

NHC

NATIONAL HEALTHCARE CORPORATION

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Contact: Gerald Coggin, Senior VP of Corporate Relations
Phone: (615) 890-2020

NHC to Pay Preferred Dividend

MURFREESBORO, Tenn. -- National HealthCare Corporation (AMEX: NHC; AMEX: NHC.PR.A), one of the nation's oldest long-term health care companies, announced today that it will pay a quarterly dividend of 20 cents per preferred share to shareholders of record on September 15th and payable on October 15, 2008.

NHC operates for itself and third parties 75 long-term health care centers with 9,642 beds. NHC also operates 32 homecare programs, seven independent living centers and 23 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.

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. All forward-looking statements represent NHC's best judgment as of the date of this release.