

FORM 10-Q
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

Quarterly Report Under Section 13 or 15 (d)
of the Securities Exchange Act of 1934

For Quarter Ended June 30, 1997

Commission File Number 1-8351

CHEMED CORPORATION
(Exact name of registrant as specified in its charter)

Delaware 31-0791746
(State or other jurisdiction of (IRS Employer Identification No.)
incorporation or organization)

2600 Chemed Center, 255 E. Fifth Street, Cincinnati, Ohio 45202

(Address of principal executive offices) (Zip code)

(513) 762-6900
(Registrant's telephone number, including area code)

Indicate by check mark whether the registrant (1) has filed all
reports required to be filed by Section 13 or 15(d) of the
Securities Exchange Act of 1934 during the preceding 12 months (or
for such shorter period that the registrant was required to file
such reports) and (2) has been subject to such filing requirements
for the past 90 days. Yes ☒ No ☐

Indicate the number of shares outstanding of each of the issuer's
classes of common stock, as of the latest practicable date.

Class	Amount	Date
Capital Stock	10,040,010 Shares	July 31, 1997
\$1 Par Value		

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CHEMED CORPORATION AND
SUBSIDIARY COMPANIES

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PART I. FINANCIAL INFORMATION
Item 1. Financial Statements
CHEMED CORPORATION AND SUBSIDIARY COMPANIES
CONSOLIDATED BALANCE SHEET
(in thousands except share and per share data)
UNAUDITED

	June 30, 1997 -----	December 31, 1996 -----
ASSETS		
Current assets		
Cash and cash equivalents	\$ 12,361	\$ 11,935
Accounts receivable, less allowances of \$3,812 (1996 - \$2,925)	85,984	77,622
Inventories		
Raw materials	6,418	6,515
Finished goods and general merchandise	44,360	45,873
Statutory deposits	16,980	19,962
Other current assets	37,878	30,452
	-----	-----
Total current assets	203,981	192,359
Other investments	43,097	62,098
Properties and equipment, at cost less accumulated depreciation of \$61,659 (1996 - \$56,653)	90,529	83,259
Identifiable intangible assets less accumulated amortization of \$4,932 (1996 - \$3,977)	18,452	17,295
Goodwill less accumulated amortization of \$27,761 (1996 - \$25,292)	189,213	186,933

Other assets	17,741	17,406
	-----	-----
Total Assets	\$ 563,013	\$ 559,350
	=====	=====
LIABILITIES		
Current liabilities		
Accounts payable	\$ 26,312	\$ 25,747
Bank notes and loans payable	5,110	5,000
Current portion of long-term debt	15,689	12,550
Income taxes	5,345	5,209
Deferred contract revenue	25,606	24,735
Other current liabilities	46,450	51,307
	-----	-----
Total current liabilities	124,512	124,548
Deferred income taxes	4,575	6,650
Long-term debt	164,026	158,168
Other liabilities and deferred income	39,874	41,273
Minority interest	12,086	10,820
	-----	-----
Total Liabilities	345,073	341,459
	-----	-----
STOCKHOLDERS' EQUITY		
Capital stock-authorized 15,000,000 shares \$1 par; issued 12,867,564 (1996 - 12,767,565) shares	12,868	12,768
Paid-in capital	153,263	150,296
Retained earnings	143,703	139,262
Treasury stock - 2,828,604 (1996 - 2,815,655) shares, at cost	(83,408)	(82,943)
Unearned compensation - ESOPs	(26,814)	(27,554)
Unrealized appreciation on investments	18,328	26,062
	-----	-----
Total Stockholders' Equity	217,940	217,891
	-----	-----
Total Liabilities and Stockholders' Equity	\$ 563,013	\$ 559,350
	=====	=====

See accompanying notes to unaudited financial statements.

