

Quarterly Industry Update

As of March 31, 2015

Industry: Cardiovascular Equipment

Industry Summary

Cogent Valuation identified publicly traded companies, IPOs, and recent M&A transactions within the Cardiovascular Equipment 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 March 31, 2014, the median 52-week share price return of the Cardiovascular Equipment industry has increased by 15.8%. In the last quarter, the median price-to-earnings multiple decreased from 34.7x to 26.3x.

Comparable Public Company Key Statistics

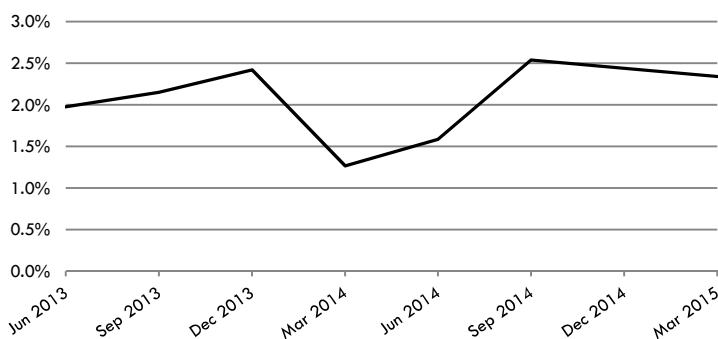
Median 52-Week Return	15.8%	Median EV/Revenue Multiple	3.9x	Median Price/Earnings Multiple	26.3x
Median 3-Year CAGR Return	25.8%	Median EV/EBITDA Multiple	15.2x	Median EV/Gross CF Multiple	25.4x

Comparable Public Company Market Price Returns (As of March 31, 2015)

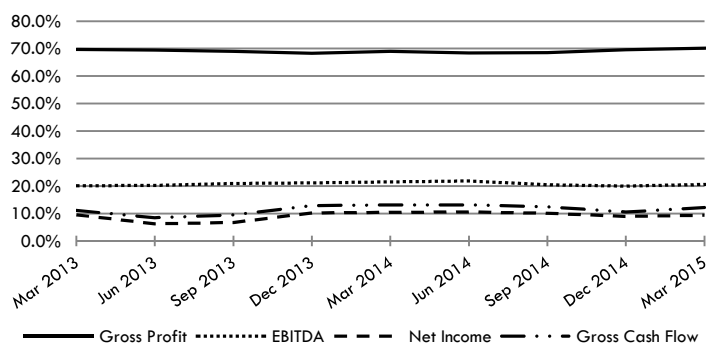
	YTD	3 Month	1 Year	2 Year	3 Year	5 Year	2014	2013	2012	2011	2010
Vascular Solutions Inc.	11.6%	11.6%	15.8%	36.7%	41.1%	27.5%	17.3%	46.5%	42.0%	-5.0%	39.7%
BioTelemetry, Inc.	-11.8%	-11.8%	-12.3%	90.8%	42.2%	3.0%	26.3%	248.2%	-3.8%	-49.4%	-21.2%
ABIOMED, Inc.	88.1%	88.1%	174.9%	95.8%	47.8%	47.3%	42.3%	99.0%	-27.2%	92.2%	10.1%
Edwards Lifesciences Corp.	11.8%	11.8%	92.1%	31.7%	25.1%	23.6%	93.7%	-27.1%	27.5%	-12.5%	86.2%
Thoratec Corp.	29.1%	29.1%	17.0%	5.7%	7.5%	4.6%	-11.3%	-2.5%	11.8%	18.5%	5.2%
The Spectranetics Corporation	0.5%	0.5%	14.7%	37.0%	49.5%	38.1%	38.3%	69.3%	104.6%	39.9%	-25.9%
CryoLife Inc.	-8.5%	-8.5%	4.1%	31.4%	25.3%	9.9%	2.2%	78.0%	29.8%	-11.4%	-15.6%
Boston Scientific Corporation	34.0%	34.0%	31.3%	50.8%	43.7%	19.7%	10.2%	109.8%	7.3%	-29.5%	-15.9%
Medtronic plc	8.0%	8.0%	26.7%	28.9%	25.8%	11.6%	25.8%	39.9%	7.2%	3.1%	-15.7%
CR Bard Inc.	0.4%	0.4%	13.1%	28.9%	19.2%	14.1%	24.4%	37.0%	14.3%	-6.8%	17.8%
St. Jude Medical Inc.	0.6%	0.6%	0.0%	27.2%	13.9%	9.8%	5.0%	71.4%	5.4%	-19.8%	16.2%
Teleflex Incorporated	5.2%	5.2%	12.7%	19.6%	25.5%	13.5%	22.3%	31.6%	16.3%	13.9%	-0.1%
Cardiovascular Systems Inc.	29.8%	29.8%	22.8%	38.1%	61.6%	49.0%	-12.3%	173.2%	27.4%	-15.5%	154.0%
Median of Industry Public Companies	8.0%	8.0%	15.8%	31.7%	25.8%	14.1%	22.3%	69.3%	14.3%	-6.8%	5.2%

