
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**
Washington, DC 20549

FORM 8-K

**CURRENT REPORT
PURSUANT TO SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934**

March 18, 2016
Date of report (date of earliest event reported)

Surgery Partners, Inc.
(Exact name of registrant as specified in its charter)

Delaware
**(State or other jurisdictions of
incorporation or organization)**

001-37576
**(Commission
File Number)**

47-3620923
**(I.R.S. Employer
Identification Nos.)**

40 Burton Hills Boulevard, Suite 500
Nashville, Tennessee 37215
(Address of principal executive offices) (Zip Code)

(615) 234-5900
(Registrant's telephone number, including area code)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrants under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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Item 7.01 Regulation FD Disclosure.

As noted above, on March 18, 2016, Surgery Partners, Inc. issued a press release announcing that its wholly owned subsidiary, Surgery Center Holdings, Inc., intends to raise \$400 million in gross proceeds through an offering of senior notes due 2021. A copy of the presentation materials to be provided to potential investors is furnished as Exhibit 99.2 to this Current Report on Form 8-K.

The information contained in this Item 7.01 and in the accompanying exhibit shall not be deemed filed for the purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liability of that section, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933, as amended, except as shall be expressly set forth by specific reference in such a filing.

Item 8.01 Other Events.

On March 18, 2016, Surgery Partners, Inc. issued a press release announcing that its wholly-owned subsidiary, Surgery Center Holdings, Inc., intends to raise \$400 million in gross proceeds through an offering of senior notes due 2021. A copy of the press release is attached as Exhibit 99.1 to this Current Report on Form 8-K.

This report may contain “forward-looking” statements as defined by the Private Securities Litigation Reform Act of 1995 or by the U.S. Securities and Exchange Commission (the “SEC”) in its rules, regulations and releases. These statements include, but are not limited to, the Company’s expectations regarding the acquisitions and the performance of its business and the other non-historical statements. These statements can be identified by the use of words such as “believes” “anticipates,” “expects,” “intends,” “plans,” “continues,” “estimates,” “predicts,” “projects,” “forecasts,” and similar expressions. All forward looking statements are based on management’s current expectations and beliefs only as of the date of this report and are subject to risks, uncertainties and assumptions that could cause actual results to differ materially from those discussed in, or implied by, the forward-looking statements, including the risks identified and discussed from time to time in the Company’s reports filed with the SEC, including the Company’s most recent Annual Report on Form 10-K. Readers are strongly encouraged to review carefully the full cautionary statements described in these reports. Except as required by law, the Company undertakes no obligation to revise or update publicly any forward-looking statements to reflect events or circumstances after the date of this report, or to reflect the occurrence of unanticipated events or circumstances.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

<u>Exhibit No.</u>	<u>Description</u>
99.1	Press release dated Mach 18, 2016
99.2	Investor Presentation dated March 2016

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Surgery Partners, Inc.

By: /s/ Michael T. Doyle
Michael T. Doyle
Chief Executive Officer

Date: March 18, 2016

EXHIBIT INDEX

<u>Exhibit No.</u>	<u>Description</u>
99.1	Press release dated Mach 18, 2016
99.2	Investor Presentation dated March 2016

Surgery Partners Announces Proposed \$400 Million Senior Note Offering

NASHVILLE, Tennessee, March 18, 2016 —Surgery Partners, Inc. (NASDAQ: SGRY) today announced that its wholly-owned subsidiary, Surgery Center Holdings, Inc. (collectively, “Surgery Partners”), intends to commence a private offering, subject to market and other considerations, of \$400,000,000 aggregate principal amount of senior unsecured notes due 2021 (the “notes”). The notes will be guaranteed (the “guarantees”) on a senior unsecured basis by each domestic wholly owned subsidiary of Surgery Center Holdings, Inc. that guarantees Surgery Center Holdings, Inc.’s obligations under its senior secured credit facilities. There can be no assurance that the proposed offering of notes will be completed. Actual terms of the notes, including interest rate and principal amount, will depend on market conditions at the time of pricing and will be determined by negotiations among Surgery Partners and the initial purchasers of the notes.

Surgery Partners intends to use the net proceeds from this offering to repay the borrowings outstanding under its senior secured second lien credit facility, to repay the outstanding balance on its revolving credit facility, to pay fees and expenses associated with this offering and for general corporate purposes.

This press release shall not constitute an offer to sell or a solicitation of an offer to buy securities, nor shall there be any offer, solicitation or sale in any jurisdiction in which, or to any person to whom, such offer, solicitation or sale would be unlawful. The notes and the guarantees are being offered and sold only to “qualified institutional buyers” in the United States pursuant to Rule 144A under the Securities Act of 1933, as amended (the “Securities Act”), and to non-U.S. persons outside the United States in reliance on Regulation S under the Securities Act. The notes and the guarantees have not been, and will not be, registered under the Securities Act or any state securities laws and may not be offered or sold in the United States absent registration or an applicable exemption from the registration requirements of the Securities Act and applicable state laws.

Forward-Looking Statements

This press release contains forward-looking statements within the meaning of the “safe harbor” provisions of the Private Securities Litigation Reform Act of 1995 relating to Surgery Partners’ intention to offer and sell, and apply the net proceeds of, the notes. Such statements are based on current expectations and beliefs only, and involve risks and uncertainties and assumptions relating to our operations, financial condition, business, prospects, growth strategy and liquidity, the realization of which may cause our actual results to differ materially from those projected by such forward-looking statements. The forward-looking statements made in this press release are made only as of the date of the hereof. Except as required by law, Surgery Partners undertakes no obligation to update any forward-looking statement, whether as a result of new information or otherwise.