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CHEMED CORPORATION AND SUBSIDIARY COMPANIES
CONSOLIDATED STATEMENT OF INCOME
UNAUDITED
(in thousands except per share data)

	Three Months Ended June 30,		Six Months Ended June 30,	
	1997	1996	1997	1996
	-----	-----	-----	-----
Continuing Operations				
Sales	\$101,167	\$ 99,879	\$196,099	\$199,642
Service revenues	81,550	70,592	155,170	138,290
	-----	-----	-----	-----
Total sales and service revenues	182,717	170,471	351,269	337,932
	-----	-----	-----	-----
Cost of goods sold	68,635	67,656	132,946	135,790
Cost of services provided	51,233	42,720	96,337	84,289
Selling and marketing expenses	25,291	24,639	49,989	48,897
General and administrative expenses	26,855	24,397	50,892	47,913
Depreciation	2,683	3,029	6,630	6,002
	-----	-----	-----	-----
Total costs and expenses	174,697	162,441	336,794	322,891
	-----	-----	-----	-----
Income from operations	8,020	8,030	14,475	15,041
Interest expense	(3,046)	(1,900)	(5,802)	(3,831)
Other income, net	4,309	5,181	14,536	21,479
	-----	-----	-----	-----
Income before income taxes and minority interest	9,283	11,311	23,209	32,689
Income taxes	(3,364)	(4,237)	(8,697)	(12,211)
Minority interest in earnings of subsidiaries	(225)	(1,386)	(331)	(2,593)
	-----	-----	-----	-----
Income from continuing operations	5,694	5,688	14,181	17,885

Discontinued Operations	598	-	598	-
	-----	-----	-----	-----
Net Income	\$ 6,292	\$ 5,688	\$ 14,779	\$ 17,885
	=====	=====	=====	=====
Earnings Per Common Share				
Income from continuing operations	\$.57	\$.58	\$ 1.42	\$ 1.82
	=====	=====	=====	=====
Net income	\$.63	\$.58	\$ 1.48	\$ 1.82
	=====	=====	=====	=====
Average Number of Shares Outstanding	10,035	9,837	10,018	9,852
	=====	=====	=====	=====
Cash Dividends Paid Per Share	\$.52	\$.52	\$ 1.04	\$ 1.04
	=====	=====	=====	=====

See accompanying notes to unaudited financial statements.

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CHEMED CORPORATION AND SUBSIDIARY COMPANIES
CONSOLIDATED STATEMENT OF CASH FLOWS
UNAUDITED
(in thousands)

	Six Months Ended June 30,	
	1997	1996*
	-----	-----
Cash Flows From Operating Activities		
Net income	\$ 14,779	\$ 17,885
Adjustments to reconcile net income to net cash provided by operating activities:		
Gains on sale of investments	(12,235)	(17,431)
Depreciation and amortization	10,775	9,404
Discontinued operations	(598)	-
Provision for uncollectible accounts receivable	587	712
Minority interest in earnings of subsidiaries	331	2,593
Provision for deferred income taxes	282	(2,310)
Changes in operating assets and liabilities, excluding amounts acquired in business combinations		
Increase in accounts receivable	(5,166)	(635)
Decrease in inventories and other current assets	1,532	2,276
(Increase)/decrease in statutory deposits	2,982	(562)
Decrease in accounts payable, deferred contract revenue and other current liabilities	(3,649)	(2,193)
Increase in income taxes	1,585	1,930
Other - net	(1,368)	(2,690)
	-----	-----
Net cash provided by operating activities	9,837	8,979
	-----	-----
Cash Flows From Investing Activities		
Proceeds from sale of investments	14,060	30,349
Capital expenditures	(13,708)	(9,118)
Business combinations, net of cash acquired	(10,767)	(3,532)
Net proceeds from discontinued operations	(1,317)	(1,065)
Other-net	30	162
	-----	-----
Net cash provided/(used) by investing activities	(11,702)	16,796
	-----	-----
Cash Flows From Financing Activities		
Proceeds from issuance of long-term debt	35,000	-
Repayment of long-term debt	(23,112)	(221)
Dividends paid	(10,436)	(10,253)
Purchase of treasury stock	-	(2,657)
Other - net	839	424

Net cash provided/(used) by financing activities	2,291	(12,707)
Increase In Cash And Cash Equivalents	426	13,068
Cash and cash equivalents at beginning of period	11,935	19,187
Cash and cash equivalents at end of period	\$ 12,361	\$ 32,255

See accompanying notes to unaudited financial statements.
* Reclassified to conform to 1997 presentation.

