

**FOR IMMEDIATE RELEASE**

For further information,  
contact Ken Fields, (314) 982-0556  
or (314) 919-9007

**Valitás Health Services Recapitalizes for Growth Opportunities**

*Private equity firm increases existing investment in company*

St. Louis, MO January 18, 2008 – St. Louis-based Valitás Health Services, Inc. and its principal subsidiary, Correctional Medical Services, Inc. (CMS), announced a recapitalization that will strengthen the company's ability to take advantage of growth opportunities. As part of the recapitalization, Beecken Petty O'Keefe & Company, a Chicago-based private equity firm investing in the healthcare industry, has significantly increased its investment in Valitás/CMS. The increased investment now places Beecken Petty O'Keefe in a majority ownership position in Valitás/CMS. CMS is the nation's leading provider of contract correctional healthcare services. Beecken Petty O'Keefe had held a minority position in Valitás/CMS for approximately 11 years. As part of the transaction, Madison Dearborn Partners sold its interest in Valitás/CMS.

"It's great to have such consistency in our ownership team," said Richard H. Miles, President and Chief Executive Officer of Valitás. "Over the past few years, the company has been financially and operationally stronger than ever before. We appreciate Madison Dearborn's support of Valitás and CMS and the success we have achieved in partnership with Madison Dearborn over the past 11 years. This transaction means our core focus, structure, management, and service to clients will stay the same. However, we are now positioned for future growth and new market opportunities."

"We've seen what Valitás and its management team have accomplished over the years and that's why we are excited about the prospects for their continued success," said Kenneth O'Keefe, Partner, Beecken Petty O'Keefe. "The entire Valitás/CMS management team remains fully committed to delivering quality services and value to the Company's clients."

In 2008, Valitás' annual revenue is expected to top \$900 million, an increase of approximately 15 percent over 2007. Through CMS, the Company delivers healthcare services to approximately 270,000 inmate patients at more than 300 sites in 24 states. "Our people have created that success and we are going to continue to put them in positions to succeed," said Miles.

(more)

## **Valitás Health Services Recapitalizes Add One**

Terms of the Beecken Petty O'Keefe transaction were not disclosed. Debt financing for the transaction was provided by a syndicate of financial institutions.

### ***About Beecken Petty O'Keefe & Company***

*Beecken Petty O'Keefe & Company (<http://www.bpoc.com>) is a Chicago-based private equity management firm founded in 1996 to invest in middle-market buy-out transactions, recapitalizations, and growth platforms in the health care industry. BPOC evaluates, structures, and manages investments on behalf of institutional and individual investors. BPOC currently manages over \$700 million in equity commitments.*

### ***About Valitás Health Services***

*Valitás Health Services, Inc. is the parent company of Correctional Medical Services (CMS) -- a nationwide leader in the provision of correctional healthcare services, offering a comprehensive suite of medical, dental, and mental health services for the incarcerated population. CMS currently operates healthcare units at more than 300 correctional facilities in 24 states and manages medical services for 13 statewide correctional systems, including Missouri. More than 6,000 employees and independent contractors work with CMS nationwide. For more information, visit the CMS Web site at [www.cmsstl.com](http://www.cmsstl.com).*

###