

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

	3 Months Ended	
	March 31,	
	2008	2007
Revenues:		
Life premium	\$402,948	\$391,468
Health premium	303,664	335,278
Other premium	3,981	5,066
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Total premium	710,593	731,812
Net investment income	166,903	162,580
Realized investment gains (losses)	-6,964	10,049
Other income	1,901	1,534
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Total revenue	872,433	905,975
Benefits and expenses:		
Life policyholder benefits	267,285	260,389
Health policyholder benefits	219,375	237,347
Other policyholder benefits	7,741	6,740
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Total policyholder benefits	494,401	504,476
Amortization of deferred acquisition costs	98,638	97,226
Commissions and premium taxes	38,735	39,840
Insurance G&A	41,902	39,011
Parent expense	1,659	1,826
Stock compensation expense	2,496	2,044
Interest expense	16,172	17,257
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Total benefits and expenses	694,003	701,680
Income before income taxes	178,430	204,295
Income taxes	-60,257	-69,104
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Net income	<u>\$118,173</u>	<u>\$135,191</u>
Basic net income per share	<u>\$1.30</u>	<u>\$1.39</u>
Diluted net income per share	<u>\$1.29</u>	<u>\$1.37</u>