AMERICAN SAVINGS LIFE
INSURANCE COMPANY

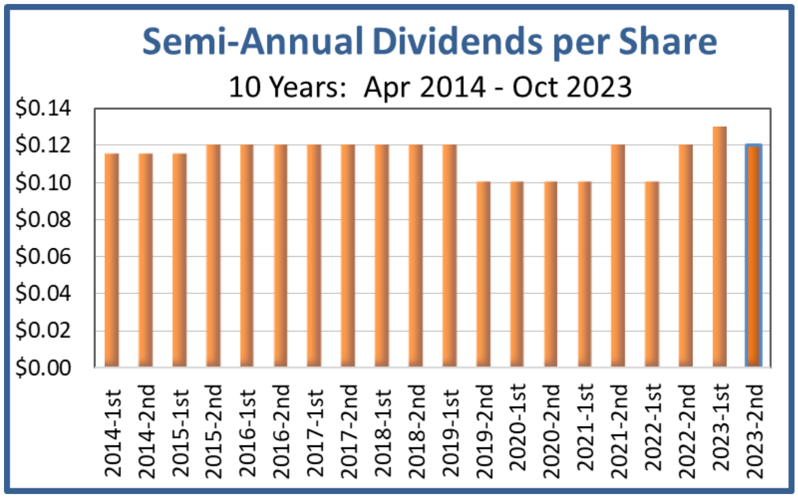
Founded 1954

October 10, 2023

Dear Shareholders,

I am pleased to report that enclosed with this letter is the **second semi-annual dividend for 2023,** in the amount of **twelve cents per share.** Together with the 13-cent per share dividend paid in April, **this equals a 5.4% annual dividend yield**.

In addition to the dividend yield, **your shares have also increased in value 3.2%** over the 12-month period from June 30, 2022 to June 30, 2023. **Therefore, your stock's total return over the last twelve months has been 8.6%**



Business Update as of 6/30/2023

Dividend: As you see on the graph, the October dividend of 12 cents per share is one cent per share lower than April's 13-cent dividend. This is because the Company's earnings for the first 6 months of 2023 are lower than expected. In spite of this reduction, total dividends per share for this year are higher than they have ever been.

Net income: For the first 6 months of 2023, net income stands at $650,000 (15.3 cents per share), which is a 28% decrease over the net income from the same period last year.

Comprehensive income: Comprehensive Income includes the unrealized gains or losses in our investment in common stocks. Last year, Comprehensive Income was lower than Net Income, while this year (as of 6/30), it is higher. In fact, during the first 6 months of last year, our stocks had unrealized losses; whereas, we have unrealized gains during the first half of this year. Thus, our 6/30/2023 Comprehensive Income is $852,000, which is 54% higher than the same period last year. Although unrealized gains (or losses) on our common stock investments are an important component of our long-term performance, they fluctuate too much to be meaningful for any given year's performance. For this reason, we emphasize Net Income more when comparing annual financial results.

Lending Performance: The reduction in our net income this year has been primarily due to a slowdown in our lending. We only originated $7.3 million in new loans during the first 6 months of 2023 (compared to $57 million in all of 2022). The slowdown in the commercial real estate market that was caused by the recent historic increases in interest rates has been a major challenge to our loan origination goals. ***Good news update*:** Since 6/30, our lending has picked up notably, with new loans of $13.3 million during the third quarter and the fourth quarter is on track to be an even stronger quarter.

Annuity Sales and Expanding Our Insurance Footprint: We have had a record $22.3 million in annuity premiums during the first half of 2023. The majority of these are 3- and 5-year deferred annuities. We are also in the process of applying to become admitted to sell life insurance and annuities in four more states (in addition to AZ and UT). This greater footprint will allow us to continue to grow our annuity and life insurance sales.

Impact of Higher Interest Rates: The higher interest rate environment has lowered transaction volumes and property prices across the commercial real estate industry. This in turn reduces lending volume. On the other hand, many banks and other lenders have scaled back their lending, which provides us opportunities to make high quality loans that would normally be considered "bankable." We also benefit from earning higher interest rates on our new loans and on the cash we hold, which helps increase our overall yield on invested assets.

Impact of Lower Commercial Real Estate Values: The higher interest rates have caused commercial real estate values to fall to varying degrees throughout the country. Our loan portfolio is now spread across 15 states and is well diversified across all major sectors of commercial real estate. We are valuing properties lower and lending more conservatively due to the uncertainty of future real estate values and the economy.

Impact of a Potential Recession: Most economists have been expecting a recession for the last 18 months or more. Our business practices anticipate these periodic downturns by being conservative in our operations (no debt and low overhead) and in our investments. Before we make a loan, we ask ourselves, "is this a property we would be happy to own during a recession?" Only if the answer is "yes" will we make the loan.

Performance of our Loan Portfolio: As of the date of this letter, we have only one small $245,000 loan that is delinquent, and it is in a special payment plan and has been consistently making payments to catch back up. We know from experience that this low delinquency rate cannot last forever. Eventually we will have loans go into default and even some into foreclosure, but we are confident that our loan portfolio will continue to perform well.

In conclusion: The wonderful thing about our business model is that most of our assets are invested in loans secured by income-producing real estate. Furthermore, our current average loan is 55% of the property's value securing the loans. This gives us significant downside protection, even in challenging market conditions. This formula has proven to be profitable during good times as well as bad, and we expect this to continue.

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. 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.

AMERICAN SAVINGS LIFE INSURANCE COMPANY

Key Financial Data

For the 6 months ending June 30, 2023 and June 30, 2022

(unaudited)

Key Balance Sheet Data	Jun 30, 2023	Jun 30, 2022
Total Assets	**$ 91,251,000**	$ 77,255,000
Total Loan Portfolio	**$ 60,619,000**	$ 48,664,000
Reserves for Life Ins, Annuities, & Deposit Accounts	**$ 68,907,000**	$ 55,353,000
Total Shareholders Equity*	**$ 20,221,000**	$ 19,773,000

**Note: Excluding the $196,000 of stock bought back (tendered) July 2022 to June 2023, Total Shareholders Equity has increased $643,000 (15 cents per share) since 6/30/2022. This is in addition to the $1,071,000 (25 cents per share) in dividends declared/paid during this time period.*

Key Income Statement Data	Jan-Jun, 2023	Jan-Jun, 2022
Net Investment Income	**$ 3,141,000**	$ 2,972,000
Earnings Before Tax & Depreciation	**$ 719,000**	$ 1,205,000
Net Income	**$ 650,000**	$ 908,000
Comprehensive Income Attributable to Shareholders**	**$ 852,000**	$ 554,000

**Note: Per GAAP accounting rules, Comprehensive Income Attributable to Shareholders includes the after-tax impact on Shareholders Equity of unrealized changes in the market value of our common stock investments, which = a $202,000 increase Jan-Jun 2023 (Jan-Jun 2022 saw a $354,000 decrease).*

Key Per Share Data	Jun 30, 2023	Jun 30, 2022
Shareholders Equity per share	**$4.75**	$4.60
Year-to-date Net Income per share	**$0.15**	$0.21
Year-to-date Comprehensive Income per share	**$0.20**	$0.13
Dividends per share (annual)	**$0.25**	$0.22

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 quarterly with unaudited financial figures.