

**ANNUAL OPERATING AND FINANCIAL TREND REPORT**  
(in thousands, except per share amounts)

	2017	2018	2019	2020	Rolling Four Quarters	CAGR
<b>Same Store Contracts</b>						
Atneed Contracts	26,601	26,696	27,451	31,305	33,229	
Preneed Contracts	6,045	5,923	5,936	6,401	6,452	
<b>Total Same Store Funeral Contracts</b>	<b>32,646</b>	<b>32,619</b>	<b>33,387</b>	<b>37,706</b>	<b>39,681</b>	<b>5.7%</b>
<b>Acquisition Contracts</b>						
Atneed Contracts	56	1,275	2,632	6,646	6,618	
Preneed Contracts	-	134	269	572	553	
<b>Total Acquisition Funeral Contracts</b>	<b>56</b>	<b>1,409</b>	<b>2,901</b>	<b>7,218</b>	<b>7,171</b>	
<b>Total Funeral Contracts</b>	<b>32,702</b>	<b>34,028</b>	<b>36,288</b>	<b>44,924</b>	<b>46,852</b>	<b>10.8%</b>
<b>Funeral Operating Revenue</b>						
Same Store Revenue	\$180,541	\$179,478	\$179,471	\$191,216	\$204,189	3.6%
Acquisition Revenue	503	10,586	16,960	35,460	36,248	
<b>Total Funeral Operating Revenue</b>	<b>\$181,044</b>	<b>\$190,064</b>	<b>\$196,431</b>	<b>\$226,676</b>	<b>\$240,437</b>	<b>8.4%</b>
<b>Cemetery Operating Revenue</b>						
Same Store Revenue	\$42,705	\$44,587	\$49,022	\$51,501	\$60,143	10.3%
Acquisition Revenue	-	-	295	17,583	25,884	
<b>Total Cemetery Operating Revenue</b>	<b>\$42,705</b>	<b>\$44,587</b>	<b>\$49,317</b>	<b>\$69,084</b>	<b>\$86,027</b>	<b>22.2%</b>
<b>Financial Revenue</b>						
Preneed Funeral Commission Income	\$1,254	\$1,294	\$1,475	\$1,349	\$1,250	
Preneed Funeral Trust and Insurance	6,869	7,099	6,951	7,747	8,115	
Preneed Cemetery Trust Earnings	6,171	5,649	5,910	9,670	11,460	
Preneed Cemetery Finance Charges	1,534	1,655	1,452	915	952	
<b>Total Financial Revenue</b>	<b>\$15,828</b>	<b>\$15,697</b>	<b>\$15,788</b>	<b>\$19,681</b>	<b>\$21,777</b>	<b>9.5%</b>
<b>Ancillary Revenue</b>	-	-	\$748	\$4,661	\$4,688	
<b>Divested/Planned Divested Revenue</b>						
Divested/Planned Funeral Revenue	\$11,719	\$12,268	\$11,263	\$8,705	\$5,390	
Divested/Planned Cemetery Revenue	6,843	5,376	560	641	1,076	
<b>Total Divested/Planned Divested Revenue</b>	<b>\$18,562</b>	<b>\$17,644</b>	<b>\$11,823</b>	<b>\$9,346</b>	<b>\$6,466</b>	<b>-26.0%</b>
<b>Total Revenue</b>	<b>\$258,139</b>	<b>\$267,992</b>	<b>\$274,107</b>	<b>\$329,448</b>	<b>\$359,395</b>	<b>9.9%</b>
<b>Field EBITDA</b>						
Same Store Funeral Field EBITDA	\$70,924	\$67,805	\$68,802	\$79,810	\$87,492	6.2%
Same Store Funeral Field EBITDA Margin	39.3%	37.8%	38.3%	41.7%	42.8%	
Acquisition Funeral Field EBITDA	241	3,979	6,886	13,624	14,352	
Acquisition Funeral Field EBITDA Margin	47.9%	37.6%	40.6%	38.4%	39.6%	
<b>Total Funeral Field EBITDA</b>	<b>\$71,165</b>	<b>\$71,784</b>	<b>\$75,688</b>	<b>\$93,434</b>	<b>\$101,844</b>	<b>10.8%</b>
<b>Total Funeral Field EBITDA Margin</b>	<b>39.3%</b>	<b>37.8%</b>	<b>38.5%</b>	<b>41.2%</b>	<b>42.4%</b>	
Same Store Cemetery Field EBITDA	\$13,408	\$13,831	\$17,092	\$19,498	\$25,942	20.8%
Same Store Cemetery Field EBITDA Margin	31.4%	31.0%	34.9%	37.9%	43.1%	
Acquired Cemetery Field EBITDA	-	-	73	7,128	13,706	
Acquired Cemetery Field EBITDA Margin	0.0%	0.0%	24.7%	40.5%	53.0%	
<b>Total Cemetery Field EBITDA</b>	<b>\$13,408</b>	<b>\$13,831</b>	<b>\$17,165</b>	<b>\$26,626</b>	<b>\$39,648</b>	<b>36.3%</b>
