

## Analysis of Profitability by Segment

(Dollar amounts in thousands)

	Twelve months ended December 31,		Increase (Decrease)	
	<u>2008</u>	<u>2007</u>	<u>Amount</u>	<u>%</u>
Life insurance	\$431,775	\$417,038	\$14,737	4
Health insurance	194,711	208,254	-13,543	-7
Annuity	-6,423	9,337	-15,760	-169
Other insurance:				
Other income	4,154	4,313	-159	-4
Administrative expense	-159,283	-154,552	-4,731	3
Investment	328,141	323,762	4,379	1
Corporate and adjustments	-21,278	-17,921	-3,357	19
	<u>771,797</u>	<u>790,231</u>	<u>-18,434</u>	<u>-2</u>
Pretax total (pretax operating income)				
Applicable taxes	-258,510	-268,118	9,608	-4
	<u>513,287</u>	<u>522,113</u>	<u>-8,826</u>	<u>-2</u>
After-tax total (net operating income)				
Reconciling items, net of tax:				
Realized gains (losses)	-69,878	1,777	-71,655	
Tax settlements	10,823	1,149	9,674	
Net proceeds (costs) from legal settlements	-770	-272	-498	
Gain on sale of agency buildings	181	2,768	-2,587	
Loss on company occupied property	-1,384	0	-1,384	
	<u>\$452,259</u>	<u>\$527,535</u>	<u>-\$75,276</u>	<u>-14</u>
Net Income				