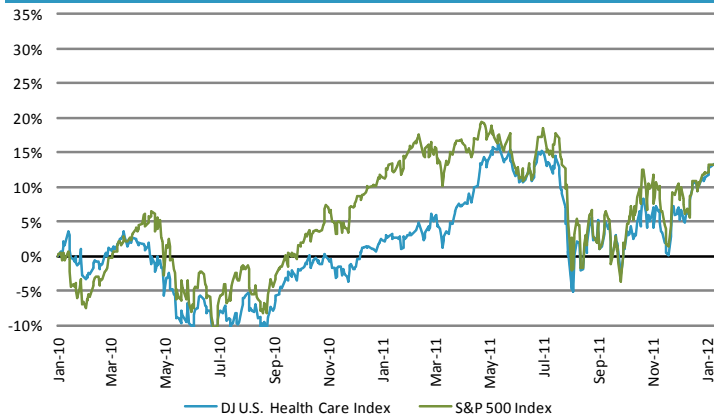


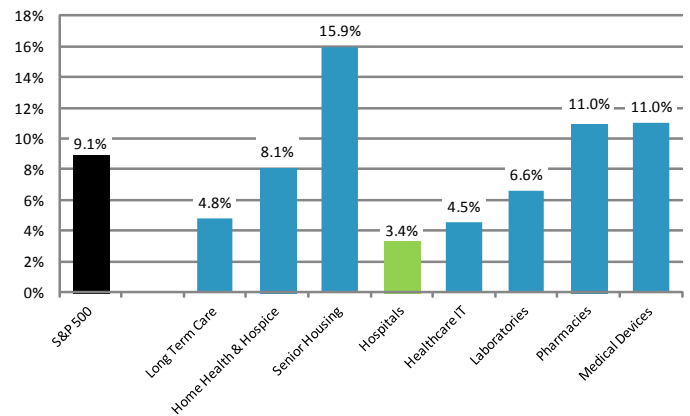
## HEALTH CARE SECTOR SPOTLIGHT: HOSPITALS – JANUARY 2012

### 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 – HOSPITALS

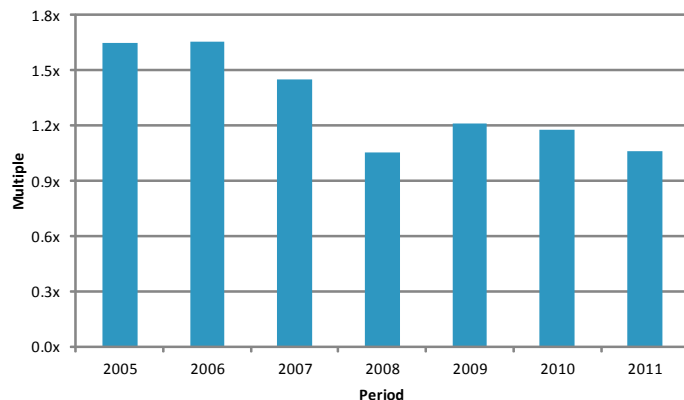
As of January 19, 2011  
(\$ in Millions)

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	
<b>Hospitals</b>									
AmSurg Corp.	AMSG	1,461	802	754	266	1.94x	5.5x	1.50x	4.2x
Community Health Systems, Inc.	CYH	10,821	1,520	13,901	1,720	0.78x	6.3x	0.96x	7.5x
HCA Holdings, Inc.	HCA	38,418	10,700	31,904	5,620	1.20x	6.8x	NA	NA
Health Management Associates, Inc.	HMA	5,040	1,558	5,592	802	0.90x	6.3x	1.04x	7.1x
HealthSouth Corporation	HLS	3,399	1,667	2,121	464	1.60x	7.3x	2.06x	9.7x
LifePoint Hospitals, Inc.	LPNT	3,182	1,762	3,497	550	0.91x	5.8x	1.01x	6.3x
Select Medical Holdings Corporation	SEM	2,647	1,203	2,723	370	0.97x	7.2x	1.08x	8.2x
Tenet Healthcare Corporation	THC	6,564	2,241	9,523	1,124	0.69x	5.8x	0.80x	7.0x
Universal Health Services, Inc.	UHS	7,572	3,614	7,221	1,153	1.05x	6.6x	0.99x	7.0x
Vanguard Health Systems, Inc.	VHS	3,133	885	5,552	449	0.56x	7.0x	NA	NA
<b>Mean</b>						<b>1.06x</b>	<b>6.5x</b>	<b>1.18x</b>	<b>7.1x</b>

