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Pharmaceutical Distribution Market Analysis

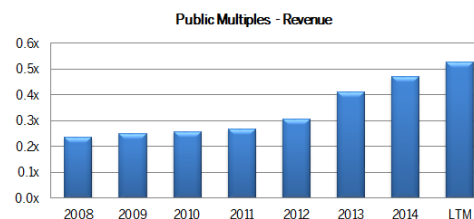
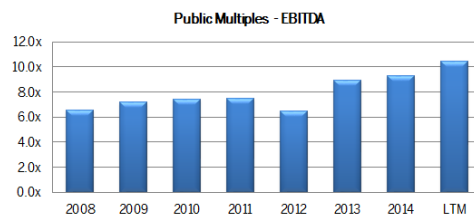
Domestic and international expansion spurs acquisitions as the pharmacy market continues to vie for growth

Industry Multiples and Index

Over the past three years, revenue multiples in the public markets have remained consistent at a median of 0.5x while EBITDA multiples have increased to a median of 10.5x. Since 2012, mean EBITDA multiples have increased by approximately 62%.

Transaction multiples are in a similar range with median revenue multiples of 0.6x and median EBITDA multiples of 11.4x over the past two years.

Our pharmacy index has largely outperformed the S&P 500 index over the past three years. The recent spike in the number of transactions within the industry has fueled the unprecedented growth. In an effort to gain market share, the top players in the industry continue to acquire smaller companies. The competition between these market leaders has led to the inflation of both public and private multiples.



Recent Trends

Domestic expansion has been a key method of growth within the industry. In 2014, PharMerica's acquisitions of Rx Advantage and Millennium Pharmacy increased its geographic reach in the United States. In January 2015, ICA Gruppen AB's acquisition of Apotek Hjartat AB, the largest private pharmacy retailer in Sweden, made it the second largest Swedish pharmacy.

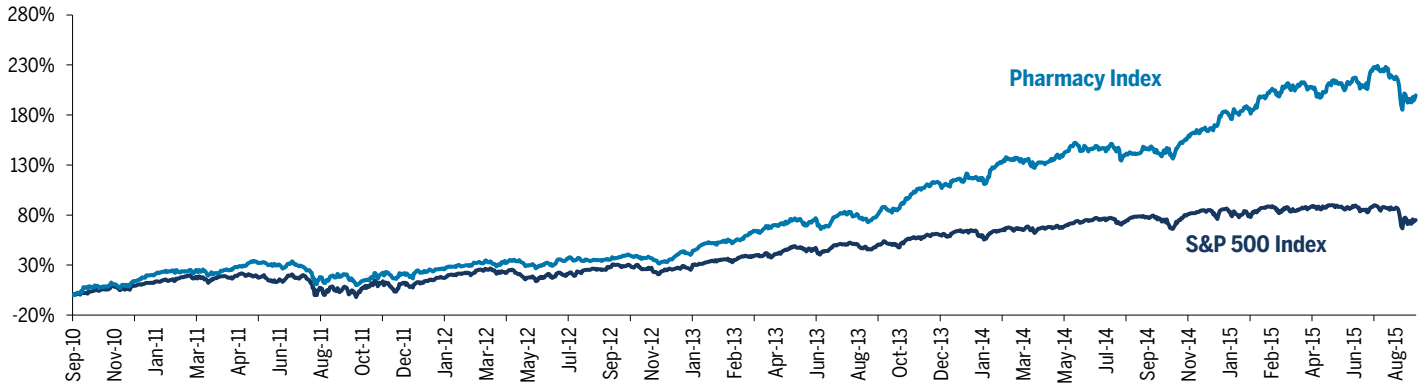
In the past two years, Diplomat Pharmacy has made three acquisitions within the United States. Its \$350 million purchase of BioRx increased its presence within the infusion services industry.

A second major trend in the industry has been the increase in the number of international acquisitions. After a three decade hiatus, Walgreens entered the Latin American drugstore business by acquiring Farmacias Ahumada S.A. for \$808 million. Continuing this trend, Walgreens acquired Germany-based Alliance Boots GmbH for approximately \$25 billion in December 2014. The merger positions the new company, Walgreens Boots Alliance, Inc., as the world's largest buyer of generic drugs.

The acquisition of valuable brands and programs has become an alternative way to achieve growth. In order to grow its Hispanic customer base, CVS Health acquired Navarro Discount Pharmacy, the largest Hispanic-owned drugstore chain in the U.S. In April 2015, the Fred's Inc. acquisition of Reeves-Sain Drug Store gave it exclusive access to EntrustRx, a lucrative specialty pharmacy operation with a strong regional presence in the Southeast U.S.

Pharmaceutical Distribution Index

Below is an index of selected pharmacies and wholesalers compared to the S&P 500 over the past five years.



*Pharmacy Index includes: Alfresa Holdings Corporation, Brasil Pharma S.A., Cachet Pharmaceutical Co., Ltd., Cardinal Health, Inc., Celesio AG, China Nepstar Chain Drugstore Ltd., China Pioneer Pharma Holdings Limited, cocokara fine Inc., CVS Health Corporation, Diplomat Pharmacy, Inc., Fagron NV, Jointown Pharmaceutical Group Co., Ltd., Kirindo Holdings Co., Ltd., McKesson Corporation, Medika, d.d., Nihon Chouzai Co., Ltd., Oriola-KD Corporation, Pharmarise Holdings Corporation, PharMerica Corporation, Profarma Distribuidora de Produtos Farmacêuticos S.A., Rite Aid Corporation, Sundrug Co., Ltd., The Jean Coutu Group (PJC) Inc., Toho Holdings Co., Ltd., Tsuruha Holdings Inc., Vital KSK Holdings Inc., Walgreens Boots Alliance, Inc., Welcia Holdings Co., Ltd.; Source: Capital IQ

Comparable Company Analysis

Below is a snapshot of selected companies in the pharmacy market.

