STANDARD & POOR'S

Almost Family

Quantitative Stock Report
Mar 12,2011
NNM SYMBOL:**AFAM**

S&P Quality Ranking: **B**   Standard & Poor's Fair Value Rank : **5-**

AFAM has an approximate 0.06% weighting in the **S&P SmallCap**

Sector: Health Care
Sub-Industry: Health Care Services
Peer Group: Home Health Specialized Services

Summary: This company provides home health nursing services in two operating segments, Visiting Nurse and Personal Care.

Quantitative Evaluations

S&P Quality Ranking : B

D	C	B-	B	B+	A-	A	A+

S&P Fair Value Rank: 5-

1	2	3	4	5

Lowest   Highest

Fair Value Calc: $45.00 (Undervalued)

S&P Investability Quotient Percentile

86%

1 Lowest   Highest 100

AFAM scored higher than 86% of all companies for which an S&P Report is available.

Volatility: Average

Low	Average	High

Technical Evaluation: BULLISH

Since February, 2011, the technical indicators for AFAM have been BULLISH.

Relative Strength Rank: Moderate

51

1 Lowest   Highest 99

Price as of Mar 11,2011: $36.69   **52-Week Range: $44.12 - $23.50**

Options: CBOE

Investment Strategy

Key financial variables to consider in assessing the investment merits of an industrial company are the following:

Sales: What is the trend? Is future sales growth expected to be greater than the past 5-year and 9-year growth average? Accelerating sales growth ultimately provides the fuel behind earnings growth.

Net Margin: As a key measure of company profitabilty, a rising net margin assesses management capability to wring out more net income from incremental sales.

% LT Debt to Capitalization: A rising percentage implies greater financial risk, all else being equal. Rising debt leverage without a concomitant rise in Return on Equity should raise warning signals of potential cash flow problems. Percentages above 40%-50% should also be considered a warning.

% Return on Equity: A key perfomance measurement of capital efficiency assesses what investment returns management can earn on a company's existing capital base. A sustained percentage above 20% is considered above average.

Revenues/Earnings Data Fiscal year ending Dec. 31

Revenues (Million $)

	2010	2009	2008	2007	2006	2005
1Q	81.78	69.20	39.03	31.95	20.79	23.52
2Q	85.61	74.85	48.70	32.71	21.85	24.77
3Q	84.90	76.29	58.71	32.06	22.95	18.51
4Q	84.64	78.02	66.17	35.41	26.23	19.38
Year	336.9	297.9	212.6	132.1	91.81	75.62

Earnings per Share ($)

	2010	2009	2008	2007	2006	2005
1Q	0.80	0.68	0.45	0.31	0.17	0.08
2Q	0.89	0.72	0.50	0.35	0.18	0.13
3Q	0.85	0.73	0.57	0.34	0.20	0.08
4Q	0.74	0.74	0.62	0.39	0.26	0.24
Year	3.28	2.87	2.17	1.40	0.80	0.56

Next earnings report expected: Late April

Historical GAAP earnings are as reported.

Key Growth Rates and Averages

Past Growth Rate (%)	1 Year	3 Year	5 Year	9 Year
Sales	13.12	36.96	38.81	20.09
Net Income	24.38	57.09	66.46	45.63
Ratio Analysis (Average)				
Net Margin	9.11	8.37	7.14	4.92
%LT Debt to Capitalization	0.72	8.03	17.51	25.68
% Return on Equity	18.55	21.37	21.39	17.85

Key Stock Statistics

Average Daily Volume	**0.111 mil.**	Beta	**0.89**
Market Capitalization	**$0.343 Bil.**	Trailing 12 Month EPS	**$3.28**
Institutional Holdings (%)	**65**	12 Month P/E	**11.2**
Shareholders of Record	**374**	Current Yield (%)	**Nil**

Value of $10,000 Invested five yrs Ago : **$41,931**

Please read the required disclosures and Reg. AC certification on the last page of this report.

