

## HealthSouth Announces \$100 Million Senior Notes Offering Due 2018 and 2022

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BIRMINGHAM, Ala., March 2, 2011 /PRNewswire/ -- HealthSouth Corporation (NYSE: HLS) today announced that it plans to commence a public offering of an additional \$100 million of senior notes through a reopening of its 7.25% senior notes due 2018 and its 7.75% senior notes due 2022. The Company intends to use up to \$45 million of the net proceeds to pay down the balance drawn on its revolving credit facility and the remainder of the net proceeds to redeem a portion of its 10.75% senior notes due 2016 on or before their initial June 15, 2011 call date.

BofA Merrill Lynch; Barclays Capital Inc.; Citigroup Global Markets Inc.; Goldman, Sachs & Co.; and Morgan Stanley & Co. Inc. will act as joint book-running managers of the debt offering.

The debt offering is being made pursuant to an effective shelf registration statement on Form S-3 filed with the Securities and Exchange Commission. The 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](http://www.sec.gov). Alternatively, the Company, any underwriter or any dealer participating in the offering will arrange to send you the prospectus relating to the offering if you request it by calling BofA Merrill Lynch, 800-294-1322; Barclays Capital Inc., 888-603-5847; Citigroup Global Markets Inc., 800-831-9146; Goldman, Sachs & Co., 866-451-2526 or 212-902-1171; or Morgan Stanley & Co. Incorporated, 212-761-6217.

This press release does not constitute an offer to sell or a solicitation of an offer to buy the securities described herein, nor shall there be any sale of these securities in any state or other jurisdiction in which such an offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction.

### About HealthSouth

HealthSouth is the nation's largest provider of inpatient rehabilitative healthcare services. Operating in 26 states across the country and in Puerto Rico, HealthSouth serves patients through its network of inpatient rehabilitation hospitals, long-term acute care hospitals, outpatient rehabilitation satellite clinics and home health agencies. HealthSouth's hospitals provide a higher level of rehabilitative care to patients who are recovering from conditions such as stroke and other neurological disorders, orthopedic, cardiac and pulmonary conditions, brain and spinal cord injury, and amputations.

*Statements contained in this press release which are not historical facts are forward-looking statements. In addition, HealthSouth, 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 HealthSouth 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 results may differ materially from the results 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 HealthSouth include, but are not limited to, any adverse outcome of various lawsuits, claims, and legal or regulatory proceedings involving the Company; HealthSouth's ability to successfully complete and integrate acquisitions, investments, and joint ventures consistent with its growth strategy; significant changes in HealthSouth's management team; changes, delays in (including in connection with resolution of Medicare payment reviews or appeals), or suspension of reimbursement for HealthSouth's services by governmental or private payors; changes in the regulation of the healthcare industry at either or both of the federal and state levels; general conditions in the local or national economy and capital markets; and other factors which may be identified from time to time in HealthSouth's SEC filings and other public announcements, including HealthSouth's Form 10-K for the year ended December 31, 2010.*

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