

November 17, 2015



First Choice Healthcare Solutions Announces Record Revenues and Net Profitability for 2015 Third Quarter

Revenues More Than Triple, Rising 233% to \$6.29 Million From \$1.89 Million, and Net Income Climbs to \$631,281, Up From Net Loss of \$375,620, for Comparable Three Month Reporting Periods; Company to Host Conference Call and Webcast on Wednesday, November 18 to Discuss Financial Results and Recent Corporate Developments Expected to Fuel Future Growth

MELBOURNE, FL -- (Marketwired) -- 11/17/15 -- [***First Choice Healthcare Solutions, Inc.***](#) (OTCQB: FCHS) ("FCHS," "First Choice" or the "Company"), one of the nation's only non-physician-owned, publicly traded healthcare services companies focused on the delivery of Orthopaedic care and treatment, today announced its financial results for the three and nine month reporting periods, ended September 30, 2015.

Financial Highlights for the Three Months Ended September 30, 2015 Compared to Three Months Ended September 30, 2014:

- Total revenues increased 233% to \$6,292,122 from \$1,891,045.
 - [***The B.A.C.K. Center***](#), which joined First Choice on May 1, 2015, contributed \$4,006,038 in patient service revenue and \$248,155 in rental revenue in the second quarter 2015.
 - Patient service revenue generated by [***First Choice Medical Group***](#) rose to \$1,769,948 from \$1,627,157 on a comparable quarter-over-quarter basis.
 - Rental revenue produced by the Company's real estate subsidiary, Marina Towers, LLC, remained consistent and very predictable at \$379,924, compared to \$373,200.
- Notwithstanding non-cash expenses for stock-based compensation, depreciation and amortization, income from operations soared to \$1,878,984 from \$361,345. After factoring non-cash expenses, income from operations increased to \$873,180 compared to a loss from operations of \$140,866.
- Net income climbed to \$631,281, or \$0.03 earnings per basic and diluted share,

compared to a net loss of \$375,620, or \$0.02 loss per basic and diluted share.

Financial Highlights for the Nine Months Ended September 30, 2015 Compared to Nine Months Ended September 30, 2014:

- Total revenues were \$13,121,604, representing a 111% increase when compared to \$6,232,962.
 - For the five months between May 1, 2015 and September 30, 2015, The B.A.C.K. Center contributed patient service revenue of \$5,936,858 and rental revenue of \$504,287.
 - First Choice Medical Group's patient service revenues totaled \$5,883,231, up 8% from \$5,448,428.
 - Marina Towers' rental revenues rose to \$1,130,757 from \$1,110,171.
- Income from operations totaled \$2,930,727, before factoring non-cash expenses for stock-based compensation, depreciation and amortization, which represents a 254% improvement over income from operations of \$828,091, notwithstanding non-cash expenses for stock-based compensation, depreciation and amortization. Including non-cash expenses, income from operations rose to \$1,128,074 from a loss from operations of \$148,254.
- Net income increased to \$165,241, or \$0.01 earnings per basic and diluted share, up from a net loss of \$859,290, or \$0.05 loss per basic and diluted share.
- Net cash provided by the Company's operating activities for the first nine months of 2015 materially improved to \$579,539, when compared to net cash used by its operating activities of \$489,267 in the same nine month period in the prior year, resulting in a positive swing of \$1,068,806.

As of September 30, 2015, the Company had cash and restricted cash totaling \$1,147,196; accounts receivable of \$5,611,386 and total stockholders' equity of \$4,892,889. This compared to \$597,346 in cash and restricted cash; accounts receivable of \$1,804,636 and total stockholders' deficit of \$3,163,183 as of December 31, 2014.

Subsequent to the end of the third quarter period, First Choice announced that [Crane Creek Surgery Center](#) ("Crane Creek") has joined the Company's growing network of medical centers of excellence in the state of Florida. As a result, First Choice will include the financial results of Crane Creek in its consolidated financial statements in accordance with generally accepted accounting principles as if it were a wholly-owned subsidiary effective October 1, 2015.

Commenting on the results, Christian Romandetti, Chairman, President and CEO of First Choice, stated, "The positive trends that we have experienced for the past several quarters continues as we have generated record increases in our revenues and operating cash flows during the third quarter. Several factors are driving our strong performance,

with the single most significant being the investments we are making in expanding our regional network of medical centers of excellence in Melbourne, Florida. With the addition of The B.A.C.K. Center this past May, coupled with Crane Creek joining our network as of October 1, 2015, we are effectively demonstrating that our business-building platform is gaining meaningful momentum and winning First Choice recognition as a proven business partner that gets results."

