Security National Financial Corporation Reports Financial Results for the Quarter Ended March 31, 2019

May 16, 2019

SALT LAKE CITY, May 16, 2019 (GLOBE NEWSWIRE) -- Security National Financial Corporation (SNFC) (NASDAQ symbol "SNFCA") announced financial results for the quarter ended March 31, 2019.

For the three months ended March 31, 2019, SNFC's after-tax earnings from operations decreased 88.6% from $16,926,000 in 2018 to $1,930,000 in 2019, on a 25.1% decrease in revenues to $61,494,000.

Scott M. Quist, President of the Company, said, "Even recognizing the decrease in net income, I must say that I am quite pleased with our Company's first quarter performance. For the first quarter last year, excluding the Dry Creek sale, our pre-tax earnings would have been a loss of approximately $690,000. This year, with no Dry Creek sale, our pre-tax earnings improved from that loss to a positive $2,432,000, for a positive swing in pre-tax earnings of $3,122,000.

"Looking at our operations by segment, our life insurance operations continue their upward trend with a 6% increase in revenue which translated into 14% increase in profitability, consistent with 2018's first quarter improvement. We have seen first year premiums flatten out a bit, but we continue to see a rotation by our sales force into a more profitable product mix, which we believe will yield dividends into the future. Our Memorial segment delivered a stellar quarter with a 15% increase in revenue which translated into a 38% improvement in profitability. That improvement was broad-based in both cemetery and mortuary operations and investment returns. We finalized the acquisition of Probst Family Funerals & Cremations mid first quarter and it is delivering its expected profitability. Our mortgage segment showed remarkable improvement. The first quarter of 2018 saw a decrease in volume of 18%, which translated into a decrease in revenue of 34%, demonstrating the margin compression that was so rampant in late 2017 and throughout 2018. This year, while our volume slipped 10%, our revenue decreased only 3% giving a profitability improvement of $2.54 million. While it is true that the mortgage segment still ran a loss of $838,000 for the quarter, given the marked margin improvement I am very encouraged that our considerable rationalization efforts are bearing fruit and I am looking forward to a much improved 2019 for the mortgage segment."

SNFC has three business segments. The following table shows the revenues and earnings before taxes for the three months ended March 31, 2019, as compared to 2018, for each of the three business segments:

	Revenues			Earnings before Taxes		
	2019	2018		2019	2018	
Life Insurance	$ 30,506,000	$ 50,860,000	(40.0%)	$ 2,085,000	$ 23,711,000	(91.2%)
Cemeteries/Mortuaries	$ 4,359,000	$ 3,776,000	15.4%	$ 1,185,000	$ 861,000	37.6%
Mortgages	$ 26,629,000	$ 27,440,000	(3.0%)	$ (838,000)	$ (3,385,000)	(75.2%)
Total	$ 61,494,000	$ 82,076,000	(25.1%)	$ 2,432,000	$ 21,187,000	(88.5%)

Net earnings per common share was $.11 for the three months ended March 31, 2019, compared to net earnings of $.99 per share for the prior year, as adjusted for the effect of annual stock dividends. Book value per common share was $10.09 as of March 31, 2019, compared to $9.99 as of December 31, 2018.

The Company has two classes of common stock outstanding, Class A and Class C. There were 17,241,664 Class A equivalent shares outstanding as of March 31, 2019.

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

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Source: Security National Financial Corporation