



## Q2-2014 CRO INDUSTRY UPDATE

### Market Update

The second quarter of 2014 has seen a continuation of the highly active M&A environment within the CRO industry. Fueling the robust number of deals has been the inclusion of groups of all forms (equity sponsors and strategic acquirers), size, and location (both foreign and domestic). The most notable deal is undoubtedly Cinven's acquisition of Medpace, for both its valuation of nearly \$1 billion and partnership of industry giants. As 2014 moves ahead, we expect to see strong consolidation continue as private equity interest remains strong and strategic players look to bolster service offerings, resulting in greater competition and higher valuations.

### SELECT CRO TRANSACTIONS

Month	Investor	Target Company	Completed Transaction Details
June 2014	BioClinica, Inc.	Blueprint Clinical, Inc.	BioClinica, Inc. has announced its acquisition of Blueprint Clinical, Inc., in a deal that adds cloud-based site scoring tool Compass to BioClinica's e-clinical platform. Blueprint's Compass evaluates potential risks to patient safety and clinical trial operational performance. JLL Partners, Ampersand Capital Partners, and SV Life Sciences Advisers all formerly back BioClinica; the former two took the company private for \$123 million early last year, with SV Life Sciences holding a stake.
June 2014	Albany Molecular Research, Inc. (AMRI)	Oso Biopharmaceuticals Manufacturing	AMRI announced that it has completed the acquisition of Oso Biopharmaceuticals Manufacturing, a premier contract manufacturer of highly complex injectable drug products. The transaction is consistent with AMRI's strategy to be the preeminent supplier of custom and complex drug product development and manufacturing services to the pharmaceutical industry. Total consideration paid was \$110 million.
June 2014	Eurofins Scientific	ViraCor-IBT Laboratories (VIBT)	Ampersand Capital Partners has completed the sale of majority owned portfolio company ViraCor-IBT Laboratories to Eurofins Scientific for \$255 million. VIBT is a premier specialty testing laboratory, providing complex, high-value diagnostic tests to 550 institutional clients and more than 4,000 affiliated clinicians across the US. The Company will continue to be known as ViraCor-IBT, operating from its large, state-of-the-art facility in the Kansas City area and its satellite laboratory in California.
June 2014	VWR International, LLC	LABRepCo. Inc.	VWR International, LLC, a global solutions provider of laboratory supplies, equipment and services announced today that it has acquired LABRepCo Inc. LABRepCo specializes in laboratory equipment supply and is a key partner in new lab builds and renovations through consultative relationships with lab managers, architects and general contractors. Financial details of this acquisition remain confidential.
May 2014	Covance	Medaxial	Global CRO Covance has announced the acquisition of Medaxial for an undisclosed sum. Medaxial is in the business of helping drug makers convince payors and providers to use their treatments, using health economic modeling and data dissemination. The firm will operate as an arm of Covance's existing market access segment, part of a company-leading late-stage development unit that brought in \$1.5 billion last year.
May 2014	Huntingdon Life Sciences, Inc.	Harlan Laboratories, Inc.	Huntingdon Life Sciences, Inc. has announced the acquisition of Harlan Laboratories, Inc., a leading provider of essential non-clinical contract research, research models, animal diets, and services to a number of industries. The deal creates a leading global organization offering full service, non-clinical, contract research and research models and services.
April 2014	Arsenal Capital Partners	Synchrogenix	Arsenal Capital Partners has announced the acquisition of Synchrogenix, a leading regulatory writing and related services firm. Synchrogenix provides services to pharmaceutical, biotechnology, and medical device companies worldwide. Concurrent with the transaction, Synchrogenix will be merged into Certara.
April 2014	ICON plc.	Aptiv Solutions	Aptiv Solutions, a global biopharmaceutical and medical device development services company has been acquired by ICON plc. for a cash consideration of \$143.5 million. Aptiv Solutions was previously owned by The Halifax Group, SV Life Sciences, Comvest Partners and Aptiv company management.
April 2014	Cinven	Medpace CRO	Cinven has completed the acquisition of Medpace CRO from CCMP Capital Advisors for a total consideration of \$915 million. A global contract research organization, Medpace helps R&D departments of pharmaceutical, biotech and medical device companies with clinical trial preparation; the company generated an adjusted EBITDA of \$94 million in 2013. CCMP Capital Advisors acquired Medpace in 2011, reportedly putting up \$200 million in equity and arranging a \$285 million loan, which could give it a 3x return.