

Medical Technology Financing Trends in Texas and Beyond

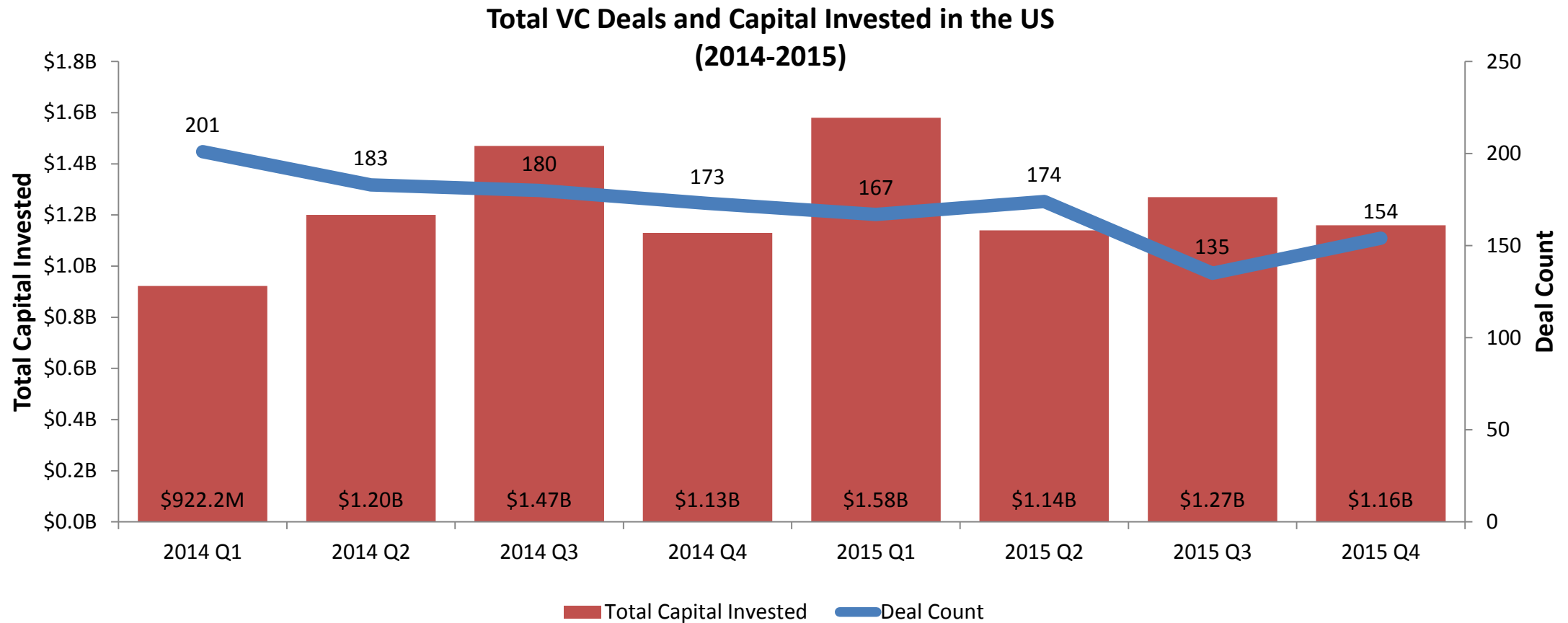
