

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

	2015	2016	2017	2018	2019	CAGR
Same Store Contracts						
Atneed Contracts	24,356	24,179	25,069	25,117	25,844	
Preneed Contracts	5,936	5,728	5,840	5,721	5,700	
Total Same Store Funeral Contracts	30,398	30,010	30,909	30,838	31,544	0.9%
Acquisition Contracts						
Atneed Contracts	265	1,097	2,110	3,404	4,896	
Preneed Contracts	46	111	304	450	586	
Total Acquisition Funeral Contracts	311	1,208	2,414	3,854	5,482	
Total Funeral Contracts	30,709	31,218	33,323	34,692	37,026	4.8%
Funeral Operating Revenue						
Same Store Revenue	\$163,829	\$162,968	\$168,173	\$166,934	\$167,246	0.5%
Acquisition Revenue	2,266	7,978	16,388	26,835	33,146	
Total Funeral Operating Revenue	\$166,095	\$170,946	\$184,561	\$193,769	\$200,392	4.8%
Cemetery Operating Revenue						
Same Store Revenue	\$42,078	\$43,730	\$43,242	\$45,135	\$49,455	4.1%
Acquisition Revenue	-	-	-	-	295	
Total Cemetery Operating Revenue	\$42,078	\$43,730	\$43,242	\$45,135	\$49,750	4.3%
Financial Revenue						
Preneed Funeral Commission Income	\$1,484	\$1,429	\$1,254	\$1,294	\$1,475	
Preneed Funeral Trust and Insurance	7,564	7,013	6,966	7,263	7,058	
Cemetery Trust Earnings	7,652	7,244	6,300	5,761	6,035	
Preneed Cemetery Finance Charges	1,380	1,576	1,538	1,659	1,454	
Total Financial Revenue	\$18,080	\$17,262	\$16,058	\$15,977	\$16,022	-3.0%
Other Revenue	-	-	-	-	\$748	
Divested/Planned Divested Revenue						
Funeral Revenue	\$10,675	\$10,015	\$8,105	\$8,399	\$7,195	
Cemetery Revenue	5,574	6,247	6,173	4,712	-	
Total Divested/Planned Divested Revenue	\$16,249	\$16,262	\$14,278	\$13,111	\$7,195	-18.4%
Total Revenue	\$242,502	\$248,200	\$258,139	\$267,992	\$274,107	3.1%
Field EBITDA						
Same Store Funeral Field EBITDA	\$64,730	\$64,755	\$66,668	\$63,119	\$63,938	-0.3%
Same Store Funeral Field EBITDA Margin	39.5%	39.7%	39.6%	37.8%	38.2%	
Acquisition Funeral Field EBITDA	937	3,318	5,633	9,732	12,547	
Acquisition Funeral Field EBITDA Margin	41.4%	41.6%	34.4%	36.3%	37.9%	
Total Funeral Field EBITDA	\$65,667	\$68,073	\$72,301	\$72,851	\$76,485	3.9%
Total Funeral Field EBITDA Margin	39.5%	39.8%	39.2%	37.6%	38.2%	
Same Store Cemetery Field EBITDA	\$14,685	\$14,926	\$13,406	\$13,880	\$17,055	3.8%
Same Store Cemetery Field EBITDA Margin	34.9%	34.1%	31.0%	30.8%	34.5%	
Acquired Cemetery Field EBITDA	-	-	-	-	73	
Acquired Cemetery Field EBITDA Margin	0.0%	0.0%	0.0%	0.0%	24.8%	
Total Cemetery Field EBITDA	\$14,685	\$14,926	\$13,406	\$13,880	\$17,128	3.9%
Total Cemetery Field EBITDA Margin	34.9%	34.1%	31.0%	30.8%	34.4%	
Funeral Financial EBITDA	\$7,939	\$7,591	\$7,293	\$7,524	\$7,517	
Cemetery Financial EBITDA	8,759	8,532	7,450	6,903	6,902	
Total Financial EBITDA	\$16,698	\$16,123	\$14,743	\$14,427	\$14,419	-3.6%
Total Financial EBITDA Margin	92.4%	93.4%	91.8%	90.3%	90.0%	
Other EBITDA	-	-	-	-	\$298	
Other EBITDA Margin	0.0%	0.0%	0.0%	0.0%	39.8%	
Divested/Planned Divested EBITDA						
Funeral EBITDA	\$3,046	\$3,519	\$2,387	\$1,779	\$1,437	
Cemetery EBITDA	1,443	1,772	1,675	1,376	-	
Total Divested/Planned Divested EBITDA	\$4,489	\$5,291	\$4,062	\$3,155	\$1,437	-24.8%
Total Divested/Planned Divested EBITDA Margin	27.6%	32.5%	28.4%	24.1%	20.0%	
Total Field EBITDA	\$101,539	\$104,413	\$104,512	\$104,313	\$109,767	2.0%
Total Field EBITDA Margin	41.9%	42.1%	40.5%	38.9%	40.0%	
Overhead						
Total Variable Overhead	\$10,878	\$13,122	\$11,338	\$12,672	\$14,117	
Total Regional Fixed Overhead	3,435	3,667	3,883	4,020	4,052	
Total Corporate Fixed Overhead	20,354	19,109	21,209	20,301	19,385	
Total Overhead	\$34,667	\$35,898	\$36,430	\$36,993	\$37,554	2.0%
Overhead as a percentage of Revenue	14.3%	14.5%	14.1%	13.8%	13.7%	
Consolidated EBITDA	\$66,872	\$68,515	\$68,082	\$67,320	\$72,213	1.9%
Consolidated EBITDA Margin	27.6%	27.6%	26.4%	25.1%	26.3%	
Other Expenses and Interest						
Depreciation & Amortization	\$13,780	\$15,421	\$15,979	\$17,430	\$17,771	
Non-Cash Stock Compensation	4,444	2,890	3,162	6,583	2,153	
Interest Expense	10,559	11,738	12,948	21,109	25,522	
Accretion of Discount on Convert. Sub. Notes	3,454	3,870	4,329	2,192	241	
Loss on Early Extinguishment of Debt	-	567	-	502	-	
Other, Net	45	1,788	(1,118)	1,238	4,110	
Pretax Income	\$34,590	\$32,241	\$32,782	\$18,266	\$22,416	-10.3%
Tax Provision	13,596	12,682	13,100	5,754	6,484	
Tax Expense Related to Divested Business	-	-	-	-	911	
Tax Adjustment Related to Certain Discrete Items	141	(22)	(17,511)	867	488	
Net Tax Provision/(Benefit)	\$13,737	\$12,660	(\$4,411)	\$6,621	\$7,883	
GAAP Net Income	\$20,853	\$19,581	\$37,193	\$11,645	\$14,533	-8.6%
<i>Effective Tax Rate</i>	39.7%	39.3%	-13.5%	36.2%	35.2%	

