

## Blood Diagnostics

### INDUSTRY SUMMARY

COGENT VALUATION identified **Blood Diagnostics** 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. Over the last year since September 30, 2016, the median 52-week share price return of the Blood Diagnostics industry was -1.4%. Between September 30, 2015 and September 30, 2017, the median EV/EBITDA multiple increased from 14.0 to 18.0. However, the median price-to-earnings multiple decreased from 21.8 to 18.1 over the same period. The median revenue growth and EBITDA margins for the industry for the quarter were 0.8% and 3.4%, respectively.

### Public Company Key Statistics

Median 52-Week  
Return

-1.4%

Median 3-Year CAGR  
Return

9%

Median EV/Revenue  
Multiple

3.8x

Median EV/EBITDA  
Multiple

18.0x

Median Price/Earnings  
Multiple

18.1x

Median EV/Gross CF  
Multiple

18.3x

## Comparable Public Company Market Price Returns as of June 30, 2017

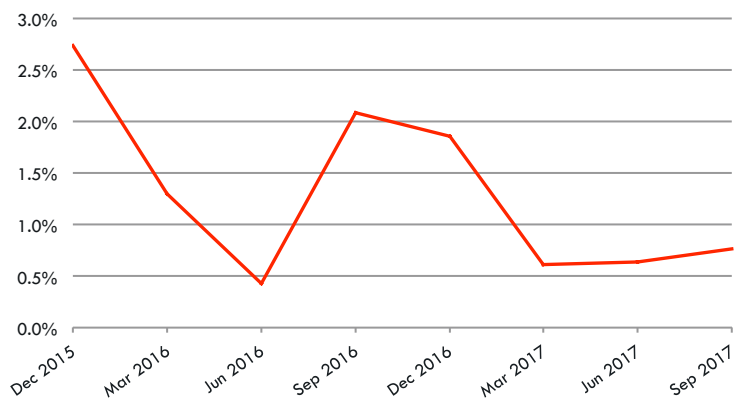
	YTD	3 Month	1 Year	2 Year	3 Year	2016	2015	2014
Abaxis, Inc.	0.5%	9.3%	12.3%	1.5%	6.2%	-5.2%	-2.0%	42.0%
AngioDynamics, Inc.	-3.9%	-6.6%	12.8%	-0.6%	-0.2%	39.0%	-36.1%	10.8%
BG Medicine, Inc.	17.1%	-41.3%	-80.4%	-85.4%	-77.6%	-89.0%	-80.2%	-55.7%
Bioptix, Inc.	6.3%	2.0%	16.2%	6.7%	-38.8%	57.6%	-82.8%	-17.3%
ERBA Diagnostics, Inc.	0.0%	-31.4%	-70.0%	-66.9%	-50.4%	-82.7%	-56.2%	16.1%
Forward Industries, Inc.	-16.0%	-11.6%	-11.0%	23.4%	-4.9%	-15.5%	42.3%	-32.9%
GenMark Diagnostics, Inc.	-3.3%	-7.7%	36.0%	14.3%	-4.4%	57.7%	-43.0%	2.4%
Insulet Corporation	36.2%	19.1%	69.7%	28.7%	9.0%	-0.3%	-17.9%	24.2%
Luminex Corporation	4.4%	15.0%	4.4%	10.6%	7.2%	-5.4%	14.0%	-3.3%
Masimo Corporation	35.3%	-2.2%	73.6%	53.4%	56.9%	62.4%	57.6%	-9.9%
Meridian Bioscience, Inc.	-11.0%	14.1%	-19.2%	-8.1%	-8.6%	-13.7%	24.7%	-38.0%
Myriad Genetics, Inc.	55.0%	34.6%	-15.6%	-12.8%	-12.8%	-61.4%	26.7%	62.3%
Navidea Biopharmaceuticals, Inc	-20.0%	-11.6%	-3.9%	-43.7%	-29.9%	-52.1%	-29.6%	-8.7%
Neogen Corporation	4.7%	5.4%	22.9%	20.7%	19.5%	16.8%	14.0%	8.5%
OraSure Technologies, Inc.	96.6%	33.5%	192%	78.9%	26.1%	36.3%	-36.5%	61.2%
Veracyte, Inc.	7.6%	-9.3%	65.6%	-13.5%	-21.3%	7.5%	-25.5%	-33.4%
Vermillion, Inc.	93.7%	-12.0%	65.8%	-5.7%	-10.7%	-47.2%	-9.5%	-15.7%
<b>Median of Industry Public Companies</b>	<b>4.7%</b>	<b>-2.2%</b>	<b>12.8%</b>	<b>1.5%</b>	<b>-4.9%</b>	<b>-5.2%</b>	<b>-17.9%</b>	<b>-3.3%</b>

Multiple year periods are calculated as the average annual return.

