

May 20, 2013

Security National Financial Corporation Reports Financial Results for the First Quarter Ended March 31, 2013

SALT LAKE CITY--(BUSINESS WIRE)-- Security National Financial Corporation (SNFC) (NASDAQ symbol "SNFCA") announced financial results for the first quarter ended March 31, 2013.

For the three months ended March 31, 2013, SNFC's pre-tax earnings from operations increased 38% from \$2,328,592 in 2012 to \$3,227,623 on a 16% increase in revenues to \$54,852,234. After tax earnings increased 22% from \$1,562,183 in 2012 to \$2,033,266 in 2013.

Scott Quist, Chairman of the Board, President and Chief Executive Officer of the Company, said, "We are pleased with the first quarter results of our company. This quarter represents our ninth consecutive quarter-over-prior-year-quarter improvement in net income and is the second best first quarter in our company's experience. In addition, in this quarter we also passed the \$600,000,000 mark in total assets, which is a tremendous milestone. Going to specific business segments, our life insurance segment continues to give excellent operational results even though the earnings were essentially flat. Due to the Mothe Life Reinsurance acquisition last December and several investments paying off, our cash balances have increased to nearly \$80,000,000, which as we invest will improve earnings significantly. At present, our idle cash represents a drag on profitability. Our Death Care segment did experience weakness with a 30% decrease in operational income due to lower case counts and lower pre-need sales for the quarter. Our mortgage segment had a 30% improvement in volume which demonstrates the ongoing advantage of our purchase mortgage emphasis as we continued to increase market share. That 30% volume improvement translated into a nearly 80% profitability improvement as we achieved greater operational leverage."

SNFC has three business segments. The following table shows the revenues and earnings before taxes for the three months ended March 31, 2013 as compared to 2012 for each of the three business segments:

	Revenues			Earnings before Taxes		
	2013	2012	%	2013	2012	%
Life Insurance	\$17,243,892	\$17,627,349	(2.2%)	\$ 814,331	\$ 837,564	(2.8%)
Cemeteries/Mortuaries	2,980,031	2,959,640	0.7%	76,765	226,555	(66.1%)
Mortgages	<u>34,628,311</u>	<u>26,736,234</u>	29.5%	<u>2,336,527</u>	<u>1,264,473</u>	84.8%
Total	<u>\$54,852,234</u>	<u>\$47,323,223</u>	15.9%	<u>\$3,227,623</u>	<u>\$2,328,592</u>	38.6%

The net gain per common share was \$.19 for the three months ended March 31, 2013, compared to a net gain of \$.17 per share for the prior year as adjusted for the effect of annual stock dividends. Book value per common share was \$7.44 as of March 31, 2013, compared to \$7.36 as of December 31, 2012. The Company has two classes of common stock outstanding, Class A and Class C. The Class C shares share in distribution of earnings and capital on a 10-for-1 basis with the Class A shares; therefore, for earnings per share and book value per share calculations, the Class C shares are converted to Class A shares on a 10-for-1 basis. There were 10,996,873 Class A equivalent shares outstanding as of March 31, 2013.

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

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