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For Immediate Release

**AMERICAN HOMEPATIENT REPORTS FINANCIAL RESULTS FOR
THE SECOND QUARTER AND SIX MONTHS ENDED JUNE 30, 2002**

BRENTWOOD, Tenn. (August 15, 2002) – American HomePatient, Inc. (OTC: AHOM) today reported its financial results for the second quarter and six months ended June 30, 2002. Earnings before interest, taxes, depreciation, and amortization (EBITDA) for the second quarter of 2002 was \$11.2 million compared to \$12.4 million for the second quarter of 2001. Excluding a one-time gain associated with the sale of assets and the cumulative effect of a change in accounting principle recorded in the first quarter of 2002, EBITDA for the first six months of 2002 was \$22.6 million compared to EBITDA of \$24.5 million for the same period of 2001.

The Company reported a net loss of \$(0.2) million for the second quarter of 2002 compared to a net loss of \$(2.1) million for the same quarter of 2001. Excluding the one-time gain on the sale of assets and the cumulative effect of a change in accounting principle, the Company reported break-even net income for the first six months of 2002 compared to a net loss of \$(8.7) million for the same six month period of 2001. This improvement is primarily the result of lower depreciation expense, lower amortization expense, and lower interest expense in the first quarter ended March 31, 2002, offset by a reduction in revenues and related margin as a result of centers which were sold during 2001 and the first quarter of 2002.

During the first quarter of 2002, the Company sold the assets of one of its infusion businesses resulting in a one-time gain of \$0.7 million and recorded a non-cash charge of

\$68.5 million for a required change in accounting principle related to goodwill associated with the adoption of SFAS No. 142. Including the gain on the sale of assets and after the cumulative effect of a change in accounting principle, the Company reported a net loss of \$(67.6) million for the first quarter of the current year.

Revenues for the second quarter of 2002 were \$80.3 million, down from \$89.8 million reported for the same three-month period of 2001. For the first six months of 2002, revenues were \$161.6 million, down from \$180.9 million for the same six-month period of 2001. During 2001, the Company sold the assets of three infusion centers, two respiratory and home medical equipment centers, and all of its rehabilitation centers, in addition to the sale of the assets of one infusion center during the first quarter of 2002. As a result of these asset sales, revenues were negatively impacted by approximately \$10.8 million in the second quarter of 2002 and by \$20.5 million in the six months ended June 30, 2002.

The Company's EBITDA margin showed improvement in the second quarter and first six months of 2002 compared to the same periods of 2001, primarily as a result of the sale of certain centers, which had relatively low EBITDA margins. EBITDA margin for the second quarter of 2002 was 13.9% of revenues compared to 13.8% for the second quarter of 2001. Excluding the one-time gain associated with the sale of assets in the first quarter of 2002, EBITDA margin for the six months ended June 30, 2002 was 14.0% of revenues compared to 13.5% for the same six month period of 2001. Overall, operating expenses decreased in the current year compared to the prior year, due primarily to the sale of certain centers during 2001 and the first quarter of 2002. As a percentage of revenues, bad debt expense for the second quarter of 2002 was 3.4%, down from 3.7% for the same period of 2001. For the six months, bad debt expense was 4.2% for 2002 compared to 4.0% for 2001.

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As previously disclosed, the Company filed voluntary petitions for reorganization under Chapter 11 of the United States Bankruptcy Code in order to restructure its bank debt. The petitions were filed on July 31, 2002 in the U.S. Bankruptcy Court for the Middle District of Tennessee. The Company is proposing a "100-percent plan," meaning that creditors and vendors will be paid all that they are owed, either immediately or over time with interest. Under the proposed plan, company shareholders will retain their equity, and no layoffs are expected as a result of the filing. This action should have no impact on the Company's existing joint ventures with unrelated parties.

The Company elected to seek Court protection in order to facilitate restructuring of its debt while continuing to maintain normal business operations in all of the Company's branch offices across the country. The filing is necessary because, as previously disclosed, the Company does not have sufficient funds to repay the outstanding balance of \$275.4 million on its Bank Credit Facility when it matures on December 31, 2002. In the post-filing time period, the Company will use its strong cash flow and cash on hand to fund day-to-day operations, including payroll, all existing employee benefits, and payments to vendors and contractors for post-filing invoices. Over the last several years, the Company has attempted to reach a long-term agreement to restructure its bank debt outside of court, but because it has a large, diverse lender group, including a number of non-traditional participants, this has not been possible.

