HealthSouth Announces Completion of Exchange Offers for 5.75% Senior Notes Due 2024 and 5.75% Senior Notes Due 2025

PR Newswire
BIRMINGHAM, Ala.

BIRMINGHAM, Ala., March 14, 2016 /PRNewswire/ -- HealthSouth Corporation (NYSE: HLS) today announced it has completed its offers to exchange its 5.75% Senior Notes due 2024 (the "2024 private notes") in the aggregate principal amount of $350,000,000, and its 5.75% Senior Notes due 2025 (the "2025 private notes") in the aggregate principal amount of $350,000,000, both of which were not registered under the Securities Act of 1933, as amended (the "Act") (collectively, the "private notes"), for a like principal amount of its 5.75% Senior Notes due 2024 and 5.75% Senior Notes due 2025, respectively (collectively, the "exchange notes"), which have been registered under the Act.

The exchange offers expired at 5:00 p.m. (New York City time) on March 7, 2016, with private notes permitted to be tendered within three business days of such date for which a notice of guaranteed delivery was timely received (the "Expiration Date"). As of the Expiration Date, $350,000,000 in aggregate principal amount (or 100.00%) of the outstanding 2024 private notes were validly tendered for exchange and $349,980,000 in aggregate principal amount (or 99.99%) of the outstanding 2025 private notes were validly tendered for exchange. The exchange offers were made pursuant to registration rights agreements entered into in connection with the issuance of the 2024 private notes on August 7, 2015, and the 2025 private notes on September 16, 2015. HealthSouth accepted all of the private notes tendered in exchange for a like principal amount of the corresponding series of exchange notes. Settlement occurred on March 11, 2016.

The terms of each series of exchange notes are substantially identical to the corresponding series of private notes, except that the exchange notes have been registered under the Act and are not subject to the transfer restrictions and certain registration rights agreement provisions applicable to the private notes. The exchange notes are guaranteed by HealthSouth's subsidiaries that guaranteed the private notes. The exchange offers did not affect the amount of HealthSouth's outstanding indebtedness, as the exchange notes were issued only upon cancellation of a like principal amount of the corresponding series of private notes. The sole purpose of the exchange offers was to fulfill the Company's obligations with respect to the registration of the private notes.

This press release is for informational purposes only and does not constitute an offer to sell or a solicitation of an offer to purchase securities. The exchange offers were made solely pursuant to a prospectus dated February 5, 2016, and the related transmittal materials and only to such persons and in such jurisdictions as is permitted under applicable law.

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 34 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.

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