Fairness Opinion Board Presentation

Community Health Systems' Joint Venture Arrangement with Metropolitan Health Corporation

Issued: July 22, 2014

STOUT | RISIUS | ROSS

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EXHIBITS

Section I

Executive Summary

I. Executive Summary

Role of Stout Risius Ross, Inc.

We understand that Metropolitan Health Corporation, a Michigan nonprofit corporation ("MHC"), and related entities (collectively the "MHC Entities") operate Metro Health Hospital in Wyoming, Michigan and certain other outpatient and related health care facilities and assets (the "Facilities"). Metro Health Holdings, LLC, a Delaware limited liability company (the "Company") is being formed as a joint venture entity for the purpose of owning and operating the Facilities, and the businesses conducted at and by the Facilities. Per the terms of the draft Contribution and Sale Agreement dated as of June 30, 2014 (the "Agreement"), as MHC's initial contribution to the capital of the Company and related entities ("Company Entities"), MHC has agreed to contribute and cause the MHC Entities to contribute all of the assets owned or used by the MHC Entities in connection with the operation of the Facilities, other than the excluded assets (the "Subject Assets"), to the Company as defined in the Agreement. Wyoming Holdings, LLC, a Delaware limited liability company ("CHS Sub"), and subsidiary of CHS/Community Health Systems, Inc., a Delaware Corporation ("CHS"), desires to purchase from MHC and/or one or more of the MHC Entities an 80% ownership interest in the Company (the "Transaction") for a purchase price of 80% of $260 million plus net working capital and minus the amount of any long-term debt or capital leases in respect of the Facilities that are assumed by the Company (the "Consideration"). At the closing, MHC and CHS Sub will enter into an Amended and Restated Limited Liability Company Agreement that will provide that the membership interest of MHC in the Company shall be 20% and the membership interest of CHS Sub in the Company shall be 80%.

The Board of Directors of MHC 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 by MHC pursuant to the Transaction.

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

Due Diligence

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

- MHC's audited consolidated financial statement for the fiscal years ended June 30, 2009 through 2013;
- MHC's internally prepared unaudited financial statements for the eleven-month periods ended May 31, 2013 and 2014;
- MHC's financial budget for the fiscal years ending June 30, 2014 through 2019, including adjustments and modifications to the budget provided by management via email and telephonic discussions;
- MHC's five-year capital plan, prepared by management;
- The draft Contribution and Sale Agreement by and among MHC and its affiliates and the Company and its affiliates and CHS, dated June 30, 2014;
- The draft Amended and Restated Limited Liability Company Agreement of the Company, dated May 28, 2014;
- The draft Management Agreement by and between the Company and CHS, dated July 9, 2014;
- A list of MHC's historical unusual income items, prepared by management;
- A letter of intent covering some of the major terms and conditions of the proposed joint venture arrangement between Community Health Systems Professional Services Corporation, a Delaware corporation, and MHC, dated November 8, 2013;
- A presentation prepared for the Metro Health Board Retreat titled *Strategic Partner Project Review of Revised Offers*, dated September 2013;
- A presentation prepared for the Metro Health Board Retreat titled *Metro Strategic Options*, dated September 16, 2013;
- Confidential Information Memorandum prepared for MHC by Ponder & Co. ("Ponder"), dated March 4, 2013;
- 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 MHC's management concerning its business, industry, history, and prospects;
- Discussions with Ponder considering the marketing process and other information related to the Transaction;

- A review of the other competing offers considered;
- A site visit to MHC's headquarters located in Wyoming, Michigan;
- A certificate dated July 22, 2014 from Tim Susterich, CFO of MHC containing, among other things, representations regarding the accuracy of the information, data, financial statements, financial budget, and other materials (financial or otherwise) provided by or on behalf of MHC; and
- An analysis of other facts and data resulting in our conclusions.

Summary of the Offer Terms

- Per the terms of the draft Agreement dated June 30, 2014, the Transaction involves the Company being formed as a joint venture entity and MHC contributing all of the assets owned or used by the MHC Entities in connection with the operation of the Facilities, other than excluded assets identified in the Agreement.
- MHC will contribute all of the assets owned or used by the MHC Entities in connection with the operation of the Facilities (the "Subject Assets"), but specifically excluding the assets listed in the table on the following page (the "Excluded Assets").
- CHS Sub would purchase an 80% ownership interest in the Company and MHC would initially have a 20% ownership interest in the Company.
- The Subject Assets shall have an initial value of $260.0 million, plus the net working capital of the MHC Entities, minus the amount of any long-term debt or capitalized leases in respect of the Facilities that are assumed by the Company (as presented in the adjacent table).
- Net working capital shall mean the aggregate current assets of the MHC Entities conveyed to the Company Entities minus the aggregate current liabilities of the MHC Entities assumed by the Company Entities.
- The Company will commit to fund the capital expenditures as reflected in MHC's five-year capital plan, the costs of which are estimated by MHC to be in the range of $100 million to $125 million. As part of the Company's capital expenditures commitment, the Company currently intends to budget $20.0 million for physician recruitment and physician practice acquisitions.

Calculation of the Consideration

	In Thousands of U.S. Dollars		
1	Initial Value	$	260,000
2	Add: Net Working Capital [a]		18,580
3	Less: Long-Term Debt or Capitalized Leases Assumed [b]		0
4	**Adjusted Purchase Price Consideration**	**$**	**278,580**
5	Cash Purchase of 80% Membership Interest		208,000
6	Purchase of 80% of Net Working Capital		14,864
7	**Total for 80% Membership Interest**	**$**	**222,864**

Source: Per the draft Contribution and Sale Agreement, dated June 30, 2014.
[a] Based on the Company's balance sheet as of May 31, 2014.
[b] Based on discussions with Company management, no long-term debt or capitalized leases are included in the Transaction.

Calculation of Net Working Capital [a]

	In Thousands of U.S. Dollars		
	Current Assets Assumed		
1	Accounts Receivable, Net	$	37,549
2	Inventory		5,705
3	Prepaids		529
4	Miscellaneous Receivables		4,088
	Current Liabilities Assumed		
5	Acounts Payable		(19,121)
6	Accrued Payroll		(9,668)
7	Workman's Comp/Unemployment		(542)
8	Accrued Bonus		153
9	Taxes		(47)
10	Other		(68)
11	**Net Working Capital**	**$**	**18,580**

Source: Per the draft Contribution and Sale Agreement, dated June 30, 2014.
[a] Based on the Company's balance sheet as of May 31, 2014.

- Per the draft Amended and Restated Limited Liability Company Agreement, dated May 28, 2014, the Board of Directors of the Company which shall have overall oversight and ultimate authority over the affairs of the Company shall consist of ten directors with five of those directors appointed by MHC and the remaining five directors being appointed by CHS.
- The following table presents the net assets to be received by MHC and the Foundation as a result of the Transaction. The information was provided by Ponder and is for informational purposes only.

Net Assets Retained

	In Millions of U.S. Dollars		
1	Proceeds To Be Received From CHS for 80% Membership Interest	$	222.9
	Plus:		
2	Cash and Cash Equivalents		41.8
3	Marketable Securities		10.2
4	Board Designated Assets		17.3
5	Self Insured Trust		4.3
6	Bond Indenture Funds		16.3
7	Life Insurance Fund		1.1
8	Foundation Funds		11.9
	Less:		
9	Bank Line of Credit		0
10	Current Portion of Long-Term Debt		(6.6)
11	Accrued Interest, DSH and Taxes		(3.2)
12	Long-Term Debt, Less Current Maturities		(201.9)
13	Original Issue Premium		3.5
14	CMS Self Disclosure		(1.3)
15	Shower Remediation		(2.7)
16	Bond Defeasance - Series 2005A		(8.8)
17	Pension and Other Long-Term Liabilities		(28.1)
18	Pension Termination Cost		(9.1)
19	Unemployment Settlement Costs		(1.1)
20	Malpractice and Other Tail Insurance		(2.5)
21	Workers Compensation		(0.5)
22	Real Estate Transfer Tax at 50%		(0.7)
23	Transaction Costs		(1.6)
24	**Net Assets Retained**		**61.2**
25	Add: Retained 20% Membership Interest		55.7
26	**Total Net Assets Retained by MHC and the Foundation**		**117.0**

Source: Exhibit A.1, the draft Agreement, and discussions with MHC management and representatives.

Summary of the Offer Terms (Continued)

- The following table, as per the draft Agreement dated June 30, 2014, presents the Subject Assets to be included in the Transaction as well as the Excluded Assets.

Subject Assets Included in the Transaction	Excluded Assets
All of the assets of the MHC Entities used in connection with the operations of the Facilities.	Cash and cash equivalents.
Owned real property together with all improvements, any construction in progress, any other buildings and fixtures; and the real property leased or subleased to an MHC Entity as described in the Agreement and the schedules thereto. All tangible personal property identified in the schedules to the Agreement as well as all supplies and inventory located at the Facilities.	Board-designated, temporarily and permanently restricted and trustee-held or escrowed funds (such as funded depreciation, debt service reserves, working capital trust assets, and assets and investments restricted as to use), other donor restricted assets, beneficial interests in charitable trusts, and accrued earnings on all of the foregoing.
Assumable deposits, prepaid expenses and claims for refunds in connection with the Facilities.	All amounts due or to become due to the MHC Entities in respect of third party payors pursuant to retrospective settlements and all appeals and appeal rights of the MHC Entities relating to such settlements, including cost report settlements.
All accounts receivable arising from the rendering of services to patients at the Facilities. All rights to receive funds attributable to patient receivables related to Medicare, Medicaid and other third-party patient claims due from beneficiaries or government third-party payors arising from the rendering of services to patients at the Facilities.	All records relating to the Excluded Assets and excluded liabilities to the extent that the Company Entities do not need the same in connection with the ongoing activities of the Facilities, the Subject Assets, or the assumed liabilities.
All claims, causes of action, and judgments in favor of the MHC Entities relating to the physical condition or repair of the Subject Assets.	Any reserves related to the Excluded Assets or excluded liabilities; all insurance policies insurance claims, insurance proceeds arising in connection with the operation of the Facilities or the Assets prior to the effective time and all insurance proceeds arising in connection with the Excluded Assets and excluded liabilities.
To the extent assignable or transferable, all financial, patient, medical staff, and personnel records of the hired employees relating to the Facilities.	All claims, rights, interests and proceeds with respect to refunds of taxes for periods ending on or prior to the effective time; any prepaid pension costs and other assets associated with the MHC Entities' employee welfare benefit plans, pension benefit plans, and deferred compensation plans.

Subject Assets Included in the Transaction	Excluded Assets
All rights and interests of the MHC Entities in the contracts, commitments, leases and agreements listed in the schedules to the Agreement.	Any intercompany obligations by and among the MHC Entities; the contracts, commitments, leases and agreements listed in schedules to the Agreement; all rights of the MHC Entities under the Agreement and its related documents.
Licenses and permits relating to the ownership and operation of the Facilities. All interests of the MHC Entities in names, trade names, trademarks and service marks associated with the Facilities and all associated goodwill.	
All assets reflected in the financial statements; all goodwill associated with the Facilities and the Subject Assets; the electronic funds transfer accounts of the Facilities and the Subject Assets; the interests of the MHC Entities in the entities identified in schedules to the Agreement; all assets owned which are used in connection with the operations of the Facilities.	
All other assets or interests in property of every kind, character or description owned by MHC or its affiliates and used or held for use in the operation of the Facilities or Subject Assets.	

Background of the Transaction

- MHC is an integrated Michigan nonprofit healthcare system primarily serving West Michigan and the greater Grand Rapids region. MHC includes Metro Health Hospital which is a 208-bed general acute-care osteopathic teaching hospital located in Wyoming, Michigan; twelve neighborhood physician offices located throughout West Michigan; nationally recognized heart and vascular services; inpatient and outpatient specialty services; a cancer center developed in partnership with the University of Michigan; a wellness and community education program; and numerous joint ventures with other healthcare providers.
- MHC's work is supported by the Metro Health Hospital Foundation which is a charitable organization dedicated to improving the health and well-being of the West Michigan community through philanthropy.
- Community Health Systems (NYSE:CYH) ("CHS") is one of the leading operators of general acute care hospitals. As of January 27, 2014, Community Health Systems owned, leased, or operated 206 affiliated hospitals in 29 states with

approximately 31,000 licensed beds. Community Health Systems-affiliated hospitals are the sole provider of healthcare services in over 55% of the markets they serve.

- Healthcare reform results in pressure on hospital margins due to reimbursement cuts from Medicare, Medicaid and private insurers in the face of rising operating and regulatory costs. Integration and collaboration among providers is encouraged through accountable care organizations and bundled payments. To remain competitive, hospitals must make significant capital investments in IT systems and facilities and support the associated principal and interest payments. To meet these challenges, MHC is exploring its options to partner with a larger health system in an attempt to minimize its risk exposure and gain efficiencies and obtain more favorable rates with payers, among other items.
- Given the current financial position of MHC, its Board of Directors determined that it was in its best interest while the Company is in a strong financial position to secure a capital partner and consider its strategic options, including a potential merger or sale.
- Based on discussions with MHC management, while the financial consideration being offered was important, maintaining MHC's current culture and local control to serve the people of West Michigan was considered to be as important as the financial consideration.
- The Board of Directors of MHC (the "Board") retained Ponder & Co. ("Ponder"), a provider of various financial services including merger and acquisitions services in the healthcare industry, in late 2012 to identify and solicit proposals from potential partners/acquirers using a competitive marketing process.

