



**Horace Mann<sup>®</sup>**

*Founded by Educators for Educators*

**INVESTOR FINANCIAL SUPPLEMENT**

**JUNE 30, 2013**

# HORACE MANN EDUCATORS CORPORATION

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Note: The information contained in this document includes financial measures which are based on methodologies other than United States generally accepted accounting principles ("GAAP"). Reconciliations of non-GAAP measures to the closest GAAP measures are contained in the supplemental numerical pages of HMEC's quarterly earnings releases (and related Form 8-K filings), and additional descriptions of the non-GAAP measures are contained in the Glossary of Selected Terms included as an exhibit to HMEC's SEC filings.

# HORACE MANN EDUCATORS CORPORATION

## CONSOLIDATED FINANCIAL HIGHLIGHTS

<b>For Period Ended</b>	<b>Three Months Ended</b>					<b>Year to Date</b>	
	<b>Jun. 30, 2013</b>	<b>Mar. 31, 2013</b>	<b>Dec. 31, 2012</b>	<b>Sept. 30, 2012</b>	<b>Jun. 30, 2012</b>	<b>Jun. 30, 2013</b>	<b>Jun. 30, 2012</b>
<i>(\$ in millions, except per share data)</i>							
Earned Premiums	\$ 171.5	\$ 169.2	\$ 170.8	\$ 167.9	\$ 166.3	\$ 340.7	\$ 331.8
Net Investment Income	77.4	77.4	77.3	76.7	76.3	154.8	152.0
Net Realized Investment Gains (Losses)	15.4	6.9	6.2	10.8	9.9	22.3	10.3
Other Income	1.3	1.1	1.1	1.2	1.6	2.4	4.7
<b>Total Revenues</b>	<b>\$ 265.6</b>	<b>\$ 254.6</b>	<b>\$ 255.4</b>	<b>\$ 256.6</b>	<b>\$ 254.1</b>	<b>\$ 520.2</b>	<b>\$ 498.8</b>
Net Income	\$ 26.0	\$ 27.0	\$ 31.9	\$ 32.2	\$ 13.1	\$ 53.0	\$ 39.8
Operating Income	16.0	22.6	27.9	25.3	6.7	38.6	33.1
<b>At Period End</b>							
Total Assets	\$ 8,355.8	\$ 8,457.4	\$ 8,167.7	\$ 8,122.2	\$ 7,824.0	\$ 8,355.8	\$ 7,824.0
Total Policy Liabilities	4,870.1	4,801.6	4,736.7	4,657.1	4,556.3	4,870.1	4,556.3
Debt	237.8	237.8	237.8	237.8	237.8	237.8	237.8
Shareholders' Equity	1,106.3	1,261.7	1,245.8	1,232.4	1,143.5	1,106.3	1,143.5
<b>Per Share and Shares Data</b>							
Net Income per share	\$ 0.65	\$ 0.68	\$ 0.81	\$ 0.82	\$ 0.33	\$ 1.34	\$ 1.00
Operating Income per share	0.40	0.57	0.71	0.64	0.17	0.97	0.83
Net Income per diluted share	\$ 0.63	\$ 0.66	\$ 0.77	\$ 0.78	\$ 0.32	\$ 1.29	\$ 0.96
Operating Income per diluted share	0.39	0.55	0.67	0.62	0.16	0.94	0.80
Weighted average common shares outstanding	39.8	39.5	39.3	39.4	39.5	39.6	39.7
Dilutive effect of stock equivalents	1.6	1.6	2.0	1.7	1.8	1.6	1.7
<b>Weighted average diluted shares</b>	<b>41.4</b>	<b>41.1</b>	<b>41.3</b>	<b>41.1</b>	<b>41.3</b>	<b>41.2</b>	<b>41.4</b>
Book value per share	\$ 27.72	\$ 31.81	\$ 31.65	\$ 31.30	\$ 29.06	\$ 27.72	\$ 29.06
Per share impact of unrealized gain (loss) on fixed maturities and equity securities	4.93	9.43	9.72	10.06	8.51	4.93	8.51
Book value per share excluding unrealized gain (loss) on fixed maturities and equity securities	\$ 22.79	\$ 22.38	\$ 21.93	\$ 21.24	\$ 20.55	\$ 22.79	\$ 20.55
Dividends paid per share	\$ 0.195	\$ 0.195	\$ 0.16	\$ 0.13	\$ 0.13	\$ 0.39	\$ 0.26
<b>Financial Ratios</b>							
Net Income ROE	9.8%	8.7%	9.0%	9.5%	9.2%	9.8%	9.2%
Net Income ROE excluding unrealized on investments	13.6%	12.4%	12.7%	13.1%	12.3%	13.6%	12.3%
Operating Income ROE	7.7%	6.9%	7.5%	7.9%	7.0%	7.7%	7.0%
Operating Income ROE excluding unrealized on investments	10.7%	9.8%	10.5%	11.0%	9.3%	10.7%	9.3%
Debt to total capitalization	17.7%	15.9%	16.0%	16.2%	17.2%	17.7%	17.2%
Debt to total capitalization excluding unrealized on investments	20.7%	21.1%	21.6%	22.1%	22.7%	20.7%	22.7%
Annualized Investment yield, after tax	3.64%	3.68%	3.79%	3.82%	3.85%	3.64%	3.85%