<b>Total Cemetery Field EBITDA Margin</b>	<b>31.4%</b>	<b>31.0%</b>	<b>34.8%</b>	<b>38.5%</b>	<b>46.1%</b>	
Funeral Financial EBITDA	\$7,196	\$7,361	\$7,409	\$8,186	\$8,391	
Cemetery Financial EBITDA	7,317	6,787	6,775	10,164	11,949	
<b>Total Financial EBITDA</b>	<b>\$14,513</b>	<b>\$14,148</b>	<b>\$14,184</b>	<b>\$18,350</b>	<b>\$20,340</b>	<b>10.1%</b>
<b>Total Financial EBITDA Margin</b>	<b>91.7%</b>	<b>90.1%</b>	<b>89.8%</b>	<b>93.2%</b>	<b>93.4%</b>	
<b>Ancillary EBITDA</b>	-	-	\$298	\$1,186	\$1,086	
<b>Ancillary EBITDA Margin</b>	<b>0.0%</b>	<b>0.0%</b>	<b>39.8%</b>	<b>25.4%</b>	<b>23.2%</b>	
<b>Divested/Planned Divested EBITDA</b>						
Divested/Planned Funeral EBITDA	\$3,620	\$3,009	\$2,342	\$2,192	\$941	
Divested/Planned Cemetery EBITDA	1,806	1,541	90	154	569	
<b>Total Divested/Planned Divested EBITDA</b>	<b>\$5,426</b>	<b>\$4,550</b>	<b>\$2,432</b>	<b>\$2,346</b>	<b>\$1,510</b>	<b>-30.6%</b>
<b>Total Divested/Planned Divested EBITDA Margin</b>	<b>29.2%</b>	<b>25.8%</b>	<b>20.6%</b>	<b>25.1%</b>	<b>23.4%</b>	
<b>Total Field EBITDA</b>	<b>\$104,512</b>	<b>\$104,313</b>	<b>\$109,767</b>	<b>\$141,942</b>	<b>\$164,428</b>	<b>13.8%</b>
<b>Total Field EBITDA Margin</b>	<b>40.5%</b>	<b>38.9%</b>	<b>40.0%</b>	<b>43.1%</b>	<b>45.8%</b>	
<b>Overhead</b>						
Total Variable Overhead	\$11,338	\$12,672	\$14,117	\$16,190	\$22,262	
Total Regional Fixed Overhead	3,883	4,020	4,052	4,133	4,778	
Total Corporate Fixed Overhead	21,209	20,301	19,385	20,191	21,099	
<b>Total Overhead</b>	<b>\$36,430</b>	<b>\$36,993</b>	<b>\$37,554</b>	<b>\$40,514</b>	<b>\$48,139</b>	<b>8.3%</b>
<b>Overhead as a percentage of Revenue</b>	<b>14.1%</b>	<b>13.8%</b>	<b>13.7%</b>	<b>12.3%</b>	<b>13.4%</b>	
<b>Consolidated EBITDA</b>	<b>\$68,082</b>	<b>\$67,320</b>	<b>\$72,213</b>	<b>\$101,428</b>	<b>\$116,289</b>	<b>16.5%</b>
<b>Consolidated EBITDA Margin</b>	<b>26.4%</b>	<b>25.1%</b>	<b>26.3%</b>	<b>30.8%</b>	<b>32.4%</b>	
<b>Other Expenses and Interest</b>						
Depreciation & Amortization	\$15,979	\$17,430	\$17,771	\$19,389	\$20,678	
Non-Cash Stock Compensation	3,162	6,583	2,153	3,370	4,362	
Interest Expense	12,948	21,109	25,522	32,515	30,797	
Accretion of Discount on Convert. Sub. Notes	4,329	2,192	241	216	105	
Net Loss on Extinguishment of Debt	-	502	-	6	23,813	
Net (Gain) Loss on Divestitures	(193)	349	3,883	6,749	6,646	
Impairment of Goodwill and Other Intangibles	-	846	963	14,693	-	
Net Loss on Disposal of Fixed Assets	-	-	-	-	622	
Other, Net	(925)	43	(736)	(152)	(92)	
<b>Pretax Income</b>	<b>\$32,782</b>	<b>\$18,266</b>	<b>\$22,416</b>	<b>\$24,642</b>	<b>\$29,358</b>	<b>-3.1%</b>
Tax Expense on Operations	13,100	5,754	6,484	12,870	9,163	
Tax Expense Related to Divested Business	-	-	911	-	-	
Net Tax Benefit Related to Impairment	-	-	-	(4,885)	-	
Tax Adjustment Related to Certain Discrete Items	(17,511)	867	488	567	(461)	
<b>Net Tax Expense (Benefit)</b>	<b>(\$4,411)</b>	<b>\$6,621</b>	<b>\$7,883</b>	<b>\$8,552</b>	<b>\$8,702</b>	
<b>GAAP Net Income</b>	<b>\$37,193</b>	<b>\$11,645</b>	<b>\$14,533</b>	<b>\$16,090</b>	<b>\$20,656</b>	<b>-15.5%</b>
<i>Effective Tax Rate</i>	<i>-13.5%</i>	<i>36.2%</i>	<i>35.2%</i>	<i>34.7%</i>	<i>29.6%</i>	

