

Quarterly Industry Update

As of June 30, 2015

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, 2014, the median 52-week share price return of the Blood Diagnostics industry has decreased by -9.5%. In the last quarter, the median price-to-earnings multiple increased from 22.7x to 25.0x.

Comparable Public Company Key Statistics

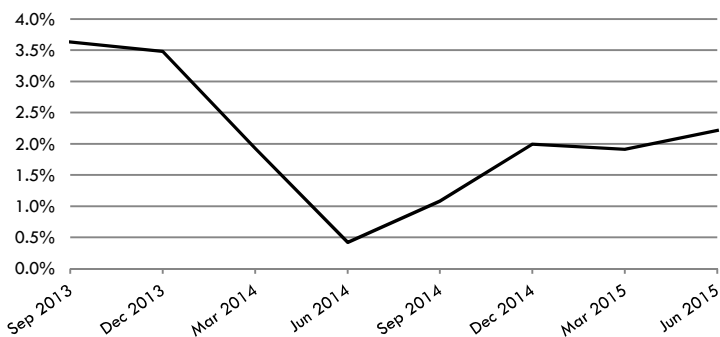
Median 52-Week Return	-9.5%	Median EV/Revenue Multiple	2.8x	Median Price/Earnings Multiple	25.0x
Median 3-Year CAGR Return	11.6%	Median EV/EBITDA Multiple	14.0x	Median EV/Gross CF Multiple	22.4x

Comparable Public Company Market Price Returns (As of June 30, 2015)

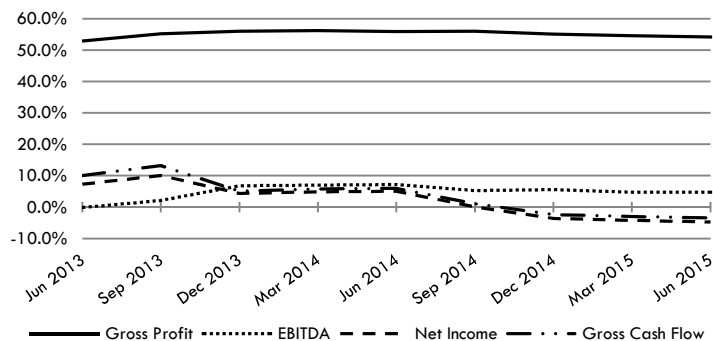
	YTD	3 Month	1 Year	2 Year	3 Year	5 Year	2014	2013	2012	2011	2010
Insulet Corporation	-32.7%	-7.1%	-21.9%	-0.7%	13.2%	15.5%	24.2%	74.8%	12.7%	21.5%	8.5%
DexCom, Inc.	45.3%	28.3%	101.7%	88.7%	83.4%	47.2%	55.5%	160.6%	46.0%	-31.8%	69.1%
Masimo Corporation	47.1%	17.5%	64.2%	35.2%	20.1%	10.2%	-9.9%	39.1%	12.4%	-35.7%	-4.4%
Mindray Medical International Limited	8.0%	4.2%	-9.5%	-12.8%	-2.0%	-1.9%	-27.4%	11.2%	27.5%	-2.9%	-22.2%
Quest Diagnostics Inc.	8.1%	-5.6%	23.6%	9.4%	6.6%	7.8%	25.3%	-8.1%	0.4%	7.6%	-10.6%
Abaxis, Inc.	-9.4%	-19.7%	16.2%	4.1%	11.6%	19.2%	42.0%	7.8%	34.1%	3.1%	5.1%
Escalon Medical Corp.	-11.8%	5.2%	-17.0%	2.9%	26.6%	-1.7%	-18.3%	107.3%	-5.0%	-33.3%	-4.5%
BG Medicine, Inc.	19.3%	-32.1%	-47.6%	-35.7%	-57.1%	N/A	-55.7%	-55.0%	-51.1%	N/A	N/A
MGC Diagnostics Corporation	-10.9%	-21.1%	-31.3%	-17.4%	-0.1%	7.5%	-49.4%	114.6%	13.0%	0.4%	27.1%
Median of Industry Public Companies	8.0%	-5.6%	-9.5%	2.9%	11.6%	9.0%	-9.9%	39.1%	12.7%	-1.2%	0.3%

