

# CHEMED

CHEMED CORPORATION



Results as of 06/30/25

# Safe Harbor and Regulation G Statement

This presentation contains information about Chemed's EBITDA, Adjusted EBITDA, EBIT, Adjusted EBIT, Adjusted Net Income and Adjusted Diluted EPS, which are not measures derived in accordance with GAAP and which exclude components that are important to understanding Chemed's financial performance. In reporting its operating results, Chemed provides EBITDA, Adjusted EBITDA, EBIT, Adjusted EBIT, Adjusted Net Income and Adjusted Diluted EPS measures to help investors and others evaluate the Company's operating results, compare its operating performance with that of similar companies that have different capital structures and evaluate its ability to meet its future debt service, capital expenditures and working capital requirements. Chemed's management similarly uses EBITDA, Adjusted EBITDA, EBIT, Adjusted EBIT, Adjusted Net Income and Adjusted Diluted EPS to assist it in evaluating the performance of the Company across fiscal periods and in assessing how its performance compares to its peer companies. These measures also help Chemed's management estimate the resources required to meet Chemed's future financial obligations and expenditures. Chemed's EBITDA, Adjusted EBITDA, EBIT, Adjusted EBIT, Adjusted Net Income and Adjusted Diluted EPS should not be considered in isolation or as a substitute for comparable measures calculated and presented in accordance with GAAP. We calculated Adjusted EBITDA margin by dividing Adjusted EBITDA by service revenues and sales. We calculated Adjusted EBIT margin by dividing Adjusted EBIT by service revenues and sales. Adjusted Diluted EPS is calculated by dividing Adjusted Net Income by the number of diluted average shares outstanding, and Diluted EPS is calculated by dividing Net Income by the number of diluted average shares outstanding. A reconciliation of Chemed's net income to its EBITDA, Adjusted EBITDA, EBIT, Adjusted EBIT and Adjusted Net Income is presented in appendix tables located in the back of this presentation.

## Forward-Looking Statements

Certain statements contained in this presentation and the accompanying tables are "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. The words "believe," "expect," "hope," "anticipate," "plan" and similar expressions identify forward-looking statements, which speak only as of the date the statement was made. Chemed does not undertake and specifically disclaims any obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. These statements are based on current expectations and assumptions and involve various risks and uncertainties, which could cause Chemed's actual results to differ from those expressed in such forward-looking statements. These risks and uncertainties arise from, among other things, possible changes in regulations governing the hospice care or plumbing and drain cleaning industries; periodic changes in reimbursement levels and procedures under Medicare and Medicaid programs; difficulties predicting patient length of stay and estimating potential Medicare reimbursement obligations; challenges inherent in Chemed's growth strategy; the current shortage of qualified nurses, other healthcare professionals and licensed plumbing and drain cleaning technicians; Chemed's dependence on patient referral sources; and other factors detailed under the caption "Description of Business by Segment" or "Risk Factors" in Chemed's most recent report on form 10-Q or 10-K and its other filings with the Securities and Exchange Commission. You are cautioned not to place undue reliance on such forward-looking statements and there are no assurances that the matters contained in such statements will be achieved.

## Cumulative Results Since the VITAS Acquisition

For the years ended December 31, 2003, through 2024

	(1)	(2)	(3)
	CAGR		
	One	Three	Twenty-One
	Year	Year	Year (a)
<b>Chemed</b>			
(1) Service revenues and sales	7.4%	4.4%	11.2%
(2) Adj. net income	13.8%	4.5%	19.8%
(3) Adj. diluted EPS from continuing operations	13.9%	6.2%	21.3%
<b>VITAS</b>			
(4) Service revenues and sales	16.4%	6.7%	6.1%
(5) Adj. net income	38.9%	7.3%	12.0%
<b>Roto-Rooter</b>			
(6) Service revenues and sales	(5.2%)	0.8%	6.1%
(7) Adj. net income	(13.5%)	(1.5%)	12.9%

(a) Chemed Revenue Growth from 2003 Revenue Base.

## Chemed – Purchase of Capital Stock

For the Period January 1, 2007, through June 30, 2025 (\$000)

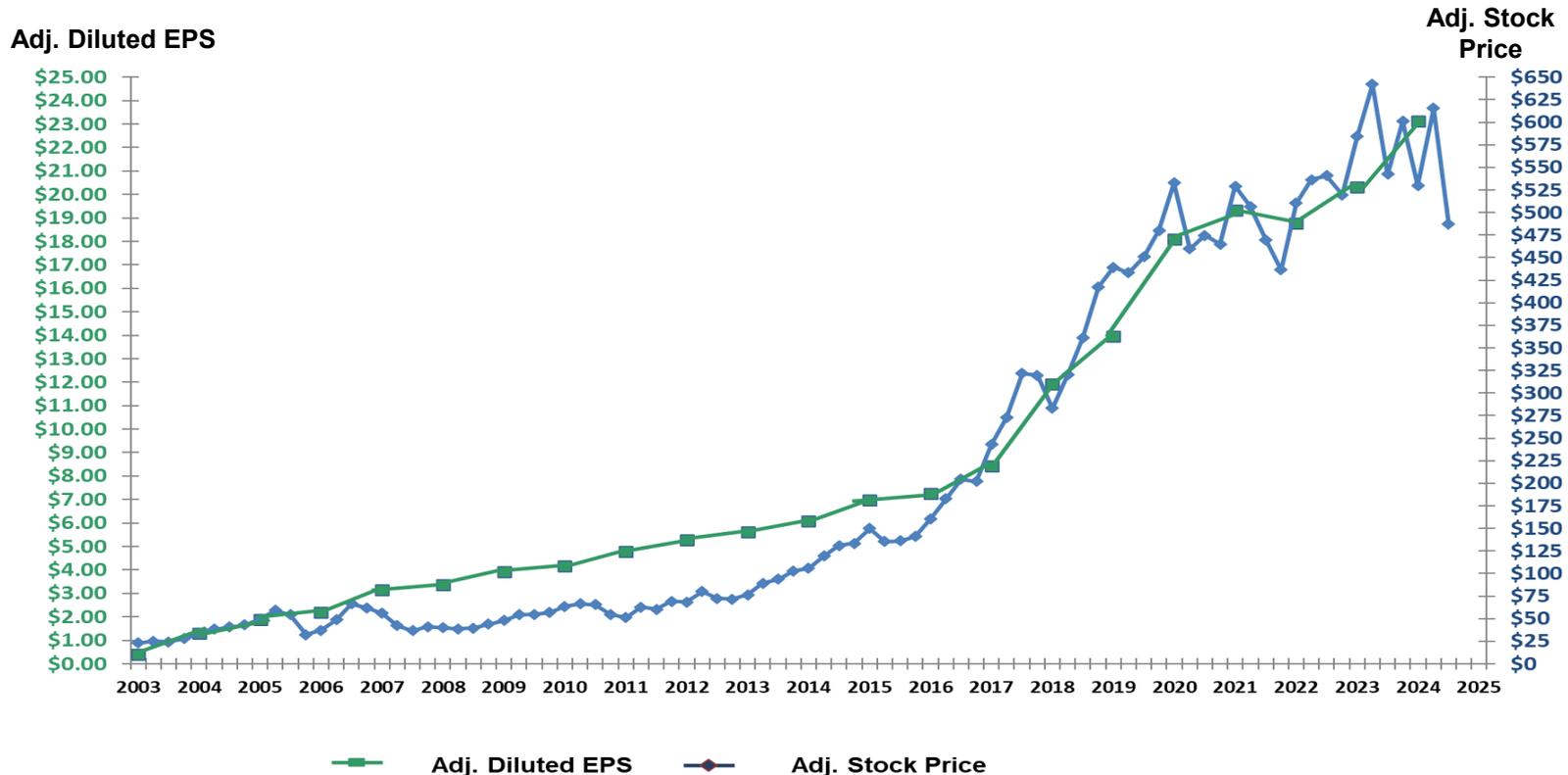
	(1)	(2)	(3)	(4)
	Shares Repurchased	Dividends	Total Returned to Shareholders	Free Cash Flow Generated (1)
(1) Activity in 2007	\$ 127,881	\$ 5,888	\$ 133,769	\$ 72,944
(2) Activity in 2008	67,126	5,543	72,669	85,989
(3) Activity in 2009	742	8,157	8,899	139,336
(4) Activity in 2010	104,055	11,881	115,936	60,373
(5) Activity in 2011	143,875	12,538	156,413	144,751
(6) Activity in 2012	60,529	13,026	73,555	96,516
(7) Activity in 2013	92,911	14,148	107,059	121,523
(8) Activity in 2014	110,019	14,255	124,274	66,708
(9) Activity in 2015	59,323	15,605	74,928	127,365
(10) Activity in 2016	102,312	16,440	118,752	95,621
(11) Activity in 2017	94,640	17,371	112,011	98,195
(12) Activity in 2018	158,884	18,661	177,545	234,266
(13) Activity in 2019	92,631	19,788	112,419	248,227
(14) Activity in 2020	175,595	21,079	196,674	430,458
(15) Activity in 2021	576,483	22,016	598,499	249,922
(16) Activity in 2022	114,074	22,017	136,091	252,561
(17) Activity in 2023	73,813	23,501	97,314	273,445
(18) Activity in 2024	358,737	27,092	385,829	367,966
(19) Activity in 2025	72,703	14,542	87,245	142,262
(20) Cumulative Activity 2007 - 2025 (2)	\$ 2,586,333	\$ 303,548	\$ 2,889,881	\$ 3,308,428

(1) Net cash provided by operating activities less capital expenditures.

(2) 16.8 million shares repurchased at an average cost of \$153.52.

## Adj. EPS<sup>(1)</sup> and Stock Price<sup>(2)</sup> History

Chemed has delivered strong and consistent EPS to stockholders since 2003, 21.3% 21-year CAGR



- (1) Adjusted Diluted EPS (non GAAP); see Appendix at the back of this presentation for reconciliation from GAAP reported results to adjusted (non-GAAP) results.
- (2) Adjusted for stock split.

## Chemed – Consolidated Summary of Operations

For the years ended December 31, 2003, through 2024

(in thousands, except per share data)

	(1)	(2)	(3)	(5)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15) Average Annual Inc./(Dec.)
	2003	2011	2013	2015	2017	2018	2019	2020	2021	2022	2023	2024	
(1) Service Revenues and Sales (a)	\$ 260,776	\$ 1,355,970	\$ 1,413,329	\$ 1,543,388	\$ 1,666,724	\$ 1,782,648	\$ 1,938,555	\$ 2,079,583	\$ 2,139,261	\$ 2,134,963	\$ 2,264,417	\$ 2,431,287	11.2%
(2) EBITDA (b)	30,366	181,157	168,206	217,270	156,814	283,453	311,349	454,928	411,233	393,435	414,340	464,294	13.9%
(3) Adj. EBITDA (b)	25,118	197,273	206,850	235,931	268,459	305,506	350,927	444,823	461,414	432,660	451,897	503,002	15.3%
(4) Net Income (GAAP)	11,188	85,979	77,227	110,274	98,177	205,544	219,923	319,466	268,550	249,624	272,509	301,999	17.0%
(5) Adj. Net Income (b)	7,894	100,030	104,372	121,667	141,054	200,374	230,473	296,413	308,007	283,609	308,515	351,188	19.8%
(6) Diluted EPS (GAAP)	0.56	4.10	4.16	6.33	5.86	12.23	13.31	19.48	16.85	16.53	17.93	19.89	18.5%
(7) Adj. Diluted EPS (b)(c)	0.40	4.78	5.62	6.98	8.43	11.93	13.95	18.08	19.33	18.78	20.30	23.13	21.3%
(8) Diluted Average Shares Outstanding	19,908	20,945	18,585	17,422	16,742	16,803	16,527	16,398	15,938	15,099	15,200	15,186	(1.3%)

(a) Continuing operations

(b) See Appendix at the back of this presentation for reconciliation from GAAP reported results to adjusted non-GAAP results

(c) Adj. Diluted EPS is calculated by dividing Adj. Net Income by Diluted Average Shares Outstanding, and Diluted EPS is calculated by dividing Net Income by Diluted Average Shares Outstanding

## Chemed - Results from Continuing Operations

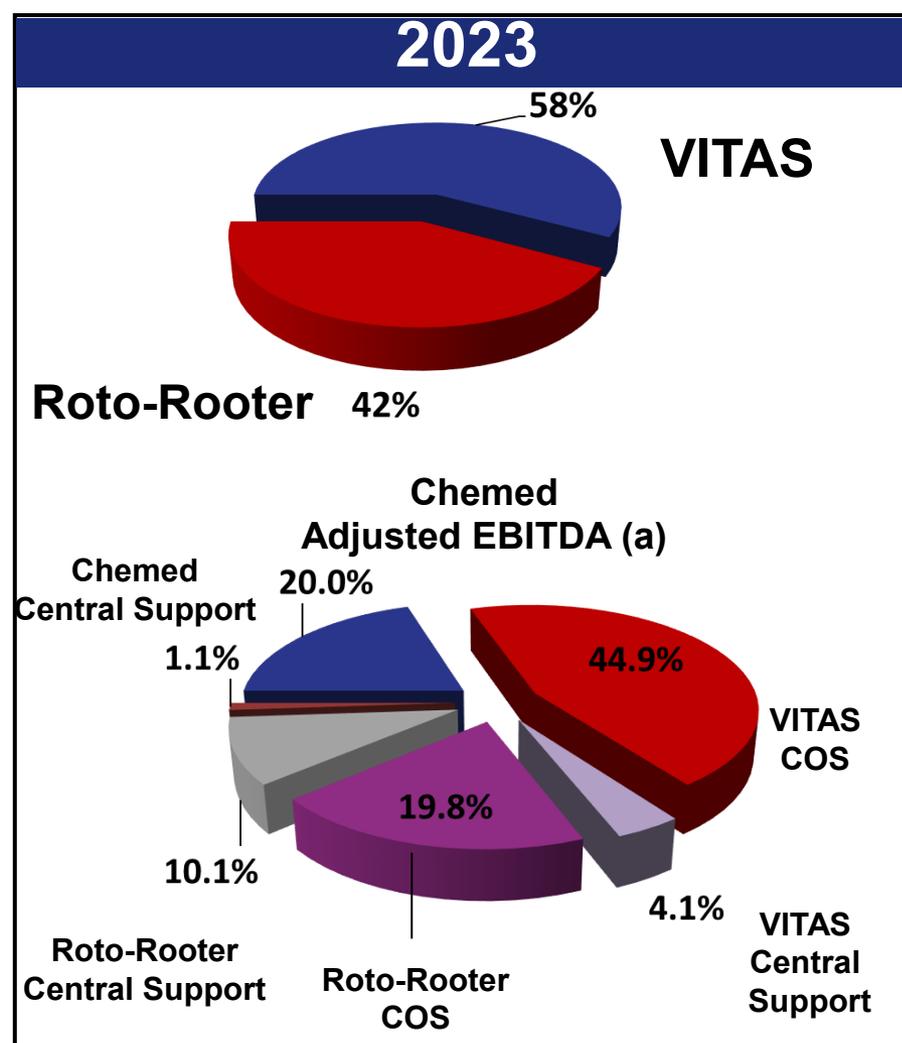
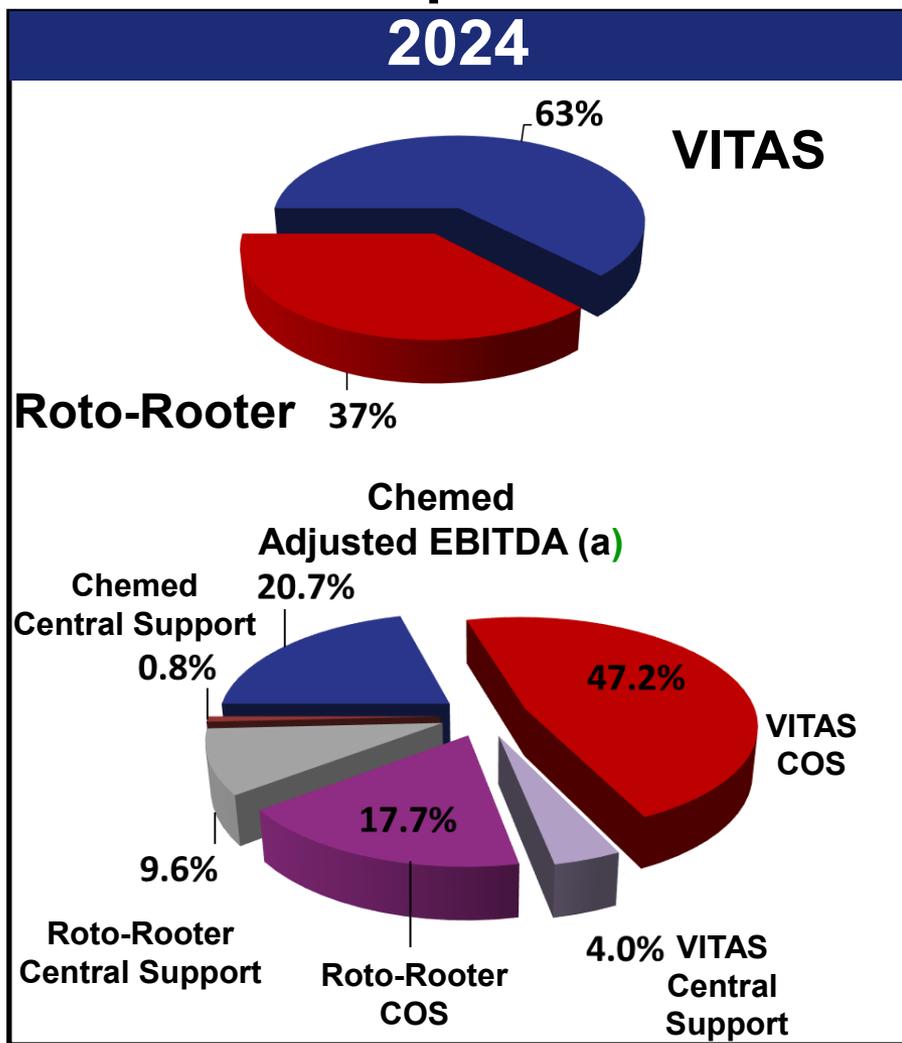
(in thousands, except per share data)