# HORACE MANN EDUCATORS CORPORATION

## CONSOLIDATED STATEMENT OF OPERATIONS

<b>For Period Ended</b>	<b>Three Months Ended</b>					<b>Year to Date</b>	
	<b>Jun. 30, 2013</b>	<b>Mar. 31, 2013</b>	<b>Dec. 31, 2012</b>	<b>Sept. 30, 2012</b>	<b>Jun. 30, 2012</b>	<b>Jun. 30, 2013</b>	<b>Jun. 30, 2012</b>
<i>(\$ in millions)</i>							
<b>Revenues</b>							
Insurance premiums and contract charges earned	\$ 171.5	\$ 169.2	\$ 170.8	\$ 167.9	\$ 166.3	\$ 340.7	\$ 331.8
Net investment income	77.4	77.4	77.3	76.7	76.3	154.8	152.0
Net realized investment gains	15.4	6.9	6.2	10.8	9.9	22.3	10.3
Other income	1.3	1.1	1.1	1.2	1.6	2.4	4.7
<b>Total revenues</b>	<b>265.6</b>	<b>254.6</b>	<b>255.4</b>	<b>256.6</b>	<b>254.1</b>	<b>520.2</b>	<b>498.8</b>
<b>Benefits, losses and expenses</b>							
Benefits, claims and settlement expenses	120.8	112.7	103.3	106.0	131.0	233.5	238.9
Interest credited	42.1	41.4	41.8	41.4	40.4	83.5	80.4
DAC amortization expense, excluding unlocking	21.9	21.7	21.0	20.8	20.4	43.6	40.7
DAC unlocking	1.1	(1.6)	(2.0)	(0.4)	1.9	(0.5)	(0.6)
Operating expenses	39.0	38.8	41.6	38.1	38.5	77.8	76.4
Interest expense	3.5	3.6	3.5	3.6	3.5	7.1	7.1
<b>Total benefits, losses and expenses</b>	<b>228.4</b>	<b>216.6</b>	<b>209.2</b>	<b>209.5</b>	<b>235.7</b>	<b>445.0</b>	<b>442.9</b>
Income before income taxes	37.2	38.0	46.2	47.1	18.4	75.2	55.9
Income tax expense	11.2	11.0	14.3	14.9	5.3	22.2	16.1
<b>Net income</b>	<b>\$ 26.0</b>	<b>\$ 27.0</b>	<b>\$ 31.9</b>	<b>\$ 32.2</b>	<b>\$ 13.1</b>	<b>\$ 53.0</b>	<b>\$ 39.8</b>
Less: Net realized investment gains, after tax	10.0	4.4	4.0	6.9	6.4	14.4	6.7
<b>Operating income</b>	<b>\$ 16.0</b>	<b>\$ 22.6</b>	<b>\$ 27.9</b>	<b>\$ 25.3</b>	<b>\$ 6.7</b>	<b>\$ 38.6</b>	<b>\$ 33.1</b>
<b>Other Statistics</b>							
Effective tax rate on net investment income	32.7%	32.7%	32.7%	32.6%	32.6%	32.7%	32.6%
Net investment income, after tax	\$ 52.1	\$ 52.1	\$ 52.0	\$ 51.7	\$ 51.4	\$ 104.2	\$ 102.4
Catastrophes, net of reinsurance, pre-tax	22.5	5.7	2.8	5.4	29.2	28.2	35.1
Catastrophes, net of reinsurance, after tax	14.6	3.7	1.9	3.5	19.0	18.3	22.8
Other-than-temporary impairment losses on securities [1]	(1.0)	-	-	-	-	(1.0)	-
<b>Agent Information</b>							
Exclusive agencies	615	620	624	590	557	615	557
Employee agents	121	129	136	142	155	121	155
<b>Total</b>	<b>736</b>	<b>749</b>	<b>760</b>	<b>732</b>	<b>712</b>	<b>736</b>	<b>712</b>

