

VALUE FOCUS

Medical Device Industry



First Quarter 2016

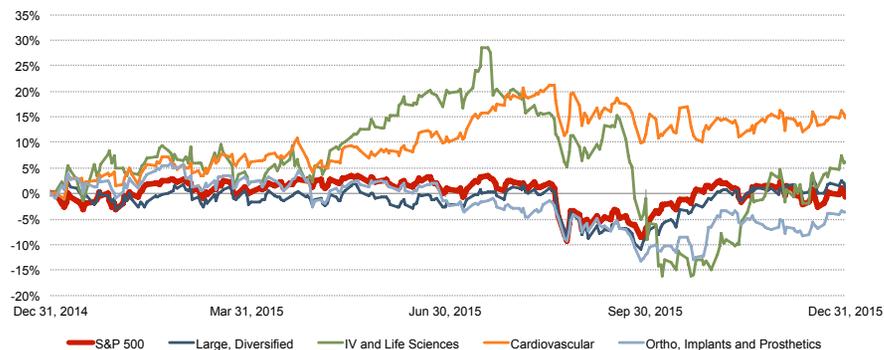
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Stock Market Performance

Total investor returns across major medical device sectors, excluding orthopedic, implants and prosthetics, exceeded S&P 500 performance over 2015. Overall, in-vitro diagnostic (IVD) and cardiovascular companies saw the largest YOY returns. With the exception of the orthopedic, implants and prosthetics group, multiples expanded across all sectors compared to 3Q15.

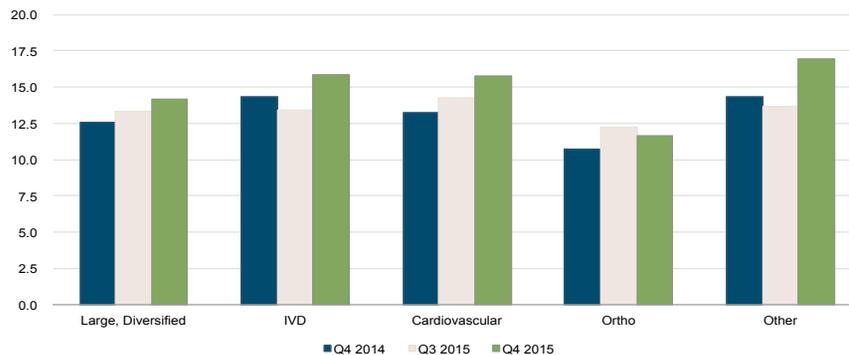
- » IVD companies followed a disappointing 3Q15 with a strong fourth quarter, gaining 16.6% over the period. YOY, the sector gained 6.1% compared to a 0.7% decline for the S&P 500. Significant movers for the quarter included Illumina (22.1%) and Bruker (48.8%).
- » Cardiovascular companies returned a collective 14.7% over the year to 4Q15, but only 1.4% over the quarter. Significant stock movers YOY within the group included Abiomed (137.2%), Edward Lifesciences Corporation (24.0%), and Vascular Solutions (26.6%).
- » The orthopedic, implants and prosthetics sector saw sharp declines in late 3Q15 and early 4Q15, but recovered through year-end. Overall, the sector declined 3.7% YOY, while returning 9.3% gains in the fourth quarter. Zimmer Biomet Holdings saw a 9.5% decline YOY. At its low, Zimmer was off nearly 25% from its 2015 highs, although it recovered 9.2% in the fourth quarter. Wright Medical also had a strong 4Q15, increasing 17.0% over the period.
- » The larger diversified companies generally moved in step with the broader market, seeing a slightly more favorable 1.0% increase YOY compared to the small decline observed in the S&P 500. Johnson & Johnson saw its stock fall 2.9% over the year, while gaining 10.3% in the fourth quarter.

Total Shareholder Returns



Represents market capitalization weighted index for each group. Source: Bloomberg, Mercer Capital analysis

EV/EBITDA Multiples



Median EBITDA multiples from each MCM group. Data source: Bloomberg

Venture Capital Funding & Exit Activity

Venture Capital funding in the medical device industry for 4Q15 totaled \$589.3 million, a nearly 30% decline from 3Q15 and 22% decrease YOY. Deal volume was flat from the prior quarter (77 in 4Q15 vs. 78 in 3Q15), while declining 16.3% from 4Q14 (92). This decline followed the decline in total investment activity over the same period.¹

- » VC investments in medical device companies accounted for 5.2% of all VC investments during 4Q15, up from 5.0% in 3Q15 and 4.8% during 4Q14. While higher than the previous quarters, this still is 2.0% below the five-year average (7.2%).
- » Total VC funding for 4Q15 was \$11.3 billion, down 27.6% compared to 4Q14. Life Science investment funding (including biotechnology and medical devices) totaled a record high \$2.0 billion in 4Q15, down 26.9% from 4Q14.
- » Average deal size for medical device deals was \$7.7 million, down from \$10.7 million in 4Q15 and \$8.2 million in 4Q14.