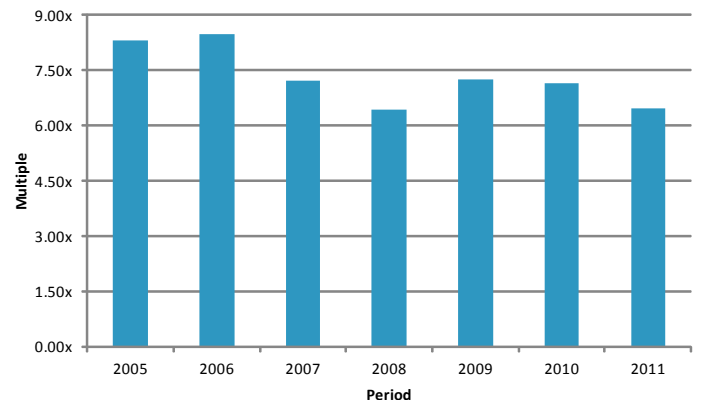
NA = Not Available

### MEAN PUBLIC VALUATION MULTIPLES – HOSPITALS

Enterprise Value / Revenue Multiples

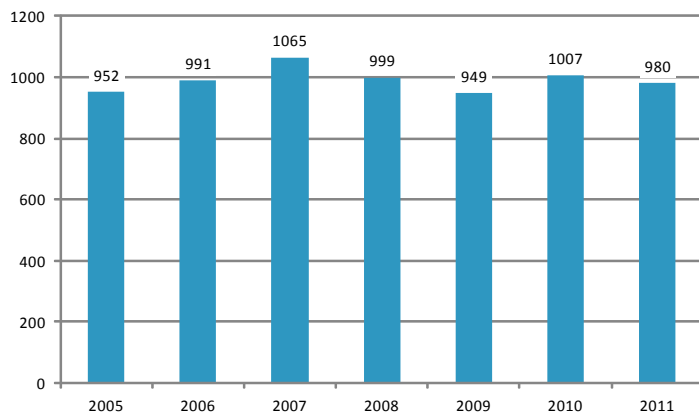


Enterprise Value / EBITDA Multiples

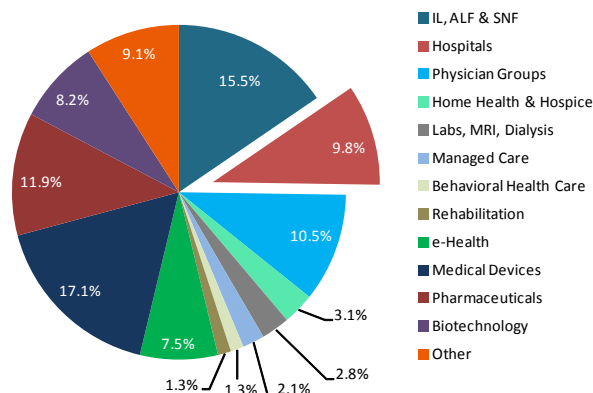


## HEALTH CARE M&A HISTORICAL DATA

### Historical Health Care Transactions Volume



### 2011 Health Care M&A Activity



## MERGER & ACQUISITION TRANSACTIONS – HOSPITALS

Announced Date	Target	Total Transaction Value (\$mm)	Buyer	Seller	Target Business Description
Dec-11	Alamance Regional Medical	200.0	Cone Health	NA	218-bed acute care hospital in NC
Dec-11	Parkway Medical Center	37.8	Huntsville Hospital	Capella Healthcare	109-bed acute care hospital in AL
Dec-11	Virginia Regional Medical Center	27.0	Essentia Health	The City of Virginia	164-bed acute care hospital in MN
Dec-11	MetroSouth Medical Center	NA	Community Health Systems	Falcon Investors, LLC	244-bed acute care hospital in IL
Nov-11	The Drake Center	15.0	UC Health	Hamilton County	166-bed acute care hospital in OH
Nov-11	Leake Memorial Hospital	2.8	Baptist Health Systems	Leake County	25-bed critical access hospital in MI
Nov-11	Knapp Medical Center	NA	Universal Health Services	NA	226-bed acute care hospital in TX

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

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