

TORCHMARK CORPORATION



Insurance Investor Conference
February 16, 2011

Mark S. McAndrew, Chairman and Chief Executive Officer
Gary L. Coleman, Executive Vice President and Chief Financial Officer

Managing Through the Crisis

	2007	2010
Net Operating EPS	\$5.45	\$6.41

Net Operating Earnings Per Share

10-Year Compound Annual Growth Rate — 8.1%



Managing Through the Crisis

	2007	2010
Book value per share	\$35.60	\$49.86

Managing Through the Crisis

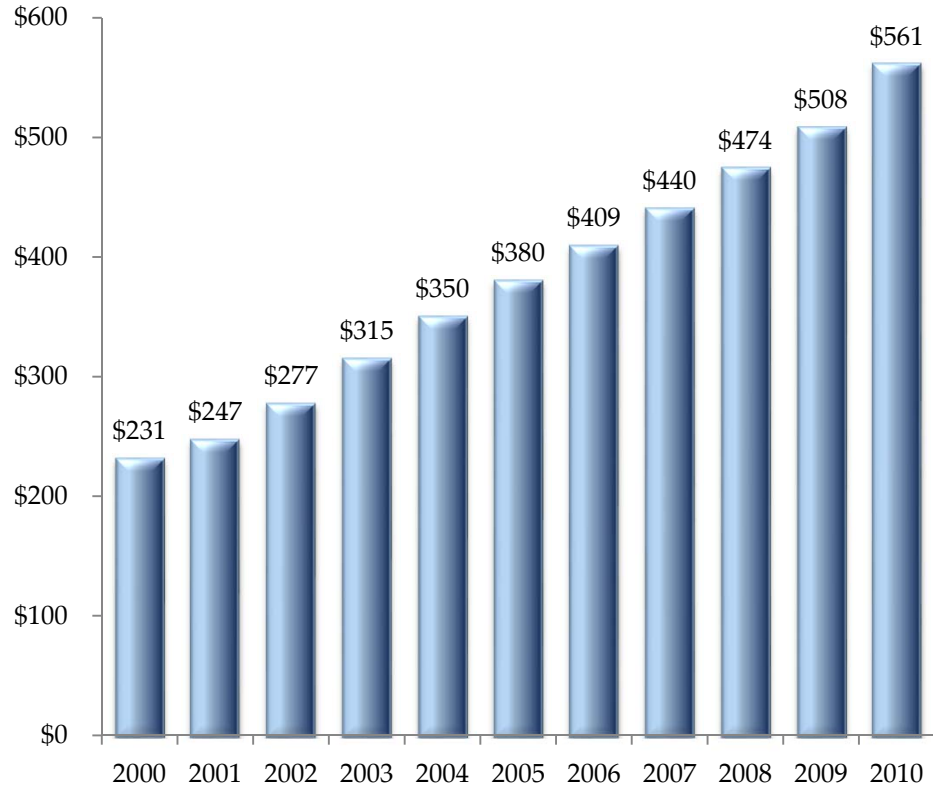
(\$ in millions)

