



## Service Corporation International and Stewart Enterprises, Inc. Commence Cash Tender Offers and Consent Solicitations

April 28, 2014

HOUSTON, April 28, 2014 /PRNewswire/ -- Service Corporation International (NYSE: SCI) (the "Company") and Stewart Enterprises, Inc., a wholly owned subsidiary of the Company ("Stewart" and, together with the Company, the "Offerors"), announced today that they are commencing cash tender offers for certain of their outstanding senior notes. The Company is commencing cash tender offers for any and all of (i) the \$136.5 million principal amount outstanding of its 6.75% Senior Notes due 2015 (CUSIP No. 817565BQ6) (the "6.75% Notes") and (ii) the \$250.0 million principal amount outstanding of its 7.00% Senior Notes due 2019 (CUSIP No. 817565BV5) (the "7.00% Notes"). Stewart is commencing a cash tender offer for any and all of the \$200.0 million principal amount outstanding of its 6.50% Senior Notes due 2019 (CUSIP No. 860370AM7) (the "6.50% Notes" and, together with the 6.75% Notes and the 7.00% Notes, the "Notes"). The tender offers are being made upon the terms and subject to the conditions set forth in the Offer to Purchase and Consent Solicitation Statement, dated April 28, 2014 (as it may be amended or supplemented from time to time, the "Statement"), and in the related Letter of Transmittal and Consent, dated April 28, 2014 (as it may be amended or supplemented from time to time, the "Letter of Transmittal" and, together with the Statement, the "Offer Documents").

In connection with the tender offers, and on the terms and subject to the conditions set forth in the Offer Documents, each Offeror is soliciting consents of holders of the applicable Notes to authorize the elimination of most of the restrictive covenants and certain of the events of default contained in the indentures governing the applicable series of Notes and to reduce the notice period required in connection with a redemption of the Notes thereunder (the "Proposed Amendments"). Holders may not tender their Notes without delivering their consents to the Proposed Amendments and may not deliver consents to the Proposed Amendments without tendering their Notes. Each Offeror is seeking consents to the Proposed Amendments to the applicable indenture as a single proposal with respect to each series of the Notes. Accordingly, any consent purporting to consent to the Proposed Amendments only in part will be deemed a valid delivery of consent to all of the Proposed Amendments with respect to the applicable series of Notes. The Company intends to use the net proceeds from a proposed \$550 million debt financing, along with borrowings under the Company's revolving credit facility and cash on hand, to fund the tender offers and consent solicitations and pay related fees and expenses. Following payment for the Notes accepted pursuant to the terms of the applicable tender offer, each Offeror currently intends, but is not obligated, to redeem any and all Notes that remain outstanding in the applicable series. The Offer Documents do not constitute a notice of redemption or an obligation to issue a notice of redemption.

The consent payment deadline is 5:00 p.m., New York City time, on May 9, 2014 (such time and date, as it may be extended, the "Consent Payment Deadline"), and the tender offers will expire at 12:00 midnight, New York City time, on May 23, 2014 (such time and date, as it may be extended, the "Expiration Time"), in each case, unless earlier terminated by the applicable Offeror. Notes tendered may be withdrawn at any time at or before 5:00 p.m., New York City time, on May 9, 2014 (such time and date, as it may be extended, the "Withdrawal Deadline") but not thereafter, except as required by law. Each Offeror may extend the Consent Payment Deadline with respect to the applicable series of Notes without extending the Withdrawal Deadline.

The total consideration for each \$1,000 principal amount of Notes validly tendered at or before the Consent Payment Deadline and purchased pursuant to the tender offers includes a payment of \$30 per \$1,000 principal amount of Notes payable only in respect of Notes tendered with consents at or before the Consent Payment Deadline. Holders validly tendering Notes after the Consent Payment Deadline but at or before the Expiration Time will be eligible to receive only the tender offer consideration. The tender offer consideration is equal to the total consideration less the consent payment. The table below summarizes certain payment terms of the tender offers and consent solicitations:

CUSIP No.	Outstanding Principal Amount	Description of Notes	Issuer / Offeror	Tender Offer Consideration*	Consent Payment*	Total Consideration*
817565BQ6	\$136,465,000	6.75% Senior Notes due 2015	Service Corporation International	\$1,024.27	\$30	\$1,054.27
817565BV5	\$250,000,000	7.00% Senior Notes due 2019	Service Corporation International	\$1,037.64	\$30	\$1,067.64
860370AM7	\$200,000,000	6.50% Senior Notes due 2019	Stewart Enterprises, Inc.	\$1,022.50	\$30	\$1,052.50

\* Per \$1,000 principal amount of the Notes.

In addition, holders whose Notes are purchased in a tender offer will receive accrued and unpaid interest in respect of their purchased Notes from the last interest payment date to, but not including, the applicable payment date for the Notes. The Company will accept (i) tenders of the 6.75% Notes only in principal amounts of \$1,000 and integral multiples of \$1,000 in excess thereof and (ii) tenders of the 7.00% Notes in principal amounts of \$2,000 and integral multiples of \$1,000 in excess thereof. Stewart will accept tenders of the 6.50% Notes in principal amounts of \$2,000 and integral multiples of \$1,000 in excess thereof.

