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**HEALTHCARE IT  
SECTOR UPDATE  
3Q2019**

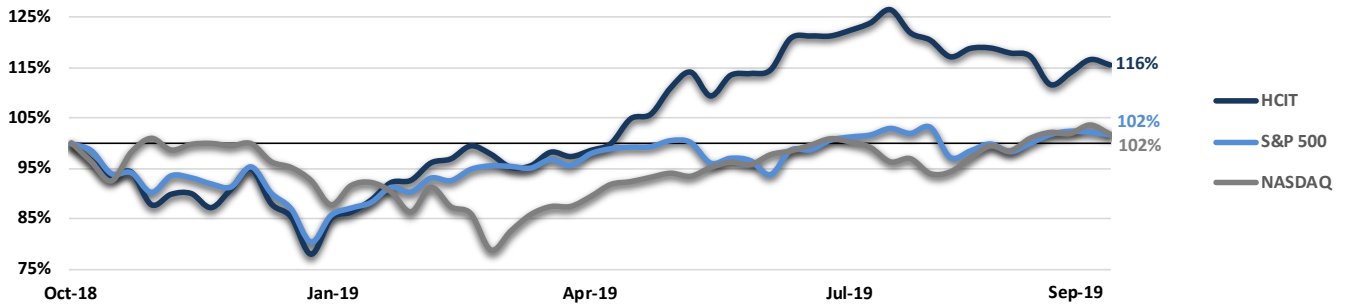
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November 2019

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# 3Q19 Healthcare IT Sector Overview

## Stock Indices Relative Price Performance



## Select M&A Transactions

Date	Target	Acquirer	Target Business Description	TEV (\$M)	TEV Multiple	
					Revenue	EBITDA
Pending	Orchard Software	Francisco Partners	Laboratory information systems software.	Confidential - BCA Transaction		
9/30/19	Connecture (Medicare)	Harris Computer	Web-based sales, service and process automation solutions to the health insurance industry.	Confidential - BCA Transaction		
9/18/19	Qualifacts Systems	Warburg Pincus	SaaS-based behavioral health record platform.	\$325.0	6.8x	21.0x
9/11/19	Mango Health	TrialCard	Digital medication management platform.	\$29.5	N/A	N/A
9/5/19	Convey Health Solutions	TPG Partners	Technology-enabled and advisory solutions for health plans.	\$725.0	N/A	14.5x
9/5/19	RMDY Health	OptimizeRx (NAS: OPRX)	Digital therapeutics platform.	\$16.0	N/A	N/A
8/27/19	WebPT	Warburg Pincus	Cloud-based EHR and practice management tool for PTs.	\$665.0	6.8x	N/A
7/24/19	InstaMed	JPMorgan Chase	Payments platform connecting providers, payers and consumers.	\$600.0	9.5x	N/A
7/16/19	OmniComm Systems	Anju Software	eClinical software solutions for life sciences companies.	\$76.4	3.0x	N/A
7/2/19	Hodges-Mace	Alight Solutions	Health benefits administration technology and services.	\$300.0	5.3x	19.5x

## Select Public Trading Multiples

(\$M except share prices)		Stock Price	% of 52-Week		TEV	TEV / Revenue		TEV / EBITDA	
Company	Ticker	9/30/19	High	Low		LTM	NTM	LTM	NTM
Allscripts	MDRX	\$10.98	77%	129%	\$2,711	1.5x	1.4x	6.8x	7.6x
Cerner	CERN	\$68.17	89%	140%	22,493	4.1x	3.6x	14.6x	12.7x
Computer Programs & Systems	CPSI	\$22.61	67%	109%	439	1.6x	1.6x	8.7x	8.3x
Evolent	EHC	\$7.19	25%	131%	777	1.1x	0.7x	N/M	9.1x
Healthstream	HSTM	\$25.89	83%	112%	710	2.9x	2.8x	15.9x	16.9x
HMS Holdings	HMSY	\$34.47	85%	131%	3,033	4.8x	4.1x	16.5x	13.7x
Inovalon	INOV	\$16.39	92%	178%	2,486	4.3x	3.4x	14.4x	9.8x
MediData	MDSO	\$91.50	93%	152%	5,658	11.3x	6.9x	N/M	27.1x
NextGen Healthcare	NXGN	\$15.67	74%	115%	1,049	2.0x	1.9x	13.5x	10.9x
Veeva	VEEV	\$152.69	86%	193%	22,665	29.5x	19.4x	N/M	N/M

Note: EBITDA includes add-backs for stock-based compensation and non-recurring expenses.

Data per SEC filings and PitchBook.

**Average** 6.3x    **4.6x**    **12.9x**    **12.9x**  
**Median** 3.5x    **3.1x**    **14.4x**    **10.9x**

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### Recent Healthcare IT Transactions

Sell-Side  
**ORCHARD**  
Software  
Sell-Side Advisory  
to  
**FP**  
FRANCISCO PARTNERS

Sell-Side  
**CONNECTURE**  
Medicare  
Sell-Side Advisory  
to  
**HARRIS**

Recapitalization  
**harmony**  
HEALTHCARE IT  
Recapitalization  
Led by  
**PRIMUS**

Sell-Side  
**CONNECTURE**  
Commercial  
Sell-Side Advisory  
to  
**BENEFITFOCUS**