DaVita Inc. (NYSE: TRL) Updates Revenue and EBITDA Outlook

DaVita Inc. (f/k/a Total Renal Care Holdings, Inc.), today announced that continued improvement in revenue realization and billing and collecting operations are likely to result in 3-4% higher recognition of net revenue per treatment in the third quarter. As a result, the Company's third quarter EBITDA (earnings before interest, taxes, depreciation, and amortization) is now expected to be in the range of $72 million to $78 million.

"The DaVita team is excited to report this improvement in our core operations. Our relentless focus on the day-to-day details of revenue and expense management is paying off. We intend to sustain and ultimately improve this new level of operating effectiveness, although it will take time for us to address our basic infrastructure, contractual and operating weaknesses. Nevertheless our team was able to deliver these strong results through their exceptional effort. With every improvement in our financial operations we are able to dedicate more attention to the patients who rely on us," stated Kent Thiry, Chairman and CEO.

DaVita, based in Torrance, California, is the nation's second-largest provider of dialysis services for patients suffering from chronic kidney failure. The Company owns and operates kidney dialysis centers and home peritoneal dialysis programs in 32 states, as well as Washington, D.C. It also provides acute hemodialysis services to inpatients at approximately 290 hospitals. As of August 31, 2000, DaVita operated 487 outpatient dialysis facilities serving over 40,000 patients, including 4,700 patients in 55 centers under management.

This release contains forward-looking statements regarding the Company's expected third quarter results and ability to sustain those results. Actual results could differ materially from these forward-looking statements. Factors which could cause or contribute to such differences include the uncertainties associated with governmental regulation, general economic and other market conditions, and the "risk factors" set forth in the Company's Form 10-Q for the quarter ended June 30, 2000 filed with the Securities and Exchange Commission. These risks include (1) possible changes in private and government reimbursement rates, (2) the concentration of profits generated from private indemnity patients, (3) the ongoing payment suspension and review of the Company's Florida laboratory subsidiary by its Medicare carrier and the Department of Justice, and (4) the risks relating to the large amount and terms of the Company's outstanding debt. The forward-looking statements should be considered in light of these risks and uncertainties.

SOURCE: DaVita Inc.

Contact: LeAnne Zumwalt, Investor Relations of DaVita Inc.,
310-750-2072

Website: http://www.totalrenal.com/

---

https://davita.mediaroom.com/press-releases?item=122531