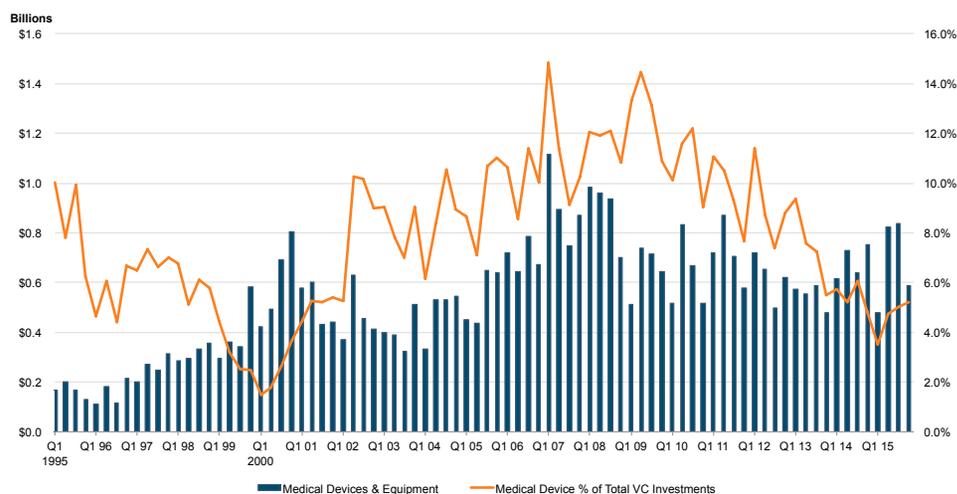
¹ Data compiled in the MoneyTree™ report, Online, Available, <https://www.pwcmoneytree.com>, Accessed March 2016.

Venture Capital Funding & Exit Activity (continued)

Exit activity for venture-backed companies was down in 4Q15 compared to 3Q15.

- » During 4Q15, seven IPOs of venture-backed life science companies (biotechnology and medical device / healthcare) raised \$681.0 million, compared to \$1.3 billion raised in 3Q15.²
- » Eight venture-backed life science companies entered into strategic M&A transactions during 4Q15. Aggregate transaction value for the ten deals with disclosed values totaled \$922.4 million, a sharp decline from the previous quarter (\$1.6 billion).³

Venture Capital Investments in Medical Devices



Data Source: MoneyTree Report; PwC/NVCA, Thomson Reuters, Mercer Capital analysis

² "Seventy-Seven Venture -Backed Companies Went Public in 2015," Online, Available, <http://nvca.org/pressreleases/seventy-seven-venture-backed-companies-went-public-in-2015/>, Accessed March 19, 2016.

³ Ibid.

Select Venture Funding Deals

Company	Recent Financing		Founded	Notes
	Amount (\$M)	Round		
Endogastric Solutions Inc	\$50	Later Stage	2002	Develops orifice surgical products to treat gastrointestinal diseases
Nxthera Inc	\$40	Expansion	2008	Develops a medical device for men's healthcare
Axonics Modulation Technologies Inc	\$39	Early Stage	2012	Develops implantable neuromodulation technology
Fractyl Laboratories Inc	\$37	Expansion	2011	Develops medical device-based therapies for the treatment of chronic diseases
BAROnova Inc	\$37	Later Stage	2006	Clinical-stage medical device company focused on developing non-surgical, non-pharmacologic devices to induce weight loss
Liris Biomedical Inc	\$32	Early Stage	NA	Develops therapeutics for the treatment of bladder diseases
NinePoint Medical Inc	\$31	Expansion	NA	Develops medical devices that enable in-vivo imaging
Cohera Medical Inc	\$30	Later Stage	NA	Develops surgical adhesives and sealants for application and procedures in surgery
Eargo Inc	\$25	Expansion	2013	Offers Eargo, a hearing aid product
Conventus Orthopaedics Inc	\$23	Expansion	2009	Provider of a range of orthopedic and sports medicine services
Cardionomic Inc	\$22	Early Stage	NA	Engages in the treatment of acute decompensated heart failure
GLYSENS INC	\$20	Early Stage	1998	Developing fully-implanted continuous glucose monitoring system
Crinetics Pharmaceuticals Inc	\$18	Early Stage	2008	Develops drugs to treat specialty endocrine disorders
Avedro Inc	\$17	Later Stage	2007	Developing science and technology relating to corneal cross-linking
Vapotherm Inc	\$15	Later Stage	1999	Develops and manufactures respiratory devices
BionX Medical Technologies Inc	\$11	Later Stage	2007	Developing the PowerFoot One, an ankle-foot device providing active amputees with near-normal gait
Neural Analytics Inc	\$10	NA	2013	Addressing the traumatic brain injuries through data science
Portal Instruments Inc	\$10	Early Stage	2012	Developing technology platform to transform the delivery of medicines
VITTAMED Corp	\$10	Early Stage	2006	Developing ultrasound-based, non-invasive neuro diagnostic equipment

Data Source: MoneyTree Report, PwC/NVCA, Thomson Reuters; and, CrunchBase [<http://www.crunchbase.com/>] at TechCrunch.com. Medical Devices and Equipment funding rounds over \$10 million during 4Q15.

