

**SUNLINK HEALTH SYSTEMS, INC. ANNOUNCES
FISCAL 2009 FOURTH QUARTER AND FULL YEAR
RESULTS**

Amounts in 000's, except per share and volume amounts

CONSOLIDATED STATEMENTS OF EARNINGS

	Three Months Ended June 30,				Twelve Months Ended June 30,			
	2009		2008		2009		2008	
	Amount	% of Net Revenues	Amount	% of Net Revenues	Amount	% of Net Revenues	Amount	% of Net Revenues
Net Revenues	\$49,255	100.0%	\$43,819	100.0%	\$199,254	100.0%	\$158,431	100.0%
Costs and Expenses:								
Cost of goods sold	6,467	13.1%	4,571	10.4%	31,766	15.9%	4,571	2.9%
Salaries, wages and benefits	19,121	38.8%	19,495	44.5%	78,813	39.6%	73,852	46.6%
Provision for bad debts	6,402	13.0%	5,142	11.7%	24,533	12.3%	22,013	13.9%
Supplies	3,841	7.8%	3,272	7.5%	14,744	7.4%	14,615	9.2%
Purchased services	2,834	5.8%	2,476	5.7%	11,548	5.8%	9,961	6.3%
Other operating expenses	5,652	11.5%	5,164	11.8%	21,616	10.8%	19,872	12.5%
Rents and leases	825	1.7%	349	0.8%	3,226	1.6%	2,630	1.7%
Impairment of construction in process	-	0.0%	-	0.0%	433	0.2%	-	0.0%
Depreciation and amortization	1,759	3.6%	1,671	3.8%	6,896	3.5%	5,512	3.5%
Operating Profit	2,354	4.8%	1,679	3.8%	5,679	2.9%	5,405	3.4%
Gain on sales of assets	-	0.0%	-	0.0%	180	0.1%	-	0.0%
Loss on early repayment of debt	-	0.0%	(267)	-0.6%	-	0.0%	(267)	-0.2%
Interest Expense	(947)	-1.9%	(850)	-1.9%	(3,765)	-1.9%	(2,114)	-1.3%
Interest Income	11	0.0%	25	0.1%	50	0.0%	72	0.0%
Earnings from Continuing Operations before Income Taxes	1,418	2.9%	587	1.3%	2,144	1.1%	3,096	2.0%
Income Tax Expense	568	1.2%	8	0.0%	1,077	0.5%	1,087	0.7%
Earnings from Continuing Operations net of income taxes	850	1.7%	579	1.3%	1,067	0.5%	2,009	1.3%
Loss from Discontinued Operations, net of income taxes	41	0.1%	(152)	-0.3%	(155)	-0.1%	(393)	-0.2%
Net Earnings	\$891	1.8%	\$427	1.0%	\$912	0.5%	\$1,616	1.0%
Earnings Per Share from Continuing Operations:								
Basic	\$0.11		\$0.07		\$0.13		\$0.26	
Diluted	\$0.11		\$0.07		\$0.13		\$0.26	
Loss Per Share from Discontinued Operations:								
Basic	\$0.01		\$(0.02)		\$(0.02)		\$(0.05)	
Diluted	\$0.01		\$(0.02)		\$(0.02)		\$(0.05)	
Net Earnings Per Share:								
Basic	\$0.11		\$0.05		\$0.11		\$0.21	
Diluted	\$0.11		\$0.05		\$0.11		\$0.21	
Weighted Average Common Shares Outstanding:								
Basic	8,001		7,850		7,975		7,605	
Diluted	8,020		8,049		8,019		7,855	

HEALTHCARE FACILITIES VOLUME STATISTICS

Admissions	1,952	2,046	8,397	8,865
Equivalent Admissions	6,000	6,118	24,548	25,390
Surgeries	988	1,032	3,805	4,422
Net revenue per equivalent admission	\$6,443	\$6,009	\$6,189	\$5,962

SUMMARY BALANCE SHEETS

	June 30, 2009	June 30, 2008
ASSETS		
Cash and Cash Equivalents	\$2,364	\$1,716
Accounts Receivable - net	21,116	20,052
Other Current Assets	13,543	13,404
Property Plant and Equipment, net	46,122	51,220
Long-term Assets	24,238	25,232
	<u>\$107,383</u>	<u>\$111,624</u>
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current Liabilities	\$25,400	\$27,069
Long-term Debt and Other Noncurrent Liabilities	40,206	44,311
Shareholders' Equity	41,777	40,244
	<u>\$107,383</u>	<u>\$111,624</u>