

Analysis of Profitability by Segment

(Dollar amounts in thousands)

	Three months ended March 31,		Increase (Decrease)	
	<u>2014</u>	<u>2013</u>	<u>Amount</u>	<u>%</u>
Life insurance	\$140,619	\$133,110	\$7,509	6
Health insurance	49,457	49,871	-414	-1
Part D insurance	9,566	8,071	1,495	19
Annuity	1,045	972	73	
Excess investment income	56,920	55,591	1,329	2
Other insurance:				
Other income	544	544	0	0
Administrative expense	-44,211	-43,935	-276	1
Corporate and adjustments	-10,252	-8,373	-1,879	22
	<u>203,688</u>	<u>195,851</u>	<u>7,837</u>	<u>4</u>
Pretax total (pretax operating income)				
Applicable taxes	-66,835	-64,209	-2,626	4
	<u>136,853</u>	<u>131,642</u>	<u>5,211</u>	<u>4</u>
After-tax total (net operating income)				
Reconciling items, net of tax:				
Realized gains (losses) - Investments	10,802	-3,768	14,570	
Part D adjustment	-13,179	-8,242	-4,937	
Legal settlement expense	-1,620	0	-1,620	
	<u>\$132,856</u>	<u>\$119,632</u>	<u>\$13,224</u>	<u>11</u>
Net Income				