Company	Price	52-Week		EV*	Net Debt	Market Cap	EV/Sales			EV/EBITDA		
		High	Low				2013	2014	LTM	2013	2014	LTM
Alfresa Holdings Corporation	\$ 17.98	\$ 20.57	\$ 10.59	\$ 328,240.8	\$ (156,572.0)	\$ 482,402.8	0.1x	0.1x	0.1x	3.7x	4.1x	8.3x
Brasil Pharma S.A.	\$ 0.18	\$ 1.09	\$ 0.15	\$ 1,109.4	\$ 855.3	\$ 254.1	0.7x	0.4x	0.3x	34.2x	N/A	N/A
Cachet Pharmaceutical Co., Ltd.	\$ 5.47	\$ 13.49	\$ 3.36	\$ 9,843.1	\$ 995.5	\$ 8,373.6	0.9x	1.2x	1.4x	22.0x	21.1x	22.0x
Cardinal Health, Inc.	\$ 81.24	\$ 91.91	\$ 71.72	\$ 27,471.7	\$ 877.0	\$ 26,594.7	0.2x	0.3x	0.3x	9.9x	11.6x	10.2x
Celesio AG	\$ 27.74	\$ 31.23	\$ 27.36	\$ 5,969.9	\$ 897.0	\$ 5,054.1	0.3x	0.3x	0.3x	10.3x	12.6x	15.1x
China Nepstar Chain Drugstore Ltd.	\$ 2.11	\$ 3.30	\$ 1.31	\$ (104.2)	\$ (312.5)	\$ 208.3	N/A	N/A	N/A	1.2x	2.6x	N/A
China Pioneer Pharma Holdings Limited	\$ 0.45	\$ 1.00	\$ 0.38	\$ 5,362.3	\$ 636.1	\$ 4,693.3	3.9x	5.3x	3.3x	19.4x	28.0x	17.9x
cocokara fine Inc.	\$ 36.78	\$ 51.41	\$ 20.75	\$ 104,813.5	\$ (7,048.0)	\$ 111,861.5	0.2x	0.2x	0.3x	8.4x	6.1x	10.3x
CVS Health Corporation	\$ 100.23	\$ 113.58	\$ 77.40	\$ 123,804.1	\$ 11,741.0	\$ 112,057.1	0.7x	0.9x	0.9x	9.6x	11.5x	11.3x
Diplomat Pharmacy, Inc.	\$ 38.85	\$ 52.33	\$ 15.45	\$ 2,650.4	\$ 173.7	\$ 2,472.6	N/A	0.7x	1.0x	N/A	N/A	N/A
Fagron NV	\$ 20.98	\$ 48.99	\$ 20.86	\$ 1,058.0	\$ 457.9	\$ 597.4	3.4x	3.3x	2.2x	15.8x	14.1x	9.1x
Jointown Pharmaceutical Group Co., Ltd.	\$ 3.03	\$ 5.52	\$ 2.36	\$ 38,936.3	\$ 6,789.6	\$ 31,793.5	0.8x	0.8x	0.9x	27.9x	30.0x	29.2x
Kirindo Holdings Co., Ltd.	\$ 10.10	\$ 14.65	\$ 5.34	\$ 15,833.6	\$ 1,824.0	\$ 13,846.6	N/A	0.1x	0.1x	N/A	4.4x	6.1x
McKesson Corporation	\$ 192.85	\$ 243.61	\$ 160.10	\$ 50,496.0	\$ 4,161.0	\$ 44,819.0	0.3x	0.3x	0.3x	11.9x	14.1x	11.9x
Medika, d.d.	\$ 1,841.27	\$ 2,135.87	\$ 1,340.44	\$ 641.4	\$ 278.4	\$ 363.0	0.2x	0.3x	0.3x	6.0x	8.1x	7.5x
Nihon Chouzai Co., Ltd.	\$ 66.45	\$ 106.21	\$ 22.99	\$ 102,803.3	\$ 46,434.0	\$ 56,369.3	0.4x	0.4x	0.5x	6.8x	7.3x	8.7x
Oriola-KD Corporation	\$ 4.71	\$ 5.13	\$ 2.34	\$ 802.2	\$ 44.3	\$ 757.9	0.4x	0.4x	0.5x	12.5x	9.3x	10.5x
Pharmarise Holdings Corporation	\$ 4.55	\$ 5.45	\$ 3.98	\$ 11,381.5	\$ 6,261.0	\$ 4,952.5	0.4x	0.3x	0.3x	5.3x	4.8x	4.9x
PharMerica Corporation	\$ 32.07	\$ 36.96	\$ 19.42	\$ 1,304.5	\$ 328.5	\$ 976.0	0.5x	0.5x	0.7x	6.8x	8.4x	9.7x
Profarma Distribuidora de Produtos Farmacêuticos	\$ 2.04	\$ 3.56	\$ 1.38	\$ 643.7	\$ 332.5	\$ 311.2	0.3x	0.2x	0.2x	11.8x	8.8x	9.5x
Rite Aid Corporation	\$ 8.44	\$ 9.36	\$ 4.42	\$ 14,051.2	\$ 5,312.7	\$ 8,738.5	0.4x	0.5x	0.5x	7.8x	10.6x	10.8x
Sundrug Co., Ltd.	\$ 51.85	\$ 66.29	\$ 36.71	\$ 337,922.1	\$ (39,842.0)	\$ 377,764.1	0.6x	0.6x	0.7x	8.1x	8.4x	9.7x
The Jean Coutu Group (PJC) Inc.	\$ 15.42	\$ 21.89	\$ 14.38	\$ 3,714.6	\$ (98.2)	\$ 3,812.8	1.1x	1.9x	1.4x	9.5x	16.1x	11.6x
Toho Holdings Co., Ltd.	\$ 22.07	\$ 26.28	\$ 11.46	\$ 176,170.2	\$ (7,402.0)	\$ 183,572.2	0.1x	0.1x	0.1x	6.5x	8.2x	10.6x
Tsuruha Holdings Inc.	\$ 76.37	\$ 98.28	\$ 45.29	\$ 402,941.3	\$ (35,509.0)	\$ 438,450.3	0.5x	0.7x	0.9x	7.3x	9.3x	12.4x
Vital KSK Holdings Inc.	\$ 6.93	\$ 8.26	\$ 6.54	\$ 32,648.4	\$ (14,658.0)	\$ 46,856.4	N/A	0.1x	0.1x	4.3x	9.3x	9.4x
Walgreens Boots Alliance, Inc.	\$ 90.28	\$ 97.30	\$ 58.39	\$ 110,822.4	\$ 11,714.0	\$ 98,742.4	0.8x	1.0x	1.2x	11.8x	14.1x	17.3x
Welcia Holdings Co., Ltd.	\$ 44.30	\$ 55.96	\$ 24.78	\$ 279,563.4	\$ (1,296.0)	\$ 280,695.4	0.4x	0.4x	0.7x	5.9x	7.6x	13.7x

