

# NEWS RELEASE

FOR IMMEDIATE RELEASE



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## **Select Medical and Dignity Health Announce that the Proposed Combination of Concentra and U.S. HealthWorks Receives Antitrust Clearance**

MECHANICSBURG, PA and SAN FRANCISCO, CA — December 27, 2017 — Select Medical Holdings Corporation (“Select Medical”) (NYSE: SEM) and Dignity Health today announced that the Federal Trade Commission granted early termination of the waiting period under the Hart-Scott-Rodino (HSR) Antitrust Improvements Act of 1976, as amended, applicable to the proposed combination of Concentra Group Holdings, LLC (“Concentra”), with U.S. HealthWorks, Inc. (“U.S. HealthWorks”), a subsidiary of Dignity Health Holdings Company (“DHHC”). Concentra was created through a joint venture between Select Medical Corporation, a wholly-owned subsidiary of Select Medical, Welsh, Carson, Anderson & Stowe XII, L.P., and other minority equity holders including Cressey & Company.

As previously announced, Concentra and Dignity signed a definitive agreement to combine Concentra with U.S. HealthWorks. Subject to certain closing conditions, the transaction will occur through an equity purchase and contribution agreement (the “Purchase Agreement”), whereby Concentra will acquire all of the issued and outstanding shares of stock of U.S. HealthWorks from DHHC. Following the closing of the transaction, Dignity Health will own a 20% equity interest in the combined entity holding Concentra and U.S. HealthWorks. The early termination of the HSR waiting period satisfies one of the conditions to the closing of the transaction. The transaction, which is expected to close in the first quarter of 2018, remains subject to the other closing conditions set forth in the Purchase Agreement.

Select Medical began operations in 1997 and has grown to be one of the largest operators of specialty hospitals, outpatient rehabilitation clinics, and occupational health centers in the United States based on the number of facilities. As of September 30, 2017, Select Medical operated 101 long term acute care hospitals and 22 acute medical rehabilitation hospitals in 28 states and 1,604 outpatient rehabilitation clinics in 37 states and the District of Columbia. Select Medical’s joint venture subsidiary Concentra operated 312 centers in 38 states. Concentra also provides contract services at employer worksites and

Department of Veterans Affairs community-based outpatient clinics. At September 30, 2017, Select Medical had operations in 46 states and the District of Columbia. Information about Select Medical is available at [www.selectmedical.com](http://www.selectmedical.com).

Dignity Health is one of the nation's largest health care systems. As of June 30, 2017, Dignity Health operated more than 400 care centers, including hospitals, urgent and occupational care, imaging and surgery centers, home health, and primary care clinics in 22 states, through its network of more than 9,000 physicians and 63,000 employees. Headquartered in San Francisco, CA, Dignity Health is dedicated to providing compassionate, high-quality, and affordable patient-centered care with special attention to the poor and underserved. In its fiscal year ended June 30, 2017, Dignity Health provided \$2.6 billion in charitable care and services. More information on Dignity Health is available at [www.dignityhealth.org](http://www.dignityhealth.org).

Certain statements contained herein that are not descriptions of historical facts are "forward-looking" statements (as such term is defined in the Private Securities Litigation Reform Act of 1995). These statements are based on current information and belief, and are not guarantees of future performance. Among the risks and uncertainties that could cause actual results to differ materially from those indicated by such forward-looking statements include factors discussed from time to time in our filings with the Securities and Exchange Commission, including factors discussed under the heading "Risk Factors" of the annual report on Form 10-K and subsequent Forms 10-Q. Except as required by applicable law, including the securities laws of the United States and the rules and regulations of the SEC, we are under no obligation to publicly update or revise any forward-looking statements, whether as a result of any new information, future events or otherwise. You should not place undue reliance on our forward-looking statements. Although we believe that the expectations reflected in forward-looking statements are reasonable, we cannot guarantee future results or performance.

Select investor inquiries:

Joel T. Veit  
Senior Vice President and Treasurer  
Select Medical  
[ir@selectmedical.com](mailto:ir@selectmedical.com)

Dignity investor inquiries:

Lisa Zuckerman  
Senior Vice President Treasury & Investing  
Dignity Health  
[Lisa.Zuckerman@DignityHealth.org](mailto:Lisa.Zuckerman@DignityHealth.org)

Media inquiries:

Shelly Eckenroth  
Vice President, Communications & Branding  
Select Medical  
[seckenroth@selectmedical.com](mailto:seckenroth@selectmedical.com)

Marie Kennedy  
Vice President, Communications & Public Relations  
Dignity Health  
[marie.kennedy@dignityhealth.org](mailto:marie.kennedy@dignityhealth.org)

SOURCE: Select Medical Holdings Corporation  
4714 Gettysburg Road  
Mechanicsburg, PA 17055  
NYSE Symbol: SEM