

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

	<b>3 Months Ended</b>	
	<b>March 31,</b>	
	<u><b>2012</b></u>	<u><b>2011</b></u>
<b>Revenues:</b>		
Life premium	\$451,878	\$430,657
Health premium	266,444	249,106
Other premium	153	138
	<u>718,475</u>	<u>679,901</u>
Total premium		
Net investment income	174,121	171,647
Realized investment gains (losses)	5,006	-22,723
Other-than-temporary impairments	0	0
Portion recognized in other comprehensive income	0	0
Other income	321	447
	<u>897,923</u>	<u>829,272</u>
Total revenue		
<b>Benefits and expenses:</b>		
Life policyholder benefits	290,688	278,338
Health policyholder benefits	211,092	175,270
Other policyholder benefits	10,867	10,519
	<u>512,647</u>	<u>464,127</u>
Total policyholder benefits		
Amortization of deferred acquisition costs	96,498	92,463
Commissions and premium taxes	50,756	55,518
Insurance G&A	40,570	44,718
Parent expense	1,921	2,425
Stock compensation expense	5,625	3,044
Interest expense	19,671	19,460
	<u>727,688</u>	<u>681,755</u>
Total benefits and expenses		
Income before income taxes	170,235	147,517
Income taxes	-51,558	-46,777
Loss on disposition of discontinued operations, net of tax	0	-599
	<u>118,677</u>	<u>100,141</u>
<b>Net income</b>		
	<u><u>\$1.19</u></u>	<u><u>\$0.86</u></u>
<b>Basic net income per share</b>		
	<u><u>\$1.17</u></u>	<u><u>\$0.84</u></u>
<b>Diluted net income per share</b>		