About Surgery Partners

Headquartered in Nashville, Tennessee, Surgery Partners is a leading healthcare services company with a differentiated outpatient delivery model focused on providing high quality, cost effective solutions for surgical and related ancillary care in support of both patients and physicians. Founded in 2004, Surgery Partners is one of the largest and fastest growing surgical services businesses in the

country, with more than 140 locations across 29 states, including ambulatory surgery centers, surgical hospitals, a diagnostic laboratory, multi-specialty physician practices and urgent care facilities.

Contact

Teresa Sparks, CFO
Surgery Partners, Inc.
IR@surgerypartners.com

Investor Presentation

March 2016



Presenters

Mike Doyle Chief Executive Officer

- Chief Executive Officer and Director since 2009
 - Previously served as President and Chief Operating Officer since 2004 when Surgery Partners was formed
- More than 20 years of healthcare experience with both an extensive management background and clinical experience
 - Formerly served as Senior Vice President of Operations at HealthSouth

Teresa Sparks Chief Financial Officer

- Executive Vice President and Chief Financial Officer since Symbion acquisition in November 2014
 - Previously served as Senior Vice President and Chief Financial Officer of Symbion (2007 to November 2014) and Corporate Controller (1996 through 2007)
- More than 20 years of healthcare experience with an extensive management background
 - Previously served as Assistant Controller for HealthWise

Agenda

- 1 Executive Summary
- 2 Company Overview
- 3 Acquisition Strategy
- 4 Financial Overview
- 5 Appendix

Executive Summary

Executive Summary

- **Surgery Partners, Inc. ("Surgery Partners" or the "Company") is a leading surgical services company with a differentiated outpatient care delivery model**
 - National platform of 101 surgical facilities comprised of 96 ambulatory surgery centers ("ASCs") and 5 surgical hospitals across 29 states as of December 31, 2015
 - Patient and physician centric culture with commitment to high quality, cost effective solutions for surgical and ancillary care
 - Transformational acquisitions of NovaMed in 2011 and Symbion in 2014 have created significant scale, diversification and value creation opportunity

- **Strong financial performance driven by differentiated operating model**
 - Focus on ancillary services drives industry leading same-facility revenue growth and sustainable margins
 - 2015 same-facility revenue growth of 10.7%
 - 2015 Revenue and Credit Agreement EBITDA of \$959.9 million and \$210.9 million, respectively

- **In October 2015, Surgery Partners completed its IPO, the net proceeds of which were used to pay down \$243.5 million of Second Lien Term Loan**
 - Current equity valuation of \$719.5 million and implied enterprise value of \$1.9 billion, representing 12.3x EV / Adjusted EBITDA
 - Meaningful deleveraging through IPO and remainder of the year as a result of significant free cash flow generation
 - Subsequent to the IPO, the Company increased the Revolver size from \$80.0 million to \$150.0 million

- **Surgery Partners intends to raise \$400 million Senior Unsecured Notes (the "Notes") to repay the Revolver and Second Lien Term Loan**
 - The Company also intends to raise \$80 million of Incremental First Lien Term Loan to fund 2 acquisitions under signed LOI which are expected to close in late March
 - Net leverage neutral pro forma for the Incremental First Lien Term Loan and Notes offering – 3.8x senior secured net leverage and 5.8x total net leverage based on 2015 Credit Agreement EBITDA of \$226.7 million pro forma for the 2 acquisitions under signed LOI

Sources and Uses and Pro Forma Capitalization

Sources and Uses

Sources of Funds	Incremental First Lien		Notes	Uses of Funds	Incremental First Lien		Notes
	Term Loan				Term Loan		
Incremental First Lien Term Loan ⁽¹⁾	\$ 80.0	\$ -		Purchase Price of Acquisitions	\$ 91.1	\$ -	
Senior Unsecured Notes	-	400.0		Repay Revolver	-	125.3	
Purchase Consideration Payable ⁽²⁾	14.4	-		Repay Second Lien Term Loan	-	246.5	
Cash from Balance Sheet	2.1	-		Prepayment Penalty ⁽³⁾	-	4.9	
				Cash to Balance Sheet	-	15.3	
				Estimated Fees and Expenses	5.4	8.0	
Total Sources	\$ 96.5	\$ 400.0		Total Uses	\$ 96.5	\$ 400.0	

12/31/15

	Pro Forma			Pro Forma			
	Actual	Incremental First Lien		Actual	Incremental First Lien		
		Term Loan	Notes ⁽⁴⁾		Term Loan	Notes ⁽⁴⁾	
Cash and Cash Equivalents	\$ 57.9	\$ 55.9	\$ 71.7	Credit Agreement EBITDA	\$ 210.9	\$ 226.7	\$ 226.7
Revolving Credit Facility	\$ 125.3	\$ 125.3	\$ -	Maintenance CapEx ⁽⁵⁾	27.9	27.9	27.9
First Lien Term Loan	861.3	861.3	861.3	Free Cash Flow	\$ 183.1	\$ 198.9	\$ 198.9
Incremental First Lien Term Loan	-	80.0	80.0	First Lien Net Leverage	4.4x	4.5x	3.8x
Second Lien Term Loan	246.5	246.5	-	Senior Secured Net Leverage	5.6x	5.5x	3.8x
Senior Unsecured Notes	-	-	400.0	Total Net Leverage	5.8x	5.8x	5.8x
Facility Level Debt and Other	52.9	52.9	52.9	Free Cash Flow / Credit Agreement EBITDA	86.8%	87.7%	87.7%
Total Debt	\$ 1,286.0	\$ 1,366.0	\$ 1,394.2				
Market Capitalization	\$ 719.5	\$ 719.5	\$ 719.5				
Total Capitalization	\$ 2,005.5	\$ 2,085.5	\$ 2,113.7				

Note: All debt numbers represent gross amounts and are not net of OID.

(1) Scheduled to close simultaneously with the Notes offering, but not contingent on one another.

(2) Represents contingent consideration payable in equal installments over 3 years related to an acquisition under signed LOI, subject to continued employment of the sellers.

