

Quarterly Industry Update

As of July 31, 2013

Industry: Blood Diagnostics



Industry Summary

Cogent Valuation identified publicly traded companies, IPOs, and recent M&A transactions within the Blood Diagnostics 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 July 31, 2012, the median 52-week share price return of the Blood Diagnostics industry has increased by 37.4%. In the last quarter, the median price-to-earnings multiple increased from 18.0x to 21.1x. Profitability margins within the industry have rebounded and has been represented by a growth in profitability multiples.

Comparable Public Company Key Statistics

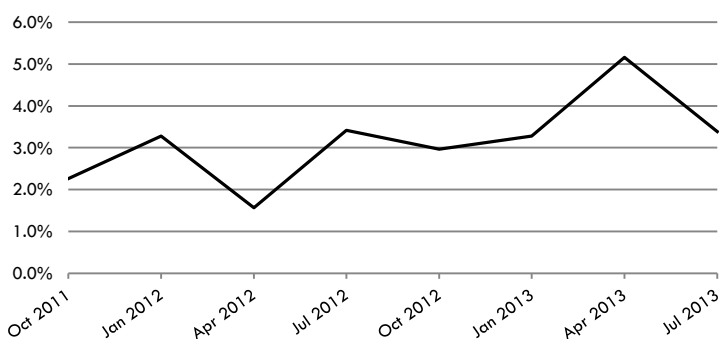
Median 52-Week Return	37.4%	Median EV/Revenue Multiple	3.6x	Median Price/Earnings Multiple	21.1x
Median 3-Year CAGR Return	9.8%	Median EV/EBITDA Multiple	14.5x	Median EV/Gross CF Multiple	17.0x

Comparable Public Company Market Price Returns (As of July 31, 2013)

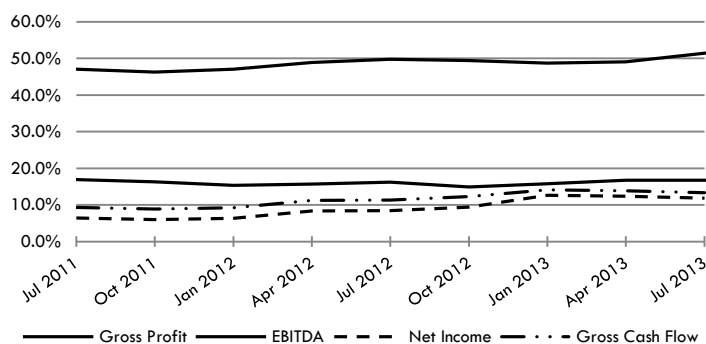
	YTD	3 Month	1 Year	2 Year	3 Year	5 Year	2012	2011	2010	2009	2008
Insulet Corporation	50.3%	26.3%	63.0%	27.4%	29.2%	18.0%	12.7%	21.5%	8.5%	85.0%	-67.1%
DexCom, Inc.	60.3%	32.7%	97.8%	23.9%	25.0%	26.5%	46.0%	-31.8%	69.1%	192.4%	-68.7%
Masimo Corporation	10.9%	16.1%	4.0%	-8.4%	0.3%	-9.2%	12.4%	-35.7%	-4.4%	2.0%	-24.4%
Mindray Medical International Limited	25.2%	3.7%	37.4%	23.0%	9.8%	0.5%	27.5%	-2.9%	-22.2%	88.4%	-58.1%
Quest Diagnostics Inc.	0.1%	3.5%	-0.2%	3.9%	7.5%	1.9%	0.4%	7.6%	-10.6%	16.3%	-1.9%
Abaxis, Inc.	13.5%	-1.4%	18.0%	33.2%	28.1%	16.2%	34.1%	3.1%	5.1%	59.4%	-55.3%
Escalon Medical Corp.	37.9%	11.0%	47.8%	5.4%	-4.6%	-14.2%	-5.0%	-33.3%	-4.5%	-1.3%	-55.3%
(Invalid Identifier)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Median of Industry Public Companies	25.2%	11.0%	37.4%	23.0%	9.8%	1.9%	12.7%	-2.9%	-4.4%	59.4%	-55.3%

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

Median Quarterly Revenue Growth of All Blood Diagnostics Companies



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



Median Public Company Multiples of the Blood Diagnostics Industry

Date:	7/31/2011	10/31/2011	1/31/2012	4/30/2012	7/31/2012	10/31/2012	1/31/2013	4/30/2013	7/31/2013
EV/Revenues Multiple	3.5x	3.3x	3.3x	3.6x	3.0x	3.3x	3.5x	3.7x	3.6x
EV/EBITDA Multiple	14.1x	13.0x	13.3x	14.3x	13.0x	14.0x	13.6x	13.7x	14.5x
Price/Earnings Multiple	22.2x	19.7x	20.1x	21.8x	20.4x	21.9x	18.7x	18.0x	21.1x
EV/Gross Cash Flows Multiple	19.7x	17.3x	17.6x	17.1x	15.8x	16.9x	16.1x	16.6x	17.0x

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 Richard Reynolds or Steven Kam at 415-392-0888 for more information or questions in connection with this research report.

