



For Immediate Release

Media Contact:

Kelly Zitlow

847-858-5230

Kelly.zitlow@wshp.com

LAKWOOD PATHOLOGY ASSOCIATES APPOINTS DAVID PAULUZZI PRESIDENT AND COO

Anatomic Pathology Company Expands Executive Management Team As It Continues Record Growth

Lakewood, NJ – April 15, 2008 – Lakewood Pathology Associates, an anatomic pathology company, announced today that it has appointed David Pauluzzi, a longtime industry executive, as its president and chief operating officer. The company announced the appointment following a record quarter, in which it achieved the highest sales in its history and continued its transformation from a regional company into a leading national anatomic pathology laboratory.

Mr. Pauluzzi, 46, brings to Lakewood more than 20 years of finance, marketing, operations and sales experience in the medical industry. He is the most recent addition to the company's executive management team, which has been augmented over the past year with key industry executives. Together, they have introduced operational initiatives and customer services that have contributed to Lakewood's record sales results and growth.

"Our success in providing customers with innovative and personalized service has enabled us to rapidly attract new customers across the country and establish Lakewood as an anatomic pathology leader in urology," said Doug Berg, chief executive officer, Lakewood Pathology Associates. "Dave's success in spearheading operations and achieving profitable growth for businesses in laboratory services and medical devices will be invaluable to us, as we continue to expand into new areas of diagnostic testing, particularly gastroenterology and hematology/oncology."

As a senior executive at Quest Diagnostics, Mr. Pauluzzi played an instrumental role in the company's growth. He directed operations, marketing and sales for its anatomic pathology and hospital businesses. Mr. Pauluzzi also held executive positions with US LABS and Ventana Medical Systems. He began his career with Abbott Laboratories diagnostics division. For the past year, Mr. Pauluzzi served as a consultant with portfolio companies of Water Street Healthcare Partners, a private equity firm focused exclusively on the healthcare industry and a majority owner of Lakewood Pathology.

"We have built a world-class management team of highly talented and experienced industry leaders that is further enhanced with Dave's appointment," said Eric Lev, a Lakewood board member and principal with Water Street Healthcare Partners. "The depth of our management team's expertise in building and managing a national anatomic pathology laboratory, along with the experience of our board and lead director, Tim Brodник, will be instrumental in furthering Lakewood's success as a leading U.S. provider of a full range of diagnostic services."

Mr. Pauluzzi's appointment is the most recent addition to Lakewood's executive management team. Additional appointments in the past year include: Edwin Hendrick, senior vice president of sales and marketing; Tim Kennedy, executive vice president, CFO and general manager; Laura Miller, vice president of sales; and Dr. Ali Riba, associate medical director.

"I am very excited to be joining this dynamic team of leaders. In less than a year, they have dramatically increased Lakewood's customers and presence throughout the country with the entire company's laser focus on customer service. I look forward to contributing my expertise to further Lakewood's expansion into new areas of diagnostic testing and increase its leadership position in the exciting and fast-growing anatomic pathology industry," said Mr. Pauluzzi.

About Lakewood Pathology

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 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.

About Water Street Healthcare Partners

Water Street Healthcare Partners is a Chicago-based private equity firm focused exclusively on healthcare. One of the most active investors in healthcare today, Water Street has a strong track record of building market-leadership companies

across the healthcare industry. The firm has particular expertise in corporate divestitures from the world's leading healthcare companies, including Johnson & Johnson, Smith & Nephew and Stryker Corporation. Water Street's team is comprised of highly experienced industry executives and private equity professionals who have worked together for more than 10 years and whose investments include: Access MediQuip, Facet Technologies, Physiotherapy Associates and Precision Dynamics Corporation. For more information about Water Street, visit www.wshp.com.

###