

BMO Capital Markets Focus on Healthcare Conference
August 5, 2008



Earning Trust Every Moment.

Transforming Lives Every Day.

LasikPlus[®]
VISION CENTER  Trust the Plus.[™]

LCAV
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Forward-Looking Statements

This presentation contains forward-looking statements that are subject to risks and uncertainties including, but not limited to, the impact of competition and pricing, procedure demand and marketplace acceptance, and unforeseen fluctuations in operating results and other risks detailed from time to time in the company's filings with the Securities and Exchange Commission, including but not limited to, the company's Forms 10-K and 10-Q.

Our Company

- Pure-play in laser vision correction
- Performed over 1,000,000 procedures since FDA approval in October 1995



- 77 LasikPlus® vision centers located in 60 markets in 34 states



Investment Highlights

- Large U.S. market opportunity
 - 60 million laser vision correction candidates
 - 10% penetration of self-sustaining market
- Established company operating in uncertain economic conditions
- Initiatives to grow procedure volumes and reduce expenses
- National footprint / market leader
 - Standardized processes and efficiencies
 - Economy of scale drives purchasing power
- Organic growth strategy
 - Strong real estate development teams
- Strong balance sheet

Large U.S. Market with Low Penetration

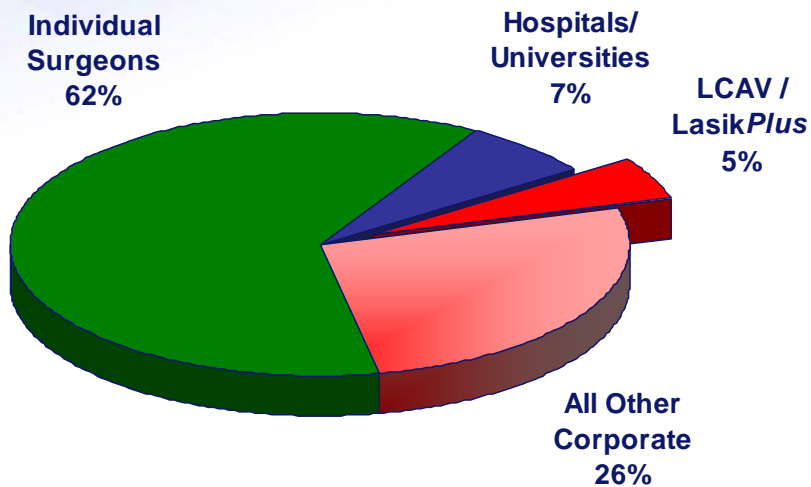
- Over 170 million wear eyeglasses or contact lenses
- 60 million are candidates for laser vision correction
 - New entrants to patient pool approximate annual procedures
- 6.6 million patients treated in the U.S. since FDA approval in October 1995
- Approximately 90% of potential candidates have not been treated

Industry data obtained from Market Scope (November 2007 and May 2008)

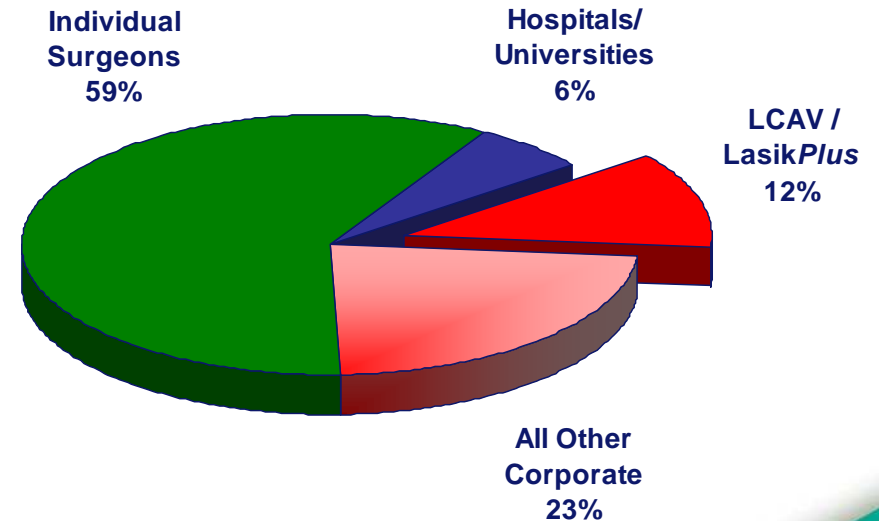
Highly Fragmented Market = Opportunity

Procedures Performed by Market Segment

2003



2008



- Industry data obtained from Market Scope (November 2003 and May 2008)
- 2008 data is for the first quarter ended March 31, 2008