[1] Included in pre-tax net realized investment gains

# HORACE MANN EDUCATORS CORPORATION

## CONSOLIDATED BALANCE SHEET

	Jun. 30, 2013	Mar. 31, 2013	Dec. 31, 2012	Sept. 30, 2012	Jun. 30, 2012	Mar. 31, 2012
<i>(\$ in millions, except per share data)</i>						
<b>ASSETS</b>						
Investments						
Fixed maturities, available for sale, at fair value	\$ 5,930.6	\$ 6,143.7	\$ 5,962.2	\$ 5,782.1	\$ 5,694.7	\$ 5,500.1
Equity securities, available for sale, at fair value	83.0	58.7	53.5	39.2	38.0	27.8
Short-term and other investments	283.7	223.8	276.4	353.5	216.9	229.6
<b>Total investments</b>	<b>6,297.3</b>	<b>6,426.1</b>	<b>6,292.1</b>	<b>6,174.8</b>	<b>5,949.6</b>	<b>5,757.5</b>
Cash	37.9	49.9	15.2	41.9	31.5	35.4
Deferred policy acquisition costs	220.8	199.0	196.9	216.5	216.3	218.8
Goodwill	47.4	47.4	47.4	47.4	47.4	47.4
Other assets	226.9	226.7	217.9	235.9	231.0	228.9
Separate account assets	1,525.5	1,508.3	1,398.3	1,405.7	1,348.1	1,409.1
<b>Total assets</b>	<b>\$ 8,355.8</b>	<b>\$ 8,457.4</b>	<b>\$ 8,167.7</b>	<b>\$ 8,122.2</b>	<b>\$ 7,824.0</b>	<b>\$ 7,697.0</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>						
Policy liabilities						
Fixed annuity contract liabilities	\$ 3,366.5	\$ 3,311.0	\$ 3,257.8	\$ 3,170.5	\$ 3,074.0	\$ 3,008.5
Interest-sensitive life contract liabilities	769.7	765.7	761.7	757.1	753.0	747.9
Unpaid claims and claim expenses	303.4	300.9	289.4	301.3	312.8	298.1
Future policy benefits	218.8	217.0	214.6	213.1	211.2	209.7
Unearned premiums	211.7	207.1	213.3	215.0	205.3	201.5
<b>Total policy liabilities</b>	<b>4,870.1</b>	<b>4,801.6</b>	<b>4,736.7</b>	<b>4,657.1</b>	<b>4,556.3</b>	<b>4,465.8</b>
Other policyholder funds	99.9	101.0	103.2	107.2	93.9	96.6
Other liabilities	516.2	546.9	446.0	482.0	444.4	399.0
Short-term debt	38.0	38.0	38.0	38.0	38.0	38.0
Long-term debt	199.8	199.8	199.8	199.8	199.8	199.8
Separate account liabilities	1,525.5	1,508.3	1,398.3	1,405.7	1,348.1	1,409.1
<b>Total liabilities</b>	<b>7,249.5</b>	<b>7,195.7</b>	<b>6,921.9</b>	<b>6,889.8</b>	<b>6,680.4</b>	<b>6,608.3</b>
Common stock, \$0.001 par value	0.1	0.1	0.1	0.1	0.1	0.1
Additional paid-in capital	396.2	390.2	383.1	380.1	378.0	376.3
Retained earnings	958.8	940.9	922.0	896.7	869.7	861.9
Accumulated other comprehensive income (loss), net of taxes:						
Net unrealized gains and losses on fixed maturities and equity securities	196.8	374.1	382.4	396.2	334.6	280.8
Net funded status of pension and other post-retirement benefit obligations	(15.3)	(15.3)	(15.3)	(16.2)	(16.2)	(16.2)
Treasury stock, at cost	(430.3)	(428.3)	(426.5)	(424.4)	(422.7)	(414.1)
<b>Total shareholders' equity</b>	<b>1,106.3</b>	<b>1,261.7</b>	<b>1,245.8</b>	<b>1,232.4</b>	<b>1,143.5</b>	<b>1,088.8</b>
<b>Total liabilities and shareholders' equity</b>	<b>\$ 8,355.8</b>	<b>\$ 8,457.4</b>	<b>\$ 8,167.7</b>	<b>\$ 8,122.2</b>	<b>\$ 7,824.0</b>	<b>\$ 7,697.0</b>