Medical Devices Select Transactions Summary

(\$Millions)

Acquirer	Target	Announce Date	Implied EV	Implied Enterprise Value			Sector
				EBIT	EBITDA	Revenue	
Shire Pharmaceuticals International	Dyax Corp.	11/2/2015	6,230.9	NM	NM	63.9x	Biotechnology
Astellas US Holding, Inc.	Ocata Therapeutics, Inc.	11/10/2015	339.6	NM	NM	NM	Biotechnology
Smith & Nephew plc	Blue Belt Technologies, Inc.	10/29/2015	275.0	NA	NA	NA	Healthcare Equipment
Sinocare Inc.	Nipro Diagnostics, Inc. (nka:Trividia Health, Inc.)	10/27/2015	272.5	NA	NA	NA	Healthcare Equipment
Prestige Brands Holdings, Inc.	DenTek Oral Care, Inc.	11/21/2015	225.0	NA	NA	3.8x	Healthcare Supplies
Endologix Inc.	TriVascular Technologies, Inc.	10/26/2015	201.5	NM	NM	5.6x	Healthcare Equipment
Ligand Pharmaceuticals Incorporated	Open Monoclonal Technology, Inc.	12/17/2015	178.0	NA	NA	NA	Biotechnology
Valiant Co., Ltd.	MP Biomedicals, LLC	10/19/2015	142.3	18.2x	NA	2.3x	Life Sciences Tools and Services
Novartis International AG	Admune Therapeutics LLC	10/16/2015	140.0	NA	NA	NA	Biotechnology
AtriCure, Inc.	nContact, Inc.	10/4/2015	132.2	NA	NA	NA	Healthcare Equipment

Only deals with available deal size information shown. | Data Source: Bloomberg and Capital IQ

Medical Devices Select Transactions Summary *(continued)*

(\$Millions)

Acquirer	Target	Announce Date	Implied EV	Implied Enterprise Value			Sector
				EBIT	EBITDA	Revenue	
Ervington Investments Limited	Neothetics, Inc.	12/4/2015	131.7	NM	NM	NA	Biotechnology
CryoLife Inc.	On-X Life Technologies Inc.	12/22/2015	128.5	NA	NA	3.9x	Healthcare Equipment
Brooks Automation, Inc.	BioStorage Technologies, Inc.	11/4/2015	127.0	NA	NA	3.2x	Life Sciences Tools and Services
Medtronic plc	Aircraft Medical Limited	11/18/2015	110.0	NA	NA	NA	Healthcare Equipment
CFS 915 LLC	Cardiac Science Corporation	10/19/2015	82.7	NA	NA	NA	Healthcare Equipment
SciVac Therapeutics Inc.	VBI Vaccines Inc	10/26/2015	80.1	NM	NM	206.1x	Biotechnology
ICU Medical, Inc.	Excelsior Medical Corporation	10/5/2015	59.5	NA	NA	NA	Healthcare Supplies
ALPHAION Corporation	LENSAR, Inc.	11/15/2015	59.0	NA	NA	NA	Healthcare Equipment
Abcam Plc	AxioMx Inc.	11/11/2015	45.0	NA	NA	NA	Biotechnology
Agenus Inc.	PhosImmune Inc.	12/23/2015	44.9	NA	NA	NA	Biotechnology

Only deals with available deal size information shown. | Data Source: Bloomberg and Capital IQ

Select Operating Metrics

Segment	Gross Margin		EBITDA Margin		Operating Margin		R&D / Revenue	
	Q4 2015	Q3 2015	Q4 2015	Q3 2015	Q4 2015	Q3 2015	Q4 2015	Q3 2015
Large, Diversified	66.0%	66.0%	26.8%	26.9%	14.1%	14.0%	7.6%	7.7%
IVD & Life Sciences	58.3%	57.6%	14.8%	15.3%	8.6%	6.9%	9.6%	10.3%
Cardiovascular	66.8%	66.6%	17.2%	18.7%	6.9%	8.1%	12.2%	11.8%
Ortho, Implants & Prosthetics	70.0%	72.9%	16.7%	17.6%	7.8%	7.6%	6.7%	6.4%
Other	52.6%	53.4%	4.6%	4.0%	1.4%	1.7%	7.8%	7.8%
All Companies	58.3%	58.9%	15.6%	16.5%	8.5%	7.7%	7.8%	7.7%

