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## PRESS RELEASE

**For Immediate Release**

### **Dispensing Solutions Completes Acquisition of Redi Rx business unit of Diversified Healthcare Services**

**SANTA ANA, CALIFORNIA** -- July 29, 2008 – HealthEdge Investment Partners, LLC (“HealthEdge”) and its portfolio company DS Holdings, Inc. d/b/a Dispensing Solutions, Inc. (“DSI”) announced today that DSI has completed the acquisition of the Redi Rx point of care dispensing business unit of Diversified Healthcare Services, Inc. (“DHS”). Operations will be consolidated into DSI’s Santa Ana, California headquarters. The Redi Rx sales and Atlanta-based customer service team will join the DSI team.

According to DSI Chairman and CEO Guy Bryant, “This acquisition demonstrates DSI’s commitment to the point of care marketplace and expands our footprint as a leading provider of prepackaged medications and integrated dispensing solutions to physicians. It also enhances our human resources, as we are acquiring numerous talented customer support and sales associates, who will clearly help us grow our business and remain responsive to the needs of our customers.”

“The Redi Rx acquisition furthers our strategy to help DSI become a leading provider of point of care solutions,” said Harold Blue, a Managing Partner of HealthEdge. “With the addition of Redi Rx, DSI gains a strong customer base and an East coast presence. At the same time, Redi Rx will benefit from DSI’s best in class software for physicians dispensing at the point of care.”

“DHS is pleased to combine our Redi Rx business into DSI, which is known as the industry leader in product quality and production capability,” said Steven Hauck, President and CEO of DHS. “DSI will benefit from the increase in production efficiency, as well as an increased market presence. Our customers will benefit from expanded service and evolving technology capabilities which will help set new industry standards.”

DSI’s DispenseQuick™ program offers a complete physician office dispensing system, including tools to support marketing, storage, inventory management, information management, and dispensing of prescription medications directly to patients in the physician office. Prescription for Success, a complete marketing system, helps to promote the clinic’s dispensing program to patients. Through DispenseQuick™, providers can offer a convenient service to their

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patients, which include consultation and improvement of medication compliance, while also increasing revenues to their practice.

**ABOUT HEALTHEDGE**

HealthEdge Investment Partners, LLC is an operating-oriented private equity firm founded in 2005 that focuses exclusively on the healthcare industry. HealthEdge seeks to achieve superior returns by investing in businesses that benefit from the knowledge, experience and network of relationships of its partners. HealthEdge's partners have more than 100 years of combined operating experience in healthcare as CEOs and investors. For more information on HealthEdge, visit [www.healthedgepartners.com](http://www.healthedgepartners.com).

**ABOUT DISPENSING SOLUTIONS**

Dispensing Solutions, Inc. is a pharmaceutical supply chain company that develops integrated technology and dispensing solutions designed to enable optimal patient care. Operating a state-of-the-art pharmaceutical packaging facility, DSI is FDA registered and DEA licensed, providing prepackaged medications and web-based technology to the point of care.

For more information, please contact Harold Blue at HealthEdge Investment Partners at 917.755.1187.