IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re	:	Chapter 11
Rural/Metro Corporation, et al.,[1]	:	Case No. 13-11952 (KJC)
Debtors.	:	(Jointly Administered)
	:	**Re: Docket No. 256**

NOTICE OF FILING OF CERTAIN EXHIBITS TO DISCLOSURE STATEMENT WITH RESPECT TO JOINT CHAPTER 11 PLAN OF REORGANIZATION FOR RURAL/METRO CORPORATION AND ITS AFFILIATED DEBTORS

PLEASE TAKE NOTICE THAT, on August 4, 2013, the above-captioned debtors and debtors in possession (collectively, the "**Debtors**") filed voluntary petitions under chapter 11 of title 11 of the United States Code (the "**Bankruptcy Code**") in the United States Bankruptcy Court for the District of Delaware (the "**Court**").

PLEASE TAKE FURTHER NOTICE THAT, on September 15, 2013, the Debtors filed their *Joint Chapter 11 Plan of Reorganization for Rural/Metro Corporation and Its Affiliated Debtors* [Docket No. 255] (the "**Plan**") and related *Disclosure Statement with Respect to Joint Chapter 11 Plan of Reorganization for Rural/Metro Corporation and Its Affiliated Debtors* [Docket No. 256] (the "**Disclosure Statement**") with the Court. A hearing to consider the adequacy of the information contained in the Disclosure Statement is scheduled for October 24, 2013 at 2:30 p.m.

[1] A list of the Debtors in these chapter 11 cases and the last four digits of each Debtor's taxpayer identification number is attached as Schedule 1 to the Declaration of Stephen Farber in Support of Chapter 11 Petition and First Day Pleadings [Docket No. 2] and at www.donlinrecano.com/rmc. The Debtors' headquarters are located at 9221 E. Via de Ventura, Scottsdale, AZ 85258.

PLEASE TAKE FURTHER NOTICE THAT, on the date hereof, the Debtors filed the attached exhibits to the Disclosure Statement:

Exhibit 6: Reorganized Debtors' Projected Financial Information (attached hereto as *Exhibit A*)

Exhibit 8: Valuation Analysis (attached hereto as *Exhibit B*)

Dated: October 2, 2013
Wilmington, Delaware

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Exhibit A

Reorganized Debtors' Projected Financial Information

SUMMARY OF FINANCIAL PROJECTIONS

These financial projections (the "**Financial Projections**") present, to the best of the Reorganized Debtors' knowledge and belief, the Reorganized Debtors' expected financial position, results of operations and cash flows for the Forecast Period (as defined below). The assumptions and notes to the Financial Projections disclosed herein are those that the Reorganized Debtors believe are significant to the Financial Projections. Because events and circumstances frequently do not occur as expected, there will be differences between the projected and actual results. These differences may be material to the Financial Projections contained herein.

The Reorganized Debtors have prepared the Financial Projections to assist the Bankruptcy Court in determining whether the Prepackaged Plan meets the "feasibility" requirements of section 1129(a)(11) of the Bankruptcy Code. The Reorganized Debtors prepared projections for each of the calendar years 2014 through 2018 (the "**Forecast Period**"). In connection with the negotiation and development of the Plan, the core operating assumptions with respect to revenue, normal operating expenses and capital expenditures (exclusive of non-recurring restructuring and transaction expenses and the capital structure upon emergence) were prepared by the Reorganized Debtors during the third quarter of 2013 assuming a year-end resolution of the Reorganized Debtors' financial restructuring through a pre-arranged chapter 11 bankruptcy filing. Non-recurring transaction expenses and capital structure assumptions were updated to reflect the pre-filing negotiations with the Debtors' largest stakeholders in June, July and August 2013. The Financial Projections assume that the Plan will be implemented in accordance with its stated terms in December 2013 (the "**Assumed Effective Date**"). Capitalized terms not otherwise defined herein have the meanings ascribed to such terms in either the Disclosure Statement or the Plan, as applicable.