## HORACE MANN EDUCATORS CORPORATION

### CAPITAL METRICS

<u>For Period Ended</u>	<u>Three Months Ended</u>					<u>Year to Date</u>	
	<u>Jun. 30, 2013</u>	<u>Mar. 31, 2013</u>	<u>Dec. 31, 2012</u>	<u>Sept. 30, 2012</u>	<u>Jun. 30, 2012</u>	<u>Jun. 30, 2013</u>	<u>Jun. 30, 2012</u>
<i>(\$ in millions, except per share data)</i>							
<b><u>Book Value Per Share</u></b>							
<u>Numerator</u>							
Shareholders' Equity	\$ 1,106.3	\$ 1,261.7	\$ 1,245.8	\$ 1,232.4	\$ 1,143.5	\$ 1,106.3	\$ 1,143.5
Less: Unrealized Gains and Losses on Fixed Maturities and Equity Securities [1]	196.8	374.1	382.4	396.2	334.6	196.8	334.6
<u>Shareholders' Equity Excluding Unrealized Gains and Losses on Fixed Maturities and Equity Securities</u>	<u>\$ 909.5</u>	<u>\$ 887.6</u>	<u>\$ 863.4</u>	<u>\$ 836.2</u>	<u>\$ 808.9</u>	<u>\$ 909.5</u>	<u>\$ 808.9</u>
<u>Denominator</u>							
Common Shares Issued and Outstanding, at period end	39.9	39.7	39.4	39.4	39.4	39.9	39.4
Book Value Per Share	\$ 27.72	\$ 31.81	\$ 31.65	\$ 31.30	\$ 29.06	\$ 27.72	\$ 29.06
Book Value Per Share Excluding Unrealized on Fixed Maturities and Equity Securities	\$ 22.79	\$ 22.38	\$ 21.93	\$ 21.24	\$ 20.55	\$ 22.79	\$ 20.55
<b><u>Return on Shareholders' Equity</u></b>							
<u>Numerator</u>							
Trailing 12 Months Net Income	\$ 117.1	\$ 104.2	\$ 103.9	\$ 105.0	\$ 96.4	\$ 117.1	\$ 96.4
Trailing 12 Months Operating Income	91.8	82.5	86.3	88.1	72.7	91.8	72.7
<u>Denominator (5-point Average)</u>							
5-point Average Shareholders' Equity	\$ 1,197.9	\$ 1,194.4	\$ 1,153.2	\$ 1,108.9	\$ 1,042.3	\$ 1,197.9	\$ 1,042.3
Trailing 12 Months Net Income on Average Shareholders' Equity (5-point Average)	9.8%	8.7%	9.0%	9.5%	9.2%	9.8%	9.2%
Trailing 12 Months Operating Income on Average Shareholders' Equity (5-point Average)	7.7%	6.9%	7.5%	7.9%	7.0%	7.7%	7.0%
<b><u>Debt and Total Capitalization</u></b>							
Short Term Debt, Due Under Revolving Credit Agreement, Expires On 10/6/15, At Libor +125 bps	\$ 38.0	\$ 38.0	\$ 38.0	\$ 38.0	\$ 38.0	\$ 38.0	\$ 38.0
Senior Debt:							
6.05% Senior Notes Due June 15, 2015	74.9	74.9	74.9	74.9	74.9	74.9	74.9
6.85% Senior Notes Due April 15, 2016	124.9	124.9	124.9	124.9	124.9	124.9	124.9
<u>Total Debt</u>	<u>237.8</u>	<u>237.8</u>	<u>237.8</u>	<u>237.8</u>	<u>237.8</u>	<u>237.8</u>	<u>237.8</u>
<u>Shareholders' Equity</u>	<u>1,106.3</u>	<u>1,261.7</u>	<u>1,245.8</u>	<u>1,232.4</u>	<u>1,143.5</u>	<u>1,106.3</u>	<u>1,143.5</u>
<u>Total Capitalization</u>	<u>\$ 1,344.1</u>	<u>\$ 1,499.5</u>	<u>\$ 1,483.6</u>	<u>\$ 1,470.2</u>	<u>\$ 1,381.3</u>	<u>\$ 1,344.1</u>	<u>\$ 1,381.3</u>
Ratio of Debt to Shareholders' Equity	21.5%	18.8%	19.1%	19.3%	20.8%	21.5%	20.8%
Ratio of Debt to Total Capitalization	17.7%	15.9%	16.0%	16.2%	17.2%	17.7%	17.2%
<b><u>Capital Returned to Shareholders</u></b>							
Common Stock Repurchased	\$ 2.1	\$ 1.8	\$ 2.1	\$ 1.6	\$ 8.7	\$ 3.9	\$ 12.0
Cash Dividends Paid	8.1	8.1	6.5	5.3	5.3	16.2	10.7
<u>Total Capital Returned to Shareholders</u>	<u>\$ 10.2</u>	<u>\$ 9.9</u>	<u>\$ 8.6</u>	<u>\$ 6.9</u>	<u>\$ 14.0</u>	<u>\$ 20.1</u>	<u>\$ 22.7</u>

[1] After tax and including the impact on deferred policy acquisition costs for interest-sensitive life and investment (annuity) contracts.

**HORACE MANN EDUCATORS CORPORATION**  
**PROPERTY & CASUALTY SEGMENT**  
**STATEMENT OF OPERATIONS**

<b>For Period Ended</b> <i>(\$ in millions)</i>	<b>Three Months Ended</b>					<b>Year to Date</b>	
	<b>Jun. 30, 2013</b>	<b>Mar. 31, 2013</b>	<b>Dec. 31, 2012</b>	<b>Sept. 30, 2012</b>	<b>Jun. 30, 2012</b>	<b>Jun. 30, 2013</b>	<b>Jun. 30, 2012</b>
<b>UNDERWRITING RESULTS</b>							
Written premiums							
Voluntary Auto	\$ 91.4	\$ 92.3	\$ 90.7	\$ 91.9	\$ 88.3	\$ 183.7	\$ 177.7
Property	51.7	39.2	45.1	53.8	50.2	90.9	88.0
Involuntary & Other	1.1	0.4	1.4	0.8	0.9	1.5	1.4
<b>Total written premiums</b>	<b>144.2</b>	<b>131.9</b>	<b>137.2</b>	<b>146.5</b>	<b>139.4</b>	<b>276.1</b>	<b>267.1</b>
Earned premiums							
Voluntary Auto	\$ 91.5	\$ 90.9	\$ 90.1	\$ 89.5	\$ 88.8	\$ 182.4	\$ 177.5
Property	47.3	46.7	46.8	46.6	46.2	94.0	92.1
Involuntary & Other	0.7	0.3	1.9	0.8	0.6	1.0	1.0
<b>Total earned premiums</b>	<b>139.5</b>	<b>137.9</b>	<b>138.8</b>	<b>136.9</b>	<b>135.6</b>	<b>277.4</b>	<b>270.6</b>
Losses and loss adjustment expenses							
Current accident year before catastrophes	86.2	94.0	92.0	88.2	91.8	180.2	183.1
Current accident year catastrophes	22.5	5.7	2.8	5.4	29.2	28.2	35.1
Prior years' reserve development [1]	(2.6)	(3.3)	(5.7)	(3.0)	(4.5)	(5.9)	(8.5)
<b>Total losses and loss adjustment expenses</b>	<b>106.1</b>	<b>96.4</b>	<b>89.1</b>	<b>90.6</b>	<b>116.5</b>	<b>202.5</b>	<b>209.7</b>
Operating expenses, including DAC amortization expense	38.0	37.7	39.1	36.7	36.4	75.7	71.5
<b>Underwriting gain (loss)</b>	<b>(4.6)</b>	<b>3.8</b>	<b>10.6</b>	<b>9.6</b>	<b>(17.3)</b>	<b>(0.8)</b>	<b>(10.6)</b>
Net investment income	9.1	9.0	9.6	9.0	9.3	18.1	18.2
Other income (expense)	-	-	-	(0.1)	-	-	1.6
<b>Income before income taxes</b>	<b>4.5</b>	<b>12.8</b>	<b>20.2</b>	<b>18.5</b>	<b>(8.0)</b>	<b>17.3</b>	<b>9.2</b>
Income tax expense (benefit)	0.4	2.6	5.7	5.0	(3.9)	3.0	0.1
<b>Net Income [2]</b>	<b>\$ 4.1</b>	<b>\$ 10.2</b>	<b>\$ 14.5</b>	<b>\$ 13.5</b>	<b>\$ (4.1)</b>	<b>\$ 14.3</b>	<b>\$ 9.1</b>

