

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

	3 Months Ended September 30,		9 Months Ended September 30,	
	2011	2010	2011	2010
Revenues:				
Life premium	\$429,927	\$417,044	\$1,294,157	\$1,248,315
Health premium	220,458	240,631	708,181	749,583
Other premium	140	152	438	442
Total premium	650,525	657,827	2,002,776	1,998,340
Net investment income	173,491	172,337	518,242	510,060
Realized investment gains (losses)	12,600	8,045	21,149	12,016
Other-than-temporary impairments	0	0	0	-1,712
Portion recognized in other comprehensive income	0	0	0	0
Other income	625	679	1,680	1,757
Total revenue	837,241	838,888	2,543,847	2,520,461
Benefits and expenses:				
Life policyholder benefits	280,172	269,069	836,358	809,109
Health policyholder benefits	147,910	154,011	489,603	516,873
Other policyholder benefits	10,692	10,434	31,634	30,643
Total policyholder benefits	438,774	433,514	1,357,595	1,356,625
Amortization of deferred acquisition costs	104,804	104,045	319,344	318,498
Commissions and premium taxes	30,063	31,072	93,396	94,592
Insurance G&A	39,887	38,413	124,775	114,922
Parent expense	1,351	1,965	6,162	7,128
Stock compensation expense	4,030	2,776	11,032	9,070
Interest expense	19,510	18,790	58,381	56,539
Total benefits and expenses	638,419	630,575	1,970,685	1,957,374
Income before income taxes	198,822	208,313	573,162	563,087
Income taxes	-61,911	-70,216	-181,179	-189,749
Discontinued operations, net of tax	0	6,059	0	18,531
Discontinued operations - realized gains (losses), net of tax	0	1,460	0	1,472
Loss on disposition of discontinued operations, net of tax	144	-31,085	-455	-31,085
Net income	\$137,055	\$114,531	\$391,528	\$362,256
Basic net income per share	\$1.31	\$0.95	\$3.54	\$2.95
Diluted net income per share	\$1.30	\$0.94	\$3.49	\$2.93