

## Press Release

### Dialysis Corporation of America Reports Second Quarter 2009 Results

Linthicum, Maryland, Wednesday, August 5, 2009 – Dialysis Corporation of America (NASDAQ-DCAI) announced its financial results for the second quarter of 2009.

- Quarter end patient census was approximately 2,100.
- Quarterly Results included:
  - Operating revenues were \$24.7 million compared to \$20.8 million for the same period last year, a 19% increase.
  - Operating income was \$1.7 million compared to \$1.1 million for the same period last year.
  - Net income was \$709,000 or \$0.07 per basic and diluted share compared to \$663,000 or \$0.07 per basic and diluted share for the same period last year.
- Results for the first half of 2009 included:
  - Operating revenues were \$48.2 million compared to \$41.3 million for the same period last year, a 17% increase.
  - Operating income was \$2.5 million compared to \$2.5 million for the same period last year.
  - Net income was \$0.9 million or \$0.09 per basic and diluted share compared to \$1.1 million or \$0.12 per basic and diluted share for the same period last year.

Stephen Everett, President and Chief Executive Officer, commented, “Our second quarter results were in line with internal expectations and, given the challenges in today’s economic environment, the year over year quarterly comparisons are very solid. The construction of our two new centers in Ohio remains on track while we continue to work with physicians in various areas to expand our footprint in the states we currently operate, in, as well as several new ones. Lastly, it should be noted that the deployment of our new clinical information system is on schedule with roughly one third of our centers currently up and running on the new system.”

Financial results for the period included:

- Pre-tax costs associated with opening new centers were \$133,000 for the second quarter of 2009 compared to \$62,000 for the same period last year, and \$194,000 for the first half of 2009 compared to \$238,000 for the same period last year.
- Non-cash stock compensation expense was \$62,000 for the second quarter of 2009 compared to \$81,000 for the same period last year, and \$147,000 for the first half of 2009 compared to \$156,000 for the same period last year.

Dialysis Corporation of America will be hosting a conference call in conjunction with its earnings release for the second quarter of 2009. The conference call will be held on Thursday, August 6, 2009 at 10:00 a.m. EDT. The call is accessible either by dialing 1-866-244-4576 (enter attendee code: 1382169), or through simulcast on the internet at <http://www.startconference.com>, using conference ID 2135668. Participants may be asked to provide the title of the conference call, which is “Dialysis Corporation of America Second Quarter Earnings.” A replay of the conference call will be available on the company’s website, [www.dialysiscorporation.com](http://www.dialysiscorporation.com), for a period of thirty days following the conference call.

Dialysis Corporation of America owns and operates freestanding kidney hemodialysis centers located in Georgia, Maryland, New Jersey, Ohio, Pennsylvania, South Carolina, and Virginia, and provides in-hospital dialysis services on a contract basis to certain hospitals located in the those states. The company provides patients with their choice of a full range of quality in-center, acute or at-home hemodialysis services.

This release contains forward-looking statements that are subject to risks and uncertainties that could affect the business and prospects of the company and cause actual results and plans to differ materially from those anticipated. Those factors include, but are not limited to, increases in interest rates, the possible need for and availability of additional financing, the company satisfying the covenants and conditions of its credit facility, certain delays beyond

the company's control with respect to future business events, the highly competitive environment in the establishment and operation of dialysis centers, the ability to develop or acquire additional dialysis facilities, whether patient bases of the company's dialysis facilities can mature to provide profitability, the extensive regulation of dialysis operations, government rate determination for Medicare reimbursement, pricing pressure from private payors, and other risks detailed in the company's filings with the SEC, particularly as described in the company's annual report on Form 10-K for the fiscal year ended December 31, 2008. The historical results contained in this press release are not necessarily indicative of future performance of the company.

Other Dialysis Corporation of America press releases, corporate profile, corporate governance materials, quarterly and current reports, and other filings with the Securities and Exchange Commission are available on Dialysis Corporation of America's internet home page: <http://www.dialysiscorporation.com>.

CONTACT: For additional information, you may contact Dialysis Corporation of America, 1302 Concourse Drive, Suite 204, Linthicum, MD 21090; Telephone Number (410) 694-0500; Attention: Investor Relations.

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**DIALYSIS CORPORATION OF AMERICA AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF INCOME**  
(unaudited)

(dollars in thousands, except share and per share amounts)