For detailed information relating to the Company's 2015 third quarter financial results, please refer to the Form 10-Q filed with the U.S. Securities and Exchange Commission, found at www.sec.gov. For detailed information in connection with The B.A.C.K. Center, please refer to the Company's Current Report on Form 8-K, dated May 5, 2015; and in connection with Crane Creek Surgery Center, please refer to the Company's Current Report on Form 8-K dated October 27, 2015.

Conference Call and Webcast Details:

First Choice will host a conference call and live audio webcast on Wednesday, November 18, 2015 beginning at 11:00 AM Eastern Time to discuss the second quarter 2015 results and review recent corporate developments. Participants can register for the conference by navigating to <http://dpreregister.com/10071285>. Please note that registered participants will receive the dial-in number upon registration. The conference call will also be webcasted, which can be accessed through First Choice's investor relations website by navigating to <http://ir.myfchs.com/ir-calendar> and clicking on the **2015 Third Quarter Results Conference Call**. Webcast participants will be required to register to access the call.

For those who cannot listen to the live broadcast, a replay will be available shortly after the call on the investor relations page of First Choice's website, found at <http://ir.myfchs.com/>.

**FIRST CHOICE HEALTHCARE SOLUTIONS, INC.
CONDENSED CONSOLIDATED BALANCE SHEETS**

	September 30, 2015 (unaudited)	December 31, 2014
ASSETS		
Current assets		
Cash	\$ 751,559	\$ 279,087
Cash-restricted	395,637	318,259
Accounts receivable, net	5,611,386	1,804,636
Employee loans	493,360	-
Prepaid and other current assets	548,211	153,296
Capitalized financing costs, current portion	54,858	68,370
Total current assets	7,855,011	2,623,648

Property, plant and equipment, net of accumulated depreciation of \$4,152,225 and \$2,472,111	8,027,163	8,294,298
Other assets		
Deferred costs, net of amortization of \$134,435	3,091,992	-
Capitalized financing costs, long term portion	-	37,775
Patient list, net of accumulated amortization of \$70,000 and \$55,000	230,000	245,000
Patents, net of accumulated amortization of \$33,425 and \$19,100	253,075	267,400
Investments	22,200	-
Notes receivable, acquisition deposit	141,352	-
Deposits	2,571	2,571
Total other assets	<u>3,741,190</u>	<u>552,746</u>
Total assets	<u>\$ 19,623,364</u>	<u>\$ 11,470,692</u>

LIABILITIES AND EQUITY (DEFICIT)

Current liabilities		
Accounts payable and accrued expenses	\$ 2,476,718	\$ 1,457,275
Stock based payable	-	537,750
Advances	-	224,000
Line of credit, short term	1,788,164	1,237,000
Convertible note payable, short term portion	-	2,148,835
Notes payable, current portion	7,852,176	732,791
Unearned revenue	42,704	38,763
Deferred rent, short term portion	118,810	-
Total current liabilities	<u>12,278,572</u>	<u>6,376,414</u>
Long term debt:		
Deposits held	67,432	72,901
Notes payable, long term portion	894,835	8,184,560
Deferred rent, long term portion	1,489,636	-
Total long term debt	<u>2,451,903</u>	<u>8,257,461</u>
Total liabilities	<u>14,730,475</u>	<u>14,633,875</u>
Equity (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, 22,432,626 and 17,951,055 shares issued and outstanding as of September 30, 2015 and December 31, 2014, respectively	22,433	17,951
Additional paid in capital	20,696,977	12,671,942

Accumulated deficit	<u>---</u>	<u>(15,687,835)</u>	<u>---</u>	<u>(15,853,076)</u>
Total stockholders' equity (deficit) attributable to First Choice Healthcare Solutions, Inc.		5,031,575		(3,163,183)
Non-controlling interest (note 10)		(138,686)		-
Total equity (deficit)		<u>4,892,889</u>		<u>(3,163,183)</u>
Total liabilities and equity (deficit)		<u>\$ 19,623,364</u>		<u>\$ 11,470,692</u>

FIRST CHOICE HEALTHCARE SOLUTIONS, INC
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(unaudited)

