Teleflex Completes Refinancing of Debt Capital Structure and Portfolio Transformation to Pure-Play Medical Technology Company with Reclassification of Cargo Systems Business to Discontinued Operations

June 16, 2011

LIMERICK, Pa., Jun 16, 2011 (BUSINESS WIRE) -- Teleflex Incorporated (NYSE: TFX) today announced the prepayment of $125 million of term loan borrowings outstanding under the Company's credit facilities, which were due to mature in 2014. The loan prepayment was completed using proceeds from the previously announced sale of Teleflex's 6.875% senior subordinated notes due 2019, which was completed on June 13.

"With our term loans maturing in 2014, the recently completed refinancing transactions provide us with additional resources at historically low interest rates to execute our growth strategies," stated Richard Meier, Executive Vice President and Chief Financial Officer. "As a result of these transactions, we eliminated potential short-term interest rate volatility, extended our maturities, and improved the quality of our balance sheet. Although the new issue carries a higher interest rate than the borrowings due in 2014, this transaction does not impact our previously provided 2011 financial outlook," concluded Mr. Meier.

Separate from the completion of the refinancing of the debt capital structure, the Company has decided to reclassify its last remaining non-medical business to discontinued operations.

"As a function of the progress we are making with the divestiture of our Cargo Systems business, we have decided to classify Cargo Systems as a discontinued operation," stated Benson Smith, Chairman, President and Chief Executive Officer. Added Smith, "With this decision, I am pleased to announce that we have completed the long journey of transforming the Company's continuing operations from a cyclical, diversified-industrial conglomerate to a pure-play medical technology company."

Cargo Systems, which generated net revenues of approximately $128 million during 2010, is a leading global provider of advanced cargo-handling systems and aftermarket services.

The classification of Cargo Systems to discontinued operations is expected to reduce 2011 annual revenue, adjusted earnings per share, and cash flow from operations by $135 million, $0.40 per diluted share, and $15 million, respectively. As a result, the company is adjusting its financial estimates with respect to forecasted 2011 revenue from a range of $1.575 billion to $1.605 billion to a range of $1.440 billion to $1.470 billion; adjusted earnings per share from a range of $4.45 to $4.65 to a range of $4.05 to $4.25; and cash flow from continuing operations from $225 million to $210 million.

About Teleflex Incorporated

Teleflex is a leading global provider of specialty medical devices for a range of procedures in critical care and surgery. Our mission is to provide solutions that enable healthcare providers to improve outcomes and enhance patient and provider safety. Headquartered in Limerick, PA, Teleflex employs approximately 12,000 people worldwide and serves healthcare providers in more than 130 countries. For additional information about Teleflex please refer to www.teleflex.com.

Caution Concerning Forward-Looking Information

This press release contains forward-looking statements including, but not limited to, statements relating to the anticipated impact of the issuance of our 6.875% senior subordinated notes due 2019 on our previously provided 2011 financial outlook; the expected reductions to 2011 annual revenue, adjusted earnings per share and cash flow from continuing operations as a result of the classification of Cargo Systems to discontinued operations; and our adjusted forecasted 2011 revenue, adjusted earnings per share and cash flow from continuing operations. Actual results could differ materially from those in the forward-looking statements due to, among other things, Teleflex's ability to comply with government regulation to which it is subject; changes in business relationships with and purchases by or from major customers or suppliers, including delays or cancellations in shipments; demand for and market acceptance of new and existing products; Teleflex's ability to resolve, to the satisfaction of the U.S. Food and Drug Administration, the issues identified in the corporate warning letter issued to its subsidiary Arrow International, Inc.; Teleflex's ability to integrate acquired businesses into its operations, realize planned synergies and operate such businesses profitably in accordance with expectations; Teleflex's ability to effectively execute its restructuring programs; the impact of healthcare reform legislation and changes in Medicare, Medicaid and third-party coverage and reimbursements; competitive market conditions and resulting effects on revenues and pricing; increases in raw material costs that cannot be recovered in product pricing; global economic factors, including currency exchange rates and interest rates; difficulties entering new markets; and general economic conditions; and other factors described in Teleflex's filings with the SEC, including its Annual Report on Form 10-K.

SOURCE: Teleflex Incorporated

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