	(1)	(2)	(3)	(4)	(5)	(6)
	Full-Year Results			Six Months Ended June 30,		
	2023	2024	Fav/(Unfav) % Growth	2024	2025	Fav/(Unfav) % Growth
(1) Service Revenues and Sales	\$2,264,417	\$2,431,287	7.4%	\$ 1,185,113	\$ 1,265,741	6.8%
(2) Adj. EBITDA (a)	451,897	503,002	11.3%	234,512	217,023	(7.5%)
(3) Adj. EBITDA Margin (a)	20.0%	20.7%	0.7 pts.	19.8%	17.1%	(2.7 pts.)
(4) Adj. Net Income (a)	308,515	351,188	13.8%	163,250	145,796	(10.7%)
(5) Adj. Diluted EPS (a) (b)	20.30	23.13	13.9%	10.67	9.90	(7.2%)
(6) Capital Expenditures	56,854	49,531	12.9%	23,225	29,088	(25.2%)

(a) See footnote (b) below and the Appendix at the back of this presentation for reconciliation from GAAP reported results to adjusted (non-GAAP) results.

(b) Adj. Diluted EPS is calculated by dividing Adj. Net Income by Diluted Average Shares Outstanding, and Diluted EPS is calculated by dividing Net Income by Diluted Average Shares Outstanding.

# Chemed Corporation Revenue



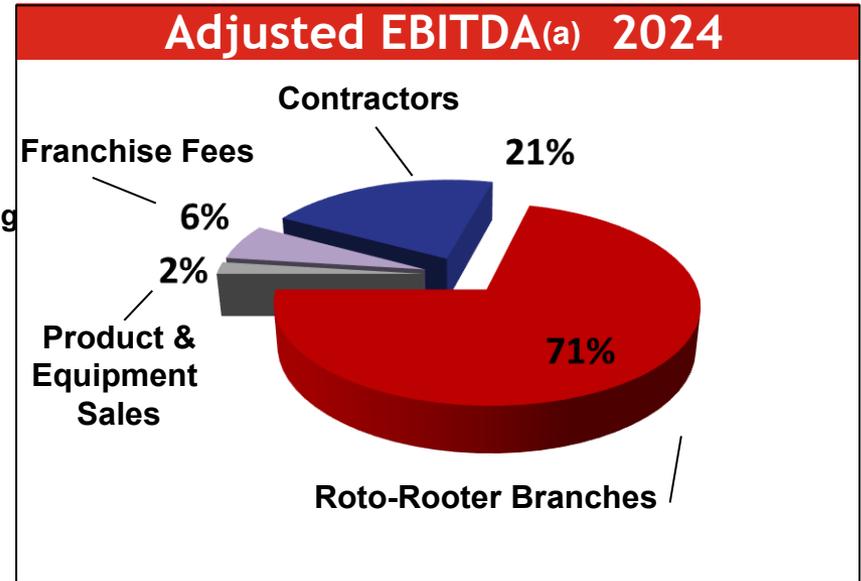
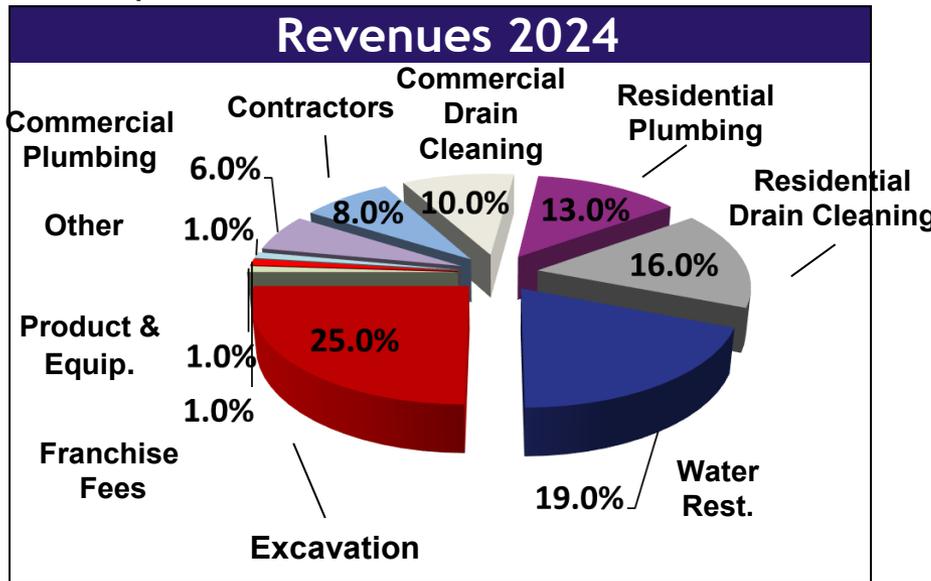
(a) See Appendix at the back of this presentation for reconciliation of EBITDA and Adjusted EBITDA to Net Income



# Company Overview

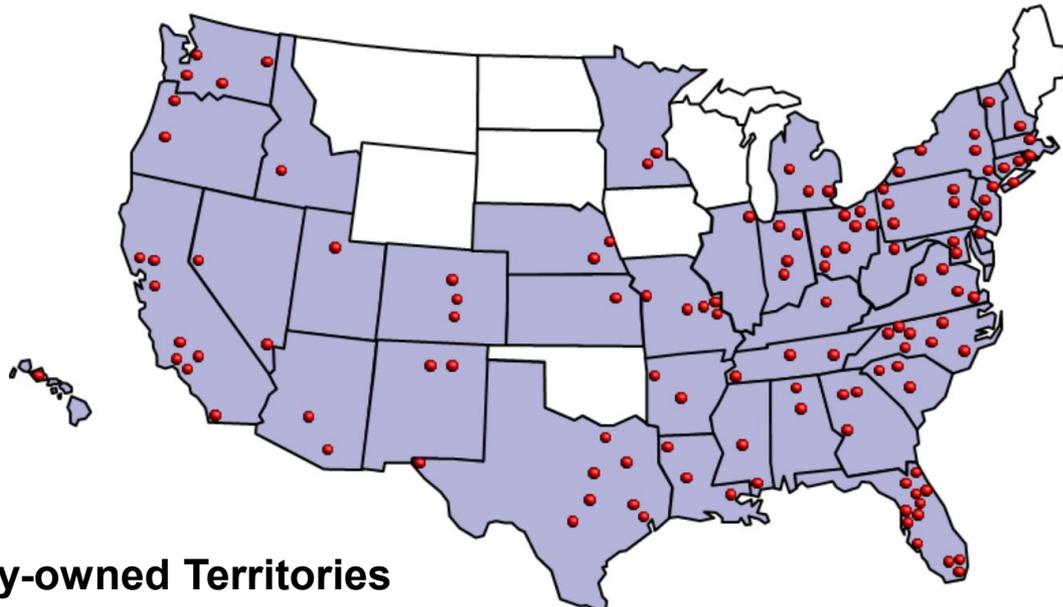
## Company Overview

- **Largest provider of plumbing and drain cleaning services in North America**
  - Provides plumbing services to approximately 90% of the United States and 30% of the Canadian population
- Provides plumbing and drain cleaning services in 123 company-owned territories and 348 franchise territories
- Maintains an estimated 15% of the drain cleaning market and 2-3% share of the same-day service plumbing market
- Residential customers represent 72% of revenues, while commercial customers represent 24% of revenues



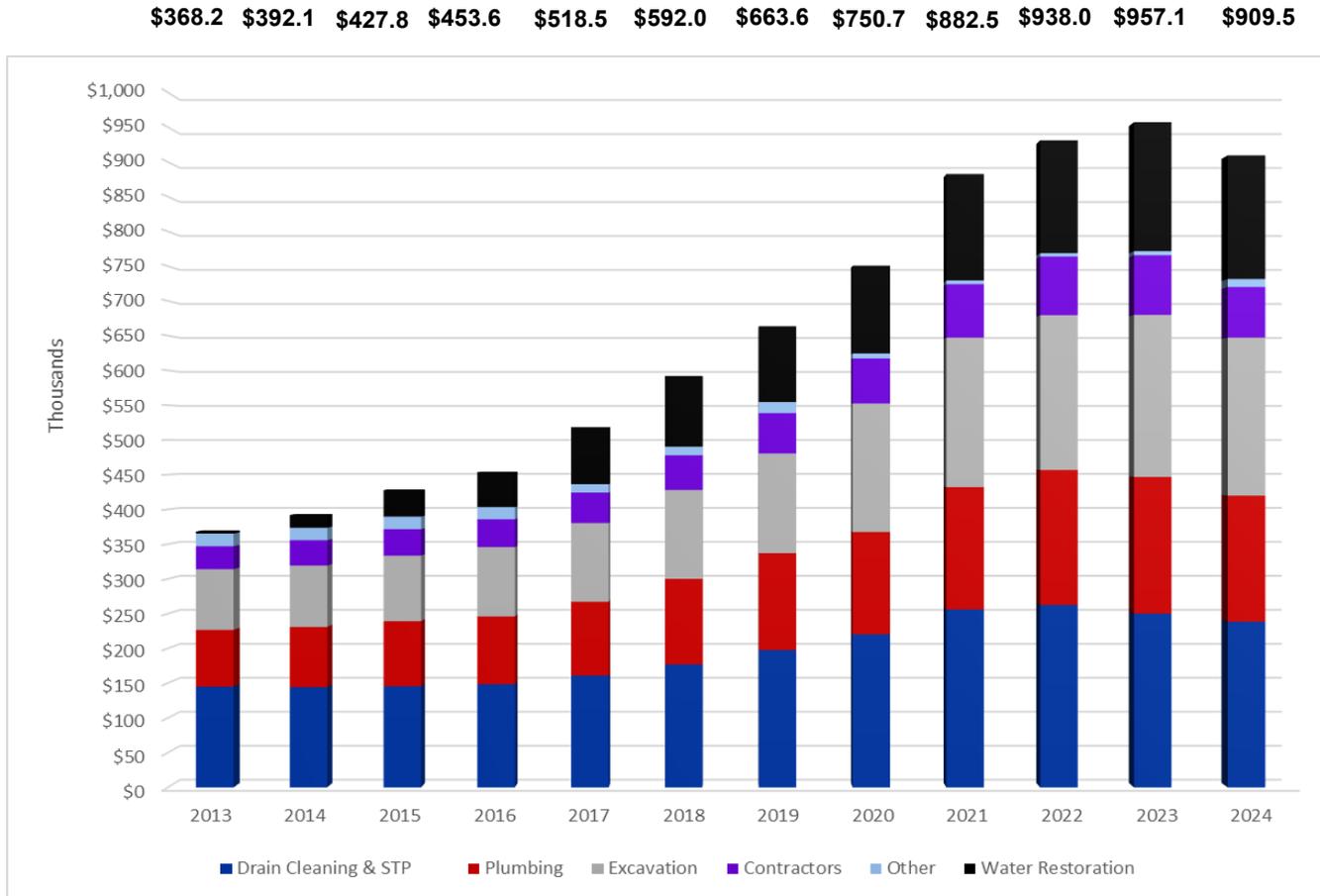
## Chemed Growth Strategy – Roto-Rooter

- Continue to increase efficiency
- Acquire franchisee territories at reasonable valuations
  - \$75 - \$100 million in franchise street sales in desirable markets
  - Purchase at 6-8 times Proforma Adjusted EBITDA
  - Minimal capital expenditure
- Focus on earnings and cash flow



● Company-owned Territories

## Roto-Rooter – Gross Revenue Analysis (\$000)



(a) 2018 - 2024 reflect GAAP Revenue Recognition Accounting Standard. Prior years are not restated for the 2018 Revenue Recognition Accounting Standard.

# Roto-Rooter – Summary of Operations

**2004 through 2012**

(in thousands, except percentages)

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
	2004	2005	2006	2007	2008	2009	2010	2011	2012
(1) Service Revenues and Sales (a)	\$ 276,611	\$ 297,337	\$ 319,495	\$ 344,632	\$ 340,496	\$ 335,893	\$ 354,735	\$ 369,698	\$ 363,006
(2) EBITDA (b)	38,314	52,598	59,307	72,030	62,924	62,107	59,369	64,948	58,751
(3) Adj. EBITDA (b)	42,355	49,234	55,548	69,188	59,922	59,862	58,516	64,176	58,232
(4) Adj. EBITDA Margin (b)	15.3%	16.6%	17.4%	20.1%	17.6%	17.8%	16.5%	17.4%	16.0%
(5) Net Income (GAAP)	18,795	27,626	32,454	38,971	33,427	33,040	31,678	34,879	30,905
(6) Adj. Net Income (b)	21,044	25,486	31,203	40,139	33,785	33,574	32,960	36,260	32,276

(a) Continuing Operations

(b) See Appendix at the back of this presentation for reconciliation from GAAP reported results to adjusted (non-GAAP) results

# Roto-Rooter – Summary of Operations

**2013 through 2024**

(in thousands, except percentages)

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
	2013	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	Average Annual Inc./(Dec.) 2004-2024
(1) Service Revenues and Sales (a)	\$ 368,216	\$ 427,837	\$ 453,564	\$ 518,464	\$ 585,086	\$ 657,371	\$ 744,916	\$ 878,015	\$ 933,399	\$ 949,352	\$ 900,309	6.1%
(2) EBITDA (b)	56,398	91,911	100,946	123,194	146,896	159,325	191,980	254,133	282,255	279,557	251,519	9.9%
(3) Adj. EBITDA (b)	70,936	87,614	96,312	116,670	140,544	155,759	193,106	249,166	273,760	269,570	237,087	9.0%
(4) Adj. EBITDA Margin (b)	19.3%	20.5%	21.2%	22.5%	24.0%	23.7%	25.9%	28.4%	29.3%	28.4%	26.3%	n.a.
(5) Net Income (GAAP)	29,243	48,573	52,893	73,299	98,711	103,710	120,394	166,333	186,120	188,241	160,046	11.3%
(6) Adj. Net Income (b)	39,845	48,680	52,921	65,667	99,114	110,092	132,791	174,965	193,761	193,475	167,288	10.9%

(a) Continuing Operations

(b) See Appendix at the back of this presentation for reconciliation from GAAP reported results to adjusted (non-GAAP) results

# Results from Continuing Operations

## (\$000)

	(1)	(2)	(3)	(4)	(5)	(6)
	Full-Year Results			Six Months Ended June 30,		
	2023	2024	Fav/(Unfav) % Growth	2024	2025	Fav/(Unfav) % Growth
(1) Service Revenues and Sales	\$ 949,352	\$ 900,309	(5.2%)	\$ 456,549	\$ 462,141	1.2%
(2) Net Income (GAAP)	188,241	160,046	(15.0%)	81,371	71,858	(11.7%)
(3) Adj. EBITDA (a) (b)	269,570	237,087	(12.0%)	120,451	107,814	(10.5%)
(4) Adj. EBITDA Margin (a) (b)	28.4%	26.3%	(2.1 pts.)	26.4%	23.3%	(3.1 pts.)
(5) Adj. EBIT (a) (b)	228,821	194,555	(15.0%)	99,232	86,122	(13.2%)
(6) Adj. EBIT Margin (a) (b)	24.1%	21.6%	(2.5 pts.)	21.7%	18.6%	(3.1 pts.)
(7) Capital Expenditures	39,509	25,906	34.4%	11,742	17,961	(53.0%)

(a) Excludes certain discreet items.

