PiperJaffray.

Quintiles Transnational Holdings (Q)

Overweight

Record-Breaking Backlog, More Growth to Come

CONCLUSION

The confidence of a backlog that just broke \$10B, along with strong cost management and market-expanding innovation, keep us optimistic that Quintiles is the leading stock in the CRO industry. The recent M&A activity in the pharma industry should not have an adverse impact on Quintiles, in our view. We maintain our Overweight rating and raise our PT to \$61 (from \$58).

- The Numbers. Q's revenue of \$1,005.8M was in line with our estimates, 1% above consensus, and 8% over Q113. Adjusted net income and EPS were \$90.9M and \$0.68, and increased y/y by 55% and 38%, respectively. The increase was driven largely by increased service revenues, changes in effective tax rate, improved margins, and lowered interest rates due to lowered debt. Backlog rose to an all-time high of \$10.1B. Product Development revenue and gross margin were \$770.8M and 42%, which increased y/y by 9% and 228bps, respectively. Both organic growth and Novella contributed to this growth, and offset the wind-down of a large project that took place through 2013. IHS revenue of \$234.5 increased 6% y/y, while gross margin of 18% remained flat.
- Unlikely to lose momentum due to recent pharma M&A activity. With involvement in over 70% of all new drug approvals in the last decade, and the largest global footprint in the industry, there's a good chance that when two pharmaceutical companies merge, at least one of them is a client of Quintiles, and will remain so post merger. Their \$10.1B backlog provides a high degree of confidence on future operations, despite of clientele strategic initiatives. Once a contract has been committed to, there's a significant penalty on the client's part, both financial and ethical, to cancel trials.
- "Real world" late phase opportunities expand the market. Quintiles has expanded their market by branching outside of their traditional pharmaceutical segments and into the "real world" to conduct non Rx studies. Past partnerships include the NFL, and the American Diabetes Association. We believe this exemplifies the trend of the closing gap between drug development and consumer use, and Quintiles will be one of the companies to pioneer this movement.

RISKS TO ACHIEVEMENT OF PRICE TARGET

Changes in the pharma industry impacting R&D spending in drug research, reversal to the current increasing R&D outsourcing trend by pharma, and above industry average leverage in the balance sheet impacting opportunities.

COMPANY DESCRIPTION

Quintiles is the largest CRO in the industry with expertise across all major therapeutics and with operations in about 100 countries.

PRICE: US\$48.76

Note: Price as of the close May 1, 2014.

TARGET: US\$61.00

22x CY15E EPS of \$2.78 (a 20% premium to the peer median P/E)

Sean W. Wieland

Sr Research Analyst, Piper Jaffray & Co. 415 616-1710, sean.w.wieland@pjc.com

Nina Deka

Piper Jaffray & Co.

212 284-6132, Nina.D.Deka@pjc.com

Changes	Previous	Current
Rating	_	Overweight
Price Tgt	US\$58.00	US\$61.00
FY14E Rev (mil)	US\$4,124.8	US\$4,124.3
FY15E Rev (mil)	US\$4,488.4	US\$4,487.7
FY14E EPS	US\$2.44	US\$2.53
FY15E EPS	_	US\$2.78
52-Week High / Lo	ow US\$55.	.00 / US\$40.00
Shares Out (mil)		133.0
Market Cap. (mil)		US\$6,485.1
Avg Daily Vol (ood	o)	890
Book Value/Share		US\$(4.21)
Net Cash Per Shar	re	US\$(11.15)
Debt to Total Capi	tal	1%
Yield		0.00%
Fiscal Year End		Dec



Source: Bloomberg

YEAR		REVENUE (US\$ m)							EARNINGS PER SHARE (US\$)						
YEAR	Mar	Jun	Sep	Dec	FY	FY RM	Mar	Jun	Sep	Dec	FY	FY P/E			
2013E	927.4A	944.2A	932.7A	1,003.9A	3,808.3A	1.7X	0.49A	0.50A	o.54A	o.58A	2.10Å	23.2X			
2014E	1,005.3A	1,018.2	1,007.9	1,092.9	4,124.3	1.6x	o.68A	0.60	0.59	0.65	2.53	19.3X			
2015E	1,098.8	1,105.3	1,086.3	1,197.4	4,487.7	1.4X	0.63	0.69	0.69	0.77	2.78	17.5x			

Non GAAP EPS

Piper Jaffray does and seeks to do business with companies covered in its research reports. As a result, investors should be aware that the firm may have a conflict of interest that could affect the objectivity of this report. Investors should consider this report as only a single factor in making their investment decisions. This report should be read in conjunction with important disclosure information, including an attestation under Regulation Analyst certification, found on pages 4 - 5 of this report or at the following site: http://www.piperjaffray.com/researchdisclosures.



Exhibit 1

Variance Analysis		Mar-14A			
- -	PJC Est.	Actual	% Difference	Y/Y Change	Seq. Change
Total revenue	1,005,769	1,005,288	0.0%	8%	0%
Cost of sales	662,401	643,722	-3%	5%	0%
Gross profit	343,368	361,566	5%	14%	0%
Selling, general & administrative	237,712	219,242	-8%	10%	-6%
EBITDA	139,656	171,412	23%	19%	7%
GAAP net earnings	59,878	90,214	51%	87%	24%
GAAP EPS	\$0.45	0.68	51%	67%	24%

PT Increased

Our PT goes to \$61 (from \$58) based on 22x CY15E EPS of \$2.78 (was CY14E EPS of \$2.44); the multiple reflects a \sim 20% premium to the peer median P/E (same as prior).

PiperJaffray.

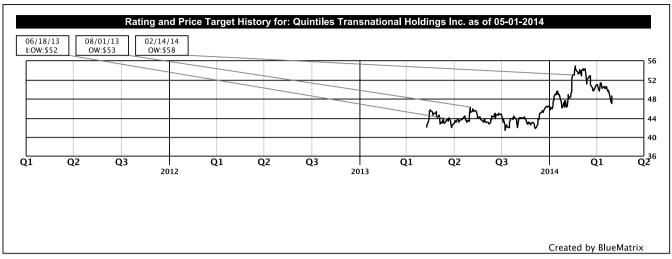
Sean W. Wieland, Sr. Research Analyst sean.w.wieland@pic.com 415-616-1710 Nina Deka, Research Analyst nina.d.deka@pic.com

