

SCHEDULE 14A

(RULE 14a-101)
SCHEDULE 14A INFORMATION

Proxy Statement Pursuant to Section 14(a) of
the Securities Exchange Act of 1934 (Amendment No.)

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

- Preliminary Proxy Statement
 Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))
 Definitive Proxy Statement
 Definitive Additional Materials
 Soliciting Material Pursuant to 240.14a-12

Chemed Corporation

(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

- No fee required.
 Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

(1) Title of each class of securities to which transaction applies:

(2) Aggregate number of securities to which transaction applies:

(3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

(4) Proposed maximum aggregate value of transaction:

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Fee paid previously with preliminary materials.

Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

(1) Amount Previously Paid:

(2) Form, Schedule or Registration Statement No.:

(3) Filing Party:

(4) Date Filed:



CHEMED

CHEMED CORPORATION

Results as of March 31, 2009



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.

Safe Harbor and Regulation G Statement (Continued)

Important Information

Chemed filed with the SEC, on April 29, 2009, a definitive proxy statement in connection with its 2009 annual meeting, and is mailing the definitive proxy statement to its stockholders. Investors and security holders are urged to read the definitive proxy statement relating to the 2009 Annual Meeting and any other relevant documents filed with the SEC (when available) because they contain important information. Investors and security holders may obtain a free copy of the definitive proxy statement and other documents that Chemed files with the SEC (when available) at the SEC's website at www.sec.gov and Chemed's website at www.chemed.com. In addition, the definitive proxy statement and other documents filed by Chemed with the SEC (when available) may be obtained from Chemed free of charge by directing a request to Chemed Corporation, Attn: Investor Relations, Chemed Corporation, 2600 Chemed Center, 255 East Fifth Street, Cincinnati, OH 45202-4726.

Certain Information Regarding Participants

Chemed, its directors and certain executive officers and employees are participants in the solicitation of Chemed's security holders in connection with its 2009 Annual Meeting. Security holders may obtain information regarding the names, affiliations and interests of such individuals in Chemed's Annual Report on Form 10-K for the year ended December 31, 2008, which was filed with the SEC on February 27, 2009, and its definitive proxy statement for the 2009 Annual Meeting, which was filed with the SEC on April 29, 2009. To the extent holdings of Chemed securities have changed since the amounts printed in the definitive proxy statement for the 2009 Annual Meeting, such changes have been or will be reflected on Statements of Change in Ownership on Form 4 filed with the SEC. These documents may be obtained free of charge (when available) from the SEC's website at www.sec.gov and Chemed's website at www.chemed.com.

Cumulative Results Since the VITAS Acquisition

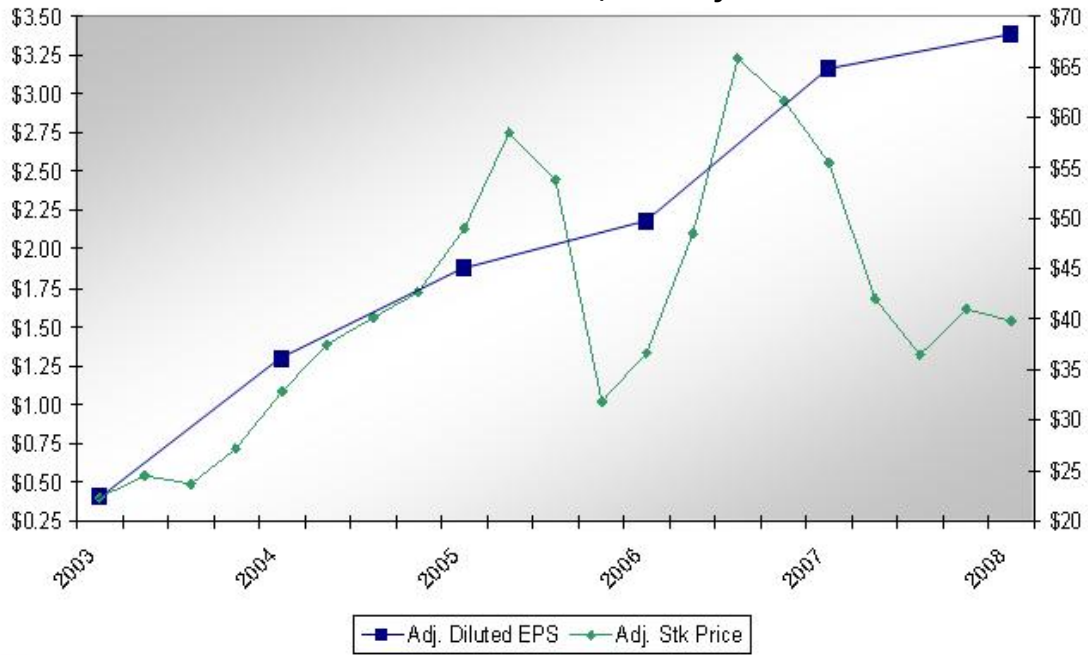
For the years ended December 31, 2003 through 2008

		(1)	(2)	(3)
		CAGR		
		One Year	Three Year	Five Year
Chemed*				
(1)	Service revenues and sales	4.4%	7.8%	10.4%
(2)	Income from continuing operations	14.9%	25.8%	41.8%
(3)	Diluted EPS from continuing operations	23.2%	30.7%	42.4%
Roto-Rooter				
(3)	Service revenues and sales	(1.2%)	4.6%	5.5%
(4)	Net income	(13.8%)	6.7%	20.6%
VITAS				
(5)	Service revenues and sales	7.0%	9.3%	12.9%
(6)	Net income	6.0%	22.8%	26.3%

