



May 10, 2007

/CORRECTION -- Carriage Services, Inc./

HOUSTON, May 9, 2007 /PRNewswire via COMTEX News Network/ -- In the news release, Carriage Services (NYSE: CSV) Reports First Quarter 2007 Results, issued yesterday, May 9, by Carriage Services, Inc. over PR Newswire, we are advised by a representative of the company that the Cash Flow paragraph, should read:

Cash Flow

"Free cash flow deficit of \$(0.2) million for the three months ended March 31, 2007 was essentially flat compared to the same period in 2006. During the first quarter, semiannual interest of \$50 million on the Company's Senior Notes and annual incentive compensation are paid. A significant use of cash during the current year period related to a \$1.4 million long-term incentive payment to one of the Company's directors, who is a former owner of businesses that Carriage acquired in 1997. Additionally, cash used for capital expenditures was approximately \$1.0 million higher year over year" rather than ...

Cash Flow

"Free cash flow deficit for the three months ended March 31, 2007 was \$(3.8) million compared to \$(0.2) million for the same period in 2006. During the first and third quarter the semiannual interest on the Company's Senior Notes are paid. A significant portion of the increase in cash used in operations related to a \$1.4 million long-term incentive payment to one of the Company's directors, who is a former owner of businesses that Carriage acquired in 1997. Additionally, cash used for capital expenditures was approximately \$1.0 million higher year over year. Uses of working capital, which we expect to be neutral over the entire year, accounted for the remainder" and the Reconciliation of Non-GAAP Financial Measures Continued table should read:

Reconciliation of cash provided by (used in) operating activities from continuing operations to free cash flow (in 000's):

	Three months ended 03/31/2006	Three months ended 03/31/2007
Cash provided by (used in) operating activities from continuing operations	\$921	\$1,945
Less capital expenditures from continuing operations	(1,116)	(2,169)
Free cash flow deficit from continuing operations	\$(195)	\$(244)

rather than...

Reconciliation of cash provided by (used in) operating activities from continuing operations to free cash flow (in 000's):

	Three months ended 03/31/2006	Three months ended 03/31/2007
Cash provided by (used in) operating activities from continuing operations	\$921	\$(1,628)
Less capital expenditures from continuing operations	(1,116)	(2,169)
Free cash flow deficit from continuing operations	\$(195)	\$(3,797)

as originally issued inadvertently.

SOURCE Carriage Services, Inc.

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