

April 1, 2014



First Choice Healthcare Solutions Announces Record 2013 Year-End Results

MELBOURNE, FL -- (Marketwired) -- 04/01/14 -- [First Choice Healthcare Solutions, Inc.](#) (OTCQB: FCHS) ("*FCHS*" or "*First Choice*"), a diversified holding company focused on delivering clinically superior, patient-centric, multi-specialty care through state-of-the-art medical centers of excellence, today announced its financial results for the fiscal year ended December 31, 2013.

2013 Financial Highlights

- Total revenues climbed 71% to \$6.51 million from total revenues of \$3.81 million reported for 2012.
 - Net patient service revenue generated by the Company's flagship medical center of excellence, First Choice Medical Group of Brevard ("FCMG"), more than doubled, rising 106% to \$5.46 million as compared to \$2.65 million in the prior year.
- Loss from operations for the year ended December 31, 2013 increased to \$978,150, compared to a loss from operations of \$277,740 for the prior year.
 - Notwithstanding non-cash expenses totaling \$1,575,400 for stock-based compensation, impairment of investment, depreciation and amortization, income from operations totaled \$597,250 in 2013. This compared to income from operations in 2012 of \$89,507 deducting non-cash expenses totaling \$367,247 for depreciation and amortization.
- Due principally to the aforementioned non-cash charges and after factoring non-cash interest expense relating to the accounting of the private placement completed in November 2013 and other capital restructuring costs, the 2013 net loss totaled \$4.70 million, or \$0.35 loss per basic and diluted share, which compared to a net loss of \$873,000, or \$0.07 loss per basic and diluted share, for 2012.
- As of December 31, 2013, the Company had cash and restricted cash totaling approximately \$995,000, an increase of approximately \$660,000 from December 31, 2012; and accounts receivable of \$1.27 million, up from \$528,000 in 2012.

Chris Romandetti, FCHS President and Chief Executive Officer, stated, "2013 was a very rewarding year for our Company -- a year in which we made material progress implementing and validating our Medical Centers of Excellence business model. The strong financial performance of our flagship center, FCMG, is in large measure due to the success we've had in expanding our team of physicians in 2013 to eight -- with three of these doctors joining us in the recent fourth quarter. Enhancing our overall mix of diagnostic and ancillary service offerings during the year, coupled with our local television and print marketing activities and community outreach initiatives, have served to fuel growth of our regional network of referring physicians, hospitals and surgical centers, which, in turn, has led to notable growth of the number of patients that now rely on FCMG for their musculoskeletal, diagnostic and rehabilitative care."

Continuing, Romandetti added, "Management is now squarely focused on replicating our Medical Center of Excellence model in key expansion markets. Increasing our top line revenues to at least \$12 million by successfully executing our defined growth strategies, and continuing to practice expense discipline with a focus on profitability, are among our chief priorities in the current fiscal year. The Company believes these milestones coincide with our overarching goal of increasing shareholder value, and feel that we are well poised to make significant progress towards achieving our stated goals and objectives."

FINANCIAL CHARTS TO FOLLOW

FIRST CHOICE HEALTHCARE SOLUTIONS, INC.
CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 2013 AND 2012

	December 31,	December 31,
ASSETS	2013	2012
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Current assets		
Cash	\$ 739,158	\$ 67,045
Cash-restricted	256,246	221,148
Accounts receivable	1,272,155	527,867
Prepaid and other current assets	140,580	69,970
Capitalized financing costs, current portion	57,348	57,348
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Total current assets	2,465,487	943,378
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Property, plant and equipment, net of accumulated depreciation of \$1,959,127 and \$1,465,939	8,662,057	8,756,631
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Other assets		
Capitalized financing costs, long term portion	131,540	152,911
Patient list, net of accumulated amortization of \$35,000 and \$24,391	265,000	275,609
Patents	286,500	-
Deposits	2,713	2,719
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Total other assets	685,753	431,239
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Total assets	\$ 11,813,297	\$ 10,131,248