(b) Reconciliation from GAAP reported results to adjusted (non-GAAP) results is provided in the Appendix at the back of this presentation.

## Future of Roto-Rooter

- **Continue to Consolidate Franchises**
  - Purchase at reasonable multiples
  - Avoid over-paying for current acquisitions
    - Inflates expectations/demands of remaining franchisees
- **Utilize Cash Flow for:**
  - Purchase of franchises
  - Acquisition of hospices
  - Share buy-back, increased dividends
- **Roto-Rooter Divestiture Considerations:**
  - If after-tax proceeds can be reinvested at higher return, risk adjusted
  - If Chemed's capital structure and cash flow without Roto-Rooter provide it significant flexibility to support continued growth of VITAS
  - If tax-free spin-off creates long-term stockholder value



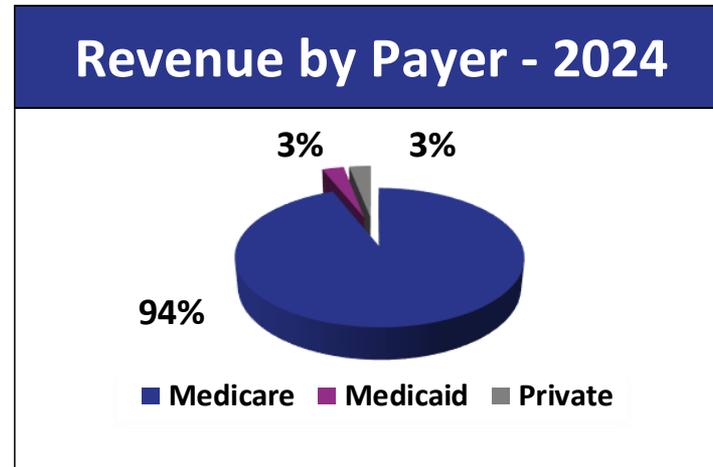
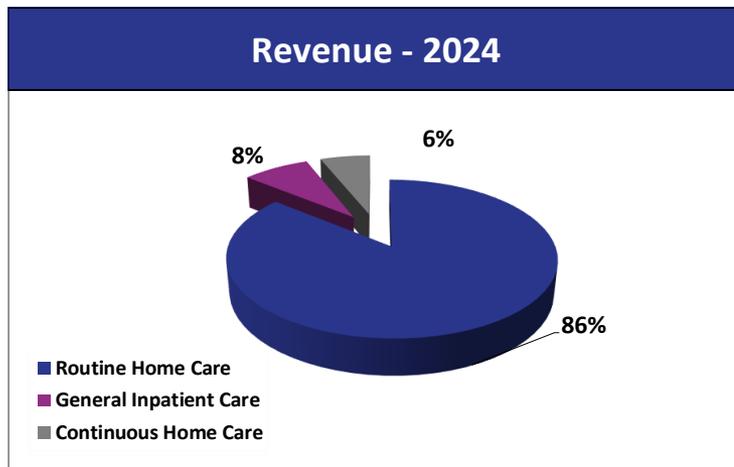


**VITAS<sup>®</sup>**  
Healthcare

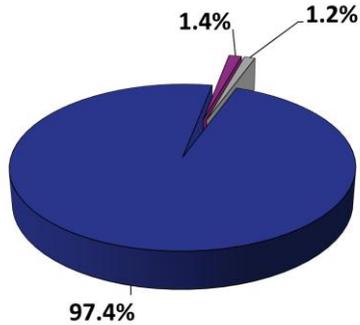
**Company Overview**

# Company Overview

- One of the largest providers of hospice services for patients with severe, life-limiting illnesses with approximately 7-8% of the U.S. market share
- Operates a comprehensive range of hospice services through 55 operating programs in 15 states and the District of Columbia
- Utilizes an approach for customized plans of care which is intended to maximize quality and enhance patient satisfaction
- Operating statistics:
  - Revenues: \$396 million (Q2 2025)
  - Average daily census per established program of ~ 400 ADC with the largest single program of ~ 2,600 (Q2 2025)
  - Average length of stay: 137.1 (Q2 2025)
- Approximately 12,100 employees, including approximately 5,300 nurses (Q2 2025)

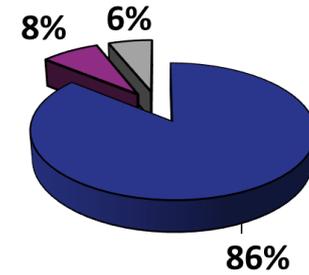


Days of Care – 2024

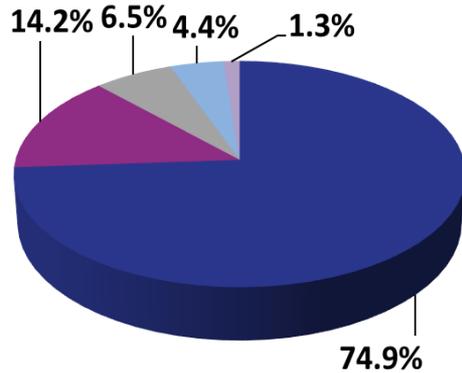


- Routine Home Care
- General Inpatient
- Continuous Home Care

Revenues - 2024

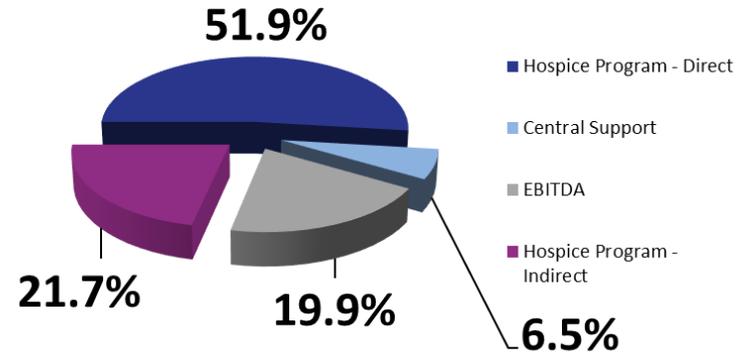


Revenue and Expenses - 2024



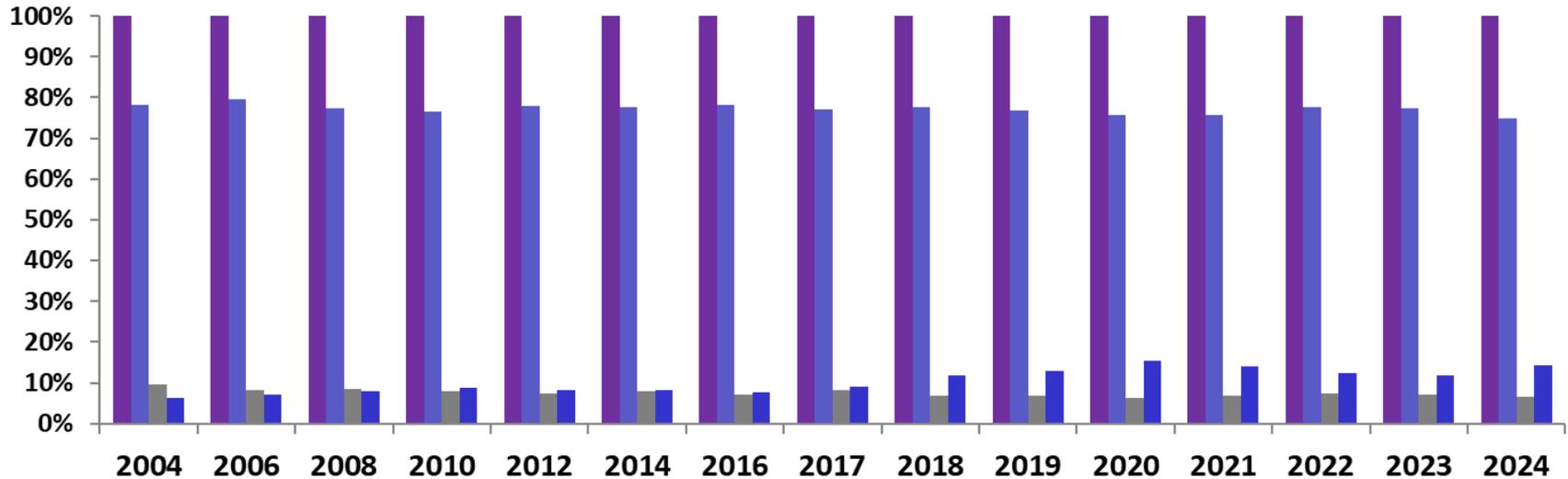
- Field Patient Care
- Net Income
- Central Support
- Income Taxes
- Depreciation and Amortization

Adjusted EBITDA - 2024



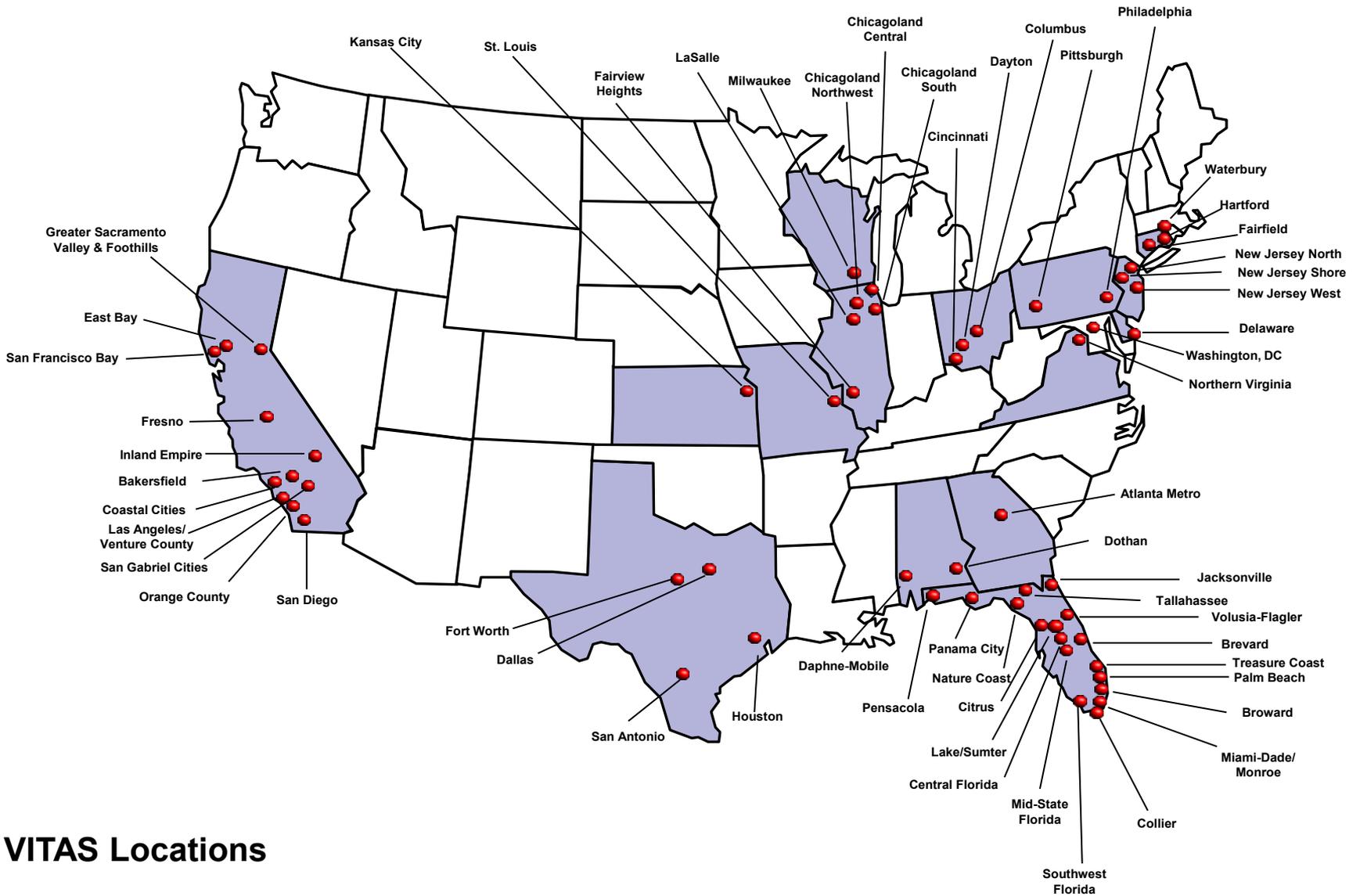
- Hospice Program - Direct
- Central Support
- EBITDA
- Hospice Program - Indirect

## Operations as a Percent of Revenue



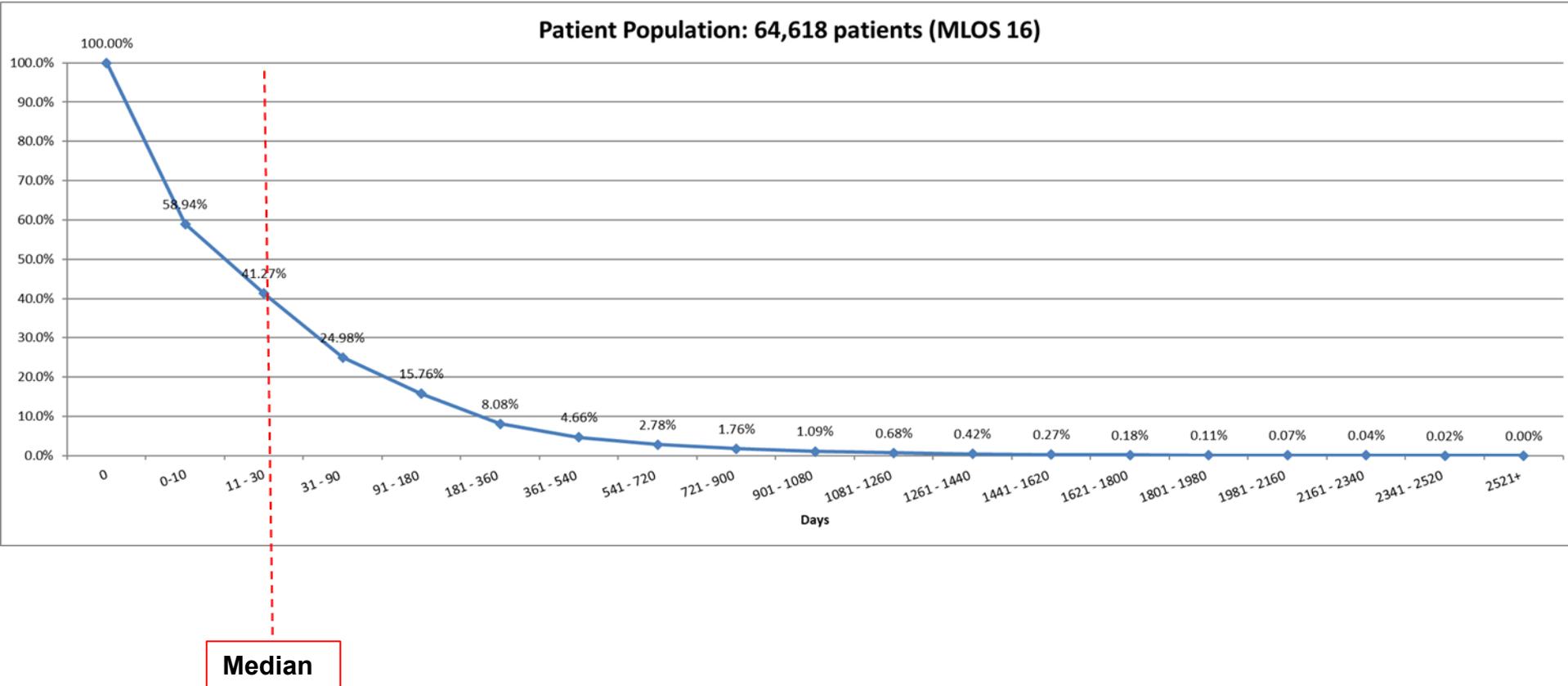
- Revenue
- Cost of Field Based Patient Care as a % of Sales
- Central Support Overhead as a % of Revenue
- Adj. Net Income as a % of Sales

(1) 2018 - 2024 include the impact of the new revenue recognition accounting standard. Prior periods are not restated for the 2018 revenue recognition accounting standard.

