

# ResCare's 2002 Revenue Nears \$1 Billion

## Division For Persons With Disabilities Leads The Way

Louisville, Ky.-based ResCare has reported revenue of \$920 million for the year ending December 2002, up from the previous year's revenue of \$886 million. The company

logged a net income of \$2.7 million, up significantly from the previous year's net loss of \$4.4 million.

Revenue in the fourth quarter of 2002, at \$234 million, was up very

slightly from the previous year's revenue of \$226 million.

ResCare was able to write off nearly all of its remaining accounts receivable in the fourth quarter that had service dates of 2000 or earlier. The company implemented a new accounts receivable system in 2001 and stated that as a result billing accuracy, timeliness, and tracking have improved "significantly"—so much so that ResCare reported record cash collections in the fourth quarter of 2002. In fact, the company exceeded its \$30 million projected cash flow for the year by \$6 million.

ResCare, which provides care and housing for people with developmental disabilities and special needs, has several divisions providing services for different populations. The company's most profitable segment in 2002 was its division for persons with disabilities, which brought in a profit of about \$48 million. Its division for job training services recorded \$15 million in profits, and its division for youth services \$2 million. ResCare's smaller lines of business recorded a loss of nearly \$37 million.

"Our employees have exhibited extraordinary effort and dedication through this difficult [economic] period," said Ronald Geary, ResCare's chairman, president, and chief executive officer.

"We have seen opportunities to serve more people, deliver more services, and drive more revenue, and we have acted on them."

ResCare's facilities and group homes—164 of which were opened in 2002—have an average occupancy rate of 97 percent, with waiting lists in most states. The company expects to open a similar number of homes in 2003.

—Kathleen Vickery

### Stock Check

PROVIDERS	Symbol	Where Traded	Current Price 4/30/03	P/E Ratio	% Change From 1/1/03	52-Week Range High	52-Week Range Low
<b>Skilled Nursing</b>							
Advocat	AVCA	OTC	\$0.16	N/A	-30%	\$0.57	\$0.09
Beverly Enterprises	BEV	NYSE	\$1.91	4.7	-33%	\$8.88	\$1.60
Extencicare	EXE.A	NYSE	\$2.25	7.4	-16%	\$3.99	\$1.80
Five Star Quality Care	FVE	AMEX	\$1.16	8.1	-15%	\$7.35	\$0.96
Genesis Health Ventures	GHVI	OTC	\$14.96	6.6	-3%	\$21.24	\$11.00
Kindred Healthcare	KIND	OTC	\$14.90	6.3	-18%	\$46.40	\$10.23
Manor Care	HCR	NYSE	\$19.45	6.8	5%	\$27.01	\$16.20
Mariner Health Care	MHCA	OTC	\$2.75	NA	-56%	\$14.00	\$2.50
National HealthCare	NHC	AMEX	\$18.70	6.4	7%	\$21.25	\$16.30
Sun Healthcare	SUHG	OTC	\$0.29	NA	-79%	\$23.25	\$0.11
<b>Assisted/Independent Living</b>							
Alterra Healthcare	ATHC	AMEX	\$0.01	NA	-91%	\$0.46	\$0.01
American Retirement	ACR	NYSE	\$1.77	12.1	-9%	\$3.14	\$1.30
ARV Assisted Living	SRS	AMEX	\$3.89	9.1	7%	\$3.95	\$1.90
Assisted Living Concepts	ASLC	OTC	\$4.01	8.6	31%	\$4.10	\$2.65
Capital Senior Living	CSU	NYSE	\$3.15	12.3	24%	\$3.80	\$2.03
Emeritus Corp.	ESC	AMEX	\$3.71	11.2	-31%	\$5.85	\$1.60
Greenbriar Corp.	GBR	AMEX	\$7.75	NA	7%	\$17.75	\$5.00
Sunrise Assisted Living	SRZ	NYSE	\$27.00	5.4	8%	\$30.15	\$19.60
<b>REITs</b>							
				<b>Yield</b>			
Eldertrust	ETT	NYSE	\$7.25	8.8%	3%	\$8.34	\$6.06
Health Care Property Investors	HCP	NYSE	\$37.22	8.9%	-3%	\$45.08	\$33.05
Health Care REIT	HCN	NYSE	\$28.47	8.2%	5%	\$29.95	\$24.14
Healthcare Realty	HR	NYSE	\$27.53	8.9%	-6%	\$32.35	\$22.96
LTC Properties	LTC	NYSE	\$7.70	7.8%	15%	\$8.70	\$5.25
National Health Investors	NHI	NYSE	\$16.25	9.8%	1%	\$17.16	\$12.95
Nationwide Health Properties	NHP	NYSE	\$14.00	13.1%	-6%	\$19.52	\$12.45
National Health Realty	NHR	AMEX	\$15.17	8.8%	4%	\$19.30	\$11.75
Omega Healthcare	OHI	NYSE	\$2.74	NA	-27%	\$7.66	\$2.21
Senior Housing Properties Trust	SNH	NYSE	\$12.48	9.9%	18%	\$15.73	\$9.30
Universal Health Realty	UHT	NYSE	\$26.15	7.4%	0%	\$28.50	\$23.03
Ventas	VTR	NYSE	\$13.00	8.2%	14%	\$13.76	\$10.06

Quotes courtesy of Irving Levin Associates, New Canaan, Conn. Phone: (203) 966-4343