*Enterprise Value (EV) = market capitalization + net debt + noncontrolling interest
All currency figures in USD. Price figures in actual dollars; EV, Net Debt, and Market Cap in millions
Market Cap and Enterprise Value as of 09/14/2015
Source: Capital IQ

	EV/Sales			EV/EBITDA		
	2013	2014	LTM	2013	2014	LTM
High	3.9x	5.3x	3.3x	34.2x	30.0x	29.2x
Mean	0.7x	0.8x	0.7x	11.0x	11.2x	11.9x
Median	0.4x	0.4x	0.5x	9.0x	9.3x	10.5x
Low	0.1x	0.1x	0.1x	1.2x	2.6x	4.9x

Comparable Transaction Analysis

Below is a snapshot of selected transactions in the pharmacy market.

Closing Date	Target	Buyer	Transaction Description	Total Trans. Value (\$m)	Enterprise Value (\$m)	EV*/Revenues	EV*/EBITDA
9/8/2015	Ideal Healthcare Ltd. (d/b/a Angel Pharmacy Ltd.)	Bestway National Chemists Ltd. (d/b/a Well Pharmacy)	Well Pharmacy's acquisition of Angel Pharmacy, which operates four pharmacies and an online prescription business, is part of Well's £200 million domestic five-year growth plan in the U.K.	N/A	N/A	N/A	N/A
8/31/2015	Springtown Drug Pharmacy	Ascendant Solutions Inc. (OTCPK:ASDS)	Ascendant Solutions acquired Springtown, a pharmacy based in Texas, as its fifth addition to portfolio company Dougherty's. Ascendant is capitalizing on anticipated growth in the independent pharmacy industry.	N/A	N/A	N/A	N/A
8/24/2015	The Great Atlantic & Pacific Tea Company, Inc. Pharmaceutical Assets	Rite Aid Corporation (NYSE:RAD)	Through the acquisition of the pharmaceutical assets of The Great Atlantic and Pacific Tea Company, Rite Aid increases its store presence in Pennsylvania, New Jersey, and New York.	8.0	8.0	N/A	N/A
8/24/2015	Healix Infusion Therapy, Inc., 503B Compounding Pharmacy Services Division	QuVa Pharma, Inc.	The acquisition of the 503B Compounding Pharmacy Services Division of Healix, Inc. adds a state-of-the-art manufacturing facility to QuVa Pharma's compounded sterile production capabilities.	N/A	N/A	N/A	N/A
8/24/2015	QuVa Pharma, Inc.	Bain Capital, LLC	Bain Capital acquired QuVa Pharma, a newly formed platform company, to tap into the growing sterile compounding pharmacy services market.	N/A	N/A	N/A	N/A
8/20/2015	Four China-Based Pharmacies	Yifeng Pharmacy Chain Co., Ltd. (SHSE:603939)	Yifeng Pharmacy Chain Co. a publicly traded drug retail company based in China, acquired a group of four domestic pharmacies. Yifeng operates approximately 680 directly managed pharmaceutical chain stores across China.	62.9	62.9	N/A	N/A
8/18/2015	Omnicare Inc.	CVS Health Corporation (NYSE:CVS)	The acquisition of Omnicare, a geriatric pharmaceutical services company, significantly expands CVS Health's footprint in the senior care market.	11,631.4	11,308.9	1.7x	15.0x
8/17/2015	Fairway Pharmacy	The Golub Corporation (d/b/a Price Chopper)	The acquisition of Fairway Pharmacy, operator of a pharmacy store in Pennsylvania, adds a pharmacy location to Golub's Northeast operations.	N/A	N/A	N/A	N/A
8/17/2015	Sinopharm Holding Medical Investment Management Co. (57% Stake)	Sinopharm Group Co. Ltd. (SEHK:1099)	Sinopharm Group, a publicly traded company that distributes healthcare and pharmaceutical products in China, acquired an additional 20% stake in Sinopharm Holding Medical. The acquisition provides Sinopharm Group with a medical equipment leasing service.	15.6	78.2	N/A	N/A
8/17/2015	Apothecary By Design LLC.	BelHealth Investment Partners, LLC	BelHealth acquired Apothecary, a specialty pharmacy based in Maine, to capitalize on growth potential in its women's health business.	N/A	N/A	N/A	N/A
8/14/2015 (Announced)	Grupo Socofar	Fomento Económico Mexicano, S.A.B de C.V (BMV:FEMSA UBD)	Formeto Económico acquired Grupo Socofar, an operator of drug stores in Chile, to enhance its drugstore operations and increase its market share in the Chilean pharmacy market.	N/A	998.0	0.5x	N/A
