



**Press release, 7<sup>th</sup> August 2008**

## **MALYSSE-STERIMA AND VANGUARD COMBINE THEIR COMPATIBLE OFFER AS INTEGRATED HEALTH CARE SERVICE PROVIDER**

**The group Malysse-Sterima and the German company VANGUARD join forces to become the biggest full-service provider in the Benelux for the health care sector focusing on hospitals and residential care centres. The new group provides products and services as well as full-service solutions in laundry services, sterilization and logistics solutions. With this enhanced collaboration the new group will also be able to provide high-tech services such as reprocessing of medical devices and process management.**

### **Malysse-Sterima and VANGUARD combine their perfectly compatible offer**

Both Malysse-Sterima group and VANGUARD launched the joint-venture Sterima-VANGUARD, a special provider of solutions for the outsourcing of sterilization activities of hospitals. Now, the group Malysse-Sterima has also brought in its other activities under Sterima-Vanguard. The new group will be the centre for the development of the Benelux activities of both companies. The shareholders of Malysse-Sterima will keep their participation of 49% in the new group MALYSSE-STERIMA VANGUARD, which will be 51% owned by VANGUARD.

Geert Malysse, CEO of Malysse-Sterima, about the new group: *"Together with its clients, Malysse-Sterima always aims to create qualitative and cost-effective solutions. With the addition of the innovative products and concepts of VANGUARD, this transaction is a unique opportunity for us to implement our strategic vision more rapidly. In the new structure we are even better prepared for the new challenges of the future and we are resolutely choosing for further expansion of the group both geographically and on products and services level."*

VANGUARD CEO Robert Schrödel adds: *"We are convinced that the group Malysse-Sterima is extremely important to support our geographical growth. Thanks to the leading market position of Malysse-Sterima, their focus on health care, their innovative strength and their knowledge in the field of laundry services, sterilization services and logistics, we highly appreciate to be able to join up with Malysse-Sterima to shape our further European expansion in the various businesses."*



Malysse-Sterima and VANGUARD together employ about 2100 people and realised a turnover of more than 165 million euros last year. The transaction will not only strengthen the market position of both organisations but will boost their growth prospects, thus creating new and enticing job opportunities. Both parties will be able to realise their strategy for Benelux development faster and more profoundly and, thus, lay the foundation for further European expansion.

### **Two pioneers on their way to become market leader**

The family-owned group Malysse-Sterima ([www.malysse-sterima.be](http://www.malysse-sterima.be)) of Heule is a pioneer offering a broad range of services in the health care sector. The group is one of the leading players in providing services to hospitals and residential care centres and has three divisions.

The Malysse laundry division is active in the maintenance and rental of linen and professional clothing, the Sterima medical division is active in the production and supply of sterile care sets and 'custom made procedure' packages for operating theatres, the insourcing or outsourcing of central sterilization departments in hospitals, the production of dialysis concentrate, as well as the distribution of other medical consumables. Moreover Malysse-Sterima also includes the Vlietra logistics division. With these 3 divisions, Malysse-Sterima realized an annual turnover of 52 million euros in 2007. Malysse-Sterima has 800 employees.

VANGUARD ([www.vanguard.de](http://www.vanguard.de)) is the European market leader in reprocessing of high-tech medical instruments and a leading provider of central sterilisation services. VANGUARD's product and services portfolio is complemented by stand-alone IT solutions as well as process and structural layout advice to hospitals to improve work flow efficiency and management of resources available to a hospital. The company is active in its German home market and also in France, Poland, the United Kingdom, Denmark and Switzerland. VANGUARD supplies its products and services to more than 1,450 hospitals throughout Europe. In 2007, the company realized a turnover of 114 million euros with a staff of app. 1,300. Recognising these achievements of VANGUARD, the company's founder and Chief Executive Robert Schrödel was named 'Entrepreneur of the Year, 2007'



### **Successful joint venture leads to expansion of collaboration**

Malysse-Sterima has always been a pioneer in services for the health care sector, more specifically for hospitals and residential care centres.

Anticipating the trend of further outsourcing of non-core activities, driven by very strict European legislation on sterilization and the increasing pressure on governments to provide less and less financial resources for care providers, the group wanted to offer its clients solutions for the outsourcing of sterilization activities.

In order to be able to provide such a solution Malysse-Sterima started a joint venture with VANGUARD in 2006. The joint-venture Sterima-Vanguard is now fulfilling a pioneer role in this area in the Benelux. The efforts for the expansion of this market segment have already delivered the first positive results, in Belgium as well as in The Netherlands.

This successful partnership has inspired both parties to extend this collaboration. MALYSSE-STERIMA VANGUARD is now even stronger, thanks to its combined product and services offer and its full-service solutions. Both parties are convinced that, following this transaction, MALYSSE-STERIMA VANGUARD has the best position to take advantage of the market trends in health care and is ready to enhance its position in the Benelux and play a leading role in Europe.