* Include VITAS results as if VITAS were purchased on January 1, 2003

EPS⁽¹⁾ and Stock Price⁽²⁾ History

Chemed has delivered strong and consistent EPS to stockholders since 2003, 53% 5-year CAGR



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

Chemed – Consolidated Summary of Operations

For the years ended December 31, 2003 through 2008
(in thousands, except per share data)

	(1)	(2)	(3)	(4)	(5)	(6)	(7)
	2003	2004	2005	2006	2007	2008	Average Annual Inc./(Dec.)
(1) Service Revenues and Sales (a)	\$ 260,776	\$ 734,877	\$ 915,970	\$ 1,018,587	\$ 1,100,058	\$ 1,148,941	34.5%
(2) EBITDA (c)	30,366	72,310	96,992	129,782	138,470	155,032	38.6%
(3) Adj. EBITDA (c)	25,118	91,950	120,513	131,373	161,846	161,754	45.1%
(4) Net Income/(Loss) (GAAP)	(3,435)	27,512	35,817	50,651	61,641 (b)	67,281 (b)	n.a.
(5) Adj. Net Income (c)	7,894	31,893	49,542	58,102	79,277	78,900	58.5%
(6) Diluted EPS (GAAP)	(0.17)	1.12	1.36	1.90	2.46	2.88	n.a.
(7) Adj. Diluted EPS (c) (d)	0.40	1.29	1.88	2.18	3.16	3.38	53.2%
(8) Diluted Average Shares Outstanding	19,908	24,636	26,299	26,669	25,077	23,374	3.3%

(a) Continuing operations

(b) Restated for the retrospective adoption of FASB Staff Position No. APB 14-1, "Accounting for Convertible Debt Instruments That May Be Settled in Cash upon Conversion (Including Partial Cash Settlement)," effective January 1, 2009

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

(d) 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

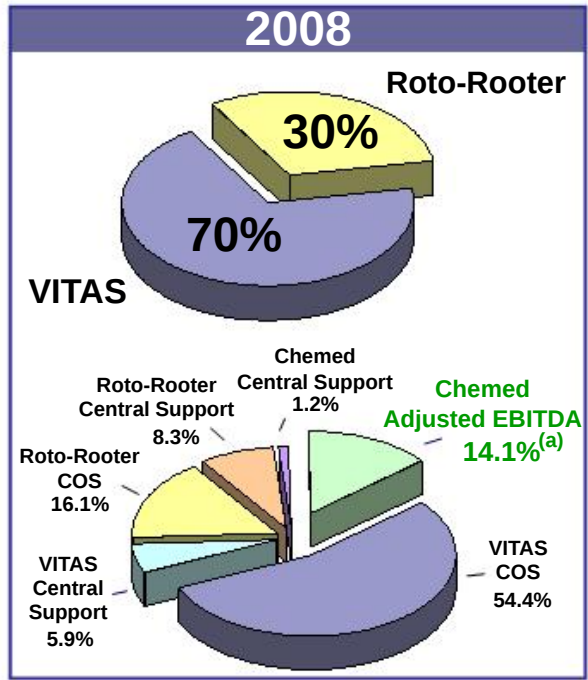
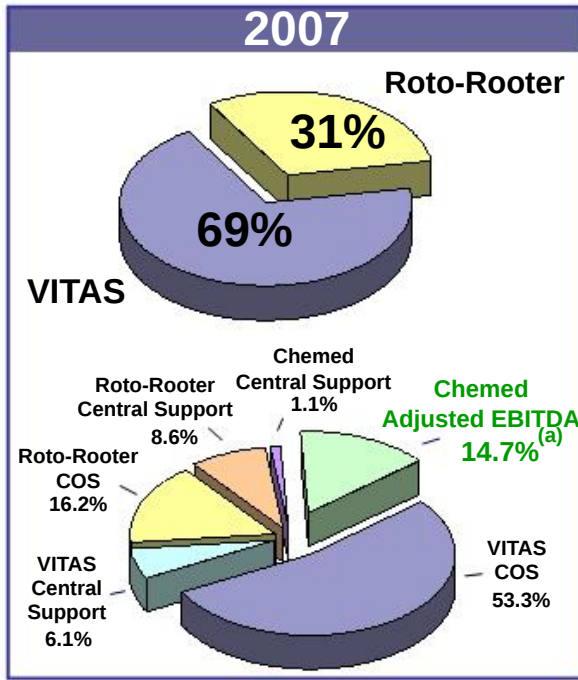
(in thousands, except per share data)

	(1)	(2)	(3)	(4)	(5)	(6)
	Full Year Results			Three Months Ended March 31,		
	2007	2008	Fav/(Unfav) % Growth	2008	2009	Fav/(Unfav) % Growth
(1) Service Revenues and Sales	\$1,100,058	\$1,148,941	4.4%	\$285,268	\$294,938	3.4%
(2) Net Income	61,641	67,281	9.1%	15,860	19,339	21.9%
(3) Diluted EPS (b)	2.46	2.88	17.1%	0.65	0.85	30.8%
(4) Adj. EBITDA (a)	161,846	161,754	(0.1%)	36,606	42,224	15.4%
(5) Adj. EBITDA Margin (a)	14.7%	14.1%	(0.6) pts.	12.8%	14.3%	1.5 pts.
(6) Adj. Net Income (a)	79,277	78,900	(0.5%)	17,731	21,216	19.7%
(7) Adj. Diluted EPS (a) (b)	3.16	3.38	7.0%	0.73	0.94	28.8%
(8) Capital Expenditures	26,640	26,094	2.1%	3,891	3,376	13.2%