U.S. Center Locations

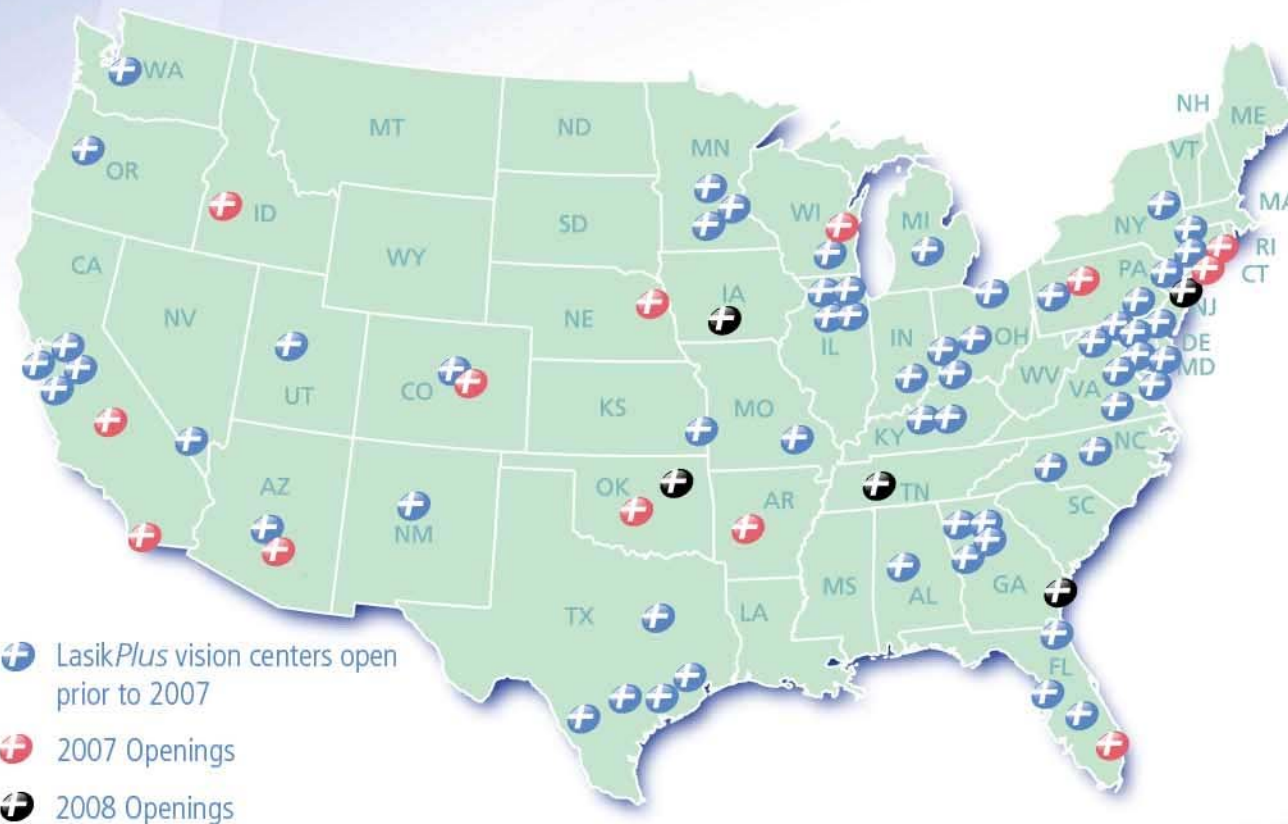
- 77 LasikPlus® vision centers located in 60 markets in 34 states
- 2008: Plans to open 6 vision centers
- Vision for the Future: Over 120 LasikPlus® vision centers located in the top 100 markets in the U.S.