Segment	Historical Rev Growth		LT Fwd Op Earn Grwth		Debt / EV		Debt / EBITDA	
	Quarterly	Annual	Q4 2015	Q3 2015	Q4 2015	Q3 2015	Q4 2015	Q3 2015
Large, Diversified	1.0%	1.6%	10.5%	10.7%	18.8%	21.3%	2.6	2.6
IVD & Life Sciences	0.8%	4.5%	13.1%	14.5%	5.9%	8.5%	1.4	1.5
Cardiovascular	1.8%	5.3%	17.4%	15.1%	7.3%	7.2%	0.8	0.6
Ortho, Implants & Prosthetics	1.9%	5.0%	13.8%	14.0%	19.8%	16.3%	1.9	2.1
Other	1.8%	6.1%	15.0%	16.0%	2.0%	3.2%	0.2	0.2
All Companies	1.5%	5.2%	14.1%	15.0%	7.1%	8.1%	0.9	0.9

Median measures for each group. | Data Source: Bloomberg

Public Medical Device Companies

	Price			Δ Stock Price		EV	TTM Rev	TTM EBITDA	FWD EBITDA		EV / Sales	EV / EBITDA	EV / FWD EBITDA	
	Q4 2015	Q3 2015	Q4 2014	Qtrly	Annual				Q4 2015	Q4 2015			Q4 2015	FY 2016
Large, Diversified														
Abbott Laboratories	\$44.91	\$39.50	\$45.69	13.7%	-1.7%	\$69,869.1	\$20,405.0	\$4,840.0	\$5,148.9	\$5,612.5	3.42	14.4	13.6	12.4
Baxter	\$38.15	\$32.69	\$40.21	16.7%	-5.1%	\$20,027.7	\$12,747.0	\$2,532.0	\$1,731.1	\$1,934.9	1.57	7.9	11.6	10.4
Becton, Dickinson and Company	\$154.09	\$130.89	\$139.93	17.7%	10.1%	\$43,908.7	\$11,216.0	\$3,100.0	\$3,499.7	\$3,769.8	3.91	14.2	12.5	11.6
Boston Scientific Corporation	\$18.44	\$16.00	\$13.37	15.3%	37.9%	\$30,163.4	\$7,477.0	\$1,945.0	\$2,239.3	\$2,464.1	4.03	15.5	13.5	12.2
Medtronic, Inc.	\$76.92	\$66.37	\$73.07	15.9%	5.3%	\$126,709.5	\$28,570.0	\$7,978.0	\$9,098.9	\$10,272.0	4.44	15.9	13.9	12.3
Johnson & Johnson	\$102.72	\$93.04	\$105.36	10.4%	-2.5%	\$265,705.5	\$70,074.0	\$23,046.0	\$25,079.5	\$26,463.1	3.79	11.5	10.6	10.0
Stryker Corporation	\$92.94	\$93.23	\$95.56	-0.3%	-2.7%	\$34,844.0	\$9,946.0	\$2,668.0	\$2,961.5	\$3,329.7	3.50	13.1	11.8	10.5
IVD & Life Sciences														
Affymetrix, Inc.	\$10.09	\$8.50	\$9.99	18.7%	1.0%	\$792.2	\$359.8	\$49.4	\$70.8	\$76.7	2.20	16.0	11.2	10.3
Bio-Rad Laboratories, Inc.	\$138.66	\$133.19	\$121.96	4.1%	13.7%	\$3,002.1	\$2,019.4	\$304.7	\$281.5	\$306.5	1.49	9.9	10.7	9.8
Bruker Corporation	\$24.27	\$16.46	\$19.92	47.4%	21.8%	\$3,873.4	\$1,623.8	\$247.7	\$289.9	\$314.4	2.39	15.6	13.4	12.3
Enzo Biochem, Inc.	\$4.50	\$3.12	\$4.50	44.2%	0.0%	\$173.3	\$99.4	(\$6.5)	(\$6.3)	(\$5.0)	1.74	nm	nm	nm
GenMark Diagnostics, Inc.	\$7.76	\$7.51	\$13.60	3.3%	-42.9%	\$293.8	\$39.4	(\$38.1)	(\$49.0)	(\$42.1)	7.45	nm	nm	nm
Haemonetics Corporation	\$32.24	\$33.50	\$38.58	-3.8%	-16.4%	\$1,957.3	\$893.0	\$194.2	\$206.8	\$215.6	2.19	10.1	9.5	9.1
Hologic, Inc.	\$38.69	\$37.86	\$26.92	2.2%	43.7%	\$13,927.7	\$2,747.4	\$993.4	\$1,055.0	\$1,126.7	5.07	14.0	13.2	12.4
Illumina, Inc.	\$191.95	\$169.82	\$186.29	13.0%	3.0%	\$27,803.5	\$2,219.8	\$750.5	\$811.2	\$966.7	12.53	37.0	34.3	28.8
Luminex Corporation	\$21.39	\$16.75	\$18.78	27.7%	13.9%	\$780.6	\$237.7	\$52.3	\$59.3	\$64.1	3.28	14.9	13.2	12.2
OraSure Technology	\$6.44	\$4.69	\$10.17	37.3%	-36.7%	\$262.4	\$119.7	\$13.8	\$15.5	\$21.6	2.19	19.1	16.9	12.1
Quidel Corporation	\$21.20	\$18.82	\$28.40	12.6%	-25.4%	\$667.2	\$195.4	\$28.5	\$36.8	\$51.0	3.41	23.4	18.1	13.1
TECHNE Corporation	\$90.00	\$90.83	\$93.40	-0.9%	-3.6%	\$3,399.8	\$465.1	\$186.2	\$197.7	\$211.7	7.31	18.3	17.2	16.1
Trinity Biotech	\$11.76	\$11.43	\$16.80	2.9%	-30.0%	\$267.2	\$100.2	\$0.0	\$21.5	\$24.4	2.67	nm	12.4	11.0
Vermillion, Inc.	\$1.80	\$2.00	\$1.93	-10.0%	-6.7%	\$69.6	\$3.4	(\$13.9)	nm	nm	20.57	nm	nm	nm

