



NEWS RELEASE

Medifast Sells 11 Weight Control Centers In Florida and Texas to Strategic Partner, Medix

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OWINGS MILLS, Md., April 22, 2014 /PRNewswire/ -- Medifast, Inc. (NYSE: MED), a leading United States manufacturer and provider of clinically proven, portion-controlled weight-loss products and programs, announced today that its strategic partner, Medix, has acquired 11 Medifast Weight Control Centers in Texas and Florida.

This deal advances Medifast's previously announced plan to transition their corporate weight control centers to the franchise model. The 11 centers will provide both Medifast and Medix products and programs. Medix, a leader in pharmaceutical obesity products, has a 30-year heritage in the weight loss industry. The acquisition marks the first Medix-owned weight loss centers in the United States.

"The sale of these centers advances our strategic plan to transition our corporate weight control centers to the franchise model, and this is another exciting milestone in our partnership with Medix," said Michael MacDonald, Chairman and CEO of Medifast, Inc. "Our team will continue to focus our efforts on improving profitability as we position Medifast for long-term growth."

Five centers have been sold in Miami, Florida, and six in Texas - three in Austin and San Antonio, respectively. This strategic sale increases the total number of Medix locations featuring Medifast products and programs globally to 28.

"We are thrilled to extend our partnership with Medifast as we enter the U.S. market and broaden our reach across additional demographics outside of Mexico, Central and South America," said Carlos Lopez Patan, CEO of Medix. "We believe this is a significant opportunity for future growth with the combination of Medifast's and Medix's proven weight loss products and programs."

Medifast also announced today that first quarter net revenue will fall within the previously announced range of \$86 to \$88 million and earnings per diluted share will exceed the guidance of \$0.32 to \$0.35. The Company

also reiterated its full year 2014 guidance for net revenue in the range of \$340 to \$380 million and earnings per diluted share in the range of \$1.80 to \$1.90. Due to the timing of the Medifast Analyst Day presentation beginning today at 9:00 a.m. ET, the Company is providing this business update. The Company does not plan to provide preliminary financial information in the future other than in unique circumstances, or in the event of a material event that requires disclosure.

Medifast's Analyst Day presentation can be accessed live over the Internet hosted at the Investor Relations section of Medifast's website at www.medifastnow.com. The presentation will be archived online for 30 days.

About Medifast:

Medifast (NYSE: MED) is the leading easy-to-use, clinically proven, portion-controlled weight-loss program. The company sells its products and programs via four unique distribution channels: 1) the Web and national call centers, 2) the Take Shape For Life personal coaching division, 3) Medifast Weight Control Centers, and 4) a national network of physicians. Medifast was founded in 1980 and is located in Owings Mills, Maryland. For more information, log onto www.MedifastNow.com.

About Medix:

Medix is a leading pharmaceutical manufacturer and distributor in Mexico with over 55 years of experience, specializing in comprehensive health care solutions to aid in the struggle against obesity. Medix offers a wide range of weight control products and has also recently expanded into additional countries in Central and South America. For more information, visit www.medix.com.mx.

Forward Looking Statements

Please Note: This release contains "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, Section 21E of the Securities Exchange Act of 1934, as amended, and the Private Securities Litigation Reform Act of 1995. These forward-looking statements generally can be identified by use of phrases or terminology such as "intend" or other similar words or the negative of such terminology. Similarly, descriptions of Medifast's objectives, strategies, plans, goals or targets contained herein are also considered forward-looking statements. Medifast believes this release should be read in conjunction with all of its filings with the United States Securities and Exchange Commission and cautions its readers that these forward-looking statements are subject to certain events, risks, uncertainties, and other factors. Some of these factors include, among others, Medifast's inability to attract and retain independent Health Coaches and Members, stability in the pricing of print, TV and Direct Mail marketing initiatives affecting the cost to acquire customers, increases in competition, litigation, regulatory changes, and its planned growth into new domestic and international markets and new channels of distribution. Although Medifast believes that the expectations, statements, and assumptions reflected in these forward-looking statements are reasonable, it cautions readers to always consider all of the risk factors and any other cautionary statements carefully in evaluating each forward-looking statement in this release, as well as those set forth in its latest Annual Report on Form 10-K and Quarterly Report on Form 10-Q, and other filings filed with the United States Securities and Exchange Commission, including its current reports on Form 8-K. All of the forward-looking statements contained herein speak only as of the date of this release.

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