



For Immediate Release

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**LAKWOOD PATHOLOGY ASSOCIATES NAMES DOUG BERG
CHIEF EXECUTIVE OFFICER**

Company Appoints Industry Veteran Timothy Brodnik to Board

Lakewood, N.J. – May 16, 2007 – Lakewood Pathology Associates, a leading U.S. anatomic pathology company providing a broad range of diagnostic testing and consultative services to doctors and clinicians, today announced that it has named Doug Berg its chief executive officer, effective immediately. Mr. Berg also has been appointed to Lakewood’s board of directors. A 25-year industry veteran who previously served as the company’s chief development officer, Mr. Berg replaces Dr. Raza Bokhari, who has decided to step down one year after the company transitioned to its new majority owner, Water Street Healthcare Partners, a private equity firm focused exclusively on the healthcare industry.

“Dr. Bokhari has done an outstanding job of successfully transitioning Lakewood to its new ownership and preparing the company for its next phase of growth. On behalf of the entire board, we thank Raza for his years of service in building Lakewood to the company it is today,” said Kip Kirkpatrick, chairman of Lakewood’s board and a partner with Water Street Healthcare Partners. “As a result of Raza’s efforts during the past eight years and given recent industry developments, Lakewood is now ideally positioned to assume a much greater leadership position in the anatomic pathology market. We are confident in Doug’s ability to move the company forward and successfully execute on the strategy outlined by our board. His extensive experience, leadership

and highly regarded reputation in the industry will be instrumental in expanding Lakewood's breadth of specialty pathology services, as well as extending its presence throughout the United States."

Prior to joining Lakewood, Mr. Berg held a variety of executive management positions at leading laboratory and healthcare organizations, including Quest Diagnostics, where as corporate vice president of sales and marketing, he helped the company nearly double its market capitalization by leading the development and execution of its growth strategy. He also served in senior leadership roles with Dade Behring, Baxter and American Hospital Supply Corporation.

"I am very excited to assume the CEO position for Lakewood. We have a huge opportunity in front of us to build upon our expertise and expand into new and dynamic areas of diagnostic services, such as molecular-based medical testing," said Mr. Berg. "In addition, Lakewood has an outstanding reputation for customer service, which I look forward to further extending into new markets across the U.S."

Dr. Bokhari, who will continue to serve on Lakewood's board, said, "I have really enjoyed the opportunity to build Lakewood into a nationally recognized company these past eight years and am now pleased to officially hand over the torch to Doug. Doug's commitment to our customers is unwavering, and I am confident that under his leadership, the Lakewood team will continue to serve our customers beyond their expectations. I remain very excited about Lakewood's future and will continue to actively contribute to the company as a board member."

Timothy J. Brodnik Appointed Lead Director

Lakewood also announced today that Timothy J. Brodnik has been appointed lead director of the board. A long-time laboratory industry executive, Mr. Brodnik is the former president and CEO of American Medical Laboratories (AML), which was sold to Quest Diagnostics in a \$500 million transaction in 2002.

"The addition of Tim to our board is another important element to Lakewood's success. He is one of the most talented and respected executives in the lab industry, and his experience in building and growing AML will be invaluable to us as we pursue new growth opportunities for

Lakewood and help position it for long-term success,” said Jim Connelly, a Lakewood board member and a partner with Water Street Healthcare Partners.

Mr. Brodник added, “I am looking forward to leveraging my success with AML to assist Lakewood in achieving its growth strategy. I am a firm believer that a nimble, customer-focused laboratory will compete very favorably in a market comprised of much larger companies. I look forward to assisting Doug and the Lakewood management team in further developing and executing on their strategy.”

About Lakewood Pathology Associates

Headquartered in Lakewood, New Jersey, Lakewood Pathology Associates is a leading national pathology company that provides a full range of multi-specialty services, including extensive diagnostic procedures and specialist consultations. Accredited with distinction by the College of American Pathologists, Lakewood has long been recognized for exceptional service and quality. The company currently focuses on a broad base of specialty pathology services, including urology, gastroenterology, and hematopathology.

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