

April 15, 2015



First Choice Healthcare Solutions Announces Record 2014 Year-End Results

Total Revenues Increased 32% and Net Losses Improved 47%

MELBOURNE, FL -- (Marketwired) -- 04/15/15 -- [*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, 2014.

Key 2014 Financial Highlights Compared to 2013

- Total revenues climbed to a record \$8,102,602, increasing 32% from \$6,142,827.
 - Net patient service revenue generated by First Choice Medical Group, the Company's flagship medical center of excellence, rose 39% to \$7,053,603 from \$5,094,358.
- Net loss declined 47% to \$2,489,539, or \$0.14 loss per basic and diluted share, which compared to a net loss of \$4,704,303, or \$0.35 loss per basic and diluted share, for the previous year.
- Net cash used in the Company's operating activities dropped precipitously to \$363,937 -- a 71% improvement over \$1,264,058 net cash used in 2013.
- As of December 31, 2014, the Company had cash and restricted cash totaling \$597,346; and accounts receivable of \$1,804,636 million, up from \$1,272,155 in 2013.

Commenting on the results, Christian Romandetti, Chairman, President and CEO of First Choice, stated, "Throughout a challenging 2014, our medical operations continued to show significant and sustained quality improvement, as well as notable revenue growth. I commend the First Choice Medical Group team for doing an excellent job focusing on delivering superior quality care and outstanding patient satisfaction, both key operational priorities."

Continuing, he said, "We are also pleased that we succeeded in adhering to strict

discipline in managing our cash resources during the year, as reflected by the notable 71% decline in the net cash used to run our businesses. When combined with the strong revenue performance of our medical operations and the reported enhanced quality of life being enjoyed by our staff physicians, it is abundantly clear that our business model, which uniquely empowers our *Doctors to be Doctors*, is proving to be highly impactful on our business, our team, and the thousands of patients who entrust their care to us.

"The industry imperative to care for more patients, provide higher quality care at less cost, and comply with increased regulatory reporting and tracking demands is undeniably serving to change how medical practices have historically operated. In today's environment, it requires sophisticated business management skill, vision and execution to effectively navigate and overcome the many challenges confronting the business of delivering healthcare. Consequently, the First Choice business model is not just smart and compelling, it is now *necessary*.

"This new era of value-based care -- with emphasis on care quality, collaboration and cost-effectiveness -- provides First Choice with tremendous growth opportunities, and ones that we intend to continue working very hard to optimize. With the aim of achieving several more game-changing objectives this year, we look forward to the months ahead and expect to announce several key developments that should collectively serve to position our Company for yet another record-breaking year," noted Romandetti.

The Company further reported that on April 9, 2015, Hillair Capital Investments, L.P. agreed to modified the redemption terms of the 8% Original Issue Discount Secured Convertible Debenture (the "Debenture") providing for the principal amount of the Debenture due on May 1, 2015 to be extended to August 1, 2015. In addition, the Company also has the right to further extend that redemption date to January 15, 2016, pursuant to certain defined terms and conditions being met by the Company. Romandetti added, "Once again, I'd like to express our appreciation to Hillair Capital for continuing to be a very supportive financial partner to our Company. We are pleased that they share our long term vision for First Choice, and continue to afford us the flexibility to focus on building our business."

For more detailed information on First Choice's fiscal 2014 year-end results and the noted Hillair redemption modifications, please refer to the Company's 10-K filed with the U.S. Securities and Exchange Commission earlier today and accessible at www.sec.gov.

FIRST CHOICE HEALTHCARE SOLUTIONS, INC.
CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 2014 AND 2013

ASSETS	2014	2013
Current assets		
Cash	\$ 279,087	\$ 739,158
Cash-restricted	318,259	256,246
Accounts receivable, net	1,804,636	1,272,155
Prepaid and other current assets	153,296	140,580

Capitalized financing costs, current portion	68,370	57,348
Total current assets	<u>2,623,648</u>	<u>2,465,487</u>
Property, plant and equipment, net of accumulated depreciation of \$2,472,111 and \$1,959,127	<u>8,294,298</u>	<u>8,662,057</u>
Other assets		
Capitalized financing costs, long term portion	37,775	131,540
Patient list, net of accumulated amortization of \$55,000 and \$35,000	245,000	265,000
Patents, net of accumulated amortization of \$19,100 and \$0.00	267,400	286,500
Deposits	<u>2,571</u>	<u>2,713</u>
Total other assets	<u>552,746</u>	<u>685,753</u>
Total assets	<u><u>\$ 11,470,692</u></u>	<u><u>\$ 11,813,297</u></u>
LIABILITIES AND STOCKHOLDERS' DEFICIT		
Current liabilities		
Accounts payable and accrued expenses	\$ 1,457,275	\$ 459,000
Stock based payable	537,750	166,340
Advances	224,000	-
Line of credit, short term	1,237,000	800,000
Notes payable, current portion	732,791	743,787
Convertible note payable, current portion	2,148,835	-
Unearned revenue	<u>38,763</u>	<u>74,934</u>
Total current liabilities	<u>6,376,414</u>	<u>2,244,061</u>
Long term debt:		
Deposits held	72,901	72,901
Convertible note payable, long term portion	-	2,347,403
Notes payable, long term portion	<u>8,184,560</u>	<u>8,935,473</u>
Total long term debt	<u>8,257,461</u>	<u>11,355,777</u>
Total liabilities	<u>14,633,875</u>	<u>13,599,838</u>
Commitments and contingencies	-	-
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, 17,951,055 and 16,747,248 shares issued and outstanding as of December 31, 2014 and 2013, respectively	17,951	16,747
Additional paid in capital	12,671,942	11,560,249
Accumulated deficit	<u>(15,853,076)</u>	<u>(13,363,537)</u>