	<u>Three Months Ended</u>		<u>Six Months Ended</u>	
	<u>June 30,</u>		<u>June 30,</u>	
	<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>
Operating revenues:				
Sales:				
Medical services revenue	\$24,461	\$20,519	\$47,629	\$40,714
Product sales	<u>252</u>	<u>317</u>	<u>541</u>	<u>607</u>
Total sales revenues	<u>24,713</u>	<u>20,836</u>	<u>48,170</u>	<u>41,321</u>
Operating costs and expenses:				
Cost of sales revenues:				
Cost of medical services	15,093	12,662	29,524	25,020
Cost of product sales	<u>155</u>	<u>173</u>	<u>315</u>	<u>334</u>
Total cost of sales revenues	15,248	12,835	29,839	25,354
Selling, general and administrative expenses:				
Corporate	2,896	2,447	5,886	4,835
Facility	<u>3,478</u>	<u>2,999</u>	<u>7,079</u>	<u>6,081</u>
Total	6,374	5,446	12,965	10,916
Stock compensation expense	62	81	147	156
Depreciation and amortization	756	680	1,482	1,342
Provision for doubtful accounts	<u>543</u>	<u>649</u>	<u>1,214</u>	<u>1,079</u>
	<u>22,983</u>	<u>19,691</u>	<u>45,647</u>	<u>38,847</u>
Operating income	1,730	1,145	2,523	2,474
Other (expense) income, net	<u>(11)</u>	<u>13</u>	<u>(25)</u>	<u>(29)</u>
Income before income taxes	1,719	1,158	2,498	2,445
Income tax provision	<u>658</u>	<u>305</u>	<u>900</u>	<u>685</u>
Net income	1,061	853	1,598	1,760
Less: net income attributable to noncontrolling interests	<u>352</u>	<u>190</u>	<u>710</u>	<u>648</u>
Net income attributable to the company	<u>\$ 709</u>	<u>\$ 663</u>	<u>\$888</u>	<u>\$1,112</u>
Earnings per share:				
Basic	<u>\$.07</u>	<u>\$.07</u>	<u>\$.09</u>	<u>\$.12</u>
Diluted	<u>\$.07</u>	<u>\$.07</u>	<u>\$.09</u>	<u>\$.12</u>
Weighted average shares outstanding:				
Basic	<u>9,596,664</u>	<u>9,579,766</u>	<u>9,593,792</u>	<u>9,579,931</u>
Diluted	<u>9,617,231</u>	<u>9,613,663</u>	<u>9,612,175</u>	<u>9,614,819</u>

**DIALYSIS CORPORATION OF AMERICA AND SUBSIDIARIES**  
**CONSOLIDATED BALANCE SHEETS**  
(dollars in thousands)

	<b>June 30, 2009</b>	<b>December 31, 2008</b>
	<b>(unaudited)</b>	
Assets		
Current assets:		
Cash and cash equivalents	\$ 5,365	\$ 6,543
Accounts receivable, net	21,368	21,494
Inventories, net	2,598	2,919
Deferred income tax asset	1,185	1,185
Other current assets	<u>1,828</u>	<u>2,978</u>
Total current assets	<u>32,344</u>	<u>35,119</u>
Property and equipment	33,277	32,987
Less: accumulated depreciation and amortization	<u>15,150</u>	<u>14,452</u>
	<u>18,127</u>	<u>18,535</u>
Goodwill	16,492	16,492
Other assets	880	933
Total other assets	<u>17,372</u>	<u>17,425</u>
	<u>\$67,843</u>	<u>\$71,079</u>
Liabilities and Stockholders' Equity		
Current liabilities:		
Accounts payable and accrued expenses	\$ 14,607	\$14,717
Income taxes payable	109	61
Current portion of long-term debt	<u>77</u>	<u>74</u>
Total current liabilities	14,793	14,852
Deferred income taxes	1,275	1,275
Long-term debt, less current portion	<u>10,235</u>	<u>14,276</u>
Total liabilities	<u>26,303</u>	<u>30,403</u>
Commitments and Contingencies		
Equity:		
Common stock	96	96
Additional paid-in capital	16,168	16,001
Retained earnings	20,055	19,167
Treasury stock at cost	<u>(14)</u>	<u>---</u>
Total company stockholders' equity	36,305	35,264
Noncontrolling interests	<u>5,235</u>	<u>5,412</u>
Total equity	<u>41,540</u>	<u>40,676</u>
	<u>\$67,843</u>	<u>\$71,079</u>

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**DIALYSIS CORPORATION OF AMERICA AND SUBSIDIARIES**

**SUPPLEMENTAL OPERATING DATA  
(Unaudited)**

	<u>Three Months Ended June 30,</u>		<b>Period-to-Period</b>
	<u>2009</u>	<u>2008</u>	<u>Change %</u>
Operating data:			
Treatments	73,927	68,021	8.7%
Patient revenue per treatment	\$330.88	\$301.66	9.7%
Same center growth data:			
Same center treatment growth	1%	5%	
Same center revenue per treatment change	11%	(1)%	
Same center patient revenue growth	12%	4%	

	<u>Six Months Ended June 30,</u>		<b>Period-to-Period</b>
	<u>2009</u>	<u>2008</u>	<u>Change %</u>
Operating data:			
Treatments	145,417	133,342	9.1%
Patient revenue per treatment	\$327.54	\$305.34	7.3%
Same center growth data:			
Same center treatment growth	2%	6%	
Same center revenue per treatment change	9%	2%	
Same center patient revenue growth	11%	8%	

	<u>2nd Quarter</u>	<u>1st Quarter</u>
	<u>2009</u>	<u>2009</u>
Key clinical metrics:		
Treatment adequacy (% of pts with Kt/V greater than 1.2)	98%	97%
Anemia management (% of pts with Hgb greater than 11)	81%	81%
Venous access (% of pts with AVF)	60%	57%

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