

# Quarterly Industry Update

As of December 31, 2014

Industry: Urgent Care Clinics

## Industry Summary

Cogent Valuation identified publicly traded companies, IPOs, and recent M&A transactions within the Urgent Care Clinics industry, which provides a basis for market and transaction pricing that can be used by your firm in estimating market sentiment and its impact on your firm's value. Since December 31, 2013, the median 52-week share price return of the Urgent Care Clinics industry has increased by 22.2%. In the last quarter, the median price-to-earnings multiple increased from 19.0x to 22.8x.

## Comparable Public Company Key Statistics

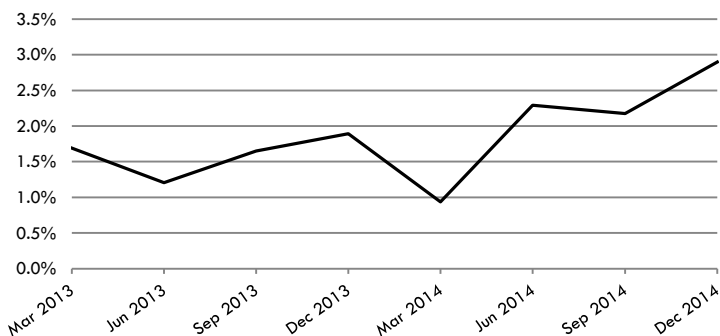
Median 52-Week Return	22.2%	Median EV/Revenue Multiple	1.4x	Median Price/Earnings Multiple	22.8x
Median 3-Year CAGR Return	29.6%	Median EV/EBITDA Multiple	9.3x	Median EV/Gross CF Multiple	18.6x

## Comparable Public Company Market Price Returns (As of December 31, 2014)

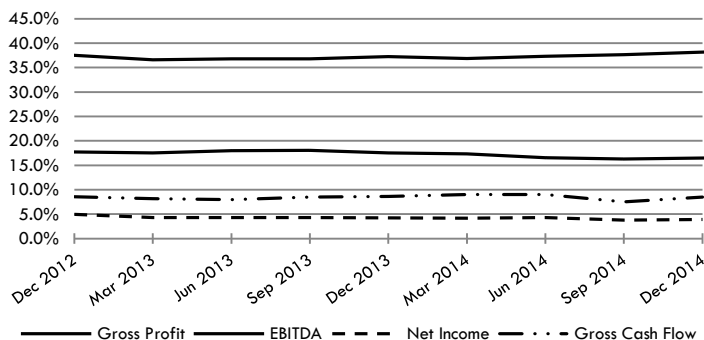
	YTD	3 Month	1 Year	2 Year	3 Year	5 Year	2014	2013	2012	2011	2010
Community Health Systems, Inc.	37.3%	-1.6%	37.3%	32.4%	45.7%	8.7%	37.3%	27.7%	76.2%	-53.3%	5.0%
Hanger, Inc.	-44.3%	6.7%	-44.3%	-10.5%	5.4%	9.6%	-44.3%	43.8%	46.4%	-11.8%	53.2%
Kindred Healthcare Inc.	-7.9%	-6.3%	-7.9%	29.6%	15.6%	-0.3%	-7.9%	82.4%	-8.1%	-35.9%	-0.5%
Select Medical Holdings Corporation	24.0%	19.7%	24.0%	23.6%	19.3%	6.3%	24.0%	23.1%	11.2%	16.0%	-31.2%
Tenet Healthcare Corp.	20.3%	-14.7%	20.3%	24.9%	35.2%	18.6%	20.3%	29.7%	58.2%	-23.3%	24.1%
Surgical Care Affiliates, Inc.	-3.4%	25.9%	-3.4%	N/A	N/A	N/A	-3.4%	N/A	N/A	N/A	N/A
HCA Holdings, Inc.	53.8%	4.1%	53.8%	56.0%	49.4%	N/A	53.8%	58.1%	36.9%	N/A	N/A
Universal Health Services Inc.	36.9%	6.5%	36.9%	51.7%	42.0%	29.5%	36.9%	68.1%	24.4%	-10.5%	42.4%
HEALTHSOUTH Corp.	15.4%	4.2%	15.4%	35.0%	29.6%	15.4%	15.4%	57.8%	19.5%	-14.7%	10.3%
AmSurg Corp.	19.2%	9.4%	19.2%	35.0%	28.1%	20.0%	19.2%	53.0%	15.2%	24.3%	-4.9%
Lifepoint Hospitals Inc.	36.1%	3.9%	36.1%	38.0%	24.6%	17.2%	36.1%	40.0%	1.6%	1.1%	13.0%
Acadia Healthcare Company, Inc.	29.3%	26.2%	29.3%	61.9%	83.1%	N/A	29.3%	102.7%	134.2%	N/A	N/A
<b>Median of Industry Public Companies</b>	<b>22.2%</b>	<b>5.3%</b>	<b>22.2%</b>	<b>35.0%</b>	<b>29.6%</b>	<b>15.4%</b>	<b>22.2%</b>	<b>53.0%</b>	<b>24.4%</b>	<b>-11.8%</b>	<b>10.3%</b>

