Security Natonal Financial Corporation Reports Financial Results For The Quarter Ended June 30, 2026

August 10, 2026

SALT LAKE CITY, Aug. 10, 2026 (GLOBE NEWSWIRE) -- Security National Financial Corporation (SNFC) (NASDAQ symbol "SNFCA") announced financial results for the quarter ended June 30, 2026. For the three months ended June 30, 2026, SNFC’s after-tax earnings increased 7.3% from $8,371,000 in 2025, to $8,982,000 in 2026. For the six months ended June 30, 2026, after-tax earnings increased 8.1% to $15,983,000, from $14,784,000 in 2025.

Scott M. Quist, President of the Company, said:

“I am pleased to report that our second quarter earnings, after tax, increased 7.3% over 2025, and that our first-half earnings increased 8.1%, after tax, over 2025. This improved profitability for both the quarter and the first half of the year illustrates the very solid operational and sales progress we have made in all of our business segments. It is not lost on me that our top-line revenue decreased 6.3% for the quarter and 5% for the half. We are working aggressively, and in my view successfully, to address those revenue issues. But our first goal was improved profitability, and we achieved that goal.

Our Mortgage Segment can be considered the “star” for the first half of 2026, delivering two very solid quarters of improved performance. The Mortgage Segment improved Q1 year-over-year profitability by $1.4MM and then followed that great performance in Q2 with a $1.6MM improvement, for a total $3.0MM profit improvement for the first half of 2026. Revenue did decrease 9.1% for the first half, which is never our goal, but that decrease highlights the tremendous operational improvements that were accomplished. Obviously, there is a nexus between revenue and profitability, but in this market if we must choose one or the other, meaning revenue growth or improved profitability, at this juncture I much prefer the improved profitability. A “shout out” is owed to the entire company for this improved performance. Suffice it to say that all aspects have been worked, worked again, and reworked over the last several years, including management structures, margins, marketing, commissions, products, pricing, back office, secondary operations, underwriting, and closing and funding, to achieve greater efficiencies. Much work remains to be done, but after all the hard work of our team it is gratifying to see this Segment profitable in Q2 and within striking distance of profitability for the year.

Our Cemetery and Mortuary Segment also delivered stellar results increasing revenue by 21% for the quarter and by 13% for the first half, with a corresponding profit improvement of 69% for the quarter and 29% for the first half. As is many times the case, there is much movement going on “under the hood” in achieving those impressive results. First, the overall backdrop. While it is difficult to precisely quantify at this time, I believe most would agree that the death rate in the United States dropped in 2026 to its lowest level in recent years. The improved mortality experienced in our Life Insurance Segment, decreased case counts in our funeral funding operations, and reviews of our publicly-traded peers all reinforce that conclusion. Thus, looking within this Segment at our mortuary-only results, while revenue did increase by some 3% for the first half, profitability actually decreased some 9%. We believe that we have generally increased our market share, but it has been a struggle because of this year’s declining death rate. However, demonstrating the benefit of diversified income streams, our cemetery-only results showed an 11% revenue improvement with a 17% profitability improvement, basically as the result of improved preneed cemetery sales. Our cemetery preneed sales results show that we are controlling that which we can control, which is leading to overall profit improvement. Many thanks to the considerable effort that has gone into rebuilding our preneed cemetery sales force. In addition to the improved preneed sales results, we had a $1MM favorable investment tailwind in the second quarter, which reversed the unfavorable investment results we experienced in the first quarter. All in, we achieved a nearly 23% Segment net profit margin in the first half, which in my view is admirable.

Our Life Insurance Segment also made very significant positive progress despite its top-line revenue decrease of 5.5% for the first half and a profitability decrease of 13%. I don’t believe those numbers are illustrative of the significant progress which has been accomplished in nearly all facets of our business. Regarding the revenue decrease there are two major components, which are premium revenue, the smaller component of the decrease, and investment income revenue. While there are numerous inputs into the reported premium amount, which makes generalizing somewhat hazardous, to me the premium revenue decline is primarily due to fewer single-premium products being sold in 2026, which in my view is our least profitable product. Our modal-pay product sales have actually increased year-to-date, but those effects won’t be realized in our financial statements for several periods. As I have noted in prior releases, we have been spending significant time and resources in improving our sales functions, which efforts in my view have been very successful even being measured at this very initial stage. Illustrative of that initial success, first-year premium sales are now up vs. 2025. We have much work to do, but we have built, and are building, excellent offerings for the marketplace, to include a much improved onboarding process for new sales personnel, ease of application for both the agent and the customer, quicker real time underwriting decisions, better lead generation and management, more predictable commission and advance structures, and better quality measuring metrics, all resulting in significant first-year traction.