(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:	6/30/2013	9/30/2013	12/31/2013	3/31/2014	6/30/2014	9/30/2014	12/31/2014	3/31/2015	6/30/2015
EV/Revenues Multiple	3.3x	3.4x	2.9x	2.6x	2.4x	2.2x	2.1x	2.5x	2.8x
EV/EBITDA Multiple	13.1x	14.2x	15.8x	14.6x	12.1x	11.6x	14.8x	16.3x	14.0x
Price/Earnings Multiple	20.1x	23.0x	28.3x	24.0x	21.1x	17.8x	20.1x	22.7x	25.0x
EV/Gross Cash Flows Multiple	16.7x	18.3x	23.4x	19.4x	12.9x	17.3x	18.5x	20.6x	22.4x

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The disclosures and limitations of this research on page four are an integral part of this report.

Quarterly Industry Update

As of June 30, 2015

Industry: Blood Diagnostics



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

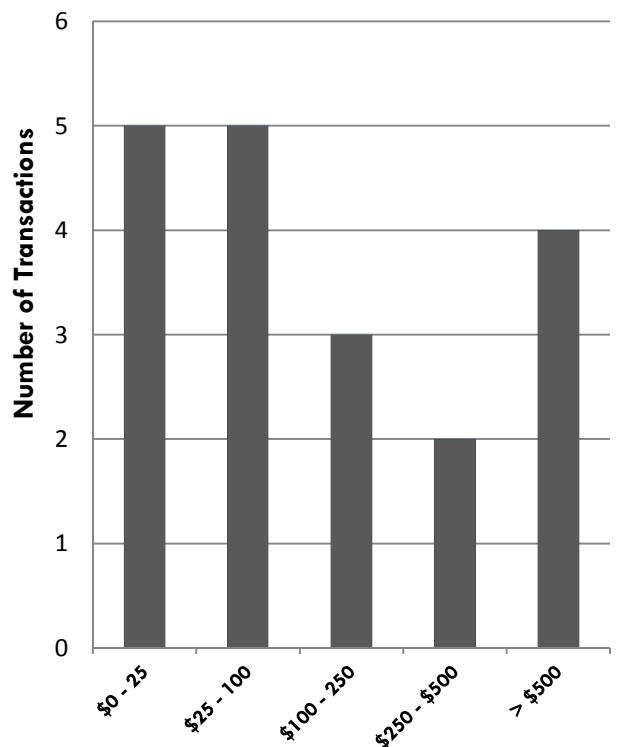
Offer Date	Company Name	Offer Price	Shares Offered	Amount Raised	Total Assets	Debt	LTM Revenues	LTM EBITDA	LTM Net Income	LTM Cash Flows
4/13/2005	DexCom, Inc.	\$12.00	4.7	\$56.4	\$25.4	\$0.0	\$0.0	(\$16.4)	(\$16.8)	(\$15.9)
9/25/2006	Mindray Medical International Limited	\$13.50	20.0	\$270.0	\$127.8	\$4.2	\$164.9	\$43.3	\$36.2	\$47.5
5/14/2007	Insulet Corporation	\$15.00	7.7	\$115.5	\$47.7	\$31.2	\$5.4	(\$35.8)	(\$40.6)	(\$33.0)
8/7/2007	Masimo Corporation	\$17.00	11.9	\$202.6	\$174.1	\$37.1	\$241.9	\$77.2	\$42.9	\$81.5
4/21/2010	DynaVox Inc.	\$15.00	9.4	\$140.6	\$138.9	\$90.0	\$111.7	\$30.2	\$15.0	\$33.0
4/22/2010	Dehaier Medical Systems Limited	\$8.00	1.5	\$12.0	\$18.1	\$0.9	\$12.5	\$3.8	\$2.9	\$4.1
5/28/2010	GenMark Diagnostics, Inc.	\$6.00	4.6	\$27.6	\$16.1	\$0.0	\$1.2	(\$17.8)	(\$20.4)	(\$16.3)
8/13/2010	Electromed, Inc.	\$4.00	1.7	\$6.8	\$14.1	\$4.2	\$14.3	\$2.1	\$0.9	\$2.4
2/2/2011	Tornier N.V.	\$19.00	8.8	\$166.3	\$491.2	\$138.1	\$227.4	\$12.4	(\$39.5)	\$28.0
2/3/2011	BG Medicine, Inc.	\$7.00	5.0	\$35.0	\$7.0	\$6.4	\$0.8	(\$14.1)	(\$17.2)	(\$13.6)
10/18/2011	ZELTIQ Aesthetics, Inc.	\$13.00	7.0	\$91.0	\$21.2	\$0.6	\$61.7	(\$4.8)	(\$6.2)	(\$4.1)
8/2/2012	Globus Medical, Inc.	\$12.00	8.3	\$100.0	\$367.3	\$0.0	\$363.0	\$127.1	\$67.0	\$145.0
8/6/2014	T2 Biosystems, Inc.	\$11.00	5.2	\$57.2	\$20.1	\$4.2	\$0.1	(\$23.6)	(\$25.2)	(\$23.0)
4/24/2014	Quotient Limited	\$8.00	5.0	\$40.0	\$29.8	\$15.4	\$19.8	(\$8.3)	(\$10.2)	(\$7.8)
Median of All IPOs		nm	nm	\$74.1	\$27.6	\$4.2	\$17.0	(\$1.3)	(\$8.2)	(\$0.8)