Total stockholders' deficit	(3,163,183)	(1,786,541)
Total liabilities and stockholders' deficit	<u>\$ 11,470,692</u>	<u>\$ 11,813,297</u>

FIRST CHOICE HEALTHCARE SOLUTIONS, INC.
CONSOLIDATED STATEMENTS OF OPERATIONS
FOR THE YEARS ENDED DECEMBER 31, 2014 AND 2013

	Year ended December 31,	
	2014	2013
Revenues:		
Net patient service revenue	\$ 7,966,385	\$ 5,459,373
Provision for bad debts	(912,782)	(365,015)
Net patient service revenue less provision for bad debts	7,053,603	5,094,358
Rental revenue	1,048,999	1,048,469
Total revenue	<u>8,102,602</u>	<u>6,142,827</u>
Operating expenses:		
Salaries and benefits	4,761,573	3,096,285
Other operating expenses	1,897,780	1,350,927
General and administrative	2,434,259	1,705,154
Impairment of investment	-	450,000
Depreciation and amortization	552,084	518,611
Total operating expenses	<u>9,645,696</u>	<u>7,120,977</u>
Net loss from operations:	(1,543,094)	(978,150)
Other income (expense):		
Miscellaneous income	3,000	3,063
Gain (loss) on change in fair value of derivative liability	-	32,218
Amortization financing costs	(82,744)	(57,348)
Interest expense, net	(866,701)	(3,704,086)
Total other (expense)	<u>(946,445)</u>	<u>(3,726,153)</u>
Net loss before provision for income taxes	(2,489,539)	(4,704,303)
Income taxes (benefit)	-	-
Net loss	<u>\$ (2,489,539)</u>	<u>\$ (4,704,303)</u>
Net loss per common share, basic and diluted	<u>\$ (0.14)</u>	<u>\$ (0.35)</u>
Weighted average number of common shares outstanding, basic and diluted	<u>17,249,921</u>	<u>13,529,294</u>

FIRST CHOICE HEALTHCARE SOLUTIONS, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2014 AND 2013

	Year ended December 31,	
	2014	2013
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CASH FLOWS FROM OPERATING ACTIVITIES:		
Net Loss	\$ (2,489,539)	\$ (4,704,303)
Adjustments to reconcile net loss to cash used in operating activities:		
Depreciation and amortization expenses	552,084	518,611
Amortization of financing costs	82,743	57,348
Bad debt expense	912,782	361,284
Amortization of debt discount in connection with convertible note	-	2,706,869
Stock-based compensation	997,750	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)
Changes in operating assets and liabilities:		
Accounts receivable	(1,445,263)	(1,105,572)
Prepaid expenses and other	(12,574)	(70,604)
Restricted funds	(62,013)	(35,098)
Accounts payable and accrued expenses	1,136,264	(91,312)
Unearned income	(36,171)	35,496
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Net cash used in operating activities	(363,937)	(1,264,058)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of equipment	(145,225)	(397,688)
Net decrease in deposits	-	25,502
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Net cash used in investing activities	(145,225)	(372,186)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Net (payments) proceeds from related party line of credit	-	(10,846)
Proceeds from advances	224,000	-
Proceeds from convertible note payable	-	2,128,117
Proceeds from lines of credit	587,000	1,373,208
Proceeds from issuance of notes payable, net of financing costs	-	152,659
Net payments on notes payable	(761,909)	(1,334,781)
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Net cash provided by financing activities	49,091	2,308,357
Net (decrease) increase in cash and cash equivalents	(460,071)	672,113
Cash and cash equivalents, beginning of period	739,158	67,045
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Cash and cash equivalents, end of period	\$ 279,087	\$ 739,158
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SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION:

Cash paid during the period for interest	\$ 783,958	\$ 731,877
Cash paid during the period for taxes	\$ -	\$ -

SUPPLEMENTAL DISCLOSURE ON NON-CASH INVESTING AND FINANCING ACTIVITIES:

Common stock issued in settlement of accrued expenses	\$ 166,340	\$ -
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 settlement of convertible note payable, line of credit and accrued interest	\$ 486,557	\$ -
Common stock issued in connection with acquisition of patent	\$ -	\$ 286,500
Common stock issued to acquire 10% interest in MedTechDiagnostics, LLC	\$ -	\$ 450,000
Beneficial conversion feature on convertible note credited to additional paid-in-capital	\$ -	\$ 1,871,117
Reclassification of derivative liability to additional paid-in-capital	\$ -	\$ 366,094

About First Choice Healthcare Solutions, Inc.

Headquartered in Melbourne, Florida, First Choice Healthcare Solutions (FCHS) is actively engaged in developing a network of 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 currently operates one Medical Center of Excellence, First Choice Medical Group of Brevard, which specializes in the delivery of musculoskeletal medicine and rehabilitative care. FCHS' 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 the Company's industry, management beliefs and certain assumptions made by its 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, the Company undertakes 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.

***For additional information, please contact:
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