

Future-proofing

PHIN CEO Dr Ian Gargan talks to HM about life after meeting the CMA Order

Income generation

DAC Beachcroft examines NHS PPU potential

Going Private

Shifting attitudes to private healthcare

OCTOBER 2026 | VOLUME 30 | ISSUE 8

HM

HealthcareMarkets

Independent. Intelligent. Insightful.

Investing

Strategies for success

Consolidation in the European radiology market

LaingBuisson
INTELLIGENCE + INSIGHT

Demand for diagnostic imaging is accelerating across Europe and investors are racing to consolidate the market. As the investment thesis evolves beyond simply acquiring imaging centres, **Dr Kristoffer Kenttä**, senior engagement manager, and **Dr Leonid Shapiro**, managing partner and radiologist, at Candesic look at the strategies deployed by the most successful platforms



Beyond consolidation

The next phase of value creation in European diagnostic imaging

EUROPE_MRI
T1W_3D
TR: 2000 ms
TE: 20 ms
Slice: 1.0 mm
FOV: 320 mm

MRI
EUROPE
Axial View

High

Low

R

L

Matrix: 256 x 256
Voxel: 1.25 x 1.25 x 1.0 mm
Scan Time: 4:32

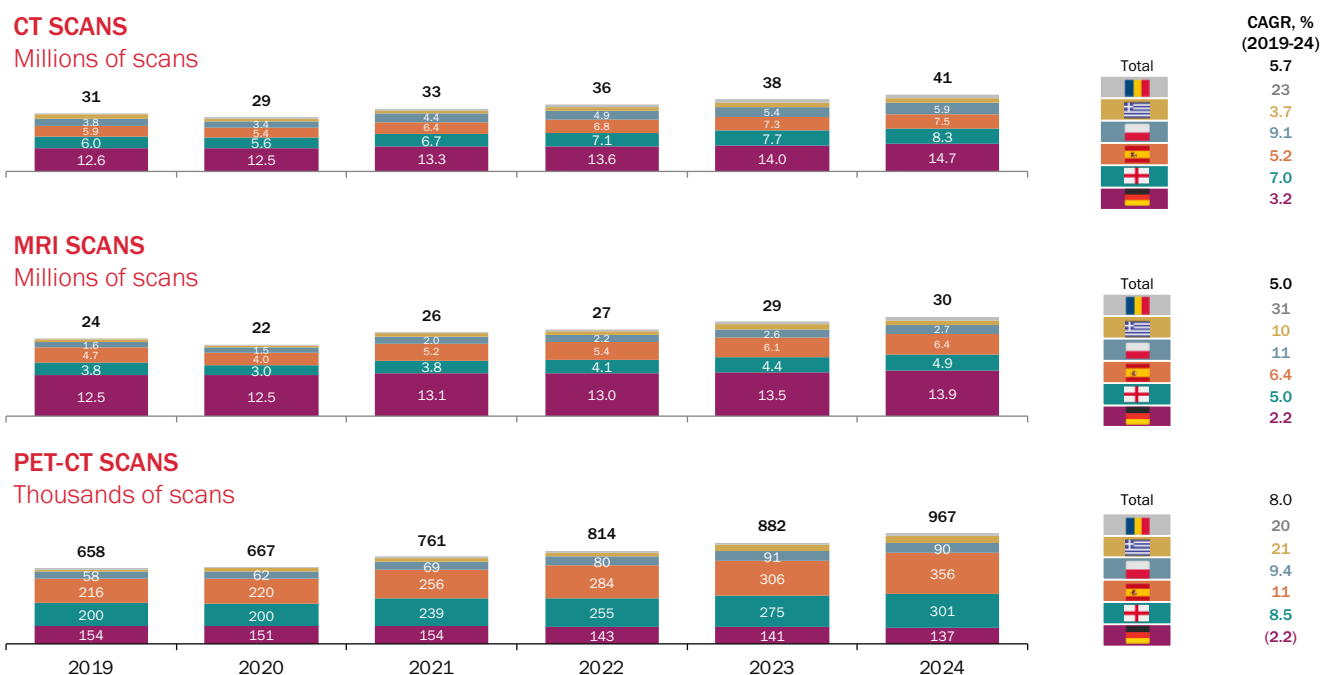
A
R — L
P

Radiology and its adjacent markets have become one of the most sought-after health-care subsectors for investors across Europe. Private equity firms and infrastructure funds such as iCON Infrastructure and EQT are increasingly investing in diagnostic imaging, attracted by structural demand growth, resilient

