ACADIA
HEALTHCARE

Acadia Healthcare Acquires Acute Inpatient Psychiatric Facilities in Seattle, Washington, and Riverside, California

January 6, 2014

Adds Approximately 200 Beds in Two New States

FRANKLIN, Tenn.--(BUSINESS WIRE)--Jan. 6, 2014-- Acadia Healthcare Company, Inc. (NASDAQ: ACHC) today announced the acquisition of inpatient psychiatric facilities in Seattle, Washington, and Riverside, California, expanding the Company's geographic presence to two new states. Effective, December 1, 2013, the Company completed the purchase of an acute inpatient psychiatric facility from Highline Medical Center, a nonprofit healthcare system headquartered in Seattle. The facility, which was purchased for $20.0 million in cash, has a certificate of need for 135 beds and currently operates 63 inpatient psychiatric beds. Acadia is adding 22 inpatient psychiatric beds in a unit that had not been in use and will transition an additional 50 beds to inpatient psychiatric beds from other uses upon the expiration of third-party provider leases at the end of 2014.

Acadia also purchased the Riverside Center for Behavioral Medicine, a 68-bed acute inpatient psychiatric facility in Riverside, California. Consideration for this purchase, which was effective January 1, 2014, was $10.5 million in cash.

Joey Jacobs, Chairman and Chief Executive Officer of Acadia, commented, "We are pleased to complete a successful 2013 and begin 2014 on a strong note with two acquisitions that bring high quality facilities and excellent medical staffs to Acadia. The purchase of the Seattle facility represented our seventh acquisition for 2013. Including this transaction, we added approximately 1,000 beds during 2013, through both acquisitions and the development of new beds in existing or de novo facilities. We expect this transaction and the purchase of the facility in Riverside to be accretive to our financial results for 2014. They further validate the ongoing opportunities we see for additional transactions in our highly fragmented industry, as well as the growing potential for transactions with nonprofit healthcare providers.

"We note that, because of the customary Medicare certification process, the Seattle facility received minimal revenues for the services provided to its psychiatric patients during December. In addition, we opened two de novo facilities in October, which, as expected, also produced expenses greater than revenues during their certification process and as they ramped their patient census. We expect to produce adjusted income from continuing operations per diluted share in a range of $0.28 to $0.29 in the fourth quarter as our strong consolidated operating performance should offset the short-term impact of these facilities on our profitability, and as a result, we affirm our established guidance for 2013 adjusted income from continuing operations in a range of $1.06 to $1.07 per diluted share."

Risk Factors

This news release contains forward-looking statements. Generally words such as "may," "will," "should," "could," "anticipate," "expect," "intend," "estimate," "plan," "continue," and "believe" or the negative of or other variation on these and other similar expressions identify forward-looking statements. These forward-looking statements are made only as of the date of this news release. We do not undertake to update or revise the forward-looking statements, whether as a result of new information, future events or otherwise. Forward-looking statements are based on current expectations and involve risks and uncertainties and our future results could differ significantly from those expressed or implied by our forward-looking statements. Factors that may cause actual results to differ materially include, without limitation, (i) Acadia's ability to complete acquisitions and successfully integrate the operations of the acquired facilities; (ii) Acadia's ability to add beds, expand services, enhance marketing programs and improve efficiencies at its facilities; (iii) potential reductions in payments received by Acadia from the government and third-party payors; (iv) the risk that Acadia may not generate sufficient cash from operations to service its debt and meet its working capital and capital expenditure requirements; and (v) potential operating difficulties, client preferences, changes in competition and general economic or industry conditions that may prevent Acadia from realizing the expected benefits of its business strategy. These factors and others are more fully described in Acadia's periodic reports and other filings with the SEC.

About Acadia

Acadia is a provider of inpatient behavioral healthcare services. Acadia operates a network of 52 behavioral healthcare facilities with more than 4,200 licensed beds in 24 states and Puerto Rico. Acadia provides psychiatric and chemical dependency services to its patients in a variety of settings, including inpatient psychiatric hospitals, residential treatment centers, outpatient clinics and therapeutic school-based programs.

Source: Acadia Healthcare Company, Inc.

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