

**CONTINUCARE CORPORATION REPORTS
FINANCIAL RESULTS FOR
FIRST QUARTER OF FISCAL 2007**

Miami, FL November 13, 2006 – Continucare Corporation (AMEX: CNU) today reported financial results for the three months ended September 30, 2006, the first quarter of Continucare’s 2007 fiscal year. Financial highlights for the quarter and other recent events include:

- Completion of the Miami Dade Health Centers acquisition;
- Total revenue of \$35.9 million, a 20% increase from \$29.9 million in the first quarter of fiscal 2006;
- Income from operations of \$2.1 million compared to \$2.2 million for the same period last year;
- Income before income taxes remained unchanged at \$2.3 million as compared to the same period last year; and
- Net income remained unchanged at \$1.4 million, or \$0.03 per diluted share, as compared to the same period a year ago.

“We are very pleased with the progress of our business,” stated Richard C. Pfenniger, Jr., Continucare’s Chairman and Chief Executive Officer. “The quarterly results reflect solid revenue growth driven largely by increases in our risk managed Medicare patient population. With the acquisition of the Miami Dade Health Centers now completed, we are working diligently to realize the expected benefits of the combination while we continue our work to achieve further organic growth for our entire business.”

Balance Sheet

Continucare’s cash and cash equivalents were \$12.0 million at September 30, 2006 compared to \$10.7 million at June 30, 2006 while working capital increased to \$17.9 million at September 30, 2006 from \$15.6 million at June 30, 2006 and total liabilities were reduced to \$2.0 million at September 30, 2006 from \$3.1 million at June 30, 2006. The long-term portion of debt at September 30, 2006 was \$0.1 million. Shareholders’ equity increased to \$38.8 million at September 30, 2006 from \$37.0 million at June 30, 2006.

Miami Dade Health Centers

Continucare’s financial results for its first fiscal quarter of 2007 do not reflect the Miami Dade Health Centers acquisition. The financial results of the combined company will be reflected in Continucare’s financial statements beginning with its second fiscal quarter of 2007. Continucare continues to expect that the transaction will be accretive to earnings during the first full year of combined operations, but also anticipates incurring between approximately \$0.5 million and \$0.7 million in charges during its second quarter of fiscal 2007 relating to the restructuring of the former Miami Dade Health Centers operations. These restructuring charges are not expected to recur in future periods.

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. Currently, through its network of medical facilities and IPAs, Continucare provides health care services for approximately 42,000 patients. 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 the risk that we may be unable to successfully integrate 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 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, 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 two HMOs for substantially all of our revenues, including 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, 2006 and other filings with the SEC. 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)

	September 30, 2006	June 30, 2006
ASSETS		
Current assets:		
Cash and cash equivalents	\$12,005,651	\$10,681,685
Other receivables, net	317,942	231,832
Due from HMOs, net.....	6,265,871	6,339,526
Prepaid expenses and other current assets.....	547,838	689,096
Deferred tax assets, net.....	658,768	658,768
Total current assets.....	19,796,070	18,600,907
Certificates of deposit, restricted.....	1,145,130	1,126,987
Equipment, furniture and leasehold improvements, net.....	1,057,021	824,220
Goodwill, net.....	14,342,510	14,342,510
Managed care contracts, net.....	649,031	737,234
Deferred tax assets, net	3,206,346	3,881,061
Other assets, net	641,187	551,927
Total assets	\$40,837,295	\$40,064,846
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	\$ 661,221	\$ 575,925
Accrued expenses and other current liabilities	1,203,683	2,401,933
Total current liabilities	1,864,904	2,977,858
Capital lease obligations, less current portion.....	139,274	112,068
Total liabilities.....	2,004,178	3,089,926
Commitments and contingencies		
Shareholders' equity:		
Common stock.....	5,025	5,024
Additional paid-in capital.....	64,299,128	63,838,051
Accumulated deficit.....	(25,471,036)	(26,868,155)
Total shareholders' equity	38,833,117	36,974,920
Total liabilities and shareholders' equity	\$40,837,295	\$40,064,846

CONTINUCARE CORPORATION

CONDENSED CONSOLIDATED STATEMENTS OF INCOME (UNAUDITED)

	Three Months Ended September 30,	
	2006	2005
Revenue:		
Medical services revenue, net	\$35,881,917	\$29,729,636
Management fee revenue and other income	51,682	141,514
Total revenue	35,933,599	29,871,150
Operating expenses:		
Medical services:		
Medical claims	27,061,040	21,406,178
Other direct costs	3,311,195	3,132,425
Total medical services	30,372,235	24,538,603
Administrative payroll and employee benefits	1,625,235	1,395,347
General and administrative	1,836,359	1,702,206
Total operating expenses	33,833,829	27,636,156
Income from operations	2,099,770	2,234,994
Other income (expense):		
Interest income	154,122	59,141
Interest expense	(2,934)	(2,969)
Income before income tax provision	2,250,958	2,291,166
Income tax provision	853,839	852,414
Net income	\$ 1,397,119	\$ 1,438,752
Net income per common share:		
Basic	\$.03	\$.03
Diluted	\$.03	\$.03
Weighted average common shares outstanding:		
Basic	50,247,936	49,859,938
Diluted	51,521,917	51,642,853

CONTINUCARE CORPORATION

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS (UNAUDITED)

	Three Months Ended September 30,	
	2006	2005
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income	\$ 1,397,119	\$ 1,438,752
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization.....	170,834	157,382
Loss on disposal of fixed assets.....	35,924	-
Provision for bad debts.....	50,225	12,463
Recognition of compensation expense related to issuance of stock options.....	320,784	250,394
Deferred tax expense	674,715	760,256
Changes in operating assets and liabilities, excluding the effect of disposals:		
Other receivables, net	(136,335)	(49,996)
Due from HMOs, net.....	73,655	(1,983,949)
Prepaid expenses and other current assets.....	141,258	218,084
Other assets, net.....	94,321	-
Accounts payable.....	85,296	(148,290)
Accrued expenses and other current liabilities	(1,206,457)	(490,592)
Net cash provided by continuing operations.....	1,701,339	164,504
Net cash used in discontinued operations	-	(30,972)
Net cash provided by operating activities.....	1,701,339	133,532
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of certificates of deposit.....	(18,143)	(9,442)
Proceeds from sales of fixed assets	25,000	-
Purchase of property and equipment.....	(319,326)	(28,085)
Acquisition costs related to MDHC Companies	(183,581)	-
Net cash used in investing activities	(496,050)	(37,527)
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayments on note payable.....	-	(260,000)
Excess tax benefit from exercise of stock options	125,419	-
Principal repayments under capital lease obligations.....	(21,617)	(18,489)
Proceeds from exercise of stock options.....	14,875	358,668
Repurchase and retirement of common stock	-	(696,134)
Net cash provided by (used in) financing activities.....	118,677	(615,955)
Net increase (decrease) in cash and cash equivalents	1,323,966	(519,950)
Cash and cash equivalents at beginning of period.....	10,681,685	5,780,544
Cash and cash equivalents at end of period	\$ 12,005,651	\$ 5,260,594
SUPPLEMENTAL DISCLOSURE OF NONCASH INVESTING AND FINANCING TRANSACTIONS:		
Purchase of equipment, furniture and fixtures with proceeds of capital lease obligations.....	\$ 57,031	\$ -
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:		
Cash paid for taxes	\$ 30,000	\$ -
Cash paid for interest.....	\$ 2,934	\$ 2,969