

November 14, 2014

Security National Financial Corporation Reports Financial Results for the Third Quarter of 2014

SALT LAKE CITY--(BUSINESS WIRE)-- Security National Financial Corporation (SNFC) (NASDAQ: SNFCA) announced financial results for the third quarter ended September 30, 2014.

For the three months ended September 30, 2014, SNFC's pre-tax earnings from operations increased 72% from \$1,964,000 in 2013 to \$3,377,000 in 2014 on a 22% increase in revenues to \$61,726,000. After tax earnings increased 69% from \$1,266,000 in 2013 to \$2,138,000 in 2014.

Security National Financial Corporation also announced revenues of \$166,191,000 for the nine months ended September 30, 2014. Pre-tax earnings from operations for the nine month period decreased from \$9,661,000 in 2013 to \$7,730,000. After-tax earnings decreased from \$6,099,000 in 2013 to \$4,901,000.

Scott Quist, Chairman of the Board, President and Chief Executive Officer of the Company, said: "We are very pleased with the performance of our Company this past quarter. In our Life Insurance Segment, earnings before taxes for the quarter are up high double digits and are up triple digits year to date. This is reflective of improved investment results and improved quality of written business. In our Cemetery and Mortuary Segment, despite a tough quarter where we saw poor preneed sales results, earnings are still up double digits year to date. Mortgage Segment income for the quarter is nearly twice what it was last year. While year to date Mortgage Segment income is still significantly less than last year, it should be remembered that the first half of 2013 included a considerable amount of refinance volume industrywide that has been greatly reduced this year. Significantly, our mortgage volume year to date is only down about 4% while industrywide, depending upon the reporting source, volumes are down 30-40% year to date which we believe has resulted in some margin pressures. Nevertheless, as noted, our Mortgage Segment quarterly income improved 72% on a quarterly revenue improvement of 25%. So, we are quite pleased with our progress.

SNFC has three business segments. The following table shows the revenues and earnings before taxes for the three months ended September 30, 2014 as compared to 2013 for each of the three business segments:

	Revenues			Earnings before Taxes		
	2014	2013	%	2014	2013	%
Life Insurance	\$21,553,000	\$17,341,000	24.3%	\$1,987,000	\$1,103,000	80.1%
Cemeteries/Mortuaries	2,708,000	2,959,000	(8.5%)	(120,000)	13,000	(1,023.1%)
Mortgages	37,465,000	30,252,000	23.8%	1,510,000	849,000	77.9%
Total	<u>\$61,726,000</u>	<u>\$50,552,000</u>	22.1%	<u>\$3,377,000</u>	<u>\$1,965,000</u>	71.9%

For the nine months ended September 30, 2014:

	Revenues			Earnings before Taxes		
	2014	2013	%	2014	2013	%
Life Insurance	\$ 59,836,000	\$ 51,383,000	16.5%	\$4,834,000	\$2,358,000	105.0%
Cemeteries/Mortuaries	9,283,000	9,320,000	(0.4%)	232,000	197,000	17.8%
Mortgages	97,071,000	106,035,000	(8.5%)	2,664,000	7,107,000	(62.5%)
Total	<u>\$166,190,000</u>	<u>\$166,738,000</u>	(0.3%)	<u>\$7,730,000</u>	<u>\$9,662,000</u>	(20.0%)

The net gain per common share was \$.17 for the three months ended September 30, 2014, compared to a net gain of \$.10 per share for the same period last year as adjusted for the effect of annual stock dividends. Book value per common share was \$7.70 as of September 30, 2014, compared to \$7.31 as of December 31, 2013. The Company has two classes of common stock outstanding, Class A and Class C, and as of September 30, 2014, there were 12,185,250 shares outstanding.

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

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