

FOR IMMEDIATE RELEASE

**LLR Partners and Quaker BioVentures Continue Investment Momentum
with \$28M Equity Investment in Medmark**

**Investment drives growth of specialty pharmaceutical distributor; provides insight into
future of specialty pharmaceutical distribution; reinforces VC commitment to Western
Pennsylvania**

PHILADELPHIA, PA, April 28, 2004 – LLR Partners Inc. (“LLR”) and Quaker BioVentures Inc. (“Quaker”) today announced completion of a \$28 million equity investment in Medmark Inc. (“Medmark”). Proceeds will be used to fund Medmark’s growth plans and to repurchase a portion of shares owned by Medmark’s parent company.

Medmark, headquartered in Pittsburgh, is a rapidly growing specialty pharmaceutical distributor that provides a broad range of specialty drugs, supplies and services to meet the unique needs of individuals with chronic illnesses. Prior to the transaction, Medmark was majority owned by Highmark Inc., the largest health insurance company in Pennsylvania and one of the largest in the United States.

“Medmark is proud to be affiliated with two high quality private equity firms,” said Peter Smith, Chief Executive Officer of Medmark. “LLR brings significant experience in working with later stage growth companies, and familiarity with the specialty pharmacy distribution sector, while Quaker is the leading private equity firm focused on the medical sector in the Mid-Atlantic region, with a strong knowledge of the pharmaceutical and biotechnology industries.”

Specialty pharmaceutical spending represents a large and rapidly growing expenditure for healthcare insurers. Specialty distribution of pharmaceuticals for chronic disease patients is estimated at \$20 billion per year with annual growth of over 25%. Medmark was formed by Highmark as part of its long-term strategy to help contain rising prescription drug costs for specialty pharmaceuticals and provide better care for its members. A portion of this financing will be utilized to deliver Medmark’s unique service offerings to other health insurance companies across the country.

“We are extremely excited about our investment in Medmark due to its extraordinary growth prospects, superior service offerings and experienced management team,” said Howard Ross, a Partner with LLR. “Medmark’s unique payor-focused strategy will enable the company to quickly expand its customer base to include other large health insurance companies. We look forward to partnering with Medmark as it continues its impressive growth.”

“Quaker is extremely enthusiastic about the Medmark investment,” said Sherrill Neff, a Managing Partner in Quaker. “Strategically, this gives us a tremendous opportunity to

participate in major biotechnology industry developments in product pricing and reimbursement issues, and a great vantage point from which to view the emerging biopharmaceutical product pipeline. Also, we are committed to Western Pennsylvania, which is a rapidly emerging center of excellence for the life science industry. Medmark is our first and LLR's second major investment in the region."

The investment in Medmark will also help fuel creation of new jobs in Pennsylvania. Dennis Yablonsky, Secretary of the Pennsylvania Department of Community and Economic Development said, "The Tobacco Settlement Investment Board committed \$20 million to Quaker BioVentures with the understanding that those dollars would be reinvested in promising Pennsylvania life sciences companies that would contribute to the state's efforts in economic development and job creation. Those investment dollars have been put to good use as they will help spin out Medmark and create jobs in Southwestern Pennsylvania."

About LLR Partners Inc. (LLR)

LLR Partners Inc. is a \$500 million private equity firm providing capital to middle market companies with strong growth potential, proven business models and outstanding management teams. LLR primarily makes investments of \$10 million to \$30 million in a broad range of growth industries, with an emphasis on business services, healthcare and information technology. Based in Philadelphia, LLR focuses on creating value in superior investment situations in the Mid-Atlantic region. For more information about LLR, please visit www.llrpartners.com.

About Quaker BioVentures, Inc. (Quaker)

Quaker BioVentures is a \$200 million venture capital firm dedicated to investing in life science companies located in the Mid-Atlantic region. The firm leads investments in companies across the spectrum of the life science industry, including biopharmaceuticals, medical devices, human diagnostics, health information technology and healthcare services. Quaker invests in companies at varying stages of development, from early stage businesses to public companies. For more information about Quaker, please visit www.quakerbio.com.

About Medmark Inc. (Medmark)

Medmark Inc. is a specialty pharmaceutical distribution company that provides specialized pharmacy care to individuals with unique or chronic medication needs such as hepatitis C, multiple sclerosis, respiratory syncytial virus ("RSV"), infertility, immune deficiency, rheumatoid arthritis and cancer. Medmark provides biopharmaceuticals along with specific supplies and services to meet the unique needs of those patients requiring specialized pharmacy care. Headquartered in Pittsburgh, PA, Medmark acquired Fisher's SPS in October 2003 to serve as the platform for expanding its model of comprehensive distribution of specialty pharmaceuticals to both local and national markets.

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