

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

	3 Months Ended June 30,		6 Months Ended June 30,	
	2008	2007	2008	2007
Revenues:				
Life premium	\$406,492	\$392,290	\$809,440	\$783,758
Health premium	289,084	317,754	592,748	653,032
Other premium	3,828	5,353	7,809	10,419
 Total premium	 699,404	 715,397	 1,409,997	 1,447,209
 Net investment income	 167,826	 160,729	 334,729	 323,309
Realized investment gains (losses)	-7,698	-2,828	-14,662	7,221
Other income	960	3,271	2,861	4,805
 Total revenue	 860,492	 876,569	 1,732,925	 1,782,544
 Benefits and expenses:				
Life policyholder benefits	273,917	262,114	541,202	522,503
Health policyholder benefits	199,257	219,657	418,632	457,004
Other policyholder benefits	8,224	7,505	15,965	14,245
 Total policyholder benefits	 481,398	 489,276	 975,799	 993,752
 Amortization of deferred acquisition costs	 97,634	 97,354	 196,272	 194,580
Commissions and premium taxes	38,069	39,155	76,804	78,995
Insurance G&A	38,189	37,432	80,091	76,443
Parent expense	2,693	2,528	4,352	4,354
Stock compensation expense	3,085	2,246	5,581	4,290
Interest expense	14,818	16,541	30,990	33,798
 Total benefits and expenses	 675,886	 684,532	 1,369,889	 1,386,212
 Income before income taxes	 184,606	 192,037	 363,036	 396,332
 Income taxes	 -50,880	 -64,920	 -111,137	 -134,024
 Net income	 \$133,726	 \$127,117	 \$251,899	 \$262,308
 Basic net income per share	 \$1.49	 \$1.34	 \$2.79	 \$2.73
 Diluted net income per share	 \$1.47	 \$1.32	 \$2.76	 \$2.68