cash flows, and significant opportunities for operational improvement. The market also remains fragmented in large countries such as Germany and France, where larger groups account for only 20–30% of the market, creating an attractive environment for buy-and-build strategies that can generate value through consolidation.

While the first generation of investments focused on acquiring imaging centres and expanding geographic coverage, today's leading investors are building integrated diagnostic platforms that leverage technology, artificial intelligence, and operational excellence to drive productivity and improve patient care.

FIGURE ONE
SPECIALIST SCAN, VOLUMES BY COUNTRY, 2019–2024



SOURCE OECD; EUROSTAT; NHS ENGLAND

Imaging demand will continue to outpace capacity

The long-term demand outlook for diagnostic imaging remains exceptionally strong. Across Europe, imaging volumes are expected to increase by approximately 5–8% annually, while some emerging radiology markets such as Poland, Greece and Romania are seeing double-digit growth (see Figure One), driven by several structural trends:

- **Ageing populations**, resulting in greater healthcare utilisation and imaging needs.
- **Rising prevalence of chronic diseases**, including cardiovascular, neurological, and musculoskeletal conditions that rely heavily on imaging for diagnosis and monitoring.
- **Increasing cancer incidence**, driving demand for complex imaging such as PET-CT, and image-guided interventions.
- **Expansion of national screening programmes**, including breast

cancer, lung cancer, and abdominal aortic aneurysm screening, alongside initiatives to diagnose disease earlier.

- **More complex treatment pathways**, where imaging plays a central role in diagnosis, treatment planning, intervention and follow-up.

However, growing demand is increasingly constrained by radiologist shortages and limited scanning capacity, particularly in MRI and PET-CT. The binding constraint is no longer the willingness of payors to fund imaging, but the ability of providers to deliver it.

Investors seeking to optimise operations

The investment thesis has also evolved significantly over the past decade. Success is no longer defined by simply acquiring imaging centres and expanding geographically. Instead, leading investors like Groupe Bruxelles Lambert (GBL) are building integrated diagnostic platforms that leverage scale, digital technology, AI, and operational excellence to improve productivity, enhance patient access, and deliver higher-quality care. Scale

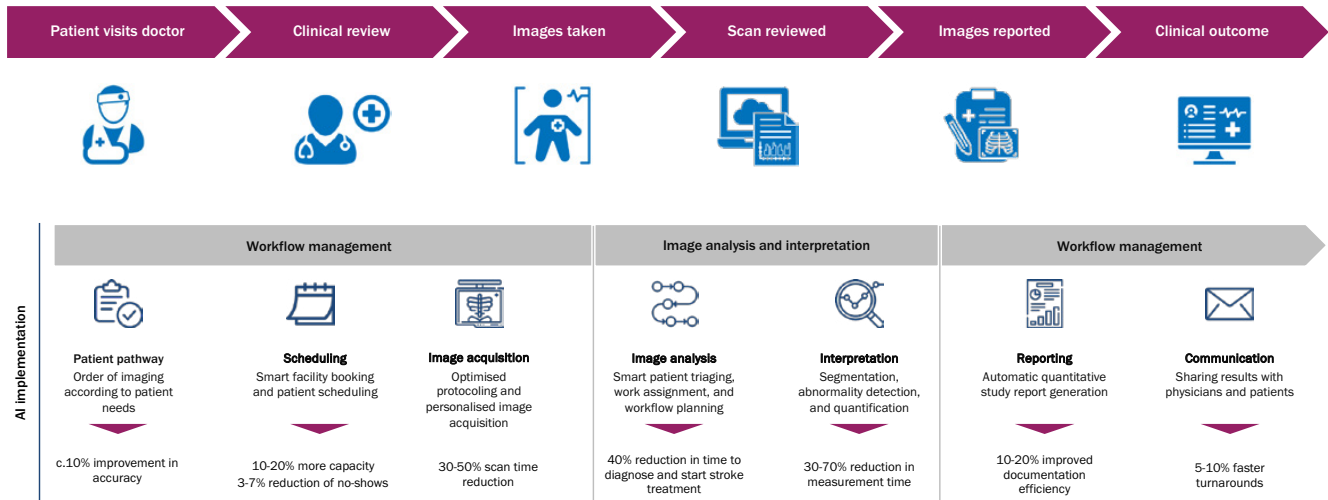
also enables investments in enterprise imaging systems, AI-assisted workflows, centralised reporting, and teleradiology capabilities, strengthening efficiency and helping providers meet growing demand despite persistent workforce shortages.