(3) 102% prepayment penalty on Second Lien Term Loan.

(4) Also assumes the Incremental First Lien Term Loan.

(5) Maintenance CapEx normalized for one-time CapEx primarily related to integration and relocation of a surgical facility and is not pro forma for the 2 acquisitions under signed LOI.



Summary of Terms

Issuer	▪ Surgery Center Holdings, Inc.
Issue	▪ \$400.0 million Senior Unsecured Notes (the "Notes").
Term	▪ 5 years.
Placement Type	▪ 144A Private Placement without registration rights.
Guarantees	▪ Guaranteed on a senior unsecured basis by each of the Issuer's existing and future wholly-owned domestic subsidiaries that guarantee the Issuer's Senior Secured Credit Facilities.
Ranking	▪ Senior in right of payment to all existing and future senior subordinated indebtedness; equal with all other existing and future senior indebtedness; effectively junior in right of repayment to all existing and future secured indebtedness.
Optional Redemption	▪ Non-call 2, callable thereafter at a premium declining to par; ▪ 35% equity clawback.
Change of Control Offer	▪ 101%.
Asset Proceeds	▪ Potential offer to purchase the Notes with net proceeds of asset sales.
Certain Indenture Provisions	▪ Standard incurrence covenants for transactions of this type.

Company Overview

Surgery Partners at a Glance

Healthcare Facilities

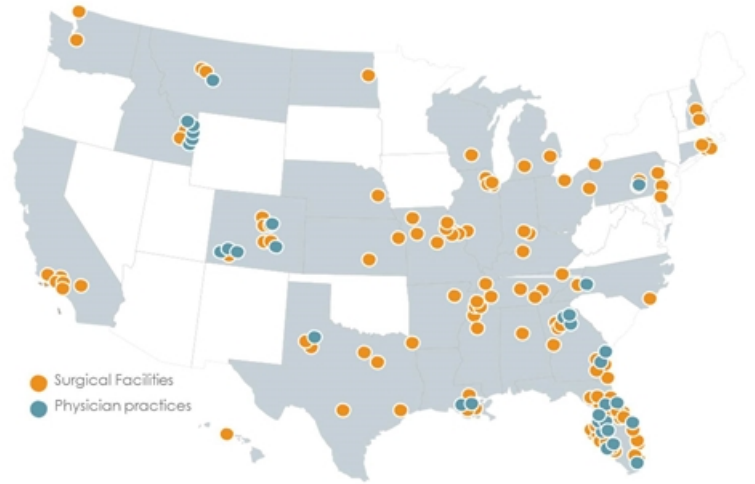
96 ASCs

5 Surgical Hospitals

46 Physician Practices

8 Urgent Care Facilities

National Network



Surgery Partners at a Glance

Ancillary Services

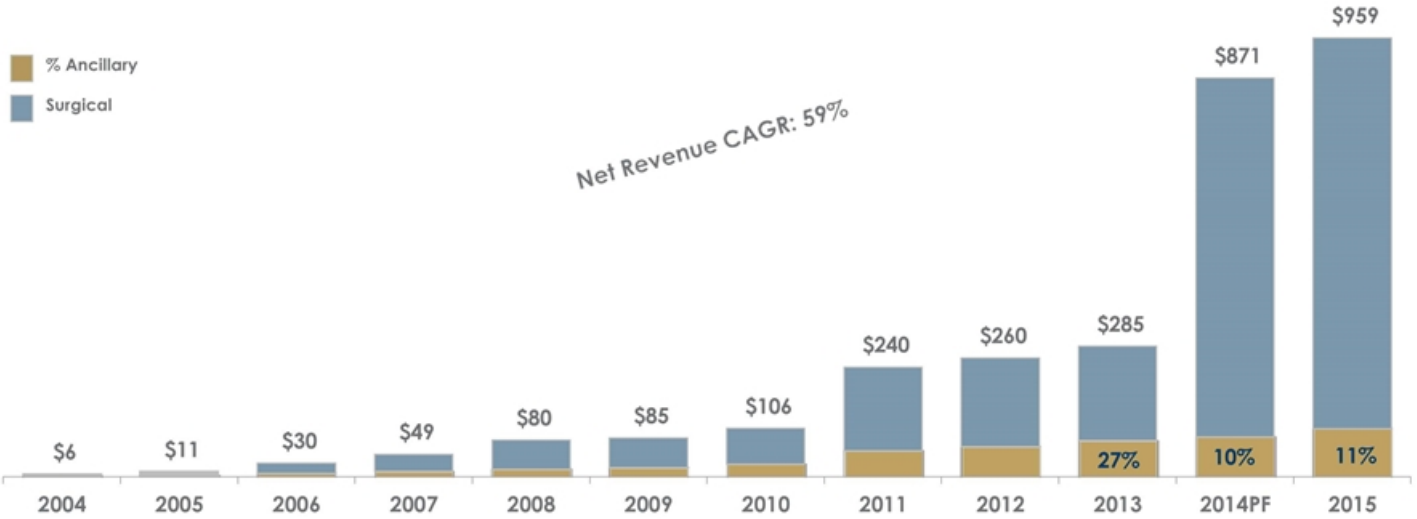
-  Anesthesia Services
-  Diagnostics
-  Specialty Pharmacy
-  Optical Services

Company Highlights

A network of outpatient care focused services

- ✓ over 500,000 annual patients
- ✓ 4,000 affiliated physicians
- ✓ 5,100 talented employees
- ✓ 94% patient satisfaction
- ✓ 96% partner retention

Company Timeline



Strategic Achievements	2011: Acquire NovaMed (37 ASCs and surgical facilities plus ancillary optical services)	2012: Launch diagnostic laboratory services with opening of Logan Labs	2013: Expand into specialty pharmacy services and DNA testing	2014: Acquire Symbion (55 surgical facilities), significantly increasing ancillary expansion targets; IPO in 2015
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Note: Ancillary includes anesthesia and optical services, and in all years prior to 2014PF represents Surgery Partners on a standalone basis.



