

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

	2016	2017	2018	2019	Rolling Four Quarters	CAGR
Same Store Contracts						
Atneed Contracts	24,436	25,277	25,410	26,169	28,502	
Preneed Contracts	5,721	5,870	5,724	5,713	5,953	
Total Same Store Funeral Contracts	30,157	31,147	31,134	31,882	34,455	3.6%
Acquisition Contracts						
Atneed Contracts	468	1,510	2,674	4,046	7,614	
Preneed Contracts	36	195	355	513	738	
Total Acquisition Funeral Contracts	504	1,705	3,029	4,559	8,352	
Total Funeral Contracts	30,661	32,852	34,163	36,441	42,807	9.3%
Funeral Operating Revenue						
Same Store Revenue	\$165,226	\$170,610	\$169,501	\$169,516	\$173,722	1.3%
Acquisition Revenue	2,964	11,171	21,229	27,547	42,976	
Total Funeral Operating Revenue	\$168,190	\$181,781	\$190,730	\$197,063	\$216,698	7.0%
Cemetery Operating Revenue						
Same Store Revenue	\$43,470	\$42,932	\$44,805	\$49,218	\$48,971	3.2%
Acquisition Revenue	-	-	-	295	12,369	
Total Cemetery Operating Revenue	\$43,470	\$42,932	\$44,805	\$49,514	\$61,340	9.6%
Financial Revenue						
Preneed Funeral Commission Income	\$1,429	\$1,254	\$1,294	\$1,475	\$1,412	
Preneed Funeral Trust and Insurance	6,879	6,879	7,107	6,966	7,414	
Cemetery Trust Earnings	7,218	6,244	5,708	5,959	8,793	
Preneed Cemetery Finance Charges	1,573	1,536	1,657	1,453	1,031	
Total Financial Revenue	\$17,098	\$15,913	\$15,766	\$15,853	\$18,650	2.3%
Other Revenue	-	-	-	\$748	\$4,212	
Divested/Planned Divested Revenue						
Divested/Planned Funeral Revenue	\$12,905	\$10,972	\$11,594	\$10,617	\$9,243	
Divested/Planned Cemetery Revenue	6,537	6,541	5,097	313	366	
Total Divested/Planned Divested Revenue	\$19,442	\$17,513	\$16,691	\$10,930	\$9,609	-17.1%
Total Revenue	\$248,200	\$258,139	\$267,992	\$274,107	\$310,509	6.2%
Field EBITDA						
Same Store Funeral Field EBITDA	\$66,273	\$68,125	\$64,716	\$65,323	\$69,994	1.5%
Same Store Funeral Field EBITDA Margin	40.1%	39.9%	38.2%	38.5%	40.3%	
Acquisition Funeral Field EBITDA	1,052	3,384	7,394	10,580	16,719	
Acquisition Funeral Field EBITDA Margin	35.5%	30.3%	34.8%	38.4%	38.9%	
Total Funeral Field EBITDA	\$67,325	\$71,509	\$72,110	\$75,903	\$86,713	7.0%
Total Funeral Field EBITDA Margin	40.0%	39.3%	37.8%	38.5%	40.0%	
Same Store Cemetery Field EBITDA	\$14,988	\$13,439	\$13,871	\$17,119	\$17,156	3.7%
Same Store Cemetery Field EBITDA Margin	34.5%	31.3%	31.0%	34.8%	35.0%	
Acquired Cemetery Field EBITDA	-	-	-	73	4,669	
Acquired Cemetery Field EBITDA Margin	0.0%	0.0%	0.0%	24.6%	37.7%	
Total Cemetery Field EBITDA	\$14,988	\$13,439	\$13,871	\$17,192	\$21,825	10.5%
Total Cemetery Field EBITDA Margin	34.5%	31.3%	31.0%	34.7%	35.6%	
Funeral Financial EBITDA	\$7,459	\$7,206	\$7,369	\$7,424	\$7,904	
Cemetery Financial EBITDA	8,502	7,392	6,848	6,825	9,349	
Total Financial EBITDA	\$15,962	\$14,598	\$14,217	\$14,249	\$17,253	2.1%
Total Financial EBITDA Margin	93.3%	91.7%	90.2%	89.9%	92.5%	
Other EBITDA	\$0	\$0	\$0	\$298	\$1,206	
Other EBITDA Margin	0.0%	0.0%	0.0%	39.8%	28.6%	
Divested/Planned Divested EBITDA						
Funeral EBITDA	\$4,399	\$3,266	\$2,675	\$2,112	\$2,142	
Cemetery EBITDA	1,740	1,700	1,439	14	98	
Total Divested/Planned Divested EBITDA	\$6,139	\$4,966	\$4,114	\$2,126	\$2,240	-23.6%
Total Divested/Planned Divested EBITDA Margin	31.6%	28.4%	24.6%	19.5%	23.3%	
Total Field EBITDA	\$104,413	\$104,512	\$104,313	\$109,767	\$129,237	5.9%
Total Field EBITDA Margin	42.1%	40.5%	38.9%	40.0%	41.6%	
Overhead						
Total Variable Overhead	\$13,122	\$11,338	\$12,672	\$14,117	\$15,735	
Total Regional Fixed Overhead	3,667	3,883	4,020	4,052	3,891	
Total Corporate Fixed Overhead	19,109	21,209	20,301	19,385	19,828	
Total Overhead	\$35,898	\$36,430	\$36,993	\$37,554	\$39,454	2.6%
Overhead as a percentage of Revenue	14.5%	14.1%	13.8%	13.7%	12.7%	
Consolidated EBITDA	\$68,515	\$68,082	\$67,320	\$72,213	\$89,783	7.5%
Consolidated EBITDA Margin	27.6%	26.4%	25.1%	26.3%	28.9%	
Other Expenses and Interest						
Depreciation & Amortization	\$15,421	\$15,979	\$17,430	\$17,771	\$18,696	
Non-Cash Stock Compensation	2,890	3,162	6,583	2,153	3,010	
Interest Expense	11,738	12,948	21,109	25,522	31,402	
Accretion of Discount on Convert. Sub. Notes	3,870	4,329	2,192	241	263	
Net Loss on Early Extinguishment of Debt	567	-	502	-	6	
(Gain)/Loss on Divestitures	29	(193)	517	3,874	4,844	
Impairment of Goodwill and Other Intangibles	145	-	846	963	14,926	
Other, Net	1,616	(925)	(125)	(727)	70	
Pretax Income	\$32,241	\$32,782	\$18,266	\$22,416	\$16,566	-16.3%
Tax Expense on Operations	12,682	13,100	5,754	6,484	10,693	
Tax Expense Related to Divested Business	-	-	-	911	51	
Net Tax Benefit Related to Impairment	-	-	-	-	(4,885)	
Tax Adjustment Related to Certain Discrete Items	(22)	(17,511)	867	488	413	
Net Tax Provision/(Benefit)	\$12,660	(\$4,411)	\$6,621	\$7,883	\$6,272	
GAAP Net Income	\$19,581	\$37,193	\$11,645	\$14,533	\$10,294	-15.8%
<i>Effective Tax Rate</i>	<i>39.3%</i>	<i>-13.5%</i>	<i>36.2%</i>	<i>35.2%</i>	<i>37.9%</i>	

