

For the year 2003

	Life	Health	Annuity	Investment	Other	Corporate Adjustments	Consolidated	
Revenue:								
Premium	\$1,310,373	\$1,034,031	\$31,379				\$2,375,783	
Net investment income				\$556,647		-\$3,674 ⁽¹⁾	552,973	
Other income					2,582	-1,763 ⁽⁴⁾	819	
Total revenue	1,310,373	1,034,031	31,379	556,647	2,582	0	2,929,575	
Expenses:								
Policy benefits	862,775	689,395	37,902				1,590,072	
Required interest on reserves	-294,670	-17,397	-39,110	351,177			0	
Amortization of acquisition costs	223,998	83,142	14,604				321,744	
Commissions and premium tax	75,308	93,789	246			-1,763 ⁽⁴⁾	167,580	
Required interest on acquisition costs	118,628	20,738	5,913	-145,279			0	
Insurance administrative expense (2)					131,314		131,314	
Parent expense						10,234	10,234	
Financing costs:								
Debt and preferred securities (3)				55,775			55,775	
Benefit from interest rate swaps				-26,306			-26,306	
Total expenses	986,039	869,667	19,555	235,367	131,314	10,234	2,250,413	
Segment profits (operating income)	<u>\$324,334</u>	<u>\$164,364</u>	<u>\$11,824</u>	<u>\$321,280</u>	<u>-\$128,732</u>	<u>-\$10,234</u>	<u>-\$3,674 ⁽¹⁾</u>	<u>\$679,162</u>
Deduct applicable income taxes							<u>-232,779</u>	
Segment profits after tax (net operating income)							446,383	
Add back income taxes applicable to segment profitability							232,779	
Add back financing costs - preferred securities (reported on Statement of Operations after tax) (3)							5,823	
Remove benefit from interest rate swaps (included in "Realized investment losses")							-26,306	
Deduct realized investment losses							-3,274	
Add non-recurring settlement from tax litigation							4,337	
Deduct non-recurring loss on sale of aircraft equipment							-807	
Pretax income per income statement							<u>\$658,935</u>	

(1) Tax equivalency adjustment

(2) Administrative expense is not allocated to insurance segments

(3) Investment segment includes preferred distributions, net of swap benefit, on a pretax basis

(4) Elimination of intersegment commission adjustment

For the year 2002

	<u>Life</u>	<u>Health</u>	<u>Annuity</u>	<u>Investment</u>	<u>Other</u>	<u>Corporate Adjustments</u>	<u>Consolidated</u>
Revenue:							
Premium	1,220,688	1,019,120	39,225				2,279,033
Net investment income				522,319		-3,701 ⁽¹⁾	518,618
Other income					3,906	-1,786 ⁽⁴⁾	2,120
Total revenue	<u>1,220,688</u>	<u>1,019,120</u>	<u>39,225</u>	<u>522,319</u>	<u>3,906</u>	<u>0</u>	<u>2,799,771</u>
Expenses:							
Policy benefits	815,356	673,890	34,828				1,524,074
Required interest on reserves	-279,309	-15,330	-37,119	331,758			0
Amortization of acquisition costs	206,424	72,643	18,443				297,510
Commissions and premium tax	68,622	101,164	341			-1,786 ⁽⁴⁾	168,341
Required interest on acquisition costs	111,587	19,266	8,098	-138,951			0
Insurance administrative expense (2)					124,605		124,605
Parent expense						10,523	10,523
Financing costs:							
Debt and preferred securities (3)				57,599			57,599
Benefit from interest rate swaps				-23,086			-23,086
Total expenses	<u>922,680</u>	<u>851,633</u>	<u>24,591</u>	<u>227,320</u>	<u>124,605</u>	<u>10,523</u>	<u>2,159,566</u>
Segment profits (operating income)	<u>\$298,008</u>	<u>\$167,487</u>	<u>\$14,634</u>	<u>\$294,999</u>	<u>-\$120,699</u>	<u>-\$10,523</u>	<u>-\$3,701 ⁽¹⁾</u>
Deduct applicable income taxes							<u>-216,596</u>
Segment profits after tax (net operating income)							423,609
Add back income taxes applicable to segment profitability							216,596
Add back financing costs - preferred securities (reported on Statement of Operations after tax) (3)							11,651
Remove benefit from interest rate swaps (included in "Realized investment losses")							-23,086
Deduct realized investment losses							<u>-38,722</u>
Pretax income per income statement							<u><u>590,048</u></u>

(1) Tax equivalency adjustment

(2) Administrative expense is not allocated to insurance segments

(3) Investment segment includes preferred distributions, net of swap benefit, on a pretax basis

(4) Elimination of intersegment commission adjustment