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ADVANTEDGE HEALTHCARE SOLUTIONS JOINS IBM VERTICAL INDUSTRY PROGRAM

AHS Provides Medical Billing Technology for IBM's New System i Express Line, Bolstering IBM's Vertical Industry Program and AHS's Corporate Growth Strategy

Warren, NJ, April 10, 2007 – Advantedge Healthcare Solutions (“AHS”), a leading provider of medical billing software-as-a-service to physicians, today announced it has joined IBM’s Vertical Industry Program (“VIP”), as the only VIP provider of medical billing software. This partnership gives AHS access to IBM’s marketing and sales support for SMB customers.

AHS will provide medical billing technology running on the IBM “all-in-one” System i platform, including the new System i Express 515 and System i Express 525, also announced today. AHS believes these powerful, flexible new offerings from IBM represent a more cost-effective solution for small businesses and medical practices.

Paired with AHS’s software, IBM’s new System i line brings state-of-the-art medical billing solutions to cost-conscious practices and billing companies of all sizes, expanding the market opportunity for IBM and AHS, and extending AHS’s reach into medical offices and their medical billing counterparts nationwide. These complete solutions are available this month from AHS and IBM.

“We’ve built AHS around IBM’s System i because it allows us to focus all of our development resources on medical applications and features,” said Stephen G. Sullivan, Sr., founder of AHS. “With the new System i line, AHS can provide its physician customers with high performance products at incredible value. Practices and billing companies of all sizes will now have access to the same AHS and IBM billing power, at very affordable prices. Coupled with IBM’s VIP focus on small business customers, we believe that our proprietary technology and commitment to customer service enable medical practices and billing companies to focus on their core business and drive more revenue in a fully compliant way.”

“IBM’s VIP provides focused marketing, sales, and support resources for selected vertical market industries and we are pleased to welcome AHS to the program,” said Peter Small, director worldwide IBM System i business partner and ISV sales. “We expect the VIP initiative plus the new System i Express line to introduce IBM and its partners, like AHS, to new small business clients. System I Express offers small and mid-sized companies a complete IT platform, able to grow at a pace with business needs, at a competitive price.”

In April and November 2006, AHS received a \$20 million commitment from Founders Equity Inc., a New York-based private equity firm, and Safeguard Scientifics, Inc., a leading provider of capital to growth-stage

technology and life sciences companies. As a result of this financing, AHS is accelerating organic growth and pursuing strategic acquisitions.

About AHS

Founded in 1999 by Stephen G. Sullivan, Sr., a long-time industry veteran, AHS represents the next generation of medical billing, operating as a Software as a Service (“SaaS”) provider, a new generation of ASP service, and as a business process outsourcer providing revenue cycle management services. AHS employs proprietary, on-demand, web-based technology and continuous business process improvement to increase the operating efficiencies of medical billing and to improve results for its physician customers. This state-of-the-art software efficiently collects financial information and speeds the reimbursement of third-party claims, enabling physicians to increase operational efficiency, reduce costs, increase financial performance and comply with industry and governmental regulations. AHS provides outsourced billing and ASP services to the following specialty practices: Radiology, Anesthesiology, Cardiology, Emergency Medicine, Hospitalists, Neonatology, Multi-Specialty, and Internal Medicine. www.ahsrcm.com

About Founders Equity Inc.

Since 1969, Founders Equity has been actively engaged in private equity investing and enhancing the value of small to mid-cap enterprises. As a result of the operating experience of its principals, Founders Equity strives to be added-value partners with entrepreneurial owners and management teams. It focuses on later-stage growth equity investments, recapitalization or buyouts of established business and management teams pursuing an acquisition growth strategy. www.fequity.com

About Safeguard

Safeguard Scientifics, Inc. (NYSE: SFE), a holding company, builds value in growth-stage technology and life sciences businesses. We provide growth capital as well as a range of strategic, operational and management resources to our partner companies. Safeguard participates in growth buyout financing, including corporate spin-outs and management buyouts, expansion financings, industry consolidations and early-stage financing. www.safeguard.com

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