

TMG Healthcare Technology Newsletter

Second Quarter 2010

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2Q10 Healthcare Tech M&A Statistics:

Number of Deals: 95

Value of Deals: \$9.0 billion

2Q Deal Vol.: Down 25%

Most Active Sector: Biotech

Team Leaders

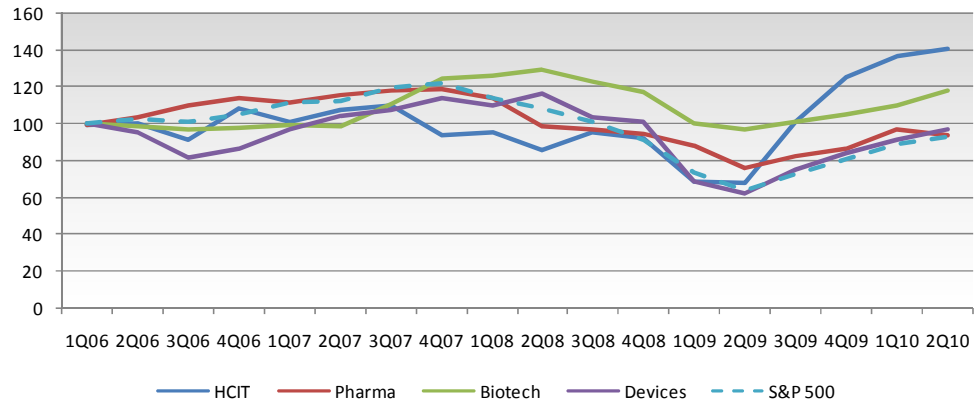
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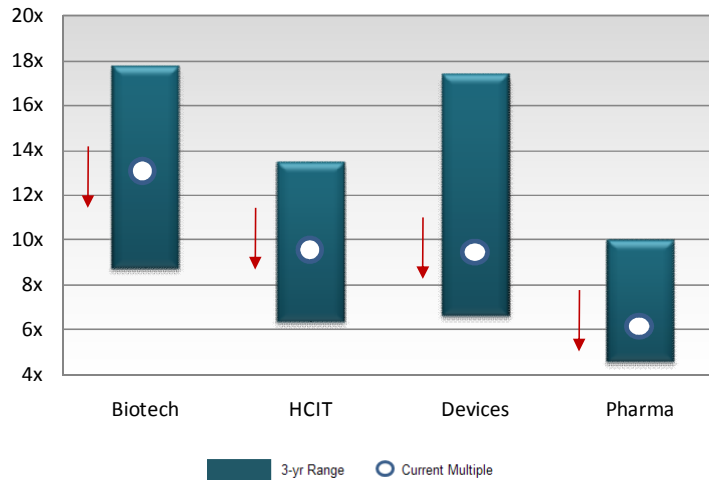
Public Markets

