356	60	(1.21)	0.70	NM	23.0x	1.5x	
LeMaitre Vascular, Inc.	LMAT	31.22	28.7%	118.8%	33.22	13.52	587	561	93	21	103	27	0.55	0.70	52.1x	45.7x	2.7x	
Median			12.3%	24.9%											70.5x	23.0x	2.0x	

COMPANY	TICKER	EV/REVENUE MULTIPLES					
		TTM			% Change		NTM
		Trailing	3 mo	12 mo	3 mo	12 mo	
Cardiovascular Devices							
Medtronic plc	MDT	4.7x	4.5x	4.8x	5.9%	(2.4%)	4.5x
Boston Scientific Corporation	BSX	5.0x	4.7x	4.9x	7.6%	3.5%	4.8x
Edwards Lifesciences Corporation	EW	7.9x	6.6x	8.0x	19.1%	(1.7%)	7.2x
ABIOMED, Inc.	ABMD	13.7x	12.2x	13.6x	12.3%	0.6%	10.7x
Integer Holdings Corporation	ITGR	2.1x	2.1x	2.7x	1.7%	(21.8%)	2.1x
Cardiovascular Systems, Inc.	CSII	4.9x	4.4x	3.1x	10.9%	59.1%	4.4x
AngioDynamics, Inc.	ANGO	1.8x	1.9x	1.8x	(5.3%)	2.9%	1.8x
LeMaitre Vascular, Inc.	LMAT	6.0x	4.9x	3.0x	23.5%	102.0%	5.5x
Median		5.0x	4.6x	4.0x	9.3%	1.8%	4.7x

COMPANY	TICKER	EV/EBITDA MULTIPLES					
		TTM			% Change		NTM
		Trailing	3 mo	12 mo	3 mo	12 mo	
Cardiovascular Devices							
Medtronic plc	MDT	15.2x	14.4x	16.0x	5.6%	(4.7%)	14.0x
Boston Scientific Corporation	BSX	19.6x	18.0x	19.1x	9.1%	2.8%	16.9x
Edwards Lifesciences Corporation	EW	24.5x	21.8x	27.8x	12.4%	(11.7%)	22.6x
ABIOMED, Inc.	ABMD	62.3x	56.5x	64.6x	10.3%	(3.6%)	41.0x
Integer Holdings Corporation	ITGR	11.1x	11.1x	14.7x	0.1%	(24.4%)	10.3x
Cardiovascular Systems, Inc.	CSII	NM	NM	NM	NM	NM	64.9x
AngioDynamics, Inc.	ANGO	13.4x	14.5x	16.6x	(8.0%)	(19.5%)	11.0x
LeMaitre Vascular, Inc.	LMAT	26.5x	21.9x	15.2x	21.1%	74.5%	20.9x
Median		19.6x	18.0x	16.6x	9.1%	(4.7%)	18.9x

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

COMPANY	TICKER	Price 6/30/17	% 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																		
Essilor International Société Anonyme	EI	\$127.10	4.8%	(3.7%)	\$ 142.10	\$ 106.57	\$ 27,186	\$ 29,991	\$ 8,118	\$ 1,943	\$ 8,839	\$ 2,073	\$ 3.92	\$ 4.76	30.0x	26.8x	2.7x	
HOYA Corporation	7741	51.93	6.3%	46.7%	53.22	30.77	20,160	17,891	4,263	1,207	4,607	1,369	2.00	2.05	26.3x	NM	NM	
The Cooper Companies, Inc.	COO	239.42	20.8%	39.5%	248.50	158.73	11,697	12,963	2,055	636	2,196	709	5.59	9.61	35.9x	25.3x	2.2x	
Valeant Pharmaceuticals International, Inc.	VRX	17.30	56.1%	(14.1%)	32.75	8.31	6,019	33,461	9,411	3,897	8,766	3,523	(6.94)	3.59	NM	4.6x	NM	
Carl Zeiss Meditec AG	AFX	51.84	21.6%	28.1%	54.52	35.14	4,637	4,687	1,214	209	1,392	240	1.36	1.61	33.0x	31.7x	3.4x	
Topcon Corporation	7732	17.22	(4.3%)	76.5%	19.64	8.15	1,825	2,240	1,151	146	1,218	175	0.35	0.36	46.7x	NM	NM	
Glaukos Corporation	GKOS	41.47	(19.1%)	42.2%	52.49	28.26	1,422	1,323	127	9	178	15	0.12	0.26	NM	167.3x	2.3x	
IRIDEX Corporation	IRIX	9.89	(17.4%)	(33.1%)	16.64	8.61	114	90	45	(4)	50	(5)	(1.15)	(0.51)	NM	NM	NM	
Second Sight Medical Products, Inc.	EYES	1.26	(0.8%)	(64.8%)	4.55	1.06	71	47	4	(34)	8	(30)	(0.84)	(0.51)	NM	NM	NM	
Presbia PLC	LENS	2.28	(28.1%)	(49.6%)	5.50	2.09	39	25	0	(16)	NM	(7)	(1.18)	(1.04)	NM	NM	NM	
Median			2.0%	12.2%											33.0x	26.8x	2.5x	

