

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

	2016	2017	2018	2019	2020	CAGR
Same Store Contracts						
Atneed Contracts	24,306	25,147	25,297	26,037	29,660	
Preneed Contracts	5,709	5,850	5,702	5,692	6,155	
Total Same Store Funeral Contracts	30,015	30,997	30,999	31,729	35,815	4.5%
Acquisition Contracts						
Atneed Contracts	468	1,510	2,674	4,046	8,291	
Preneed Contracts	36	195	355	513	818	
Total Acquisition Funeral Contracts	504	1,705	3,029	4,559	9,109	
Total Funeral Contracts	30,519	32,702	34,028	36,288	44,924	10.1%
Funeral Operating Revenue						
Same Store Revenue	\$164,521	\$169,873	\$168,835	\$168,884	\$179,779	2.2%
Acquisition Revenue	2,964	11,171	21,229	27,547	46,897	
Total Funeral Operating Revenue	\$167,485	\$181,044	\$190,064	\$196,431	\$226,676	7.9%
Cemetery Operating Revenue						
Same Store Revenue	\$43,470	\$42,932	\$44,805	\$49,218	\$51,694	4.4%
Acquisition Revenue	-	-	-	295	17,583	
Total Cemetery Operating Revenue	\$43,470	\$42,932	\$44,805	\$49,513	\$69,277	12.4%
Financial Revenue						
Preneed Funeral Commission Income	\$1,429	\$1,254	\$1,294	\$1,475	\$1,349	
Preneed Funeral Trust and Insurance	6,869	6,869	7,099	6,951	7,747	
Cemetery Trust Earnings	7,218	6,244	5,708	5,960	9,722	
Preneed Cemetery Finance Charges	1,573	1,536	1,657	1,453	917	
Total Financial Revenue	\$17,089	\$15,903	\$15,758	\$15,839	\$19,735	3.7%
Other Revenue	-	-	-	\$748	\$4,661	
Divested/Planned Divested Revenue						
Divested/Planned Funeral Revenue	\$13,619	\$11,719	\$12,268	\$11,263	\$8,705	
Divested/Planned Cemetery Revenue	6,537	6,541	5,097	313	394	
Total Divested/Planned Divested Revenue	\$20,156	\$18,260	\$17,365	\$11,576	\$9,099	-18.0%
Total Revenue	\$248,200	\$258,139	\$267,992	\$274,107	\$329,448	7.3%
Field EBITDA						
Same Store Funeral Field EBITDA	\$65,943	\$67,781	\$64,390	\$65,109	\$74,817	3.2%
Same Store Funeral Field EBITDA Margin	40.1%	39.9%	38.1%	38.6%	41.6%	
Acquisition Funeral Field EBITDA	1,052	3,384	7,394	10,579	18,617	
Acquisition Funeral Field EBITDA Margin	35.5%	30.3%	34.8%	38.4%	39.7%	
Total Funeral Field EBITDA	\$66,995	\$71,165	\$71,784	\$75,688	\$93,434	8.7%
Total Funeral Field EBITDA Margin	40.0%	39.3%	37.8%	38.5%	41.2%	
Same Store Cemetery Field EBITDA	\$14,988	\$13,439	\$13,872	\$17,118	\$19,469	6.8%
Same Store Cemetery Field EBITDA Margin	34.5%	31.3%	31.0%	34.8%	37.7%	
Acquired Cemetery Field EBITDA	-	-	-	73	7,128	
Acquired Cemetery Field EBITDA Margin	0.0%	0.0%	0.0%	24.7%	40.5%	
Total Cemetery Field EBITDA	\$14,988	\$13,439	\$13,872	\$17,191	\$26,597	15.4%
Total Cemetery Field EBITDA Margin	34.5%	31.3%	31.0%	34.7%	38.4%	
Funeral Financial EBITDA	\$7,449	\$7,196	\$7,361	\$7,409	\$8,186	
Cemetery Financial EBITDA	8,503	7,392	6,848	6,826	10,218	
Total Financial EBITDA	\$15,952	\$14,588	\$14,209	\$14,235	\$18,404	3.6%
Total Financial EBITDA Margin	93.3%	91.7%	90.2%	89.9%	93.3%	
Other EBITDA	-	-	-	\$298	\$1,186	
Other EBITDA Margin	0.0%	0.0%	0.0%	39.8%	25.4%	
Divested/Planned Divested EBITDA						
Divested/Planned Funeral EBITDA	\$4,738	\$3,620	\$3,009	\$2,342	\$2,192	
Divested/Planned Cemetery EBITDA	1,740	1,700	1,439	13	129	
Total Divested/Planned Divested EBITDA	\$6,478	\$5,320	\$4,448	\$2,355	\$2,321	-22.6%
Total Divested/Planned Divested EBITDA Margin	32.1%	29.1%	25.6%	20.3%	25.5%	
Total Field EBITDA	\$104,413	\$104,512	\$104,313	\$109,767	\$141,942	8.0%
Total Field EBITDA Margin	42.1%	40.5%	38.9%	40.0%	43.1%	
Overhead						
Total Variable Overhead	\$13,122	\$11,338	\$12,672	\$14,117	\$16,190	
Total Regional Fixed Overhead	3,667	3,883	4,020	4,052	4,133	
Total Corporate Fixed Overhead	19,109	21,209	20,301	19,385	20,191	
Total Overhead	\$35,898	\$36,430	\$36,993	\$37,554	\$40,514	3.1%
Overhead as a percentage of Revenue	14.5%	14.1%	13.8%	13.7%	12.3%	
Consolidated EBITDA	\$68,515	\$68,082	\$67,320	\$72,213	\$101,428	10.3%
Consolidated EBITDA Margin	27.6%	26.4%	25.1%	26.3%	30.8%	
Other Expenses and Interest						
Depreciation & Amortization	\$15,421	\$15,979	\$17,430	\$17,771	\$19,389	
Non-Cash Stock Compensation	2,890	3,162	6,583	2,153	3,370	
Interest Expense	11,738	12,948	21,109	25,522	32,515	
Accretion of Discount on Convert. Sub. Notes	3,870	4,329	2,192	241	216	
Net Loss on Early Extinguishment of Debt	567	-	502	-	6	
(Gain) Loss on Divestitures	29	(193)	517	3,883	6,749	
Impairment of Goodwill and Other Intangibles	145	-	846	963	14,693	
Other, Net	1,614	(925)	(125)	(736)	(152)	
Pretax Income	\$32,241	\$32,782	\$18,266	\$22,416	\$24,642	-6.5%
Tax Expense on Operations	12,682	13,100	5,754	6,484	12,870	
Tax Expense Related to Divested Business	-	-	-	911	-	
Net Tax Benefit Related to Impairment	-	-	-	-	(4,885)	
Tax Adjustment Related to Certain Discrete Items	(22)	(17,511)	867	488	567	
Net Tax Expense (Benefit)	\$12,660	(\$4,411)	\$6,621	\$7,883	\$8,552	
GAAP Net Income	\$19,581	\$37,193	\$11,645	\$14,533	\$16,090	-4.8%
<i>Effective Tax Rate</i>	<i>39.3%</i>	<i>-13.5%</i>	<i>36.2%</i>	<i>35.2%</i>	<i>34.7%</i>	

