

Total Renal Care Announces Settlement of Securities Class Actions

TORRANCE, Calif., July 25 [/PRNewswire/](#) -- DaVita (Total Renal Care Holdings, Inc.) (NYSE: TRL) announced today that it has signed a Stipulation of Settlement with the plaintiffs in the consolidated securities class actions that were filed against Total Renal Care Holdings and several of its former officers in February 1999. Under the terms of this agreement, a total settlement fund of \$25 million has been established. The Company has contributed \$10.8 million and our insurance carriers have contributed the balance of the settlement fund. In addition, DaVita has agreed to implement corporate governance principles and procedures to ensure the accountability of DaVita's Board and management to its shareholders. The settlement is subject to preliminary approval by the United States District Court, notice to the members of the class, which consists of purchasers of the Company's common stock between March 11, 1997 and July 18, 1999, and final approval of the settlement by the Court at a hearing. Final approval is anticipated to take place in the fourth quarter of 2000.

DaVita's General Counsel, Steve Udicious, stated that "while the defendants continue to deny any wrongdoing or liability in the securities class actions, we believe that the settlement is in the best interests of the Company and its stakeholders and represents yet another step in our efforts to put past issues behind us and to solidify our financial position going forward."

The company will record a pre-tax charge of \$10.8 million in its second quarter results related to this settlement.

DaVita (Total Renal Care Holdings, Inc), 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 domestically in 32 states, as well as Washington, D.C. It also provides acute hemodialysis services to inpatients at approximately 320 hospitals. As of April 30, 2000, DaVita operated 484 outpatient dialysis facilities serving over 40,000 patients, including 4,300 patients in 52 centers under management.

This release contains forward-looking statements which are made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. These forward-looking statements include statements regarding our financial performance and involve risks and uncertainties that could cause actual results to differ materially from the forward-looking statements. Factors which could cause or contribute to such differences include, but are not limited to, the uncertainties associated with governmental regulation, general economic and other market conditions, and the "risk factors" set forth in the Company's filings with the Securities and Exchange Commission, including but not limited to (1) the risks relating to the large amount and terms of the Company's outstanding debt, (2) possible changes in Medicare, Medicaid and private reimbursement rates, and (3) the high concentration of profits generated from private indemnity patients, which represent a small percentage of our total patients. The forward-looking statements should be considered in light of these risks and uncertainties. SOURCE Total Renal Care, Inc.

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