

Encompass Health prices offering of its additional 4.50% senior notes due 2028 and its 4.75% senior notes due 2030

BIRMINGHAM, Ala., May 12, 2020 /PRNewswire/ -- Encompass Health Corporation (NYSE: EHC) today announced the pricing of its underwritten public offering of \$300 million in aggregate principal amount of its 4.50% senior notes due 2028 at a public offering price of 99.0% of the principal amount and \$300 million in aggregate principal amount of its 4.75% senior notes due 2030 at a public offering price of 98.5% of the principal amount. The Company will pay interest on both series of the notes semi-annually in arrears on February 1 and August 1 of each year, beginning on August 1, 2020. The notes will be jointly and severally guaranteed on a senior unsecured basis by all of its existing and future subsidiaries that guarantee borrowings under the Company's credit agreement and other capital markets debt. This offering is expected to close on May 15, subject to customary closing conditions.



The Company intends to use the net proceeds from this offering, together with cash on hand, to repay certain borrowings under its revolving credit facility and for other corporate purposes, which may include repayment of outstanding indebtedness.

BofA Securities; Barclays; Citigroup; Goldman Sachs & Co. LLC; J.P. Morgan; Morgan Stanley; RBC Capital Markets; Regions Securities LLC; SunTrust Robinson Humphrey; and Wells Fargo Securities will act as joint book-running managers of the offering.

This debt offering is being made pursuant to an effective shelf registration statement on Form S-3 (Registration No. 333-220519) filed with the Securities and Exchange Commission. This offering is being made solely by means of a prospectus supplement and accompanying prospectus which has been filed with the SEC. Before you invest, you should read the prospectus supplement and accompanying prospectus, as well as other documents the Company has filed or will file with the SEC, for more complete information about the Company and this offering. You may get these documents for free by visiting EDGAR on the SEC website at www.sec.gov. Alternatively, the Company, any underwriter or any dealer participating in the offering will arrange to send the prospectus relating to the offering to you if you request it by contacting BofA Securities, NC1-004-03-43, 200 North College Street, 3rd Floor, Charlotte, NC 28255-0001, Attn: Prospectus Department, by telephone at (800) 294-1322 or by email at dg.prospectus_requests@bofa.com; Barclays, c/o Broadridge Financial Solutions, 1155 Long Island Avenue, Edgewood, NY 11717, by telephone at (888) 603-5847 or by email at Barclaysprospectus@broadridge.com; Citigroup, c/o Broadridge Financial Solutions, 1155 Long Island Avenue, Edgewood, NY 11717, by telephone at (800) 831-9146 or by email at Prospectus@citi.com; Goldman Sachs & Co. LLC, Prospectus Department, 200 West Street, New York, NY 10282, by telephone at 1-866-471-2526, by facsimile at (212) 902-9316 or by email at Prospectus-ny@ny.email.gs.com; J.P. Morgan, c/o Broadridge Financial Solutions, 1155 Long Island Avenue, Edgewood, NY 11717 or by telephone at (866) 803-9204; Morgan Stanley & Co. LLC, at 180 Varick Street, 2nd Floor, New York, NY 10014, Attention: Prospectus Department, by telephone at (866) 718-1649 or by email at prospectus@morganstanley.com; RBC Capital Markets, Brookfield Place, 200 Vesey Street, 8th Floor, New York, New York 10281, Attention: Leveraged Capital Markets, or by telephone at 1-877-280-1299; Regions Securities LLC, 615 S. College Street 6th Floor, Charlotte, NC 28202, or by telephone at 704-940-5066; SunTrust Robinson Humphrey, 3333 Peachtree Road, 10th Floor, Atlanta, GA 30326, by telephone at (800) 685-4786 or by e-mail at STRHdocs@SunTrust.com; or Wells Fargo Securities LLC, Attn: WFS Customer Service, 608 2nd Ave S, Suite 1000, Minneapolis, MN 55402, by telephone at (800) 645-9751 Opt 5 or by email at wfscustomerservice@wellsfargo.com.

This press release is for informational purposes only and does not constitute an offer to sell or a solicitation of an offer to buy any security and does not constitute an offer, solicitation or sale of any security in any jurisdiction in which such offer, solicitation or sale would be unlawful.

About Encompass Health

As a national leader in integrated healthcare services, Encompass Health (NYSE: EHC) offers both facility-based and home-based patient care through its network of inpatient rehabilitation hospitals, home health agencies and hospice agencies. With a national footprint that includes 134 hospitals, 245 home health locations, and 83 hospice locations in 37 states and Puerto Rico, the Company is committed to delivering high-quality, cost-effective, integrated care across the healthcare continuum. Encompass Health is ranked as one of Fortune's 100 Best Companies to Work For.

Forward-Looking Statements

Statements contained in this press release which are not historical facts, such as the completion of this offering and the use of proceeds, are forward-looking statements. In addition, Encompass Health, through its 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 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 estimates based upon current information and involve a number of risks and uncertainties. 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 include, but are not limited to, Encompass Health's ability to complete the offering of notes on the terms described or at all; the impact of the COVID-19 pandemic on Encompass Health's operations, business, and financial condition, as well as its potential negative impact on Encompass Health's liquidity, particularly if the operations of acute-care hospitals and physician practices remain disrupted for a significant amount of time; Encompass Health's ability to comply with extensive, complex, and ever-changing regulations in the healthcare industry; any adverse outcome of various lawsuits, claims, and legal or regulatory proceedings involving Encompass Health, including any matters related to yet undiscovered issues, if any, at acquired companies; potential disruptions, breaches, or other incidents affecting the proper operation, availability, or security of Encompass Health's information systems, including unauthorized access to or theft of patient, business associate, or other sensitive information; changes, delays in (including in connection with resolution of Medicare payment reviews or appeals), or suspension of reimbursement for Encompass Health's services by governmental or private payors; general conditions in the economy and capital markets, including any disruption, instability or uncertainty related to armed conflict or an act of terrorism, governmental impasse over approval of the United States federal budget, an increase to the debt ceiling, an international trade war or sovereign debt crisis, or a widespread outbreak of a contagious disease; and other factors which may be identified from time to time in Encompass Health's SEC filings and other public announcements, including Encompass Health's Form 10-K for the year ended Dec. 31, 2019 and Form 10-Q for the quarter ended March 31, 2020.

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