

## Exhibit 99.1



For release: February 24, 2014  
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### NHC Reports Year End Earnings

MURFREESBORO, Tenn. -- [National HealthCare Corporation](#) (NYSE MKT: [NHC](#), NHC.PRA), the nation's oldest publicly traded long-term health care company, today announced net income available to common shareholders of \$55,942,000 or \$4.05 per share basic for the year ended December 31, 2013, compared to \$50,629,000 or \$3.65 per share basic for the year ended December 31, 2012. Annual net operating revenues in 2013 increased 3.7% from \$761,002,000 to \$788,957,000, despite the automatic 2% cuts known as "sequestration" that began on April 1, 2013 for Medicare providers.

Operating results for the 2013 year compared to the 2012 year were favorably impacted by a gain on the recovery of notes receivable in the amount of \$5,454,000 (approximately \$3,327,000 after income taxes), by the positive results within our accrued risk reserves, as well as the continued efforts to reduce expenses in our skilled nursing facilities.

Fourth quarter of 2013 net income available to common shareholders was \$14,421,000 or \$1.04 per basic share, compared to \$13,727,000 or 99 cents per basic share in the fourth quarter of 2012, an increase of 5.1%. Net operating revenues for the fourth quarter of 2013 increased 6.6% from \$193,977,000 to \$206,796,000.

#### Forward-Looking Statements

Statements in this press release that are not historical facts are forward-looking statements. NHC cautions investors that any forward-looking statements made involve risks and uncertainties and are not guarantees of future performance. The risks and uncertainties are detailed from time to time in reports filed by NHC with the S.E.C., including Forms 8-K, 10-Q and 10-K, and include, among others, the following: liabilities and other claims asserted against us and patient care liabilities, as well as the resolution of current litigation; availability of insurance and assets for indemnification; national and local economic conditions; including their effect on the availability and cost of labor, utilities and materials; the effect of government regulations and changes in regulations governing the healthcare industry, including our compliance with such regulations; changes in Medicare and Medicaid payment levels and methodologies and the application of such methodologies by the government and its fiscal intermediaries; and other factors referenced or incorporated by reference in the S.E.C. filings. The risks included here are not exhaustive. All forward-looking statements represent NHC's best judgment as of the date of this release.

#### About NHC

NHC affiliates operate for themselves and third parties 69 long-term health care centers with 8,943 beds. NHC affiliates also operate 38 homecare programs, five independent living centers and 15 assisted living communities. NHC's other services include Alzheimer's units, long-term care pharmacies, hospice, a rehabilitation services company, and providing management and accounting services to third parties. Other information about the company can be found on our web site at [www.nhccare.com](http://www.nhccare.com).

**Consolidated Statements of Income***(in thousands, except share and per share amounts)*

	Three Months Ended		Twelve Months Ended	
	December 31		December 31	
	<b>2013</b>	2012	<b>2013</b>	2012
Revenues:	<i>(unaudited)</i>			
Net patient revenues	<b>\$ 196,040</b>	\$ 180,175	<b>\$ 735,837</b>	\$ 705,386
Other revenues	<b>10,756</b>	13,802	<b>53,120</b>	55,616
Net operating revenues	<b><u>206,796</u></b>	<u>193,977</u>	<b><u>788,957</u></b>	<u>761,002</u>
Costs and Expenses:				
Salaries, wages and benefits	<b>123,400</b>	108,906	<b>453,560</b>	426,934
Other operating	<b>46,098</b>	46,959	<b>194,989</b>	196,230
Facility rent	<b>9,822</b>	9,848	<b>39,449</b>	39,355
Depreciation and amortization	<b>7,574</b>	7,624	<b>28,547</b>	29,792
Interest	<b>83</b>	110	<b>331</b>	455
Total costs and expenses	<b><u>186,977</u></b>	<u>173,447</u>	<b><u>716,876</u></b>	<u>692,766</u>
Income Before Non-Operating Income	<b>19,819</b>	20,530	<b>72,081</b>	68,236
Non-Operating Income	<b><u>5,674</u></b>	<u>6,699</u>	<b><u>30,095</u></b>	<u>25,245</u>
Income Before Income Taxes	<b>25,493</b>	27,229	<b>102,176</b>	93,481
Income Tax Provision	<b><u>(8,904)</u></b>	<u>(11,334)</u>	<b><u>(37,563)</u></b>	<u>(34,181)</u>
Net Income	<b>16,589</b>	15,895	<b>64,613</b>	59,300
Dividends to Preferred Stockholders	<b><u>(2,168)</u></b>	<u>(2,168)</u>	<b><u>(8,671)</u></b>	<u>(8,671)</u>
Net Income Available to Common Stockholders	<b><u>\$ 14,421</u></b>	<u>\$ 13,727</u>	<b><u>\$ 55,942</u></b>	<u>\$ 50,629</u>
Earnings Per Common Share				
Basic	<b>\$ 1.04</b>	\$ 0.99	<b>\$ 4.05</b>	\$ 3.65
Diluted	<b>\$ 0.99</b>	\$ 0.95	<b>\$ 3.87</b>	\$ 3.57
Weighted average common shares outstanding				
Basic	<b>13,820,554</b>	13,872,472	<b>13,829,626</b>	13,852,709
Diluted	<b>16,690,915</b>	16,657,861	<b>16,698,803</b>	16,598,816
Dividends declared per common share	<b>\$ 0.32</b>	\$ 1.30	<b>\$ 1.26</b>	\$ 2.20

**Balance Sheet Data***(in thousands)*

	<b>Dec. 31</b>	Dec. 31
	<b>2013</b>	2012
Cash and marketable securities	<b>\$ 186,714</b>	\$ 173,951
Restricted cash and marketable securities	<b>155,932</b>	146,770
Current assets	<b>436,928</b>	417,245
Property and equipment, net	<b>456,798</b>	420,907
Total assets	<b>980,725</b>	924,700
Current liabilities	<b>250,359</b>	228,761
Long-term debt	<b>10,000</b>	10,000
Stockholders' equity	<b>688,112</b>	656,148

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**Selected Operating Statistics***(unaudited)*

	Three Months Ended December 31		Twelve Months Ended December 31	
	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>
<b>Per Diems:</b>				
Medicare	\$ 435.34	\$ 434.47	\$ 429.32	\$ 430.13
Managed Care	\$ 406.30	\$ 408.76	\$ 406.18	\$ 408.22
Medicaid	\$ 167.81	\$ 165.68	\$ 165.26	\$ 159.65
Private Pay and Other	\$ 210.84	\$ 192.95	\$ 204.52	\$ 192.42
<b>Patient Days:</b>				
Medicare	119,150	118,006	479,716	478,767
Managed Care	40,413	33,387	148,600	124,801
Medicaid	304,460	270,200	1,094,942	1,088,944
Private Pay and Other	<u>160,514</u>	<u>151,004</u>	<u>606,280</u>	<u>599,966</u>
	<b>624,537</b>	<b>572,597</b>	<b>2,329,538</b>	<b>2,292,478</b>
<b>Average Per Diem</b>	\$ 245.37	\$ 242.44	\$ 245.22	\$ 238.25