

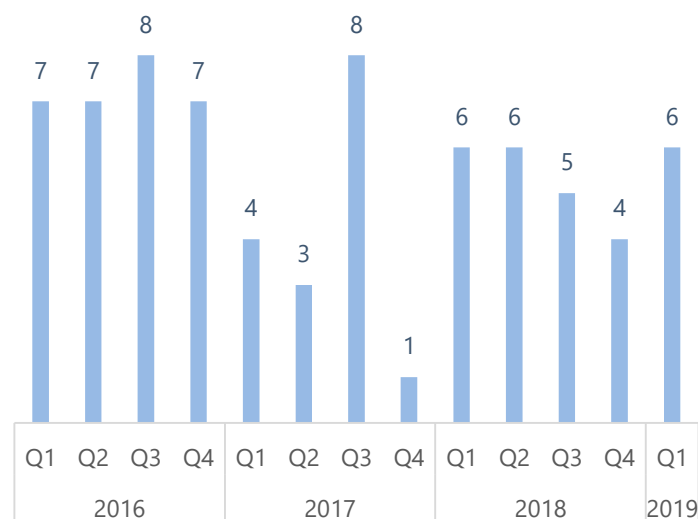
Q1-2019 Anesthesia Services Update



Market Update

Over the past two decades, the anesthesia services market has seen a steady wave of consolidation activity driven by both private equity investments and strategic consolidators. Although the anesthesia services market is mature, many consolidators continue to search for add-on acquisition opportunities to further bolster the growth of established platforms, while new industry entrants have begun a new consolidation wave. National Partners in Healthcare (NPH) founded as a joint venture between Archimedes Health Investors and BlueMountain Capital Management, has become one of the more active consolidators, having completed three acquisitions within the last six months. NPH has invested heavily into technology and data gathering tools to provide anesthesiologists and CRNAs with the resources required to scale beyond their current trajectory, while maintaining autonomy of their practice's daily operations. Additionally, Fulcrum Equity Partners has completed their second investment into the anesthesia services market with their acquisition of Georgia Pain and Wellness Centers following their acquisition of CarePlus Medical Corporation in 2016. Despite market maturity, Provident expects to see transaction activity remain steady throughout 2019 driven by add-on acquisitions and stable interest rates.

Publicly Announced Transactions



Select Transactions:

Month	Acquirer	Target	Target – Number of:		
			Locations	Providers	State
January 2019	CRH Medical Corporation	Anesthesia Care Associates	1	N/A	Indiana
January 2019	Fulcrum Equity Partners	Georgia Pain and Wellness Center	9	11	Georgia
January 2019	National Partners in Healthcare	Metro Anesthesia Consultants	1	N/A	Arizona
January 2019	National Partners in Healthcare	Waxahachie Anesthesia Consultants	1	17	Texas
February 2019	Arizona Surgical Pain Consultants	Gateway Anesthesia and Pain Associates	2	1	Arizona

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