### Upside Potential: 22.4%

#### Assumptions
- **10 Year T-Bill:** 4.35%
- **Risk Premium:** 5.50%
- **Beta:** 1.19
- **WACC:** 8.51%
- **Terminal Beta:** 1.0
- **Terminal WACC:** 7.85%
- **Terminal Growth Rate:** 4.14%
- **Tax Rate:** 40.0%
- **Capitalizing Operating Leases?** Yes

#### Historical
- **Revenue:** $294,169.9
- **Operating Cash Flow (OCF):** $148,765.7
- **Interest:** $49,049.0
- **EBIT:** $107,496.0
- **Total Revenues:** $526,473.0
- **PV of Terminal Growth:** $11,515.3
- **PV of Terminal Capital Expenditures:** $2,392.7
- **PV of Terminal EBIT:** $24,290.8
- **PV of Terminal Cash Flow:** $263,973.5
- **PV of Terminal Sales:** $4,190.1
- **PV of Terminal COGS:** $44,373.0
- **PV of Terminal COGS Margin:** 7.7%
- **PV of Terminal COGS/Sales:** 76.4%
- **PV of Terminal Effective Tax Rate:** 24.0%
- **PV of Terminal Stable Margins:** 2.4%

#### Expected Inflation Calculation

<table>
<thead>
<tr>
<th>Year</th>
<th>Inflation</th>
</tr>
</thead>
<tbody>
<tr>
<td>0</td>
<td>3.66%</td>
</tr>
<tr>
<td>10</td>
<td>3.01%</td>
</tr>
<tr>
<td>15</td>
<td>2.14%</td>
</tr>
<tr>
<td>20</td>
<td>2.87%</td>
</tr>
</tbody>
</table>

#### Analysis

<table>
<thead>
<tr>
<th>Historical</th>
<th>Hyper-Growth Stage</th>
<th>Transitional Growth Stage</th>
<th>Terminal Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>Deaths per year</td>
<td>2,474,943.2</td>
<td>618,735.8</td>
<td>2,528,000.0</td>
</tr>
<tr>
<td>Growth</td>
<td>NA</td>
<td>2.1%</td>
<td>0.9%</td>
</tr>
<tr>
<td>Nominal Inflation Rate</td>
<td>3.2%</td>
<td>3.20%</td>
<td>3.09%</td>
</tr>
</tbody>
</table>

#### Funeral

- **Revenue:** $59,572.3
- **COGS:** $24,695.2
- **Gross Profit:** 55.9%
- **COGS Margin:** 75.9%
- **COGS/Sales:** 76.4%
- **Effective Tax Rate:** 24.0%
- **Stable Margins:** 3.4%
- **Upside Potential:** 22.4%

#### Discounted Cash Flow

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Add:</td>
<td>D&amp;A</td>
<td>52,896.0</td>
<td>39,484.0</td>
<td>65,166.2</td>
<td>76,376.3</td>
<td>65,200.7</td>
<td>70,377.7</td>
<td>59,181.5</td>
<td>62,884.6</td>
<td>51,962.7</td>
</tr>
<tr>
<td>Add:</td>
<td>Imputed Interest on Leases</td>
<td>2,392.7</td>
<td>598.2</td>
<td>1,983.1</td>
<td>1,667.2</td>
<td>1,400.8</td>
<td>1,184.3</td>
<td>1,006.0</td>
<td>775.3</td>
<td>560.4</td>
</tr>
<tr>
<td>Add:</td>
<td>Interest</td>
<td>49,049.0</td>
<td>11,884.9</td>
<td>56,583.6</td>
<td>58,770.6</td>
<td>60,978.1</td>
<td>63,202.0</td>
<td>65,438.3</td>
<td>67,799.8</td>
<td>70,264.9</td>
</tr>
<tr>
<td>(All figures in $000's except deaths)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

- **Intrinsic Price per Share:** $9.09
- **PV of Risk:** $135,471.6
- **PV of Terminal Growth:** $24,575.6
- **PV of Terminal Growth:** $24,575.6
- **PV of Terminal Sales:** $15,615.3
- **PV of Terminal Cash Flow:** $24,290.8
- **PV of Terminal EBIT:** $24,290.8
- **PV of Terminal COGS:** $44,373.0
- **PV of Terminal COGS Margin:** 7.7%
- **PV of Terminal COGS/Sales:** 76.4%
- **PV of Terminal Effective Tax Rate:** 24.0%
- **PV of Terminal Stable Margins:** 2.4%

#### Terminal Year

- **Total Revenues:** $526,473.0
- **PV of Terminal Growth:** $11,515.3
- **PV of Terminal Capital Expenditures:** $2,392.7
- **PV of Terminal EBIT:** $24,290.8
- **PV of Terminal Cash Flow:** $263,973.5
- **PV of Terminal Sales:** $4,190.1
- **PV of Terminal COGS:** $44,373.0
- **PV of Terminal COGS Margin:** 7.7%
- **PV of Terminal COGS/Sales:** 76.4%
- **PV of Terminal Effective Tax Rate:** 24.0%
- **PV of Terminal Stable Margins:** 2.4%

#### Present Value Factor

- **PV of Hyper/Transitional Growth:** $751,912.0
- **PV of Terminal Growth:** $1,321,501.7
- **PV of Firm:** $2,073,418.6

#### Total Value

- **Divided by:** Diluted Shares Outstanding 109,193.5
- **Intrinsic Price per Share:** $9.09
- **Current Share Price:** $7.42

#### Upside Potential

- **22.4%**