nm: not meaningful

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

Transaction Date	Target	Acquirer	Transaction Size	% Bought
6/11/2015	Biosensors International	Hony Capital (Beijing)	\$50.0	100%
11/20/2014	LipoScience, Inc.	Laboratory Corp. of America	\$101.0	100%
10/31/2014	Cell Marque Corporation	Sigma-Aldrich Corporation	\$170.0	100%
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			\$79.0	100%

Size of Merger and Acquisition Transactions (dollars in millions)



Quarterly Industry Update

As of June 30, 2015

Diagnostics Industry Aggregates



Comparable Public Company Key Statistics

Median 52-Week Return	0.5%	Median EV/Revenue Multiple	2.8x	Median Price/Earnings Multiple	36.4x
Median Year-to-Date Return	-0.2%	Median EV/EBITDA Multiple	14.0x	Median EV/Gross CF Multiple	27.3x

Comparable Public Company Market Price Returns (As of June 30, 2015)

	YTD	3 Month	1 Year	2 Year	3 Year	5 Year	2014	2013	2012	2011	2010
Abaxis, Inc.	-9.4%	-19.7%	16.2%	4.1%	11.6%	19.2%	42.0%	7.8%	34.1%	3.1%	5.1%
Accelerate Diagnostics, Inc.	34.5%	14.7%	-0.7%	78.3%	112.5%	85.3%	57.3%	202.7%	233.1%	22.2%	17.9%
Affymetrix Inc.	10.6%	-13.1%	22.6%	56.8%	32.5%	13.1%	15.2%	170.3%	-22.5%	-18.7%	-13.9%
AngioDynamics Inc.	-13.7%	-7.8%	0.4%	20.6%	10.9%	2.1%	10.8%	56.1%	-25.8%	-3.6%	-4.2%
BG Medicine, Inc.	19.3%	-32.1%	-47.6%	-35.7%	-57.1%	N/A	-55.7%	-55.0%	-51.1%	N/A	N/A
Bio-Techne Corp.	6.6%	-1.8%	6.4%	19.4%	9.9%	11.4%	-2.4%	38.5%	0.1%	3.9%	-4.2%
Cepheid	12.9%	7.5%	27.6%	33.3%	11.1%	30.7%	16.0%	37.8%	-1.6%	51.3%	82.3%
Chembio Diagnostics, Inc.	25.6%	21.5%	43.1%	-0.9%	2.7%	17.0%	16.0%	-28.8%	40.8%	-1.2%	51.8%
CombiMatrix Corporation	24.8%	-15.3%	-24.9%	-28.8%	-42.6%	-42.5%	-43.9%	-56.4%	-73.6%	-7.0%	-66.4%
DexCom, Inc.	45.3%	28.3%	101.7%	88.7%	83.4%	47.2%	55.5%	160.6%	46.0%	-31.8%	69.1%
Digirad Corporation	-0.5%	-4.4%	21.9%	33.4%	25.2%	15.8%	17.8%	80.5%	4.6%	-6.7%	0.0%
Enzo Biochem Inc.	-31.8%	2.7%	-42.3%	20.7%	22.0%	-5.7%	52.1%	8.1%	20.5%	-57.6%	-1.9%
ERBA Diagnostics, Inc.	-30.9%	-37.6%	11.2%	60.5%	49.9%	33.3%	16.1%	206.7%	102.3%	-22.8%	11.7%
Escalon Medical Corp.	-11.8%	5.2%	-17.0%	2.9%	26.6%	-1.7%	-18.3%	107.3%	-5.0%	-33.3%	-4.5%
Exact Sciences Corporation	8.4%	35.1%	74.6%	46.2%	40.5%	46.5%	133.5%	11.0%	30.4%	35.8%	76.4%
Forward Industries Inc.	-33.7%	-12.7%	-43.5%	-39.8%	-26.6%	-26.0%	-32.9%	4.7%	-11.4%	-48.1%	53.3%