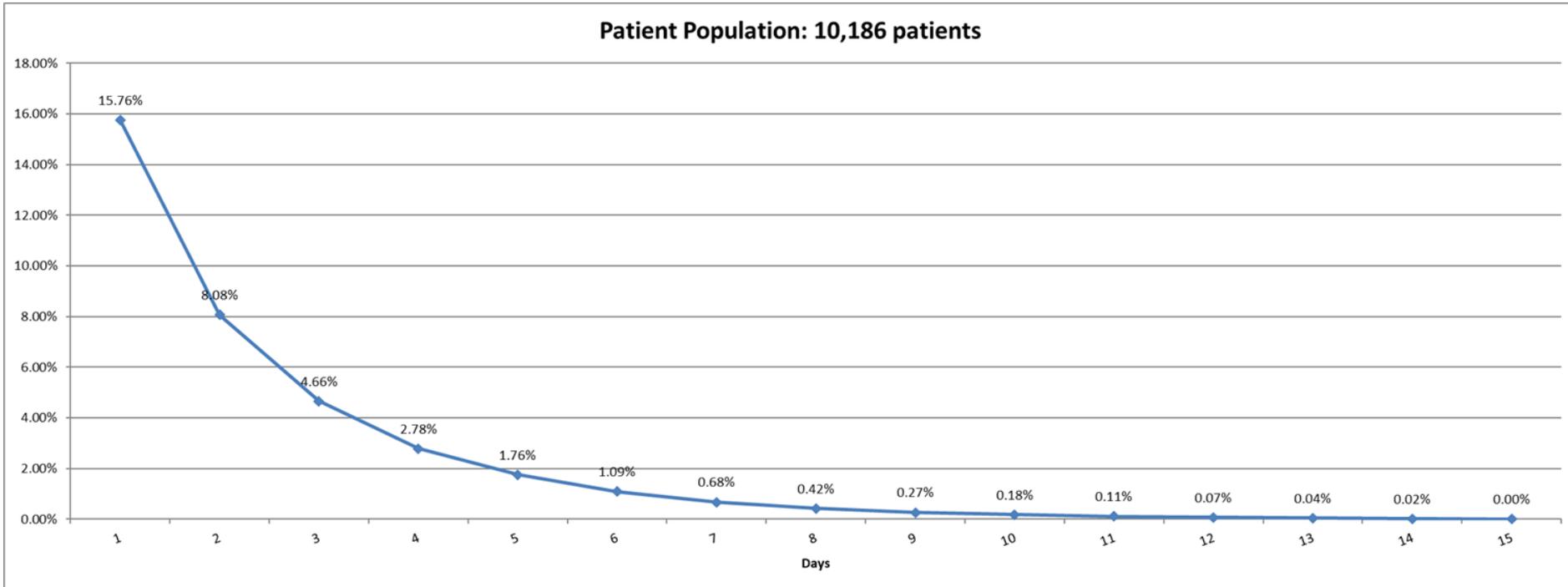


 **VITAS Locations**

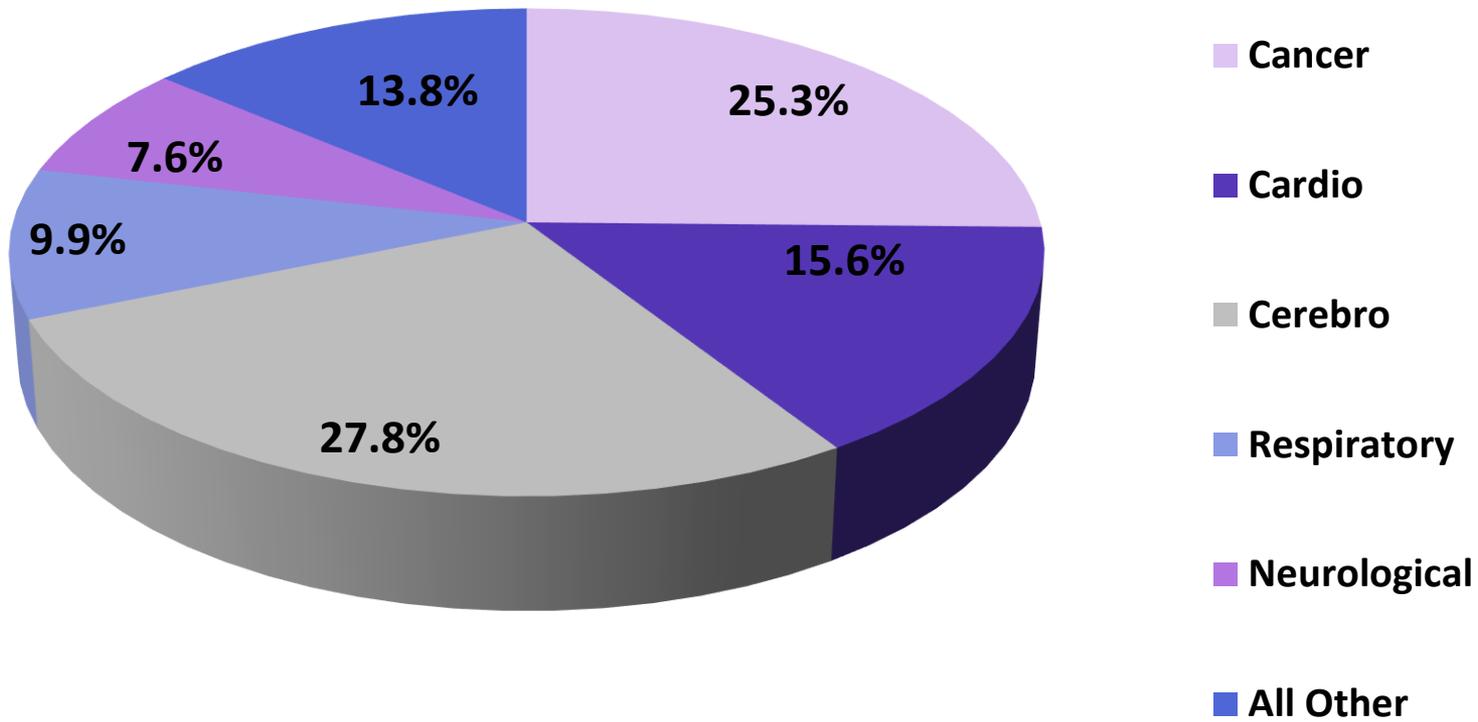
# VITAS 2024 Discharge Rate – Total



# VITAS 2024 Discharge Rate – Total After 180 Days

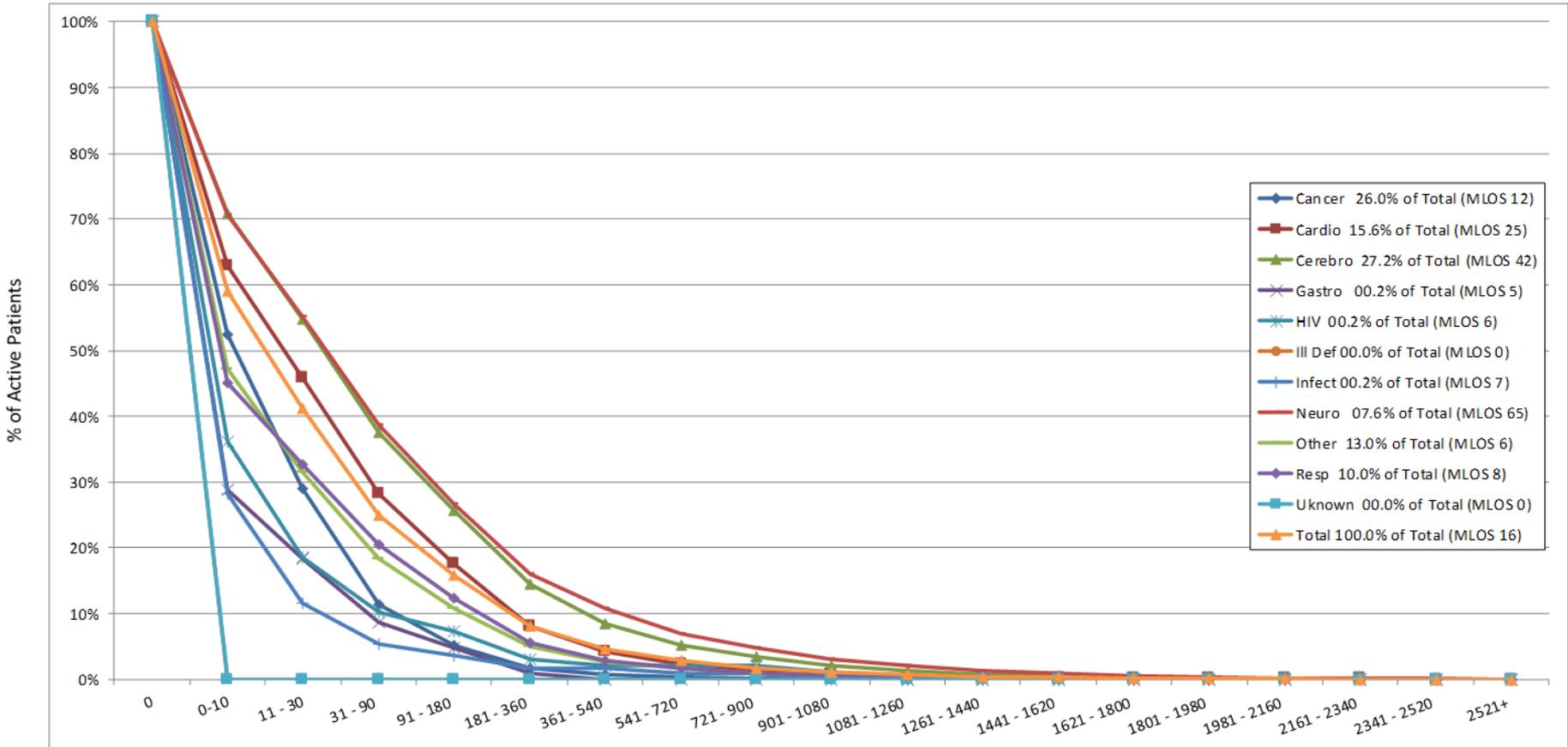


## VITAS Admission by Diagnosis - 2024

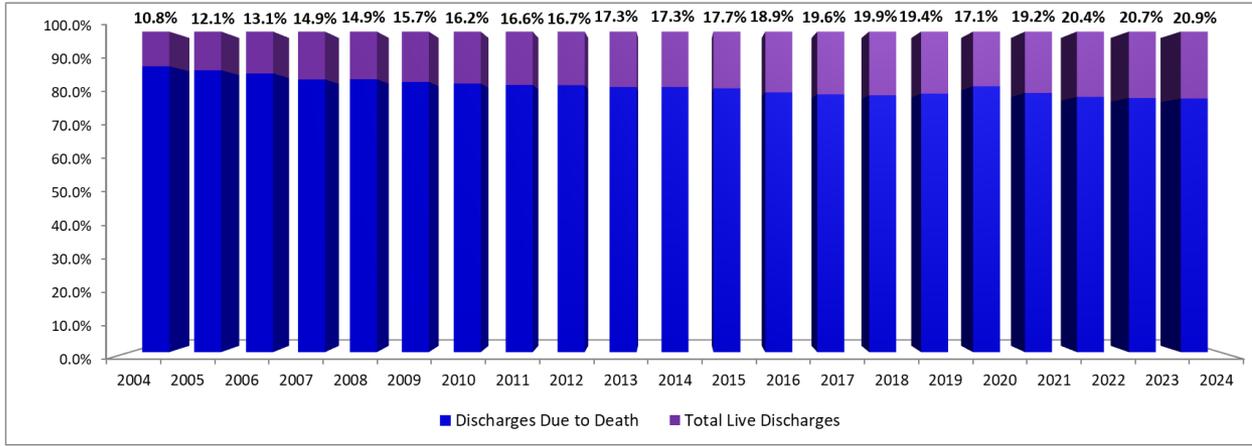


# VITAS 2024 Discharge Rate – All Diagnosis

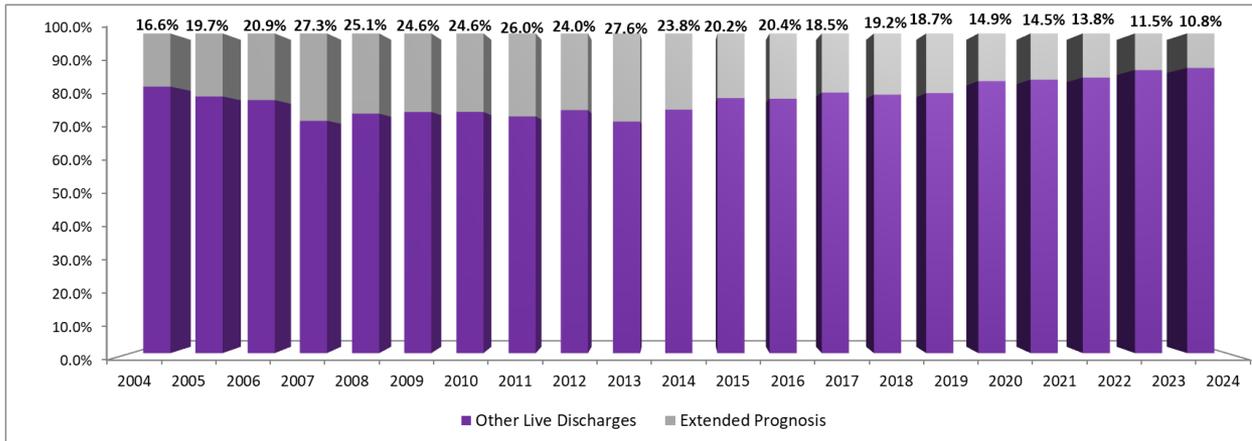
Population: 64,618



# Analysis of VITAS Discharges 2004-2024



Total Discharges

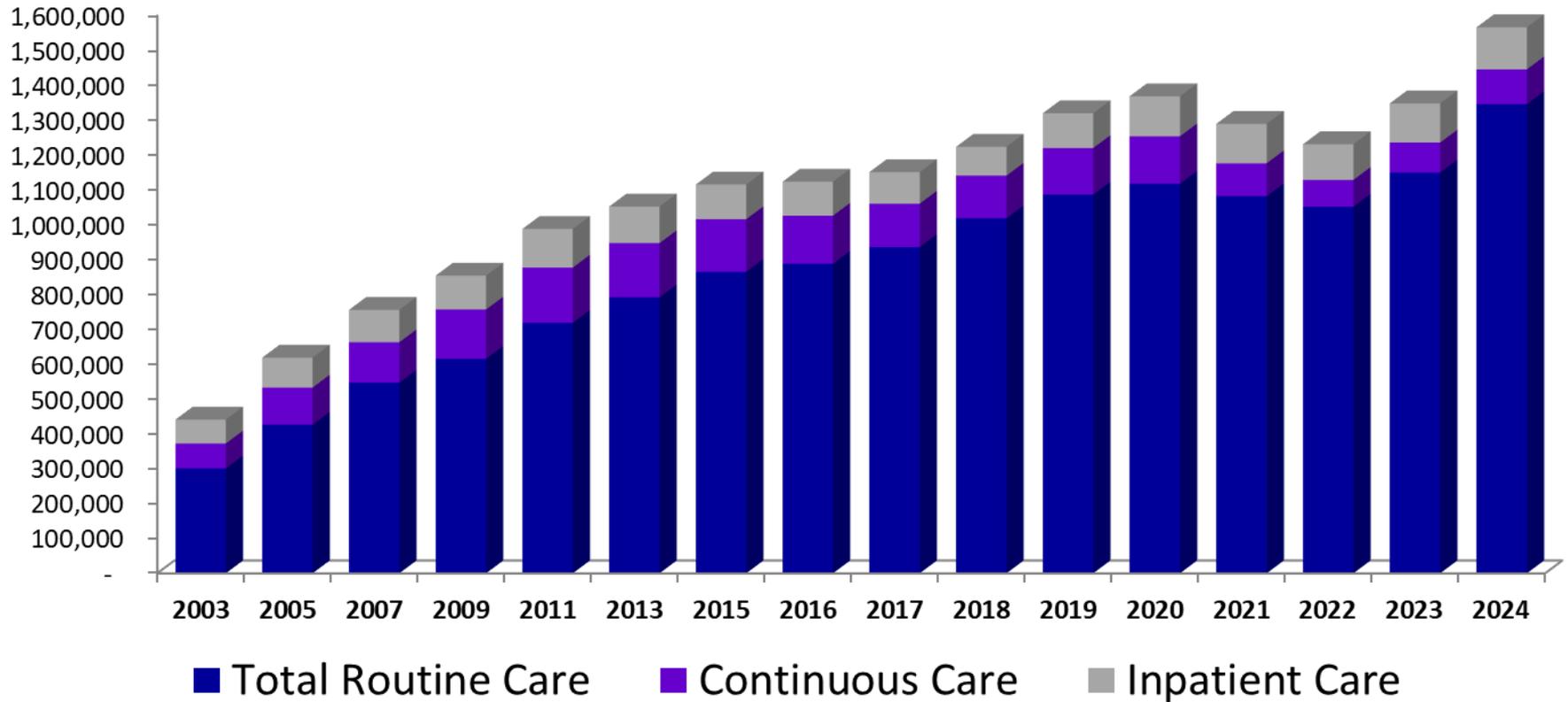


Total Live Discharges

# VITAS Analysis of Gross Revenue By Level of Care

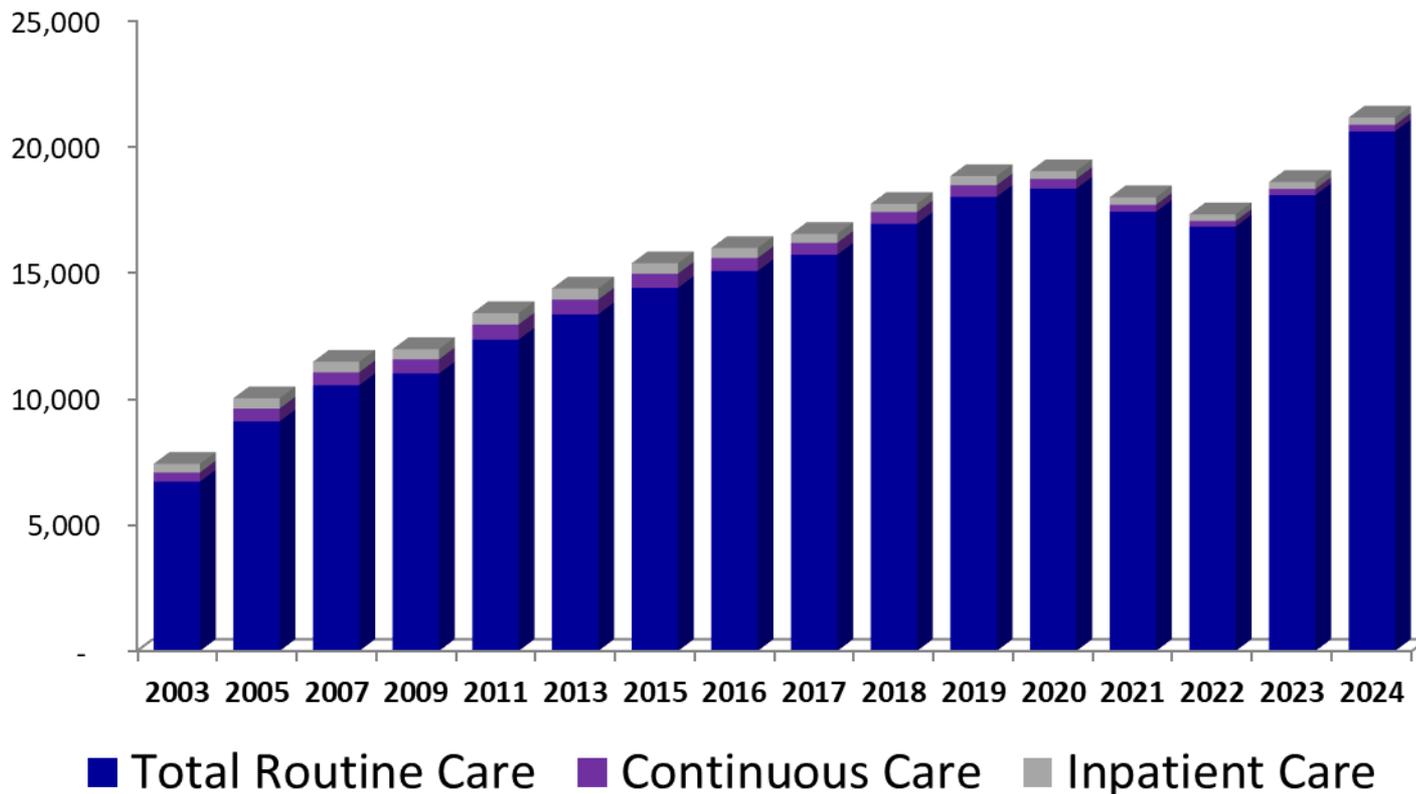
2003 through 2024

(\$000)



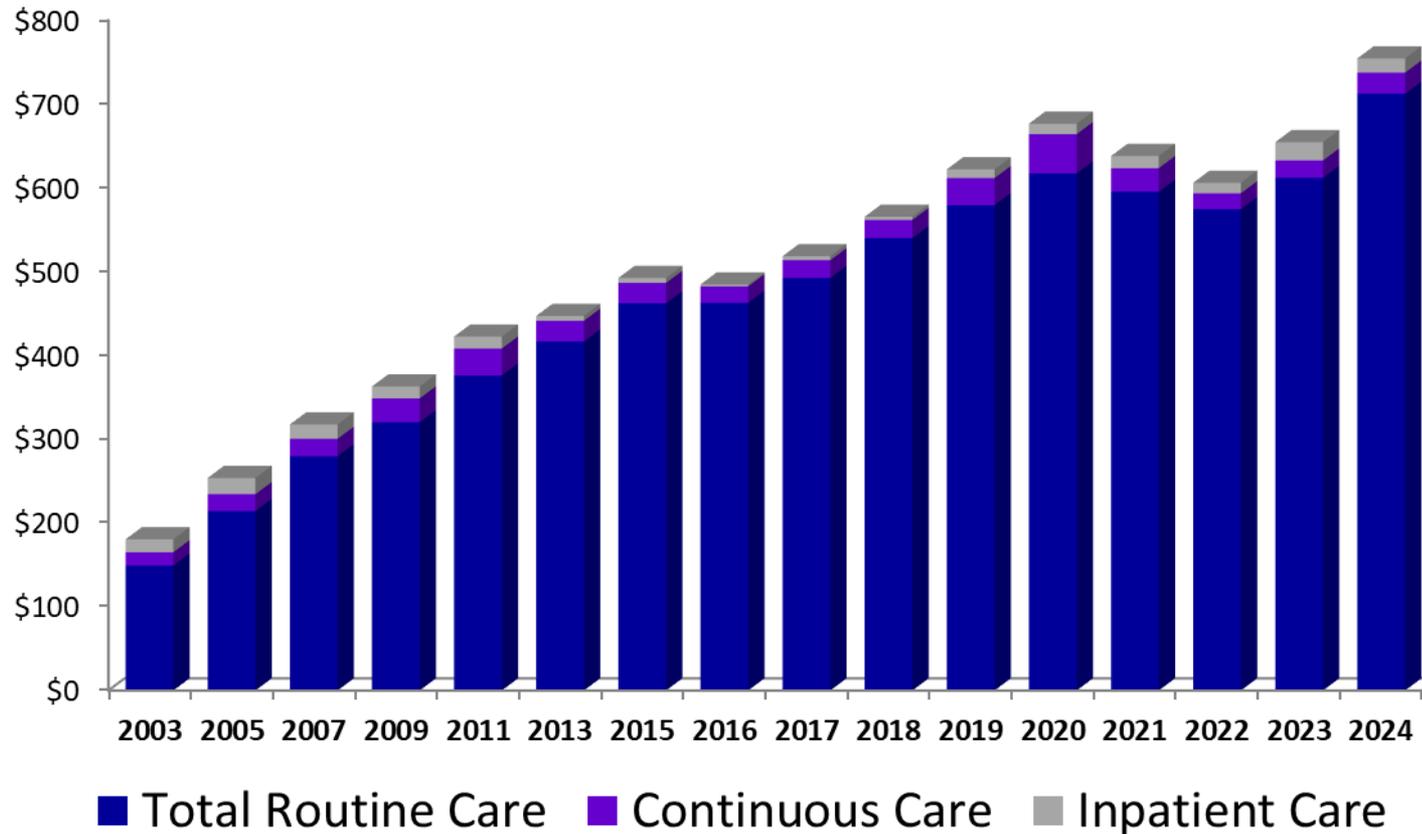
# VITAS Analysis of Average Daily Census (ADC)

2003 through 2024



# VITAS Analysis of Direct Gross Profit Contribution Margin By Level of Care

2003 through 2024 (in millions)



# VITAS – Summary of Operations

For The Years Ended December 31, 2004 through 2012

(in thousands, except percentages)

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
	2004	2005	2006	2007	2008	2009	2010	2011	2012
(1) Service Revenues and Sales	\$ 531,136	\$ 618,613	\$ 699,092	\$ 755,426	\$ 808,445	\$ 854,343	\$ 925,810	\$ 986,272	\$ 1,067,037
(2) EBITDA (b)	65,685	65,259	89,237	110,515	119,901	132,935	146,652	147,243	158,251
(3) Adj. EBITDA (b)	64,553	80,455	85,880	103,953	115,278	129,685	143,656	144,944	156,289
(4) Adj. EBITDA Margin (b)	12.2%	13.0%	12.3%	13.8%	14.3%	15.2%	15.5%	14.7%	14.6%