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Special Items, Net of tax except for **						
Acquisition and Divestiture Expenses	\$456	-	-	\$1,646	(\$9)	
Severance and Separation Costs	2,587	-	1,134	951	445	
Performance Awards Cancellation and Exchange	-	-	2,594	-	224	
Consulting Fees	323	-	-	-	-	
Accretion of Discount on Convert. Sub. Notes **	3,870	4,329	2,192	241	216	
Net Loss on Early Extinguishment of Debt	369	-	397	-	-	
Net Loss on Divestitures and Other Costs	1,152	-	439	3,331	4,562	
Net Impact of Impairment of Goodwill and Other Intangibles	-	-	805	761	9,932	
Litigation Reserve	-	-	790	592	213	
Tax Expense Related to Divested Business**	-	-	-	911	-	
Gain on Insurance Reimbursements	-	-	-	(699)	-	
Natural Disaster and Pandemic Costs	-	403	345	-	1,286	
Other Special Items	-	-	-	265	324	
Tax Adjustment Related to Certain Discrete Items**	-	(17,176)	1,225	-	400	
Sum of Special Items	\$8,757	(\$12,444)	\$9,921	\$7,999	\$17,593	
Adjusted Net Income	\$28,338	\$24,749	\$21,566	\$22,532	\$33,683	4.4%
Adjusted Net Profit Margin	11.4%	9.6%	8.0%	8.2%	10.2%	
Adjusted Basic EPS	\$1.71	\$1.50	\$1.19	\$1.26	\$1.88	2.4%
Adjusted Diluted EPS	\$1.62	\$1.39	\$1.17	\$1.25	\$1.86	3.5%
GAAP Basic EPS	\$1.18	\$2.25	\$0.64	\$0.81	\$0.90	-6.5%
GAAP Diluted EPS	\$1.12	\$2.09	\$0.63	\$0.80	\$0.89	-5.6%
Average Number of Basic Shares Outstanding	16,515	16,438	17,971	17,877	17,872	2.0%
Average Number of Diluted Shares Outstanding	17,460	17,715	18,374	18,005	18,077	0.9%
Reconciliation of Consolidated EBITDA to Adjusted Consolidated EBITDA						
Consolidated EBITDA	\$68,515	\$68,082	\$67,320	\$72,213	\$101,428	10.3%
Acquisition and Divestiture Expenses	\$701	-	-	\$2,083	(\$11)	
Severance and Separation Costs	3,979	-	1,435	1,205	563	
Consulting Fees	496	-	-	-	-	
Litigation Reserve	-	-	1,000	750	270	
Natural Disaster and Pandemic Costs	-	620	437	-	1,627	
Other Special Items	-	-	-	336	373	
Adjusted Consolidated EBITDA	\$73,691	\$68,702	\$70,192	\$76,587	\$104,250	9.1%
Adjusted Consolidated EBITDA Margin	29.7%	26.6%	26.2%	27.9%	31.6%	

