Presentation to Michigan Department of Attorney General

Prime Healthcare Services, Inc.'s Acquisition of Substantially All of the Assets of Garden City Hospital

Issued: April 30, 2014

STOUT | RISIUS | ROSS

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I. EXECUTIVE SUMMARY

Role of Stout Risius Ross, Inc.

We understand that Garden City Hospital ("GCH," the "Company," the "Hospital," or the "Seller"), a Michigan nonprofit corporation, entered into an Asset Purchase Agreement, dated as of January 30, 2014 (the "Agreement") with Prime Healthcare Services – Garden City, LLC, a wholly owned subsidiary of Prime Healthcare Services, Inc. (collectively, "Prime" or the "Buyer") pursuant to which Prime will acquire at closing certain assets of GCH for total consideration of $48.8 million, including adjustments related to the net working capital acquired, additional consideration required to defease outstanding bonds and pay transaction fees, the assumption of capital lease obligations, certain long-term debt (excluding any outstanding bonds), and pension liabilities (the "Consideration"). The foregoing transaction is referred to hereinafter as the "Transaction." The Michigan Department of Attorney General has requested that Stout Risius Ross, Inc. ("SRR") render an opinion (the "Opinion") as to the fairness, from a financial point of view, of the Consideration to be received relative to the value of the net assets given up in exchange. Additionally, the AG has requested that SRR render an opinion on whether the proceeds, if any, conveyed to a local charitable foundation is fair, from a financial point of view.

This analysis is prepared as of the date of this presentation. Additionally, the applicable standard of value is Fair Market Value, which is defined as the price at which property would change hands between a willing buyer and a willing seller, when the former is not under any compulsion to buy and the latter is not under any compulsion to sell, both parties having reasonable knowledge of the relevant facts.

I. Executive Summary

Conclusions

- The Consideration of $48.8 million for the Subject Assets is greater than the range of the Fair Market Value of the Subject Assets.
- Juniper Advisory LLC (“Juniper”), an investment banking firm specializing in healthcare client advisory work that was hired by GCH in connection with the Transaction, appears to have conducted a thorough market clearing process that likely yielded reasonable offers.
- We are not aware of other forms of consideration being conveyed in the proposed transaction.
- Our analysis indicates that the Consideration to be received relative to the value of the net assets given up in exchange for the Subject Assets is fair from a financial point of view.
- Given the facts and circumstances of the Transaction, the range of the Fair Market Value of the Subject Assets, and the Consideration to be received by GCH, the expectation of no residual proceeds being available to a local charitable foundation is fair from a financial point of view. It should be noted that as of the date of this fairness analysis, GCH’s charitable foundation has been largely inactive and has not maintained significant operations in recent years, as the cost to operate the foundation has been greater than the amount of contributions to the foundation.

I. EXECUTIVE SUMMARY

Due Diligence

The principal sources of information used, and procedures employed, in performing our analysis included, but were not limited to:

- GCH's audited consolidated financial statement for the fiscal years ended September 30, 2009 through 2013;
- GCH's internally prepared unaudited, unconsolidated financial statements for the four-month periods ended January 31, 2013 and 2014;
- GCH's financial budget for the fiscal year ending September 30, 2014;
- The Asset Purchase Agreement between Garden City Hospital and Prime Healthcare Services – Garden City, LLC, dated January 30, 2014;
- A list of GCH's historical unusual income items, prepared by management;
- A letter of intent confirming Prime's interest in acquiring the assets of GCH;
- A slide deck summarizing the background of the Transaction prepared by Juniper and dated August 7, 2012;
- A slide deck summarizing the background of the Transaction prepared by Juniper and dated August 23, 2012;
- An information memorandum titled "Project Babylon" prepared by Juniper in relation to the Transaction, dated November 26, 2012;
- A slide deck reviewing the different proposed offers from competing parties prepared by Juniper and dated December 13, 2012;
- A slide deck reviewing the different proposed offers from competing parties prepared by Juniper and dated January 10, 2013;
- A slide deck reviewing the sale process of GCH prepared by Juniper and dated June 30, 2013;
- A detailed schedule prepared by management summarizing the estimated purchase consideration, as adjusted;
- An independent credit rating report prepared by Moody's Investors Service, indicating its independent rating of GCH's existing outstanding bonds, and dated February 21, 2013;
- Detailed schedules summarizing the market share amongst competitors in the surrounding vicinity of GCH, provided by management;

I. EXECUTIVE SUMMARY

- A detailed schedule summarizing the population projections and demographics, provided by management, and dated November 6, 2012;
- An independent follow-up analysis prepared by Bidder #1 detailing its due diligence findings, dated June 2013, provided by GCH management;
- A review of publicly available financial data of certain publicly traded companies that we deemed relevant;
- A review of available information regarding certain merger and acquisition transactions that we deemed relevant;
- Discussions with GCH's management concerning its business, industry, history, and prospects;
- A review of the other competing offers considered;
- A site visit to GCH's headquarters located in Garden City, Michigan; and
- An analysis of other facts and data resulting in our conclusions.

Summary of the Offer Terms

- Estimated total purchase consideration of $48.8 million, including certain net working capital adjustments, for substantially all of the Company's assets, excluding assets related to board designated funds and the bond escrow account, but including certain assumed liabilities (primarily accounts payable, accrued expenses, reserve for professional liability claims, transferred capital lease obligations, and pension liabilities) (collectively, the "Subject Assets").
- Purchase offer includes a capital investment commitment of $35.0 million (over a 5-year period, with $20.0 million in capital investments in the initial 2-year period following the closing of the Transaction).
  - Subject to specified "Lock-up" period where GCH cannot be resold within a 5-year period.
- Estimated adjusted purchase price includes initial cash consideration, acquired net working capital, and additional consideration to defease all outstanding bonds and pay certain Transaction fees.
- Additional Transaction consideration of up to $4.0 million will be paid by Prime in the event that certain board designated funds and the bond escrow account are not sufficient to defease the outstanding bonds, repay any other outstanding debt not transferred, and pay Transaction related expenses, as applicable.

Overview of Prime Offer

In U.S. Dollars

1	**Adjusted Purchase Price [a]**	**$ 27,429,525**
2	Add: Pension Liability Assumed [b]	19,286,089
3	Add: Capital Lease Obligations [c]	1,935,285
4	Add: Other Long-Term Debt (Excluding Bonds) [c]	112,901
5	**Total Purchase Consideration (EV Basis)**	**$ 48,763,800**
6	Capital Commitment [d]	35,000,000
7	**Total Purchase Consideration Plus Capital Commitment**	**$ 83,763,800**

Source: Section 2.5 of the Asset Purchase Agreement.

[a] Based on discussions with management and detailed schedules provided by management. Refer to the table below.

[b] Based on Garden City Hospital's unconsolidated internal financial statements as of January 31, 2014. The estimated net pension liability was provided by GCH management. SRR has performed no due diligence related to the value of the net pension liability to be assumed.

[c] Based on Garden City Hospital's audited financial statements as of September 30, 2013.

[d] Based on Section 12.3 of the Asset Purchase Agreement, average capital expenditures of not less than $7.0 million annually are required for the five-year period following the transaction date, including commitments or expenditures of $20.0 million over the first two years.

