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DUBLIN, OH – Looking to expand its reach in Europe and Asia and bolster its respiratory care offerings, Cardinal Health, a provider of healthcare IT products like MedMined data mining software and the CareFusion patient identification system, has announced an agreement to acquire the medical technology company VIASYS Healthcare Inc. for about \$1.5 billion.

VIASYS, based in Conshohocken, Pa., is a research-based medical technology focusing on respiratory, neurology, medical disposable and orthopedic products. It has more than 7,000 hospital customers in 100 countries and generates 40 percent of its revenue from outside the United States.

Cardinal Health officials say adding VIASYS technology to the company's patient bedside strategy will enable hospitals to better manage all forms of medication delivered, as well as collect data on use and outcomes to improve patient safety.

"VIASYS is a perfect strategic fit with our mission to help providers make health care safer and offers immediate revenue and earnings opportunities in key geographies worldwide," said R. Kerry Clark, Cardinal's CEO, in a press release. "With a strong platform and excellent momentum in our Clinical and Medical Products businesses, we think the timing is ideal to broaden our offering."

According to company officials, VIASYS will provide a range of complementary products to Cardinal Health's medical disposables business as well as expand Cardinal's product and service offerings that address patient safety.

Under the agreement, Cardinal Health will make a cash tender offer to acquire all outstanding shares of VIASYS common stock at \$42.75 per share. Based on VIASYS' 33.3 million outstanding shares as of the beginning of May, the deal is valued at \$1.42 billion, excluding less than \$50 million in debt.

"Our management team is excited about the tremendous potential for growth this acquisition brings us," said Randy Thurman, chairman, president and CEO of VIASYS. "In addition to the exceptional product fit between our two companies, there is a strong cultural fit among our management teams, and our missions – to improve the safety of healthcare – are well-aligned."

Besides its MedMined and CareFusion products, Cardinal Health, an \$80 billion global

company, produces Alaris IV pumps and Pyxis automated dispensing systems and medical and surgical products and is one of the largest distributors of pharmaceuticals and medical supplies worldwide.

With 2006 revenue of \$610 million, VIASYS is a leader in respiratory care, a market valued at roughly \$4 billion annually. Among its products are Avea, Vela, PULMONETIC and SensorMedics, which are designed to improve critical care and reduce ventilator-associated pneumonia. It's also a leader in neurological, audio and vascular diagnostics, disposable medical products used in surgical procedures and enteral feeding, orthopedic implant manufacturing and clinical services.

Cardinal Health officials say the acquisition broadens the company's product offerings to diagnostics in the areas of sleep, lung, vascular, auditory and brain disorders. Its leading brands include Jaeger, Micro Medical, SensorMedics, Grason-Stadler and Nicolet.

Market analysts this morning said the deal might not be the last offer made to VIASYS, Noting that Cardinal, the McKesson Corp. and the AmerisourceBergen Corp. together account for about 90 percent of the prescription drug distribution market, some questioned whether another bidder might enter the ring.

In a conference call Monday morning with analysts, Clark said Cardinal had been eyeing VIASYS for some time, and had decided to make an offer when news leaked out that another company was preparing to make an offer.

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