



Five Star Quality Care, Inc. Prices Offering of 10,000,000 Common Shares

NEWTON, Mass.--(BUSINESS WIRE)-- Five Star Quality Care, Inc. (NYSE: FVE) today announced it priced a public offering of 10,000,000 common shares at a price to the public of \$5.00 per share. The settlement of this offering is expected to occur on Tuesday, June 21, 2011. FVE expects to use the proceeds of this offering for general business purposes, including repaying its outstanding bridge loan and for funding in part the cash purchase price of pending acquisitions and other possible future acquisitions. The underwriters have been granted a 30-day option to purchase up to an additional 1,500,000 common shares to cover over-allotments, if any.

The joint bookrunning managers for this offering are Jefferies & Company, Inc., Citi and UBS Investment Bank. The joint lead managers for this offering are Morgan Keegan, RBC Capital Markets and Stifel Nicolaus Weisel. The joint managers for this offering are Davenport & Company LLC and JMP Securities.

This press release is neither an offer to sell nor a solicitation of an offer to buy shares, nor shall there be any sale of these securities in any state or jurisdiction in which the offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of such state or jurisdiction. The prospectus supplement relating to this offering and related prospectus are expected to be filed with the Securities and Exchange Commission (SEC) and copies can be obtained by contacting the offices of: Jefferies & Company, Inc., 520 Madison Avenue, 12th floor, New York, NY 10022, telephone: (877) 547-6340, Citi, Prospectus Department, Brooklyn Army Terminal, 140 58th Street, 8th floor, Brooklyn, NY 11220, telephone: (800) 831-9146, and UBS Investment Bank, attn: Prospectus Dept., 299 Park Avenue, New York, NY 10171, telephone: (888) 827-7275 ext. 3884.

WARNING REGARDING FORWARD LOOKING STATEMENTS

THIS PRESS RELEASE INCLUDES FORWARD LOOKING STATEMENTS WITHIN THE MEANING OF THE PRIVATE SECURITIES LITIGATION REFORM ACT OF 1995 AND OTHER FEDERAL SECURITIES LAWS. THESE FORWARD LOOKING STATEMENTS ARE BASED UPON FVE'S PRESENT BELIEFS AND EXPECTATIONS, BUT THESE FORWARD LOOKING STATEMENTS ARE NOT GUARANTEED. FOR EXAMPLE:

- THIS PRESS RELEASE STATES THAT THE SETTLEMENT OF THE OFFERING OF COMMON SHARES IS EXPECTED TO OCCUR ON TUESDAY, JUNE 21, 2011. IN FACT, THE SETTLEMENT OF THIS OFFERING IS SUBJECT TO VARIOUS CONDITIONS AND CONTINGENCIES AS ARE CUSTOMARY IN UNDERWRITING AGREEMENTS IN THE UNITED STATES. IF THESE CONDITIONS ARE NOT SATISFIED OR THE SPECIFIED CONTINGENCIES DO NOT OCCUR, THIS OFFERING MAY NOT CLOSE.
- THIS PRESS RELEASE STATES THAT THE UNDERWRITERS HAVE BEEN GRANTED AN OPTION TO PURCHASE UP TO AN ADDITIONAL 1,500,000 COMMON SHARES TO COVER OVER-ALLOTMENTS, IF ANY. AN IMPLICATION OF THIS STATEMENT MAY BE THAT THIS OPTION MAY BE EXERCISED IN WHOLE OR IN PART. IN FACT, FVE DOES NOT KNOW WHETHER THE UNDERWRITERS WILL EXERCISE THIS OPTION, OR ANY PART OF IT.

FOR THESE REASONS, AMONG OTHERS, INVESTORS ARE CAUTIONED NOT TO PLACE UNDUE RELIANCE UPON FORWARD LOOKING STATEMENTS.

Five Star Quality Care, Inc.
Timothy A. Bonang, 617-796-8245
Vice President, Investor Relations
or
Elisabeth A. Heiss, 617-796-8245
Manager, Investor Relations

Source: Five Star Quality Care, Inc.

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