

TORCHMARK CORPORATION
Life Annualized Premium In Force Rollforward and Lapse Rates
(Unaudited)
(Dollar amounts in thousands)

	Q1 2019		Q4 2018		Q3 2018		Q2 2018		Q1 2018	
	Amount	Lapse Rate	Amount	Lapse Rate	Amount	Lapse Rate	Amount	Lapse Rate	Amount	Lapse Rate
American Income Life										
Beginning of Quarter	\$ 1,129,384		\$ 1,117,557		\$ 1,097,253		\$ 1,073,409		\$ 1,059,216	
Net Sales	57,551		54,482		54,671		59,670		55,101	
Lapses										
First Year	(16,473)	8.68%	(16,232)	8.51%	(15,420)	7.99%	(13,928)	7.25%	(16,479)	8.72%
Renewal Year	(20,019)	2.14%	(19,869)	2.16%	(19,984)	2.23%	(18,805)	2.14%	(20,197)	2.34%
	<u>(36,492)</u>	3.25%	<u>(36,101)</u>	3.25%	<u>(35,404)</u>	3.25%	<u>(32,733)</u>	3.06%	<u>(36,676)</u>	3.49%
Deaths and Other ⁽¹⁾	1,971		(6,554)		1,037		(3,093)		(4,232)	
End of Quarter	<u>\$ 1,152,414</u>		<u>\$ 1,129,384</u>		<u>\$ 1,117,557</u>		<u>\$ 1,097,253</u>		<u>\$ 1,073,409</u>	
Globe Life Direct Response										
Beginning of Quarter	\$ 812,780		\$ 814,188		\$ 814,212		\$ 804,289		\$ 796,628	
Net Sales	32,447		29,155		29,755		35,040		32,183	
Lapses										
First Year	(11,428)	14.11%	(14,606)	17.32%	(14,802)	17.35%	(10,923)	12.92%	(12,442)	14.84%
Renewal Year	(15,005)	2.10%	(15,138)	2.12%	(14,917)	2.10%	(13,700)	1.95%	(15,557)	2.24%
	<u>(26,433)</u>	3.32%	<u>(29,744)</u>	3.73%	<u>(29,719)</u>	3.74%	<u>(24,623)</u>	3.13%	<u>(27,999)</u>	3.60%
Deaths and Other ⁽¹⁾	3,196		(819)		(60)		(494)		3,477	
End of Quarter	<u>\$ 821,990</u>		<u>\$ 812,780</u>		<u>\$ 814,188</u>		<u>\$ 814,212</u>		<u>\$ 804,289</u>	
Liberty National										
Beginning of Quarter	\$ 300,846		\$ 299,845		\$ 298,466		\$ 295,301		\$ 295,235	
Net Sales	12,259		12,984		11,959		12,869		11,361	
Lapses										
First Year	(3,766)	7.77%	(4,694)	9.78%	(4,621)	9.70%	(3,891)	8.31%	(3,957)	8.68%
Renewal Year	(6,599)	2.61%	(6,409)	2.55%	(5,835)	2.32%	(5,253)	2.10%	(5,942)	2.38%
	<u>(10,365)</u>	3.45%	<u>(11,103)</u>	3.70%	<u>(10,456)</u>	3.49%	<u>(9,144)</u>	3.08%	<u>(9,899)</u>	3.36%
Deaths and Other ⁽¹⁾	(911)		(880)		(124)		(560)		(1,396)	
End of Quarter	<u>\$ 301,829</u>		<u>\$ 300,846</u>		<u>\$ 299,845</u>		<u>\$ 298,466</u>		<u>\$ 295,301</u>	

⁽¹⁾ Include foreign exchange adjustments, changes in coverage and timing differences.

Annualized premium in force is defined as the premium income that would be received over the following twelve months at any given date on all active policies if those policies remain in force throughout the twelve-month period. Annualized premium in force is an indicator of potential growth in premium revenue.