

**TORCHMARK CORPORATION**

Life Annualized Premium In Force Rollforward and Lapse Rates

(In Thousands)

	4Q 2011		3Q 2011		2Q 2011		1Q 2011		4Q 2010		3Q 2010	
	\$	Lapse Rate	\$	Lapse Rate	\$	Lapse Rate	\$	Lapse Rate	\$	Lapse Rate	\$	Lapse Rate
<b>American Income Life</b>												
Beginning of Qtr	\$ 628,935		\$ 620,954		\$ 606,870		\$ 596,583		\$ 585,373		\$ 575,049	
Net Sales	36,520		36,248		36,160		32,865		32,843		33,541	
Lapses												
First Year	(10,072)	8.73%	(10,816)	9.56%	(10,145)	9.23%	(10,670)	9.63%	(11,693)	10.47%	(13,196)	11.63%
Renewal Year	(12,994)	2.56%	(12,524)	2.50%	(12,233)	2.51%	(12,658)	2.66%	(12,512)	2.69%	(12,045)	2.66%
	(23,067)	3.70%	(23,340)	3.80%	(22,377)	3.74%	(23,328)	3.97%	(24,205)	4.20%	(25,242)	4.46%
Deaths and Other *	415		(4,927)		301		750		2,572		2,025	
End of Qtr	<u>\$ 642,803</u>		<u>\$ 628,935</u>		<u>\$ 620,954</u>		<u>\$ 606,870</u>		<u>\$ 596,583</u>		<u>\$ 585,373</u>	
<b>Direct Response</b>												
Beginning of Qtr	\$ 627,965		\$ 629,273		\$ 616,925		\$ 602,593		\$ 602,938		\$ 607,111	
Net Sales	33,166		30,590		36,741		36,166		30,626		31,705	
Lapses												
First Year	(15,282)	17.50%	(16,733)	18.47%	(12,093)	13.50%	(12,896)	14.88%	(15,923)	17.99%	(17,628)	19.11%
Renewal Year	(13,301)	2.66%	(12,986)	2.62%	(11,805)	2.42%	(13,023)	2.72%	(13,022)	2.74%	(13,346)	2.84%
	(28,584)	4.86%	(29,719)	5.07%	(23,899)	4.14%	(25,919)	4.58%	(28,945)	5.13%	(30,974)	5.50%
Deaths and Other *	(2,503)		(2,179)		(494)		4,085		(2,026)		(4,904)	
End of Qtr	<u>\$ 630,044</u>		<u>\$ 627,965</u>		<u>\$ 629,273</u>		<u>\$ 616,925</u>		<u>\$ 602,593</u>		<u>\$ 607,111</u>	
<b>Liberty National</b>												
Beginning of Qtr	\$ 305,626		\$ 307,716		\$ 308,096		\$ 310,475		\$ 312,454		\$ 314,076	
Net Sales	8,333		8,790		9,772		9,443		10,776		11,398	
Lapses												
First Year	(3,725)	9.94%	(3,639)	9.26%	(3,393)	8.39%	(4,074)	9.68%	(4,596)	10.47%	(5,209)	11.63%
Renewal Year	(6,567)	2.46%	(6,306)	2.36%	(6,246)	2.34%	(7,416)	2.77%	(6,839)	2.55%	(7,037)	2.62%
	(10,292)	3.39%	(9,945)	3.25%	(9,638)	3.14%	(11,489)	3.71%	(11,435)	3.67%	(12,245)	3.91%
Deaths and Other *	(1,178)		(935)		(514)		(333)		(1,320)		(775)	
End of Qtr	<u>\$ 302,489</u>		<u>\$ 305,626</u>		<u>\$ 307,716</u>		<u>\$ 308,096</u>		<u>\$ 310,475</u>		<u>\$ 312,454</u>	

\* Include foreign exchange adjustments, changes in coverage and timing differences