8/13/2015	Roxsan Pharmacy, Inc.	Parallax Health Sciences, Inc. (OTCPK:PRLX)	Parallax acquired Roxsan, a leading compounding pharmacy. The purchase adds differentiated services to Parallax's business through Roxsan's pain management and fertility medicine specialties.	20.5	20.5	0.5x	2.0x
8/12/2015	A.C. Moule Limited	Knightingales Limited	Knightingales Limited acquired A.C. Moule, the owner and operator of a pharmacy in North Yorkshire, U.K. as its third acquisition in the pharmacy space.	N/A	N/A	N/A	N/A
8/12/2015	Smith Premier Services, Inc.	Rite Aid Corporation (NYSE:RAD)	The acquisition of Smith Premier Services, a pharmacy benefit management company based in South Carolina, will expand Rite Aid's reach into the Southeast U.S. and increase its access to analytics and differentiated technology capabilities.	N/A	N/A	N/A	N/A
8/11/2015 (Announced)	Itohide Shoji K.K.	MediPal Holdings Corporation (TSE:7459)	MediPal Holdings, a publicly traded healthcare and retail distributor, acquired Itohide Shoji, a distributor of daily necessities and cosmetic products in Japan. Through the acquisition, MediPal will enhance its domestic cosmetics and retail healthcare distribution business.	N/A	N/A	N/A	N/A
8/10/2015	Changzhou Qinghetang Pharmacy Chain Co., Ltd.	Laobaixing Pharmacy Chain Joint Stock Company (SHSE:603883)	Laobaixing Pharmacy, a publicly traded drug retailer based in China, acquired Changzhou Qinghetang, a Chinese pharmacy chain. Laobaixing operates 999 drug retail stores in 15 provinces in China.	18.5	18.5	N/A	N/A
8/6/2015	Davis Pharmacy Ltd	Badham Pharmacy Ltd.	The acquisition of Davis Pharmacy serves as Badham's first pharmacy location in Bristol, U.K. Following the purchase, Bedham owns 16 pharmacies across the U.K.	N/A	N/A	N/A	N/A
8/4/2015 (Announced)	Florida Pharmacy Solutions, Inc.	FPS Pharma Inc. (TSXV:MC)	Florida Pharmacy Solutions is a compounding pharmaceutical company offering customized medications for its patients. The transaction increases FPS Pharma's market share in Florida.	2.7	2.7	0.1x	N/A
8/3/2015	Chronic Care, Inc.	Injured Workers Pharmacy, LLC	Injured Workers Pharmacy acquired Chronic Care, an operator of pharmacies serving injured workers in California, to enter the worker's compensation pharmacy market.	N/A	N/A	N/A	N/A
7/22/2015	SUNPHARMA SK, a.s.	PHOENIX Pharmahandel GmbH & Co KG	PHOENIX acquired SUNPHARMA, an operator of 42 pharmacies in Slovakia and 8 in the Czech Republic. The acquisition makes PHOENIX one of the largest pharmacies in the Czech Republic.	N/A	N/A	N/A	N/A
7/1/2015	West Bend Assisted Living Pharmacy	Genoa Healthcare, a QoL Healthcare Company	In order to expand service to individuals with mental illness in a residential setting, Genoa Healthcare, a QoL Company acquired West Bend Assisted Living Pharmacy. West Bend Assisted Living Pharmacy offers medication packaging systems for delivery.	N/A	N/A	N/A	N/A
6/29/2015	McAlester Location, Medicine Shoppe International Inc.	Ascendant Solutions Inc. (OTCPK:ASDS)	Dougherty's Holdings, a Healthcare subsidiary of Ascendant Solutions, acquired The Medicine Shoppe in McAlester to expand its business in Oklahoma. The Medicine Shoppe in McAlester is a community based pharmacy that provides retail prescriptions, non-sterile prescriptions, and health products.	N/A	N/A	N/A	N/A
6/25/2015	HB Ventures Rx, d.b.a. Portico Pharmacy	Geneva Woods Pharmacy, Inc.	In order to expand operations and its client-care model to Boise as well as the rest of Treasure Valley, Geneva Woods Pharmacy acquired the LTC pharmacy assets of Portico Pharmacy. Portico Pharmacy operates a retail compounding pharmacy in the Idaho region.	N/A	N/A	N/A	N/A
6/22/2015 (Announced)	Casa Marzam S.A. de C.V.	Moench Cooperatief UA	The acquisition of a controlling stake in Mexican-based Casa Marzam grows Moench Cooperatief's domestic distribution channel for pharmaceutical products. Casa Marzam operates a network of distribution centers that offer pharmaceutical products to retailers.	88.2	N/A	N/A	N/A

Comparable Transaction Analysis, cont'd.