(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

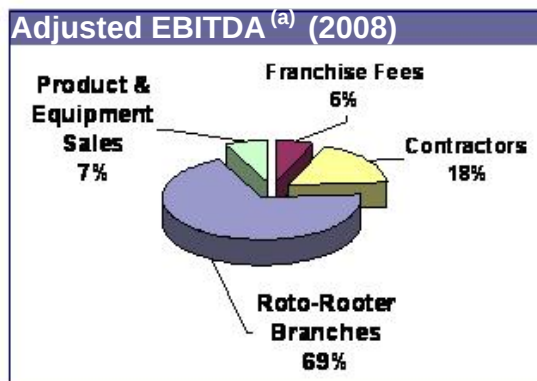
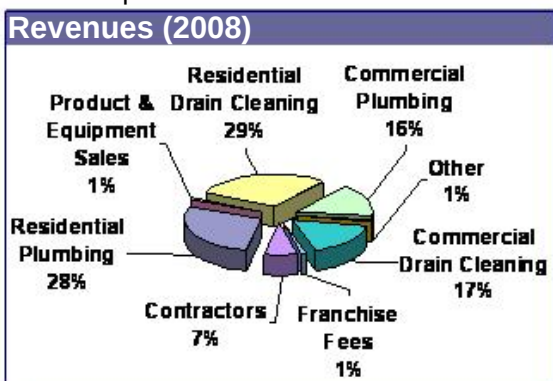


^(a) See Appendix at the back of this presentation for reconciliation of EBITDA and Adjusted EBITDA to Net Income



Roto-Rooter Company Overview

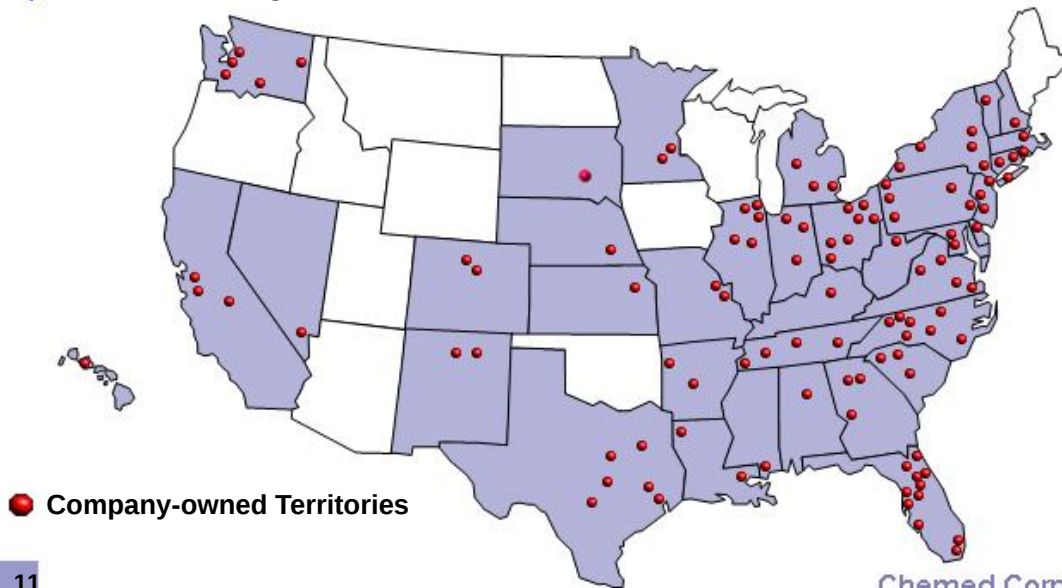
- ◆ Largest provider of plumbing and drain cleaning services in North America
 - ▶ Provides plumbing services to approximately 90% of the United States and 40% of the Canadian population
- ◆ Provides plumbing and drain cleaning services in more than 110 company-owned territories and approximately 500 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 57% of revenues, while commercial customers represent 33% of revenues



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

Chemed Growth Strategy – Roto-Rooter

- ◆ Continue to increase efficiency
- ◆ Acquire franchisee territories at reasonable valuations
 - ▶ \$175 - \$200 million in franchise street sales
 - ▶ Purchase at 4-5 times EBITDA
 - ▶ Minimal capital expenditure
- ◆ Focus on earnings and cash flow



Roto-Rooter – Summary of Operations

For The Years Ended December 31, 2003 through 2008
(in thousands, except percentages)

	(1)	(2)	(3)	(4)	(5)	(6)	(7)
	2003	2004	2005	2006	2007	2008	Average Annual Inc./(Dec.)
(1) Service Revenues and Sales (a)	\$ 260,776	\$ 276,611	\$ 297,337	\$ 319,495	\$ 344,632	\$ 340,496	5.5%
(2) EBITDA (b)	30,881	38,314	52,598	59,307	72,030	62,924	15.3%
(3) Adj. EBITDA (b)	30,847	42,355	49,234	55,548	69,188	59,922	14.2%
(4) Adj. EBITDA Margin (b)	11.8%	15.3%	16.6%	17.4%	20.1%	17.6%	n.a.
(5) Net Income (GAAP)	13,176	18,795	27,626	32,454	38,971	33,592	20.6%
(6) Adj. Net Income (b)	13,176	21,044	25,486	31,203	40,139	33,950	20.8%

(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 – Historical Financial Performance

(\$000)

