



## VITAL SIGNS STRONG *for* HEALTHCARE M&A

*Joe Berkery President, Berkery Noyes Investment Bankers*

### 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 400 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. With no equity fund or brokerage business to manage, our partners and investment banking professionals are one hundred percent focused on M&A advisory services. 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.*



JEFF SMITH



TOM O'CONNOR

Despite the weak M&A market, healthcare information and technology transactions are getting done—at prices that reflect the excellent long-term macro trends in healthcare information and technology markets. In recent months, our team has closed two of the most noteworthy M&A transactions in these markets: Relsys and UpToDate, both commanding high valuations.

### Healthcare deals are getting done with strong valuations.

As we suggest in the article written for The Deal magazine, healthcare information and technology companies are defying the trend of falling valuation. There is strong acquisition demand for unique or market-leading companies by the many large healthcare information and technology providers. These buyers—both strategic and financial—have significant investable cash available and are looking to grow through acquisition. The current limited supply of acquirable businesses creates a seller's market that supports strong valuations based on high multiples of revenue and cash-flow. Both strategic companies and financial investors are eager and able to acquire businesses in all-cash transactions that tend to be quick, smooth and favorable to sellers.

### Strong demand, low supply of quality healthcare information businesses creates seller's market.

We expect this situation to persist at least into mid-2010, when more sellers of healthcare information and technology assets begin to return to the market and rebalance the supply/demand equation. At the same time, we believe that the

movement toward healthcare reform legislation—however the final bill turns out—will only add to the value of information and technology companies. Businesses which offer healthcare products and services that ultimately improve patient care, facilitate information workflow, increase efficiency, lower costs, and reduce risk in the healthcare marketplace will be in especially high demand.

Now is the time to explore your options to enhance your liquidity and fashion a timely exit strategy by talking with the Berkery Noyes healthcare information and technology investment banking group. We are available to discuss your individual market and situation, and to provide you with valuable insight into how an M&A transaction can help you realize your strategic and financial objectives.

### Now is the time to consider selling your business, improve personal liquidity, maximize value.

With more than twenty-five years of experience closing hundreds of deals, and our proprietary information on tens of thousands of companies in the worldwide information marketplace, no one is better able to provide you with the personal, focused, knowledgeable and confidential transaction advice you need to make informed decisions and maximize the value of your business assets.

**If you're considering growth through acquisition, the sale of a business, a timely exit strategy, or a financial restructuring, call Jeff Smith or Tom O'Connor at 212.668.3022.**

*“healthcare information and technology companies are defying the trend of falling valuation”*