COMPANY	TICKER
Ophthalmology Devices	
Essilor International Société Anonyme	EI
HOYA Corporation	7741
The Cooper Companies, Inc.	COO
Valeant Pharmaceuticals International, Inc.	VRX
Carl Zeiss Meditec AG	AFX
Topcon Corporation	7732
Glaukos Corporation	GKOS
IRIDEX Corporation	IRIX
Second Sight Medical Products, Inc.	EYES
Presbia PLC	LENS
Median	

EV/REVENUE MULTIPLES						
	TTM					NTM
	Trailing		% Change			
	6/30/17	3 mo	12 mo	3 mo	12 mo	
	3.7x	3.8x	4.1x	(2.0%)	(10.9%)	3.4x
	4.2x	3.8x	2.4x	10.3%	77.9%	3.9x
	6.3x	5.5x	5.3x	14.4%	20.2%	5.9x
	3.6x	3.4x	3.5x	3.4%	0.4%	3.8x
	3.6x	3.3x	2.8x	10.3%	30.5%	3.4x
	2.0x	2.1x	1.2x	(4.8%)	56.9%	1.8x
	10.4x	14.5x	10.8x	(28.4%)	(3.9%)	7.4x
	2.0x	2.4x	3.2x	(17.5%)	(37.4%)	1.8x
	12.0x	14.4x	14.3x	(16.9%)	(16.4%)	6.2x
	NM	NM	NM	NM	NM	NA
Median	3.7x	3.8x	3.5x	(2.0%)	0.4%	3.8x

EV/EBITDA MULTIPLES						
	TTM					NTM
	Trailing		% Change			
	6/30/17	3 mo	12 mo	3 mo	12 mo	
	15.4x	15.7x	17.2x	(2.0%)	(10.5%)	14.5x
	14.8x	13.6x	7.9x	8.9%	87.7%	13.1x
	20.4x	18.0x	17.0x	13.0%	19.9%	18.3x
	8.6x	8.2x	7.6x	4.5%	12.6%	9.5x
	22.4x	20.8x	20.5x	7.6%	9.5%	19.5x
	15.3x	15.1x	10.2x	1.4%	50.0%	12.8x
	NM	NM	NM	NM	NM	88.1x
	NM	NM	NM	NM	NM	NM
	NM	NM	NM	NM	NM	NM
	NM	NM	NM	NM	NM	NA
Median	15.4x	15.4x	13.6x	6.0%	16.3%	14.5x

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

COMPANY	TICKER	Price 6/30/17	% 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	\$ 138.78	5.2%	15.8%	\$ 145.62	\$106.48	\$ 51,871	\$ 55,764	\$11,785	\$ 3,231	\$12,405	\$ 3,551	\$ 4.35	\$ 6.43	31.2x	22.0x	2.3x	
Zimmer Biomet Holdings, Inc.	ZBH	128.40	5.8%	6.7%	133.21	95.63	25,891	36,365	7,757	2,808	7,922	3,113	1.51	8.54	52.6x	14.9x	1.5x	
Smith & Nephew plc	SN.	17.21	13.2%	2.2%	18.05	13.83	15,031	16,661	4,911	1,356	4,780	1,386	0.88	0.84	18.6x	19.9x	2.8x	
NuVasive, Inc.	NUVA	76.92	2.1%	28.8%	81.06	56.70	3,897	4,400	997	222	1,087	296	0.69	2.01	80.7x	37.8x	2.8x	
Globus Medical, Inc.	GMED	33.15	12.8%	39.1%	34.03	19.25	3,185	2,859	581	205	640	235	1.08	1.27	30.4x	25.2x	2.3x	
Wright Medical Group N.V.	WMGI	27.49	(11.7%)	58.3%	31.53	17.13	2,830	3,409	698	36	781	94	(1.60)	(0.31)	NM	NM	NM	
Exactech, Inc.	EXAC	29.80	15.3%	11.4%	31.90	22.20	427	431	262	43	273	47	0.01	1.30	NM	23.1x	1.9x	
Median			5.8%	15.8%											31.2x	22.5x	2.3x	