	2007	2010
Net life sales	\$261	\$330

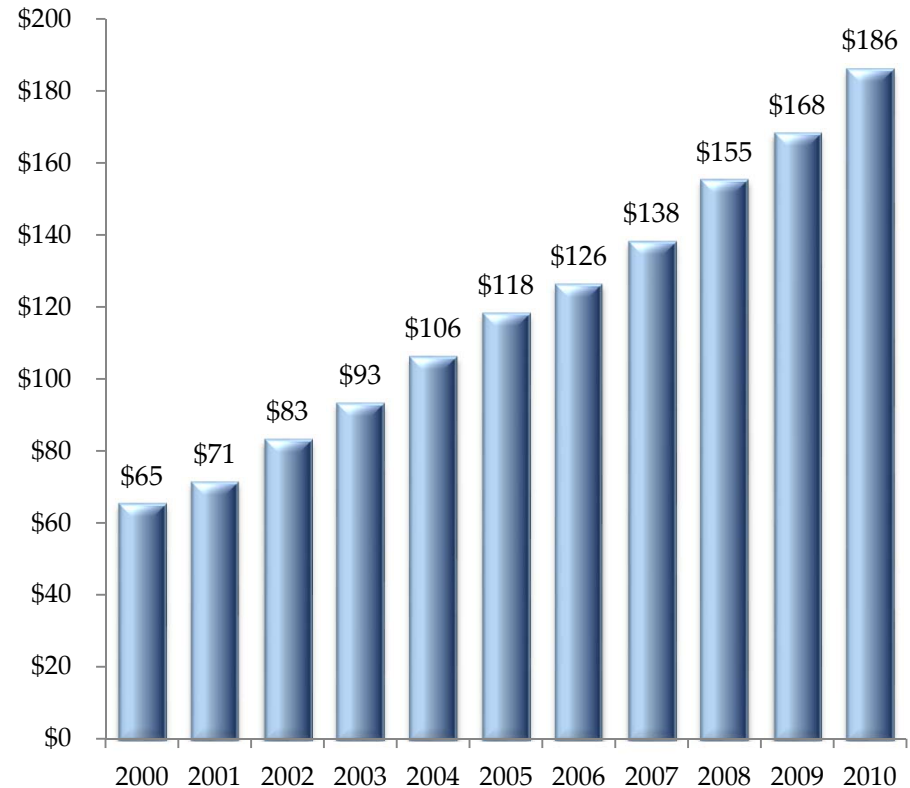
American Income

(\$ in millions)

