

FOR IMMEDIATE RELEASE

PHYSIOHEALTH and Dynamic Physical Therapy Announce Partnership

*Dynamic Physical Therapy First Regional Platform for
New Physical, Occupational and Speech/Language Therapy Initiative*

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OAKLAND, CA / May 1, 2006 / Businesswire / - PHYSIOHEALTH Inc. today announced a partnership with Dynamic Physical Therapy, a leading provider of outpatient physical and occupational therapy services with 11 clinics throughout Delaware and southeastern Pennsylvania. Dynamic Physical Therapy, which serves the patients of more than 800 physicians, is the first regional platform for PHYSIOHEALTH, a private equity-backed initiative dedicated to building a network of regionally-focused, therapist-centric outpatient rehabilitation facilities.

PHYSIOHEALTH's executive team includes Scott Gross, Dan Finnane and Andy Levy, industry veterans with more than 75 years of combined health services experience. They have partnered with Lake Capital, a Chicago-based private equity firm focused on investing in service-based companies, to build a unique rehabilitation services company focused on the needs of therapist/entrepreneurs who want to grow their businesses.

Dynamic Physical Therapy's executive team of Michael Myers, Danny Bianco and Walter Kenworthy will continue to lead and grow Dynamic. PHYSIOHEALTH will provide capital and strategic resources supporting geographic expansion and new program development, while the Dynamic team continues to manage the company's daily operations and expansion effort.

"This partnership is consistent with PHYSIOHEALTH's strategic vision: to create a therapist-centric, regionally-focused growth company that anticipates and responds to local healthcare demands, in partnership with successful entrepreneurs," explained Scott Gross, chief executive officer of PHYSIOHEALTH. "Dynamic stands out in its markets with high quality, high service outpatient therapy services in cooperation with its markets' top physicians, and has had good success in new clinic development. Dynamic's leaders, Michael, Danny and Walter, have demonstrated the creativity, drive and talent to build a uniquely successful business model. We are very pleased to have them as partners in our initiative."

“As we evaluated options for capital and talent to facilitate our business expansion, we found the PHYSIOHEALTH partnership proposition to be unique versus what traditional lenders and industry consolidators could offer.” added Michael Myers, president of Dynamic. “PHYSIOHEALTH has both the financial resources and the strategic expertise to help us capitalize on our growth opportunities, and they were more interested in partnering with our team to expand our unique business than the other sources of capital available to us.”

About PHYSIOHEALTH. PHYSIOHEALTH was formed by industry veterans Scott Gross, Dan Finnane and Andy Levy in partnership with Lake Capital to build a leading, multi-regional physical rehabilitation and wellness company. PHYSIOHEALTH is partnering with strong entrepreneurial owners seeking capital and support to expand their businesses while continuing their leadership roles and retaining an ongoing economic interest. PHYSIOHEALTH is focused on high quality, multi-site outpatient therapy practices with significant growth opportunities to serve as regional platforms for expansion. More information about PHYSIOHEALTH is available at www.physiohealth.com.

About Dynamic. Dynamic Physical Therapy was formed in 1995 and has grown to be a leading provider of outpatient physical and occupational therapy and related services to the patients of more than 800 physicians in two southeastern Pennsylvania and nine Delaware locations. The Company's clinics provide pre- and post-operative care and treatment for motor vehicle, industrial, sports and neurological-related injuries, as well as orthopedic-related disorders and geriatric ailments. Dynamic's primary referral sources include orthopedic surgeons, neurosurgeons, physiatrists, occupational medicine specialists and general practitioners. More information about Dynamic is available at www.dynamicpt.com.

About Lake Capital. Lake Capital is a private equity firm that focuses on investments in service-based enterprises across various industries. The firm is currently managing more than \$1.3 billion in equity commitments and seeks to build leading services companies through organic and acquisition-enhanced growth. Notably, Lake Capital is led by two respected entrepreneurs who formed the firm after a series of very successful ventures of their own. This real world entrepreneurial experience sets Lake Capital apart as a unique and value-added financial partner. More information about Lake Capital is available at www.lakecapital.com.

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