

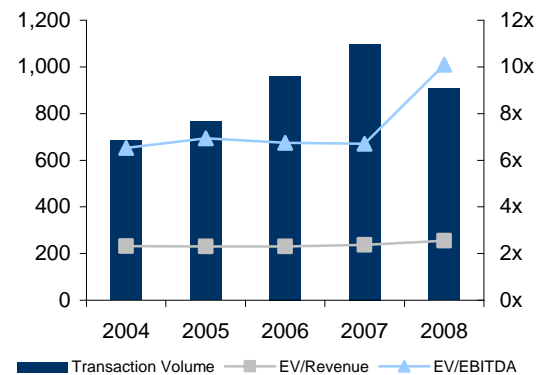


Overall M&A activity within the Healthcare Equipment & Supplies sector decreased 17.4% over the last twelve months ending December 31, 2008 with 907 deals reported compared to 1,098 deals completed during the same period last year. Median Enterprise Value (“EV”) multiples were at 2.6X Revenue and 10.1X EBITDA.

**QUARTERLY TRANSACTION METRICS**

Aggregate Industry Metrics	Q1 '08	Q2 '08	Q3 '08	Q4 '08
Private Placements	126	107	139	136
M&A - United States Domestic	37	27	32	24
M&A - Cross Border Global	48	36	39	44
Median EV/EBITDA	10.1x	13.9x	8.0x	17.4x
Median EV/Revenue	2.3x	2.6x	2.3x	4.6x
Median Value (\$MM)	\$15.0	\$5.3	\$3.8	\$4.4
<b>Sub-Sector Transaction Totals</b>				
Healthcare Equipment	54	33	56	37
Medical Consumables	18	22	27	29
Medical Instruments	5	5	0	3
Medical Testing	79	45	68	84
Optical Healthcare	16	6	11	8
Therapeutic Devices	56	68	66	65

**LTM TRANSACTION METRICS AS OF 12/31,**



Based upon Mosaic Capital research. Includes all companies with operations in a particular subsector. Valuation multiples include public transactions and premiums for control, which can vary significantly between public and private companies. Private company transactions also typically include valuation discounts for limited liquidity due to a lack of a public market.

**About Mosaic Capital**

Mosaic Capital LLC is the premier independent investment banking firm in Southern California, providing global transaction advisory and capital raising services to both healthy and distressed middle market companies through our senior advisors. As a member of IMAP we have offices in more than 35 countries, providing our clients local access to buyers and sellers worldwide. IMAP / Mosaic completed more than 250 transactions exceeding \$13 billion in transaction value in 2008, ranking us 6th worldwide by Thompson Financial for transactions under \$200 million. The private placement of debt and equity financing is provided through our affiliate Mosaic Capital Securities LLC (member FINRA/SIPC).

Mosaic Capital is active in the following sub-sectors within the Healthcare Equipment & Supplies sector. We are available to discuss trends within these sub-sectors with owners and management teams, as well as their advisors.

**Healthcare Equipment, including:**

- Cryogenic Equipment
- Dental Equipment
- Orthodontic Equipment
- Home Healthcare Equipment
- Anesthesia Equipment and Instruments
- Hospital Facility Equipment
- Respiration Systems
- Surgical and Laboratory Sterilizers

**Medical Testing Equipment, including:**

- Radiology Equipment
- Cardioscopes, ECGs and BP Analytic
- Laboratory Equipment

**Therapeutic Devices, including:**

- Assistive Equipment for Disabilities
- Cardiovascular Equipment
- Electrotherapeutic Apparatus
- Interventional Radiology Devices
- Laparoscopic Devices
- Orthopedic Devices

**Optical Healthcare, including:**

- Contact Lenses
- Eyeglasses
- Intraocular Lenses

**Medical Consumables, including:**

- Bandages
- Gloves
- First Aid Kits
- Hypodermic Syringes
- Incontinence Products and Bed Pads
- Intravenous Tubes
- Medical Disposal Containers

**Medical Instruments, including:**

- Pumps
- Thermometers
- Valves
- Stethographs/scopes

**SALES & DIVESTITURES • MERGERS & ACQUISITIONS • FINANCING • VALUATION**

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