



FOR IMMEDIATE RELEASE
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CAPELLA HEALTHCARE ACQUIRES NINE HOSPITALS

Acquisition encompasses more than 1,000 beds in five states

FRANKLIN, TENN. – Capella Healthcare has finalized the acquisition of nine general acute care hospitals representing approximately \$425 million in net revenue from Community Health Systems Inc., officials announced today.

“After a period of customary due diligence and regulatory approval processes, our team is elated to expand our company and our reach to patients across the nation in such a significant way,” said Daniel S. Slipkovich, Chief Executive Officer of Capella.

“During the past several weeks, Capella leadership has visited each of the hospitals a number of times in an effort to better understand the priorities of physicians and employees in each community. We are proud to partner with these individuals and look forward to working together to meet patient needs across the country.”

Capella and CHS entered into a definitive agreement for the hospitals in late November 2007. Funding for the \$315 million deal comes from a combination of equity capital from Capella’s partner GTCR Golder Rauner and debt financing led by Citigroup Global Markets Inc., Banc of America Securities LLC and GE Capital Markets.

Combined, the nine new hospitals owned by Capella have 1,070 beds and employ nearly 4,000 people. They include:

- **Willamette Valley Medical Center** in McMinnville, Ore.;
- **Saint Mary’s Regional Medical Center** in Russellville, Ark.;
- **National Park Medical Center** in Hot Springs, Ark.;
- **Mineral Area Regional Medical Center** in Farmington, Mo.;
- **White County Community Hospital** in Sparta, Tenn.;
- **Parkway Medical Center** in Decatur, Ala.;
- **Woodland Medical Center** in Cullman, Ala.;
- **Hartselle Medical Center** in Hartselle, Ala.; and
- **Jacksonville Medical Center** in Jacksonville, Ala.

In addition to these nine facilities, Capella, which was founded in 2005, also owns and operates five thriving hospitals across the nation.

About Capella Healthcare

Based in Franklin, Tenn., Capella Healthcare partners with communities to build strong local healthcare systems that are known for quality patient care. Capella operates fourteen hospitals in seven states. With the financial backing of GTCR Golder Rauner, the company has access to significant resources for the expansion and improvement of its hospitals and the services they provide. For more information, please visit www.capellahealth.com.