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CHEMED CORPORATION AND SUBSIDIARY COMPANIES

Notes to Unaudited Financial Statements

1. The accompanying unaudited consolidated financial statements have been prepared in accordance with Rule 10-01 of SEC Regulation S-X. Consequently, they do not include all the disclosures required under generally accepted accounting principles for complete financial statements. However, in the opinion of the management of Chemed Corporation (the "Company"), the financial statements presented herein contain all adjustments, consisting only of normal recurring adjustments, necessary to present fairly the financial position, results of operations and cash flows of the Company and its consolidated subsidiaries ("Chemed"). For further information regarding Chemed's accounting policies, refer to the consolidated financial statements and notes included in Chemed's Annual Report on Form 10-K for the year ended December 31, 1996.

2. Primary earnings per common share are computed using the weighted average number of shares of capital stock outstanding and exclude the dilutive effect of outstanding stock options as it is not material.

In February 1997, the Financial Accounting Standards Board issued Statement of Financial Accounting Standards No. 128 ("SFAS 128"), Earnings Per Share, effective for reporting periods ending after December 15, 1997. Adoption of SFAS 128 in December 1997 is not expected to impact the Company's reported earnings per share.

3. Following the resolution of issues pertaining to the Company's accruals for income taxes relative to the sale of stock it held in Omnicare Inc. ("Omnicare") in 1994, the Company recorded an adjustment of \$920,000 (\$598,000 net of federal income taxes) to its state and local income tax provision in the second quarter of 1996. This adjustment is classified as "discontinued operations" in the statement of income.
4. During the first six months of 1997, the Company completed eleven purchase business combinations in the Patient Care, Roto Rooter and National Sanitary Supply segments for an aggregate purchase price of \$10,767,000 in cash. The aggregate purchase price was allocated as follows on the next page (in thousands):

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Working capital	\$ 1,822
Identifiable intangible assets	598
Goodwill	8,479
Other	(132)
Net Cash Outlay	\$10,767

=====

Pro forma results of operations, assuming these acquisitions had been completed on January 1, 1997, is not materially different from the historical financial results.

5. On August 11, 1997, Chemed announced that its 82%-owned subsidiary, National Sanitary Supply Company ("National") had signed a definitive merger agreement with Unisource Worldwide Inc. ("Unisource") whereby National will be merged into a wholly owned subsidiary of Unisource. Chemed, as majority shareholder of National, approved the transaction by written consent. The merger, which is subject to normal and customary conditions as well as completion of due diligence by Unisource, is expected to be consummated within 90 days.

Upon completion of the transaction National's shareholders will receive a cash payment of \$21 per share. Chemed's gross cash proceeds, which include the refinancing of debt and tax payment sharing, are estimated to be approximately \$138 million.

Chemed's share of National's net income was as follows (in thousands):

For the six months ended June 30, 1997	\$1,511
For the six months ended June 30, 1996	1,803
For the year ended December 31, 1996	4,182

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Item 2. Management's Discussion and Analysis
of Financial Condition and Results of Operations

Financial Condition

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The increase in accounts receivable from \$77.6 million at December 31, 1996 to \$86.0 million is attributable to larger sales recorded in the second quarter of 1997 as compared with sales for the fourth quarter of 1996. At both dates, accounts receivable on hand represents approximately 1.3 months sales. The increase in other current assets from \$30.5 million at December 31, 1996 to \$37.9 million is primarily attributable to an increase in the current portion of redeemable preferred stock of Vitas Healthcare Corporation ("Vitas"), a privately-held provider of hospice services to the terminally ill.

Vitas is continuing to explore long-term financing alternatives to increase its liquidity. Vitas' debt covenants did not permit its timely payment of the preferred dividends due Chemed on January 15 and July 15, 1997 (\$1,215,000 each). In addition, the mandatory redemptions of preferred stock due June 30, 1997 have been rescheduled to August 31 1997 (\$12,150,000). Nonetheless, Vitas has recorded improved financial results during 1997 and has approved for payment in August 1997, one half of the preferred dividend due July 15, 1997. On the basis of current information, management believes the Company's investment in Vitas is fully recoverable and that no permanent impairment

exists.

