

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

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2020	2019	2020	2019
Revenues:				
Life premium	\$ 674,021	\$ 630,824	\$1,994,473	\$1,886,314
Health premium	287,795	269,166	850,877	802,132
Other premium	1	3	4	4
Total premium	961,817	899,993	2,845,354	2,688,450
Net investment income	231,432	228,905	691,991	683,003
Realized gains (losses)	1,501	11,943	(29,386)	18,426
Provision for credit losses				—
Other income	292	438	1,021	1,077
Total revenues	1,195,042	1,141,279	3,508,980	3,390,956
Benefits and expenses:				
Life benefits	459,231	406,963	1,340,746	1,227,616
Health benefits	184,237	170,875	546,444	511,403
Other policy benefits	7,508	7,854	22,571	23,792
Total policy benefits	650,976	585,692	1,909,761	1,762,811
Amortization of deferred acquisition costs	140,843	138,449	430,840	412,436
Commissions and premium taxes	74,614	74,139	229,691	221,302
Insurance G&A	63,718	60,570	192,179	185,077
Parent expenses	3,012	2,472	7,859	7,987
Stock option expense	8,667	11,533	26,655	33,348
Interest expense	21,674	21,094	65,295	63,804
Total benefits and expenses	963,504	893,949	2,862,280	2,686,765
Income before income tax	231,538	247,330	646,700	704,191
Income tax	(42,593)	(45,512)	(119,167)	(130,370)
Discontinued operations, net of tax	—	—	—	(92)
Net income	\$ 188,945	\$ 201,818	\$ 527,533	\$ 573,729
Basic net income per share	\$ 1.78	\$ 1.85	\$ 4.95	\$ 5.24
Diluted net income per share	\$ 1.76	\$ 1.82	\$ 4.90	\$ 5.14
Average shares outstanding	106,147	108,813	106,623	109,583
Diluted average shares outstanding	107,053	110,914	107,705	111,592
Reconciliation of Net Income to Net Operating Income:				
Net Income	\$ 188,945	\$ 201,818	\$ 527,533	\$ 573,729
Realized (gains)/losses— investments, net of tax	(2,465)	(9,435)	21,936	(14,557)
Realized loss—redemption of debt, net of tax	501	—	501	—
Discontinued operations—Part D adjustment, net of tax	—	—	—	92
Administrative settlements	—	—	—	400
Non-operating expenses, net of tax	816	—	816	—
Legal proceedings, net of tax	—	—	2,587	4,345
Net operating income	\$ 187,797	\$ 192,383	\$ 553,373	\$ 564,009
Basic net operating income per share	\$ 1.77	\$ 1.77	\$ 5.19	\$ 5.15
Diluted net operating income per share	\$ 1.75	\$ 1.73	\$ 5.14	\$ 5.05