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**STONEMOR PARTNERS L.P. REPORTS OPERATING AND FINANCIAL RESULTS  
FOR 2018 FOURTH QUARTER AND FULL YEAR**

*TREVOSE, PA – April 3, 2019 – StoneMor Partners L.P. (NYSE: STON) (“StoneMor” or the “Partnership”)*, a leading owner and operator of cemeteries and funeral homes, today reported operating and financial results for the fourth quarter and full year 2018. Investors are encouraged to read the Partnership's annual report on Form 10-K filed with the Securities and Exchange Commission (the “SEC”), which contains additional details, and can be found at [www.stonemor.com](http://www.stonemor.com).

**FOURTH QUARTER AND FULL YEAR FINANCIAL PERFORMANCE**

- Revenues for the fourth quarter were \$83.4 compared to \$85.3 million in the prior year period. Full year revenues were \$316.1 million compared to \$338.2 million in the prior year. Revenue declines in both periods were due to lower sales of cemetery and funeral home merchandise and services, offset slightly by an increase in cemetery interments. Investment and other income for 2018 was \$42.3 million, a decrease of \$13.0 million from the prior year primarily due to the impact from the adoption of ASC 606, which reduced revenue associated with document fees by \$11.4 million.
- Fourth quarter net loss was \$20.5 million compared to \$45.5 million in the prior year period and a loss of \$72.7 million for the full year compared to \$75.2 million in the prior year period. Losses in quarter and year ended December 31, 2018 were driven primarily by lower sales of cemetery and funeral home merchandise and services, as well as the continued impact of higher corporate and professional fees associated with delayed SEC filings, work related to our planned conversion to a C-Corp and legal costs. Losses in the fourth quarter of 2017 were primarily driven by the previously disclosed impairment of goodwill related to funeral home operations.
- Cemetery segment income for the 2018 fourth quarter was \$6.6 million compared to \$7.6 million for the prior year period. The decline in segment income was primarily due to an increase in certain costs associated with the rollout of the general manager model across our cemetery network.

- Funeral segment income was \$1.5 million for the 2018 fourth quarter compared to \$1.4 million in the prior year period. The increase in segment income was due primarily to a reduction in year over year costs and expenses.
- Cash from operating activities for the full year was \$26.5 million compared to \$15.0 million in the prior year period.
- Merchandise trust value at December 31, 2018 was \$488.2 million compared to \$515.5 million at December 31, 2017.
- Deferred revenue at December 31, 2018 was \$914.3 million compared to \$912.6 million at December 31, 2017.
- As of December 31, 2018, the Partnership had \$18.1 million of cash and cash equivalents and \$321.1 million of total debt, including \$155.7 million outstanding under its revolving credit facility.
- The Partnership expects to report financial results for the first quarter of 2019 during the week of May 13, 2019, and anticipates it will host an investor conference call in connection with the announcement of those results.

Joe Redling, StoneMor’s President and Chief Executive Officer, said, “2018 was a transitional year for StoneMor on many levels. Among the major developments, I joined the company as its new CEO in late July and immediately began developing a turnaround plan. Several months earlier, industry veteran Jim Ford had been appointed the company’s new COO. We welcomed two new independent board members and announced our intent to convert to a C-Corporation. During the fourth quarter, we began to implement a number of strategic, operational and organizational initiatives that we expect will drive better efficiencies and improve profitability. These initiatives include a major cost reduction effort, a reorganization to decentralize operations to drive more accountability at the local level and a thorough asset review to prioritize resources to our top tier properties while evaluating the strategic options of our lower performing locations.”

“Our cost reduction effort is well underway. To date, we have identified approximately \$25 million in expense reductions that we believe will be eliminated by the end of 2019. While many of these cost reductions have already been put in place, certain one-time costs specifically related to getting current in our financial filings, finalizing the amendments to our credit facility and the C-Corp conversion process kept overall costs higher than would otherwise be the case. We expect, as these non-recurring costs begin to roll off throughout 2019, that investors will begin to see the impact of these efforts. We also announced that we are working to refinance our existing credit facility and that we have retained an investment banker to assist in the process. While there is nothing to report as of yet, the process is underway and we look forward to disclosing the details when the refinancing is complete.”