[1] (Favorable) unfavorable.

[2] Net realized investment gains (losses) are not allocated by segment, therefore, net income and operating income are equivalent.

**HORACE MANN EDUCATORS CORPORATION**  
**PROPERTY & CASUALTY SEGMENT**  
**UNDERWRITING RESULTS**

<u>For Period Ended</u>	<u>Three Months Ended</u>					<u>Year to Date</u>	
	<u>Jun. 30,</u> <u>2013</u>	<u>Mar. 31,</u> <u>2013</u>	<u>Dec. 31,</u> <u>2012</u>	<u>Sept. 30,</u> <u>2012</u>	<u>Jun. 30,</u> <u>2012</u>	<u>Jun. 30,</u> <u>2013</u>	<u>Jun. 30,</u> <u>2012</u>
<b>UNDERWRITING RATIOS (%)</b>							
Losses and loss adjustment expenses							
Current accident year before catastrophes	61.8	68.1	66.3	64.4	67.7	65.0	67.6
Current accident year catastrophes	16.1	4.2	2.0	4.0	21.5	10.2	12.9
Prior years' reserve development [1]	(1.8)	(2.4)	(4.1)	(2.2)	(3.3)	(2.2)	(3.0)
Total losses and loss adjustment expenses	76.1	69.9	64.2	66.2	85.9	73.0	77.5
Expense Ratio	27.2	27.3	28.2	26.8	26.9	27.3	26.4
<b>Combined ratio</b>	<b>103.3</b>	<b>97.2</b>	<b>92.4</b>	<b>93.0</b>	<b>112.8</b>	<b>100.3</b>	<b>103.9</b>
<b>Combined ratio before catastrophes</b>	<b>87.2</b>	<b>93.0</b>	<b>90.4</b>	<b>89.0</b>	<b>91.3</b>	<b>90.1</b>	<b>91.0</b>
<b>Combined ratio before catastrophes and prior years' development</b>	<b>89.0</b>	<b>95.4</b>	<b>94.5</b>	<b>91.2</b>	<b>94.6</b>	<b>92.3</b>	<b>94.0</b>
<b>PRODUCT (%)</b>							
<b>Voluntary Automobile</b>							
Loss and loss adjustment expense ratio	69.0	73.7	72.5	70.2	74.5	71.3	73.2
Expense ratio	27.5	27.9	28.3	27.2	26.7	27.7	26.8
Combined ratio	96.5	101.6	100.8	97.4	101.2	99.0	100.0
Prior years' reserve development [1]	(2.8)	(3.6)	(5.9)	(2.7)	(3.8)	(3.3)	(3.8)
Catastrophes	2.2	0.4	0.4	1.3	3.4	1.3	2.0
Combined ratio before catastrophes and prior years' development	97.1	104.8	106.3	98.8	101.6	101.0	101.8
<b>Property</b>							
Loss and loss adjustment expense ratio	89.7	61.6	47.3	57.1	107.9	75.7	85.5
Expense ratio	26.8	26.3	28.1	26.1	27.4	26.5	25.7
Combined ratio	116.5	87.9	75.4	83.2	135.3	102.2	111.2
Prior years' reserve development [1]	0.0	0.0	(0.8)	(1.3)	(2.4)	0.0	(1.9)
Catastrophes	43.7	11.4	5.1	9.1	57.1	27.6	34.5
Combined ratio before catastrophes and prior years' development	72.8	76.5	71.1	75.4	80.6	74.6	78.6
<b>STATISTICAL PREMIUM INFORMATION</b>							
<b>Policy Count Retention (12 month)</b>							
Voluntary Automobile	85.1%	85.0%	84.7%	84.3%	83.7%	85.1%	83.7%
Property	89.5%	89.7%	89.6%	89.3%	88.6%	89.5%	88.6%
<b>Sales (12-month annualized premium, in millions) [2]</b>							
Voluntary Automobile	\$ 18.8	\$ 17.6	\$ 18.0	\$ 19.2	\$ 17.5	\$ 36.4	\$ 34.1
Property	4.3	4.0	4.6	4.6	4.1	8.3	7.5
Total Sales	\$ 23.1	\$ 21.6	\$ 22.6	\$ 23.8	\$ 21.6	\$ 44.7	\$ 41.6
<b>Policies in force (in thousands)</b>							
Voluntary Automobile	484	483	484	485	485	484	485
Property	237	238	237	237	238	237	238
Total Policies in force	721	721	721	722	723	721	723