Life Premium



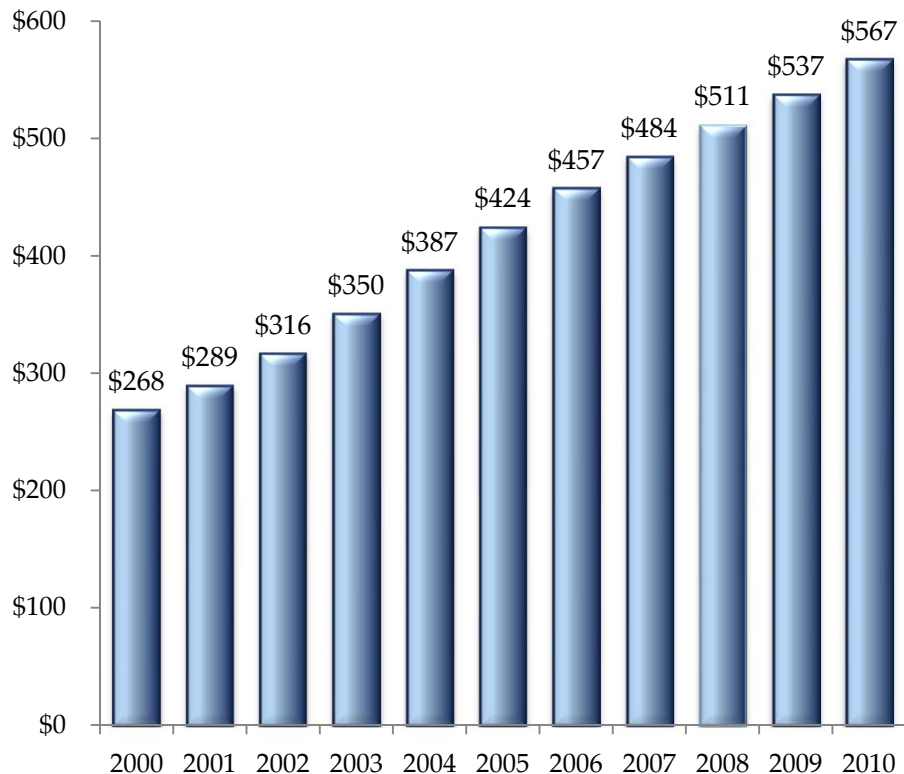
Life Underwriting Margin



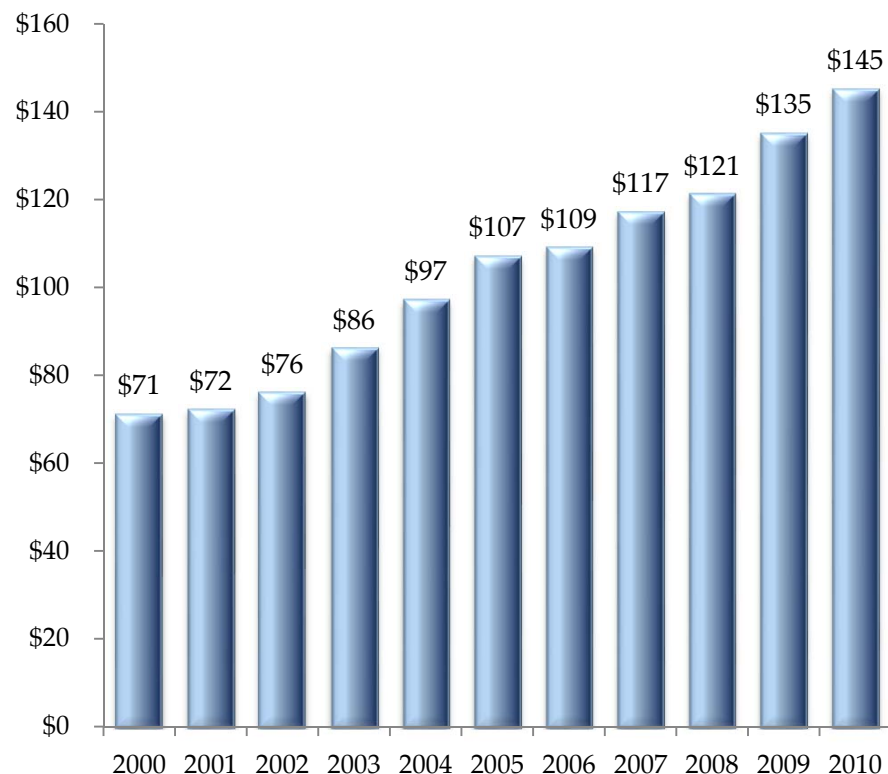
Direct Response

(\$ in millions)

Life Premium



Life Underwriting Margin



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(\$ in millions)

	2007	2010
Invested assets (at amortized cost)	\$9,160	\$11,088

Investment Portfolio

(\$ in millions)

	12/31/07	12/31/10	% Increase
Fixed Maturities	\$8,658	\$10,435	21%
Equities	19	15	
Mortgage Loans	19	14	
Investment Real Estate	9	2	
Policy Loans	313	378	21%
Other Long-Term Investments	42	26	
Short-Term Investments	100	217	
TOTAL	\$9,160	\$11,088	21%

Fixed Maturities by Sector

(\$ in millions)