The larger factor in this Segment’s revenue decline, and probably also the larger factor in its profitability decline, is its investment income. Specifically, we had lower builder profit splits in 2026 vis a vis 2025, and also decreased interest income. We have made specific strategic decisions to increase our landholdings, which in my view will lead to greater profits in the future, albeit at the cost of current profitability since we recognize no profit on land until it is either sold or a home on it has started construction. Many of our landholdings have a 12 to 24 month, or longer, time horizon, so increasing landholdings does suppress both revenue and profit in the current period, in favor of greater profitability in the future. Regarding the decrease in interest income, this result reflects the impact of loan payoffs, increased rate competition, and lower loan origination volumes during Q1. Construction-related loan originations, however, rebounded strongly during Q2. Utah new-home starts were down significantly in 2025 (which trend appears to be continuing in 2026), which led to decreased construction loans. Primarily due to lower loan production our cash position has increased by some $61MM since Dec 31, 2025, which does earn “bank interest” but at a rate below that of our lending activities. Despite those declines, I don’t believe we have ever had better processes or more talented and capable people in responsible positions than we do today. In summary, I believe we have improved capacity, more talented people, greater wherewithal, and better sales offerings in both product and processes, than we have ever had.

In a nutshell, when viewed as a whole, SNFC increased profitability in the quarter by 7.3%, and for the first half by 8.1%, despite a decline in revenue. Many thanks to our hard-working teams for achieving those impressive operational results."

SNFC has three business segments. The following table shows the revenues and earnings before taxes for the three months ended June 30, 2026, as compared to 2025, for each of the three business segments:

	Revenues			Earnings before Taxes		
	2026	2025		2026	2025	
Life Insurance	$ 47,838,000	$ 51,525,000	(7.2%)	$ 8,547,000	$ 10,616,000	(19.5%)
Cemeteries/Mortuaries	$ 9,828,000	$ 8,140,000	20.7%	$ 3,041,000	$ 1,794,000	69.5%
Mortgages	$ 26,260,000	$ 29,876,000	(12.1%)	$ 71,000	$ (1,671,000)	104.2%
Total	$ 83,926,000	$ 89,541,000	(6.3%)	$ 11,659,000	$ 10,739,000	8.6%

For the six months ended June 30, 2026:

	Revenues			Earnings before Taxes		
	2026	2025		2026	2025	
Life Insurance	$ 95,168,000	$ 100,811,000	(5.6%)	$ 16,148,000	$ 18,623,000	(13.3%)
Cemeteries/Mortuaries	$ 18,301,000	$ 16,260,000	12.6%	$ 5,190,000	$ 4,032,000	28.7%
Mortgages	$ 50,186,000	$ 55,210,000	(9.1%)	$ (627,000)	$ (3,666,000)	82.9%
Total	$ 163,655,000	$ 172,281,000	(5.0%)	$ 20,711,000	$ 18,989,000	9.1%

Net earnings per common share was $.60 for the six months ended June 30, 2026, compared to net earnings of $.55 per share for the prior year and book value per common share was $15.45 as of June 30, 2026, compared to $15.75 as of December 31, 2025, after adjustments for the effect of annual stock dividends

The Company has two classes of common stock outstanding, Class A and Class C. There were 28,034,378 Class A equivalent shares outstanding as of June 30, 2026.

An earnings call will commence at approximately 1PM (MDT) on August 13th and will include a review of its 2nd Quarter results as well as an update from the Company's three business segments. Shareholders may access the earnings call by clicking the link below:

https://investor.securitynational.com/news-and-events/events-and-presentations

The earnings call can also be accessed directly from the Company's website under "Events" on the Investor Relations page.

If there are any questions, please contact Mr. Garrett S. Sill or Mr. Scott Quist at:

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