

Quarterly Industry Update

As of June 30, 2014

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 June 30, 2013, the median 52-week share price return of the Blood Diagnostics industry has increased by 4.1%. In the last quarter, the median price-to-earnings multiple decreased from 21.3x to 19.7x.

Comparable Public Company Key Statistics

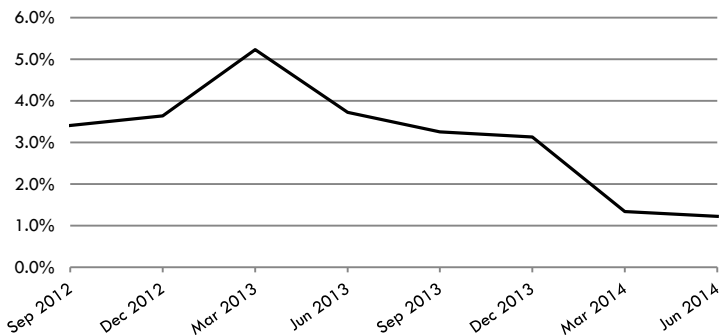
Median 52-Week Return	4.1%	Median EV/Revenue Multiple	3.7x	Median Price/Earnings Multiple	19.7x
Median 3-Year CAGR Return	8.7%	Median EV/EBITDA Multiple	12.7x	Median EV/Gross CF Multiple	15.5x

Comparable Public Company Market Price Returns (As of June 30, 2014)

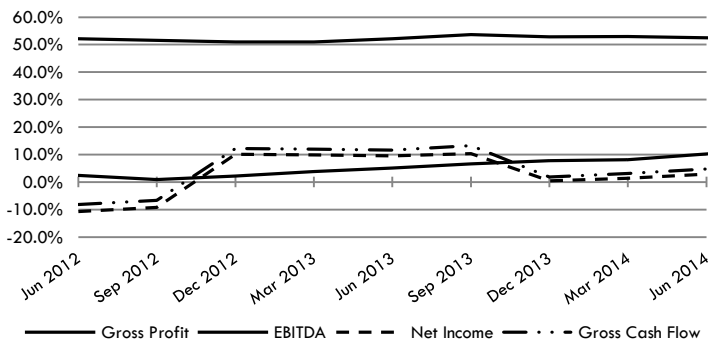
	YTD	3 Month	1 Year	2 Year	3 Year	5 Year	2012	2011	2010	2009	2008
Insulet Corporation	86.9%	-16.3%	26.3%	36.2%	21.4%	38.8%	12.7%	21.5%	8.5%	85.0%	-67.1%
DexCom, Inc.	191.8%	-4.1%	76.7%	74.9%	39.9%	45.0%	46.0%	-31.8%	69.1%	192.4%	-68.7%
Masimo Corporation	12.3%	-13.6%	11.3%	2.7%	-7.4%	-0.4%	12.4%	-35.7%	-4.4%	2.0%	-24.4%
Mindray Medical International Limited	-3.7%	-2.7%	-15.9%	2.0%	3.9%	2.4%	27.5%	-2.9%	-22.2%	88.4%	-58.1%
Quest Diagnostics Inc.	0.7%	1.3%	-3.2%	-1.0%	-0.2%	0.8%	0.4%	7.6%	-10.6%	16.3%	-1.9%
Abaxis, Inc.	19.4%	14.0%	-6.7%	9.4%	17.6%	16.6%	34.1%	3.1%	5.1%	59.4%	-55.3%
Escalon Medical Corp.	80.0%	11.8%	27.6%	56.3%	13.5%	-4.7%	-5.0%	-33.3%	-4.5%	-1.3%	-55.3%
BG Medicine, Inc.	-54.5%	-45.3%	-21.1%	-61.2%	-49.1%	N/A	-51.1%	N/A	N/A	N/A	N/A
Median of Industry Public Companies	15.9%	-3.4%	4.1%	6.1%	8.7%	2.4%	12.6%	-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:	6/30/2012	9/30/2012	12/31/2012	3/31/2013	6/30/2013	9/30/2013	12/31/2013	3/31/2014	6/30/2014
EV/Revenues Multiple	3.1x	3.3x	2.9x	4.5x	4.2x	4.0x	2.9x	2.6x	3.7x
EV/EBITDA Multiple	13.2x	14.6x	12.5x	13.6x	13.1x	14.2x	14.4x	13.6x	12.7x
Price/Earnings Multiple	20.5x	22.8x	19.3x	17.7x	19.2x	22.6x	23.7x	21.3x	19.7x
EV/Gross Cash Flows Multiple	15.9x	17.8x	16.2x	16.6x	16.1x	16.5x	18.6x	16.5x	15.5x

