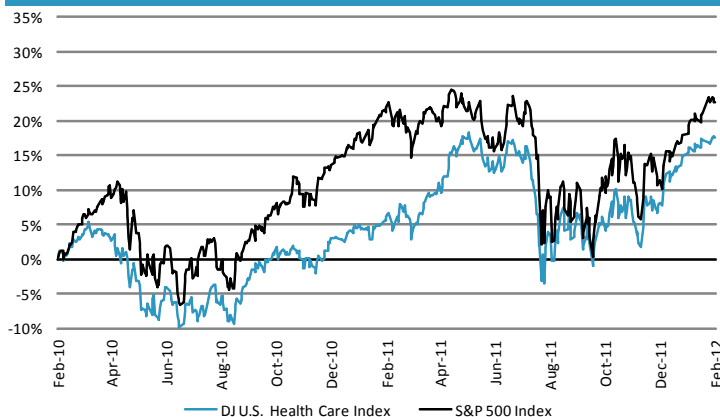


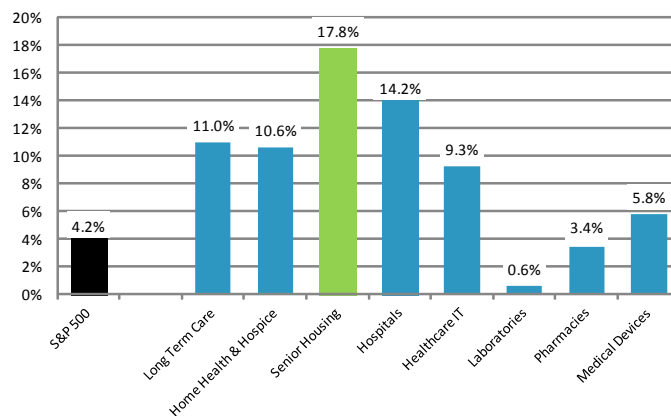
HEALTH CARE SECTOR SPOTLIGHT: SENIOR HOUSING – FEBRUARY 2012

PUBLIC STOCK PERFORMANCE

Dow Jones U.S. Health Care Index v.s. S&P 500 Index



Health Care Sectors M-O-M Stock Performance



PUBLIC VALUATION MULTIPLES – SENIOR HOUSING

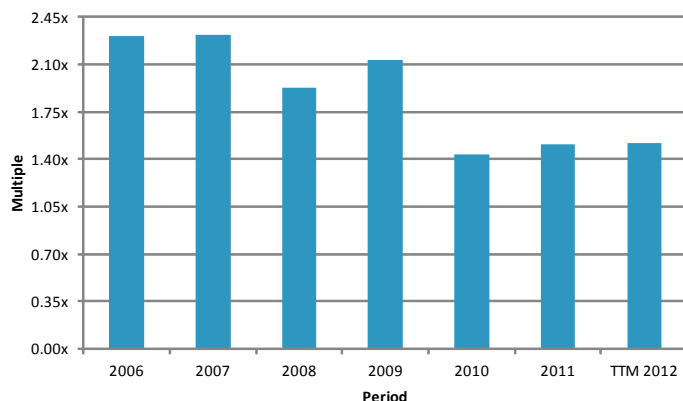
As of February 15, 2012
(\$ in Millions)

Ticker	Enterprise Value (EV)	Market Cap	LTM		Current EV as a Mult of LTM		One Year Ago EV as a Mult of LTM		
			Rev	EBITDA	Rev	EBITDA	Rev	EBITDA	
Senior Housing									
Assisted Living Concepts	ALC	474	384	234	64	2.03x	7.4x	2.02x	8.1x
Brookdale Senior Living	BKD	4,635	2,225	2,297	393	2.02x	11.8x	2.42x	14.4x
Capital Senior Living	CSU	412	234	252	35	1.63x	11.8x	1.55x	10.1x
Emeritus Corporation	ESC	3,014	803	1,214	196	2.48x	NM	2.44x	NM
Five Star Quality Care	FVE	243	171	1,282	41	0.19x	5.9x	0.20x	5.9x
Sunrise Senior Living	SRZ	962	462	1,305	30	0.74x	NM	0.45x	8.7x
Mean						1.51x	9.2x	1.51x	9.5x