GenMark Diagnostics, Inc.	-33.4%	-30.2%	-33.0%	-6.4%	27.8%	15.4%	2.4%	47.7%	118.4%	0.7%	N/A
Insulet Corporation	-32.7%	-7.1%	-21.9%	-0.7%	13.2%	15.5%	24.2%	74.8%	12.7%	21.5%	8.5%
Luminex Corporation	-8.0%	7.9%	0.6%	-8.5%	-11.0%	1.3%	-3.3%	15.5%	-20.9%	16.1%	22.4%
Masimo Corporation	47.1%	17.5%	64.2%	35.2%	20.1%	10.2%	-9.9%	39.1%	12.4%	-35.7%	-4.4%
Meridian Bioscience, Inc.	13.2%	-2.3%	-9.7%	-6.9%	-3.1%	1.9%	-38.0%	31.0%	7.5%	-18.7%	7.5%
Merit Medical Systems, Inc.	24.3%	11.9%	42.6%	39.0%	16.0%	10.9%	10.1%	13.2%	3.9%	5.7%	-17.7%
Merrimack Pharmaceuticals, Inc.	9.4%	4.1%	69.6%	35.4%	19.3%	N/A	112.0%	-12.5%	N/A	N/A	N/A
MGC Diagnostics Corporation	-10.9%	-21.1%	-31.3%	-17.4%	-0.1%	7.5%	-49.4%	114.6%	13.0%	0.4%	27.1%
Mindray Medical International Limited	8.0%	4.2%	-9.5%	-12.8%	-2.0%	-1.9%	-27.4%	11.2%	27.5%	-2.9%	-22.2%
Myriad Genetics Inc.	-0.2%	-4.0%	-12.7%	12.5%	12.7%	17.9%	62.3%	-23.0%	30.1%	-8.3%	-12.5%
Nanosphere, Inc.	-58.7%	-30.2%	-89.7%	-77.0%	-58.1%	-48.2%	-82.9%	-20.5%	95.9%	-66.3%	-32.3%
Navidea Biopharmaceuticals, Inc	-14.8%	1.3%	8.8%	-22.3%	-24.4%	-2.2%	-8.7%	-26.9%	8.0%	27.2%	68.9%
Neogen Corp.	-4.3%	1.5%	17.2%	13.2%	15.5%	22.3%	8.5%	51.3%	47.9%	-25.3%	73.8%
Opko Health, Inc.	61.0%	13.5%	81.9%	50.5%	51.8%	48.1%	18.4%	75.5%	-1.8%	33.5%	100.5%
OraSure Technologies, Inc.	-46.8%	-17.6%	-37.4%	17.9%	-21.7%	3.1%	61.2%	-12.4%	-21.2%	58.4%	13.2%
PDI, Inc.	-20.1%	5.9%	-67.4%	-44.8%	-44.2%	-29.6%	-62.8%	-36.7%	18.4%	-39.1%	118.7%
Quest Diagnostics Inc.	8.1%	-5.6%	23.6%	9.4%	6.6%	7.8%	25.3%	-8.1%	0.4%	7.6%	-10.6%
Quidel Corp.	-20.6%	-14.9%	3.8%	-5.2%	13.5%	12.6%	-6.4%	65.5%	23.4%	4.7%	4.9%
Signal Genetics, Inc.	-13.8%	1.9%	-68.9%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
SurModics, Inc.	6.0%	-10.0%	9.3%	8.2%	10.6%	7.4%	-9.4%	9.1%	52.5%	23.5%	-47.6%
T2 Biosystems, Inc.	-15.6%	4.6%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
TrovaGene, Inc.	136.0%	49.0%	190.0%	20.5%	37.6%	27.9%	-25.1%	-17.2%	110.0%	5.8%	-30.7%
Venaxis, Inc.	-74.7%	-3.3%	-79.9%	-38.9%	-38.0%	-56.7%	-17.3%	-16.4%	-56.0%	-67.8%	-65.3%
Veracyte, Inc.	15.3%	53.0%	-34.9%	N/A	N/A	N/A	-33.4%	N/A	N/A	N/A	N/A
Vermillion, Inc.	4.0%	16.9%	-19.8%	-11.9%	-2.7%	-29.9%	-15.7%	78.8%	12.8%	-84.4%	-72.6%
Median of Industry Public Companies	-0.2%	1.3%	0.5%	8.8%	11.3%	10.5%	2.4%	14.4%	12.7%	-2.0%	4.9%

