

# The Strategic Healthcare M&A Report

A Review of Merger, Acquisition and Strategic Transactions  
in the Healthcare Industry

1st Quarter 2009

## Highlights

1. **Quarterly M&A Overview** – a high elevation perspective on Q1 09's deal activity.
2. **Q1 09's Top Deals** – Transactions with a value over \$100m.
3. **Q1 09 M&A Deal-by-Deal Review** -- 35 Transactions Analyzed -- announced or closed in Q1 09.



To review The Walden Group's new Dynamic Healthcare M&A Database online, see [www.waldenmed.com/quarterly/ma\\_db\\_quarters.htm](http://www.waldenmed.com/quarterly/ma_db_quarters.htm)

The Strategic Healthcare M&A Report analyzes important merger, acquisition and strategic transactions taking place in the healthcare industry. A complementary copy of the Report can be obtained on a regular basis by subscribing at <http://www.waldenmed.com/mailform.asp> or by contacting The Walden Group at 914.332.9700 or by email -- [office@waldenmed.com](mailto:office@waldenmed.com). Please feel free to e-mail suggestions for future content to the address listed above.

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## 1. **Quarterly M&A Overview – a high elevation overview of Q1 09's deal activity**

2009 started with deepening recessionary fears and budgetary/reimbursement concerns. Elective surgeries are of course down, but even some non-discretionary procedures are being delayed, as unemployment grows and healthcare coverage becomes more challenging. The quarter ended with some light at the end of the tunnel, as glimmers of a bottoming out of the recession appeared.

Yet, the M&A environment remained problematic at best. For Q1 09, we are reporting on only 35 deals, the lowest volume we have ever recorded. The sparse deal flow is because of tight credit, sellers not wanting to sell if their business is down, and buyers concerned about their own operating performance and balance sheets. Private equity firms remained aggressive but valuations were limited by an uncertain outlook and a scarcity of debt. Debt, or leverage, increases ROI -- assuming all goes well.

At The Walden Group, we are working on several transactions in which prospective bidders tell us that there are few good deals on the market (*i.e.*, companies with stable and dependable revenue and profit performance). That is why good deals are still attracting significant interest.

In the quarter, certain patterns did emerge, however. There were several blockbuster pharmaceutical deals and some device companies enhanced their positions with strategic acquisitions. Some of the largest deals of the year are highlighted below by sector.

### **BioPharmaceuticals**

Three mega-deals characterized the sector this quarter. Fortifying pipelines was a key driver behind **Pfizer's** \$68b bid for **Wyeth**. This was also the case with **Roche's** hostile offer turned friendly (and accepted) for the 44% of **Genentech** it does not already own (valued at \$46.8b). Genentech represents a wellspring of novel biotech offerings for Roche.

Shoring up R&D efforts and product line expansion were also behind **Merck & Co.'s** \$41.1b acquisition of **Schering-Plough**.

### **Data Management**

Despite President Obama's healthcare IT initiatives, M&A remained light in the sector. To expand its presence in the diagnostic imaging information management market **Amicas** bought **Emageon** for \$39.0m. **Eclipsys** is seeking to further penetrate the hospital workflow solutions space with its acquisition of **Premise Corporation** (\$38.5m).

### **Diagnostics**

Nor were there many diagnostic deals in Q1. **Beckman Coulter** is buying the diagnostic business of **Olympus Corporation** for \$800m to strengthen BC's position in clinical chemistry and immunoassay automated solutions for hospital applications.

**Inverness Medical Innovations** continued its buying spree with its acquisition of **Acon Laboratories'** rapid diagnostic business in certain emerging areas (\$200m value).

**Medical Devices**

**Abbott Labs** bought **AMO (Advanced Medical Optics)** for **\$2.8b** to diversify and take advantage of the expected rise in cataract surgeries and other ophthalmic procedures affecting the growing aging population.

**J&J** closed on its \$1.1b purchase of **Mentor**, strengthening its position in aesthetic and reconstructive markets.

**Medtronic** announced 3 deals: **Ablation Frontiers** to broaden its capacity to treat atrial fibrillation (\$225m plus milestones), **Ventor Technologies**, an Israeli producer of heart valve technologies (325m), and **Corevalve**, another heart valve maker with minimally invasive delivery systems (\$700m plus milestones).

**Aspen Surgical Products** (a portfolio holding of **Roundtable Healthcare Partners**) bought the **Unomedical and Ophthalmics Business of Convatec**, which was forced to make the divestiture after it was acquired by Nordic Capital.