Calculation of Adjusted Purchase Price

In U.S. Dollars

1	Current Assets [a]	$ 16,651,075
2	Less: Current Liabilities [a]	13,830,631
3	Plus: Excluded Liabilities [a]	995,000
4	**Projected Net Working Capital at Closing**	**3,815,444**
5	Plus: Initial Cash Consideration [a]	20,000,000
6	Plus: Seller's Shortfall at Closing [a]	3,614,081
7	**Adjusted Purchase Price [b]**	**$ 27,429,525**

[a] Based on information provided by GCH management regarding the estimated adjusted purchase price (based on the most current balance sheet information available).

[b] Based on conversations with management, the adjusted purchase price is equal to the sum of the projected net working capital at closing in the amount of approximately $3.8 million, initial cash consideration of $20.0 million, and the seller's shortfall at closing (if any exists).

Summary of the Offer Terms (Continued)

- Estimated adjusted purchase price of approximately $27.4 million including Seller's shortfall and certain net working capital adjustments, for substantially all of the operating assets of GCH.
- Based on expected costs to defease existing bonds and pay for required transaction expenses, no purchase consideration funds are expected to be available to a local charitable foundation.
- Prime will indemnify, defend, and hold seller harmless with respect to liabilities assumed in the Transaction.

Calculation of Proceeds to the Foundation

In U.S. Dollars

1	Cash Proceeds (as Adjusted) [a][b]	$ 27,429,525
2	Add: Board Designated Funds [b]	26,398,681
3	Add: Bond Escrow Account [b]	6,155,575
4	**Total Sources of Funds Available [b]**	**59,983,781**
5	Less: Payoff of 1998 Bonds [b]	4,463,950
6	Less: Sinking Fund Deposits for 2007 Bonds [b]	53,601,082
7	Less: Payment to Juniper Advisory, LLC [b]	1,500,000
8	Less: Payment to Hall, Render, Killian, Heath & Lyman, P.C. [b]	110,000
9	Less: Payment to Executive Retention Payment [c]	223,749
10	Less: Payment to First River Advisory, LLC [b]	75,000
11	Less: Payment to Verification Agent [b]	4,000
12	Less: Payment to Trustee and Escrow Agent (Wells Fargo) [b]	6,000
13	**Total Uses of Funds [b]**	**59,983,781**
14	**Remaining Funds Available to the Foundation [c]**	**$ 0**

[a] Refer to the exhibit on the previous page.
[b] Based on information provided by GCH management regarding the estimated adjusted purchase price (based on the most current balance sheet information available).
[c] After all payments related to the bond defeasement, other applicable outstanding debt, and Transaction related expenses have been made, it is estimated that there will be no remaining funds available to a local chartiable foundation.

I. Executive Summary

Background of the Transaction

- GCH is currently a Michigan nonprofit corporation, located in Garden City, Michigan. GCH operates a 323 license bed acute care, osteopathic teaching hospital, servicing the southeastern region of Michigan. The Hospital is located approximately 15 miles west of downtown Detroit. The area immediately surrounding the Company is largely residential, with some commercial and professional office sites.
- GCH's related health care services include Westland Specialty Center, which houses GCH's Sleep Disorders Center, the Wound Healing & Hyperbaric Center, the GCH Sports Rehabilitation Center, the Sports Medicine Center and the recently opened Center for Breast Care. Other locations include the Harrison Health & Education Center and several primary care physician offices.
- Prime Healthcare Services – Garden City, LLC Inc. is a Delaware limited liability company that operates as a wholly owned subsidiary of Prime Healthcare Services, Inc. Prime is an experienced hospital management company that owns and operates 25 acute care hospitals throughout the United States.
- GCH has faced recent financial troubles due to a number of factors, including an economic downturn in Michigan, flat revenue growth paired with increasing expenses as a percentage of net patient revenues, significant pension contribution requirements, increased costs with unrealized benefits due to increased regulation from healthcare reform, and required principal and interest payments on its outstanding bonds.
- Limited available cash flow and access to capital has led to a deferral of maintenance and growth capital expenditures. Management indicates that approximately $10.0 million of necessary capital expenditures have been delayed. Additionally, the lack of capital has limited the Company's ability to recruit and retain the best available physicians in the area. This has enabled its competitors to outbid GCH when highly skilled physicians enter the local market.
- Hospitals are being asked to do more with less, as reimbursement rates are cut by Medicare, Medicaid and health insurers. A trend toward privatization of government healthcare facilities has occurred in recent years due largely to increased optionality with private investment vehicles in the healthcare space.
- Net patient revenues have been impacted by an increasingly competitive Michigan healthcare industry, a declining trend of citizens in the Michigan population (including GCH's local market), as well as decreased reimbursement rates due to cuts in Medicare, Medicaid and health insurers' reimbursement rates.
- GCH maintains a defined benefit pension plan (the "Plan"), which covers substantially all employees hired prior to January 1, 2003. Effective May 5, 2003, GCH froze the benefits under the Plan. As of September 30, 2013, the Plan maintained a net pension liability of $19.7 million.

I. EXECUTIVE SUMMARY

- Given the current financial position of GCH, including its capital requirements and other factors denoted on the following page, GCH determined that it was in its best interest to secure a capital partner to enhance its fiscal health and consider its strategic options, including a merger or sale.
- In 2012, the Board hired Juniper to identify potential strategic partners in the greater United States healthcare community, in an effort to gain access to capital in order to continue to operate the hospital.

I. Executive Summary

Key Internal and External Considerations of GCH

Fundamental (Long-Term) Issues
▪ Inability to offer competitive compensation packages in relation to hiring and retaining top-performing physicians
▪ Aging facilities that require infrastructure enhancements via extensive capital expenditures
▪ A strategic, long-term access to capital
▪ Healthcare reform that has and will likely continue to reduce reimbursement rates and add additional costs from increased regulation
▪ Bleak prospects of financial performance due to debt service obligations and ongoing pension liabilities and obligations

Execution (Near-Term) Issues
▪ Revenues are impacted by lack of adequate physician staffing and facilities. Patients are selecting competing hospitals as a result.
▪ Poor financial performance leading to inadequate facilities and physician compensation offerings
▪ Optimization of capital allocation decisions
▪ Initiation and completion of deferred maintenance capital expenditures

