

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

FORM 8-K

**CURRENT REPORT PURSUANT
TO SECTION 13 or 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934**

DATE OF REPORT (Date of earliest event reported): **May 1, 2012**

PRIMERICA, INC.

(Exact Name of Registrant as Specified in Its Charter)

Delaware
(State or Other Jurisdiction of
Incorporation)

001-34680
(Commission File Number)

27-1204330
(I.R.S. Employer
Identification Number)

3120 Breckinridge Blvd.
Duluth, Georgia 30099
(Address of Principal Executive Offices)

(770) 381-1000
(Registrant's telephone number, including area code)

Not applicable.
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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Item 2.02 Results of Operations and Financial Condition.

On May 1, 2012, Primerica, Inc. (the "Company") announced its results of operations for the quarter ended March 31, 2012. A copy of the press release is attached hereto as Exhibit 99.1.

The information provided pursuant to this Item 2.02, including Exhibit 99.1 in Item 9.01, is "furnished" and shall not be deemed to be "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or otherwise subject to the liabilities of such section, and shall not be incorporated by reference in any filing made by the Company under the Exchange Act or the Securities Act of 1933, as amended (the "Securities Act"), except to the extent expressly set forth by specific reference in any such filings.

Use of Non-GAAP Financial Measures

In addition to reporting financial results in accordance with U.S. generally accepted accounting principles ("GAAP"), the Company presents certain non-GAAP financial measures. Specifically, the Company presents operating revenues, operating income before income taxes, net operating income and adjusted stockholders' equity. Operating revenues, operating income before income taxes and net operating income exclude the impact of realized investment gains and losses for all periods presented. Operating income before income taxes and net operating income exclude the expense associated with our IPO-related equity awards for all periods presented. In the first quarter of 2011, operating revenues, operating income before income taxes and net operating income also exclude the impact of certain reinsurance recoveries which previously had not been recognized due to the uncertain nature of their recovery. Adjusted stockholders' equity excludes the impact of net unrealized gains and losses on invested assets for all periods presented.

We exclude these items because they are considered unusual and not indicative of our ongoing operations. Our definitions of these non-GAAP financial measures may differ from the definitions of similar measures used by other companies. Management uses these non-GAAP financial measures in making financial, operating and planning decisions and in evaluating the Company's financial performance. Furthermore, management believes that these non-GAAP financial measures may provide users with additional meaningful comparisons between current results and results of prior periods as they are expected to be reflective of our core ongoing business. These measures have limitations, and investors should not consider them in isolation or as a substitute for analysis of the Company's results as reported under GAAP.

Reconciliations of non-GAAP to GAAP financial measures are included as attachments to the press release which has been posted in the "Investor Relations" section of our website at <http://investors.primerica.com>.

Item 7.01 Regulation FD Disclosure.

On May 1, 2012, the Company posted to the "Investor Relations" section of its website certain supplemental financial information relating to the quarter ended March 31, 2012. A copy of the supplemental financial information is attached hereto as Exhibit 99.2.

The information provided pursuant to this Item 7.01, including Exhibit 99.2 in Item 9.01, is "furnished" and shall not be deemed to be "filed" for purposes of Section 18 of the Exchange Act, or otherwise subject to the liabilities of such section, and shall not be incorporated by reference in any filing made by the Company under the Exchange Act or the Securities Act, except to the extent expressly set forth by specific reference in any such filings.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits.

99.1 Press Release dated May 1, 2012 – Primerica Reports First Quarter 2012 Results

99.2 Primerica, Inc. Supplemental Financial Information – First Quarter 2012

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Date: May 1, 2012

PRIMERICA, INC.

/s/ Alison S. Rand
Alison S. Rand
Executive Vice President and Chief Financial Officer

EXHIBIT INDEX

Exhibit No.	Description
99.1	Press Release dated May 1, 2012 – Primerica Reports First Quarter 2012 Results
99.2	Primerica, Inc. Supplemental Financial Information – First Quarter 2012



Primerica Reports First Quarter 2012 Results

9% increase in issued term life insurance policies

7% increase in new representatives obtaining a life insurance license

Net income of \$41.8 million; Diluted EPS of \$0.61

Net operating income of \$42.4 million; Diluted operating EPS of \$0.62

Completion of redundant reserve financing to facilitate \$150 million repurchase of 5.7 million shares from Warburg Pincus in April 2012

DULUTH, Ga.--(BUSINESS WIRE)--May 1, 2012--Primerica, Inc. (NYSE: PRI) announced today financial results for the first quarter ended March 31, 2012. Total revenues were \$286.6 million in the first quarter of 2012 and net income was \$41.8 million, or \$0.61 per diluted share. Operating revenues increased by 6% to \$284.5 million in the first quarter of 2012, compared with \$267.3 million in the first quarter of 2011. Net operating income was \$42.4 million, or \$0.62 per diluted share, in the first quarter of 2012, compared with \$43.4 million, or \$0.57 per diluted share, in the first quarter of 2011. The quarter's results reflect continued growth in our Term Life business, the emergence of a normalized expense base over the last several quarters and lower invested assets following our \$200 million stock repurchase in the fourth quarter of 2011.

Throughout this document, we have retrospectively adjusted prior period numbers to reflect revised accounting standards related to costs associated with acquiring or renewing insurance contracts as described further under segment results.

Rick Williams, Chairman of the Board and Co-Chief Executive Officer said, "Our solid, recurring income base coupled with prudent capital management drove a 10% increase in net operating earnings per diluted share in the first quarter. By executing the redundant reserve financing and recently announced \$150 million share repurchase, we continue to enhance shareholder value through capital deployment as well as strategic initiatives focused on long-term growth."

John Addison, Chairman of Primerica Distribution and Co-Chief Executive Officer said, "Our first quarter initiatives targeted to grow distribution generated an 11% increase in new recruits and a 7% increase in new life insurance licenses compared with the year ago period. We have seen licensing momentum in the last two quarters as we execute our strategy to generate sustainable growth."

Distribution Results

- Recruiting of new representatives increased by 11% to 58,551 in the first quarter of 2012, compared with the same period a year ago. Recruiting strength in the first quarter led to a sequential increase over the fourth quarter, which is typically a slower recruiting quarter. New life licenses grew by 7% to 7,650, compared with the first quarter of 2011 but decreased by 6% from the fourth quarter of 2011 when licensing results benefited from the third quarter post-convention recruiting surge. The size of our life-licensed insurance sales force was 89,651 at March 31, 2012 down from 91,176 at December 31, 2011, primarily due to recruiting levels in the fourth quarter of 2011.
- Term life insurance policies issued increased 9% to 56,145 in the first quarter of 2012, compared with the year ago period primarily reflecting an increase in applications received and a higher rate of converting applications to issued policies with our new TermNow, rapid-issue term life insurance product. Sequentially, term life insurance policies issued in the first quarter of 2012 decreased 9% compared with the fourth quarter of 2011, largely reflecting fewer applications submitted during the typically slower holiday season. Term Life net premium revenue, excluding the first quarter of 2011 ceded premium recoveries, increased 22% to \$127.6 million in the first quarter of 2012, compared with the first quarter a year ago and increased by 5% from the fourth quarter as we continue to build the Term Life business.
- Investment and Savings Products sales grew by 7% to \$1.19 billion in the first quarter of 2012 from the year ago quarter primarily driven by variable annuity sales as clients continued transfers of older variable annuity contracts to the current Prime Elite IV variable annuity that offers an attractive living benefit. Results also benefited from sales growth in our recently launched fixed indexed annuity and managed account products. Client asset values were generally flat at \$36.30 billion at March 31, 2012 relative to a year ago but increased 8% or \$2.62 billion compared with December 31, 2011, reflecting strong retirement savings sales typical of historical first quarter trends and improved market conditions. Investment and Savings Products sales increased 24%, or \$231.9 million, in the first quarter of 2012 compared with the fourth quarter of 2011.

Segment Results

Effective January 1, 2012, we adopted ASU 2010-26 Accounting for Costs Associated with Acquiring or Renewing Insurance Contracts and will no longer defer certain indirect acquisition costs or costs attributable to unsuccessful efforts of acquiring life insurance policies. We adopted this accounting policy change retrospectively and, accordingly, our historical results have been adjusted to reflect the adoption on a consistent basis across all periods presented. As a result of this accounting change, we reduced stockholder's equity as of December 31, 2011 by \$96.0 million to \$1.33 billion. This accounting change also reduced net income for the three months ended March 31, 2011 by \$5.2 million to \$47.3 million. The change has no impact on the ultimate profitability of the business and has no impact on our cash flows or liquidity, or on the statutory earnings of our insurance subsidiaries. See the table at the end of this release for the impact on other key metrics.

Primerica operates in two primary business segments: Term Life Insurance and Investment and Savings Products, and has a third segment, Corporate and Other Distributed Products. Results for the segments are shown below.

	Actual			Operating (1)		
	Q1 2012	Q1 2011 (2)	% Change	Q1 2012	Q1 2011 (2)	% Change
Revenues:						
Term Life Insurance	\$ 151,804	\$ 136,962	11%	\$ 151,804	\$ 128,233	18%
Investment and Savings Products	100,134	100,846	nm	100,134	100,846	nm
Corporate and Other Distributed Products	34,663	38,544	-10%	32,532	38,217	-15%
Total revenues	<u>\$ 286,601</u>	<u>\$ 276,352</u>	<u>4%</u>	<u>\$ 284,470</u>	<u>\$ 267,296</u>	<u>6%</u>
Income (loss) before income taxes:						
Term Life Insurance	\$ 44,283	\$ 49,716	-11%	\$ 44,283	\$ 40,987	8%
Investment and Savings Products	28,870	31,039	-7%	28,870	31,039	-7%
Corporate and Other Distributed Products	(9,688)	(7,499)	-29%	(8,744)	(4,706)	-86%
Total income before income taxes	<u>\$ 63,465</u>	<u>\$ 73,256</u>	<u>-13%</u>	<u>\$ 64,409</u>	<u>\$ 67,320</u>	<u>-4%</u>

(1) See the Non-GAAP Financial Measures section and the segment Operating Results Reconciliations at the end of this release for additional information.

(2) Reflects revised accounting standards related to costs associated with acquiring or renewing insurance contracts.

Term Life Insurance. Operating revenues grew by 18% to \$151.8 million in the first quarter of 2012, compared with the same period a year ago. Operating income before income taxes increased by 8% to \$44.3 million over the prior year period. These results reflect continued growth in Term Life premiums partially offset by higher, premium-related expenses and prior year favorable expense items including a release of management incentive compensation accruals for 2010. Mortality and persistency experience were consistent with prior year, with mortality experience in both periods being slightly unfavorable. Net investment income was higher due to the increase in required assets associated with Term Life growth.

Sequentially, operating income before income taxes increased by 20% primarily reflecting a charge in the fourth quarter of 2011 related to our search of public death records as well as continued business growth. Persistency improved relative to prior quarter unfavorable experience. Mortality was worse in the first quarter compared with the prior quarter favorable experience.