(5) Net Income (GAAP)	33,052	34,982	43,546	61,034	64,304	71,696	79,796	80,358	86,577
(6) Adj. Net Income (b)	32,961	44,659	49,249	59,974	64,010	72,059	80,465	81,186	87,338
(7) Adj. Net Income as a percent of Sales	6.2%	7.2%	7.0%	7.9%	7.9%	8.4%	8.7%	8.2%	8.2%

(a) Assumes VITAS was purchased on January 1, 2004

(b) See Appendix at the back of this presentation for reconciliation from GAAP reported results to adjusted (non-GAAP) results

# VITAS – Summary of Operations

## For The Years Ended December 31, 2013 through 2024

(in thousands, except percentages)

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
	2013	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	Average Annual Inc./(Dec.) 2004-2024
(1) Service Revenues and Sales	\$ 1,045,113	\$ 1,115,551	\$ 1,123,317	\$ 1,148,260	\$ 1,197,562	\$ 1,281,184	\$ 1,334,667	\$ 1,261,246	\$ 1,201,564	\$ 1,315,065	\$ 1,530,978	5.7%
(2) EBITDA (b)	142,770	169,768	156,172	92,899	199,568	224,757	337,660	238,202	196,680	224,867	304,871	8.4%
(3) Adj. EBITDA (b)	151,156	167,498	159,393	172,401	188,764	216,880	272,930	236,120	182,009	204,389	285,535	8.1%
(4) Adj. EBITDA Margin (b)	14.5%	15.0%	14.2%	15.0%	15.8%	16.9%	20.4%	18.7%	15.1%	15.5%	18.7%	n.a.
(5) Net Income (GAAP)	76,144	93,346	84,961	57,645	138,846	155,822	238,782	162,431	131,452	158,509	216,819	10.4%
(6) Adj. Net Income (b)	84,023	96,418	91,190	103,121	140,710	163,752	205,826	175,972	134,770	156,737	217,651	10.4%
(7) Adj. Net Income as a percent of Sales	8.0%	8.6%	8.1%	9.0%	11.7%	12.8%	15.4%	14.0%	11.2%	11.9%	14.2%	n.a.

