

Industry **BlueBook**

Pharma Services: Development

March 2019

The industry's authoritative information resource for
valuations, M&A transactions, and Financings

GLOBAL INDUSTRY EXPERTISE FOCUSED APPROACH KEY INSIGHTS

We work with companies involved in global research, development, and commercialization of biopharmaceutical, diagnostic and device products, diagnostic services, and the delivery of health care products and services.

WHAT WE DO



DASHBOARD^{1,2,3,4,5}

EV MULTIPLES

	REVENUE				EBITDA			
	LTM	%Δ	FTM	%Δ	LTM	%Δ	FTM	%Δ
Technology & Information Systems	6.7x	(8%)	5.8x	(5%)	49.7x	12%	23.6x	(7%)
Clinical Services	2.8x	(15%)	2.6x	13%	15.8x	2%	14.2x	15%
Laboratory Services	3.1x	(9%)	3.0x	11%	17.6x	(14%)	15.0x	21%

M&A DEALS / FINANCINGS

	DEAL COUNT				VOLUME (\$MM)			
	M&A	%Δ	Financings	%Δ	M&A	%Δ	Financings	%Δ
Technology & Information Systems	0	NM	3	50%	0	0%	80	(25%)
Clinical Services	4	0%	1	NM	0	0%	0	0%
Laboratory Services	2	(67%)	0	NM	0	NM	0	NM

¹ Enterprise value (EV) equals equity market value (market capitalization) plus debt, plus preferred stock, minus cash and cash equivalents

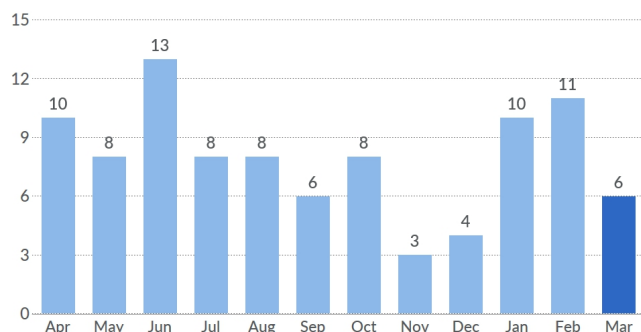
² Deals counted once in total if included in multiple segments

³ LTM = last twelve months; FTM = forward twelve months

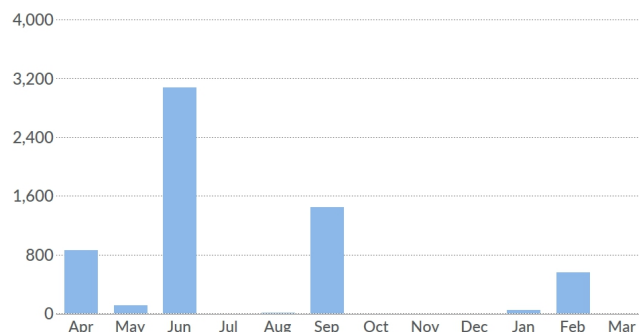
⁴ % Δ - percent change month over month

⁵ NM - Not Meaningful

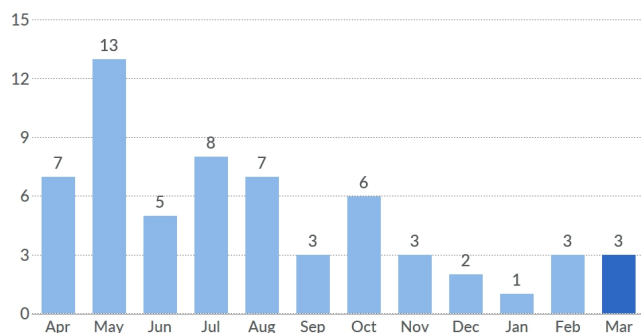
12 MONTH DEAL COUNT M&A



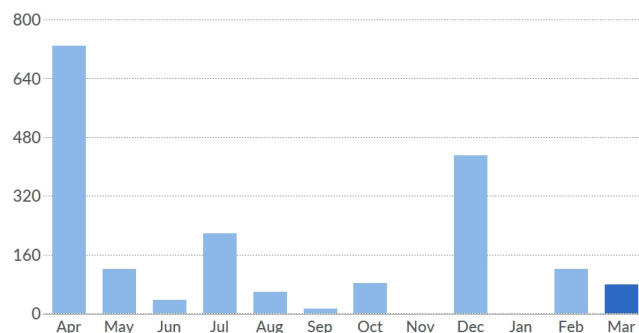
12 MONTH VOLUME M&A (\$MM)