This report was prepared by Standard & Poor's Quantitative Services.

The McGraw-Hill Companies

Almost Family

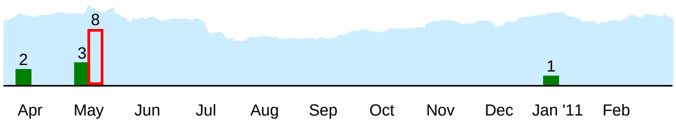
S&P Quality Ranking: **B**   Standard & Poor's Fair Value Rank : **5-**

Wall Street Opinions/Average (Mean) Opinion: Hold

	No. of Ratings	% of Total	1 Mo. Prior	3 Mo. Prior
Buy	1	14	1	2
Buy/Hold	0	0	0	0
Hold	6	86	6	5
Weak Hold	0	0	0	0
Sell	0	0	0	0
No Opinion	0	0	0	0
Total	7	100	7	7

Insider Moves

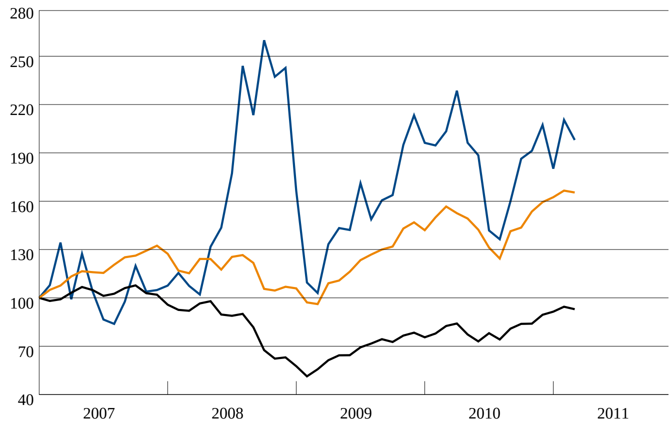
Insider Buys   Insider Sells   Price History



Dividend Data

No Dividend Data Available

Stock Performance



AFAM   S&P 1500   Health Care Services

	Company(%)	Industry(%)	S&P 1500(%)
YTD Return	-4.5	3.8	3.8
One Year Return	2.4	7.7	14.3
Three Year Return (% Annualized)	21.6	13.7	0.4
Five Year Return (% Annualized)	33.2	11.6	0.8
Value of $10,000 Invested 5 Years Ago	$41,931	$17,274	$10,387

