

ANNUAL OPERATING AND FINANCIAL TREND REPORT
(in thousands, except per share amounts)

	2017	2018	2019	2020	Rolling Four Quarters	CAGR
Same Store Contracts						
Atneed Contracts	26,601	26,696	27,451	31,305	33,061	
Preneed Contracts	6,045	5,923	5,936	6,401	6,615	
Total Same Store Funeral Contracts	32,646	32,619	33,387	37,706	39,676	6.2%
Acquisition Contracts						
Atneed Contracts	56	1,275	2,632	6,646	6,901	
Preneed Contracts	-	134	269	572	586	
Total Acquisition Funeral Contracts	56	1,409	2,901	7,218	7,487	
Total Funeral Contracts	32,702	34,028	36,288	44,924	47,163	11.9%
Funeral Operating Revenue						
Same Store Revenue	\$180,541	\$179,478	\$179,471	\$191,216	\$201,202	3.4%
Acquisition Revenue	503	10,586	16,960	35,460	36,714	
Total Funeral Operating Revenue	\$181,044	\$190,064	\$196,431	\$226,676	\$237,916	8.8%
Cemetery Operating Revenue						
Same Store Revenue	\$42,932	\$44,805	\$49,218	\$51,694	\$55,409	8.2%
Acquisition Revenue	-	-	295	17,583	21,764	
Total Cemetery Operating Revenue	\$42,932	\$44,805	\$49,513	\$69,277	\$77,173	19.8%
Financial Revenue						
Preneed Funeral Commission Income	\$1,254	\$1,294	\$1,475	\$1,349	\$1,313	
Preneed Funeral Trust and Insurance	6,869	7,099	6,951	7,747	8,059	
Preneed Cemetery Trust Earnings	6,244	5,708	5,960	9,722	10,869	
Preneed Cemetery Finance Charges	1,536	1,657	1,453	917	940	
Total Financial Revenue	\$15,903	\$15,758	\$15,839	\$19,735	\$21,181	9.2%
Ancillary Revenue	-	-	\$748	\$4,661	\$4,717	
Divested/Planned Divested Revenue						
Divested/Planned Funeral Revenue	\$11,719	\$12,268	\$11,263	\$8,705	\$7,164	
Divested/Planned Cemetery Revenue	6,541	5,097	313	394	444	
Total Divested/Planned Divested Revenue	\$18,260	\$17,365	\$11,576	\$9,099	\$7,608	-23.6%
Total Revenue	\$258,139	\$267,992	\$274,107	\$329,448	\$348,595	9.7%
Field EBITDA						
Same Store Funeral Field EBITDA	\$70,924	\$67,805	\$68,802	\$79,810	\$87,559	6.7%
Same Store Funeral Field EBITDA Margin	39.3%	37.8%	38.3%	41.7%	43.5%	
Acquisition Funeral Field EBITDA	241	3,979	6,886	13,624	14,845	
Acquisition Funeral Field EBITDA Margin	47.9%	37.6%	40.6%	38.4%	40.4%	
Total Funeral Field EBITDA	\$71,165	\$71,784	\$75,688	\$93,434	\$102,404	11.8%
Total Funeral Field EBITDA Margin	39.3%	37.8%	38.5%	41.2%	43.0%	
Same Store Cemetery Field EBITDA	\$13,439	\$13,872	\$17,118	\$19,469	\$22,013	16.4%
Same Store Cemetery Field EBITDA Margin	31.3%	31.0%	34.8%	37.7%	39.7%	
Acquired Cemetery Field EBITDA	-	-	73	7,128	10,403	
Acquired Cemetery Field EBITDA Margin	0.0%	0.0%	24.7%	40.5%	47.8%	
Total Cemetery Field EBITDA	\$13,439	\$13,872	\$17,191	\$26,597	\$32,416	31.1%
Total Cemetery Field EBITDA Margin	31.3%	31.0%	34.7%	38.4%	42.0%	
Funeral Financial EBITDA	\$7,196	\$7,361	\$7,409	\$8,186	\$8,441	
Cemetery Financial EBITDA	7,392	6,848	6,826	10,218	11,425	
Total Financial EBITDA	\$14,588	\$14,209	\$14,235	\$18,404	\$19,866	10.0%
Total Financial EBITDA Margin	91.7%	90.2%	89.9%	93.3%	93.8%	
Ancillary EBITDA	-	-	\$298	\$1,186	\$1,133	
Ancillary EBITDA Margin	0.0%	0.0%	39.8%	25.4%	24.0%	
Divested/Planned Divested EBITDA						
Divested/Planned Funeral EBITDA	\$3,620	\$3,009	\$2,342	\$2,192	\$1,652	
Divested/Planned Cemetery EBITDA	1,700	1,439	13	129	164	
Total Divested/Planned Divested EBITDA	\$5,320	\$4,448	\$2,355	\$2,321	\$1,816	-28.2%
Total Divested/Planned Divested EBITDA Margin	29.1%	25.6%	20.3%	25.5%	23.9%	
Total Field EBITDA	\$104,512	\$104,313	\$109,767	\$141,942	\$157,635	13.5%
Total Field EBITDA Margin	40.5%	38.9%	40.0%	43.1%	45.2%	
Overhead						
Total Variable Overhead	\$11,338	\$12,672	\$14,117	\$16,190	\$21,454	
Total Regional Fixed Overhead	3,883	4,020	4,052	4,133	4,294	
Total Corporate Fixed Overhead	21,209	20,301	19,385	20,191	20,494	
Total Overhead	\$36,430	\$36,993	\$37,554	\$40,514	\$46,242	7.6%
Overhead as a percentage of Revenue	14.1%	13.8%	13.7%	12.3%	13.3%	
Consolidated EBITDA	\$68,082	\$67,320	\$72,213	\$101,428	\$111,393	16.4%
Consolidated EBITDA Margin	26.4%	25.1%	26.3%	30.8%	32.0%	
Other Expenses and Interest						
Depreciation & Amortization	\$15,979	\$17,430	\$17,771	\$19,389	\$19,782	
Non-Cash Stock Compensation	3,162	6,583	2,153	3,370	3,847	
Interest Expense	12,948	21,109	25,522	32,515	31,671	
Accretion of Discount on Convert. Sub. Notes	4,329	2,192	241	216	171	
Net Loss on Extinguishment of Debt	-	502	-	6	6	
Net Loss (Gain) on Divestitures	(193)	349	3,883	6,749	6,441	
Impairment of Goodwill and Other Intangibles	-	846	963	14,693	-	
Other, Net	(925)	43	(736)	(152)	(88)	
Pretax Income	\$32,782	\$18,266	\$22,416	\$24,642	\$49,563	13.6%
Tax Expense on Operations	13,100	5,754	6,484	12,870	15,828	
Tax Expense Related to Divested Business	-	-	911	-	-	
Net Tax Benefit Related to Impairment	-	-	-	(4,885)	51	
Tax Adjustment Related to Certain Discrete Items	(17,511)	867	488	567	464	
Net Tax Expense (Benefit)	(\$4,411)	\$6,621	\$7,883	\$8,552	\$16,343	
GAAP Net Income	\$37,193	\$11,645	\$14,533	\$16,090	\$33,220	-3.4%
<i>Effective Tax Rate</i>	<i>-13.5%</i>	<i>36.2%</i>	<i>35.2%</i>	<i>34.7%</i>	<i>33.0%</i>	

