

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

	3 Months Ended		9 Months Ended	
	September 30,		September 30,	
	2012	2011	2012	2011
Revenues:				
Life premium	\$453,699	\$429,927	\$1,356,527	\$1,294,157
Health premium	246,000	220,458	766,950	708,181
Other premium	161	140	440	438
Total premium	699,860	650,525	2,123,917	2,002,776
Net investment income	169,400	173,491	518,697	518,242
Realized investment gains (losses)	7,283	12,600	16,950	21,169
Other-than-temporary impairments	0	0	0	-20
Portion recognized in other comprehensive income	0	0	0	0
Other income	557	625	1,254	1,680
Total revenue	877,100	837,241	2,660,818	2,543,847
Benefits and expenses:				
Life policyholder benefits	295,845	280,172	879,317	836,358
Health policyholder benefits	172,130	147,910	564,259	489,603
Other policyholder benefits	11,144	10,692	32,997	31,634
Total policyholder benefits	479,119	438,774	1,476,573	1,357,595
Amortization of deferred acquisition costs	94,016	89,899	287,115	274,026
Commissions and premium taxes	46,898	53,667	148,254	165,184
Insurance G&A	40,515	39,887	120,942	124,775
Parent expense	2,608	1,351	6,818	6,162
Stock compensation expense	5,310	4,030	16,547	11,032
Interest expense	19,843	19,510	59,163	58,381
Total benefits and expenses	688,309	647,118	2,115,412	1,997,155
Income before income taxes	188,791	190,123	545,406	546,692
Income taxes	-58,119	-58,867	-167,069	-171,915
Loss on disposition of discontinued operations, net of tax	0	144	0	-455
Net income	\$130,672	\$131,400	\$378,337	\$374,322
Basic net income per share	\$1.37	\$1.25	\$3.89	\$3.38
Diluted net income per share	\$1.36	\$1.25	\$3.84	\$3.33