Company Financials Fiscal year ending Dec. 31

Per Share Data & Valuation Ratios ($)	2010	2009	2008	2007	2006	2005	2004	2003	2002	2001
Tangible Book Value	7.24	3.86	NM	NM	NA	2.20	1.54	1.29	0.83	1.33
Cash Flow	3.60	3.19	2.37	1.56	0.99	0.78	0.39	0.75	0.95	0.60
Earnings	3.28	2.87	2.17	1.40	0.80	0.56	0.29	0.25	0.25	0.39
Dividends	NA	Nil	Nil	Nil	NA	Nil	Nil	Nil	Nil	Nil
Payout Ratio	NA	Nil	Nil	Nil	NA	Nil	Nil	Nil	Nil	Nil
Prices:High	44.12	47.90	53.85	26.59	NA	8.93	7.43	4.73	8.25	8.17
Prices:Low	23.50	14.91	16.60	13.69	NA	5.31	3.68	2.00	2.33	1.69
P/E Ratio:High	13	17	25	19	NA	16	25	19	34	21
P/E Ratio:Low	7	5	8	10	NA	10	12	8	9	4
Income Statement Analysis (Million $)										
Revenue	337	298	213	132	91.8	75.6	86.8	86.9	85.8	59.8
Operating Income	54.6	44.8	29.7	14.9	8.04	5.28	5.47	5.25	5.94	5.85
Depreciation	2.91	2.38	1.52	0.93	1.00	1.19	2.46	2.55	3.84	1.27
Interest Expense	0.27	0.80	1.15	0.84	NA	0.11	0.45	0.66	0.81	0.71
Pretax Income	51.4	41.3	27.1	13.1	7.09	4.24	2.52	1.92	2.13	3.86
Effective Tax Rate	NA	40%	39%	40%	40%	32%	39%	34%	37%	42%
Net Income	30.7	24.7	16.4	7.81	4.27	2.88	1.53	1.27	1.34	2.24
Balance Sheet & Other Financial Data (Million $)										
Cash	47.9	19.4	1.30	0.47	4.13	7.20	0.42	0.90	0.97	1.93
Current Assets	100	64.8	43.6	20.5	19.3	18.1	15.2	17.8	20.1	22.6
Total Assets	220	183	161	67.4	53.4	30.5	28.1	33.0	36.8	35.9
Current Liabilities	27.7	25.3	37.3	15.0	12.1	8.84	8.66	8.08	9.62	10.6
Long Term Debt	1.33	2.80	27.1	16.4	13.0	1.12	5.08	12.3	15.9	14.1
Common Equity	182	149	94.8	34.8	27.7	20.1	13.6	12.3	10.1	10.4
Total Capital	185	152	126	52.0	40.8	21.3	18.7	24.6	26.0	24.5
Capital Expenditures	2.61	2.13	1.48	0.59	0.86	0.56	0.56	1.51	2.74	2.09
Cash Flow	33.6	27.4	17.9	8.75	5.28	4.07	3.99	3.81	5.18	3.51
Current Ratio	3.6	2.6	1.2	1.4	1.6	2.1	1.8	2.2	2.1	2.1
% Long Term Debt of Capitalization	0.7	1.8	22.3	31.5	31.9	5.3	27.2	49.9	61.2	57.6
% Net Income of Revenue	9.1	8.3	7.7	5.9	4.7	3.8	1.8	1.5	1.6	3.8
% Return on Assets	15.2	14.4	14.4	12.9	10.2	10.3	5.1	3.6	3.7	NM
% Return on Equity	18.6	20.3	25.3	25.0	17.9	17.9	11.8	11.3	12.7	NM

Data as orig. reptd; bef. results of disc opers/spec. items. Per share data adj. for stk. divs. as of ex-div date. NA-Not Available. NM-Not Meaningful. NR-Not Ranked.

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Tel: **502-891-1000**
Email: **http://www.almost-family.com/contact.htm**
Website: **http://www.almost-family.com**
CEO, Chrmn & Pres: **W. B. Yarmuth**

SVP, Chief Acctg Officer, Investor Contact, Treas, Secy & CFO: **C. S. Guenthner**
Dirs: **H. M. Altman, Jr., S. Bing, J. D. Goldberg, D. G. McClinton, W. E. Reed, III, T. Wilburn, W. B. Yarmuth**
General Counsel: **J. Perchik**

Chief Admin Officer: **P. T. Lyles**
CIO: **M. Spurlock**
Founded: **1985**
Domicile: **Delaware**
Employees: **6,400**

Almost Family

S&P Quality Ranking: **B**   Standard & Poor's Fair Value Rank : **5-**

Sub-Industry Outlook

Our fundamental outlook for the health care services sub-industry for the next 12 months is positive. We think most services, including home health care, rehabilitation services, clinical laboratory services and dialysis, will continue to benefit from favorable demographic trends.

We are optimistic on clinical labs. Although weak employment markets adversely affected physician office visits in 2010 by an estimated 5%-7%, we believe the market has stabilized, and we expect to see an increase in office visits in 2011. As a result, we believe labs will benefit from higher volume, an increase in tests per requisition, and an increase in esoteric/genomic tests, which we see spurring revenue growth beyond low to mid-single digit levels. Meanwhile, in lieu of a health care reform tax, clinical labs agreed to a 1.75% cut in the Medicare clinical lab fee schedule in each of the next five years starting in 2011. However, we believe the expansion of coverage to an additional 32 million Americans via health care reform starting in 2014 will outweigh the impact of lower reimbursement rates.