In addition, **Thoratec** is paying \$282m for **HeartWare** and its novel heart pump technology.

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**2. Top Deals of Q1 09 >\$100m in Transaction Value (announced or closed)**

Sector	Deal Value (millions)	Acquiring Party	Transferring Party
<b>Biopharmaceuticals</b>	\$68,000	Pfizer Inc.	Wyeth
	\$46,800	Roche Holding AG	Genentech Inc.
	\$41,100	Merck & Co., Inc.	Schering-Plough Corporation
	\$1,400	Gilead Sciences, Inc.	CV Therapeutics, Inc.
	\$900	Lundbeck Inc	Ovation Pharmaceuticals
	\$667	GlaxoSmithKline	Rights to certain pharmaceuticals of UCB
<b>Diagnostics</b>	\$800	Beckman Coulter, Inc.	The diagnostic business of Olympus Corporation
	\$200	Inverness Medical Innovations Inc.	The rapid diagnostics businesses in China, India, Africa, Russia of ACON Laboratories Inc.
	\$132	Gen-Probe Incorporated	Tepnel Life Sciences, PLC
<b>Medical Devices</b>	\$2,800	Abbott Laboratories	Advanced Medical Optics Inc.
	\$1,120	Johnson & Johnson	Mentor Corporation
	\$700	Medtronic, Inc.	Corevalve Inc.
	\$370	Endo Pharmaceuticals Holdings, Inc.	Indevus Pharmaceuticals, Inc.
	\$325	Medtronic, Inc.	Ventor Technologies Ltd
	\$282	Thoratec Corporation	HeartWare International
	\$225	Medtronic, Inc.	Ablation Frontiers, Inc.

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### 3. M&A Deal-by-Deal Review -- Q1 '09

The information contained in the table below was derived from publicly available and other sources. Transaction and rationale information is inferential and not intended to be relied upon as pronouncements by the transaction participants or for any other reason. Transactions are pending or closed.

Sector	Acquiring Party	Target	Analysis
Biopharmaceuticals	<b>Gilead Sciences, Inc. (Nasdaq:GILD)</b> , a biopharmaceutical company focused on therapeutics for HIV and other life-threatening diseases.	<b>CV Therapeutics, Inc.</b> , a biopharma focused on small molecule drugs for the treatment of cardiovascular diseases.	Strengthens Gilead's growing cardiovascular portfolio. In 2008, CV marketed two products that contributed to total revenues of \$154m. Its pipeline includes multiple product candidates currently being evaluated for the treatment of atrial fibrillation, pulmonary diseases and diabetes. Deal value -- \$1.4b.
Biopharmaceuticals	<b>GlaxoSmithKline (NYSE:GSK)</b> , the second largest pharmaceutical manufacturer in the world.	<b>Rights to certain pharmaceuticals of UCB</b> , a Belgium based pharmaceutical manufacturer.	GSK is acquiring the rights to UCB's allergy medicines Xyzal and Zyrtec, and its epilepsy drug Keppra. The rights extend to 50 countries, excluding some of the world's biggest emerging-market economies, such as India, China, Russia and Brazil. GSK is moving into smaller under-penetrated emerging markets. Deal value --\$667.2m.
Biopharmaceuticals	<b>Lundbeck Inc.</b> , a Danish drug manufacturer.	<b>Ovation Pharmaceuticals</b> , a specialty maker of drugs for epilepsy and other neurological disorders.	Lundbeck's patents on its cash cow antidepressant Cipralex/Lexapro expire in 2012. Ovation is profitable and growing, with a broad portfolio of marketed products and a pipeline focused on the central nervous system. Deal value -- \$900m including \$300m for achieving regulatory milestones. Ovation's sales are \$204m and its operating profit is \$32m.
Biopharmaceuticals	<b>Merck &amp; Co., Inc. (NYSE: MRK)</b> , a leading research-based pharmaceutical company.	<b>Schering-Plough Corporation</b> , a leading maker of prescription, consumer and animal health products.	Creates global healthcare behemoth than can benefit from a formidable R&D capacity, a significantly broader portfolio of medicines and an expanded presence in key high-growth emerging markets. Schering-Plough has several valuable products with long periods of exclusivity. The combined company will have a more diverse portfolio across important therapeutic areas, including cardiovascular, respiratory, oncology, neuroscience, infectious disease, immunology, women's health and other areas, and realize significant synergies. Deal value -- \$41.1b on sales of \$18.5b (>2,000x) and EBITDA of \$2.9b.

