

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	26,667	26,776	27,515	31,374	34,598	
Preneed Contracts	6,064	5,953	5,953	6,428	6,394	
Total Same Store Funeral Contracts	32,731	32,729	33,468	37,802	40,992	6.2%
Acquisition Contracts						
Atneed Contracts	56	1,275	2,632	6,646	6,767	
Preneed Contracts	-	134	269	572	524	
Total Acquisition Funeral Contracts	56	1,409	2,901	7,218	7,291	
Total Funeral Contracts	32,787	34,138	36,369	45,020	48,283	10.9%
Funeral Operating Revenue						
Same Store Revenue	\$181,071	\$180,072	\$179,900	\$191,759	\$212,360	4.3%
Acquisition Revenue	503	10,586	16,960	35,460	37,398	
Total Funeral Operating Revenue	\$181,574	\$190,658	\$196,860	\$227,219	\$249,758	8.9%
Cemetery Operating Revenue						
Same Store Revenue	\$43,014	\$44,918	\$49,258	\$51,768	\$62,697	10.6%
Acquisition Revenue	-	-	295	17,583	27,026	
Total Cemetery Operating Revenue	\$43,014	\$44,918	\$49,553	\$69,351	\$89,723	21.7%
Financial Revenue						
Preneed Funeral Commission Income	\$1,254	\$1,294	\$1,475	\$1,349	\$1,256	
Preneed Funeral Trust and Insurance	6,921	7,168	7,035	7,827	8,048	
Preneed Cemetery Trust Earnings	6,227	5,700	5,987	9,796	11,718	
Preneed Cemetery Finance Charges	1,536	1,657	1,453	915	991	
Total Financial Revenue	\$15,938	\$15,819	\$15,950	\$19,887	\$22,013	9.0%
Ancillary Revenue	-	-	\$748	\$4,661	\$4,588	
Divested/Planned Divested Revenue						
Divested/Planned Funeral Revenue	\$11,137	\$11,605	\$10,750	\$8,082	\$3,693	
Divested/Planned Cemetery Revenue	6,476	4,992	246	248	268	
Total Divested/Planned Divested Revenue	\$17,613	\$16,597	\$10,996	\$8,330	\$3,961	-32.8%
Total Revenue	\$258,139	\$267,992	\$274,107	\$329,448	\$370,043	10.1%
Field EBITDA						
Same Store Funeral Field EBITDA	\$71,089	\$67,989	\$68,796	\$79,855	\$92,618	7.3%
Same Store Funeral Field EBITDA Margin	39.3%	37.8%	38.2%	41.6%	43.6%	
Acquisition Funeral Field EBITDA	241	3,979	6,886	13,624	15,385	
Acquisition Funeral Field EBITDA Margin	47.9%	37.6%	40.6%	38.4%	41.1%	
Total Funeral Field EBITDA	\$71,330	\$71,968	\$75,682	\$93,479	\$108,003	11.7%
Total Funeral Field EBITDA Margin	39.3%	37.7%	38.4%	41.1%	43.2%	
Same Store Cemetery Field EBITDA	\$13,372	\$13,840	\$17,028	\$19,499	\$26,573	20.1%
Same Store Cemetery Field EBITDA Margin	31.1%	30.8%	34.6%	37.7%	42.4%	
Acquired Cemetery Field EBITDA	-	-	73	7,128	14,918	
Acquired Cemetery Field EBITDA Margin	0.0%	0.0%	24.7%	40.5%	55.2%	
Total Cemetery Field EBITDA	\$13,372	\$13,840	\$17,101	\$26,627	\$41,491	35.2%
Total Cemetery Field EBITDA Margin	31.1%	30.8%	34.5%	38.4%	46.2%	
Funeral Financial EBITDA	\$7,248	\$7,428	\$7,491	\$8,265	\$8,280	
Cemetery Financial EBITDA	7,375	6,840	6,853	10,290	12,231	
Total Financial EBITDA	\$14,623	\$14,268	\$14,344	\$18,555	\$20,511	9.4%
Total Financial EBITDA Margin	91.7%	90.2%	89.9%	93.3%	93.2%	
Ancillary EBITDA	-	-	\$298	\$1,186	\$1,068	
Ancillary EBITDA Margin	0.0%	0.0%	39.8%	25.4%	23.3%	
Divested/Planned Divested EBITDA						
Divested/Planned Funeral EBITDA	\$3,403	\$2,758	\$2,266	\$2,068	\$630	
Divested/Planned Cemetery EBITDA	1,784	1,479	76	27	67	
Total Divested/Planned Divested EBITDA	\$5,187	\$4,237	\$2,342	\$2,095	\$697	-41.4%
Total Divested/Planned Divested EBITDA Margin	29.4%	25.5%	21.3%	25.2%	17.6%	
Total Field EBITDA	\$104,512	\$104,313	\$109,767	\$141,942	\$171,770	14.2%
Total Field EBITDA Margin	40.5%	38.9%	40.0%	43.1%	46.4%	
Overhead						
Total Variable Overhead	\$11,338	\$12,672	\$14,117	\$16,190	\$25,288	
Total Regional Fixed Overhead	3,883	4,020	4,052	4,133	5,084	
Total Corporate Fixed Overhead	21,209	20,301	19,385	20,191	22,113	
Total Overhead	\$36,430	\$36,993	\$37,554	\$40,514	\$52,485	10.2%
Overhead as a percentage of Revenue	14.1%	13.8%	13.7%	12.3%	14.2%	
Consolidated EBITDA	\$68,082	\$67,320	\$72,213	\$101,428	\$119,285	16.1%
Consolidated EBITDA Margin	26.4%	25.1%	26.3%	30.8%	32.2%	
Other Expenses and Interest						
Depreciation & Amortization	\$15,979	\$17,430	\$17,771	\$19,389	\$20,595	
Non-Cash Stock Compensation	3,162	6,583	2,153	3,370	4,729	
Interest Expense	12,948	21,109	25,522	32,515	27,866	
Accretion of Discount on Convert. Sub. Notes	4,329	2,192	241	216	36	
Net Loss on Extinguishment of Debt	-	502	-	6	23,807	
Net (Gain) Loss on Divestitures	(193)	349	3,883	6,749	2,011	
Impairment of Goodwill and Other	-	846	963	14,693	500	
Net Loss on Disposal of Fixed Assets	-	-	-	-	698	
Other, Net	(925)	43	(736)	(152)	(99)	
Pretax Income	\$32,782	\$18,266	\$22,416	\$24,642	\$39,142	4.8%
Tax Expense on Operations	13,100	5,754	6,484	12,870	11,437	
Tax Expense Related to Divested Business	-	-	911	-	-	
Net Tax Benefit Related to Impairment	-	-	-	(4,885)	-	
Tax Adjustment Related to Certain Discrete Items	(17,511)	867	488	567	(472)	
Net Tax Expense (Benefit)	(\$4,411)	\$6,621	\$7,883	\$8,552	\$10,965	
GAAP Net Income	\$37,193	\$11,645	\$14,533	\$16,090	\$28,177	-7.1%
<i>Effective Tax Rate</i>	<i>-13.5%</i>	<i>36.2%</i>	<i>35.2%</i>	<i>34.7%</i>	<i>28.0%</i>	