Closing Date	Target	Buyer	Transaction Description	Total Trans. Value (\$m)	Enterprise Value (\$m)	EV*/Revenues	EV*/EBITDA
6/19/2015	Burmans Specialty Pharmacy LLC	Diplomat Pharmacy, Inc. (NYSE:DPL0)	Diplomat Pharmacy's acquisition of Burmans Specialty Pharmacy improves its hepatitis C specialty services, clinical management programs, and presence in the U.S. mid Atlantic region.	N/A	N/A	N/A	N/A
6/18/2015	Farmacias FarmaCon, S.A. de C.V.	Femsa Comercio, S.A. de C.V.	In order to develop its position in the Mexican retail pharmacy sector, Cadena Comercial, a subsidiary of Femsa Comercio, acquired Farmacias FarmaCon. Farmacias FarmaCon operates drug stores and is based in Culiacan, Mexico.	N/A	N/A	N/A	N/A
6/16/2015	Northeast Pharmaceuticals Inc.	Genoa Healthcare, a QoL Healthcare Company	Genoa's acquisition of Northeast Pharmaceuticals grows its specialty behavioral health and long-term care pharmacy service businesses. Genoa Healthcare, a QoL Healthcare Company is a provider of pharmacy services that focus on the behavioral health community in 37 states.	N/A	N/A	N/A	N/A
6/5/2015	The Harvard Drug Group, L.L.C.	Cardinal Health, Inc. (NYSE:CAH)	Cardinal Health's acquisition of The Harvard Drug Group grows its pharmaceutical business and expands its tele sales capabilities. The Harvard Drug Group is a distributor of over-the-counter medications and retail products.	1,115.0	1,115.0	2.5x	N/A
5/27/2015 (Announced)	Chemplus Pty Ltd.	TWC Group Investment Limited	Chemplus Pty Ltd., a company operating pharmacy stores in South Australia, will be acquired by TWC group to capitalise on existing growth opportunities in the market.	2.1	2.1	N/A	N/A
5/18/2015	Lady Drug Store Co., Ltd	Fuji Co., Ltd. (TSE:8278);Tsuruha Holdings Inc. (TSE:3391)	Fuji Co., Ltd. and Tsuruha Holdings Inc.'s acquisition of the remaining 36.57% stake in Lady Drug Store strengthens their respective positions in the pharmaceutical sector of Japan. Lady Drug Store operates a chain of pharmacies in Japan with 201 stores.	21.0	71.8	N/A	N/A
5/15/2015	Ringler Medicare Solutions, Inc.	StoneRiver Group, L.P.	Progressive Medical, LLC (d.b.a Helios), a subsidiary of StoneRiver Group, acquired Ringler Medical to expand its presence in the claim settlement market. Ringler Medical Solutions provides structured settlement services and is based in Woodstock, Georgia.	N/A	N/A	N/A	N/A
5/11/2015 (Announced)	AnazaHealth Corporation	Fagron NV (ENXTBR:FAGR)	By acquiring AnazaHealth, Fagron NV strengthens its position as market leader in the U.S. for specialized compounding. AnazaHealth is a sterile compounding pharmacy in the U.S. that specializes in nuclear, pain, and intrathecal compounding.	97.8	97.8	N/A	6.0x
5/6/2015	Custom Data, Inc.	TelePharm, LLC	Telepharm's acquisition of Custom Data improves its reach and access to pharmacies in small communities across the United States. Custom Data, Inc. develops electronic and media based marketing materials as well as software solutions for commercial entities.	N/A	N/A	N/A	N/A
4/21/2015	MACH4 Automatisierungstechnik GmbH	Omniceil, Inc. (NasdaqGS:OMCL)	Omniceil International's acquisition of MACH4Pharma Systems expands its automated medication management offerings throughout Europe and internationally. MACH4 Pharma Systems is a provider of automated medication management systems to Europe, China, and the Middle East.	18.0	18.0	N/A	N/A
4/10/2015	Reeves-Sain Drug Store, Inc.	Fred's, Inc. (NasdaqGS:FRED)	Fred's acquisition of Reeves-Sain Drug Store, which includes the EntrustRX operation, expands the company's specialty pharmacy operation. Reeves-Sain Drug Store, Inc. is a private specialty and retail pharmacy company.	66.0	N/A	N/A	N/A