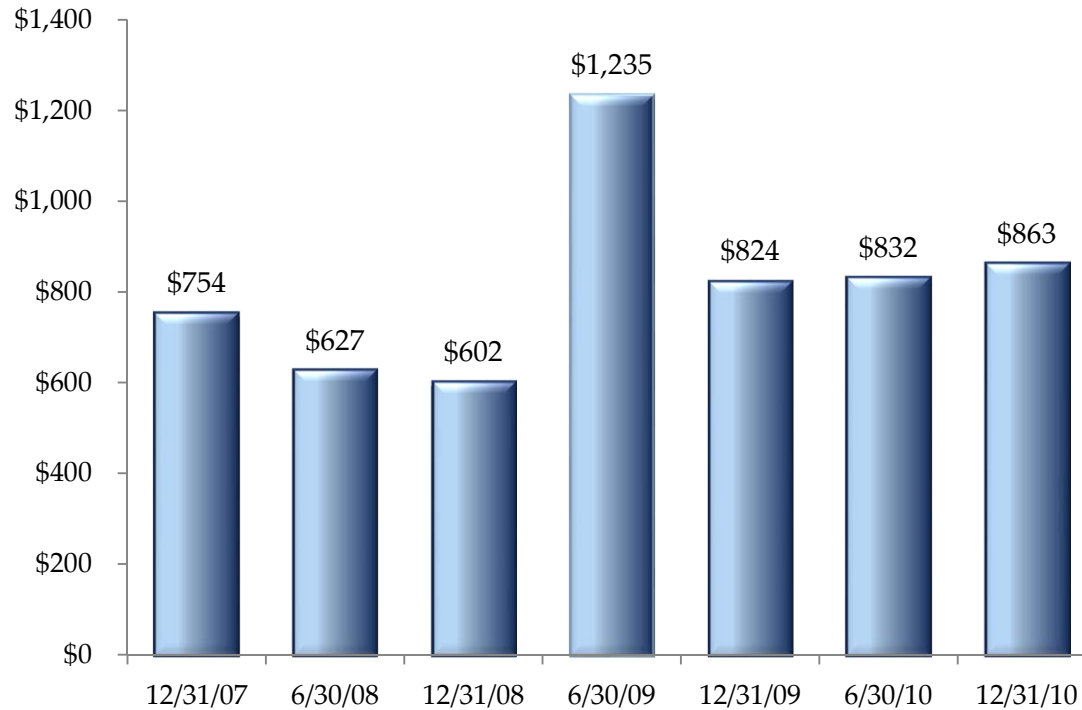
	% of Total Amortized Cost 12/31/07	% of Total Amortized Cost 12/31/10
Financial – Insurance	18%	16%
Financial – Bank	18%	14%
Financial – Other	5%	5%
Utilities	9%	15%
Government	6%	13%
Energy	8%	10%
Consumer	12%	8%
Basic Materials	7%	7%
Transportation and Other Industrials	8%	7%
Communications	7%	4%
Asset Backed	2%	1%
TOTAL	\$8,658	\$10,435

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Below Investment Grade Bonds

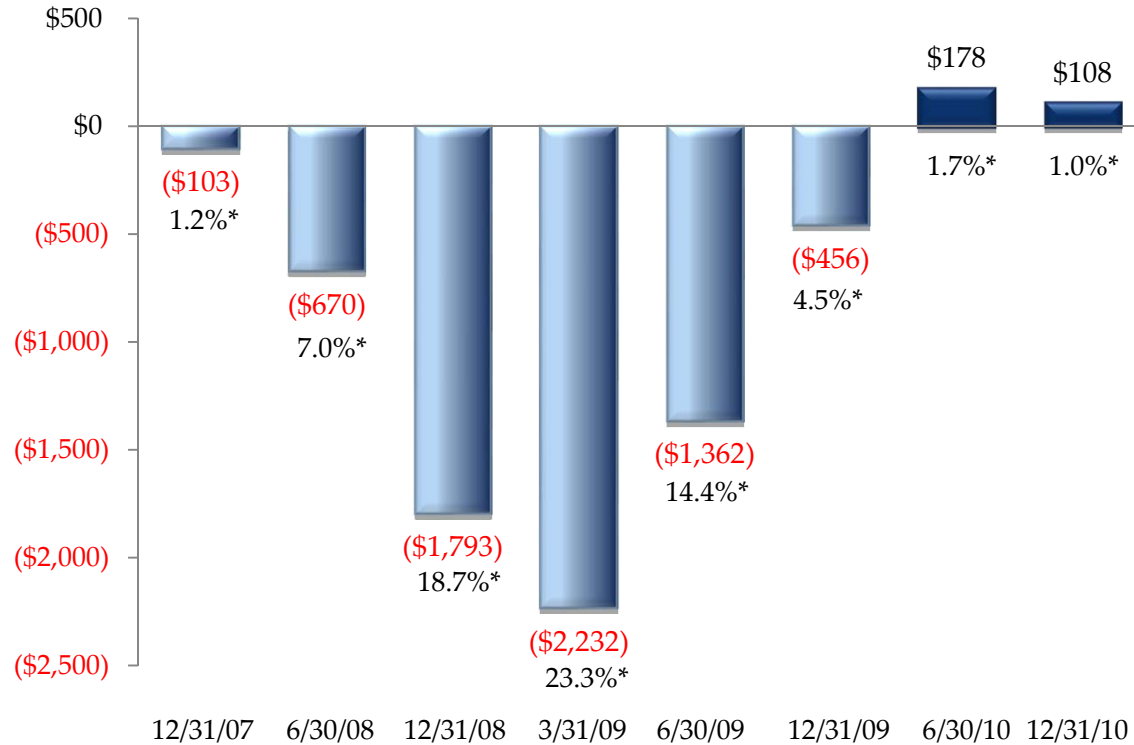
(\$ in millions)