Investment and Savings Products. Operating revenues were generally flat at \$100.1 million in the first quarter of 2012, compared with the first quarter of 2011 reflecting higher product sales and a slight decline in average client asset values. Operating income before income taxes declined 7% to \$28.9 million, compared with the first quarter of 2011 largely reflecting higher new product offering expenses, the prior year release of management incentive compensation accruals for 2010 and slightly unfavorable Canadian segregated fund DAC amortization.

Sequentially, operating income before income taxes remained flat between quarters reflecting higher sales, higher average client assets and lower first quarter expenses offset by the fourth quarter variable annuity sales incentive payment and an unfavorable Canadian segregated fund adjustment in the first quarter compared with a favorable adjustment in the fourth quarter of 2011.

Corporate and Other Distributed Products. Operating revenues decreased by 15% to \$32.5 million in the first quarter of 2012 from the first quarter of 2011, and operating losses before income taxes were \$8.7 million in the first quarter of 2012 compared to \$4.7 million in the same period of 2011. These trends largely reflect lower invested assets following our \$200 million stock repurchase in the fourth quarter of 2011. The prior year period also benefited from income received from certain called fixed-income securities and a higher allocation of invested assets to the segment, with the remainder allocated to the Term Life segment.

Operating losses before income taxes were lower in the first quarter of 2012 compared with the fourth quarter of 2011. First quarter results improved largely due to charges in fourth quarter 2011 related to the search of public death records and the liquidation plan for Executive Life Insurance Company of New York.

Taxes

Our effective income tax rate for the first quarter of 2012 was 34.2%, compared with 35.5% for the same quarter a year ago reflecting a lower statutory income tax rate in Canada and lower tax reserves on Canadian earnings. Sequentially, our effective income tax rates were flat.

Capital and Liquidity

As previously announced, Primerica closed a redundant reserve financing transaction during the first quarter. In connection with this transaction, we formed Peach Re, Inc. (Peach Re), a special purpose financial captive insurance company and indirect wholly owned subsidiary of the company. In March 2012, Peach Re entered into a letter of credit facility with Deutsche Bank AG New York Branch with a term of approximately 14 years for a maximum amount of \$510 million to support certain of its obligations for a portion of the reserves (commonly referred to as Regulation XXX reserves) related to level premium term life insurance policies ceded to Peach Re by Primerica Life under a new coinsurance agreement.

In connection with this transaction, Primerica Life Insurance Company (PLIC) obtained regulatory approval for the payment of an extraordinary dividend of \$150 million to Primerica, Inc. in March of 2012. This dividend facilitated the previously announced \$150 million share repurchase from Warburg Pincus in April 2012. Following these transactions, PLIC's statutory risk-based capital (RBC) ratio is estimated to be in excess of 560% as of March 31, 2012.

Investments and cash totaled \$2.17 billion as of March 31, 2012. Our invested asset portfolio had a net unrealized gain of \$170.6 million (net of unrealized losses of \$5.9 million) at March 31, 2012, up from a net unrealized gain of \$153.2 million (net of unrealized losses of \$11.4 million) at December 31, 2011. Net realized gains for the quarter were \$2.1 million, which included \$0.2 million of other-than-temporary impairments.

As of March 31, 2012, our debt-to-capital ratio remained low at 17.8%. Net operating income return on adjusted stockholders' equity (ROAE) was 13.5% for the quarter ended March 31, 2012. First quarter 2012 ROAE increased over two hundred basis points on a sequential quarter basis and was driven by higher operating earnings and our fourth quarter share repurchase. Net income return on stockholders' equity was 12.3% for the first quarter of 2012.

Non-GAAP Financial Measures

We report financial results in accordance with U.S. generally accepted accounting principles (GAAP). We also present operating revenues, operating income before income taxes, net operating income and adjusted stockholders' equity. Operating revenues, operating income before income taxes and net operating income exclude the impact of realized investment gains and losses for all periods presented. Operating income before income taxes and net operating income exclude the expense associated with our IPO-related equity awards for all periods presented. In the first quarter of 2011, operating revenues, operating income before income taxes and net operating income also exclude the impact of certain reinsurance recoveries which previously had not been recognized due to the uncertain nature of their recovery. Adjusted stockholders' equity excludes the impact of net unrealized gains and losses on invested assets for all periods presented. Our definitions of these non-GAAP financial measures may differ from the definitions of similar measures used by other companies. Management uses these non-GAAP financial measures in making financial, operating and planning decisions and in evaluating our financial performance. Furthermore, management believes that these non-GAAP financial measures may provide users with additional meaningful comparisons between current results and results of prior periods as they are expected to be reflective of our core ongoing business. These measures have limitations, and investors should not consider them in isolation or as a substitute for analysis of our results as reported under GAAP. Reconciliations of non-GAAP to GAAP financial measures are attached to this release.

Earnings Webcast Information

Primerica will hold a webcast Wednesday, May 2, 2012 at 10:00 am EDT, to discuss first quarter results. This release and a detailed financial supplement will be posted on Primerica's website. Investors are encouraged to review these materials. To access the webcast go to <http://investors.primerica.com> at least 15 minutes prior to the event to register, download and install any necessary software.

A replay of the call will be available for approximately 30 days on Primerica's website <http://investors.primerica.com>.

Forward-Looking Statements

Except for historical information contained in this press release, the statements in this release are forward-looking and made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Forward-looking statements contain known and unknown risks and uncertainties that may cause our actual results in future periods to differ materially from anticipated or projected results. Those risks and uncertainties include, among others, our failure to continue to attract and license new recruits, retain sales representatives or license or maintain the licensing of our sales representatives; our or our sales representatives' violation of or non-compliance with laws and regulations; incorrect assumptions used to price our insurance policies; the failure of our investment products to remain competitive with other investment options; our failure to meet RBC standards or other minimum capital and surplus requirements; a downgrade or potential downgrade in our insurance subsidiaries' financial strength ratings or senior debt ratings; inadequate or unaffordable reinsurance or the failure of our reinsurers to perform their obligations; heightened standards of conduct or more stringent licensing requirements for our sales representatives; the inability of our subsidiaries to pay dividends or make distributions; the loss of key personnel; and general changes in economic and financial conditions, including the effects of credit deterioration and interest rate fluctuations on our invested asset portfolio. These and other risks and uncertainties affecting us are more fully described in our filings with the Securities and Exchange Commission, which are available in the "Investor Relations" section of our website at <http://investors.primerica.com>. Primerica assumes no duty to update its forward-looking statements as of any future date.

About Primerica, Inc.

Primerica, Inc., headquartered in Duluth, GA, is a leading distributor of financial products to middle-income families in North America. Primerica representatives educate their Main Street clients about how to better prepare for a more secure financial future by assessing their needs and providing appropriate solutions through term life insurance which we underwrite, and mutual funds, annuities and other financial products, which we distribute primarily on behalf of third parties. In addition, Primerica provides an entrepreneurial full or part-time business opportunity for individuals seeking to earn income by distributing the company's financial products. We insure more than 4.3 million lives and approximately 2 million clients maintain investment accounts with us. Primerica is a member of the Russell 2000 stock index and is traded on The New York Stock Exchange under the symbol "PRI".

PRIMERICA, INC. AND SUBSIDIARIES
Condensed Balance Sheets

	March 31, 2012 (1)	December 31, 2011 (2)
(In thousands)		
Assets		
Investments:		
Fixed maturity securities available for sale, at fair value	\$ 1,948,497	\$ 1,959,156
Equity securities available for sale, at fair value	31,702	26,712
Trading securities, at fair value	5,812	9,640
Policy loans and other invested assets	25,684	25,996
Total investments	2,011,695	2,021,504
Cash and cash equivalents	155,536	136,078
Accrued investment income	22,904	21,579
Due from reinsurers	3,895,162	3,855,318
Deferred policy acquisition costs	948,087	904,485
Premiums and other receivables	159,085	163,845
Intangible assets	71,077	71,928
Other assets	269,057	268,485
Separate account assets	2,541,313	2,408,598
Total assets	\$ 10,073,916	\$ 9,851,820
Liabilities and Stockholders' Equity		
Liabilities:		
Future policy benefits	\$ 4,676,374	\$ 4,614,860
Unearned premiums	11,427	7,022
Policy claims and other benefits payable	248,904	241,754
Other policyholders' funds	346,461	340,766
Note payable	300,000	300,000
Income taxes	88,503	81,316
Other liabilities	331,112	381,496
Payable under securities lending	142,507	149,358
Separate account liabilities	2,541,313	2,408,598
Total liabilities	8,686,601	8,525,170
Stockholders' equity:		
Common stock	653	649
Paid-in capital	842,613	835,232
Retained earnings	383,847	344,104
Accumulated other comprehensive income, net of income tax	160,202	146,665
Total stockholders' equity	1,387,315	1,326,650
Total liabilities and stockholders' equity	\$ 10,073,916	\$ 9,851,820

(1) Unaudited

(2) Reflects revised accounting standards related to costs associated with acquiring or renewing insurance contracts.

PRIMERICA, INC. AND SUBSIDIARIES
Condensed Statements of Income

		Three months ended March 31,	
		2012 (1)	2011 (1) (2)
		(In thousands, except per-share amounts)	
Revenues:			
Direct premiums		\$ 561,037	\$ 552,069
Ceded premiums		(418,163)	(422,238)
	Net premiums	<u>142,874</u>	<u>129,831</u>
Commissions and fees		103,905	106,116
Net investment income		26,097	28,626
Realized investment gains, including OTTI		2,131	327
Other, net		11,594	11,452
	Total revenues	<u>286,601</u>	<u>276,352</u>
Benefits and expenses:			
Benefits and claims		67,933	57,635
Amortization of deferred policy acquisition costs		26,531	23,229
Sales commissions		49,717	50,438
Insurance expenses		22,444	15,798
Insurance commissions		8,496	8,998
Interest expense		6,910	6,997
Other operating expenses		41,105	40,001
	Total benefits and expenses	<u>223,136</u>	<u>203,096</u>
	Income before income taxes	63,465	73,256
Income taxes		21,709	25,985
	Net income	<u>\$ 41,756</u>	<u>\$ 47,271</u>
Earnings per share:			
	Basic	<u>\$ 0.62</u>	<u>\$ 0.62</u>
	Diluted	<u>\$ 0.61</u>	<u>\$ 0.62</u>
Shares used in computing earnings per share:			
	Basic	<u>65,133</u>	<u>72,671</u>
	Diluted	<u>66,275</u>	<u>73,826</u>

(1) Unaudited

(2) Reflects revised accounting standards related to costs associated with acquiring or renewing insurance contracts.