Key Internal and External Considerations of MHC

Fundamental (Long-Term) Issues	Execution (Near-Term) Issues
■ Continuing to offer competitive compensation packages in relation to hiring and retaining top-performing physicians	■ Capital spending needs to meet growth expenditures without tripping bond covenants
■ A strategic, long-term access to capital	■ Obtaining a partner while MHC's financials are still strong
■ Healthcare reform that has and will likely continue to reduce reimbursement rates and add additional costs from increased regulation changes	■ Being able to retain MHC's brand, culture, and overall structure as a result of a partnership / JV which is considered to be just as important as the financial consideration

Bid Solicitation and Selection Process

- Given the changes being made in the healthcare industry primarily relating to the Affordable Care Act and other regulatory concerns and uncertainties, the Board retained Ponder to identify and solicit proposals from potential partners/acquirers using a competitive marketing process. Ponder provides various financial services (including merger and acquisitions services) to the healthcare industry.
- Ponder contacted 17 potential strategic partners ("Phase I"), 11 of which were for-profit organizations while the remaining six were not-for-profit. Of the 17 organizations, 13 groups expressed interest and received a financial package or information memorandum with more details and information regarding MHC.
- Upon further review of the package, eight out of the 13 organizations submitted proposals with six groups being for-profit organizations and the remaining two being not-for-profit.
- In early April 2013, the Board was updated on the Phase I responses.
- In the second half of April 2013, Ponder notified CHS / Cleveland Clinic, Duke / Lifepoint, Trinity / University of Michigan Health System ("UMHS"), and Vanguard Health Systems ("Vanguard") on MHC's decision to move forward with these four parties. MHC subsequently requested revised proposals with the focus on a joint venture partnership structure ("Phase II").
- At the end of April 2013, a virtual data room was launched with expanded and updated information for each Phase II participant's diligence.
- During the middle of May 2013, MHC management gave presentations to each of the four Phase II participants providing an overview of MHC, the goals and objectives of the partnership, discussions of operations and strategy, and facilities tours. Vanguard withdrew from the process because they do not have the size and scale in western Michigan to meet their market strategy. Duke Lifepoint declined to submit a proposal due to concerns with market share opportunity, but CHS / Cleveland Clinic and Trinity / UMHS submitted revised proposals.
- Prospective partner presentations were then made by CHS / Cleveland Clinic and Trinity / UMHS in the middle of June 2013 ("Phase III").
- In the subsequent months, MHC performed reverse due diligence site visits. In addition, Trinity and UMHS ended talks to form a JV to acquire MHC due to the inability to agree on the structure and ownership of a JV. Instead, both Trinity and UMHS contemplated submitting separate revised proposals.
- After CHS's announced acquisition of Health Management Associates, CHS became authorized to move forward with CHS / Cleveland Clinic's pursuit of a JV with MHC.

- The CHS / Cleveland Clinic proposal involved CHS acquiring the 80% interest in the Company. The Cleveland Clinic's role was to provide certain clinical consulting services.
- In 2014, CHS / Cleveland Clinic ended their JV partnership with regards to MHC. CHS is moving forward with the contemplated transaction on the same purchase terms as originally proposed. Any reference in this document in regards to the joint offer between CHS and Cleveland Clinic now solely involves CHS.

Bid Solicitation and Selection Process (Continued)

- The following table presents an overview of the different proposals as included in Ponder's presentation at the Metro Health Board Retreat titled *Strategic Partner Project Review of Revised Offers*, dated September 2013:

Comparative Overview of Proposals

	CHS / Cleveland Clinic	[redacted]	[redacted]
Primary Structure	Joint Venture (asset acquisition): 80% / 20%	Membership Substitution: 75% / 25% for five years and 100% ownership after five years	Membership Substitution: 60% / 40%
Financial Terms of Primary Structure	80% of the valuation of MHC's assets plus 80% of net working capital	$25 million paid to Metro Foundation at end of year five in exchange for 100% ownership of MHC	$60 million paid to the Metro Foundation in exchange for a 60% ownership and MHC's balance sheet
Capital Commitment	Commits to a five-year $100 million to $125 million capital plan to be funded 100% primarily from operations	Commits to five-year $100 million capital plan, will fund up to $50 million capital shortfall	Pro rata share of $100 million to $125 million capital plan
Governance	The JV consists of a 10 member Board of Directors of which MHC and CHS each appoint five members	[redacted] appoints three members, Metro CEO ex-officio, remaining five members nominated collaboratively with UMHS reserving power to officially appoint	[redacted] appoints 60%, Metro appoints 40% and [redacted] holds reserve powers listed below
Reserve Powers	MHC names the Chairman, can remove the CEO, and dissolve the JV while CHS has no reserve powers	[redacted] officially appoints board members and other expected reserve powers determined in the definitive agreement	[redacted] states appointment of board members, approve strategic plans and budgets, issuance of debt, significant asset or clinical service acquisition/addition or dissolution, and major corporate changes

Bid Solicitation and Selection Process (Continued)

CHS / Cleveland Clinic

(Estimated 80/20 Joint Venture Analysis) *In Millions*	6/30/2013
Valuation of MHC's Assets	$ 260.0
Net Working Capital	8.8
Purchase of 80% Membership Interest	208.0
Purchase of 80% of Net Working Capital	7.1
Total JV Consideration	215.1
Net Debt and Liabilities to be Paid	180.7
JV Consideration After Net Debt and Liabilities	34.4
Add: Foundation Funds	10.7
Net JV Proceeds to Foundation	**$ 45.1**
Add: MHC's 20% Membership Interest in JV	53.8
Net Value of MHC's JV Interest & Proceeds	**$ 98.8**

[redacted]

(Estimated 60/40 Membership Substitution) *In Millions*	6/30/2013
Net Debt and Liabilities to be Paid	$ 150.0
In Exchange for 60% Interest	
Funds Transferred to Foundation	60.0
Add: Foundation Funds	10.7
Net JV Proceeds to Foundation	**$ 70.7**
Add: MHC's 40% Membership Interest	40.0
Net Value of MHC's Interest & Proceeds	**$ 110.7**

[redacted]

(Estimated Membership Substitution) *In Millions*	6/30/2013
Net Debt and Liabilities to be Paid	$ 150.0
In Exchange for 60% Interest	
Funds Transferred to Foundation	25.0
Add: Foundation Funds	10.7
Net JV Proceeds to Foundation	**$ 35.7**

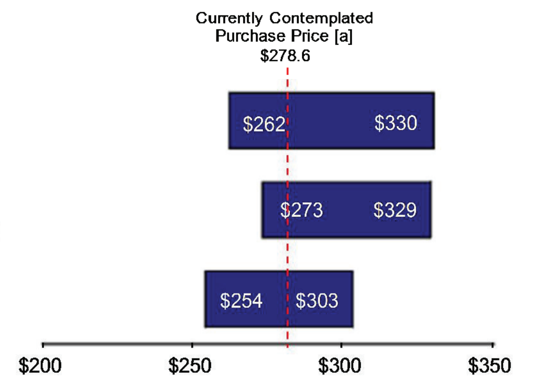
Source: Metro Health Board Retreat presentation titled *Strategic Partner Project Review of Revised Offers*, dated September 2013.

Factors Impacting the Acceptance of the CHS Offer

- The Board considered not only the proceeds offered for the Subject Assets, but also the cultural fit and the ability to maintain some local control. The Board views CHS as more of a "hands-off" partner as long as the Company continues to perform, which allows management and the culture to remain and the Company to operate more autonomously. The CHS offer required no reserve powers for CHS and provided for equal board representation with MHC. The [redacted] offer provided [redacted] with the ability to appoint 60% of the Board and provided [redacted] with reserve powers for certain key strategic decisions.
- From the Board's perspective, partnering with a large organization such as CHS provides financial and system-wide resources to be able to meet the challenges of regulatory reform in addition to controlling costs.
- The CHS proposal also includes a guaranteed capital investment by the Company of between $100 million to $125 million. This is consistent with MHC's current long-term capital program.

Fairness Analyses Summary

In Millions of Dollars



Methodology	Comments
	■ Contemplated purchase price is inclusive of estimated purchase price adjustments.
Discounted 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 long-term prospects
Guideline Public Company Method	■ 7.5x to 8.5x LTM EBITDA; 0.80x to 1.00x LTM Revenue
Merger and Acquisition Method	■ 7.0x to 8.0x LTM EBITDA; 0.75x to 0.95x LTM Revenue

[a] Per the terms of the draft Contribution and Sale Agreement dated June 30, 2014, the currently contemplated purchase price of approximately $278.6 million is based on a base consideration of $260.0 million plus net w orking capital w hich is calculated to be approximately $18.6 million as of May 31, 2014.

Summary of the Offer

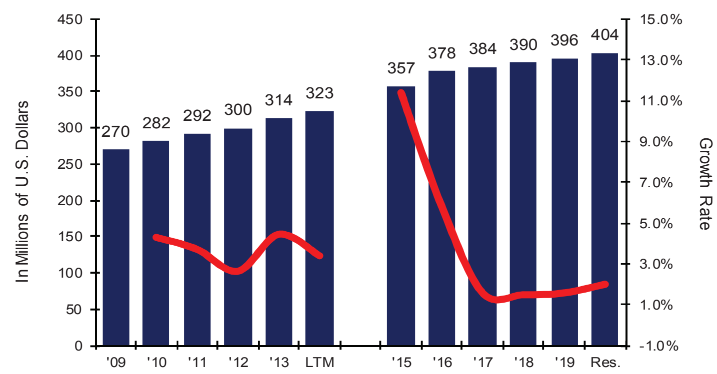
- The implied adjusted purchase price of $278.6 million (which includes MHC's net working capital of $18.6 million) is consistent with the range of the estimated fair market value based on the application of three different valuation methods. The Consideration is 80% of the implied adjusted purchase price.

Section II

Fairness Analysis of MHC

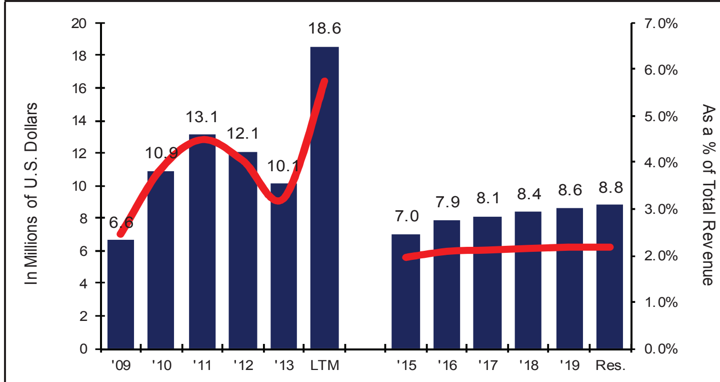
Financial Summary / Projection

Total Revenue



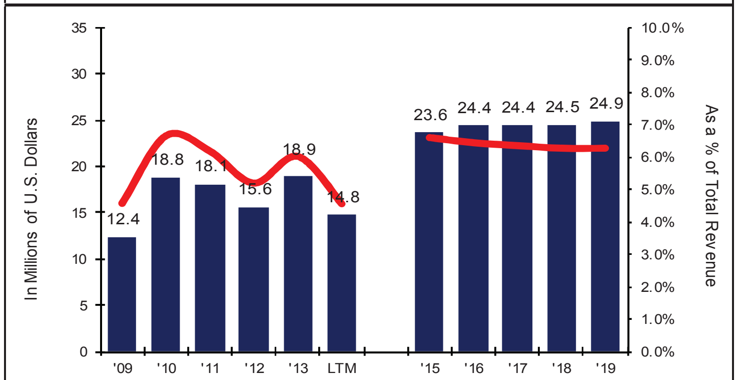
Source: Exhibits A.4 and A.6

Net Working Capital



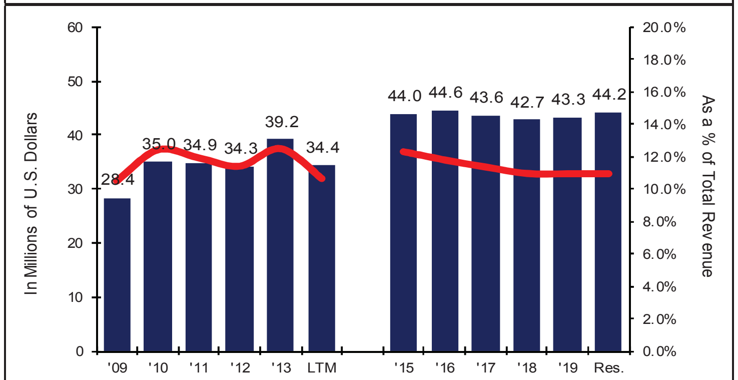
Source: Exhibit A.1 and information provided by management

Adjusted EBIT



Source: Exhibits A.4 and A.6

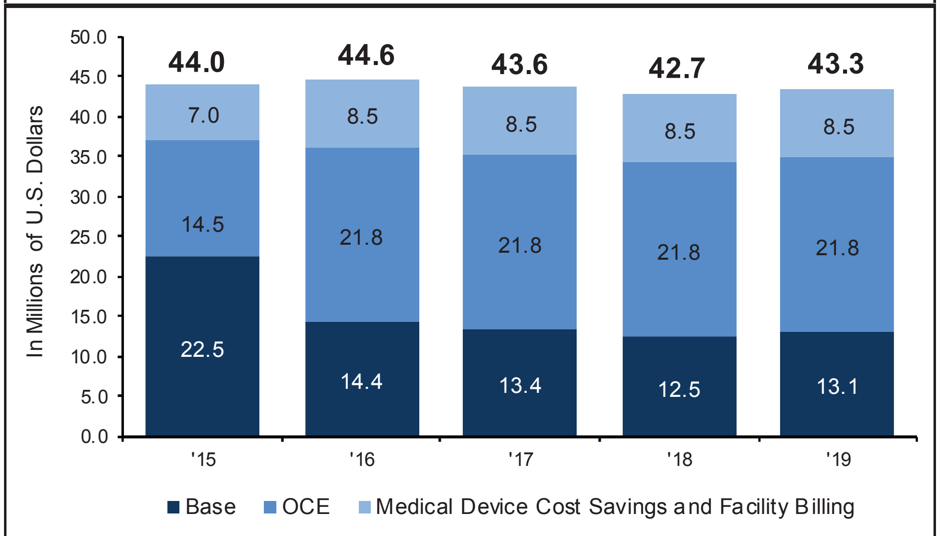
Adjusted EBITDA



Source: Exhibits A.4 and A.6

Source: Audited financial statements for 2009 through 2013 and internal financial statements for the latest period. Projected results for based on the Company's long-term plan.

