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## **M\*Modal Reaches Agreement on Financial Restructuring Plan**

### **Strengthens Company's Balance Sheet and Reduces Debt by More Than 55 Percent**

#### **Worldwide Operations Continue as Normal**

Franklin, Tenn. – April 2, 2014 – [M\\*Modal](#), a leading provider of clinical documentation and Speech Understanding™ solutions, today announced that it has reached an agreement on the terms of a financial restructuring plan with the controlling majority of its lenders and bondholders. Once completed, this financial restructuring will strengthen the Company's balance sheet by reducing its debt by more than 55 percent and establish a capital structure to support the Company's continued investment in clinical documentation services and solutions. With this agreement, M\*Modal anticipates completing its previously announced court-supervised restructuring within the next 120 days.

"This agreement will dramatically reduce our debt, strengthen our balance sheet and provide the Company with significant financial flexibility," said Duncan James, M\*Modal's Chief Executive Officer. "By reducing our debt by more than \$350 million we will successfully align our capital structure with our strategy and operations, and position M\*Modal for continued success. This agreement will accelerate the Company's emergence from the financial restructuring process by providing a controlled and expedited roadmap to emergence. The Company will continue to operate our business without any changes in our daily execution and we remain committed to providing the highest quality of clinical documentation and superior Speech Understanding solutions."

The agreement, filed today, is subject to court approval and other customary conditions.

Dechert LLP is serving as legal counsel, Lazard Frères & Co. L.L.C. is serving as investment banker, and Alvarez & Marsal is serving as financial advisor to M\*Modal.

#### About M\*Modal

M\*Modal is a leading healthcare technology provider of advanced clinical documentation solutions, enabling hospitals and physicians to enrich the content of patient electronic health records (EHR) or electronic medical records (EMR) for improved healthcare and comprehensive billing integrity. As one of the largest clinical transcription service provider in the U.S., with a global network of medical editors, M\*Modal also provides advanced cloud-based Speech Understanding™ technology and data analytics that enable physicians and clinicians to include the context of their patient narratives into electronic health records in a single step, further enhancing their productivity and the cost-saving efficiency and quality of patient care at the point of care. For more information, please visit [www.mmodal.com](http://www.mmodal.com), [Twitter](#), [Facebook](#) and [YouTube](#).

#### Forward-Looking Statements

Information provided and statements contained in this press release that are not purely historical, such as statements regarding the anticipated timing of completing the previously announced court-supervised restructuring, are forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, Section 21E of the Securities Exchange Act of 1934 and the Private Securities Litigation Reform Act of 1995. Such forward-looking statements only speak as of the date of this press release and the Company assumes no obligation to update the information included in this press release. Statements made in this press release that are forward-looking in nature may involve risks and

uncertainties. Accordingly, readers are cautioned that any such forward-looking statements are not guarantees of future performance and are subject to certain risks, uncertainties and assumptions that are difficult to predict, including, without limitation, specific factors discussed herein and in other public filings and press releases made by the Company. Although the Company believes that the expectations reflected in such forward-looking statements are reasonable as of the date made, expectations may prove to have been materially different from the results expressed or implied by such forward-looking statements. Unless otherwise required by law, the Company also disclaims any obligation to update its view of any such risks or uncertainties or to announce publicly the result of any revisions to the forward-looking statements made in this press release.

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