



Caregiver Services, Inc.

Comprehensive In-Home Care
"Caring Comes First"

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Contact:

Caregiver Services, Inc.

Alan L. Soderquist

President and CEO

615.468.3501

CAREGIVER SERVICES, INC. ANNOUNCES TWO FLORIDA ACQUISITIONS; CLOSES \$23.75 MILLION FINANCING

Nashville, TN -- January 11, 2005 -- Caregiver Services, Inc., a leading provider of in-home assisted living services, announced the acquisition of Catalano's Nurses Registry of Miami, Florida and Nurse World of Orlando, Florida. With the addition of these two highly-respected registries, Caregiver Services now provides nurse and caregiver staffing, personal care, homemaker, and companionship services in 32 counties across Florida, in addition to its operations in Middle Tennessee. As the premier registry in Florida, Caregiver Services utilizes the services of over 2,000 caregivers serving thousands of individuals, insurers, and state and local agencies.

Caregiver Services also announced the completion of financing transactions totaling \$23.75 million. Merrill Lynch Capital, a division of Merrill Lynch Business Financial Services Inc., provided a new senior credit facility to the company, and a new mezzanine financing round included investments from Harbinger Mezzanine Partners, Capital South Partners and Morgan Keegan Mezzanine Fund. Psilos Group, CSI's lead investor since 1998, also participated in the financing.

President and Chief Executive Officer Alan Soderquist noted "the addition of these two fine organizations and their associates to the Caregiver Services family significantly enhances our capabilities and helps us fulfill our vision of being the leading provider of caregivers to families, providers, and insurers in need. We are also pleased to have such an outstanding group of financial partners who provide us the means to not only complete these acquisitions, but also to fulfill CSI's vision for the future."

Caregiver Services is a leading provider of in-home care and a trusted partner in offering a wide variety of quality homecare options to persons of all ages enabling them to live at home. CSI offers services throughout Florida and Tennessee through a network of caring, capable and qualified caregivers. Caregiver Services is a privately held company owned principally by Psilos Group Partners, a New York-based venture capital firm.