At June 30, 1997 Chemed had approximately \$39.8 million of unused lines of credit with various banks. Based on the Company's current financial position and its available credit lines, management believes its sources of capital and liquidity are satisfactory for the Company's needs in the foreseeable future.

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Results of Operations

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Sales and service revenues and operating profit from continuing operations by business segment follow (in thousands):

	Three Months Ended June 30,		Six Months Ended June 30,	
	1997	1996	1997	1996
Sales and Service Revenues				
- - - - -				
Roto-Rooter	\$ 53,305	\$ 50,038	\$105,029	\$ 97,821
National Sanitary Supply	78,353	77,210	152,702	154,487
Patient Care	32,714	24,953	58,647	48,843
Omnia	18,345	18,270	34,891	36,781
	-----	-----	-----	-----
Total	\$182,717	\$170,471	\$351,269	\$337,932
	=====	=====	=====	=====
Operating Profit				
- - - - -				
Roto-Rooter	\$ 4,820	\$ 4,589	\$ 9,281	\$ 8,788
National Sanitary Supply	2,395	2,578	3,829	4,462
Patient Care	1,473	1,493	2,458	2,566
Omnia	883	889	1,571	2,382
	-----	-----	-----	-----
Total	\$ 9,571	\$ 9,549	\$ 17,139	\$ 18,198
	=====	=====	=====	=====

Data relating to (a) increase or decrease in sales and service revenues and (b) operating profit as a percent of sales and service revenues for each segment are set forth below:

Sales and Service Revenues % Increase/ (Decrease)	Operating Profit as a % of Sales (Operating Profit)	
1997 vs. 1996	1997	1996
-----	-----	-----

Three Months Ended
June 30,

- -----

Roto-Rooter	7 %	9.0%	9.2%
National Sanitary Supply	1	3.1	3.3
Patient Care	31	4.5	6.0
Omnia	-	4.8	4.9
Total	7	5.2	5.6

Six Months Ended
June 30,

- -----

Roto-Rooter	7 %	8.8%	9.0%
National Sanitary Supply	(1)	2.5	2.9
Patient Care	20	4.2	5.3
Omnia	(5)	4.5	6.5
Total	4	4.9	5.4

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Second Quarter 1997 versus Second Quarter 1996

- -----

Sales and service revenues of the Roto-Rooter segment for the second quarter of 1997 totalled \$53,305,000, an increase of 7% over revenues recorded for the second quarter of 1996. For the second quarter of 1997, plumbing revenues, which account for approximately one-fourth of total revenues, and sewer and drain cleaning revenues, which account for approximately one-third of total revenues, increased 8% and 00%, respectively, over amounts recorded in the comparable quarter of 1996. In addition, revenues of Roto-Rooter's service contract business for the second quarter of 1997, which account for approximately 30% of total revenues, increased 11% over revenues recorded in the second quarter of 1996. The operating margin of this segment declined slightly from 9.2% during the second quarter of 1996 to 9.0% during the second quarter of 1997, primarily as a result of additional amortization of goodwill in the 1997 period. This goodwill arose from Chemed's purchase of the Roto-Rooter minority interest during the third quarter of 1996.

Sales of the National Sanitary Supply segment for the second quarter of 1997 totalled \$78,353,000, an increase of 1% versus sales recorded during the second quarter of 1996. This moderate sales growth reflects deflationary pricing in paper products and the loss of sales to certain foodservice accounts. The operating margin declined slightly from 3.3% during the second quarter of 1996 to 3.1% during the second quarter of 1997.

Service revenues of the Patient Care segment increased 31% from \$24,953,000 in the second quarter of 1996 to \$32,714,000 in the second quarter of 1997. Excluding the sales of Priority Care, acquired in second quarter of 1997, Patient Care's sales for 1997 increased 6% over sales recorded in 1996. The operating margin of the Patient Care segment declined from 6.0% during the second quarter of 1996 to 4.5% during the second quarter of 1997, due to market pressures on pricing and increasing general and administrative expenses, as a percent of revenues.

