

M&A Update

The last two quarters have proven to be highly active in the dental sector, with private equity groups continuing to drive investment capital into the sector. Strategic consolidation remains difficult for larger groups due to the integration challenges that exist, however there is a strong secondary market as is showcased by both Dental Care Alliance and Aspen Dental changing primary PE backers. We also continued to see unique approaches by groups through angles such as dental service organizations and laboratory service providers. Provident expects the dental sector to continue its rampant consolidation throughout the end of the year and into 2016.

SELECT TRANSACTIONS

Month	Acquirer	Target Company	Details
August 2015	Boathouse Capital	Leading Dental Support Organization	Boathouse Capital has made an investment in a leading dental support organization. The investment was made in order to further the Company's growth through new facilities and allow for additional acquisitions by the DSO. Details of the transaction have not been disclosed.
August 2015	ABRY Partners, The Riverside Company	North American Dental Group	ABRY Partners and The Riverside Company have completed the recapitalization of North American Dental Group (NADG). ABRY had originally invested in Refresh Dental in May of 2012, and this deal brings in a number of other brands, locations, and geographic exposure. Terms of the transaction were not disclosed.
July 2015	Blue Sea Capital	Deca Dental Group	Blue Sea Capital has announced that it has made a growth investment in Addison, Texas-based Deca Dental Group. Through this transaction, Blue Sea Capital gains a portfolio company with roughly 300 team members, 50 of which are dentists, across more than 30 practices. Financial terms of the deal were not disclosed.
July 2015	MicroDental	Phoenix Dental Laboratory	MicroDental has announced the acquisition of Phoenix Dental Laboratory (PDL). Through this transaction, Ontario-based PDL will allow MicroDental to expand into the Toronto market. Financial terms of this transaction were not disclosed.
July 2015	Tralongo	Southern Dental Associates	Tralongo has announced the completed acquisition of Southern Dental Associates. Southern Dental is a Texas-based dental group that provides service at nine Houston locations. Financial terms of the transaction were not disclosed.
July 2015	Harvest Partners	Dental Care Alliance	Harvest Partners has announced the acquisition of Sarasota, Florida-based Dental Care Alliance (DCA). DCA is a 157-office dental provider with more than 380 dentists across eight states. DCA has been primarily owned by Quad-C Management since 2012 and has multiple acquisitions throughout their partnership. Terms of the transaction were not disclosed.
April 2015	Shore Capital Partners	Chicagoland Smile Group	Shore Capital Partners has announced a majority investment in Chicagoland Smile Group, a network of four dental practices located throughout Chicago, Illinois. Financial terms of the transaction were not disclosed.
April 2015	American Securities	Aspen Dental Management	American Securities has completed its previously announced agreement to acquire Aspen Dental Management. The Aspen team consists of approximately 6,000 members across 481 locations in 29 states. This marks the third time since 2006 that Aspen has changed its primary private equity sponsor, replacing Leonard Green and Ares over that time. Financial terms of the transaction were not disclosed.