

PHARMA AND HEALTHCARE INFORMATION AND TECHNOLOGY INDUSTRY

Q3 Key Highlights

- The most active acquirer through Q3 2011 was PerkinElmer, Inc. with 4 acquisitions: Labtronics Inc., Geospiza, CambridgeSoft Corporation and ArtusLabs, Inc.
- Blackstone Group LP's announced acquisition of Emdeon, Inc. during the third quarter was the largest transaction through Q3 2011, with an acquisition price of \$3.03 billion.

Q3 Key Trends

- Total transaction volume in Q3 2011 decreased by 6 percent from Q2 2011, from 70 to 66 transactions.
- Total transaction value in Q3 2011 increased by 205 percent from Q2 2011, from \$2.0 billion to \$6.1 billion. This was due to Blackstone Group LP's acquisition of Emdeon, Inc. in the third quarter.

M&A Market Dynamics By Quarter

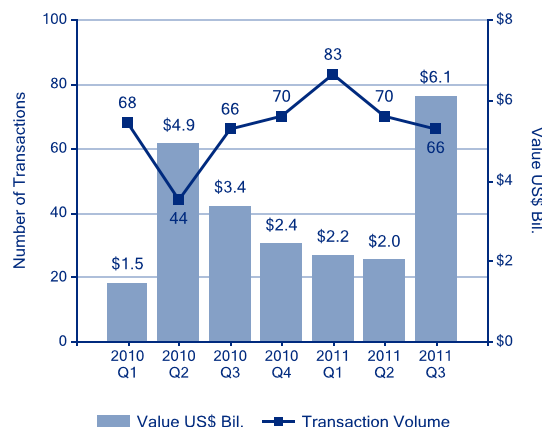


Figure 1. 2010 - 2011 value and volume comparison.

Median Enterprise Value Multiples

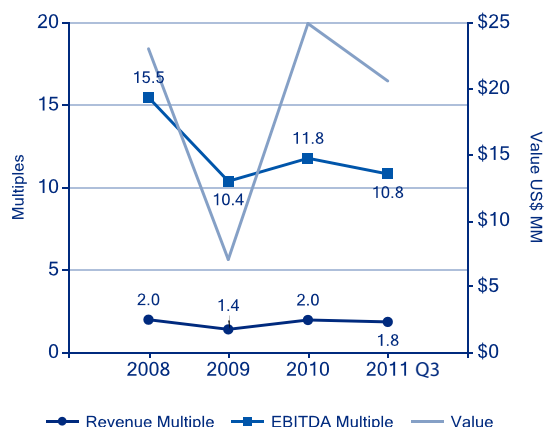


Figure 2. 2008 - 2011 median: Value, Revenue, EBITDA comparison through Q3 2011.

Multiples & Value Trends

- Median EBITDA multiples from 2010 to the first nine months of 2011 went from 11.8 to 10.8, an 8 percent decrease.
- Median revenue multiples from 2010 to the first nine months of 2011 decreased from 2.0 to 1.8, a 10 percent decline. Median value also declined.

Top Ten Deals through Q3 2011

- The top ten deals by value have increased, with five acquisitions entering the list from Q3 2011: Blackstone Group LP's acquisition of Emdeon, Inc., OptumHealth Inc.'s acquisition of Connexions, Vista Equity Partners' acquisition of Sage Healthcare, Aetna Inc.'s acquisition of PayFlex Systems USA, Inc., and SAIC's acquisition of Vitalize Consulting Solutions.
- These five transactions, with an aggregate value of \$4.1 billion, represent 43 percent of transaction value in the 1st 3 Quarters of 2011 and 67 percent of Q3 transaction value.

Top Ten Notable Transactions - 1st 3 Quarters 2011

Deal Date	Target Name	Buyer	Value MM US\$
08/04/11	Emdeon, Inc.	Blackstone Group LP	\$3,034
04/01/11	iSoft Group Limited	Computer Sciences Corporation	\$445
03/24/11	drugstore.com, inc.	Walgreen Co.	\$384
08/03/11	Connexions	OptumHealth Inc.	\$325
09/22/11	Sage Healthcare	Vista Equity Partners	\$324
03/24/11	CambridgeSoft Corporation	PerkinElmer, Inc.	\$222
07/18/11	PayFlex Systems USA, Inc.	Aetna Inc.	\$202
03/29/11	Cadent Inc.	Align Technology, Inc.	\$190
07/20/11	Vitalize Consulting Solutions	SAIC	\$190
01/14/11	SDI Health LLC	IMS Health Incorporated	N/A

2011 Aggregate Transaction Value \$9,590

Top 9 Aggregate Transaction Value \$5,315

Top 9 Aggregate Value as a Percentage of All Transactions 55 %

Figure 3. Lists the top ten transactions for the 1st nine months of 2011 and calculates their aggregate transaction value as a percentage of the 2011 total aggregate transaction value.

Note: Transaction data based on announced date.

About Berkery Noyes

Founded in 1980, Berkery Noyes is the leading independent investment bank specializing in the information content and technology industries. The firm has initiated, managed and closed more than 475 merger and acquisition transactions for privately held and publicly traded companies in the business, technology, education, health, financial and legal information segments. Berkery Noyes is unique among investment banking firms in that we combine truly independent strategic research and industry intelligence with senior information technology banking expertise. Berkery Noyes employs over 40 individuals with deep industry knowledge and experience who strive to exceed our clients' expectations by maximizing the full value of their information technology and content assets.



All charts in this report are based on data gathered by Berkery Noyes' research department. All time period statistics are based on the transaction announcement date.

For current intelligence on Merger and Acquisition activity in the Information Industry please visit our online service at www.mandasoft.com

Follow us on Twitter



Some of our deals include:

V S S Veronis Suhler Stevenson

HAS ACQUIRED

Strata Decision Technology



HMP COMMUNICATIONS

HAS ACQUIRED

Consultant and
Consultant for Pediatricians

FROM



United Business Media



ACCESS INTELLIGENCE
CONTENT IN CONTEXT

HAS ACQUIRED

OR Manager



The Healthcare Information
and
Management Systems Society

HAS BECOME THE MAJORITY SHAREHOLDER OF

medtech
media

MedTech Media, LLC

MedPage Holdings, Inc.



HAS BEEN ACQUIRED BY

everyday
HEALTH

IMAGE SOLUTIONS, INC.



HAS BEEN ACQUIRED BY



CompareNetworks



Compare Networks, Inc.

HAS ACQUIRED
CERTAIN ASSETS OF



International Scientific
Communications, Inc.

Ascend Event Media
A DIVISION OF



HAS BEEN ACQUIRED BY

TGP INVESTMENTS, L.L.C.
MERCHANT BANKERS



RELSYS



HAS BEEN ACQUIRED BY

ORACLE

JONATHAN KRIEGER | Managing Director, Healthcare/Life Sciences Group

THOMAS O'CONNOR | Managing Director, Healthcare/Life Sciences Group

JEFFREY SMITH | Managing Director, Healthcare/Life Sciences Group

JOSEPH BERKERY | Chief Executive Officer

JOHN SHEA | Managing Partner

BERKERY NOYES

INVESTMENT BANKERS

berkerynoyes.com | One Liberty Plaza | New York, New York 10006 | [212.668.3022](tel:212.668.3022)

©2011 Berkery Noyes