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Special Items, Net of tax except for **						
Acquisition Expenses	-	-	\$1,646	(\$9)	(\$99)	
Severance and Separation Costs	-	1,134	951	445	1,461	
Performance Awards Cancellation and Exchange	-	2,594	-	224	224	
Accretion of Discount on Convert. Sub. Notes **	4,329	2,192	241	216	171	
Net Loss on Extinguishment of Debt	-	397	-	-	-	
Net Loss on Divestitures and Other Costs	-	439	3,331	4,562	4,349	
Net Impact of Impairment of Goodwill and Other Intangibles	-	805	761	9,932	175	
Litigation Reserve	-	790	592	213	154	
Tax Expense Related to Divested Business**	-	-	911	-	-	
Gain on Insurance Reimbursements	-	-	(699)	-	-	
Natural Disaster and Pandemic Costs	403	345	-	1,286	1,881	
Other Special Items	-	-	265	324	324	
Tax Adjustment Related to Certain Discrete Items**	(17,176)	1,225	-	400	400	
Sum of Special Items	(\$12,444)	\$9,921	\$7,999	\$17,593	\$9,040	
Adjusted Net Income	\$24,749	\$21,566	\$22,532	\$33,683	\$42,260	17.9%
Adjusted Net Income Margin	9.6%	8.0%	8.2%	10.2%	12.1%	
Adjusted Basic EPS	\$1.50	\$1.19	\$1.26	\$1.88	\$2.36	15.0%
Adjusted Diluted EPS	\$1.39	\$1.17	\$1.25	\$1.86	\$2.34	17.4%
GAAP Basic EPS	\$2.25	\$0.64	\$0.81	\$0.90	\$1.86	-5.7%
GAAP Diluted EPS	\$2.09	\$0.63	\$0.80	\$0.89	\$1.84	-3.8%
Average Number of Basic Shares Outstanding	16,438	17,971	17,877	17,872	17,965	2.8%
Average Number of Diluted Shares Outstanding	17,715	18,374	18,005	18,077	18,199	0.8%
Reconciliation of Consolidated EBITDA to Adjusted Consolidated EBITDA						
Consolidated EBITDA	\$68,082	\$67,320	\$72,213	\$101,428	\$111,393	16.4%
Acquisition Expenses	-	-	\$2,083	(\$11)	(\$125)	
Severance and Separation Costs	-	1,435	1,205	563	1,850	
Litigation Reserve	-	1,000	750	270	195	
Natural Disaster and Pandemic Costs	620	437	-	1,627	2,381	
Other Special Items	-	-	336	373	373	
Adjusted Consolidated EBITDA	\$68,702	\$70,192	\$76,587	\$104,250	\$116,067	17.5%
Adjusted Consolidated EBITDA Margin	26.6%	26.2%	27.9%	31.6%	33.3%	