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

Median Quarterly Revenue Growth of All Cardiovascular Equipment Companies



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



Median Public Company Multiples of the Cardiovascular Equipment Industry

Date:	3/31/2013	6/30/2013	9/30/2013	12/31/2013	3/31/2014	6/30/2014	9/30/2014	12/31/2014	3/31/2015
EV/Revenues Multiple	2.9x	3.1x	3.2x	3.4x	3.7x	3.5x	3.4x	3.8x	3.9x
EV/EBITDA Multiple	10.3x	10.9x	11.8x	13.4x	14.0x	13.6x	12.8x	14.8x	15.2x
Price/Earnings Multiple	25.1x	23.4x	22.4x	21.9x	25.6x	21.8x	22.8x	34.7x	26.3x
EV/Gross Cash Flows Multiple	21.0x	21.9x	21.1x	21.6x	21.7x	21.1x	19.4x	25.2x	25.4x

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Quarterly Industry Update

As of March 31, 2015

Industry: Cardiovascular Equipment



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

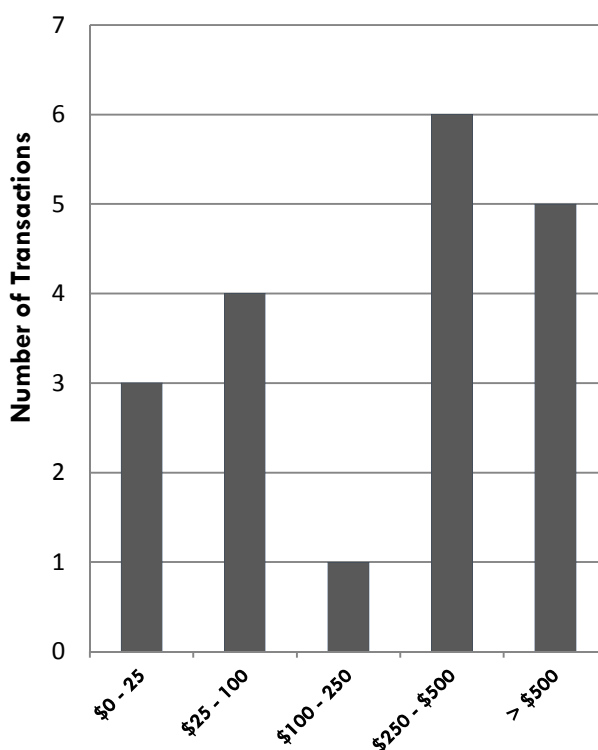
Offer Date	Company Name	Offer Price	Shares Offered	Amount Raised	Total Assets	Debt	LTM Revenues	LTM EBITDA	LTM Net Income	LTM Cash Flows
11/17/2011	Sphere Medical Holding PLC	\$1.46	15.1	\$22.1	\$19.4	\$0.0	\$0.0	(\$7.0)	(\$8.1)	(\$6.7)
4/18/2011	InspireMD, Inc.	\$1.50	7.0	\$10.4	\$12.7	\$1.5	\$4.5	(\$3.3)	(\$4.6)	(\$3.2)
2/10/2011	Kips Bay Medical, Inc.	\$8.00	2.1	\$16.5	\$6.2	\$0.0	\$0.2	(\$8.6)	(\$10.9)	(\$8.6)
3/18/2008	BioTelemetry, Inc.	\$18.00	3.4	\$81.0	\$103.0	\$2.8	\$64.9	\$4.8	(\$0.4)	\$8.5
6/14/2006	Volcano Corporation	\$8.00	6.8	\$54.4	\$62.0	\$31.1	\$95.3	(\$4.2)	(\$17.8)	\$0.6
12/12/2005	Lombard Medical Technologies Limited	\$2.82	14.4	\$47.0	\$11.8	\$7.4	\$0.1	\$0.0	(\$13.0)	\$1.3
8/5/2005	AtriCure, Inc.	\$12.00	4.0	\$48.0	\$12.5	\$0.0	\$25.5	(\$5.8)	(\$10.9)	(\$4.7)
8/11/2004	Stereotaxis Inc.	\$8.00	5.0	\$44.0	\$41.1	\$6.0	\$9.9	(\$29.8)	(\$30.5)	(\$29.2)
Median of All IPOs		nm	nm	\$45.5	\$16.1	\$2.1	\$7.2	(\$5.0)	(\$10.9)	(\$3.9)

