

Press Release

**DIALYSIS CORPORATION OF AMERICA
ANNOUNCES
ACQUISITION OF VIRGINIA DIALYSIS CENTER**

Linthicum, Maryland, February 16, 2006—Dialysis Corporation of America (NASDAQ-DCAI) announced the acquisition of a dialysis center in Kilmarnock, VA. The center, located about 30 miles southeast of DCA's Warsaw center, has a total of 17 treatment stations, and an anticipated initial patient census of between 35 and 45 patients. The company, through a joint venture established with a local nephrologist who has a minority position in the center, purchased the assets of the facility from DaVita Inc. Kilmarnock was one of six areas under current development for DCA. This acquisition eliminates the need for the company to build a center, incur potential start-up costs associated with new facilities, and allows the company to begin operations earlier than anticipated.

President & CEO Stephen Everett commented "As we continue our expansion in Virginia and the greater Mid-Atlantic region, we remain optimistic about the opportunities that exist in these areas and are thrilled to be adding more experienced clinical talent to the DCA team. This acquisition is directly in line with the strategies we have developed for the managed growth of our Mid-Atlantic market, and our company."

Dialysis Corporation of America currently owns or manages 27 free standing kidney hemodialysis centers in Pennsylvania, New Jersey, Georgia, Ohio, Maryland, Virginia and South Carolina providing patients with a full range of quality in-center, and at-home hemodialysis services, as well as providing in-hospital services in many of our markets. With the completion of the five centers under development, DCA will have 32 centers in operation.

This release contains forward-looking statements that are subject to risks and uncertainties that could affect the business and prospects of the company and cause actual results and plans to differ materially from those anticipated. Those factors include, but are not limited to, growth and profitability not being able to be maintained, delays beyond the company's control with respect to future business events, the highly competitive environment in the establishment, development and operation of dialysis centers, the ability to develop or acquire additional dialysis facilities, whether patient bases of the company's dialysis facilities can mature to provide profitability, the extensive regulation of dialysis operations, government rate determination for Medicare reimbursement, and other risks detailed in the company's filings with the SEC, particularly as described in the company's proxy statement/prospectus dated August 12, 2005, and in its annual report on Form 10-K/A-1 for the fiscal year ended December 31, 2004.

The company's press releases, corporate profile, corporate governance materials, quarterly and current reports, and other filings with the SEC are available on Dialysis Corporation of America's internet home page: <http://www.dialysiscorporation.com>.

CONTACT: For additional information, you may contact Stephen Everett, President and CEO of Dialysis Corporation of America, 1302 Concourse Drive, Suite 204, Linthicum, MD 21090; Telephone No. (410) 694-0500.