The evidence that this improves throughput is now becoming measurable rather than theoretical. One third of all chest x-rays in the NHS are currently augmented by AI, around 200,000 per month, and average turnaround time across all cases has fallen from 5.1 days to 4.1 days¹ (see Figure Two). The figures show that significant improvements can be achieved across the entire diagnostic imaging pathway through the use of AI tools.

Technology investments and radiologist shortages increase the value of scale

Scale has evolved from a purely financial argument about multiple arbitrage into an increasingly operational one. Across Europe, shortages of radiologists are becoming more acute as retirements outpace the training of new specialists. Larger imaging groups are better posi-

FIGURE TWO
DIAGNOSTIC IMAGING PATHWAY



SOURCE RSNA RADIOLOGY, PUBMED; SPRINGER

tioned to address this constraint through teleradiology, balancing workloads across their networks so that scans acquired in underserved regions can be reported wherever capacity is available. Scale also supports greater subspecialisation, allowing radiologists to focus on areas such as neuro, cardiac and musculoskeletal imaging, which improves both reporting efficiency and quality.

At the same time, diagnostic imaging is becoming increasingly capital- and technology-intensive. The latest MRI and PET-CT scanners can cost well over £1m per unit, while investment in AI, cloud PACS (Picture Archiving and Communication System), patient portals and reporting platforms adds a further layer of significant fixed costs. Larger platforms can spread these investments across a much greater volume of scans and centres, reducing the cost per examination and making technologies that may be difficult to justify for a single-site operator economically viable.

The market is consolidated to very different degrees

Consolidation is not a single European story but a set of national ones, and the starting point differs sharply by country. In the UK, only around 15% of CT, MRI and PET-CT volumes are delivered by the

independent sector, with the majority still provided within the NHS. In Germany, the position is close to the opposite, with roughly 80% of volumes delivered outside the public hospital system through the outpatient independent sector.

LARGER PLATFORMS CAN SPREAD THESE INVESTMENTS ACROSS A MUCH GREATER VOLUME OF SCANS

The degree of provider concentration diverges just as much. In the UK, Alliance Medical and InHealth together account for approximately 60% of independent-sector supply, so the remaining opportunity lies less in buying scale than in winning volume from the public sector. Germany, by contrast, remains highly fragmented, with investor-backed

groups accounting for only around 20% of supply, leaving a long runway of practice-level acquisitions but also a harder integration task and a regulatory framework that requires specific ownership structures. Investors should therefore be wary of applying a single European playbook, the same capital deployed in Manchester and in Munich is buying two different things.

Major consolidators

Over the past decade, consolidation has been led by multiple groups with local champions in each country. Figure Three shows the major players in Europe and their service offerings, including geographic presence.

Affidea, backed by GBL since 2022, is the largest by footprint, operating 420+ centres across 14 countries. Its strategy has been acquisition-led breadth, expanding from diagnostic imaging into polyclinics, specialist care and oncology in order to capture a greater share of the patient pathway. Affidea also has a significant share of revenues in emerging radiology markets such as Poland, Greece, and Romania.