THE REORGANIZED DEBTORS DO NOT, AS A MATTER OF COURSE, PUBLISH THIER FINANCIAL FORECASTS, BUDGETS OR STRATEGIES OR MAKE EXTERNAL FINANCIAL FORECASTS OR FORECASTS OF THEIR ANTICIPATED FINANCIAL POSITIONS OR RESULTS OF OPERATIONS. ACCORDINGLY, THE REORGANIZED DEBTORS DO NOT ANTICIPATE THAT THEY WILL, AND DISCLAIM ANY OBLIGATION TO, FURNISH UPDATED FINANCIAL FORECASTS OR BUDGETS TO ANY PARTY PRIOR TO THE EFFECTIVE DATE OF ANY PLAN OF REORGANIZATION EFFECTUATED THROUGH THE BANKRUPTCY OR TO INCLUDE SUCH INFORMATION IN DOCUMENTS REQUIRED TO BE FILED WITH THE SEC OR OTHERWISE MAKE SUCH INFORMATION PUBLICLY AVAILABLE.

Accounting Policies and Other Considerations

The Financial Projections were not prepared with a view toward compliance with the guidelines established by the American Institute of Certified Public Accountants or the rules and

regulations of the Securities and Exchange Commission and by their nature are not financial statements prepared in accordance with accounting principles generally accepted in the United States of America. The Financial Projections have been prepared by management and have not been reviewed or audited by an outside accounting firm. Only preliminary assumptions have been made with respect to "fresh start" accounting adjustments, for illustrative purposes only, and were not created in accordance with American Institute of Certified Public Accountants Statement of Position 90-7. Upon emergence from chapter 11, the Reorganized Debtors must determine the amount by which its enterprise value as of the effective date exceeds, or is less than, the fair value of its assets as of the effective date of the Plan. Such determination is based upon the fair values as of that time, which may be based on, among other things, a different methodology with respect to the valuation of the Reorganized Debtors. In any event, such valuations, as well as the determination of the fair value of the Reorganized Debtors' assets and the determination of their actual liabilities, is made as of the effective date of the Plan, and the changes between the amounts of any or all of the foregoing items as assumed in the Financial Projections and the actual amounts thereof as of the effective date may be material.

The Financial Projections are based on a number of assumptions made by management with respect to the future performance of the Reorganized Debtors' operations. Although management has prepared the Financial Projections in good faith and believes the assumptions to be reasonable, it is important to note that the Reorganized Debtors can provide no assurance that such assumptions will be realized. As described in detail in the Disclosure Statement, a variety of risk factors could affect the Reorganized Debtors' future financial position and results of operations and must be considered.

These Financial Projections contain forward-looking statements. All statements other than statements of historical fact included in these Financial Projections that address activities, events or developments that the Reorganized Debtors expect, believe or anticipate will or may occur in the future are forward-looking statements including, without limitation, the statements about the Reorganized Debtors' plans, objectives, strategies and prospects regarding, among other things, the Reorganized Debtors' financial condition, results of operations and business. The Reorganized Debtors have identified some of these forward-looking statements with words like "believe," "may," "will," "should," "expect," "intend," "plan," "predict," "anticipate," "estimate" or "continue" and other words and terms of similar meaning. These forward-looking statements are contained throughout these Financial Projections, are based on current expectations about future events affecting the Reorganized Debtors and are subject to uncertainties and factors relating to the Reorganized Debtors' operations, business environment, and discussions with creditors. All such matters are difficult to predict and many are beyond the Reorganized Debtors' control and could cause the Reorganized Debtors' actual results to differ materially from those matters expressed or implied by forward-looking statements. Many factors mentioned in the Reorganized Debtors' discussion in these Financial Projections will be important in determining future results. Although the Reorganized Debtors believe that the

expectations reflected in these forward-looking statements are reasonable, the Reorganized Debtors cannot guarantee future results, levels of activity, performance or achievements. The Reorganized Debtors' plans and objectives are based, in part, on assumptions involving the Reorganized Debtors continuing as a going concern and executing the Reorganized Debtors' stated business plan and objectives. Forward-looking statements (including oral representations) are only predictions or statements of current plans, which the Reorganized Debtors review continuously. They can be affected by inaccurate assumptions the Reorganized Debtors might make or by known or unknown risks and uncertainties.

The Financial Projections should be read in conjunction with the assumptions, qualifications and explanations set forth in the Disclosure Statement and the Plan in their entirety.

