



Addus HomeCare Completes Purchase of VIP Health Care Services

June 3, 2019 at 3:01 PM EDT

Transaction Expands Company's Personal Care Coverage in New York City Area

FRISCO, Texas, June 3, 2019 /PRNewswire/ -- Addus HomeCare Corporation (NASDAQ: ADUS), a provider of comprehensive home care services, today announced that it has completed the purchase of the assets of VIP Health Care Services, a provider of home care services, headquartered in Richmond Hill, New York, effective June 1, 2019. VIP Health Care Services currently serves approximately 1,250 consumers in all five boroughs of New York City as well as surrounding counties. Addus funded the purchase price of \$28.0 million (net of excess cash) through the delayed draw term loan portion of the Company's credit facility and cash on hand.

Dirk Allison, President and Chief Executive Officer of Addus, commented, "We are very excited that the team at VIP Health Care Services will be joining the Addus organization. This acquisition is an important step to further our strategy of enhancing operations in key market areas where we already have a strong presence. VIP Health Care Services provides personal care coverage throughout the New York City area that complements our South Shore operations on Long Island. With annualized revenues of approximately \$50.0 million, we will have combined revenues of over \$110.0 million in New York, which is already one of our largest markets. Additionally, with over 1,500 caregivers operating from six locations in the New York metropolitan area, we look forward to the potential growth opportunities in this important region.

"Now that we have completed the purchase of VIP Health Care Services, our development team is continuing to work on identifying other potential acquisition targets, and our pipeline remains strong. We will remain focused on opportunities that will enhance our service offering and further extend our market reach. With a strong financial position and substantial cash flow from operations, we believe we are well positioned to fund and execute additional accretive acquisitions during 2019," said Mr. Allison.

Daniel Appel, Senior Vice President of VIP Health Care Services, noted, "We are excited to be combining VIP Health Care Services with Addus HomeCare's South Shore operations. We believe the resulting business, with over 3,000 caregivers and multiple locations throughout the southern New York area, will be a market leader with expanded capacity to deliver the same high quality services that VIP Health Care Services and South Shore have provided for many years."

Forward-Looking Statements

Certain matters discussed in this press release constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Such forward-looking statements may be identified by words such as "continue," "expect," and similar expressions. These forward-looking statements are based on our current expectations and beliefs concerning future developments and their potential effect on us. Forward-looking statements involve a number of risks and uncertainties that may cause actual results to differ materially from those expressed or implied by such forward-looking statements, including discretionary determinations by government officials, the consummation and integration of acquisitions, anticipated transition to managed care providers, our ability to successfully execute our growth strategy, unexpected increases in SG&A and other expenses, expected benefits and unexpected costs of acquisitions and dispositions, management plans related to dispositions, the possibility that expected benefits may not materialize as expected, the failure of the business to perform as expected, changes in reimbursement, changes in government regulations, changes in Addus HomeCare's relationships with referral sources, increased competition for Addus HomeCare's services, changes in the interpretation of government regulations, the uncertainty regarding the outcome of discussions with managed care organizations, changes in tax rates, the impact of adverse weather, higher than anticipated costs, lower than anticipated cost savings, estimation inaccuracies in future revenues, margins, earnings and growth, whether any anticipated receipt of payments will materialize and other risks set forth in the Risk Factors section in Addus HomeCare's Annual Report on Form 10-K filed with the Securities and Exchange Commission on March 15, 2019, which is available at www.sec.gov. Addus HomeCare undertakes no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. In addition, these forward-looking statements necessarily depend upon assumptions, estimates and dates that may be incorrect or imprecise and involve known and unknown risks, uncertainties and other factors. Accordingly, any forward-looking statements included in this press release do not purport to be predictions of future events or circumstances and may not be realized.

About Addus

Addus is a provider of comprehensive home care services that include, primarily, personal care services that assist with activities of daily living, as well as hospice and home health services. Addus' consumers are primarily persons who, without these services, are at risk of hospitalization or institutionalization, such as the elderly, chronically ill and disabled. Addus' payor clients include federal, state and local governmental agencies, managed care organizations, commercial insurers and private individuals. Addus currently provides home care services to approximately 39,000 consumers through 157 locations across 24 states. For more information, please visit www.addus.com.

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SOURCE Addus HomeCare Corporation

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