Sector	Acquiring Party	Target	Analysis
Biopharmaceuticals	<b>Pfizer Inc. (PFE)</b> , the world's largest drug maker.	<b>Wyeth</b> , a large research-driven pharmaceutical, vaccine and health care products company.	Motivated by Pfizer's cholesterol drug Lipitor (\$13b in sales -- 25% of Pfizer's total sales) losing patent protection in 2011, when it will begin facing U.S. generic competition. Wyeth would diversify Pfizer into vaccines and injectable biologic medicines by adding Wyeth's big-selling Prevnar vaccine for childhood infections and Enbrel rheumatoid arthritis treatment. Pfizer would realize major cost savings by streamlining areas that overlap. The deal is expected to spur significant sector consolidation. Deal value ~ \$68.0b on sales of \$23.2b (2.9x) and EBITDA of \$7.8b (8700x).
Biopharmaceuticals	<b>Roche Holding AG</b> , a leading pharmaceutical and diagnostics company based in Switzerland.	<b>Genentech Inc.</b> , a biotech company focused on pharmaceutical products to treat patients with unmet medical needs.	Roche raises its offer to \$46.8b to buy the 44% of Genentech it does not own already, and Genentech accepts. Roche secures rights to Genentech's drug pipeline beyond 2015, the term of existing arrangements. The proposed deal also enhances Roche's R&D capabilities and adds synergy savings of about \$850m/yr. Deal size ~ \$46.8b for 44% of Genentech (a \$100.1b valuation on sales of \$13.4b, 7.7x, and EBITDA of \$5.66b, 17.5x). (Roche formerly owned 100% of Genentech but sold shares in a public offering.) Like Novartis' takeover of Chiron, this deal reflects the need of big pharma to shore up pipelines with more innovative biotech sources.
Biopharmaceuticals	<b>The Medicines Company (Nasdaq:MDCO)</b> , a cardiovascular biopharma company.	<b>Targanta Therapeutics Corporation</b> , a biopharmaceutical company focused on treating hospital borne infections.	Adds Targanta's oritavancin, a late stage anti-infective for serious infections involving difficult-to-treat bacteria in hospitalized patients. Initial use of oritavancin is expected in critical care settings where Medicines Company sales reps promote their current products. Deal value -- \$42 plus possible milestones.
Data Management/ Healthcare IT	<b>AMICAS, Inc. (Nasdaq: AMCS)</b> , a leader in radiology and medical image and information management solutions.	<b>Emageon Inc.</b> , a provider of radiology and cardiology IT solutions.	Significantly expands AMICAS' presence in the image and information management market. Combined suite will include radiology PACS, cardiology PACS, radiology information systems, cardiology information systems, revenue cycle management systems, referring physician tools, business intelligence tools, and enterprise content management capabilities. Deal value -- \$39.0m on \$82.3 of sales and negative EBITDA.
Data Management/ Healthcare IT	<b>Baxa Corporation</b> , a medical device company focusing on medication handling and delivery.	<b>ForHealth Technologies, Inc.</b> , a healthcare robotics and software company.	Adds to Baxa a high-speed robotic system for preparing intravenous doses. Improves patient safety and the quality of health-system pharmacies. Terms not disclosed.