	(1)	(2)	(3)	(4)	(5)	(6)
	Full Year Results			Three Months Ended March 31,		
	2007	2008	Fav/(Unfav) % Growth	2008	2009	Fav/(Unfav) % Growth
(1) Service Revenues and Sales	\$ 344,632	\$ 340,496	(1.2%)	\$ 86,683	\$ 86,521	(0.2%)
(2) Net Income (GAAP)	\$ 38,971	\$ 33,592	(13.8%)	\$ 9,095	\$ 8,276	(9.0%)
(3) Adj. EBITDA (a)	69,188	59,922	(13.4%)	15,940	14,467	(9.2%)
(4) Adj. EBITDA Margin (a)	20.1%	17.6%	(2.5) pts.	18.4%	16.7%	(1.7) pts.
(5) Adj. EBIT (a)	60,769	51,578	(15.1%)	13,845	12,398	(10.5%)
(6) Adj. EBIT Margin (a)	17.6%	15.1%	(2.5) pts.	16.0%	14.3%	(1.7) pts.
(7) Capital Expenditures	8,388	7,808	6.9%	2,329	1,474	36.7%

(a) 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

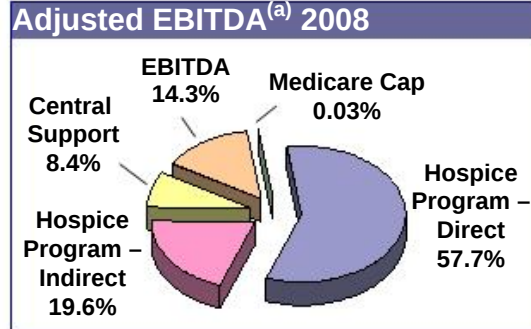
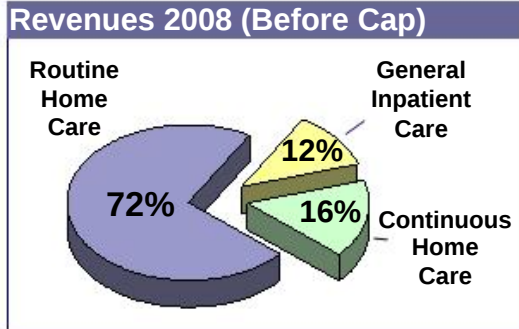
- ◆ **Utilize Cash Flow for:**
 - ▶ Purchase of franchises
 - ▶ Acquisition of hospices
 - ▶ Debt pay-down, share buy-back, increased dividends

- ◆ **Roto-Rooter Divestiture Considerations:**
 - ▶ If arbitrage of buying at low multiples is exhausted
 - ▶ 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 stockholder value

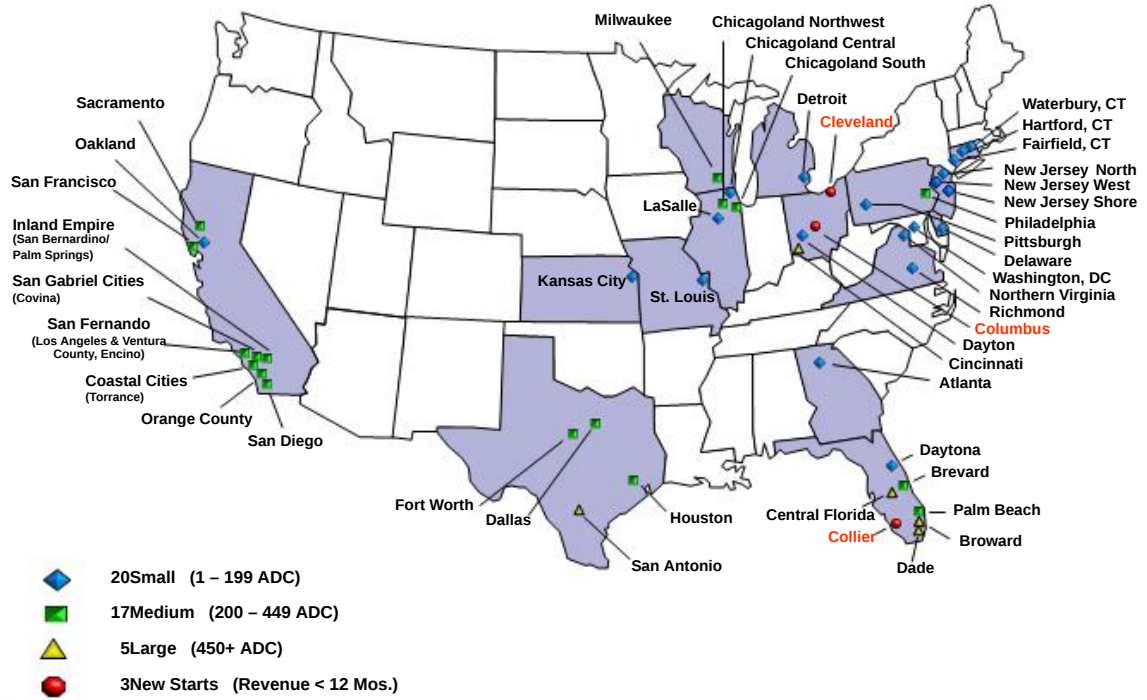


VITAS Healthcare Company Overview

- ◆ Largest provider of hospice services for patients with severe, life-limiting illnesses with approximately 8% of the U.S. market share
- ◆ Operates a comprehensive range of hospice services through 45 operating programs in 15 states and the District of Columbia
- ◆ Utilizes a standardized model for patient care which is intended to maximize quality and enhance patient satisfaction
- ◆ Operating statistics:
 - ▶ Service revenues and sales: \$208 million (Q1 2009)
 - ▶ Average daily census per established program: approximately 280 ADC, largest approximately 1,300 (Q1 2009)
 - ▶ Average length of stay: 76.6 days (Q1 2009)
- ◆ Total of 9,200 employees, including approximately 3,800 nurses and more than 3,200 home health aides and other direct caregivers (Q1 2009)