General Assumptions

The Financial Projections incorporate management's assumptions and initiatives, including projected customer trends and anticipated cost savings initiatives. The Financial Projections take into account the current market environment in which the Reorganized Debtors operate. The Financial Projections reflect numerous assumptions, including various assumptions regarding the anticipated future performance of the Reorganized Debtors, industry performance, general business and economic conditions and other matters, most of which are beyond the control of the Reorganized Debtors. The assumptions take into account some uncertainty and disruption of business that these cases may cause if they proceed on the contemplated timeline, but may not fully reflect any adverse impacts that a protracted bankruptcy may have on core operations. Therefore, although the Financial Projections are necessarily presented with numerical specificity, the actual results achieved during the Forecast Period may vary from the projected results and these variations may be material. Although the Reorganized Debtors believe that the assumptions underlying the Financial Projections, when considered on an overall basis, are reasonable in light of current circumstances, no representation can be or is being made with respect to the accuracy of the Financial Projections or the ability of the Reorganized Debtors to achieve the projected results of operations. Some assumptions inevitably will not materialize, and events and circumstances occurring subsequent to the date on which the Financial Projections were prepared may be different from those assumed, or may be unanticipated, and therefore may affect financial results in a material and possibly adverse manner. The Financial Projections, therefore, may not be relied upon as a guarantee or other assurance of the actual results that will occur. In deciding whether to vote to accept or reject the Plan, holders of Claims entitled to vote must make their own determinations as to the reasonableness of such assumptions.

Importantly, the highlighted assumptions outlined below are not intended to be exhaustive of all the assumptions and initiatives that were considered in developing the Financial Projections. As such, these assumptions are illustrative in nature and provided as a general framework for certain assumptions that were used by management.

Key Assumptions – Income Statement

A. Revenue

The Financial Projections assume year over year transport growth of approximately 1.9% per year to keep pace with population growth (weighted by forecast market population growth rates) coupled with a 10% reduction in revenue in CY2015 based upon a reduction in transports due to lost contracts in markets with near term expiration/renewal dates.

B. Field Expense

Field expenses are expected to decline modestly as a percentage of revenues during the Forecast Period primarily as a result of specific cost savings initiatives including improved billing systems. The increase in gross margin also reflects management's continued efforts to reduce fixed and variable costs through various initiatives.

C. General and Administrative Expenses ("G&A")

Projected G&A, exclusive of nonrecurring expenses, is forecasted to decrease as a percentage of revenues through 2018, driven by cost savings initiatives, some of which will be implemented during the final quarter of 2013 and calendar year 2014.

D. Other

Other expenses are mostly professional fees paid during the first quarter of calendar year 2014. Other expenses also include minor restructuring costs as management continues to implement cost savings initiatives.

E. Depreciation and Amortization Expenses ("D&A")

Projected D&A is forecasted according to the diminishing useful life of the Reorganized Debtors' existing and newly invested asset base.

Key Assumptions – Projected Consolidated Statement of Cash Flows

A. Change in Working Capital

Components of working capital are projected according to historical relationships with respect to revenue and cost of revenue and G&A expenses. In calendar year 2014, a decrease in working capital is forecasted as a result of decreasing accounts receivable related to expected contract losses. From calendar year 2016 to the end of the Forecast Period, an increase in working capital is forecasted as a result of increasing accounts receivable related to the projected growth of the Reorganized Debtors.

B. Capital Expenditures

A portion of the Reorganized Debtors' capital expenditures are success-based expenditures, made only upon establishment of new service and revenue, and a portion remain flat year over year (including vehicle maintenance). In addition, the Reorganized Debtors are expected to implement a new IT platform.

C. Cash Taxes

The Reorganized Debtors do not expect to have federal tax liabilities in the Forecast Period, but expects to have certain state tax liabilities.

Key Assumptions – Projected Consolidated Balance Sheet

A. Post-Reorganization Debt

The post emergence capital structure based upon the Plan. The Financial Projections reflect the Amended and Restated Secured Credit Agreement which considers the Prepayment of $50,000,000 of Funded Obligations.

