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**STONEMOR PARTNERS L.P. REPORTS OPERATING AND FINANCIAL RESULTS  
FOR 2019 FIRST QUARTER**

*TREVOSE, PA – May 10, 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 2019 first quarter period ended March 31, 2019. Investors are encouraged to read the Partnership's quarterly report on Form 10-Q 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).

**FIRST QUARTER FINANCIAL PERFORMANCE**

- Revenues for the first quarter were \$71.5 million compared to \$77.9 million in the prior year period. Revenue declines were driven primarily by a decrease in interment revenues, while sales of merchandise and services were slightly lower than the prior year period. Investment and other income was consistent with prior year levels.
- First quarter net loss was \$22.5 million compared to \$17.9 million in the prior year period. The increased losses in the quarter were driven primarily by lower sales of cemetery and funeral home merchandise and services, as well as higher interest expense related to the amendment of our debt agreement and higher rates associated with higher average credit facility balances.
- Cemetery segment income for the first quarter was \$2.8 million compared to \$2.1 million for the prior year period. The improvement in segment income was driven primarily by a decrease in cost of goods sold and reduced selling expense.
- Funeral segment income was \$1.5 million for the first quarter compared to \$2.0 million in the prior year period. The decrease in segment income was due primarily to lower sales of funeral related merchandise and services.
- Cash used in operating activities for the first quarter was \$13.1 million compared to cash provided in the prior year period of \$6.2 million. The reduction in cash from operating activities was primarily due to a \$13.7 million outflow to fund changes in working capital and a \$5.6 million increase in net loss excluding non-cash items, primarily related to increased costs associated with consulting and professional fees arising

from the potential C-Corp conversion, debt refinancing, various employee severance and other ongoing management initiatives.

- Merchandise trust value at March 31, 2019 was \$515.1 million compared to \$488.2 million at December 31, 2018.
- Deferred revenue at March 31, 2019 was \$941.0 million compared to \$914.3 million at December 31, 2018.
- As of March 31, 2019, the Partnership had \$24.4 million of cash and cash equivalents and \$357.1 million of total debt, including \$180.7 million outstanding under its revolving credit facility.

Joe Redling, StoneMor's President and Chief Executive Officer said, "We have noted in previous press releases that our management team, beginning in July 2018 when I arrived at StoneMor, undertook a deep analysis and operational reorganization of the company, with many new initiatives put in place during the fourth quarter. With the recent addition of our new SVP & CFO, Garry P. Herdler, the full management team is now in place. The overall aim of our operational reorganization is to:

- Drive asset-level accountability and profitability;
- Target at least \$25 million in cost reductions by the end of 2019, the majority of which have been undertaken or are in implementation;
- Increase sales productivity and effectiveness; and
- Improve financial reporting efficiencies.

"These efforts are well underway but, as we have said, it will take time to deliver the desired financial results. First quarter revenues declined by \$6.5 million from the prior year period, or approximately 8%. We expected to see some decline in the year-over-year comparisons. We also expected that our reorganization efforts would have a near term impact as the sales force absorbed some of the organizational changes and certain cost cutting measures put in place during the fourth quarter of 2018 and continuing into this year.

"We believe that there is significant value embedded in our asset base, and the portfolio evaluation we performed late last year continues to inform our efforts. As we have previously noted, we grouped our cemetery and funeral home assets into three tiers based on their volume and contributions. The portfolio evaluation demonstrated that the majority of our cash flow comes from what are now Tier 1 and Tier 2 properties. So we created a plan to drive operational and financial improvement in Tier 1 and Tier 2 properties by prioritizing resources to optimize their performance. At the same time we are taking a more strategic approach to Tier 3 properties, where the goal is to minimize the cost impact of these properties, and, if appropriate, divest these non-strategic assets.

"An example of how the tier structure is enabling improved management focus is how we responded to the sales shortfall in the first quarter. Even though we expected a little softness, sales were down more than we anticipated. Our tier structure revealed that the majority of the sales decline was confined to a select subset of properties in Tier 1 and 2. It was not an across the board decline, but limited to less than 10% of our properties. Further analysis revealed it was not a macro trend, but more related to misaligned sales resources. By focusing on our sales leadership and prioritizing hiring efforts in these areas, we have already seen improvement through the month of April. The tier structure allows us to quickly identify needs and solutions in high volume locations."