(a) Assumes VITAS was purchased on January 1, 2004

(b) See Appendix at the back of this presentation for reconciliation from GAAP reported results to adjusted (non-GAAP) results

# VITAS – Operating Results

(in thousands, except percentages)

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16) Average Annual Inc./Dec.)
	2003 (b)	2004 (b)	2006	2008	2010	2012	2014	2016	2018	2019	2020	2021	2022	2023	2024	
(1) Net Service Revenue	\$ 441,017	\$ 531,136	\$ 699,092	\$ 808,445	\$ 925,810	\$ 1,067,037	\$ 1,064,205	\$ 1,123,317	\$ 1,197,562	\$ 1,281,184	\$ 1,334,667	\$ 1,261,246	\$ 1,201,564	\$ 1,315,065	\$ 1,530,978	6.1%
(2) Cost of field patient care	\$ 345,189	\$ 415,341	\$ 557,260	\$ 625,177	\$ 709,094	\$ 831,321	\$ 825,739	\$ 878,092	\$ 929,306	\$ 982,056	\$ 1,010,693	\$ 953,420	\$ 931,861	\$ 1,017,623	\$ 1,146,803	5.9%
(3) Gross profit	\$ 95,828	\$ 115,795	\$ 141,832	\$ 183,268	\$ 216,716	\$ 235,716	\$ 238,466	\$ 245,225	\$ 268,256	\$ 299,128	\$ 323,974	\$ 307,826	\$ 269,703	\$ 297,442	\$ 384,175	6.8%
(4) Selling and G&A expenses	\$ 53,526	\$ 51,266	\$ 57,707	\$ 68,417	\$ 74,531	\$ 81,188	\$ 85,183	\$ 92,550	\$ 80,969	\$ 86,345	\$ 85,445	\$ 87,585	\$ 89,187	\$ 93,296	\$ 99,564	3.0%
(5) Depreciation & amortization	\$ 9,285	\$ 10,149	\$ 11,923	\$ 16,317	\$ 18,124	\$ 18,349	\$ 19,049	\$ 19,090	\$ 19,700	\$ 20,055	\$ 22,239	\$ 23,185	\$ 22,056	\$ 20,063	\$ 20,467	3.8%
(6) Other operating expense	\$ -	\$ -	\$ 272	\$ -	\$ -	\$ -	\$ -	\$ 4,491	\$ 1,130	\$ 6,546	\$ (78,590)	\$ 876	\$ 3,337	\$ (12)	\$ 178	n.a.
(7) Income from operations	\$ 33,017	\$ 54,380	\$ 71,930	\$ 98,534	\$ 124,061	\$ 136,179	\$ 134,234	\$ 129,094	\$ 166,457	\$ 186,182	\$ 294,880	\$ 196,180	\$ 155,123	\$ 184,095	\$ 263,966	10.4%
(8) EBITDA	\$ 42,986	\$ 65,685	\$ 89,237	\$ 119,901	\$ 146,652	\$ 158,251	\$ 158,719	\$ 156,172	\$ 199,568	\$ 224,757	\$ 337,660	\$ 238,202	\$ 196,680	\$ 224,867	\$ 304,871	9.8%
(9) Adjusted EBITDA	\$ 42,302	\$ 64,553	\$ 85,880	\$ 115,278	\$ 143,656	\$ 156,289	\$ 155,449	\$ 159,393	\$ 188,764	\$ 216,880	\$ 272,930	\$ 236,120	\$ 182,009	\$ 204,389	\$ 285,535	9.5%
<b>Percent of Sales</b>																
(10) Net Service Revenue	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
(11) Cost of field patient care	78.3%	78.2%	79.7%	77.3%	76.6%	77.9%	77.6%	78.2%	77.6%	76.7%	75.7%	75.6%	77.6%	77.4%	74.9%	
(12) Gross profit	21.7%	21.8%	20.3%	22.7%	23.4%	22.1%	22.4%	21.8%	22.4%	23.3%	24.3%	24.4%	22.4%	22.6%	25.1%	
(13) Selling and G&A expenses	12.1%	9.7%	8.3%	8.5%	8.1%	7.6%	8.0%	8.2%	6.8%	6.7%	6.4%	6.9%	7.4%	7.1%	6.5%	
(14) Depreciation & amortization	2.1%	1.9%	1.7%	2.0%	2.0%	1.7%	1.8%	1.7%	1.6%	1.6%	1.7%	1.8%	1.8%	1.5%	1.3%	
(15) Other operating expense	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.4%	0.1%	0.5%	-5.9%	0.1%	0.3%	(0.0%)	0.0%	
(16) Income from operations	7.5%	10.2%	10.3%	12.2%	13.4%	12.8%	12.6%	11.5%	13.9%	14.5%	22.1%	15.6%	12.9%	14.0%	17.2%	
(17) EBITDA	9.7%	12.4%	12.8%	14.8%	15.8%	14.8%	14.9%	13.9%	16.7%	17.5%	25.3%	18.9%	16.4%	17.1%	19.9%	
(18) Adjusted EBITDA	9.6%	12.2%	12.3%	14.3%	15.5%	14.6%	14.6%	14.2%	15.8%	16.9%	20.4%	18.7%	15.1%	15.5%	18.7%	

(a) Continuing operations

(b) VITAS was acquired in February 2004. This schedule assumes VITAS was acquired January 1, 2003.

# VITAS – Results from Continuing Operations

(\$000)

	(1)	(2)	(3)	(4)	(5)	(6)
	Full-Year Results			Six Months Ended June 30,		
	2023	2024	Fav/(Unfav) % Growth	2024	2025	Fav/(Unfav) % Growth
(1) Service Revenues Before Medicare Cap	\$ 1,323,065	\$ 1,539,392	16.4%	\$ 732,314	\$ 822,300	12.3%
(2) Medicare Cap	(8,000)	(8,414)	(5.2%)	(3,750)	(18,700)	(398.7%)
(3) Net Service Revenues and Sales	\$ 1,315,065	\$ 1,530,978	16.4%	\$ 728,564	\$ 803,600	10.3%
(4) Adj. Net Income (a) (b)	\$ 156,737	\$ 217,651	38.9%	\$ 93,908	\$ 88,249	(6.0%)
(5) Adj. EBITDA (a) (b)	204,389	285,535	39.7%	123,912	118,406	(4.4%)
(6) Adj. EBITDA Margin (a) (b)	15.5%	18.7%	3.1 pts.	17.0%	14.7%	(2.3 pts.)
(7) Capital Expenditures	17,071	23,350	(36.8%)	11,312	11,122	1.7%

(a) Excludes certain discreet items.

(b) Reconciliation from GAAP reported results to adjusted (non-GAAP) results is provided in the Appendix at the back of the presentation.

## Future of VITAS



### Short-term

- **Continue organic growth**
- **Acquisitions**
  - Fragmented industry
  - Dominated by “Mom & Pop” not-for-profits
  - Bottom 50% of provider numbers have an estimated average operating margin in hospice of 4% - 8%\*
- **Access to reasonably priced capital critical to expansion**

### Long-term

- **Government reimbursement structure will drive VITAS’ future**
- **Consolidation**
  - Will “pure play” dominate industry? → Consolidation continues
  - Will continuum of care dominate? → Acquire other healthcare providers
    - Self referral → Divest VITAS to diverse healthcare provider
    - Control of patient

# VITAS – Operating Metrics

(\$000)

Operating Metrics	(1) 2020				(2) 2021				(3) 2022				(4) 2023				(5) 2024				(6) 2025	
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
	(1) Average Daily Census (ADC)	19,215	19,195	19,045	18,718	18,050	17,995	18,034	17,935	17,313	17,315	17,242	17,434	17,830	18,392	18,859	19,352	19,665	21,036	21,785	22,179	22,244
(2) Admissions	18,603	16,822	17,943	(0.7 pts.)	18,135	16,840	17,598	16,250	16,530	14,735	14,680	14,829	16,179	15,611	15,774	15,867	16,911	17,334	16,775	16,427	18,139	17,545
(3) Discharges	18,196	17,000	18,205	18,570	18,316	16,525	17,686	16,684	16,862	14,603	14,603	14,862	15,405	15,104	15,328	15,705	16,170	15,898	16,217	16,333	17,875	17,845
(4) Average Length of Stay (ALOS) (Days):	90.7	90.9	97.1	97.2	94.4	94.5	96.0	97.9	104.8	103.7	106.2	103.9	99.9	99.5	103.1	105.9	103.9	100.6	102.0	105.5	118.7	137.1
(5) Median Length of Stay (Days)	14	14	14	14	12	14	13	15	14	17	17	16	15	16	17	17	16	18	18	18	16	20
(6) Total Revenue Before Medicare Cap Reduction (\$000)	\$340,416	\$333,215	\$333,025	\$334,689	\$317,288	\$313,935	\$317,508	\$319,112	\$301,689	\$299,781	\$297,154	\$310,809	\$313,228	\$323,611	\$333,853	\$352,373	\$356,382	\$375,933	\$393,645	\$413,433	\$409,725	\$412,576
(7) Medicare Cap Reduction	(\$2,500)	\$12,163	\$13,280	(\$2,500)	(\$1,500)	(\$2,000)	(\$97)	(\$3,000)	(\$2,500)	(\$2,000)	(\$618)	(\$2,750)	(\$2,750)	(\$2,750)	(\$125)	(\$2,375)	(\$2,375)	(\$1,375)	(\$2,239)	(\$2,425)	(\$2,325)	(\$16,375)
(8) Revenue After Medicare Cap Reduction (\$000)	\$337,916	\$345,378	\$346,305	\$332,189	\$315,788	\$311,935	\$317,411	\$316,112	\$299,189	\$297,781	\$296,536	\$308,059	\$310,478	\$320,861	\$333,728	\$349,998	\$354,007	\$374,558	\$391,406	\$411,008	\$407,400	\$396,201
(9) % Routine Home Care	78.1%	81.5%	82.0%	81.8%	81.6%	82.9%	83.1%	84.3%	84.0%	84.5%	84.7%	84.6%	83.7%	84.3%	84.3%	84.8%	83.9%	84.8%	84.8%	85.2%	84.6%	85.2%
(10) % InPatient	9.3%	7.6%	8.1%	8.5%	9.0%	8.6%	9.1%	8.4%	8.7%	8.1%	8.1%	8.4%	9.1%	8.3%	8.2%	7.8%	8.3%	7.6%	7.5%	7.4%	8.2%	7.9%
(11) % Continuous Care	11.7%	10.2%	9.0%	8.8%	8.5%	7.6%	6.8%	6.4%	6.4%	6.4%	6.1%	6.1%	6.2%	6.4%	6.5%	6.3%	6.7%	6.4%	6.5%	6.0%	5.9%	5.6%
(12) % Other	(1.3%)	(1.0%)	(1.2%)	(1.1%)	(0.9%)	(0.9%)	(0.7%)	(0.6%)	(0.8%)	(0.7%)	(0.7%)	(1.0%)	(0.8%)	(0.8%)	(1.1%)	1.1%	(0.8%)	(0.6%)	(0.1%)	1.4%	(0.1%)	(0.5%)
(13) % Medicare Cap	(0.7%)	(1.7%)	1.2%	(0.7%)	(0.5%)	(0.6%)	0.0%	(0.9%)	(0.8%)	(0.7%)	(0.2%)	(0.9%)	(0.9%)	(0.8%)	0.0%	(0.7%)	(0.7%)	(0.4%)	(0.6%)	(0.6%)	(0.6%)	(3.9%)
Direct Care Margins: (a)																						
(14) Routine Home Care	51.9%	54.7%	55.8%	58.1%	54.1%	53.8%	54.7%	57.2%	55.2%	55.1%	52.7%	55.3%	52.6%	52.0%	52.6%	55.4%	52.3%	52.5%	52.0%	54.6%	51.3%	49.9%
(15) In Patient Care	17.8%	1.8%	9.5%	12.5%	11.1%	10.7%	15.0%	14.5%	13.4%	7.2%	12.0%	16.5%	17.8%	15.9%	20.5%	23.5%	18.5%	12.1%	13.5%	12.5%	10.5%	8.8%
(16) Continuous Care	35.6%	35.2%	32.2%	34.4%	32.2%	30.6%	27.8%	28.2%	25.7%	25.7%	22.5%	24.6%	24.9%	23.6%	23.1%	25.0%	24.2%	23.8%	24.7%	28.4%	26.2%	25.1%
(17) Gross Profit (Direct and Indirect) (\$000) (b) (c)	\$78,487	\$60,650	\$90,461	\$94,378	\$77,121	\$64,416	\$79,199	\$87,089	\$71,949	\$70,248	\$56,781	\$70,726	\$56,824	\$57,776	\$80,096	\$102,847	\$82,111	\$89,041	\$96,470	\$116,552	\$94,593	\$75,557
(18) Gross Profit Margin (b) (c)	23.2%	18.5%	26.8%	28.4%	24.4%	20.7%	25.0%	27.6%	24.0%	23.6%	19.1%	23.0%	18.3%	18.0%	24.0%	29.4%	23.2%	23.8%	24.6%	28.4%	23.2%	19.1%
(19) Pro Forma Selling, General & Admin Exp (c)	\$22,269	\$21,072	\$21,799	\$20,305	\$22,090	\$22,631	\$21,372	\$21,491	\$22,453	\$23,148	\$21,581	\$22,005	\$23,336	\$22,656	\$25,256	\$22,048	\$23,792	\$24,293	\$25,883	\$25,597	\$26,538	\$25,085
(20) Pro Forma Adjusted EBITDA (\$000) (c)	\$57,749	\$66,717	\$72,254	\$76,211	\$56,754	\$52,775	\$60,261	\$66,331	\$50,035	\$47,966	\$35,173	\$48,836	\$33,544	\$35,085	\$54,796	\$80,965	\$58,312	\$65,600	\$70,887	\$90,735	\$67,990	\$50,417
(21) Pro Forma Adjusted EBITDA Margin (c)	17.1%	20.3%	21.4%	22.9%	18.0%	16.9%	19.0%	21.0%	16.7%	16.1%	11.9%	15.9%	10.8%	10.9%	16.4%	23.1%	16.5%	17.5%	18.1%	22.1%	16.7%	12.7%

(a) Excludes any Medicare cap reduction  
(b) Includes any Medicare cap reduction  
(c) Excludes depreciation and amortization

