

## Reconciliation of Segment Operating Information to the Consolidated Statement of Operations

For the three months ended March 31, 2005

	Life	Health	Annuity	Investment	Other	Corporate	Adjustments	Consolidated
Revenue:								
Premium	\$363.3	\$267.3	\$6.1					\$636.7
Net investment income				\$149.1			\$0.0	149.1
Other income					\$0.6		-0.4 <sup>(2)</sup>	0.2
Total revenue	363.3	267.3	6.1	149.1	0.6	0.0	-0.4	786.0
Expenses:								
Policy benefits	240.3	177.2	6.7					424.2
Required interest on reserves	-83.0	-5.0	-7.7	95.7				0.0
Amortization of acquisition costs	95.0	30.3	4.2	-40.8				88.7
Commissions and premium tax	18.2	19.4	0.0				-0.4 <sup>(2)</sup>	37.2
Insurance administrative expense (1)					36.1			36.1
Parent expense						2.9		2.9
Financing costs:								
Debt				14.7			0.0	14.7
Benefit from interest rate swaps				-2.9				-2.9
Total expenses	270.5	221.9	3.2	66.7	36.1	2.9	-0.4	600.9
Measure of segment profitability (pretax operating income)	<u>\$92.8</u>	<u>\$45.4</u>	<u>\$2.9</u>	<u>\$82.4</u>	<u>-\$35.5</u>	<u>-\$2.9</u>	<u>\$0.0</u>	\$185.1
Deduct applicable income taxes								<u>-64.1</u>
Segment profits after tax (net operating income)								121.0
Add back income taxes applicable to segment profitability								64.1
Remove benefit from interest rate swaps (included in "Realized investment gains (losses)")								-2.9
Add (deduct) realized investment gains (losses)								-3.1
Pretax income per "Consolidated Statement of Operations"								<u>\$179.1</u>

(1) Administrative expense is not allocated to insurance segments

(2) Elimination of intersegment commission

## Reconciliation of Segment Operating Information to the Consolidated Statement of Operations

For the three months ended March 31, 2004

	Life	Health	Annuity	Investment	Other	Corporate	Adjustments	Consolidated
Revenue:								
Premium	\$343.1	\$270.2	\$7.1					\$620.4
Net investment income				\$141.6			\$0.1 (1)	141.7
Other income					\$0.4		-0.3 (3)	0.1
Total revenue	343.1	270.2	7.1	141.6	0.4	0.0	-0.2	762.2
Expenses:								
Policy benefits	226.9	178.7	6.9					412.5
Required interest on reserves	-77.8	-4.7	-7.6	90.2			-0.1 (4)	0.0
Amortization of acquisition costs	90.5	27.8	4.4	-38.1				84.6
Commissions and premium tax	18.9	23.3	0.0				-0.3 (3)	41.9
Insurance administrative expense (2)					34.8			34.8
Parent expense						2.5		2.5
Financing costs:								
Debt				13.9			0.1 (1)	14.0
Benefit from interest rate swaps				-6.7				-6.7
Total expenses	258.5	225.1	3.7	59.3	34.8	2.5	-0.3	583.6
Measure of segment profitability (pretax operating income)	\$84.6	\$45.1	\$3.4	\$82.3	-\$34.4	-\$2.5	\$0.1 (4)	\$178.6
Deduct applicable income taxes								-61.5
Segment profits after tax (net operating income)								117.1
Add back income taxes applicable to segment profitability								61.5
Remove benefit from interest rate swaps (included in "Realized investment gains (losses)")								-6.7
Add (deduct) realized investment gains (losses)								10.3
Pretax income per "Consolidated Statement of Operations"								\$182.2

(1) Reclassification of interest amount due to adoption of FIN46R (accounting rule requiring deconsolidation of Trust Preferred Securities).

(2) Administrative expense is not allocated to insurance segments

(3) Elimination of intersegment commission

(4) Rounding

## Analysis of Profitability by Segment

(Dollar amounts in millions)

	Three months ended March 31,		Increase (Decrease)	
	<u>2005</u>	<u>2004</u>	<u>Amount</u>	<u>%</u>
Life insurance	\$92.8	\$84.6	\$8.2	10
Health insurance	45.4	45.1	0.3	1
Annuity	2.9	3.4	-0.5	-14
Other insurance:				
Other income	0.6	0.4	0.2	40
Administrative expense	-36.1	-34.8	-1.3	4
Investment	82.4	82.3	0.1	0
Corporate and adjustments	<u>-2.9</u>	<u>-2.4</u>	<u>-0.5</u>	18
Pretax total (pretax operating income)	185.1	178.6	6.5	4
Applicable taxes	<u>-64.1</u>	<u>-61.5</u>	<u>-2.6</u>	4
After-tax total (net operating income)	121.0	117.1	3.9	3
Remove benefit from interest rate swaps (after tax) from Investment Segment	-1.9	-4.3	2.4	
Realized gains (losses) (after tax)	-1.3	6.7	-8.0	
Change in accounting principle (after tax)	<u>0.0</u>	<u>-7.1</u>	<u>7.1</u>	
Net Income	<u><u>\$117.8</u></u>	<u><u>\$112.4</u></u>	<u><u>\$5.4</u></u>	<u><u>5</u></u>