

HEALTHCARE MONTHLY

JULY 2019

Our healthcare team architects market-defining outcomes for some of the most innovative medical device, life science and diagnostics, healthcare services and pharmaceutical companies in the world.









BioTech / Pharma

Healthcare Services

Life Sciences/Diagnostics

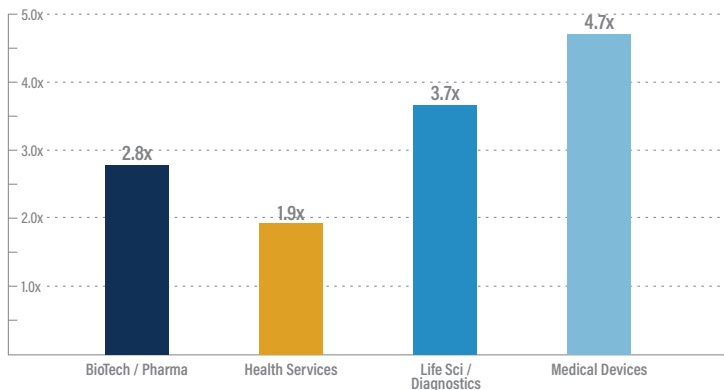
Medical Devices

HEADLINE TRANSACTIONS

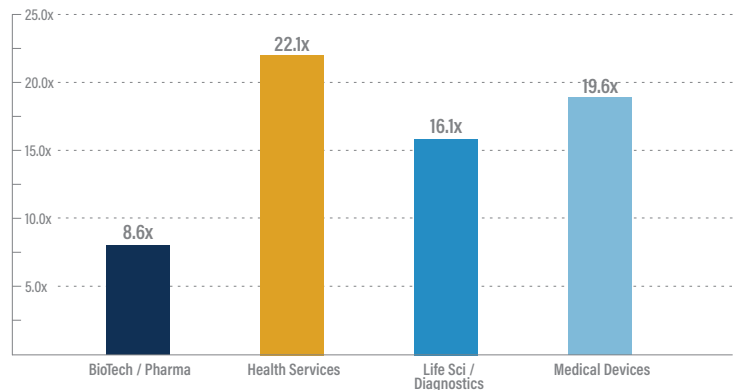
BioTech / Pharma			<ul style="list-style-type: none"> AbbVie Inc (NYSE:ABBV) entered into a definitive agreement to acquire Allergan plc (NYSE:AGN) for approximately \$63 billion, a 45.3% premium Allergan plc develops and commercializes branded pharmaceutical and medical products worldwide AbbVie Inc. develops and markets pharmaceutical products Implied Enterprise Value Multiples: 5.4x Revenue, 11.9x EBITDA
			<ul style="list-style-type: none"> Pfizer Inc. (NYSE:PFE) entered into a definitive agreement to acquire Array BioPharma Inc. (NasdaqGM:ARRY) for \$11.4 billion, a 62.2% premium Array BioPharma, Inc. focuses on the development and commercialization of small molecule drugs to treat patients with cancer Pfizer Inc. discovers, develops and markets healthcare products worldwide Implied Enterprise Value Multiples: 57x Revenue
Healthcare Services			<ul style="list-style-type: none"> Dassault Systemes Americas Corp. signed a definitive agreement to acquire Medidata Solutions Inc. (NasdaqGS:MDSO) for \$5.8 billion Medidata Solutions, Inc. provides cloud-based solutions for life sciences worldwide Dassault Systemes Americas Corp. develops and provides CADAM drafting software solutions in the United States Implied Enterprise Value Multiples: 8.8x Revenue
Medical Devices			<ul style="list-style-type: none"> Cortec Group Inc. acquired Aspen Medical Products Inc. Aspen Medical Products Inc. designs and develops upper and lower spinal orthotics Cortec Group Inc. is a private equity firm specializing in the acquisition of lower middle-market companies