"It's also worth noting that in our first quarter results, while sales were lower, our expenses during the period were also lower by a nearly equivalent percentage amount. The improvement in our cemetery segment income is a reflection of our ongoing focus on expenses. We continue to work towards aligning our cost structure with our revenues, the refinancing of our credit facility, and converting to a C-corporation."

Garry P. Herdler, StoneMor's new SVP and Chief Financial Officer, said, "I joined StoneMor as CFO on April 15, 2019, and set a framework for a turnaround plan in four key areas: liquidity/cash flow, capital structure, balance sheet/portfolio review, and performance improvement through cost reductions and revenue enhancement. We will track our progress on each of these key areas in subsequent quarters. We also intend to improve both operating processes and reporting controls, and to enhance customer service. The objective of my first 100 days is to understand, align and prioritize the goals of our CEO and Executive Leadership Team. This will involve a more detailed analysis, determination of resource needs and timetables for an integrated action plan. Prior to my start, I met with Joe Redling and members of the Board to confirm the turnaround framework, their alignment with the CEO's goals and our mandate for change. I was confident there were a number of performance improvement opportunities in addition to those previously identified, and I remain confident these opportunities exist. In addition, as previously announced by StoneMor in April 2019, we are working to refinance our existing credit facility. Given the timing of my arrival, we currently believe the most appropriate time to conduct our next investor call will be in connection with the announcement of our second quarter financial results, which we expect to be filed on time later this summer."

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

StoneMor Partners L.P., headquartered in Trevese, 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 announcing financial results for the quarter ending June 30, 2019 and the related investor call together with the implementation and achievement of operational and reporting improvements, are forward-looking statements. Generally, the words “believe,” “may,” “will,” “estimate,” “continue,” “anticipate,” “intend,” “project,” “expect,” “predict,” “focus,” “review,” “cash flow,” “confident,” “filed timely,” 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: StoneMor’s ability to successfully implement its strategic plan relating to achieving operating improvements, including driving asset-level accountability and profitability, improving sales productivity and effectiveness, reducing operating expenses and improving financial reporting efficiencies; 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, 2018 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.**  
**CONDENSED CONSOLIDATED BALANCE SHEETS (UNAUDITED)**  
(in thousands)

	March 31, 2019	December 31, 2018
<b>Assets</b>		
Current assets:		
Cash and cash equivalents	\$ 24,448	\$ 18,147
Accounts receivable, net of allowance	58,398	57,928
Prepaid expenses	9,398	4,475
Assets held for sale	757	757
Other current assets	17,136	17,009
Total current assets	110,137	98,316
Long-term accounts receivable, net of allowance	83,578	87,148
Cemetery property	330,968	330,841
Property and equipment, net of accumulated depreciation	112,142	112,716
Merchandise trusts, restricted, at fair value	515,065	488,248
Perpetual care trusts, restricted, at fair value	344,825	330,562
Deferred selling and obtaining costs	112,643	112,660
Deferred tax assets	86	86
Goodwill	24,862	24,862
Intangible assets	59,950	61,421
Other assets	33,223	22,241
Total assets	<u>\$ 1,727,479</u>	<u>\$ 1,669,101</u>
<b>Liabilities and Partners' Deficit</b>		
Current liabilities:		
Accounts payable and accrued liabilities	\$ 57,921	\$ 59,035
Accrued interest	7,751	1,967
Current portion, long-term debt	953	798
Total current liabilities	66,625	61,800
Long-term debt, net of deferred financing costs	345,933	320,248
Deferred revenues	941,040	914,286
Deferred tax liabilities	6,675	6,675
Perpetual care trust corpus	344,825	330,562
Other long-term liabilities	51,216	42,108
Total liabilities	<u>1,756,314</u>	<u>1,675,679</u>
Commitments and contingencies		
Partners' deficit :		
General partner interest	(4,242)	(4,008)
Common limited partners' interest	(24,593)	(2,570)
Total partners' deficit	(28,835)	(6,578)
Total liabilities and partners' deficit	<u>\$ 1,727,479</u>	<u>\$ 1,669,101</u>

