

**NEWS RELEASE**

For Further Information Contact: Scott M. Quist  
or Stephen M. Sill  
Security National Financial Corporation  
P.O. Box 57250  
Salt Lake City, UT 84157  
(telephone) (801) 264-1060  
(fax) (801) 265-9882

**FOR IMMEDIATE RELEASE:** August 15, 2012

**SECURITY NATIONAL FINANCIAL CORPORATION  
REPORTS FINANCIAL RESULTS  
FOR THE SECOND QUARTER ENDED JUNE 30, 2012**

August 15, 2012

Salt Lake City, Utah: Security National Financial Corporation (SNFC) (NASDAQ symbol "SNFCA") announced financial results for the second quarter ended June 30, 2012.

SNFC announced revenues of \$56,528,000 for the three months ended June 30, 2012. This represents a 55% increase from 2011. Pre-tax earnings from operations for the three-month period increased from \$141,000 in 2011 to \$5,036,000. After tax earnings increased from \$205,000 in 2011 to \$3,593,000 in 2012.

SNFC announced revenues of \$103,851,000 for the six months ended June 30, 2012. This represents a 47% increase over 2011. Pre-tax earnings from operations for the six-month period increased from a loss of \$1,181,000 in 2011 to a gain of \$7,365,000 in 2012. After tax earnings increased from a loss of \$314,000 in 2011 to a gain of \$5,255,000.

Scott Quist, President of the Company, said "We are pleased with the second quarter results of our company. The 55% increase in revenue and greater than 1,000% increase in profitability speaks well to the efforts and performance of our management team and employees. Many of the cost and revenue initiatives that were implemented following the recession are now bearing fruit. Our life segment profitability increased 500% due to more favorable mortality and more importantly better investment income performance. Our death care segment, exclusive of the REO depreciation costs and 2011 asset sales, actually improved their operating income by almost 40% year over year. Our mortgage segment, while continuing to be troubled by the well publicized economic environment within which we must operate, continues to see the positive results of our conversion from wholesale to retail originations. That has resulted in the \$7,700,000 period over period improvement in profitability going from a heavy loss in 2011 to a gain in 2012. Retail originations now make up over 70% of our production. We continue to believe that we are improving our market share in those geographic areas that we serve."

SNFC has three business segments. The following table shows the revenues and earnings before taxes for the three months and six months ended June 30, 2012 as compared to 2011 for each of the three business segments:

For the three months ended June 30, 2012:

	Revenues			Earnings (Losses) before Taxes		
	2012	2011	%	2012	2011	%
Life Insurance	\$ 17,482,000	\$ 16,599,000	5.3%	\$ 2,054,000	\$ 338,000	507.7%
Cemeteries/Mortuaries	2,730,000	3,723,000	(26.7%)	(77,000)	663,000	(111.6%)
Mortgages	36,316,000	16,144,000	125.0%	3,059,000	(860,000)	455.7%
Total	\$ <u>56,528,000</u>	\$ <u>36,466,000</u>	<u>55.0%</u>	\$ <u>5,036,000</u>	\$ <u>141,000</u>	<u>3,471.6%</u>

For the six months ended June 30, 2012:

	Revenues			Earnings (Losses) before Taxes		
	2012	2011	%	2012	2011	%
Life Insurance	\$ 35,109,000	\$ 33,747,000	4.0%	\$ 2,892,000	\$ 1,418,000	104.0%
Cemeteries/Mortuaries	5,690,000	6,757,000	(15.8%)	149,000	814,000	(81.7%)
Mortgages	63,052,000	30,135,000	109.2%	4,324,000	(3,413,000)	226.7%
Total	\$ <u>103,851,000</u>	\$ <u>70,639,000</u>	<u>47.0%</u>	\$ <u>7,365,000</u>	\$ <u>(1,181,000)</u>	<u>723.6%</u>

Net earnings per common share were \$.38 for the three months ended June 30, 2012, compared to \$.02 per share for the prior year as adjusted for the effect of annual stock dividends. Net earnings per common share was \$.55 for the six months ended June 30, 2012, compared to net loss of \$(.03) per share for the prior year as adjusted for the effect of annual stock dividends. Book value per common share was \$7.19 as of June 30, 2012, compared to \$6.48 as of December 31, 2011. 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 9,558,192 Class A equivalent shares outstanding as of June 30, 2012.

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

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