



Pioneer Behavioral Health Repurchases 200,000 Shares

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PEABODY, MA, Jan 05, 2009 (MARKET WIRE via COMTEX News Network) -- PHC, Inc., d.b.a. Pioneer Behavioral Health (AMEX: PHC), a leading provider of inpatient and outpatient behavioral health services, reported it has repurchased 200,000 shares of its Class A common stock in a private transaction.

"We believe PHC's fundamentals and prospects for growth have never been stronger," said Bruce A. Shear, Pioneer's president and CEO. "Our efforts to focus on our core business of patient care resulted in record revenues from this segment in our last quarter. Excluding the expected startup losses from our new facilities in Henderson and Detroit, we also continued our long tradition of operating profitably. Demand for our services is strong and our industry is prospering. The recent signing of the Mental Health Parity bill is expected to serve as another strong market driver."

"These numerous positive factors, as well as the underlying asset value of our business, convinced our board of directors that the company's stock is undervalued and it is in the best interest of our shareholders to reduce the number of shares outstanding," said Shear.

This purchase is in addition to the company's current buyback program initiated in June 2008, which authorizes the company to purchase up to 1 million Class A common shares on the open market through June 2009.

About PHC, Inc.

PHC, Inc., d/b/a Pioneer Behavioral Health, is a national healthcare company providing behavioral health services in five states, including substance abuse treatment facilities in Utah and Virginia, and inpatient and outpatient psychiatric facilities in Michigan, Pennsylvania, and Nevada. The company also offers internet and telephonic-based referral services that includes EAP and critical incident services. Contracted services with government agencies, national insurance companies, and major transportation and gaming companies cover more than one million individuals. Pioneer helps people gain and maintain physical, spiritual and emotional health through delivering the highest quality, most culturally responsive and compassionate behavioral health care programs and services. For more information, visit www.phc-inc.com.

Statement under the Private Securities Litigation Reform Act of 1995

This press release may include "forward-looking statements" that are subject to risks and uncertainties. Forward-looking statements include information about possible or assumed future results of the operations or the performance of the Company and its future plans and objectives. Various future events or factors may cause the actual results to vary materially from those expressed in any forward-looking statements made in this press release. For a discussion of these factors and risks, see the company's annual report on Form 10-K for the most recently ended fiscal year.

Company Contact:

PHC, Inc.

Bruce A. Shear

President & CEO

Tel: 978-536-2777

Investor Relations Contact:

Liolios Group, Inc.

Scott Kitcher or Ron Both

Email Contact

Tel: 949-574-3860

SOURCE: Pioneer Behavioral Health

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