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Special Items						
Acquisition Expenses	-	-	2,083	(11)	(170)	
Severance and Separation Costs	-	1,435	1,205	563	1,575	
Performance Awards Cancellation and Exchange	-	3,284	-	288	108	
Accretion of Discount on Convert. Sub. Notes	4,329	2,192	241	216	36	
Net Loss on Extinguishment of Debt	-	502	-	-	23,807	
Net Loss on Divestitures and Other Costs	-	556	4,217	6,864	2,126	
Net Impact of Impairment of Goodwill and Other	-	1,019	963	14,952	683	
Litigation Reserve	-	1,000	750	270	-	
Tax Expense Related to Divested Business	-	-	911	-	-	
Gain on Insurance Reimbursements	-	-	(885)	-	-	
Disaster Recovery and Pandemic Costs	620	437	-	1,627	2,356	
Other Special Items	-	-	336	410	2,354	
Tax Adjustment Related to Certain Discrete Items	(17,176)	1,225	-	400	400	
Sum of Special Items	(\$12,227)	\$11,650	\$9,821	\$25,579	\$33,275	
Tax Effect on Special Items	217	1,729	1,822	7,986	9,362	
Adjusted Net Income	\$24,749	\$21,566	\$22,532	\$33,683	\$52,090	22.0%
Adjusted Net Income Margin	9.6%	8.0%	8.2%	10.2%	14.1%	
Adjusted Basic Earnings Per Share	\$1.50	\$1.19	\$1.26	\$1.88	\$2.92	19.4%
Adjusted Diluted Earnings Per Share	\$1.39	\$1.17	\$1.25	\$1.86	\$2.84	21.0%
GAAP Basic Earnings Per Share	\$2.25	\$0.64	\$0.81	\$0.90	\$1.59	-8.8%
GAAP Diluted Earnings Per Share	\$2.09	\$0.63	\$0.80	\$0.89	\$1.55	-7.7%
Average Number of Basic Shares Outstanding	16,438	17,971	17,877	17,872	17,809	2.2%
Average Number of Diluted Shares Outstanding	17,715	18,374	18,005	18,077	18,365	1.0%
Reconciliation of Consolidated EBITDA to Adjusted Consolidated EBITDA						
Consolidated EBITDA	\$68,082	\$67,320	\$72,213	\$101,428	\$119,285	16.1%
Acquisition Expenses	-	-	2,083	(11)	(170)	
Severance and Separation Costs	-	1,435	1,205	563	1,575	
Litigation Reserve	-	1,000	750	270	-	
Disaster Recovery and Pandemic Costs	620	437	-	1,627	2,356	
Other Special Items	-	-	336	373	1,020	
Adjusted Consolidated EBITDA	\$68,702	\$70,192	\$76,587	\$104,250	\$124,066	17.1%
Adjusted Consolidated EBITDA Margin	26.6%	26.2%	27.9%	31.6%	33.5%	

