

NEWS RELEASE

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FOR IMMEDIATE RELEASE: August 14, 2007

**SECURITY NATIONAL FINANCIAL CORPORATION
REPORTS FINANCIAL RESULTS
FOR THE SECOND QUARTER ENDED JUNE 30, 2007**

August 14, 2007

Security National Financial Corporation (SNFC) (Nasdaq symbol "SNFCA") announced financial results for the second quarter ended June 30, 2007.

SNFC announced revenues of \$54,316,000 for the three months ended June 30, 2007. This represents a 59% increase for 2007. Pre-tax earnings from operations for the three-month period in 2007 increased 52% from \$893,000 in 2006 to \$1,360,000 in 2007. Net earnings for the three-month period in 2007 increased 42% from \$724,000 to \$1,031,000. Regarding the earnings increase, Scott Quist, President of the Company explained: "This year's second quarter pre-tax earnings contains \$581,000 of income related to the sale of Colonial Funeral Home property in Salt Lake City. The actual operations of Colonial Funeral Home ceased in July 2006. Including the property sale results in a 152% increase for 2007 for our death care segment. Our life insurance segment earnings improved 10% and our mortgage segment earnings improved 7% over 2006 levels."

SNFC announced revenues of \$103,362,000 for the six months ended June 30, 2007. This represents a 55% increase for 2007. Pre-tax earnings from operations for the six-month period in 2007 increased 10% from \$2,195,000 in 2006 to \$2,417,000 in 2007. Mr. Quist noted "Last year's first quarter earnings contained \$500,000 of income related to the recapture of a reinsurance contract in our life segment. Thus, the inclusion of the Colonial property sales results in approximately comparable results for the six month results." Net after tax net earnings for the six-month period in 2007 increased 2% from \$1,737,000 to \$1,776,000.

Mr. Quist further stated "The mortgage industry is currently experiencing substantial change due to higher than expected delinquencies from subprime loans. The market for new subprime loans has been substantially reduced and several mortgage companies whose primary product was subprime mortgage originations have ceased operations. Our Company funded \$4.2 million (.2% of production) in subprime loans during the six months ending June 30, 2007 and has currently eliminated subprime loans from its product offerings. We believe that the potential losses from subprime loans are minimal.

The industry problem with subprime mortgages has created a volatile secondary market for other high risk products, especially alternative documentation (Alt A) loans. Alt A loans are typically offered to qualified borrowers who have relatively high credit scores but are not required to provide full documentation to support personal income and assets owned. Alt A loans can have a loan to value ratio as high as 100%. There is currently a smaller market for Alt A loans and our warehouse line providers have shortened the allowable time for us to sell these products to investors. As a result of these changes, we now offer these loans on a limited basis.

Alt A loans represented approximately 21% of our production for the six months ended June 30, 2007. We are currently experiencing an increase in production of our more traditional mortgage products. This increased mortgage production will offset some of the loss of income related to the discontinuance of Alt A loans. As of August 13, 2007, we had originated a total of \$60,400,000 in Alt A loans that had not been settled by investors. If we are unable to sell these Alt A loans we would be required to assume the risk of holding and servicing such loans. We believe that we have adequate liquidity, however, through our life insurance operations to carry such loans until purchased by investors if warehousing lines are not available.

We expect the current mortgage market conditions to continue for the remainder of 2007. Under these circumstances it is difficult to predict profitability. Profitability may be impacted by volume reduction, changes in margins, increased borrowing costs and future loans losses. We have taken and will continue to take a number of actions, however, in response to the changing market conditions. These include offering Alt A loans on a limited basis, closing unprofitable branch offices, obtaining new warehousing agreements at a lower interest rate, and other cost savings and business enhancing initiatives."

SNFC has three business segments. The following table shows the revenues and earnings before taxes for the six months ended June 30, 2007 as compared to 2006 for each of the three business segments:

For the three months ended June 30, 2007:

	<u>Revenues</u>			<u>Earnings before Taxes</u>		
	<u>2007</u>	<u>2006</u>	<u>%</u>	<u>2007</u>	<u>2006</u>	<u>%</u>
Life Insurance	\$11,428,000	\$10,698,000	7%	\$1,040,000	\$948,000	10%
Cemeteries/ Mortuaries	4,348,000	3,452,000	26%	588,000	233,000	152%
Mortgages	<u>38,540,000</u>	<u>19,996,000</u>	<u>93%</u>	<u>(268,000)</u>	<u>(288,000)</u>	<u>7%</u>
Total	<u>\$54,316,000</u>	<u>\$34,146,000</u>	<u>59%</u>	<u>\$1,360,000</u>	<u>\$893,000</u>	<u>52%</u>

For the six months ended June 30, 2007:

	<u>Revenues</u>			<u>Earnings before Taxes</u>		
	<u>2007</u>	<u>2006</u>	<u>%</u>	<u>2007</u>	<u>2006</u>	<u>%</u>
Life Insurance	\$23,227,000	\$21,609,000	7%	\$1,645,000	\$2,053,000	(20)%
Cemeteries/ Mortuaries	8,127,000	6,769,000	20%	1,019,000	605,000	68%
Mortgages	<u>72,008,000</u>	<u>38,172,000</u>	<u>89%</u>	<u>(247,000)</u>	<u>(463,000)</u>	<u>47%</u>
Total	<u>\$103,362,000</u>	<u>\$66,550,000</u>	<u>55%</u>	<u>\$2,417,000</u>	<u>\$2,195,000</u>	<u>10%</u>

Net earnings per common share were \$.15 for the three months ended June 30, 2007, compared to \$.10 per share for the prior year as adjusted for the effect of annual stock dividends. Net earnings per common share were \$.25 for the six months ended June 30, 2007, compared to \$.25 per share for the prior year as adjusted for the effect of annual stock dividends. Book value per common share was \$7.84 as of June 30, 2007, compared to \$7.53 as of December 31, 2006. 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 7,047,729 Class A equivalent shares outstanding as of June 30, 2007.

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