I. Executive Summary

Bid Solicitation and Selection Process

- Given the financial troubles of GCH and the changing healthcare landscape, the Board of Directors of GCH (the "Board") retained Juniper to identify and solicit proposals from potential partners/acquirers using a "competitive market clearing process." Juniper is an investment banking firm specializing in transaction advisory in the not-for-profit hospital space.
- Juniper compiled a target list of 22 health care organizations, 11 of which were located within the State of Michigan; the remaining 11 entities were located out-of-state. Of the 22 organizations, 11 groups requested and signed confidentiality agreements and were provided an information memorandum and were allowed access to a secure electronic data room.
- Upon review of the data room information, 6 groups indicated interest in the second phase of the screening process. The remaining organizations were provided with additional financial information and relevant data to facilitate a thorough due diligence process. Several weeks later, proposals were submitted by two for-profit organizations and one nonprofit organization.
- During the due diligence process, the Board requested that the finalists each make site visits to GCH and present to the Board. Additionally, the Board conducted reverse-due diligence visits to inspect the facilities of the interested parties.
- Upon completion of the site visits, the three interested parties submitted initial offers to Juniper. Juniper presented a summary of the proposals to the Board on January 10, 2013. Based on a detailed review of the offers, the Board determined that Bidder #1 and Bidder #2 proposed offers were not "actionable" offers.
  - The Board indicated that both the Bidder #1 offer and the Bidder #2 offer would likely involve a bankruptcy debt restructuring scenario, which the Board viewed as unattractive. Additionally, the Board cited specific issues with both Bidder #1's and Bidder #2's proposed offers.
  - With respect to the Bidder #2 proposal, management indicated potential implementation issues of GCH physicians into the Bidder #2 hospital system. This issue, from management's perspective, had the potential to cause long-term problems for both GCH physicians and Bidder #2.
  - A main concern of the Board throughout the proposal review stage was finding a buyer that would assume the liability of GCH's pension, as well as one that agreed to an extensive capital commitment for the 5-year period following the Transaction. Additionally, the Board indicated that they would prefer a buyer that did not have the intention of undertaking a debt restructuring via a bankruptcy filing.

Bid Solicitation and Selection Process (Continued)

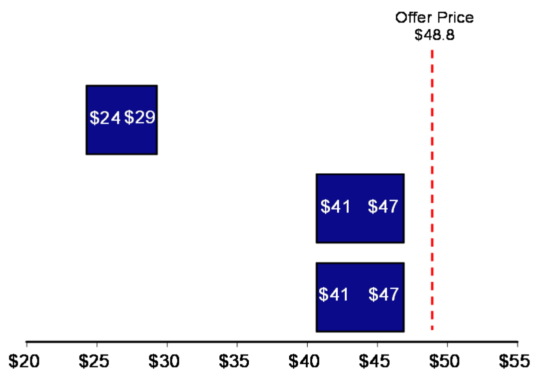
  - The Board indicated that Bidder #1 would not agree to cover the full extent of the obligations currently held by GCH, specifically, GCH's pension obligations.

- Prime's initial proposal was significantly higher than the purchase consideration suggested by the other offers. Upon additional due diligence and conversations with management, Prime revised its initial offer to, among other things, eliminate the assumption of GCH's pension liability.
- In early spring of 2013, the Board began negotiations directly with Prime without using Juniper as an intermediary.
- At this time, the Board proactively reached out to Prime in an attempt to further discuss the proposed transaction, and attempt to move toward a negotiation, most specifically, the assumption by Prime of GCH's pension obligations.
- In May 2013, upon additional due diligence and conversations between Prime and the Board, Prime presented a new proposal that the Board deemed appropriate. The May 2013 offer is consistent with the current proposed terms of the Transaction.
- Specifically, the updated proposal included the funding of the pension liability and did not involve a bankruptcy debt restructuring for GCH. After thorough deliberation and careful consideration of the proposed offer, the Board voted unanimously to pursue the proposed transaction with Prime.

Factors Impacting the Acceptance of the Prime Offer

- Financial Consideration: The Board considered not only proceeds to be paid for the Subject Assets, but also future capital commitments. The Board views the capital commitments as a requirement to make up for deferred maintenance capital expenditures, updating necessary equipment, recruiting and retaining top-performing physicians, and providing a high level of health care services in a competitive southeastern Michigan healthcare market.
- From the Board's perspective, the Prime bid was the only reasonable bid that could successfully fulfill GCH stakeholders' interests. Several factors impacted the Board's decision to move forward with the Prime offer.
- Prime was willing to commit to a $35.0 million capital commitment that would be allocated over five years from the closing date of the Transaction. Specifically, Prime agreed to incur average capital expenditures of not less than $7.0 million annually over a 5-year period following the Transaction date, including commitments of expenditures in the amount of $20.0 million over the first 2 years. From management's perspective, this will keep the Company in a healthy state of operational functionality for a minimum of five years.
- As a teaching hospital, GCH offers medical education to students, interns, residents, and fellows. Prime agreed to continue to operate GCH as a teaching hospital, which was a critical factor in the selection of the appropriate buyer.
- Prime agreed to assume GCH's pension liability, which was an extremely important factor impacting the decision of GCH. The offers from Bidder #1 and Bidder #2 excluded the assumption of the pension liability. Additionally, the Prime bid did not include a debt restructuring process via a bankruptcy filing.
- Prime agreed to pay up to $4.0 million in additional Transaction consideration in the event that the sum of the transaction proceeds, board designated funds, and the bond escrow account are not sufficient to retire/defease the outstanding bonds, repay any other outstanding debt, and pay Transaction related expenses. Based on discussions with GCH management, it is currently expected that slightly less than the full amount of the additional payment will be required.
- Currently, Prime owns 25 acute care hospitals in California, Kansas, Nevada, Pennsylvania, Rhode Island, and Texas. Prime has proven itself as a successful hospital management organization that has previously executed similar transactions. As such, the Prime bid was perceived as having less Transaction execution risk.
- Prime agreed to continue to employ substantially all of GCH's employees consistent with their current compensation levels and to keep intact GCH's medical staff.
- Prime was also deemed to be the best cultural fit.

Fairness Analyses Summary



Methodology	Comments
In Millions of U.S. Dollars	Contemplated purchase price is inclusive of estimated purchase price adjustments and exclusive of capital commitments.
Capitalized Cash Flow Method	**9.0% to 10.0**% WACC; 1.5% to 2.5% terminal growth rate; the growth rate **is based on discussions with management regarding the long-term prospects for GCH.**
Guideline Public Company Method	**6.0x to 7.0x LTM EBITDA; 0.25x to 0.30x LTM Revenue**
Merger and Acquisition Method	**6.0x to 7.0x** LTM EBITDA; 0.25x to 0.30x LTM Revenue

- The adjusted Prime offer of $48.8 million (excluding capital commitments) is above the range of the estimated fair market value based on the application of three different valuation methods.
- It should be noted that SRR investigated whether it was likely that the value of the underlying assets of the business were in excess of the value indicated via the capitalized cash flow, guideline public company, and merger and acquisition methods. However, based on our findings, the likely value of the underlying assets of the Company (i.e., the value on a liquidation basis) would be significantly below the value implied on a going concern basis.