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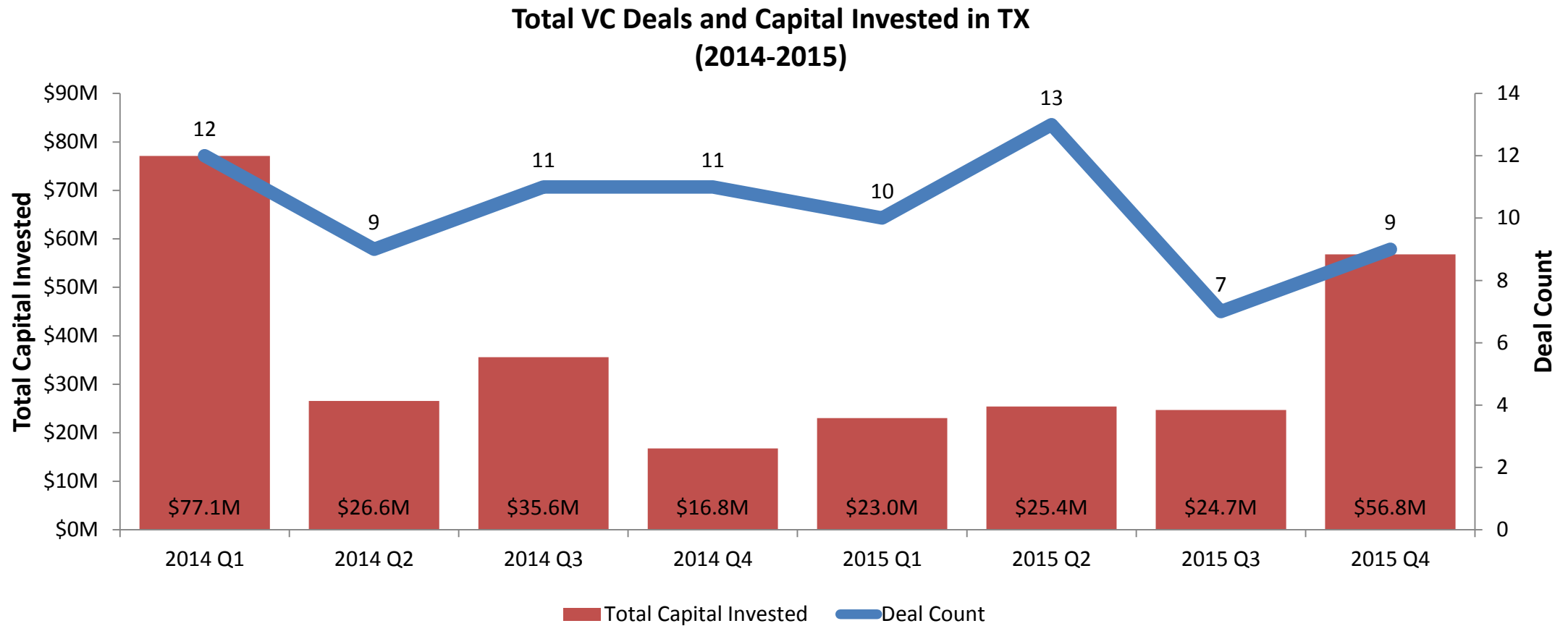
April 2016