B. Preferred Stock

The Financial Projections reflect the issuance of $135 million of Preferred Stock upon emergence.

Projected Consolidated Income Statement

	CY2014	CY2015	CY2016	CY2017	CY2018
Net AMB Revenue	$570	$520	$532	$546	$559
Fire & Other	99	99	100	102	104
Net Revenue	$669	$619	$633	$648	$663
Total Field Expense	($543)	($499)	($507)	($517)	($527)
Contribution Margin	$126	$120	$126	$131	$137
Corporate Expenses	($49)	($43)	($44)	($44)	($45)
Billing Costs	(27)	(21)	(21)	(21)	(21)
Total G&A Expense	($76)	($64)	($65)	($65)	($66)
Other (incl. Prof Fees, Restructuring Costs)	($2)	--	--	--	--
Depreciation & Amortization	(28)	(30)	(29)	(25)	(25)
EBIT	**$20**	**$26**	**$32**	**$41**	**$46**

Projected Consolidated Cash Flow Statement

	CY2014	CY2015	CY2016	CY2017	CY2018
EBIT	$20	$26	$32	$41	$46
Depreciation & Amortization	28	30	29	25	25
Changes in Working Capital	9	5	(2)	(2)	(2)
Total Cash Interest [(a)]	(30)	(31)	(32)	(32)	(31)
Cash Taxes	(1)	(1)	(1)	(1)	(1)
Other	--	1	--	--	--
Cash Flow from Operating Activites	$26	$30	$27	$31	$37
Capex	($33)	($19)	($19)	($19)	($19)
Cash Flow from Investing Activities	($33)	($19)	($19)	($19)	($19)
Post-Reorganization Debt Amortization [(b)]	--	($25)	--	($7)	($11)
Cash Flow from Financing Activities	--	($25)	--	($7)	($11)
Net Change in Cash	**($7)**	**($14)**	**$8**	**$5**	**$7**
Cash at the Beginning of Period	63	57	42	50	55
Cash at the End of Period	**$57**	**$42**	**$50**	**$55**	**$62**

Projected Consolidated Key Balance Sheet Items

	CY2014	CY2015	CY2016	CY2017	CY2018
Total Post-Reorganization Debt [(c)]	$340	$318	$318	$311	$300
Cash at the End of Period	57	42	50	55	62
Net Debt	$283	$276	$268	$256	$238
Preferred Stock	$158	$183	$212	$246	$285

(a) Excludes secured debt PIK interest.
(b) Includes scheduled amortization and cash sweep, as defined in the Amended and Restated Secured Credit Agreement.
(c) Excludes cash collateralized Exit LC Facility.

Exhibit B

Valuation Analysis

REORGANIZED DEBTORS VALUATION

THIS VALUATION IS PRESENTED SOLELY FOR THE PURPOSE OF PROVIDING "ADEQUATE INFORMATION" UNDER SECTION 1125 OF THE BANKRUPTCY CODE AND IS FOR THE SOLE USE BY THE DEBTORS AND SHOULD NOT BE USED OR RELIED UPON FOR ANY OTHER PURPOSE, INCLUDING THE PURCHASE OR SALE OF SECURITIES OF, OR CLAIMS OR INTERESTS IN, THE DEBTORS.

THE VALUATION INFORMATION SET FORTH HEREIN REPRESENTS A HYPOTHETICAL VALUATION OF THE REORGANIZED DEBTORS, WHICH ASSUMES THAT SUCH REORGANIZED DEBTORS CONTINUE AS AN OPERATING BUSINESS. THE ESTIMATED VALUE SET FORTH IN THIS SECTION DOES NOT PURPORT TO CONSTITUTE AN APPRAISAL OR NECESSARILY REFLECT THE ACTUAL MARKET VALUE THAT MIGHT BE REALIZED THROUGH A SALE OR LIQUIDATION OF THE REORGANIZED DEBTORS, THEIR SECURITIES OR THEIR ASSETS, WHICH MAY BE MATERIALLY DIFFERENT THAN THE ESTIMATE SET FORTH IN THIS SECTION. ACCORDINGLY, SUCH ESTIMATED VALUE IS NOT NECESSARILY INDICATIVE OF THE PRICES AT WHICH ANY SECURITIES OF THE REORGANIZED DEBTORS MAY TRADE AFTER GIVING EFFECT TO THE TRANSACTIONS SET FORTH IN THE PLAN. ANY SUCH PRICES MAY BE MATERIALLY DIFFERENT THAN INDICATED BY THIS VALUATION.