# CHEMED

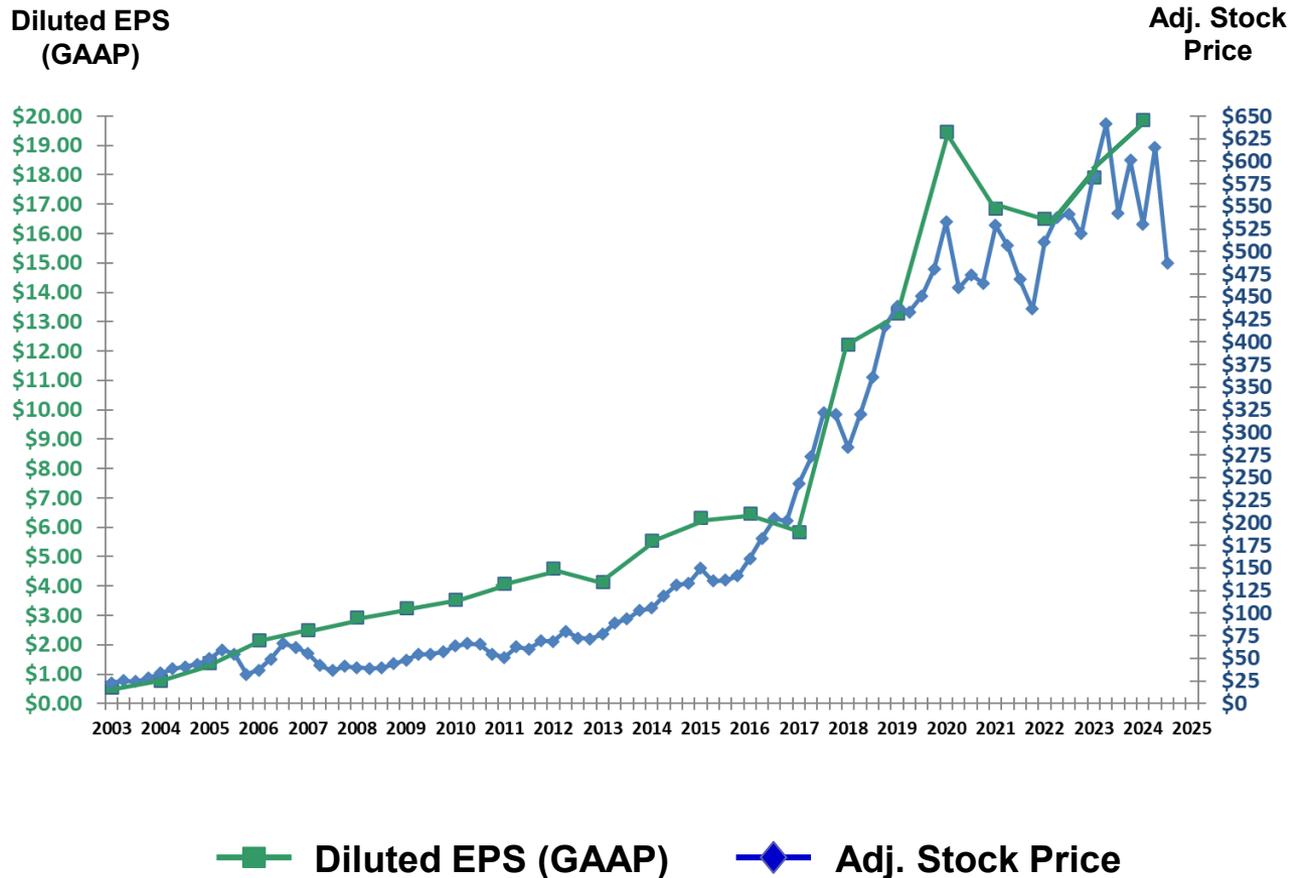
CHEMED CORPORATION



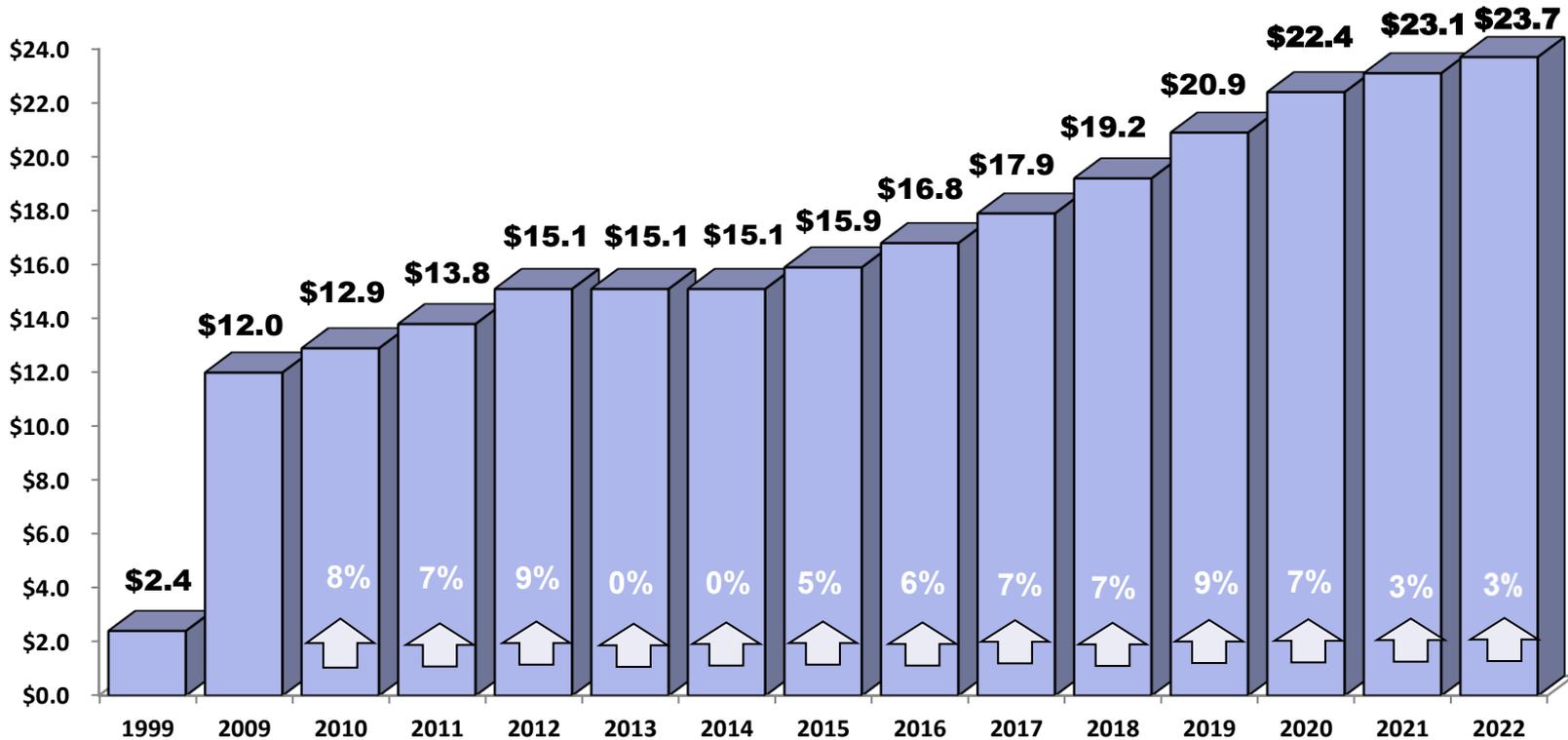
## APPENDIX

# EPS and Stock Price History

Chemed has delivered strong and consistent EPS to stockholders since 2003, 20.4% 21-year CAGR



## Medicare Hospice Spending (in billions)

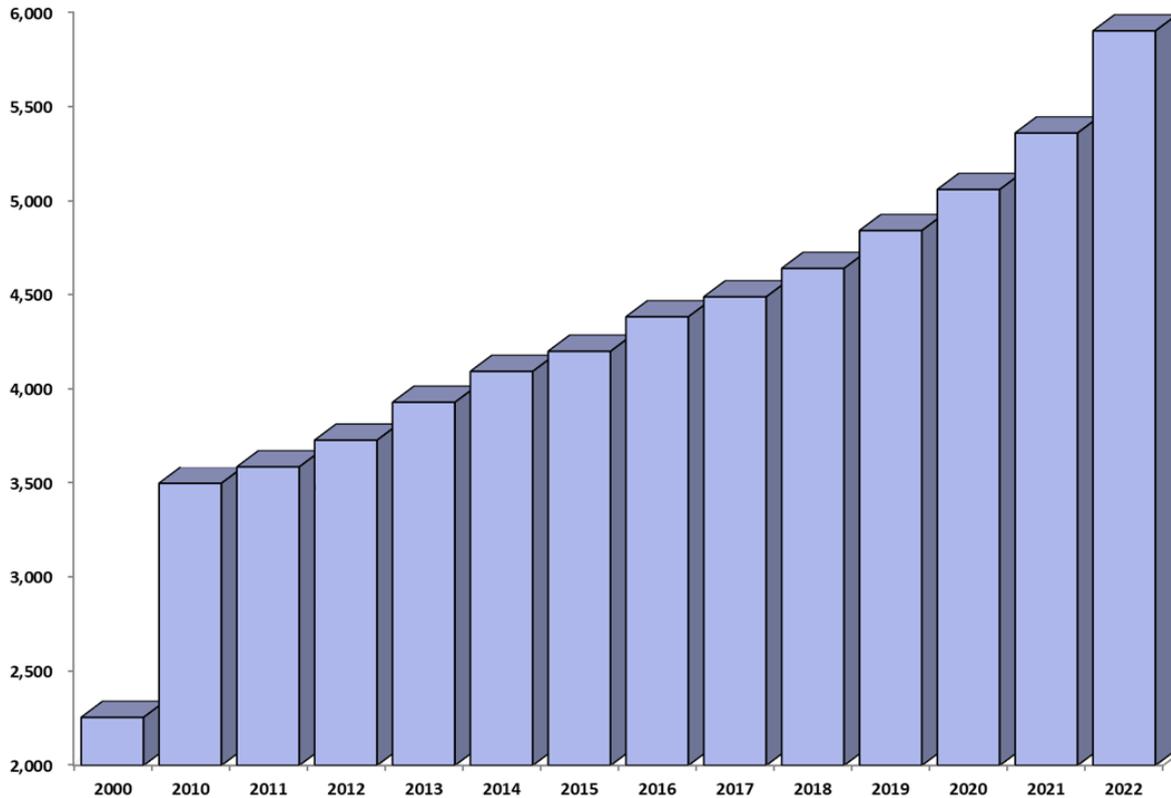


**10.5% Compounded annual growth rate from 1999 to 2022**

Sources: MedPAC Report to the Congress – 2011 - 2024

Annual Report of the Boards of Trustees of the Federal Hospital Insurance and  
Federal Supplementary Medical Insurance Trust Funds - 2017 and 2018

# Growth in Hospice Programs



Source: MedPAC Report to the Congress – 2011 through 2024

**CHEMED CORPORATION**  
**RECONCILIATION OF ADJUSTED EBITDA**  
**FOR THE YEARS ENDED DECEMBER 31, 2004 THROUGH 2024**  
**(IN THOUSANDS)**

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)
	2004	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
<b>Reconciliation of Adjusted EBITDA</b>																
(1) Net income/(loss)	\$ 27,512	\$ 81,831	\$ 85,979	\$ 89,304	\$ 77,227	\$ 99,317	\$ 110,274	\$ 108,743	\$ 98,177	\$ 205,544	\$ 219,923	\$ 319,466	\$ 268,550	\$ 249,624	\$ 272,509	\$ 301,999
(2) Discontinued operations	(8,417)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(3) Interest expense	21,158	11,959	13,888	14,723	15,035	8,186	3,645	3,715	4,272	4,990	4,535	2,355	1,868	4,584	3,108	1,780
(4) Income taxes	13,736	52,000	54,577	56,515	46,602	63,437	69,852	68,311	18,740	34,056	41,686	76,524	81,764	80,055	77,858	97,466
(5) Depreciation	14,542	24,386	25,247	26,009	27,698	29,881	32,369	34,279	35,488	38,464	40,870	46,596	49,011	49,102	50,802	52,864
(6) Amortization	3,468	2,099	1,466	1,508	1,644	720	1,130	359	137	399	4,335	9,987	10,040	10,070	10,063	10,185
(7) EBITDA	71,999	172,275	181,157	188,059	168,206	201,541	217,270	215,407	156,814	283,453	311,349	454,928	411,233	393,435	414,340	464,294
Add/(deduct)																
(8) Interest income	(1,874)	(444)	(426)	(809)	(847)	29	(281)	(383)	(427)	(671)	(513)	(757)	(377)	(355)	(6,270)	(14,610)
(9) Equity in earnings of VITAS	4,105	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(10) Advertising cost adjustment	528	(679)	(1,240)	(1,573)	(1,166)	(1,462)	(1,317)	(1,333)	(1,371)	-	-	-	-	-	-	-
(11) Long-term incentive compensation	8,783	4,734	3,012	360	1,301	2,569	7,519	1,930	4,994	6,618	7,630	8,937	9,167	7,801	11,689	14,815
(12) Loss/(gain) on extinguishment of debt	3,330	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(13) Legal expenses of OIG investigation	-	1,012	1,188	1,212	2,149	2,141	4,974	5,260	5,194	-	-	-	-	-	-	-
(14) Stock option expense	-	7,762	8,376	8,130	6,042	4,802	5,445	8,330	10,485	12,611	14,831	18,422	22,502	26,254	30,082	32,033
(15) Stock award expense	311	2,558	2,786	3,004	3,046	2,471	2,107	1,855	1,230	446	-	-	-	-	-	-
(16) Lawsuit settlement	3,135	1,853	2,299	1,016	27,646	120	5	1,194	84,689	796	6,000	3,639	(98)	4,000	2,056	-
(17) Debt registration expenses	1,191	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(18) VITAS transactions costs	442	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(19) Acquisition Expenses	-	324	121	188	62	24	172	-	-	757	4,834	-	-	-	-	1,133
(20) Costs to Shut down HVAC operations	-	-	-	1,126	-	-	-	-	-	-	-	-	-	-	-	-
(21) Securities litigation	-	-	-	742	109	327	37	-	-	-	-	-	-	-	-	-
(22) Severance arrangements	-	-	-	-	302	-	-	-	-	-	-	-	-	-	-	5,337
(23) Early Retirement Expenses	-	-	-	-	-	-	-	4,491	-	-	-	-	-	-	-	-
(24) Medicare Cap Sequestration adjustment	-	-	-	-	-	-	-	228	447	1,496	3,982	-	-	138	-	-
(25) Other	-	-	-	-	-	-	-	-	-	-	548	619	218	-	-	-
(26) Loss on sale of transportation equipment	-	-	-	-	-	-	-	-	5,266	-	2,266	-	-	-	-	-
(27) Program closure expenses	-	-	-	-	-	-	-	-	1,138	-	-	-	-	-	-	-
(28) Cares Act grant	-	-	-	-	-	-	-	-	-	-	-	(80,225)	-	-	-	-
(29) Direct costs related to COVID-19	-	-	-	-	-	-	-	-	-	-	-	39,260	18,769	1,387	-	-
(30) Adjusted EBITDA	\$ 91,950	\$ 189,395	\$ 197,273	\$ 201,455	\$ 206,850	\$ 212,562	\$ 235,931	\$ 236,979	\$ 268,459	\$ 305,506	\$ 350,927	\$ 444,823	\$ 461,414	\$ 432,660	\$ 451,897	\$ 503,002

**CHEMED CORPORATION**  
**RECONCILIATION OF ADJUSTED NET INCOME**  
**FOR THE YEARS ENDED DECEMBER 31, 2004 THROUGH 2024**  
**(IN THOUSANDS)**

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(1)
	2004	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
<b>Reconciliation of Adjusted Net Income</b>																
(1) Net income/(loss)	\$ 27,512	\$ 81,831	\$ 85,979	\$ 89,304	\$ 77,227	\$ 99,317	\$ 110,274	\$ 110,274	\$ 98,177	\$ 205,544	\$ 219,923	\$ 319,466	\$ 268,550	\$ 249,624	\$ 272,509	\$ 301,999
Add/(deduct):																
(2) Discontinued operations	(8,417)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(3) Equity in earnings of VITAS	4,105	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(4) Long-term incentive compensation	5,437	2,957	1,880	228	822	1,625	4,752	1,221	3,243	5,307	6,440	7,895	8,094	6,858	10,379	13,167
(5) Loss/(gain) on extinguishment of debt	2,030	-	-	-	294	-	-	-	-	-	-	-	-	-	-	-
(6) Legal expenses of OIG investigation	-	627	737	752	1,333	1,328	3,072	3,248	3,207	-	-	-	-	-	-	-
(7) Stock option expense	-	4,909	5,298	5,143	3,813	3,022	3,439	5,266	6,892	10,118	12,237	15,700	18,879	22,028	25,405	27,053
(8) Lawsuit settlement	1,897	1,126	1,397	617	16,926	74	3	28	52,504	594	4,476	2,675	(72)	2,984	1,577	-
(9) Prior period tax adjustments	(1,620)	-	-	-	(1,782)	-	-	-	-	-	-	-	-	-	-	-
(10) Debt registration expenses	727	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(11) VITAS transactions costs	222	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(12) Non-cash interest on convertible debt	-	4,313	4,664	5,041	5,448	2,143	-	-	-	-	-	-	-	-	-	-
(13) Impact of deferred rate tax change	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(4,241)	-
(14) Expenses associated with contested proxy solicitation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(15) Acquisition Expenses	-	198	75	114	38	15	104	-	-	559	3,557	-	-	-	-	858
(16) Costs to Shut down HVAC operations	-	-	-	649	-	-	-	-	-	-	-	-	-	-	-	-
(17) Securities litigation	-	-	-	469	69	207	23	-	-	-	-	-	-	-	-	-
(18) Severance arrangements	-	-	-	-	184	-	-	-	-	-	-	-	-	-	-	5,337
(19) Early retirement expenses	-	-	-	-	-	-	-	2,840	-	-	-	-	-	-	-	-
(20) Medicare cap sequestration adjustment	-	-	-	-	-	-	-	141	276	1,114	2,965	462	-	103	-	-
(21) Other	-	-	-	-	-	-	-	-	-	-	406	-	166	-	-	-
(22) Excess tax benefits on stock compensation	-	-	-	-	-	-	-	-	(18,932)	(22,862)	(24,177)	(26,089)	(9,884)	(5,928)	(4,330)	(4,442)
(23) Impact of tax reform	-	-	-	-	-	-	-	-	(8,302)	-	-	-	-	-	-	-
(24) Loss on sale of transportation equipment	-	-	-	-	-	-	-	-	3,314	-	1,733	-	-	-	-	-
(25) Program closure expenses	-	-	-	-	-	-	-	-	675	-	-	-	1,384	-	-	-
(26) Amortization of acquired and cancelled franchise agreements	-	-	-	-	-	-	-	-	-	-	2,913	6,914	6,915	6,915	7,216	7,216
(27) Cares Act grant	-	-	-	-	-	-	-	-	-	-	-	(59,848)	-	-	-	-
(28) Direct costs related to COVID-19	-	-	-	-	-	-	-	-	-	-	-	29,238	13,975	1,025	-	-
(29) Adjusted net income	\$ 31,893	\$ 95,961	\$ 100,030	\$ 102,317	\$ 104,372	\$ 107,731	\$ 121,667	\$ 123,018	\$ 141,054	\$ 200,374	\$ 230,473	\$ 296,413	\$ 308,007	\$ 283,609	\$ 308,515	\$ 351,188