The tables above include the use of certain financial measures that are not GAAP measures. The Non-GAAP financial measures are presented for additional information and are reconciled to their most comparable GAAP measures below. We define our Non-GAAP measures as "Adjusted" which is reflected on our Annual Operating and Financial Trend Report.

Reconciliation of GAAP Net Income to Adjusted Net Income for the five year annual period (in thousands):

	2017	2018	2019	2020	Rolling Four Quarters
GAAP Net Income	\$37,193	\$11,645	\$14,533	\$16,090	\$33,220
Special Items, Net of tax	(12,444)	9,921	7,999	17,593	9,040
Adjusted Net Income	\$24,749	\$21,566	\$22,532	\$33,683	\$42,260

Reconciliation of GAAP Basic Earnings Per Share to Adjusted Basic Earnings per Share for the five year annual period:

	2017	2018	2019	2020	Rolling Four Quarters
GAAP Basic EPS	\$2.25	\$0.64	\$0.81	\$0.90	\$1.86
Effect of Special Items	(0.75)	0.55	0.45	0.98	0.50
Adjusted Basic EPS	\$1.50	\$1.19	\$1.26	\$1.88	\$2.36

Reconciliation of GAAP Diluted Earnings Per Share to Adjusted Diluted Earnings per Share for the five year annual period:

	2017	2018	2019	2020	Rolling Four Quarters
GAAP Diluted EPS	\$2.09	\$0.63	\$0.80	\$0.89	\$1.84
Effect of Special Items	(0.70)	0.54	0.45	0.97	0.50
Adjusted Diluted EPS	\$1.39	\$1.17	\$1.25	\$1.86	\$2.34

Reconciliation of GAAP Net Income to Adjusted Consolidated EBITDA for the five year annual period (in thousands):

	2017	2018	2019	2020	Rolling Four Quarters
GAAP Net Income	\$37,193	\$11,645	\$14,533	\$16,090	\$33,220
Net Tax Provision (Benefit)	(4,411)	6,621	7,883	8,552	16,343
Pretax Income	\$32,782	\$18,266	\$22,416	\$24,642	\$49,563
Interest Expense	12,948	21,109	25,522	32,515	31,671
Accretion of Discount on Convert. Sub. Notes	4,329	2,192	241	216	171
Net Loss on Extinguishment of Debt	-	502	-	6	6
Non-Cash Stock Compensation	3,162	6,583	2,153	3,370	3,847
Depreciation & Amortization	15,979	17,430	17,771	19,389	19,782
Net (Gain) Loss on Divestitures	(193)	349	3,883	6,749	6,441
Impairment of Goodwill and Other Intangibles	-	846	963	14,693	-
Other, Net	(925)	43	(736)	(152)	(88)
Special Items	620	2,872	4,374	2,822	4,674
Adjusted Consolidated EBITDA	\$68,702	\$70,192	\$76,587	\$104,250	\$116,067
Revenue	\$ 258,139	\$ 267,992	\$ 274,107	\$ 329,448	\$ 348,595
Adjusted Consolidated EBITDA Margin	26.6%	26.2%	27.9%	31.6%	33.3%