LIABILITIES AND STOCKHOLDERS' DEFICIT

Current liabilities

Accounts payable and accrued expenses	\$ 459,000	\$ 576,209
Stock based payable	166,340	-
Line of credit, short term	800,000	-
Notes payable, current portion	743,787	690,586
Note payable, related party	-	300,000
Convertible note payable, net of unamortized debt discount of \$160,543	-	43,537
Unearned revenue	74,934	39,438
Total current liabilities	2,244,061	1,649,770

Long term debt:

Deposits held	72,901	47,399
Revolving line of credit, related party	-	153,330
Convertible note payable, long term portion	2,347,403	-
Notes payable, long term portion	8,935,473	9,410,296
Derivative liability	-	171,987
Total long term debt	11,355,777	9,783,012

Total liabilities	13,599,838	11,432,782
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Stockholders' deficit

Preferred stock, \$0.01 par value; 1,000,000 shares authorized, Nil issued and outstanding	-	-
Common stock, \$0.001 par value; 100,000,000 shares authorized, 16,747,248 and 12,706,795 shares issued and outstanding as of December 31, 2013 and 2012, respectively	16,747	12,707
Additional paid in capital	11,560,249	7,244,993
Common stock subscriptions	-	100,000
Accumulated deficit	(13,363,537)	(8,659,234)
Total stockholders' deficit	(1,786,541)	(1,301,534)

Total liabilities and stockholders' deficit	\$ 11,813,297	\$ 10,131,248
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FIRST CHOICE HEALTHCARE SOLUTIONS, INC.
CONSOLIDATED STATEMENTS OF OPERATIONS

Year ended December 31,
2013 2012

Revenues:

Net patient service revenue	\$ 5,459,373	\$ 2,645,310
Rental revenue	1,048,469	1,160,037
Total revenue	6,507,842	3,805,347

Operating expenses:

Salaries and benefits	3,096,285	1,593,245
Other operating expenses	1,715,942	865,641

General and administrative	1,705,154	1,314,302
Impairment of investment	450,000	-
Depreciation and amortization	518,611	309,899
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Total operating expenses	7,485,992	4,083,087
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Net income (loss) from operations	(978,150)	(277,740)
Other income (expense):		
Miscellaneous income	3,063	3,000
Gain (loss) on change in fair value of derivative liability	32,218	(987)
Amortization financing costs	(57,348)	(57,348)
Interest expense, net	(3,704,086)	(563,391)
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Total other (expense)	(3,726,153)	(618,726)
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Net loss before provision for income taxes	(4,704,303)	(896,466)
Income taxes (benefit)	-	(23,103)
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Net Loss	\$ (4,704,303)	\$ (873,363)
	=====	=====
Net loss per common share, basic and diluted	\$ (0.35)	\$ (0.07)
	=====	=====
Weighted average number of common shares outstanding, basic and diluted	13,529,294	12,644,784
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FIRST CHOICE HEALTHCARE SOLUTIONS, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS

Year ended December 31,
2013 2012

CASH FLOWS FROM OPERATING ACTIVITIES:		
Net Loss	\$ (4,704,303)	\$ (873,363)
Adjustments to reconcile net loss to cash used in operating activities:		
Depreciation	518,611	309,899
Amortization of financing costs	57,348	57,348
Bad debt expense	361,284	-
Amortization of debt discount in connection with convertible note	2,706,869	10,457
Stock based compensation	549,441	-
Common stock issued for loan modification	96,000	-
Impairment of investment	450,000	-
Loss on change in fair value of debt derivative	(32,218)	987
Changes in operating assets and liabilities:		

Accounts receivable	(1,105,572)	(329,375)
Accounts receivable-other	-	(205,000)
Prepaid expenses and other	(70,604)	(40,265)
Restricted funds	(35,098)	(131,209)
Accounts payable and accrued expenses	(91,312)	419,417
Unearned income	35,496	15,354
Deferred income taxes	-	(23,103)
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Net cash provided by operating activities	(1,264,058)	(788,853)

