



## **U.S. PHYSICAL THERAPY PROVIDES GUIDANCE FOR THIRD QUARTER OF 2002**

Houston, TX – September 23, 2002 – U.S. Physical Therapy, Inc. (Nasdaq National Market: USPH) today announced that, based on currently available data, it believes patient visits for the third quarter of 2002 will be down from the second quarter of 2002 by approximately 2%. Visits should be up from the third quarter last year by 13% to 15%. The Company expects fully diluted earnings per share of \$0.15 to \$0.16 for the third quarter of 2002, compared to \$0.14 for the third quarter of 2001 and \$0.18 for the second quarter of 2002. For the nine months ending September 30, 2002, fully diluted earnings per share are expected to be \$0.49 to \$0.50, as compared to \$0.40 for the same period in 2001. The Company currently expects to release full results for the third quarter ending September 30, 2002 during the week of November 4, 2002.

“Summer months are typically slow in our business, followed by an upsurge in visits after the school year begins,” stated Roy Spradlin, Chairman, President and Chief Executive Officer of U.S. Physical Therapy. “In the first half of September, visits in our mature clinics have not rebounded as much as expected, which we believe is a result of the slowdown in the economy. The slowdown is across the board and not limited to any region of the country. I want to reiterate that the Company does not believe that the recently published pronouncement relating to group therapy billing will have a material adverse effect on the Company’s current or future operating results.”

“In the third quarter we will open 14 new clinics, which double our new clinic openings for the year to 28. This is in line with our stated plan to open 35 to 40 new clinics this year, and we expect to open more than 40 clinics in 2003,” continued Spradlin. “The newly opened clinics are ramping up, and while start-up expenses are affecting us right

now, we expect our 2002 clinics to contribute significant earnings in 2003, resulting in continued positive earnings growth.”

“While it hasn’t been our policy to provide guidance in the past, when we realized we would fall under consensus estimates we wanted to be forthright with our shareholders,” Spradlin continued. “Our long-term fundamentals continue to be strong.”

### **Conference Call**

U.S. Physical Therapy's management will host a conference call at 2:00 pm Eastern Time, 1:00 pm Central Time tomorrow to discuss this guidance. Interested parties may participate in the call by dialing 888/694-4676 or 973/582-2703 approximately 10 minutes before the call is scheduled to begin. To listen to the live call, please go to the Company's Web site at [www.usphysicaltherapy.com](http://www.usphysicaltherapy.com) at least 15 minutes early to register, download and install any necessary audio software. The conference call will be archived and can be accessed for approximately 90 days at this Web site.

This press release contains forward-looking statements (often using words such as "believes," "expects," "intends," "plans," "appear," "should" and similar words), which involve numerous risks and uncertainties. Included among such statements are those relating to opening of new clinics, availability of personnel and reimbursement environment. The forward-looking statements are based on the Company's current views and assumptions, and the Company's actual results could differ materially from those anticipated in such forward-looking statements as a result of certain risks, uncertainties, and factors, which include, but are not limited to:

- general economic, business, and regulatory conditions;
- competition;
- federal and state regulations;
- availability, terms, and use of capital;
- availability of skilled physical therapists to become partners of the Company; and
- weather.

Please see the Company's filings with the Securities and Exchange Commission for more information on these factors. Management undertakes no obligation to update any forward-looking statement, whether as the result of actual results, changes in assumptions, new information, future events, or otherwise.

## **About U.S. Physical Therapy, Inc.**

Founded in 1990, U.S. Physical Therapy, Inc. operates 187 outpatient physical and/or occupational therapy clinics in 31 states and manages six PT facilities for third parties. The Company's clinics provide post-operative care for a variety of orthopedic-related disorders and sports-related injuries, treatment for neurologically-related injuries, rehabilitation of injured workers and preventative care. In addition to owning and operating clinics, the Company manages several physical therapy facilities for third parties, including physician groups. U.S. Physical Therapy is included on the Russell 2000 and Russell 3000 Indexes. More information is available at [www.usphysicaltherapy.com](http://www.usphysicaltherapy.com).

### **CONTACT:**

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