Traditional Delivery Method



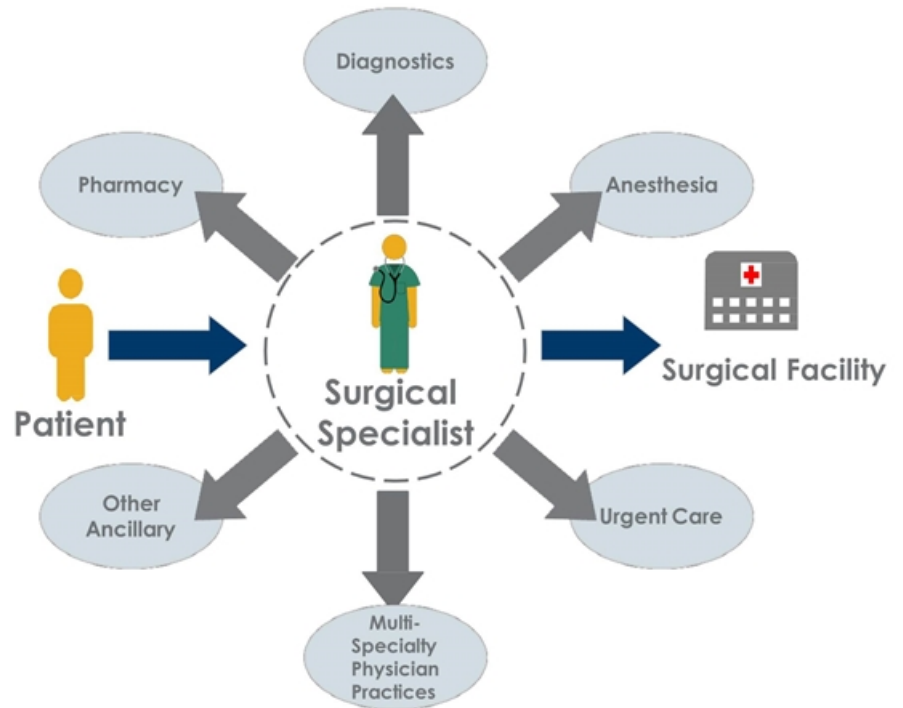
Value Proposition: Surgical Facilities Complemented by Differentiated Ancillary Services Deliver Superior Care and Growth

Multi-specialty, multi-faceted and high quality outpatient delivery model

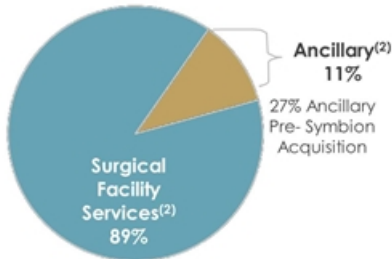
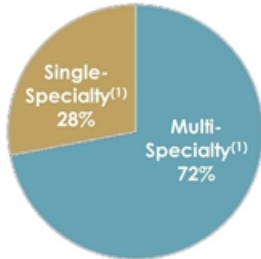
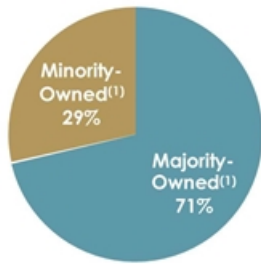
- Strong Operating Margins
- Majority of the practices are wholly-owned
- Majority of ancillary earnings are retained by Surgery Partners

Multiple levers to support profitability and growth in surgical facilities

- Same-Facility Growth
- Drive Strong Operating Margins
- In-Market Physician Practice Transactions and De Novos
- Add-On Surgical Facility Acquisitions
- Additional Ancillary Services to Extend Across Continuum of Care



Operating Philosophy



- Own and operate 96 ASCs and 5 surgical hospitals
- Enhanced ability to meet the needs of the local market and its patients
- Majority of the practices are wholly-owned
- Expertise across all surgical specialties
- Provides the ability to expand our surgical specialty offerings based on market demand
- Enables the stability and predictability of our revenue
- Creates multiple levers to grow volume and increase profitability
- Majority of ancillary earnings are retained by Surgery Partners
- Significantly higher growth and strong margins
- Services otherwise outsourced to unaffiliated third parties

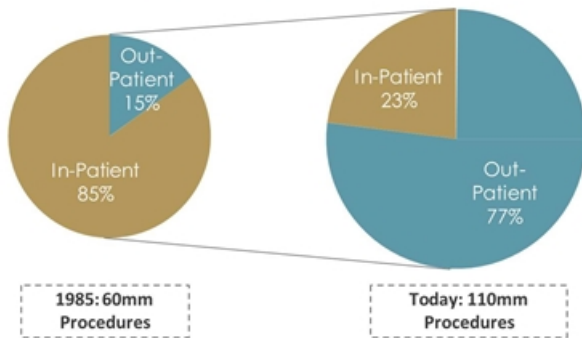
⁽¹⁾ Based on 101 surgical facilities as of December 31, 2015.
⁽²⁾ Based on 2015 Revenue of \$959.9 million

Attractive Industry Dynamics

ASCs Provide Lower Costs and Superior Outcome

- Government and commercial payors are focused on patients being served in lower cost sites of care with high quality outcomes
- Growth in the ASC market has been driven by:
 - Far less expensive site of care than hospital out-patient facilities
 - Higher patient satisfaction
 - Better clinical outcomes for patients than hospitals
- As the shift to out-patient settings have grown, ASCs have been able to add significant capacity in the market and become an efficient / low cost alternative for payors
- Over 23 million surgical procedures are performed annually at ASCs⁽¹⁾

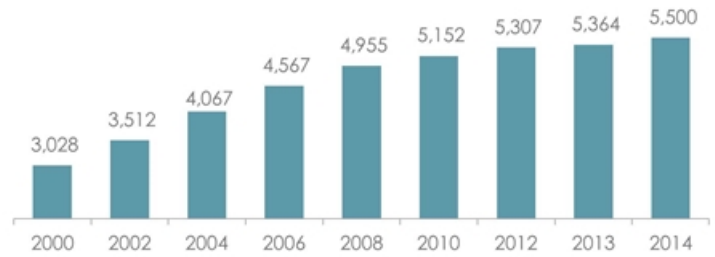
Dramatic Shift to Out-Patient



Source: CMS

15 (1) Source: Ambulatory Surgery Center Association.