Projected EBITDA Breakdown



Source: Exhibit A.6 and information provided by management

- A meaningful portion of MHC's projected EBITDA is from new programs which are expected to benefit MHC's margins going forward.
  - MHC plans to expand its partnership with OAM and anticipates the Orthopedic Center of Excellence to contribute between $14.5 million and $21.8 million to EBITDA per year between 2015 and 2019.
  - MHC anticipates an additional cost savings of $2.0 million between 2015 and 2019 due to a recently negotiated cost savings on the purchase of medical devices which is expected to begin in June 2014.
  - Implementation of facility billing is anticipated to add between $5.0 million and $6.5 million per year to EBITDA and is expected to begin in October 2014.
- Absent the positive expected cash flows relating to the OCE, the Company would otherwise be projecting a decline in EBITDA from approximately $29.5 million in 2015 to $21.6 million in 2019 due to continued margin pressure.

Discounted Cash Flow Method Overview

- The Discounted Cash Flow Method is a multiple period discounting model in which the value of a company is determined based on the present value of its expected future economic benefits (i.e., free cash flow).
- Free cash flow is the amount that could be paid to investors without impairing a company's current or future operations.
- The Discounted Cash Flow Method is generally comprised of four steps:
  - Estimate the annual future cash flows for a discrete projection period (typically five to ten years);
  - Discount these cash flows to a present value at a rate of return that considers the relative risk of realizing the cash flows;
  - Estimate the residual value of cash flows subsequent to the discrete projection period; and
  - Combine the present value of the cash flows from the discrete projection period and the residual cash flow to determine the total value of the assets.
- In preparing our analysis under the Discounted Cash Flow Method, we primarily relied on MHC's long-term forecast for fiscal 2015 through 2019.
- We estimate the discount rate based on empirical studies of investment rates of return of publicly traded securities with investment return and risk characteristics similar to MHC. The discount rate, known as the weighted average cost of capital ("WACC"), is calculated by weighting the required returns on interest-bearing debt and equity capital in proportion to their representation in an expected capital structure. For purposes of our analysis and as presented in Exhibit B.1, we estimated a WACC of 9.5% to use as the discount rate in our Discounted Cash Flow Method analysis.
- It is also important to note that in our analysis we have not included a subject company risk adjustment to our WACC, despite the significant risks associated with MHC's anticipated new programs, including the OCE.
- The table on the following page presents our application of the Discounted Cash Flow Method, which suggests a midpoint enterprise value (before making any adjustments for the tax benefit of amortization) for MHC of $281.0 million.

Discounted Cash Flow Analysis

Discounted Cash Flow Method

In Thousands of U.S. Dollars

		For the Fiscal Year Ending					
		Year 1 6/30/2015	Year 2 6/30/2016	Year 3 6/30/2017	Year 4 6/30/2018	Year 5 6/30/2019	Residual
	Free Cash Flows						
1	EBITDA	$ 43,994	$ 44,630	$ 43,648	$ 42,746	$ 43,326	$ 44,193
2	Depreciation	(20,379)	(20,247)	(19,212)	(18,278)	(18,473)	(9,428)
3	Income Taxes	(9,446)	(9,753)	(9,775)	(9,787)	(9,941)	(13,906)
4	**Debt-Free Net Income**	**14,169**	**14,630**	**14,662**	**14,680**	**14,912**	**20,859**
5	Depreciation	20,379	20,247	19,212	18,278	18,473	9,428
6	Capital Expenditures	(10,000)	(10,000)	(10,000)	(10,000)	(10,200)	(10,404)
7	Additional Working Capital	(42)	(886)	(237)	(245)	(250)	(173)
8	**Free Cash Flows**	**24,506**	**23,991**	**23,636**	**22,714**	**22,935**	**19,710**
9	Partial Period Adjustment [a]	0.95	1.00	1.00	1.00	1.00	1.00
10	**Free Cash Flows Allocated to Projection Period**	**23,281**	**23,991**	**23,636**	**22,714**	**22,935**	**19,710**
	Present Value of Free Cash Flows						
11	Weighted Average Cost of Capital	9.5%	9.5%	9.5%	9.5%	9.5%	
12	Discount Period [b]	0.48	1.45	2.45	3.45	4.45	
13	**Present Value Factor**	**0.9578**	**0.8767**	**0.8006**	**0.7312**	**0.6677**	
14	**Present Value of Free Cash Flows**	**$ 22,299**	**$ 21,032**	**$ 18,924**	**$ 16,608**	**$ 15,315**	

	Enterprise Value	
15	Present Value of Free Cash Flows (Through 2019)	94,178
23	Present Value of Residual Free Cash Flows	175,485
24	Add: Working Capital Adjustment	11,609
25	**Enterprise Value**	**281,272**
26	**Rounded (Midpoint)**	**$ 281,000**
27	**Rounded (Low)**	**$ 257,000**
28	**Rounded (High)**	**$ 313,000**

Residual Free Cash Flow Value		
Residual Free Cash Flow	$ 19,710	16
Weighted Average Cost of Capital	9.5%	17
Less: Residual Growth Rate	-2.0%	18
Capitalization Rate	**7.5%**	19
Residual Free Cash Flow Value	**262,805**	20
Present Value Factor	0.6677	21
Present Value of Residual Free Cash Flows	**$ 175,485**	22

[a] The partial period adjustment represents the percentage of free cash flows for the full year that is expected to be received between the Transaction date and the end of the first projection year.

[b] Calculated utilizing the "mid-year convention," which assumes that cash flows will be received evenly throughout the projection period rather than at the end of the period.

Discounted Cash Flow Analysis – Sensitivity Analysis

Sensitivity Analysis

In Millions of U.S. Dollars

	Residual Growth Rate				
WACC	1.0%	1.5%	2.0%	2.5%	3.0%
8.0%	310.0	325.0	342.0	362.0	387.0
8.5%	292.0	304.0	319.0	335.0	355.0
9.0%	276.0	287.0	299.0	313.0	329.0
9.5%	262.0	271.0	**281.0**	293.0	307.0
10.0%	249.0	257.0	266.0	276.0	288.0
10.5%	238.0	245.0	253.0	261.0	271.0
11.0%	228.0	234.0	241.0	248.0	257.0

Discounted Cash Flow Analysis – Summary of Conclusions

Discounted Cash Flow Analysis Conclusions

In Thousands of U.S. Dollars

		Low	Midpoint	High
1	Discounted Cash Flow Method	$ 257,000	$ 281,000	$ 313,000
2	Add: PV of Amortization Tax Benefit [a][b]	5,059	10,301	17,291
3	**Concluded Discounted Cash Flow Method**	**262,000**	**291,000**	**330,000**

[a] The PV of Amortization Tax Benefit represents the ability of a buyer to deduct the implied intangible asset amortization resulting from a transaction structured as an asset sale. The implied intangible value is calculated by deducting the value of fixed assets and net working capital from the discounted cash flow estimate of enterprise value. To calculated the PV of Amortization Tax Benefit, the tax savings resulting from deducting amortization expense are discounted at the weighted average cost of capital (i.e., 9.5%) over a 15 year period. This calculation is further detailed in the following footnote.

[b] The PV of Amortization Tax Benefit is based on the following formula:

$$= \left(\frac{PAV}{1 - \left\{ \frac{t \left[\frac{[1-(1+r)^{-TL}] \times (1+r)^{0.5}}{r} \right]}{TL} \right\}} \right) - PAV$$

where: PAV = pre-amortization asset value
r = rate of return (9.5%)
t = tax rate (40.0%)
TL = tax life (15 years)

II. Fairness Analysis of MHC

Guideline Public Company Method Overview

- The Guideline Public Company Method is a valuation technique whereby the value of a company is estimated by comparing it to valuation multiples derived from transactions in similar publicly traded companies.
- We considered several selection criteria, including the following: (1) the stock of the company must be actively traded, (2) the company must be financially solvent, and (3) the company must operate in a similar line of business as the Company.
- We performed a comprehensive review of publicly traded companies and selected the most comparable public entities comparable to MHC in terms of operational characteristics, growth patterns, relative size, earnings trends, markets served, and risk characteristics. We were able to identify a group of seven guideline public companies which operate health systems and/or hospitals:
  - Community Health Systems, Inc.; HCA Holdings, Inc.; Lifepoint Hospitals, Inc.; Tenet Healthcare Corp.; Universal Health Services, Inc.; Kindred Healthcare, Inc.; and HEALTHSOUTH Corp.
  - A summary description of each of the guideline public companies considered relevant for our analysis is presented in Exhibit C.
- We selected valuation multiples by comparing the risk and growth profiles of MHC to the guideline public companies as presented in Exhibit D.2 and D.3. Revenue and EBITDA multiples were used in our analysis.
- After analyzing the risk and return characteristics of the guideline companies relative to MHC, we selected the multiples as presented on the following page and applied those multiples to MHC's latest twelve-month ("LTM"), next fiscal year ("NFY") (i.e., fiscal 2015), and NFY+1 (i.e., fiscal 2016) revenue and EBITDA results.
  - Our selected revenue multiples are between the minimum and lower quartile of the ranges while our selected EBITDA multiples are near the minimum of the ranges exhibited by the guideline public companies due primarily to MHC's smaller size, lower historical growth, increased risk in projected results from new program initiatives, and lower profitability when compared to the guideline group.
- The table on the following page presents our application of the Guideline Public Company Method, which suggests an enterprise value for MHC between $273.0 million and $329.0 million.

Selected Guideline Publicly Traded Companies ("GPC") – Summary of Conclusions

Guideline Public Company Method - Conclusion of Value

	In Thousands of 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	MHC Results	Low	High
1	EV / LTM Revenue	0.58x	1.16x	1.20x	1.30x	1.74x	2.17x	0.80x	1.00x	$ 323,241	$ 259,000	$ 323,000
2	EV / NFY Revenue	0.55x	0.99x	1.07x	1.19x	1.48x	2.08x	0.70x	0.90x	357,465	250,000	322,000
3	EV / NFY+1 Revenue	0.54x	0.94x	1.03x	1.10x	1.41x	1.98x	0.65x	0.85x	378,158	246,000	321,000
4	EV / LTM EBITDA	8.7x	9.0x	9.3x	9.4x	9.6x	10.0x	7.5x	8.5x	34,428	258,000	293,000
5	EV / NFY EBITDA	7.3x	8.2x	8.4x	8.4x	8.9x	9.5x	6.5x	7.5x	43,994	286,000	330,000
6	EV / NFY+1 EBITDA	6.3x	7.5x	7.7x	7.8x	8.1x	8.9x	6.0x	7.0x	44,630	268,000	312,000
7	**Enterprise Value (Rounded)**										**261,000**	**317,000**
8	Add: Working Capital Adjustment										11,609	11,609
9	**Concluded Enterprise Value (Rounded)**										**$ 273,000**	**$ 329,000**

EV = Enterprise Value
LTM = Latest Twelve Months
NFY = Next Fiscal Year
EBITDA = Earnings before Interest, Taxes, Depreciation, and Amortization

Merger and Acquisition Method Overview

- The Merger and Acquisition Method is a valuation technique whereby the value of an entity is estimated by comparing it to valuation multiples derived from transactions of companies similar to the subject company.
- When applying the Merger and Acquisition Method, the value of MHC is determined based on a comparison to similar companies that have been the target of merger or acquisition transactions. The transaction prices and earnings of the merger or acquired companies are used to calculate pricing multiples (e.g., EV to EBITDA).
- The multiples used in the analysis are selected based on a comparative analysis of the risk and return characteristics of the merged or acquired companies relative to MHC.
- After the relevant transactions are identified, transaction multiples (e.g., EV to EBITDA) are derived and applied to the corresponding operating results of the subject company to estimate its implied value.
  - Our selected revenue multiple is between the median and upper quartile of the range given that MHC's profitability is near the upper quartile of the range established by the comparable transactions (see Exhibit E.2).
  - Our selected EBITDA multiple is between the lower quartile and median of the range given that MHC's size is relatively comparable with the lower quartile and median of the range established by the comparable transactions (see Exhibit E.2).
- Exhibit E presents a summary of the 18 transactions selected deemed comparable to MHC, as reported by S&P Capital IQ, Inc. and Irving Levin Associates, Inc., involving the acquisitions of health systems and hospitals with total revenue of the target company greater than $250.0 million.
- The table on the following page presents our application of the Merger and Acquisition Method, which suggests an enterprise value for MHC between $254.0 million and $303.0 million.

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

Merger and Acquisition Method

	In Thousands of 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	MH Results	Low	High
1	EV / LTM Revenue	0.12x	0.43x	0.46x	0.69x	0.89x	1.30x	0.75x	0.95x	$ 323,241	$ 242,000	$ 307,000
2	EV / LTM EBITDA	2.3x	6.9x	6.5x	8.7x	9.2x	16.2x	7.0x	8.0x	34,428	241,000	275,000
3	**Enterprise Value (Rounded)**										**242,000**	**291,000**
4	Add: Working Capital Adjustment										11,609	11,609
5	**Concluded Enterprise Value (Rounded)**										**$ 254,000**	**$ 303,000**

EV = Enterprise Value

LTM = Latest Twelve Months

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

II. Fairness Analysis of MHC

Conclusions

- The Consideration of $222.9 million ($278.6 million x 80% interest = $222.9 million) for the 80% interest in the Company is within the range of the Fair Market Value.
- We are not aware of other forms of consideration being conveyed in the proposed transaction.
- Our analysis indicates that the Consideration to be received by MHC pursuant to the Transaction is fair from a financial point of view.