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Sector	Acquiring Party	Target	Analysis
Data Management/ Healthcare IT	<b>Eclipsys Corporation (NASDAQ: ECLP)</b> , a healthcare information systems provider primarily to hospital markets.	<b>Premise Corporation</b> , a privately held industry leader in patient flow solutions.	Adds utilization management systems for bed management, bed turnover, and patient transport to Eclipsys' enterprise clinical and patient access systems. Deal value -- \$38.5m.
Data Management/ Healthcare IT	<b>Intermedix Corporation</b> , a provider of technology-based business services to emergency providers.	<b>HealthWare Solutions</b> , a leading provider of electronic patient care reporting software.	Both companies serve the emergency response sector. HWS provides electronic medical record systems to dovetail with Intermedix's billing and other programs. Terms not disclosed.
Data Management/ Healthcare IT	<b>Midmark Corporation</b> , a manufacturer of products for the medical, dental and veterinary markets.	<b>Progeny Inc.</b> , a manufacturer of radiographic imaging products for the dental market.	Expands Midmark's technology offerings to the dental market. In addition to intraoral x-ray products, Progeny makes digital imaging sensors, intra-oral cameras and the software used to integrate these various images into a patient's electronic record. Terms not disclosed.
Diagnostics	<b>Alpine Biomed Corporation</b> , a leader in specialty diagnostic devices especially for the gastroenterology market.	<b>Stellate Systems Inc.</b> , specializes in the development and production of advanced neurodiagnostic systems.	Significantly increases the size of Alpine's neuro-diagnostic business and gives it a strong foothold in the rapidly growing sleep diagnostics market. Alpine can now offer products and software that detect and monitor a range of conditions including epilepsy and muscular disorders such as carpal tunnel syndrome. Alpine is owned by Water Street Healthcare Partners. Terms not disclosed.
Diagnostics	<b>Avacta Group PLC.</b> , a U.K. based bio-analytical technology development company spun off from the University of Leeds.	<b>TheraGenetics Limited</b> , a U.K. diagnostics company that is developing tests for the central nervous system (CNS) disorders.	Adds molecular, personalized medicine diagnostic tests for schizophrenia, depression, bipolar disorder, Alzheimer's disease and ADHD (attention deficit hyperactivity disorder) to determine patient response to treatment as well as drug side effects. Terms not disclosed.
Diagnostics	<b>Beckman Coulter, Inc. (NYSE: BEC)</b> , a major manufacturer of biomedical diagnostic systems.	<b>The diagnostic business of Olympus Corporation</b> , a Japan-based large manufacturer of endoscopic equipment and other electronic and optical products.	Expands Beckman Coulter's worldwide position in clinical chemistry and immunoassay solutions especially in larger hospital laboratories (where high throughput is important) and leverages its global infrastructure and sales, service, administrative and R&D activities. In 2010, the Olympus Diagnostics is anticipated to increase Beckman's revenue by ~ \$500m and generate ~ \$40-50m in operating income, with pre-tax savings of between \$50-60m. Deal value -- \$800m.
Diagnostics	<b>Gen-Probe Incorporated (Nasdaq:GPRO)</b> , a manufacturer of nucleic acid testing.	<b>Tepnel Life Sciences, PLC</b> , a molecular diagnostics company based in the U.K.	Buying Tepnel will provide immediate access to attractive growth opportunities in transplant diagnostics, genetic testing and pharmaceutical services in the rapidly growing European molecular diagnostics market. Deal value -- \$132.2m.

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Diagnostics	<b>Inverness Medical Innovations Inc. (IMA.N)</b> , a maker of diagnostic tests.	<b>The rapid diagnostics businesses in China, India, Africa, Russia of ACON Laboratories Inc.</b> , a maker of rapid diagnostic test kits.	In 06, Inverness acquired Acon's rapid diagnostics business for the U.S., Canada and Europe, and agreed if milestones were reached to acquire these businesses serving consumer, point-of-care and lab markets. Acon is retaining its other global in-vitro diagnostics businesses, including diabetes, clinical chemistry and immunoassay products. Deal value -- \$200m.
Diagnostics	<b>Millipore Corporation (NYSE: MIL)</b> , a leading bioscience products and services company.	<b>Guava Technologies</b> , a provider of bench top cell analysis systems.	With Guava's instruments, Millipore's flow cytometry platform is more accessible to cell biologists and researchers outside of central labs. Flow cytometry is a powerful research technique used by scientists to measure changes in protein expression in individual cells. Deal value -- \$22.6m on \$22m of sales.
Diagnostics	<b>Roche Holding AG</b> , a leading pharmaceutical and diagnostics company based in Switzerland.	<b>innovatis AG</b> , a Germany-based provider of automated cell analysis solutions.	innovatis focuses on cell counting, viability testing, and cell function analysis in research as well as bioproduction. The deal widens Roche's offerings in the cell analysis research market and is synergistic with its xCELLigence technology launched in 2008. Deal value -- \$19.6m. Innovatis was owned by a private equity firm.
Distribution	<b>Henry Schein, Inc. (NASDAQ: HSIC)</b> , a leading international distributor of medical and dental products.	<b>Noviko, DNA Anthos Impianti and Medka</b> , three European suppliers of medical supplies.	Noviko is the leading distributor of veterinary supplies in the Czech Republic (sales - \$70m). DNA Anthos Impianti is the Italian distribution arm of Cefla Dental, a leading manufacturer of dental equipment (sales - \$43m). Medka is a full-service German provider of medical consumables, equipment and technical services primarily to physicians (sales - \$36m). The three deals help fill out Schein's coverage of Europe. Terms not disclosed.
Distribution	<b>Henry Schein, Inc. (NASDAQ: HSIC)</b> , a leading international distributor of medical and dental products.	<b>Ortho Organizers</b> , a full-line manufacturer and distributor of orthodontics products.	Helps to further Schein's orthodontic platform. Ortho's sales are about \$30m. Terms not disclosed.
Distribution	<b>Welch Allyn, Inc.</b> , a leading global manufacturer of medical diagnostic equipment.	<b>MD International</b> , a medical products distributor in Latin America.	Positions Welch Allyn for greater opportunities in emerging markets in South and Central America, Mexico and the Caribbean. Terms not disclosed.
Medical Devices	<b>Abbott Laboratories (NYSE: ABT)</b> , a leading manufacturer of pharmaceuticals, medical devices and diagnostics.	<b>Advanced Medical Optics Inc.</b> , a global ophthalmic surgical and eye care products company.	In this diversification play, Abbott sees cataract surgery (50% of AMO's business) growing with the aging baby boomers. The laser vision correction business is down but Abbott sees improvement due to AMO's leading position for Lasik equipment, plus opportunities to accelerate AMO's R&D pipeline. Deal price -- \$2.8b on sales of \$1.2b (2.3x) and EBITDA of \$261m (10.7).