nm: not meaningful

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

Transaction Date	Target	Acquirer	Transaction Size	% Bought
5/30/2014	CardioMEMS, Inc.	St. Jude Medical Inc.	\$375.0	81%
2/20/2014	Oscor Inc., Lead Business	Sorin SpA	\$20.0	100%
12/1/2013	CircuLite, Inc.	Heartware International	\$401.8	100%
8/11/2013	Cardiacom	Medtronic	\$200.0	100%
7/3/2012	eResearchTechnology	Genstar Capital	\$423.5	100%
5/31/2012	SunTech Medical Group	Halma	\$57.0	100%
4/25/2012	ZOLL Medical	Asahi Kasei	\$2,216.2	100%
8/31/2011	Salient Surgical Technologies	Medtronic	\$452.0	91%
8/31/2011	PEAK Surgical	Medtronic	\$96.0	81%
12/21/2010	Clariant	GE Healthcare	\$597.9	100%
12/21/2010	Biotel	CardioNet	\$11.6	100%
12/3/2010	Cardiac Science	Opto Circuits	\$56.3	100%
11/30/2010	Beijing Star Medical Devices	Lepu Medical Technology	\$22.6	100%
11/17/2010	AGA Medical Holdings	St. Jude Medical	\$1,310.9	100%
11/4/2010	International Technidyne	Nexus Dx	\$55.0	100%
8/12/2010	ATS Medical	Medtronic	\$358.8	100%
4/21/2010	Invatec	Medtronic	\$500.0	100%
4/19/2010	Facet Biotech	Abbott Laboratories	\$747.4	100%
Median of All Transaction Targets			\$366.9	100%

Size of Merger and Acquisition Transactions (dollars in millions)



Quarterly Industry Update

As of March 31, 2015

Medical Device Industry Aggregates



Comparable Public Company Key Statistics

Median 52-Week Return	6.5%	Median EV/Revenue Multiple	3.7x	Median Price/Earnings Multiple	31.6x
Median Year-to-Date Return	6.2%	Median EV/EBITDA Multiple	14.5x	Median EV/Gross CF Multiple	25.9x

Comparable Public Company Market Price Returns (As of March 31, 2015)

