

Insurance Tech/Services Highlight

M&A Announcements

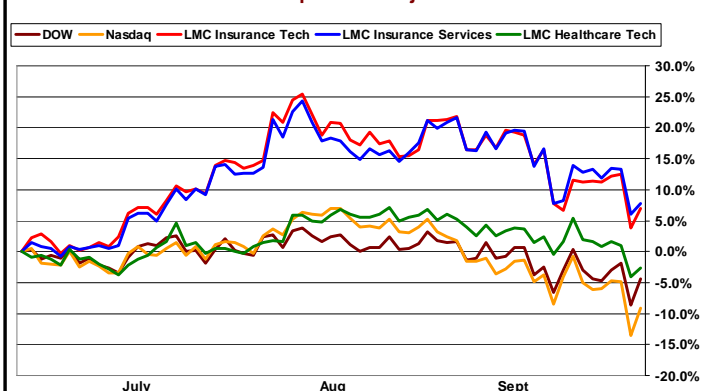
Date	Acquirer	Target	Amount
9/23/08	HealthPort	ChartOne	Undisclosed
9/22/08	Perseus	Physicians Interact. (Allscripts)	Undisclosed
9/19/08	Elipsys	MediNotes	\$45,000,000
9/17/08	QHR Technologies	Clinicvault	Undisclosed
9/16/08	Standard Life	Vebnet	\$43,400,000
9/15/08	WebMD	QualityHealth.com	\$50,000,000
9/10/08	Tripos International	Pharsight	\$57,000,000
9/10/08	Marlin Equity	MedAvant	\$24,400,000
9/9/08	BPO Mgmt Services	HealthAxis	Undisclosed
9/5/08	Phase Forward	Clarix	\$40,000,000
9/4/08	Riverside	HealthcareFirst	Undisclosed
9/4/08	Wolters Kluwer	UpToDate	Undisclosed
9/4/08	Health Central Network	TheBody.com	Undisclosed
9/1/08	Stalis	Silverlink	Undisclosed
8/15/08	HighPoint Solutions	Aptiv Tech Partners	Undisclosed
8/14/08	PARAEXEL	ClinPhone	Undisclosed
8/6/08	Molina Health (NYSE:MOL)	NetPASS	\$42,000,000
8/6/08	Clinix	MedicWare	Undisclosed
8/6/08	Surveillance Data	Verispan	Undisclosed
8/1/08	Global Med Technologies	eDonor	\$5,000,000
8/1/08	Nexus AG	Medos AG	Undisclosed
7/30/08	Universal Capital Mgmt	iVolution	Undisclosed
7/30/08	Ebix	Acclamation Systems	\$22,000,000
7/29/08	SDI	Verispan	Undisclosed
7/28/08	Domark International	TotalMed Systems	Undisclosed
7/28/08	Solera Holdings (NYSE: SLH)	UC Universal Consulting Software GmbH	Undisclosed
7/24/08	H.I.G. Capital	PMSI	\$50,000,000
7/22/08	iPipeline	COSS Development Corp.	Undisclosed
7/21/08	North American Risk Svcs	Unisource's Tallahassee TPA Operations	Undisclosed
7/17/08	Medical Present Value	TeraHealth	Undisclosed
7/16/08	McKesson (NYSE: MCK)	EN-Chart	Undisclosed
7/16/08	HCL Technologies	Liberata Financial Svcs	Undisclosed
7/16/08	Healthvision	MediSolutions division	Undisclosed
7/14/08	GOZIRRA	OG2, Inc.	Undisclosed
7/14/08	Bluff Point Associates	Blue Frog Solutions	Undisclosed
7/8/08	Hyland Software	Liberty Info. Mgmt Systems	Undisclosed
7/2/08	Stone Point Capital	51% of Fiserv's Insurance Businesses (Nasdaq: FISV)	\$540,000,000
7/1/08	Dataskill	Silicon Space	Undisclosed
7/1/08	Management and an undisclosed PEG	Banc Insurance Service Inc. (div. of Jack Henry)	Undisclosed
7/1/08	CRIF	Teres Solutions	Undisclosed

Public Companies - Sector Performances

Sector	Stock Price Change (as of 9/30/08)			P/E Multiples*		Price/Revenue*
	YTD	1 Month	1 Year	TTM	2008E	
Insurance Tech	(4.2%)	(11.7%)	16.8%	23.01	17.42	2.51
Insurance Services	(1.5%)	(10.1%)	9.6%	23.06	17.68	1.89
Healthcare Tech	(20.0%)	(7.3%)	(20.7%)	31.97	19.41	1.87

*Trailing Twelve Months through 6/30/08

LMC Indices Compared to Major Market Indices



Current M&A Market Overview

The turbulence in the financial markets has had a predictable effect on overall M&A activity, down around 16% in the recent quarter (compared to Q208) as measured by number of deals completed and down 36% in dollar value. But markets can and will recover as we have seen before, and in fact M&A activity is holding steady in insurance tech/services as shown in this quarter's list of announced deals. Right now, buying opportunities abound as both strategic and financial buyers still have significant pools of cash at their disposal. While prices have softened somewhat, tech valuations remain much stronger than with traditional companies. The smaller, strategic deal to acquire specialized technologies has become the most likely exit strategy for smaller companies today, with active acquirers almost using this as a type of outsourced R&D. Acquisitions remain an important growth vehicle on the buy side and an attractive exit strategy on the sell side, even in difficult times.

