



News Release

Encompass Health Corporation Completes Spin Off of Enhabit Home Health & Hospice

7/1/2022

BIRMINGHAM, Ala., July 1, 2022 /PRNewswire/ -- Encompass Health Corporation (NYSE: EHC) ("Encompass Health"), today announced that it has completed the spin off of 100% of Enhabit, Inc. ("Enhabit"), its home health and hospice business. Enhabit is now an independent public company. Encompass Health will continue to trade on the New York Stock Exchange under the symbol "EHC" and, effective today, Enhabit will begin "regular-way" trading on the NYSE under the symbol "EHAB."

The separation was completed through a distribution to Encompass Health stockholders of one share of Enhabit common stock for every two shares of Encompass Health common stock held as of the close of business on June 24, 2022, the record date for the distribution. Cash will be delivered in lieu of any fractional shares of Enhabit stock. Enhabit shares were distributed at 12:01 a.m. Eastern Time on July 1, 2022, in a distribution that is intended to be tax-free to Encompass Health stockholders for U.S. federal income tax purposes, except with respect to cash received in lieu of fractional shares.

About Encompass Health

Encompass Health (NYSE: EHC) is the largest owner and operator of rehabilitation hospitals in the United States. With a national footprint that includes 150 hospitals in 35 states and Puerto Rico, the Company provides high-quality, compassionate rehabilitative care for patients recovering from a major injury or illness, using advanced technology and innovative treatments to maximize recovery. Encompass Health is ranked as one of Fortune's 100 Best Companies to Work For and Modern Healthcare's Best Places to Work in Healthcare. For more information, visit encompasshealth.com, or follow us on our [newsroom](#), [Twitter](#), [Instagram](#) and [Facebook](#).

Forward-Looking Statements

Statements contained in this press release which are not historical facts, such as those relating to the timing and effects of the spin off, including the tax-free treatment, are forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. In addition, Encompass Health and Enhabit, through senior management, may from time to time make forward-looking public statements concerning the matters described herein. All such estimates, projections, and forward-looking information speak only as of the date hereof, and Encompass Health and Enhabit undertake 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 estimates based upon current information, involve a number of risks and uncertainties, and relate to, among other things, future events and transactions as well as future interpretations of facts and law by the Internal Revenue Service (the "IRS"). Actual events or results 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 events or results to differ materially from those estimated by Encompass Health and Enhabit include, but are not limited to, the possibility that Encompass Health or Enhabit enter into or are the subject of a transaction that the IRS deems contrary to the assumptions underlying the tax-free status of the spin off and other factors which may be identified from time to time in Encompass Health's and Enhabit's SEC filings and other public announcements, including Encompass Health's Form 10 - K for the year ended December 31, 2021 and Form 10-Q for the quarter ended March 31, 2022 and Enhabit ' s Form 10.

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