Section II

Relevant Industry and Economic Trends

II. Relevant Industry and Economic Trends

Relevant Industry Trends

- The U.S. hospital industry includes approximately 3,600 organizations that operate 6,500 hospitals. The industry is highly fragmented, with the top 50 organizations generating 30% of industry revenue. Total industry revenue is estimated to be approximately $900.0 billion annually. About 75% of the 6,500 U.S. hospitals are nonprofits, affiliated with churches, charities, or local governments.
- Outpatient services comprise a growing portion of hospital revenue, up to 40% of industry revenue. However, since outpatient care is significantly less expensive than inpatient care (and many procedures that historically required inpatient care can now be performed on an outpatient basis), total revenues and profits are being negatively impacted by this trend.
- Third-party ratings are becoming increasingly important, as health care providers are judged by quality of care as well as quantity. Hospitals face changes to Medicare reimbursements based on their readmission rates.
- Hospitals are being asked to do more with less, as reimbursement rates are cut by Medicare, Medicaid, and health insurers.
- Often areas of high unemployment tend to have higher numbers of uninsured individuals. Uninsured individuals typically use hospitals as their only source of medical care, thus driving up both accounts receivable and bad debt expense. Additionally, there is a trend of employers raising co-pays and deductibles, leading to higher levels of bad debt expense.
- To effectively compete, hospitals require large capital investments in facilities and equipment, which can result in significant debt. Investments in computer IT systems have been especially important to comply with certain records regulations, improve clinical information flow, and reduce insurance fraud. During the recession of the late 2000s, many hospitals had to scale back on capital improvements due to the limited access to credit.
- Cost and revenue pressures have caused many hospitals, both nonprofit and for-profit, to merge with competing organizations to provide more cost-effective care.
- U.S. personal consumption expenditures at hospitals are forecast to grow at an annual compound rate of 6.0% between 2013 and 2017.
- Participation by U.S. hospitals in accountable care organizations is expected to double by the end of 2014. These organizations are networks of hospitals, physicians, and other healthcare providers that were created by the Affordable Care Act of 2010. These organizations were created to eliminate unnecessary tests and hospital readmissions and to limit unnecessary spending within the healthcare industry.

II. RELEVANT INDUSTRY AND ECONOMIC TRENDS

Relevant Economic and Demographic Trends

- Real (i.e., inflation adjusted) GDP growth of 2.0% to 2.5% is generally considered optimal when the economy is operating at full employment (5.5% to 6.0% unemployment).
- From 1950 to 2013, real GDP grew at an average rate of 3.3% per year, while the average from 1990 to 2012 was 2.5%.
- GDP is forecasted to increase at annual rates of 2.7% and 3.3% in 2014 and 2015, respectively.
- The unemployment rate is forecasted to average 6.8% in 2014 and 6.5% in 2015.
- The CPI increased 0.1% in January and has increased 1.6% over the past 12 months.
- The core index, excluding food and energy prices, increased 0.1% in January and has increased 1.6% over the past 12 months.
- The 10-year U.S. Treasury constant maturity yield remained at 2.9% in January.
- Based on data obtained from the Congressional Budget Office, the CPI is expected to increase 1.9% in 2014 and 2.1% in 2015.
- As of the 2010 census, Garden City had a population of just under 27,700, which represents an approximate 8.0% decline from their reported population of approximately 30,000 in the 2000 census.
- The Southeast Michigan Council of Governments (SEMCOG) has forecasted a slight decrease in the overall population of Garden City, but an increase in the total population of Wayne Counts (excluding Detroit) by 3.5% between 2010 and 2035. Additionally, the number of citizens aged 65 and older is expected to increase by 76% in Garden City over the same time period, as the core population continues to age.

Section III

Fairness Analysis of GCH

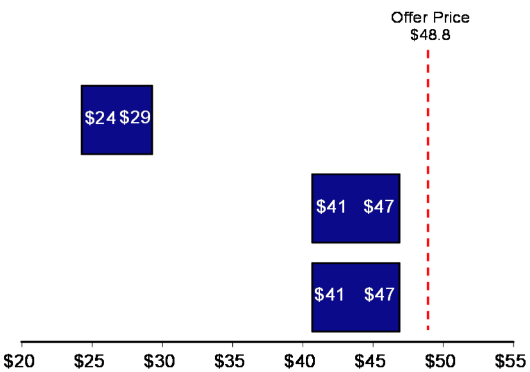
III. FAIRNESS ANALYSIS OF GCH

Fairness Analyses Summary

In Millions of U.S. Dollars

Methodology	Implied Value	Comments
Capitalized Cash Flow Method	$24 – $29	**9.0% to 10.0**% WACC; 1.5% to 2.5% terminal growth rate; the growth rate **is based on discussions with management regarding the long-term prospects for GCH**.
Guideline Public Company Method	$41 – $47	**6.0x to 7.0x LTM EBITDA; 0.25x to 0.30x LTM Revenue**
Merger and Acquisition Method	$41 – $47	**6.0x to 7.0x** LTM EBITDA; 0.25x to 0.30x LTM Revenue

- Contemplated purchase price is inclusive of estimated purchase price adjustments and exclusive of capital commitments.



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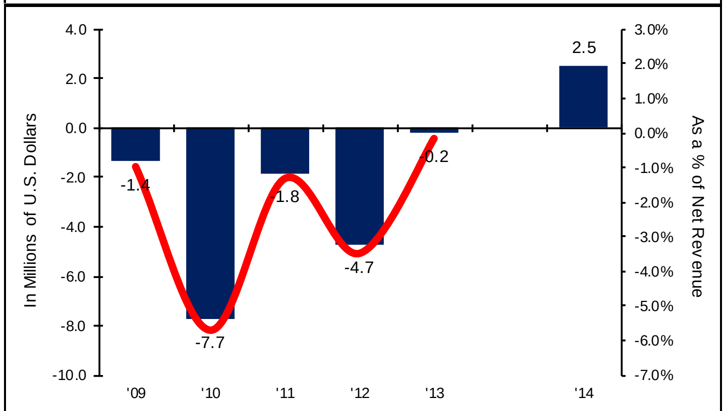
- It should be noted that SRR investigated whether it was likely that the value of the underlying assets of the business were in excess of the value indicated via the capitalized cash flow, guideline public company, and merger and acquisition methods. However, based on our findings, the likely value of the underlying assets of the Company (i.e., the value on a liquidation basis) would be significantly below the value implied on a going concern basis.