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Medical Devices	<b>Aspen Surgical Products Holding, Inc.</b> , A manufacturer of OEM and branded disposable products for surgical and general applications.	<b>The Unomedical Wound Care and Ophthalmics business of ConvaTec</b> , a manufacturer of innovative wound therapeutics and ostomy care products.	The divestiture was a requirement of the European Commission following the acquisition of ConvaTec by Nordic Capital and Avis-ta Capital Partners. Aspen acquires key add-on lines. Aspen is owned by Roundtable Healthcare Partners.
Medical Devices	<b>Boston Scientific Corporation (NYSE: BSX)</b> , a major manufacturer of cardiovascular and other devices for interventional medical specialties.	<b>Labcoat Limited</b> , an Ireland-based drug eluting stent development-stage company.	Labcoat developed a novel technology for coating drug-eluting stents that reduces the amount of polymer and drug to which the vessel wall is exposed, while minimizing polymer and drug on the inner surface of the stent where endothelial cell growth is required for healing. This approach is intended to provide the same degree of restenosis reduction as a conventional drug-eluting stent, but faster and more complete vessel healing after stent implantation. Terms not disclosed.
Medical Devices	<b>Endo Pharmaceuticals Holdings, Inc.</b> , a pharmaceutical company primarily for pain management.	<b>Indevus Pharmaceuticals, Inc.</b> , a specialty pharmaceutical company that treats conditions in urology and endocrinology.	Allows Endo to expand beyond pain management with novel therapies for urology and endocrinology. The combined company will market nine products through three specialty sales forces and have the capability to develop innovative new therapies using a novel drug delivery technology. Deal value -- \$370m, plus up to \$267m if milestones reached.
Medical Devices	<b>Integra LifeSciences Holdings Corporation (Nasdaq:IART)</b> , a producer of tissue regenerative products and instrumentation focused on neurosurgery, aesthetics and orthopedics.	<b>Minnesota Scientific, Inc. (d/b/a Omni-Tract Surgical)</b> , a manufacturer of table mounted surgical retractors.	Will integrate Omni-Tract's product lines into its combined offering of JARIT®, Padgett™, R&B Redmond™, and Luxtec® lines of surgical instruments and illumination systems sold by the internal surgical sales team. Terms not disclosed.
Medical Devices	<b>Johnson &amp; Johnson (NYSE: JNJ)</b> , a major pharmaceutical and medical device manufacturer.	<b>Mentor Corporation</b> , a leading supplier of breast implants and other medical products for the global aesthetic market.	Strengthens J&J/ETHICON's presence in aesthetic and reconstructive markets, which are less sensitive to reimbursement and margin pressures. J&J recently introduced a collagen-based skin filler and some of its devices for stomach-reduction and other operations are increasingly being used in plastic surgery, including sutures, mesh implants for facelifts, and harmonic scalpels. Most of Mentor's sales are in the U.S. and J&J, with a huge global sales operation, sees an opportunity to expand the business internationally. Deal value -- \$1.1b, on sales of \$382.0m (2.9x) and EBITDA of \$83.5m (13.4x).
Medical Devices	<b>Medtronic, Inc. (NYSE: MDT)</b> , a major manufacturer of cardiovascular and other devices.	<b>Ablation Frontiers, Inc.</b> , a maker of catheter-based RF ablation systems to treat cardiac rhythm disease.	Following its recent acquisition of CryoCath, Medtronic broadens its range of cardiac rhythm therapies to treat atrial fibrillation. Ablation Frontiers has been marketing its catheters and RF generators in Europe. Deal terms - \$225m plus milestones.