Growth in Medicare Certified ASCs



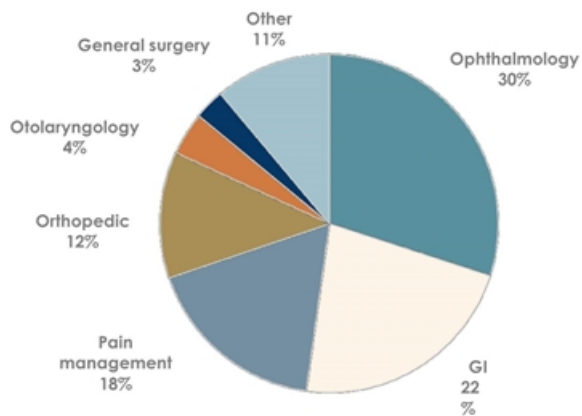
Source: March 2015 Report to the Congress: Medicare Payment Policy, STRH estimates

Diversified Specialty and Payor Mix

Delivers Stability, Growth and Strong Margins

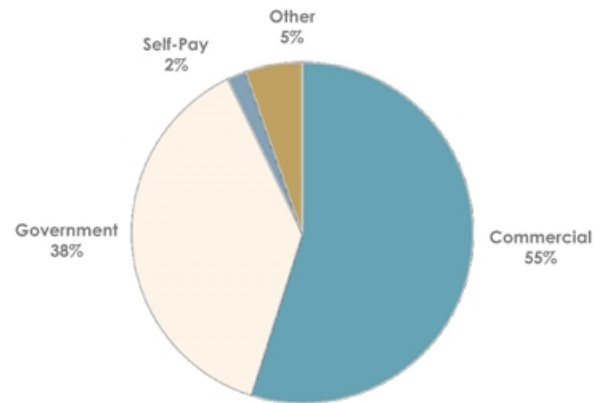
Specialty Mix

- Drives stable revenue
- Provides multiple levers to grow volume
- Broadens the pool of surgical specialists to recruit



Payor Mix

- Diversified payor base resulting from local contracting
- Limited exposure to bad debt
- Limited out-of-network exposure



Physician Engagement Strategy

**Flexible approach to
physician engagement**



**Physician-centric culture
focused on customer service**

Drives success in recruiting and retaining high quality physicians

Over 100 Employed Physicians

Operate in 46 practices, majority of which are wholly-owned

~1,000 Partnered Physicians

Hold ownership positions in surgical facilities and receive pro-rata share of cash flows

~3,000 Affiliated Physicians

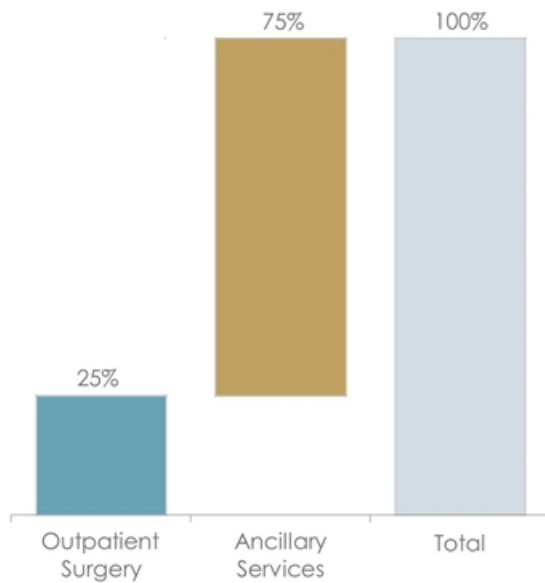
Utilize Surgery Partners' facilities to capitalize on procedural and administrative efficiencies compared to alternative sites of care

96% Physician Partner Retention Rate for Last 5 Full Years

Beyond the Traditional Surgery Center Model

Physician practice operations drive meaningful value across the enterprise

Ramp Up of a Typical In-Market Physician Practice



Adjusted EBITDA Contribution

Deployment of Ancillary Services

Outpatient Surgery

- Capture portion of physician ASC opportunity
- Drives facility utilization / leverages existing infrastructure
- Support partnerships' strategic initiatives

Practice Operations

- More efficient operations
- Enhanced marketing / patient volumes
- Stronger managed care contracts
- Drive share of in-office ancillaries

Diagnostic Services

- Capture confirmation (diagnostic) samples for existing patients
- Building capabilities to add comprehensive lab services and pathology

Pharmacy Services

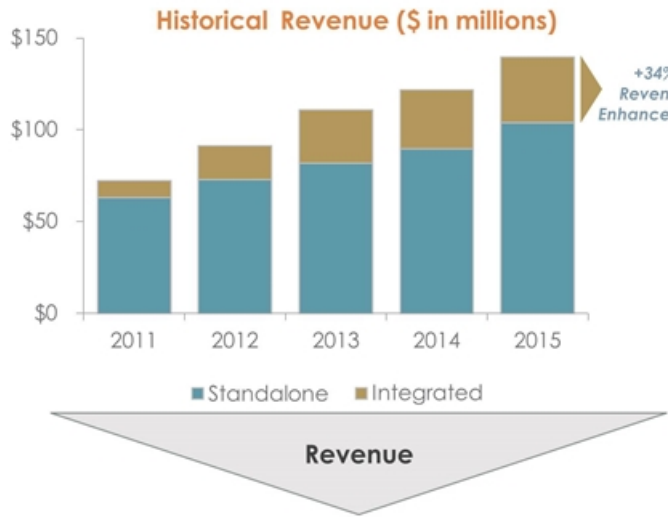
- Capture pharmaceuticals used in patient treatment program or OR / PR
- Maintaining control of quality and compliance
- Product offering across various specialties