PRIMERICA, INC. AND SUBSIDIARIES
Consolidated Operating Results Reconciliation
(Unaudited – in thousands)

	Three months ended March 31,		% Change
	2012	2011 (1)	
Operating revenues	\$ 284,470	\$ 267,296	6%
Reinsurance recoveries adjustment	-	8,729	
Realized investment gains, including OTTI	2,131	327	
Total revenues	<u>\$ 286,601</u>	<u>\$ 276,352</u>	4%
Operating income before income taxes	\$ 64,409	\$ 67,320	-4%
Reinsurance recoveries adjustment	-	8,729	
Realized investment gains, including OTTI	2,131	327	
Other operating expense - equity awards	(3,075)	(3,120)	
Income before income taxes	<u>\$ 63,465</u>	<u>\$ 73,256</u>	-13%
Net operating income	\$ 42,377	\$ 43,441	-2%
Reinsurance recoveries adjustment	-	8,729	
Realized investment gains, including OTTI	2,131	327	
Other operating expense - equity awards	(3,075)	(3,120)	
Tax impact of reconciling items	323	(2,106)	
Net income	<u>\$ 41,756</u>	<u>\$ 47,271</u>	-12%
Diluted operating earnings per share	\$ 0.62	\$ 0.57	9%
Net after-tax impact of operating adjustments	(0.01)	0.05	
Diluted earnings per share	<u>\$ 0.61</u>	<u>\$ 0.62</u>	-2%

(1) Reflects revised accounting standards related to costs associated with acquiring or renewing insurance contracts.

TERM LIFE INSURANCE SEGMENT
Operating Results Reconciliation
(Unaudited – in thousands)

	Three months ended March 31,	
	2012	2011 (1)
Operating revenues	\$ 151,804	\$ 128,233
Reinsurance recoveries adjustment	-	8,729
Total revenues	<u>\$ 151,804</u>	<u>\$ 136,962</u>
Operating income before income taxes	\$ 44,283	\$ 40,987
Reinsurance recoveries adjustment	-	8,729
Income before income taxes	<u>\$ 44,283</u>	<u>\$ 49,716</u>

(1) Reflects revised accounting standards related to costs associated with acquiring or renewing insurance contracts.

CORPORATE AND OTHER DISTRIBUTED PRODUCTS SEGMENT
Operating Results Reconciliation
(Unaudited – in thousands)

	Three months ended March 31,	
	2012	2011 (1)
Operating revenues	\$ 32,532	\$ 38,217
Realized investment gains, including OTTI	2,131	327
Total revenues	<u>\$ 34,663</u>	<u>\$ 38,544</u>
Operating loss before income taxes	\$ (8,744)	\$ (4,706)
Realized investment gains, including OTTI	2,131	327
Other operating expense - equity awards	(3,075)	(3,120)
Loss before income taxes	<u>\$ (9,688)</u>	<u>\$ (7,499)</u>

(1) Reflects revised accounting standards related to costs associated with acquiring or renewing insurance contracts.

PRIMERICA, INC. AND SUBSIDIARIES
Adjusted Stockholders' Equity Reconciliation
(Unaudited – in thousands)

	March 31,
	2012
Adjusted stockholders' equity	\$ 1,281,698
Unrealized net investment gains recorded in stockholders' equity	105,617
Stockholders' equity	<u>\$ 1,387,315</u>

PRIMERICA, INC. AND SUBSIDIARIES
ASU 2010-26 Implementation Impact Reconciliations
(Unaudited – in thousands, except per-share amounts)

	December 31, 2011
Stockholders' equity as originally reported	\$ 1,422,641
Adjustment for the adoption of ASU 2010-26	(95,991)
Stockholders' equity as revised for the adoption of ASU 2010-26	\$ 1,326,650
Three months ended March 31, 2011	
Net income as originally reported	\$ 52,467
Adjustment for the adoption of ASU 2010-26	(5,196)
Net income as revised for the adoption of ASU 2010-26	\$ 47,271
Diluted earnings per share as originally reported	\$ 0.68
Adjustment for the adoption of ASU 2010-26	(0.06)
Diluted earnings per share as revised for the adoption of ASU 2010-26	\$ 0.62
Diluted operating earnings per share as originally reported	\$ 0.63
Adjustment for the adoption of ASU 2010-26	(0.06)
Diluted operating earnings per share as revised for the adoption of ASU 2010-26	\$ 0.57
Term Life Insurance - Income before income taxes as originally reported	\$ 57,648
Adjustment for the adoption of ASU 2010-26	(7,932)
Term Life Insurance - Income before income taxes as revised for the adoption of ASU 2010-26	\$ 49,716
Corporate and Other Distributed Products - Loss before income taxes as originally reported	\$ (7,542)
Adjustment for the adoption of ASU 2010-26	43
Corporate and Other Distributed Products - Loss before income taxes as revised for the adoption of ASU 2010-26	\$ (7,499)

CONTACT:
Primerica, Inc. □
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investorrelations@primerica.com
or □ **Media Contact:**
Mark L. Supic, 770-564-6329 □
mark.supic@primerica.com



Supplemental Financial Information
First Quarter 2012

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This document may contain forward-looking statements and information. Additional information on factors that could cause results to differ materially from any forward-looking statements or information in this document is available in our Form 10-K for the year ended December 31, 2011.

FIRST QUARTER 2012

This document is a financial supplement to our first quarter 2012 earnings release. It is designed to enable comprehensive analysis of our ongoing business using the same core metrics that our management utilizes in assessing our business and making strategic and operational decisions. Throughout this document we provide financial information that is derived from our U.S. GAAP financial statements and adjusted for two different purposes, as follows:

- **Operating** adjustments exclude the expense associated with equity awards granted in connection with our initial public offering (“IPO”) and the impact of realized investment gains and losses. For periods which include the first quarter of 2011, operating adjustments exclude the impact of certain reinsurance recoveries which previously had not been recognized due to the uncertain nature of their recovery.
- **Adjusted** when used in describing stockholders’ equity refers to the removal of the impact of net unrealized gains and losses on invested assets.

Management utilizes certain non-GAAP financial measures in managing the business and believes they present relevant and meaningful analytical metrics for evaluating the ongoing business. Reconciliations of non-GAAP to GAAP financial measures are included in this financial supplement.

Effective January 1, 2012, we adopted ASU 2010-26 Accounting for Costs Associated with Acquiring or Renewing Insurance Contracts and no longer defer certain indirect acquisition costs or costs attributable to unsuccessful efforts of acquiring life insurance policies. We adopted this accounting policy change retrospectively and, accordingly, our historical results have been adjusted to reflect all results on a consistent basis across all periods presented. See the table below for the impact on key metrics.

During the first quarter 2012, we closed a redundant reserve financing transaction. In connection with this transaction, we formed Peach Re, Inc. (Peach Re), a special purpose financial captive insurance company and indirect wholly owned subsidiary of the company. In March 2012, Peach Re entered into a letter of credit facility with Deutsche Bank AG New York Branch with a term of approximately 14 years for a maximum amount of \$510 million to support certain of its obligations for a portion of the reserves (commonly referred to as Regulation XXX reserves) related to level premium term life insurance policies ceded to Peach Re by Primerica Life under a new coinsurance agreement. In connection with this transaction, Primerica Life Insurance Company (PLIC) obtained regulatory approval for the March 2012 payment of an extraordinary dividend of \$150 million to Primerica, Inc.

Certain items throughout this supplement may not add due to rounding and as such, may not agree to other public reporting of the respective item. Certain items throughout this supplement are noted as ‘na’ to indicate not applicable. Certain variances are noted as ‘nm’ to indicate not meaningful. Certain reclassifications have been made to prior-period amounts to conform to current-period reporting classifications. These reclassifications had no impact on net income or total stockholders’ equity.

ASU 2010-26 Implementation Impact Reconciliations
(Unaudited – in thousands, except per-share data)

	December 31, 2011
Stockholders' equity prior to implementation	\$ 1,422,641
Adjustment for the adoption of ASU 2010-26	(95,991)
Stockholders' equity upon adoption	<u>\$ 1,326,650</u>
	Three months ended March 31, 2011
Net income as originally reported	\$ 52,467
Adjustment for the adoption of ASU 2010-26	(5,196)
Net income as revised for the adoption of ASU 2010-26	<u>\$ 47,271</u>
Diluted earnings per share as originally reported	\$ 0.68
Adjustment for the adoption of ASU 2010-26	(0.06)
Diluted earnings per share as revised for the adoption of ASU 2010-26	<u>\$ 0.62</u>
Diluted operating earnings per share as originally reported	\$ 0.63
Adjustment for the adoption of ASU 2010-26	(0.06)
Diluted operating earnings per share as revised for the adoption of ASU 2010-26	<u>\$ 0.57</u>

<i>(Dollars in thousands)</i>	Mar 31, 2011	Jun 30, 2011	Sep 30, 2011	Dec 31, 2011	Mar 31, 2012
Condensed Balance Sheets					
Assets:					
Investments and cash	\$ 2,330,098	\$ 2,297,013	\$ 2,319,873	\$ 2,157,582	\$ 2,167,231
Due from reinsurers	3,769,599	3,793,995	3,818,759	3,855,318	3,895,162
Deferred policy acquisition costs	786,055	833,784	864,623	904,485	948,087
Other assets	582,079	567,482	586,647	525,836	522,123
Separate account assets	2,582,881	2,544,429	2,276,705	2,408,598	2,541,313
Total assets	<u>\$ 10,050,712</u>	<u>\$ 10,036,703</u>	<u>\$ 9,866,607</u>	<u>\$ 9,851,820</u>	<u>\$ 10,073,917</u>
Liabilities:					
Future policy benefits	\$ 4,470,185	\$ 4,532,615	\$ 4,557,535	\$ 4,614,860	\$ 4,676,374
Other policy liabilities	604,487	588,202	589,826	589,542	606,793
Income taxes	100,666	84,859	87,950	81,316	88,503
Other liabilities	396,195	363,181	389,319	381,495	331,112
Note payable	300,000	300,000	300,000	300,000	300,000
Payable under securities lending	186,089	163,342	185,483	149,358	142,507
Separate account liabilities	2,582,881	2,544,429	2,276,705	2,408,598	2,541,313
Total liabilities	<u>8,640,502</u>	<u>8,576,628</u>	<u>8,386,817</u>	<u>8,525,169</u>	<u>8,686,602</u>
Stockholders' equity:					
Common stock (\$0.01 par value) (1)	732	736	737	649	653
Paid-in capital	1,016,973	1,021,338	1,026,265	835,232	842,613
Retained earnings	240,739	276,089	308,912	344,104	383,847
Treasury stock	—	—	—	—	—
Accumulated other comprehensive income (loss), net:					
Net unrealized investment gains (losses) not other-than-temporarily impaired	96,542	105,646	99,257	97,082	107,598
Net unrealized investment losses other-than-temporarily impaired	(2,275)	(2,275)	(2,363)	(1,665)	(1,981)
Cumulative translation adjustment	57,498	58,541	46,982	51,248	54,584
Total stockholders' equity	<u>1,410,210</u>	<u>1,460,076</u>	<u>1,479,790</u>	<u>1,326,650</u>	<u>1,387,314</u>
Total liabilities and stockholders' equity	<u>\$ 10,050,712</u>	<u>\$ 10,036,703</u>	<u>\$ 9,866,607</u>	<u>\$ 9,851,820</u>	<u>\$ 10,073,917</u>
Reconciliation of Adjusted Stockholders' Equity to Total Stockholders' Equity					
Adjusted stockholders' equity	\$ 1,315,943	\$ 1,356,704	\$ 1,382,895	\$ 1,231,233	\$ 1,281,697
Reconciling items:					
Net unrealized investment gains (losses) not other-than-temporarily impaired	96,542	105,646	99,257	97,082	107,598
Net unrealized investment losses other-than-temporarily impaired	(2,275)	(2,275)	(2,363)	(1,665)	(1,981)
Total reconciling items	<u>94,268</u>	<u>103,372</u>	<u>96,894</u>	<u>95,417</u>	<u>105,617</u>
Total stockholders' equity	<u>\$ 1,410,210</u>	<u>\$ 1,460,076</u>	<u>\$ 1,479,790</u>	<u>\$ 1,326,650</u>	<u>\$ 1,387,314</u>
Deferred Policy Acquisition Costs Rollforward					
Balance, beginning of period	\$ 738,946	\$ 786,055	\$ 833,784	\$ 864,623	\$ 904,485
General expenses deferred	7,381	8,410	7,625	7,754	7,003
Commission costs deferred	56,822	62,091	61,785	58,793	60,116
Amortization of deferred policy acquisition costs	(23,229)	(23,975)	(26,645)	(30,185)	(26,531)
Foreign currency impact and other, net	6,135	1,203	(11,927)	3,501	3,015
Balance, end of period	<u>\$ 786,055</u>	<u>\$ 833,784</u>	<u>\$ 864,623</u>	<u>\$ 904,485</u>	<u>\$ 948,087</u>

(1) Outstanding common shares exclude restricted stock units.