The cultural and strategic fit, the complementary product offering, as well as the geographical spread and similar focus on innovation and solution-oriented thinking will all contribute to make the collaboration a success.

It is clearly the intention of both parties to maintain and expand all activities. The product and service offer of Malysse-Sterima will therefore be distributed in the VANGUARD network. Also VANGUARD will offer its range of products and services in the Benelux via the new group.

The intention of the shareholders is to grow MALYSSE-STERIMA VANGUARD to become the reference with innovative and cost-efficient total solutions in the health care sector. The shareholders are convinced that MALYSSE-STERIMA VANGUARD is more than ever ready for the challenges of the future following this transaction.

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### **Information about VANGUARD**

VANGUARD ([www.vanguard.de](http://www.vanguard.de)) is the leading independent European reprocessor of high-tech medical instruments that are labelled as 'single use' items by the OEMs (but are often sold as 'reusable' in less developed countries) for hospitals and other health care providers. VANGUARD is working within extremely strict safety standards to provide and further improve safe ways to support healthcare institutions to optimise their increasingly limited resources.

To this end VANGUARD is also offering integrated sterile services solutions for hospitals. By customising its solutions to the specific circumstances of each hospital VANGUARD ensures full compliance with all current standards and regulations while providing high quality services, just-in-time delivery of instruments, and improved work flows to realise cost improvements. VANGUARDs integrated sterile services solutions comprise consultation and project planning, modernisation and management of central-sterile-supply departments (CSSDs), quality management, and instrument stock management.

VANGUARDs sterile services are perfected by Optim IT-solutions for managing emergency and operating rooms, instrument stocks, as well as the entire stock of the medical equipment used in any given hospital.

To deepen its relationship with customers VANGUARD is increasingly assisting hospitals in improving the layout and work flows of individual departments and even the entire hospital to ensure safe and efficient clinical pathways, standardised surgical treatments and the optimal use of all resources available to a hospital.

Currently VANGUARD is expanding from its German home market and is already serving customers in France, Poland, the United Kingdom, Denmark and Switzerland. More than 1,450 hospitals throughout Europe are already using VANGUARDs products and services. In 2007 after just nine years in business, VANGUARD employed app. 1,300 people and realised a turnover of 114 million euros. Recognising this achievement, VANGUARDs founder and Chief Executive Robert Schrödel was named 'Entrepreneur of the Year 2007' by the consultancy Ernst & Young Germany.

### **Information about Malysse-Sterima**

Until the 1950s the West Flanders family company of Malysse ([www.malysse-sterima.be](http://www.malysse-sterima.be)) was active in the flax industry. In 1951, the company focused on the laundry sector for private linen. Developments in health care however opened up new perspectives and meant the start of a systematic growth process and, in 1968, the final reorientation to the focus on health care. Since this reorientation at the end of the 1960s, Malysse-Sterima has always strived to grow in a dynamic manner by taking advantage with a broad range of services of the latest developments in health care. Malysse-Sterima always focuses thereby on satisfied employees who offer innovative solutions to satisfied customers. From its foundation in the health care sector, Malysse-Sterima has provided a guarantee for more than 4 decades of more cost-efficient and future-oriented total solutions in the form of products, services and concepts.



*Today, Malysse-Sterima is active in Belgium, the Netherlands and Northern France with laundry division Malysse, the Sterima medical division and the Vlietra logistics division. With the 3 divisions together, in 2007 Malysse-Sterima realized an annual turnover of 52 million euros with 800 employees.*

*Laundry division Malysse is specialized in the rental and maintenance of a complete linen package and professional clothing for health care, particularly for hospitals and residential and care centres. The 5 modern units are distributed throughout the whole of Belgium, namely Malysse plc (Heule and Geraardsbergen), Centrawas (Gullegem), Linnenservice Leuven (Aarschot), and Malysse sa (Villers-le-Bouillet).*

*The intense contacts with the medical world rapidly led to the setting-up of a central sterilization unit where new services could be offered. The Sterima medical division started with the production and supply of sterile care sets and 'custom made' packages for operating theatres. Later the production of dialysis concentrate and the distribution of other medical consumables followed. The medical division has become a total subcontractor for sterile medical consumables and services for the various nursing departments and operating theatres as well as the operation of central sterilizations departments within or outside the hospital. The units of the medical division are Sterima (Bissegem) and Stérilisation Malysse (Douvain - France).*

*The Vlietra logistics division was set up to address the requirements of a 'just-in-time' supply. The logistics division with nearly 50 trucks forms the hub within the Malysse-Sterima group and provides the transport and logistics service within the various companies of the group. Moreover Vlietra provides transportation for external customers.*