**ANNUAL OPERATING AND FINANCIAL TREND REPORT**  
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	2017	2018	2019	2020	Rolling Four Quarters	CAGR
<b>Special Items, Net of tax except for **</b>						
Acquisition Expenses	-	-	1,646	(9)	(135)	
Severance and Separation Costs	-	1,134	951	445	1,126	
Performance Awards Cancellation and Exchange	-	2,594	-	224	168	
Accretion of Discount on Convert. Sub. Notes **	4,329	2,192	241	216	105	
Net Loss on Extinguishment of Debt	-	397	-	-	17,022	
Net Loss on Divestitures and Other Costs	-	439	3,331	4,562	4,488	
Net Impact of Impairment of Goodwill and Other Intangibles	-	805	761	9,932	124	
Litigation Reserve	-	790	592	213	-	
Tax Expense Related to Divested Business**	-	-	911	-	-	
Gain on Insurance Reimbursements	-	-	(699)	-	-	
Natural Disaster and Pandemic Costs	403	345	-	1,286	1,261	
Other Special Items	-	-	265	324	907	
Tax Adjustment Related to Certain Discrete Items**	(17,176)	1,225	-	400	400	
<b>Sum of Special Items</b>	<b>(\$12,444)</b>	<b>\$9,921</b>	<b>\$7,999</b>	<b>\$17,593</b>	<b>\$25,466</b>	
<b>Adjusted Net Income</b>	<b>\$24,749</b>	<b>\$21,566</b>	<b>\$22,532</b>	<b>\$33,683</b>	<b>\$46,122</b>	<b>19.5%</b>
<b>Adjusted Net Income Margin</b>	<b>9.6%</b>	<b>8.0%</b>	<b>8.2%</b>	<b>10.2%</b>	<b>12.8%</b>	
Adjusted Basic EPS	\$1.50	\$1.19	\$1.26	\$1.88	\$2.57	16.6%
Adjusted Diluted EPS	\$1.39	\$1.17	\$1.25	\$1.86	\$2.53	18.7%
GAAP Basic EPS	\$2.25	\$0.64	\$0.81	\$0.90	\$1.16	-17.2%
GAAP Diluted EPS	\$2.09	\$0.63	\$0.80	\$0.89	\$1.15	-15.7%
Average Number of Basic Shares Outstanding	16,438	17,971	17,877	17,872	17,966	2.6%
Average Number of Diluted Shares Outstanding	17,715	18,374	18,005	18,077	18,364	1.0%
<b>Reconciliation of Consolidated EBITDA to Adjusted Consolidated EBITDA</b>						
<b>Consolidated EBITDA</b>	<b>\$68,082</b>	<b>\$67,320</b>	<b>\$72,213</b>	<b>\$101,428</b>	<b>\$116,289</b>	<b>16.5%</b>
Acquisition Expenses	-	-	2,083	(11)	(170)	
Severance and Separation Costs	-	1,435	1,205	563	1,575	
Litigation Reserve	-	1,000	750	270	-	
Natural Disaster and Pandemic Costs	620	437	-	1,627	1,694	
Other Special Items	-	-	336	373	(45)	
<b>Adjusted Consolidated EBITDA</b>	<b>\$68,702</b>	<b>\$70,192</b>	<b>\$76,587</b>	<b>\$104,250</b>	<b>\$119,343</b>	<b>17.1%</b>
<b>Adjusted Consolidated EBITDA Margin</b>	<b>26.6%</b>	<b>26.2%</b>	<b>27.9%</b>	<b>31.6%</b>	<b>33.2%</b>	

