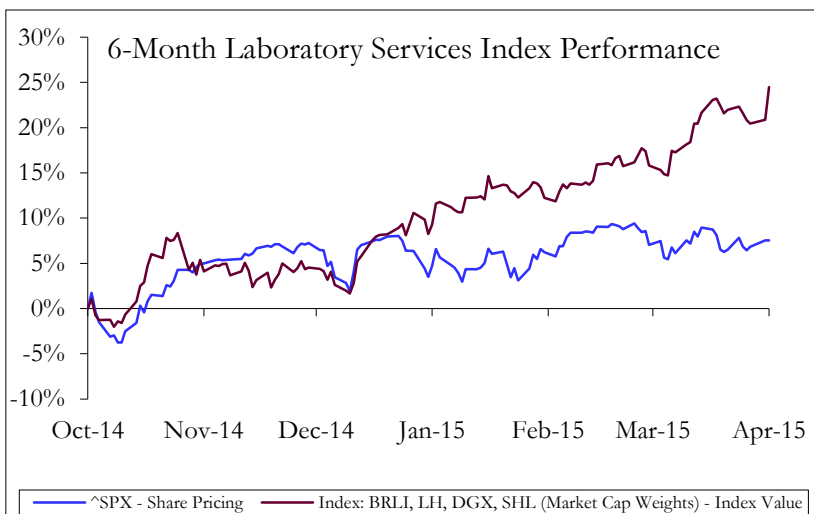


Q4-2014/Q1-2015 Laboratory Services Update



SELECT PUBLIC LABORATORY TRADING MULTIPLES

Company	Ticker	Enterprise Value (millions)	EV / Rev.	EV / EBITDA
Bio-Reference Labs	BRLI	\$1,001	1.2x	8.7x
LabCorp	LH	\$15,026	2.5x	12.9x
Quest	DGX	\$14,565	2.0x	10.3x
Sonic Healthcare	SHL	\$10,222	2.5x	14.3x



Market Overview

As can be seen by the continued strategic acquisitions of major industry players such as LabCorp and Eurofins, it is evident that the laboratory services sector continues to attract investment and consolidation. Physicians and payors are increasingly recognizing the vital role that diagnostic testing and preventative care play in reducing long term healthcare costs. With this increased emphasis on both preventative care testing and cost cutting capabilities, large industry players look towards M&A as a primary growth driver when expanding their geographic scope and service offerings. Looking forward, consolidators will continue to seek small, specialized players to increase their portfolio of services, while leveraging existing platforms. As profit margins continue to see slight downward pressure, we expect to see these trends continue. We also expect further private equity investment in platform-caliber middle market providers with the long term strategy of becoming a future strategic target.

SELECT TRANSACTIONS:

Month	Acquirer	Target Company	Details
Jan-15	Piramal Enterprises	Coldstream Laboratories	Piramal Enterprises announced it has agreed to acquire Coldstream Laboratories for \$31 million. The acquisition allows Piramal Enterprises to move further into the injectable market. Piramal will look to use Coldstream as a platform for growth in its Pharma Solutions business segment.
Dec-14	Eurofins Scientific	Boston Heart Diagnostics Corporation	Eurofins Scientific announced its agreement to acquire Boston Heart Diagnostics Corporation for an enterprise value of \$200 million. With this acquisition, Eurofins adds to its existing clinical testing and genomic service offering, complementing the previous acquisition of Viracor-IBT Laboratories earlier this year.
Dec-14	Laboratory Corporation of America	Bode Technology Group	Laboratory Corporation of America (LabCorp) announced its acquisition of Bode Technology Group. As a wholly-owned subsidiary of LabCorp, Bode Technology and its division Chromosomal Labs will combine with LabCorp's existing US and UK based specialty testing platforms, DNA Identity and Cellmark Forensics. Financial terms of the transaction were not disclosed.
Nov-14	Eurofins Scientific	SF Analytical Laboratories	Eurofins Scientific announced its acquisition of SF Analytical Laboratories. The acquisition expands Eurofins' growing presence in the US, as well as expands the current base of operations in the Midwestern United States. Financial terms of the transaction were not disclosed.
Nov-14	Laboratory Corporation of America	Covance Inc.	Laboratory Corporation of America (LabCorp), announced it would acquire Covance Inc. The combination will create the world's leading healthcare diagnostics company, capitalizing on LabCorp's industry leadership in medical testing and Covance's leadership in contract research. The transaction valuation represented a multiple of 13.3x Covance's EBITDA over the last 12 months through September 30, 2014.