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**NATIONAL SURGICAL HOSPITALS' CO-FOUNDER JOHN REX-WALLER
NAMED VICE CHAIRMAN OF THE BOARD**

**CHAIRMAN DAVID CRANE ASSUMES ADDITIONAL RESPONSIBILITIES
AS CHIEF EXECUTIVE OFFICER**

CHICAGO (March 21, 2012) – National Surgical Hospitals (NSH), an owner, operator and developer of surgical hospitals and surgery centers in partnership with local physicians, today announced that John G. Rex-Waller, co-founder and current Chief Executive Officer of NSH, has moved to Vice Chairman of the Company's Board of Directors. As part of this leadership transition, David Crane, Chairman of the Company's Board of Directors, has been appointed Chief Executive Officer effective March 20, 2012.

In his new position, Mr. Rex-Waller will lead the Company's legislative lobbying efforts on both a national and state level. He will continue representing the Company and the industry as a member of the Physician Hospitals of America Board and other healthcare associations. In addition, as a Director, he will continue to be involved in setting the strategic direction for NSH.

Mr. Crane has worked in the healthcare services sector partnering with physicians for more than 25 years, most recently as the Chief Operating Officer and then Chief Executive Officer of MedCath. For the past year he has served as Chairman of the Board of Directors of NSH, and for the last three years, he has also been a Senior Advisor of Irving Place Capital, the majority shareholder in NSH.

Commenting on the announcement, Mr. Rex-Waller said, "I have enjoyed a long relationship with David, one that precedes his tenure on our Board, and I know him to be a most capable and experienced healthcare executive. Considering his solid understanding of the Company's fundamentals and team members, we are fortunate that he is willing and able to step into a full-time role with NSH. I am confident that our company is in good hands."

Mr. Crane added, "I am very excited about the Company's future, and I look forward to working with the NSH management team. We are grateful for the role that John has played in the success of our company, taking NSH from a concept to being a leader in the provision of quality surgical care. We look forward to his continued contributions in the future."

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NSH Co-Founder John Rex-Waller Named Vice Chairman of the Board

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About National Surgical Hospitals

NSH is the innovative healthcare partner that empowers physicians to thrive in a changing marketplace. NSH owns and operates 14 surgical hospitals and six ambulatory surgery centers, specializing in orthopedic surgery, spine and back, pain management, and neurosurgery. For information about NSH, visit the company's website at www.nshinc.com.

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