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Corporate Finance

M&A in the diagnostic imaging
and teleradiology markets

M&A in the Diagnostic Imaging & Teleradiology markets

Significant growth in the use of diagnostic imaging is attracting interest from private equity in the sector

Market growth

- Scan volumes across the UK continue to increase driven by numerous factors including:
 - An ageing and growing population
 - Improvements in CT and MRI technologies
 - Increasing medical conditions suitable for diagnostic reporting
 - NICE guidelines increasingly recommending the use of scans
- Crucially, this is not only in a hospital setting, with plans to open community imaging clinics in every integrated care system in England creating attractive opportunities for private providers
- Independent clinics serving both NHS and private patients, in addition to mobile scanners available at primary care settings are showing significant growth
- From a teleradiology perspective, increasing scan numbers and a chronic shortage of consultant radiologists is creating a perfect storm. Increasing acceptance of its use is driving material growth in outsourcing by both the NHS and private imaging providers

Private equity interest

- These dynamics, combined with the fragmented nature of the diagnostic imaging market, are attracting the interest of private equity investors looking to consolidate the market
- In teleradiology, private equity investment is well established, with the core four players maintaining a dominant position and looking to expand their service offering both organically and through acquisition

Key Players: Diagnostic Imaging



Key Players: Teleradiology



























EverlightRadiology



Recent Diagnostic Imaging & Teleradiology Transactions

Positive demand drivers and a fragmented market are leading to increased M&A activity in the sector

Target	Target description	Acquirer	Acquirer type	Date
	Provider of flexible clinical infrastructure		Infrastructure fund	Jan-21
	Provider of diagnostic imaging services		Private Equity	Jan-20
	Teleradiology provider		Private Equity	Sep-19
	Provider of upright and open MRI scans		Corporate	Feb-19
	Operates a diagnostic, treatment and fitness facility		Private Equity	Sep-18
	Teleradiology provider		Corporate	Nov-17
	Provider of diagnostic imaging		Corporate	Sep-17
	Teleradiology provider		Corporate	Jul-17
	Medical imaging provider		Corporate	Apr-17
	Provider of molecular and diagnostic imaging services		Corporate	Nov-16
	Provider of analytics & diabetic eye screening services		Corporate	Sep-16
	Provider of medical diagnostic imaging services		Private Equity	May-16



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Company Sales



Acquisitions



Management Buy-outs



Debt Raises

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