Quintiles															2	eka@pic. 212-284-6
Historical and Projected Income Statement (\$ 000's, Except per Share Data)	FYA 2012	Q1A Mar-13A	Q2A Jun-13A	Q3A Sep-13A	Q4A Dec-13A	FYA 2013	Q1A Mar-14A	Q2E Jun-14E	Q3E Sep-14E	Q4E Dec-14E	FYE 2014E	Q1E Mar-15E	Q2E Jun-15E	Q3E Sep-15E	Q4E Dec-15E	FYE 2015
Last update: 5/1/14	1 20.2	mai ion		COP TOX	200 101	20.0	mui 1474	0011 14E	OOP 142	500 142	20142	102	0011 102	OCP IOL	200 102	2010
Revenues: Product Dev	2,728,695	706,300	724,170	714,244	775,009	2,919,723	770,828	789,345	778,526	852,510	3,191,209	847,911	860,386	840,808	937,761	3,486,
Integrated Healthcare Services (IHS)	963,603	221,100	220,068	218,483	228,931	888,582	234,460	228,871	229,407	240,378	933,115	250,872	244,892	245,466	259,608	1,000,
Total Service Revenues	3,692,298	927,435	944,238	932,727	1,003,940	3,808,340	1,005,288	1,018,216	1,007,933	1,092,887	4,124,325	1,098,783	1,105,278	1,086,274	1,197,369	4,487,
Cost of Sales Product Dev	1.683.305	428.900	441.895	426.094	455.804	1.752.693	450,483	465.714	459.330	502.981	1.878.508	499.123	506.467	490.738	547.325	2.043.
Integrated Healthcare Services (IHS)	776.027	182,100	175,771	174,600	186,153	718,624	193,239	185.385	185.820	194,706	759,150	203,206	198.362	198.827	210.282	810,
Corporate Expenses	0	-	-	-	-	-	,	,	,	,	-		,	,	,	,
Total COGS	2,459,332	611,000	617,666	600,694	641,957	2,471,317	643,722	651,099	645,150	697,687	2,637,658	702,330	704,829	689,565	757,607	2,854
Gross Profit Product Dev	1.045.390	277.400	282,275	288.150	319.205	1.167.030	320.345	323,632	319.196	349.529	1.312.701	348,787	353.919	350.070	390.436	1.443
Integrated Healthcare Services (IHS)	1,045,390	39.000	44.297	43,883	42,778	1,167,030	41,221	43,485	43,587	45,672	1,312,701	47,666	46,529	46,638	49.325	1,443
Total Gross Profit	1.232.966	316,400	326.572	332,033	361,983	1,336,988	361,566	367,117	362,783	395,201	1,486,667	396,453	400,449	396,708	439,761	1,633
		1														
Expenses SG&A - Product Dev	567.535	144,700	146.182	147,534	166.322	604,738	159,685	163.789	159.598	174.765	657.837	178.061	172.077	168.162	187.552	705
SG&A - IHS	127,067	32,800	31,790	32,221	31,068	127,879	32,276	34,331	34,411	36,057	137,074	37,631	34,285	34,365	36,345	142
Corporate SG&A	123,153	(177,301)	50,866	23,585	(35,407)	(138,257)	27,281	30,546	30,238	32,787	120,852	32,963	33,158	32,588	35,921	134
Total SG&A	817,755	199,300	228,838	199,573	232,797	860,508	219,242	228,666	224,247	243,608	915,763	248,656	239,520	235,115	259,818	98
Restructuring Expense Impairment Charge	18,741	1,859	2,837	7,201	2,174	14,071	1,008	3,008	4,512	4,963	13,491	1,686	1,686	1,686	1,686	6
ncome from operations	396.470	115.165	94.897	125,259	127.012	462,333	141,316	135,443	134.024	146,630	557.413	146,111	159,242	159,907	178.257	643
Product Dev Operating Income	477,855	132,700	136,093	140,616	152,883	562,292	160,660	159,842	159,598	174,765	654,865	170,726	181,842	181,908	202,884	737
IHS Operating Income	60,509	6,200	12,507	11,662	11,710	42,079	8,945	9,155	9,176	9,615	36,891	10,035	12,245	12,273	12,980	47
General corporate and unallocated expenses	1 1	İ					(27,281)									
EBITDA (Non-GAAP) D&A	543,753 98,288	144,140 25,765	155,702 25,026	159,784 27,324	159,740 30,554	619,367 108,669	171,412 29,088	169,539 29,088	170,624 30,088	183,681 30,088	695,256 118,352	177,886 30,088	191,016 30,088	191,681 30,088	210,031 30,088	770 120
Stock Comp	13,637	25,765	6,591		-	6,591	23,000	2,000	2,000	2,000	6,000	30,000	30,000	30,000	30,000	120
One-Time Comp	11,308	4.054		-	:						-					
Management Fee	5,309	1,351	26,351		-	27,702					-					
Interest income	1 1	İ	(785)	(1,119)	(1,581)	(3,485)	(1,255)									
Interest expense Net Interest expense	131,304	36,042	31,884	28,756	26,826	87,466 36,042	24,703	24,703	24,703	24,703	98,812	24,703	24,703	24,703	24,703	
Loss on extinguishment of debt	1,275	(452)	16,543		3,288	19,379					- :					
Other Expense (Income), net	(3,572)	(2,380)	536	3,224	(1,563)	(183)	(4,844)				(4,844)					
Gain on sale of business	1 1	İ														
	1 1	İ														
Income before taxes	398,767	117,997	46,719	94,398	100,042	359,156	122,712	110,740	109,321	121,927	464,700	121,408	134,539	135,204	153,554	544
Taxes on income Net Income	93,364 305,403	32,118 85,879	8,830 37,889	27,459 66,939	27,558 72,484	95,965 263,191	37,389 85,323	33,222 77,518	32,796 76,525	36,578 85,349	139,985 324,714	36,573 84,835	40,528 94,011	40,729 94,475	46,256 107,297	164
Income from unconsolidated Affiliates	2,567	(1,683)	464	(355)	450	(1,124)	4,891	11,516	76,323	65,549	4,891	04,033	94,011	94,475	107,297	380