We are positive on the dialysis group, as we view newly implemented bundled dialysis payment rates as manageable. The majority of dialysis providers took an immediately implemented 4.1% rate cut rather than a 3.1% cut if phased in over four years, to mitigate the burden of implementing the new system. Over the longer term, we expect revenue per treatment to rise, given lower drug costs for providers. We do, however, expect sustained reimbursement rate pressure due to regulatory focus on containing health care costs. We are also favorably inclined toward respiratory therapy services. We believe that while Medicare reimbursement issues may continue to pressure sales growth, the impact on revenues could be mitigated through expense management and market share gains.

We remain positive on pharmacy benefit managers (PBMs), which help managed care organizations, governments and employers control drug spending. While the soft economy has reduced pharmaceutical consumption, we believe it is spurring generic drug utilization. We also see PBMs increasingly benefiting from the billions of dollars in branded drugs slated to lose patent protection over the next few years. Increased generic drug usage would increase PBMs' profitability. Also, the increase in mail-order pharmacy penetration aids profitability.

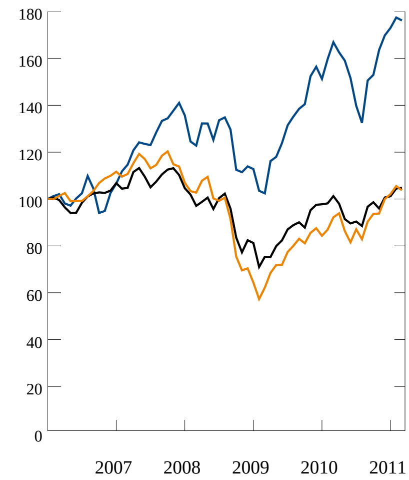
Year to date through March 4, the S&P Health Care Services Index increased 6.4%, while the S&P 1500 Composite Index advanced 5.2%.

--Jeffrey Loo, CFA

Stock Performance

GICS Sector: Health Care
Sub-Industry: Health Care Services

Based on S&P 1500 Indexes
Month-end Price Performance as of 02/28/11



NOTE: All Sector & Sub-Industry information is based on the Global Industry Classification Standard (GICS)

Sub-Industry : Health Care Services Peer Group*: Home Health Specialized Services

Peer Group	Stock Symbol	Stk.Mkt. Cap. (Mil. $)	Recent Stock Price($)	52 Week High/Low($)	Beta	Yield (%)	P/E Ratio	Fair Value Calc.($)	Quality Ranking	S&P IQ %ile	Return on Revenue (%)	LTD to Cap (%)
Almost Family	**AFAM**	**343**	**36.69**	**44.12/23.50**	**0.89**	**Nil**	**11**	**45.00**	**B**	**86**	**9.1**	**0.7**
Allied Healthcare Intl	AHCI	105	2.41	3.10/1.86	0.98	Nil	12	NA	B-	73	3.6	0.3
Continucare Corp	CNU	299	4.94	5.80/3.25	0.57	Nil	13	5.50	B-	75	7.1	NA
Gentiva Health Svs	GTIV	859	28.74	30.88/18.93	0.57	Nil	17	40.70	B-	89	4.0	60.8
Lincare Holdings	LNCR	2,862	29.73	33.45/22.55	0.60	2.7	16	29.70	B+	87	10.9	33.1

NA-Not Available NM-Not Meaningful NR-Not Rated. *For Peer Groups with more than 15 companies or stocks, selection of issues is based on market capitalization.