12 MONTH DEAL COUNT FINANCINGS



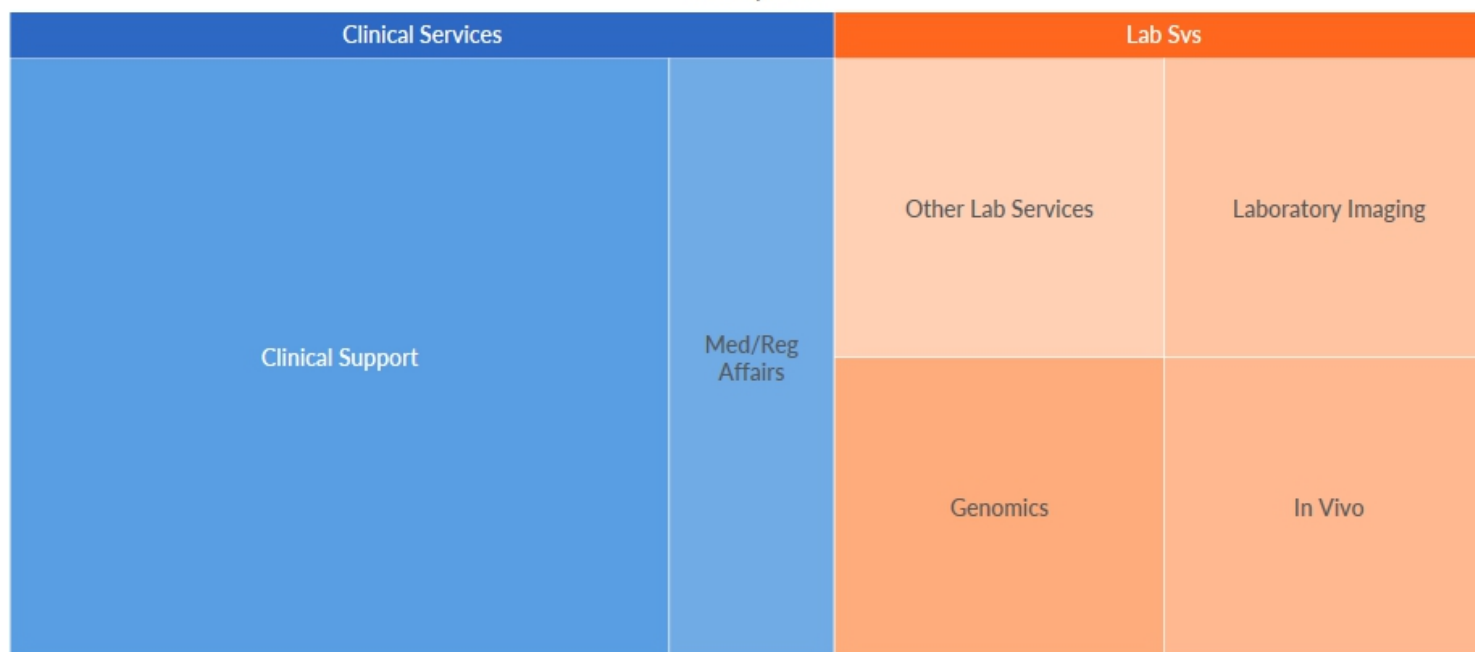
12 MONTH VOLUME FINANCINGS (\$MM)