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	2020
GAAP Net Income	\$19,581	\$37,193	\$11,645	\$14,533	\$16,090
Special Items, Net of tax	\$8,757	(\$12,444)	\$9,921	\$7,999	\$17,593
Adjusted Net Income	\$28,338	\$24,749	\$21,566	\$22,532	\$33,683

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

	2016	2017	2018	2019	2020
GAAP Basic EPS	\$1.18	\$2.25	\$0.64	\$0.81	\$0.90
Effect of Special Items	0.53	(0.75)	0.55	0.45	0.98
Adjusted Basic EPS	\$1.71	\$1.50	\$1.19	\$1.26	\$1.88

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

	2016	2017	2018	2019	2020
GAAP Diluted EPS	\$1.12	\$2.09	\$0.63	\$0.80	\$0.89
Effect of Special Items	0.50	(0.70)	0.54	0.45	0.97
Adjusted Diluted EPS	\$1.62	\$1.39	\$1.17	\$1.25	\$1.86

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

	2016	2017	2018	2019	2020
GAAP Net Income	\$19,581	\$37,193	\$11,645	\$14,533	\$16,090
Net Tax Provision (Benefit)	12,660	(4,411)	6,621	7,883	8,552
Pretax Income	\$32,241	\$32,782	\$18,266	\$22,416	\$24,642
Interest Expense	11,738	12,948	21,109	25,522	32,515
Accretion of Discount on Convert. Sub. Notes	3,870	4,329	2,192	241	216
Net Loss on Early Extinguishment of Debt	567	-	502	-	6
Non-Cash Stock Compensation	2,890	3,162	6,583	2,153	3,370
Depreciation & Amortization	15,421	15,979	17,430	17,771	19,389
(Gain)/Loss on Divestitures	29	(193)	517	3,883	6,749
Impairment of Goodwill and Other Intangibles	145	-	846	963	14,693
Other, Net	1,614	(925)	(125)	(736)	(152)
Special Items	5,176	620	2,872	4,374	2,822
Adjusted Consolidated EBITDA	\$73,691	\$68,702	\$70,192	\$76,587	\$104,250
Revenue	\$ 248,200	\$ 258,139	\$ 267,992	\$ 274,107	\$ 329,448
Adjusted Consolidated EBITDA Margin	29.7%	26.6%	26.2%	27.9%	31.6%