Anesthesia Services

- Capture revenue stream associated with ASC
- In-house expertise and staffing model

Ancillary Deployment

Incorporation of multiple ancillary services at 15 select facilities demonstrates the successful execution of its strategy

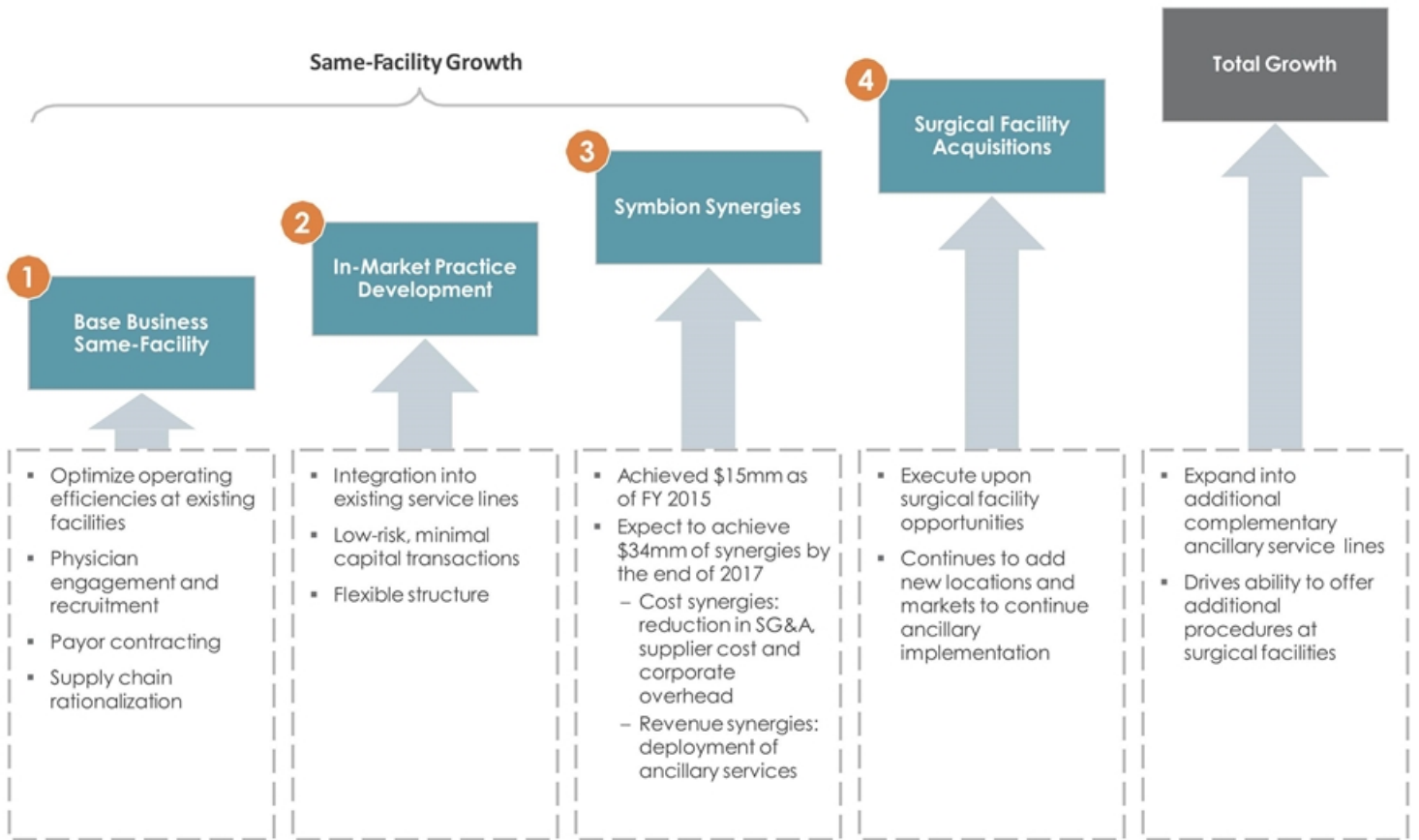


13% CAGR on Standalone Business
18% CAGR with Ancillary Services



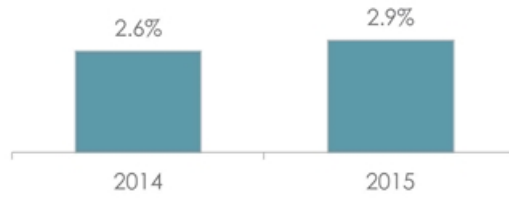
14% CAGR on Standalone Business
29% CAGR with Ancillary Services

Multiple Levers of Growth in Existing and New Markets



Strong and Consistent Cash Flow Generation

Maintenance Capital Expenditures (% of Net Revenue)



- Low maintenance capex requirements
- Growth capex is deployed in small, low-risk leverage accretive transactions

Free Cash Flow⁽¹⁾ (\$mm)



- Stable cash flows diversified across specialties, business lines, and geographies
- Ancillary services improve consolidated margins
- History of disciplined cash flow management

Attractive Valuation and Market Validation

Surgery Partners trades at 12.3x 2015 Adjusted EBITDA with...

...Strong Institutional Support...