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Special Items, Net of tax except for **						
Withdrawable Trust Income	\$366	-	-	-	-	
Acquisition and Divestiture Expenses	405	456	-	-	1,646	
Severance and Retirement Costs	633	2,587	-	1,134	951	
Performance Awards Cancellation Write-off	-	-	-	2,594	-	
Consulting Fees	1,265	323	-	-	-	
Accretion of Discount on Convert. Sub. Notes **	3,454	3,870	4,329	2,192	241	
Net Loss (Gain) on Early Extinguishment of Debt	-	369	-	397	-	
Net Loss on Sale of Business and Other Costs	-	1,152	-	439	3,331	
Goodwill and Other Impairments	-	-	-	805	761	
Litigation Reserve	-	-	-	790	592	
Tax Expense Related to Divested Business**	-	-	-	-	911	
Gain on Insurance Reimbursements	-	-	-	-	(699)	
Natural Disaster Costs	-	-	403	345	-	
Other Special Items	244	-	-	-	265	
Tax Adjustment Related to Certain Discrete Items**	141	-	(17,176)	1,225	-	
Sum of Special Items	\$6,508	\$8,757	(\$12,444)	\$9,921	\$7,999	
Adjusted Net Income	\$27,361	\$28,338	\$24,749	\$21,566	\$22,532	-4.7%
Adjusted Net Profit Margin	11.3%	11.4%	9.6%	8.0%	8.2%	
Adjusted Basic EPS	\$1.52	\$1.71	\$1.50	\$1.19	\$1.26	-4.6%
Adjusted Diluted EPS	\$1.48	\$1.62	\$1.39	\$1.17	\$1.25	-4.1%
GAAP Basic EPS	\$1.16	\$1.18	\$2.25	\$0.64	\$0.81	-8.6%
GAAP Diluted EPS	\$1.12	\$1.12	\$2.09	\$0.63	\$0.80	-8.1%
Average Number of Basic Shares Outstanding	17,791	16,515	16,438	17,971	17,877	0.1%
Average Number of Diluted Shares Outstanding	18,313	17,460	17,715	18,374	18,005	-0.4%
Reconciliation of Consolidated EBITDA to Adjusted Consolidated EBITDA						
Consolidated EBITDA	\$66,872	\$68,515	\$68,082	\$67,320	\$72,213	1.9%
Withdrawable Trust Income	555	-	-	-	-	
Acquisition and Divestiture Expenses	614	701	-	-	2,083	
Severance and Retirement Costs	959	3,979	-	1,435	1,205	
Consulting Fees	1,913	496	-	-	-	
Litigation Reserve	-	-	-	1,000	750	
Natural Disaster Costs	-	-	620	437	-	
Other Special Items	220	-	-	-	336	
Adjusted Consolidated EBITDA	\$71,133	\$73,691	\$68,702	\$70,192	\$76,587	1.9%
Adjusted Consolidated EBITDA Margin	29.3%	29.7%	26.6%	26.2%	27.9%	