Exhibit A

Financial Statements

Exhibit A.1 - Reported Balance Sheets

In Thousands of U.S. Dollars

		As of						
		6/30/2009	6/30/2010	6/30/2011	6/30/2012	6/30/2013	5/31/2014	Included In Transaction?
1	Cash and Cash Equivalents	$ 13,404	$ 15,921	$ 32,725	$ 41,771	$ 53,634	$ 41,801	Excluded
2	Short-Term Investments	0	0	0	0	9,980	10,195	Excluded
3	Accounts Receivable, Net	24,652	28,641	30,338	32,246	32,788	37,549	Included
4	Cost Report Settlements Receivable	16,812	18,298	15,006	14,610	0	0	Excluded
5	Other Current Assets	8,173	7,287	8,194	8,359	7,905	10,323	Included
6	**Total Current Assets**	**63,040**	**70,147**	**86,262**	**96,986**	**104,307**	**99,868**	
7	Land	11,243	8,815	8,815	9,415	8,680	9,134	Included
8	Leasehold and Land Improvements	3,545	4,133	4,347	6,249	6,478	6,414	Included
9	Buildings	160,867	160,825	161,193	184,239	187,418	187,927	Included
10	Equipment	104,919	119,472	127,586	150,103	156,773	162,595	Included
11	Construction in Progress	6,980	897	2,667	2,097	2,809	6,392	Included
12	Less: Accumulated Depreciation	(75,880)	(91,647)	(108,418)	(126,905)	(145,766)	(161,752)	Included
13	**Net Property and Equipment**	**211,674**	**202,495**	**196,189**	**225,197**	**216,392**	**210,710**	
14	Funds Held by Trustees Under Bond Indenture	16,169	16,410	16,392	16,205	17,126	16,290	Excluded
15	Funds Held in Trust for Payment of Professional and Other Liability Claims	4,119	4,566	3,565	3,562	3,827	4,301	Excluded
16	By Board of Trustees for Future Capital Improvements	12,203	12,231	14,830	14,697	15,547	17,270	Excluded
17	Funds Held at Foundation for Benefit of the Hospital	5,998	6,683	8,434	8,899	10,226	11,874	Excluded
18	**Total Assets Limited As to Use and Temporarily Restricted**	**38,488**	**39,889**	**43,221**	**43,364**	**46,726**	**49,735**	
19	Deferred Charge - Bond Issue Costs	3,006	2,889	2,773	3,096	2,981	2,858	Excluded
20	Pledges Receivable	2,985	2,481	1,115	1,104	797	526	Excluded
21	Long-Term Notes Receivable	0	4,459	3,006	1,578	404	494	Excluded
22	Other	6,194	5,384	7,288	8,213	9,227	4,553	Included
23	**Total Other Assets**	**12,185**	**15,213**	**14,182**	**13,992**	**13,409**	**8,431**	
24	**Total Assets**	**$ 325,388**	**$ 327,745**	**$ 339,855**	**$ 379,539**	**$ 380,834**	**$ 368,744**	

Source: Audited financial statements for the fiscal year periods and internal financial statements for the latest period.

Exhibit A.1 - Reported Balance Sheets

In Thousands of U.S. Dollars

		As of						
		6/30/2009	6/30/2010	6/30/2011	6/30/2012	6/30/2013	5/31/2014	Included In Transaction?
25	Bank Line of Credit	$ 5,484	$ 2,500	$ 3,300	$ 1,300	$ 1,300	$ 0	Excluded
26	Current Portion of Long-Term Debt	2,519	2,563	2,683	5,794	6,473	6,578	Excluded
27	Accounts Payable	17,982	16,401	16,986	19,166	20,295	19,121	Included
28	Cost Report Settlements Payable	0	0	4,706	3,823	12,517	9,483	Excluded
29	Deferred Revenue	1,246	1,158	1,069	981	892	811	Excluded
30	Accrued Payroll and Related Items	4,349	4,746	4,370	4,966	5,833	5,064	Included
31	Accrued Compensated Absences	3,852	3,869	4,038	4,345	4,443	4,604	Included
32	Accrued Interest	3,946	3,924	3,878	3,850	3,816	3,128	Excluded
33	Other Accrued Expenses	0	7	5	2	3	570	Included
34	**Total Current Liabilities**	**39,379**	**35,167**	**41,036**	**44,227**	**55,573**	**49,358**	
35	Long-Term Debt	182,242	179,679	177,005	210,720	207,599	201,858	Excluded
36	Accrued Defined Benefit Pension Cost	15,884	22,134	15,443	32,835	26,302	25,061	Excluded
37	Accrued Postretirement Benefit Cost	1,090	1,199	0	0	0	0	Excluded
38	Accrued Professional and Other Liability Claims	1,474	2,051	1,213	968	1,640	1,502	Excluded
39	Accrued Defined Contribution Pension Cost	1,275	1,509	1,637	1,750	1,862	1,169	Excluded
40	Other	551	503	775	490	807	800	Excluded
41	**Total Long-Term Liabilities**	**202,517**	**207,075**	**196,073**	**246,763**	**238,210**	**230,390**	
42	**Total Liabilities**	**241,896**	**242,243**	**237,108**	**290,990**	**293,783**	**279,748**	
43	Unrestricted	77,802	79,715	98,251	83,234	81,128	83,232	Included
44	Temporarily Restricted	5,691	5,788	4,495	5,315	5,723	5,764	Included
45	Permanently Restricted	0	0	0	0	200	0	Included
46	**Total Net Assets**	**83,492**	**85,502**	**102,746**	**88,549**	**87,051**	**88,996**	
47	**Total Liabilities & Net Assets**	**$ 325,388**	**$ 327,745**	**$ 339,855**	**$ 379,539**	**$ 380,834**	**$ 368,744**	

Source: Audited financial statements for the fiscal year periods and internal financial statements for the latest period.

Exhibit A.2 - Reported Income Statements

	In Thousands of U.S. Dollars	For the Fiscal Year Ended										12 Months Ended	
		6/30/2009	%	6/30/2010	%	6/30/2011	%	6/30/2012	%	6/30/2013	%	5/31/2014	%
1	Net Patient Revenue	$ 256,929	95.0%	$ 268,988	95.4%	$ 279,208	95.5%	$ 289,957	96.6%	$ 301,607	96.2%	$ 312,082	96.5%
2	Other Revenue	13,422	5.0%	12,978	4.6%	13,229	4.5%	10,206	3.4%	11,902	3.8%	11,159	3.5%
3	**Total Revenue**	**270,350**	100.0%	**281,966**	100.0%	**292,436**	100.0%	**300,163**	100.0%	**313,509**	100.0%	**323,241**	100.0%
4	*Growth Rate*	*n/a*		*4.3%*		*3.7%*		*2.6%*		*4.4%*		*3.4%*	
5	Salaries and Benefits	106,869	39.5%	111,099	39.4%	119,503	40.9%	139,749	46.6%	144,659	46.1%	145,695	45.1%
6	Depreciation	16,050	5.9%	16,244	5.8%	16,784	5.7%	18,653	6.2%	20,285	6.5%	19,675	6.1%
7	Other S,G&A Expenses	134,199	49.6%	137,589	48.8%	137,851	47.1%	125,447	41.8%	128,814	41.1%	142,256	44.0%
8	**Total S,G&A Expenses**	**257,118**	95.1%	**264,932**	94.0%	**274,138**	93.7%	**283,848**	94.6%	**293,757**	93.7%	**307,626**	95.2%
9	**Operating Income**	**13,232**	4.9%	**17,034**	6.0%	**18,298**	6.3%	**16,315**	5.4%	**19,752**	6.3%	**15,615**	4.8%
10	Other Income (Expense)	(5,146)	-1.9%	325	0.1%	2,700	0.9%	(1,570)	-0.5%	(14,006)	-4.5%	(12,909)	-4.0%
11	**EBIT**	**8,087**	3.0%	**17,360**	6.2%	**20,998**	7.2%	**14,744**	4.9%	**5,746**	1.8%	**2,706**	0.8%
12	Interest Income (Expense)	(10,201)	-3.8%	(9,735)	-3.5%	(9,764)	-3.3%	(9,915)	-3.3%	(10,773)	-3.4%	(10,396)	-3.2%
13	**Earnings Before Taxes**	**(2,115)**	-0.8%	**7,625**	2.7%	**11,234**	3.8%	**4,829**	1.6%	**(5,027)**	-1.6%	**(7,690)**	-2.4%
14	Income Tax Benefit (Expense)	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
15	**Excess of Revenue (Under) Over Expenses**	**(2,115)**	-0.8%	**7,625**	2.7%	**11,234**	3.8%	**4,829**	1.6%	**(5,027)**	-1.6%	**(7,690)**	-2.4%
16	Other Change in Net Assets	0	0.0%	0	0.0%	(82)	0.0%	(36)	0.0%	0	0.0%	(1,754)	-0.5%
17	Distribution to Noncontrolling Member	0	0.0%	0	0.0%	0	0.0%	(833)	-0.3%	(1,014)	-0.3%	(1,014)	-0.3%
18	Capital Contribution from Affiliate	0	0.0%	1,300	0.5%	0	0.0%	0	0.0%	0	0.0%	551	0.2%
19	Pension-Related Changes Other Than Net Periodic Benefit Cost	(21,439)	-7.9%	(7,852)	-2.8%	5,374	1.8%	(19,623)	-6.5%	3,142	1.0%	3,142	1.0%
20	Net Assets Released from Restriction	461	0.2%	840	0.3%	2,010	0.7%	645	0.2%	793	0.3%	1,378	0.4%
21	**Total Change in Unrestricted Net Assets**	**(20,978)**	-7.8%	**(5,712)**	-2.0%	**7,303**	2.5%	**(19,847)**	-6.6%	**2,921**	0.9%	**2,303**	0.7%
22	**(Decrease) Increase in Unrestricted Net Assets**	**(23,092)**	-8.5%	**1,913**	0.7%	**18,537**	6.3%	**(15,017)**	-5.0%	**(2,106)**	-0.7%	**(5,387)**	-1.7%
23	Restricted Contributions Net of Provision for Bad Debts on Pledges Receivable	1,132	0.4%	937	0.3%	717	0.2%	1,465	0.5%	1,202	0.4%	815	0.3%
24	Net Assets Released from Restriction	(1,217)	-0.5%	(840)	-0.3%	(2,010)	-0.7%	(645)	-0.2%	(793)	-0.3%	(1,378)	-0.4%
25	**(Decrease) Increase in Temporarily Restricted Net Assets**	**(85)**	0.0%	**97**	0.0%	**(1,293)**	-0.4%	**820**	0.3%	**408**	0.1%	**(563)**	-0.2%
26	Permanently Restricted Net Assets - Restricted Contributions	0	0.0%	0	0.0%	0	0.0%	0	0.0%	200	0.1%	200	0.1%
27	**(Decrease) Increase in Net Assets**	**$ (23,178)**	-8.6%	**$ 2,010**	0.7%	**$ 17,244**	5.9%	**$ (14,198)**	-4.7%	**$ (1,497)**	-0.5%	**$ (5,750)**	-1.8%
28	Net Capital Expenditures	8,593	3.2%	7,999	2.8%	10,465	3.6%	47,619	15.9%	8,985	2.9%	n/a	n/a
29	Depreciation and Amortization	16,050	5.9%	16,244	5.8%	16,784	5.7%	18,653	6.2%	20,285	6.5%	19,675	6.1%
30	**EBIT**	**$ 8,087**	3.0%	**$ 17,360**	6.2%	**$ 20,998**	7.2%	**$ 14,744**	4.9%	**$ 5,746**	1.8%	**$ 2,706**	0.8%
31	**EBITDA**	**$ 24,137**	8.9%	**$ 33,603**	11.9%	**$ 37,783**	12.9%	**$ 33,397**	11.1%	**$ 26,030**	8.3%	**$ 22,381**	6.9%

Source: Audited financial statements for the fiscal year periods and internal financial statements for the latest 12-month period.

Exhibit A.3 - Adjustments to Reported Income Statements

	In Thousands of U.S. Dollars	For the Fiscal Year Ended					12 Months Ended
		6/30/2009	6/30/2010	6/30/2011	6/30/2012	6/30/2013	5/31/2014
5a	Net Periodic Pension Cost [a]	$ 925	$ (707)	$ (30)	$ (30)	$ (366)	$ (366)
	Total S,G&A Expenses Adjustments	**925**	**(707)**	**(30)**	**(30)**	**(366)**	**(366)**
10a	Gain (Loss) on Sale of Property and Equipment [b]	776	934	0	0	0	(1,120)
10b	Investment Income (Loss) [a]	2,225	(921)	(2,327)	(739)	(1,308)	(2,149)
10c	Contributions [a]	(83)	(92)	(27)	(49)	(61)	539
10d	Change in Unrealized Investment Income (Loss) [a]	2,061	(1,396)	(1,439)	831	(386)	(801)
10e	Loss on Debt Defeasance [a]	0	0	0	462	0	0
10f	Other [a]	219	1,202	1,145	1,119	1,372	2,049
10g	Income to Noncontrolling Member [c]	0	988	(289)	(786)	(1,281)	(1,281)
10h	Loss on Medicare Cost Report Appeal [a]	0	0	0	0	14,443	14,443
	Other Income (Expense) Adjustments	**5,199**	**716**	**(2,936)**	**838**	**12,778**	**11,681**
12a	**Interest Expense [d]**	**10,201**	**9,735**	**9,764**	**9,915**	**10,773**	**10,396**
14a	**Income Taxes [e]**	**(4,944)**	**(7,513)**	**(7,237)**	**(6,245)**	**(7,556)**	**(5,901)**
16a	Other Change in Net Assets [a]	0	0	82	36	0	1,754
17a	Distribution to Noncontrolling Member [a]	0	0	0	833	1,014	1,014
18a	Capital Contribution from Affiliate [a]	0	(1,300)	0	0	0	(551)
19a	Pension-Related Changes, Net [a]	21,439	7,852	(5,374)	19,623	(3,142)	(3,142)
20a	Net Assets Released from Restriction [a]	(461)	(840)	(2,010)	(645)	(793)	(1,378)
	Change in Unrestricted Net Assets Adjustments	**20,978**	**5,712**	**(7,303)**	**19,847**	**(2,921)**	**(2,303)**
23a	Restricted Contributions Net of Provision for Bad Debts on Pledges Receivable [a]	(1,132)	(937)	(717)	(1,465)	(1,202)	(815)
24a	Net Assets Released from Restriction [a]	1,217	840	2,010	645	793	1,378
	Change in Temporarily Restricted Net Assets Adjustments	**85**	**(97)**	**1,293**	**(820)**	**(408)**	**563**
26a	Permanently Restricted Net Assets - Restricted Contributions [a]	0	0	0	0	(200)	(200)
	Change in Permanently Restricted Net Assets Adjustments	**0**	**0**	**0**	**0**	**(200)**	**(200)**
	Total Adjustment to:						
	Change in Net Assets	**$ 30,594**	**$ 9,259**	**$ (6,389)**	**$ 23,565**	**$ 12,831**	**$ 14,602**
	EBIT	**$ 4,274**	**$ 1,423**	**$ (2,906)**	**$ 868**	**$ 13,144**	**$ 12,047**
	EBITDA	**$ 4,274**	**$ 1,423**	**$ (2,906)**	**$ 868**	**$ 13,144**	**$ 12,047**

[a] Income and expenses attributable to assets not included in the Transaction or assets that are nonoperating or nonrecurring in nature were removed.
[b] Gains and losses were removed because they are noncash transactions.
[c] Income (expenses) related to the 49% ownership in Metro Health ASC, LLC which the Company does not own but is included in the Company's income statement were removed.
[d] Interest expense was removed to reflect the Company's earnings on a debt-free basis.
[e] Income taxes were adjusted to reflect the prevailing federal, state, and local income tax rates in effect as of the Transaction date.