2007 Openings

1. Long Island, New York
2. Omaha, Nebraska
3. Green Bay, Wisconsin
4. Harrisburg, Pennsylvania
5. Little Rock, Arkansas
6. Colorado Springs, Colorado
7. San Diego, California
8. Oklahoma City, Oklahoma
9. Scarsdale, New York
10. Fresno, California
11. Boise, Idaho
12. Coral Springs, Florida
13. Chandler, Arizona

2008 Openings

1. Savannah, Georgia
2. Des Moines, Iowa
3. Tulsa, Oklahoma
4. Woodbridge, New Jersey
5. Nashville, Tennessee
- 6.



Established Company with Powerful Brand

- Proven business model
- Leading-edge technology
- Lasik*Plus*® surgeons focus exclusively on laser vision correction
- Experienced and motivated leadership teams
- Successful organic growth strategy
 - New market expansion
 - Relocating and renovating existing vision centers

LasikPlus® Procedures



YTD-2008 = January 1, 2008 through June 30, 2008

Marketing Initiatives

- Leveraging consumer insights to optimize marketing efforts
- Enhanced Lasik*Plus*® website (www.lasikplus.com) considered “best-in-class”
 - Consumer-driven with dynamic functionality
- Regional and national marketing working together to increase awareness and demand
- Preferred or exclusive relationships with 7 of the 8 largest managed care providers offering vision care

Business Improvement Initiatives

- Completed employee service excellence and conversion training programs
- Focus on local center level
 - Modified center-level incentive compensation plans
 - Delegating decision-making at the local level
 - ◆ Simplified market-specific pricing structure reflecting the *LasikPlus*® value proposition
 - ◆ Market-specific hours of operations
 - ◆ Allocating funds to support local marketing and sales efforts

Financial Overview

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Financial Summary

	2006	2007	Q1-08	Q2-08
Reported Revenue	\$ 238,925	\$ 292,635	\$ 79,568	\$ 54,181
Change in Deferred Revenue	(18,002)	8,013	5,599	4,947
Adjusted Revenue	\$ 256,927	\$ 284,622	\$ 73,969	\$ 49,234
Reported Pre-Tax Income/(Loss)	\$ 47,680	\$ 51,725	\$ 11,281	\$ (1,854)
Pre-Tax Income from Deferred Revenue	16,202	(7,211)	(5,039)	(4,453)
Adjusted Pre-Tax Income/(Loss)	\$ 63,882	\$ 44,514	\$ 6,242	\$ (6,307)
Reported Earnings Per Share	\$ 1.34	\$ 1.64	\$ 0.37	\$ (0.03)
Adjusted Earnings Per Share	\$ 1.80	\$ 1.41	\$ 0.20	\$ (0.11)
Oustanding Shares	21,235	19,858	18,587	18,525

Selected Balance Sheet Data

Period ended June 30, 2008
(\$ in thousands)

Cash Equivalents & Investments	\$ 67,873
Debt Obligations	24,580
Shareholders' Investment	95,304

Selected Cash Flow Data

(\$ in thousands)

	2006	2007	YTD 2008
Net Cash Provided by Operating Activities	\$ 51,661	\$ 54,979	\$ 6,323
Capital Expenditures	9,656	28,864	12,590
Dividends Paid	11,131	13,984	4,447
Share Repurchase	51,816	44,940	-

YTD 2008 = January 1, 2008 through June 30, 2008

Adjusted After-Tax Return on Invested Capital

(\$ in thousands)