	Q1 2011	Q2 2011	Q3 2011	Q4 2011	Q1 2012	YOY Q1	
						Change	% Change
<i>(Dollars in thousands, except per-share data)</i>							
Earnings per Share							
Basic earnings per share:							
Weighted-average common shares and fully vested equity awards	72,671,481	73,457,333	73,658,253	69,366,432	65,133,035	(7,538,446)	-10.4%
Net income	\$ 47,272	\$ 37,620	\$ 35,096	\$ 37,204	\$ 41,756	\$ (5,516)	-11.7%
Less income attributable to unvested participating securities	(1,895)	(1,097)	(988)	(1,111)	(1,357)	538	28.4%
Net income used in computing basic EPS	\$ 45,377	\$ 36,523	\$ 34,108	\$ 36,094	\$ 40,400	\$ (4,978)	-11.0%
Basic earnings per share	\$ 0.62	\$ 0.50	\$ 0.46	\$ 0.52	\$ 0.62	\$ (0.00)	-0.7%
Net operating income	\$ 43,441	\$ 38,592	\$ 37,301	\$ 36,652	\$ 42,377	\$ (1,065)	-2.5%
Less operating income attributable to unvested participating securities	(1,741)	(1,126)	(1,051)	(1,094)	(1,377)	364	20.9%
Net operating income used in computing basic operating EPS	\$ 41,700	\$ 37,467	\$ 36,250	\$ 35,558	\$ 41,000	\$ (701)	-1.7%
Basic operating income per share	\$ 0.57	\$ 0.51	\$ 0.49	\$ 0.51	\$ 0.63	\$ 0.06	9.7%
Diluted earnings per share:							
Weighted-average common shares and fully vested equity awards	72,671,481	73,457,333	73,658,253	69,366,432	65,133,035	(7,538,446)	-10.4%
Dilutive impact of warrants	1,154,597	743,814	541,184	802,787	1,141,687	(12,910)	-1.1%
Shares used to calculate diluted EPS	73,826,078	74,201,147	74,199,437	70,169,219	66,274,722	(7,551,356)	-10.2%
Net income	\$ 47,272	\$ 37,620	\$ 35,096	\$ 37,204	\$ 41,756	\$ (5,516)	-11.7%
Less income attributable to unvested participating securities	(1,867)	(1,087)	(982)	(1,099)	(1,335)	531	28.5%
Net income used in computing diluted EPS	\$ 45,405	\$ 36,533	\$ 34,115	\$ 36,105	\$ 40,421	\$ (4,984)	-11.0%
Diluted earnings per share	\$ 0.62	\$ 0.49	\$ 0.46	\$ 0.51	\$ 0.61	\$ (0.01)	-0.8%
Net operating income	\$ 43,441	\$ 38,592	\$ 37,301	\$ 36,652	\$ 42,377	\$ (1,065)	-2.5%
Less operating income attributable to unvested participating securities	(1,715)	(1,115)	(1,044)	(1,083)	(1,355)	360	21.0%
Net operating income used in computing diluted operating EPS	\$ 41,726	\$ 37,477	\$ 36,257	\$ 35,570	\$ 41,022	\$ (704)	-1.7%
Diluted operating income per share	\$ 0.57	\$ 0.51	\$ 0.49	\$ 0.51	\$ 0.62	\$ 0.05	9.5%

	Q1 2011	Q2 2011	Q3 2011	Q4 2011	Q1 2012	YOY Q1	
						Change	% Change
Annualized Return on Equity							
Average stockholders' equity	\$ 1,383,369	\$ 1,435,143	\$ 1,469,933	\$ 1,403,220	\$ 1,356,982	\$ (26,387)	-1.9%
Average adjusted stockholders' equity	\$ 1,288,212	\$ 1,336,324	\$ 1,369,800	\$ 1,307,064	\$ 1,256,465	\$ (31,746)	-2.5%
Net income return on stockholders' equity	13.7%	10.5%	9.6%	10.6%	12.3%	-1.4%	nm
Net income return on adjusted stockholders' equity	14.7%	11.3%	10.2%	11.4%	13.3%	-1.4%	nm
Net operating income return on adjusted stockholders' equity	13.5%	11.6%	10.9%	11.2%	13.5%	0.0%	nm
Capital Structure							
Debt-to-capital (1)	17.5%	17.0%	16.9%	18.4%	17.8%	0.2%	nm
Cash and invested assets to stockholders' equity	1.7x	1.6x	1.6x	1.6x	1.6x	(0.1x)	nm
Cash and invested assets to adjusted stockholders' equity	1.8x	1.7x	1.7x	1.8x	1.7x	(0.1x)	nm
Share count, end of period (2)	73,187,837	73,603,111	73,740,120	64,882,643	65,303,547	(7,884,290)	-10.8%
Adjusted stockholders' equity per share	\$ 17.98	\$ 18.43	\$ 18.75	\$ 18.98	\$ 19.63	\$ 1.65	9.2%
Financial Strength Ratings - Primerica Life Insurance Company							
Moody's	na	A2	A2	A2	A2	nm	nm
S&P	AA-	AA-	AA-	AA-	AA-	nm	nm
A.M. Best	A+	A+	A+	A+	A+	nm	nm
Fitch	A+	A+	A+	A+	A+	nm	nm
Holding Company Senior Debt Ratings							
Moody's	na	Baa2	Baa2	Baa2	Baa2	nm	nm
S&P	na	A-	A-	A-	A-	nm	nm
A.M. Best	na	a-	a-	a-	a-	nm	nm

(1) Capital in the debt-to-capital ratio includes stockholders' equity and the note payable.

(2) Share count reflects outstanding common shares, including restricted shares, but excludes restricted stock units (RSUs).

	Q1 2011	Q2 2011	Q3 2011	Q4 2011	Q1 2012	YOY Q1	
						\$ Change	% Change
<i>(Dollars in thousands)</i>							
Statement of Income							
Revenues:							
Direct premiums	\$ 552,069	\$ 560,881	\$ 560,739	\$ 555,778	\$ 561,037	\$ 8,968	1.6%
Ceded premiums	(422,238)	(435,564)	(425,643)	(419,630)	(418,163)	4,074	1.0%
Net premiums	129,831	125,317	135,096	136,148	142,874	13,042	10.0%
Net investment income	28,626	27,229	27,103	25,644	26,097	(2,529)	-8.8%
Commissions and fees:							
Sales-based (1)	43,128	44,904	42,244	40,086	44,467	1,339	3.1%
Asset-based (2)	44,825	45,348	41,996	40,889	43,722	(1,104)	-2.5%
Account-based (3)	10,432	11,811	10,140	9,615	9,373	(1,059)	-10.1%
Other commissions and fees	7,731	6,635	6,502	6,693	6,343	(1,388)	-18.0%
Realized investment (losses) gains	327	2,035	(178)	4,256	2,132	1,805	nm
Other, net	11,452	11,816	12,887	12,526	11,594	142	1.2%
Total revenues	276,352	275,095	275,790	275,855	286,601	10,250	3.7%
Benefits and expenses:							
Benefits and claims	57,635	57,272	64,101	63,688	67,933	10,299	17.9%
Amortization of DAC	23,229	23,975	26,645	30,185	26,531	3,302	14.2%
Insurance commissions	8,998	9,532	10,536	9,553	8,496	(501)	-5.6%
Insurance expenses	15,798	26,988	22,133	24,273	22,444	6,646	42.1%
Sales commissions:							
Sales-based (1)	30,553	31,389	29,640	26,805	31,600	1,047	3.4%
Asset-based (2)	15,451	15,111	13,805	13,534	14,745	(706)	-4.6%
Other sales commissions	4,434	3,774	3,692	3,534	3,371	(1,062)	-24.0%
Interest expense	6,997	6,998	7,000	6,973	6,910	(87)	-1.2%
Other operating expenses	40,001	41,590	42,732	40,630	41,104	1,102	2.8%
Total benefits and expenses	203,095	216,630	220,285	219,175	223,135	20,040	9.9%
Income before income taxes	73,256	58,465	55,505	56,681	63,466	(9,791)	-13.4%
Income taxes	25,985	20,845	20,409	19,477	21,709	(4,275)	-16.5%
Net income	\$ 47,272	\$ 37,620	\$ 35,096	\$ 37,204	\$ 41,756	\$ (5,516)	-11.7%
Income Before Income Taxes by Segment							
Term Life	\$ 49,716	\$ 36,027	\$ 39,663	\$ 37,045	\$ 44,283	\$ (5,432)	-10.9%
Investment & Savings Products	31,039	30,470	26,746	28,821	28,869	(2,169)	-7.0%
Corporate & Other Distributed Products	(7,498)	(8,032)	(10,903)	(9,185)	(9,687)	(2,189)	-29.2%
Income before income taxes	\$ 73,256	\$ 58,465	\$ 55,505	\$ 56,681	\$ 63,466	\$ (9,791)	-13.4%

(1) Sales-based - revenues or commission expenses relating to the sales of mutual funds and variable annuities

(2) Asset-based - revenues or commission expenses relating to the value of assets in client accounts for which we earn ongoing service, distribution, and other fees

(3) Account-based - revenues relating to the fee generating client accounts we administer

