



Service Corporation International Announces Settlement Agreement With Florida Attorney General's Office and Disputes Charges Filed By Other Florida Authorities

May 22, 2003

HOUSTON, May 22 /PRNewswire-FirstCall/ -- Service Corporation International (NYSE: SRV) announced today that a settlement agreement had been reached with the Florida Attorney General's Office in connection with the civil action brought against the Company and two SCI-affiliated cemeteries in South Florida. The Company also announced today that criminal charges were filed by the Office of the State Attorney for Palm Beach County against the Company and its subsidiary in Florida.

As part of the settlement agreement with the Attorney General's Office, the Company has agreed to pay a total of \$4 million to various Florida governmental agencies. In addition, the Company will establish a fund of \$2 million for those individuals who may have claims related to the two cemeteries. These settlement amounts were accrued for by the Company during the fourth quarter of 2002 as part of its general reserve for litigation matters. The agreement further provides for contingent payments of up to \$4 million in the event of a violation of certain provisions of the agreement and also specifies certain operational procedures to be followed by the Company's Florida subsidiary. Final settlement is subject to approval by the Palm Beach County Circuit Court and certain other conditions. The Company entered into the agreement without any admission or finding of fault or that a law had been violated and specifically for the purpose of resolving the action. During 2002, the Company's Florida subsidiary voluntarily refunded more than \$4 million to consumers.

The criminal charges involve allegations of misconduct by the Company and its Florida subsidiary. The Companies dispute these charges and intend to vigorously defend their interests in this matter. A related litigation matter involving a consumer lawsuit brought on behalf of all persons with burial plots or family members buried at the two cemeteries remains outstanding.

Cautionary Statement on Forward-Looking Statements

The statements in this press release that are not historical facts are forward-looking statements made in reliance on the "safe harbor" protections provided under the Private Securities Litigation Reform Act of 1995. These statements may be accompanied by words that convey the uncertainty of future events or outcomes. These statements are based on assumptions that the Company believes are reasonable; however, many important factors could cause the Company's actual results in the future to differ materially from the forward-looking statements made herein and in any other documents or oral presentations made by, or on behalf of, the Company, including the outcome of proceedings and investigations still pending in Florida. For further information on these risks and uncertainties, see the Company's Securities and Exchange Commission filings, including the Company's 2002 Annual Report on Form 10-K. The Company assumes no obligation to publicly update or revise any forward-looking statements made herein or any other forward-looking statements made by the Company, whether as a result of new information, future events or otherwise.

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Source: Service Corporation International