

**TORCHMARK CORPORATION**  
**Impact of Discontinued Operations on Investment Income**  
(In millions, except per share amounts)

	<u>2014</u>	<u>2015</u>	<u>Q1 2016</u>
Net Operating Income - Discontinued Operations - As Reported	\$14.9	\$10.8	\$2.0
Impact on Continuing Operation's Investment Income, after tax *	<u>(3.3)</u>	<u>(4.9)</u>	<u>(1.8)</u>
Proforma Net Operating Income - Discontinued Operations	\$11.6	\$5.9	\$0.2
Earnings Per Share - As Reported	\$0.11	\$0.09	\$0.02
Earnings Per Share - Proforma	\$0.09	\$0.05	\$0.00

\* Estimated lost investment income as a result of funding the various cash flow requirements of the discontinued operations, including the payments of claims that are ultimately the obligation of CMS. A significant delay can exist from the time claims are paid by the company and the time receivables from CMS and other parties are received. The cost to Torchmark of financing these receivables is lost investment income which under accounting rules is required to be reflected in continuing operations.