Reconciliation of Statement of Income Non-GAAP to GAAP Financial Measures

 PRIMERICA, INC.
 Financial Supplement

	Q1 2011	Q2 2011	Q3 2011	Q4 2011	Q1 2012	YOY Q1	
						\$ Change	% Change
<i>(Dollars in thousands)</i>							
Reconciliation from Operating Revenues to Total Revenues							
Operating revenues	\$ 267,296	\$ 273,060	\$ 275,968	\$ 271,600	\$ 284,469	\$ 17,173	6.4%
Operating revenues reconciling items:							
Realized investment gains/losses	327	2,035	(178)	4,256	2,132	nm	nm
Ceded premiums - reinsurance recoveries	8,729	—	—	—	—	nm	nm
Total operating revenues reconciling items	9,056	2,035	(178)	4,256	2,132	nm	nm
Total revenues	\$ 276,352	\$ 275,095	\$ 275,790	\$ 275,855	\$ 286,601	\$ 10,250	3.7%
Reconciliation from Operating Income Before Income Taxes to Income Before Income Taxes							
Operating income before income taxes	\$ 67,321	\$ 59,976	\$ 58,992	\$ 55,840	\$ 64,409	\$ (2,912)	-4.3%
Operating income before income taxes reconciling items:							
Realized investment gains/losses	327	2,035	(178)	4,256	2,132	nm	nm
Ceded premiums - reinsurance recoveries	8,729	—	—	—	—	nm	nm
Initial & accelerated management / field grant expense	(3,120)	(3,546)	(3,309)	(3,415)	(3,075)	nm	nm
Total operating income before income taxes reconciling items	5,936	(1,510)	(3,487)	841	(943)	nm	nm
Income before income taxes	\$ 73,256	\$ 58,465	\$ 55,505	\$ 56,681	\$ 63,466	\$ (9,791)	-13.4%
Reconciliation from Net Operating Income to Net Income							
Net operating income	\$ 43,441	\$ 38,592	\$ 37,301	\$ 36,652	\$ 42,377	\$ (1,065)	-2.5%
Net operating income reconciling items:							
Operating income before income taxes reconciling items	5,936	(1,510)	(3,487)	841	(943)	nm	nm
Tax impact of operating income reconciling items at effective tax rate	(2,105)	539	1,282	(289)	323	nm	nm
Total net operating income reconciling items	3,830	(972)	(2,205)	552	(621)	nm	nm
Net income	\$ 47,272	\$ 37,620	\$ 35,096	\$ 37,204	\$ 41,756	\$ (5,516)	-11.7%

	Q1 2011	Q2 2011	Q3 2011	Q4 2011	Q1 2012	YOY Q1	
						\$ Change	% Change
<i>(Dollars in thousands)</i>							
Term Life Insurance							
Revenues:							
Direct premiums	\$ 532,167	\$ 540,283	\$ 539,693	\$ 537,450	\$ 542,157	\$ 9,990	1.9%
Ceded premiums	(427,382)	(431,890)	(421,933)	(416,477)	(414,559)	12,822	3.0%
Net premiums	104,786	108,393	117,760	120,973	127,598	22,812	21.8%
Allocated net investment income	15,794	15,669	15,664	15,560	16,659	865	5.5%
Other, net	7,653	7,580	8,289	8,144	7,547	(106)	-1.4%
Operating revenues	128,233	131,641	141,713	144,678	151,805	23,571	18.4%
Benefits and expenses:							
Benefits and claims	47,351	43,921	52,067	53,820	57,509	10,158	21.5%
Amortization of DAC	20,127	19,894	22,289	27,163	23,933	3,806	18.9%
Insurance commissions	4,063	5,320	5,633	4,380	3,577	(486)	-12.0%
Insurance expenses	12,833	23,607	19,186	19,421	19,717	6,884	53.6%
Interest expense	2,872	2,873	2,875	2,848	2,785	(87)	-3.0%
Operating benefits and expenses	87,246	95,615	102,050	107,633	107,521	20,275	23.2%
Operating income before income taxes	\$ 40,987	\$ 36,027	\$ 39,663	\$ 37,045	\$ 44,283	\$ 3,296	8.0%
Investment & Savings Products							
Revenues:							
Commissions and fees:							
Sales-based	\$ 43,128	\$ 44,904	\$ 42,244	\$ 40,086	\$ 44,467	\$ 1,339	3.1%
Asset-based	44,825	45,348	41,996	40,889	43,722	(1,104)	-2.5%
Account-based	10,432	11,811	10,140	9,615	9,373	(1,059)	-10.1%
Other, net	2,461	2,522	3,105	3,196	2,572	110	4.5%
Operating revenues	100,846	104,586	97,485	93,786	100,133	(713)	-0.7%
Benefits and expenses:							
Amortization of DAC	2,785	3,751	4,034	1,913	3,223	438	15.7%
Insurance commissions	2,140	2,344	2,277	2,089	2,149	9	0.4%
Sales commissions:							
Sales-based	30,553	31,389	29,640	26,805	31,600	1,047	3.4%
Asset-based	15,451	15,111	13,805	13,534	14,745	(706)	-4.6%
Other operating expenses	18,878	21,519	20,984	20,624	19,547	668	3.5%
Operating benefits and expenses	69,807	74,115	70,740	64,964	71,264	1,457	2.1%
Operating income before income taxes	\$ 31,039	\$ 30,470	\$ 26,746	\$ 28,821	\$ 28,869	\$ (2,169)	-7.0%
Corporate & Other Distributed Products							
Revenues:							
Direct premiums	\$ 19,902	\$ 20,597	\$ 21,046	\$ 18,328	\$ 18,880	\$ (1,022)	-5.1%
Ceded premiums	(3,585)	(3,674)	(3,710)	(3,153)	(3,604)	(19)	-0.5%
Net premiums	16,317	16,924	17,336	15,174	15,276	(1,041)	-6.4%
Allocated net investment income	12,831	11,560	11,439	10,083	9,437	(3,394)	-26.5%
Commissions and fees:							
Loans	1,528	1,202	1,126	1,134	913	(615)	-40.3%
DebtWatchers	1,071	805	840	791	717	(354)	-33.1%
Prepaid Legal Services	2,619	2,345	2,329	2,321	2,289	(331)	-12.6%
Auto and Homeowners Insurance	1,687	1,507	1,427	1,606	1,689	2	0.1%
Long-Term Care Insurance	825	775	764	835	724	(102)	-12.3%
Other sales commissions	1	0	16	5	12	11	nm
Other, net	1,337	1,715	1,493	1,186	1,475	138	10.3%
Operating revenues	38,216	36,833	36,770	33,136	32,531	(5,685)	-14.9%
Benefits and expenses:							
Benefits and claims	10,284	13,352	12,034	9,867	10,424	140	1.4%
Amortization of DAC	317	330	322	1,110	(625)	(942)	nm
Insurance commissions	2,794	1,867	2,626	3,084	2,770	(24)	-0.9%
Insurance expenses	2,965	3,381	2,947	4,851	2,727	(238)	-8.0%
Sales commissions	4,434	3,774	3,692	3,534	3,371	(1,062)	-24.0%
Interest expense	4,125	4,125	4,125	4,125	4,125	—	nm
Other operating expenses	18,003	16,525	18,440	16,591	18,482	479	2.7%
Operating benefits and expenses	42,922	43,354	44,186	43,162	41,275	(1,647)	-3.8%
Operating income before income taxes	\$ (4,705)	\$ (6,521)	\$ (7,416)	\$ (10,026)	\$ (8,744)	\$ (4,039)	-85.8%

(Dollars in thousands)

Term Life Insurance Operating Income Before Income Taxes	Q1 2011	Q2 2011	Q3 2011	Q4 2011	Q1 2012	YOY Q1	
						\$ Change	% Change
Revenues:							
Direct premiums	\$ 532,167	\$ 540,283	\$ 539,693	\$ 537,450	\$ 542,157	\$ 9,990	1.9%
Ceded premiums	(427,382)	(431,890)	(421,933)	(416,477)	(414,559)	12,822	3.0%
Net premiums	104,786	108,393	117,760	120,973	127,598	22,812	21.8%
Allocated net investment income	15,794	15,669	15,664	15,560	16,659	865	5.5%
Other, net	7,653	7,580	8,289	8,144	7,547	(106)	-1.4%
Operating revenues	128,233	131,641	141,713	144,678	151,805	23,571	18.4%
Benefits and expenses:							
Benefits and claims	47,351	43,921	52,067	53,820	57,509	10,158	21.5%
Amortization of DAC	20,127	19,894	22,289	27,163	23,933	3,806	18.9%
Insurance commissions	4,063	5,320	5,633	4,380	3,577	(486)	-12.0%
Insurance expenses	12,833	23,607	19,186	19,421	19,717	6,884	53.6%
Interest expense	2,872	2,873	2,875	2,848	2,785	(87)	-3.0%
Operating benefits and expenses	87,246	95,615	102,050	107,633	107,521	20,275	23.2%
Operating income before income taxes	\$ 40,987	\$ 36,027	\$ 39,663	\$ 37,045	\$ 44,283	\$ 3,296	8.0%
New Term Life Insurance Operating Income Before Income Taxes (1)							
Revenues:							
Direct premiums	\$ 46,771	\$ 56,581	\$ 64,655	\$ 71,240	\$ 79,146	\$ 32,375	69.2%
Ceded premiums	(8,075)	(9,320)	(8,513)	(8,753)	(13,012)	(4,937)	-61.1%
Net premiums	38,697	47,261	56,142	62,487	66,134	27,438	70.9%
Allocated net investment income	630	722	986	1,195	1,302	672	106.6%
Other, net	7,614	7,605	8,287	8,151	7,501	(113)	-1.5%
Operating revenues	46,941	55,588	65,415	71,833	74,938	27,997	59.6%
Benefits and expenses:							
Benefits and claims	14,002	17,380	21,086	23,261	25,056	11,054	78.9%
Amortization of DAC	9,249	8,324	11,193	14,893	14,674	5,425	58.7%
Insurance commissions	3,737	5,052	5,366	4,123	3,364	(372)	-10.0%
Insurance expenses	21,976	32,353	28,054	28,915	28,133	6,157	28.0%
Interest expense	—	—	—	—	—	—	nm
Operating benefits and expenses	48,963	63,109	65,700	71,193	71,227	22,263	45.5%
Operating income before income taxes	\$ (2,023)	\$ (7,520)	\$ (284)	\$ 640	\$ 3,711	\$ 5,734	nm
Legacy Term Life Insurance Operating Income Before Income Taxes (2)							
Revenues:							
Direct premiums	\$ 485,396	\$ 483,702	\$ 475,038	\$ 466,211	\$ 463,011	\$ (22,385)	-4.6%
Ceded premiums	(419,307)	(422,570)	(413,421)	(407,724)	(401,548)	17,759	4.2%
Net premiums	66,089	61,132	61,618	58,487	61,464	(4,626)	-7.0%
Allocated net investment income	15,164	14,947	14,678	14,365	15,357	193	1.3%
Other, net	39	(26)	2	(7)	46	7	17.3%
Operating revenues	81,293	76,053	76,298	72,845	76,867	(4,426)	-5.4%
Benefits and expenses:							
Benefits and claims	33,349	26,541	30,981	30,560	32,453	(896)	-2.7%
Amortization of DAC	10,878	11,571	11,096	12,270	9,259	(1,619)	-14.9%
Insurance commissions	327	268	267	257	213	(114)	-34.9%
Insurance expenses	9,366	9,466	9,014	7,989	9,162	(203)	-2.2%
Insurance expense allowance	(18,508)	(18,212)	(17,883)	(17,483)	(17,579)	929	5.0%
Interest expense	2,872	2,873	2,875	2,848	2,785	(87)	-3.0%
Operating benefits and expenses	38,283	32,506	36,351	36,441	36,294	(1,989)	-5.2%
Operating income before income taxes	\$ 43,010	\$ 43,547	\$ 39,947	\$ 36,405	\$ 40,573	\$ (2,437)	-5.7%

(1) Represents results associated with business written subsequent to the 2010 Citi reinsurance transactions.

