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Park Lawn Corporation Releases Q1 2019 Results

Strong operating results in a busy quarter translate to solid per share growth

TORONTO, ONTARIO – (May 14, 2019) Today, Park Lawn Corporation (TSX: PLC) (“PLC”) released its first quarter results for 2019 (“**Q1 2019**”).

PLC’s revenue increased year-over-year by 84.3% to \$50,152,985 in Q1 2019, as compared to \$27,206,240 in the first quarter of 2018 (“**Q1 2018**”).

At the same time, net earnings attributable to PLC shareholders increased to \$3,325,247 in Q1 2019 from \$1,672,978 in Q1 2018. On a fully-diluted per share basis, net earnings attributable to PLC shareholders was \$0.141 in Q1 2019 compared with \$0.108 for the same period in 2018.

As with previous reporting periods, net earnings have been impacted by certain one-time, non-recurring or non-cash revenue and expense items. After accounting for the impact of these one-time items:

- Adjusted Net Earnings attributable to PLC shareholders for Q1 2019 increased by 83.0% to \$ 5,168,737 from \$2,823,727 in Q1 2018, which on a fully-diluted per share basis was \$0.219 compared to \$0.182, a 20.3% increase year-over-year.
- Adjusted EBITDA attributable to PLC shareholders for Q1 2019 was \$11,736,397 compared to \$5,803,488 in Q1 2018, which represents a year-over-year increase of 102.2%. On a fully diluted per share basis, Adjusted EBITDA was \$0.497 for Q1 2019 compared to \$0.375 which represents an increase of 32.5%.
- Adjusted EBITDA margin increased to 23.7% in Q1 2019 from 21.7% for the same period in 2018.

“PLC continued to show strong operating results for the first quarter of 2019, which were in line with management’s expectations. PLC had a very busy and productive start to the year on the acquisition front and at the same time we continued to improve our margins and delivered strong per share growth for our shareholders,” said Andrew Clark, PLC’s Chairman & Chief Executive Officer.

During the first part of the 2019, including both Q1 and the subsequent period, PLC executed on a number of important milestones, including:

- On January 18, 2019, PLC amended its existing credit facility to increase it to \$225 million from \$150 million, which has provided PLC with further flexibility as it continues to pursue its growth strategy.
- On April 1, 2019, PLC completed the previously announced acquisition of Cress Funeral Service, Inc., an eight-location funeral business in Madison, Wisconsin, for US\$20.3 million, financed using its credit facility.
- On April 23, 2019, PLC completed a \$143,770,815 bought deal offering of common shares at \$25.65 per share (the “**Offering**”).
- On May 2, 2019, PLC completed the acquisition of John L. Ziegenhein & Sons Undertaking Inc., a two-location funeral business in St Louis, Missouri for US\$4.2 million, which was funded with proceeds from the Offering.
- On May 8, 2019, PLC announced that it had entered into definitive agreements to acquire two U.S. businesses: Horan & McConaty Funeral Services Inc., which operates in Denver and Aurora, Colorado, and The Baue Funeral Home Co., which operates in St. Charles, Missouri, for an aggregate purchase price of approximately US\$101.5 million. Both of these transactions are expected to close in Q3.

Important Reminder

PLC will host a conference call to discuss its Q1 2019 financial results. Details of the conference call are as follows:

- Date: Wednesday May 15, 2019
- Time: 9:30AM (EST)
- Dial-in Number: Local (647) 427-7450 | Toll Free (888) 231-8191 | Conference ID 7094746

About PLC

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 businesses including

cemeteries, crematoria, funeral homes, chapels, planning offices and a transfer service. PLC has a North American wide platform with operations in five Canadian provinces and thirteen U.S. states.

Non-IFRS Measures

Adjusted Net Earnings, Adjusted EBITDA, and their related per share amounts, and Adjusted EBITDA margins 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 PLC believes that such measures are relevant in evaluating PLC's operating performance. Such measures, as computed by PLC, 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 PLC's most recent Management's Discussion and Analysis for how the Company reconciles Adjusted Net Earnings, Adjusted EBITDA and their related per share amount, and Adjusted EBITDA margins to the nearest IFRS measure.

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 PLC 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", "pro-forma" and other similar expressions. These statements are based on PLC's expectations, estimates, forecasts and projections and include, without limitation, statements regarding PLC future growth initiatives. The forward-looking statements in this news release are based on certain assumptions, including those regarding present and future business strategies, the environment in which the PLC will operate in the future, expected revenues, expansion plans and the PLC's ability to achieve its goals. Forward-looking statements 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 PLC'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, PLC assumes no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events or otherwise.

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