



Henry Schein To Expand Its Medical Group With Acquisition Of North American Rescue

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Gains new global defense and public-safety customers, and new portfolio of proprietary medical products

MELVILLE, N.Y., Jan. 23, 2019 /PRNewswire/ -- Henry Schein, Inc. (Nasdaq: HSIC), the world's largest provider of health care products and services to office-based dental, animal health, and medical practitioners, today announced the signing of a definitive agreement to acquire approximately 93 percent of North American Rescue (NAR), the leading provider of survivability and casualty-care medical products to the defense and public-safety markets.

Founded in 1996 by CEO Bob Castellani, NAR is headquartered in Greer, South Carolina, and has 105 full-time team members. With nearly 60% of its sales to the U.S. government, NAR generated record sales for the 12 months ended October 31, 2018, of approximately \$184 million, reflecting a diversified portfolio of proprietary medical products. This transaction is expected to close in the first quarter of 2019, at which time Mr. Castellani will continue in his role as CEO. NAR will be integrated with Henry Schein Medical, the U.S. medical business of Henry Schein, Inc.

Henry Schein expects NAR will be neutral to the Company's 2019 earnings per share and accretive thereafter. Financial terms were not disclosed.

"NAR is a successful, growing company with an exceptional team that has created the recognized leader in the markets the company serves," said Stanley M. Bergman, Chairman of the Board and Chief Executive Officer of Henry Schein. "We are delighted to welcome Bob Castellani and NAR to Team Schein, and we look forward to expanding our Medical group's geographic footprint, customer base, and product offering both in the U.S. and overseas. Furthermore, through this transaction, Henry Schein Medical will be well-positioned to benefit from a business with solid growth and attractive profit margins."

NAR serves all branches of the U.S. military; various U.S. military departments and federal agencies; militaries of allied foreign countries; federal, state, and local law enforcement departments; emergency medical service providers and fire departments; and community preparedness organizations, including school districts and commercial and community centers. The company specializes in providing products to treat and overcome the three most common causes of preventable combat deaths, namely hemorrhaging, tension pneumothorax, and inadequate airway. NAR offers online education and training, which complements Henry Schein's commitment to provide continuing education tailored to a customer's specific needs.

"NAR offers a unique value proposition," Mr. Bergman added. "The company's ability to provide tailored, mission-enabling survivability products is critical to countering the rapidly evolving threats of the 21st century. We look forward to expanding our customer base, as well as to selling new, innovative, life-saving products and supplies that will keep us at the forefront of critically important military and civilian markets."

This investment offers multiple areas for growth and potential business synergies for both NAR and Henry Schein Medical. For NAR, this includes the combined ability to expand market share in the growing public safety market place, as well as the ability to sell more Henry Schein Medical and Henry Schein-branded products through NAR's existing channels. Additionally, NAR will have access to Henry Schein's broad product offering.

"NAR has enjoyed considerable business success over the past 20 years and our future is bright by having access to the resources, expertise, and global presence of Henry Schein," said Mr. Castellani. "NAR is South Carolina-grown, and it is extremely gratifying to reinvest in our community and grow the local economy by retaining 100-plus NAR employees and by investing in the next year to increase capacity at our facilities."

Mr. Castellani also expressed his wishes to continue championing causes that seek solutions to a range of societal issues. This commitment mirrors that of Henry Schein, whose global corporate social responsibility program, Henry Schein Cares, works to "help health happen" for underserved communities around the world.

About Henry Schein, Inc.

Henry Schein, Inc. (Nasdaq: HSIC) is a solutions company for health care professionals powered by a network of people and technology. With more than 22,000 [Team Schein Members](#) serving more than 1 million customers globally, the Company is the world's largest provider of Business, Clinical, Technology and Supply Chain solutions to enhance the efficiency of office-based [dental](#), [animal health](#), and [medical](#) practitioners. The Company also serves [dental laboratories](#), [government and institutional health care clinics](#), and other alternate care sites.