III. Fairness Analysis of GCH

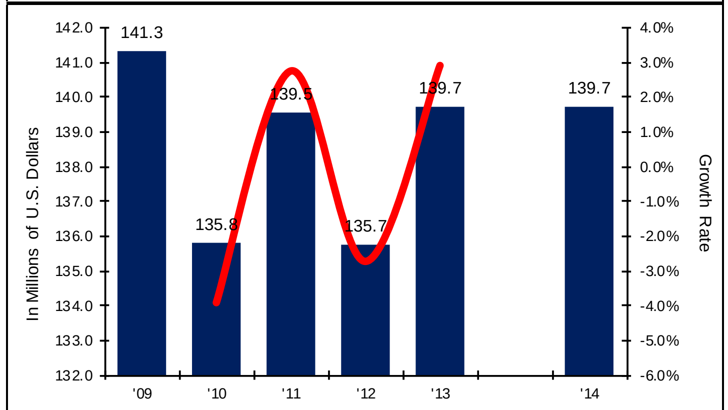
Financial Summary / Projection

Operating Income



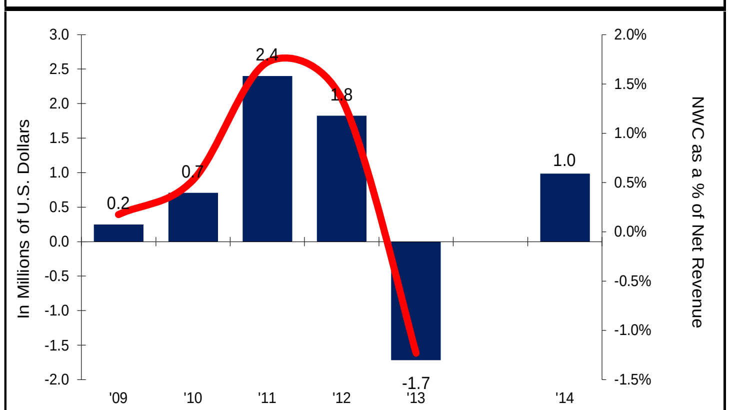
Source: Exhibit A.5

Net Revenue



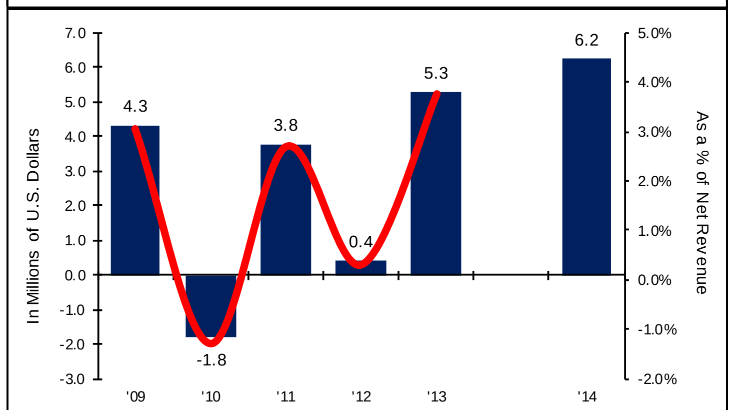
Source: Exhibit A.5

Net Working Capital



Source: Exhibit A.1. Includes reserve for professional liability claims.

EBITDA



Source: Exhibit A.5

Source: Audited financial statements for 2009 through 2013.

Capitalized Cash Flow Analysis – Summary of Conclusions

Capitalized Cash Flow Method

In U.S. Dollars

	Sustainable Free Cash Flows	
1	EBITDA [a]	$ 6,237,741
2	Depreciation and Amortization	(4,000,000)
3	Income Taxes (at 38.0%)	(849,446)
4	**Projected Sustainable Debt-Free Net Income**	**1,388,295**
5	Depreciation and Amortization	4,000,000
6	Capital Expenditures	(4,000,000)
7	Additional Working Capital	(20,000)
8	**Projected Sustainable Free Cash Flows**	**1,368,295**
	Capitalization Factor	
9	Weighted Average Cost of Capital	9.5%
10	Less: Long-Term Growth Rate	-2.0%
11	**Capitalization Rate**	**7.5%**
12	**Capitalization Factor [b]**	**13.9523**
	Enterprise Value	
13	Projected Sustainable Free Cash Flows	1,368,295
14	Capitalization Factor	13.9523
15	**Enterprise Value**	**19,090,855**
16	**Rounded**	**$ 19,100,000**
	Adjustments to EV	
17	Add: Cash and Cash Equivalents [c]	$ 7,032,890
18	Add: Investment in Medilink [c]	878,688
19	Add: Nonoperating Receivables [c]	210,740
20	Add: Future Medicare Meaningful Use Payments [d]	1,980,601
21	Less: Net Working Capital Deficit [e]	(2,710,000)
22	**Adjusted Enterprise Value**	**$ 26,492,919**

[a] Based on the Company's projected results for the 2014 fiscal year.

[b] The capitalization factor is calculated utilizing the "mid-year convention," which assumes that the capitalized cash flows will be received throughout each year into perpetuity, instead of at the end of the year.

The capitalization factor is derived utilizing the following formula:

Capitalization Factor = [(1 + WACC)^0.5] / (CR)
where:
WACC = Weighted Average Cost of Capital (i.e., line 9)
CR = Capitalization Rate (i.e., line 11)

[c] Based on GCH's balance sheet as of September 30, 2013.

[d] Represents the present value of future projected cash flows associated with electronic health records incentive program payments (i.e., meaningful use payments), as provided by management.

[e] Represents the difference between the estimated normalized level of net working capital required for the business and the actual level of net working capital as of September 30, 2013.

Capitalized Cash Flow Analysis – Sensitivity Analysis

Sensitivity Analysis

In Thousands of U.S. Dollars

WACC	*Residual Growth Rate* 1.0%	1.5%	2.0%	2.5%	3.0%
8.0%	27,893	29,393	31,093	33,193	35,593
8.5%	26,493	27,793	29,293	31,093	33,093
9.0%	25,393	26,493	27,793	**29,293**	30,993
9.5%	24,393	25,393	26,493	27,793	29,293
10.0%	23,493	**24,293**	25,293	26,493	27,793
10.5%	22,693	23,393	24,293	25,293	26,393
11.0%	21,893	22,593	23,393	24,293	25,293

Selected Publicly Traded Companies – Conclusion

Guideline Public Company Method

	In U.S. Dollars	Range of Indicated Multiples					Selected Multiples				Indicated Enterprise Value		
	Measure of Performance	Minimum	Lower Quartile	Median	Upper Quartile	Maximum	Low		High	GCH Results [a]	Low		High
1	EV / LTM Revenue	0.54x	1.13x	1.38x	1.56x	2.07x	0.25x	-	0.30x	$ 139,704,699	$ 34,900,000	-	$ 41,900,000
2	EV / LTM EBITDA	7.9x	8.1x	8.6x	9.3x	11.5x	6.0x	-	7.0x	5,279,407	31,700,000	-	37,000,000
3	**Concluded Enterprise Value**										**$ 33,300,000**		**$ 39,500,000**
	Adjustments to EV												
4	Add: Cash and Cash Equivalents [b]										$ 7,032,890		$ 7,032,890
5	Add: Investment in Medilink [b]										878,688		878,688
6	Add: Nonoperating Receivables [b]										210,740		210,740
7	Add: Future Medicare Meaningful Use Payments [c]										1,980,601		1,980,601
8	Less: Net Working Capital Deficit [d]										(2,710,000)		(2,710,000)
9	**Adjusted Enterprise Value**										**$ 40,692,919**		**$ 46,892,919**

EV = Enterprise Value

LTM = Latest Twelve Months

EBITDA = Earnings before Interest, Taxes, Depreciation, and Amortization

[a] Latest twelve month period results for Garden City Hospital represent results for the fiscal year ended September 30, 2013.

[b] Based on GCH's balance sheets as of September 30, 2013.

[c] Represents the present value of future projected cash flows associated with electronic health records incentive program payments (i.e., meaningful use payments), as provided by management.

[d] Represents the difference between the estimated normalized level of net working capital required for the business and the actual level of net working capital as of September 30, 2013.