COMPANY	TICKER	EV/REVENUE MULTIPLES					
		TTM					NTM
		Trailing		% Change			
		6/30/17	3 mo	12 mo	3 mo	12 mo	
Orthopedics Devices							
Stryker Corporation	SYK	4.7x	4.6x	4.5x	1.8%	6.3%	4.5x
Zimmer Biomet Holdings, Inc.	ZBH	4.7x	4.6x	5.0x	2.4%	(7.1%)	4.6x
Smith & Nephew plc	SN.	3.4x	3.1x	3.9x	7.8%	(12.8%)	3.5x
NuVasive, Inc.	NUVA	4.4x	4.4x	4.0x	(0.3%)	10.2%	4.0x
Globus Medical, Inc.	GMED	4.9x	4.5x	3.6x	8.8%	37.4%	4.5x
Wright Medical Group N.V.	WMGI	4.9x	5.4x	4.3x	(9.6%)	14.3%	4.4x
Exactech, Inc.	EXAC	1.6x	1.4x	1.6x	15.5%	5.5%	1.6x
Median		4.7x	4.5x	4.0x	2.4%	6.3%	4.4x

COMPANY	TICKER	EV/EBITDA MULTIPLES					
		TTM					NTM
		Trailing		% Change			
		6/30/17	3 mo	12 mo	3 mo	12 mo	
Orthopedics Devices							
Stryker Corporation	SYK	17.3x	16.9x	16.5x	1.9%	4.7%	15.7x
Zimmer Biomet Holdings, Inc.	ZBH	12.9x	12.6x	13.0x	3.1%	(0.2%)	11.7x
Smith & Nephew plc	SN.	12.3x	11.4x	13.5x	7.8%	(9.3%)	12.0x
NuVasive, Inc.	NUVA	19.8x	20.4x	20.2x	(3.2%)	(2.2%)	14.9x
Globus Medical, Inc.	GMED	13.9x	12.6x	10.3x	10.1%	35.4%	12.1x
Wright Medical Group N.V.	WMGI	94.3x	NM	NM	NM	NM	36.2x
Exactech, Inc.	EXAC	10.1x	8.7x	9.4x	16.5%	7.1%	9.2x
Median		13.9x	12.6x	13.3x	5.5%	2.2%	12.1x

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

COMPANY	TICKER	Price 6/30/17	% 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	\$935.37	22.1%	41.4%	\$ 963.54	\$ 610.71	\$ 34,460	\$ 32,995	\$ 2,784	\$ 1,077	\$ 3,051	\$ 1,091	\$ 18.73	\$23.60	47.2x	40.0x	3.3x	
CONMED Corporation	CNMD	50.94	16.7%	6.7%	52.82	37.60	1,420	1,883	769	125	444	138	0.52	1.86	116.0x	27.4x	4.5x	
Mazor Robotics Ltd.	MZOR	34.58	16.3%	94.0%	23.21	9.96	830	769	43	(19)	179	(18)	(0.42)	(0.42)	NM	NM	NM	
Entellus Medical, Inc.	ENTL	16.56	20.0%	(9.4%)	22.63	11.47	363	316	77	(25)	72	(24)	(1.53)	(1.37)	NM	NM	NM	
Corindus Vascular Robotics, Inc.	CVRS	1.86	40.9%	30.1%	2.03	0.40	348	305	3	(34)	97	(35)	(0.28)	(0.22)	NM	NM	NM	
TransEnterix, Inc.	TRXC	0.71	(39.8%)	(41.8%)	2.33	0.45	105	103	3	(48)	17	(55)	(1.07)	(0.51)	NM	NM	NM	
Titan Medical Inc.	TMD	0.11	(59.1%)	(83.9%)	0.69	0.10	26	20	NA	(20)	4	NA	(0.16)	(0.17)	NM	NM	NM	
Stereotaxis, Inc.	STXS	0.58	9.2%	(40.8%)	1.46	0.47	13	13	NA	(6)	3	NA	(0.54)	0.00	NM	NM	NM	
Avinger, Inc.	AVGR	0.45	(77.0%)	(96.2%)	12.10	0.35	11	30	18	(48)	5	(29)	(3.39)	(1.74)	NM	NM	NM	
Median			16.3%	(9.4%)											81.6x	33.7x	3.9x	

