

**Reconciliation of Segment Operating Information to the Consolidated Statement of Operations**  
(Dollar amounts in thousands)

For the nine months ended September 30, 2005

	Life	Health	Annuity	Investment	Other & Corporate	Adjustments	Consolidated
Revenue:							
Premium	\$1,099,561	\$768,866	\$18,454				\$1,886,881
Net investment income				\$450,646		\$270 <sup>(1)</sup>	450,916
Other income					\$1,933	12,416 <sup>(3,4)</sup>	14,349
Total revenue	1,099,561	768,866	18,454	450,646	1,933	12,686	2,352,146
Expenses:							
Policy benefits	726,529	506,196	20,415				1,253,140
Required interest on reserves	-254,608	-15,397	-22,733	292,738			0
Amortization of acquisition costs	289,074	87,416	11,462	-124,837			263,115
Commissions and premium tax	56,387	56,116	40			-1,067 <sup>(3)</sup>	111,476
Insurance administrative expense (2)					109,061	4,000 <sup>(4)</sup>	113,061
Parent expense					7,579		7,579
Financing costs:							
Debt				45,097		270 <sup>(1)</sup>	45,367
Benefit from interest rate swaps				-6,571			-6,571
Total expenses	817,382	634,331	9,184	206,427	116,640	3,203	1,787,167
Subtotal	282,179	134,535	9,270	244,219	-114,707	9,483	564,979
Net proceeds from legal settlements						-9,483 <sup>(4)</sup>	-9,483
Measure of segment profitability (pretax operating income)	<u>\$282,179</u>	<u>\$134,535</u>	<u>\$9,270</u>	<u>\$244,219</u>	<u>-\$114,707</u>	<u>\$0</u>	\$555,496
Deduct applicable income taxes							-191,765
Segment profits after tax (net operating income)							363,731
Add back income taxes applicable to segment profitability							191,765
Remove benefit from interest rate swaps (included in "Realized investment gains (losses)")							-6,571
Add (deduct) realized investment gains (losses)							4,667
Add net proceeds from legal settlements							9,483
Pretax income per "Consolidated Statement of Operations"							<u>\$563,075</u>

(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, \$1,067 thousand

(4) Legal settlements

**Reconciliation of Segment Operating Information to the Consolidated Statement of Operations**  
(Dollar amounts in thousands)

For the nine months ended September 30, 2004

	Life	Health	Annuity	Investment	Other & Corporate Adjustments	Consolidated
<b>Revenue:</b>						
Premium	\$1,043,516	\$793,342	\$20,577			\$1,857,435
Net investment income				\$430,712	\$270 <sup>(1)</sup>	430,982
Other income					\$1,317	209
Total revenue	1,043,516	793,342	20,577	430,712	1,317	2,288,626
<b>Expenses:</b>						
Policy benefits	691,836	525,964	21,083			1,238,883
Required interest on reserves	-237,380	-14,523	-23,819	275,722		0
Amortization of acquisition costs	274,717	88,268	13,060	-116,512		259,533
Commissions and premium tax	54,511	59,116	65		-1,108 <sup>(3)</sup>	112,584
Insurance administrative expense (2)					105,611	105,611
Parent expense					7,019	7,019
<b>Financing costs:</b>						
Debt				41,870	270 <sup>(1)</sup>	42,140
Benefit from interest rate swaps				-19,771		-19,771
Total expenses	783,684	658,825	10,389	181,309	112,630	1,745,999
Measure of segment profitability (pretax operating income)	\$259,832	\$134,517	\$10,188	\$249,403	-\$111,313	\$542,627
Deduct applicable income taxes						-186,920
Segment profits after tax (net operating income)						355,707
Add back income taxes applicable to segment profitability						186,920
Remove benefit from interest rate swaps (included in "Realized investment gains (losses)")						-19,771
Add (deduct) realized investment gains (losses)						22,074
Pretax income per "Consolidated Statement of Operations"						\$544,930

(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, \$1,108 thousand

## Analysis of Profitability by Segment

(Dollar amounts in thousands)

	Nine months ended September 30,		Increase (Decrease)	
	<u>2005</u>	<u>2004</u>	<u>Amount</u>	<u>%</u>
Life insurance	\$282,179	\$259,832	\$22,347	9
Health insurance	134,535	134,517	18	0
Annuity	9,270	10,188	-918	-9
Other insurance:				
Other income	1,933	1,317	616	47
Administrative expense	-109,061	-105,611	-3,450	3
Investment	244,219	249,403	-5,184	-2
Corporate and adjustments	<u>-7,579</u>	<u>-7,019</u>	<u>-560</u>	<u>8</u>
Pretax total (pretax operating income)	555,496	542,627	12,869	2
Applicable taxes	<u>-191,765</u>	<u>-186,920</u>	<u>-4,845</u>	<u>3</u>
After-tax total (net operating income)	363,731	355,707	8,024	2
Remove benefit from interest rate swaps (after tax) from Investment Segment	-4,271	-12,851	8,580	
Realized gains (losses) (after tax)	3,630	14,348	-10,718	
Tax refund (after tax)	0	3,003	-3,003	
Change in accounting principle (after tax)	0	-7,163	7,163	
Net proceeds from legal settlements (after tax)	<u>6,164</u>	<u>0</u>	<u>6,164</u>	
Net Income	<u><u>\$369,254</u></u>	<u><u>\$353,044</u></u>	<u><u>\$16,210</u></u>	<u><u>5</u></u>