TMG Healthcare Tech Sector Indices – Stock Performance

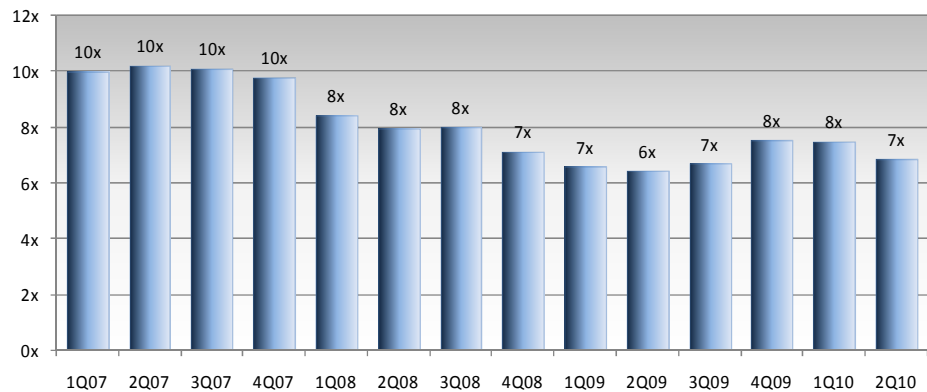


Valuation

TMG Healthcare Tech Sector Indices – TEV/EBITDA Multiples

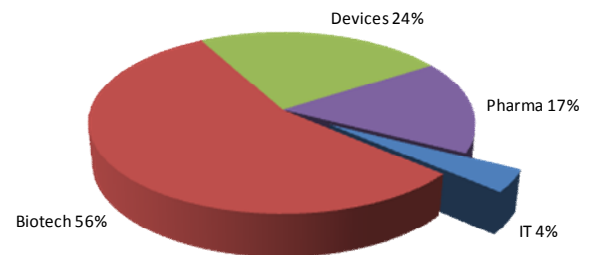
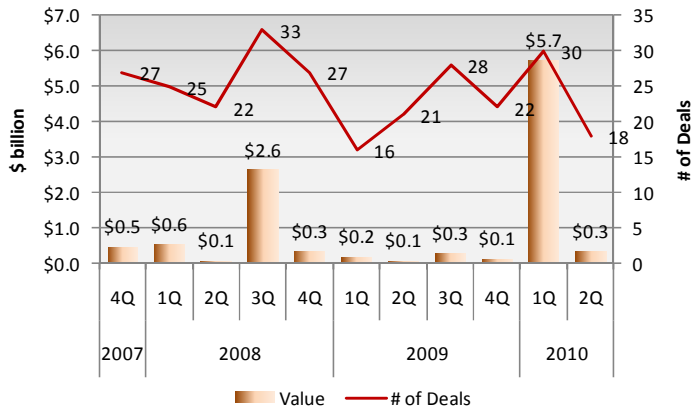


TMG Healthcare Tech Index – TEV/EBITDA Multiples



Information Technology

M&A Activity



Top Transactions

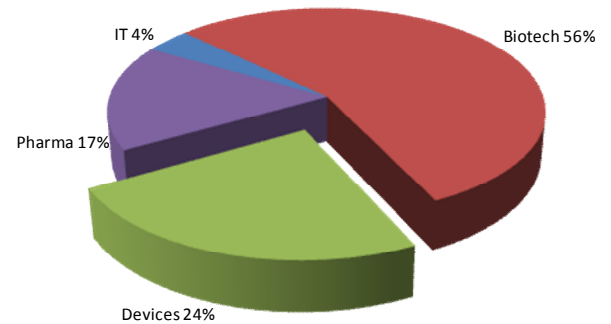
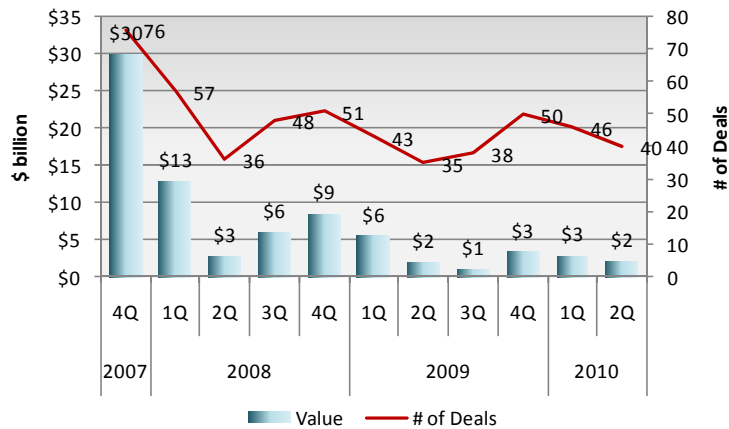
Buyer	Seller	Transaction Value
Merge Healthcare, Inc.	AMICAS, Inc.	\$222.4 million
MedQuist, Inc.	Spheris, Inc.	\$116.3 million
Intuit, Inc.	Medfusion, Inc.	\$91.0 million
Advisory Board Co.	Concuity, Inc.	\$34.5 million
Emdeon Business Services	HCT Management Services	\$25.0 million

Latest Developments

- [1. Report Identifies EHR Gaps.](#)
- [2. Industry Analyst Sees Bottlenecks Ahead.](#)
- [3. Customers Have High Expectations for Allscripts.](#)
- [4. Report: 32% of Health Care Leaders Use Cloud Computing Applications.](#)
- [5. GE Healthcare Unveils Online EHRs for Small Physician Practices.](#)

Medical Devices

M&A Activity



Top Transactions

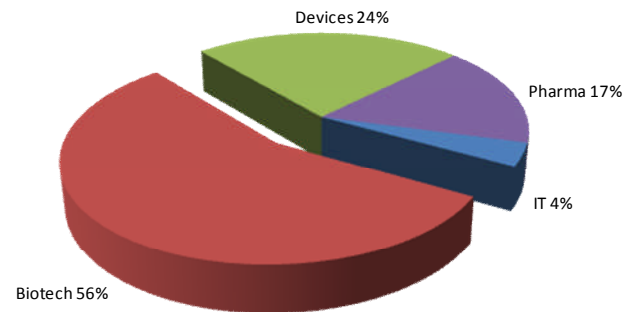
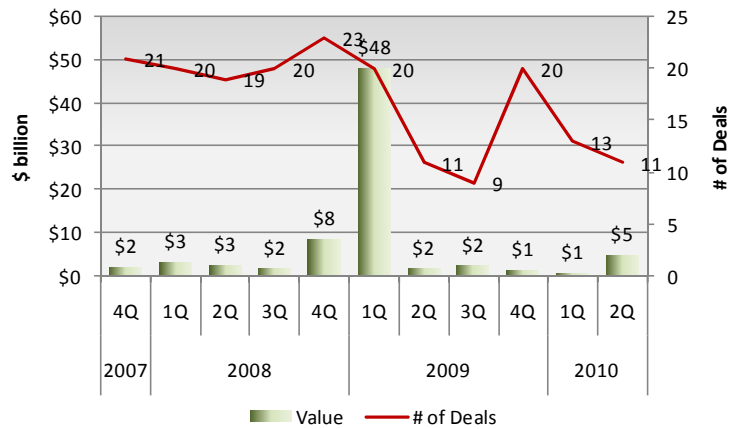
Buyer	Seller	Transaction Value
Agilent Technologies, Inc.	Varian, Inc.	\$1,151.1 million
CareFusion Corporation	Mefegen Holdings, LLC	\$225.0 million
Stryker Corporation	Omni Ultrasonic Aspirator	\$103.0 million
CR Bard, Inc.	FlowCardia, Inc.	\$80.0 million
Bruker Corporation	Varian, Inc (product lines)	\$37.5 million