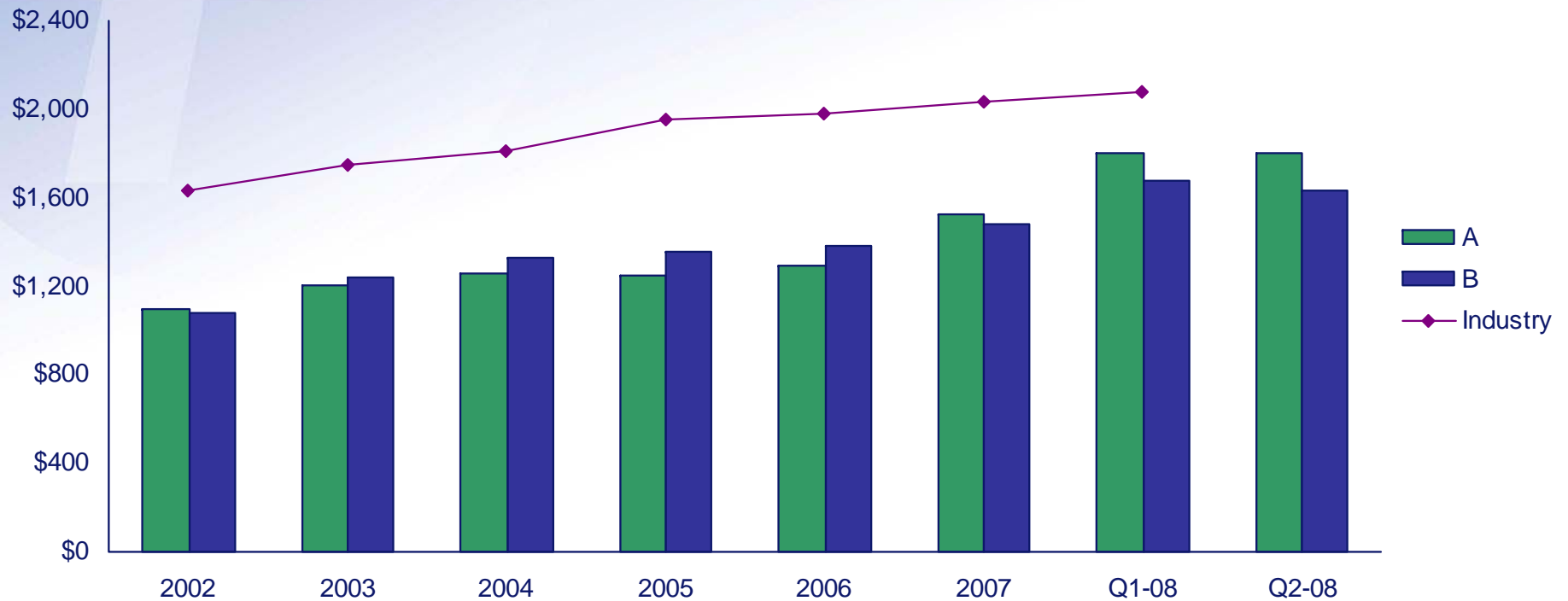
	2007
Reported Operating Income	\$ 45,565
Effect of Change in Deferred Revenue	7,211
Adjusted Operating Income	38,354
Taxes	14,253
Adjusted After-Tax Income	\$ 24,101

	12/31/06	12/31/07	Average for 2007
Shareholders' Investment	\$ 109,116	\$ 93,599	
Capital Lease Obligations	5,791	5,953	
Cash & Investments	(95,232)	(62,398)	
Invested Capital	\$ 19,675	\$ 37,154	\$ 28,414
Adjusted After-Tax Return on Invested Capital			85%

Expense & Cash Management

- Managing costs and minimizing use of cash
 - Reducing 3Q-08 marketing spend 40% to 45% from 3Q-07 level
 - Reducing capital expenditures for the remainder of 2008
 - ◆ Halting new center openings after 3Q-08
 - ◆ Reducing planned center relocations from five to three
 - ◆ Moving under-utilized excimer lasers to centers opening in 3Q-08
 - ◆ Board of Directors suspended payment of quarterly dividend
- Aligning staffing levels with anticipated procedure volumes
 - Recent workforce reduction
 - Transitioning to a more variable cost structure by adding more part-time personnel