(\$Millions, except per share figures)

Data Source: Bloomberg

Public Medical Device Companies (continued)

	Price			Δ Stock Price		EV	TTM Rev	TTM EBITDA	FWD EBITDA		EV / Sales	EV / EBITDA	EV / FWD EBITDA	
	Q4 2015	Q3 2015	Q4 2014	Qtrly	Annual				Q4 2015	Q4 2015			Q4 2015	FY 2016
Cardiovascular														
ABIOMED, Inc.	\$90.28	\$89.03	\$38.36	1.4%	135.3%	\$3,633.2	\$303.1	\$60.4	\$63.7	\$101.0	11.99	60.1	57.0	36.0
CR Bard Inc.	\$189.44	\$185.40	\$168.66	2.2%	12.3%	\$14,444.5	\$3,416.0	\$1,072.1	\$1,150.6	\$1,233.3	4.23	13.5	12.6	11.7
CardioNet Inc.	\$11.68	\$11.52	\$9.94	1.4%	17.5%	\$326.9	\$178.5	\$28.1	\$40.2	\$47.2	1.83	11.6	8.1	6.9
Cardiovascular Systems, Inc.	\$15.12	\$15.07	\$29.14	0.3%	-48.1%	\$424.2	\$180.7	(\$44.1)	(\$39.1)	(\$29.5)	2.35	nm	nm	nm
CryoLife, Inc.	\$10.78	\$9.83	\$11.43	9.7%	-5.7%	\$269.2	\$145.9	\$18.1	\$22.6	\$25.3	1.84	14.9	11.9	10.6
Edwards Lifesciences Corporation	\$78.98	\$68.90	\$64.64	14.6%	22.2%	\$16,412.0	\$2,493.7	\$708.5	\$833.9	\$956.8	6.58	23.2	19.7	17.2
Greatbatch, Inc.	\$52.50	\$55.31	\$49.63	-5.1%	5.8%	\$3,235.8	\$800.4	\$137.8	\$319.7	\$323.7	4.04	23.5	10.1	10.0
HeartWare International, Inc.	\$50.40	\$50.51	\$71.61	-0.2%	-29.6%	\$820.2	\$276.8	(\$24.2)	(\$22.9)	(\$13.5)	2.96	nm	nm	nm
LeMaitre Vascular, Inc.	\$17.25	\$12.32	\$7.42	40.0%	132.5%	\$285.1	\$78.4	\$14.5	nm	nm	3.64	19.6	nm	nm
Merit Medical Systems, Inc.	\$18.59	\$23.98	\$17.53	-22.5%	6.0%	\$1,025.1	\$542.1	\$82.3	\$95.0	\$105.7	1.89	12.5	10.8	9.7
St. Jude Medical, Inc.	\$61.77	\$62.94	\$66.20	-1.9%	-6.7%	\$23,184.9	\$5,541.0	\$1,662.0	\$1,762.1	\$1,904.3	4.18	14.0	13.2	12.2
The Spectranetics Corporation	\$15.06	\$11.55	\$34.49	30.4%	-56.3%	\$865.4	\$246.0	(\$14.4)	(\$11.0)	\$0.5	3.52	nm	nm	nm
Vascular Solutions, Inc.	\$34.39	\$31.85	\$27.35	8.0%	25.7%	\$555.0	\$147.2	\$33.4	\$32.7	\$39.0	3.77	16.6	17.0	14.2