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	2016	2017	2018	2019	Rolling Four Quarters	CAGR
Special Items, Net of tax except for **						
Acquisition and Divestiture Expenses	\$456	-	-	\$1,646	\$1,772	
Severance and Separation Costs	2,587	-	1,134	951	507	
Performance Awards Cancellation and Exchange	-	-	2,594	-	140	
Consulting Fees	323	-	-	-	-	
Accretion of Discount on Convert. Sub. Notes **	3,870	4,329	2,192	241	263	
Net Loss on Early Extinguishment of Debt	369	-	397	-	-	
Net Loss on Divestitures and Other Costs	1,152	-	439	3,331	3,433	
Net Impact of Impairment of Goodwill and Other Intangibles	-	-	805	761	9,992	
Litigation Reserve	-	-	790	592	351	
Natural Disaster and Pandemic Costs	-	403	345	-	1,036	
Tax Expense Related to Divested Business**	-	-	-	911	51	
Gain on Insurance Reimbursements	-	-	-	(699)	(195)	
Other Special Items	-	-	-	265	589	
Tax Adjustment Related to Certain Discrete Items**	-	(17,176)	1,225	-	-	
Sum of Special Items	\$8,757	(\$12,444)	\$9,921	\$7,999	\$17,939	
Adjusted Net Income	\$28,338	\$24,749	\$21,566	\$22,532	\$28,233	-0.1%
Adjusted Net Profit Margin	11.4%	9.6%	8.0%	8.2%	9.1%	
Adjusted Basic EPS	\$1.71	\$1.50	\$1.19	\$1.26	\$1.59	-1.9%
Adjusted Diluted EPS	\$1.62	\$1.39	\$1.17	\$1.25	\$1.59	-0.5%
GAAP Basic EPS	\$1.18	\$2.25	\$0.64	\$0.81	\$0.58	-17.3%
GAAP Diluted EPS	\$1.12	\$2.09	\$0.63	\$0.80	\$0.58	-16.1%
Average Number of Basic Shares Outstanding	16,515	16,438	17,971	17,877	17,853	2.1%
Average Number of Diluted Shares Outstanding	17,460	17,715	18,374	18,005	17,893	0.7%
Reconciliation of Consolidated EBITDA to Adjusted Consolidated EBITDA						
Consolidated EBITDA	\$68,515	\$68,082	\$67,320	\$72,213	\$89,783	7.5%
Acquisition and Divestiture Expenses	\$701	-	-	\$2,083	\$2,242	
Severance and Separation Costs	3,979	-	1,435	1,205	642	
Consulting Fees	496	-	-	-	-	
Litigation Reserve	-	-	1,000	750	445	
Natural Disaster and Pandemic Costs	-	620	437	-	1,312	
Other Special Items	-	-	-	336	709	
Adjusted Consolidated EBITDA	\$73,691	\$68,702	\$70,192	\$76,587	\$95,133	7.0%
Adjusted Consolidated EBITDA Margin	29.7%	26.6%	26.2%	27.9%	30.6%	

