

TORCHMARK CORPORATION

Summary of Net Realized Investment Losses (In thousands)

	<u>Qtr Ended</u> <u>03/31/2009</u>	<u>Qtr Ended</u> <u>06/30/2009</u>	<u>YTD</u> <u>06/30/2009</u>
Realized Gain (Loss), Before Tax	114	8,477	8,591
Impairments, Before Tax	-46,409	-38,106	-84,515
Capital Gain (Loss), Before Tax	(A) <u>-46,295</u>	<u>-29,629</u>	<u>-75,924</u>
Income taxes:			
Tax benefit @ 35%	\$16,203	\$10,369	\$26,572
Valuation allowance on deferred tax assets	<u>-10,953</u>	<u>7,503</u>	<u>-3,450</u>
Net income tax benefit	(B) <u>\$5,250</u>	<u>\$17,872</u>	<u>\$23,122</u>
Capital Gain (Loss), Net of Tax	(A) + (B) <u><u>-\$41,045</u></u>	<u><u>-\$11,757</u></u>	<u><u>-\$52,802</u></u>
Effective tax rate	(B)/(A) 11.34%	60.32%	30.45%

Detail of Impairments:

	<u>Book</u>	<u>Market</u> <u>Value</u>	<u>Pre Tax</u> <u>Realized</u> <u>Loss</u>
US Capital Funding (CDO)	\$9,379	\$2,787	-\$6,592
Alesco Preferred Funding (CDO)	20,155	2,292	-15,301
Clear Channel Communications	12,077	2,482	-9,595
US Freightways Corp	<u>10,518</u>	<u>3,900</u>	<u>-6,618</u>
Total Impairments	\$52,129	\$11,461	-\$38,106