HEALTHCARE GROWTH & VALUATION TRENDS

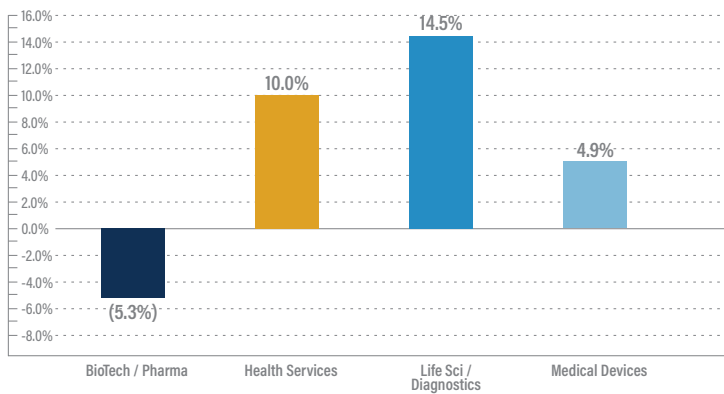
Enterprise Value / LTM Revenue



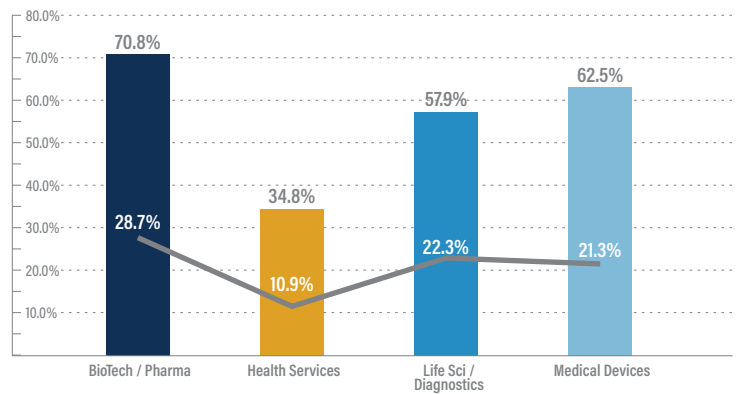
Enterprise Value / LTM EBITDA



LTM Revenue Growth

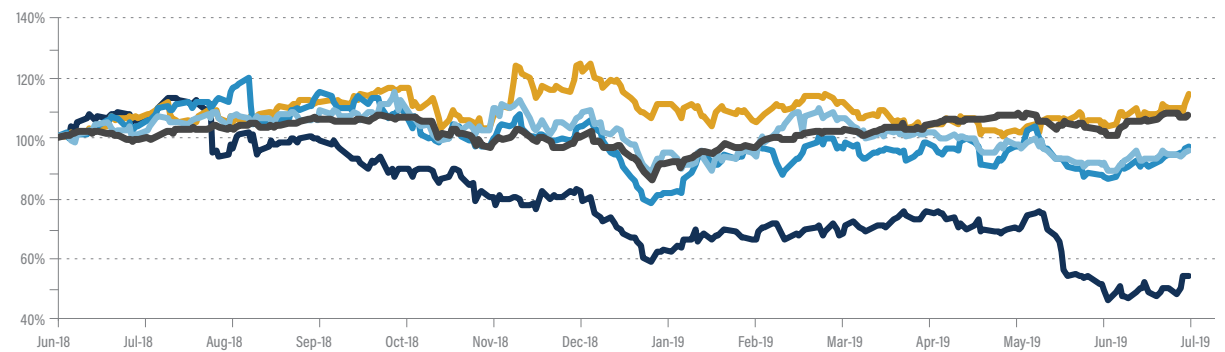


LTM Gross Margin*



*EBITDA Margins shown as the gray line.

LTM Stock Price Index



54% BioTech / Pharma 114% Health Services 97% Life Sci / Diagnostics 95% Medical Devices 108% S&P 500 Index

SELECTED HEALTHCARE TRANSACTIONS

Target	Acquiror	BioTech / Pharma Transaction
Exonics Therapeutics, Inc.	Vertex Pharmaceuticals Incorporated	Exonics Therapeutics, Inc. develops gene editing technologies like CRISPR/Cas9 to permanently correct the majority of duchenne muscular dystrophy (DMD) mutations. Transaction Value: \$245 million and up to \$755 million in milestones
Tilos Therapeutics, Inc.	Merck & Co., Inc.	Tilos Therapeutics, Inc. develops anti-LAP antibodies for the treatment of cancer. Transaction Value: Initial payment not disclosed; up to \$773 million in milestones
Emapalumab and Related Assets of Novimmune SA	Swedish Orphan Biovitrum AB (publ)	Emapalumab and Related Assets of Novimmune SA includes a late stage orphan drug candidate that addresses primary Haemophagocytic lymphohistiocytosis (HLH). Transaction Value: \$50 million and up to \$453 million in milestones

Target	Acquiror	Life Sci / Diagnostics Transaction
Blue Earth Diagnostics Limited	Bracco Imaging S.p.A.	Blue Earth Diagnostics Limited develops positron emission tomography (PET) imaging technology for molecular imaging diagnostics. Transaction Value: \$450 million
Zenith Technologies Ltd.	Cognizant Technology Solutions Corporation	Zenith Technologies Ltd., provides automation and process control solutions for the life sciences industry
Transplant Genomics, Inc.	Eurofins Scientific SE	Transplant Genomics, Inc develops molecular diagnostic tests that detect early signs of graft injury, differentiate among actionable causes and enable optimization of therapy

Target	Acquiror	Health Services Transaction
Decision Support Systems, LP	SPH Analytics	Decision Support Systems, LP provides customer insights and consulting for health plans, carriers and other health care providers
Bluetree Network, Inc.	Providence St. Joseph Health	Bluetree Network, Inc. provides consulting services to healthcare organizations across the United States
PatientsLikeMe, Inc.	UnitedHealth Group Incorporated	PatientsLikeMe, Inc. enables patients to share symptoms, treatments and health data with others to improve the understanding of potential treatments

Target	Acquiror	Medical Devices Transaction
Endocare, Inc. / Scion Medical Limited	Varian Medical Systems, Inc.	Endocare, Inc. develops, manufactures and distributes medical devices and related consumables for cryoablation. Transaction Value: \$185 million
SuperSonic Imagine SA	Hologic, Inc.	SuperSonic Imagine SA develops and markets an ultrasound system for use in general imaging, breast cancer and research applications. Transaction Value: \$85 million
Vilex in Tennessee, Inc. / Orthex, LLC	OrthoPediatrics Corp.	Vilex in Tennessee, Inc. and Orthex, LLC primarily manufacture foot and ankle surgical implants Transaction Value: \$60 million

Selected TM Capital Healthcare Experience

TM Capital's Healthcare Industry Contacts



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