(Multiple year periods are calculated as the average annual return.)

## Median Quarterly Revenue Growth of All Urgent Care Clinics Companies



## Median Gross Profit, EBITDA, Net Income and Gross Cash Flow Margins



## Median Public Company Multiples of the Urgent Care Clinics Industry

Date:	12/31/2012	3/31/2013	6/30/2013	9/30/2013	12/31/2013	3/31/2014	6/30/2014	9/30/2014	12/31/2014
EV/Revenues Multiple	1.1x	1.3x	1.2x	1.2x	1.5x	1.5x	1.5x	1.5x	1.4x
EV/EBITDA Multiple	6.5x	7.7x	7.7x	7.8x	8.5x	9.6x	10.0x	9.1x	9.3x
Price/Earnings Multiple	11.3x	16.3x	16.4x	17.0x	19.4x	16.9x	18.5x	19.0x	22.8x
EV/Gross Cash Flows Multiple	14.0x	16.1x	17.3x	16.6x	16.1x	18.4x	18.6x	20.0x	18.6x

This industry research is provided at no charge to Cogent Valuation's clients. Research or detailed information not covered in this report can be obtained for a fee. Contact [Vanita Spaulding](mailto:Vanita.Spaulding@CogentValuation.com) at 818-905-8330 for additional information or questions in connection with this research report.

# Quarterly Industry Update

As of December 31, 2014

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## Industry Initial Public Offerings (dollars in millions, except share prices)