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

Quarterly Industry Update

As of June 30, 2015

Diagnostics Industry Aggregates



Median Public Company Multiples of the Diagnostics Industry Aggregates

Date:	6/30/2013	9/30/2013	12/31/2013	3/31/2014	6/30/2014	9/30/2014	12/31/2014	3/31/2015	6/30/2015
EV/Revenues Multiple	3.2x	2.8x	3.0x	3.4x	3.3x	3.3x	3.2x	2.8x	2.8x
EV/EBITDA Multiple	13.8x	15.2x	15.5x	14.6x	13.1x	11.7x	13.7x	14.2x	14.0x
Price/Earnings Multiple	33.5x	36.5x	32.2x	29.7x	28.1x	29.5x	30.9x	34.6x	36.4x
EV/Gross Cash Flows Multiple	20.3x	22.7x	21.7x	26.9x	28.4x	13.8x	26.1x	32.8x	27.3x

Industry Initial Public Offerings - Diagnostics 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
5/5/2015	HTG Molecular Diagnostics, Inc.	\$14.00	3.6	\$50.0	\$7.7	\$12.9	\$3.5	(\$13.6)	(\$15.2)	(\$13.0)
5/4/2015	OpGen, Inc.	\$6.00	2.9	\$17.1	\$2.6	\$3.8	\$3.5	(\$6.4)	(\$7.1)	(\$5.9)
2/18/2015	Check-Cap Ltd.	\$6.00	2.0	\$12.0	\$7.8	\$0.0	\$0.0	(\$4.7)	(\$4.1)	(\$4.7)
8/6/2014	T2 Biosystems, Inc.	\$11.00	5.2	\$57.2	\$20.1	\$4.2	\$0.1	(\$23.6)	(\$25.2)	(\$23.0)
7/16/2014	Roka Bioscience, Inc.	\$12.00	5.0	\$60.0	\$52.8	\$9.8	\$3.5	(\$26.7)	(\$29.6)	(\$24.2)
6/17/2014	Signal Genetics, Inc.	\$10.00	0.9	\$8.5	\$3.5	\$1.0	\$4.3	(\$0.4)	(\$2.3)	(\$0.2)
4/24/2014	Quotient Limited	\$8.00	5.0	\$40.0	\$29.8	\$15.4	\$19.8	(\$8.3)	(\$10.2)	(\$7.8)
2/4/2014	Biocept, Inc.	\$10.00	1.9	\$19.0	\$1.3	\$7.4	\$0.1	(\$7.7)	(\$9.2)	(\$7.4)
10/30/2013	Veracyte, Inc.	\$13.00	5.0	\$65.0	\$23.6	\$4.9	\$19.5	(\$21.8)	(\$24.5)	(\$21.0)
4/4/2013	Cancer Genetics, Inc.	\$10.00	0.6	\$6.0	\$7.4	\$15.7	\$4.7	(\$7.5)	(\$3.2)	(\$7.1)