Exhibit A.4 - Adjusted Income Statements

	In Thousands of U.S. Dollars	6/30/2009	%	6/30/2010	%	6/30/2011	%	6/30/2012	%	6/30/2013	%	12 Months Ended 5/31/2014	%
1	Net Patient Revenue	$ 256,929	95.0%	$ 268,988	95.4%	$ 279,208	95.5%	$ 289,957	96.6%	$ 301,607	96.2%	$ 312,082	96.5%
2	Other Revenue	13,422	5.0%	12,978	4.6%	13,229	4.5%	10,206	3.4%	11,902	3.8%	11,159	3.5%
3	**Total Revenue**	**270,350**	100.0%	**281,966**	100.0%	**292,436**	100.0%	**300,163**	100.0%	**313,509**	100.0%	**323,241**	100.0%
4	*Growth Rate*	*n/a*		*4.3%*		*3.7%*		*2.6%*		*4.4%*		*3.4%*	
5	Salaries and Benefits	107,794	39.9%	110,393	39.2%	119,473	40.9%	139,719	46.5%	144,293	46.0%	145,329	45.0%
6	Depreciation	16,050	5.9%	16,244	5.8%	16,784	5.7%	18,653	6.2%	20,285	6.5%	19,675	6.1%
7	Other S,G&A Expenses	134,199	49.6%	137,589	48.8%	137,851	47.1%	125,447	41.8%	128,814	41.1%	142,256	44.0%
8	**Total S,G&A Expenses**	**258,043**	95.4%	**264,225**	93.7%	**274,108**	93.7%	**283,819**	94.6%	**293,391**	93.6%	**307,260**	95.1%
9	**Operating Income**	**12,307**	4.6%	**17,741**	6.3%	**18,328**	6.3%	**16,344**	5.4%	**20,118**	6.4%	**15,981**	4.9%
10	Other Income (Expense)	53	0.0%	1,042	0.4%	(236)	-0.1%	(733)	-0.2%	(1,228)	-0.4%	(1,228)	-0.4%
11	**EBIT**	**12,360**	4.6%	**18,782**	6.7%	**18,092**	6.2%	**15,612**	5.2%	**18,890**	6.0%	**14,753**	4.6%
12	Interest Income (Expense)	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
13	**Earnings Before Taxes**	**12,360**	4.6%	**18,782**	6.7%	**18,092**	6.2%	**15,612**	5.2%	**18,890**	6.0%	**14,753**	4.6%
14	Income Tax Benefit (Expense)	(4,944)	-1.8%	(7,513)	-2.7%	(7,237)	-2.5%	(6,245)	-2.1%	(7,556)	-2.4%	(5,901)	-1.8%
15	**Excess of Revenue (Under) Over Expenses**	**7,416**	2.7%	**11,269**	4.0%	**10,855**	3.7%	**9,367**	3.1%	**11,334**	3.6%	**8,852**	2.7%
16	Other Change in Net Assets	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
17	Distribution to Noncontrolling Member	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
18	Capital Contribution from Affiliate	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
19	Pension-Related Changes Other Than Net Periodic Benefit Cost	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
20	Net Assets Released from Restriction	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
21	**Total Change in Unrestricted Net Assets**	**0**	0.0%	**0**	0.0%	**0**	0.0%	**0**	0.0%	**0**	0.0%	**0**	0.0%
22	**(Decrease) Increase in Unrestricted Net Assets**	**7,416**	2.7%	**11,269**	4.0%	**10,855**	3.7%	**9,367**	3.1%	**11,334**	3.6%	**8,852**	2.7%
23	Restricted Contributions Net of Provision for Bad Debts on Pledges Receivable	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
24	Net Assets Released from Restriction	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
25	**(Decrease) Increase in Temporarily Restricted Net Assets**	**0**	0.0%	**0**	0.0%	**0**	0.0%	**0**	0.0%	**0**	0.0%	**0**	0.0%
26	Permanently Restricted Net Assets - Restricted Contributions	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
27	**(Decrease) Increase in Net Assets**	**$ 7,416**	2.7%	**$ 11,269**	4.0%	**$ 10,855**	3.7%	**$ 9,367**	3.1%	**$ 11,334**	3.6%	**$ 8,852**	2.7%
28	Net Capital Expenditures	8,593	3.2%	7,999	2.8%	10,465	3.6%	47,619	15.9%	8,985	2.9%	n/a	n/a
29	Depreciation and Amortization	16,050	5.9%	16,244	5.8%	16,784	5.7%	18,653	6.2%	20,285	6.5%	19,675	6.1%
30	**EBIT**	**$ 12,360**	4.6%	**$ 18,782**	6.7%	**$ 18,092**	6.2%	**$ 15,612**	5.2%	**$ 18,890**	6.0%	**$ 14,753**	4.6%
31	**EBITDA**	**$ 28,410**	10.5%	**$ 35,026**	12.4%	**$ 34,877**	11.9%	**$ 34,265**	11.4%	**$ 39,175**	12.5%	**$ 34,428**	10.7%

For the Fiscal Year Ended: 6/30/2009 – 6/30/2013

Exhibit A.5 - Ratio Analysis

		For the Fiscal Year Ended					12 Months Ended
		6/30/2009	6/30/2010	6/30/2011	6/30/2012	6/30/2013	5/31/2014
	Activity Ratios						
1	Asset Turnover	0.8	0.9	0.9	0.8	0.8	0.9
	Liquidity and Working Capital Ratios						
2	Current Ratio	1.6	2.0	2.1	2.2	1.9	2.0
3	Current Ratio (Net of Cash, NOAs, & IBD)	1.3	1.4	1.5	1.4	1.3	1.6
4	Net Working Capital / Total Revenue (Exc. Cost Report Settlements)	2.5%	3.9%	4.5%	4.0%	3.2%	5.7%
5	Days in Accounts Receivable	33.3	37.1	37.9	39.2	38.2	42.4
	Leverage and Coverage						
6	Liabilities / Equity	2.9	2.8	2.3	3.3	3.4	3.1
7	Debt / (Debt + Equity)	71.9%	71.6%	66.6%	74.4%	74.1%	72.9%
8	Debt / (Debt + Adjusted Equity) [a]	68.3%	66.7%	63.4%	67.9%	68.7%	67.5%
9	Assets / Equity	3.9	3.8	3.3	4.3	4.4	4.1
10	EBIT / Interest Expense	1.2	1.8	1.9	1.6	1.9	1.5
11	Total Debt / EBITDA	7.5x	6.2x	5.9x	7.5x	6.4x	7.0x
	Profitability						
12	EBITDA Margin	10.5%	12.4%	11.9%	11.4%	12.5%	10.7%
13	EBIT Margin	4.6%	6.7%	6.2%	5.2%	6.0%	4.6%
14	Net Profit Margin [b]	0.5%	1.9%	1.7%	1.1%	1.6%	0.8%
15	Return on Assets [b]	0.4%	1.7%	1.5%	0.9%	1.3%	0.7%
16	Return on Equity [b]	1.6%	6.3%	4.9%	3.9%	5.6%	2.9%
	Other Ratios						
17	Net Capital Expenditures / Revenue	3.2%	2.8%	3.6%	15.9%	2.9%	n/a
18	Depreciation / Revenue	5.9%	5.8%	5.7%	6.2%	6.5%	6.1%
19	Depreciation / Net Capital Expenditures	186.8%	203.1%	160.4%	39.2%	225.8%	n/a

Ratios are calculated based on adjusted results.

[a] Excludes the liability related to the Company's pension plan which is added back as an adjustment to equity.

[b] Includes interest expense.

Exhibit A.6 - Adjusted Projected Income Statements

	In Thousands of U.S. Dollars	For the Fiscal Year Ending											
		Year 1 6/30/2015	%	Year 2 6/30/2016	%	Year 3 6/30/2017	%	Year 4 6/30/2018	%	Year 5 6/30/2019	%	Residual	%
1	Net Patient Revenue	$ 317,149	88.7%	$ 327,791	86.7%	$ 338,642	88.2%	$ 350,269	89.9%	$ 362,664	91.6%	n/a	n/a
2	Other Revenue	8,030	2.2%	8,263	2.2%	8,503	2.2%	8,749	2.2%	9,002	2.3%	n/a	n/a
3	Revenue Adjustments [a]	32,286	9.0%	42,104	11.1%	36,955	9.6%	30,774	7.9%	24,258	6.1%	n/a	n/a
4	**Total Revenue**	**357,465**	100.0%	**378,158**	100.0%	**384,100**	100.0%	**389,792**	100.0%	**395,924**	100.0%	**$ 403,842**	100.0%
5	*Growth Rate*	*11.4%*		*5.8%*		*1.6%*		*1.5%*		*1.6%*		*2.0%*	
6	Salaries	124,023	34.7%	128,451	34.0%	133,069	34.6%	137,888	35.4%	142,918	36.1%	n/a	n/a
7	Benefits	29,623	8.3%	31,565	8.3%	33,650	8.8%	35,890	9.2%	38,297	9.7%	n/a	n/a
8	Contract Labor	11,027	3.1%	11,358	3.0%	11,698	3.0%	12,049	3.1%	12,410	3.1%	n/a	n/a
9	Supplies	56,615	15.8%	59,194	15.7%	61,921	16.1%	64,807	16.6%	67,859	17.1%	n/a	n/a
10	Purchased Services	38,708	10.8%	40,033	10.6%	41,406	10.8%	42,831	11.0%	44,307	11.2%	n/a	n/a
11	Other	38,270	10.7%	39,481	10.4%	40,734	10.6%	42,035	10.8%	43,381	11.0%	n/a	n/a
12	Depreciation	20,379	5.7%	20,247	5.4%	19,212	5.0%	18,278	4.7%	18,473	4.7%	n/a	n/a
13	Expense Adjustments [a]	13,694	3.8%	20,462	5.4%	20,886	5.4%	21,286	5.5%	21,686	5.5%	n/a	n/a
14	**Total S,G&A Expenses**	**332,341**	93.0%	**350,791**	92.8%	**362,578**	94.4%	**375,064**	96.2%	**389,332**	98.3%	**n/a**	n/a
15	**Operating Income (Before Adjustments)**	**25,125**	7.0%	**27,368**	7.2%	**21,522**	5.6%	**14,728**	3.8%	**6,592**	1.7%	**n/a**	n/a
16	Required Management Intervention [a]	(80)	0.0%	(1,554)	-0.4%	4,344	1.1%	11,167	2.9%	19,687	5.0%	n/a	n/a
17	**Adjusted Operating Income**	**25,044**	7.0%	**25,813**	6.8%	**25,866**	6.7%	**25,895**	6.6%	**26,279**	6.6%	**n/a**	n/a
18	Other Income (Expense) [b]	(1,430)	-0.4%	(1,430)	-0.4%	(1,430)	-0.4%	(1,428)	-0.4%	(1,426)	-0.4%	n/a	n/a
19	**EBIT**	**23,614**	6.6%	**24,383**	6.4%	**24,436**	6.4%	**24,467**	6.3%	**24,853**	6.3%	**n/a**	n/a
20	Interest Income (Expense)	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	n/a	n/a
21	**Earnings Before Taxes**	**23,614**	6.6%	**24,383**	6.4%	**24,436**	6.4%	**24,467**	6.3%	**24,853**	6.3%	**n/a**	n/a
22	Income Tax Benefit (Expense)	(9,446)	-2.6%	(9,753)	-2.6%	(9,775)	-2.5%	(9,787)	-2.5%	(9,941)	-2.5%	n/a	n/a
23	**Excess of Revenue (Under) Over Expenses**	**$ 14,169**	4.0%	**$ 14,630**	3.9%	**$ 14,662**	3.8%	**$ 14,680**	3.8%	**$ 14,912**	3.8%	**n/a**	n/a
24	**EBIT**	**$ 23,614**	6.6%	**$ 24,383**	6.4%	**$ 24,436**	6.4%	**$ 24,467**	6.3%	**$ 24,853**	6.3%	**n/a**	n/a
25	**EBITDA**	**$ 43,994**	12.3%	**$ 44,630**	11.8%	**$ 43,648**	11.4%	**$ 42,746**	11.0%	**$ 43,326**	10.9%	**$ 44,193**	10.9%

Reflects the Company's budget through 2019.

[a] Reflects adjustments provided by management which incorporate revenue and expenses associated with the Orthopedic Center of Excellence, healthcare reform, and management's required intervention among other items.

[b] Includes the impact related to the Hospital's investments in Metro Health PHO, Pennant Health Alliance, and Metro Health ASC, which are included in the Transaction and are therefore considered a part of the Hospital's operations.

Exhibit B

Weighted Average Cost of Capital

B. WEIGHTED AVERAGE COST OF CAPITAL

Exhibit B.1 - Weighted Average Cost of Capital

	Required Return on Equity		
	Modified Capital Asset Pricing Model		
1	Risk-Free Rate of Return [a]		3.1%
2	Long-Term Market Equity Risk Premium [b]	6.0%	
3	Selected Equity Beta	1.35	8.1%
4	Small Stock Risk Premium [b]		6.0%
5	Company-Specific Risk Premium		0.0%
6	**Concluded Required Return on Equity**		**17.2%**
	Cost of Debt		
	Long-Term Cost of Debt		
7	"BB"-Rated Composite Bond Yield [c]		6.6%
8	Less: Income Tax Factor	40.0%	-2.7%
9	**Concluded Cost of Debt**		**4.0%**
	Weighted Average Cost of Capital		
10	Equity Allocation of Capital Structure	40.0%	6.9%
11	Debt Allocation of Capital Structure	60.0%	2.4%
12	**Weighted Average Cost of Capital (Rounded)**		**9.5%**

[a] 20-year U.S. Treasury bond yield as of July 18, 2014.
[b] Based on: *Stocks, Bonds, Bills and Inflation Valuation Edition,* Morningstar, Inc.
[c] Based on the "BB"-rated composite bond yield as of July 18, 2014, as reported by Bloomberg, L.P.