Almost Family

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S&P Analyst Research Notes and other Company News

August 5, 2010
Almost Family Inc. announced unaudited consolidated financial results for the second quarter and six months ended June 30, 2010. The second quarter results demonstrate the fundamental strength of its business and its ability to balance investing in its growth with controlling costs. Operating income was $14.0 million, income from continuing operations before income taxes was $13.96 million, net income from continuing operations was $8.3 million or $0.89 per diluted share compared to the operating income of $10.12 million, income from continuing operations before income taxes was $9.9 million, net income from continuing operations was $6.05 million or $0.72 per diluted share for the same period a year ago. EBITDA from continuing operations was $15.2 million compared to $11.14 million for the same period a year ago. For the second quarter, the company reported net service revenues of $85.6 million, a 15% increase from $74.6 million in the second quarter of 2009. Net income for the second quarter of 2010 was $8.3 million, or $0.89 per diluted share, compared to $6.0 million, or $0.71 per diluted share, in the second quarter of 2009. The weighted average shares outstanding for purposes of calculating diluted earnings per share increased 12% between periods. Second quarter 2010 net income benefited from lower healthcare insurance costs, higher reimbursement in rural-areas, and additional revenue from Medicare's "Pay for Performance" program. It also included increased legal fees associated with the Senate Finance Committee"s request for information. The net impact of these items on second quarter 2010 net income was a positive $0.05 per diluted share. For the six months, the company reported net service revenues of $167.4 million, a 17% increase from $143.5 million in the same period of 2009. Net income for the six month period of 2010 was $15.8 million, or $1.69 per diluted share, compared to $11.6 million, or $1.40 per diluted share in the six month period of 2009. The weighted average shares outstanding for purposes of calculating diluted earnings per share increased 13% between periods. For the six months period, the company reported an operating income was $26.6 million, income from continuing operations before income taxes was $26.5 million, net income from continuing operations was $15.8 million or $1.69 per diluted share compared to the operating income of $19.7 million, income from continuing operations before income taxes was $19.2 million, net income from continuing operations was $11.6 million or $1.41 per diluted share for the same period a year ago. Net cash provided by operating activities was $13.9 million compared to $9.1 million for the same period a year ago. Capital expenditures were reported as $1.2 million for the six months period of fiscal 2010 compared to $0.5 million for the same period a year ago. EBITDA from continuing operations was $28.9 million compared to $21.6 million for the same period a year ago.

July 1, 2010
DOWN 5.31 to 29.62... AFAM says on 6/30/10 it received a civil subpoena for documents and notice of investigation from the SEC. Says subpoena seeks documents related to co.'s home health care services and operations, including reimbursements under the Medicare home health prospective payment system, since 1/1/00. AFAM says it will supply the requested documents and cooperate fully with the SEC regarding the document request.

May 7, 2010
At the Annual Meeting of Stockholders of Almost Family Inc., the stockholders elected William B. Yarmuth, Steven B. Bing, Donald G. McClinton, Tyree G. Wilburn, Jonathan D. Goldberg, W. Earl Reed, III and Henry M. Altman, Jr. as directors to serve for terms of one year and until their successors are elected and qualified.

April 29, 2010
Almost Family Inc. announced unaudited consolidated earnings results for the first quarter ended March 31, 2010. Almost Family reported first quarter 2010 net service revenues of $81.8 million, an 18.6% increase from $68.9 million in the first quarter of 2009. Net income for the first quarter of 2010 was $7.4 million, or $0.80 per diluted share, compared to $5.6 million, or $0.68 per diluted share, in the first quarter of 2009. For the quarter, the company has reported operating income of $12.6 million, income from continuing operations before income taxes of $12.5 million and net income from continuing operations of $7.5 million compared to operating income of $9.6 million, income from continuing operations before income taxes of $9.3 million and net income from continuing operations of $5.6 million reported a year ago. Net cash provided by operating activities were $13.7 million against $4 million and Capital expenditure was $0.5 million against $0.2 million reported last year. EBITDA from continuing operations was $13.7 million against $10.5 million reported last year.