VITAS – Locations & ADC (as of March 31, 2009)



VITAS – Summary of Operations^(a)
For The Years Ended December 31, 2003 through 2008
(in thousands, except percentages)

	(1)	(2)	(3)	(4)	(5)	(6)	(7)
	2003	2004	2005	2006	2007	2008	Average Annual Inc./(Dec.)
(1) Service Revenues and Sales	\$ 441,017	\$ 531,136	\$ 618,613	\$ 699,092	\$ 755,426	\$ 808,445	12.9%
(2) EBITDA (b)	42,986	65,685	65,259	89,983	111,131	120,568	22.9%
(3) Adj. EBITDA (b)	42,302	64,553	80,455	85,880	103,953	115,278	22.2%
(4) Adj. EBITDA Margin (b)	9.6%	12.2%	13.0%	12.3%	13.8%	14.3%	n.a.
(5) Net Income (GAAP)	20,158	33,052	34,982	43,546	61,034	64,719	26.3%
(6) Adj. Net Income (b)	20,158	32,961	44,659	49,249	59,974	64,425	26.2%

(a) Assumes VITAS was purchased on January 1, 2003

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

VITAS – Results from Continuing Operations

(\$000)

	(1)	(2)	(3)	(4)	(5)	(6)
	Full Year Results			Three Months Ended March 31,		
	2007	2008	Fav/(Unfav) % Growth	2008	2009	Fav/(Unfav) % Growth
(1) Service Revenues Before Medicare Cap	\$ 755,668	\$ 808,680	7.0%	\$ 198,585	\$ 208,687	5.1%
(2) Medicare Cap	(242)	(235)	2.9%	-	(270)	N/A
(3) Net Service Revenues and Sales	\$ 755,426	\$ 808,445	7.0%	\$ 198,585	\$ 208,417	5.0%
(4) Net Income	\$ 61,034	\$ 64,719	6.0%	\$ 13,298	\$ 17,283	30.0%
(5) Adj. EBITDA (a)	103,953	115,278	10.9%	23,605	31,202	32.2%
(6) Adj. EBITDA Margin (a)	13.8%	14.3%	0.5 pts.	11.9%	15.0%	3.1 pts.
(7) Capital Expenditures	18,059	8,797	51.3%	1,520	1,895	(24.7%)

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

Future of VITAS

Short-term

- ◆ Continue organic growth
- ◆ Acquisitions
 - ▶ Fragmented industry
 - ▶ Dominated by “Mom & Pop” not-for-profits
 - ▶ Average operating margin in hospice is 4%*
 - ▶ 50% of hospices have negative margin*
 - ▶ Economies of scale
- ◆ 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
 - ▶ Control of patient
 - ▶ Divest VITAS to diverse healthcare provider

*Source - MedPac

VITAS – Operating Metrics (\$000)

