

**Torchmark Corporation**  
 Excess Investment Income  
 (\$ in Millions, Except Per Share)

|  | <u>9/30/04</u>    | <u>9/30/03</u>    |                          | <u>3Q'04</u>  | <u>3Q'03</u>  | <u>%<br/>Increase</u> |
|--|-------------------|-------------------|--------------------------|---------------|---------------|-----------------------|
| Invested Assets<br>(Bonds at amortized cost) | \$8,391           | \$7,896           | Net Investment Income    | \$145.2       | \$138.3       | 5%                    |
|  |                   |                   | Interest Expense:        |               |               |                       |
| Net Policy Liabilities                       | 4,147             | 3,869             | Net Policy Liabilities   | 53.9          | 51.5          | 5%                    |
| Debt   | 815               | 852               | Debt                     | 14.0          | 13.9          | 0%                    |
|  | <u>          </u> | <u>          </u> | Swaps                    | <u>-6.6</u>   | <u>-6.7</u>   |                       |
| Total Int. Bearing Liabilities               | 4,962             | 4,721             | Total                    | 61.3          | 58.7          | 4%                    |
|  |                   |                   | Excess Investment Income | <u>\$83.9</u> | <u>\$79.6</u> | <u>5%</u>             |
| Equity Assets                                | <u>\$3,429</u>    | <u>\$3,175</u>    | Per Share                | <u>\$0.76</u> | <u>\$0.70</u> | <u>9%</u>             |