Exhibit B.2 - Capital Structure and Beta Analysis

In Millions of U.S. Dollars

	Company or SIC Code	Ticker	Credit Rating [a]	LTM Revenue	LTM EBITDA	LTM EBITDA Margin	EV / LTM EBITDA	Debt / EV	Debt / Equity	Beta [b] Beta (L)	Beta (UL)	Beta (RL)
	Guideline Companies											
1	Community Health Systems, Inc.	CYH	B+	$ 13,918.7	$ 2,328.7	16.7%	nmf	74.8%	296.7%	1.34	0.48	0.92
2	HCA Holdings, Inc.	HCA	B+	34,574.0	6,637.0	19.2%	8.8x	60.1%	150.4%	1.12	0.59	1.12
3	Lifepoint Hospitals Inc.	LPNT	BB-	3,754.4	489.7	13.0%	10.0x	47.2%	89.4%	1.00	0.65	1.24
4	Tenet Healthcare Corp.	THC	B	12,641.0	1,738.0	13.7%	9.5x	66.9%	202.2%	1.38	0.62	1.18
5	Universal Health Services Inc.	UHS	BB	7,372.4	1,393.3	18.9%	9.4x	33.0%	49.2%	1.13	0.87	1.66
6	Kindred Healthcare Inc.	KND	B+	4,924.4	295.8	6.0%	9.6x	57.1%	133.2%	1.39	0.77	1.46
7	HEALTHSOUTH Corp.	HLS	BB-	2,265.7	569.6	25.1%	8.7x	42.3%	73.2%	1.34	0.93	1.77
8	Median - Guideline Public Companies			7,372.4	1,393.3	16.7%	9.4x	57.1%	133.2%	1.34	0.65	1.24
9	Average - Guideline Public Companies			11,350.1	1,921.7	16.1%	9.3x	54.5%	142.0%	1.24	0.70	1.34
	SIC Codes											
10	SIC Code 8062 - Latest			n/a	n/a	n/a	n/a	55.7%	125.5%	n/a	n/a	1.34
11	SIC Code 8062 - 5-Year Avg.			n/a	n/a	n/a	n/a	57.3%	134.0%	n/a	n/a	1.34
12	**Selected**		**BB**					**60.0%**				**1.35**

Sources: S&P Capital IQ, Inc. and Morningstar, Inc. Betas represent five-year betas based on weekly volatility measurements.

[a] Reflects long-term ratings by Standard & Poor's. n/a = not applicable.

[b] Unlevered Beta = Initial "Unadjusted" Beta / (1+D/E*(1-T))

Where: D = Debt plus Preferred Stock of Comparable Company
E = Market Value of Equity of Comparable Company
T = Tax Rate = 40.0%

Relevered Beta = (Unlevered Beta)*(1+(Target D/E)(1-T))

Where: Target D/E= 150.0%

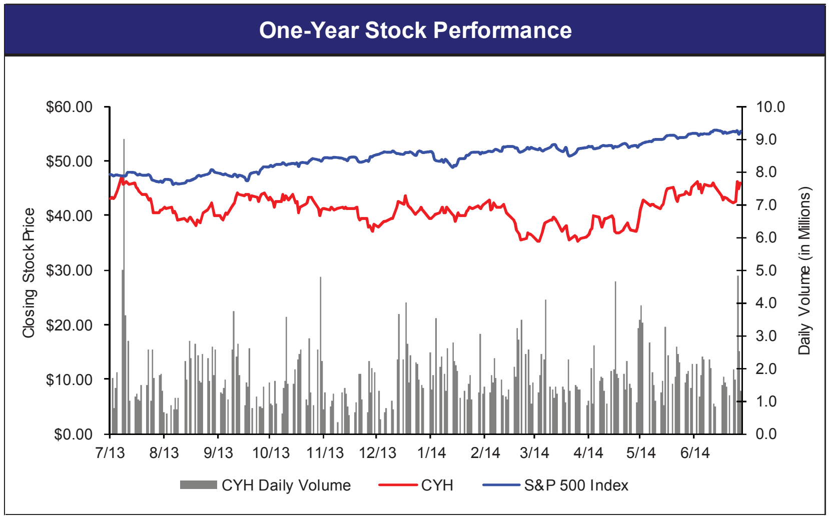
Exhibit C

Guideline Public Company Tearsheets

Community Health Systems, Inc.

			LTM	NFY	NFY+1
Ticker:	CYH	**Sales ($MM):**	$ 17,973.3	$ 19,101.0	$ 20,650.6
Exchange:	NYSE	**EBITDA ($MM):**	nmf	$ 2,808.4	$ 3,139.0
Stock Price:	$45.92	**EBITDA Margin:**	nmf	14.7%	15.2%
As of 07/18/2014					
52-Week High:	$47.31	**Enterprise Value ($MM):**	$ 22,715.6		
52-Week Low:	$35.22	**Equity Market Cap. ($MM):**	$ 5,319.6		
Avg. Vol. (3 mo.):	1,857,228				

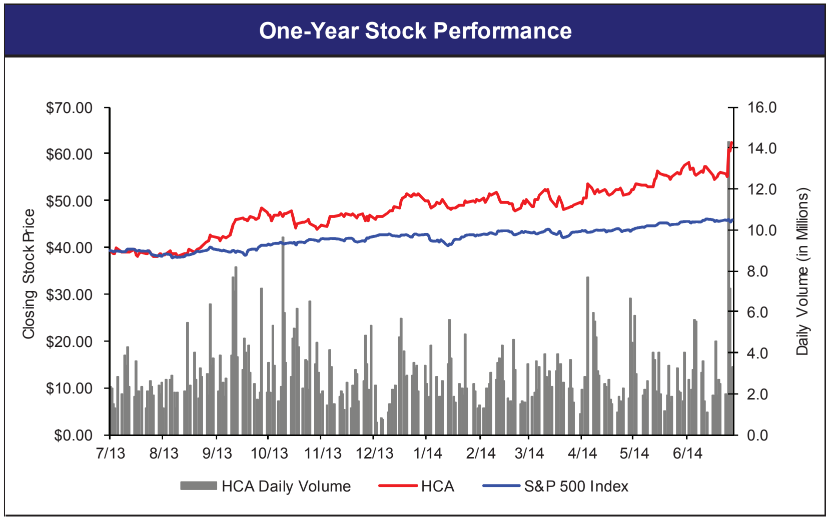
Company Description:
Community Health Systems, Inc., together with its subsidiaries, provides general and specialized hospital healthcare services to patients in the United States. Its general care hospitals offer a range of inpatient and outpatient medical and surgical services, such as general acute care, emergency room, general and specialty surgery, critical care, internal medicine, obstetrics, diagnostic, psychiatric, and rehabilitation services; and skilled nursing and home care services based on individual community needs. The company also provides outpatient services at urgent care centers, occupational medicine clinics, imaging centers, cancer centers, ambulatory surgery centers, and home health and hospice agencies. In addition, it offers management and consulting services to non-affiliated general acute care hospitals. As of January 27, 2014, the company owned, leased, or operated 206 affiliated hospitals in 29 states with approximately 31,000 licensed beds. It has a strategic alliance with Cleveland Clinic to enhance the access to healthcare services. Community Health Systems, Inc. was founded in 1985 and is headquartered in Franklin, Tennessee.



HCA Holdings, Inc.

			LTM	NFY	NFY+1
Ticker:	HCA	**Sales ($MM):**	$ 34,574.0	$ 40,070.2	$ 41,541.4
Exchange:	NYSE	**EBITDA ($MM):**	$ 6,637.0	$ 7,127.5	$ 7,296.0
Stock Price:	$62.44	**EBITDA Margin:**	19.2%	17.8%	17.6%
As of 07/18/2014					
52-Week High:	$62.44	**Enterprise Value ($MM):**	$ 58,352.9		
52-Week Low:	$37.90	**Equity Market Cap. ($MM):**	$ 28,716.9		
Avg. Vol. (3 mo.):	3,040,816				

Company Description:
HCA Holdings, Inc., through its subsidiaries, provides health care services. The company owns, operates, or manages hospitals; freestanding surgery centers; diagnostic and imaging centers; radiation and oncology therapy centers; rehabilitation and physical therapy centers; and various other facilities. Its general, acute care hospitals provide medical and surgical services, including inpatient care, intensive care, cardiac care, diagnostic services, and emergency services, as well as outpatient services, such as outpatient surgery, laboratory, radiology, respiratory therapy, cardiology, and physical therapy. Its general, acute care hospitals provide a range of services to accommodate medical specialties, such as internal medicine, general surgery, cardiology, oncology, neurosurgery, orthopedics, and obstetrics, as well as diagnostic and emergency services. As of December 31, 2013, the company operated 165 hospitals consisting of 159 general, acute care hospitals, 5 psychiatric hospitals, and 1 rehabilitation hospital, as well as 115 freestanding surgery centers in the United States and England. HCA Holdings, Inc. was founded in 1968 and is headquartered in Nashville, Tennessee.



Source: S&P Capital IQ, Inc.

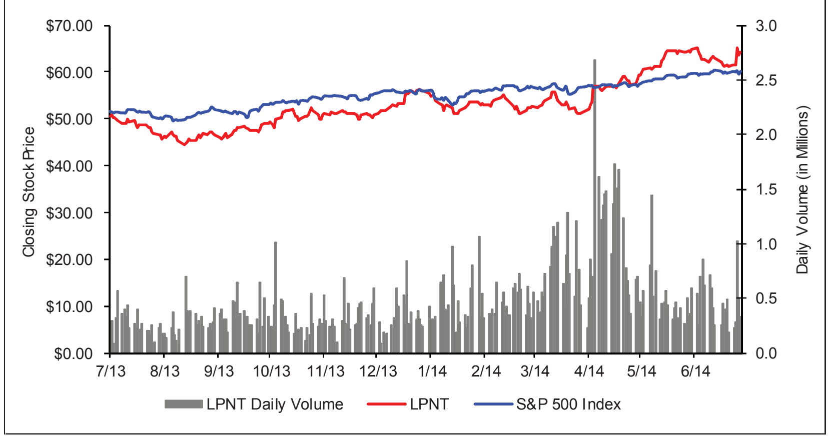
C. Guideline Public Company Tearsheets

Lifepoint Hospitals Inc.

			LTM	NFY	NFY+1
Ticker:	LPNT	**Sales ($MM):**	$ 3,754.4	$ 4,821.5	$ 5,128.8
Exchange:	NasdaqGS	**EBITDA ($MM):**	$ 489.7	$ 585.1	$ 635.8
Stock Price:	$64.10	**EBITDA Margin:**	13.0%	12.1%	12.4%
As of 07/18/2014					
52-Week High:	$65.27	**Enterprise Value ($MM):**	$ 4,893.1		
52-Week Low:	$44.52	**Equity Market Cap. ($MM):**	$ 2,947.2		
Avg. Vol. (3 mo.):	717,258				

Company Description:
LifePoint Hospitals, Inc., through its subsidiaries, operates general acute care hospitals in non-urban communities in the United States. The company's hospitals provide various medical and surgical services, including general surgery, internal medicine, obstetrics, emergency room care, radiology, oncology, diagnostic care, coronary care, rehabilitation services, and pediatric services, as well as specialized services comprising open-heart surgery, skilled nursing, psychiatric care, and neuro-surgery. Its hospitals also offer various outpatient services, such as same-day surgery, laboratory, X-ray, respiratory therapy, imaging, sports medicine, and lithotripsy. In addition, the company owns and operates a school of health professions with a radiologic technology program. As of December 31, 2013, it operated 60 hospitals campuses in 20 states. LifePoint Hospitals, Inc. was founded in 1997 and is based in Brentwood, Tennessee.

One-Year Stock Performance

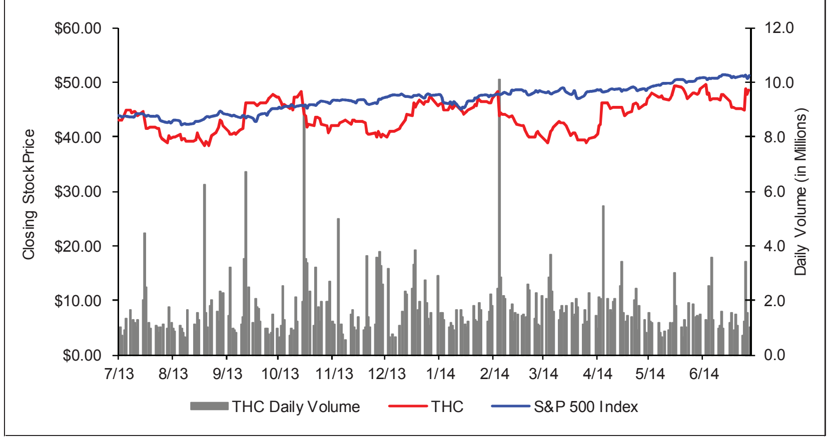


Tenet Healthcare Corp.

			LTM	NFY	NFY+1
Ticker:	THC	**Sales ($MM):**	$ 15,656.6	$ 17,096.4	$ 17,894.2
Exchange:	NYSE	**EBITDA ($MM):**	$ 1,738.0	$ 1,831.6	$ 2,101.9
Stock Price:	$48.42	**EBITDA Margin:**	11.1%	10.7%	11.7%
As of 07/18/2014					
52-Week High:	$49.47	**Enterprise Value ($MM):**	$ 16,488.4		
52-Week Low:	$38.23	**Equity Market Cap. ($MM):**	$ 4,728.4		
Avg. Vol. (3 mo.):	1,653,252				

Company Description:
Tenet Healthcare Corporation, an investor-owned health care services company, primarily operates acute care hospitals and related health care facilities in the United States. Its general hospitals offer acute care services, operating and recovery rooms, radiology services, respiratory therapy services, clinical laboratories, and pharmacies. The company also provides intensive care, critical care and/or coronary care units, physical therapy, and orthopedic, oncology, and outpatient services; tertiary care services, such as open-heart surgery, neonatal intensive care, and neurosciences; quaternary care services in the areas of heart, liver, kidney, and bone marrow transplants; pediatric and burn services; gamma-knife brain surgery; and cyberknife radiation therapy for tumors and lesions in the brain, lung, neck, and spine. As of December 31, 2013, it operated 77 hospitals with 20,293 beds; 183 outpatient centers; 6 health plans; 6 accountable care networks; and Conifer Health Solutions, LLC, which provides business process solutions to approximately 700 hospital and other clients. Tenet Healthcare Corporation was founded in 1967 and is headquartered in Dallas, Texas.