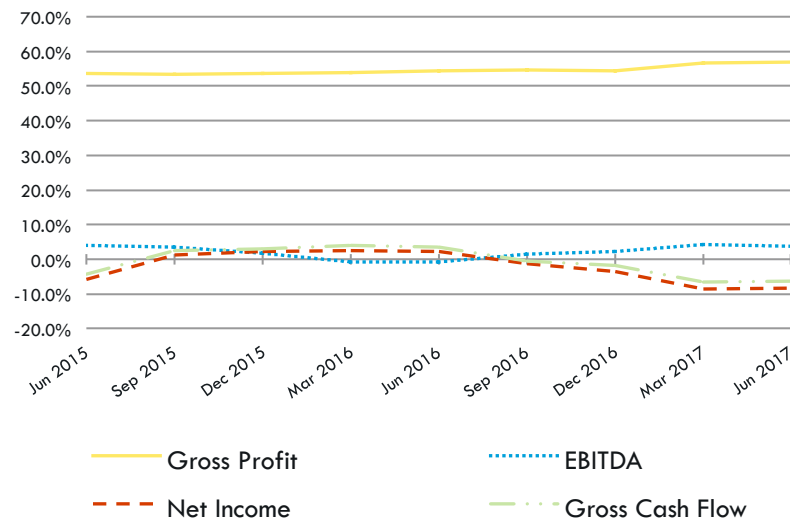
■ Highest Return
 ■ Lowest Return
 ■ Median Return

# Industry Revenue Growth and Profit Margins for the Past Two Years

**Median Quarterly Revenue Growth of All Blood Diagnostics Companies**



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



## Public Company Median Multiples by Quarter

	9/30/17	6/30/17	9/30/16	6/30/16	3/31/16	12/31/15	9/30/15	6/30/15
<b>EV/Revenues Multiple</b>	3.8x	4.6x	3.7x	3.0x	2.6x	3.1x	2.5x	3.4x
<b>EV/EBITDA Multiple</b>	18.0x	18.4x	16.8x	13.4x	13.9x	14.8x	13.9x	14.0x
<b>Price/Earnings Multiple</b>	18.1x	21.6x	39.3x	34.9x	36.1x	31.2x	31.8x	36.6x
<b>EV/Gross Cash Flows Multiple</b>	18.3x	21.1x	23.6x	20.8x	21.5x	24.8x	24.1x	27.3x