GAAP Net Income	307,970	48,156	38,353	66,584	72,934	226,027	90,214	77,518	76,525	85,349	329,605	84,835	94,011	94,475	107,297	380
GAAP EPS	2.61	0.41	0.30	0.50	0.55	1.77	0.68	0.58	0.57	0.63	2.46	0.62	0.69	0.69	0.77	
Gain from sale of dicontinued Ops		İ														
Loss(Income) from non-controlling interests	915	153	164	185	62	564	(31)	125	125	125	344	300	300	300	300	1
Net Income attributable to QTHI	308,885	48,309	38,517	66,769	72,996	226,591	90,183	77,643	76,650	85,474	329,949	85,135	94,311	94,775	107,597	381
Non GAAP Net Income	333,830	58,650	62,761	71,938	76,457	269,806	90,944	79,748	79,808	88,948	339,449	85,135	94,311	94,775	107,597	381
Restructuring Expense	18,741.4	1,859	2,837	7,201	2,174	14,071	1,008	3,008	4,512	4,963	13,491	1,686	1,686	1,686	1,686	6
Management Fee	5,309.0 1,275.0	1,334	26,360 16.543	-	3,288	27,694 19.831					-					
Loss on extinguishment of Debt Tax Impact	(18.886.0)		(17,088)	(2,032)	(2,001)	(21,121)	(247)	(902)	(1.354)	(1,489)	(3,992)	(508)	(508)	(508)	(508)	(2
Other income tax adjustments	(10,000.0)	7,301	(4,244)	(2,032)	(2,001)	3,057	(247)	(302)	(1,554)	(1,403)	(3,332)	(500)	(300)	(500)	(500)	(2
Stock Comp	13,637.0	-	-			-,										
One-Time Comp	11,308.0	-			-	-										
Gain on sale of Business	-	ı	-								-					
Impairment Charges		-	-	:	-											
Interest rate swap term fee	- 1		-	:	-											
Dec Terr Adhresment	-	-		:	-						-					
Pre-Tax Adjustment Loss(Income) from non-controlling interests	- - 24,945 915		:		62	- - - - - 62	(31.0)	-	-	-	- (31.0)				-	
Loss(Income) from non-controlling interests Total Adjustment	915 25,860	- - - - 10,494	- - - - 24,408	- - - - 5,169	3,461	- - - - - 62 43,532	(31.0) 761	- 2,106	- 3,158	- 3,474	- - - - - (31.0) 9,499	-		-	-	
Loss(Income) from non-controlling interests Total Adjustment	915	10,494 0.49	24,408	5,169				- 2,106 0.60	3,158 0.59	3,474 0.65		0.63	- 0.69	- - 0.69	0.77	
Loss(Income) from non-controlling interests Total Adjustment Non GAAP EPS	915 25,860 2.83	0.49	0.50	0.54	3,461 0.58	43,532 2.10	761 0.68	0.60	0.59	0.65	9,499 2.53					422
Loss(Income) from non-controlling interests Total Adjustment Non GAAP EPS Diluted SO	915 25,860				3,461	43,532	761				9,499	- 0.63 135,986	0.69 136,122	0.69	- 0.77 138,858	137
Loss(Income) from non-controlling interests Total Adjustment Non GAAP EPS Diluted SO 6 of Revenue	915 25,860 2.83	0.49	0.50	0.54	3,461 0.58	43,532 2.10	761 0.68	0.60	0.59	0.65	9,499 2.53					
Loss(Income) from non-controlling interests Total Adjustment Non GAAP EPS Diluted SO	915 25,860 2.83 117,825	0.49 118,740	0.50 126,578	0.54 133,267	3,461 0.58 132,861	43,532 2.10 127,862	761 0.68 133,040	0.60 133,173	0.59 134,505	0.65 135,850	9,499 2.53 134,142	135,986	136,122	137,483	138,858	
Loss(Income) from non-controlling interests Total Adjustment Non GAR EPS Diluted SO 6 of Revenue Gross Margin GM% - Product Dev GM% - IHS	915 25,860 2.83 117,825	0.49 118,740 34.1%	0.50 126,578 34.6% 39% 20%	0.54 133,267 35.6%	3,461 0.58 132,861 36.1%	43,532 2.10 127,862 35.1%	761 0.68 133,040 36.0%	0.60 133,173 36.1%	0.59 134,505 36.0%	0.65 135,850 36.2%	9,499 2.53 134,142 36.0%	135,986 36.1% 41% 19.0%	136,122 36.2%	137,483 36.5%	138,858 36.7%	
Loss(Income) from non-controlling interests Total Adjustment Non GAAP EPS Diluted SO & of Revenue Gross Margin GM% - Product Dev GM% - IHS SG&A	915 25.860 2.83 117,825 33.4% 38% 19% 22%	0.49 118,740 34.1% 39% 18% 21%	0.50 126,578 34.6% 39% 20% 24%	0.54 133,267 35.6% 40.3% 20.1% 21.4%	3,461 0.58 132,861 36.1% 41.2% 18.7% 23.2%	43,532 2.10 127,862 35.1% 40% 19% 23%	761 0.68 133,040 36.0% 39% 18% 22%	0.60 133,173 36.1% 41% 19% 22%	0.59 134,505 36.0% 41.0% 19.0% 22.2%	0.65 135,850 36.2% 41.0% 19.0% 22.3%	9,499 2.53 134,142 36.0% 41% 19% 22%	135,986 36.1% 41% 19.0% 23%	136,122 36.2% 41% 19% 22%	137,483 36.5% 41.6% 19.0% 21.6%	138,858 36.7% 41.6% 19.0% 21.7%	
Loss(Income) from non-controlling interests Total Adjustment Non GAAP EPS Diluted SO 6 of Revenue Gross Margin GM% - Product Dev GM% - Stode SS&A - Product Dev	915 25,860 2.83 117,825 33.4% 38% 19% 22% 21%	0.49 118,740 34.1% 39% 18% 21% 20%	0.50 126,578 34.6% 39% 20% 24% 20%	0.54 133,267 35.6% 40.3% 20.1% 21.4% 20.7%	3,461 0.58 132,861 36.1% 41.2% 18.7% 23.2% 21.5%	43,532 2.10 127,862 35.1% 40% 19% 23% 21%	761 0.68 133,040 36.0% 39% 18% 22% 21%	0.60 133,173 36.1% 41% 19% 22% 20.8%	0.59 134,505 36.0% 41.0% 19.0% 22.2% 20.5%	0.65 135,850 36.2% 41.0% 19.0% 22.3% 20.5%	9,499 2.53 134,142 36.0% 41% 19% 22% 21%	135,986 36.1% 41% 19.0% 23% 21%	136,122 36.2% 41% 19% 22% 20%	137,483 36.5% 41.6% 19.0% 21.6% 20.0%	138,858 36.7% 41.6% 19.0% 21.7% 20.0%	