One-Year Stock Performance



Source: S&P Capital IQ, Inc.

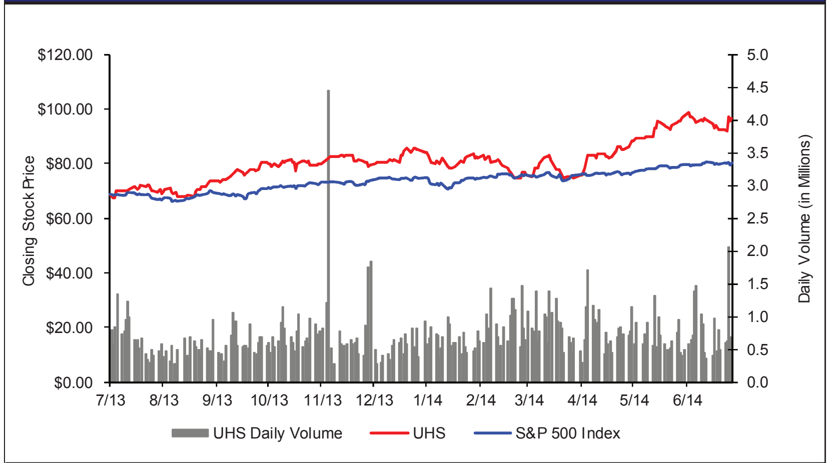
C. Guideline Public Company Tearsheets

Universal Health Services Inc.

			LTM	NFY	NFY+1
Ticker:	UHS	**Sales ($MM):**	$ 7,372.4	$ 8,830.6	$ 9,297.7
Exchange:	NYSE	**EBITDA ($MM):**	$ 1,393.3	$ 1,383.7	$ 1,486.5
Stock Price:	$96.30	**EBITDA Margin:**	18.9%	15.7%	16.0%
As of 07/18/2014					
52-Week High:	$98.75	**Enterprise Value ($MM):**	$ 13,162.3		
52-Week Low:	$67.17	**Equity Market Cap. ($MM):**	$ 9,665.6		
Avg. Vol. (3 mo.):	778,907				

Company Description:
Universal Health Services, Inc., through its subsidiaries, owns and operates acute care hospitals, behavioral health centers, surgical hospitals, ambulatory surgery centers, and radiation oncology centers. The company's hospitals offer various services, including general and specialty surgery, internal medicine, obstetrics, emergency room care, radiology, oncology, diagnostic care, coronary care, pediatric services, pharmacy services, and/or behavioral health services. It has operations in the United States, Puerto Rico, and the U.S. Virgin Islands. Universal Health Services, Inc. was founded in 1978 and is headquartered in King of Prussia, Pennsylvania.

One-Year Stock Performance

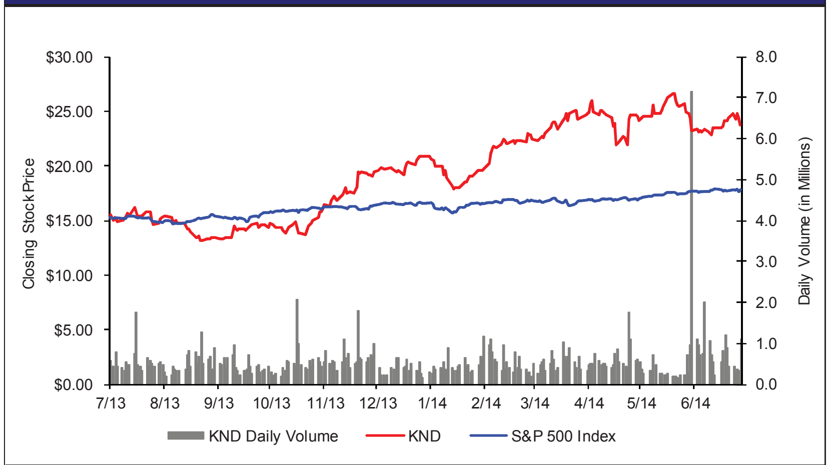


Kindred Healthcare Inc.

			LTM	NFY	NFY+1
Ticker:	KND	**Sales ($MM):**	$ 4,924.4	$ 5,140.5	$ 5,328.0
Exchange:	NYSE	**EBITDA ($MM):**	$ 295.8	$ 388.2	$ 453.9
Stock Price:	$23.77	**EBITDA Margin:**	6.0%	7.6%	8.5%
As of 07/18/2014					
52-Week High:	$26.66	**Enterprise Value ($MM):**	$ 2,852.9		
52-Week Low:	$13.18	**Equity Market Cap. ($MM):**	$ 1,304.0		
Avg. Vol. (3 mo.):	645,499				

Company Description:
Kindred Healthcare, Inc. provides healthcare services in the United States. It operates in four divisions: Hospital, Nursing Center, Rehabilitation, and Care Management. The Hospital division operates transitional care hospitals that provide services for medically complex patients, including the critically ill, suffering from multiple organ system failures, primarily the cardiovascular, pulmonary, kidney, gastro-intestinal, and cutaneous systems. The Rehabilitation division provides rehabilitation services, including physical and occupational therapies, and speech pathology services. As of February 20, 2014, Kindred Healthcare, Inc. provided healthcare services in 2,280 locations, including 101 transitional care hospitals, 5 inpatient rehabilitation hospitals, 100 nursing centers, 22 sub-acute units, and 104 inpatient rehabilitation units; and 105 Kindred at Home hospice, home health, and non-medical home care locations, as well as a contract rehabilitation services business, which served, 1,789 non-affiliated facilities. The company is headquartered in Louisville, Kentucky.

One-Year Stock Performance



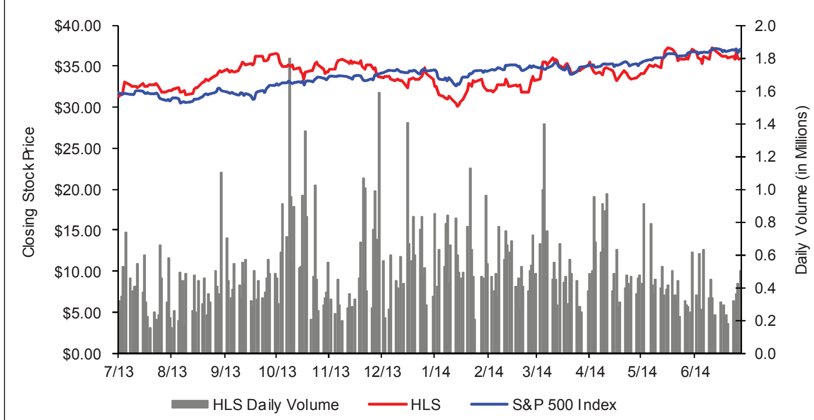
Source: S&P Capital IQ, Inc.

HEALTHSOUTH Corp.

			LTM	NFY	NFY+1
Ticker:	HLS	**Sales ($MM):**	$ 2,265.7	$ 2,373.7	$ 2,492.6
Exchange:	NYSE	**EBITDA ($MM):**	$ 569.6	$ 568.8	$ 602.3
Stock Price:	$35.89	**EBITDA Margin:**	25.1%	24.0%	24.2%
As of 07/18/2014					
52-Week High:	$37.27	**Enterprise Value ($MM):**	$ 4,927.2		
52-Week Low:	$30.05	**Equity Market Cap. ($MM):**	$ 3,244.4		
Avg. Vol. (3 mo.):	466,608				

Company Description:
HealthSouth Corporation owns and operates inpatient rehabilitation hospitals in the United States. The company provides specialized rehabilitative treatment on an inpatient and outpatient basis. Its inpatient rehabilitation hospitals offer specialized rehabilitative care services to patients in various disabilities or injuries due to medical conditions, such as strokes, hip fractures, and various debilitating neurological conditions. As of December 31, 2013, it operated 103 inpatient rehabilitation hospitals, including 72 owned hospitals and 31 jointly owned hospitals in 28 states and Puerto Rico; operated 20 outpatient rehabilitation satellite clinics; and managed 3 inpatient rehabilitation units through management contracts, as well as 25 licensed and hospital-based home health agencies. The company was founded in 1983 and is headquartered in Birmingham, Alabama.

One-Year Stock Performance



Source: S&P Capital IQ, Inc.

Exhibit D

Guideline Public Company Financial Information

D. Guideline Public Company Financial Information

Exhibit D.1 - Derivation of Enterprise Value and Implied Pricing Multiples

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

		Community Health Systems, Inc. [a]	HCA Holdings, Inc.	Lifepoint Hospitals Inc.	Tenet Healthcare Corp. [b]	Universal Health Services Inc.	Kindred Healthcare Inc.	HEALTHSOUTH Corp.
1	Ticker Symbol	CYH	HCA	LPNT	THC	UHS	KND	HLS
2	Stock Exchange	NYSE	NYSE	NasdaqGS	NYSE	NYSE	NYSE	NYSE
3	Common Stock Price (7/18/2014)	$45.92	$62.44	$64.10	$48.42	$96.30	$23.77	$35.89
4	Multiplied by: Shares Outstanding	115.8	459.9	46.0	97.7	100.4	54.9	90.4
5	**Market Value of Equity ("MVE")**	**$ 5,319.6**	**$ 28,716.9**	**$ 2,947.2**	**$ 4,728.4**	**$ 9,665.6**	**$ 1,304.0**	**$ 3,244.4**
6	Add: Total Debt	17,236.0	29,197.0	2,381.9	11,508.0	3,232.8	1,671.3	1,503.1
7	Add: Preferred Equity	0.0	0.0	0.0	0.0	0.0	0.0	93.2
8	Add: Noncontrolling Interest in Subsidiaries	773.0	1,361.0	96.3	393.0	280.1	40.1	139.6
9	Less: Cash and Short-Term Investments	(613.0)	(922.0)	(532.3)	(141.0)	(16.3)	(162.5)	(53.1)
10	**Enterprise Value ("EV")**	**$ 22,715.6**	**$ 58,352.9**	**$ 4,893.1**	**$ 16,488.4**	**$ 13,162.3**	**$ 2,852.9**	**$ 4,927.2**
11	LTM EBITDA	nmf	$6,637.0	$489.7	$1,738.0	$1,393.3	$295.8	$569.6
12	NFY EBITDA	$2,808.4	$7,127.5	$585.1	$1,831.6	$1,383.7	$388.2	$568.8
13	NFY+1 EBITDA	$3,139.0	$7,296.0	$635.8	$2,101.9	$1,486.5	$453.9	$602.3
14	LTM Revenue	$17,973.3	$34,574.0	$3,754.4	$15,656.6	$7,372.4	$4,924.4	$2,265.7
15	NFY Revenue	$19,101.0	$40,070.2	$4,821.5	$17,096.4	$8,830.6	$5,140.5	$2,373.7
16	NFY+1 Revenue	$20,650.6	$41,541.4	$5,128.8	$17,894.2	$9,297.7	$5,328.0	$2,492.6
17	EV / LTM EBITDA	nmf	8.8x	10.0x	9.5x	9.4x	9.6x	8.7x
18	EV / NFY EBITDA	8.1x	8.2x	8.4x	9.0x	9.5x	7.3x	8.7x
19	EV / NFY+1 EBITDA	7.2x	8.0x	7.7x	7.8x	8.9x	6.3x	8.2x
20	EV / LTM Revenue	1.26x	1.69x	1.30x	1.05x	1.79x	0.58x	2.17x
21	EV / NFY Revenue	1.19x	1.46x	1.01x	0.96x	1.49x	0.55x	2.08x
22	EV / NFY+1 Revenue	1.10x	1.40x	0.95x	0.92x	1.42x	0.54x	1.98x

		EV / LTM Revenue	EV / NFY Revenue	EV / NFY+1 Revenue	EV / LTM EBITDA	EV / NFY EBITDA	EV / NFY+1 EBITDA
23	Maximum	2.17x	2.08x	1.98x	10.0x	9.5x	8.9x
24	Upper Quartile	1.74x	1.48x	1.41x	9.6x	8.9x	8.1x
25	Median	1.30x	1.19x	1.10x	9.4x	8.4x	7.8x
26	Harmonic Mean	1.20x	1.07x	1.03x	9.3x	8.4x	7.7x
27	Lower Quartile	1.16x	0.99x	0.94x	9.0x	8.2x	7.5x
28	Minimum	0.58x	0.55x	0.54x	8.7x	7.3x	6.3x

Source: S&P Capital IQ, Inc.

[a] Community Health Systems, Inc.'s multiples have been adjusted on a pro forma basis to reflect the acquisition of Health Management Associates, Inc. on January 27, 2014. The LTM EBITDA multiple was deemed to be not meangingful.

[b] Tenet Healthcare Corp.'s multiples have been adjusted on a pro forma basis to reflect the acquisition of Vanguard Health Systems, Inc. on October 1, 2013.

