

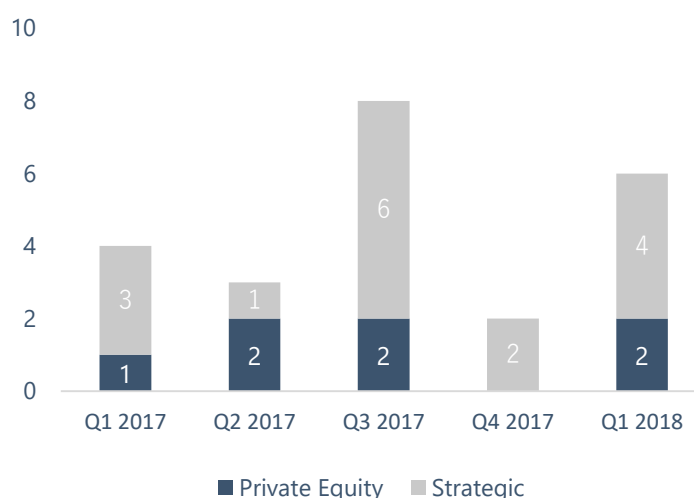
Q1-2018 Anesthesia Services Update



Market Update

Merger & acquisition activity within the anesthesia services segment continued at a strong pace during the first quarter of 2018. There were three notable private equity recapitalizations during the quarter. American Discover Capital funded Indiana-based American Pain Consortium Holdings and NexPhase Capital made a majority investment into Jacksonville-based Gulf Coast Pain Institute. Siromed, a portfolio company of J.W. Childs Associates, acquired A4 as a new regional entrance into the Michigan market. With Siromed now entering into the Michigan market in Q1 of 2018 following PhyMed's acquisition of Traverse Anesthesia Associates in Q4 of 2017, we expect the increased competitive dynamics to create an attractive M&A environment throughout the region. These three transactions within anesthesia services reflect the continued willingness by the private equity community to put capital to work within the sector.

Investment Activity Breakdown



Select Transactions:

Month	Acquirer	Target	Target – Number of:		
			Locations	Providers	States
March	Physician Partners of America	Capstone Pain and Spine Group	3	2	1
March	Siromed	Anesthesia Associates of Ann Arbor/ Midwest Anesthesia Consultants ("A4")	21	110	1
March	NexPhase Capital	Gulf Coast Pain Institute	11	10	1
February	Pain Treatment Centers of America	Arkansas Surgery & Endoscopy Center	2	1	1
February	American Discovery Capital	American Pain Consortium Holdings	6	5	1
February	Physician Partners of America	Sunshine Spine & Pain, PA	2	5	1

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Conference Attending



Members of the Provident Healthcare Partners anesthesia coverage team will be attending the Advanced Institute for Anesthesia Practice Management conference.