Centric Health Announces Redemption of its 6.00% Convertible Notes Maturing December 22, 2016

TORONTO, Sept. 19, 2016 /CNW/ - Centric Health Corporation ("Centric Health" or "the Company") (TSX: CHH) today announced that it is providing holders of its 6.00% Unsecured Subordinated Notes (the "Notes") a notice of redemption pursuant to which the Company will redeem the entire outstanding principal amount of the Notes on November 8, 2016 (the "Redemption Date"). As of the date hereof, $10,808,000 aggregate principal amount of the Notes remains outstanding, scheduled to mature on December 22, 2016.

The Notes will be redeemed on the Redemption Date at par, plus accrued and unpaid interest from June 30, 2016 to but excluding the Redemption Date. The Company has established 5:00 p.m. (Toronto time) on September 16, 2016 as the record date for the redemption. The full redemption price and interest owing on the Notes will be satisfied in cash. As of the date hereof, the aggregate interest payment is expected to be approximately $232,106.23.

Holders of Notes remain entitled to convert their Notes at the current conversion price at any time up to 5:00 p.m. (Toronto time) on November 7, 2016. The register for conversions will close as of that time in accordance with the terms of the Notes.

"We are pleased to deliver on our previously stated commitment to redeem the December 2016 Notes for cash in their entirety," said David Cutler, President and Chief Executive Officer, Centric Health Corporation. "The repayment of the December 2016 Notes represents yet another step forward in our debt reduction and balance sheet simplification strategy, which has seen our total debt reduced by approximately $220 million since the beginning of the year. We look forward to providing the market with details on the next definitive steps in our strategy before the end of this year."

About Centric Health

Centric Health's vision is to be Canada's most respected and recognized provider in the independent healthcare sectors in which it operates, world renowned for delivering the highest levels of quality care and outcomes, innovative solutions and value to patients, clients and stakeholders. To this end, Centric Health primarily focuses on two core healthcare businesses:

- The Specialty Pharmacy division is a "Resident First" model composed of a growing national network of fulfilment centres that deliver high-volume solutions for the cost effective supply of chronic medication and other specialty clinical care services, serving more than 25,000 residents in over 330 seniors communities (long term care facilities, retirement homes and assisted living facilities) nationally. The Specialty Pharmacy division also provides pharmaceutical dispensing services for employees insured by corporate health plans.
- The Surgical & Medical Centres division is Canada's largest independent surgical provider operating six facilities across four provinces. It serves a diversified customer base with private paid non-insured surgeries and diagnostics, government outsourcing of insured surgeries and diagnostics and other procedures funded by third-party payors (including Workers Compensation) and is the proud owner of Canada's first Centre of Excellence in Metabolic and Bariatric Surgery.

With national networks of facilities in each of its businesses, deep knowledge and experience of healthcare delivery and extensive, trusted relationships with payers, physicians, and government agencies, the Company is uniquely positioned to address current and future healthcare needs in growing markets as the Canadian healthcare industry goes through a major transformation over the medium to long term.

Forward-looking Statements

This press release contains statements that may constitute "forward-looking statements" within the meaning of applicable Canadian securities legislation. These forward-looking statements include, among others, statements specifically related to the intention to redeem Notes, and statements regarding business strategy, plans and other expectations, beliefs, goals, objectives, information and statements about possible future events. Readers are cautioned not to place undue reliance on such forward-looking statements. Forward-looking statements are based on current expectations, estimates and assumptions that involve a number of risks, which could cause actual results to vary and in some instances to differ materially from those anticipated by Centric Health and described in the forward-looking statements contained in this press release. No assurance can be given that any of the events anticipated by the forward-looking statements will transpire or occur or, if any of them do so, what benefits Centric Health will derive there-from.

SOURCE Centric Health Corporation

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