

For Immediate Release

Pharos Capital Acquires Seaside Healthcare

Dallas, Texas and Nashville, Tennessee, January 9, 2014 - Pharos Capital Group, LLC, a private equity firm based in Dallas and Nashville, has acquired behavioral health services provider Seaside Healthcare, Inc. The acquisition was done in partnership with the company's founder, Franklin Roemer, who rolled a significant equity stake in conjunction with the transaction. Stephens, Inc. served as financial advisor to Seaside in connection with the transaction, the terms of which were not disclosed.

Seaside, founded in 2009 and headquartered in Shreveport, Louisiana, is a leading behavioral health services provider that specializes in treatment services for the adult and geriatric population. The company's network of regional facilities offers a comprehensive suite of behavioral health services, including inpatient psychiatric treatment, partial hospitalization programs and intensive outpatient programs.

"Pharos looks forward to working closely with Franklin Roemer and his team of accomplished healthcare operators to capitalize on this rapidly growing segment of the behavioral health space," said Jim Phillips, Partner at Pharos Capital.

Mr. Roemer and his management team will continue to lead the company going forward, building on their successful track record of opening new facilities, integrating acquired facilities, and developing existing facilities to drive strong growth and increased profitability. The company's expansion plans include driving increased census to its outpatient programs as well as a 36-bed addition to an existing inpatient facility which will be completed soon. Additionally, Pharos intends to accelerate the company's growth by selectively acquiring complementary facilities to expand the company's service offering and geographic footprint.

"We could not be more pleased with the prospects of working with the Pharos team. Pharos shares our vision of excellence in healthcare and this transaction enables Seaside to broaden our vision beyond its current service lines and geography," said Franklin Roemer, Seaside's Founder and CEO. "Pharos' investment along with Seaside's existing foundation allows us to dream big."

About Seaside Healthcare

Seaside Healthcare owns, develops and operates a network of facilities specializing in mental health treatment services for the adult and geriatric population. Established in 2009 and headquartered in Shreveport, LA, the company has earned a strong reputation as a leading, best-in-class provider of behavioral health services in the Baton Rouge and New Orleans areas. Seaside currently operates two inpatient psychiatric facilities that have 54 licensed beds and operates five outpatient clinics. Seaside's facilities offer a comprehensive psychiatric continuum of care, including acute inpatient treatment, intensive outpatient services and partial hospitalization programs. In addition to its owned and leased facility-based operations, Seaside manages 147 behavioral beds for regional hospitals. The company has approximately 400 employees.

About Pharos Capital Group

Based in Dallas and Nashville, Pharos Capital Group (www.pharosfunds.com) is a long-term, value-focused investor with over \$1 billion in assets under management. Pharos primarily invests \$10 to \$30 million for both majority and minority positions in rapidly growing middle market companies seeking later stage funding for internal growth, acquisitions, leveraged buyouts, management buyouts, or recapitalizations across industry sectors, with particular focus on healthcare and business services. Pharos typically invests in undercapitalized businesses in underserved regions across the nation.

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