Security National Financial Corporation Reports Financial Results for the Quarter Ended September 30, 2026

November 9, 2026

SALT LAKE CITY, Nov. 09, 2026 (GLOBE NEWSWIRE) -- Security National Financial Corporation (SNFC) (NASDAQ symbol “SNFCA”) announced financial results for the quarter ended September 30, 2026. For the three months ended September 30, 2026, SNFC’s after-tax earnings decreased 38.6% from $10,048,000 in 2025, to $6,166,000 in 2026. For the nine months ended September 30, 2026, after-tax earnings decreased 10.8% to $22,149,000, from $24,832,000 in 2025.

Scott M. Quist, Chairman, President and Chief Executive Officer of the Company, said:

“There are two major financial statements in the 10Q that I will focus on: the “Statement of Earnings”, or Income Statement, and the Balance Sheet. From the Income Statement point of view, we had a rugged 3rd quarter, with earnings decreasing some 37% (pre-tax) as compared to Q3 2025 to $8.2MM. From a Balance Sheet point of view, we had what we believe is the largest single-quarter dollar increase in Stockholders’ Equity in our history, with equity increasing some $36MM, or 8.2% for the quarter, to $469MM. From my point of view, both results, as divergent as they may seem, are driven primarily by the same macro factor – increased interest rates.

Going to a Segment Analysis, our Mortgage Segment fell from a profit of $66,000 in Q3 2025 to a $2.65MM loss in 2026. About $1MM of that loss is a non-cash fair value adjustment to our loans held for sale and our derivatives (primarily interest rate lock commitments), which is based on estimates and can fluctuate from period to period. The major reason behind our reduced profitability is simply market conditions. The geopolitical environment was very unfavorable in Q3, which led to accelerating, deteriorating market conditions through the entire quarter and very reduced volumes. For comparison’s sake, in the Utah Housing market (which is one of our major markets) pending home sales were down 27% September 2026 over September 2025 and closed sales were down 12%, with homes for sale increasing 4%. To summarize the Utah market, inventory increased and sales decreased sharply. Similar conditions existed in most of the markets we service. It should be noted that despite the very rugged 3rd quarter, we narrowed our losses by 9% over 2025 on a YTD basis. To me, our Mortgage Segment deserves a hearty “Thank You” for their continued tenacity in the face of such very tough market conditions. I am not discouraged one bit from our deliberate overall corporate strategy.

In our Insurance Segment, the reduced profitability causes were similar from an Income Statement point of view. I should stress at the outset that our investment yield remains quite above industry averages for life insurance companies. According to the National Association of Insurance Commissioners, industry book yields at year end 2025 were in the mid 4% range, while ours for Q3 2026 was in the mid 5% range. Nevertheless, our average portfolio yield declined approximately 90 basis points YOY, primarily driven by the timing of home builder profit recognition, with additional impacts from the allowance for credit losses and decreased funeral funding yields, as well as modest declines in construction interest earnings, fee income, and gains on sale. The decreased home builder profits and construction interest earnings require no further comment than what has been given above regarding mortgage market conditions. Regarding the allowance for credit losses, under the Current Expected Credit Losses (CECL) accounting standard we recorded a provision for credit losses of roughly $2MM in Q3, primarily related to two loans that went into default during the quarter. If our ultimate recoveries exceed current estimates, a portion of this provision could be reversed in future periods. Expense levels at our Insurance Segment are a little elevated, which I view as money well spent. First year life insurance sales are up over 20% YTD as measured by annualized premium, 27% as measured by face amount, over 2025, which is a very credible accomplishment given that we changed out almost our entire senior sales management staff last year. Much hard work from new sales management has gone into improving our sales processes and offerings and we believe we are just getting started. Due to how first year sales are accounted for, the profits from those sales will not be realized from an accounting point of view until future years. In fact, first year sales are mildly profit negative. Lastly, due to the increase in interest rates, our life reserves were revalued downwards. Under current accounting rules, that revaluation is not included in net earnings; instead, it flows through Other Comprehensive Income (reported in a separate statement in the Form 10Q) and directly into Stockholders’ Equity, which caused the large increase noted above. In a nutshell, our liabilities have a longer average duration than our assets, so increases in interest rates generally have the effect noted, and decreases generally have the opposite effect.

Our Cemetery and Mortuary Segment similarly had a rugged Q3 with profit declining roughly $500,000 or 17%, as compared to 2025. While there are numerous inputs that lead to any increase or decrease in profitability, there were two major factors for Q3 totaling over $600,000. First, the Segment had unrealized losses of over $400,000 in its stock portfolio for the quarter and in Q3 2025 had a leasing income gain of $241,000, which is not present in 2026 thus giving a negative comparison. Operationally speaking, while families served in Q3 increased modestly (2.5%) over 2025, for the YTD families served decreased some 1.3%, reflecting the constrained death rate environment that has been experienced nationwide. Our traditional funeral vs. cremation mix turned more towards cremation, which gives a lower revenue, and we are experiencing cost pressures. Nevertheless, we controlled what we could control, and our preneed cemetery sales rose roughly 12% for the quarter and 17% for the year, which is the largest single factor in giving us a 9% profit improvement YTD. To summarize very broadly, we “held serve” operationally, and our preneed cemetery sales viewed YTD overcame our unrealized losses, giving a 9% YTD profit improvement.