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

	<b>Three Months Ended March 31,</b>	
	<b>2019</b>	<b>2018</b>
<b>Revenues:</b>		
Cemetery:		
Interments	\$ 15,944	\$ 19,625
Merchandise	16,541	16,627
Services	15,967	16,491
Investment and other	9,458	9,500
Funeral home:		
Merchandise	6,275	7,429
Services	7,284	8,273
Total revenues	<u>71,469</u>	<u>77,945</u>
<b>Costs and Expenses:</b>		
Cost of goods sold	9,743	13,435
Cemetery expense	17,247	17,414
Selling expense	14,733	16,256
General and administrative expense	11,439	10,958
Corporate overhead	13,413	11,827
Depreciation and amortization	2,757	3,045
Funeral home expenses:		
Merchandise	2,317	2,478
Services	5,553	5,518
Other	3,630	5,040
Total costs and expenses	<u>80,832</u>	<u>85,971</u>
Other losses	—	(5,205)
Operating loss	<u>(9,363)</u>	<u>(13,231)</u>
Interest expense	(13,171)	(7,113)
Loss from operations before income taxes	<u>(22,534)</u>	<u>(20,344)</u>
Income tax benefit	—	2,421
Net loss	<u>\$ (22,534)</u>	<u>\$ (17,923)</u>
General partner's interest	\$ (234)	\$ (187)
Limited partners' interest	\$ (22,300)	\$ (17,736)
Net loss per limited partner unit (basic and diluted)	\$ (0.59)	\$ (0.47)
Weighted average number of limited partners' units outstanding (basic and diluted)	38,031	37,959

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

	<u>Three Months Ended March 31,</u>	
	<u>2019</u>	<u>2018</u>
<b>Cash Flows From Operating Activities:</b>		
Net loss	\$ (22,534)	\$ (17,923)
Adjustments to reconcile net loss to net cash provided by operating activities:		
Cost of lots sold	1,522	1,830
Depreciation and amortization	2,757	3,045
Provision for bad debt	2,042	600
Non-cash compensation expense	277	158
Non-cash interest expense	4,429	1,167
Other losses, net	—	5,205
Changes in assets and liabilities:		
Accounts receivable, net of allowance	(1,965)	(3,668)
Merchandise trust fund	(5,990)	(3,818)
Other assets	(4,382)	(3,055)
Deferred selling and obtaining costs	17	(1,866)
Deferred revenues	8,584	15,791
Deferred taxes, net	—	(2,596)
Payables and other liabilities	2,140	11,280
Net cash (used in) provided by operating activities	<u>(13,103)</u>	<u>6,150</u>
<b>Cash Flows From Investing Activities:</b>		
Cash paid for capital expenditures	(1,903)	(4,369)
Cash paid for acquisitions	—	(833)
Net cash used in investing activities	<u>(1,903)</u>	<u>(5,202)</u>
<b>Cash Flows From Financing Activities:</b>		
Proceeds from borrowings	24,562	14,380
Repayments of debt	(253)	(11,530)
Principal payment on finance leases	(366)	—
Cost of financing activities	(2,636)	(207)
Net cash provided by financing activities	21,307	2,643
<b>Net increase in cash, cash equivalents and restricted cash</b>	<b>6,301</b>	<b>3,591</b>
<b>Cash, cash equivalents and restricted cash—Beginning of period</b>	<b>18,147</b>	<b>6,821</b>
<b>Cash, cash equivalents and restricted cash—End of period</b>	<b><u>\$ 24,448</u></b>	<b><u>\$ 10,412</u></b>
<b>Supplemental disclosure of cash flow information:</b>		
Cash paid during the period for interest	\$ 2,842	\$ 2,478
Cash paid during the period for income taxes	41	39
<b>Cash paid for amounts included in the measurement of lease liabilities:</b>		
Operating cash flows from operating leases	\$ 932	\$ —
Operating cash flows from finance leases	116	—
<b>Non-cash investing and financing activities:</b>		
Acquisition of assets by financing	\$ 1,314	\$ 278
Classification of assets as held for sale	—	283

### SUPPLEMENTAL OPERATING DATA

SUPPLEMENTAL DATA:	Three Months Ended March 31,	
	2019	2018
Interments performed	12,995	14,572
Net interment rights sold (1)		
Lots	4,485	6,536
Mausoleum crypts (including pre-construction)	215	546
Niches	338	429
Total net interment rights sold (1)	5,038	7,511
Number of pre-need cemetery contracts written	8,434	10,162
Number of at-need cemetery contracts written	13,249	14,727
Number of cemetery contracts written	21,683	24,889

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