4/8/2015	Mina Pharmacy LTC LLC	Longs Drug Stores LLC	Longs Drug Stores' acquisition of Mina Pharmacy will grow the company's market share in Hawaii. Mina Pharmacy owns and operates 10 stores across Hawaii.	N/A	N/A	N/A	N/A
4/1/2015	BioRx, LLC	Diplomat Pharmacy, Inc. (NYSE:DPL0)	The acquisition of BioRx, provider of treatments to patients with ultra-orphan and rare, chronic diseases, will enable Diplomat Pharmacy to increase their strength within the infusion services industry.	350.0	350.0	1.5x	15.2x
4/1/2015	Reuss Pharmacies, Inc.	Lifecare Pavilion LLC	In order to grow its pharmaceutical business in Texas, Lifecare Pavilion LLC acquired Reuss Pharmacies. Reuss Pharmacies is a community pharmacy and retailer of medical equipment.	N/A	N/A	N/A	N/A
3/18/2015	Care 4U Pharmacy Ltd	Bestway (Holdings) Limited	Care 4U Pharmacy, operator of pharmacies that provide prescription collection and delivery services, has been acquired by UK-based Well, a subsidiary of Bestway, as part of their five-year expansion plan.	N/A	N/A	N/A	N/A
3/17/2015	CHS Pharmacy Ltd	Geneva Woods Pharmacy, Inc.	Geneva Woods' expansion in the Pacific Northwest, of its integrated pharmacy services model, is enhanced with the acquisition of Canadian based CHS Pharmacy.	N/A	N/A	N/A	N/A
3/9/2015 (Announced)	Lovelace Health System, Retail Pharmacy Business in New Mexico	Walgreens Boots Alliance, Inc. (NasdaqGS:WBA)	Walgreens is acquiring a retail pharmacy business in New Mexico, which includes eleven pharmacies currently being operated by Lovelace Health System, to further increase Walgreen's geographical coverage.	N/A	N/A	N/A	N/A
3/3/2015	Empresas DBS	Salcobrand S.A.	Chilean owner of pharmacy outlets and retail pharmaceutical products, Salcobrand, has acquired Chilean distributors Empresas DBS in an effort to strengthen their position in the domestic market.	40.0	57.1	N/A	N/A
3/2/2015	Pharmacare Fulfillment Center Ltd.	Centric Health Corporation (TSX:CHH)	The acquisition of Pharmacare, a specialty pharmacy business, will enable Centric Health to grow and expand their reach in clinical practice across specialty pharmacy operations.	30.7	30.7	N/A	7.6x
3/1/2015	Kyoei Pharmacy Co. Ltd.	Tsuruha Holdings Inc. (TSE:3391)	In order to broaden its presence in Japan's retail pharmaceutical sector, Hearty Wants Co.,Ltd., a subsidiary of Tsuruha Holdings, agreed to acquire five drugstores from Kyoei Pharmacy Co.,Ltd.	N/A	N/A	N/A	N/A
2/26/2015	Crawford Pharmacy	CVS Health Corporation (NYSE:CVS)	In an effort to provide increased services to their clientele in Texas, CVS has acquired Crawford Pharmacy, an operator of a network of seven pharmacies.	N/A	N/A	N/A	N/A
2/24/2015	Dirx Drogisterijen B.V.	CK Hutchison Holdings Limited (SEHK:1)	The acquisition of Dirx, operator of 50 healthy and beauty retail pharmacy stores, will improve A.S. Watson's current strategy of increasing their national coverage with ease of accessibility.	N/A	N/A	N/A	N/A
2/24/2015	Pervaya Pomoshch ZAO	ZAO Rosta	Raduga has acquired Pervaya from ROSTA Pharmaceutical Group. Pervaya operates a pharmacy chain in St. Petersburg and will enable Raduga to further expand in the Russian market.	N/A	N/A	N/A	N/A
1/21/2015	Pharmasaludero S.A.S.	Unidrogas s.a.	Unidrogas acquired Pharmasaludero, owner of pharmacy brands Don Saludero and Superpharma, to enhance its position in the Columbian pharmacy market as Columbian consumers are increasingly sourcing their medicines through alternative channels.	N/A	N/A	N/A	N/A

