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Park Lawn Corporation to Acquire Cress Funeral Service, Inc.

Acquisition of 8 funeral homes and 2 crematoria will expand U.S. operations into Wisconsin

TORONTO, February 20th, 2019 /CNW/ - Park Lawn Corporation (TSX: PLC) (“**PLC**” or the “**Company**”) is pleased to announce the signing of a definitive agreement to acquire Cress Funeral Service, Inc. (“**Cress Funeral Service**”), an 8-location funeral business in Madison, Wisconsin, for US\$20.3 million. Closing remains subject to regulatory approval which is expected in the second quarter of 2019.

“This is an excellent opportunity for Park Lawn to enter a highly attractive market, by acquiring an attractive business with a leading market share,” stated Andrew Clark, Chairman and CEO of PLC. “The addition of Cress Funeral Service to the Park Lawn family is another positive step towards achieving our 2022 aspirational target.”

“Our goal for the transition of our business was to select a partner with the right vision and resources to carry on the Cress Funeral Service legacy. In Park Lawn, we believe we have chosen a highly respected partner who will work with us to secure the continuity of our business, take care of our loyal employees and continue the exceptional level of service our families have come to appreciate over our 150-year history.” Stated Bill Cress, Dan Fose and Carey Cress Fose, Owners Cress Funeral Service, Inc.

Highlights of the Transaction:

- Purchase price of US\$20.3 million, which is within PLC's publicly-stated targeted EBITDA multiple range for transactions of this nature.
- The purchase of Cress Funeral Service, owned and operated by the Cress family, to be financed using the company's existing credit facility.
- Expected to be immediately accretive to adjusted EBITDA and adjusted earnings per share, while providing a business platform with strong operating margins.
- Expands PLC's footprint into Wisconsin by adding 8 funeral homes and 2 crematoria to PLC's portfolio.

“We believe in partnering with strong, professional local operators and are confident that our involvement with the Cress family will further enhance the positive and caring experience provided to families we serve,” added Mr. Clark.

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 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 twelve 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 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 the expected closing of the acquisition of Cress Funeral Service and the receipt of regulatory approval in connection therewith, purchase price multiple and the impact of the acquisition on PLC’s business. 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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