

## Analysis of Profitability by Segment

(Dollar amounts in thousands)

	Nine months ended September 30,		Increase (Decrease)	
	<u>2011</u>	<u>2010</u>	<u>Amount</u>	<u>%</u>
Life insurance	\$364,858	\$340,385	\$24,473	7
Health insurance	121,626	126,078	-4,452	-4
Annuity	1,865	983	882	
Other insurance:				
Other income	1,953	2,324	-371	-16
Administrative expense	-117,796	-114,922	-2,874	3
Investment	220,375	221,138	-763	0
Corporate and adjustments	<u>-17,194</u>	<u>-16,198</u>	<u>-996</u>	<u>6</u>
Pretax total (pretax operating income from continuing operations)	575,687	559,788	15,899	3
Applicable taxes	<u>-189,121</u>	<u>-188,594</u>	<u>-527</u>	<u>0</u>
After-tax total (net operating income from continuing operations)	386,566	371,194	15,372	4
Discontinued Operations (after tax)	<u>0</u>	<u>18,531</u>	<u>-18,531</u>	
After-tax total (net operating income from all operations)	386,566	389,725	-3,159	-1
Reconciling items, net of tax:				
Realized gains (losses) - Investments	13,747	6,697	7,050	
Realized gains (losses) - Discontinued operations	0	1,472	-1,472	
Loss on disposal of discontinued operations	-455	-31,085	30,630	
Part D adjustment	-3,794	-4,553	759	
State administrative settlement	-3,900	0	-3,900	
Loss on sale of equipment	<u>-636</u>	<u>0</u>	<u>-636</u>	
Net Income	<u><u>\$391,528</u></u>	<u><u>\$362,256</u></u>	<u><u>\$29,272</u></u>	<u><u>8</u></u>