"We think the company's ancillary strategy is a differentiator in the space as it creates multiple levers to increase profitability, with full economics captured by Surgery Partners. From 2011 to 2014, the facilities have seen an incremental increase to their operating income CAGR of ~ 20% and operating income margin of approximately ~10%."

Morgan Stanley, October 26, 2015

"We view SGRY's current anesthesia penetration as a major positive and believe it could represent a potential competitive advantage to ASC peer operators."

Goldman Sachs, October 26, 2015

"For the last several years, SGRY consistently has shown same store system-wide revenue growth in the high single to low double digits. Over the last 3.5 years, same-facility revenue growth has averaged 9.8%, driven by 3.8% case growth and 5.8% revenue per case growth."

Bank of America, October 26, 2015



BLACKROCK



Winning Value Proposition

Patients

- Convenient, comfortable and cost-efficient settings
- Superior clinical outcomes and 94% patient satisfaction rate based on an internal survey

Physicians

- Flexible approach to physician engagement: employment, partnership, affiliation
- Convenient and efficient surgical facilities
- Differentiated care delivery model enhancing care coordination, quality, outcomes
- Impressive 96% physician partner retention rate from 2009 through 2015

Payors

- Outpatient care at significantly lower cost than general acute care hospitals
- OIG estimates \$12bn Medicare savings shifting outpatient surgery to an ASC setting

Investors

- Both debt and equity investors benefit from Surgery Partners model
- Strong margins and free cash flow generation
- Multiple levers of growth in existing and new markets

Acquisition Strategy

Consistent Value Creation through Acquisitions

Multiple Leverage Accretive Acquisitions that Complement Existing Footprint

- Disciplined acquisition strategy to diversify geographic footprint and revenue mix, while driving greater scale
 - Acquisitions include businesses which provide select ancillary services that complement surgical facilities and support physicians
- Meaningful realization of cost and vertical integration synergies, enhancing the value of acquired facilities and reducing the effective purchase multiple paid

2015 Review

- 17 In-Market Physician Practice Transactions (4 de novos)
- 5 Surgical Facility Acquisitions (3 in-market, 2 new markets)
- 4 New Anesthesia Contracts (including 2 Platform Businesses in Q4'15)
- 1 Urgent Care Acquisition (in-market)

Acquisitions Under Signed LOI

- As part of the Transaction, Surgery Partners intends to fund the acquisition of 1 ASC (with a physician practice, lab and pharmacy) and 1 physician practice
 - Acquisitions are under signed LOI for an aggregate purchase price of \$91.1 million
 - Incremental EBITDA contribution in the aggregate of \$15.8 million, representing an aggregate effective purchase multiple of 5.8x
- Acquisitions are expected to close in late March

Acquisitions under Signed LOI	
Purchase Price (\$ mm)	\$91.1
Full-Year EBITDA Contribution (\$ mm)	\$15.8
Effective Purchase Multiple	5.8x

Financial Overview

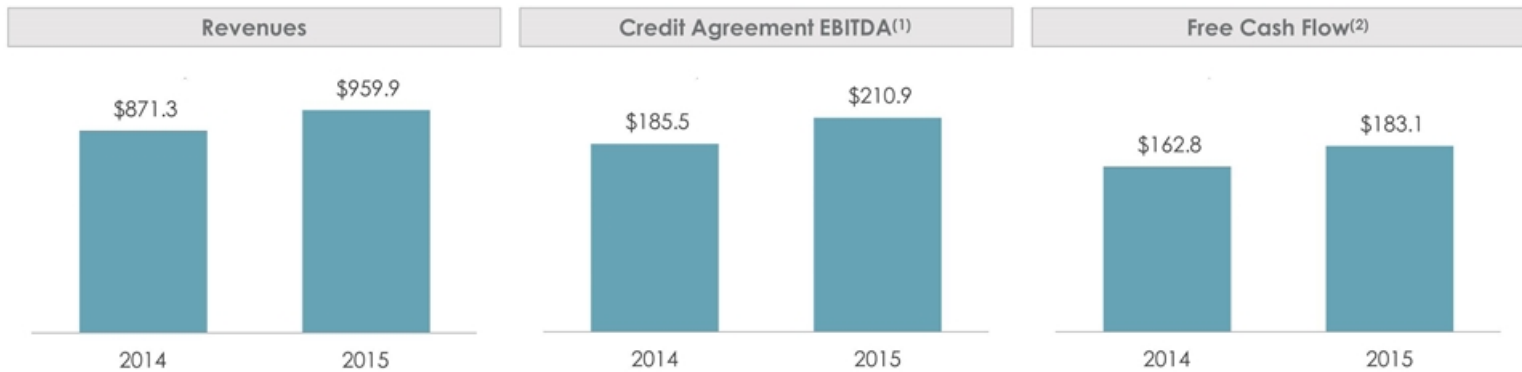
2015 Performance Review

	Revenue & Adjusted EBITDA	<ul style="list-style-type: none"> 2015 Revenue of \$959.9 million <ul style="list-style-type: none"> — 400,230 cases — \$2,484 revenue per case 2015 Adjusted EBITDA of \$158.1 million and Credit Agreement EBITDA of \$210.9 million
Same-Facility	Revenue Growth	<ul style="list-style-type: none"> Achieved 10.7% same-facility revenue growth driven by: <ul style="list-style-type: none"> — 5.2% same-facility case growth — 5.3% same-facility revenue per case growth
	In-Market Practice Development	<ul style="list-style-type: none"> Completed 17 in-market physician practice transactions, including 4 de novos Completed 2 in-market anesthesia practice transactions, 2 platform anesthesia company acquisitions (serving 3 existing markets and new markets), and added anesthesia services in 1 existing market Completed 1 in-market urgent care facility transaction
	Synergies	<ul style="list-style-type: none"> Achieved \$15 million of (third-party validated) synergies through FY 2015 <ul style="list-style-type: none"> — Transition to a single GL platform, corporate office consolidation, staffing and training — Anticipated identified run-rate synergies of \$34 million to be achieved by FY 2017
	Acquisitions	<ul style="list-style-type: none"> Completed 5 surgical facility acquisitions (3 in-market and 2 new-market)