1. Overview

The Debtors have been advised by their financial advisor, Lazard Freres & Co. LLC ("**Lazard**"), with respect to the estimated going concern value of the Reorganized Debtors. Lazard undertook this analysis to determine the value available for distribution to holders of Allowed Claims pursuant to the Plan. The estimated total value available for distribution to holders of Allowed Claims (the "**Enterprise Value**") consists of the estimated value of the Reorganized Debtors' operations on a going-concern basis and the value of excess cash on the Assumed Effective Date (defined below). The valuation analysis herein is based on information as of the date of the Disclosure Statement. The valuation analysis assumes that the reorganization takes place on December 31, 2013 (the "**Assumed Effective Date**") and is based on projections provided by the Debtors' management ("**Financial Projections**") for 2014 to 2018 (the "**Forecast Period**").

Based on the Financial Projections and solely for purposes of the Plan, Lazard estimates that the Enterprise Value of the Reorganized Debtors falls within a range from approximately $324 million to approximately $432 million, with a midpoint estimate of approximately $378 million, which is used herein as of the value of the Reorganized Debtors' operations on a going-concern basis. For purposes of this valuation, Lazard assumes that no material changes that would affect value occur between the date of the Disclosure Statement and the Assumed Effective Date. Based on an estimated net debt balance of approximately $294 million[1] as contemplated in the Plan as of December 31, 2013, the resulting implied range of value for the equity (including any preferred equity) of the Reorganized Debtors is approximately $30 million to approximately

[1] Net debt calculated based on $337 million of Post-Reorganization debt, excluding $42 million of the cash collateralized Exit LC Facility, net of approximately $43 million of excess cash.

$138 million, with a midpoint estimate of approximately $84 million. These values do not give effect to the potentially dilutive impact of any equity issued upon exercise of any warrants or any equity under any management equity incentive program. Lazard's estimates of Enterprise Value do not constitute an opinion as to fairness from a financial point of view of the consideration to be received under the Plan or of the terms and provisions of the Plan.

THE ASSUMED ENTERPRISE VALUE AND EQUITY VALUE RANGES, AS OF THE ASSUMED EFFECTIVE DATE, REFLECTS WORK PERFORMED BY LAZARD ON THE BASIS OF INFORMATION AVAILABLE TO LAZARD AS OF SEPTEMBER 2013. ALTHOUGH SUBSEQUENT DEVELOPMENTS MAY AFFECT LAZARD'S CONCLUSIONS, NEITHER LAZARD, NOR THE DEBTORS HAVE ANY OBLIGATION TO UPDATE, REVISE OR REAFFIRM THE ESTIMATE.

Lazard assumed that the Financial Projections were reasonably prepared in good faith and on a basis reflecting the Debtors' most accurate currently available estimates and judgments as to the future operating and financial performance of the Reorganized Debtors. Lazard's estimated Enterprise Value and Equity Value ranges assume the Reorganized Debtors will achieve their Financial Projections in all material respects, including revenue growth, EBITDA margins, and cash flows as projected. If the business performs at levels below or above those set forth in the Financial Projections, such performance may have a materially negative or positive impact, respectively, on Enterprise Value and Equity Value. In estimating the Enterprise Value, Lazard: (a) reviewed certain historical financial information of the Debtors for recent years and interim periods, which is limited; (b) reviewed certain internal financial and operating data of the Debtors, including the Financial Projections; (c) discussed the Debtors' operations and future prospects with the senior management team and third-party advisors; (d) reviewed certain publicly available financial data for, and considered the market value of, public companies that Lazard deemed generally relevant in analyzing the value of the Reorganized Debtors; (e) considered certain economic and industry information relevant to the operating businesses; and (f) conducted such other studies, analyses, inquiries and investigations as it deemed appropriate. Lazard assumed and relied on the accuracy and completeness of all financial and other information furnished to it by the Debtors' management as well as publicly available information.