% of Fixed Maturities	8.1%	6.6%	6.3%	13.1%	8.1%	7.7%	8.3%
% of Equity, excluding OCI	22.3%	18.5%	18.1%	35.8%	22.4%	21.7%	21.8%

Net Unrealized Gains/Losses Fixed Maturities

(\$ in millions)



* Net unrealized gains/losses as a percentage of fixed maturities at amortized cost.

Managing Through the Crisis

(\$ in millions)

	2007	2010
Net investment income	\$602	\$685

Managing Through the Crisis

	2007	2010
Debt to capital ratio at December 31	22%	22%

Managing Through the Crisis

	2007	2010
RBC ratio at December 31	294%	405% Est.

Capitalization Life Insurance Companies

(\$ in millions)

	12/31/07	Estimated 12/31/10
Capital	\$1,183	\$1,630
Required Capital	\$403	\$402
Company Action Level RBC %	294%	405%
Target	300%	325%
Excess (Deficit) Capital vs 300%	(\$26)	\$425
Excess (Deficit) Capital vs 325%	—	\$325

Managing Through the Crisis

(\$ in millions)

	2007	2010
Liquid assets at parent company at December 31	\$33	\$204

Managing Through the Crisis

(amounts in millions)

	2007	2010
Outstanding shares at December 31	92	79

Share Repurchases

Year	Average Price	No. of Shares (in 000's)	P/E Ratio*
2010	\$53.51	3,805	8.3
2009	\$22.78	2,050	3.8
2008	\$55.86	7,638	9.6
2007	\$65.39	6,150	12.0
2006	\$57.47	5,575	11.5
2005	\$53.15	5,647	11.6
2004	\$51.39	5,221	12.1
2003	\$38.17	5,902	9.9
2002	\$37.82	4,817	10.8
2001	\$37.25	4,265	11.6
2000	\$23.22	5,806	7.9
1999	\$32.50	5,398	12.3
1998	\$36.63	3,436	15.4

* P/E Ratios are calculated using the net operating earnings per share for the year in which the share repurchases occurred.

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(\$ in millions)

	2007	2010
Free cash flow generated for following year	\$343	\$655*

* \$350 from normal operations and \$305 from sale of United Investors

Parent Company Free Cash Flow

(\$ in millions)

	2006	2007	2008	2009	2010	2011 Est.
Dividends received from insurance companies	\$444	\$464	\$437	\$392	\$371	\$468
Less Cash Outflow:						
Interest expense	71	67	62	71	76	77
Dividends to Shareholders	48	50	49	47	50	51
Other, Net	<u>(16)</u>	<u>(6)</u>	<u>(17)</u>	<u>(7)</u>	<u>(24)</u>	<u>(9)</u>
Net Outflow	\$104	\$111	\$94	\$111	\$102	\$118
Normalized Free Cash Flow	\$340	\$353	\$343	\$281	\$269	\$350
Additional dividends received as a result of sale of United Investors						\$305
Free Cash Flow	\$340	\$353	\$343	\$281	\$269	\$655