Deal Commentary

HealthPort acquires ChartOne: Marking a significant development in its vision to be a leading provider of technology and strategic solutions for the healthcare industry, HealthPort is acquiring its closest competitor, ChartOne. This acquisition will allow HealthPort to offer a broader selection of affordable, quality health information products and services, and positions them to better provide a full spectrum of solutions that can enhance patient care. With this acquisition, HealthPort will have combined revenues of more than \$230 million serving more than 8,000 healthcare facilities across the United States.

Standard Life acquires Vebnet: Technology company Vebnet is being bought by insurance giant Standard Life in a deal that will give the insurance company a chance to expand its corporate pensions offering. Edinburgh-based Vebnet provides flexible benefits and online rewards schemes to 145 corporate clients. Group pensions are a significant business for Standard Life, accounting for 25% of sales in the first half of the year.

McKesson acquires EN-Chart: McKesson has acquired EN-Chart Scanning Program, a market-leading provider of computer-assisted facility coding and compliance solutions for emergency department visits. EN-Chart provides advanced coding and

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LMC Capital LLC
6525 Morrison Blvd., Suite 350
Charlotte, North Carolina 28211
Phone: (704) 943-2600
Fax: (704) 943-2666
www.LMCCapital.com

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DEAL COMMENTARY (CONTINUED)

charge capture capabilities that enhance emergency department information systems (EDIS) and help to optimize revenue. EN-Chart solutions can be used stand-alone or integrated with existing hospital EDIS, including McKesson's comprehensive Horizon Emergency Care emergency department solution.

WebMD to acquire QualityHealth.com: WebMD Health Corp., a health information provider, is acquiring QualityHealth.com and its owner, Marketing Technology Solutions Inc. (MTS). The acquisition will add performance-based marketing programs to WebMD's product portfolio and expands the breadth of its offerings to the biopharmaceutical and healthcare markets. Using proprietary data analytic technology, QualityHealth.com effectively delivers targeted health information and personalized programs to its consumer members based on individual need. Established in 1999, QualityHealth.com is one of the 10 largest health websites, with approximately 5.5 million unique monthly visitors. QualityHealth's traffic will complement WebMD's reach of more than 48 million unique monthly visitors, further differentiating WebMD's brand.

Ebix acquires Acclamation Systems, Inc: Ebix, an international developer of software and e-commerce solutions to the insurance industry, is acquiring Acclamation Systems, Inc., a provider of SaaS-based healthcare benefits and claims management software in the U.S. Since its inception in 1989, Acclamation has focused on providing benefits administration systems to

some of the world's largest insurance carriers, third-party administrators, and self-administered organizations. The acquisition will mark Ebix's entry into the fast-growing health benefits and claims processing sector of the insurance industry.

iPipeline acquires COSS Development Corporation: iPipeline, provider of on-demand sales distribution software for insurers and financial services firms, has acquired COSS Development Corporation, a leading provider of mission-critical web-enabled illustration systems and fillable forms technology. iPipeline and COSS have been business partners since 2004 and serve over 100 insurance carriers and 700 brokerage general agencies, banks and broker-dealers. The acquisition enables iPipeline to create an ecosystem for carriers, distributors and agents, allowing all to better serve their customers and increase sales in an expedited, streamlined manner. This integrated offering enables all stakeholders to achieve straight through processing in one easy-to-use system.

Bluff Point Associates acquires Blue Frog Solutions: Bluff Point Associates, a private equity firm, has acquired a controlling interest in Blue Frog Solutions, an insurance software services company with a leading technology platform that enables broker dealers and advisor networks to assure compliance and improve efficiencies. The investment by Bluff Point and the partnership with its affiliate companies will strengthen Blue Frog's market positioning.

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FOR \$10,500,000

LMC MANAGING DIRECTOR, LAUGHTON SHERMAN, SERVED AS FINANCIAL ADVISOR TO LIFELINK

CONTACTS

F. Laughton Sherman
Managing Director
LSherman@LMCCapital.com

Patrick E. Vaughn
Managing Director
PVaughn@LMCCapital.com

Matthew D. Hutton
Senior Associate
MHutton@LMCCapital.com

Walter B. Sherman
Managing Director
WSherman@LMCCapital.com

Pamela B. Carico
Senior Vice President
PCarico@LMCCapital.com

Laura Dabney Nestico
Director of Communications
LNestico@LMCCapital.com

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