

May 16, 2016

## Security National Financial Corporation Reports Financial Results for the First Quarter of 2016

SALT LAKE CITY, May 16, 2016 (GLOBE NEWSWIRE) -- Security National Financial Corporation (SNFC) (NASDAQ:SNFCA) announced financial results for the quarter ended March 31, 2016.

For the three months ended March 31, 2016, SNFC's revenues increased 3.1% to \$66,014,000 while pre-tax earnings from operations decreased 4.9% from \$2,998,000 in 2015 to \$2,851,000 in 2016. After tax earnings decreased 3.8% from \$1,864,000 in 2015 to \$1,794,000 in 2016.

Scott Quist, Chairman of the Board, President and Chief Executive Officer of the Company, said: "While I can't say we are ever satisfied with a quarter whose profitability does not surpass the prior year's quarter, in my view this was nevertheless a fairly good quarter for our Company. In many respects I believe it to be an improvement over 2015. First, revenue increased 3.1% over 2015. Secondly, I would note that in Q1 2014 we only realized pretax profits of \$166,000. Thus, in Q1 2016 we retained the significant progress that was made last year in profitability. Thirdly, excluding realized gains on investments, which can be volatile, our operational profitability increased 7% over 2015. In other words, excluding realized gains on investments, operational profitability improved 7% on a 3% revenue increase.

"In our life insurance segment, revenue improved 5.2% year over year, but because of the decrease in realized gains earnings decreased 24%. Of course, there are many elements that make up the earnings decrease, but in my mind, the decrease in realized gains is a primary distinguishing feature when comparing the results year over year. New life sales remain strong with a 37% improvement by application count and a 15% increase by premium volume.

"In our cemetery and mortuary segment, the management changes that have been implemented over the last year and a half have borne fruit. Excluding depreciation from unrelated REO, operational profitability increased 35% over 2015. Additionally, we are seeing revenue growth for the first time in several years with death care related revenues increasing 7%.

"In our mortgage segment we had an 11% improvement in profitability on a 1.6% revenue increase. It should be noted that in Q1 2016 overall industry loan volumes decreased 10% over 2015 primarily because of decreased refinance volumes. Our purchase related loan volume as a percentage of total loan volume improved to 97% in 2016 as opposed to 60% in 2015. We continue to believe that purchase transaction related loans are a more sustainable activity as opposed to refinance related loans and continue to put our emphasis on such transactions. Finally, our retail channel now comprises 97% of our loan volume with our wholesale channel occupying only 3%."

SNFC has three business segments. The following table shows the revenues and earnings before taxes for the three months ended March 31, 2016, as compared to 2015 for each of the segments:

	Revenues			Earnings before Taxes		
	2016	2015	%	2016	2015	%
Life Insurance	\$ 22,075,000	\$ 20,986,000	5.2%	\$ 1,065,000	\$ 1,404,000	(24.1%)
Cemeteries/Mortuaries	3,331,000	3,098,000	7.5%	469,000	409,000	14.6%
Mortgages	40,608,000	39,966,000	1.6%	1,317,000	1,185,000	11.1%
Total	<u>\$ 66,014,000</u>	<u>\$ 64,050,000</u>	3.1%	<u>\$ 2,851,000</u>	<u>\$ 2,998,000</u>	(4.9%)

The net gain per common share was \$.12 for the three months ended March 31, 2016, compared to a net gain of \$.13 per share for the same period last year, as adjusted for the effect of annual stock dividends. Book value per common share was \$8.20 as of March 31, 2016, compared to \$8.01 as of December 31, 2015. The Company has two classes of common stock outstanding, Class A and Class C. As of March 31, 2016, there were 13,968,936 shares outstanding.

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

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