CASH FLOWS FROM INVESTING ACTIVITIES:

Cash received from acquisition	-	48,761
Cash payments for acquisition	-	(143,366)
Purchase of equipment	(397,688)	(2,773,450)
Net increase in deposits	25,502	15,796
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Net cash used in investing activities (372,186) (2,852,259)

CASH FLOWS FROM FINANCING ACTIVITIES:

Net (payments) proceeds from related party line of credit	(10,846)	190,000
Proceeds from convertible note payable	2,128,117	203,500
Proceeds from lines of credit	1,373,208	-

Proceeds from issuance of notes payable, net of financing costs	152,659	2,871,058
Proceeds from common stock subscription	-	100,000
Net payments on notes payable	(1,334,781)	(184,704)
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Net cash provided by (used in) financing activities 2,308,357 3,179,854

Net increase (decrease) in cash and cash equivalents	672,113	(461,258)
Cash and cash equivalents, beginning of period	67,045	528,303
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Cash and cash equivalents, end of period \$ 739,158 \$ 67,045

SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION:

Cash paid during the period for interest \$ 731,877 \$ 467,670

Cash paid during the period for taxes \$ - \$ -

Supplemental Disclosure on non-cash investing and financing activities:

Common stock issued in connection with acquisition of First Choice Medical Group, Inc. \$ - \$ 497,725

Common stock issued in settlement of note payable \$ 624,000 \$ -

Common stock issued in settlement of related party line of credit \$ 142,484 \$ -

Common stock issued in connection with acquisition of patent	\$ 286,500	\$ -
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Common stock issued to acquire 10% interest in MedTech Diagnostics, LLC	\$ 450,000	\$ -
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Beneficial conversion feature on convertible note credited to additional paid-in-capital	\$ 1,871,117	\$ -
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Reclassification of derivative liability to additional paid-in-capital	\$ 366,094	\$ -
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For more details on First Choice's fiscal 2013 year-end results, please refer to the Company's 10-K filed with the U.S. Securities and Exchange Commission and accessible at www.sec.gov.

About First Choice Healthcare Solutions, Inc.

Headquartered in Melbourne, Florida, First Choice Healthcare Solutions (FCHS) is actively engaged in owning and operating multi-specialty medical centers of excellence throughout the southeastern U.S., which are distinguished as premier destinations for clinically superior, patient-centric care. Through its wholly owned subsidiary FCID Medical, Inc., the Company operates its flagship center, First Choice Medical Group, which specializes in the delivery of musculoskeletal medicine, diagnostic services, and rehabilitative care. FCHS's commercial real estate interests, which house its medical centers of excellence, are managed by its wholly owned subsidiary, FCID Holdings, Inc. For more information, please visit www.myfchs.com or www.myfcmg.com.

Safe Harbor Statement

Certain information set forth in this news announcement may contain forward-looking statements that involve substantial known and unknown risks and uncertainties. These forward-looking statements are subject to numerous risks and uncertainties, certain of which are beyond the control of First Choice Healthcare Solutions, Inc. Such forward-looking statements are based on current expectations, estimates and projections about our industry, management beliefs and certain assumptions made by our management. Readers are cautioned that the assumptions used in the preparation of such information, although considered reasonable at the time of preparation, may prove to be imprecise and, as such, undue reliance should not be placed on forward-looking statements. Information concerning factors that could cause the Company's actual results to differ materially from those contained in these forward-looking statements can be found in the Company's periodic reports on Form 10-K and Form 10-Q, and in its Current Reports on Form 8-K, filed with the Securities and Exchange Commission. Unless required by law, we undertake no obligation to update publicly any forward-looking statements, whether as a result of new information, future events, or otherwise to reflect future events or circumstances or reflect the occurrence of unanticipated events.

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