COMPANY	TICKER	EV/REVENUE MULTIPLES					
		TTM					NTM
		Trailing		% Change			
		6/30/17	3 mo	12 mo	3 mo	12 mo	
Surgical Devices							
Intuitive Surgical, Inc.	ISRG	11.9x	9.5x	9.6x	25.2%	23.5%	10.8x
CONMED Corporation	CNMD	2.4x	2.2x	2.5x	9.5%	(3.1%)	4.2x
Mazor Robotics Ltd.	MZOR	17.7x	16.9x	13.4x	4.8%	32.2%	4.3x
Entellus Medical, Inc.	ENTL	4.1x	3.9x	4.6x	5.7%	(12.1%)	4.4x
Corindus Vascular Robotics, Inc.	CVRS	NM	53.0x	46.8x	NM	NM	3.1x
TransEnterix, Inc.	TRXC	29.8x	90.4x	NM	(67.0%)	NM	6.0x
Titan Medical Inc.	TMD	NM	NM	NM	NM	NM	5.2x
Stereotaxis, Inc.	STXS	0.4x	0.3x	1.0x	37.1%	(57.4%)	5.0x
Avinger, Inc.	AVGR	1.6x	2.6x	11.7x	(38.2%)	(86.1%)	5.6x
Median		4.1x	6.7x	9.6x	5.7%	(7.6%)	5.0x

COMPANY	TICKER	EV/EBITDA MULTIPLES					
		TTM					NTM
		Trailing		% Change			
		6/30/17	3 mo	12 mo	3 mo	12 mo	
Surgical Devices							
Intuitive Surgical, Inc.	ISRG	30.6x	24.5x	26.4x	25.2%	16.1%	30.2x
CONMED Corporation	CNMD	15.1x	13.5x	15.4x	12.0%	(1.9%)	13.7x
Mazor Robotics Ltd.	MZOR	NM	NM	NM	NM	NM	NM
Entellus Medical, Inc.	ENTL	NM	NM	NM	NM	NM	NM
Corindus Vascular Robotics, Inc.	CVRS	NM	NM	NM	NM	NM	NM
TransEnterix, Inc.	TRXC	NM	NM	NM	NM	NM	NM
Titan Medical Inc.	TMD	NM	NM	NM	NM	NM	NM
Stereotaxis, Inc.	STXS	NM	NM	NM	NM	NM	NM
Avinger, Inc.	AVGR	NM	NM	NM	NM	NM	NM
Median		22.9x	19.0x	20.9x	18.6%	7.1%	22.0x

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

COMPANY	TICKER	Price 6/30/17	% 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	\$ 84.39	(1.6%)	(16.4%)	\$ 102.79	\$ 75.71	\$ 58,577	\$ 69,729	\$ 17,164	\$ 4,164	\$ 18,137	\$ 4,289	\$ 3.08	\$ 3.93	28.8x	21.2x	1.8x	
Grifols, S.A.	GRFS	21.13	11.0%	26.8%	22.83	14.27	17,273	23,832	4,738	1,309	5,048	1,583	0.84	1.18	0.0x	NM	NM	
Hologic, Inc.	HOLX	45.38	6.3%	31.2%	46.80	33.67	12,707	14,872	2,894	1,012	3,275	1,063	1.16	2.01	16.3x	22.5x	2.1x	
Systemex Corporation	6869	59.73	(2.5%)	(12.2%)	68.54	53.50	12,437	11,935	2,225	559	2,450	643	1.55	1.86	34.5x	NM	NM	
bioMérieux S.A.	BIM	216.20	29.1%	59.4%	229.09	134.40	8,507	8,823	2,400	499	2,647	561	4.79	6.21	41.7x	34.8x	2.4x	
QIAGEN N.V.	QGEN	33.53	15.4%	48.0%	35.26	22.20	7,633	8,432	1,347	412	1,419	469	0.35	1.24	93.1x	26.8x	2.0x	
Bio-Rad Laboratories, Inc.	BIO	226.31	13.6%	58.2%	230.40	140.53	6,693	6,454	2,097	272	2,153	324	0.95	3.07	240.1x	74.7x	4.8x	
Alere Inc.	ALR	50.19	26.3%	20.4%	50.32	31.47	4,385	7,339	2,378	369	2,418	526	(1.83)	1.71	NM	29.4x	2.9x	
DiaSorin S.p.A.	DIA	76.73	12.4%	25.6%	83.06	57.02	4,201	4,071	687	261	746	286	2.15	2.79	30.5x	27.3x	2.7x	
Opko Health, Inc.	OPK	6.58	(17.4%)	(29.6%)	12.15	5.99	3,681	3,653	1,227	43	1,327	(19)	(0.05)	(0.20)	NM	NM	NM	
Neogen Corporation	NEOG	69.11	6.6%	22.9%	69.59	50.53	2,634	2,510	353	76	395	88	0.97	1.14	64.0x	60.0x	3.6x	
Abaxis, Inc.	ABAX	53.02	9.7%	12.3%	55.95	44.12	1,201	1,059	227	52	244	49	1.36	1.29	36.8x	NM	NM	
Median			10.4%	24.2%											35.6x	28.3x	2.5x	