Alliance Medical, backed by iCON Infrastructure since 2023, has taken the opposite route, choosing depth in fewer markets. It operates in seven countries with 220+ sites. Its strategy is built around public-sector outsourcing, sup-

FIGURE THREE
OVERVIEW OF KEY RADIOLOGY PROVIDERS IN EUROPE

NON-EXHAUSTIVE											
Offered		Not offered									
Company	Ownership	Employees (#)	Sites (#)	HQ	Imaging			Other offerings			Geographies Served
					Non complex	Complex		Radio therapy	Labs	Outpatient clinics	
					X-Ray (1)	CT/MRI	PET/CT				
 affidea	GBL	 18,000	 420								14 geographies served
 Unilabs	ARMOR	 12,600	 350								15 geographies served
 Alliance Medical	KODI PHARMACEUTICALS	 4,500	 220								      
vidi	Doctor owned	 4,400	 400								
 INHEALTH	Damask Trust	 3,500	 56								
Med360°		 3,000	 130								
 evidia	IEQT	 2,700	 140								   
 GenesisCare	OAKTREE	 2,400	 65								 
 BIANALISI		 2,200	 389								
 rh	 Rothschild & Co	 1,800	 59								
 Simago	ARDIAN	 1,600	 119								 
 stingray	FREEMAN	 1,000	 34								       
 atrys	Publicly listed	 700	 24								      
 voxel	Publicly listed	 356	 47								

NOTE 1 INCLUDES MAMMOGRAPHY

SOURCE MERGEMARKET; ABI F INSIGHTS; PITCHBOOK; LINKEDIN; COMPANY WEBSITES; CANDESC ANALYSIS

ported by market-leading mobile imaging and an integrated PET-CT and radiopharmacy platform including a cyclotron network. Owning radiotracer production alongside the scanners is a genuine barrier to entry in PET-CT and underpins long-dated NHS contracts, but it also concentrates the platform's fortunes in public tender cycles.

Evidia, backed by EQT, was formed in 2021 by combining Meine Radiologie and Blick into a single German platform. It now operates in four countries with more than 140 sites, focused on Northern Europe. Alongside imaging and radiotherapy, it acquired the UK teleradiology business 4Ways and teleradiology operator Teleconsult. The result is greater flexibility in reporting across the organisation, given the shortage of radiologists in the market, as well as the opportunity to benefit from the growing teleradiology market.

Affidea, Alliance Medical, and Evidia show that multiple growth strategies are available. What is evident is that you need a clear strategy aligned with the market conditions in each country. In the UK, the focus is more on winning outsourced NHS and private medical

insurance (PMI) volumes, whereas in Germany, acquisitions play a more significant role. Furthermore, three overall themes are also emerging.

WHAT IS EVIDENT
IS THAT YOU NEED
A CLEAR STRATEGY
ALIGNED WITH
THE MARKET
CONDITIONS IN
EACH COUNTRY

The first is to build a platform that has standardised on a single Radiology Information System (RIS), cloud PACS and one reporting workflow that can allow for flexibility and deployment of the latest technology, including AI.

The second is scanner utilisation. The gap between a well-run and a poorly run CT/MRI/PET-CT site is measured in hours per day and number of scans per hour. This flows straight to EBITDA. Extended operating hours, protocol standardisation, AI-assisted triage, scheduling, and scanning workflows add significant margin improvements without any additional capital.

The third is workforce. The platforms that will still be growing in five years are those that have made themselves the employer of choice for radiologists, through great leadership, flexible working conditions, home reporting and subspecialty work, because in a market short of clinicians the constraint on growth is recruitment rather than capital.

Consolidation created the first generation of returns in European imaging. The next generation will go to the platforms that can prove they report faster, scan more per machine, and retain radiologists better than the assets they are buying.

NOTE

1 NHS England presentation at Global AI Conference 2026