Lastly, I will comment here that the financial balance inherent in our businesses is illustrated markedly when the financial statements are viewed as a whole, meaning that increased interest rates gave our Mortgage Segment a very rugged environment, but at least from a GAAP Balance Sheet point of view gave our Insurance Segment a very favorable environment. Our Cemetery and Mortuary Segment, which is not affected nearly as much by interest rates is affected by the death rate, but again note the balance that decreases in death rates benefit the Insurance Segment.

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

	Revenues			Earnings before Taxes		
	2026	2025		2026	2025	
Life Insurance	$ 49,725,000	$ 50,790,000	(2.1%)	$ 8,341,000	$ 9,991,000	(16.5%)
Cemeteries/Mortuaries	$ 9,048,000	$ 8,928,000	1.3%	$ 2,531,000	$ 3,045,000	(16.9%)
Mortgages	$ 21,169,000	$ 29,608,000	(28.5%)	$ (2,649,000)	$ 66,000	NM
Total	$ 79,942,000	$ 89,326,000	(10.5%)	$ 8,223,000	$ 13,102,000	(37.2%)

For the nine months ended September 30, 2026:

	Revenues			Earnings before Taxes		
	2026	2025		2026	2025	
Life Insurance	$144,893,000	$151,602,000	(4.4%)	$ 24,490,000	$ 28,614,000	(14.4%)
Cemeteries/Mortuaries	$ 27,349,000	$ 25,187,000	8.6%	$ 7,720,000	$ 7,078,000	9.1%
Mortgages	$ 71,355,000	$ 84,818,000	(15.9%)	$ (3,276,000)	$ (3,601,000)	9.0%
Total	$243,597,000	$261,607,000	(6.9%)	$ 28,934,000	$ 32,091,000	(9.8%)

Net earnings per common share was $.82 for the nine months ended September 30, 2026, compared to net earnings of $.93 per share for the prior year and book value per common share was $17.98 as of September 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 26,061,063 Class A equivalent shares outstanding as of September 30, 2026.

An earnings call will commence at approximately 1PM (MST) on Thursday, November 12, 2026, and will include a review of its 3rd quarter results as well as an update from the Company's three business segments. Investors and other interested members of the public 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, Chief Financial Officer, or Mr. Scott M. Quist, Chairman, President and Chief Executive Officer, at:

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Cautionary Note Regarding Forward Looking Statements

This press release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, including forward-looking statements covered by Section 21E of the Securities Exchange Act of 1934 and, where applicable, Section 27A of the Securities Act of 1933. Statements other than statements of historical fact are forward-looking statements. Words such as "believe," "expect," "intend," "estimate," "anticipate," "project," "plan," "may," "could," "will," "should," "would," "continue" and similar expressions are intended to identify forward-looking statements, although not all forward-looking statements contain these words. Forward-looking statements include statements regarding future operating performance, liquidity, financing, business strategy, mortgage origination activity, covenant compliance, waivers, renewals or replacement of mortgage warehouse lines of credit, remediation of internal control over financial reporting, expected future events, and assumptions underlying those statements. These statements are based on management's current expectations and are subject to risks and uncertainties that could cause actual results to differ materially from those expressed or implied by the forward-looking statements. These risks and uncertainties include, among others, (i) competition and the Company's ability to attract and retain customers; (ii) changes in laws, regulations and tax treatment affecting the Company's businesses; (iii) changes in interest rates and their effect on investment income, investment values, interest expense and policy liabilities; (iv) the Company's liquidity, including compliance with covenants under, and the renewal, waiver or replacement of, its mortgage warehouse lines of credit; (v) mortgage origination volumes, secondary market pricing and loan repurchase demands; (vi) the credit quality of the Company's mortgage loans and deterioration in real estate markets; (vii) mortality, morbidity and lapse experience, medical costs and the adequacy of reinsurance; (viii) higher operating and information systems expenses; (ix) the Company's ability to remediate the material weakness in internal control over financial reporting; and (x) the loss of key personnel, rating changes, and litigation, including claims relating to sales practices and claim denials. Additional factors that could cause actual results to differ materially from those expressed or implied by forward-looking statements are described in the Company's Annual Report on Form 10-K for the year ended December 31, 2025, and in the Company's other filings with the Securities and Exchange Commission. Forward-looking statements speak only as of the date of this report, and readers should not place undue reliance on them. Except as required by law, the Company undertakes no obligation to update or revise any forward-looking statement.

About Security National Financial Corporation
Security National Financial Corporation (NASDAQ: SNFCA), headquartered in Salt Lake City, Utah, operates through three business segments: life insurance, cemetery/mortuary, and mortgages. Founded in 1965, the Company serves customers across the United States. For more information, visit investor.securitynational.com.