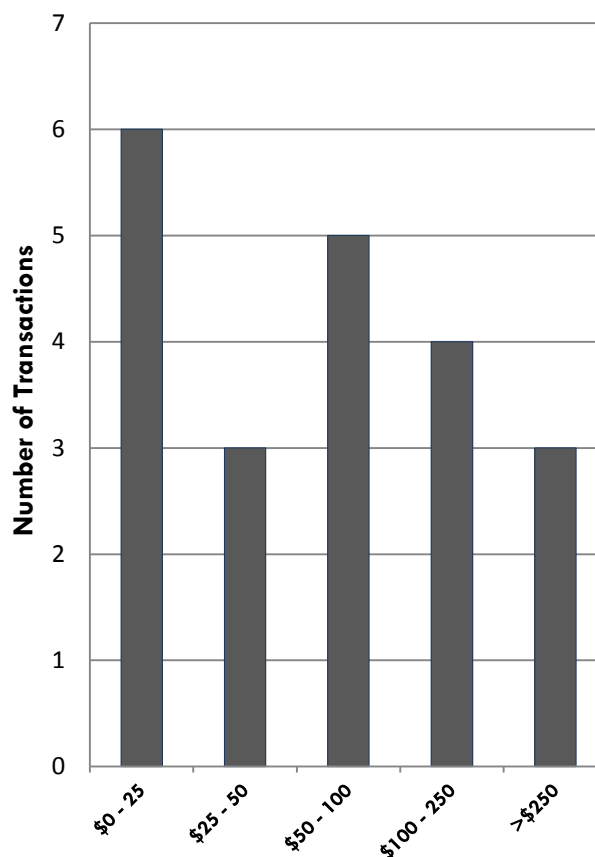
Offer Date	Company Name	Offer Price	Shares Offered	Amount Raised	Total Assets	Debt	LTM Revenues	LTM EBITDA	LTM Net Income	LTM Cash Flows
11/11/2014	The Joint Corp.	\$6.50	3.0	\$19.5	\$9.8	\$0.0	\$6.7	(\$0.4)	(\$0.5)	(\$0.2)
10/1/2014	AAC Holdings, Inc.	\$15.00	5.0	\$75.0	\$102.1	\$46.8	\$112.3	\$9.1	\$2.2	\$12.5
6/24/2014	Adeptus Health Inc.	\$22.00	4.9	\$107.8	\$186.0	\$86.4	\$120.6	\$10.4	(\$3.2)	\$18.3
10/29/2013	Surgical Care Affiliates, Inc.	\$24.00	9.8	\$234.7	\$1,363.0	\$814.2	\$765.0	\$184.8	(\$30.7)	\$222.9
3/9/2011	HCA Holdings, Inc.	\$30.00	126.2	\$3,786.0	\$23,852.0	\$28,651.0	\$28,035.0	\$5,586.0	\$1,207.0	\$7,007.0
4/4/2001	Select Medical Corporation	\$9.50	9.0	\$85.5	N/A	N/A	N/A	N/A	N/A	N/A
6/8/2000	Community Health Systems, Inc.	\$13.00	18.8	\$243.8	\$1,935.7	\$1,484.6	\$1,025.1	\$212.3	(\$17.8)	\$272.6
<b>Median of All IPOs</b>		<b>nm</b>	<b>nm</b>	<b>\$107.8</b>	<b>\$774.5</b>	<b>\$450.3</b>	<b>\$442.8</b>	<b>\$97.6</b>	<b>(\$1.9)</b>	<b>\$120.6</b>

nm: not meaningful

## Recent Merger and Acquisition Transactions for a Majority Stake (dollars in millions)

Transaction Date	Target	Acquirer	Transaction Size	% Bought
10/31/2014	Sherman/Grayson Health	Medical Properties Trust	\$32.5	100%
9/4/2014	Tributaries Land Co.	Kettering Adventist	\$10.6	100%
8/15/2014	St. Mary Health	Prime Healthcare Services	\$85.0	100%
7/2/2014	Diversicare Rose Terrace	N/A	\$16.5	100%
6/27/2014	Restora Healthcare Company	Healthcare Finance Group	\$5.0	100%
6/9/2014	Banner Casa Grande	Banner Health	\$87.0	100%
1/27/2014	Health Management Associates	Community Health Systems	\$7,715.9	100%
10/1/2013	Vanguard Health Systems	Tenet Healthcare Corp.	\$4,818.4	100%
5/31/2013	St. Luke's Episcopal Health	Catholic Health Initiatives	\$1,000.0	100%
4/1/2013	Bayfront Medical Center	Shands HealthCare, Inc.	\$162.0	80%
3/31/2013	Cleveland County Healthcare	Charlotte-Mecklenburg	\$100.0	100%
11/30/2012	Arkansas Surgical Hospital	Medical Facilities (USA)	\$39.0	51%
11/30/2012	St. Joseph Medical Center	University Of Maryland Medical	\$158.1	100%
10/1/2012	Auburn Regional Medical	MultiCare Health System	\$93.0	100%
9/19/2012	Saint Mary's Regional	Medical Properties Trust	\$80.0	100%
9/1/2012	New England Sinai Hospital	Steward Health Care System	\$45.7	100%
7/16/2012	Floyd Memorial Hospital	The Sanders Trust	\$13.0	100%
7/2/2012	Memorial Hospital of Adel	Tift Regional Medical	\$8.4	100%
6/29/2012	Fairview Red Wing Health	Mayo Clinic Health System	\$64.0	100%
4/2/2012	Health Central, Inc.	Orlando Health, Inc.	\$181.3	100%
2/8/2012	Miami Heart Research Inst.	Lionheart Capital LLC	\$20.0	100%
<b>Median of All Transaction Targets</b>			<b>\$80.0</b>	<b>100%</b>

## Size of Merger and Acquisition Transactions (dollars in millions)



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