During the second quarter of 1997 the Omnia group recorded net sales of \$18,345,000, essentially the same as sales recorded in the second quarter of 1996. The operating margin of Omnia Group was 4.9% during the second quarter of 1996 and 4.8% during the second quarter of 1997.

Interest expense increased from \$1,900,000 in the second quarter of 1996 to \$3,046,000 in the second quarter of 1997, primarily due to the increased borrowings incurred as a result of Chemed's purchase of Roto-Rooter's minority interest in the third quarter of 1996.

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Other income declined from \$5,181,000 in the second

quarter of 1996 to \$4,309,000 in the second quarter of 1997, primarily as a result of reduced interest income in the 1997 period. This reduction was attributable primarily to the use of a portion of Chemed's excess cash for the previously mentioned purchase of the Roto-Rooter minority interest in the third quarter of 1996.

During the second quarter of 1997 the Company's effective income tax rate was 36.2% as compared with 37.5% during the comparable period of 1996. The lower rate in 1997 was attributable primarily to increases in ESOP dividend tax credits and job tax credits, as a percent of pretax income during the period.

Chemed's income from continuing operations increased from \$5,688,000 (\$.58 per share) during the second quarter of 1996 to \$5,694,000 (\$.57 per share) during the second quarter of 1997. Earnings for 1997 and 1996 included aftertax gains aggregating \$2,026,000 (\$.20 per share) and \$1,995,000 (\$.20 per share), respectively, from the sales of investments.

Net income for the second quarter of 1997 totalled \$6,292,000 (\$.63 per share) and included favorable tax adjustments related to the settlement of tax issues relative to the operations discontinued in 1994 amounting to \$598,000 (\$.06 per share).

Six Months Ended June 30, 1997 Versus June 30, 1996

- - - - -

Sales and service revenues of the Roto-Rooter segment for the first six months of 1997 increased 7% versus sales recorded during the first six months of 1996. This sales growth was attributable to revenue increases of 00% and 00%, respectively, in Roto-Rooter's sewer and drain cleaning and plumbing repair businesses for the 1997 period. In addition, sales of Roto-Rooter's service contract business increased 9% during 1997 as compared with sales recorded during the 1996 period. The operating margin of this segment declined slightly from 9.0% during the first six months of 1996 to 8.8% during the first six months of 1997, primarily as a result of increased goodwill amortization.

The National Sanitary Supply segment recorded sales of \$152,702,000 during the first six months of 1997, a decline of 1% versus sales recorded during the comparable period of 1996. This decline was primarily attributable to deflationary pricing of paper products and the loss of sales of certain food service accounts. National Sanitary's operating margin was 2.5% during

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the first six months of 1996 as compared with 2.9% during the first six months of 1997. This decline was primarily attributable to an increase in general and administrative expenses coupled with a lack of sales growth during the 1997 period.

The Patient Care segment recorded service revenues of \$58,647,000 during the first six months of 1997, an increase of 20% over revenues recorded in the first six months of 1996. Excluding the sales of Priority Care, this sales growth would have been 7%. The operating margin of Patient Care during the first six months of 1997 was 4.2% as compared with 5.3% during the first six months of 1996. This decline was primarily attributable to a decline in gross profit margin in the 1997 period, largely as the result of market pricing pressures.

The Omnia segment recorded sales of \$34,891,000, a decline of 5% versus sales recorded during the first six months of 1996. Also, the operating margin of the Omnia segment declined from 6.5% during the first six months of 1996 to 4.5% during the comparable period of 1997. These declines were due

primarily to lower paper-products selling prices in the first quarter of 1997 as compared with the first quarter of 1996.

Income from operations declined from \$15,041,000 during the first six months of 1996 to \$14,475,000 during the comparable period of 1997. This decline was primarily attributable to the decline in the operating profit reported by Omnia segment.

Interest expense for the first six months of 1997 totalled \$5,802,000 as compared with \$3,831,000 for the first six months of 1996. This increase was primarily attributable to increased borrowings resulting from the third quarter 1996 purchase of the Roto-Rooter minority interest by Chemed.

Other income for the first six months of 1997 declined from \$21,479,000 in the first six months of 1996 to \$14,536,000 in the first six months of 1997. This decline was primarily attributable to larger gains on the sales of investments recorded during the 1996 period versus such gains recorded in 1997.