III. Fairness Analysis of GCH

Selected Publicly Traded Companies – Derivation of Enterprise Value and Pricing Multiples

In Millions of Shares and U.S. Dollars, Except Stock Price and Multiples

	Company	2/28/2014 Price Per Share	Shares Outstanding	Market Value of Equity ("MVE")	Add: Total Debt	Add: Preferred Stock	Add: Noncontrol. Int. in Subs.	Less: Cash and Equivalents	Enterprise Value ("EV")
1	Community Health Systems, Inc.	$ 41.51	94.7	$ 3,932.4	$ 9,541.2	$ 0.0	$ 422.1	$ 373.4	$ 13,522.3
2	HCA Holdings, Inc.	51.20	440.5	22,554.3	28,671.0	0.0	1,342.0	476.0	52,091.3
3	HEALTHSOUTH Corp.	32.68	90.6	2,960.8	1,517.5	93.2	137.6	64.5	4,644.6
4	Kindred Healthcare Inc.	21.66	54.1	1,172.1	1,587.6	0.0	38.6	132.3	2,666.0
5	Lifepoint Hospitals Inc.	54.25	48.6	2,634.6	2,376.8	0.0	82.3	637.9	4,455.8
6	Tenet Healthcare Corp.	44.12	97.0	4,279.2	10,839.0	0.0	370.0	113.0	15,375.2
7	Universal Health Services Inc.	80.28	100.4	8,064.0	3,314.1	0.0	268.4	17.2	11,629.2

	Company	LTM Net Revenue	2014 Net Revenue	2015 Net Revenue	LTM EBITDA	2014 EBITDA	2015 EBITDA	LTM EBITDA Margin	2014 EBITDA Margin	2015 EBITDA Margin
8	Community Health Systems, Inc.	$ 12,997.7	$ 19,532.0	$ 20,754.5	$ 1,706.6	$ 2,773.3	$ 3,150.8	13.1%	14.2%	15.2%
9	HCA Holdings, Inc.	34,182.0	40,019.4	41,766.5	6,561.0	6,790.5	7,245.2	19.2%	17.0%	17.3%
10	HEALTHSOUTH Corp.	2,247.2	2,375.3	2,497.2	568.0	571.0	603.1	25.3%	24.0%	24.2%
11	Kindred Healthcare Inc.	4,900.5	5,153.3	5,332.4	282.6	392.3	412.2	5.8%	7.6%	7.7%
12	Lifepoint Hospitals Inc.	3,678.3	4,643.8	4,807.5	490.1	581.0	619.7	13.3%	12.5%	12.9%
13	Tenet Healthcare Corp.	11,102.0	17,089.5	17,843.5	1,342.0	1,861.8	2,080.6	12.1%	10.9%	11.7%
14	Universal Health Services Inc.	7,283.8	8,729.1	8,927.4	1,352.8	1,363.6	1,482.8	18.6%	15.6%	16.6%

	Company	EV / LTM Net Revenue	EV / 2014 Net Revenue	EV / 2015 Net Revenue	EV / LTM EBITDA	EV / 2014 EBITDA	EV / 2015 EBITDA
15	Community Health Systems, Inc.	1.04x	0.69x	0.65x	7.9x	4.9x	4.3x
16	HCA Holdings, Inc.	1.52x	1.30x	1.25x	7.9x	7.7x	7.2x
17	HEALTHSOUTH Corp.	2.07x	1.96x	1.86x	8.2x	8.1x	7.7x
18	Kindred Healthcare Inc.	0.54x	0.52x	0.50x	9.4x	6.8x	6.5x
19	Lifepoint Hospitals Inc.	1.21x	0.96x	0.93x	9.1x	7.7x	7.2x
20	Tenet Healthcare Corp.	1.38x	0.90x	0.86x	11.5x	8.3x	7.4x
21	Universal Health Services Inc.	1.60x	1.33x	1.30x	8.6x	8.5x	7.8x

Source: S&P Capital IQ, Inc.

III. Fairness Analysis of GCH

Selected Publicly Traded Companies – Relevant Financial Information

In Millions of U.S. Dollars

Size – LTM Net Revenue

HCA	$34,182.0
CYH	12,997.7
THC	11,102.0
UHS	7,283.8
KND	4,900.5
LPNT	3,678.3
HLS	2,247.2
GCH	**139.7**
Guideline Company Median	**$7,283.8**

Size – 2014 Projected Net Revenue

HCA	$40,019.4
CYH	19,532.0
THC	17,089.5
UHS	8,729.1
KND	5,153.3
LPNT	4,643.8
HLS	2,375.3
GCH	**139.7**
Guideline Company Median	**$8,729.1**

Size – LTM EBITDA

HCA	$6,561.0
CYH	1,706.6
UHS	1,352.8
THC	1,342.0
HLS	568.0
LPNT	490.1
KND	282.6
GCH	**5.3**
Guideline Company Median	**$1,342.0**

Size – 2014 Projected EBITDA

HCA	$6,790.5
CYH	2,773.3
THC	1,861.8
UHS	1,363.6
LPNT	581.0
HLS	571.0
KND	392.3
GCH	**6.2**
Guideline Company Median	**$1,363.6**

Growth – 2013 - 2014 Projected Net Revenue CAGR

THC	53.9%
CYH	50.3%
LPNT	26.2%
UHS	19.8%
HCA	17.1%
HLS	5.7%
KND	5.2%
GCH	**0.0%**
Guideline Company Median	**19.8%**

Growth – 2013 - 2014 Projected EBITDA CAGR

CYH	62.5%
KND	38.8%
THC	38.7%
LPNT	18.5%
GCH	**18.2%**
HCA	3.5%
UHS	0.8%
HLS	0.5%
Guideline Company Median	**18.5%**

Growth – 5-Year Historical Net Revenue CAGR

UHS	11.6%
LPNT	9.2%
THC	7.5%
HLS	6.4%
HCA	6.3%
CYH	5.9%
KND	3.5%
GCH	**-0.3%**
Guideline Company Median	**6.4%**

Growth – 5-Year Historical EBITDA CAGR

UHS	16.9%
HLS	11.8%
THC	8.1%
KND	6.5%
GCH	**5.1%**
HCA	4.6%
CYH	0.8%
LPNT	0.4%
Guideline Company Median	**6.5%**

Source: S&P Capital IQ, Inc. and Garden City Hospital financials.

Selected Publicly Traded Companies – Relevant Financial Information

Profitability – LTM EBIT Margin

HLS	21.1%
HCA	14.1%
UHS	13.9%
CYH	8.2%
THC	7.2%
LPNT	6.7%
KND	2.6%
GCH	**-0.3%**
Guideline Company Median	**8.2%**

Profitability – LTM Return on Assets

HLS	8.9%
UHS	6.3%
HCA	6.2%
LPNT	1.6%
CYH	1.6%
THC	1.2%
KND	0.3%
GCH	**-2.0%**
Guideline Company Median	**1.6%**

Capital Requirements – LTM Working Capital to Net Revenue

LPNT	13.1%
HLS	9.6%
CYH	8.3%
HCA	7.8%
THC	7.4%
UHS	6.2%
KND	5.7%
GCH	**-1.7%**
Guideline Company Median	**7.8%**

Capital Requirements – LTM Net Capital Exp. to Net Revenue

HLS	8.7%
THC	6.2%
HCA	5.7%
LPNT	5.0%
UHS	4.9%
CYH	4.7%
GCH	**3.6%**
KND	2.3%
Guideline Company Median	**5.0%**