	YTD	3 Month	1 Year	2 Year	3 Year	5 Year	2014	2013	2012	2011	2010
ABIOMED, Inc.	88.1%	88.1%	174.9%	95.8%	47.8%	47.3%	42.3%	99.0%	-27.2%	92.2%	10.1%
AngioDynamics Inc.	-6.4%	-6.4%	13.0%	24.8%	13.2%	2.6%	10.8%	56.1%	-25.8%	-3.6%	-4.2%
Atossa Genetics, Inc.	25.9%	25.9%	6.5%	-54.6%	N/A	N/A	-38.4%	-40.5%	N/A	N/A	N/A
AtriCure, Inc.	2.7%	2.7%	8.9%	60.8%	27.2%	28.3%	6.9%	170.7%	-37.8%	8.1%	70.0%
Becton, Dickinson and Company	3.2%	3.2%	22.6%	22.5%	22.7%	12.8%	25.9%	41.3%	4.6%	-11.6%	7.2%
BIOLASE, Inc.	-23.2%	-23.2%	-16.2%	-28.0%	-8.1%	2.4%	-6.6%	56.1%	-26.6%	52.8%	-8.4%
Boston Scientific Corporation	34.0%	34.0%	31.3%	50.8%	43.7%	19.7%	10.2%	109.8%	7.3%	-29.5%	-15.9%
Cardiovascular Systems Inc.	29.8%	29.8%	22.8%	38.1%	61.6%	49.0%	-12.3%	173.2%	27.4%	-15.5%	154.0%
CAS Medical Systems Inc.	-19.1%	-19.1%	-38.5%	-16.2%	-15.2%	-5.8%	-2.9%	-20.9%	23.0%	-45.4%	50.9%
CryoLife Inc.	-8.5%	-8.5%	4.1%	31.4%	25.3%	9.9%	2.2%	78.0%	29.8%	-11.4%	-15.6%
Cutera, Inc.	21.0%	21.0%	15.5%	-0.3%	14.8%	4.5%	4.9%	13.1%	20.8%	-10.1%	-2.6%
Cyberonics Inc.	16.6%	16.6%	-0.5%	17.8%	19.4%	27.6%	-14.9%	24.5%	56.8%	8.0%	51.8%
Cytosorbents Corporation	32.6%	32.6%	129.4%	111.9%	54.5%	24.8%	218.4%	-3.8%	-18.8%	14.4%	-26.3%
Daxor Corp.	-18.5%	-18.5%	-31.1%	-11.4%	-14.3%	-12.8%	2.2%	-10.1%	-16.5%	-1.6%	-23.2%
Delcath Systems, Inc.	-20.7%	-20.7%	-78.6%	-81.7%	-73.3%	-62.5%	-70.3%	-79.3%	-59.7%	-68.9%	91.8%
DexCom, Inc.	13.2%	13.2%	50.7%	93.1%	81.5%	45.0%	55.5%	160.6%	46.0%	-31.8%	69.1%
Endologix Inc.	11.6%	11.6%	32.6%	2.8%	5.2%	33.4%	-12.3%	22.5%	24.0%	60.6%	35.4%
EnteroMedics Inc.	-35.6%	-35.6%	-49.7%	-4.3%	-26.0%	-21.5%	-30.4%	-27.1%	64.7%	-44.8%	-8.3%
Escalon Medical Corp.	-16.1%	-16.1%	-11.8%	12.3%	10.2%	-2.4%	-18.3%	107.3%	-5.0%	-33.3%	-4.5%
Globus Medical, Inc.	6.2%	6.2%	-5.1%	31.1%	N/A	N/A	17.8%	92.4%	N/A	N/A	N/A
Greatbatch, Inc.	17.3%	17.3%	26.0%	39.2%	33.1%	22.2%	11.4%	90.4%	5.2%	-8.5%	25.6%
