

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

	Qtr 2 2018	Qtr 3 2018	Qtr 4 2018	Qtr 1 2019	Qtr 2 2019
Same Store Contracts					
Atneed Contracts	6,249	6,080	6,560	6,967	6,496
Preneed Contracts	1,454	1,368	1,480	1,523	1,497
Total Same Store Funeral Contracts	7,703	7,448	8,040	8,490	7,993
Acquisition Contracts					
Atneed Contracts	857	1,108	1,188	1,234	1,209
Preneed Contracts	93	116	151	157	164
Total Acquisition Funeral Contracts	950	1,224	1,339	1,391	1,373
Total Funeral Contracts	8,653	8,672	9,379	9,881	9,366
Funeral Operating Revenue					
Same Store Revenue	\$40,653	\$40,356	\$43,320	\$45,502	\$42,127
Acquisition Revenue	5,666	7,400	8,229	8,440	8,182
Total Funeral Operating Revenue	\$46,319	\$47,756	\$51,549	\$53,942	\$50,309
Cemetery Operating Revenue					
Same Store Revenue	\$11,886	\$11,091	\$10,907	\$11,289	\$13,227
Acquisition Revenue	-	-	-	-	-
Total Cemetery Operating Revenue	\$11,886	\$11,091	\$10,907	\$11,289	\$13,227
Financial Revenue					
Preneed Funeral Commission Income	\$354	\$360	\$320	\$359	\$329
Preneed Funeral Trust Earnings	1,859	1,727	1,887	1,862	1,869
Cemetery Trust Earnings	1,383	1,392	1,434	1,251	1,623
Preneed Cemetery Finance Charges	424	436	420	378	395
Total Financial Revenue	\$4,020	\$3,915	\$4,061	\$3,850	\$4,216
Divested Revenue					
Divested Funeral Revenue	-	-	-	-	-
Divested Cemetery Revenue	1,622	1,479	-	-	-
Total Divested Revenue	\$1,622	\$1,479	-	-	-
Total Revenue	\$63,847	\$64,241	\$66,517	\$69,081	\$67,752
Field EBITDA					
Same Store Funeral Field EBITDA	\$14,254	\$13,801	\$15,849	\$17,968	\$15,370
Same Store Funeral Field EBITDA Margin	35.1%	34.2%	36.6%	39.5%	36.5%
Acquisition Funeral Field EBITDA	1,721	2,522	3,178	3,245	3,091
Acquisition Funeral Field EBITDA Margin	30.4%	34.1%	38.6%	38.4%	37.8%
Total Funeral Field EBITDA	\$15,975	\$16,323	\$19,027	\$21,213	\$18,461
Total Funeral Field EBITDA Margin	34.5%	34.2%	36.9%	39.3%	36.7%
Same Store Cemetery Field EBITDA	\$3,883	\$3,007	\$3,127	\$3,661	\$4,808
Same Store Cemetery Field EBITDA Margin	32.7%	27.1%	28.7%	32.4%	36.3%
Acquired Cemetery Field EBITDA	-	-	-	-	-
Acquired Cemetery Field EBITDA Margin	0.0%	0.0%	0.0%	0.0%	0.0%
Total Cemetery Field EBITDA	\$3,883	\$3,007	\$3,127	\$3,661	\$4,808
Total Cemetery Field EBITDA Margin	32.7%	27.1%	28.7%	32.4%	36.3%
Funeral Financial EBITDA	\$1,978	\$1,786	\$1,973	\$1,954	\$1,959
Cemetery Financial EBITDA	1,688	1,716	1,709	1,495	1,872
Total Financial EBITDA	\$3,666	\$3,502	\$3,682	\$3,449	\$3,831
Total Financial EBITDA Margin	91.2%	89.5%	90.7%	89.6%	90.9%
Divested Funeral EBITDA	-	-	-	-	-
Divested Cemetery EBITDA	472	407	-	-	-
Total Divested EBITDA	\$472	\$407	-	-	-
Total Divested EBITDA Margin	29.1%	27.5%	0.0%	0.0%	0.0%
Total Field EBITDA	\$23,996	\$23,239	\$25,836	\$28,323	\$27,100
Total Field EBITDA Margin	37.6%	36.2%	38.8%	41.0%	40.0%
Overhead					
Total Variable Overhead	\$2,696	\$1,410	\$6,006	\$1,938	\$3,042
Total Regional Fixed Overhead	1,063	903	977	1,001	1,028
Total Corporate Fixed Overhead	4,979	5,230	4,930	4,877	4,726
Total Overhead	\$8,738	\$7,543	\$11,913	\$7,816	\$8,796
Overhead as a percentage of Revenue	13.7%	11.7%	17.9%	11.3%	13.0%
Consolidated EBITDA	\$15,258	\$15,696	\$13,923	\$20,507	\$18,304
Consolidated EBITDA Margin	23.9%	24.4%	20.9%	29.7%	27.0%
Other Expenses and Interest					
Depreciation & Amortization	\$4,368	\$4,516	\$4,330	\$4,323	\$4,597
Non-Cash Stock Compensation	909	915	3,659	585	518
Interest Expense	4,743	6,285	6,346	6,328	6,296
Accretion of Discount on Convertible Subordinated Notes	555	246	231	57	60
Loss (Gain) on Early Extinguishment of Debt	936	-	(434)	-	-
Other, Net	-	347	893	13	(175)
Pretax Income/(Loss)	\$3,747	\$3,387	(\$1,102)	\$9,201	\$7,008
Tax Provision	1,030	1,028	331	2,577	2,043
Tax Adjustment Related to Certain Discrete Items	(30)	159	1,225	99	103
Net Tax Provision	\$1,000	\$1,187	\$1,556	\$2,676	\$2,146
GAAP Net Income/(Loss)	\$2,747	\$2,200	(\$2,658)	\$6,525	\$4,862
<i>Effective Tax Rate</i>	26.7%	35.0%	-141.2%	29.1%	30.6%
Special Items, Net of tax except for **					
Severance and Retirement Costs	-	-	\$1,134	\$171	\$483
Performance Awards Cancellation Write-off	-	-	2,594	-	-
Accretion of Discount on Convertible Subordinated Notes **	555	246	231	57	60
Net Loss (Gain) on Early Extinguishment of Debt	740	-	(343)	-	-
Loss on Sale of Business and Other Costs	-	277	162	-	-
Goodwill and Other Impairments	-	-	805	-	-
Litigation Reserve	-	-	790	99	281
Natural Disaster Costs	-	-	345	-	-
Tax Adjustment Related to Certain Discrete Items **	-	-	1,225	-	-
Sum of Special Items	\$1,295	\$523	\$6,943	\$327	\$824
Adjusted Net Income	\$4,042	\$2,723	\$4,285	\$6,852	\$5,686
Adjusted Net Profit Margin	6.3%	4.2%	6.4%	9.9%	8.4%
Adjusted Basic EPS	\$0.22	\$0.14	\$0.23	\$0.38	\$0.31
Adjusted Diluted EPS	\$0.22	\$0.14	\$0.23	\$0.38	\$0.31
GAAP Basic EPS	\$0.15	\$0.11	(\$0.14)	\$0.36	\$0.27
GAAP Diluted EPS	\$0.15	\$0.11	(\$0.14)	\$0.36	\$0.27
Average Number of Basic Shares Outstanding	17,916	19,060	18,772	18,057	17,959
Average Number of Diluted Shares Outstanding	18,245	19,161	18,838	18,097	17,988
Reconciliation of Consolidated EBITDA to Adjusted Consolidated EBITDA					
Consolidated EBITDA	\$15,258	\$15,696	\$13,923	\$20,507	\$18,304
Severance and Retirement Costs	-	-	1,435	217	611
Litigation Reserve	-	-	1,000	125	356
Natural Disaster Costs	-	-	437	-	-
Adjusted Consolidated EBITDA	\$15,258	\$15,696	\$16,795	\$20,849	\$19,271
Adjusted Consolidated EBITDA Margin	23.9%	24.4%	25.2%	30.2%	28.4%