M&A ACTIVITY

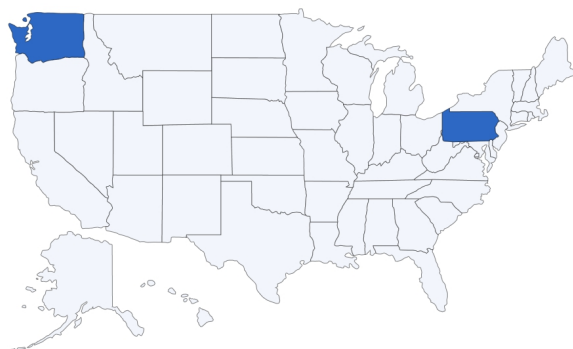
DEALS BY SEGMENT

Development



U.S. DEALS BY STATE

WORLDWIDE DEALS BY COUNTRY



SELECTED TRANSACTIONS

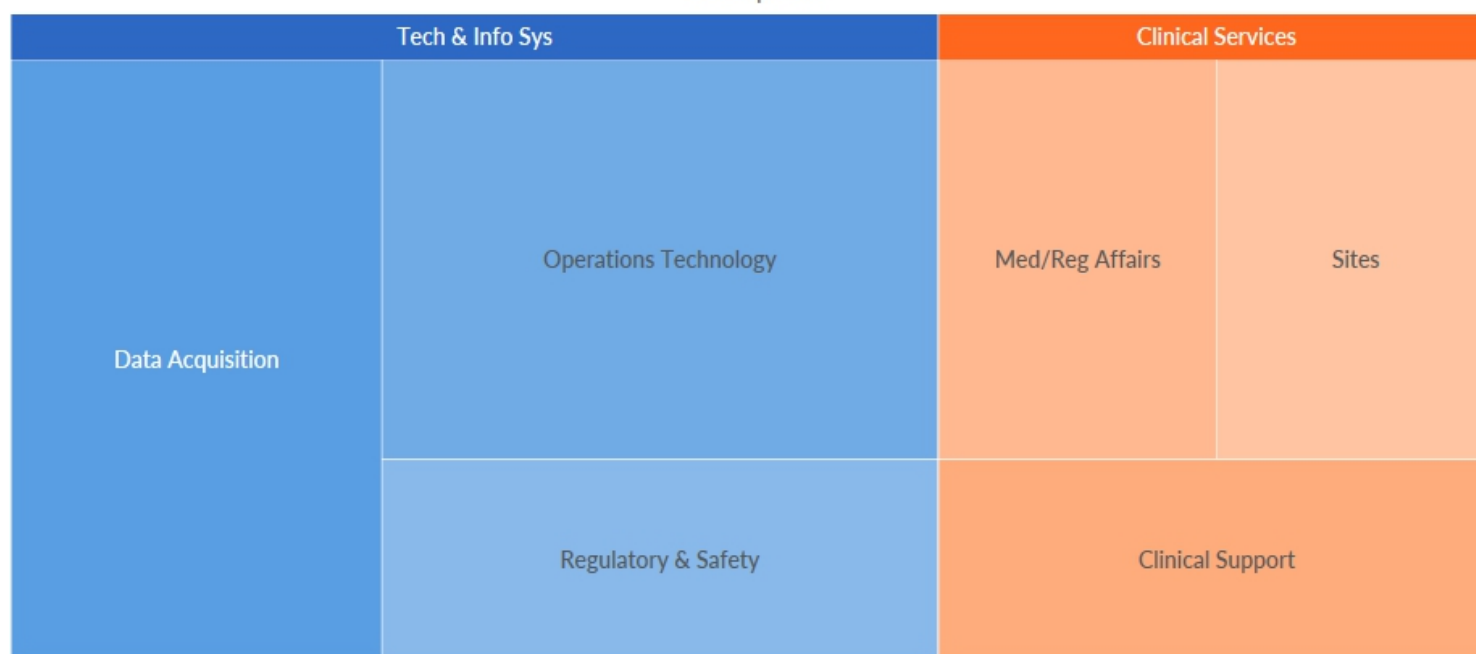
Announced Date	Segment	Sub-Segment	Target Company	Geography	Selected Buyers	Size (\$mm)
3/29/2019	Laboratory Services	Genomics	HudsonAlpha's Genomic Services Lab	United States	Discovery Life Sciences	-
3/15/2019	Clinical Services	Clinical Support	Dataceutics	United States	TAKE Solutions (BOM: 532890)	-
3/10/2019	Clinical Services	Clinical Support Medical & Regulatory Affairs	Southwood Research Ltd	United Kingdom	ProPharma Group, Inc.	-
3/7/2019	Laboratory Services	In Vivo Laboratory Imaging Other Lab Services	MI Bioresearch Inc.	United States	Laboratory Corporation of America Holdings (NYSE:LH)	-
3/5/2019	Clinical Services	Clinical Support	Certain Assets of Triangle Biostatistics, LLC	United States	Catalyst Clinical Research, LLC	-

Announced Date	Segment	Sub-Segment	Target Company	Geography	Selected Buyers	Size (\$mm)
3/5/2019	Clinical Services	Clinical Support	Quorum Review, Inc.	United States	Advarra	-

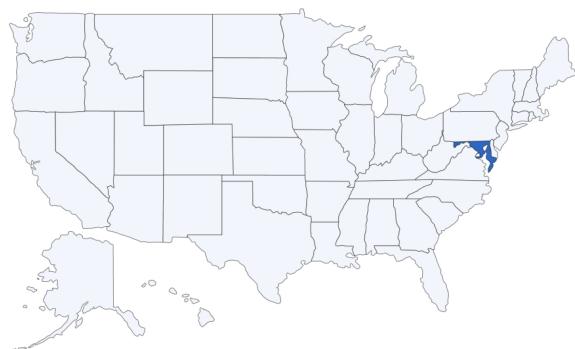
FINANCINGS

DEALS BY SEGMENT

Development



U.S. DEALS BY STATE



WORLDWIDE DEALS BY COUNTRY



SELECTED TRANSACTIONS

Announced Date	Segment	Sub-Segment	Target Company	Geography	Selected Investors	Size (\$mm)
3/25/2019	Technology & Information Systems	Data Acquisition	Saama Technologies, Inc.	United States	Perceptive Advisors LLC	40.0
3/13/2019	Technology & Information Systems	Operations Technology	TriNetX, Inc.	United States	Deerfield Management Company, L.P., Mitsui & Co., Ltd. (TSE:8031), ITOCHU Corporation (TSE:8001), Deerfield Management Company, L.P.	40.0

