HealthSouth Provides Notice Of Conversion Of The 6.5% Series A Convertible Perpetual Preferred Stock

PR Newswire
BIRMINGHAM, Ala.

BIRMINGHAM, Ala., April 22, 2015 /PRNewswire/ -- HealthSouth Corporation (NYSE: HLS) today announced it is providing notice to the registered holders of the Company's 6.5% Series A Convertible Perpetual Preferred Stock. Pursuant to Section 5 of the Certificate of Designations for the preferred stock, the Company is exercising its right to cause all of the outstanding shares of the preferred stock to be converted into a number of whole shares of the Company's common stock. The forced conversion date is April 23, 2015.

On the forced conversion date, all 96,245 shares of preferred stock outstanding will be converted. Each share of preferred stock will automatically be converted into 33.9905 shares of common stock. The conversion will increase the number of basic shares outstanding by 3,271,415. The conversion will not change the diluted share count, which already included the 6.5% Series A Convertible Perpetual Preferred Stock on an as converted basis.

Dividends will cease to accrue on shares of preferred stock on the forced conversion date. All declared dividends have been paid. Consequently, no accrued dividends will be payable upon the forced conversion.

In 2014, the Company paid cash dividends totaling $6.3 million on the preferred stock. As a result of the forced conversion, the Company will report cash dividends of only $3.1 million in 2015.

About HealthSouth
HealthSouth is one of the nation's largest providers of post-acute healthcare services, offering both facility-based and home-based post-acute services in 33 states and Puerto Rico through its network of inpatient rehabilitation hospitals, home health agencies, and hospice agencies.

HealthSouth can be found on the Web at www.healthsouth.com.

Forward-Looking Statements
Statements contained in this press release which are not historical facts are forward-looking statements. In addition, HealthSouth may from time to time make forward-looking public statements concerning the matters described herein. All such projections, and forward-looking information speak only as of the date hereof, and HealthSouth undertakes no duty to publicly update or revise such forward-looking information, whether as a result of new information, future events, or otherwise. Such forward-looking statements are necessarily based upon current information and involve a number of risks and uncertainties. HealthSouth's actual results or events may differ materially from those anticipated in these forward-looking statements as a result of a variety of factors. While it is impossible to identify all such factors, factors which could cause actual results or events to differ materially from those anticipated include, but are not limited to, general conditions in the economy and capital markets; and other factors which may be identified from time to time in HealthSouth's SEC filings and other public announcements, including HealthSouth's Form 10-K for the year ended December 31, 2014.

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