(\$Millions, except per share figures)

Data Source: Bloomberg

Public Medical Device Companies (continued)

	Price			Δ Stock Price		EV	TTM Rev	TTM EBITDA	FWD EBITDA		EV / Sales	EV / EBITDA	EV / FWD EBITDA	
	Q4 2015	Q3 2015	Q4 2014	Qtrly	Annual	Q4 2015	Q4 2015	Q4 2015	FY 2016	FY 2017	Q4 2015	Q4 2015	2016	2017
Ortho, Implants and Prosthetics														
Alphatech Holdings	\$0.30	\$0.32	\$1.33	-6.2%	-77.4%	\$122.8	\$185.3	\$13.2	\$22.8	NM	0.66	9.3	5.4	nm
Exactech, Inc.	\$18.15	\$17.77	\$23.44	2.1%	-22.6%	\$258.8	\$241.8	\$40.4	\$44.1	\$47.4	1.07	6.4	5.9	5.5
Globus Medical, Inc.	\$27.82	\$20.98	\$24.08	32.6%	15.5%	\$1,655.1	\$544.8	\$188.4	\$207.8	\$227.6	3.04	8.8	8.0	7.3
Intergra LifeSciences Holdings	\$67.78	\$59.47	\$54.38	14.0%	24.6%	\$3,173.5	\$945.3	\$194.1	\$233.3	\$257.5	3.36	16.4	13.6	12.3
NuVasive, Inc.	\$54.11	\$46.69	\$48.10	15.9%	12.5%	\$2,562.7	\$811.1	\$182.8	\$227.1	\$262.4	3.16	14.0	11.3	9.8
Orthofix International N.V.	\$39.21	\$32.68	\$30.64	20.0%	28.0%	\$677.0	\$396.5	\$44.6	\$69.8	\$84.8	1.71	15.2	9.7	8.0
RTI Surgical Inc.	\$3.97	\$5.47	\$5.24	-27.4%	-24.2%	\$352.8	\$282.3	\$43.8	\$39.3	\$42.5	1.25	8.1	9.0	8.3
Wright Medical Group, Inc.	\$24.18	\$20.34	\$25.70	18.9%	-5.9%	\$2,922.0	\$423.2	(\$2.6)	\$26.2	\$61.5	6.90	nm	111.7	47.5
Zimmer Holdings, Inc.	\$102.59	\$93.79	\$114.57	9.4%	-10.5%	\$30,837.9	\$5,997.8	\$2,089.2	\$3,030.0	\$3,212.6	5.14	14.8	10.2	9.6

(\$Millions, except per share figures)

Data Source: Bloomberg

Public Medical Device Companies (continued)