Announced Date	Segment	Sub-Segment	Target Company	Geography	Selected Investors	Size (\$mm)
3/5/2019	Technology & Information Systems Clinical Services	Operations Technology Regulatory & Safety Data Acquisition Clinical Support Sites Medical & Regulatory Affairs	The EMMES Corporation	United States	Behrman Capital	-

PUBLIC MARKETS¹

Technology & Information Systems

Company Name	Geography	Enterprise Value (\$mm)	xRevenue		xEBITDA	
			LTM EV	FTM EV	LTM EV	FTM EV
IQVIA Holdings Inc.	United States	38,712	3.7x	3.5x	21.3x	16.0x
Medidata Solutions, Inc.	United States	4,386	6.7x	5.8x	49.7x	23.6x
Veeva Systems Inc.	United States	18,086	20.3x	17.0x	73.8x	45.5x
Mean		20,395	10.2x	8.7x	48.2x	28.3x
Median		18,086	6.7x	5.8x	49.7x	23.6x

Clinical Services

Company Name	Geography	Enterprise Value (\$mm)	xRevenue		xEBITDA	
			LTM EV	FTM EV	LTM EV	FTM EV
Charles River Laboratories International	United States	8,657	3.7x	3.2x	15.8x	13.9x
CMIC HOLDINGS Co., Ltd.	Japan	419	0.7x	0.6x	6.1x	5.2x
Seiko Epson Corporation	Japan	5,356	0.5x	0.5x	4.7x	4.6x
ICON Public Limited Company	Ireland	7,352	2.8x	2.6x	16.1x	14.6x
IQVIA Holdings Inc.	United States	38,712	3.7x	3.5x	21.3x	16.0x
Linical Co., Ltd.	Japan	263	2.8x	2.5x	14.9x	13.4x
Medpace Holdings, Inc.	United States	2,307	3.1x	2.8x	15.6x	15.6x
PRA Health Sciences, Inc.	United States	8,220	2.8x	2.6x	19.1x	15.5x
Shin Nippon Biomedical Laboratories, Ltd.	Japan	429	2.9x	NM	35.1x	NM
Syneos Health, Inc.	United States	8,044	1.8x	1.8x	14.6x	12.6x
WuXi AppTec Co., Ltd.	China	15,139	10.7x	8.4x	43.2x	29.3x
Mean		8,627	3.2x	2.8x	18.7x	14.0x
Median		7,352	2.8x	2.6x	15.8x	14.2x

Laboratory Services

Company Name	Geography	Enterprise Value (\$mm)	xRevenue		xEBITDA	
			LTM EV	FTM EV	LTM EV	FTM EV
BGI Genomics Co., Ltd.	China	4,372	11.2x	8.7x	47.5x	33.7x
Charles River Laboratories International	United States	8,657	3.7x	3.2x	15.8x	13.9x
Eurofins Scientific SE	Luxembourg	10,647	2.4x	2.1x	13.1x	11.1x
ICON Public Limited Company	Ireland	7,352	2.8x	2.6x	16.1x	14.6x
Joynn Laboratories (China) Co., Ltd.	China	1,096	19.1x	13.8x	58.7x	NM
Medpace Holdings, Inc.	United States	2,307	3.1x	2.8x	15.6x	15.6x
PRA Health Sciences, Inc.	United States	8,220	2.8x	2.6x	19.1x	15.5x
Quanterix Corporation	United States	520	14.4x	11.1x	NM	NM
Shin Nippon Biomedical Laboratories, Ltd.	Japan	429	2.9x	NM	35.1x	NM
Syneos Health, Inc.	United States	8,044	1.8x	1.8x	14.6x	12.6x
WuXi AppTec Co., Ltd.	China	15,139	10.7x	8.4x	43.2x	29.3x

¹ NM - Not Meaningful

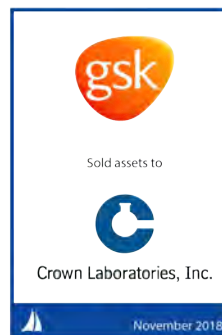
PUBLIC MARKETS¹

Mean	6,071	6.8x	5.7x	27.8x	18.2x
Median	7,352	3.1x	3.0x	17.6x	15.0x

¹ NM - Not Meaningful

RECENT CROSSTREE TRANSACTIONS

Crosstree Capital Partners provides mergers and acquisitions and financing advisory services exclusively to leading Health Sciences companies. Since inception, the firm has been a consistent leader within our focus areas, closing more than 100 successful transactions with companies ranging from private equity-backed consolidators to Fortune 500 publicly-traded companies. In the process, we have represented clients on five continents, and roughly 35% of our transactions have been cross-border. Ten of our recent deals are highlighted below.



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