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NYSE Symbol: SEM

Select Medical Holdings Corporation Announces Business Outlook for 2012

MECHANICSBURG, PENNSYLVANIA - - January 6, 2012 - - Select Medical Holdings Corporation (“Select Medical”) (NYSE: SEM), today announced its business outlook for calendar year 2012.

Select Medical expects consolidated revenue for full year 2012 to be in the range of \$2.85 billion to \$2.95 billion. Select Medical expects net income before interest, income taxes, depreciation and amortization, stock compensation expense, other income/(expense), and equity in income/(losses), or Adjusted EBITDA, for full year 2012 to be in the range of \$390 million to \$410 million. Select Medical expects income per common share for full year 2012 to be in the range of \$0.86 to \$0.94.

Select Medical is a leading operator of specialty hospitals and outpatient rehabilitation clinics in the United States. As of September 30, 2011, Select Medical operated 110 long term acute care hospitals and nine acute medical rehabilitation hospitals in 28 states, and 952 outpatient rehabilitation clinics in 34 states and the District of Columbia. Select Medical also provides medical rehabilitation services on a contract basis at nursing homes, hospitals, assisted living and senior care centers, schools and worksites. Information about Select Medical is available at <http://www.selectmedical.com/>

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). Because such statements include risks and uncertainties, actual results may differ materially from those expressed or implied by such forward-looking statements due to factors including the following:

- additional changes in government reimbursement for our services, including changes that will result from the expiration of the moratorium for long term acute care hospitals established by the SCHIP Extension Act of 2007, the American Recovery and Reinvestment Act, and the Patient Protection and Affordable Care Act may result in a reduction in net operating revenues, an increase in costs and a reduction in profitability;
- the failure of our specialty hospitals to maintain their Medicare certifications as such may cause our net operating revenues and profitability to decline;
- the failure of our facilities operated as “hospitals within hospitals” or HIHs, to qualify as hospitals separate from their host hospitals may cause our net operating revenues and profitability to decline;
- a government investigation or assertion that we have violated applicable regulations may result in

- sanctions or reputational harm and increased costs;
- acquisitions or joint ventures may prove difficult or unsuccessful, use significant resources or expose us to unforeseen liabilities;
- private third-party payors for our services may undertake future cost containment initiatives that limit our future net operating revenues and profitability;
- the failure to maintain established relationships with the physicians in the areas we serve could reduce our net operating revenues and profitability;
- shortages in qualified nurses or therapists could increase our operating costs significantly;
- competition may limit our ability to grow and result in a decrease in our net operating revenues and profitability;
- the loss of key members of our management team could significantly disrupt our operations;
- the effect of claims asserted against us could subject us to substantial uninsured liabilities and in the future we may not be able to obtain insurance at a reasonable price;
- other factors discussed from time to time in our filings with the Securities and Exchange Commission, including factors under the heading “Risk Factors” in our annual report on Form 10-K.

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SOURCE: Select Medical Holdings Corporation