

# Q3-2019 Dental Services Update



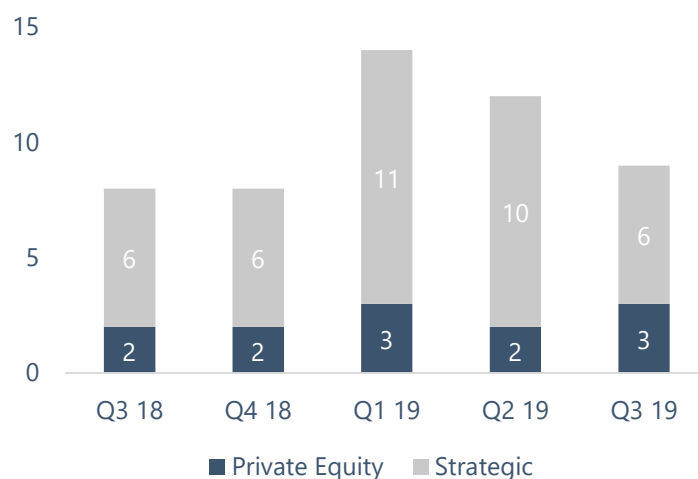
## Market Update

Merger & acquisition activity remained heightened during the third quarter of 2019. In addition to consolidation among general dentistry groups, investment activity has increased in specialty providers, such as oral surgery. These new platforms will be looking to aggressively grow in the fragmented oral surgery market leveraging a similar strategy to U.S. Oral Surgery Management, which was formed in 2018 and has rapidly expanded through its private equity partnership with Riverglade Capital. The largest transaction of the quarter was North American Dental Group's (NADG) \$660 Million transaction with Jacobs Holding. NADG had previously been a portfolio company of ABRY Partners and The Riverside Company. Through NADG's previous private equity partnership, the organization has grown to over 200 practices across the Mid-Atlantic, Southeast, and Northeast regions. Given the continued in-flow of private equity capital into the dental services sector, it is Provident's expectation that transaction volume will remain robust throughout the remainder of 2019.

## Select Transactions:

Month	Acquirer	Target	Target – Number of:		
			Locations	Dentists	State(s)
September	Western Dental	San Diego Dental Specialty Center	1	6	1
September	Light Wave Dental Management	CarolinasDentist	6	19	1
September	U.S. Oral Surgery Management	South Oral & Maxillofacial	2	4	1
September	Smile Brands	Dental Faculty Associates	1	8	1
August	CORONTAL Group	Grant Hensley Dentistry	1	1	1
August	Jacobs Holding	North American Dental Group	200+	250+	11
August	42 North Dental	All Dental Center in Westborough, Watertown, and Fresh Pond Dental	3	10	1
August	Sheridan Capital	Oral Surgery Partners	6	7	1
July	InTandem Capital	Nebraska Oral & Facial Surgery, Omaha Oral Surgery, and Advanced Oral Surgery	11	12	2

## Investment Activity Breakdown



## Provident Industry Coverage Team

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