	Price			Δ Stock Price		EV Q4 2015	TTM Rev Q4 2015	TTM EBITDA Q4 2015	FWD EBITDA		EV / Sales Q4 2015	EV / EBITDA Q4 2015	EV / FWD EBITDA	
	Q4 2015	Q3 2015	Q4 2014	Qtrly	Annual				FY 2016	FY 2017			2016	2017
Cosmetics														
Cutera, Inc.	\$12.79	\$13.07	\$9.96	-2.1%	28.4%	\$117.0	\$94.8	(\$2.8)	\$5.2	\$4.6	1.23	nm	22.4	25.4
Cynosure, Inc.	\$44.67	\$30.05	\$27.87	48.7%	60.3%	\$850.5	\$339.5	\$53.3	\$60.0	\$79.9	2.51	16.0	14.2	10.7
PhotoMedex, Inc.	\$0.45	\$0.48	\$1.57	-7.0%	-71.3%	\$6.7	\$104.9	(\$8.2)	nm	nm	0.06	nm	nm	nm
Dental														
Align Technology, Inc.	\$65.85	\$55.91	\$56.36	17.8%	16.8%	\$4,555.8	\$845.5	\$206.6	\$249.0	\$310.0	5.39	22.0	18.3	14.7
DENTSPLY International	\$60.85	\$50.52	\$53.34	20.4%	14.1%	\$9,389.6	\$2,674.3	\$592.2	\$1,024.5	\$1,195.3	3.51	15.9	9.2	7.9
Sirona Dental Systems, Inc.	\$109.57	\$94.03	\$88.68	16.5%	23.6%	\$5,702.3	\$1,172.5	\$337.1	\$375.8	\$409.3	4.86	16.9	15.2	13.9
Obesity Treatment														
EnteroMedics Inc.	\$0.13	\$0.24	\$1.38	-46.0%	-90.6%	(\$11.3)	\$0.3	(\$26.2)	nm	nm	nm	0.4	nm	nm
ZELTIQ Aesthetics, Inc.	\$28.53	\$30.95	\$27.68	-7.8%	3.1%	\$1,065.1	\$255.4	\$6.1	\$30.4	\$60.5	4.17	174.1	35.0	17.6
Pediatric Medical Devices														
Natus Medical Incorporated	\$48.05	\$38.24	\$35.73	25.7%	34.5%	\$1,504.2	\$375.9	\$77.0	\$84.1	\$92.7	4.00	19.5	17.9	16.2
Surgery and Life Support Devices														
AtriCure	\$22.44	\$20.65	\$19.21	8.7%	16.8%	\$702.5	\$129.8	(\$17.4)	(\$15.1)	(\$9.8)	5.41	nm	nm	nm
Intuitive Surgical, Inc.	\$546.16	\$455.47	\$525.91	19.9%	3.9%	\$18,847.5	\$2,384.4	\$842.7	\$1,020.0	\$1,143.9	7.90	22.4	18.5	16.5
Misonix, Inc.	\$9.40	\$10.95	\$12.42	-14.2%	-24.3%	\$63.7	\$23.4	(\$1.5)	nm	nm	2.73	nm	nm	nm
NxStage Medical, Inc.	\$21.91	\$16.44	\$18.23	33.3%	20.2%	\$1,357.6	\$336.1	\$16.1	\$25.4	\$36.2	4.04	84.4	53.5	37.5
Stereotaxis, Inc.	\$0.74	\$1.02	\$1.59	-27.1%	-53.2%	\$28.9	\$37.7	(\$3.1)	nm	nm	0.77	nm	nm	nm
SurModics Inc.	\$20.27	\$21.86	\$22.40	-7.3%	-9.5%	\$219.7	\$64.2	\$25.1	\$19.0	\$25.2	3.42	8.8	11.6	8.7
Teleflex, Inc.	\$131.45	\$123.75	\$116.22	6.2%	13.1%	\$6,196.3	\$1,809.7	\$434.7	\$521.7	\$597.3	3.42	14.3	11.9	10.4

(\$Millions, except per share figures)

Data Source: Bloomberg

Public Medical Device Companies (continued)

	Price			Δ Stock Price		EV	TTM Rev	TTM EBITDA	FWD EBITDA		EV / Sales	EV / EBITDA	EV / FWD EBITDA	
	Q4 2015	Q3 2015	Q4 2014	Qtrly	Annual				Q4 2015	Q4 2015			Q4 2015	FY 2016
General Hospital Devices and Supplies														
CONMED Corporation	\$44.05	\$47.09	\$44.97	-6.5%	-2.0%	\$1,418.7	\$719.2	\$119.3	\$127.3	\$137.7	1.97	11.9	11.1	10.3
Digirad Corporation	\$5.79	\$3.65	\$4.25	58.6%	36.2%	\$93.3	\$60.8	\$6.5	\$17.4	\$18.5	1.53	14.4	5.4	5.0
Dynatronics Corporation	\$2.96	\$3.08	\$3.75	-4.0%	-21.1%	\$13.8	\$29.5	(\$0.3)	nm	nm	0.47	nm	nm	nm
FONAR Corporation	\$17.26	\$12.42	\$9.78	39.0%	76.5%	\$99.0	\$70.0	\$17.1	nm	nm	1.42	5.8	nm	nm
Intuitive Surgical, Inc.	\$546.16	\$455.47	\$525.91	19.9%	3.9%	\$18,847.5	\$2,384.4	\$842.7	\$1,020.0	\$1,143.9	7.90	22.4	18.5	16.5
Masimo Corporation	\$41.51	\$37.61	\$26.43	10.4%	57.1%	\$2,141.2	\$630.1	\$116.9	\$120.6	\$168.0	3.40	18.3	17.8	12.7
Opko Health, Inc.	\$10.05	\$8.42	\$9.85	19.4%	2.0%	\$5,344.7	\$491.7	(\$41.8)	\$66.1	\$279.3	10.87	nm	80.9	19.1
STERIS Corporation	\$75.34	\$64.38	\$65.84	17.0%	14.4%	\$7,873.8	\$2,050.1	\$423.3	\$472.5	\$554.0	3.84	18.6	16.7	14.2
Varian Medical Systems, Inc.	\$80.80	\$73.25	\$88.01	10.3%	-8.2%	\$8,484.7	\$3,118.4	\$622.7	\$666.1	\$700.1	2.72	13.6	12.7	12.1
Home Health and Consumer Devices														
Invacare Corporation	\$17.39	\$14.57	\$16.94	19.4%	2.7%	\$534.2	\$1,142.3	\$11.4	\$22.2	\$54.1	0.47	46.9	24.1	9.9
Mine Safety Appliances Company	\$43.47	\$38.69	\$53.85	12.4%	-19.3%	\$1,985.8	\$1,129.5	\$172.1	\$200.5	\$211.3	1.76	11.5	9.9	9.4
ResMed Inc.	\$53.69	\$50.62	\$56.74	6.1%	-5.4%	\$7,240.6	\$1,741.7	\$502.5	\$535.3	\$616.9	4.16	14.4	13.5	11.7
Span-America Medical Systems, Inc.	\$19.65	\$17.25	\$17.12	13.9%	14.8%	\$58.4	\$70.0	\$6.7	nm	nm	0.83	8.8	nm	nm
Syneron Medical Ltd.	\$7.71	\$7.01	\$9.31	10.0%	-17.2%	\$196.7	\$277.9	\$7.1	nm	nm	0.71	27.7	nm	nm