For the first six months of 1997 the Company's effective income tax rate was 37.5%, essentially equal to the 37.4% effective rate for the first six months of 1996.

Chemed's income from continuing operations declined from \$17,885,000 (\$1.82 per share) during the first six months of 1996 to \$14,181,000 (\$1.42 per share) during the first six months of 1997. Earnings for the six-month periods included aftertax gains from sales of investments of \$7,652,000, (\$.77 per share) and \$10,919,000 (\$1.11 per share) in 1997 and 1996, respectively.

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Net income for the first six months of 1997 totalled \$14,779,000 (\$1.48 per share) and included favorable tax adjustments related to the settlement of tax issues relative to operations discontinued in 1994 amounting to \$598,000 (\$.06 per share).

Subsequent Event

- -----

The completion of the pending sale of the Company's 82%-owned subsidiary, National Sanitary Supply Company, would generate gross cash proceeds of approximately \$138 million. It is anticipated that proceeds would be used for acquisitions, debt repayment and other corporate purposes over the next several years.

PART II -- OTHER INFORMATION

Item 4. Submission of Matters to a Vote of Security Holders

(a) Chemed held its Annual Meeting of Shareholders on May 19, 1997.

(b) The names of each director elected at this Annual Meeting are as follows:

Edward L. Hutton	Walter L. Krebs
James H. Devlin	Sandra E. Laney
Charles H. Erhart, Jr.	Kevin J. McNamara
Joel F. Gemunder	John M. Mount
Lawrence J. Gillis	Timothy S. O'Toole
Patrick P. Grace	D. Walter Robbins, Jr.
Thomas C. Hutton	Paul C. Voet
	George J. Walsh, III

(c) The stockholders then approved and adopted the 1997 Stock Incentive Plan. 7,643,565 votes were cast in favor of the proposal, 720,357 votes were cast against it, 183,352 abstained and 202,294 were broker non-votes.

(d) The stockholders then ratified the Board of Directors' selection of Price Waterhouse LLP as independent accountants for the Company and its consolidated subsidiaries for the year 1997: 8,601,575 votes were cast in favor of the proposal, 59,972 votes were cast against it, 88,018 votes abstained, and three were broker non-votes.

With respect to the election of directors, the number of votes cast for each nominee was as follows:

	Votes For	Votes Against	Votes Withheld
	-----	-----	-----
E.L. Hutton	8,560,654	52,453	136,479
J.H. Devlin	8,593,408	19,681	136,479
C.H. Erhart, Jr.	8,562,746	50,343	136,479
J.F. Gemunder	8,595,365	17,724	136,479
L.J. Gillis	8,575,102	37,987	136,479
P.P. Grace	8,573,854	39,235	136,479
T.C. Hutton	8,599,317	13,772	136,479
W.C. Krebs	8,593,915	19,174	136,479
S.E. Laney	8,594,332	18,757	136,479
K.J. McNamara	8,596,141	16,948	136,479
J.M. Mount	8,594,335	18,754	136,479
T.S. O'Toole	8,601,850	11,239	136,479
D.W. Robbins, Jr.	8,558,984	54,105	136,479
P.C. Voet	8,596,389	16,700	136,479
G.J. Walsh III	8,591,577	21,512	136,479

Item 6. Exhibits and Reports on Form 8-K

(a) Exhibits

Exhibit No.	SK 601 Ref. No.	Description
-----	-----	-----
1	(11)	Statement re: Computation of Per Share Earnings
2	(27)	Financial Data Schedule

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

Chemed Corporation

(Registrant)

Dated: August 12, 1997

By Naomi C. Dallob

Naomi C. Dallob
Vice President and Secretary

Dated: August 12, 1997

By Arthur V. Tucker, Jr.

