

TORCHMARK CORPORATION
CONSOLIDATED STATEMENT OF OPERATIONS
(Unaudited and in thousands except per share data)

	3 Months Ended June 30,		6 Months Ended June 30,	
	2005	2004	2005	2004
Revenues:				
Life premium	\$370,466	\$350,592	\$733,749	\$693,702
Health premium	252,878	263,482	520,188	533,712
Other premium	6,273	6,961	12,387	14,032
Total premium	629,617	621,035	1,266,324	1,241,446
Net investment income	150,620	144,002	299,796	285,727
Realized investment gains (losses)	10,703	-1,144	7,575	9,184
Other income	13,857	66	14,096	144
Total revenue	804,797	763,959	1,587,791	1,536,501
Benefits and expenses:				
Life policyholder benefits	245,622	234,102	485,898	461,030
Health policyholder benefits	165,734	173,501	342,933	352,197
Other policyholder benefits	6,728	7,044	13,426	13,943
Total policyholder benefits	418,084	414,647	842,257	827,170
Amortization of deferred acquisition costs	88,399	84,036	177,121	168,644
Commissions and premium taxes	37,229	39,963	74,422	81,897
Insurance G&A	40,767	35,553	76,901	70,325
Parent expense	2,422	2,448	5,321	4,910
Interest expense	15,350	14,078	30,086	28,085
Total benefits and expenses	602,251	590,725	1,206,108	1,181,031
Pretax operating income	202,546	173,234	381,683	355,470
Income taxes	-70,181	-56,673	-131,475	-119,395
Change in accounting standard, net of tax	0	0	0	-7,163
Net income	\$132,365	\$116,561	\$250,208	\$228,912
Basic net income per share	\$1.26	\$1.05	\$2.37	\$2.05
Diluted net income per share	\$1.25	\$1.04	\$2.34	\$2.02