	Three months ended September 30,		Nine months ended September 30,	
	2015	2014	2015	2014
Revenues:				
Patient Service Revenue	\$ 5,775,987	\$ 1,917,597	\$ 11,871,574	\$ 5,814,140
Provision for bad debts	<u>(1)</u>	<u>(290,440)</u>	<u>(51,485)</u>	<u>(365,712)</u>
Net patient service revenue less provision for bad debts	5,775,986	1,627,157	11,820,089	5,448,428
Rental Revenue	<u>516,136</u>	<u>263,888</u>	<u>1,301,515</u>	<u>784,534</u>
Total Revenue	6,292,122	1,891,045	13,121,604	6,232,962
Operating expenses:				
Salaries and benefits	2,240,109	925,513	5,311,710	3,081,840
Other operating expenses	670,923	407,699	1,685,830	1,264,046
General and administrative	2,234,647	548,635	4,437,801	1,623,755
Depreciation and amortization	<u>273,263</u>	<u>150,084</u>	<u>558,189</u>	<u>411,575</u>
Total operating expenses	<u>5,418,942</u>	<u>2,031,931</u>	<u>11,993,530</u>	<u>6,381,216</u>
Net income (loss) from operations	873,180	(140,886)	1,128,074	(148,254)
Other income (expense):				
Miscellaneous income (expense)	(18,400)	750	22,719	2,250

CASH FLOWS FROM OPERATING
ACTIVITIES:

Net Income (loss)	\$	165,241	\$	(859,290)
Adjustments to reconcile net loss to cash provided by operating activities:				
Depreciation and amortization		558,189		411,575
Amortization of financing costs		60,507		62,057
Bad debt expense		51,485		365,712
Common stock issued in connection with loan extension		227,000		-
Note payable issued in settlement of litigation		50,749		-
Stock based compensation		859,991		137,001
Changes in operating assets and liabilities:				
Accounts receivable		(1,678,545)		(1,208,082)
Prepaid expenses and other		203,699		(38,110)
Restricted funds		(77,378)		(84,426)
Employee loans		(19,728)		-
Accounts payable and accrued expenses		140,254		757,131
Deposits		(5,469)		-
Deferred rent		39,603		-
Unearned income		3,941		(32,835)
Net cash provided by (used in) operating activities		579,539		(489,267)
CASH FLOWS FROM INVESTING ACTIVITIES:				
Cash from variable interest entity		679,673		-
Payment of acquisition deposit		(141,352)		-
Purchase of equipment		(92,609)		(145,645)
Net cash provided by (used in) investing activities		445,712		(145,645)
CASH FLOWS FROM FINANCING ACTIVITIES:				
Proceeds from advances		431,406		50,000
(Payments on) proceeds from lines of credit		(331,162)		552,000
Net payments on notes payable		(653,023)		(569,228)
Net cash provided by (used in) financing activities		(552,779)		32,772
Net increase (decrease) in cash and cash equivalents		472,472		(602,140)
Cash and cash equivalents, beginning of period		279,087		739,158
Cash and cash equivalents, end of period	\$	751,559	\$	137,018

SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION:

Cash paid during the period for interest	\$ 925,045	\$ 651,228
Cash paid during the period for taxes	\$ -	\$ -
Supplemental Disclosure on non-cash investing and financing activities:		
Common stock issued in settlement of accrued expenses	\$ 15,000	\$ 166,340
Common stock issued for future services	\$ 1,153,777	\$ 98,000
Common stock issued in settlement of related party advances	\$ 655,407	\$ -
Common stock issued in settlement of line of credit	\$ -	\$ 150,000
Common stock issued in settlement of convertible note and related interest	\$ 2,236,907	\$ 336,557
Fair value of options issued to acquire management control of variable interest entity	\$ 3,226,427	\$ -

About First Choice Healthcare Solutions, Inc.

Headquartered in Melbourne, Florida, First Choice Healthcare Solutions (FCHS) is implementing a defined growth strategy aimed at building a national collective of world class medical centers of excellence in key expansion markets throughout the U.S. with concentration in neurology, orthopaedics, spine surgery and interventional pain medicine, as well as related ancillary care services. Serving Florida's Space Coast, the Company's flagship regional network currently administers over 100,000 patient visits each year and is comprised of First Choice Medical Group, The B.A.C.K. Center and Crane Creek Surgery Center.

For more information, please visit www.myfchs.com, www.myfcmg.com, www.thebackcenter.net and www.cranecreeksurgerycenter.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:

Investor Relations

WallStreetWriter

407-878-5945

FCHS@wallstreetwriter.com

Source: First Choice Healthcare Solutions, Inc.