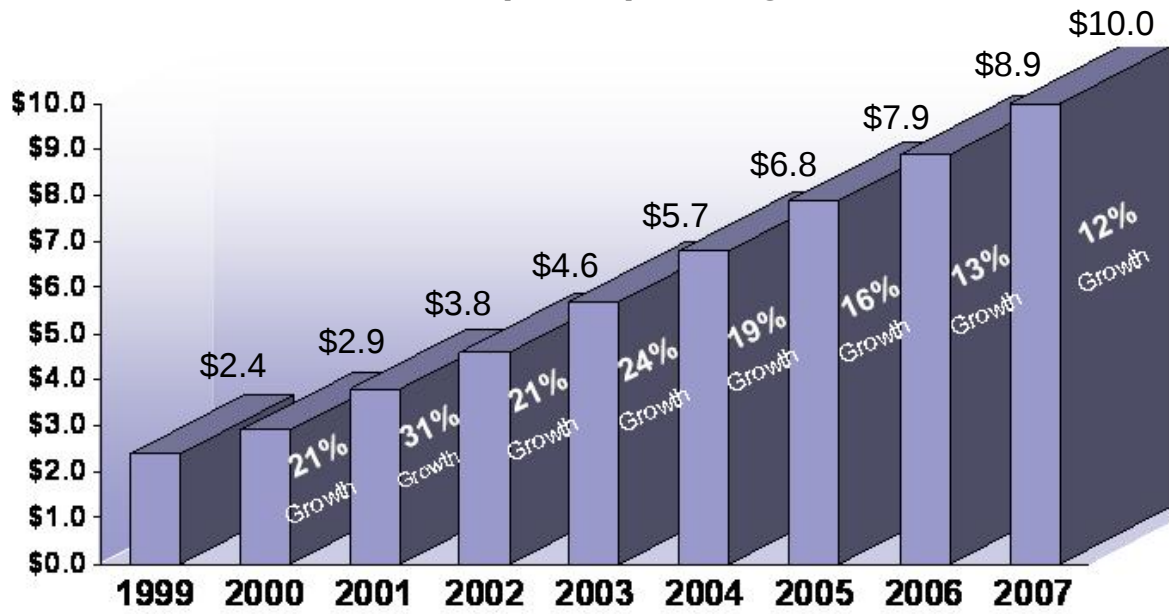
Operating Metrics	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
	2006				2007				2008				2009
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1
(1) Average Daily Census (ADC)	10,291	10,704	11,020	11,174	11,309	11,406	11,529	11,660	11,691	11,846	12,033	11,829	11,728
(2) Admissions	13,773	12,987	12,686	13,291	14,110	13,658	13,436	13,594	15,212	13,956	13,317	13,314	14,168
(3) Discharges	13,299	12,529	12,525	13,199	14,051	13,359	13,403	13,700	14,992	13,707	13,279	13,693	13,865
(4) Average Length of Stay (ALOS) (Days):	72.4	68.0	71.0	75.7	76.9	76.6	76.7	75.7	71.5	73.2	74.1	83.1	76.6
(5) Median Length of Stay (Days)	12	13	14	14	13	13	14	14	13	13	15	14	13
(6) Total Revenue Before Medicare Cap Reduction (\$000) (d)	\$166,057	\$172,126	\$177,900	\$186,907	\$183,577	\$185,701	\$189,188	\$197,202	\$198,585	\$199,048	\$204,956	\$206,091	\$208,687
(7) Medicare Cap Reduction	-	(\$599)	(\$2,611)	(\$688)	\$472	-	(\$714)	-	-	-	-	(\$235)	(\$270)
(8) Revenue After Medicare Cap Reduction (\$000)	\$166,057	\$171,527	\$175,289	\$186,219	\$184,049	\$185,701	\$188,474	\$197,202	\$198,585	\$199,048	\$204,956	\$205,856	\$208,417
(9) % Routine Home Care (e)	68.1%	70.2%	70.8%	70.6%	71.6%	72.6%	72.6%	72.6%	71.3%	72.8%	73.0%	72.6%	71.1%
(10) % InPatient (e)	13.9%	12.6%	12.3%	12.5%	12.8%	12.2%	12.1%	12.1%	13.1%	12.2%	11.8%	11.4%	12.2%
(11) % Continuous Care (e)	18.0%	17.2%	16.9%	16.9%	15.6%	15.2%	15.3%	15.3%	15.6%	15.0%	15.2%	16.0%	16.7%
(12) % Medicare Cap		0.3%	1.5%	0.4%	0.3%	0.0%	0.4%	0.0%	0.0%	0.0%	0.0%	0.1%	(0.1%)
Direct Care Margins: (a)													
(13) Routine Home Care	47.6%	49.5%	49.1%	49.7%	50.8%	51.1%	51.0%	51.6%	49.5%	51.5%	52.4%	53.3%	51.5%
(14) In Patient Care	23.1%	20.9%	16.5%	19.4%	20.1%	18.9%	15.9%	18.8%	19.3%	17.8%	16.6%	14.9%	17.4%
(15) Continuous Care	18.3%	20.3%	17.5%	17.0%	20.0%	17.7%	16.9%	17.6%	16.5%	17.6%	18.0%	20.1%	19.1%
(16) Gross Profit (Direct and Indirect) (\$000) (b) (c)	\$32,461	\$34,829	\$32,669	\$41,872	\$41,954	\$41,062	\$40,249	\$45,276	\$39,782	\$43,518	\$48,271	\$51,697	\$48,786
(17) Gross Profit Margin (b) (c)	19.5%	20.3%	18.6%	22.5%	22.8%	22.1%	21.4%	23.2%	20.0%	21.9%	23.6%	25.1%	23.4%
(18) Pro Forma Selling, General & Admin Exp (c)	\$13,216	\$13,702	\$13,619	\$16,425	\$15,904	\$16,260	\$15,651	\$17,288	\$16,147	\$17,273	\$17,100	\$17,230	\$17,546
(19) Pro Forma Adjusted EBITDA (\$000) (c)	\$19,349	\$21,480	\$19,377	\$25,675	\$26,015	\$24,867	\$24,632	\$28,439	\$23,605	\$26,277	\$31,056	\$34,340	\$31,202
(20) Pro Forma Adjusted EBITDA Margin (c)	11.7%	12.5%	11.1%	13.8%	14.1%	13.4%	13.1%	14.4%	11.9%	13.2%	15.2%	16.7%	15.0%

- (a) Excludes any Medicare cap reduction
(b) Includes any Medicare cap reduction
(c) Excludes depreciation, amortization
(d) Includes \$1,950 for fourth quarter BNAF adjustment
(e) Excludes \$1,950 for fourth quarter BNAF adjustment



Appendix

Medicare Hospice Spending (in billions)



■ 20% Compounded annual growth rate from 1999 to 2007

Source: MedPAC Report - 03/06/2008

CHEMED CORPORATION
RECONCILIATION OF ADJUSTED EBITDA and ADJUSTED NET INCOME
FOR THE YEARS ENDED DECEMBER 31, 2003 THROUGH 2008
(IN THOUSANDS)

	(1)	(2)	(3)	(4)	(5)	(6)
	2003	2004	2005	2006	2007	2008
Reconciliation of Adjusted EBITDA						
(1) Net income/(loss)	\$ (3,435)	\$ 27,512	\$ 35,817	\$ 50,651	\$ 61,641	\$ 67,281
(2) Discontinued operations	14,623	(8,417)	411	7,071	(1,201)	1,088
(3) Interest expense	3,177	21,158	21,264	17,468	14,921	12,123
(4) Income taxes	6,180	13,736	18,428	32,562	37,721	47,035
(5) Depreciation	9,519	14,542	16,150	16,775	20,118	21,581
(6) Amortization	302	3,779	4,922	5,255	5,270	5,924
(7) EBITDA	30,366	72,310	96,992	129,782	138,470	155,032
Add/(deduct)						
(8) (Gains)/losses on investments	(5,390)	-	-	1,445	-	-
(9) Gain on sale of property	-	-	-	-	(1,138)	-
(10) Impairment loss on transportation equipment	-	-	-	-	-	2,699
(11) Severance charges	3,627	-	-	-	-	-
(12) Interest income	(1,860)	(1,874)	(2,198)	(2,691)	(3,304)	(743)
(13) Dividend income from VITAS	(1,532)	-	-	-	-	-
(14) Equity in earnings of VITAS	(922)	4,105	-	-	-	-
(15) Advertising cost adjustment	829	528	691	323	601	225
(16) Long-term incentive compensation	-	8,783	5,477	-	7,067	-
(17) Loss/(gain) on extinguishment of debt	-	3,330	3,971	430	13,798	(3,406)
(18) Legal expenses of OIG investigation	-	-	637	1,068	227	47
(19) Stock option expense	-	-	215	1,211	4,665	7,303
(20) Lawsuit settlement	-	3,135	17,350	272	1,927	-
(21) Debt registration expenses	-	1,191	-	-	-	-
(22) VITAS transactions costs	-	442	(959)	-	-	-
(23) Prior-period insurance adjustments	-	-	(1,663)	-	-	597
(24) Other	-	-	-	(467)	(467)	-
(25) Adjusted EBITDA	\$ 25,118	\$ 91,950	\$ 120,513	\$ 131,373	\$ 161,846	\$ 161,754