A Fortune 500® Company and a member of the S&P 500® and the Nasdaq 100® indexes, Henry Schein's network of trusted advisors provides health care professionals with the valued solutions they need to improve operational success and clinical outcomes. The Company offers customers exclusive, innovative products and solutions, including practice management software, e-commerce solutions, specialty and surgical products, as well as a broad range of [financial services](#). Henry Schein operates through a centralized and automated distribution network, with a selection of more than 120,000 branded products and Henry Schein private-brand products in stock, as well as more than 180,000 additional products available as special-order items.

Headquartered in Melville, N.Y., Henry Schein has operations or affiliates in 34 countries. The Company's sales reached a record \$12.5 billion in 2017, and have grown at a compound annual rate of approximately 15% since Henry Schein became a public company in 1995. For more information, visit Henry Schein at www.henryschein.com, [Facebook.com/HenrySchein](https://www.facebook.com/HenrySchein) and [@HenrySchein on Twitter](https://twitter.com/HenrySchein).

About North American Rescue, LLC.

North American Rescue (NAR), based in Greer, South Carolina, has proudly enjoyed the honor of serving their country, community, and customers for over two decades. NAR is leading the way in decreasing preventable deaths by providing innovative casualty care solutions to our uniformed soldiers,

first responders, health care professionals, and security forces both at home, and abroad in foreign combat zones. For more information on North American Rescue and products visit www.NARescue.com or call (864) 675-9800.

Cautionary Note Regarding Forward-Looking Statements

In accordance with the "Safe Harbor" provisions of the Private Securities Litigation Reform Act of 1995, we provide the following cautionary remarks regarding important factors that, among others, could cause future results to differ materially from the forward-looking statements, expectations and assumptions expressed or implied herein. All forward-looking statements made by us are subject to risks and uncertainties and are not guarantees of future performance. These forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause our actual results, performance and achievements or industry results to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. These statements are identified by the use of such terms as "may," "could," "expect," "intend," "believe," "plan," "estimate," "forecast," "project," "anticipate" or other comparable terms. A full discussion of our operations and financial condition, including factors that may affect our business and future prospects, is contained in documents we have filed with the United States Securities and Exchange Commission, or SEC, and will be contained in all subsequent periodic filings we make with the SEC. These documents identify in detail important risk factors that could cause our actual performance to differ materially from current expectations.

Risk factors and uncertainties that could cause actual results to differ materially from current and historical results include, but are not limited to: effects of a highly competitive and consolidating market; our dependence on third parties for the manufacture and supply of our products; our dependence upon sales personnel, customers, suppliers and manufacturers; our dependence on our senior management; fluctuations in quarterly earnings; risks from expansion of customer purchasing power and multi-tiered costing structures; increases in shipping costs for our products or other service issues with our third-party shippers; general global macro-economic conditions; risks associated with currency fluctuations; risks associated with political and economic uncertainty; disruptions in financial markets; volatility of the market price of our common stock; changes in the health care industry; implementation of health care laws; failure to comply with regulatory requirements and data privacy laws; risks associated with our global operations; transitional challenges associated with acquisitions and joint ventures, including the failure to achieve anticipated synergies; financial risks associated with acquisitions and joint ventures; litigation risks; new or unanticipated litigation developments; the dependence on our continued product development, technical support and successful marketing in the technology segment; our dependence on third parties for certain technologically advanced components; increased competition by third party online commerce sites; risks from disruption to our information systems; cyberattacks or other privacy or data security breaches; certain provisions in our governing documents that may discourage third-party acquisitions of us; changes in tax legislation; and risks associated with the ability to consummate the spin-off and merger of our Animal Health business with Vets First Choice and the timing of the closing of the transaction, as well as the ability to realize anticipated benefits and synergies of the transaction. The order in which these factors appear should not be construed to indicate their relative importance or priority.

We caution that these factors may not be exhaustive and that many of these factors are beyond our ability to control or predict. Accordingly, any forward-looking statements contained herein should not be relied upon as a prediction of actual results. We undertake no duty and have no obligation to update forward-looking statements.

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