Profitability – LTM EBITDA Margin

HLS	25.3%
HCA	19.2%
UHS	18.6%
LPNT	13.3%
CYH	13.1%
THC	12.1%
KND	5.8%
GCH	**3.8%**
Guideline Company Median	**13.3%**

Profitability – LTM Gross Profit Margin

HLS	44.7%
UHS	39.2%
CYH	36.8%
HCA	36.8%
THC	35.6%
LPNT	34.7%
KND	32.3%
GCH	**-0.1%**
Guideline Company Median	**36.8%**

Leverage – Debt & Preferred to Enterprise Value

CYH	70.6%
THC	70.5%
KND	59.5%
HCA	55.0%
LPNT	53.3%
HLS	34.7%
UHS	28.5%
GCH	**n/a**
Guideline Company Median	**55.0%**

Key – Ticker Symbols and Company Names

CYH	Community Health Systems, Inc.
HCA	HCA Holdings, Inc.
HLS	HEALTHSOUTH Corp.
KND	Kindred Healthcare Inc.
LPNT	Lifepoint Hospitals Inc.
THC	Tenet Healthcare Corp.
UHS	Universal Health Services Inc.
GCH	**Garden City Hospital**

Source: S&P Capital IQ, Inc. and Garden City Hospital financials.

Selected Merger and Acquisition ("M&A") Transactions – Summary of Conclusions

Merger and Acquisition Method

	In U.S. Dollars	Range of Indicated Multiples						Selected Multiples			Indicated Enterprise Value	
	Measure of Performance	Minimum	Lower Quartile	Harmonic Mean	Median	Upper Quartile	Maximum	Low	High	GCH Results	Low	High
1	EV / LTM Revenue	0.20x	0.60x	0.56x	0.66x	0.86x	1.29x	0.25x	0.30x	$ 139,704,699	$ 34,900,000	$ 41,900,000
2	EV / LTM EBITDA	2.3x	7.3x	6.7x	8.6x	9.4x	16.2x	6.0x	7.0x	5,279,407	31,700,000	37,000,000
3	**Enterprise Value**										**$ 33,300,000**	**$ 39,500,000**
	Adjustments to EV											
4	Add: Cash and Cash Equivalents [a]										$ 7,032,890	$ 7,032,890
5	Add: Investment in Medilink [a]										878,688	878,688
6	Add: Nonoperating Receivables [a]										210,740	210,740
7	Add: Future Medicare Meaningful Use Payments [b]										1,980,601	1,980,601
8	Less: Net Working Capital Deficit [c]										(2,710,000)	(2,710,000)
9	**Adjusted Enterprise Value**										**$ 40,692,919**	**$ 46,892,919**

EV = Enterprise Value

LTM = Latest Twelve Months

EBITDA = Earnings before Interest, Taxes, Depreciation, and Amortization

[a] Based on GCH's balance sheets as of September 30, 2013.

[b] Represents the present value of future projected cash flows associated with electronic health records incentive program payments (i.e., meaningful use payments), as provided by management.

[c] Represents the difference between the estimated normalized level of net working capital required for the business and the actual level of net working capital as of September 30, 2013.

Selected M&A Transactions in the Hospital Industry

Comparable M&A Transactions

In Thousands of U.S. Dollars

	Announced	Target	Acquirer	Enterprise Value	Target Fundamentals [a] Beds	LTM Revenue	LTM EBITDA	LTM EBITDA Margin	Indicated Multiples EV / LTM Revenue	EV / LTM EBITDA	EV / Beds
1	7/29/2013	**Health Management Associates Inc.**	**Community Health Systems Inc.**	$ 7,553,850	11,100	$ 5,868,310	$ 880,080	15.0%	1.29x	8.6x	681x
2	6/24/2013	**Vanguard Health Systems, Inc.**	**Tenet Healthcare Corporation**	4,204,060	7,081	5,936,700	523,900	8.8%	0.71x	8.0x	594x
3	4/25/2013	**17 Healthcare Facilities**	**Vibra Healthcare, LLC**	187,000	1,231	289,000	20,000	6.9%	0.65x	9.4x	152x
4	4/19/2013	**St. Luke's Episcopal Health System**	**Catholic Health Initiatives**	1,000,000	1,098	1,275,693	26,550	2.1%	0.78x	nmf	911x
5	11/14/2012	**University of Louisville Hospital**	**KentuckyOne Health**	543,500	345	450,611	10,919	2.4%	1.21x	nmf	1575x
6	10/19/2012	**St. Vincent's Health System**	**HighMark**	65,000	400	327,436	15,314	4.7%	0.20x	4.2x	163x
7	7/1/2012	**Fox Chase Cancer Center**	**Temple University Health System**	83,800	100	236,556	36,547	15.4%	0.35x	2.3x	838x
8	4/3/2012	**Bay Medical Center**	**Sacred Heart Health System, Inc.**	154,000	323	258,400	9,500	3.7%	0.60x	16.2x	477x
9	3/6/2012	**Marquette General Health System**	**Duke LifePoint Healthcare, LLC**	147,000	307	244,200	15,600	6.4%	0.60x	9.4x	479x
10	9/6/2011	**Mercy Hospital & Medical Center**	**Trinity Health**	150,000	449	251,400	15,300	6.1%	0.60x	9.8x	334x
11	7/1/2011	**Mercy Health Partners, Inc.**	**Health Management Associates, Inc.**	532,400	833	600,000	22,800	3.8%	0.89x	nmf	639x
12	6/25/2011	**West Penn Allegheny Health System**	**Highmark, Inc.**	1,475,000	2,000	1,600,000	33,330	2.1%	0.92x	nmf	738x
13	6/15/2011	**Remaining Interest in HealthONE**	**HCA, Inc.**	1,450,000	1,500	n/a	193,000	n/a	n/a	7.5x	967x
14	4/27/2011	**Alexian Brothers Health System**	**Ascension Health**	645,000	752	952,600	101,900	10.7%	0.68x	6.3x	858x
15	3/25/2011	**Hospital of Saint Raphael**	**Yale-New Haven Hospital**	135,000	511	450,300	15,400	3.4%	0.30x	8.8x	264x
16	3/7/2011	**Loyola University Health System**	**Trinity Health**	475,000	820	1,100,000	n/a	n/a	0.43x	n/a	579x
17	2/16/2011	**Valley Baptist Health System**	**Vanguard Health Systems, Inc.**	402,000	866	527,000	n/a	n/a	0.76x	n/a	464x
18	2/1/2011	**Hamot Medical Center**	**UPMC Health System**	300,000	351	315,200	33,000	10.5%	0.95x	9.1x	855x
19	3/19/2010	**Detroit Medical Center**	**Vanguard Health Systems, Inc.**	1,220,000	1,734	2,010,000	168,174	8.4%	0.61x	7.3x	704x

Source: Irving Levin Associates, Inc. - 2011-2013; S&P Capital IQ, Inc.
[a] Represents last twelve months financials available as of the announcement date.