■ Highest Multiple    
 ■ Lowest Multiple    
 ■ Median Multiple

## Industry Initial Public Offerings—Industry: Title Here (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
3/13/17	Hemcheck Sweden AB (publ)	\$0.67	4.7	\$3.2	\$0.6	\$0.3	\$0.0	(\$0.2)	(\$0.2)	(\$0.2)
2/17/17	PCL, Inc.	\$6.94	1.5	\$10.4	\$8.6	\$0.9	\$0.2	(\$1.9)	(\$1.9)	(\$1.9)
6/29/16	OpGen, Inc.	\$6.00	2.9	\$17.1	\$2.7	\$3.2	\$4.1	(\$5.0)	(\$5.7)	(\$4.5)
7/9/15	Check-Cap Ltd.	\$6.00	2.0	\$12.0	\$3.3	\$0.0	\$0.0	(\$4.0)	(\$4.2)	(\$3.9)
8/6/14	T2 Biosystems, Inc.	\$11.00	5.2	\$57.2	\$25.8	\$4.6	\$0.3	(\$21.4)	(\$23.0)	(\$20.8)
4/24/14	Roka Bioscience, Inc.	<b>\$12.00</b>	5.0	\$60.0	\$56.3	\$9.7	\$2.7	(\$27.0)	(\$30.2)	(\$24.6)
8/2/12	Signal Genetics, Inc.	\$10.00	0.9	\$8.5	\$3.5	\$27.2	\$4.3	(\$0.4)	(\$2.3)	(\$0.2)
10/18/11	Quotient Limited	\$8.00	5.0	\$40.0	\$26.4	\$15.0	\$18.5	(\$5.4)	(\$6.6)	(\$5.0)
3/13/17	Biocept, Inc.	\$10.00	1.9	\$19.0	\$1.1	\$5.9	\$0.1	(\$7.9)	(\$9.7)	(\$7.6)
2/3/11	BG Medicine, Inc.	\$7.00	5.0	\$35.0	\$6.0	\$4.5	\$1.0	(\$15.4)	(\$18.1)	(\$14.9)
8/13/10	Electromed, Inc.	\$4.00	1.7	\$6.8	\$13.4	\$3.8	\$14.2	\$2.3	\$1.0	\$2.6
5/28/10	GenMark Diagnostics, Inc.	\$6.00	4.6	\$27.6	\$16.1	\$0.0	\$1.2	(\$17.3)	(\$20.4)	(\$16.0)
4/22/10	Lianluo Smart Limited	\$8.00	1.5	\$12.0	\$17.8	\$1.5	\$12.4	\$3.6	\$2.7	\$3.9
11/1/07	Nanosphere, Inc.	\$14.00	6.1	\$98.0	\$40.4	\$10.8	\$1.5	(\$24.9)	(\$25.7)	(\$23.5)
8/7/07	Masimo Corporation	<b>\$17.00</b>	11.9	\$202.6	\$152.1	\$31.7	\$234.0	\$80.6	\$46.2	\$84.3
<b>Median of all IPOs</b>		<b>nm</b>	<b>nm</b>	<b>\$19.0</b>	<b>\$13.4</b>	<b>\$4.5</b>	<b>\$1.5</b>	<b>(5.0)</b>	<b>(\$5.7)</b>	<b>(\$4.5)</b>

Multiple year periods are calculated as the average annual return.

■ Highest Return    
 ■ Lowest Return    
 ■ Median Return

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

Transaction Date	Target	Acquirer	Transaction Size	% Bought	LTM Revenues	EV/ Revenues
11/4/16	<b>Cepheid</b>	Danaher Corporation	\$4,402.2	100%	\$564.2	7.2x
6/29/16	<b>Nanosphere, Inc.</b>	Luminex Corporation	\$114.7	100%	\$23.0	4.4x
4/5/16	<b>Allenex AB (publ)</b>	CareDx, Inc	\$38.4	78%	\$16.4	2.6x
3/31/16	<b>Affymetrix Inc.</b>	Thermo Fisher Scientific	\$1,466.6	100%	\$359.8	3.7x
3/24/16	<b>Magellan Diagnostics, Inc.</b>	Meridian Bioscience, Inc.	\$66.0	100%	\$16.0	4.1x
9/29/15	<b>Health Diagnostic Laboratory</b>	True Health Diagnostics	\$37.1	100%	N/A	N/A
6/11/15	<b>Biosensors International</b>	Hony Capital (Beijing)	\$50.0	100%	N/A	N/A
11/20/14	<b>LipoScience, Inc.</b>	Laboratory Corp. of America	\$101.2	100%	\$45.5	1.3x
10/31/14	<b>Cell Marque Corporation</b>	Sigma-Aldrich Corporation	\$170.0	100%	N/A	N/A
9/10/13	<b>Flowsense Medical</b>	Baxter International	\$4.5	100%	\$0.1	N/A
9/6/13	<b>Gambro AB</b>	Baxter International	\$4,013.8	100%	\$1,670.7	2.4x
2/6/13	<b>Epocal</b>	Inverness Medical	\$241.5	100%	N/A	N/A
10/3/12	<b>Drew Scientific</b>	ERBA Diagnostics	\$6.5	100%	\$13.0	0.5x
8/1/12	<b>Gen-Probe</b>	Hologic	\$4,204.1	100%	\$586.6	6.6x
5/31/12	<b>SunTech Medical Group</b>	Halma	\$57.0	100%	\$23.0	2.3x
5/22/12	<b>Navilyst Medical</b>	AngioDynamics	\$374.5	100%	\$148.6	2.5x

