

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

	3 Months Ended June 30,		6 Months Ended June 30,	
	2015	2014	2015	2014
<b>Revenues:</b>				
Life premium	\$520,038	\$491,952	\$1,033,380	\$981,010
Health premium	315,492	307,791	632,257	637,654
Other premium	37	123	78	222
<b>Total premium</b>	<b>835,567</b>	<b>799,866</b>	<b>1,665,715</b>	<b>1,618,886</b>
Net investment income	194,823	189,930	386,419	377,981
Realized investment gains (losses)	2,613	577	2,732	17,196
Other-than-temporary impairments	0	0	0	0
Portion recognized in other comprehensive income	0	0	0	0
Other income	691	663	1,360	1,144
<b>Total revenue</b>	<b>1,033,694</b>	<b>991,036</b>	<b>2,056,226</b>	<b>2,015,207</b>
<b>Benefits and expenses:</b>				
Life policyholder benefits	347,364	324,192	687,065	644,368
Health policyholder benefits	235,175	220,554	477,326	476,272
Other policyholder benefits	9,754	10,461	19,799	21,084
<b>Total policyholder benefits</b>	<b>592,293</b>	<b>555,207</b>	<b>1,184,190</b>	<b>1,141,724</b>
Amortization of deferred acquisition costs	112,904	104,561	224,167	209,294
Commissions and premium taxes	64,018	62,020	127,286	121,398
Insurance G&A	46,863	45,206	94,063	91,910
Parent expense	2,312	2,302	4,485	4,045
Stock compensation expense	7,802	8,892	15,041	17,401
Interest expense	19,114	19,037	38,174	38,086
<b>Total benefits and expenses</b>	<b>845,306</b>	<b>797,225</b>	<b>1,687,406</b>	<b>1,623,858</b>
Income before income taxes	188,388	193,811	368,820	391,349
Income taxes	-61,278	-62,888	-120,062	-127,570
<b>Net income</b>	<b>\$127,110</b>	<b>\$130,923</b>	<b>\$248,758</b>	<b>\$263,779</b>
<b>Basic net income per share</b>	<b>\$1.01</b>	<b>\$1.00</b>	<b>\$1.97</b>	<b>\$1.99</b>
<b>Diluted net income per share</b>	<b>\$1.00</b>	<b>\$0.98</b>	<b>\$1.94</b>	<b>\$1.97</b>