Heartware International Inc.	19.5%	19.5%	-6.4%	-0.4%	10.1%	14.6%	-21.8%	11.9%	21.7%	-21.2%	146.9%
InspireMD, Inc.	-58.8%	-58.8%	-89.5%	-64.4%	-64.6%	N/A	-68.4%	-36.9%	-55.3%	N/A	N/A
LDR Holding Corporation	11.8%	11.8%	6.7%	N/A	N/A	N/A	38.9%	N/A	N/A	N/A	N/A
LeMaitre Vascular, Inc.	9.5%	9.5%	3.8%	16.3%	12.5%	13.2%	-4.5%	39.5%	-3.0%	-12.6%	35.4%
MELA Sciences, Inc.	114.2%	114.2%	-58.7%	-52.9%	-61.4%	-49.0%	-81.3%	-64.2%	-51.5%	10.1%	-67.5%
Merit Medical Systems, Inc.	11.1%	11.1%	34.6%	25.3%	15.7%	9.6%	10.1%	13.2%	3.9%	5.7%	-17.7%
MGC Diagnostics Corporation	12.8%	12.8%	-36.6%	1.6%	7.9%	10.3%	-49.4%	114.6%	13.0%	0.4%	27.1%
NeuroMetrix Inc.	-13.8%	-13.8%	-28.2%	-17.5%	-27.7%	-52.4%	-33.2%	12.5%	-65.4%	-69.4%	-72.5%
NuVasive, Inc.	-2.5%	-2.5%	19.7%	46.9%	39.8%	0.3%	45.9%	109.1%	22.8%	-50.9%	-19.8%
Nxstage Medical, Inc.	-3.5%	-3.5%	35.8%	23.8%	-3.5%	8.6%	79.3%	-11.1%	-36.7%	-28.5%	198.0%
St. Jude Medical Inc.	0.6%	0.6%	0.0%	27.2%	13.9%	9.8%	5.0%	71.4%	5.4%	-19.8%	16.2%
Stryker Corporation	-2.2%	-2.2%	13.2%	18.9%	18.5%	10.0%	25.5%	37.1%	10.3%	-7.4%	6.6%
Sunshine Heart Inc.	0.0%	0.0%	-27.4%	-16.7%	-21.8%	N/A	-56.3%	59.4%	N/A	N/A	N/A
Tandem Diabetes Care, Inc.	-0.6%	-0.6%	-42.9%	N/A	N/A	N/A	-50.7%	N/A	N/A	N/A	N/A
The Cooper Companies Inc.	15.6%	15.6%	36.4%	31.8%	31.9%	37.0%	30.9%	33.9%	31.1%	25.2%	47.8%
Thoratec Corp.	29.1%	29.1%	17.0%	5.7%	7.5%	4.6%	-11.3%	-2.5%	11.8%	18.5%	5.2%
TransEnterix, Inc.	0.7%	0.7%	-68.7%	N/A	N/A	N/A	-64.7%	N/A	N/A	N/A	N/A
Utah Medical Products Inc.	-0.3%	-0.3%	3.5%	10.8%	24.4%	16.3%	5.1%	58.6%	33.5%	0.4%	-8.3%
Varian Medical Systems, Inc.	8.8%	8.8%	12.0%	14.3%	10.9%	11.2%	11.4%	10.6%	4.6%	-3.1%	47.9%
Vascular Solutions Inc.	11.6%	11.6%	15.8%	36.7%	41.1%	27.5%	17.3%	46.5%	42.0%	-5.0%	39.7%
Median of Industry Public Companies	6.2%	6.2%	6.5%	17.0%	13.6%	10.2%	2.2%	38.3%	5.4%	-8.0%	8.6%