The tables above include the use of certain financial measures that are not GAAP measures. The Non-GAAP financial measures are presented for additional information and are reconciled to their most comparable GAAP measures below. We define our Non-GAAP measures as "Adjusted" which is reflected on our Annual Operating and Financial Trend Report.

**Reconciliation of GAAP Net Income to Adjusted Net Income for the five year annual period (in thousands):**

	2017	2018	2019	2020	Rolling Four Quarters
GAAP Net Income	\$37,193	\$11,645	\$14,533	\$16,090	\$20,656
Special Items, Net of tax	(12,444)	9,921	7,999	17,593	25,466
Adjusted Net Income	\$24,749	\$21,566	\$22,532	\$33,683	\$46,122

**Reconciliation of GAAP Basic Earnings Per Share to Adjusted Basic Earnings per Share for the five year annual period:**

	2017	2018	2019	2020	Rolling Four Quarters
GAAP Basic EPS	\$2.25	\$0.64	\$0.81	\$0.90	\$1.16
Effect of Special Items	(0.75)	0.55	0.45	0.98	1.41
Adjusted Basic EPS	\$1.50	\$1.19	\$1.26	\$1.88	\$2.57

**Reconciliation of GAAP Diluted Earnings Per Share to Adjusted Diluted Earnings per Share for the five year annual period:**

	2017	2018	2019	2020	Rolling Four Quarters
GAAP Diluted EPS	\$2.09	\$0.63	\$0.80	\$0.89	\$1.15
Effect of Special Items	(0.70)	0.54	0.45	0.97	1.38
Adjusted Diluted EPS	\$1.39	\$1.17	\$1.25	\$1.86	\$2.53

**Reconciliation of GAAP Net Income to Adjusted Consolidated EBITDA for the five year annual period (in thousands):**

	2017	2018	2019	2020	Rolling Four Quarters
GAAP Net Income	\$37,193	\$11,645	\$14,533	\$16,090	\$20,656
Net Tax Provision (Benefit)	(4,411)	6,621	7,883	8,552	8,702
Pretax Income	\$32,782	\$18,266	\$22,416	\$24,642	\$29,358
Interest Expense	12,948	21,109	25,522	32,515	30,797
Accretion of Discount on Convert. Sub. Notes	4,329	2,192	241	216	105
Net Loss on Extinguishment of Debt	-	502	-	6	23,813
Non-Cash Stock Compensation	3,162	6,583	2,153	3,370	4,362
Depreciation & Amortization	15,979	17,430	17,771	19,389	20,678
Net (Gain) Loss on Divestitures	(193)	349	3,883	6,749	6,646
Impairment of Goodwill and Other Intangibles	-	846	963	14,693	-
Net Loss on Disposal of Fixed Assets	-	-	-	-	622
Other, Net	(925)	43	(736)	(152)	(92)
Special Items	620	2,872	4,374	2,822	3,054
Adjusted Consolidated EBITDA	\$68,702	\$70,192	\$76,587	\$104,250	\$119,343
Revenue	\$ 258,139	\$ 267,992	\$ 274,107	\$ 329,448	\$ 359,395
Adjusted Consolidated EBITDA Margin	26.6%	26.2%	27.9%	31.6%	33.2%