D. Guideline Public Company Financial Information

Exhibit D.2 - Selected Financial Information

In Millions of U.S. Dollars

Size — LTM Revenue

HCA	$34,574.0
CYH	13,918.7
THC	12,641.0
UHS	7,372.4
KND	4,924.4
LPNT	3,754.4
HLS	2,265.7
MH	**323.2**
Guideline Company Median	**$7,372.4**

Size — NFY Projected Revenue

HCA	$40,070.2
CYH	19,101.0
THC	17,096.4
UHS	8,830.6
KND	5,140.5
LPNT	4,821.5
HLS	2,373.7
MH	**357.5**
Guideline Company Median	**$8,830.6**

Size — LTM EBITDA

HCA	$6,637.0
CYH	2,328.7
THC	1,738.0
UHS	1,393.3
HLS	569.6
LPNT	489.7
KND	295.8
MH	**34.4**
Guideline Company Median	**$1,393.3**

Size — NFY Projected EBITDA

HCA	$7,127.5
CYH	2,808.4
THC	1,831.6
UHS	1,383.7
LPNT	585.1
HLS	568.8
KND	388.2
MH	**44.0**
Guideline Company Median	**$1,383.7**

Growth [a] — 4-Year Historical Revenue CAGR

UHS	11.2%
THC	10.3%
LPNT	9.2%
CYH	7.3%
HLS	6.2%
HCA	6.2%
MH	**3.5%**
KND	3.4%
Guideline Company Median	**7.3%**

Growth [a] — 4-Year Historical EBITDA CAGR

UHS	16.6%
THC	14.4%
HLS	11.2%
CYH	8.4%
KND	7.3%
HCA	4.6%
LPNT	0.3%
MH	**-0.4%**
Guideline Company Median	**8.4%**

Growth [a] — LTM to NFY+1 Projected Revenue CAGR

LPNT	19.5%
UHS	14.2%
HCA	11.1%
CYH	8.3%
THC	7.9%
MH	**7.8%**
HLS	5.6%
KND	4.6%
Guideline Company Median	**8.3%**

Growth [a] — LTM to NFY+1 Projected EBITDA CAGR

KND	27.7%
LPNT	16.1%
MH	**13.3%**
THC	11.5%
HCA	5.6%
UHS	3.8%
HLS	3.2%
CYH	nmf
Guideline Company Median	**8.5%**

Profitability — 5-Year Average EBITDA Margin

HLS	23.1%
HCA	20.2%
UHS	17.3%
LPNT	16.7%
CYH	14.9%
THC	12.3%
MH	**11.8%**
KND	5.8%
Guideline Company Median	**16.7%**

Capital Requirements — 5-Year Average Net Working Capital to Revenue

LPNT	11.8%
CYH	9.6%
HCA	8.9%
UHS	7.2%
HLS	6.3%
THC	5.5%
KND	5.2%
MH	**4.3%**
Guideline Company Median	**7.2%**

Capital Requirements — 5-Year Average Net Capital Exp. to Revenue

MH	**6.3%**
LPNT	6.1%
CYH	5.8%
THC	5.7%
HLS	5.7%
UHS	5.7%
HCA	5.3%
KND	3.7%
Guideline Company Median	**5.7%**

Leverage — 5-Year Average Debt & Preferred to Enterprise Value

CYH	74.8%
THC	66.9%
HCA	60.1%
KND	57.1%
LPNT	47.2%
HLS	42.3%
UHS	33.0%
MH	**n/a**
Guideline Company Median	**57.1%**

Profitability — 5-Year Average EBIT Margin

HLS	19.1%
HCA	15.0%
UHS	12.8%
LPNT	10.5%
CYH	9.6%
THC	7.6%
MH	**5.7%**
KND	2.7%
Guideline Company Median	**10.5%**

Profitability — 5-Year Average Return on Equity

HLS	21.3%
UHS	14.8%
THC	14.1%
CYH	10.5%
LPNT	6.4%
MH	**4.7%**
KND	3.6%
HCA	-20.1%
Guideline Company Median	**10.5%**

Leverage — 5-Year Average Debt and Pfd. to EBITDA

MH	**6.6**
CYH	5.7
THC	4.9
HCA	4.6
HLS	4.0
KND	3.8
LPNT	3.4
UHS	2.9
Guideline Company Median	**4.0**

Key — Ticker Symbols and Company Names

CYH	Community Health Systems, Inc.
HCA	HCA Holdings, Inc.
LPNT	Lifepoint Hospitals Inc.
THC	Tenet Healthcare Corp.
UHS	Universal Health Services Inc.
KND	Kindred Healthcare Inc.
HLS	HEALTHSOUTH Corp.
MH	**Metro Health Corporation and Affiliates**

Source: S&P Capital IQ, Inc. and Metro Health Corporation and Affiliates financials.

[a] Note only forward-looking CAGR calculations include pro forma results for both Community Health Systems and Tenet Healthcare from the acquisitions of Health Management Associates and Vanguard Health Systems, respectively. The forward-looking EBITDA CAGR for CYH was deemed to be not meaningful.

D. Guideline Public Company Financial Information

Exhibit D.3 - Selected Financial Information

In Millions of U.S. Dollars	Community Health Systems, Inc.	HCA Holdings, Inc.	Lifepoint Hospitals Inc.	Tenet Healthcare Corp.	Universal Health Services Inc.	Kindred Healthcare Inc.	HEALTHSOUTH Corp.	Median	Metro Health Corporation and Affiliates
Size									
1 Sales	$ 13,918.7	$ 34,574.0	$ 3,754.4	$ 12,641.0	$ 7,372.4	$ 4,924.4	$ 2,265.7	$ 7,372.4	$ 323.2
2 Assets	26,962.0	29,809.0	5,559.7	16,484.0	8,431.4	3,996.3	2,539.1	8,431.4	368.7
3 EBITDA	2,328.7	6,637.0	489.7	1,738.0	1,393.3	295.8	569.6	1,393.3	34.4
4 Enterprise Value	22,715.6	58,352.9	4,893.1	16,488.4	13,162.3	2,852.9	4,927.2	13,162.3	n/a
Growth									
5 4-Year Sales CAGR	7.3%	6.2%	9.2%	10.3%	11.2%	3.4%	6.2%	7.3%	3.5%
6 LFY Sales Growth Rate	5.4%	3.8%	8.5%	29.9%	4.7%	-0.1%	4.9%	4.9%	3.4%
7 LTM to NFY Projected Sales CAGR	8.5%	21.7%	39.6%	12.4%	27.2%	5.9%	6.4%	12.4%	9.7%
8 LTM to NFY+1 Projected Sales CAGR	8.3%	11.1%	19.5%	7.9%	14.2%	4.6%	5.6%	8.3%	7.8%
9 4-Year EBITDA CAGR	8.4%	4.6%	0.3%	14.4%	16.6%	7.3%	11.2%	8.4%	-0.4%
10 LFY EBITDA Growth Rate	18.3%	1.3%	-7.1%	34.6%	6.6%	-13.2%	9.2%	6.6%	-13.1%
11 LTM to NFY Projected EBITDA CAGR	nmf	10.0%	26.8%	7.2%	-0.9%	43.7%	-0.2%	8.6%	25.4%
12 LTM to NFY+1 Projected EBITDA CAGF	nmf	5.6%	16.1%	11.5%	3.8%	27.7%	3.2%	8.5%	13.3%
Activity									
13 Inventory Turnover	20.3	19.1	22.1	34.7	39.3	113.8	n/a	28.4	n/a
14 Asset Turnover	0.7	1.1	0.7	1.0	0.9	1.5	0.9	0.9	0.8
Liquidity and Working Capital									
15 Current Ratio	1.7	1.4	2.2	1.3	1.5	1.5	1.6	1.5	2.0
16 Net Working Capital / Sales	9.6%	8.9%	11.8%	5.5%	7.2%	5.2%	6.3%	7.2%	4.3%
17 Days in Accounts Receivable	64.6	53.3	53.5	53.6	55.5	68.2	42.2	53.6	38.9
18 + Days in Inventories	18.1	19.2	16.5	10.5	9.4	3.3	n/a	13.5	n/a
19 - Days in Accounts Payable	33.8	31.0	19.1	44.6	34.5	22.5	15.1	31.0	n/a
20 Net Trade Cycle	48.9	41.4	50.9	19.6	30.5	49.0	27.1	41.4	n/a
Leverage and Coverage									
21 Liabilities / Equity	4.6	(4.4)	1.2	7.7	1.7	1.9	1.9	1.9	3.0
22 (Debt + Pfd.) / (Debt + Pfd. + Equity)	77.6%	141.3%	46.0%	81.3%	51.6%	41.8%	86.0%	77.6%	71.9%
23 Assets / Equity	5.6	(3.4)	2.2	8.7	2.7	2.9	2.9	2.9	4.0
24 EBIT / Interest Expense	1.8	2.4	3.0	1.6	7.2	9.5	3.5	3.0	1.8
25 (Debt + Pfd.) / EBITDA	5.7x	4.6x	3.4x	4.9x	2.9x	3.8x	4.0x	4.0x	6.6x
26 (Debt + Pfd.) / EV	74.8%	60.1%	47.2%	66.9%	33.0%	57.1%	42.3%	57.1%	n/a
Profitability									
27 Gross Profit Margin	37.9%	37.2%	36.1%	35.4%	38.5%	33.1%	43.2%	37.2%	n/a
28 EBITDA Margin	14.9%	20.2%	16.7%	12.3%	17.3%	5.8%	23.1%	16.7%	11.8%
29 EBIT Margin	9.6%	15.0%	10.5%	7.6%	12.8%	2.7%	19.1%	10.5%	5.7%
30 Net Profit Margin	2.5%	5.1%	4.2%	1.8%	6.5%	0.9%	7.9%	4.2%	1.4%
31 Return on Assets	1.9%	5.9%	2.9%	1.8%	5.7%	1.4%	7.0%	2.9%	1.2%
32 Return on Equity	10.5%	-20.1%	6.4%	14.1%	14.8%	3.6%	21.3%	10.5%	4.7%
Other									
33 Net Cap. Ex. / Sales	5.8%	5.3%	6.1%	5.7%	5.7%	3.7%	5.7%	5.7%	6.3%
34 Depreciation / Sales	5.3%	5.1%	6.2%	4.7%	4.5%	3.1%	4.0%	4.7%	6.1%
35 Depreciation / Net Cap. Ex.	91.5%	96.2%	100.9%	82.0%	79.5%	83.3%	70.3%	83.3%	157.1%

Source: S&P Capital IQ, Inc.
Unless otherwise noted, all margins and ratios represent five-year averages based on each guideline company's last five fiscal year ends; all dollars represent the latest financial information available; all Metro Health Corporation and Affiliates margins and ratios reflect adjusted financial results.

Exhibit E

Selected M&A Transactions

E. Selected M&A Transactions

Exhibit E.1 - Comparable M&A Transactions

In Thousands of U.S. Dollars

	Announced	Target	Acquirer	Enterprise Value	Beds	Target Fundamentals [a] LTM Revenue	LTM EBITDA	LTM EBITDA Margin	Indicated Multiples EV / LTM Revenue	EV / LTM EBITDA	EV / Beds
1	8/8/2013	**Glenwood Regional Medical Center, Mountain Vista Medical Center, and Southeast Texas Hospital**	**MPT Operating Partnership**	$ 283,300	n/a	$ 2,400,000	n/a	n/a	0.12x	n/a	n/a
2	7/29/2013	**Health Management Associates Inc.**	**Community Health Systems Inc.**	7,614,990	11,100	5,868,310	$ 880,080	15.0%	1.30x	8.7x	686x
3	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
4	4/25/2013	**16 Healthcare Facilities**	**Vibra Healthcare, LLC**	186,500	1,181	272,000	20,000	7.4%	0.69x	9.3x	158x
5	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
6	11/14/2012	**University of Louisville Hospital**	**KentuckyOne Health**	543,500	345	450,611	10,919	2.4%	1.21x	nmf	1575x
7	10/19/2012	**St. Vincent's Health System**	**HighMark**	65,000	400	327,436	15,314	4.7%	0.20x	4.2x	163x
8	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
9	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
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

Source: Irving Levin Associates, Inc. - 2011-2013; S&P Capital IQ, Inc.

[a] Represents last twelve months financials available as of the announcement date.

Exhibit E.2 - Statistical Analysis of Company Fundamentals and Multiples

In Thousands of U.S. Dollars

		Analysis of Targets					Analysis of Multiples		
		Enterprise Value	Beds	LTM Revenue	LTM EBITDA	LTM EBITDA Margin	EV / Beds	EV / LTM Revenue	EV / LTM EBITDA
1	Maximum	$ 7,614,990	11,100	$ 5,936,700	$ 880,080	15.4%	1575x	1.30x	16.2x
2	Upper Quartile	911,250	1,181	1,275,693	69,223	10.1%	855x	0.89x	9.2x
3	Median	438,500	820	527,000	26,550	5.4%	639x	0.69x	8.7x
4	Mean [a]	1,094,419	1,748	1,342,483	129,169	6.9%	452x	0.46x	6.5x
5	Lower Quartile	162,125	400	315,200	15,357	3.5%	464x	0.43x	6.9x
6	Minimum	65,000	100	236,556	9,500	2.1%	158x	0.12x	2.3x
7	**Metro Health Corporation**	**n/a**	**208**	**$ 323,241**	**$ 34,428**	**10.7%**	**n/a**	**n/a**	**n/a**

Source: Irving Levin Associates, Inc. - 2011-2013; S&P Capital IQ, Inc.
n/a= Not Available
[a] Mean represents arithmetic mean for analysis of targets and harmonic mean for analysis of multiples.

Exhibit F

Assumptions and Limiting Conditions

F. 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) MHC's underlying business decision to proceed with or effect the Transaction, (ii) the merits of the Transaction relative to any alternative business strategies that may exist for MHC or the effect of any other transactions in which MHC might have engaged; (iii) the terms of any agreements or documents related to, or the form or any other portion or aspect of, the Transaction, except as set forth in the Opinion; (iv) the fairness of any portion or aspect of the Transaction to the holders of any class of securities, creditors or other constituencies of MHC not specifically addressed in the Fairness Opinion; or (v) the solvency, creditworthiness or fair value of MHC or the Company or any other participant in the Transaction under any applicable laws relating to bankruptcy, insolvency or similar matters. Further, if the Transaction is subject to director and member approval, our Fairness Opinion is not intended to and does not constitute a recommendation to any director and member of MHC as to how such director or member should vote in regard to the Transaction. The Board acknowledges that we are not being engaged to, nor shall we, recommend a Transaction price or participate in the Transaction negotiations. Our Fairness Opinion will be solely from a financial point of view and will not cover the procedural fairness of the Transaction or other possible measures of fairness. Our Fairness Opinion will be applicable to the Board and is not in any way intended for, nor is it to be relied upon by, any other party regarding the 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 MHC and the MHC Entities, which MHC and the MHC Entities 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 MHC and the MHC Entities 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 MHC and the MHC Entities 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. Specifically, we have also assumed, with your consent, that the final executed form of the Contribution and Sale Agreement (the "Agreement") will not differ materially from the draft Contribution and Sale Agreement dated June 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.

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 MHC 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 MHC, the Company, or CHS, unless otherwise stated herein. No selected public company is directly comparable to either MHC, the Company, or CHS, and no precedent transaction is directly comparable to the Transaction.