

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

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2023	2022 ⁽³⁾	2023	2022 ⁽³⁾
Revenues:				
Life premium	\$ 788,099	\$ 758,875	\$ 2,342,429	\$ 2,264,895
Health premium	331,236	320,406	982,916	956,397
Other premium	—	1	—	1
Total premium	1,119,335	1,079,282	3,325,345	3,221,293
Net investment income	266,926	246,711	785,275	736,317
Realized gains (losses)	(2,193)	(29,155)	(78,963)	(66,845)
Other income	50	399	185	862
Total revenues	1,384,118	1,297,237	4,031,842	3,891,627
Benefits and expenses:				
Life policyholder benefits ⁽¹⁾	515,676	545,933	1,536,317	1,533,726
Health policyholder benefits ⁽²⁾	193,790	182,409	580,676	561,502
Other policy benefits	9,578	9,234	27,488	27,928
Total policy benefits	719,044	737,576	2,144,481	2,123,156
Amortization of deferred acquisition costs	95,757	88,012	282,159	258,693
Commissions and premium taxes	138,677	124,768	414,933	376,490
Insurance G&A	74,585	76,464	223,951	227,826
Parent expenses	3,718	2,556	9,391	7,721
Stock option expense	7,567	9,120	22,732	26,603
Interest expense	25,955	23,965	76,640	65,737
Total benefits and expenses	1,065,303	1,062,461	3,174,287	3,086,226
Income before income tax	318,815	234,776	857,555	805,401
Income tax expense	(61,732)	(44,190)	(161,602)	(153,358)
Net income	\$ 257,083	\$ 190,586	\$ 695,953	\$ 652,043
Basic net income per share	\$ 2.72	\$ 1.96	\$ 7.29	\$ 6.64
Diluted net income per share	\$ 2.68	\$ 1.94	\$ 7.20	\$ 6.58
Average shares outstanding	94,637	97,258	95,445	98,244
Diluted average shares outstanding	95,818	98,148	96,657	99,102
Reconciliation of Net Income to Net Operating Income:				
Net Income	\$ 257,083	\$ 190,586	\$ 695,953	\$ 652,043
Realized (gain) loss— investments, net of tax	1,732	23,033	62,380	52,808
Non-operating expenses, net of tax	898	—	898	3,736
Legal proceedings, net of tax	—	1,119	—	1,119
Net operating income	\$ 259,713	\$ 214,738	\$ 759,231	\$ 709,706
Basic net operating income per share	\$ 2.74	\$ 2.21	\$ 7.95	\$ 7.22
Diluted net operating income per share	\$ 2.71	\$ 2.19	\$ 7.85	\$ 7.16

(1) Net of remeasurement gain of \$11.3 million for the three months ended September 30, 2023, and a remeasurement loss of \$45.2 million for the same period in 2022. Net of remeasurement gain of \$16.5 million for the nine months ended September 30, 2023, and a remeasurement loss of \$49.3 million for the same period in 2022.

(2) Net of remeasurement gain of \$7.8 million for the three months ended September 30, 2023, and a remeasurement gain of \$9.7 million for the same period in 2022. Net of remeasurement gain of \$8.3 million for the nine months ended September 30, 2023, and a remeasurement gain of \$13.8 million for the same period in 2022.

(3) The amounts presented for 2022 have been retrospectively restated due to the adoption of ASU 2018-12.