Historical Financial Summary

Strong financial performance with significant year over year growth

- Continued strong same-facility revenue growth – 10.7% in 2015
 - Successful execution of physician engagement strategy including physician recruitment and employment
- Revenue increased by 10.2% from 2014 to 2015
 - Strong same-facility revenue growth and acceleration of in-market physician practice acquisitions
- Credit Agreement EBITDA increased by 13.7% from 2014 to 2015
 - Primarily driven by same-facility, synergies and in-market practice development growth
- Meaningful deleveraging through IPO and remainder of the year as a result of significant free cash flow generation



Appendix

Credit Agreement EBITDA Reconciliation

	2014 ⁽¹⁾	2015
Net Income	\$ 59.9	\$ 72.8
Less: Net Income attributable to NCI	(68.4)	(71.4)
Plus:		
Income Tax (Benefit) Expense	23.6	(149.0)
Interest Expense, Net	103.6	101.0
Depreciation and Amortization	30.7	34.5
EBITDA	\$ 149.4	\$ (12.0)
Plus:		
Management Fee	3.0	2.3
Merger Transaction, Integration and Practice Acquisition Costs	-	20.6
Termination of Management Agreement and IPO Costs	-	5.8
Tax Receivable Agreement Expense	-	119.9
Non-cash Stock Compensation Expense	0.9	7.5
Loss on Debt Extinguishment	-	16.1
(Gain) Loss on Disposal of Investments and Long-lived Assets, net	-	(2.1)
Adjusted EBITDA	\$ 153.3	\$ 158.1
1. Synergies	22.3	21.2
2. Pro Forma Acquisitions	9.9	30.3
3. De Novo Start-up Losses	-	1.3
Credit Agreement EBITDA	\$ 185.5	\$ 210.9

EBITDA Adjustments

1. Includes cost savings from reductions in corporate overhead, supply chain rationalization, enhanced physician engagement, improved payor contracting, and revenue synergies associated with rolling out ancillary services throughout the Symbion portfolio
2. Represents impact of acquired anesthesia entities, physician practices and surgical facilities as if each acquisition had occurred on January 1, 2015 and 2014, respectively including cost savings from reductions in corporate overhead, supply chain rationalization, enhanced physician engagement, improved payor contracting, and revenue synergies associated with rolling out ancillary services throughout the acquired entities and other revenue synergies from laboratory and pharmacy business initiatives
3. Represents the losses associated with de novo practices opened during the last 12 months

Board of Directors Comprised of Industry Leading Professionals

Board Members	Biography
Michael T. Doyle <i>CEO and Director</i>	<ul style="list-style-type: none"> Served as the Chief Executive Officer and Director of Surgery Center Holdings, Inc. since 2009, Chief Executive Officer of Surgery Partners, Inc. since April 2015 and Director of Surgery Partners, Inc. since August 2015 He has been with the Company since 2004, previously as President and Chief Operating Officer Mr. Doyle, previously has worked at HealthSouth, Corporation, a large healthcare organization, for nine years where he held a variety of leadership positions and left as Senior Vice President of Operations Holds a B.S. in Physiotherapy from Dalhousie University in Halifax, Nova Scotia and an M.B.A. from Troy State University
Christopher Laitala <i>Chairman</i>	<ul style="list-style-type: none"> Served as Director of Surgery Center Holdings, Inc. since 2009, Director of Surgery Partners, Inc. since April 2015 and Chairman since August 2015 Joined H.I.G. Capital in 2002 and is now a Managing Director in the New York office, where he has led investments in a number of industries including healthcare and has served on the board of directors of several H.I.G. companies Has worked with private equity firms including J.H. Whitney & Co. and Great Point Partners Holds an A.B. in Government from Harvard University and an M.B.A. from Harvard Business School
Matthew I. Lozow <i>Director</i>	<ul style="list-style-type: none"> Served as Director of Surgery Center Holdings, Inc. since 2014 and as Director of Surgery Partners, Inc. since April 2015 Joined H.I.G. Capital in 2009 and is now a Principal in the New York office Has worked with private equity firms including Audax Private Equity and began his career as a consultant with Bain & Company Holds a B.S. in Engineering from M.I.T. and an M.B.A. from The Wharton School of the University of Pennsylvania
Adam Feinstein <i>Director</i>	<ul style="list-style-type: none"> Served as Director of Surgery Partners, Inc. since August 2015 Co-founded Vesey Street Capital Partners, L.L.C., a healthcare services private equity fund, in 2014 and has been a Managing Partner since that time From 2012 to 2014, Mr. Feinstein served as the Senior Vice President of Corporate Development, Strategic Planning and Office of the CEO at LabCorp and prior to that served as a Managing Director in Equity Research at Barclays Capital He is a board member at ScribeAmerica, the nation's leading provider of medical scribes, and Imedex, a leading provider of accredited medical education A CFA charterholder and holds a B.S. in Business from the Smith School at the University of Maryland at College Park. He also completed the Nashville Healthcare Council Fellows program
Brent Turner <i>Director</i>	<ul style="list-style-type: none"> Served as Director of Surgery Partners, Inc. since December 2015 Currently the President of Acadia Healthcare Company, and has served as the President since joining Acadia in 2011 Prior to joining Acadia, Mr. Turner served as the Executive Vice President of Finance and Administration of Psychiatric Solutions, Inc. Serves on the Board of Directors of LHC Group and the National Association of Psychiatric Health Systems Holds a Bachelor of Arts degree in Economics Vanderbilt University and an M.B.A. from the Vanderbilt Owen Graduate School of Management