

**Progress Equity Partners**

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[Ralph@ProgressEquity.com](mailto:Ralph@ProgressEquity.com)**FOR IMMEDIATE RELEASE****January 9, 2007****Progress Equity Partners Announces Acquisition of Holdaway Medical Services**

*Dallas, Texas* – January 9, 2007- Progress Equity Partners, Ltd., a private equity investment firm focused on acquiring middle-market service-based businesses, announced today its recent acquisition of Holdaway Medical Services.

Holdaway Medical Services, founded in 1989 and based in Louisville Kentucky with operations in Indiana and Tennessee, is a leading healthcare company operating in 3 primary segments of the home healthcare marketplace: respiratory therapy, home medical equipment and specialty pharmacy products and services.

"Holdaway represents a platform investment in an attractive segment of the home health care market that we believe has very good long term prospects driven in large part by favorable demographic trends," said Progress Equity partner Ralph Manning. Holdaway Medical Services is a regionally dominate company with expertise in several segments of the home medical equipment market with an established operating history and a strong reputation for quality and responsive service. Progress Equity partner Mike Bailey added, "Our investment in Holdaway is a compelling opportunity to leverage Holdaway's established and diverse referral sources, product mix, customer and payor base to continue to build and grow the company both from a financial and geographic perspective."

Holdaway president John Bohn continued, "in order to continue the growth Holdaway has enjoyed historically it was time to take the Company to the next level. We are excited about the healthcare investment experience as well as the added resources Progress Equity brings and believe both will prove vital to positioning the Company for future expansion and growth".

In addition to capital provided by Progress Equity Partners, the transaction was supported by senior debt from Texas Capital Bank and mezzanine financing from Harbert Mezzanine Partners II SBIC, LP and Patriot Capital LP. Holdaway Medical Services was represented and advised in the transaction by Paragon Ventures, a mergers and acquisitions advisory firm based in Philadelphia specializing in the healthcare segment.

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**About Progress Equity Partners**

Progress Equity Partners, Ltd., ([www.ProgressEquity.com](http://www.ProgressEquity.com)) is a private equity investment firm that invests in well-managed, entrepreneurial, middle market service-based businesses. The principals of Progress Equity have been partnering with entrepreneurs to take their businesses to the next level since 1993 and are particularly successful in providing entrepreneurs the opportunity to gain liquidity while positioning their business for future growth. Progress Equity Partners has offices in Dallas and Denver and maintains a presence in Fort Worth.

## **About Holdaway Medical Services**

Holdaway Medical Services based in Louisville Kentucky with operations in Indiana and Tennessee, is a leading healthcare company with a diversified source of referrals, product mix and payor base. Holdaway operates and competes in 3 primary segments of the home healthcare market: Respiratory Therapy, Home Medical Equipment and Specialty Pharmacy Products and Services. The Company generates its revenue through the sale and rental of a wide range of home medical equipment and medical supplies and services to patients in their homes, and in long term care facilities. Holdaway offers a full spectrum of products including oxygen, durable medical equipment, sleep apnea products, medical supplies, enteral nutrition, insulin pumps and related diabetic supplies, and other infusion therapies. This full spectrum of products enables the Company to penetrate fragmented markets with sole-source solutions.

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