“We are committed to enhancing unitholder value, demonstrating compassion and dignity for our customers, and creating a rewarding work environment for our employees. We look forward to providing more details on the progress we have made when we report our 2019 first quarter results next month, at which time we anticipate hosting an investor conference call.”

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### ***About StoneMor Partners L.P.***

StoneMor Partners L.P., headquartered in Trevoise, Pennsylvania, is an owner and operator of cemeteries and funeral homes in the United States, with 322 cemeteries and 90 funeral homes in 27 states and Puerto Rico.

StoneMor is the only publicly traded death care company structured as a partnership. StoneMor's cemetery products and services, which are sold on both a pre-need (before death) and at-need (at death) basis, include: burial lots, lawn and mausoleum crypts, burial vaults, caskets, memorials, and all services which provide for the installation of this merchandise. For additional information about StoneMor Partners L.P., please visit StoneMor's website, and the investors section, at <http://www.stonemor.com>.

## **Cautionary Note Regarding Forward-Looking Statements**

*Certain statements contained in this press release, including, but not limited to, information regarding the expected timing of filing the Annual Report on Form 10-K Report for the Year Ended December 31, 2018 (the “2018 10-K”), announcement of first quarter 2019 results and operational improvements and expectations regarding the next investor conference call, are forward-looking statements. Generally, the words “believe,” “may,” “will,” “estimate,” “continue,” “anticipate,” “intend,” “project,” “expect,” “predict” and similar expressions identify these forward-looking statements. These statements are made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995.*

*Forward-looking statements are based on management’s current expectations and estimates. These statements are neither promises nor guarantees and are made subject to certain risks and uncertainties that could cause actual results to differ materially from the results stated or implied in this press release. StoneMor’s major risks are related to our substantial secured and unsecured indebtedness, our ability to refinance our secured indebtedness in the near term, uncertainties associated with the cash flow from pre-need and at-need sales, trusts and financings, which may impact StoneMor’s ability to meet its financial projections, service its debt and resume paying distributions, as well as with StoneMor’s ability to maintain an effective system of internal control over financial reporting and disclosure controls and procedures.*

*StoneMor’s additional risks and uncertainties include, but are not limited to: the consequences if the Partnership is not able to file the 2018 10-K today, including that the U.S. Securities and Exchange Commission could institute an administrative proceeding seeking the revocation of the registration of the Partnership’s common units under the Exchange Act, that the Partnership would be delinquent in its required filings with the New York Stock Exchange (“NYSE”) and could ultimately face the possible delisting of its common units from the NYSE, that the Partnership would be in default under its amended credit facility and, if the Partnership fails to file the 2018 10-K within 120 days after notice from the trustee under the indenture governing its senior notes, under the indenture; the Partnership’s ability to obtain relief from its creditors if it cannot file the 2018 10-K today or within 120 days after notice from the trustee under the indenture governing its senior notes, the terms on which such relief might be granted and any restrictions that might be imposed in connection with any relief that might be obtained; uncertainty associated with the consummation of the Partnership’s reorganization transactions; StoneMor’s ability to successfully implement its strategic plan relating to achieving operating improvements, including improving sales productivity and reducing operating expenses; the effect of economic downturns; the impact of StoneMor’s significant leverage on its operating plans; the decline in the fair value of certain equity and debt securities held in StoneMor’s trusts; StoneMor’s ability to attract, train and retain an adequate number of sales people; uncertainties associated with the volume and timing of pre-need sales of cemetery services and products; increased use of cremation; changes in the death rate; changes in the political or regulatory environments, including potential changes in tax accounting and trusting policies; StoneMor’s ability to successfully compete in the cemetery and funeral home industry; litigation or legal proceedings that could expose StoneMor to significant liabilities and damage StoneMor’s reputation, including but not limited to litigation and governmental investigations or proceedings arising out of or related to accounting and financial reporting matters; the effects of cyber security attacks due to StoneMor’s significant reliance on information technology; uncertainties relating to the financial condition of third-party insurance companies that fund StoneMor’s pre-need funeral contracts; and various other uncertainties associated with the death care industry and StoneMor’s operations in particular.*

