

CONTINUCARE CORPORATION REPORTS
70% INCREASE IN REVENUE AND 40% INCREASE IN OPERATING PROFIT FOR
FIRST QUARTER OF FISCAL 2008

Miami, FL November 7, 2007 – Continucare Corporation (AMEX: CNU) today reported financial results for its first quarter of fiscal 2008. Financial highlights for the quarter include:

- Total revenue of \$60.9 million, a 70% increase compared to \$35.9 million in the first quarter of fiscal 2007;
- Income from operations of \$2.9 million, a 40% increase compared to \$2.1 million for the same period last year; and
- Net income of \$1.9 million, or \$0.03 per diluted share, as compared to \$1.4 million, or \$0.03 per diluted share, for the same period a year ago.

Continucare’s cash and cash equivalents increased to \$14.2 million at September 30, 2007 from \$7.3 million at June 30, 2007, while working capital increased to \$20.0 million at September 30, 2007 from \$17.5 million at June 30, 2007. Total liabilities were \$12.9 million at September 30, 2007 and at June 30, 2007. Shareholders’ equity increased to \$105.8 million at September 30, 2007 from \$104.1 million at June 30, 2007.

“Our first fiscal quarter results represent a strong start to our new fiscal year,” said Richard C. Pfenniger, Jr., Continucare’s Chairman and Chief Executive Officer. “Both revenues and profits were significantly higher than the first quarter of our prior fiscal year, and with \$7.7 million of cash flow from operations during the quarter, our financial position continued to improve while our balance sheet remained virtually free of long-term indebtedness.

“As we continue to prepare for the launch of Continucare ValuClinic™, our new line of retail-based convenient care clinics, we are actively working to complete construction of our initial locations and obtain necessary licenses. We look forward to opening our first ValuClinic locations later this Fall.”

Stock Repurchase Program

Continucare also announced that to date it has repurchased 1,339,967 shares of its common stock at a total cost of approximately \$3.4 million under a previously announced 2,500,000 share stock repurchase program, including 182,500 shares purchased during the quarter at a cost of approximately \$500,000. An aggregate of 1,160,033 shares remain available for purchase under the plan. The plan authorizes management, at its discretion, to repurchase shares from time to time in the open market or in privately negotiated transactions subject to market conditions and other factors.

About Continucare ValuClinic™

Continucare ValuClinic™ is a new line of consumer-oriented, retail-based health centers which will offer treatment for common illnesses such as the flu, bronchitis, strep throat, pink eye, skin infections and seasonal allergies, in a quick, convenient, and patient-friendly health care setting. Continucare ValuClinic™ will also offer other high demand health care services such as common vaccinations, physical examinations and diagnostic screenings. The clinics will be staffed primarily by certified nurse practitioners and physician assistants and will be open seven days a week with extended hours on weekdays. No appointment will be necessary and fees for services will represent a meaningful discount to care provided in more traditional health care settings. For more information please visit www.valuclinic.net.

About Continucare Corporation

Continucare provides primary care physician services on an outpatient basis through a network of medical facilities and independent physician affiliates (IPAs) in the State of Florida. Continucare has 18 medical offices equipped with state-of-the-practice technology and staffed with experienced physicians and a comprehensive support staff. In addition, Continucare provides health practice management services to IPAs who practice primary care medicine in South Florida. Continucare assists these physicians with medical utilization and pharmacy management and specialist network development, freeing them to devote more time to patient care. For more information please visit www.continucare.com.

