

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

	<b>3 Months Ended</b>		<b>9 Months Ended</b>	
	<b>September 30,</b>		<b>September 30,</b>	
	<b>2014</b>	<b>2013</b>	<b>2014</b>	<b>2013</b>
<b>Revenues:</b>				
Life premium	\$491,724	\$470,936	\$1,472,734	\$1,416,859
Health premium	293,879	279,948	931,533	884,403
Other premium	112	114	334	401
<b>Total premium</b>	<b>785,715</b>	<b>750,998</b>	<b>2,404,601</b>	<b>2,301,663</b>
Net investment income	182,101	176,656	545,978	531,459
Realized investment gains (losses)	-1,483	4,459	15,713	9,143
Other-than-temporary impairments	0	0	0	-2,678
Portion recognized in other comprehensive income	0	0	0	0
Other income	668	676	1,812	1,757
<b>Total revenue</b>	<b>967,001</b>	<b>932,789</b>	<b>2,968,104</b>	<b>2,841,344</b>
<b>Benefits and expenses:</b>				
Life policyholder benefits	328,116	305,931	972,484	921,921
Health policyholder benefits	196,901	199,983	673,173	638,971
Other policyholder benefits	10,515	10,869	31,599	32,393
<b>Total policyholder benefits</b>	<b>535,532</b>	<b>516,783</b>	<b>1,677,256</b>	<b>1,593,285</b>
Amortization of deferred acquisition costs	103,834	98,444	313,128	302,646
Commissions and premium taxes	63,636	53,791	185,034	166,490
Insurance G&A	45,345	44,518	137,255	134,235
Parent expense	2,239	2,307	6,284	7,234
Stock compensation expense	7,818	6,420	25,219	19,376
Interest expense	19,033	19,676	57,119	61,381
<b>Total benefits and expenses</b>	<b>777,437</b>	<b>741,939</b>	<b>2,401,295</b>	<b>2,284,647</b>
Income before income taxes	189,564	190,850	566,809	556,697
Income taxes	-57,152	-58,728	-170,618	-171,042
<b>Net income</b>	<b>\$132,412</b>	<b>\$132,122</b>	<b>\$396,191</b>	<b>\$385,655</b>
<b>Basic net income per share</b>	<b>\$1.02</b>	<b>\$0.97</b>	<b>\$3.01</b>	<b>\$2.78</b>
<b>Diluted net income per share</b>	<b>\$1.00</b>	<b>\$0.95</b>	<b>\$2.97</b>	<b>\$2.75</b>