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 (thousands):

	2016	2017	2018	2019	Rolling Four Quarters
GAAP Net Income	\$19,581	\$37,193	\$11,645	\$14,533	\$10,294
Special Items, Net of tax	\$8,757	(\$12,444)	\$9,921	\$7,999	\$17,939
Adjusted Net Income	\$28,338	\$24,749	\$21,566	\$22,532	\$28,233

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

	2016	2017	2018	2019	Rolling Four Quarters
GAAP Basic EPS	\$1.18	\$2.25	\$0.64	\$0.81	\$0.58
Effect of Special Items	0.53	(0.75)	0.55	0.45	1.01
Adjusted Basic EPS	\$1.71	\$1.50	\$1.19	\$1.26	\$1.59

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

	2016	2017	2018	2019	Rolling Four Quarters
GAAP Diluted EPS	\$1.12	\$2.09	\$0.63	\$0.80	\$0.58
Effect of Special Items	0.50	(0.70)	0.54	0.45	1.01
Adjusted Diluted EPS	\$1.62	\$1.39	\$1.17	\$1.25	\$1.59

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

	2016	2017	2018	2019	Rolling Four Quarters
GAAP Net Income	\$19,581	\$37,193	\$11,645	\$14,533	\$10,294
Net Tax Provision (Benefit)	12,660	(4,411)	6,621	7,883	6,272
Pretax Income	\$32,241	\$32,782	\$18,266	\$22,416	\$16,566
Interest Expense	11,738	12,948	21,109	25,522	31,402
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Non-Cash Stock Compensation	2,890	3,162	6,583	2,153	3,010
Depreciation & Amortization	15,421	15,979	17,430	17,771	18,696
(Gain)/Loss on Divestitures	29	(193)	517	3,874	4,844
Impairment of Goodwill and Other Intangibles	145	-	846	963	14,926
Other, Net	1,616	(925)	(125)	(727)	70
Special Items	5,174	620	2,872	4,374	5,350
Adjusted Consolidated EBITDA	\$73,691	\$68,702	\$70,192	\$76,587	\$95,133
Revenue	\$ 248,200	\$ 258,139	\$ 267,992	\$ 274,107	\$ 310,509
Adjusted Consolidated EBITDA Margin	29.7%	26.6%	26.2%	27.9%	30.6%