NEWS RELEASE **May 7, 2018**

2 St. Clair Avenue West, Suite 1300, Toronto, Ontario M4P 2C9
Tel: (416) 231-1462 Fax: (416) 233-8155

Park Lawn Corporation Completes Acquisition of Signature Group

Acquisition significantly expands PLC cemetery and funeral home operations in the US

TORONTO, ONTARIO, May 7, 2018 - Park Lawn Corporation (TSX: PLC) ("**PLC**" or the "**Company**") is pleased to announce that it has completed the previously announced acquisition of all the outstanding membership interests of Signature Funeral and Cemetery Investments, LLC ("**Signature**" or "**Signature Group**") for a purchase price of approximately US$123 million in cash, subject to customary working capital adjustments (the "**Acquisition**").

"With the acquisition of Signature Group, we now have the team in place to build a consolidated and integrated US business platform," said Andrew Clark, Chairman and CEO of PLC. "Our focus over the next period of time will be on building the strongest possible operational and sales organization to continue enhancing the company's growth profile."

"Our entire organization is very excited to be a part of Park Lawn. There are many growth opportunities, both internally through integration and externally through acquisitions", said Brad Green, incoming President of PLC. "Integrating all the recent acquisitions and creating a unified team will be a priority. With this management team, we have a competitive edge that we will quickly use to build the leading funeral and cemetery business in North America" added Jay Dodds, incoming COO of PLC.

<u>Highlights of the Acquisition</u>

- Adds four new states, Kansas, Missouri, New Mexico and Mississippi into PLC's portfolio, while expanding its footprint in the Texas market**.** The Acquisition will add 9 cemeteries, 21 funeral homes (including 7 located on cemetery sites) and 5 crematoria to PLC's portfolio.

- Signature Group's Brad Green and Jay Dodds will be taking on senior leadership positions within PLC as President and Chief Operating Officer respectively, with a particular focus on integrating U.S. operations into a centralized platform

- In the first full year of operations following closing, PLC management expects Signature to generate approximately US$32.9 million of revenue and US$9.6 million of EBITDA. If Signature achieves these results and expected synergies are realized the purchase price of US$123 million would represent a multiple of approximately 9.8x EBITDA.

- The transaction is expected to be immediately accretive to both PLC's adjusted net earnings per share and adjusted EBITDA per share before any synergies are achieved. Management also expects annual synergies of approximately US$3 million to be realized within 24 months following closing, with a one-time cost of US$750 thousand, primarily in the areas of IT systems, back office integration, consolidated procurement, implementing proven sales practices into different operational areas and management team optimization.

- Immediately following closing PLC's leverage level is expected to be 1.2x adjusted EBITDA, providing the Company with flexibility to invest in organic growth and acquisition opportunities as they arise.

The Acquisition was funded using the proceeds from the Company's bought deal offering of subscription receipts (the "**Subscription Receipts**"), which closed on May 4, 2018.

In accordance with the terms of the Subscription Receipts, each Subscription Receipt was exchanged for one common share of the Company (a "**Common Share**") on May 7, 2018, and the net proceeds from the sale of the Subscription Receipts were released from escrow for the purposes of completing the Acquisition.

The Subscription Receipts are expected to be delisted from the Toronto Stock Exchange (the "**TSX**") following the close of markets on May 7, 2018, and the Subscription Receipts will be automatically reorganized into Common Shares.

*The securities offered pursuant to the subscription receipt offering have not been, nor will they be, registered under the United States Securities Act of 1933, as amended, (the "**1933 Act**") and may not be offered, sold or delivered, directly or indirectly, in the United States, or to, or for the account or benefit of, "U.S. persons" (as defined in Regulation S under the 1933 Act), except pursuant to an exemption from the registration requirements of the 1933 Act. This press release does not constitute an offer to sell or a solicitation of an offer to buy any securities in the United States or to, or for the account or benefit of, U.S. persons.*

About Park Lawn Corporation:

PLC provides goods and services associated with the disposition and memorialization of human remains. Products and services are sold on a pre-planned basis (pre-need) or at the time of a death (at-need). PLC and its subsidiaries own and operate 139 businesses including cemeteries, crematoria, funeral homes, chapels, planning offices and a transfer service. PLC operates in five Canadian provinces and ten US states.

Cautionary Statement Regarding Forward-Looking Information

This news release may contain forward-looking statements (within the meaning of applicable securities laws) relating to the business of the Company and the environment in which it operates. Forward-looking statements are identified by words such as "believe", "anticipate", "project", "expect", "intend", "plan", "will", "may", "estimate" and other similar expressions. These statements are based on the Company's expectations, estimates, forecasts and projections and include, without limitation, statements regarding the Company's continued growth strategy, the anticipated effect of the Acquisition on the performance of the Company (including the extent to which the Acquisition is expected to be accretive to adjusted net earnings per share and adjusted EBITDA per share and post-closing leverage), the quantum and timing of potential cost synergies, expected revenues, expected EBITDA and the expected purchase price multiples. The forward-looking statements in this news release are based on certain assumptions, including without limitation that Signature's business will continue its recent trend of improved operating performance, the Company will be able to implement business improvements and achieve cost savings, the Company will be able to retain key personnel, there will be no unexpected expenses occurring as a result of the Acquisition, and that currency exchange rates remain consistent. They are not guarantees of future performance and involve risks and uncertainties that are difficult to control or predict. A number of factors could cause actual results to differ materially from the results discussed in the forward-looking statements, including, but not limited to, the factors discussed under the heading "Risk Factors" in the Company's annual information form available at www.sedar.com. There can be no assurance that forward-looking statements will prove to be accurate as actual outcomes and results may differ materially from those expressed in these forward-looking statements. Readers, therefore, should not place undue reliance on any such forward-looking statements. Further, these forward-looking statements are made as of the date of this news release and, except as expressly required by applicable law, the Company assumes no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events or otherwise.

Non-IFRS Measures

EBITDA, adjusted EBITDA and adjusted net earnings are not measures recognized under IFRS and do not have standardized meanings prescribed by IFRS. Such measures are presented in this news release because management of the Company believes that such measures are relevant in interpreting the effect of the Acquisition on the Company. Such measures, as computed by the Company, may differ from similar computations as reported by other similar organizations and, accordingly, may not be comparable to similar measures reported by such other organizations. Please see the Company's most recent management's discussion and analysis for how the Company reconciles such measures to the nearest IFRS measure.

Contact Information

Andrew Clark
Chairman & Chief Executive Officer
(416) 231-1462

Joseph Leeder
Chief Financial Officer & Director
(416) 231-1462

Suzanne Cowan
VP, Business Development & Corporate Affairs
scowan@parklawncorp.com
(416) 231- 1462