Arthur V. Tucker, Jr.
Vice President and
Controller (Principal
Accounting Officer)

CHEMED CORPORATION AND SUBSIDIARY COMPANIES
COMPUTATION OF PER SHARE EARNINGS
(in thousands except per share data)

	Income from Continuing Operations			
	Three Months Ended		Six Months Ended	
	June 30,		June 30,	
	1997	1996	1997	1996
Computation of Earnings Per Common and Common <F01> Equivalent Share (a):				
Reported Income	\$ 5,694	\$ 5,688	\$14,181	\$17,885
Average number of shares used to compute earnings per common share	10,035	9,837	10,018	9,852
Effect of unexercised stock options	32	59	36	65
Average number of shares used to compute earnings per common and common equivalent share	10,067	9,896	10,054	9,917
Earnings per common and common equivalent share	\$ 0.57	\$ 0.57	\$ 1.41	\$ 1.80
Computation of Earnings Per Common Share Assuming <F01> Full Dilution (a):				
Reported Income	\$ 5,694	\$ 5,688	\$14,181	\$17,885
Average number of shares used to compute earnings per common share	10,035	9,837	10,018	9,852
Effect of unexercised stock options	45	59	45	65
Average number of shares used to compute earnings per common share assuming full dilution	10,080	9,896	10,063	9,917
Earnings per common share assuming full dilution	\$ 0.56	\$ 0.57	\$ 1.41	\$ 1.80

<F01>

(a) This calculation is submitted in accordance with Regulation S-K Item 601 (11) although it is not required by APB Opinion No. 15 because it results in dilution of less than 3%.

COMPUTATION OF PER SHARE EARNINGS
(in thousands except per share data)

	Net Income			
	Three Months Ended		Six Months Ended	
	June 30,		June 30,	
	1997	1996	1997	1996

Computation of Earnings Per Common and Common				
<F02>				
Equivalent Share (a):				
- -----				
Reported Income	\$ 6,292	\$ 5,688	\$14,779	\$17,885
	=====	=====	=====	=====
Average number of shares used to compute earnings per common share	10,035	9,837	10,018	9,852
Effect of unexercised stock options	32	59	36	65
	-----	-----	-----	-----
Average number of shares used to compute earnings per common and common equivalent share	10,067	9,896	10,054	9,917
	=====	=====	=====	=====
Earnings per common and common equivalent share	0.63	\$ 0.57	\$ 1.47	\$ 1.80
	=====	=====	=====	=====
Computation of Earnings Per Common Share Assuming				
<F02>				
Full Dilution (a):				
- -----				
Reported Income	\$ 6,292	\$ 5,688	\$14,779	\$17,885
	=====	=====	=====	=====
Average number of shares used to compute earnings per common share	10,035	9,837	10,018	9,852
Effect of unexercised stock options	45	59	45	65
	-----	-----	-----	-----
Average number of shares used to compute earnings per common share assuming full dilution	10,080	9,896	10,063	9,917
	=====	=====	=====	=====
Earnings per common share assuming full dilution	\$ 0.62	\$ 0.57	\$ 1.47	\$ 1.80
	=====	=====	=====	=====

<F02>

- (a) This calculation is submitted in accordance with Regulation S-K Item 601 (11) although it is not required by APB Opinion No. 15 because it results in dilution of less than 3%.

<ARTICLE> 5

<LEGEND>

THIS SCHEDULE CONTAINS SUMMARY FINANCIAL INFORMATION FROM FORM 10-Q FOR THE QUARTER ENDED JUNE 30, 1997 FOR CHEMED CORPORATION AND IS QUALIFIED IN ITS ENTIRETY BY REFERENCE TO SUCH FINANCIAL STATEMENTS.

</LEGEND>

<CIK> 0000019584

<NAME> CHEMED CORPORATION

<MULTIPLIER> 1,000

<PERIOD-TYPE>	6-MOS	
<FISCAL-YEAR-END>		DEC-31-1997
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<INVENTORY>		50,778
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<PP&E>		152,188
<DEPRECIATION>		(61,659)
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<CURRENT-LIABILITIES>		124,512
<BONDS>		164,026
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<COMMON>		12,868
<OTHER-SE>		205,072
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<CGS>		132,946
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<INCOME-PRETAX>		23,209
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<INCOME-CONTINUING>		14,181
<DISCONTINUED>		598
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<CHANGES>		0
<NET-INCOME>		14,779
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<EPS-DILUTED>		1.48