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	\$28,177
Special Items, Net of tax	(12,444)	9,921	7,999	17,593	23,913
Adjusted Net Income	\$24,749	\$21,566	\$22,532	\$33,683	\$52,090

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	\$1.59
Effect of Special Items	(0.75)	0.55	0.45	0.98	1.33
Adjusted Basic EPS	\$1.50	\$1.19	\$1.26	\$1.88	\$2.92

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	\$1.55
Effect of Special Items	(0.70)	0.54	0.45	0.97	1.29
Adjusted Diluted EPS	\$1.39	\$1.17	\$1.25	\$1.86	\$2.84

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	\$28,177
Net Tax Provision (Benefit)	(4,411)	6,621	7,883	8,552	10,965
Pretax Income	\$32,782	\$18,266	\$22,416	\$24,642	\$39,142
Interest Expense	12,948	21,109	25,522	32,515	27,866
Accretion of Discount on Convert. Sub. Notes	4,329	2,192	241	216	36
Net Loss on Extinguishment of Debt	-	502	-	6	23,807
Non-Cash Stock Compensation	3,162	6,583	2,153	3,370	4,729
Depreciation & Amortization	15,979	17,430	17,771	19,389	20,595
Net (Gain) Loss on Divestitures	(193)	349	3,883	6,749	2,011
Impairment of Goodwill and Other	-	846	963	14,693	500
Net Loss on Disposal of Fixed Assets	-	-	-	-	698
Other, Net	(925)	43	(736)	(152)	(99)
Special Items	620	2,872	4,374	2,822	4,781
Adjusted Consolidated EBITDA	\$68,702	\$70,192	\$76,587	\$104,250	\$124,066
Revenue	\$ 258,139	\$ 267,992	\$ 274,107	\$ 329,448	\$ 370,043
Adjusted Consolidated EBITDA Margin	26.6%	26.2%	27.9%	31.6%	33.5%