(2) Represents results associated with business subject to the 2010 Citi reinsurance transactions.

	Q1 2011	Q2 2011	Q3 2011	Q4 2011	Q1 2012	YOY Q1	
						\$ Change	% Change
<i>(Dollars in thousands, except as noted)</i>							
Key Statistics							
Life-insurance licensed sales force, beginning of period	94,850	92,212	90,519	91,970	91,176	(3,674)	-3.9%
New life-licensed representatives	7,145	8,061	10,334	8,171	7,650	505	7.1%
Non-renewal and terminated representatives	(9,783)	(9,754)	(8,883)	(8,965)	(9,175)	608	6.2%
Life-insurance licensed sales force, end of period	92,212	90,519	91,970	91,176	89,651	(2,561)	-2.8%
Estimated annualized issued term life premium (\$mills)(1):							
Premium from new policies	\$ 41.1	\$ 47.5	\$ 50.1	\$ 48.9	\$ 44.7	\$ 3.6	8.8%
Additions and increases in premium	10.4	11.4	11.5	11.6	10.7	0.3	2.9%
Total estimated annualized issued term life premium	\$ 51.5	\$ 58.9	\$ 61.7	\$ 60.4	\$ 55.4	\$ 3.9	7.6%
Issued term life policies	51,281	59,826	65,067	61,361	56,145	4,864	9.5%
Estimated average annualized issued term life premium per policy (1)(2)	\$ 802	\$ 794	\$ 771	\$ 796	\$ 797	\$ (5)	-0.6%
Term life face amount in-force, beginning of period (\$mills)	\$ 656,791	\$ 658,523	\$ 663,617	\$ 666,182	\$ 664,955	\$ 8,164	1.2%
Issued term life face amount (3)	16,735	18,974	18,885	18,552	16,983	248	1.5%
Terminated term life face amount	(17,247)	(14,724)	(16,221)	(18,760)	(16,307)	939	5.4%
Foreign currency impact, net	2,244	843	(98)	(1,019)	(1,208)	(3,452)	nm
Term life face amount in-force, end of period	\$ 658,523	\$ 663,617	\$ 666,182	\$ 664,955	\$ 664,423	\$ 5,900	0.9%
New Term Life Insurance - Financial Analysis							
Direct premium	\$ 46,771	\$ 56,581	\$ 64,655	\$ 71,240	\$ 79,146	32,375	69.2%
New term life operating income before income taxes	\$ (2,023)	\$ (7,520)	\$ (284)	\$ 640	\$ 3,711	5,734	nm
% of direct premium	-4.3%	-13.3%	-0.4%	0.9%	4.7%	nm	nm
Benefits & expenses, net (4)	\$ 35,063	\$ 40,076	\$ 46,158	\$ 51,030	\$ 56,105	21,043	60.0%
% of direct premium	75.0%	70.8%	71.4%	71.6%	70.9%	nm	nm
Insurance expenses, net (5)	\$ 14,362	\$ 24,747	\$ 19,768	\$ 20,764	\$ 20,632	6,270	43.7%
% of direct premium	30.7%	43.7%	30.6%	29.1%	26.1%	nm	nm
Legacy Term Life Insurance - Financial Analysis							
Direct premium	\$ 485,396	\$ 483,702	\$ 475,038	\$ 466,211	\$ 463,011	(22,385)	-4.6%
Legacy term life operating income before income taxes	\$ 43,010	\$ 43,547	\$ 39,947	\$ 36,405	\$ 40,573	(2,437)	-5.7%
% of direct premium	8.9%	9.0%	8.4%	7.8%	8.8%	nm	nm

(1) Estimated annualized issued term life premium - estimated as average premium per \$1,000 of face amounts issued on new policies and additions (before free look returns) multiplied by actual face amount issued on new policies, rider additions and face amount increases.

(2) In whole dollars

(3) Issued term life face amount - includes face amount on issued term life policies, additional riders added to existing policies, and face increases under increasing benefit riders

(4) Benefits & expenses, net - includes total benefits & claims, ceded premiums, insurance commissions, and amortization of deferred policy acquisition costs

(5) Insurance expenses, net - insurance expenses, net of other net revenues

(Dollars in thousands, except as noted)

Investment & Savings Products Operating Income Before Income Taxes	Q1 2011	Q2 2011	Q3 2011	Q4 2011	Q1 2012	YOY Q1	
						\$ Change	% Change
Revenues:							
Commissions and fees:							
Sales-based	\$ 43,128	\$ 44,904	\$ 42,244	\$ 40,086	\$ 44,467	\$ 1,339	3.1%
Asset-based	44,825	45,348	41,996	40,889	43,722	(1,104)	-2.5%
Account-based	10,432	11,811	10,140	9,615	9,373	(1,059)	-10.1%
Other, net	2,461	2,522	3,105	3,196	2,572	110	4.5%
Operating revenues	100,846	104,586	97,485	93,786	100,133	(713)	-0.7%
Benefits and expenses:							
Amortization of DAC	2,785	3,751	4,034	1,913	3,223	438	15.7%
Insurance commissions	2,140	2,344	2,277	2,089	2,149	9	0.4%
Sales commissions:							
Sales-based	30,553	31,389	29,640	26,805	31,600	1,047	3.4%
Asset-based	15,451	15,111	13,805	13,534	14,745	(706)	-4.6%
Other operating expenses	18,878	21,519	20,984	20,624	19,547	668	3.5%
Operating benefits and expenses	69,807	74,115	70,740	64,964	71,264	1,457	2.1%
Operating income before income taxes	\$ 31,039	\$ 30,470	\$ 26,746	\$ 28,821	\$ 28,869	\$ (2,169)	-7.0%
Key Statistics							
Product sales (\$mills)							
Retail Mutual Funds	\$ 646.0	\$ 603.1	\$ 498.3	\$ 482.5	\$ 611.9	\$ (34.1)	-5.3%
Variable Annuities and other	344.6	458.0	483.4	388.4	428.9	84.3	24.5%
Total sales-based revenue generating product sales	990.6	1,061.1	981.7	870.9	1,040.8	50.2	5.1%
Managed Mutual Funds	—	0.2	11.8	16.6	23.1	23.1	nm
Segregated Funds	123.1	74.2	66.6	68.4	123.7	0.7	0.5%
Total product sales	\$ 1,113.7	\$ 1,135.5	\$ 1,060.0	\$ 955.8	\$ 1,187.7	\$ 74.0	6.6%
Client asset values, beginning of period (\$mills)	\$ 34,869	\$ 36,187	\$ 36,020	\$ 31,623	\$ 33,664	\$ (1,205)	-3.5%
Inflows	1,114	1,136	1,060	956	1,188	74	6.6%
Outflows (1)	(1,083)	(1,118)	(1,091)	(983)	(1,233)	(150)	-13.8%
Net flows	31	18	(31)	(27)	(45)	(76)	nm
Change in market value, net and other (2)	1,288	(185)	(4,365)	2,068	2,660	1,372	nm
Client asset values, end of period	\$ 36,187	\$ 36,020	\$ 31,623	\$ 33,664	\$ 36,279	\$ 91	0.3%
Average client asset values (\$mills)							
Retail Mutual Funds	\$ 24,882	\$ 25,330	\$ 23,500	\$ 22,583	\$ 23,694	\$ (1,188)	-4.8%
Managed Mutual Funds	—	0	21	104	212	212	nm
Variable Annuities and other	8,242	8,588	8,192	8,083	8,717	475	5.8%
Segregated Funds	2,477	2,545	2,479	2,454	2,499	21	0.9%
Total	\$ 35,602	\$ 36,463	\$ 34,192	\$ 33,224	\$ 35,122	\$ (480)	-1.3%
Average number of fee-generating accounts (thous) (3)	2,662	2,611	2,626	2,611	2,584	(78)	-2.9%
Financial Analysis							
Sales-based net revenue as % of sales (4)	1.27%	1.27%	1.28%	1.53%	1.24%	nm	nm
Asset-based net revenue as % of average asset values(5)	0.07%	0.07%	0.06%	0.07%	0.07%	nm	nm
Account-based revenue per average fee generating account (6)	\$ 3.92	\$ 4.52	\$ 3.86	\$ 3.68	\$ 3.63	nm	nm

(1) Asset value outflows - include (a) redemptions of assets, (b) sales charges on the inflow sales figures, and (c) the net flow of money market funds sold and redeemed on the company's recordkeeping platform. The redemptions of assets must be estimated for approximately 8% of account values as these figures are not readily available. Actual redemptions as a percentage of account values for similar known account values are used to estimate the unknown redemption values.

(2) Change in market value, net - market value fluctuations net of fees, expenses, and foreign currency impact

(3) Fee generating accounts - mutual fund accounts for which we receive recording keeping and/or custodial fees

(4) Sales-based net revenue - commission and fee revenue less commissions paid to the sales force based on product sales activity

(5) Asset-based net revenue - commission and fee revenue less commissions paid to the sales force earned based on product account values including amortization of deferred acquisition costs for segregated funds

(6) In whole dollars

	As of or for the period ended March 31, 2012						
	Market Value	Amortized Cost	Unrealized G/(L)	% of Total		Avg Book Yield	Avg Rating
				Market Value	Amortized Cost		
<i>(Dollars in thousands)</i>							
Investment Portfolio by Asset Class							
Cash and cash equivalents	\$ 155,536	\$ 155,536	\$ —	7.3%	7.9%		
Fixed Income:							
Treasury	38,401	34,601	3,800	1.8%	1.8%	3.03%	AAA
Government	116,610	101,785	14,826	5.4%	5.2%	4.71%	AA
Tax-Exempt Municipal	7,068	6,645	423	0.3%	0.3%	3.32%	AA-
Corporate	1,226,933	1,115,047	111,886	57.3%	56.6%	5.80%	BBB+
Mortgage-Backed	255,367	234,480	20,887	11.9%	11.9%	5.47%	AA+
Asset-Backed	53,155	54,638	(1,482)	2.5%	2.8%	1.41%	AA
CMBS	125,899	118,821	7,078	5.9%	6.0%	4.94%	AAA
Private	118,962	112,732	6,230	5.6%	5.7%	5.79%	BBB
Redeemable Preferred	869	1,389	(519)	0.0%	0.1%	45.71%	A-
Convertible	11,040	10,564	477	0.5%	0.5%	3.60%	A
Total Fixed Income	1,954,306	1,790,701	163,605	91.3%	90.9%	5.46%	A
Equities:							
Perpetual Preferred	3,507	3,085	422	0.2%	0.2%		
Common Stock	11,519	8,546	2,974	0.5%	0.4%		
Mutual Fund	7,781	4,153	3,628	0.4%	0.2%		
Other	8,894	8,894	0	0.4%	0.5%		
Total Equities	31,702	24,678	7,024	1.5%	1.3%		
Total Invested Assets	\$ 2,141,544	\$ 1,970,915	\$ 170,629	100.0%	100.0%		