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

Quarterly Industry Update

As of June 30, 2014

Industry: Blood Diagnostics



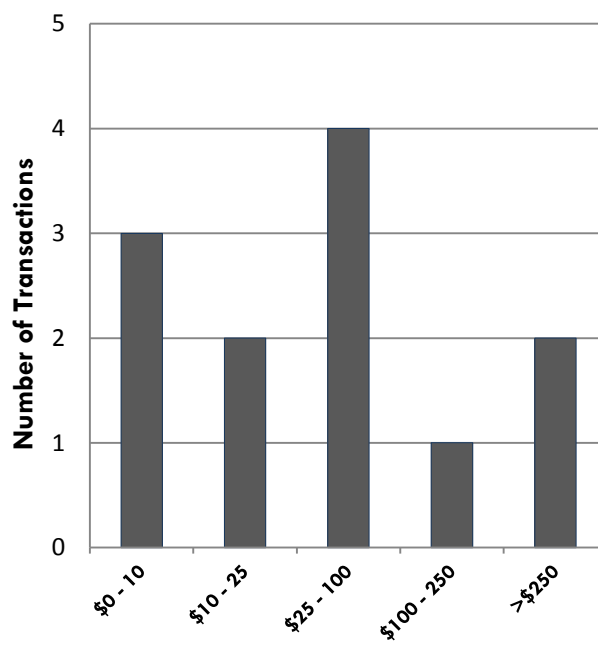
Industry Initial Public Offerings (dollars in millions, except share prices)

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	\$12.00	8.3	\$100.0	\$367.3	\$0.0	\$363.0	\$127.1	\$67.0	\$145.0
10/18/2011	ZELTIQ Aesthetics	\$13.00	7.0	\$91.0	\$21.2	\$0.6	\$61.7	(\$4.8)	(\$6.2)	(\$4.1)
2/3/2011	BG Medicine	\$7.00	5.0	\$35.0	\$7.0	\$6.4	\$0.8	(\$14.1)	(\$17.2)	(\$13.6)
2/2/2011	Tornier N.V.	\$19.00	8.8	\$166.3	\$491.2	\$138.1	\$227.4	\$12.4	(\$39.5)	\$28.0
8/13/2010	Electromed	\$4.00	1.7	\$6.8	\$14.1	\$4.2	\$14.3	\$2.1	\$0.9	\$2.4
5/28/2010	GenMark Diagnostics	\$6.00	4.6	\$27.6	\$16.1	\$0.0	\$1.2	(\$17.8)	(\$20.4)	(\$16.3)
4/22/2010	Dehaier Medical Systems	\$8.00	1.5	\$12.0	\$18.1	\$0.9	\$12.5	\$3.8	\$2.9	\$4.1
4/21/2010	DynaVox	\$15.00	9.4	\$140.6	\$138.9	\$90.0	\$111.7	\$30.2	\$15.0	N/A
8/7/2007	Masimo	\$17.00	11.9	\$202.6	\$174.1	\$37.1	\$241.9	\$77.2	\$42.9	\$81.5
5/14/2007	Insulet	\$15.00	7.7	\$115.5	\$47.7	\$31.2	\$5.4	(\$35.8)	(\$40.6)	(\$33.0)
Median of All IPOs		nm	nm	\$95.5	\$34.4	\$4.2	\$38.0	\$3.0	(\$2.7)	\$2.4

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

Transaction Date	Target	Acquirer	Transaction Size	% Bought
9/10/2013	Flowsense Medical	Baxter International	\$4.6	100%
9/6/2013	Gambro AB	Baxter International	\$4,013.8	100%
2/6/2013	Epocal	Inverness Medical	\$241.5	100%
10/3/2012	Drew Scientific	ERBA Diagnostics	\$6.5	100%
8/1/2012	Gen-Probe	Hologic	\$4,204.1	100%
5/31/2012	SunTech Medical Group	Halma	\$57.0	100%
5/22/2012	Navilyst Medical	AngioDynamics	\$374.5	100%
4/2/2012	Accutome	Halma	\$25.0	100%
1/3/2012	Verum Diagnostica	Roche Holding	\$13.3	100%
11/23/2011	Shanghai Yuanqi	SHMY Healthdigit Biochips	\$54.0	70%
11/8/2011	Axis-Shield	Alere	\$396.1	100%
9/2/2011	Life Enhancement Technology	VasoHealthcare	\$3.3	100%
8/23/2011	Phadia	Thermo Fisher Scientific	\$3,512.8	100%
6/29/2011	Beckman Coulter	Danaher	\$7,392.9	100%
6/16/2011	Stanbio Laboratory	EKF Diagnostics Holdings	\$25.3	100%
Median of All Transaction Targets			\$57.0	100%

Size of Merger and Acquisition Transactions (dollars in millions)



Disclosures and Limitations: This research report is for informational and discussion purposes only. This report and any information presented herein is not investment advice of any kind to any person and does not constitute a recommendation as to the purchase or sale of any interests or as to any other course of action. General, financial, and statistical information concerning the details of this report and related industry are from sources Cogent Valuation believes to be reliable. Cogent Valuation has accurately reflected such information in this research report; however, Cogent Valuation makes no representation as to the sources' accuracy or completeness and has accepted this information without further verification. Neither all nor any part of the content of this report may be conveyed to the public through advertising, public relations, news, sales, mail, direct transmittal, or other media without the prior written consent of Cogent Valuation. Cogent Valuation's research is as of the date reported herein. Cogent Valuation has no affiliation with any of the companies comprising the composite used as a basis for research in this report, nor does Cogent Valuation hold any investments in the companies listed herein. The content of this report may be used, in part, as a basis for any work that Cogent Valuation performs for you in the future at the sole discretion of Cogent Valuation. THIS REPORT IS NOT TO BE USED OR CONSIDERED UNDER ANY CIRCUMSTANCE BY ANYONE AS INVESTMENT ADVICE. 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 Steven Kam at 415-392-0888 for additional information or questions in connection with this research report. Copyright © 2014 Cogent Valuation. All Rights Reserved.