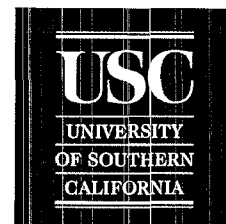


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USC Closes Historic Deal to Purchase Two Private Hospitals

LOS ANGELES, April 1, 2009—The Trojan Family has grown by two with the University of Southern California’s acquisition of the USC University Hospital and USC Norris Cancer Hospital, effective today. The deal in which USC purchased the two private hospitals from Tenet Healthcare Corp. for \$275 million closed March 31.

USC, one of the world’s leading private research universities, and UCLA are now the only two Los Angeles area universities owning hospitals. USC’s purchase includes 471 inpatient beds and 1,600 hospital employees. Planning is already under way for recruiting additional physicians, hiring additional nurses and other personnel, refreshing facilities and enhancing patient amenities.

With the hospital acquisition, USC’s faculty physicians will care for private patients at two hospitals owned and managed by the university, allowing for greater physician direction of clinical programs and acceleration of innovative therapies and surgical techniques for cardiovascular and thoracic diseases, urologic disorders, neurological issues, organ transplantation, cancer treatment, disease prevention and other health concerns.

USC President Steven B. Sample credits key members of the USC Board of Trustees with helping to bring the acquisition to a successful conclusion.

“Our trustees were crucial to this intricate and exacting process. Our current chairman, Ed Roski, like so many of his board colleagues, wholeheartedly believed that USC’s clinical enterprise would flourish remarkably once the university owned and integrated its academic medical center,” Sample said. “And our immediate past chairman, Stanley Gold, likewise lent his zeal and considerable talent to the project for two years, proving himself an astute chief negotiator for USC in this landmark acquisition.”

Negotiations have been under way since April 2008, when USC and Tenet signed a non-binding letter of intent for the university to acquire the two hospitals. Throughout the negotiations, USC has been advised by Moelis & Company. The University filed a lawsuit in August 2006 seeking to end the relationship with Tenet, and Tenet filed a counterclaim against the University seeking monetary damages. The litigation was set aside a year ago as negotiations began.

“The hospital acquisition is an historic investment by USC and a strategic move to create an integrated academic medical center,” said USC Executive Vice President and Provost C.L. Max Nikias. “We look forward to enhancing the patient service that comes with the outstanding care

provided by our Doctors of USC. In doing, we will elevate the Keck School of Medicine of USC to a nationally acclaimed leader among the nation's medical schools.”

Effective today, Mitchell R. Creem becomes Chief Executive Officer of the two hospitals following a nationwide search led by Nikias. A seasoned hospital administrator widely known for his experience in revitalizing academic medical centers, Creem joined USC as Vice Provost in June. With 25 years of management experience, Creem has influenced all aspects of the healthcare industry, including hospital, research and faculty group practice management.

As CEO, Creem reports to Nikias and will work collaboratively with Keck School of Medicine Dean Carmen A. Puliafito, who also reports to Nikias.

Facilities at the 411-bed USC University Hospital include the new 10-story Norris Inpatient Tower, which provides 11 new operating rooms and 150 inpatient rooms, many of which have never been used. Facilities at the USC Norris Cancer Hospital include 60 beds. When USC opens the new inpatient beds at University Hospital, the Doctors of USC will be caring for patients throughout a 1,400-bed system, including the 600-bed Los Angeles County+USC Medical Center and the 317-bed Childrens Hospital Los Angeles.

USC's more than 500 Doctors of USC are well known for the care they have provided to patients at LA County's LAC+USC facilities for more than 100 years, building the largest academic training program in the country with more than 900 residents and fellows.

In recent decades, the Doctors of USC also have built private practices at the USC Norris Cancer Hospital and the USC University Hospital. The acquisition of the two private hospitals will allow the Keck School of Medicine to recruit additional world-renowned academic physicians who are committed to excellence in patient care both at the County facilities and at the private hospitals, while also committing to excellence in medical education and clinical research.

USC University Hospital opened in 1991 under the ownership of National Medical Enterprise Inc., which later became Tenet. An acute care hospital, USC University Hospital currently tracks 7,700 inpatient visits and 56,000 outpatient visits each year.

Tenet acquired Norris Cancer Hospital in 2003. Devoted exclusively to the treatment of patients with cancer, the hospital is affiliated with the USC Norris Comprehensive Cancer Center, one of the original eight such centers in the U.S.

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