



Universal Health Services, Inc. Announces Agreement to Acquire Behavioral Health Hospitals

May 30, 2000

KING OF PRUSSIA, Pa., May 30 /PRNewswire/ -- Universal Health Services, Inc. (NYSE: UHS) announced today that the U.S. Bankruptcy Court for the District of Delaware has issued an order approving an agreement for the sale of eleven behavioral health businesses from Charter Behavioral Health Systems, LLC to UHS. UHS has also reached substantial agreement with Crescent Real Estate Funding VII LP to acquire the real estate assets associated with these businesses plus one additional behavioral health property. The purchase of these business and real estate assets could be completed on or about July 1, 2000.

The facilities to be acquired produce approximately \$150 million in annual net revenues, \$27 million in earnings before interest, tax, depreciation and amortization (EBITDA) and comprise licensed capacity of 1400 beds. Total purchase price, including working capital, will be approximately \$105 million.

Commenting on this transaction, Debra Osteen, President of UHS's Behavioral Health Division, said, "We are delighted at the prospects of combining these successful facilities with UHS's behavioral health operations. Each of these facilities has a high clinical reputation, a well-respected medical staff, and a dedicated and talented leadership team and support staff. UHS has operated similar facilities successfully since 1983. UHS's capital strength, clinical programming knowledge, and contracting skills should bolster the clinical and financial performance of these facilities that have performed well and continued to serve their communities even during Charter's tumultuous last few years."

Universal Health Services, Inc. is the nation's third largest hospital company, operating 70 facilities in 20 states, Washington, D.C. and Puerto Rico. It acts as the advisor to Universal Health Realty Income Trust, a real estate investment trust (NYSE: UHT).

Certain statements in this release may constitute forward-looking statements and are subject to various risks and uncertainties as discussed in the Company's filings with Securities and Exchange Commission. The Company is not obligated to update these forward-looking statements even if the Company's assessment of these risks and uncertainties changes.

For additional information on the Company, visit the Company's web site: <http://www.uhsinc.com>. SOURCE Universal Health Services, Inc.

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