Average deal sizes are increasing in the US















Source: Pitchbook; analysis only considers data that is publicly available; does not include service, software, pharma, biotech

Texas is making a big impact



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Select Texas Med Tech Investments

Date	Company	Key Investors	Deal Size
January 2016		  	Series D \$17.0M
October 2015		     	Series C \$15.3M
December 2014		 	Series B \$26.5M
February 2014		 	Series C \$39.0M

Source: Pitchbook; analysis only considers data that is publicly available; does not include service, software, pharma, biotech; deals include debt

Strong TX foundation for med tech community

The Texas Medical Center (TMC) is the largest medical complex in the world, including:

- 21 hospitals that treat 8M patients per year
- 50M square feet with 9,200 patient beds
- 180,000+ annual surgeries – begins 1 surgery every 3 minutes
- Largest children's hospital – delivers 1 baby every 20 minutes
- Largest cancer hospital (MD Anderson)
- 100,000+ employees
- \$3B in construction projects underway



Recent investments making a difference



The University of Texas at Austin
Dell Medical School

- \$300M investment in the Dell Seton Medical Center for 211 beds and 500k sq. ft.
- Dell Medical School in Austin recently accepted it's first class of 50 students for June 2016



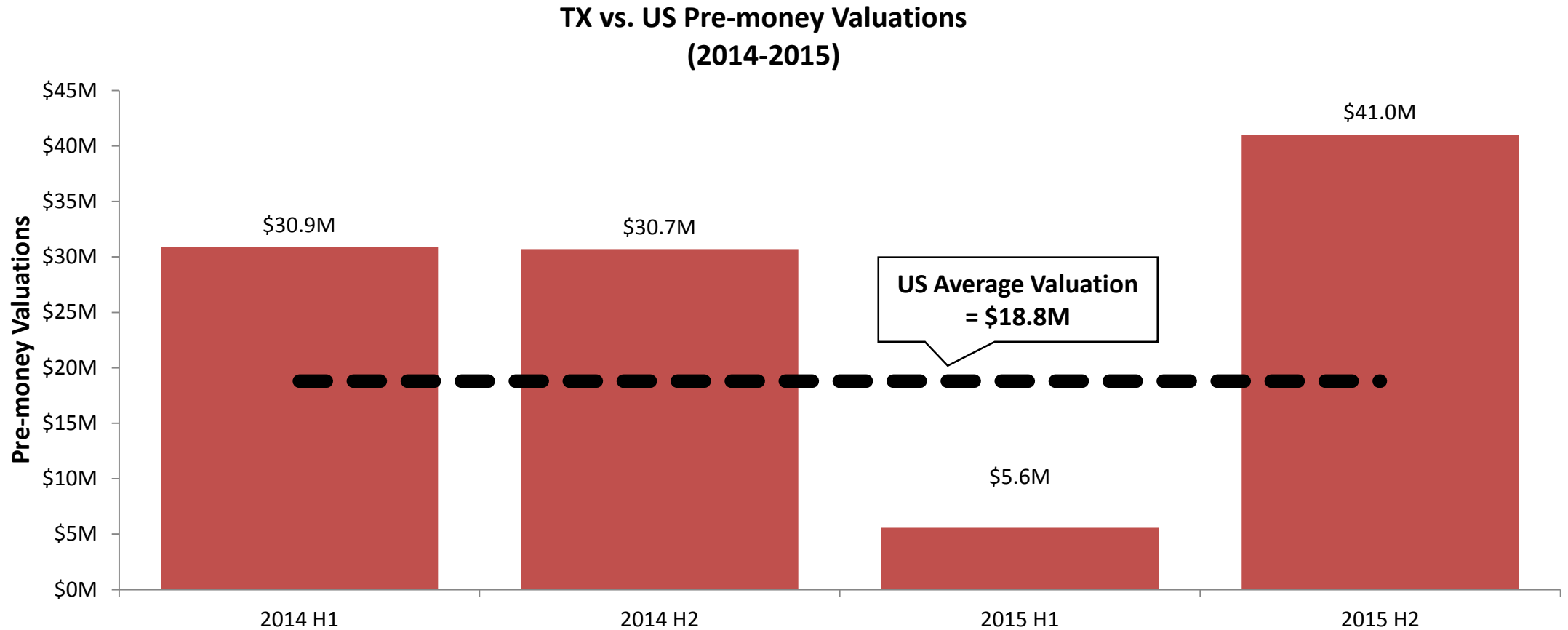
TRANSFORMING THE FUTURE OF HEALTH CARE

- TMCx Accelerator in Houston unveiled 22 companies in its inaugural class last year in healthcare informatics, medical devices, and biomaterials





- Health Wildcatters Accelerator in Dallas has 3 classes that have cumulatively raised more than \$12M

Texas med tech companies often receive higher valuations than the US average



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Select Texas Med Tech Exits

Date	Target	Buyer	Exit Value
February 2016	THERMI TM	 Almirall	\$80M
January 2016	 On-X life technologies, inc. TM	 CryoLife, Inc. Biotechnologies for Medicine SM	\$130M
July 2014	 VISUALASE	 Medtronic <i>Alleviating Pain • Restoring Health • Extending Life</i>	\$105M
May 2014	 ArthroCare	 smith&nephew	\$1,700M
December 2013	vidacare [®]	Teleflex	\$260M