**ROTO-ROOTER GROUP**  
**RECONCILIATION OF ADJUSTED EBITDA and ADJUSTED NET INCOME**  
**FOR THE YEARS ENDED DECEMBER 31, 2004 THROUGH 2024**  
(IN THOUSANDS)

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)	(20)	(21)	
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	
<b>Reconciliation of Adjusted EBITDA</b>																						
(1) Net income	\$ 18,795	\$ 27,626	\$ 32,454	\$ 38,971	\$ 33,427	\$ 33,040	\$ 31,678	\$ 34,879	\$ 30,905	\$ 29,243	\$ 42,075	\$ 48,573	\$ 52,893	\$ 73,299	\$ 98,711	\$ 103,710	\$ 120,394	\$ 166,333	\$ 186,120	\$ 188,241	\$ 160,046	
(2) Interest expense	206	563	368	495	246	186	233	358	433	322	363	348	332	323	319	345	340	595	396	442	431	
(3) Income taxes	10,611	16,048	18,748	24,145	20,644	20,372	19,547	21,353	18,770	17,560	25,808	29,630	32,719	32,782	28,850	30,276	37,038	51,420	58,695	50,125	48,510	
(4) Depreciation	8,583	8,271	7,665	8,365	8,294	8,068	7,775	8,130	8,397	9,014	10,702	12,988	14,698	16,667	18,629	20,730	24,292	25,816	27,075	30,790	32,452	
(5) Amortization	119	90	72	54	313	441	136	228	246	259	273	372	304	123	387	4,264	9,916	9,969	9,969	9,959	10,080	
(6) EBITDA	38,314	52,598	59,307	72,030	62,924	62,107	59,369	64,948	58,751	56,398	79,221	91,911	100,946	123,194	146,896	159,325	191,980	254,133	282,255	279,557	251,519	
Add/(deduct):																						
(7) Advertising cost adjustment	528	691	323	601	225	(540)	(679)	(1,240)	(1,573)	(1,166)	(1,462)	(1,317)	(1,333)	(1,371)	-	-	-	-	-	-	-	
(8) Long-term incentive compensation	1,558	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
(9) Lawsuit settlement	3,135	-	-	1,927	-	882	1,853	2,299	1,016	17,146	7	5	45	213	-	3,639	(98)	-	2,056	-	-	
(10) Prior-period insurance adjustments	-	(1,663)	-	-	597	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
(11) Interest income	(139)	(156)	(85)	(377)	(116)	(73)	(49)	(40)	(30)	(41)	(39)	(40)	(58)	(39)	(92)	(133)	(76)	(124)	(138)	(125)	(69)	
(12) Intercompany interest income	(1,041)	(2,236)	(3,997)	(4,993)	(3,708)	(2,514)	(2,612)	(2,136)	(1,617)	(2,055)	(2,892)	(3,385)	(3,595)	(5,596)	(6,908)	(8,152)	(6,256)	(7,180)	(9,345)	(11,918)	(14,397)	
(13) Acquisition expenses	-	-	-	-	-	256	(26)	173	4	23	172	-	-	548	4,664	-	-	-	-	-	34	
(14) Severance arrangements	-	-	-	-	-	-	-	-	302	-	-	-	-	-	-	-	-	-	-	-	-	
(15) Costs to shut down HVAC operations	-	-	-	-	-	-	-	1,126	-	-	-	-	-	-	-	-	-	-	-	-	-	
(16) Stock award amortization	-	-	-	-	-	378	371	386	348	252	268	307	269	100	-	-	-	-	-	-	-	
(17) Direct costs related to COVID-19	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3,819	2,435	988	-	-	
(18) Non cash ASC 842 expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	55	-	-	-	-	-	
(19) Adjusted EBITDA	\$ 42,355	\$ 49,234	\$ 55,548	\$ 69,188	\$ 59,922	\$ 59,862	\$ 58,516	\$ 64,176	\$ 58,232	\$ 70,936	\$ 75,110	\$ 87,614	\$ 96,312	\$ 116,670	\$ 140,544	\$ 155,759	\$ 193,106	\$ 249,166	\$ 273,760	\$ 269,570	\$ 237,087	
<b>Reconciliation of Adjusted Net Income</b>																						
(20) Net income	\$ 18,795	\$ 27,626	\$ 32,454	\$ 38,971	\$ 33,427	\$ 33,040	\$ 31,678	\$ 34,879	\$ 30,905	\$ 29,243	\$ 42,075	\$ 48,573	\$ 52,893	\$ 73,299	\$ 98,711	\$ 103,710	\$ 120,394	\$ 166,333	\$ 186,120	\$ 188,241	\$ 160,046	
Add/(deduct):																						
(21) Long-term incentive compensation	982	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
(22) Lawsuit settlement	1,897	-	-	1,168	-	534	1,126	1,397	617	10,416	4	3	28	129	403	-	2,675	(72)	-	1,577	-	
(23) Prior-period insurance adjustments	-	(1,014)	-	-	358	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
(24) Prior-period tax adjustments	(630)	(1,126)	(1,251)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
(25) Acquisition expenses	-	-	-	-	-	156	(16)	105	2	14	104	-	-	-	-	3,429	-	-	-	-	26	
(26) Severance arrangements	-	-	-	-	-	-	-	-	184	-	-	-	-	-	-	-	-	-	-	-	-	
(27) Costs to shut down HVAC operations	-	-	-	-	-	-	-	649	-	-	-	-	-	-	-	-	-	-	-	-	-	
(27) Impact of deferred rate tax change	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(3,559)	
(28) Impact of tax reform	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
(29) Non cash ASC 842 expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	(7,761)	-	-	-	-	-	-	-	
(30) Amortization of acquired and cancelled franchise agreements	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2,913	6,914	6,915	6,915	7,216	7,216	
(31) Direct costs related to COVID-19	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2,913	2,808	1,789	726	-	-	
(32) Adjusted net income	\$ 21,044	\$ 25,486	\$ 31,203	\$ 40,139	\$ 33,785	\$ 33,574	\$ 32,960	\$ 36,260	\$ 32,276	\$ 39,845	\$ 42,093	\$ 48,680	\$ 52,921	\$ 65,667	\$ 99,114	\$ 113,005	\$ 132,791	\$ 174,965	\$ 193,761	\$ 193,475	\$ 167,288	

**VITAS HEALTHCARE GROUP**  
**RECONCILIATION OF ADJUSTED EBITDA and ADJUSTED NET INCOME**  
**FOR THE YEARS ENDED DECEMBER 31, 2004 THROUGH 2024 (a)**  
(IN THOUSANDS)

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)
	2004	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
<b>Reconciliation of Adjusted EBITDA</b>																
(1) Net income	\$ 33,052	\$ 79,796	\$ 80,358	\$ 86,577	\$ 76,144	\$ 86,186	\$ 93,346	\$ 84,961	\$ 57,645	\$ 138,846	\$ 155,822	\$ 238,782	\$ 162,431	\$ 131,452	\$ 158,509	\$ 216,819
(2) Discontinued operations	(91)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(3) Interest expense	128	131	229	233	182	207	200	211	188	175	169	166	160	172	180	171
(4) Income taxes	22,447	48,601	48,835	53,092	46,910	53,278	56,675	51,910	16,436	40,847	48,711	76,473	52,426	43,000	46,115	67,414
(5) Depreciation	6,192	16,161	16,583	17,087	18,149	18,601	18,789	19,035	18,616	19,688	19,984	22,168	23,114	21,955	19,959	20,362
(6) Amortization	3,957	1,963	1,238	1,262	1,385	447	758	55	14	12	71	71	71	101	104	105
(7) EBITDA	65,685	146,652	147,243	158,251	142,770	158,719	169,768	156,172	92,899	199,568	224,757	337,660	238,202	196,680	224,867	304,871
Add/(deduct)																
(8) Legal expenses of OIG investigation	-	1,012	1,188	1,212	2,149	2,141	4,974	5,260	5,194	-	-	-	-	-	-	-
(9) Lawsuit settlement	-	-	-	-	10,500	113	-	1,149	84,476	796	6,000	-	-	4,000	-	-
(10) Interest income	(373)	(220)	(295)	(703)	(750)	78	(241)	(325)	(388)	(580)	(380)	(668)	(253)	(218)	(1,078)	(224)
(11) Intercompany interest income	(759)	(4,632)	(3,998)	(3,180)	(4,288)	(6,189)	(7,499)	(7,969)	(11,656)	(12,832)	(18,135)	(19,897)	(18,125)	(18,901)	(19,400)	(20,211)
(12) Acquisition expenses	-	68	147	15	58	1	-	-	-	209	-	-	-	-	-	1,099
(13) Stock award amortization	-	776	659	694	717	586	496	387	291	107	-	-	-	-	-	-
(14) Early retirement expense	-	-	-	-	-	-	-	4,491	-	-	-	-	-	-	-	-
(15) Medicare cap sequestration adjustment	-	-	-	-	-	-	-	228	447	1,496	3,982	619	-	138	-	-
(16) Program closure expenses	-	-	-	-	-	-	-	-	1,138	-	-	-	-	-	-	-
(17) Non cash ASC 842 expenses	-	-	-	-	-	-	-	-	-	-	656	-	-	-	-	-
(18) Cares Act grant	-	-	-	-	-	-	-	-	-	-	-	(80,225)	-	-	-	-
(19) Direct costs related to COVID-19	-	-	-	-	-	-	-	-	-	-	-	35,441	16,296	310	-	-
(20) Adjusted EBITDA	\$ 64,553	\$ 143,656	\$ 144,944	\$ 156,289	\$ 151,156	\$ 155,449	\$ 167,498	\$ 159,393	\$ 172,401	\$ 188,764	\$ 216,880	\$ 272,930	\$ 236,120	\$ 182,009	\$ 204,389	\$ 285,535
<b>Reconciliation of Adjusted Net Income</b>																
(21) Net income	\$ 33,052	\$ 79,796	\$ 80,358	\$ 86,577	\$ 76,144	\$ 86,186	\$ 93,346	\$ 84,961	\$ 57,645	\$ 138,846	\$ 155,822	\$ 238,782	\$ 162,431	\$ 131,452	\$ 158,509	\$ 216,819
(22) Add/(deduct):																
(23) Discontinued operations	(91)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(24) Legal expenses of OIG investigation	-	627	737	752	1,333	1,328	3,072	3,248	3,207	-	-	-	-	2,984	-	-
(25) Lawsuit settlement	-	-	-	-	6,510	70	-	-	52,375	594	4,476	-	-	-	-	-
(26) Prior-period tax adjustments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(27) Acquisition expenses	-	42	91	9	36	1	-	-	-	156	-	-	-	-	-	832
(28) Early retirement expense	-	-	-	-	-	-	-	2,840	-	-	-	-	-	-	-	-
(29) Medicare cap sequestration adjustment	-	-	-	-	-	-	-	141	276	1,114	2,965	462	-	103	-	-
(30) Program closure expenses	-	-	-	-	-	-	-	-	675	-	-	-	1,384	-	-	-
(31) Impact of tax reform	-	-	-	-	-	-	-	-	(11,057)	-	-	-	-	-	-	-
(32) Non cash ASC 842 expenses	-	-	-	-	-	-	-	-	-	-	490	-	-	-	-	-
(33) Cares Act grant	-	-	-	-	-	-	-	-	-	-	-	(59,848)	-	-	-	-
(34) Impact of deferred rate tax change	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(1,772)	-
(35) Direct costs related to COVID-19	-	-	-	-	-	-	-	-	-	-	-	26,430	12,157	231	-	-
(36) Adjusted net income	\$ 32,961	\$ 80,465	\$ 81,186	\$ 87,338	\$ 84,023	\$ 87,585	\$ 96,418	\$ 91,190	\$ 103,121	\$ 140,710	\$ 163,753	\$ 205,826	\$ 175,972	\$ 134,770	\$ 156,737	\$ 217,651

(a) Assumes VITAS was purchased on January 1, 2004

**CHEMED CORPORATION**  
**RECONCILIATION OF ADJUSTED EBITDA AND ADJUSTED NET INCOME**  
**FOR THE FIRST SIX MONTHS OF 2024 AND 2025**  
**(IN THOUSANDS)**

	<u>2024</u>	<u>2025</u>
<b>Reconciliation of Adjusted EBITDA</b>		
(1) Net income	\$ 135,904	\$ 124,250
(2) Interest expense	854	772
(3) Income taxes	42,409	42,539
(4) Depreciation	26,454	27,134
(5) Amortization	5,067	5,143
(6) EBITDA	<u>210,688</u>	<u>199,838</u>
Add/(deduct)		
(7) Interest income	(7,737)	(4,632)
(8) Stock option expense	17,895	18,307
(9) Severance arrangement	5,337	-
(10) Long-term incentive compensation	7,377	3,510
(11) Acquisition expense	952	-
(12) Adjusted EBITDA	<u>\$ 234,512</u>	<u>\$ 217,023</u>
<b>Reconciliation of Adjusted Net Income</b>		
(13) Net income	\$ 135,904	\$ 124,250
Add/(deduct):		
(14) Stock option expense	14,963	15,317
(15) Excess tax benefit on stock compensation	(3,919)	(513)
(16) Long-term incentive compensation	6,636	3,129
(17) Amortization of acquired and cancelled franchise agreements	3,608	3,613
(18) Severance arrangement	5,337	-
(19) Acquisition expense	721	-
(20) Adjusted net income	<u>\$ 163,250</u>	<u>\$ 145,796</u>

**ROTO-ROOTER GROUP**  
**RECONCILIATION OF ADJUSTED EBIT AND ADJUSTED EBITDA**  
**FOR THE FIRST SIX MONTHS OF 2024 AND 2025**  
**(IN THOUSANDS)**

		<u>2024</u>	<u>2025</u>
<b>Reconciliation of Adjusted EBIT and EBITDA</b>			
(1)	Net income	\$ 81,371	\$ 71,858
(2)	Interest expense	235	261
(3)	Income taxes	24,610	21,936
(4)	EBIT	<u>106,216</u>	<u>94,055</u>
	Add/(deduct)		
(5)	Interest income	(47)	(33)
(6)	Intercompany interest income	(6,982)	(7,900)
(7)	Acquisition expense	45	-
(8)	Adjusted EBIT	<u>99,232</u>	<u>86,122</u>
(9)	Depreciation	16,204	16,601
(10)	Amortization	5,105	5,091
(11)	Adjusted EBITDA	<u>\$ 120,541</u>	<u>\$ 107,814</u>

**VITAS HEALTHCARE GROUP**  
**RECONCILIATION OF ADJUSTED EBITDA**  
**FOR THE FIRST SIX MONTHS OF 2024 AND 2025**  
**(IN THOUSANDS)**

<b>Reconciliation of Adjusted EBITDA</b>	<b>2024</b>	<b>2025</b>
(1) Net income	\$ 93,221	\$ 88,249
(2) Interest expense	92	95
(3) Income taxes	29,666	30,361
(4) Depreciation	10,225	10,509
(5) Amortization	52	52
(6) EBITDA	<u>133,256</u>	<u>129,266</u>
Add/(deduct)		
(7) Interest income	(75)	(110)
(8) Intercompany interest income	(10,176)	(10,750)
(9) Acquisition expense	907	-
(9) Adjusted EBITDA	<u>\$ 123,912</u>	<u>\$ 118,406</u>



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