

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

	3 Months Ended	
	March 31,	
	2013	2012
Revenues:		
Life premium	\$470,813	\$451,878
Health premium	313,871	266,444
Other premium	130	153
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Total premium	784,814	718,475
Net investment income	176,839	174,121
Realized investment gains (losses)	-1,229	5,006
Other-than-temporary impairments	-2,678	0
Portion recognized in other comprehensive income	0	0
Other income	470	321
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Total revenue	958,216	897,923
Benefits and expenses:		
Life policyholder benefits	305,141	290,688
Health policyholder benefits	236,127	211,092
Other policyholder benefits	10,735	10,867
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Total policyholder benefits	552,003	512,647
Amortization of deferred acquisition costs	101,714	96,498
Commissions and premium taxes	58,251	50,756
Insurance G&A	43,935	40,570
Parent expense	2,120	1,921
Stock compensation expense	6,253	5,625
Interest expense	20,877	19,671
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Total benefits and expenses	785,153	727,688
Income before income taxes	173,063	170,235
Income taxes	-53,431	-51,558
Loss on disposition of discontinued operations, net of tax	0	0
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Net income	<u>\$119,632</u>	<u>\$118,677</u>
Basic net income per share	<u>\$1.28</u>	<u>\$1.19</u>
Diluted net income per share	<u>\$1.27</u>	<u>\$1.17</u>