STANDARD &POOR'S

Almost Family

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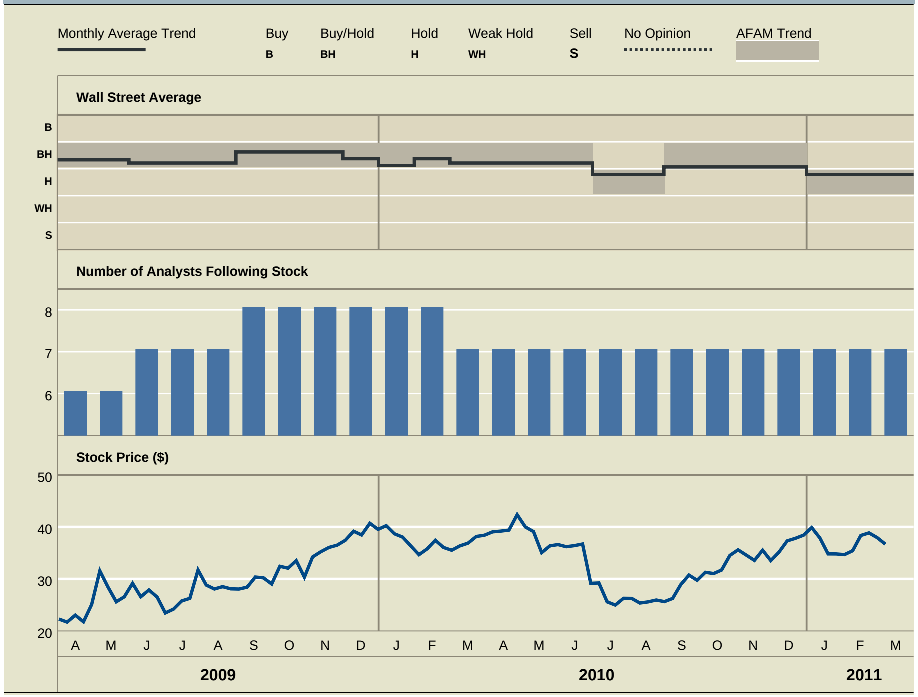
S&P Quality Ranking: **B** Standard & Poor's Fair Value Rank : **5-**

Analysts' Recommendations



Of the total 8 companies following AFAM, 7 analysts currently publish recommendations.

	No. of Ratings	% of Total	1 Mo. Prior	3 Mos. Prior
Buy	1	14	1	2
Buy/Hold	0	0	0	0
Hold	6	86	6	5
Weak Hold	0	0	0	0
Sell	0	0	0	0
No Opinion	0	0	0	0
Total	**7**	**100**	**7**	**7**

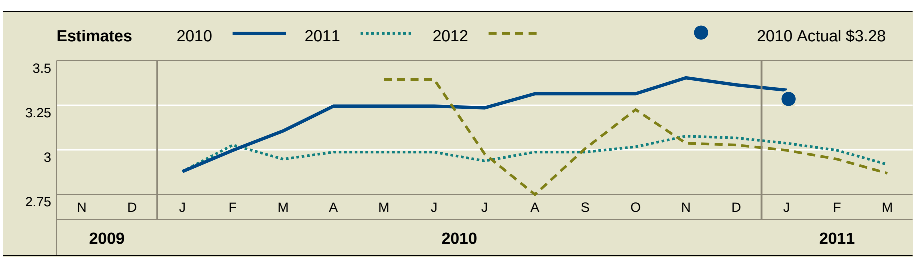
Wall Steet Consensus Opinion

HOLD

Companies Offering Coverage

Avondale Partners LLC
Bb&t Capital Markets
Jefferies & Co.
Macquarie Research
RBC Capital Markets
Robert W. Baird & Co., Inc.
Stephens Inc.
Suntrust Robinson Humphrey

Wall Street Consensus Estimates



Fiscal Years	Avg Est.	High Est.	Low Est.	# of Est.	Est. P/E
2012	2.87	3.12	2.70	6	12.8
2011	2.92	3.01	2.75	7	12.6
2012 vs. 2011	▼ -2%	▲ 4%	▼ -2%	▼ -14%	▲ 2%
Q1'12	NA	NA	NA	0	NM.8
Q1'11	0.66	0.72	0.56	7	55.6
Q1'12 vs. Q1'11	**NA**	**NA**	**NA**	▼ -100%	**NM**

A company's earnings outlook plays a major part in any investment decision. Standard & Poor's organizes the earnings estimates of over 2,300 Wall Street analysts, and provides their consensus of earnings over the next two years. This graph shows the trend in analyst estimates over the past 15 months.

