



GATES AND COMPANY
Two Greenville Crossing
4001 Kennett Pike, Suite 308
Wilmington, Delaware 19807
(302) 428-1338 • (302) 428-1339 fax

**NEWS – For Immediate Release
December 2007**

VARSAL INSTRUMENTS ACQUIRED BY HERAEUS

Wilmington, DE—Gates and Company is pleased to announce that its client, Varsal Instruments Company, headquartered in Beijing, China, sold its analytical lamp business to Heraeus Noblelight GmbH of Hanau, Germany. Varsal Instruments Company is a division of Varsal, Inc., which is headquartered in Warminster, Pennsylvania. The terms of the transaction were not disclosed.

Varsal had developed one of the largest analytical lamp production facilities in China and became a leading source for HCL (hollow cathode lamp) and D₂ (deuterium arc) lamps for the Chinese and export market. Varsal will continue production of its instrument line, including spectrometers, liquid chromatographs, microwave digestion systems, spectrophotometers, and other specialized analytical instruments.

Heraeus Noblelight is one of the technology and market leaders in the production of specialist light sources. The company has operations in the U.S., Great Britain, France, China, Australia, and Puerto Rico. Heraeus Noblelight will integrate the Varsal production into its new facility in Shenyang.

Gates and Company served as an advisor to Varsal Inc. in this transaction. Additional terms of the transaction were not disclosed.

FORWARD-LOOKING STATEMENTS

This press release includes statements that are not historical in nature and that may be characterized as "forward-looking statements," including those related to future financial and operating results, benefits and synergies of the company's brands and strategies, future opportunities, and the growth of the market. Actual results could differ materially from those contained in the forward-looking statements, which are based on current expectations of management and are subject to a number of risks and uncertainties, including, but not limited to: the company's ability to integrate acquired operations and employees; success in executing strategies; ability to take a competitive position in the industry; business conditions and the general economy; market opportunities; potential new business strategies; competitive factors; sales and marketing execution; shifts in technologies or market demand; and other factors. Varsal Instruments Company and Heraeus Noblelight disclaim any intention or obligation to update any forward-looking statements as a result of developments occurring after the date of this press release.

ABOUT VARSAL INSTRUMENTS COMPANY

With corporate headquarters in Pennsylvania, Varsal's lamps and instrument division is based in Beijing, China with production facilities located in Tangshan, China, and a customer base that extends throughout North America, Europe, and Asia. Varsal had developed the largest lamp production facility in China and became the leading source for HCL (hollow cathode lamp) and D₂ (deuterium arc) lamps for the Chinese market. At the time of acquisition, the company's product line included spectrometers, liquid chromatographs, microwave digestion systems, spectrophotometers, hollow cathode lamps, deuterium arc lamps, and other specialized analytical instruments. For more information, visit www.varsal.com

(more)

ABOUT HERAEUS NOBLELIGHT GMBH

Heraeus, the precious metals and technology group headquartered in Hanau, Germany, is a global, private company in the business segments of precious metals, sensors, dental and medical products, quartz glass and specialty lighting sources. With revenues of more than EUR 10 billion and more than 11,000 employees in over 100 companies, Heraeus has stood out for more than 155 years as one of the world's leading companies involved in precious metals and materials technology. For more information, visit www.heraeus.com

ABOUT GATES AND COMPANY

Gates and Company is a management consulting and investment banking firm dedicated to helping companies grow. With an impressive track record of helping numerous companies reach their goals, *Gates and Company* specializes in growth strategy formulation, investment banking, market research/analysis, business plan development, product/venture launch, routes to market, and mergers and acquisitions. Selected clients include: Antares Pharma, DuPont, DuPont Teijin Films, FMC Corporation, The Government of Japan (Ministry of Economy, Trade and Industry), Friama, Greene Tweed, Hercules, JADO Technologies, LG Chemical, mCom Financial Services, MedRisk, Metabo, National Biometric Security Project, New Age Blast Media, Parelec, Qualicon, Rohm and Haas, Soluziona, Ultrafine Technologies, Visionet Systems, WaveFront Research, and W.L. Gore. For more information, visit www.gatesandcompany.com.

Gates and Company contact:

David Gates, dgates@gatesandcompany.com, 302-428-1338

###