Except for historical matters contained herein, statements made in this press release are forward-looking and are made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Investors and others are cautioned that forward-looking statements are subject to risks and uncertainties that may affect our business and prospects and cause our actual results to differ materially from those set forth in the forward-looking statements. These factors include, without limitation, the risk that the current trend in revenue or income growth may not continue or may be less than anticipated, risks and uncertainties relating to our ability to implement our growth strategy and to manage future growth, including our ability to achieve expected levels of patient volumes and control the costs of providing services, risks and uncertainties relating to our acquisition of Miami Dade Health Centers, Inc. and its affiliated companies, including the risk that we may not realize the expected benefits of the acquisition and that the acquisition may not ultimately be accretive to earnings, the risk that we may be unable to successfully complete the integration of the Miami Dade Health Centers companies into our business and achieve expected synergies, and the risk that further restructuring or other acquisition-related charges may be required in future periods, risks relating to the timely opening of Continucare ValuClinic health centers as currently scheduled, risks relating to pricing and other pressures exerted on us by managed care organizations, the risk that the impact of the Medicare Prescription Drug, Improvement and Modernization Act of 2003 and the Medicare Risk Adjustment on payments we receive for our managed care operations may not continue to be positive for us and that risk corridor adjustment charges in future periods may be greater than in the past, the risk that future legislation, changes in governmental regulations, including possible changes in Medicare programs, could adversely impact our operations or reduce reimbursements to health care providers and insurers, risks and uncertainties relating to our current dependence on three HMOs for substantially all of our revenues, including the loss of our managed care agreements with any of these HMOs and our ability to work together effectively with our HMO affiliates, uncertainties relating to technological and pharmaceutical improvements that increase the cost of providing, or reduce the demand for, health care, and general economic conditions and uncertainties generally associated with the health care business. These and other applicable risks, cautionary statements and factors that could cause actual results to differ from our forward-looking statements are included in our annual report on Form 10-K for the fiscal year ended June 30, 2007 and other filings with the SEC and we urge you to read those documents. We undertake no obligation to update or revise these forward-looking statements to reflect events or circumstances after the date hereof except as required by law.

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CONTINUCARE CORPORATION
CONDENSED CONSOLIDATED BALANCE SHEETS (Unaudited)

ASSETS	September 30, 2007	June 30, 2007
Current assets:		
Cash and cash equivalents.....	\$ 14,207,823	\$ 7,262,247
Other receivables, net.....	282,221	308,111
Due from HMOs, net of a liability for incurred but not reported medical claims of approximately \$22,675,000 and \$23,618,000 at September 30, 2007 and June 30, 2007, respectively	9,759,638	13,525,092
Prepaid expenses and other current assets	736,501	1,273,593
Deferred tax assets, net	625,995	740,264
Total current assets	25,612,178	23,109,307
Certificates of deposit, restricted	1,253,300	1,176,635
Property and equipment, net.....	8,504,257	8,509,454
Goodwill, net of accumulated amortization of approximately \$7,610,000	73,204,582	73,670,225
Intangible assets, net of accumulated amortization of approximately \$1,239,000 and \$929,000 at September 30, 2007 and June 30, 2007, respectively	7,421,333	7,731,000
Managed care contracts, net of accumulated amortization of approximately \$3,214,000 and \$3,126,000 at September 30, 2007 and June 30, 2007, respectively	296,219	384,422
Deferred tax assets, net.....	2,351,191	2,289,811
Other assets, net.....	122,089	66,694
Total assets.....	\$ 118,765,149	\$ 116,937,548
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities:		
Accounts payable.....	\$ 737,796	\$ 1,007,869
Accrued expenses and other current liabilities.....	3,499,753	4,542,097
Income taxes payable.....	1,351,688	67,398
Total current liabilities	5,589,237	5,617,364
Capital lease obligations, less current portion	174,401	165,191
Deferred tax liabilities	6,332,542	6,215,483
Other liabilities	843,341	881,125
Total liabilities	12,939,521	12,879,163
Commitments and contingencies		
Shareholders' equity:		
Common stock, \$0.0001 par value: 100,000,000 shares authorized; 70,118,086 shares issued and 69,935,586 shares outstanding at September 30, 2007 and 70,043,086 shares issued and outstanding at June 30, 2007	7,012	7,004
Additional paid-in capital.....	124,461,826	124,616,091
Accumulated deficit	(18,643,210)	(20,564,710)
Total shareholders' equity	105,825,628	104,058,385
Total liabilities and shareholders' equity	\$ 118,765,149	\$ 116,937,548

