

National Healing Corporation and Diversified Clinical Services to Merge

Combination Creates a Premier Wound Care Provider, Better Able to Treat Underserved Patients Across the Health Care Spectrum

BOCA RATON and JACKSONVILLE, Fla., Sept. 30, 2011 /PRNewswire/ -- National Healing Corporation, a provider of wound and disease management solutions for hospitals, and Diversified Clinical Services, also a provider of specialized wound care management services to hospitals, today announced that they have signed a definitive agreement under which the two companies will merge.

The combination of the two companies creates a premier provider of wound care and related diseases management, able to better meet the critical needs of patients suffering from debilitating and chronic wounds across the health care spectrum. The combined company will be better positioned to address the growing populations of patients suffering from chronic wounds, a market that is dramatically underserved by current dedicated wound care providers. Jeffrey W. Nelson, chief executive officer of Diversified Clinical Services, will become chief executive officer of the combined company. James Patrick, co-founder and chief executive officer of National Healing, will continue with the new company as executive chairman.

"This partnership creates an innovator in the field of wound care, with industry-leading clinical programs and customer service," said Mr. Nelson. "We expect the combination to accelerate our growth in both our core hospital market and in other care settings such as skilled nursing facilities, long-term acute care hospitals, rehabilitation centers, home health care and physician management. On their own, the two companies currently address only a small fraction of the patients that could benefit from advanced wound care services. By joining the talents and resources of two great companies, we believe that we can better address this underserved patient population. We look forward to working together with National Healing to realize all the potential benefits this merger offers to our patients, customers and employees."

"We are very excited to partner with Diversified Clinical Services," said Mr. Patrick. "Our focus has always been on improving patient outcomes, and this combination will offer the resources to provide more patients with affordable access to life-saving wound care. We will also strengthen our ability to advance the field of wound care by increasing our investments in clinical care and research, program development, and education and training, while improving our comprehensive wound care therapy programs to find the most effective solutions for reducing costs associated with chronic wounds."

The demand for specialized wound care services is rapidly growing, and the current patient population is underserved by existing wound care programs. An aging population, combined with the rise in diabetes, cardiovascular disease and obesity, has created a \$14 billion global wound care industry. In the United States, there are more than seven million Americans who would benefit from specialized wound care services, but less than one million patients are currently being treated in a dedicated wound care setting.

The merger will allow the new company to better serve hospitals and other health care facilities and enhance their ability to improve outcomes for patients. The combined company will provide hospital customers with significant clinical and operational benefits, including: best-in-class clinical outcomes and

medical staff training programs; increased operational success resulting from unparalleled expertise in opening and managing wound care centers; increased revenue and profits from the introduction of new patients and services to the hospital system; and reduced financial risk through a shared cost structure as well as revenue cycle management and other specialized services.

Metalmark Capital, a leading private equity firm with a long track record of successful investing in healthcare and other targeted sectors, is providing funding in support of the transaction and will maintain a majority ownership position in the combined company. M. Fazle Husain, managing director at Metalmark and chairman of National Healing, will continue on the combined company's Board of Directors upon closing.

"National Healing has experienced impressive growth since its founding and we believe this transaction creates a stronger organization," said Mr. Husain. "We are pleased to continue our association with National Healing, and we look forward to helping the combined company meet its mission of serving more patients who suffer from chronic wounds."

As part of the transaction, The Jordan Company, a private investment firm that specializes in buying and building businesses in partnership with management, has agreed to sell its ownership position in Diversified Clinical Services.

Moelis & Company and Jefferies & Company are serving as financial advisors to Diversified Clinical Services. SNR Denton US LLP and Hogan Lovells US LLP are serving as Diversified Clinical Services' legal counsel.

The completion of the transaction is subject to customary closing conditions, including regulatory approval.

About National Healing Corporation

Founded in 1996 and headquartered in Boca Raton, Fla., National Healing Corporation provides management services and the latest technology and expertise in wound healing to its client hospitals to establish quality wound healing programs. The Joint Commission has awarded National Healing Disease-Specific Care Certification for Wound Care. Committed to health care compliance and best practice medicine, National Healing emphasizes these priorities in its extensive clinical and business training programs. For more information, please visit www.nationalhealing.com.

About Diversified Clinical Services

Diversified Clinical Services is a provider of specialized wound care services to more than 325 hospitals in the rapidly growing and underpenetrated U.S. wound care market. Diversified Clinical Services continuously advances quality and outcomes in wound care through its investments in clinical training and education, clinical care, and advanced wound care information systems. It also holds The Joint Commission Disease-Specific Care Certification for Wound Care. For more information, visit www.diversifiedclinicalservices.com.

About Metalmark Capital

Metalmark Capital is a leading private equity firm whose principals have a long track record of successful investing in targeted sectors, with particular focus and competence in healthcare, energy and natural resources, and industrials. Metalmark Capital seeks to build long-term value through active and supportive partnerships with the companies and management teams in which it invests. Metalmark Capital is an investment center of Citi Capital Advisors. For more information, please visit www.metalmarkcapital.com.

About The Jordan Company

The Jordan Company (www.thejordancompany.com), founded in 1982, is a leading middle-market private equity firm with over \$5 billion of assets under management and a successful track record of investing in and growing businesses across a wide range of industries. The firm's partners have been investing together for more than two decades, establishing The Jordan Company as one of the most experienced and stable investment teams in private equity. The investment team is supported by the firm's Operations Management Group, which initiates and supports operational improvements in portfolio companies. The firm generates deal flow through a well-developed network of sourcing relationships. Headquartered in New York, The Jordan Company also has offices in Chicago and Shanghai.