Latest Developments

- [1. Prosthetic Cornea in Sight.](#)
- [2. Kaiser Launches Medical Products Scorecard.](#)
- [3. FDA Launches Infusion Pump Initiative.](#)
- [4. New Legislation Introduced to Repeal Medical Devices Tax.](#)
- [5. Patient Preferences to Shape the Diagnostic Industry.](#)

Biotechnology

M&A Activity



Top Transactions

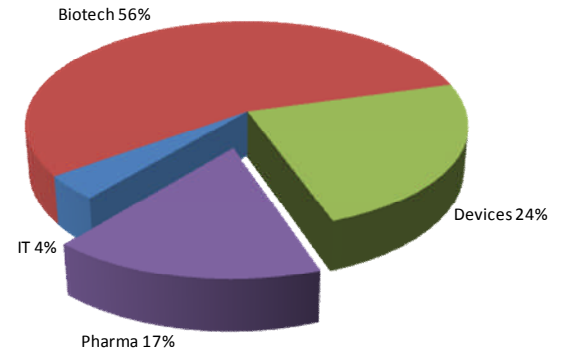
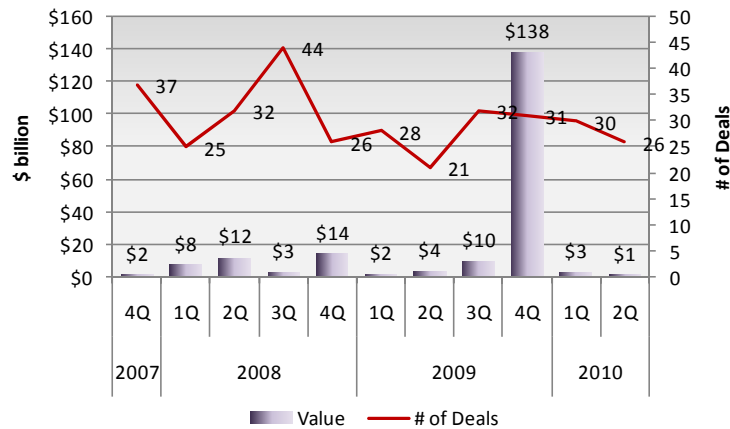
Buyer	Seller	Transaction Value
Astellas US Holdings, Inc.	OSI Pharmaceuticals, Inc.	\$3,946.4 million
Abbott Laboratories	Facet Biotech Corporation	\$747.4 million
Cephalon, Inc.	Ception Therapeutics, Inc.	\$250.0 million
Landec Corporation	Lifecore Biomedical, LLC	\$54.0 million
ONE Bio Corporation	Green Planet Bioengineering	\$7.8 million

Latest Developments

- [1. Top Ten Biotech Drugs.](#)
- [2. Biotech Drug Approvals Spiked in 2009.](#)
- [3. On its 10th Anniversary, Sequencing Is just Getting Started.](#)
- [4. Report Sees Most Clinical Trial Migrating Abroad.](#)
- [5. Adoption of Biotech Crops by U.S. Farmers Continues to Rise.](#)

Pharmaceuticals

M&A Activity



Top Transactions

Buyer	Seller	Transaction Value
Merck & Co.	Ridaforolimus (dev. rights)	\$564.0 million
Monsanto Company	Chesterfield Village	\$435.0 million
Valiant Pharmaceuticals	Aton Pharma, Inc.	\$318.0 million
Hospira, Inc.	Javalin Pharmaceuticals, Inc.	\$147.9 million
Advanced Accelerator App.	Biosynthema, Inc.	\$12.2 million

Latest Developments

- [1. Top Ten Biotech Drugs.](#)
- [2. Custom Officials Fight 600% Increase in Fake Drugs.](#)
- [3. Foreign Pharma is Pouring at Least \\$1B into Russian Market.](#)
- [4. Analysts Fret Over Pfizer's Pipeline.](#)
- [5. House Passes 'Pay-For-Delay' Limits.](#)