

Stoughton, MA – December 2, 2013 – Medical Specialties Distributors, LLC (“MSD”), the leading distributor of healthcare products, patient care devices, biomedical services and technology solutions to the alternate-site market, announced today that it has partnered with New Mountain Capital (“New Mountain”), a leading private equity firm that focuses on growth and business building and currently manages over \$10 billion in assets. New Mountain is acquiring MSD from Water Street Healthcare Partners, a strategic investor focused exclusively on the health care industry.

Headquartered in Stoughton, Mass., MSD is the leading distributor and solutions provider to the growing alternate-site home infusion therapy market, offering a complete line of medical products, high quality biomedical services and innovative technology solutions. With origins dating back to 1984, MSD now services more than 4,000 alternate-site healthcare providers across the United States and Canada.

Through relationships with key manufacturers, MSD offers a portfolio of more than 15,000 products to its customers. In addition to its distribution capabilities, MSD is the industry leader in equipment sales and device management and has a rental fleet of more than 46,000 medical devices. Together with cutting edge technology and productivity tools, MSD truly provides its customers with a total enterprise solution.

“We are excited to partner with the clear quality and market leader in the industry,” said Michael Ajouz, Managing Director at New Mountain Capital. “We believe that the best-in-class company which Jim Beck and the rest of the MSD team have built in the home infusion distribution space will serve as an outstanding platform for continued growth and success. MSD’s leadership team has developed a compelling growth strategy, and we are delighted to put resources behind this strategy to grow and expand the business. We look forward to working closely with management over the coming years and helping MSD realize its full growth potential while maintaining the impeccable quality and customer service that are keys to the Company’s success.”

“We were fortunate to partner with a terrific management team, led by Jim Beck, to build MSD into a market leader,” said Rob Womsley, Partner, Water Street. “Together, we developed and executed a strategic plan that expanded the company’s core capabilities and positioned MSD as the only distributor that can support customers with a total enterprise solution of products and services. We are pleased that MSD and its new partner will build on the strong growth platform we created for the company.”

Jim Beck, MSD’s President and CEO, commented, “Specialty distribution for alternate-site healthcare is a unique business that requires MSD to be flexible to meet the requirements of today’s customer and the needs of the changing healthcare landscape. I believe New Mountain Capital is the ideal partner to help MSD continue our extraordinary growth and achieve the next level of success. We are proud of our history of bringing innovative solutions to our customers, and we look forward to our new partnership with New Mountain.”

About Medical Specialties Distributors, LLC (MSD)

MSD is a primary distributor of med/surg products and biomedical equipment into the alternate-site marketplace. MSD's portfolio of services includes Outpatient Infusion Systems, an accredited ambulatory pump program serving the oncology marketplace throughout the U.S. Additional services offered by MSD include formulary development, online ordering, equipment management and tracking, and patient direct delivery programs. MSD is an authorized distributor for most of the healthcare industry's leading group purchasing organizations and is also ISO 9001:2000 & ISO 13485:2003 Certified. To learn more about MSD visit www.msdonline.com.

About New Mountain Capital, LLC

New Mountain Capital is a New York based private equity firm that emphasizes business building and growth, rather than debt, as it pursues long-term capital appreciation. The firm currently manages private and public equity funds with over \$10 billion in aggregate capital commitments. New Mountain seeks out what it believes to be the highest quality growth leaders in carefully selected industry sectors and then works intensively with management to build the value of these companies. For more information on New Mountain Capital, please visit <http://www.newmountaincapital.com>.