



/SECOND AND FINAL ADD -- DATU027 -- SERVICE CORPORATION INTERNATIONAL/

August 8, 2000

SERVICE CORPORATION INTERNATIONAL
CONSOLIDATED STATEMENT OF INCOME

	Three Months Ended June 30,		Six Months Ended June 30,	
(In thousands, except per share amounts)	2000	1999	2000	1999
Revenues:				
Funeral	\$461,338	\$483,178	\$1,003,903	\$1,057,819
Cemetery	236,485	257,168	455,336	509,026
Lending subsidiary	4,277	5,490	8,611	11,251
	702,100	745,836	1,467,850	1,578,096
Gross profit:				
Funeral	57,930	82,775	181,564	213,795
Cemetery	67,368	84,021	127,752	161,821
Lending subsidiary	914	2,537	1,674	5,287
	126,212	169,333	310,990	380,903
General and administrative expenses	(19,733)	(16,807)	(39,847)	(36,517)
Restructuring charges and non-recurring charges	(13,281)	---	(13,281)	(89,884)
Income from continuing operations	93,198	152,526	257,862	254,502
Interest expense	(73,565)	(56,761)	(143,114)	(114,209)
Other income	7,727	12,780	11,242	27,368
	(65,838)	(43,981)	(131,872)	(86,841)
Income from continuing operations before income taxes and extraordinary gain	27,360	108,545	125,990	167,661
Provision for income taxes	9,567	38,622	45,109	60,131
Net income from continuing operations before extraordinary gain	17,793	69,923	80,881	107,530
Net income from discontinued operations (net of income taxes of \$3,885, \$4,162, \$7,568 and \$7,187, respectively)	5,611	6,090	10,764	10,366
Extraordinary gains on early extinguishments of debt (net of income taxes of \$8,845, \$12,630 and \$1,071, respectively)	15,388	---	21,973	1,885
Net income	\$38,792	\$76,013	\$113,618	\$119,781
Earnings per share:				
Basic:				
Income from continuing				

and discontinued operations before non-recurring items	\$.12	\$.28	\$.37	\$.64
Restructuring charges and non-recurring charges	(.03)	---	(.03)	(.21)
Extraordinary gains on early extinguishments of debt	.05	---	.08	.01
Net income	\$.14	\$.28	\$.42	\$.44
Diluted:				
Income from continuing and discontinued operations before non-recurring items	\$.12	\$.28	\$.37	\$.64
Restructuring charges and non-recurring charges	(.03)	---	(.03)	(.21)
Extraordinary gains on early extinguishments of debt	.05	---	.08	.01
Net income	\$.14	\$.28	\$.42	\$.44

Basic weighted average number of shares	272,093	272,013	272,078	272,502
Diluted weighted average number of shares	272,097	274,587	272,801	275,012

Geographic segment information was as follows:
(In thousands, except number of locations)

	North America	Europe	Other Foreign
Revenues from continuing operations:			
Three months ended June 30:			
2000	\$484,987	\$170,444	\$46,669
1999	514,193	189,127	42,516
Change from prior year	\$(29,206)	\$(18,683)	\$ 4,153
Percentage change from prior year	(5.7)%	(9.9)%	9.8%
Six months ended June 30:			
2000	\$999,977	\$382,327	\$85,546
1999	1,076,229	424,923	76,944
Change from prior year	\$(76,252)	\$(42,596)	\$ 8,602
Percentage change from prior year	(7.1)%	(10.0)%	11.2%
Income from continuing operations:			
Three months ended June 30			
(Excluding effects of Restructuring Charges):			
2000	\$89,944	\$ 3,745	\$12,790
1999	121,528	18,863	12,135
Change from prior year	\$(31,584)	\$(15,118)	\$ 655
Percentage change from prior year	(26.0)%	(80.1)%	5.4%
Six months ended June 30			
(Excluding effects of Restructuring Charges):			
2000	\$211,600	\$39,483	\$20,060
1999	274,451	51,229	18,706
Change from prior year	\$(62,851)	\$(11,746)	\$ 1,354
Percentage change from prior year	(22.9)%	(22.9)%	7.2%

Operating income margin from continuing operations:

Three months ended June 30

(Excluding effects of Restructuring Charges):

2000	18.5%	2.2%	27.4%
1999	23.6%	10.0%	28.5%

Six months ended June 30

(Excluding effects of Restructuring Charges):

2000	21.2%	10.3%	23.4%
1999	25.5%	12.1%	24.3%

Funeral services performed:

Three months ended June 30:

2000	72,093	60,855	7,367
1999	73,237	65,109	7,612
Percentage change from prior year	(1.6)%	(6.5)%	(3.2)%

Six months ended June 30:

2000	156,674	142,236	14,872
1999	159,185	147,204	14,592
Percentage change from prior year	(1.6)%	(3.4)%	1.9%

Number of locations at June 30:

2000	2,339	2,063	189
1999	2,298	2,059	185

SOURCE Service Corporation International