Comparable Transaction Analysis, cont'd.

Closing Date	Target	Buyer	Transaction Description	Total Trans. Value (\$m)	Enterprise Value (\$m)	EV*/Revenues	EV*/EBITDA
1/21/2015	Apotek Hjärtat AB	ICA Gruppen AB (OM:ICA)	The acquisition of Apotek Hjärtat, Sweden's largest private pharmacy retailer, will make ICA Gruppen the second largest in the Swedish pharmacy retail market with the increase in its scale of business.	768.7	768.7	0.7x	N/A
1/19/2015	Norchem Ltd.	Lexon (UK) Ltd.	A chain of 20 independent retail outlets, operating under the name Norchem Limited, has been acquired by Lexon (UK) to increase their existing distribution network to a larger market.	34.9	34.9	0.9x	N/A
1/8/2015	McCroly's Pharmacy, Inc.	Ascendant Solutions Inc. (OTCPK:ASDS)	The acquisition of McCroly's pharmacy, an independent pharmacy, will help Dougherty's pharmacy to expand its retail and compounding business. Dougherty's Pharmacy operates as a subsidiary of Ascendant Solutions.	N/A	N/A	N/A	N/A
1/7/2015	Quality Pharmacy Management (QPM) Inc.	PipelineRx, Inc.	The acquisition of Quality Pharmacy Management, provider of remote pharmacy services in six western states, will strengthen PipelineRx's presence in the states of Colorado, Utah, Oregon, Wyoming and Alaska	N/A	N/A	N/A	N/A
1/2/2015	Salveo Specialty Pharmacy, Inc.	UnitedHealth Group, Inc. (NYSE: UNH)	Through the acquisition of Salveo Specialty Pharmacy, UnitedHealth strengthens its market position in the specialty pharmacy space. Salveo operates specialty pharmacies supplying clinical services and medications to patients suffering from chronic conditions.	260.0	260.0	N/A	13.0x
12/31/2014	Alliance Boots GmbH	Walgreens Boots Alliance, Inc. (NasdaqGS:WBA)	The acquisition of Alliance Boots makes Walgreens the world's largest buyer of generic drugs, increasing its purchasing power against other generics manufacturers. Alliance Boots is a pharmacy-led health and beauty company, pharmaceutical wholesaler, and distributor.	24,988.5	36,622.7	0.9x	14.4x
12/29/2014	Pharmacy Wholesalers (Central) Limited	Cdc Pharmaceuticals Limited	Pharmacy Wholesalers, supplier of pharmaceuticals in the central North Island region in New Zealand, has been acquired by Cdc Pharmaceuticals limited that would enable Cdc to further expand in the northern region New Zealand.	N/A	N/A	N/A	N/A
12/8/2014	Russian Businesses of Oriola-KD Corporation	Open Joint Stock Company Pharmacy Chain 36.6 (MICEX:APTK)	Russian based Pharmacy Chain 36.6 has acquired the Russian unit of Oriola-KD in an effort to strengthen their presence in the domestic market.	68.9	68.9	0.1x	N/A
12/1/2014 (Announced)	SIA Rigas Elizabetes	Oriola-KD Corporation (HLSE:OKDBV)	Oriola-KD acquired SIA Rigas, a Latvian based pharmacy, to increase their ecommerce offering of OTC and traded goods in the Latvian market.	N/A	N/A	N/A	N/A
12/1/2014	Access Homehealth Limited	Green Cross Health Limited (NZSE:GXH)	Green Cross Health's acquisition of Access Homehealth, a provider of home healthcare services to more than 16,000 people in New Zealand, continues the growth strategy outlined by Green Cross to become a leading provider of primary healthcare services in New Zealand.	14.1	14.1	0.2x	N/A
11/30/2014	Epic Pharmacy Pty Ltd	Icon Cancer Care	Australian firm Icon Cancer Care, portfolio company of Quadrant Private Equity has acquired pharmacy business services provider, Epic, to further its own efforts in the domestic space.	N/A	N/A	N/A	N/A
11/21/2014	Reguladora De Compras Del Mediterraneo SA	Centro Cooperativo Farmaceutico Talaverano	The acquisition of Reguladora De Compras, wholesale pharmaceutical distributor in Spain, will help Centro Cooperativo Farmaceutico increase its service offerings to its domestic clientele.	N/A	N/A	N/A	N/A
11/19/2014	CAMrx Limited	Cambrian Alliance Limited	CAMrx, provider of business support services to pharmacies, has been acquired by Cambrian Alliance in an effort to expand the benefits that both the groups can offer in the U.K.	N/A	N/A	N/A	N/A
11/13/2014	Hangzhou Sanhao Grand Pharmacy Chain Co., Ltd.	China Jo-Jo Drugstores, Inc. (NasdaqCM:CJJD)	The synergistic acquisition of Sanhao Drugstores, local chain of 11 drugstores in Hangzhou, China, will increase the total store count of Jo-Jo drugstores to 60.	N/A	N/A	N/A	N/A
10/17/2014	Preferred Rx, LLC	Titanium Healthcare, Inc.	In line with Titanium Healthcare's strategy to grow inorganically, they acquired Texas-based pharmacy Preferred Rx, LLC.	1.1	1.0	0.3x	4.9x
10/6/2014	Co-Operative Group Ltd	Bestway (Holdings) Limited	In order to diversify its portfolio and increase its annual growth, Bestway Holdings acquired the pharmacy business of the Co-Operative Group, National Co-op Chemists. National Co-op owns and operates a chain of pharmacies in the U.K.	1,058.3	1,058.3	0.8x	N/A
10/2/2014	Advanced Care Inc.	AxelaCare Health Solutions, LLC	The acquisition of Advanced Care, provider of home infusion services, increases AxelaCare's intravenous solutions pharmacies to 18 throughout the U.S. and expands Axela's national home IV therapy network into the NY-NJ metro area.	N/A	N/A	N/A	N/A
9/29/2014	Kyung Dong Sa Co., Ltd.	The Zuellig Group, Inc.	Zuellig Pharma Asia Pacific Ltd. acquired Kyung Dong Sa Co., Ltd. from MatlinPatterson Global Advisers LLC. Kyung Dong is a South Korean provider of wholesale medical products.	N/A	N/A	N/A	N/A
9/26/2014	Millennium Pharmacy Systems, Inc.	PharMerica Corporation (NYSE:PMC)	Millennium Pharmacy Systems, pharmacy services provider to the long-term care industry, has been acquired by PharMerica to increase its presence in the mid-Atlantic region.	N/A	N/A	N/A	N/A
9/25/2014	Alpha Pharm (Pty) Ltd	Santo Holding AG	Shogun Holdings, a subsidiary of Santo Holding AG, has acquired Alpha Pharm, owner and operator of pharmacies in South Africa. Shogun aims to leverage the synergies created by this merger to enable pharmacies to compete in a market that is predominantly dominated by major retail chains.	31.2	61.2	N/A	N/A
9/25/2014	Moyes Pharmacy, Long Term Care Division	Guardian Pharmacy, LLC	The strategic acquisition of Moyes Pharmacy's long term care division allows Guardian to expand its outreach to now serve group homes, assisted living and skilled nursing communities.	N/A	N/A	N/A	N/A
9/25/2014	Wender and Roberts Pharmacy, Long Term Care Division	Guardian Pharmacy, LLC	The acquisition of Wender and Roberts Pharmacy's long term care division will enable Guardian to partner with them and offer enhanced pharmacy services to their existing clientele.	N/A	N/A	N/A	N/A
9/17/2014	Hetero Med Solutions Limited, 320 Pharmacy Stores in in Telengana, Andhra Pradesh and Tamil Nadu	Apollo Hospitals Enterprise Ltd. (NSEI:APOLLOHOSP)	Apollo acquired 320 retail pharmacy stores, in addition to the 1680 locations currently operating in India, in a strategic move to grow its business through acquisition.	1,460.0	1,460.0	N/A	N/A
9/10/2014	Heron Cross Pharmacy Ltd	Looking After You Ltd.	Heron Cross Pharmacy has been acquired by UK-based Looking After You Ltd. in an effort for Looking After You to expand their business in the Staffordshire region.	2.4	N/A	N/A	N/A