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Chemed Corporation

CHEMED CORPORATION
RECONCILIATION OF ADJUSTED EBITDA and ADJUSTED NET INCOME
FOR THE YEARS ENDED DECEMBER 31, 2003 THROUGH 2008

(IN THOUSANDS)
(continued)

	(1)	(2)	(3)	(4)	(5)	(6)
	2003	2004	2005	2006	2007	2008
Reconciliation of Adjusted Net Income						
(26) Net income/(loss)	\$ (3,435)	\$ 27,512	\$ 35,817	\$ 50,651	\$ 61,641	\$ 67,281
Add/(deduct):						
(27) Discontinued operations	14,623	(8,417)	411	7,071	(1,201)	1,088
(28) (Gains)/losses on investments	(3,351)	-	-	918	-	-
(29) Gain on sale of property	-	-	-	-	(724)	-
(30) Impairment loss on transportation equipment	-	-	-	-	-	1,714
(31) Severance charges	2,358	-	-	-	-	-
(32) Dividend income from VITAS	(1,379)	-	-	-	-	-
(33) Equity in earnings of VITAS	(922)	4,105	-	-	-	-
(34) Long-term incentive compensation	-	5,437	3,434	-	4,427	-
(35) Loss/(gain) on extinguishment of debt	-	2,030	2,523	273	8,778	(2,156)
(36) Legal expenses of OIG investigation	-	-	397	662	141	28
(37) Stock option expense	-	-	137	769	2,962	4,619
(38) Lawsuit settlement	-	1,897	10,757	169	1,168	-
(39) Prior period tax adjustments	-	(1,620)	(1,961)	(2,115)	-	(322)
(40) Debt registration expenses	-	727	-	-	-	-
(41) VITAS transactions costs	-	222	(959)	-	-	-
(42) Prior-period insurance adjustments	-	-	(1,014)	-	-	358
(43) Non-cash interest on convertible debt	-	-	-	-	2,335	3,228
(44) Income tax impact of non-taxable investments	-	-	-	-	46	3,062
(45) Other	-	-	-	(296)	(296)	-
(46) Adjusted net income	\$ 7,894	\$ 31,893	\$ 49,542	\$ 58,102	\$ 79,277	\$ 78,900

ROTO-ROOTER GROUP
RECONCILIATION OF ADJUSTED EBITDA and ADJUSTED NET INCOME
FOR THE YEARS ENDED DECEMBER 31, 2003 THROUGH 2008
 (IN THOUSANDS)

	(1)	(2)	(3)	(4)	(5)	(6)
	2003	2004	2005	2006	2007	2008
Reconciliation of Adjusted EBITDA						
(1) Net income	\$ 13,176	\$ 18,795	\$ 27,626	\$ 32,454	\$ 38,971	\$ 33,592
(2) Interest expense	170	206	563	368	495	246
(3) Income taxes	8,054	10,611	16,048	18,748	24,145	20,742
(4) Depreciation	9,179	8,583	8,271	7,665	8,365	8,294
(5) Amortization	302	119	90	72	54	50
(6) EBITDA	30,881	38,314	52,598	59,307	72,020	62,924
Add/(deduct):						
(7) Advertising cost adjustment	829	528	691	323	601	225
(8) Long-term incentive compensation	-	1,558	-	-	-	-
(9) Lawsuit settlement	-	3,135	-	-	1,927	-
(10) Prior-period insurance adjustments	-	-	(1,663)	-	-	597
(11) Interest income	(268)	(139)	(156)	(85)	(377)	(116)
(12) Intercompany interest income	(595)	(1,041)	(2,236)	(3,997)	(4,993)	(3,708)
(13) Adjusted EBITDA	\$ 30,847	\$ 42,355	\$ 49,234	\$ 55,548	\$ 69,188	\$ 59,922
Reconciliation of Adjusted Net Income						
(14) Net income	\$ 13,176	\$ 18,795	\$ 27,626	\$ 32,454	\$ 38,971	\$ 33,592
Add/(deduct):						
(15) Long-term incentive compensation	-	982	-	-	-	-
(16) Lawsuit settlement	-	1,897	-	-	1,168	-
(17) Prior-period insurance adjustments	-	-	(1,014)	-	-	358
(18) Prior-period tax adjustments	-	(630)	(1,126)	(1,251)	-	-
(19) Adjusted net income	\$ 13,176	\$ 21,044	\$ 25,486	\$ 31,203	\$ 40,139	\$ 33,950

VITAS HEALTHCARE GROUP
RECONCILIATION OF ADJUSTED EBITDA and ADJUSTED NET INCOME
FOR THE YEARS ENDED DECEMBER 31, 2003 THROUGH 2008 (a)
(IN THOUSANDS)