8/2/2012	Globus Medical, Inc.	\$12.00	8.3	\$100.0	\$367.3	\$0.0	\$363.0	\$127.1	\$67.0	\$145.0
3/28/2012	Merrimack Pharmaceuticals, Inc.	\$7.00	14.3	\$100.1	\$85.3	\$0.0	\$34.2	(\$76.3)	(\$79.2)	(\$72.0)
10/18/2011	ZELTIQ Aesthetics, Inc.	\$13.00	7.0	\$91.0	\$21.2	\$0.6	\$61.7	(\$4.8)	(\$6.2)	(\$4.1)
2/3/2011	BG Medicine, Inc.	\$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, Inc.	\$4.00	1.7	\$6.8	\$14.1	\$4.2	\$14.3	\$2.1	\$0.9	\$2.4
5/28/2010	GenMark Diagnostics, Inc.	\$6.00	4.6	\$27.6	\$16.1	\$0.0	\$1.2	(\$17.8)	(\$20.4)	(\$16.3)
5/28/2010	GenMark Diagnostics, Inc.	\$6.00	4.6	\$27.6	\$16.1	\$0.0	\$1.2	(\$17.8)	(\$20.4)	(\$16.3)
4/22/2010	Dehaier Medical Systems Limited	\$8.00	1.5	\$12.0	\$18.1	\$0.9	\$12.5	\$3.8	\$2.9	\$4.1
4/21/2010	DynaVox Inc.	\$15.00	9.4	\$140.6	\$138.9	\$90.0	\$111.7	\$30.2	\$15.0	\$33.0
11/1/2007	Nanosphere, Inc.	\$14.00	6.1	\$98.0	\$34.4	\$10.9	\$1.2	(\$30.1)	(\$48.4)	(\$28.6)
8/7/2007	Masimo Corporation	\$17.00	11.9	\$202.6	\$174.1	\$37.1	\$241.9	\$77.2	\$42.9	\$81.5
5/14/2007	Insulet Corporation	\$15.00	7.7	\$115.5	\$47.7	\$31.2	\$5.4	(\$35.8)	(\$40.6)	(\$33.0)
2/26/2007	Rosetta Genomics, Ltd.	\$7.00	3.8	\$26.3	\$13.2	\$0.1	\$0.0	(\$8.0)	(\$7.6)	(\$7.8)
9/25/2006	Mindray Medical International Limited	\$13.50	20.0	\$270.0	\$127.8	\$4.2	\$164.9	\$43.3	\$36.2	\$47.5
4/13/2005	DexCom, Inc.	\$12.00	4.7	\$56.4	\$25.4	\$0.0	\$0.0	(\$16.4)	(\$16.8)	(\$15.9)
Median of All IPOs		nm	nm	\$53.2	\$20.6	\$4.2	\$4.5	(\$7.8)	(\$9.7)	(\$7.6)

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