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SCANDIA HEALTH SYSTEMS CORPORATION ACQUIRES VICO SAUNA HEATER DIVISION FROM STA-RITE INDUSTRIES-- ACQUISITION EXPANDS SCANDIA'S MANUFACTURING BASE

BOISE Id. (July 5, 2003) – Scandia Health System ("Scandia " or the "Company") today announced that it has completed the acquisition of substantially all of the assets of Vico Product Manufacturing Company's sauna heater business. Vico is a division of Sta-Rite Industries, located in Delavan Wisconsin.

"This acquisition allows us to enhance our existing line of steam shower products," Andrew Hogue, spokesperson for Scandia said. "Adding to our fast growing range of steam showers, adding sauna heaters are highly complementary and will help us reach our goal of providing our channel partners with a full-range of products to grow their businesses."

"Vico's sauna heaters are highly regarded in the sauna and spa industry and this acquisition helps establish Scandia as the premiere North American supplier of sauna products," Mr. Hogue continued.

Established in 1961, Vico is the oldest sauna heater manufacturer in the US and the largest manufacturer of gas sauna heaters. Over the years, Vico rapidly expanded the spa pump business to become a leader in the industry. Vico was acquired by Sta-Rite in 2001.

Scandia is a privately held manufacturer of steam and sauna products headquartered in Boise Idaho. Scandia has over 50 distribution partners throughout North America.

Sta-Rite is headquartered in Delavan, Wisconsin, and is a leading worldwide manufacturer of pumps and water processing equipment for the water systems, irrigation, pool and filtration markets. Sta-Rite is one of three manufacturing companies that make up WICOR Industries, a subsidiary of Wisconsin Energy Corporation (NYSE:WEC).