[1] (Favorable) unfavorable.

[2] HM products.



**HORACE MANN EDUCATORS CORPORATION**  
**ANNUITY SEGMENT**  
**STATEMENT OF OPERATIONS AND SUPPLEMENTAL DATA**

<u>For Period Ended</u> (\$ in millions)	<u>Three Months Ended</u>					<u>Year to Date</u>	
	<u>Jun. 30,</u> <u>2013</u>	<u>Mar. 31,</u> <u>2013</u>	<u>Dec. 31,</u> <u>2012</u>	<u>Sept. 30,</u> <u>2012</u>	<u>Jun. 30,</u> <u>2012</u>	<u>Jun. 30,</u> <u>2013</u>	<u>Jun. 30,</u> <u>2012</u>
<b>Contract deposits</b>	\$ 98.4	\$ 90.2	\$ 114.7	\$ 114.5	\$ 96.4	\$ 188.6	\$ 188.4
<b>Revenues</b>							
Contract charges earned	\$ 5.7	\$ 5.1	\$ 5.8	\$ 5.5	\$ 5.5	\$ 10.8	\$ 10.5
Net investment income	51.4	51.3	50.8	50.7	49.8	102.7	99.3
Other income	1.0	0.7	0.3	0.9	0.8	1.7	1.5
<b>Total revenues</b>	<b>58.1</b>	<b>57.1</b>	<b>56.9</b>	<b>57.1</b>	<b>56.1</b>	<b>115.2</b>	<b>111.3</b>
<b>Benefits and Expenses</b>							
Interest credited	31.4	30.7	31.1	30.8	29.9	62.1	59.5
Mortality loss and other reserve changes	0.7	0.3	1.0	1.2	1.3	1.0	1.1
DAC amortization expense, excluding unlocking	2.9	2.9	2.6	2.8	2.6	5.8	5.3
DAC unlocking	1.0	(1.6)	(2.5)	(0.5)	1.8	(0.6)	(0.8)
Operating expenses	8.5	8.3	9.1	7.9	8.7	16.8	17.1
<b>Total benefits and expenses</b>	<b>44.5</b>	<b>40.6</b>	<b>41.3</b>	<b>42.2</b>	<b>44.3</b>	<b>85.1</b>	<b>82.2</b>
<b>Income before income taxes</b>	<b>13.6</b>	<b>16.5</b>	<b>15.6</b>	<b>14.9</b>	<b>11.8</b>	<b>30.1</b>	<b>29.1</b>
Income tax expense	4.4	5.4	4.5	5.0	3.9	9.8	9.6
<b>Net income [1]</b>	<b>\$ 9.2</b>	<b>\$ 11.1</b>	<b>\$ 11.1</b>	<b>\$ 9.9</b>	<b>\$ 7.9</b>	<b>\$ 20.3</b>	<b>\$ 19.5</b>
Less: DAC unlocking, after tax	(0.6)	1.0	1.6	0.3	(1.2)	0.4	0.5
<b>Net income excluding DAC unlocking</b>	<b>\$ 9.8</b>	<b>\$ 10.1</b>	<b>\$ 9.5</b>	<b>\$ 9.6</b>	<b>\$ 9.1</b>	<b>\$ 19.9</b>	<b>\$ 19.0</b>
<b>RETURN ON ASSETS (Before-tax bps)</b>							
ROA (12 month) [2]	119	119	122	123	119	119	119
<b>INTEREST SPREAD (Before-tax bps, YTD annualized)</b>	198	201	211	211	211	198	211
<b>Annuity Contracts in force (in thousands)</b>	191	190	189	186	186	191	186
<b>Persistency (12 month)</b>							
Fixed Annuities	95.4%	95.5%	95.4%	95.3%	95.1%	95.4%	95.1%
Variable Annuities	94.1%	94.3%	94.3%	94.5%	94.0%	94.1%	94.0%
<b>Sales (12-month annualized deposits, in millions) [3]</b>							
Recurring Periodic	\$ 8.8	\$ 7.9	\$ 13.6	\$ 7.2	\$ 10.0	\$ 16.7	\$ 18.9
Single Deposit/Rollover	50.6	46.1	68.7	77.6	48.9	96.7	95.4
<b>Total Sales</b>	<b>\$ 59.4</b>	<b>\$ 54.0</b>	<b>\$ 82.3</b>	<b>\$ 84.8</b>	<b>\$ 58.9</b>	<b>\$ 113.4</b>	<b>\$ 114.3</b>

[1] Net realized investment gains (losses) are not allocated by segment, therefore, net income and operating income are equivalent.

