

AMERICAN SAVINGS LIFE INSURANCE COMPANY



Founded 1954

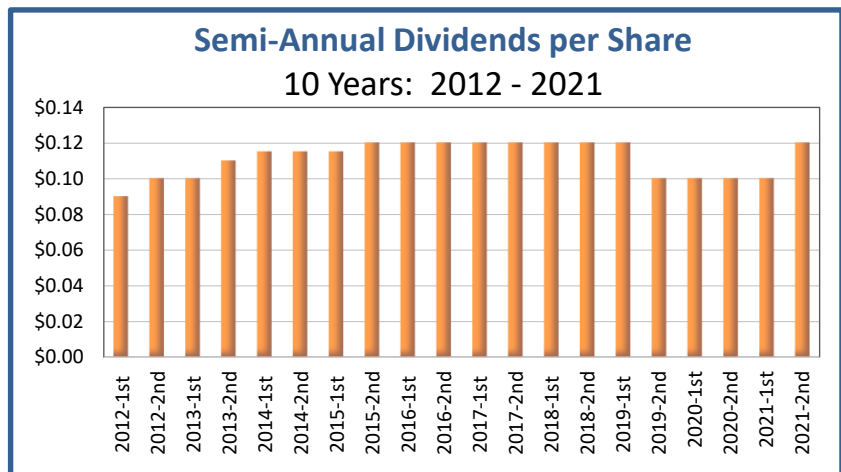
October 7, 2021

Dear Shareholders,

I am pleased to report that enclosed with this letter is the **second semi-annual dividend for 2021** in the amount of **twelve cents per share**. Together with the 10-cent per share dividend paid in April, **this equals a 5.0% annual dividend yield**. In a time of such low interest rates, we are particularly pleased to be able to provide a 5.0% dividend yield.

In addition to the dividend yield, your shares have also increased in value 3.6% over the past 12 months (Sep 2020 – Aug 2021). **Therefore, your stock's total return over the last twelve months has been 8.6%.**

[Financial Performance and Business Update as of 8/31/2021](#)



Net income: For the first 8 months of 2021, net income stands at \$958,000 (22.2 cents per share), which is a 45% increase over the net income of \$662,000 at this time last year. The primary factor improving our net income thus far this year is a \$314,000 (10%) increase in Total Net Investment Income, which is mostly a result of our increased loan production and higher loan portfolio so far this year.

Impact from the COVID-19 pandemic: You may naturally be wondering how the COVID-19 pandemic has affected the Company, now that it has been nearly 18 months since it began. The short answer is, it did cause some disruption in our lending last year, but it has fortunately not had any lasting negative impact on our Company's performance.

- We have not experienced an increase in life insurance claims due to COVID-19.
- Our investments have performed well, with no adverse impact resulting from the pandemic.
- The way we work has changed, with a mix of employees continuing to work from home, some working in the office every day, and some a combination between the two, depending on their responsibilities.

The wonderful thing about our business model is the vast majority of our assets are invested in loans secured by income-producing real estate. Furthermore, our current average loan is only 56% of the property's value securing the loans. Therefore, we have significant downside protection in the event that real estate prices decline or we have higher foreclosures. Our lending model has proven to be profitable during good times as well as bad times and we expect this to continue.

In conclusion: Even though the ultimate impact from the pandemic is still unknown, I have great confidence in our future and our ability to succeed, whatever the future may bring. If you have any questions about the Company, I welcome you to call me personally at 480-835-5000. I always appreciate the opportunity to talk with our shareholders. Thank you for your continued support!

Sincerely,



Byron Frihoff Allen, President

FORWARD-LOOKING STATEMENTS: Certain statements contained in this letter are forward-looking statements. Words such as “believe”, “anticipates”, “expects”, “intends”, “may”, “will” and similar expressions are intended to identify forward-looking statements but are not the exclusive means of identifying these statements. In addition, all statements other than statements of historical facts that address activities that the Company expects or anticipates will or may occur in the future are forward-looking statements. Forward-looking statements involve risk and uncertainties, which may cause actual results to differ materially from those in such statements.

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Key Financial Data

For the 8 months ending August 31, 2021 and August 31, 2020
(unaudited)

	Aug 31, 2021	Aug 31, 2020
Key Balance Sheet Data		
Total Assets	\$ 73,561,000	\$ 70,561,000
Total Loan Portfolio	\$ 44,316,000	\$ 40,434,000
Reserves for Life Ins, Annuities, \$ On Deposit	\$ 50,813,000	\$ 48,730,000
Total Shareholders Equity*	\$ 18,969,000	\$ 18,815,000
<i>*Note: Excluding the \$485,000 of stock bought back (tendered) over the past 12 months, Total Shareholders Equity has increased \$639,000 (15 cents per share) since 8/31/2020. This is in addition to the \$961,000 (22 cents per share) in dividends declared/paid during this time period.</i>		
Key Income Statement Data		
	Jan-Aug, 2021	Jan-Aug, 2020
Net Investment Income	\$ 3,480,000	\$ 3,166,000
Earnings Before Tax & Depreciation	\$ 1,250,000	\$ 900,000
Net Income	\$ 958,000	\$ 662,000
Key Per Share Data		
	Aug 31, 2021	Aug 31, 2020
Shareholders Equity per share	\$4.40	\$4.25
Year-to-date Net Income per share	\$0.22	\$0.15
Dividends per share (annual)	\$0.22	\$0.20

You can always stay informed of our current financial condition by going to the stockholders page on the Company website: www.AmericanSavingsLife.com/stock
It is updated monthly with current (unaudited) financial figures.