EV/REVENUE MULTIPLES

COMPANY	TICKER	TTM		% Change		NTM	
		Trailing		3 mo	12 mo		
		6/30/17	3 mo	12 mo	3 mo		12 mo
Diagnostics							
Danaher Corporation	DHR	4.1x	4.2x	3.8x	(3.0%)	6.1%	3.8x
Grifols, S.A.	GRFS	5.0x	4.5x	4.0x	11.1%	24.7%	4.7x
Hologic, Inc.	HOLX	5.1x	5.1x	4.6x	1.4%	11.4%	4.5x
Systemex Corporation	6869	5.4x	5.5x	5.5x	(1.9%)	(2.8%)	4.9x
bioMérieux S.A.	BIM	3.7x	3.1x	2.6x	18.6%	43.0%	3.3x
QIAGEN N.V.	QGEN	6.3x	5.3x	4.5x	18.3%	40.3%	5.9x
Bio-Rad Laboratories, Inc.	BIO	3.1x	2.7x	1.9x	15.9%	59.9%	3.0x
Alere Inc.	ALR	3.1x	2.7x	2.9x	14.0%	5.0%	3.0x
DiaSorin S.p.A.	DIA	5.9x	6.0x	5.4x	(0.6%)	9.6%	5.5x
Opko Health, Inc.	OPK	3.0x	3.6x	6.8x	(17.4%)	(55.9%)	2.8x
Neogen Corporation	NEOG	7.1x	6.7x	6.4x	5.7%	11.0%	6.4x
Abaxis, Inc.	ABAX	4.7x	4.2x	4.3x	10.2%	9.3%	4.3x
Median		4.8x	4.4x	4.4x	7.9%	10.3%	4.4x

COMPANY	TICKER	TTM		% Change		NTM	
		Trailing		3 mo	12 mo		
		6/30/17	3 mo	12 mo	3 mo		12 mo
Diagnostics							
Danaher Corporation	DHR	16.7x	17.2x	16.6x	(2.5%)	1.1%	16.3x
Grifols, S.A.	GRFS	18.2x	16.2x	14.1x	12.1%	29.0%	15.1x
Hologic, Inc.	HOLX	14.7x	13.9x	12.7x	5.4%	15.5%	14.0x
Systemex Corporation	6869	21.3x	20.1x	19.8x	6.0%	7.9%	18.6x
bioMérieux S.A.	BIM	17.7x	14.9x	13.2x	18.6%	34.4%	15.7x
QIAGEN N.V.	QGEN	20.5x	17.9x	16.3x	14.4%	25.8%	18.0x
Bio-Rad Laboratories, Inc.	BIO	23.7x	20.3x	13.5x	16.9%	75.3%	19.9x
Alere Inc.	ALR	19.9x	18.1x	13.0x	9.7%	53.3%	14.0x
DiaSorin S.p.A.	DIA	15.6x	16.2x	14.3x	(4.0%)	9.4%	14.2x
Opko Health, Inc.	OPK	NM	74.1x	NM	NM	NM	NM
Neogen Corporation	NEOG	33.0x	31.3x	29.6x	5.7%	11.5%	28.6x
Abaxis, Inc.	ABAX	20.5x	18.2x	17.6x	12.4%	16.6%	21.6x
Median		19.9x	18.0x	14.3x	9.7%	16.6%	16.3x

