



The Company has become 100% owned by a fund managed by Highland Capital Management, L.P. (and is no longer publicly-owned). The shares of the Company's common stock will cease to be quoted on the Over-the-Counter Bulletin Board ("OTCBB"), and the Company will cease to be required to make filings with the SEC or to comply with the SEC rules relating to public companies.

Holders of Company stock certificates will receive an exchange package - with instructions concerning how to deliver their shares for payment - from the Company's exchange agent, Computershare. Shareholders who hold their shares in "street name" will receive information from their banks or brokers, who will handle the exchange of their shares directly. For more information on this process, American HomePatient shareholders are encouraged to contact Computershare at 800-546-5141.

Joseph F. Furlong, President and Chief Executive Officer of the Company, stated: "We are very pleased to have finally completed this process and to be aligned with an organization such as Highland. The stability provided as a result of the restructuring of our senior debt, coupled with Highland's commitment to the long term success of American HomePatient, will be of great benefit to all of our stakeholders, including our customers, employees, and vendors."

Patrick Daugherty, a Partner at Highland, stated: "We are looking forward to working with the management team at American HomePatient to take advantage of compelling opportunities in the evolving business of providing home durable medical equipment. We believe that the combination of the American HomePatient organization and Highland Capital Management resources will enhance the Company's long term success."

American HomePatient, a Nevada corporation, is one of the nation's largest home health care providers with operations in 33 states. Its product and service offerings include respiratory services, infusion therapy, parenteral and enteral nutrition, and medical equipment for patients in their home.

Certain statements made in this press release may constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Such forward-looking statements are based on management's current expectations and include known and unknown risks, uncertainties and other factors, many of which the Company is unable to predict or control,

that may cause the Company's actual results or performance to materially differ from any future results or performance expressed or implied by such forward-looking statements. These statements involve risks and uncertainties, including, without limitation, risks and uncertainties regarding current and future reimbursement rates, and reimbursement reductions and the Company's ability to mitigate the impact of the reductions. These risks and uncertainties are in addition to risks, uncertainties, and other factors detailed from time to time in the Company's filings with the Securities and Exchange Commission. The Company cautions investors that any forward-looking statements made by the Company are not necessarily indicative of future performance. The Company is not responsible for updating the information contained in this press release beyond the published date, or for changes made to this document by wire services or Internet services.