



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

Park Lawn Corporation Finishes Fiscal Year with Strong Year-Over-Year Growth

Successful integration strategy central to PLC growth in 2017

TORONTO, ONTARIO (March 28, 2018) - Today, Park Lawn Corporation (TSX: PLC) (“**PLC**”) announced its results for the fourth quarter (“**Q4**”) and year-ended December 31, 2017. The results show strong revenue growth, with a year-over-year increase of 29.8% and an increase of 30.8% for Q4, as compared to the same period in 2016. Net Earnings were \$4,196,814 in 2017 compared to \$7,490,132 in 2016. On a fully diluted basis, net earnings attributed to PLC shareholders was \$0.314 for 2017, as compared to \$0.939 in 2016.

After adjusting for certain non-cash, non-recurring, or one-time items, including an IFRS-related fair value adjustment related to the MMG acquisition, which resulted in \$3.5 million in income in 2016, and \$4.0 million in acquisition related expenses in 2017, Adjusted Net Earnings increased by 75.2% to \$8,559,921 in 2017 from \$4,885,779 in 2016. On a fully diluted per share basis, Adjusted Net Earnings was \$0.641, compared to \$0.612 in the prior year.

Adjusted EBITDA increased by 50.1% to \$16,630,310 (\$1.245 per share) in 2017 from \$11,076,506 (\$1.388 per share) in 2016. Although Adjusted EBITDA increased by 50.1% year-over-year, due to the short-term dilution experienced from June 2017 financing, fully diluted Adjusted EBITDA per share decreased by 10.3%.

Excluding Midwest Memorial Group LLC (“**MMG**”), which experienced negative revenue growth in 2017, revenue growth from PLC’s other comparable business units grew 3.3% year over year.

PLCs gross profit margin increased to 77.0% in 2017 versus 73.8% in 2016, due to the acquisition of Saber Management, LLC (“**Saber**”) and several Canadian funeral home assets, as well as improved investment income. Adjusted EBITDA margins improved to 19.8% in 2017 from 17.5% in 2016, largely as a result of the Saber acquisition and the implementation of cost reduction strategies at MMG.

“Overall the company continued to grow in 2017, while improving its margin profile.” said Andrew Clark, Chairman and CEO of PLC. “Our goals for 2018 include increased organic

revenue growth across the entire portfolio while enhancing per share numbers and continuing to explore accretive acquisition opportunities.”

Highlights from 2017 included:

- Completing a bought deal financing raise of over \$80 million at a price of \$19.00 per common share in June 2017. With the acquisition of CMS Mid-Atlantic, Inc., as of March 2018 the capital raised under the offering has been fully deployed.
- Acquiring Saber, which owns 19 cemeteries and 4 on-site funeral homes in Kentucky, Illinois and Texas.
- Closing a new syndicated bank financing arrangement, which replaced PLC’s former credit facility. The new credit facility raised PLC’s borrowing capacity to \$125 million and is composed of a \$75 million credit facility and an additional \$50 million accordion facility.
- Acquiring 10 funeral homes operations, which expanded PLC’s footprint in its existing Canadian markets and saw it expand into British Columbia for the first time.
- Opening a new phase of the Mausoleum of Faith at Westminster Cemetery in Toronto, which added approximately 1,080 additional crypt spaces in June 2017.

Important Reminder

PLC will host a conference call at 9:30AM (EST) on Thursday March 29, 2018 to discuss its year-end 2017 financial results. Details of the conference call are as follows:

- Date: Thursday March 29, 2018
- Time: 9:30AM (EST)
- Dial-In: Local (647) 427-7450 | Toll Free (888) 231-8191 | Conference ID 7874959

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 102 businesses including cemeteries, crematoria, funeral homes, chapels, planning offices and a transfer service. PLC operates in five Canadian provinces and six US states.

Non-IFRS Measures

Adjusted Net Earnings, Adjusted EBITDA and their related per share amounts, 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 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 increased organic revenue growth and enhanced per share numbers in 2018 and future accretive acquisitions. 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.

Contact Information

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

Joseph Leeder
Chief Financial Officer
(416) 231-1462

Suzanne Cowan
VP, Business Development & Corporate Affairs
scowan@parklawncorp.com