Wall Street Consensus vs. Performance

For fiscal year 2011, analysts estimate that AFAM will earn $2.92. For fiscal year 2012, analysts estimate that AFAM's earnings per share will decline by 2% to $2.87.

Glossary

S&P Quality Ranking - Growth and stability of earnings and dividends are deemed key elements in establishing S&P's quality ranking for common stocks, which are designed to capsulize the nature of this record in a single symbol. It should be noted that, however, that the process also takes into consideration certain adjustments and modifications deemed desirable in establishing such rankings, The final score for each stock is measured against a scoring matrix determined by analysis of the scores of a large and representative sample of stocks. The range of scores in the array of this sample has been aligned with the following ladder of rankings:

A+	Highest	B	Lower
A	High	B-	Below Average
A-	Above Average	C	Lowest
B+	Average	D	In Reorganization
NR	Not Ranked		

S&P Fair Value Rank - Using S&P's exclusive proprietary quantitative model, stocks are ranked in one of five groups, ranging from Group 5, listing the most undervalued stocks, to Group 1, the most overvalued issues. Group 5 stocks are expected to generally outperform all others. A positive (+) or negative (-) Timing Index is placed next to the Fair Value ranking to further aid the selection process. A stock with a (+) added to the Fair Value Rank simply means that this stock has a somewhat better chance to outperform other stock with the same Fair Value Rank. A stock with a (-) has a somewhat lesser chance to outperform other stocks with the same Fair Value Rank. The Fair Value rankings imply the following: 5-Stock is significantly undervalued; Fair Value Rank. A stock with a (-) has a somewhat lesser chance to outperform other stocks with the same Fair Value Rank. The Fair Value rankings imply the following: 5-Stock is significantly undervalued; 4-Stock is moderately undervalued; 3-Stock is fairly valued; 2-Stock is modestly overvalued; 1-Stock is significantly overvalued.

Funds From Operations (FFO) - FFO is Funds from Operations and equal to a REIT's net income, excluding gains or losses from sales of property, plus real estate depreciation.

Fair Value Calculation - The current price at which a stock should sell today as calculated by S&P's computers using our quantitative model based on the company's earnings, growth potential, return on equity relative to the S&P 500 and its industry group, price to book ratio history, current yield relative to the S&P 500, and other factors.

Investability Quotient (IQ) - The IQ is a measure of investment desirability. It serves as an indicator of potential medium-to-long-term return and as a caution against downside risk. The measure takes into account variables such as technical indicators, earnings estimates, liquidity, financial ratios and selected S&P proprietary measures.

Standard & Poor's IQ Rationale:
Almost Family

	Raw Score	Max Value
Proprietary S&P Measures	29	115
Technical Indicators	16	40
Liquidity/Volatility Measures	17	20
Quantitative Measures	61	75
IQ Total	123	250

Volatility - Rates the volatility of the stock's price over the past year.

Technical Evaluation - In researching the past market history of prices and trading volume for each company, S&P's computer models apply special technical methods and formulas to identify and project price trends for the stock.

Relative Strength Rank - Shows, on a scale of 1 to 99, how the stock has performed versus all other companies in S&P's universe on a rolling 13-week basis.

Global Industry Classification Standard (GICS) - An industry classification standard, developed by Standard & Poor's in collaboration with Morgan Stanley Capital International (MSCI). GICS is currently comprised of 10 Sectors, 24 Industry Groups , 67 Industries, and 147 Sub-Industries.

Dividends on American Depository Receipts (ADRs) and American Depository Shares (ADSs) are net of taxes (paid in the country of origin).

Required Disclosures

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Additional information is available upon request.

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