



## **Service Corporation International Completes Strategic Acquisition of Pre-Need Insurance Division of American Annuity Group**

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HOUSTON, Sept. 30 /PRNewswire/ -- Service Corporation International (NYSE: SRV), the world's largest funeral and cemetery company, announced today that it has completed its previously announced acquisition of the pre-need funeral services division of American Annuity Group Inc. (NYSE: AAG) of Cincinnati, Ohio for \$164 million cash.

The AAG operations offer a variety of pre-need and final expense life insurance and annuity products to finance prearranged funerals. Based on proforma 1997 premiums, these insurers, which include American Memorial Life Insurance ("American Memorial"), rank as the fifth largest pre-need insurance provider in the U.S., own assets in excess of \$1 billion and are licensed in 46 states.

American Memorial will be part of a new financial services subsidiary, SCI Financial Services, Inc., formed to facilitate the expansion of SCI's pre-need businesses and financial activities worldwide. The new company's operations include prearranged funeral marketing, funeral and cemetery trust administration, investment management, life insurance operations and the lending activities of Provident Services, Inc., an existing SCI subsidiary which provides capital financing for independent funeral home and cemetery operations.

As of June 30, 1998, SCI affiliates operated 3,292 funeral service locations, 422 cemeteries and 174 crematoria. SCI provides funeral and cemetery services in 18 countries on five continents.

Other Service Corporation International information and press releases are available through Company News On-Call by fax, 800-758-5804, extension 104532, or at <http://www.prnewswire.com> or SCI's homepage: <http://www.sci-corp.com>.

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CONTACT: Todd A. Matherne, Vice President & Treasurer, of Service Corporation International, 713-525-5243, or Media Inquiries: Lucas van Praag, or Kate Inverarity, both of Brunswick Group, 212-333-3810, for Service Corporation International