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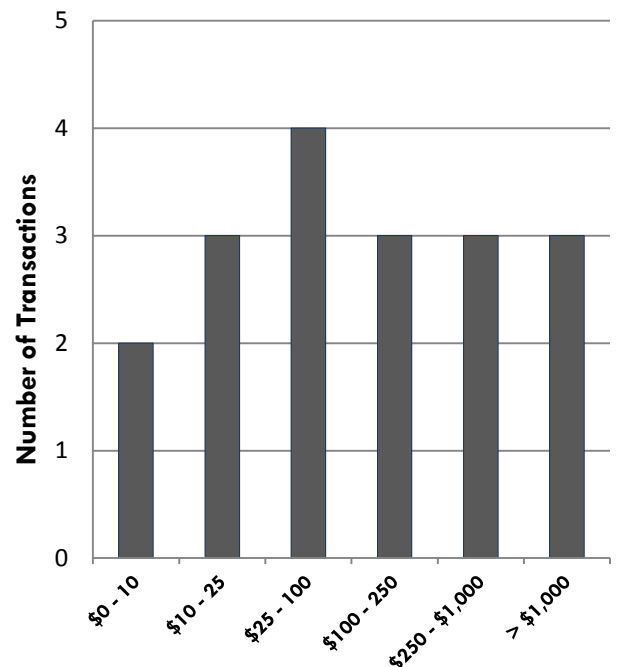
Industry Initial Public Offerings (dollars in millions, except share prices)

Offer Date	Company Name	Offer Price	Shares Offered	Amount Raised	Total Assets	Debt	LTM Revenues	LTM EBITDA	LTM Net Income	LTM Cash Flows
8/2/2012	Globus Medical, Inc.	\$12.00	8.3	\$100.0	\$367.3	\$0.0	\$363.0	\$127.1	\$48.7	\$145.0
10/18/2011	ZELTIQ Aesthetics, Inc.	\$13.00	7.0	\$91.0	\$21.2	\$0.6	\$61.7	(\$4.8)	(\$17.6)	(\$4.1)
2/3/2011	BG Medicine, Inc.	\$7.00	5.0	\$35.0	\$7.0	\$6.4	\$0.8	(\$14.1)	(\$18.0)	N/A
2/2/2011	Tornier N.V.	\$19.00	8.8	\$166.3	\$491.2	\$138.1	\$227.4	\$12.4	N/A	\$28.0
8/13/2010	Electromed, Inc.	\$4.00	1.7	\$6.8	\$14.1	\$4.2	\$14.3	\$2.1	N/A	\$2.4
5/28/2010	GenMark Diagnostics, Inc.	\$6.00	4.6	\$27.6	\$16.1	\$0.0	\$1.2	(\$17.8)	(\$23.6)	(\$16.3)
4/22/2010	Dehaier Medical Systems Limited	\$8.00	1.5	\$12.0	\$18.1	\$0.9	\$12.5	\$3.8	N/A	\$4.1
4/21/2010	DynaVox Inc.	\$15.00	9.4	\$140.6	\$138.9	\$90.0	\$111.7	\$30.2	N/A	N/A
8/7/2007	Masimo Corporation	\$17.00	11.9	\$202.6	\$174.1	\$37.1	\$241.9	\$77.2	\$73.5	\$81.5
5/14/2007	Insulet Corporation	\$15.00	7.7	\$115.5	\$47.7	\$31.2	\$5.4	(\$35.8)	(\$57.2)	(\$33.0)
9/25/2006	Mindray Medical International Limited	\$13.50	20.0	\$270.0	\$127.8	\$4.2	\$164.9	\$43.3	\$155.5	\$47.5
4/13/2005	DexCom, Inc.	\$12.00	4.7	\$56.4	\$25.4	\$0.0	\$0.0	(\$16.4)	(\$42.3)	(\$15.9)
Median of All IPOs		nm	nm	\$95.5	\$36.5	\$4.2	\$38.0	\$3.0	(\$17.8)	\$3.3

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

Transaction Date	Target	Acquirer	Transaction Size	% Bought
2/6/2013	Epocal, Inc.	Inverness Medical	\$241.5	100%
10/3/2012	Drew Scientific, Inc.	ERBA Diagnostics	\$6.5	100%
8/1/2012	Gen-Probe Incorporated	Hologic Inc.	\$4,204.1	100%
5/31/2012	SunTech Medical Group	Halma plc	\$57.0	100%
5/22/2012	Navilyst Medical Inc.	AngioDynamics Inc.	\$374.5	100%
4/2/2012	Accutome, Inc.	Halma plc	\$25.0	100%
1/3/2012	Verum Diagnostica GmbH	Roche Holding AG	\$13.3	100%
11/23/2011	Shanghai Yuanqi	SHMY Healthdigit	\$54.0	70%
11/8/2011	Axis-Shield plc	Alere Inc.	\$396.1	100%
9/2/2011	Life Enhancement	VasoHealthcare	\$3.3	100%
8/23/2011	Phadia AB	Thermo Fisher	\$3,512.8	100%
6/29/2011	Beckman Coulter, Inc.	Danaher Corp.	\$7,392.9	100%
6/16/2011	Stanbio Laboratory, L.P.	EKF Diagnostics	\$25.3	100%
3/31/2011	Medicomp, Inc.	N/A	\$14.9	100%
2/1/2011	Genzyme Diagnostics	Sekisui Medical	\$265.0	100%
11/3/2010	Biosensors International	Hony Capital	\$217.1	29%
Median of All Transaction Targets			\$137.1	100%

Size of Merger and Acquisition Transactions (dollars in millions)



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