Loss(income) from non-controlling interests Total Adjustment Non GAAP EPS Diluted SO 6 of Revenue Gross Margin GM% - Product Dev GM% - IHS SG&A SG&A - Product Dev SG&A-IHS	915 25,860 2.83 117,825 33.4% 38% 19% 22% 21% 13%	0.49 118,740 34.1% 39% 18% 21% 20% 15%	0.50 126,578 34.6% 39% 20% 24% 20% 14%	0.54 133,267 35.6% 40.3% 20.1% 21.4% 20.7% 14.7%	3,461 0.58 132,861 36.1% 41.2% 18.7% 23.2% 21.5% 13.6%	43,532 2.10 127,862 35.1% 40% 19% 23% 21% 14%	761 0.68 133,040 36.0% 39% 18% 22% 21% 15%	0.60 133,173 36.1% 41% 19% 22% 20.8% 15%	0.59 134,505 36.0% 41.0% 19.0% 22.2% 20.5% 15.0%	0.65 135,850 36.2% 41.0% 19.0% 22.3% 20.5% 15.0%	9,499 2.53 134,142 36.0% 41% 19% 22% 21% 15%	135,986 36.1% 41% 19.0% 23% 21% 15%	136,122 36.2% 41% 19% 22% 20% 14%	137,483 36.5% 41.6% 19.0% 21.6% 20.0% 14.0%	138,858 36.7% 41.6% 19.0% 21.7% 20.0% 14.0%	
Loss/Income) from non-controlling interests Total Adjustment Non GAAP EPS illuted SO sof Revenue Gross Margin GM% - Product Dev GM% - IHS SG&A - Product Dev SG&A - Product Dev SG&A - Product Dev SG&A - Product Dev SG&A - Opproate	915 25,860 2.83 117,825 33.4% 38% 19% 22% 21%	0.49 118,740 34.1% 39% 18% 21% 20%	0.50 126,578 34.6% 39% 20% 24% 20%	0.54 133,267 35.6% 40.3% 20.1% 21.4% 20.7% 14.7% 2.5%	3,461 0.58 132,861 36.1% 41.2% 18.7% 23.2% 21.5%	43,532 2.10 127,862 35.1% 40% 19% 23% 21% 14% -3.6%	761 0.68 133,040 36.0% 39% 18% 22% 21%	0.60 133,173 36.1% 41% 19% 22% 20.8%	0.59 134,505 36.0% 41.0% 19.0% 22.2% 20.5%	0.65 135,850 36.2% 41.0% 19.0% 22.3% 20.5% 15.0% 3.0%	9,499 2.53 134,142 36.0% 41% 19% 22% 21%	135,986 36.1% 41% 19.0% 23% 21%	136,122 36.2% 41% 19% 22% 20%	137,483 36.5% 41.6% 19.0% 21.6% 20.0% 14.0% 3.0%	138,858 36.7% 41.6% 19.0% 21.7% 20.0% 14.0% 3.0%	
Loss(income) from non-controlling interests Total Adjustment Non GAAP EPS Diluted SO 6 of Revenue Gross Margin GM% - Product Dev GM% - IHS SG&A SG&A - Product Dev SG&A-IHS	915 25,860 2.83 117,825 33.4% 38% 19% 21% 21% 3.3%	0.49 118,740 34.1% 39% 18% 21% 20% 15% -19%	0.50 126,578 34.6% 39% 20% 24% 20% 14% 5%	0.54 133,267 35.6% 40.3% 20.1% 21.4% 20.7% 14.7%	3,461 0.58 132,861 36.1% 41.2% 18.7% 23.2% 21.5% 13.6% -3.5%	43,532 2.10 127,862 35.1% 40% 19% 23% 21% 14%	761 0.68 133,040 36.0% 39% 18% 22% 21% 15% 4%	0.60 133,173 36.1% 41% 19% 22% 20.8% 15% 3%	0.59 134,505 36.0% 41.0% 19.0% 22.2% 20.5% 15.0% 3.0%	0.65 135,850 36.2% 41.0% 19.0% 22.3% 20.5% 15.0%	9,499 2,53 134,142 36.0% 41% 19% 22% 21% 15% 2,9%	135,986 36.1% 41% 19.0% 23% 21% 15% 3.0%	136,122 36.2% 41% 19% 22% 20% 14% 3.0%	137,483 36.5% 41.6% 19.0% 21.6% 20.0% 14.0%	138,858 36.7% 41.6% 19.0% 21.7% 20.0% 14.0%	
Loss(income) from non-controlling interests Total Adjustment Non GAAP EPS Diluted SO Sof Revenue Gross Margin GMWs - Product Dev GM% - INS SG&A SG&A - Product Dev SG&A- IHS SG&A - Corporate Operating Margin	915 25.860 2.83 117,825 33.4% 38% 19% 22% 21% 13% 3.3% 11%	0.49 118,740 34.1% 39% 18% 21% 20% 15% -19% 12%	0.50 126,578 34.6% 39% 20% 24% 20% 14% 5% 10%	0.54 133,267 35.6% 40.3% 20.1% 21.4% 20.7% 14.7% 2.5% 13%	3,461 0.58 132,861 36.1% 41.2% 18.7% 23.2% 21.5% 13.6% -3.5% 13%	43,532 2.10 127,862 35.1% 40% 19% 23% 21% 14% -3.6% 12%	761 0.68 133,040 36.0% 39% 18% 22% 21% 15% 4% 14%	0.60 133,173 36.1% 41% 19% 22% 20.8% 15% 3% 13%	0.59 134,505 36.0% 41.0% 19.0% 22.2% 20.5% 15.0% 3.0% 13%	0.65 135,850 36.2% 41.0% 19.0% 22.3% 20.5% 15.0% 3.0% 13%	9,499 2.53 134,142 36.0% 41% 19% 22% 21% 15% 2.9% 14%	135,986 36.1% 41% 19.0% 23% 21% 15% 3.0% 13%	136,122 36.2% 41% 19% 22% 20% 14% 3.0% 14%	137,483 36.5% 41.6% 19.0% 21.6% 20.0% 14.0% 3.0% 15%	138,858 36.7% 41.6% 19.0% 21.7% 20.0% 14.0% 3.0% 15%	
Loss(Income) from non-controlling interests Total Addustrian Non GAAP EPS Diluted SO & of Revenue Gross Margin GM% - Product Dev GM% - IHS SG&A - Product Dev SG&A-IHS SG&A - Product Dev Controlling SG&A - MS SG&A - Product Dev OM% - Product Dev OM% - Product Dev OM% - Product Dev OM% - IHS Incremental Operating Margin	915 25.860 2.83 117,825 33.4% 38% 19% 22% 21% 13% 6% 6% 6%	0.49 118,740 34.1% 39% 18% 21% 20% 15% -19% 12% 19% 3% 59%	0.50 126,578 34.6% 39% 20% 24% 20% 14% 5% 10% 6% 887%	0.54 133,267 35.6% 40.3% 20.1% 21.4% 20.7% 14.7% 2.5% 13% 20% 5% 84%	3,461 0.58 132,861 36.1% 41.2% 18.7% 23.2% 21.5% 13.6% 13.6% 13% 20% 5%	43.532 2.10 127.862 35.1% 40% 19% 23% 21% 14% -3.6% 12% 19% 55% 57%	761 0.68 133,040 36,0% 39% 18% 22% 21% 15% 4% 14% 21% 34%	0.60 133,173 36.1% 41% 19% 22% 20.8% 15% 3% 13% 20% 4% 55%	0.59 134,505 36.0% 41.0% 19.0% 22.2% 20.5% 15.0% 3.0% 13% 21% 4% 12%	36.2% 41.0% 19.0% 22.3% 20.5% 15.0% 3.0% 21% 4% 22%	9,499 2,53 134,142 36,0% 41% 19% 22% 21% 15% 2,9% 14% 2,9% 44% 30%	135,986 36.1% 41% 19.0% 23% 21% 15% 3.0% 13% 20% 4% 5%	136,122 36.2% 41% 19% 22% 20% 14% 3.0% 44% 21% 5% 27%	137,483 36.5% 41.6% 19.0% 21.6% 20.0% 14.0% 3.0% 15% 22% 5% 33%	138,858 36.7% 41.6% 19.0% 21.7% 20.0% 14.0% 3.0% 15% 5% 30%	:
Loss(Income) from non-controlling interests Total Addustria Non GAAP EPS Diluted SO & of Revenue Gross Margin GM% - Product Dev GM% - HS SG&A - Product Dev SG&A - Hoduct Dev OM% - Froduct Dev OM% - Froduct Dev OM% - HS Inceremental Operating Margin EBITDA Margin	915 25.860 2.83 117,825 33.4% 38% 19% 22% 21% 3.3% 11% 18% 6% 6% 13%	0.49 118,740 34.1% 39% 18% 21% 20% 15% -19% 19% 3% 159% 159%	0.50 126,578 34.6% 39% 20% 24% 20% 14% 5% 10% 19% 6% 887%	0.54 133,267 35.6% 40.3% 20.1% 21.4% 20.7% 14.7% 2.5% 13% 20% 5% 84% 17.1%	3,461 0.58 132,861 36.1% 41.2% 23.2% 21.5% 13.6% -3.5% 13% 56% 15.9%	43.532 2.10 127.862 35.1% 40% 23% 21% 14% -3.6% 12% 15% 57% 16.3%	761 0.68 133,040 36,0% 39,% 21% 21% 15% 44% 219, 48, 34% 17.1%	0.60 133,173 36.1% 41% 19% 22% 20.8% 15% 3% 43% 20% 4% 55% 16.7%	0.59 134,505 36.0% 41.0% 19.0% 22.2% 20.5% 15.0% 13% 21% 4% 46.2% 16.9%	135,850 36.2% 41.0% 19.0% 22.3% 20.50% 13.0% 13% 21% 4% 22.8 16.8%	9,499 2.53 134,142 36.0% 41% 19% 22% 21% 15% 2.9% 14% 219% 4% 30% 16.9%	135,986 36.1% 41% 19.0% 23% 21% 15% 3.0% 13% 20% 4% 5% 16.2%	136,122 36.2% 41% 19% 22% 20% 14% 3.0% 14% 21% 5% 27% 17.3%	137,483 36.5% 41.6% 19.0% 21.6% 20.0% 14.0% 3.0% 15% 22% 5% 33% 17.6%	138,858 36.7% 41.6% 41.6% 19.0% 20.0% 14.0% 3.0% 15% 22% 5% 30% 17.5%	:
Loss(Income) from non-controlling interests Total Adustrian Non GAAP EPS Diluted SO Si of Revenue Gross Margin GM% - Product Dev GM% - HIS SG&A SG&A - Product Dev SG&A- HIS SG&A Corporate Operating Margin OM% - Product Dev OM% - HIS Incremental Operating Margin EBITDA Margin TAR Rate	915 25.860 2.83 117,825 33.4% 38% 19% 22% 21% 13% 6% 6% 6%	0.49 118,740 34.1% 39% 18% 21% 20% 15% -19% 12% 19% 3% 59%	0.50 126,578 34.6% 39% 20% 24% 20% 14% 5% 10% 6% 887%	0.54 133,267 35.6% 40.3% 20.1% 21.4% 20.7% 14.7% 2.5% 13% 20% 5% 84%	3,461 0.58 132,861 36.1% 41.2% 18.7% 23.2% 21.5% 13.6% 13.6% 13% 20% 5%	43.532 2.10 127.862 35.1% 40% 19% 23% 21% 14% -3.6% 12% 19% 55% 57%	761 0.68 133,040 36,0% 39% 18% 22% 21% 15% 4% 14% 21% 34%	0.60 133,173 36.1% 41% 19% 22% 20.8% 15% 3% 13% 20% 4% 55%	0.59 134,505 36.0% 41.0% 19.0% 22.2% 20.5% 15.0% 3.0% 13% 21% 4% 12%	36.2% 41.0% 19.0% 22.3% 20.5% 15.0% 3.0% 21% 4% 22%	9,499 2,53 134,142 36,0% 41% 19% 22% 21% 15% 2,9% 14% 2,9% 44% 30%	135,986 36.1% 41% 19.0% 23% 21% 15% 3.0% 13% 20% 4% 5%	136,122 36.2% 41% 19% 22% 20% 14% 3.0% 44% 21% 5% 27%	137,483 36.5% 41.6% 19.0% 21.6% 20.0% 14.0% 3.0% 15% 22% 5% 33%	138,858 36.7% 41.6% 19.0% 21.7% 20.0% 14.0% 3.0% 15% 5% 30%	
Loss(Income) from non-controlling interests Total Addustria Non GAAP EPS Diluted SO % of Revenue Gross Margin GM% - Product Dev GM% - INS SG&A - Product Dev SG&A - HIS SG&A - Product Dev SG&A - HIS SG&A Corporate Operating Margin OM% - Product Dev OM% - INS Incremental Operating Margin EBITDA Margin Tax Rate y Growth:	915 25,860 2.83 117,825 33.4% 38% 22% 21% 13% 3.3% 11% 63% 63% 14.7% 23%	0.49 118,740 34.1% 39% 18% 21% 20% 15% 19% 12% 59% 15.5% 27%	0.50 126,578 34.6% 39% 20% 24% 20% 14% 10% 16% 887% 16.5%	0.54 133,267 35.6% 40.3% 20.1% 21.4% 20.7% 14.7% 13% 20% 5% 84% 17.1% 29%	3,461 0.58 132,861 36.1% 41.2% 18.7% 23.2% 21.5% 13.6% -3.5% 13% 20% 5% 5% 5% 5% 28%	43,532 2.10 127,862 35.1% 40% 19% 23% 21% 14% -3.6% 12% 55% 57% 16.3% 27%	761 0.68 133,040 39% 18% 22% 21% 4% 145% 44% 34% 17.1% 30%	0.60 133,173 36.1% 41% 19% 22% 20.8% 13% 20% 4% 55% 16.7% 30%	0.59 134,505 36.0% 41.0% 19.0% 22.2% 20.5% 15.0% 3.0% 21% 4% 12% 16.9% 30%	0.65 135,850 36.2% 41.0% 19.0% 22.3% 20.5% 15.0% 3.0% 21% 4% 22% 16.8% 30%	9,499 2.53 134,142 36.0% 41% 19% 22% 21% 2.9% 14% 2.9% 44% 30% 16.9%	135,986 36.1% 41% 41% 19.0% 21% 21% 3.0% 4% 5% 16.2% 30%	136,122 36.2% 41% 19% 20% 20% 21% 21% 21% 21% 21% 3.0% 14% 5% 27% 17.3%	137,483 36.5% 41.6% 19.0% 21.6% 20.0% 14.0% 3.0% 15% 5% 33% 17.6%	138,858 36.7% 41.6% 41.6% 19.0% 21.7% 20.0% 15.% 22% 5% 30% 17.5%	:
Loss(Income) from non-controlling interests Total Adustrian Non GAAP EPS Diluted SO Si of Revenue Gross Margin GM% - Product Dev GM% - HIS SG&A SG&A - Product Dev SG&A- HIS SG&A Corporate Operating Margin OM% - Product Dev OM% - HIS Incremental Operating Margin EBITDA Margin TAR Rate	915 25,860 2,83 117,825 33,4% 38% 19% 22% 22% 13% 13% 6% 13% 14,7% 23%	0.49 118,740 34.1% 39% 18% 21% 20% 15% -19% 12% 3% 59% 15.5% 27%	126,578 34.6% 39% 20% 24% 20% 14% 5% 10% 6% 887% 16.5%	0.54 133,267 35.6% 40.3% 20.1% 21.4% 20.7% 14.7% 2.5% 20% 5% 84% 17.1% 29%	3,461 0.58 132,861 36.1% 41.2% 18.7% 23.2% 13.6% -3.5% 13% 20% 5% 5% 15.9% 15.9% 15.9%	43,532 2.10 127,862 35.1% 40% 19% 23% 21% 14% -3.6% 12% 57% 16.3% 27%	761 0.68 133,040 36.0% 39% 18% 22% 4% 21% 4% 21% 4% 34% 17.1% 30%	0.60 133,173 36.1% 41% 19% 22% 20.8% 20.8% 15% 3% 20% 4% 55% 4% 55% 16.7% 30%	0.59 134,505 36.0% 41.0% 19.0% 20.5% 15.0% 3.0% 21% 4% 48 16.9% 30%	0.65 135,850 36.2% 41.0% 19.0% 22.3% 20.5% 15.0% 3.0% 21% 42.6% 40.6% 10.0%	9,499 2,53 134,142 36,0% 41% 19% 22% 21% 15% 2,9% 14% 21% 49% 30% 16,9% 30%	135,986 36.1% 41% 41% 23% 21% 15.9% 3.0% 20% 4% 5% 16.2% 3.0%	136,122 36.2% 41% 19% 22% 20% 14% 3.0% 14% 5% 27% 17.3% 30%	137,483 36.5% 41.6% 19.0% 21.6% 20.0% 14.0% 3.0% 5% 33% 17.6% 30% 8.0%	138,858 36.7% 41.6% 19.0% 21.7% 20.0% 14.0% 3.0% 15% 22% 5% 30% 17.5% 30%	:
Loss(Income) from non-controlling interests Total Addissinent Non GAAP EPS Diluted SO & of Revenue Gross Margin GM% - Product Dev GM% - IHS SG&A - Product Dev SG&A - Product Dev SG&A - IHS SG&A - Product Dev SG&A - IHS SG&A - Orporate Operating Margin OM% - Product Dev OM% - IHS Incremental Operating Margin EBITDA Margin Tax Rate //y Growth:	915 25,860 2.83 117,825 33.4% 38% 22% 21% 13% 3.3% 11% 6% 6% 14.7% 23%	0.49 118,740 34.1% 39% 18% 21% 20% 15% 19% 12% 59% 15.5% 27%	0.50 126,578 34.6% 39% 20% 24% 20% 14% 10% 16% 887% 16.5%	0.54 133,267 35.6% 40.3% 20.1% 21.4% 20.7% 14.7% 13% 20% 5% 84% 17.1% 29%	3,461 0.58 132,861 36.1% 41.2% 18.7% 23.2% 21.5% 13.6% -3.5% 13% 20% 5% 5% 5% 5% 28%	43,532 2.10 127,862 35.1% 40% 19% 23% 21% 14% -3.6% 12% 55% 57% 16.3% 27%	761 0.68 133,040 39% 18% 22% 21% 4% 145% 44% 34% 17.1% 30%	0.60 133,173 36.1% 41% 19% 22% 20.8% 13% 20% 4% 55% 16.7% 30%	0.59 134,505 36.0% 41.0% 19.0% 22.2% 20.5% 15.0% 3.0% 21% 4% 12% 16.9% 30%	0.65 135,850 36.2% 41.0% 19.0% 22.3% 20.5% 15.0% 3.0% 21% 4% 22% 16.8% 30%	9,499 2.53 134,142 36.0% 41% 19% 22% 21% 2.9% 14% 2.9% 44% 30% 16.9%	135,986 36.1% 41% 41% 19.0% 21% 21% 3.0% 4% 5% 16.2% 30%	136,122 36.2% 41% 19% 20% 20% 21% 21% 21% 21% 21% 3.0% 14% 5% 27% 17.3%	137,483 36.5% 41.6% 19.0% 21.6% 20.0% 14.0% 3.0% 15% 5% 33% 17.6%	138,858 36.7% 41.6% 41.6% 19.0% 21.7% 20.0% 15.% 22% 5% 30% 17.5%	
Loss(income) from non-controlling interests Total Adustrian Non GAAP EPS Diluted SO (% of Revenue Gross Margin GM% - Product Dev GM% - IHS SG&A - Product Dev SG&A-IHS SG&A - Product Dev SG&A-IHS SG&A Corporate Operating Margin OM% - IHS Incremental Operating Margin EBITDA Margin Tar Rate tyly Growth: Product Dev IHS	915 25,860 2.83 117,825 33.4% 38% 19% 22% 21% 11% 18% 6% 13% 11% 18% 6% 13% 11.9% 12.4% 12.4%	0.49 118,740 34.1% 39% 18% 21% 20% 15% -19% 3% 59% 35% 7.6% -4.6%	0.50 126,578 34.6% 39% 20% 24% 20% 5% 10% 6% 887% 16,5% 19% 4.6%	0.54 133,267 35.6% 40.3% 20.1% 21.4% 20.7% 14.7% 2.5% 13% 20% 5% 84% 17.1% 29%	3,461 0.58 132,861 36.1% 41.2% 18.7% 23.2% 21.5% 13% 20% 56% 15% 56% 15% 10.2% 65.7%	43,532 2.10 127,862 35,1% 40% 19% 23% 21% 12,6% 12% 15% 57% 16,3% 27% 7.0%	761 0.68 133,040 36.0% 39% 18% 22% 21% 14% 24% 34% 17.1% 30% 9.1% 6.0%	0.60 133,173 36.1% 41% 41% 19% 22% 20.8% 15% 3% 40 40 55% 46,55% 16.7% 30%	0.59 134,505 36.0% 41.0% 19.0% 22.2% 20.5% 13.0% 3.0% 4% 42% 46 16.9% 30% 9.0% 5.0%	0.65 135,850 36.2% 41.0% 19.0% 22.3% 20.5% 15.0% 3.0% 4% 22% 16.8% 30%	9,499 2,53 134,142 36,0% 41% 19% 22% 21% 14% 2,9% 14% 30% 46 30% 9,3% 5,0%	135,986 36.1% 41% 41% 19.0% 23% 21% 15% 3.0% 10.0% 4% 5% 10.0% 7.0%	136,122 36,2% 41% 41% 19% 20% 14% 3.0% 14% 21% 5% 27% 17.3% 3.0%	137,483 36,5% 41,6% 19,0% 21,6% 20,0% 14,0% 3,0% 15% 22% 5% 33% 17,6% 3,0% 8,0% 7,0%	138,858 36.7% 41.6% 41.6% 19.0% 21.7% 20.0% 14.0% 3.0% 15% 30% 17.5% 30% 10.0% 8.0%	