III. Fairness Analysis of GCH

Conclusions

- Based upon and subject to the foregoing, it is our opinion that, as of the date hereof, the Consideration to be received (which includes the assumption of certain liabilities) relative to the value of the net assets given up in exchange for the Subject Assets is fair from a financial point of view (i.e., the Consideration to be received is not less than the Fair Market Value of the Subject Assets).
- Given the facts and circumstances of the Transaction, the range of the Fair Market Value of the Subject Assets, and the Consideration to be received by GCH, the expectation of no residual proceeds being available to a local charitable foundation is fair from a financial point of view.

Section IV

Prime Credit Metrics

IV. PRIME CREDIT METRICS

Credit Metric Observations

- Prime is a privately held for-profit entity that operates 25 acute care hospitals with 4,647 total beds and employees over 30,000 individuals.
- In September 2013, Prime secured a 5-year, $475.0 million credit facility consisting of a $225.0 million asset-backed facility and a $250.0 million senior secured term loan. This facility represents a significant increase in the credit facility of $175.0 million available as of 2012. The additional facility was obtained to fund future merger and acquisition growth.
- Prime's key financial metrics (through the December 31, 2012, based on Prime's audited financial statements):
    - 2012 Revenue = $1.45 billion
    - 2012 EBITDA = $238.3 million
    - 2012 Net Income = $51.6 million
    - Cash Flow From Operations = $112.9 million
    - Book Value of Equity = $289.3 million (Excluding noncontrolling interest)
    - Total Debt = $381.8 million (Excluding draws/payments in 2013)
    - Undrawn Revolving Credit = $129.6 million out of $175.0 million facility (Excluding the facility obtained in 2013)
    - Total Debt / (Debt plus BV of Equity) = 57%
    - Cash and Cash Equivalents = $33.0 million
    - Long-Term Credit Rating = "B" (S&P) and "B2" (Moody's)
    - EBIT / Interest Expense = 3.0x
    - EBITDA / Interest Expense = 3.8x
    - Total Debt / EBITDA = 1.6x
- Based on Prime's key financial metrics, credit rating, credit ratios, and the fact that Prime has secured additional financing as of September 2013, Prime currently has access to capital, either through available cash or lending facilities, to make the capital infusions into GCH. However, Prime could use this available capital for other purposes and thereby impair its ability to meet its contractual financial obligations related to the Agreement.

Exhibit A

Assumptions and Limiting Conditions

A. ASSUMPTIONS AND LIMITING CONDITIONS

Our analysis is subject to the following assumptions and limiting conditions:

We have not been requested to address, and our analysis does not in any manner address: (i) the Company's underlying business decision to proceed with or effect the Transaction, (ii) the terms of any agreements or documents related to, or the form or any other portion or aspect of, the Transaction, except as specifically set forth herein, or (iii) the solvency, creditworthiness or fair value of the Company or any other participant in the Transaction under any applicable laws relating to bankruptcy, insolvency or similar matters. Further, we were not requested to consider, and our analysis does not address, the merits of the Transaction relative to any alternative business or financing strategies that may have existed for the Company or the effect of any other transactions in which the Company might have engaged, nor do we offer any opinion as to the terms of the Agreement. Moreover, we were not engaged to recommend, and we did not recommend, a Transaction price, and we did not participate in the Transaction negotiations. Furthermore, no opinion, counsel or interpretation is intended in matters that require legal, regulatory, accounting, insurance, tax or other similar professional advice. The Opinion is applicable only to the Transaction and not to any future transaction or any other potential future transaction.

The preparation of these materials involves various determinations as to the most appropriate and relevant methods of financial analyses and the application of those methods to particular circumstances and, therefore, are not readily susceptible to summary description. Furthermore, we did not attribute any particular weight to any analysis or factor considered by it, but rather made qualitative judgments as to the significance and relevance of each analysis and factor. Thus, the analyses contained in these materials must be considered as a whole. Selecting portions of the analyses, without considering all analyses, could create an incomplete view. Estimates of value contained in the analyses are not necessarily indicative of actual value or predictive of future results or values, which may be significantly more or less favorable.

In preparing these materials, we have relied upon information provided or otherwise made available to us by or on behalf of the Company, which the Company has represented to be complete and correct in all material respects and do not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein taken as a whole not misleading in light of the circumstances under which they are made. We have assumed and relied upon the accuracy and completeness of the financial and other information provided to us or obtained from public sources without assuming any responsibility for independent verification of such information, and make no representation or warranty (express or implied) in respect of the accuracy or completeness of such information and have further relied upon the assurances of the Company and other participants in the Transaction that they are not aware of any facts or circumstances that would make such information inaccurate or misleading. In addition, we have relied upon and assumed, without independent verification, that there has been no material change in the assets, liabilities, financial condition, results of operations, business or prospects of the Company or any other participant in the Transaction since the date of the most recent financial information provided to us, and that the final forms of any draft documents reviewed by us will not differ in any material respect from such draft documents.

A. Assumptions and Limiting Conditions

Specifically, we have also assumed, with your consent, that the final executed form of the Asset Purchase Agreement (the "Agreement") will not differ materially from the Agreement dated January 30, 2014 that we have examined (as described in the Executive Summary), that the conditions to the Transaction as set forth in the Agreements will be satisfied or waived, and that the Transaction will be consummated on a timely basis in the manner substantially contemplated by the Agreement.

This presentation, and any supplemental information (whether oral or written) provided in connection therewith (collectively, the "materials"), are provided solely for the information of the Michigan Department of Attorney General in connection with their consideration of the Transaction. This presentation is incomplete without reference to, and should be viewed solely in conjunction with, any supplemental information provided by SRR in connection therewith.

These materials are for discussion purposes only and may not be relied upon by any person or entity for any purpose except as expressly contemplated by the written terms of our engagement. These materials were prepared for specific persons familiar with the business and affairs of GCH for use in a specific context and were not prepared with a view to public disclosure or to conform with any disclosure standards under state, federal or international securities laws or other laws, rules or regulations and, accordingly, SRR takes no responsibility for these materials if used by persons other than the Michigan Department of Attorney General. These materials are provided on a confidential basis solely for the information of the Michigan Department of Attorney General and may not be disclosed, summarized, reproduced, disseminated or quoted or otherwise referred to, in whole or in part, without our express prior written consent.

These materials necessarily are based on financial, economic, market and other conditions as in effect on, and the information available to us as of, the date of these materials. Although subsequent developments may affect these materials, SRR is under no obligation to update, revise or reaffirm these materials. These materials are not intended to provide the sole basis for evaluation of the Transaction and do not purport to contain all information that may be required. These materials do not constitute an opinion with respect to the Transaction, nor a recommendation to any security holder of the Company or any other person as to how such person should act or vote with respect to the Transaction or whether to buy or sell any assets or securities of any company.

Any analyses relating to the value of assets, businesses or securities do not purport to be appraisals or to reflect the prices at which any assets, businesses or securities actually may be sold. In preparing these materials, SRR has not conducted any physical inspection or independent appraisal or evaluation of any of the assets, properties or liabilities (contingent or otherwise) of the Company or the Buyer, unless otherwise stated herein. No selected public company is directly comparable to either the Company or the Buyer, and no precedent transaction is directly comparable to the Transaction.