

BSN medical acquires Cognon-Morin, a leading French compression therapy business.

Hamburg, December 18, 2006 --- BSN medical, based in Hamburg, today announced the acquisition of the Cognon-Morin group through its wholly owned subsidiary BSN medical France Holding SARL.

With Cognon-Morin, BSN medical reaches global leadership in the fast growing market for compression therapy products, e.g. compression hosiery. It furthermore accelerates sales and market share for BSN medical in France being the third largest market after the US and Germany with annual growth rates of about 10%.

Cognon-Morin, with its well known product range 'Radiante' has grown faster than the market, with its innovative products, especially 'Voile', a highly transparent compression stocking and 'la Chaussette' a particularly comfortable to wear compression garment. The company is based in Châtellerault and employs about 140 people in manufacturing, sales and R&D with annual sales of approximately €22 million. Its quality premium products and medical expertise fit very well with BSN medical's own phlebology business, branded Jobst, which is the market leader in the USA and enjoys significant market share in Germany and other European markets.

BSN medical will maintain Cognon-Morin's existing production facility and management team. BSN medical plans to contribute its complementary product range, e.g. compression gloves and sleeves to further support the growth of Cognon-Morin in France, whilst its cosmetically appealing 'Voile' product range will be evaluated for other markets.

The acquisition of Cognon-Morin is actually the second this year for BSN since the completion of its own management buyout in February 2006. With the support of Montagu Private Equity, the management of BSN medical has significantly accelerated the growth through strategic acquisitions in addition to organic growth. Around € 100 million have been invested in two

acquisitions as well as additional manufacturing equipment for its plant in Hamburg to support revenue growth. In July, BSN has acquired M-PACT, LLC a US manufacturer and distributor of a complete line of fracture management products including splinting, casting and cast removal products.

“The Cognon-Morin acquisition is fully in line with our defined strategy of developing further our platform of high quality products as well as boosting our sales in existing markets through enhanced marketing and distribution activities.” said Graham Siddle, CEO of BSN medical. “We are particularly pleased to have acquired with Cognon-Morin such a well established phlebology business in France. This acquisition represents an excellent opportunity for us to accelerate sales and market share growth in the third largest phlebology market in the world.” Looking ahead into 2007 Graham Siddle comments: “With the support of our private equity partner Montagu we have gained significant momentum in growing our business this year, and we shall continue to look for the right strategic acquisitions.”

Nico Helling, Director of Montagu added: “It has been an exciting and rewarding first year working together with BSN medical. With its experienced management, dedicated workforce, a high quality product portfolio and a proven track record for potentials in the field of innovation, BSN medical has a great platform from which to accelerate the company’s further development. We will continue to support the growth strategy of BSN medical financially and back the company management in further strategic acquisitions for which we have committed solid capital resources.”

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Notes to editors:

BSN medical, Hamburg, is one of the world's leading suppliers in the product segments casting, bandaging, traditional wound care and compression stockings. Established in April 2001 as a joint venture between Beiersdorf AG, Hamburg, and Smith & Nephew plc, London, the company has been an independent player since a management buyout in February 2006. Several of the company's brands – such as Gypsona, Orthoglass, Jobst, Deltacast and Leukoplast – are to be numbered among the most trusted names in the healthcare profession.

BSN medical has production facilities in Germany, France, the UK, Mexico, Pakistan, South Africa and the USA. In Germany, the company has operations in Hamburg and Emmerich.

BSN medical operates in 25 countries, employs approximately 3,400 staff has generated revenues of €525 million in 2005.

Visit www.bsnmedical.com for more information.

Graham Siddle
Chief Executive
Tel: +49 40 4909 3311
Graham.Siddle@BSNmedical.com

Montagu Private Equity

Montagu is a leading private equity investor in the European mid-market with offices in London, Manchester, Paris, Düsseldorf and Stockholm. Over the last 38 years, the firm has supported more than 400 businesses operating across a range of different segments and sectors, and currently has more than €3 billion under management. Montagu is focused on investing in management buyouts in partnership with the incumbent management team. The firm has a strong track record of delivering superior returns over time, an extensive network of contacts and offers its portfolio companies capital, financial expertise and strategic assistance in order to unleash their full development and growth potential.

Visit www.montaguequity.com for more information.

Nico Helling
Director
Tel: +49 211 8676 932
Nico.Helling@montaguequity.de

Tulchan Communications
Andrew Honnor
Tel: +44 20 7353 4200
Ahonor@tulchangroup.com

Charles Barker Corporate Communications
Kornelia Spodzieja, Erhard Krasny
Tel.: +49 69 79 40 90 -0 and -24
Kornelia.Spodzieja@charlesbarker.de
Erhard.Krasny@charlesbarker.de