EV/EBITDA MULTIPLES

COMPANY	TICKER	TTM		% Change		NTM	
		Trailing		3 mo	12 mo		
		6/30/17	3 mo	12 mo	3 mo		12 mo
Diagnostics							
Danaher Corporation	DHR	16.7x	17.2x	16.6x	(2.5%)	1.1%	16.3x
Grifols, S.A.	GRFS	18.2x	16.2x	14.1x	12.1%	29.0%	15.1x
Hologic, Inc.	HOLX	14.7x	13.9x	12.7x	5.4%	15.5%	14.0x
Systemex Corporation	6869	21.3x	20.1x	19.8x	6.0%	7.9%	18.6x
bioMérieux S.A.	BIM	17.7x	14.9x	13.2x	18.6%	34.4%	15.7x
QIAGEN N.V.	QGEN	20.5x	17.9x	16.3x	14.4%	25.8%	18.0x
Bio-Rad Laboratories, Inc.	BIO	23.7x	20.3x	13.5x	16.9%	75.3%	19.9x
Alere Inc.	ALR	19.9x	18.1x	13.0x	9.7%	53.3%	14.0x
DiaSorin S.p.A.	DIA	15.6x	16.2x	14.3x	(4.0%)	9.4%	14.2x
Opko Health, Inc.	OPK	NM	74.1x	NM	NM	NM	NM
Neogen Corporation	NEOG	33.0x	31.3x	29.6x	5.7%	11.5%	28.6x
Abaxis, Inc.	ABAX	20.5x	18.2x	17.6x	12.4%	16.6%	21.6x
Median		19.9x	18.0x	14.3x	9.7%	16.6%	16.3x

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 Q2 2017 (with Deal Value Disclosed)										
Becton, Dickinson and Company	C. R. Bard, Inc.	4/23/2017	United States	United States	\$ 24,821,594	\$ 3,779,300	\$ 1,162,200	6.6x	21.4x	
Pamplona Capital Management LLP	PAREXEL International Corporation	6/20/2017	United Kingdom	United States	5,007,383	2,097,000	342,800	2.4x	14.6x	
INC Research Holdings, Inc.	inVentiv Health Inc.	5/10/2017	United States	United States	4,195,830	2,156,242	305,974	1.9x	13.7x	
Bain Capital Private Equity, LP	Surgery Partners, Inc.	5/10/2017	United States	United States	2,787,137	1,138,533	250,889	2.4x	11.1x	
Philips Holding USA Inc.	The Spectranetics Corporation	6/28/2017	United States	United States	2,073,360	277,619	(16,308)	7.5x	NM	
GTCR, The Carlyle Group; others	Albany Molecular Research, Inc.	6/6/2017	Multiple	United States	1,584,332	628,693	71,803	2.5x	22.1x	
PerkinElmer, Inc.	EUROIMMUN Medizinische Labordiagnostika AG	6/19/2017	United States	Germany	1,339,884	NA	NA	NA	NA	
Owens & Minor, Inc.	Byram Healthcare Centers, Inc.	5/2/2017	United States	United States	380,000	NA	NA	NA	NA	
Apax Partners (Israel) Ltd	Syneron Medical Ltd.	4/3/2017	Israel	Israel	344,190	296,286	13,404	1.2x	25.7x	
BioTelemetry, Inc.	LifeWatch AG	4/9/2017	United States	Switzerland	259,673	113,832	11,306	2.3x	23.0x	
Lough Ree Technologies Limited	Innocoll Holdings plc	4/4/2017	Ireland	Ireland	232,126	4,019	(50,399)	57.8x	NM	
Double 2 S.p.A.	TBS Group S.p.A.	5/12/2017	Italy	Italy	199,818	221,792	21,800	0.9x	9.2x	
Cathay Fortune International Company	Epigenomics AG	4/26/2017	Hong Kong	Germany	174,266	4,554	(11,313)	38.3x	NM	
Shanghai Runda Medical Technology	ReLIA Biotechnologies (Shenzhen), Inc.	5/8/2017	China	China	173,275	20,383	NA	8.5x	NA	
Eurazeo	In'Tech Medical S.A.S.	6/7/2017	France	France	109,736	61,902	NA	1.8x	NA	
GNI USA, Inc.	Berkeley Advanced Biomaterials, Inc.	4/18/2017	United States	United States	85,286	NA	NA	NA	NA	
Philips Holding USA Inc.	Electrical Geodesics, Inc.	6/22/2017	United States	United States	37,398	16,253	(1,592)	2.3x	NM	
Median					344,190	249,705	17,602	2.4x	18.0x	

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

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
- Special Situations M&A
- 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.

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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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