

NEWS RELEASE



FOR IMMEDIATE RELEASE

**4714 Gettysburg Road
Mechanicsburg, PA 17055**

Select Medical Corporation Amends its Senior Secured Credit Facility

MECHANICSBURG, PENNSYLVANIA - - August 5, 2009 - - Select Medical Corporation (“Select”) and Select’s parent corporation, Select Medical Holdings Corporation (“Holdings”), on August 5, 2009 entered into Amendment No. 3 (the “Amendment”) to Select’s senior secured credit facility, dated as of February 24, 2005 (as amended to date, the “Credit Facility”), with a group of holders of Tranche B term loans and JPMorgan Chase Bank, N.A., as administrative agent. The Amendment extended the maturity of \$384,533,175.92 million principal amount of Tranche B term loans from February 24, 2012 to August 22, 2014, and made related technical changes to the Credit Facility. Holders of Tranche B term loans that extended the maturity of their Tranche B term loans now hold Tranche B-1 term loans that mature on August 22, 2014, and holders of Tranche B term loans that did not extend the maturity of their Tranche B term loans continue to hold Tranche B term loans that mature on February 24, 2012. The applicable rate for the Tranche B-1 term loans under the Credit Facility has increased to 3.75% for Eurodollar loans and 2.75% for ABR loans. Under the terms of the Amendment, if, prior to August 5, 2011, the Credit Facility is amended to reduce the applicable rate for the Tranche B-1 term loans, then Select will be required to pay a fee in an amount equal to 1% of the outstanding Tranche B-1 term loans held by those holders of Tranche B-1 term loans that agree to amend the Credit Facility to reduce the applicable rate. In addition, if, prior to August 5, 2011, Select makes any prepayment of Tranche B-1 term loans with proceeds of any term loan indebtedness, then Select will be required to pay a fee to holders of Tranche B-1 term loans in an amount equal to 1% of the outstanding Tranche B-1 term loans that are being prepaid.

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Select Medical Corporation is a leading operator of specialty hospitals in the United States. Select operates 87 long-term acute care hospitals and five acute medical rehabilitation hospitals in 25 states. Select is also a leading operator of outpatient rehabilitation clinics in the United States, with approximately 948 locations in 37 states and the District of Columbia. Select also provides medical rehabilitation services on a contract basis at nursing homes, hospitals, assisted living and senior care centers, schools and worksites.

Investor inquiries:

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