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

Quarterly Industry Update

As of March 31, 2015

Medical Device Industry Aggregates



Median Public Company Multiples of the Medical Device Industry Aggregates

Date:	3/31/2013	6/30/2013	9/30/2013	12/31/2013	3/31/2014	6/30/2014	9/30/2014	12/31/2014	3/31/2015
EV/Revenues Multiple	2.5x	2.4x	2.7x	2.9x	3.2x	3.0x	3.0x	3.4x	3.7x
EV/EBITDA Multiple	11.4x	11.7x	12.3x	13.8x	14.2x	13.0x	11.9x	13.1x	14.5x
Price/Earnings Multiple	23.7x	25.1x	26.7x	31.1x	32.5x	30.1x	26.7x	32.2x	31.6x
EV/Gross Cash Flows Multiple	18.4x	17.6x	20.4x	23.0x	25.2x	22.4x	22.4x	21.5x	25.9x

Industry Initial Public Offerings - Medical Device Industry Aggregates (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
1/30/2015	Avinger, Inc.	\$13.00	5.0	\$65.0	\$24.8	\$29.1	\$11.2	(\$23.6)	(\$32.0)	(\$22.1)
11/5/2014	Nevro Corp.	\$18.00	7.0	\$126.0	\$56.1	\$0.0	\$29.1	(\$27.7)	(\$29.1)	(\$27.6)
12/19/2014	Medovex Corp.	\$5.75	1.4	\$8.0	\$2.6	\$0.0	\$0.0	(\$0.7)	(\$0.7)	(\$0.7)
5/7/2014	K2M Group Holdings, Inc.	\$15.00	8.8	\$132.4	\$301.9	\$57.9	\$162.2	(\$9.3)	(\$41.8)	(\$1.9)
4/15/2014	TriVascular Technologies, Inc.	\$12.00	6.5	\$78.0	\$58.6	\$47.7	\$23.6	(\$46.0)	(\$53.4)	(\$45.3)
11/13/2013	Tandem Diabetes Care, Inc.	\$15.00	8.0	\$120.0	\$48.6	\$29.3	\$21.0	(\$38.2)	(\$48.1)	(\$35.0)
10/8/2013	LDR Holding Corporation	\$15.00	5.0	\$75.0	\$77.7	\$53.2	\$104.6	\$2.6	(\$15.3)	\$6.2
8/2/2012	Globus Medical, Inc.	\$12.00	8.3	\$100.0	\$367.3	\$0.0	\$363.0	\$127.1	\$67.0	\$145.0
6/27/2012	Tesaro, Inc.	\$13.50	6.0	\$81.0	\$93.0	\$0.0	\$0.0	(\$23.2)	(\$23.2)	(\$23.2)
4/30/2012	Supernus Pharmaceuticals, Inc.	\$5.00	3.4	\$50.0	\$43.2	\$29.1	\$1.0	(\$35.5)	\$55.6	(\$34.9)
2/10/2011	Kips Bay Medical, Inc.	\$8.00	2.1	\$16.5	\$6.2	\$0.0	\$0.2	(\$8.6)	(\$10.9)	(\$8.6)
2/2/2011	Tornier N.V.	\$19.00	8.8	\$166.3	\$491.2	\$138.1	\$227.4	\$12.4	(\$39.5)	\$28.0
11/23/2010	Anacor Pharmaceuticals, Inc.	\$5.00	12.0	\$60.0	\$20.4	\$9.1	\$31.1	(\$4.3)	(\$6.5)	(\$3.6)
11/22/2010	Zogenix, Inc.	\$4.00	7.1	\$56.0	\$55.0	\$35.9	\$14.6	(\$55.4)	(\$77.6)	(\$54.1)
8/13/2010	Electromed, Inc.	\$4.00	1.7	\$6.8	\$14.1	\$4.2	\$14.3	\$2.1	\$0.9	\$2.4
8/2/2010	Trius Therapeutics, Inc.	\$5.00	10.0	\$50.0	\$15.6	\$20.2	\$6.3	(\$16.1)	(\$17.4)	(\$15.6)
3/24/2010	CorMedix, Inc.	\$6.50	1.9	\$12.5	\$2.2	\$13.8	\$0.0	(\$6.0)	(\$8.1)	(\$6.0)
3/11/2010	AVEO Pharmaceuticals, Inc.	\$9.00	9.0	\$81.0	\$59.8	\$19.7	\$20.7	(\$39.9)	(\$44.1)	(\$38.6)
3/1/2010	Anthera Pharmaceuticals, Inc.	\$7.00	6.0	\$42.0	\$5.9	\$13.1	\$0.0	(\$11.8)	(\$12.2)	(\$11.8)
2/2/2010	Ironwood Pharmaceuticals, Inc.	\$11.25	10.1	\$187.5	\$162.5	\$2.0	\$34.3	(\$56.1)	(\$71.2)	(\$51.3)
Median of All IPOs		nm	nm	\$70.0	\$51.8	\$16.8	\$17.7	(\$13.9)	(\$20.3)	(\$13.7)

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