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Medical Devices	<b>Medtronic, Inc. (NYSE: MDT)</b> , a major manufacturer of cardiovascular and other devices.	<b>Ventor Technologies Ltd</b> , an Israel-based manufacturer of transcatheter heart valve technologies to treat aortic valve disease.	Current standard of care for patients with aortic stenosis is open-heart valve surgery. Transcatheter, minimally invasive valves offer a non-surgical alternative. Deal value -- \$325m. With the concurrent CoreValve acquisition, substantially boosts Medtronic's position in minimally invasive heart valve replacements.
Medical Devices	<b>Medtronic, Inc.</b> , a major manufacturer of cardiovascular and other devices.	<b>Corevalve Inc.</b> , a maker of replacement heart valves and delivery systems.	Corevalve's technology has been implanted in 2,600 patients worldwide, but has yet to be cleared by the FDA. Rather than performing open-heart surgery, the system allows a surgeon to insert a replacement heart valve through a small incision in a leg artery. Deal value -- \$700m plus milestone payments.
Medical Devices	<b>Merit Medical Systems, Inc. (Nasdaq:MMSI)</b> , a manufacturer of proprietary disposable devices for cardiology and radiology procedures.	<b>Alveolus, Inc.</b> , a maker of non-vascular interventional stents used for esophageal, tracheo-bronchial, and biliary stenting procedures.	Enables Merit to enter the gastroenterology and pulmonary stent market, which Merit believes to exceed \$200m. Merit makes inflation devices, guide wires and syringes that can also be used in such procedures. Alveolus has a U.S. sales force, R&D personnel and sales in Europe. Merit intends to increase sales by opening up new markets, including interventional radiologists, and to further the stent platform. Deal value -- \$19m on \$8.2m in sales.
Medical Devices	<b>Moog Inc. (NYSE: MOG.A)</b> , a major manufacturer of precision control components and systems.	<b>AITECS Medical UAB</b> , a Lithuanian manufacturer of syringe-style infusion therapy pumps.	Broadens Moog's proprietary medical device line and expands its geographic presence in the infusion therapy market. Deal value -- \$21.0m.
Medical Devices	<b>Moog Inc. (NYSE: MOG.A)</b> , a major manufacturer of precision control components and systems.	<b>Ethox International</b> , a medical contract manufacturer, sterilizer and producer of proprietary disposables.	Ethox adds facilities to produce disposables for Moog's ambulatory, enteral feeding and infusion pump lines, as well as providing sterilization and FDA-testing capabilities. Deal value -- \$15.2m on \$18m of sales.
Medical Devices	<b>Small Bone Innovations, Inc.</b> , a provider of small bone and joint products.	<b>Link Orthopedics</b> , a Germany-based maker of a 3-piece, mobile-bearing, uncemented ankle replacement system.	The system has been in use since 1990 with over 14,500 implantations performed worldwide. SBI plans to introduce the product in the U.S., after FDA PMA approval, as a possible option to avoid fusion. Terms not disclosed.

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Sector	Acquiring Party	Target	Analysis
Medical Devices	<b>Thoratec Corporation (Nasdaq:THOR)</b> , a leading producer of ventricular assist devices (VADs) for advanced stage heart failure and point-of-care diagnostic products.	<b>HeartWare International</b> , an Australian-based manufacturer of miniaturized implantable heart pumps.	HeartWare's implantable heart pumps complement Thoratec's Ventricular Assist Devices. HeartWare makes the only full-output pump designed to be implanted in the chest, avoiding the abdominal surgery generally required to implant competing devices. It is currently engaged in trial in the U.S. Deal terms -- \$282m.
Medical Devices	<b>ZOLL Medical Corporation</b> , a manufacturer of resuscitation products.	<b>Alsius Corporation</b> , a developer of products to control patient temperature in hospital critical care settings.	Zoll will consolidate Alsius with Radiant Medical, which it bought in 2007. Both Radiant and Alsius develop catheter-based therapeutic hypothermia units to treat critical care patients. Deal value -- \$12m, which after debt repayment and transaction costs, will leave only a small amount for Alsius shareholders. Alsius had \$11m in sales, incurring substantial losses. Zoll had sued Alsius for patent infringement.

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