

GLOBE LIFE INC.
Condensed Consolidated Statement of Operations
(Unaudited)
(Amounts in thousands, except per share data)

	Three Months Ended December 31,		Twelve Months Ended December 31,	
	2019	2018	2019	2018
Revenues:				
Life premium	\$ 631,470	\$ 600,171	\$2,517,784	\$2,406,555
Health premium	275,214	256,900	1,077,346	1,015,339
Other premium	—	—	4	12
Total premium	906,684	857,071	3,595,134	3,421,906
Net investment income	227,456	224,233	910,459	882,512
Realized gains (losses)	2,195	(16,600)	20,621	(1,804)
Other income	241	33	1,318	1,137
Total revenues	1,136,576	1,064,737	4,527,532	4,303,751
Benefits and expenses:				
Life benefits	410,437	395,174	1,638,053	1,591,790
Health benefits	176,361	165,534	687,764	649,188
Other policy benefits	7,740	8,412	31,532	34,264
Total policy benefits	594,538	569,120	2,357,349	2,275,242
Amortization of deferred acquisition costs	139,290	128,501	551,726	516,690
Commissions and premium taxes	76,745	69,789	298,047	278,487
Insurance G&A	64,002	57,381	249,079	227,531
Parent expenses	2,916	2,878	10,903	12,262
Stock option expense	11,495	9,823	44,843	39,792
Interest expense	20,502	23,610	84,306	90,076
Total benefits and expenses	909,488	861,102	3,596,253	3,440,080
Income before income tax	227,088	203,635	931,279	863,671
Income tax	(40,027)	(38,929)	(170,397)	(162,161)
Discontinued operations, net of tax	—	11	(92)	(44)
Net income	\$ 187,061	\$ 164,717	\$ 760,790	\$ 701,466
Basic net income per share	\$ 1.73	\$ 1.48	\$ 6.97	\$ 6.22
Diluted net income per share	\$ 1.69	\$ 1.45	\$ 6.83	\$ 6.09
Average shares outstanding	108,118	111,407	109,214	112,873
Diluted average shares outstanding	110,665	113,667	111,381	115,249
Reconciliation of Net Income to Net Operating Income:				
Net Income	\$ 187,061	\$ 164,717	\$ 760,790	\$ 701,466
Realized (gains)/losses - investments, net of tax	(1,734)	4,362	(16,291)	(7,327)
Realized loss - redemption of debt, net of tax	—	8,752	—	8,752
Discontinued operations—Part D adjustment, net of tax	—	(11)	92	44
Administrative settlements	—	—	400	3,590
Non-operating fees, net of tax	508	—	508	1,247
Legal proceedings, net of tax	2,258	—	6,603	—
Tax reform adjustment	—	(798)	—	(798)
Net operating income	\$ 188,093	\$ 177,022	\$ 752,102	\$ 706,974
Basic net operating income per share	\$ 1.74	\$ 1.59	\$ 6.89	\$ 6.26
Diluted net operating income per share	\$ 1.70	\$ 1.56	\$ 6.75	\$ 6.13

Refer to 10-Q/10-K for supplemental information on www.sec.gov (NYSE: GL).