CONTINUCARE CORPORATION

CONDENSED CONSOLIDATED STATEMENTS OF INCOME (Unaudited)

	Three Months Ended	
	September 30,	
	<u>2007</u>	<u>2006</u>
Revenue.....	\$ 60,922,664	\$ 35,933,599
Operating expenses:		
Medical services:		
Medical claims	44,877,196	27,061,040
Other direct costs.....	6,593,078	3,311,195
Total medical services	<u>51,470,274</u>	<u>30,372,235</u>
Administrative payroll and employee benefits	2,733,233	1,625,235
General and administrative	3,774,330	1,836,359
Total operating expenses	<u>57,977,837</u>	<u>33,833,829</u>
Income from operations.....	2,944,827	2,099,770
Other income (expense):		
Interest income.....	159,113	154,122
Interest expense	(7,418)	(2,934)
Income before income tax provision	3,096,522	2,250,958
Income tax provision	<u>1,175,022</u>	<u>853,839</u>
Net income	<u>\$ 1,921,500</u>	<u>\$ 1,397,119</u>
Net income per common share:		
Basic	<u>\$.03</u>	<u>\$.03</u>
Diluted	<u>\$.03</u>	<u>\$.03</u>
Weighted average common shares outstanding:		
Basic	<u>70,041,548</u>	<u>50,247,936</u>
Diluted	<u>71,234,950</u>	<u>51,521,917</u>

CONTINUCARE CORPORATION

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS (Unaudited)

	Three Months Ended September 30,	
	2007	2006
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income.....	\$ 1,921,500	\$ 1,397,119
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	615,311	170,834
Loss on disposal of fixed assets	-	35,924
Provision for bad debts	63,579	50,225
Compensation expense related to issuance of stock options.....	310,461	320,784
Excess tax benefits related to exercise of stock options	-	(125,419)
Deferred tax expense.....	(109,268)	674,715
Changes in operating assets and liabilities:		
Other receivables, net.....	(37,689)	(136,335)
Due from HMOs, net	4,314,488	73,655
Prepaid expenses and other current assets	522,092	141,258
Other assets, net	(55,395)	94,321
Accounts payable	(270,073)	85,296
Accrued expenses and other current liabilities.....	(826,890)	(1,236,068)
Income taxes payable	1,284,290	155,030
Net cash provided by operating activities	7,732,406	1,701,339
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of certificates of deposit	(76,665)	(18,143)
Proceeds from sales of fixed assets	-	25,000
Purchase of property and equipment	(218,280)	(319,326)
Acquisition costs related to MDHC Companies.....	-	(183,581)
Net cash used in investing activities	(294,945)	(496,050)
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment on long-term debt	(6,083)	-
Excess tax benefits related to exercise of stock options	-	125,419
Principal repayments under capital lease obligations	(21,083)	(21,617)
Proceeds from exercise of stock options	49,500	14,875
Payment of fees related to issuance of stock	(45,000)	-
Repurchase of common stock.....	(469,219)	-
Net cash provided by (used in) financing activities	(491,885)	118,677
Net increase in cash and cash equivalents.....	6,945,576	1,323,966
Cash and cash equivalents at beginning of period	7,262,247	10,681,685
Cash and cash equivalents at end of period	\$ 14,207,823	\$ 12,005,651
SUPPLEMENTAL DISCLOSURE OF NONCASH INVESTING AND FINANCING ACTIVITIES:		
Purchase of property and equipment with proceeds of capital lease obligations	\$ 30,610	\$ 57,031
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:		
Cash paid for taxes	\$ -	\$ 30,000
Cash paid for interest.....	\$ 7,418	\$ 2,934