



Dear Fellow Shareholder:

Our full year 2018 results are now on file with the SEC and available on our website under the Securities and Exchange Commission Filings. Here is a summary of our results:

During 2018 our assets increased from \$38,988,337 to \$44,528,989 - an increase of more than 14%!

Our shareholders' equity decreased from \$13,935,702 to \$12,632,666. The decrease was driven by a reduction in the market value of our invested assets, even though we intend to hold our investments to maturity. These reductions are expected to be temporary in nature. Absent these market value fluctuations, our shareholders' equity would have been \$15,513,533, an increase of 11%.

While revenues decreased from \$12,071,857 in 2017 to \$11,459,287 in 2018, it is important to remember our 2017 revenues contained a one-time revenue of \$3.9 million from our American Life policy acquisition. Our 2018 revenues contain a one-time bargain purchase gain of \$1.2 million related to our acquisition of US Alliance Life and Security Company-Montana. Absent these two one-time revenues, our 2018 revenues increased by \$2,101,336; 26% compared to 2017!

Our 2017 operational expenses were \$2,306,238 and \$3,120,524 in 2018. This increase was caused by several one-time events. Accounting rules required us to write off our software fixed assets, the actuarial and accounting fees increased, and Dakota Capital Life had a full year of expenses. Additionally, the integration of the American Life and Security block of business into our administration system was also a one-time expense. We estimate that without these expenses our operating expenses for 2018 would have been almost unchanged from 2017.

For 2016 our loss per share was \$0.24, our loss was \$0.18 per share in 2017, and for 2018 our loss per share was \$0.06; a decrease of 67%!

Our balance sheet is solid and we continue to look for new opportunities to accelerate our growth and march to profitability. We need your help to build your company. Every day we are stronger and better equipped to serve our customers and policyholders in North Dakota, Kansas, Oklahoma, Missouri, Nebraska, South Dakota, Wyoming and Montana.

These results are important. But most important is the future. Please help us by reviewing the products we offer. Please think of us when you think of your insurance needs and please think of us with your friends, neighbors, and small businesses. Together we can build a great company, but we need your help.

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Email: info@usalliancecorporation.com Website: usalliancecorporation.com Find us on Facebook, Instagram, and LinkedIn!

US Alliance Life & Security Company & Dakota Capital Life Insurance Company are members of the Better Business Bureau.

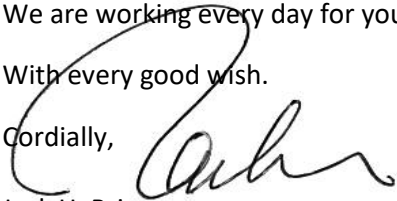


As always, you are welcome to contact me by emailing jack.brier@usalliancecorporation.com or calling our toll-free number (866) 953-4675.

We are working every day for you!

With every good wish.

Cordially,

A handwritten signature in black ink, appearing to read "Jack H. Brier". The signature is fluid and cursive, with a large initial "J" and "B".

Jack H. Brier
Chairman & Co-Founder
US Alliance Group of Companies