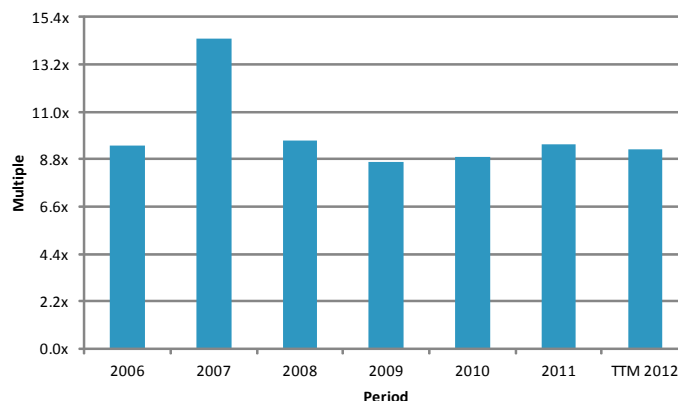
NM = Not Meaningful

MEAN PUBLIC VALUATION MULTIPLES – SENIOR HOUSING

Enterprise Value / Revenue Multiples

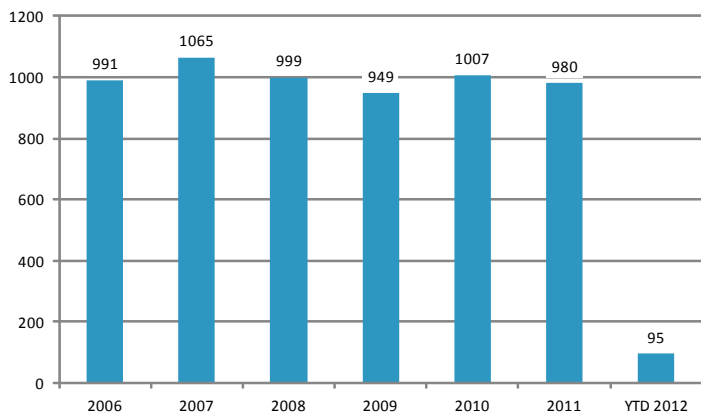


Enterprise Value / EBITDA Multiples

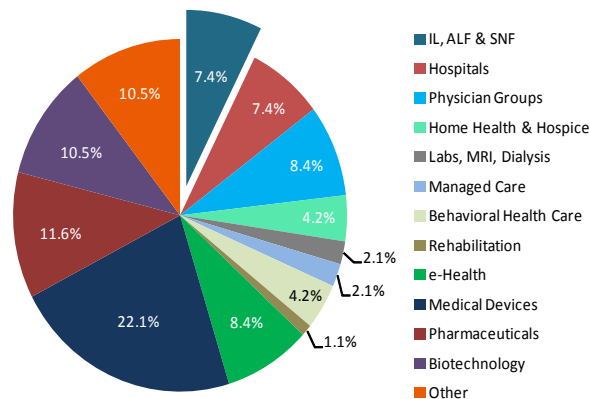


HEALTH CARE M&A HISTORICAL DATA

Historical Health Care Transactions Volume



2012 Health Care M&A Activity



MERGER & ACQUISITION TRANSACTIONS – SENIOR HOUSING

Announced Date	Target	Total Transaction Value (\$mm)	Buyer	Seller	Target Business Description
Jan-12	One ALF	20.0	West Living Communities	Private Investors	95-unit assisted living facility in CA
Jan-12	Van Dyk at Bald Eagle Commons	13.7	Chelsea Senior Living	Van Dyk Health Care	124-unit assisted living facility in NJ
Jan-12	One ALF	2.1	The Ensign Group	Private Owner	60-unit assisted living facility in NV

Source: Irving Levin Associates, Inc. *Health Care M&A Monthly*

HEALTH CARE CONTACT INFORMATION

Leslie Feldman

Managing Director
leslie.feldman@eurekacap.com
Ph: 646.277.8423

Mark O'Keefe

Managing Director
mark.okeefe@eurekacap.com
ph: 949.719.2263

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New York

286 Madison Ave., Suite 1300
New York, NY 10017
Ph: 646.277.8420
Fx: 646.277.8421

California

23 Corporate Plaza, Suite 125
Newport Beach, CA 92660
Ph: 949.719.2260
Fx: 949.719.2314

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