*When considering forward-looking statements, you should keep in mind the risk factors and other cautionary statements set forth in StoneMor’s Annual Report on Form 10-K for the Year Ended December 31, 2017 and the other reports that StoneMor files with the Securities and Exchange Commission, from time to time. Except as required under applicable law, StoneMor assumes no obligation to update or revise any forward-looking statements*

*made herein or any other forward-looking statements made by it, whether as a result of new information, future events or otherwise.*

**STONEMOR PARTNERS L.P.**  
**CONSOLIDATED BALANCE SHEETS**  
(in thousands)

	December 31,	
	2018	2017
<b>Assets</b>		
Current assets:		
Cash and cash equivalents	\$ 18,147	\$ 6,821
Accounts receivable, net of allowance	57,928	79,116
Prepaid expenses	4,475	4,580
Assets held for sale	757	1,016
Other current assets	17,009	21,453
Total current assets	<u>98,316</u>	<u>112,986</u>
Long-term accounts receivable, net of allowance	87,148	105,935
Cemetery property	330,841	333,404
Property and equipment, net of accumulated depreciation	112,716	114,090
Merchandise trusts, restricted, at fair value	488,248	515,456
Perpetual care trusts, restricted, at fair value	330,562	339,928
Deferred selling and obtaining costs	112,660	126,398
Deferred tax assets	86	84
Goodwill	24,862	24,862
Intangible assets	61,421	63,244
Other assets	22,241	19,695
Total assets	<u>\$ 1,669,101</u>	<u>\$ 1,756,082</u>
<b>Liabilities and Partners' Capital</b>		
Current liabilities:		
Accounts payable and accrued liabilities	\$ 59,035	\$ 43,023
Accrued interest	1,967	1,781
Current portion, long-term debt	798	1,002
Total current liabilities	<u>61,800</u>	<u>45,806</u>
Long-term debt, net of deferred financing costs	320,248	317,693
Deferred revenues	914,286	912,626
Deferred tax liabilities	6,675	9,638
Perpetual care trust corpus	330,562	339,928
Other long-term liabilities	42,108	38,695
Total liabilities	<u>1,675,679</u>	<u>1,664,386</u>
Commitments and contingencies		
Partners' (deficit) capital :		
General partner interest	(4,008)	(2,959)
Common limited partners' interest	(2,570)	94,655
Total partners' (deficit) capital	<u>(6,578)</u>	<u>91,696</u>
Total liabilities and partners' capital	<u>\$ 1,669,101</u>	<u>\$ 1,756,082</u>