■ USA   
 ■ International   
 ■ Highest   
 ■ Lowest   
 ■ Median

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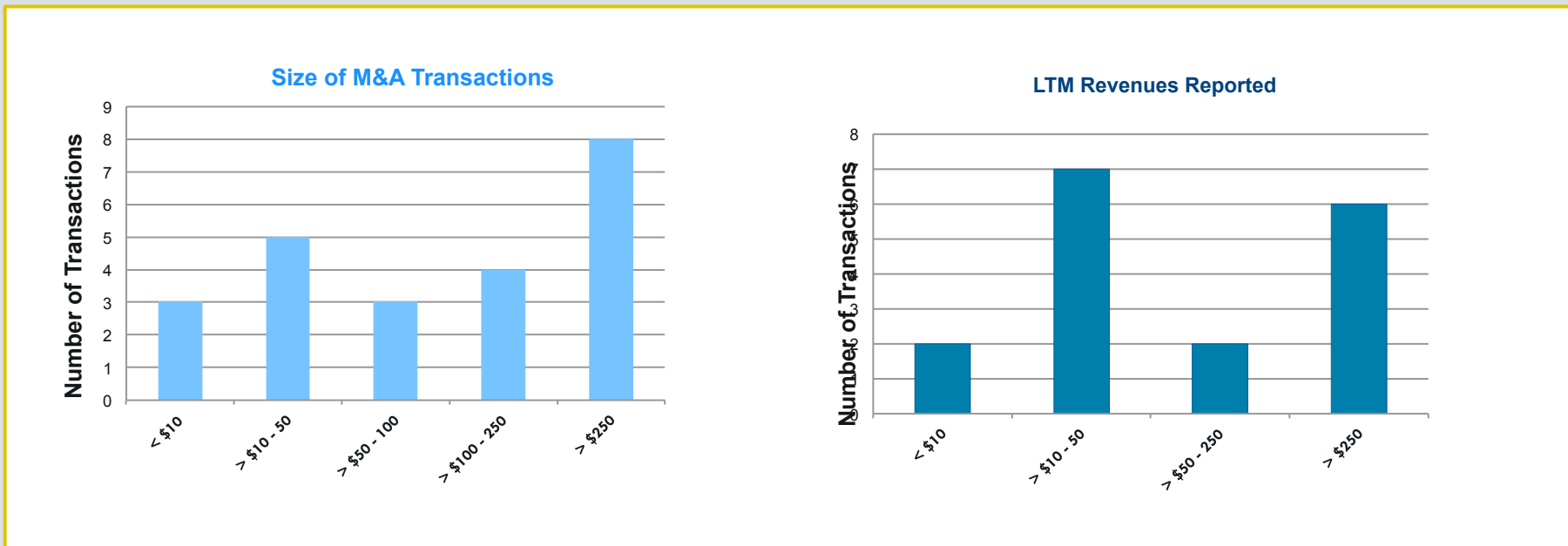
## Recent Merger and Acquisition Transactions for a Majority Stake (dollars in millions)

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Transaction Date	Target	Acquirer	Transaction Size	% Bought	LTM Revenues	EV/ Revenues
4/2/12	Accutome	Halma	\$25.0	100%	\$20.2	1.2x
1/3/12	Verum Diagnostica	Roche Holding	\$13.3	100%	N/A	N/A
11/23/11	Shanghai Yuanqi	SHMY Healthdigit Biochips	\$54.0	70%	\$0.1	N/A
11/8/11	Axis-Shield	Alere	\$396.1	100%	\$164.7	2.3x
9/2/11	Life Enhancement Technology	VasoHealthcare	\$3.3	100%	N/A	N/A
8/23/11	Phadia	Thermo Fisher Scientific	\$3,512.8	100%	\$523.4	6.7x
6/29/11	Beckman Coulter	Danaher	\$7,392.9	100%	\$3,663.4	1.9x
<b>Median of the 28 M&amp;A Transaction Targets</b>			<b>\$101.2</b>	<b>100%</b>	<b>\$45.5</b>	<b>2.5x</b>

USA
  International
  Highest
  Lowest
  Median

## Recent Merger and Acquisition Transactions for a Majority Stake (dollars in millions) as June 30, 2017



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**Definitions of Financial Terms Used in this Quarterly Industry Update:** Enterprise Value (EV): Market Value of Equity + Market Value of Debt  
—Cash Earnings Before Interest, Taxes, Depreciation and Amortization (EBITDA): Profitability metric sometimes also referred to as operating profit or operating earnings.

**Gross Cash Flows:** Net Income + Depreciation and Amortization Expense Latest Twelve Months (LTM): Financial information is as of the latest twelve months through the date of this Quarterly Industry Update.

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