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**For Immediate Release**

**BEHRMAN CAPITAL PORTFOLIO COMPANY TANDEM HEALTH CARE  
TO ACQUIRE DIAKON LUTHERAN LONG TERM CARE FACILITIES**

**NEW YORK, NY and MAITLAND, FL, April 25, 2005** — Behrman Capital, a private equity investment firm based in New York and San Francisco, announced today that its portfolio company Tandem Health Care, Inc., a provider of long-term care services, has signed a definitive agreement to acquire fifteen skilled nursing care, assisted living and independent living facilities at nine service locations from Diakon Lutheran Social Ministries, a provider of retirement, health care, congregationally focused, and children and family services in Pennsylvania, Maryland, and Delaware. The acquired facilities are located in Pennsylvania and Maryland.

Based in Maitland, Florida, Tandem Health Care was founded in 1997 to create regional networks of health care that provide a broad range of long-term care services in selected markets. Behrman Capital acquired Tandem in 1998, and since that time has worked with founders Lawrence Deering and Joseph Conte to implement Tandem's growth strategy. Tandem has annualized revenues of approximately \$530 million. Services provided by Tandem include short-term transitional care, long-term nursing care, Alzheimer's care, assisted living, rehabilitation, mobile diagnostic imaging and hospice services. The Tandem Health Care System operates facilities and ancillary service operations in twelve states.

"We are very pleased to support Tandem as they make this important add-on transaction, one which will significantly expand its network of superior long-term healthcare facilities," said Grant G. Behrman, Managing Partner of Behrman Capital. "Since its founding in 1997 as a build-up, we are proud of Tandem's reputation for quality and its strong track record of growth. With a highly regarded management team and a strong balance sheet, Tandem is well positioned to expand its tradition of quality care."

"Tandem Health Care's operating strategy is to provide high quality, cost effective health care services to our residents while achieving and sustaining a strong competitive position within carefully chosen regional markets," said Lawrence R. Deering, Chairman and Chief Executive Officer of Tandem Health Care. "Both Diakon and Tandem have a strong culture that emphasizes quality of care, fiscal responsibility, careful maintenance of our facilities to the highest standards, and valuing the contributions of all of our employees. We welcome our new Diakon residents and employees to Tandem and look forward to our new relationship."

The transaction, subject to customary regulatory approvals, is expected to close by April 30, 2005.

Based in New York City and San Francisco, Behrman Capital was founded in 1992 by Grant G. and Darryl G. Behrman. The firm invests in management buyouts, leveraged buildups and recapitalizations of established growth companies. The company's investments are focused primarily in four industries: information technology, contract manufacturing, outsourcing, and healthcare. The firm currently has a combined capital base of \$1.8 billion.

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