In addition, Lazard did not independently verify the Financial Projections in connection with preparing estimates of Enterprise Value and Equity Value, and no independent valuations or appraisals of the Debtors were sought or obtained in connection herewith. Such estimates were developed solely for purposes of the formulation and negotiation of the Plan, and to provide “adequate information” pursuant to section 1125 of the Bankruptcy Code.

Lazard's estimated Enterprise Value and Equity Value do not constitute a recommendation to any holder of Allowed Claims as to how such person should vote or otherwise act with respect to the Plan. Lazard has not been asked to and does not express any view as to what the trading value of the Reorganized Debtors' securities would be on issuance at any time. The estimated Enterprise Value and Equity Value of the Reorganized Debtors set forth herein does not constitute an opinion as to fairness from a financial point of view to any person of the consideration to be received by such person under the Plan or of the terms and provisions of the Plan.

Lazard's estimate of Enterprise Value reflects the application of standard valuation techniques and does not purport to reflect or constitute appraisals, liquidation values or estimates of the actual market value that may be realized through the sale of any securities, which may be significantly different than the amounts set forth herein. The value of an operating business is subject to numerous uncertainties and contingencies that are difficult to predict and will fluctuate with changes in factors affecting the financial condition and prospects of such a business. As a result, the estimated Enterprise Value and Equity Value ranges of the Reorganized Debtors set forth herein is not necessarily indicative of actual outcomes, which may be significantly more or less favorable than those set forth herein. Neither the Reorganized Debtors, Lazard, nor any other person assumes responsibility for any differences between the Enterprise Value or Equity Value ranges and such actual outcomes. Actual market prices of any securities will depend upon, among other things, the operating performance of the Reorganized Debtors, prevailing interest rates, conditions in the financial markets, the anticipated holding period of securities received, developments in the Reorganized Debtors' industry and economic conditions generally and other factors which generally influence the prices of securities.

2. Valuation Methodologies

The following is a brief summary of certain financial analyses performed by Lazard, including a discounted cash flow analysis, a selected companies analysis and a precedent transactions analysis, to arrive at its range of estimated Enterprise Values for the Reorganized Debtors. An estimate of Enterprise Value is not entirely mathematical, but rather involves complex considerations and judgments concerning various factors that could affect the value of an operating business. Lazard performed certain procedures, including each of the financial analyses described below, and reviewed the assumptions with the management of the Debtors on which such analyses were based and other factors, including the projected financial results of the Reorganized Debtors. Lazard's estimated Enterprise Value and Equity Value are highly dependent on the Debtors' ability to meet their Financial Projections. Lazard's valuation analysis must be considered as a whole.

a. Discounted Cash Flow Analysis

The Discounted Cash Flow ("**DCF**") Analysis is a forward-looking enterprise valuation methodology that estimates the value of an asset or business by calculating the present value of expected future cash flows to be generated by that asset or business. Under this methodology, projected future cash flows are discounted by the business's weighted average cost of capital (the "**Discount Rate**"). The Discount Rate reflects the estimated blended rate of return that would be required by debt and equity investors to invest in the business based on its capital structure. The enterprise value of the Reorganized Debtors is determined by calculating the present value of the Reorganized Debtors' unlevered after-tax free cash flows based on the Financial Projections plus an estimate for the value of the firm beyond the Forecast Period known as the terminal value. The terminal value is derived by applying perpetuity growth rates and reviewing the implied multiple to the Reorganized Debtors' projected earnings before interest, taxes, depreciation, and amortization ("**EBITDA**") in the final projected year of the Forecast Period, and then the terminal value is discounted back to the Assumed Effective Date, by the Discount Rate.

To estimate the Discount Rate, Lazard calculated the cost of equity and the after-tax cost of debt for the Reorganized Debtors, assuming a targeted total debt-to-total capitalization ratio based on an assumed range of the Reorganized Debtors' pro forma capitalization. Lazard calculated the cost of equity based on the "Capital Asset Pricing Model," which assumes that the required equity return is a function of the risk-free cost of capital and the correlation of a publicly traded stock's performance to the return on the broader market. To estimate the cost of debt, Lazard estimated the blended cost of debt of the Reorganized Debtors based on current capital markets conditions and the financing costs for comparable companies with leverage similar to the Reorganized Debtors' target capital structure.