Corporate Portfolio by Sector

Banking	\$ 120,533	\$ 114,494	\$ 6,040	9.8%	10.3%		
Basic Industry	93,432	84,257	9,175	7.6%	7.6%		
Brokerage	17,413	15,704	1,709	1.4%	1.4%		
Capital Goods	74,024	66,607	7,417	6.0%	6.0%		
Communications	88,130	80,203	7,926	7.2%	7.2%		
Consumer Cyclical	52,204	47,879	4,325	4.3%	4.3%		
Consumer Non-Cyclical	147,058	130,243	16,815	12.0%	11.7%		
Electric	121,011	106,037	14,974	9.9%	9.5%		
Energy	84,588	75,908	8,680	6.9%	6.8%		
Finance Companies	26,241	22,754	3,487	2.1%	2.0%		
Financial Other	13,021	12,462	559	1.1%	1.1%		
Industrial Other	34,263	31,279	2,984	2.8%	2.8%		
Insurance	98,953	90,880	8,073	8.1%	8.2%		
Natural Gas	62,071	56,201	5,870	5.1%	5.0%		
REITs	113,413	106,256	7,156	9.2%	9.5%		
Technology	59,563	55,073	4,489	4.9%	4.9%		
Transportation	14,815	12,826	1,989	1.2%	1.2%		
Utility Other	6,201	5,983	218	0.5%	0.5%		
Total Corporate portfolio	\$ 1,226,933	\$ 1,115,047	\$ 111,886	100.0%	100.0%		

Fixed-Maturity Securities - Effective Maturity

Effective maturity							
< 1 Yr.	\$ 182,894	\$ 180,486	\$ 2,407	9.4%	10.1%	4.13%	
1-2 Yrs.	278,342	262,154	16,188	14.2%	14.6%	5.69%	
2-5 Yrs.	702,523	648,228	54,295	35.9%	36.2%	5.27%	
5-10 Yrs.	733,986	652,099	81,887	37.6%	36.4%	5.86%	
> 10 Yrs.	56,561	47,733	8,829	2.9%	2.7%	6.40%	
Total Fixed Income	\$ 1,954,306	\$ 1,790,701	\$ 163,605	100.0%	100.0%	5.46%	

Duration

Fixed Income portfolio duration 3.7 years

*(Dollars in thousands)***Investment Portfolio Quality Ratings (1)**

	<u>Amortized Cost</u>	<u>% of Total</u>
Total Fixed Income portfolio:		
<u>Rating</u>		
AAA	\$ 413,622	23.1%
AA	151,508	8.5%
A	416,351	23.3%
BBB	695,257	38.8%
Below Investment Grade	112,727	6.3%
NA	1,236	0.1%
Total Fixed Income	<u>\$ 1,790,701</u>	<u>100.0%</u>

	<u>Amortized Cost</u>	<u>% of Total</u>
Corporate asset class:		
<u>Rating</u>		
AAA	\$ 350	0.0%
AA	73,846	6.6%
A	361,381	32.4%
BBB	601,797	54.0%
Below Investment Grade	76,624	6.9%
NA	1,049	0.1%
Total Corporate	<u>\$ 1,115,047</u>	<u>100.0%</u>

	<u>Amortized Cost</u>	<u>% of Total</u>
Private asset class:		
<u>Rating</u>		
AAA	\$ 222	0.2%
AA	6,458	5.7%
A	13,017	11.5%
BBB	75,428	66.9%
Below Investment Grade	17,607	15.6%
NA	—	—
Total Private	<u>\$ 112,732</u>	<u>100.0%</u>

	<u>Amortized Cost</u>	<u>% of Total</u>
CMBS asset class:		
<u>Rating</u>		
AAA	\$ 98,151	82.6%
AA	17,497	14.7%
A	1,572	1.3%
BBB	1,284	1.1%
Below Investment Grade	308	0.3%
NA	9	0.0%
Total CMBS	<u>\$ 118,821</u>	<u>100.0%</u>

	<u>Amortized Cost</u>	<u>% of Total</u>
Mortgage-Backed asset class:		
<u>Rating</u>		
AAA	\$ 212,494	90.6%
AA	5,554	2.4%
A	1,582	0.7%
BBB	3,350	1.4%
Below Investment Grade	11,500	4.9%
NA	—	—
Total Mortgage-Backed	<u>\$ 234,480</u>	<u>100.0%</u>

	<u>Amortized Cost</u>	<u>% of Total</u>
Asset-Backed asset class:		
<u>Rating</u>		
AAA	\$ 46,006	84.2%
AA	838	1.5%
A	1,135	2.1%
BBB	—	—
Below Investment Grade	6,658	12.2%
NA	—	—
Total Asset-Backed	<u>\$ 54,638</u>	<u>100.0%</u>

	<u>Amortized Cost</u>	<u>% of Total</u>
Treasury & Government asset classes:		
<u>Rating</u>		
AAA	\$ 56,399	41.4%
AA	41,554	30.5%
A	28,815	21.1%
BBB	9,619	7.1%
Below Investment Grade	—	—
NA	—	—
Total Treasury & Government	<u>\$ 136,386</u>	<u>100.0%</u>

NAIC Designations

1	\$ 850,668	53.0%
2	662,388	41.2%
3	60,513	3.8%
4	28,718	1.8%
5	1,548	0.1%
6	1,955	0.1%
U.S. Insurer Fixed Income (2)	<u>1,605,790</u>	<u>100.0%</u>
Other (3)	209,589	
Cash and cash equivalents	155,536	
Total Invested Assets	<u>\$ 1,970,915</u>	

(1) Ratings method for split ratings: If by 2 NRSROs, use lower of the two; if by 3 or more NRSROs, use second lowest

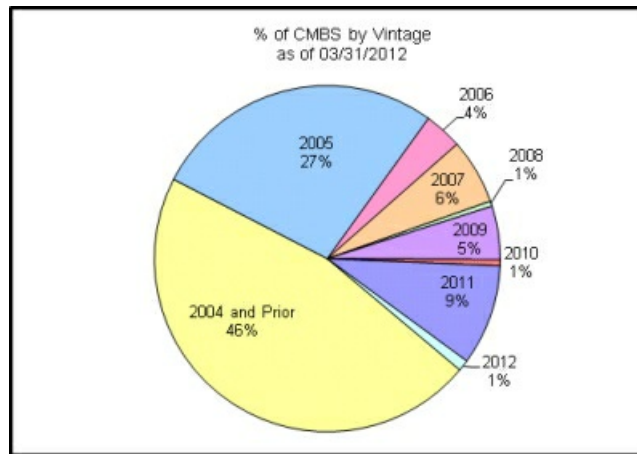
(2) NAIC ratings for our U.S. insurance companies' fixed income portfolios

(3) Other consists of assets held by our non-life companies, Canadian insurance company, and unrated equities

(Dollars in thousands)

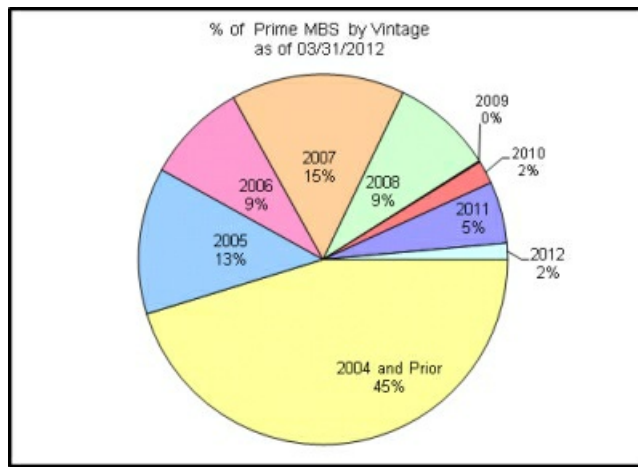
	2004 and Prior	2005	2006	2007	2008	2009	2010	2011	2012	Total
Commercial Mortgage-Backed Securities										
Amortized Cost by Vintage										
Current Rating:										
AAA	\$ 45,421	\$ 22,231	\$ 4,003	\$ 7,265	\$ 566	\$ 5,933	\$ 683	\$ 11,191	\$ 858	\$ 98,151
AA	7,245	10,251	—	—	—	—	—	—	—	17,497
A	1,000	—	200	—	—	—	—	—	372	1,572
BBB	1,284	—	—	—	—	—	—	—	—	1,284
BB	108	—	—	—	—	—	—	—	—	108
B	62	—	—	—	—	—	—	—	—	62
CCC and lower	95	53	—	—	—	—	—	—	—	148
Total	\$ 55,215	\$ 32,535	\$ 4,203	\$ 7,265	\$ 566	\$ 5,933	\$ 683	\$ 11,191	\$ 1,231	\$ 118,821

	Net Unrealized Gain/(Loss) by Vintage									
Current Rating:										
AAA	\$ 1,767	\$ 1,399	\$ 650	\$ 573	\$ 8	\$ 458	\$ 6	\$ 613	\$ 2	\$ 5,477
AA	418	681	—	—	—	—	—	—	—	1,099
A	(44)	—	12	—	—	—	—	—	27	(5)
BBB	(172)	—	—	—	—	—	—	—	—	(172)
BB	324	—	—	—	—	—	—	—	—	324
B	17	—	—	—	—	—	—	—	—	17
CCC and lower	23	315	—	—	—	—	—	—	—	338
Total	\$ 2,333	\$ 2,395	\$ 662	\$ 573	\$ 8	\$ 458	\$ 6	\$ 613	\$ 30	\$ 7,078



	Amortized Cost by Vintage									
Prime Residential Mortgage-Backed Securities										
Current Rating:										
AAA	\$ 96,951	\$ 19,424	\$ 20,440	\$ 33,623	\$ 20,534	\$ 240	\$ 4,679	\$ 12,387	\$ 3,260	\$ 211,537
AA	5,554	—	—	—	—	—	—	—	—	5,554
A	1,136	446	—	—	—	—	—	—	—	1,582
BBB	—	3,350	—	—	—	—	—	—	—	3,350
BB	523	2,612	—	—	—	—	—	—	—	3,135
B	—	896	—	—	—	—	—	—	—	896
CCC and lower	—	2,747	—	1,438	—	—	—	—	—	4,185
Total	\$ 104,164	\$ 29,474	\$ 20,440	\$ 35,061	\$ 20,534	\$ 240	\$ 4,679	\$ 12,387	\$ 3,260	\$ 230,238

	Net Unrealized Gain/(Loss) by Vintage									
Current Rating:										
AAA	\$ 10,605	\$ 1,106	\$ 2,387	\$ 3,235	\$ 2,422	\$ 20	\$ 240	\$ 769	\$ 151	\$ 20,936
AA	144	—	—	—	—	—	—	—	—	144
A	8	4	—	—	—	—	—	—	—	12
BBB	—	(36)	—	—	—	—	—	—	—	(36)
BB	20	(128)	—	—	—	—	—	—	—	(108)
B	—	(0)	—	—	—	—	—	—	—	(0)
CCC and lower	—	(144)	—	27	—	—	—	—	—	(117)
Total	\$ 10,777	\$ 803	\$ 2,387	\$ 3,262	\$ 2,422	\$ 20	\$ 240	\$ 769	\$ 151	\$ 20,832