Funeral homes and cemeteries purchased after December 31, 2014 are referred to as "Acquired" in our Trend Report. This classification of acquisitions has been important to management and investors in monitoring the results of these businesses and to gauge the leveraging performance contribution that a selective acquisition program can have on total company performance. The presentation below highlights the impact of the 2014 Acquired Portfolio that moved from Acquired to Same Store beginning January 1, 2019.

	Qtr 1 2018	Qtr 2 2018	Qtr 3 2018	Qtr 4 2018	YTD December 2018
Revenue					
2014 Acquired Portfolio	\$3,611	\$3,169	\$2,899	\$3,310	\$12,989
EBITDA					
2014 Acquired Portfolio	\$1,565	\$1,284	\$1,066	\$1,339	\$5,254

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 Five Quarter Operating and Financial Trend Report.

Reconciliation of GAAP Net Income to Adjusted Net Income for the five quarter period (thousands):

	Qtr 2 2018	Qtr 3 2018	Qtr 4 2018	Qtr 1 2019	Qtr 2 2019
GAAP Net Income/(Loss)	\$2,747	\$2,200	(\$2,658)	\$6,525	\$4,862
Special Items, Net of tax	1,295	523	6,943	327	824
Adjusted Net Income	\$4,042	\$2,723	\$4,285	\$6,852	\$5,686

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

	Qtr 2 2018	Qtr 3 2018	Qtr 4 2018	Qtr 1 2019	Qtr 2 2019
GAAP Basic EPS	\$0.15	\$0.11	(\$0.14)	\$0.36	\$0.27
Effect of Special Items	0.07	0.03	0.37	0.02	0.04
Adjusted Basic EPS	\$0.22	\$0.14	\$0.23	\$0.38	\$0.31

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

	Qtr 2 2018	Qtr 3 2018	Qtr 4 2018	Qtr 1 2019	Qtr 2 2019
GAAP Diluted EPS	\$0.15	\$0.11	(\$0.14)	\$0.36	\$0.27
Effect of Special Items	0.07	0.03	0.37	0.02	0.04
Adjusted Diluted EPS	\$0.22	\$0.14	\$0.23	\$0.38	\$0.31

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

	Qtr 2 2018	Qtr 3 2018	Qtr 4 2018	Qtr 1 2019	Qtr 2 2019
GAAP Net Income/(Loss)	\$2,747	\$2,200	(\$2,658)	\$6,525	\$4,862
Net Tax Provision	1,000	1,187	1,556	2,676	2,146
Pretax Income/(Loss)	\$3,747	\$3,387	(\$1,102)	\$9,201	\$7,008
Interest Expense	4,743	6,285	6,346	6,328	6,296
Accretion of Discount on Convertible Subordinated Notes	555	246	231	57	60
Loss/(Gain) on Early Extinguishment of Debt	936	-	(434)	-	-
Non-Cash Stock Compensation	909	915	3,659	585	518
Depreciation & Amortization	4,368	4,516	4,330	4,323	4,597
Other, Net	-	347	893	13	(175)
Special Items	-	-	2,872	342	967
Adjusted Consolidated EBITDA	\$15,258	\$15,696	\$16,795	\$20,849	\$19,271
Revenue	\$ 63,847	\$ 64,241	\$ 66,517	\$ 69,081	\$ 67,752
Adjusted Consolidated EBITDA Margin	23.9%	24.4%	25.2%	30.2%	28.4%