

FOR IMMEDIATE RELEASE

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**MEDRAD® Announces Site Of New Corporate Center
Company Becomes First Tenant of Tech 21 Research Park**

INDIANOLA, Pa., November 17, 2005 – MEDRAD, INC. announces that it will build a new Corporate Center in the Tech 21 Research Park in Marshall Township, 18 miles north of downtown Pittsburgh. The company has purchased a 17-acre site and will construct a 125,000-square-foot facility that will initially house 260 corporate office employees, and reach full capacity of 350 employees by year 2011. Facility construction is targeted for completion in early 2007.

MEDRAD will be the first corporate tenant in the new Tech 21 Research Park, a 200-acre, mixed-use park designed for technology-based companies and zoned for up to 13 commercial buildings. Long-term development plans for the park include a multi-family housing development, hotel and two restaurants. The park's design charter is also focused around preserving the original landscape by retaining natural slopes and minimizing tree removal.

The size of MEDRAD's newly purchased site allows for the construction of a second, comparably sized building to accommodate future growth. A U.S. affiliate of Schering AG, Germany, MEDRAD's revenues have grown at an average annual rate of 15 percent for over 10 years. Its employee base continues to grow eight percent annually, and currently numbers 1,045 local employees and over 1,460 total employees. "We anticipate continued growth in our strategic business units and research and development areas, which are likely the next candidates to require additional space," says President and CEO John P. Friel. "Growth is a good problem. We owe our history of growth to all MEDRAD employees, who continue to deliver innovative, high-quality products, and create loyal customers. The new facility will be dedicated to them."

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MEDRAD's current Pittsburgh facilities will remain in operation. The Indianola facility, located on Rt. 910, will continue to house the company's Computed Tomography (CT), Cardiovascular (CV) and Magnetic Resonance (MR) Strategic Business Units, which are expected to expand by 300 jobs into the space left by corporate functions that relocate to the new facility. The sterile disposables manufacturing enterprise will also remain in full operation at this location. The company's Heilman Center facility, located in RIDC Park, O'Hara Township, will continue to house the electromechanical manufacturing, equipment service and Multi-Vendor Service operations.

The State of Pennsylvania offered MEDRAD a financial package that includes an Opportunity Grant, Job Creation Tax Credits and Customized Training Grants. Allegheny County also provided grants and low-interest loans. In addition to these direct incentives, additional state and federal funds have been awarded for infrastructure improvements to support development of the Tech 21 site.

"Western Pennsylvania has the workforce, academic resources and government commitment to enable medical technology companies to flourish," says Friel. "We appreciate the partnership of the state and county on this expansion, and the facilitation of the Pittsburgh Regional Alliance to help make it happen."

MEDRAD expects to continue its long history of innovation, beginning with founder M. Stephen Heilman, M.D.'s invention of the first powered angiographic injector in 1966. An emergency room physician by day, "Doc" created a machine to power inject contrast agent into the vessels during an angiogram procedure, making it possible to better diagnose the heart disease and stroke patients he saw in the emergency room. MEDRAD went on to develop the first power injection systems for CT, MR and ultrasound, and the first MR-compatible infusion system. The company also offers the widest portfolio of MR-compatible accessories.

MEDRAD, INC. is a worldwide leading provider of medical devices and services that enable and enhance imaging procedures of the human body. Used in diagnostic imaging, MEDRAD's product offerings include a comprehensive line of vascular injection systems, magnetic resonance (MR) surface coils and accessory products, and equipment services. Total 2004 revenues were \$343 million. MEDRAD is a 2003 recipient of the Malcolm Baldrige

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National Quality Award, the top honor a U.S. company can receive for quality and business excellence. The company's world headquarters is near Pittsburgh, Pennsylvania, in the United States. MEDRAD is a U.S. affiliate of Schering AG, Germany (NYSE:SHR). For more information, visit MEDRAD's website at www.medrad.com.

Cautionary statement regarding forward-looking statements.

Certain statements in this press release that are neither reported financial results nor other historical information are forward-looking statements, including but not limited to, statements that are predictions of or indicate future events, trends, plans or objectives. Undue reliance should not be placed on such statements because, by their nature, they are subject to known and unknown risks and uncertainties and can be affected by other factors that could cause actual results and MEDRAD's plans and objectives to differ materially from those expressed or implied in the forward-looking statements. MEDRAD undertakes no obligation to update publicly or revise any of these forward-looking statements, whether to reflect new information or future events, circumstances or otherwise.

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