**STONEMOR PARTNERS L.P.**  
**CONSOLIDATED STATEMENTS OF OPERATIONS**  
(in thousands, except per unit data)

	Years Ended December 31,	
	2018	2017
<b>Revenues:</b>		
Cemetery:		
Interments	\$ 76,902	\$ 75,077
Merchandise	75,412	75,602
Services	67,278	70,704
Investment and other	42,343	55,313
Funeral home:		
Merchandise	25,652	27,767
Services	28,539	33,764
Total revenues	<u>316,126</u>	<u>338,227</u>
<b>Costs and Expenses:</b>		
Cost of goods sold	54,647	51,899
Cemetery expense	78,708	76,857
Selling expense	62,538	66,083
General and administrative expense	43,081	39,111
Corporate overhead	53,281	51,964
Depreciation and amortization	11,736	13,183
Funeral home expenses:		
Merchandise	6,579	7,131
Services	22,159	22,929
Other	15,787	19,743
Total costs and expenses	<u>348,516</u>	<u>348,900</u>
Gain on acquisitions and divestitures	691	858
Loss on goodwill impairment	—	(45,574)
Other losses, net	(12,195)	(2,045)
Operating loss	<u>(43,894)</u>	<u>(57,434)</u>
Interest expense	(30,602)	(27,345)
Loss from operations before income taxes	<u>(74,496)</u>	<u>(84,779)</u>
Income tax benefit	1,797	9,621
Net loss	<u>\$ (72,699)</u>	<u>\$ (75,158)</u>
General partner's interest	\$ (757)	\$ (782)
Limited partners' interest	\$ (71,942)	\$ (74,376)
Net loss per limited partner unit (basic and diluted)	\$ (1.90)	\$ (1.96)
Weighted average number of limited partners' units outstanding (basic and diluted)	37,959	37,948

**STONEMOR PARTNERS L.P.**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**  
**(in thousands)**

	Years Ended December 31,	
	2018	2017
<b>Cash Flows From Operating Activities:</b>		
Net loss	\$ (72,699)	\$ (75,158)
Adjustments to reconcile net loss to net cash provided by operating activities:		
Cost of lots sold	7,808	10,525
Depreciation and amortization	11,736	13,183
Provision for cancellations	7,358	6,244
Non-cash compensation expense	2,523	1,045
Non-cash interest expense	5,985	4,479
Gain on acquisitions and divestitures	(691)	(858)
Loss on goodwill impairment	—	45,574
Other losses, net	12,195	1,843
Changes in assets and liabilities:		
Accounts receivable, net of allowance	4,498	(17,074)
Merchandise trust fund	4,295	46,695
Other assets	2,618	1,410
Deferred selling and obtaining costs	(4,819)	(9,508)
Deferred revenues	37,405	(9,049)
Deferred taxes, net	(2,591)	(10,439)
Payables and other liabilities	10,836	6,064
Net cash provided by operating activities	26,457	14,976
<b>Cash Flows From Investing Activities:</b>		
Cash paid for capital expenditures	(12,172)	(10,789)
Cash paid for acquisitions	(1,667)	—
Proceeds from divestitures	—	1,241
Proceeds from asset sales	1,276	627
Net cash used in investing activities	(12,563)	(8,921)
<b>Cash Flows From Financing Activities:</b>		
Cash distributions	—	(24,545)
Proceeds from borrowings	29,880	103,292
Repayments of debt	(28,493)	(88,951)
Cost of financing activities	(3,955)	(1,600)
Net cash used in financing activities	(2,568)	(11,804)
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>11,326</b>	<b>(5,749)</b>
<b>Cash and cash equivalents—Beginning of period</b>	<b>6,821</b>	<b>12,570</b>
<b>Cash and cash equivalents—End of period</b>	<b>\$ 18,147</b>	<b>\$ 6,821</b>
<b>Supplemental disclosure of cash flow information:</b>		
Cash paid during the period for interest	\$ 25,606	\$ 22,901
Cash paid during the period for income taxes	\$ 1,725	\$ 2,756
<b>Non-cash investing and financing activities:</b>		
Acquisition of assets by financing	\$ 2,673	\$ 2,705
Classification of assets as held for sale	\$ 543	\$ 1,016

## SUPPLEMENTAL OPERATING DATA

SUPPLEMENTAL DATA:	Years Ended December 31,	
	2018	2017
Interments performed	54,773	54,109
Net interment rights sold (1)		
Lots	27,044	28,235
Mausoleum crypts (including pre-construction)	1,334	1,926
Niches	1,685	1,857
Total net interment rights sold (1)	30,063	32,018
Number of pre-need cemetery contracts written	39,989	44,894
Number of at-need cemetery contracts written	57,664	59,387
Number of cemetery contracts written	97,653	104,281

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(1) Net of cancellations. Sales of double-depth burial lots are counted as two sales