[2] Trailing 12 months adjusted earnings (income before income taxes adjusted to remove the impact of DAC unlocking and changes in guaranteed minimum death benefit reserves) divided by a 5-point average accumulated account value.

[3] HM products.

**HORACE MANN EDUCATORS CORPORATION**  
**ANNUITY SEGMENT**  
**ACCOUNT VALUE ROLLFORWARD**

<u>For Period Ended</u> (\$ in millions)	Three Months Ended				
	Jun. 30, 2013	Mar. 31, 2013	Dec. 31, 2012	Sept. 30, 2012	Jun. 30, 2012
<b>FIXED ANNUITIES</b>					
Beginning balance	\$ 3,419.0	\$ 3,364.2	\$ 3,282.0	\$ 3,188.0	\$ 3,124.0
Deposits	63.1	59.9	84.7	88.6	66.3
Withdrawals	(53.6)	(49.5)	(55.5)	(46.0)	(45.7)
Net Transfers	11.0	13.6	21.6	19.9	12.7
Interest Credited	31.4	30.7	31.1	30.8	29.9
Other	0.8	0.1	0.3	0.7	0.8
Ending balance	\$ 3,471.7	\$ 3,419.0	\$ 3,364.2	\$ 3,282.0	\$ 3,188.0
<b>VARIABLE ANNUITIES</b>					
Beginning balance	\$ 1,508.3	\$ 1,398.3	\$ 1,405.7	\$ 1,348.1	\$ 1,409.1
Deposits	35.3	30.3	30.0	25.9	30.1
Withdrawals	(24.2)	(21.6)	(22.5)	(19.5)	(18.0)
Net Transfers	(11.0)	(13.6)	(21.6)	(19.9)	(12.7)
Fees & Charges	(5.9)	(5.3)	(5.4)	(5.3)	(5.2)
Market Appreciation	22.9	120.0	12.0	76.5	(55.3)
Other	0.1	0.2	0.1	(0.1)	0.1
Ending balance	\$ 1,525.5	\$ 1,508.3	\$ 1,398.3	\$ 1,405.7	\$ 1,348.1

**HORACE MANN EDUCATORS CORPORATION**  
**LIFE SEGMENT**  
**STATEMENT OF OPERATIONS AND SUPPLEMENTAL DATA**

<b>For Period Ended</b> <i>(\$ in millions)</i>	<b>Three Months Ended</b>					<b>Year to Date</b>	
	<b>Jun. 30, 2013</b>	<b>Mar. 31, 2013</b>	<b>Dec. 31, 2012</b>	<b>Sept. 30, 2012</b>	<b>Jun. 30, 2012</b>	<b>Jun. 30, 2013</b>	<b>Jun. 30, 2012</b>
<b>Premiums and contract deposits</b>	\$ 25.1	\$ 23.0	\$ 27.6	\$ 24.2	\$ 24.4	\$ 48.1	\$ 47.5
<b>Revenues</b>							
Premiums and contract charges earned	\$ 26.3	\$ 26.2	\$ 26.2	\$ 25.5	\$ 25.2	\$ 52.5	\$ 50.7
Net investment income	17.2	17.3	17.2	17.2	17.5	34.5	35.0
Other income	0.3	0.4	0.6	0.4	0.8	0.7	1.6
<b>Total revenues</b>	<b>43.8</b>	<b>43.9</b>	<b>44.0</b>	<b>43.1</b>	<b>43.5</b>	<b>87.7</b>	<b>87.3</b>
<b>Benefits and Expenses</b>							
Death benefits / mortality cost [1]	6.4	8.1	7.3	7.1	6.3	14.5	13.9
Interest credited	10.7	10.7	10.7	10.6	10.5	21.4	20.9
Change in reserves	7.6	7.9	5.9	7.1	6.9	15.5	14.2
DAC amortization expense, excluding unlocking	2.1	2.0	2.0	2.0	2.1	4.1	4.1
DAC unlocking	0.1	-	0.5	0.1	0.1	0.1	0.2
Operating expenses	8.3	8.4	8.8	8.5	8.0	16.7	16.3
<b>Total benefits and expenses</b>	<b>35.2</b>	<b>37.1</b>	<b>35.2</b>	<b>35.4</b>	<b>33.9</b>	<b>72.3</b>	<b>69.6</b>
<b>Income before income taxes</b>	<b>8.6</b>	<b>6.8</b>	<b>8.8</b>	<b>7.7</b>	<b>9.6</b>	<b>15.4</b>	<b>17.7</b>
Income tax expense	3.0	2.5	3.1	2.8	3.5	5.5	6.4
<b>Net income [2]</b>	<b>\$ 5.6</b>	<b>\$ 4.3</b>	<b>\$ 5.7</b>	<b>\$ 4.9</b>	<b>\$ 6.1</b>	<b>\$ 9.9</b>	<b>\$ 11.3</b>
Less: DAC unlocking, after tax	(0.1)	-	(0.3)	(0.1)	(0.1)	(0.1)	(0.1)
<b>Net income excluding DAC unlocking</b>	<b>\$ 5.7</b>	<b>\$ 4.3</b>	<b>\$ 6.0</b>	<b>\$ 5.0</b>	<b>\$ 6.2</b>	<b>\$ 10.0</b>	<b>\$ 11.4</b>
<b>Earnings margin (Before tax)</b>							
Return On Premium (12 month) [3]	31.4%	32.6%	34.2%	34.4%	33.3%	31.4%	33.3%
<b>SUPPLEMENTAL DATA</b>							
Lapse Ratio (12 month) [4]	4.4%	4.3%	4.2%	4.2%	4.5%	4.4%	4.5%
Sales (12-month premium, in millions) [5]							
Recurring Periodic	\$ 1.2	\$ 1.2	\$ 1.4	\$ 1.3	\$ 1.3	\$ 2.4	\$ 2.4
Single Premium	0.7	0.4	0.8	0.2	0.2	1.1	0.3
Total Sales	\$ 1.9	\$ 1.6	\$ 2.2	\$ 1.5	\$ 1.5	\$ 3.5	\$ 2.7
Insurance in force (in millions)	\$ 14,837	\$ 14,701	\$ 14,632	\$ 14,522	\$ 14,353	\$ 14,837	14,353
Policies in force (in thousands)	200	201	202	201	202	200	202

