HLTH Corporation Announces Merger with WebMD Health Corp.

Date: 06/18/09

HLTH Corporation and its subsidiary, WebMD Health Corp., announced that they have entered into a definitive merger agreement pursuant to which HLTH will merge into WebMD in a tax-free, all-stock transaction valued at $1.29 billion. The transaction is expected to close in the third or fourth quarter of 2009.

The merger will eliminate both HLTH's controlling interest in WebMD and WebMD's existing dual-class stock structure. Each HLTH share will convert into 0.4444 share of WebMD common stock. The terms of the merger agreement were negotiated between HLTH and a Special Committee of the Board of Directors of WebMD consisting of independent directors not affiliated with HLTH. Cahill served as legal counsel to the Special Committee. The merger agreement was approved by the Board of WebMD based on the recommendations of the Special Committee and by the Board of HLTH.