Each Offeror has reserved the right, at any time following the Consent Payment Deadline but prior to the Expiration Time (the "Early Acceptance Date"), to accept for purchase all Notes validly tendered pursuant to the applicable offer and not validly withdrawn on or before the Early Acceptance Date. If an Offeror elects to exercise this option, such Offeror will pay the total consideration or tender offer consideration, as the case may be, for the Notes accepted for purchase promptly following the acceptance of Notes for purchase (the date of such payment being referred to as the "Early Payment Date"). The Offerors expect that the Early Payment Date will be on or about May 12, 2014, subject to the satisfaction or waiver of all the conditions to the tender offer and the consent solicitation.

Subject to the terms and conditions of the tender offer being satisfied or waived, each Offeror will, promptly after the Expiration Time (the "Final

Acceptance Date"), accept for purchase all Notes validly tendered pursuant to the applicable offer at or before the Expiration Time (and not validly withdrawn at or before the Withdrawal Deadline) (or if an Offeror has exercised its early purchase option as described above, all Notes validly tendered after the Early Acceptance Date and at or before the Expiration Time). Each Offeror will pay the total consideration or tender offer consideration, as the case may be, for Notes accepted for purchase promptly following the acceptance of Notes for purchase (the date of such payment being referred to as the "Final Payment Date").

Each Offeror's obligation to consummate the tender offers for its Notes is subject to the satisfaction or waiver of certain conditions, which are more fully described in the Statement, including, among others, (i) receipt by the Company of aggregate proceeds of at least \$550 million from a proposed debt financing on terms satisfactory to the Company, (ii) receipt of the requisite consents to authorize the Proposed Amendments to the indenture pursuant to which such Notes were issued (consents in respect of a majority of the outstanding Notes in the applicable series are required for the Proposed Amendments to the applicable indenture) and (iii) execution and delivery of a supplemental indenture giving effect to the Proposed Amendments to the indenture pursuant to which such Notes were issued.

The information agent for the tender offer and consent solicitation is Global Bondholder Services Corporation. The sole dealer manager for the tender offer and solicitation agent for the consent solicitation is Wells Fargo Securities, LLC ((866) 309-6316 (toll-free) and (704) 410-4760 (collect)).

The Offer Documents will be distributed to holders of Notes promptly. Holders with questions or who would like additional copies of the offer documents may call the information agent, Global Bondholder Services Corporation, at (212) 430-3774 (collect, for banks and brokers) or (866) 470-4200 (toll-free, for all others).

This news release is for informational purposes only and does not constitute an offer to buy or the solicitation of an offer to sell the Notes. The tender offers and the consent solicitations are being made only pursuant to the Offer Documents that the Offerors will be distributing to noteholders promptly. Noteholders and investors should read carefully the Offer Documents because they contain important information, including the various terms of and conditions to the tender offers and the consent solicitations. None of the Offerors, the dealer manager and the solicitation agent, the information agent or their respective affiliates is making any recommendation as to whether or not holders should tender all or any portion of their Notes in the tender offers or deliver their consents in the consent solicitations. This news release does not constitute an offer to sell or a solicitation of an offer to buy any securities that may be sold pursuant to the proposed debt financing.

#### **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 such as "believe," "estimate," "project," "expect," "anticipate," or "predict" that convey the uncertainty of future events or outcomes. These statements are based on assumptions that we believe are reasonable; however, many important factors could cause our 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 our behalf. Important factors which could cause actual results to differ materially from those in forward-looking statements include, among others, unfavorable conditions in the financing markets and our ability to successfully complete the proposed offering on favorable terms.

For further information on these and other risks and uncertainties, see our Securities and Exchange Commission filings, including our 2013 Annual Report on Form 10-K. Copies of this document as well as other SEC filings can be obtained from our website at [www.sci-corp.com](http://www.sci-corp.com). We assume no obligation to publicly update or revise any forward-looking statements made herein or any other forward-looking statements made by us, whether as a result of new information, future events or otherwise.

#### **About Service Corporation International**

Service Corporation International (NYSE: SCI), headquartered in Houston, Texas, is North America's leading provider of deathcare products and services. At March 31, 2014, we owned and operated 1,638 funeral homes and 515 cemeteries (of which 283 are combination locations) in 43 states, eight Canadian provinces, the District of Columbia and Puerto Rico. Through our businesses, we market the Dignity Memorial<sup>®</sup> brand which offers assurance of quality, value, caring service, and exceptional customer satisfaction. For more information about Service Corporation International, please visit our website at [www.sci-corp.com](http://www.sci-corp.com). For more information about Dignity Memorial<sup>®</sup>, please visit [www.dignitymemorial.com](http://www.dignitymemorial.com).

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