

Q1-2018 Ophthalmology Update



Market Update

Consolidation activity in the first quarter of 2018 was characterized by a material pickup in strategic add-on acquisitions as groups backed by private equity capital completed several sizable transactions, building density in existing markets while also entering new ones. Five groups completed acquisitions in states outside of their existing platforms while four groups increased their provider count by over 50%. Q1 also saw two landmark private equity deals as LLR Partners and Gauge Capital both recapitalized multiple practices to form their respective platforms. With the market very much in full swing, barring any macroeconomic or regulatory pressures, Provident expects investment appetite for eyecare groups to continue to outweigh supply, keeping valuations at elevated levels.

Provident Transaction



Provident Healthcare Partners served as the exclusive financial advisor to the physician shareholders of Pacific Eye Institute (PEI) in its recapitalization with Unifeye Vision Partners (UVP). This transaction is UVP's first acquisition in the southern California market where PEI will serve as a regional hub for de novo and acquisitive growth.

Select Transactions:

Month	Acquirer	Target	Target – Number of:		
			Locations	Providers	State(s)
March	LLR Partners	The Eye Associates & Clemson Eye	12	26	FL, SC
March	Unifeye Vision Partners	Pacific Eye Institute	5	16	CA
March	EyeSouth Partners	Gainesville Eye Associates	3	5	GA, NC
March	One Vision Partners	Maryland Vision Institute	4	12	MD
February	Gauge Capital	Nevada Eye Physicians, Shepherd Eye Center & New Eyes	17	38	NV
January	Midwest Eye Care Services	Shoreline Vision	6	16	MI
January	Spectrum Vision Partners	Ophthalmic Consultants of Connecticut	4	6	CT
January	One Vision Partners	Arlington Eye Center	1	5	VA
January	Omni Eye Services	Phillips Eye Center	2	10	NJ
N/A	Southeast Eye Specialists	Eye Health Partners	16	35	AL, TN
N/A	Eyecare Services Partners	Undisclosed	11	21	CA, FL, VA, WA

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Conference Attending



Members of the Provident Healthcare Partners vision care coverage team will be attending the American Society of Cataract and Refractive Surgery.