



Service Corporation International Announces the Closing of the Sale Of American Memorial Life Insurance Company

October 2, 2000

HOUSTON, Oct. 2 /PRNewswire/ -- Service Corporation International (NYSE: SRV), the world's largest funeral and cemetery company, announced today it closed on September 29 the sale of American Memorial Life Insurance Company (AMLIC), the Company's North American insurance operations, to Fortis, Inc. The transaction, effective as of October 1, 2000, generated approximately \$185 million in after tax cash proceeds.

Commenting on the sale of AMLIC, SCI Chairman and Chief Executive Officer, Robert L. Waltrip, said:

"With the closing of the sale of AMLIC, we have achieved one more goal in the execution of our strategic plan. During the third quarter of 2000, we have generated approximately \$340 million in after tax cash proceeds from closing the sales of AMLIC, our French insurance operations and certain loans of our lending subsidiary. We have used the cash proceeds to repay approximately \$71 million in outstanding bonds that matured on October 1 and will use the remaining cash proceeds to eliminate the outstanding balance on our revolving credit facility maturing on October 30, 2000. While we will continue the process of selling other non-core assets and implementing cash flow enhancing initiatives, our Company's focus now shifts to the execution of additional phases of our strategic plan designed to substantially reduce or eliminate our indebtedness maturing in 2002."

The Company is now proceeding with its previously announced marketing agreement with AMLIC. The ten year marketing agreement is performance based and will produce enhanced cash flows from sales of prearranged funeral contracts by providing future cash overrides to the Company in addition to general agency commissions that will be received.

Cautionary Statement on Forward-Looking Statements

This press release includes forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These statements are based on assumptions that the Company believes are reasonable. These statements are not, however, guarantees of future performance and actual results may differ materially. The most important factors that may cause actual results to differ from the Company's expectations are listed in the Company's second quarter 2000 Form 10-Q filed with the Securities and Exchange Commission. Additionally, the Company's ability to sell prearranged funeral contracts in North America at levels allowing the realization of future cash overrides associated with the AMLIC marketing agreement is an important factor that may cause actual results to differ from the Company's expectations. The Company assumes no obligation to update or revise any forward-looking statements made herein or any other forward-looking statements made by the Company.

Service Corporation International is the largest provider of death care services in the world. As of June 30, 2000, SCI affiliates operated 3,809 funeral service locations, 581 cemeteries and 201 crematoria in 20 countries on five continents.

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