Average Price Per Procedure



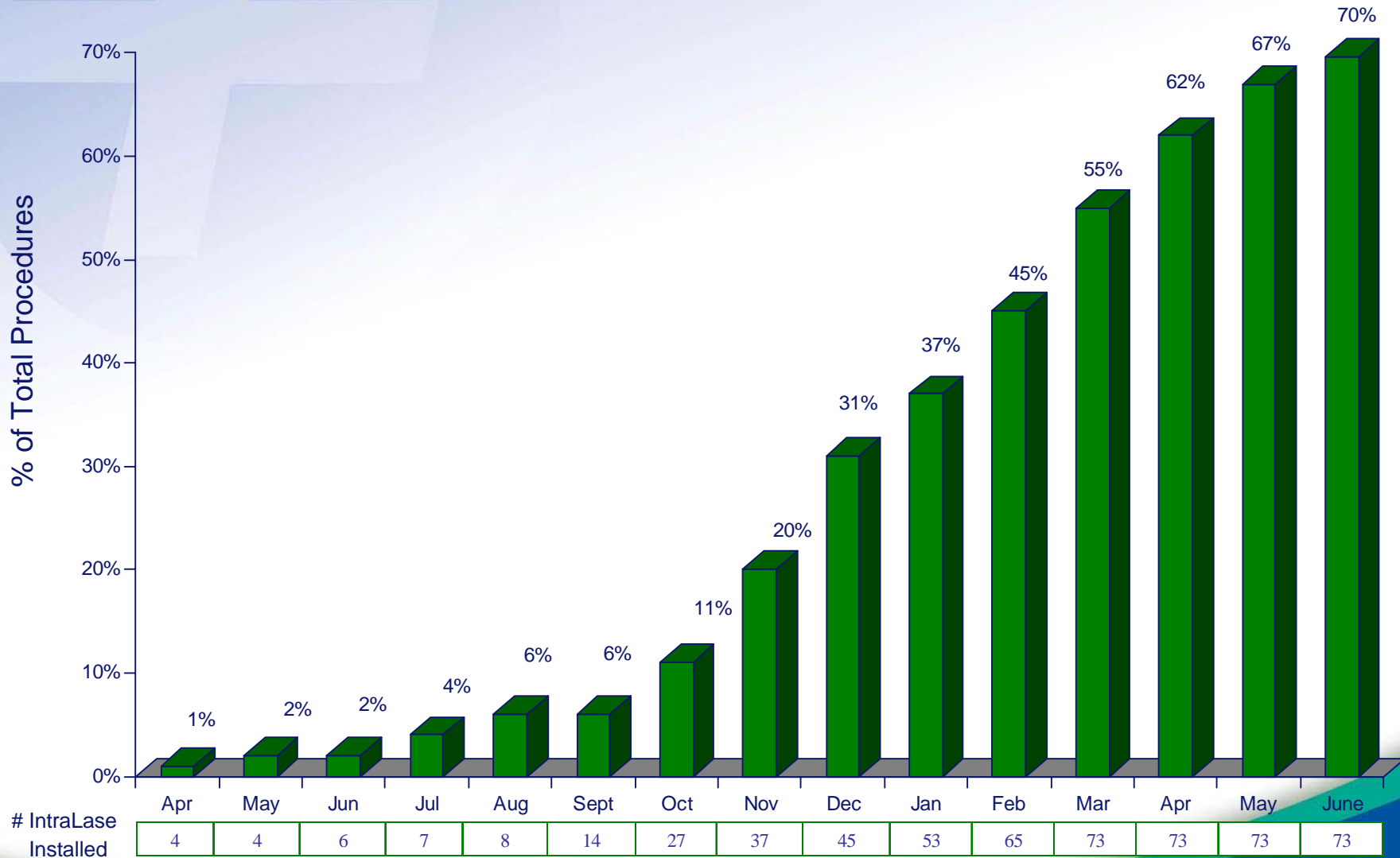
A = GAAP Revenue Per Procedure

B = Adjusted Revenue Per Procedure

Industry data obtained from Market Scope (May 2008)

Q2-08 Industry data not yet available

IntraLase® Acceptance



Significant Center Pricing Leverage

Cash Price Per Procedure	\$ 1,500	\$ 1,600
Change in Deferred Revenue	160	160
GAAP Revenue Per Procedure	\$ 1,660	\$ 1,760
Procedures Per Month	250	250
Revenue	\$ 415,000	\$ 440,000
Variable Costs	84,500	87,000
Contribution Margin	\$ 330,500	\$ 353,000
Contribution Margin %	80%	80%
Center Costs	\$ 102,000	\$ 102,000
Marketing	98,000	98,000
Depreciation	15,000	15,000
Operating Income	\$ 115,500	\$ 138,000
Operating Income %	28%	31%

Significant Center Volume Leverage

Procedures Per Month	250	300
Cash Price Per Procedure	\$ 1,500	\$ 1,500
Change in Deferred Revenue	160	160
GAAP Revenue Per Procedure	1,660	1,660
Revenue	415,000	498,000
Variable Costs	84,500	101,400
Contribution Margin	\$ 330,500	\$ 396,600
Contribution Margin %	80%	80%
Center Costs	\$ 102,000	\$ 110,000
Marketing	98,000	112,000
Depreciation	15,000	15,000
Operating Income	\$ 115,500	\$ 159,600
Operating Income %	28%	32%

Opportunity for Center Expansion & Growth

- Market Demographics
- Economic Conditions
- Competition
- Managed Care
- National Direct-to-Consumer Advertising



New Center Investment

- Opening six vision centers this year – five in new markets
 - Relocating three vision centers
- Investment range for a new center is approximately \$1.75 million

Lasers and Microkeratome *	\$ 1,000,000
Diagnostic Equipment	100,000
Tenant Improvements and Office Equipment **	500,000
Capital Expenditures	<u>\$ 1,600,000</u>
Startup Expenses	\$ 50,000
Grand Opening Advertising	100,000
	<u>\$ 1,750,000</u>

* Most lasers are financed through capital leases/loans or operating leases

** Assumes no financial assistance from landlord

Summary

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