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):

	2015	2016	2017	2018	2019
GAAP Net Income	\$20,853	\$19,581	\$37,193	\$11,645	\$14,533
Special Items, Net of tax	\$6,508	\$8,757	(\$12,444)	\$9,921	\$7,999
Adjusted Net Income	\$27,361	\$28,338	\$24,749	\$21,566	\$22,532

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

	2015	2016	2017	2018	2019
GAAP Basic EPS	\$1.16	\$1.18	\$2.25	\$0.64	\$0.81
Effect of Special Items	0.36	0.53	(0.75)	0.55	0.45
Adjusted Basic EPS	\$1.52	\$1.71	\$1.50	\$1.19	\$1.26

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

	2015	2016	2017	2018	2019
GAAP Diluted EPS	\$1.12	\$1.12	\$2.09	\$0.63	\$0.80
Effect of Special Items	0.36	0.50	(0.70)	0.54	0.45
Adjusted Diluted EPS	\$1.48	\$1.62	\$1.39	\$1.17	\$1.25

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

	2015	2016	2017	2018	2019
GAAP Net Income	\$20,853	\$19,581	\$37,193	\$11,645	\$14,533
Net Tax Provision/(Benefit)	13,737	12,660	(4,411)	6,621	7,883
Pretax Income	\$34,590	\$32,241	\$32,782	\$18,266	\$22,416
Interest Expense	10,559	11,738	12,948	21,109	25,522
Accretion of Discount on Convert. Sub. Notes	3,454	3,870	4,329	2,192	241
Loss on Early Extinguishment of Debt	-	567	-	502	-
Loss on Redemption of Convert. Jr Sub. Deb.	-	-	-	-	-
Non-Cash Stock Compensation	4,444	2,890	3,162	6,583	2,153
Depreciation & Amortization	13,780	15,421	15,979	17,430	17,771
Other, Net	45	1,788	(1,118)	1,238	4,110
Special Items	4,261	5,176	620	2,872	4,374
Adjusted Consolidated EBITDA	\$71,133	\$73,691	\$68,702	\$70,192	\$76,587
Revenue	\$ 242,502	\$ 248,200	\$ 258,139	\$ 267,992	\$ 274,107
Adjusted Consolidated EBITDA Margin	29.3%	29.7%	26.6%	26.2%	27.9%