Although formulaic methods are used to derive the key estimates for the DCF methodology, their application and interpretation still involve complex considerations and judgments concerning potential variances in the projected financial and operating characteristics of the Reorganized Debtors, which in turn affect its cost of capital and terminal values.

b. Selected Companies Analysis

The selected companies valuation analysis is based on the enterprise values of publicly traded companies that have operating and financial characteristics that are relatively similar to the Reorganized Debtors. Under this methodology, the enterprise value for each selected public company was determined by examining the trading prices for the equity securities of such company in the public markets and adding the aggregate amount of outstanding net debt for such company (at book value) and minority interest less the book value of unconsolidated investments. Those enterprise values are commonly expressed as multiples of various measures of operating statistics, most commonly "EBITDA". In addition, each of the selected public companies' operational performance, operating margins, profitability and leverage were examined. Based on these analyses, financial multiples and ratios are calculated to apply to the Reorganized Debtors' actual and projected operational performance. Lazard focused primarily on EBITDA multiples calculated using the current market values of the selected comparable companies to value the Reorganized Debtors.

A key factor in this approach is the selection of companies with relatively similar business and operational characteristics to the Reorganized Debtors. Common criteria for selecting comparable companies for the analysis include, among other relevant characteristics, markets served and services provided, growth prospects, margin profile, capital intensity, reimbursement and payor mix dynamics and scale of business. The selection of appropriate comparable companies is often difficult, a matter of judgment and subject to limitations due to sample size, the availability of meaningful market-based information and updated financial projections from financial research.

Although there is not a public company that is truly comparable to the Reorganized Debtors, Lazard selected publicly traded companies on the basis of general comparability to the Debtors in one or more of the factors described above (the "**Peer Group**").

Lazard calculated market multiples for the Peer Group based on 2014 estimated ("**2014E**") EBITDA and 2015 estimated ("**2015E**") EBITDA by dividing the enterprise value of each comparable company as of September 2013, by the 2014E EBITDA and 2015E EBITDA for each of the comparable companies. 2014E and 2015E estimated EBITDAs for the Peer Group

represent Wall Street consensus estimates, sourced from FactSet. In determining the applicable EBITDA multiple range, Lazard considered a variety of factors, including both qualitative attributes and quantitative measures.

c. Selected Transactions Analysis

The selected transactions valuation analysis is based on the enterprise values of companies involved in public merger and acquisition transactions that have operating and financial characteristics that are relatively similar to the Reorganized Debtors. Under this methodology, the enterprise value of such companies is determined by an analysis of the consideration paid and the debt assumed in the merger or acquisition transaction. As in a comparable company valuation analysis, those enterprise values are commonly expressed as multiples of various measures of operating statistics such as EBITDA.

THE SUMMARY SET FORTH ABOVE DOES NOT PURPORT TO BE A COMPLETE DESCRIPTION OF THE ANALYSES PERFORMED BY LAZARD. THE PREPARATION OF A VALUATION ESTIMATE INVOLVES VARIOUS DETERMINATIONS AS TO THE MOST APPROPRIATE AND RELEVANT METHODS OF FINANCIAL ANALYSIS AND THE APPLICATION OF THESE METHODS IN THE PARTICULAR CIRCUMSTANCES AND, THEREFORE, SUCH AN ESTIMATE IS NOT READILY SUITABLE TO SUMMARY DESCRIPTION. IN PERFORMING THESE ANALYSES, LAZARD AND THE DEBTORS MADE NUMEROUS ASSUMPTIONS WITH RESPECT TO INDUSTRY PERFORMANCE, BUSINESS AND ECONOMIC CONDITIONS AND OTHER MATTERS. THE ANALYSES PERFORMED BY LAZARD ARE NOT NECESSARILY INDICATIVE OF ACTUAL VALUES OR FUTURE RESULTS, WHICH MAY BE SIGNIFICANTLY MORE OR LESS FAVORABLE THAN SUGGESTED BY SUCH ANALYSES.