	(1)	(2)	(3)	(4)	(5)	(6)
	2003	2004	2005	2006	2007	2008
Reconciliation of Adjusted EBITDA						
(1) Net income	\$ 20,158	\$ 33,052	\$ 34,982	\$ 43,546	\$ 61,034	\$ 64,719
(2) Discontinued operations	-	(91)	(1,477)	4,872	(1,201)	-
(3) Interest expense	-	128	153	191	146	155
(4) Income taxes	13,543	22,447	20,097	28,705	35,722	38,710
(5) Depreciation	5,100	6,192	7,557	8,753	11,446	13,000
(6) Amortization	4,185	3,957	3,947	3,916	3,984	3,984
(7) EBITDA	42,986	65,685	65,259	89,983	111,131	120,568
Add/(deduct)						
(8) Legal expenses of OIG investigation	-	-	637	1,068	227	46
(9) Lawsuit settlement	-	-	17,350	272	-	-
(10) Interest income	(684)	(373)	(237)	(114)	(151)	(137)
(11) Intercompany interest income	-	(759)	(2,554)	(5,329)	(7,254)	(5,199)
(12) Adjusted EBITDA	\$ 42,302	\$ 64,553	\$ 80,455	\$ 85,880	\$ 103,953	\$ 115,278
Reconciliation of Adjusted Net Income						
(13) Net income	\$ 20,158	\$ 33,052	\$ 34,982	\$ 43,546	\$ 61,034	\$ 64,719
(14) Add/(deduct):						
(15) Discontinued operations	-	(91)	(1,477)	4,872	(1,201)	-
(16) Legal expenses of OIG investigation	-	-	397	662	141	28
(17) Lawsuit settlement	-	-	10,757	169	-	-
(18) Prior-period tax adjustments	-	-	-	-	-	(322)
(19) Adjusted net income	\$ 20,158	\$ 32,961	\$ 44,659	\$ 49,249	\$ 59,974	\$ 64,425

(a) Assumes VITAS was purchased on January 1, 2003

CHEMED CORPORATION
RECONCILIATION OF ADJUSTED EBITDA and ADJUSTED NET INCOME
FOR THE FIRST QUARTER OF 2008 AND 2009

	(1)	(2)
	<u>2009</u>	<u>2008</u>
Reconciliation of Adjusted EBITDA		
(1) Net income	\$ 19,339	\$ 15,860
(2) Interest expense	2,844	3,109
(3) Income taxes	12,267	9,683
(4) Depreciation	5,325	5,438
(5) Amortization	1,536	1,450
(6) EBITDA	<u>41,311</u>	<u>35,540</u>
Add/(deduct):		
(7) (Gains)/losses on investments	(1,211)	-
(8) Expenses associated with contested proxy solicitation	545	-
(9) Interest income	(82)	(337)
(10) Advertising cost adjustment	(394)	(570)
(11) Legal expenses of OIG investigation	13	(15)
(12) Stock option expense	2,042	1,391
(13) Prior-period insurance adjustments	-	597
(14) Adjusted EBITDA	<u>\$ 42,224</u>	<u>\$ 36,606</u>
Reconciliation of Adjusted Net Income		
(15) Net income	\$ 19,339	\$ 15,860
Add/(deduct):		
(16) Expenses associated with contested proxy solicitation	345	-
(17) Legal expenses of OIG investigation	8	(9)
(18) Stock option expense	1,292	884
(19) Prior period tax adjustments	-	(322)
(20) Prior-period insurance adjustments	-	358
(21) Non-cash interest on convertible debt	968	960
(22) Income tax impact of non-taxable investments	(736)	-
(23) Adjusted net income	<u>\$ 21,216</u>	<u>\$ 17,731</u>

ROTO-ROOTER GROUP
RECONCILIATION OF ADJUSTED EBIT and ADJUSTED EBITDA
FOR THE FIRST QUARTER OF 2008 AND 2009

	(1)	(2)
	<u>2009</u>	<u>2008</u>
Reconciliation of Adjusted EBIT and EBITDA		
(1) Net income	\$ 8,276	\$ 9,095
(2) Interest expense	35	83
(3) Income taxes	5,036	5,700
(4) EBIT	<u>13,347</u>	<u>14,878</u>
Add/(deduct)		
(5) Advertising cost adjustment	(394)	(570)
(6) Prior-period insurance adjustments	-	597
(7) Interest income	(19)	(18)
(8) Intercompany interest income	(536)	(1,042)
(9) Adjusted EBIT	<u>12,398</u>	<u>13,845</u>
(10) Depreciation	2,054	2,082
(11) Amortization	15	13
(12) Adjusted EBITDA	<u>\$ 14,467</u>	<u>\$ 15,940</u>

VITAS HEALTHCARE GROUP
RECONCILIATION OF ADJUSTED EBITDA
FOR THE FIRST QUARTER OF 2008 AND 2009

Reconciliation of Adjusted EBITDA	(1) 2009	(2) 2008
(1) Net income	\$ 17,283	\$ 13,298
(2) Interest expense	39	51
(3) Income taxes	10,597	7,398
(4) Depreciation	3,219	3,280
(5) Amortization	990	996
(6) EBITDA	<u>32,128</u>	<u>25,023</u>
Add/(deduct)		
(7) Legal expenses of OIG investigation	13	(15)
(8) Interest income	(48)	(38)
(9) Intercompany interest income	(891)	(1,365)
(10) Adjusted EBITDA	<u>\$ 31,202</u>	<u>\$ 23,605</u>



CHEMED

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