Managing Through the Crisis

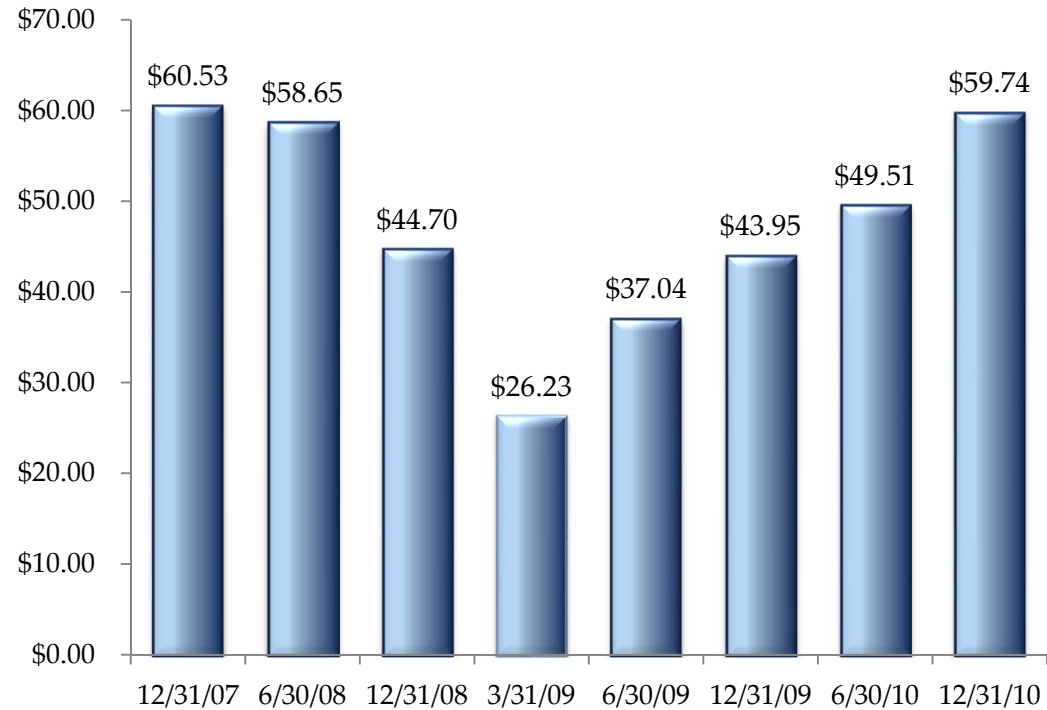
(amounts in millions, except earnings per share and percentage data)

	2007	2010
Net operating EPS	\$5.45	\$6.41
Book value per share	\$35.60	\$49.86
Net life sales	\$261	\$330
Invested assets (at amortized cost)	\$9,160	\$11,088
Below investment grade bonds as a percent of portfolio	8%	8%
Net investment income	\$602	\$685
Debt to capital ratio at December 31	22%	22%
RBC ratio at December 31	294%	405% (est.)
Liquid assets at parent company at December 31	\$33	\$204
Outstanding shares at December 31	92	79
Free cash flow generated for following year	\$343	\$655*
Share price at December 31	\$60.53	\$59.74

* \$350 from normal operations and \$305 from sale of United Investors

Closing Share Price

(\$ in millions)



This presentation may contain forward-looking statements within the meaning of the federal securities laws. These prospective statements reflect management's current expectations, but are not guarantees of future performance. Accordingly, please refer to Torchmark's cautionary statement regarding forward-looking statements, and the business environment in which the Company operates, contained in the Company's Form 10-K for the period ended December 31, 2009, and subsequent Forms 10-Q, on file with the Securities and Exchange Commission, and on the Company's website at www.torchmarkcorp.com on the Investor Relations page. Torchmark specifically disclaims any obligation to update or revise any forward-looking statement because of new information, future developments or otherwise.

This presentation contains certain financial measures that differ from the comparable GAAP measures. Reconciliations between the non-GAAP measures and the comparable GAAP measures may be found on the Company's website at www.torchmarkcorp.com on the Investor Relations page under SEC filings (form 10-K for 2009) and subsequent quarterly earnings press releases.

Some of the prior year data in this presentation include discontinued operations. Also, some tables may not foot due to rounding.

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