(\$Millions, except per share figures)

Data Source: Bloomberg

Public Medical Device Companies (continued)

	Price			Δ Stock Price		EV Q4 2015	TTM Rev Q4 2015	TTM EBITDA Q4 2015	FWD EBITDA		EV / Sales Q4 2015	EV / EBITDA Q4 2015	EV / FWD EBITDA	
	Q4 2015	Q3 2015	Q4 2014	Qtrly	Annual				FY 2016	FY 2017			2016	2017
Other Medical Device														
Accuray Incorporated	\$6.75	\$4.98	\$7.53	35.5%	-10.4%	\$590.1	\$397.8	\$10.9	\$22.2	\$39.0	1.48	54.0	26.5	15.1
Allied Healthcare Products, Inc.	\$1.12	\$1.15	\$1.51	-2.8%	-26.0%	\$7.3	\$34.9	(\$1.0)	nm	nm	0.21	nm	nm	nm
Arrhythmia Research Technology, Inc.	\$5.48	\$6.20	\$7.95	-11.6%	-31.1%	\$19.6	\$21.5	\$1.0	nm	nm	0.91	19.7	nm	nm
Dehaier Medical Systems Limited	\$2.26	\$1.44	\$2.72	57.1%	-16.8%	\$13.2	\$8.3	\$0.0	nm	nm	1.59	nm	nm	nm
Escalon Medical Corp.	\$1.06	\$1.15	\$1.46	-7.8%	-27.4%	\$7.1	\$12.6	(\$1.1)	nm	nm	0.57	nm	nm	nm
Hansen Medical, Inc.	\$2.33	\$3.71	\$0.56	-37.2%	316.1%	\$48.6	\$17.1	(\$36.8)	nm	nm	2.84	nm	nm	nm
IRIDEX Corporation	\$9.29	\$7.16	\$8.41	29.7%	10.5%	\$82.4	\$41.8	\$0.2	nm	nm	1.97	438.3	nm	nm
Navidea Biopharmaceuticals, Inc.	\$1.33	\$2.26	\$1.83	-41.2%	-27.3%	\$257.0	\$11.2	(\$19.9)	nm	nm	23.04	nm	nm	nm
ThermoGenesis Corp.	\$0.18	\$0.58	\$1.04	-68.8%	-82.5%	(\$2.5)	\$13.9	(\$10.9)	nm	nm	nm	0.2	nm	nm
Congentix Medical, Inc.	\$1.29	\$1.10	\$0.76	17.3%	69.7%	\$55.0	\$43.6	(\$2.4)	nm	nm	1.26	nm	nm	nm
Other Diversified Cos with Med-Tech Components														
Agilent Technologies, Inc.	\$41.81	\$33.74	\$41.37	23.9%	1.1%	\$13,690.1	\$4,040.0	\$889.0	\$909.2	\$1,015.5	3.39	15.4	15.1	13.5
Danaher Corporation	\$92.88	\$83.21	\$86.24	11.6%	7.7%	\$75,728.9	\$20,908.6	\$4,830.0	\$5,409.1	\$5,863.6	3.62	15.7	14.0	12.9
General Electric	\$31.15	\$24.57	\$25.57	26.8%	21.8%	\$386,835.7	\$125,456.0	\$19,244.5	\$18,029.0	\$18,676.0	3.08	20.1	21.5	20.7
PerkinElmer, Inc.	\$53.57	\$45.29	\$44.08	18.3%	21.5%	\$6,769.7	\$2,262.4	\$428.8	\$462.8	\$494.8	2.99	15.8	14.6	13.7
Thermo Fisher Scientific Inc.	\$141.85	\$119.84	\$126.61	18.4%	12.0%	\$68,686.7	\$16,965.4	\$4,184.2	\$4,443.1	\$4,736.3	4.05	16.4	15.5	14.5

(\$Millions, except per share figures)

Data Source: Bloomberg

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