Alt-A Residential Mortgage-Backed Securities

Amortized Cost by Vintage

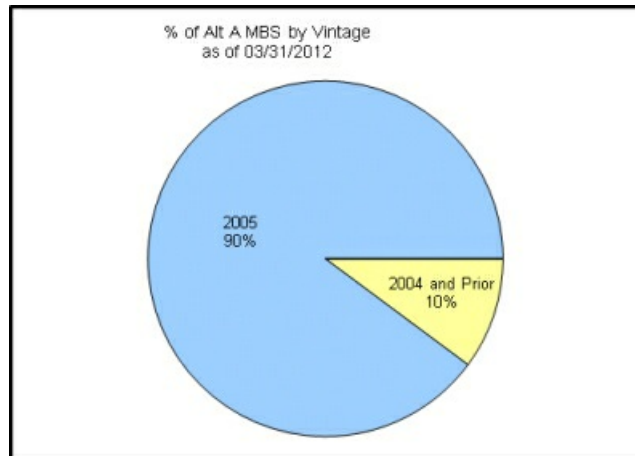
Current Rating:

AAA	\$	—	\$	957	\$	—	\$	—	\$	—	\$	—	\$	—	\$	—	\$	—	\$	957
AA		—		—		—		—		—		—		—		—		—		—
A		—		—		—		—		—		—		—		—		—		—
BBB		—		—		—		—		—		—		—		—		—		—
BB		431		—		—		—		—		—		—		—		—		431
B		—		2,622		—		—		—		—		—		—		—		2,622
CCC and lower		—		231		—		—		—		—		—		—		—		231
Total	\$	431	\$	3,811	\$	—	\$	—	\$	—	\$	—	\$	—	\$	—	\$	—	\$	4,242

Net Unrealized Gain/(Loss) by Vintage

Current Rating:

AAA	\$	—	\$	50	\$	—	\$	—	\$	—	\$	—	\$	—	\$	—	\$	—	\$	50
AA		—		—		—		—		—		—		—		—		—		—
A		—		—		—		—		—		—		—		—		—		—
BBB		—		—		—		—		—		—		—		—		—		—
BB		18		—		—		—		—		—		—		—		—		18
B		—		2		—		—		—		—		—		—		—		2
CCC and lower		—		(15)		—		—		—		—		—		—		—		(15)
Total	\$	18	\$	37	\$	—	\$	—	\$	—	\$	—	\$	—	\$	—	\$	—	\$	55



	Q1 2011	Q2 2011	Q3 2011	Q4 2011	Q1 2012	YOY Q1	
						\$ Change	% Change
<i>(Dollars in thousands)</i>							
Net Investment Income by Source							
Bonds & notes	\$ 29,014	\$ 27,462	\$ 27,413	\$ 26,019	\$ 25,762	\$ (3,252)	-11.2%
Preferred and common stocks	188	165	170	194	223	35	18.6%
Deposit asset underlying 10% reinsurance treaty	508	650	449	412	1,030	522	102.8%
Policy loans	347	306	441	326	314	(33)	-9.5%
Cash & cash equivalents	70	65	63	109	135	65	92.9%
Other	(19)	13	—	—	37	56	nm
Total investment income	30,108	28,662	28,536	27,060	27,500	(2,608)	-8.7%
Investment expenses	1,482	1,433	1,433	1,417	1,403	(79)	-5.3%
Net investment income	\$ 28,626	\$ 27,229	\$ 27,103	\$ 25,643	\$ 26,097	\$ (2,529)	-8.8%
Fixed income book yield, end of period	5.30%	5.38%	5.33%	5.52%	5.46%		
New money yield	2.72%	4.45%	2.42%	3.69%	2.69%		

	Q1 2011	Q2 2011	Q3 2011	Q4 2011	Q1 2011	YOY Q1
						% Pt Change
Fixed Income Portfolio Quality Ratings						
Rating						
AAA	26.1%	25.3%	24.9%	23.5%	23.1%	-3.0%
AA	9.5%	9.8%	9.9%	8.3%	8.5%	-1.0%
A	22.4%	22.6%	22.6%	23.7%	23.3%	0.9%
BBB	35.8%	35.9%	35.9%	37.6%	38.8%	3.0%
Below Investment Grade	6.2%	6.3%	6.6%	6.9%	6.3%	0.1%
NA	0.0%	0.1%	0.0%	0.0%	0.1%	0.0%
Total Fixed Income	100.0%	100.0%	100.0%	100.0%	100.0%	nm
Average rating by amortized cost	A	A	A	A	A	na

	As of March 31, 2012				As of March 31, 2012			As of March 31, 2012	
	Market Value	Amortized Cost	Credit Rating		Market Value	Amortized Cost		Market Value	Amortized Cost
Top 25 Exposures				Foreign Exposure (1)			Government Investments (1)		
1 Government of Canada	\$ 39,134	\$ 35,481	AAA	United Kingdom	\$ 62,762	\$ 58,201	AAA	\$ —	\$ —
2 Verizon Communications Inc	13,086	11,496	A-	Canada	52,872	48,742	AA	1,766	1,575
3 General Electric Co	12,985	11,449	AA+	Australia	49,146	45,154	A	19,856	18,489
4 Prologis Inc	12,627	11,746	BBB-	France	26,783	25,703	BBB	10,843	9,619
5 Bank of America Corp	12,559	11,674	A-	Brazil	19,706	17,405	Below Investment Grade	—	—
6 Time Warner Cable Inc	12,276	11,914	BBB	Germany	18,335	17,113	NA	—	—
7 ConocoPhillips	10,854	9,132	A	Korea Republic Of	14,313	13,497	Total	\$ 32,464	\$ 29,683
8 Province of Ontario Canada National Rural Utilities Cooperative	10,759	8,670	AA-	Netherlands	13,374	11,189			
9	10,379	7,184	A+	Italy	11,689	11,695			
10 Iberdrola SA	9,526	8,468	BBB+	Spain	11,371	11,532	Non-Government Investments (1)		
11 Health Care REIT Inc	9,470	9,136	BBB-	Hong Kong	10,490	10,149	AAA	\$ —	\$ —
12 Reynolds American Inc	9,438	7,996	BBB-	Switzerland	8,745	7,237	AA	27,835	25,472
13 Altria Group Inc	9,158	7,411	BBB	Luxembourg	8,583	7,647	A	121,988	113,450
14 Republic of Korea	8,806	8,363	A	Mexico	8,221	7,532	BBB	165,963	153,664
15 Edison International	8,542	7,531	B	Ireland	8,117	7,745	Below Investment Grade	18,247	18,572
16 Province of Quebec Canada	8,532	6,785	A+	Emerging Markets (2)	10,865	10,050	NA	2,834	1,029
17 Hutchison Whampoa Ltd	8,421	8,065	A-	All Other	33,961	31,279	Total	\$ 336,868	\$ 312,188
18 ArcelorMittal	8,192	7,284	BBB-	Total	\$ 369,332	\$ 341,871			
19 Vale SA	8,036	7,129	A-						
20 Roche Holding AG	8,001	6,562	AA-						
21 Montpelier Re Holdings Ltd	7,684	7,207	BBB						
22 TE Connectivity Ltd	7,684	7,545	BBB						
23 Weatherford International Ltd/	7,480	6,552	BBB						
24 TESCO PLC	7,410	6,310	A-						
25 Ventas Inc	7,266	7,080	BBB						
Total	\$ 268,306	\$ 238,172							
% of total fixed income portfolio	12.5%	12.1%							

(1) US\$ denominated investments in issuers outside of the United States based on country of risk

(2) Emerging markets is as defined by MSCI, Inc. which include Chile, India, Peru, Poland and South Africa

Five-Year Historical Key Statistics

PRIMERICA, INC.
Financial Supplement

<i>(Dollars in millions)</i>	2007	2008	2009	2010	2011	Q1 2011	Q2 2011	Q3 2011	Q4 2011	Q1 2012
Recruits	220,950	235,125	221,920	231,390	244,756	52,813	65,138	83,074	43,731	58,551
Life-insurance licensed sales force, beginning of period	96,532	97,125	100,651	99,785	94,850	94,850	92,212	90,519	91,970	91,176
New life-licensed representatives	36,308	39,383	37,629	34,488	33,711	7,145	8,061	10,334	8,171	7,650
Non-renewal and terminated representatives	(35,715)	(35,857)	(38,495)	(39,423)	(37,385)	(9,783)	(9,754)	(8,883)	(8,965)	(9,175)
Life-insurance licensed sales force, end of period	97,125	100,651	99,785	94,850	91,176	92,212	90,519	91,970	91,176	89,651
Issued term life policies	244,733	241,173	233,837	223,514	237,535	51,281	59,826	65,067	61,361	56,145
Issued term life face amount	\$ 87,619	\$ 87,279	\$ 80,497	\$ 74,401	\$ 73,146	\$ 16,735	\$ 18,974	\$ 18,885	\$ 18,552	\$ 16,983
Term life face amount in force, beginning of period	\$ 599,470	\$ 632,086	\$ 633,467	\$ 650,195	\$ 656,791	656,791	\$ 658,523	\$ 663,617	\$ 666,182	\$ 664,955
Issued term life face amount	87,619	87,279	80,497	74,401	73,146	16,735	18,974	18,885	18,552	16,983
Terminated term life face amount	(64,966)	(72,008)	(74,642)	(70,964)	(66,951)	(17,247)	(14,724)	(16,221)	(18,760)	(16,307)
Foreign currency impact, net	9,963	(13,891)	10,873	3,158	1,970	2,244	843	(98)	(1,019)	(1,208)
Term life face amount in force, end of period	\$ 632,086	\$ 633,467	\$ 650,195	\$ 656,791	\$ 664,955	\$ 658,523	\$ 663,617	\$ 666,182	\$ 664,955	\$ 664,423
Estimated annualized issued term life premium										
Premium from new policies	\$ 208.9	\$ 205.0	\$ 193.7	\$ 180.8	\$ 187.6	\$ 41.1	\$ 47.5	\$ 50.1	\$ 48.9	\$ 44.7
Additions and increases in premium	43.4	43.0	42.6	44.6	44.9	10.4	11.4	11.5	11.6	10.7
Total estimated annualized issued term life premium	\$ 252.4	\$ 248.0	\$ 236.3	\$ 225.4	\$ 232.5	\$ 51.5	\$ 58.9	\$ 61.7	\$ 60.4	\$ 55.4
Investment & Savings product sales	\$ 5,189.5	\$ 4,458.4	\$ 3,006.6	\$ 3,623.6	\$ 4,265.1	\$ 1,113.7	\$ 1,135.5	\$ 1,060.0	\$ 955.8	\$ 1,187.7
Investment & Savings average client asset values	\$ 36,735	\$ 32,763	\$ 26,845	\$ 31,908	\$ 34,870	\$ 35,602	\$ 36,463	\$ 34,192	\$ 33,224	\$ 35,122