

TORCHMARK CORPORATION
Life Annualized Premium In Force Rollforward and Lapse Rates
(In Thousands)

	1Q 2012		4Q 2011		3Q 2011		2Q 2011		1Q 2011	
	\$	Lapse Rate	\$	Lapse Rate	\$	Lapse Rate	\$	Lapse Rate	\$	Lapse Rate
American Income Life										
Beginning of Qtr	\$ 642,803		\$ 628,935		\$ 620,954		\$ 606,870		\$ 596,583	
Net Sales	38,589		36,520		36,248		36,160		32,865	
Lapses										
First Year	(9,868)	8.34%	(10,072)	8.73%	(10,816)	9.56%	(10,145)	9.23%	(10,670)	9.63%
Renewal Year	(12,507)	2.38%	(12,994)	2.56%	(12,524)	2.50%	(12,233)	2.51%	(12,658)	2.66%
	<u>(22,374)</u>	3.48%	<u>(23,067)</u>	3.70%	<u>(23,340)</u>	3.80%	<u>(22,377)</u>	3.74%	<u>(23,328)</u>	3.97%
Deaths and Other *	3,031		415		(4,927)		301		750	
End of Qtr	<u>\$ 662,049</u>		<u>\$ 642,803</u>		<u>\$ 628,935</u>		<u>\$ 620,954</u>		<u>\$ 606,870</u>	
Direct Response										
Beginning of Qtr	\$ 630,044		\$ 627,965		\$ 629,273		\$ 616,925		\$ 602,593	
Net Sales	39,368		33,166		30,590		36,741		36,166	
Lapses										
First Year	(12,645)	14.38%	(15,282)	17.50%	(16,733)	18.47%	(12,093)	13.50%	(12,896)	14.88%
Renewal Year	(12,563)	2.49%	(13,301)	2.66%	(12,986)	2.62%	(11,805)	2.42%	(13,023)	2.72%
	<u>(25,208)</u>	4.26%	<u>(28,584)</u>	4.86%	<u>(29,719)</u>	5.07%	<u>(23,899)</u>	4.14%	<u>(25,919)</u>	4.58%
Deaths and Other *	5,305		(2,503)		(2,179)		(494)		4,085	
End of Qtr	<u>\$ 649,509</u>		<u>\$ 630,044</u>		<u>\$ 627,965</u>		<u>\$ 629,273</u>		<u>\$ 616,925</u>	
Liberty National										
Beginning of Qtr	\$ 302,489		\$ 305,626		\$ 307,716		\$ 308,096		\$ 310,475	
Net Sales	7,401		8,333		8,790		9,772		9,443	
Lapses										
First Year	(3,644)	10.57%	(3,725)	9.94%	(3,639)	9.26%	(3,393)	8.39%	(4,074)	9.68%
Renewal Year	(6,995)	2.63%	(6,567)	2.46%	(6,306)	2.36%	(6,246)	2.34%	(7,416)	2.77%
	<u>(10,639)</u>	3.54%	<u>(10,292)</u>	3.39%	<u>(9,945)</u>	3.25%	<u>(9,638)</u>	3.14%	<u>(11,489)</u>	3.71%
Deaths and Other *	(90)		(1,178)		(935)		(514)		(333)	
End of Qtr	<u>\$ 299,161</u>		<u>\$ 302,489</u>		<u>\$ 305,626</u>		<u>\$ 307,716</u>		<u>\$ 308,096</u>	

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