

Analysis of Profitability by Segment

(Dollar amounts in thousands)

	Three months ended March 31,		Increase (Decrease)	
	<u>2009</u>	<u>2008</u>	<u>Amount</u>	<u>%</u>
Life insurance	\$110,470	\$107,575	\$2,895	3
Health insurance	45,584	50,403	-4,819	-10
Annuity	-4,096	1,125	-5,221	-464
Other insurance:				
Other income	666	847	-181	-21
Administrative expense	-39,417	-39,773	356	-1
Investment	80,161	83,427	-3,266	-4
Corporate and adjustments	-4,373	-4,155	-218	5
	<u>188,995</u>	<u>199,449</u>	<u>-10,454</u>	<u>-5</u>
Pretax total (pretax operating income)				
Applicable taxes	-63,740	-67,614	3,874	-6
	<u>125,255</u>	<u>131,835</u>	<u>-6,580</u>	<u>-5</u>
After-tax total (net operating income)				
Reconciling items, net of tax:				
Realized gains (losses)	-41,045	-4,526	-36,519	
Part D adjustment	-10,663	-8,626	-2,037	
Tax settlements	3,159	0	3,159	
Net proceeds (costs) from legal settlements	0	862	-862	
Gain on sale of agency buildings	0	12	-12	
Loss on Company-occupied property	0	-1,384	1,384	
	<u>\$76,706</u>	<u>\$118,173</u>	<u>-\$41,467</u>	<u>-35</u>
Net Income				