Loss(Income) from non-controlling interests Total Adjustment Non GAAP EPS Diluted SO % of Revenue Gross Margin GM% - Product Dev GGAA - Product Dev SGAA - Product Dev SGAA - Product Dev SGAA - Product Dev SGAA - HS SGAA - Product Dev SGAA - Product Dev SGAA - Product Dev SGAA - Product Dev SGAA - Product Dev SGAA - Reserved Operating Margin Eintromental Operating Margin EilTDA Margin Tax Rate Vy Growth: Product Dev IHS SGAA - IHS SGAA - IHS Incremental Operating Margin EilTDA Margin Tax Rate Vy Growth: Product Dev IHS Income from Operations	915 25,860 2,83 117,825 33,4% 38% 22% 22% 21% 13% 3,3% 11% 16% 13% 14,7% 23% 11,9% 12,4% 12,4% 12,5% 75,5%	118,740 34.1% 39% 18% 21% 20% 15% -19% 3% 59% 7.6% 4.6% 4% -3% -3%	0.50 126,578 34.6% 39% 20% 24% 5% 6% 887% 10% 19% 6-6% 4.6% -12.9% 0% 12%	0.54 133,267 35.6% 40.3% 20.1% 21.4% 40.7% 14.7% 2.5% 84% 17.1% 29% 5% 24% 17.1% 29% 46 15%	3,461 0.58 132,861 36.1% 41.2% 18.7% 23.2% 21.5% 3.5% 13.6% 55% 55% 55% 56% 56% 65% 65% 6	43,532 2.10 127,862 35.1% 40% 19% 23% 21% 14% -3.6% 12% 19% 57% 6.3% -7.8%	761 0.68 133,040 36,0% 39% 18% 22% 21% 4% 21% 4% 34% 9,1% 6,0% 8% 10%	0.60 133,173 36.1% 41% 19% 22% 52% 15% 3% 55% 13% 20% 4% 55% 40,0% 8% 0,0% 40%	0.59 134,505 36.0% 41.0% 19.0% 22.2% 20.5% 15.0% 3.0% 4% 22.% 4% 5.0% 8% 9.0% 8% 12% 7%	135,850 36.2% 41.0% 41.0% 22.3% 20.5% 13.0% 13.0% 14.% 22% 16.8% 30%	9,499 2,53 134,142 36,0% 41% 19% 22% 21% 42% 43% 30% 16,9% 30% 8,50% 8% 6%	135,986 36.1% 41% 41% 23% 21% 15% 3.0% 13% 5% 4% 5% 16.2% 30% 10.0% 7.0% 9% 13% 3% 3%	136,122 36.2% 41% 41% 20% 21% 20% 144% 3.0% 14% 5% 27% 3.0% 6.0% 9.0% 9.0% 17.3%	137,483 36.5% 41.6% 19.0% 21.6% 20.0% 14.0% 5% 33% 7.0% 8.0% 8.0% 8.0% 19.6% 8% 5% 19.6% 19.6%	138,858 36.7% 41.6% 19.0% 21.7% 20.0% 14.0% 3.0% 15% 30% 10.0% 8.0% 10.0% 22%	137
Loss(income) from non-controlling interests Total Addissinent Non GAAP EPS Diluted SO & Of Revenue Gross Margin GM% - Product Dev GM% - Product Dev SG&A - Product Dev SG&A - Product Dev SG&A - Product Dev SG&A - Product Dev SG&A - Product Dev SG&A - Product Dev SG&A - Product Dev SG&A - Product Dev SG&A - Product Dev OM% - HPS Incremental Operating Margin EBITDA Margin Tar Rate Product Dev IHS Total Revenues SG&A Income from Operations	915 25,860 2.83 117,825 33.4% 38% 22% 22% 21% 13% 13% 11% 18% 6% 13% 12.4% 12.4% 12.5% 7% 15.5% 15.5% 15.5% 15.5% 15.5%	118,740 34.1% 39% 18% 21% 20% 15% 12% 19% 3% 59% 1.5% 7.6% -4.6% 4% -3% 25% 11%	0.50 126,578 34.6% 39% 20% 20% 10% 10% 6% 887% 19% 4.6% -12.9% 0% 12% -6% 13%	0.54 133,267 35.6% 40.3% 20.1% 21.4% 20.7% 14.7% 13% 20% 5% 84% 29% 5.5% -7.6% 2% 4% 15.8	3,461 0.58 132,861 36.1% 41.2% 41.2% 18.7% 23.2% 21.5% 13% 20% 55% 56% 15.9% 66% 15.9% 6% 8% 35% 35%	43,532 2.10 127,862 35.1% 40% 40% 23% 19% 14% 12% 19% 57% 16.3% 27% 7.0% -7.8% 5% 57% 11% 14%	761 0.68 133,040 36,0% 39% 18% 22% 21% 45% 14% 34% 17,1% 30% 9,1% 6,0% 8% 10% 23%	0.60 133,173 36.1% 41% 19% 22% 20.8% 15% 3%6 4% 55% 46% 40% 6,0% 40% 40% 90%	0.59 134,505 36.0% 41.0% 19.0% 22.2% 15.0% 3.0% 15.0% 3.0% 12% 4% 4% 5.0% 5.0% 8% 12% 7%	0.65 135,850 36.2% 41.0% 19.0% 22.3% 20.5% 15.0% 3.0% 21% 4% 22% 16.8% 30% 5.0% 5% 15%	9,499 2,53 134,142 36,0% 41% 22% 22% 29% 29% 30% 4% 30% 5,0% 88% 6% 21% 21%	135,986 36.1% 41% 19.0% 23% 21% 15% 3.0% 13% 4% 55% 16.2% 10.0% 7.0% 9% 43% 33%	136,122 36.2% 41% 19% 22% 20% 14% 3.0% 14% 5% 27% 17.3% 9.0% 5.0% 5.0% 5.0% 18.8% 13.8%	137,483 36,5% 41,6% 519,0% 21,6% 20,0% 15% 5% 33% 17,6% 8,0% 5% 5% 5% 619%	138,858 36.7% 41.6% 41.6% 19.0% 20.0% 15% 22% 5% 30% 17.5% 30% 10.0% 8.0% 7% 224% 14.5%	
Loss(income) from non-controlling interests Total Adjustment Non GAAP EPS Jiluted SO Sof Revenue Gross Margin GMMs - Product Dev GMMs - HIS SG&A SG&A - Product Dev SG&A- Product Dev SG&A- IHS SG&A - Product Dev SG&A- IHS SG&A - Product Dev SG&A- IHS SG&A - STORD FROM TO SERVE OF T	915 25,860 2,83 117,825 33,4% 38% 22% 22% 21% 13% 3,3% 11% 16% 13% 14,7% 23% 11,9% 12,4% 12,4% 12,5% 75,5%	118,740 34.1% 39% 18% 21% 20% 15% -19% 3% 59% 7.6% 4.6% 4% -3% -3%	0.50 126,578 34.6% 39% 20% 24% 5% 6% 887% 10% 19% 6-6% 4.6% -12.9% 0% 12%	0.54 133,267 35.6% 40.3% 20.1% 21.4% 40.7% 14.7% 2.5% 84% 17.1% 29% 5% 24% 17.1% 29% 46 15%	3,461 0.58 132,861 36.1% 41.2% 18.7% 23.2% 21.5% 3.5% 13.6% 55% 55% 55% 56% 56% 65% 65% 6	43,532 2.10 127,862 35.1% 40% 19% 23% 21% 14% -3.6% 12% 19% 57% 6.3% -7.8%	761 0.68 133,040 36,0% 39% 18% 22% 21% 4% 21% 4% 34% 9,1% 6,0% 8% 10%	0.60 133,173 36.1% 41% 19% 22% 52% 15% 3% 55% 13% 20% 4% 55% 40,0% 8% 0,0% 40%	0.59 134,505 36.0% 41.0% 19.0% 22.2% 20.5% 15.0% 3.0% 4% 22.% 4% 5.0% 8% 9.0% 8% 12% 7%	135,850 36.2% 41.0% 41.0% 22.3% 20.5% 13.0% 13.0% 14.% 22% 16.8% 30%	9,499 2,53 134,142 36,0% 41% 19% 22% 21% 42% 43% 30% 16,9% 30% 8,50% 8% 6%	135,986 36.1% 41% 41% 23% 21% 15% 3.0% 13% 5% 4% 5% 16.2% 30% 10.0% 7.0% 9% 13% 3% 3%	136,122 36.2% 41% 41% 20% 21% 20% 144% 3.0% 14% 5% 27% 3.0% 6.0% 9.0% 9.0% 17.3%	137,483 36.5% 41.6% 19.0% 21.6% 20.0% 14.0% 5% 33% 7.0% 8.0% 8.0% 8.0% 19.6% 8% 5% 19.6% 19.6%	138,858 36.7% 41.6% 19.0% 21.7% 20.0% 14.0% 3.0% 15% 30% 10.0% 8.0% 10.0% 22%	:

Current disclosure information for this company is located at

http://www.piperjaffray.com/researchdisclosures

IMPORTANT RESEARCH DISCLOSURES



Notes: The boxes on the Rating and Price Target History chart above indicate the date of the Research Note, the rating, and the price target. Each box represents a date on which an analyst made a change to a rating or price target, except for the first box, which may only represent the first Note written during the past three years.

Legend:

I: Initiating Coverage

R: Resuming Coverage

T: Transferring Coverage

D: Discontinuing Coverage

S: Suspending Coverage

OW: Overweight

N: Neutral

UW: Underweight NA: Not Available UR: Under Review

	Distribution of Ratings/IB Ser Piper Jaffray	vices		
			IB Serv.	/Past 12 Mos.
Rating	Count	Percent	Count	Percent
BUY [OW]	352	61.65	86	24.43
HOLD [N]	201	35.20	20	9.95
SELL [UW]	18	3.15	0	0.00

Note: Distribution of Ratings/IB Services shows the number of companies currently in each rating category from which Piper Jaffray and its affiliates received compensation for investment banking services within the past 12 months. FINRA rules require disclosure of which ratings most closely correspond with "buy," "hold," and "sell" recommendations. Piper Jaffray ratings are not the equivalent of buy, hold or sell, but instead represent recommended relative weightings. Nevertheless, Overweight corresponds most closely with buy, Neutral with hold and Underweight with sell. See Stock Rating definitions below.

Analyst Certification — Sean W. Wieland, Sr Research Analyst — Nina Deka

The views expressed in this report accurately reflect my personal views about the subject company and the subject security. In addition, no part of my compensation was, is, or will be directly or indirectly related to the specific recommendations or views contained in this report.



Research Disclosures

Piper Jaffray expects to receive or intends to seek compensation for investment banking services from Quintiles Transnational Holdings Inc. in the next 3 months.

Piper Jaffray has received compensation for investment banking services from or has had a client relationship with Quintiles Transnational Holdings Inc. within the past 12 months.

Within the past 12 months Piper Jaffray was a managing underwriter of a public offering of, or dealer manager of a tender offer for, the securities of Quintiles Transnational Holdings Inc. or the securities of an affiliate.

Within the past 3 years Piper Jaffray participated in a public offering of, or acted as a dealer manager for, Quintiles Transnational Holdings Inc. securities.

Piper Jaffray usually provides bids and offers for the securities of Quintiles Transnational Holdings Inc. and will, from time to time, buy and sell Quintiles Transnational Holdings Inc. securities on a principal basis.

Piper Jaffray research analysts receive compensation that is based, in part, on overall firm revenues, which include investment banking revenues.

Rating Definitions

Stock Ratings: Piper Jaffray ratings are indicators of expected total return (price appreciation plus dividend) within the next 12 months. At times analysts may specify a different investment horizon or may include additional investment time horizons for specific stocks. Stock performance is measured relative to the group of stocks covered by each analyst. Lists of the stocks covered by each are available at www.piperjaffray.com/ researchdisclosures. Stock ratings and/or stock coverage may be suspended from time to time in the event that there is no active analyst opinion or analyst coverage, but the opinion or coverage is expected to resume. Research reports and ratings should not be relied upon as individual investment advice. As always, an investor's decision to buy or sell a security must depend on individual circumstances, including existing holdings, time horizons and risk tolerance. Piper Jaffray sales and trading personnel may provide written or oral commentary, trade ideas, or other information about a particular stock to clients or internal trading desks reflecting different opinions than those expressed by the research analyst. In addition, Piper Jaffray technical research products are based on different methodologies and may contradict the opinions contained in fundamental research reports.

- Overweight (OW): Anticipated to outperform relative to the median of the group of stocks covered by the analyst.
- Neutral (N): Anticipated to perform in line relative to the median of the group of stocks covered by the analyst.
- Underweight (UW): Anticipated to underperform relative to the median of the group of stocks covered by the analyst.

Other Important Information

The material regarding the subject company is based on data obtained from sources we deem to be reliable; it is not guaranteed as to accuracy and does not purport to be complete. This report is solely for informational purposes and is not intended to be used as the primary basis of investment decisions. Piper Jaffray has not assessed the suitability of the subject company for any person. Because of individual client requirements, it is not, and it should not be construed as, advice designed to meet the particular investment needs of any investor. This report is not an offer or the solicitation of an offer to sell or buy any security. Unless otherwise noted, the price of a security mentioned in this report is the market closing price as of the end of the prior business day. Piper Jaffray does not maintain a predetermined schedule for publication of research and will not necessarily update this report. Piper Jaffray policy generally prohibits research analysts from sending draft research reports to subject companies; however, it should be presumed that the analyst(s) who authored this report has had discussions with the subject company to ensure factual accuracy prior to publication, and has had assistance from the company in conducting diligence, including visits to company sites and meetings with company management and other representatives.

Notice to customers: This material is not directed to, or intended for distribution to or use by, any person or entity if Piper Jaffray is prohibited or restricted by any legislation or regulation in any jurisdiction from making it available to such person or entity. Customers in any of the jurisdictions where Piper Jaffray and its affiliates do business who wish to effect a transaction in the securities discussed in this report should contact their local Piper Jaffray representative. Europe: This material is for the use of intended recipients only and only for distribution to professional and institutional investors, i.e. persons who are authorised persons or exempted persons within the meaning of the Financial Services and Markets Act 2000 of the United Kingdom, or persons who have been categorised by Piper Jaffray Ltd. as professional clients under the rules of the Financial Conduct Authority. United States: This report is distributed in the United States by Piper Jaffray & Co., member SIPC, FINRA and NYSE, Inc., which accepts responsibility for its contents. The securities described in this report may not have been registered under the U.S. Securities Act of 1933 and, in such case, may not be offered or sold in the United States or to U.S. persons unless they have been so registered, or an exemption from the registration requirements is available.

This report is produced for the use of Piper Jaffray customers and may not be reproduced, re-distributed or passed to any other person or published in whole or in part for any purpose without the prior consent of Piper Jaffray & Co. Additional information is available upon request.

Copyright 2014 Piper Jaffray. All rights reserved.