American HomePatient is one of the nation's largest home health care providers with 286 centers located across the United States. Its product and service offerings include respiratory services, infusion therapy, parenteral and enteral nutrition, and medical equipment for patients in their home. American HomePatient's common stock is currently traded over-the-counter under the symbol AHOM.

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Certain statements made in the press release may constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Such forward-looking statements are based on management's current expectations and include known and unknown risks, uncertainties and other factors, many of which the Company is unable to predict or control, that may cause the Company's actual results or performance to materially differ from any future results or performance expressed or implied by such forward-looking statements. These statements involve risks, uncertainties and other factors detailed from time to time in the Company's filings with the Securities and Exchange Commission. Such factors may include the risks and uncertainties regarding the Chapter 11 filings, the proposed plan, the forecasts upon which the forecasts are based, the operation of the Company during such proceedings and thereafter and the final resolution of such proceedings, changes to the Company's business strategies and operations including changes in its cost structure related to respiratory medications, the effect of healthcare legislation and regulation, the ability to obtain business, and the outcome of pending or future governmental investigations. The Company cautions investors that any forward-looking statements made by the Company are not necessarily indicative of future performance. The Company is not responsible for updating the information contained in this press release beyond the published date, or for changes made to this document by wire services or Internet services.

American HomePatient
Summary Financial Data

(In thousands, except per share data)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2002	2001	2002	2001
Revenues	\$ 80,330	\$ 89,775	\$ 161,648	\$ 180,896
Cost of sales and related services	15,553	21,424	31,828	43,594
Cost of rentals and other revenues, including rental equipment depreciation	8,580	8,978	16,778	17,496
Operating expenses	45,392	48,492	91,363	98,112
General and administrative expenses	4,392	3,952	8,498	7,890
Depreciation, excluding rental equipment, and amortization	1,832	3,268	3,459	6,611
Gain on sale of assets of center		-	667	-
Earnings before interest, taxes and cumulative effect of change in accounting principle	4,581	3,661	10,389	7,193
Income (loss) before taxes and cumulative effect of change in accounting principle	(139)	(1,960)	888	(8,407)
Income (loss) before cumulative effect of change in accounting principle	(239)	(2,110)	688	(8,707)
Cumulative effect of change in accounting principle	-	-	(68,485)	-
Net loss	\$ (239)	\$ (2,110)	\$ (67,797)	\$ (8,707)
<i>Basic income (loss) per share before change in accounting principle</i>	\$ (0.01)	\$ (0.13)	\$ 0.04	\$ (0.53)
<i>Diluted income (loss) per share before change in accounting principle</i>	\$ (0.01)	\$ (0.13)	\$ 0.04	\$ (0.53)
<i>Basic loss per share</i>	\$ (0.01)	\$ (0.13)	\$ (4.15)	\$ (0.53)
<i>Diluted loss per share</i>	\$ (0.01)	\$ (0.13)	\$ (4.05)	\$ (0.53)
<i>Weighted average shares outstanding - Basic</i>	16,367	16,661	16,349	16,552
<i>Weighted average shares outstanding - Diluted</i>	16,367	16,661	16,732	16,552

	June 30,	Dec. 31,
	2002	2001
Cash & Equivalents	\$ 4,693	\$ 9,159
Restricted Cash	67	265
Net Patient Receivables	56,490	60,117
Other Receivables	962	1,544
Total Receivables	57,452	61,661
Other Current Assets	15,970	14,840
Total Current Assets	78,182	85,925
Property and Equipment, Net	48,138	46,223
Goodwill	121,214	189,699
Other Assets	21,706	22,817
Total Assets	\$ 269,240	\$ 344,664
Accounts Payable	\$ 18,809	\$ 19,360
Current Portion of Long Term Debt	276,376	282,087
Other Current Liabilities	21,462	22,814
Total Current Liabilities	316,647	324,261
Long Term Debt, less current portion	692	723
Other Liabilities	4,790	4,783
Total Liabilities	322,129	329,767
Total Stockholders' Equity (Deficit)	(52,889)	14,897
Total Liabilities and Equity (Deficit)	\$ 269,240	\$ 344,664