Comparable Transaction Analysis, cont'd.

Closing Date	Target	Buyer	Transaction Description	Total Trans. Value (\$m)	Enterprise Value (\$m)	EV*/Revenues	EV*/EBITDA
9/8/2014	Navarro Discount Pharmacies, LLC	CVS Health Corporation (NYSE:CVS)	The acquisition of Navarro Discount Pharmacies broadens CVS Health's hispanic customer base. Navarro Discount Pharmacies is the largest Hispanic-owned drugstore chain in the U.S. and operates 33 retail drugstores.	N/A	N/A	N/A	N/A
9/8/2014	Discount Drugstores Pty Ltd	Sigma Pharmaceuticals Ltd. (ASX:SIP)	In an effort to combat the impact of Pharmaceutical Benefit Scheme (PBS) reform in Australia, Sigma Pharmaceutical has acquired Discount Drug Stores chain, which will also add 121 chemists to its growing business.	24.8	24.8	N/A	N/A
9/3/2014	Thrifty Health & Compounding Pharmacy	Ascendant Solutions Inc. (OTCPK:ASDS)	Thrifty Health and Compounding Pharmacy, provider of specialized compounded prescriptions in the Houston area, has been acquired by Dougherty's Holdings in a strategic effort to acquire well-run independent pharmacies in the Texas region.	N/A	N/A	N/A	N/A
8/20/2014	PC Pharma PLC (COSE:PCP-N-0000)	Adam Investments Limited (COSE:AINV-N-0000)	Adam Investment's acquisition of PC Pharma diversifies its portfolio and increases its synergy between different sector managements in Sri Lanka. PC Pharma imports and distributes drugs, bio medical devices, and specialized medical products.	N/A	N/A	N/A	N/A
8/20/2014	29 Walgreens Leased Retail Properties	The Herrick Company, Inc.	The Walgreens properties, all of which are occupied under long-term triple net leases, were acquired by the Herrick Company as part of their strategy to expand their portfolio of single-tenant, long-term net leased assets.	100.0	100.0	N/A	N/A
8/18/2014	Unidrug Distribution Group Ltd.	Walgreens Boots Alliance, Inc. (NasdaqGS:WBA)	Walgreens Boots Alliance acquired the remaining 50% stake in Unidrug, a supply chain services company for pharmaceutical and healthcare manufacturing companies in the U.K., to build its pre-wholesaling and logistics network in Europe.	109.5	219.0	29.3x	N/A
8/18/2014	Sinopharm Sichuan Medicine Group Co., Ltd.	Sinopharm Group Co. Ltd. (SEHK:1099)	Sinopharm Group entered into an agreement to acquire 66% equity in China-based Sinopharm Sichuan Medicine Group.	76.8	116.4	N/A	N/A
8/16/2014	Community Pharmacy Limited	King Pharmacy Group Limited	King Pharmacy acquired Community Pharmacy's pharmacy business in order to expand geographically into southern New Zealand.	N/A	N/A	N/A	N/A
8/12/2014	Mogi Pharmaceutical Co., Ltd., Self Medication Wholesale Business	Alfresa Holdings Corporation (TSE:2784)	Japanese firm Alfresa Healthcare Corporation signed a basic agreement to acquire self medication wholesale business from Mogi Pharmaceutical Co., Ltd.	N/A	N/A	N/A	N/A
8/11/2014	Farmacias Ahumada S.A.	Walgreens Boots Alliance, Inc. (NasdaqGS:WBA)	After a three-decade hiatus, Walgreens has decided to enter the Latin American drugstore business with the acquisition of Farmacias Ahumada. The Chilean based pharmacy chain runs about 400 stores in the country.	808.3	747.2	0.5x	11.4x
8/5/2014	Family Pharmacy, Inc.	Ascendant Solutions Inc. (OTCPK:ASDS)	As part of their expansion strategy in the Texas region, Dougherty's holdings acquired Family Pharmacy in an effort to expand their revenues and service offerings. The Pharmacy is based out of Ozark, Missouri.	N/A	N/A	N/A	N/A
8/1/2014	Rx Advantage, Inc.	PharMerica Corporation (NYSE:PMC)	The acquisition of Rx Advantage, provider of pharmacy services to long-term care facilities, will help PharMerica to expand its portfolio of pharmacy solutions and increase its national footprint in the South-east region.	N/A	N/A	N/A	N/A
7/30/2014	MedExpress Pharmacy, LTD	Avita Drugs, LLC	MedExpress Pharmacy, provider of discount pharmaceutical services to patients, has been acquired by MedExpress. The acquisition is a part of an ongoing trend of geographic expansion and for Avita, particularly increasing their presence in the Carolinas and Virginia.	N/A	N/A	N/A	N/A
7/21/2014	Loblaws Companies Limited, Two Shoppers Drug Mart Stores	The Jean Coutu Group (PJC) Inc. (TSX:PJC.A)	Canadian-based Jean Coutu Group acquired two Shoppers Drug Mart stores from Loblaws Companies Limited. Loblaws Companies operates as a food and pharmacy company located in Brampton, Canada	N/A	N/A	N/A	N/A
7/10/2014	RBF, LLC, Rainbow Foods Grocery Stores, Pharmacies and Liquor Stores	SUPERVALU Pharmacies, Inc., SUPERVALU Gold, LLC, and other retailers	Supervalu, in partnership with four Twin Cities-area independent retailers acquired 18 Rainbow Foods grocery stores. Supervalu will have 100% ownership in three Cub stores.	65.0	65.0	N/A	N/A
7/8/2014	Open Joint Stock Company Pharmacy Chain 36.6 (MICEX:APTK)	Palesora Limited	Cyprus-based Palesora Limited acquired 51% of Pharmacy Chain 36.6. Open Joint Stock Company Pharmacy Chain 36.6 operates a chain of pharmacies and stores in the Russian Federation.	N/A	N/A	N/A	N/A
7/1/2014	Covex S.A.	China Pioneer Pharma Holdings Limited (SEHK:1345)	In order to obtain exclusive rights to market, promote, and sell Covex's Vinpocetine API, China Pioneer Pharma acquired Covex S.A. Covex S.A. is a chemical and pharmaceutical company that develops, manufactures, and distributes ingredients and pharmaceutical products internationally.	4.0	8.9	N/A	N/A
6/27/2014	MedPro Rx, Inc.	Diplomat Pharmacy, Inc. (NYSE:DPLO)	The United States' largest independent specialty pharmacy company acquired MedPro Rx to expand its existing specialty infusion business in the mid-Atlantic and Southern regions. MedPro Rx is a specialty pharmacy focused on specialty infusion therapies.	75.0	75.0	0.9x	N/A
6/23/2014	Quick Care Pharmacy Inc	Linden Care LLC	Linden Care's acquisition of Quick Care Pharmacy broadens its geographic coverage and strengthens its position as a pain-focused specialty pharmacy. Quick Care Pharmacy specializes in managing the chronic and acute pain needs of patients.	N/A	N/A	N/A	N/A
6/5/2014	Grupo Sanal	CECOFAR Centro Cooperativo Farmaceutico Soc Cooperativa Ltda.	CECOFAR's acquisition of Grupo Sanal will enable both of them to cover 27% of the community pharmacies across the northern parts of Spain. Grupo Sanal offers pharmaceutical product distribution services and is based in Lugo, Spain.	23.2	23.2	0.1x	N/A

*Enterprise Value (EV) = market capitalization + debt + noncontrolling interest.
Source: Capital IQ

Max	29.3x	15.2x
Mean	2.4x	9.9x
Median	0.6x	11.4x
Min	0.1x	2.0x