

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

	<b>3 Months Ended</b>	
	<b>March 31,</b>	
	<b>2011</b>	<b>2010</b>
<b>Revenues:</b>		
Life premium	\$430,657	\$413,926
Health premium	249,106	256,866
Other premium	138	152
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Total premium	679,901	670,944
Net investment income	171,647	167,111
Realized investment gains (losses)	-22,723	8,973
Other-than-temporary impairments	0	-1,712
Portion recognized in other comprehensive income	0	0
Other income	447	362
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Total revenue	829,272	845,678
<b>Benefits and expenses:</b>		
Life policyholder benefits	278,339	269,311
Health policyholder benefits	175,270	189,545
Other policyholder benefits	10,518	10,078
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Total policyholder benefits	464,127	468,934
Amortization of deferred acquisition costs	107,788	109,602
Commissions and premium taxes	31,898	31,479
Insurance G&A	44,718	37,074
Parent expense	2,425	2,562
Stock compensation expense	3,044	3,036
Interest expense	19,460	18,937
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Total benefits and expenses	673,460	671,624
Income before income taxes	155,812	174,054
Income taxes	-49,680	-58,661
Discontinued operations, net of tax	0	5,963
Discontinued operations - realized gains (losses), net of tax	0	320
Loss on disposition of discontinued operations, net of tax	-599	0
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<b>Net income</b>	<b>\$105,533</b>	<b>\$121,676</b>
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<b>Basic net income per share</b>	<b>\$1.36</b>	<b>\$1.47</b>
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<b>Diluted net income per share</b>	<b>\$1.33</b>	<b>\$1.46</b>
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