[1] Ordinary life insurance.

[2] Net realized investment gains (losses) are not allocated by segment, therefore, net income and operating income are equivalent.

[3] Trailing 12 months adjusted earnings (income before income taxes adjusted to remove the impact of DAC unlocking) divided by trailing 12 months premiums and contract charges earned.

[4] Based on ordinary life insurance in force.

[5] HM products.

**HORACE MANN EDUCATORS CORPORATION**  
**CORPORATE & OTHER SEGMENT**  
**STATEMENT OF OPERATIONS**  
(Amounts are net of consolidating eliminations)

<u>For Period Ended</u> <i>(\$ in millions)</i>	<u>Three Months Ended</u>					<u>Year to Date</u>	
	<u>Jun. 30,</u> <u>2013</u>	<u>Mar. 31,</u> <u>2013</u>	<u>Dec. 31,</u> <u>2012</u>	<u>Sept. 30,</u> <u>2012</u>	<u>Jun. 30,</u> <u>2012</u>	<u>Jun. 30,</u> <u>2013</u>	<u>Jun. 30,</u> <u>2012</u>
<b>Revenues</b>							
Net investment income	\$ (0.3)	\$ (0.2)	\$ (0.3)	\$ (0.2)	\$ (0.3)	\$ (0.5)	\$ (0.5)
Other income	-	-	0.2	-	-	-	-
<b>Total revenues</b>	<b>(0.3)</b>	<b>(0.2)</b>	<b>(0.1)</b>	<b>(0.2)</b>	<b>(0.3)</b>	<b>(0.5)</b>	<b>(0.5)</b>
<b>Expenses</b>							
Interest expense	3.5	3.6	3.5	3.6	3.5	7.1	7.1
Other operating expenses	1.1	1.2	1.0	1.0	1.1	2.3	2.8
<b>Total expenses</b>	<b>4.6</b>	<b>4.8</b>	<b>4.5</b>	<b>4.6</b>	<b>4.6</b>	<b>9.4</b>	<b>9.9</b>
<b>Operating income (loss) before income tax</b>	<b>(4.9)</b>	<b>(5.0)</b>	<b>(4.6)</b>	<b>(4.8)</b>	<b>(4.9)</b>	<b>(9.9)</b>	<b>(10.4)</b>
Income tax expense (benefit)	(2.0)	(2.0)	(1.2)	(1.8)	(1.7)	(4.0)	(3.6)
<b>Operating income (loss) after tax</b>	<b>\$ (2.9)</b>	<b>\$ (3.0)</b>	<b>\$ (3.4)</b>	<b>\$ (3.0)</b>	<b>\$ (3.2)</b>	<b>\$ (5.9)</b>	<b>\$ (6.8)</b>
Realized investment gains (losses) pretax [1]	15.4	6.9	6.2	10.8	9.9	22.3	10.3
Tax on realized investment gains (losses) [1]	5.4	2.5	2.2	3.9	3.5	7.9	3.6
Realized investment gains (losses) after tax [1]	10.0	4.4	4.0	6.9	6.4	14.4	6.7
<b>Net income (loss)</b>	<b>\$ 7.1</b>	<b>\$ 1.4</b>	<b>\$ 0.6</b>	<b>\$ 3.9</b>	<b>\$ 3.2</b>	<b>\$ 8.5</b>	<b>\$ (0.1)</b>

[1] Corporate level transactions, such as realized investment gains and losses, are not allocated to the insurance segments consistent with how management evaluates the results of those segments.

**HORACE MANN EDUCATORS CORPORATION**  
**INVESTMENT EARNINGS BEFORE-TAX**  
**CONSOLIDATED**

<b>For Period Ended</b> <i>(\$ in millions)</i>	<b>Three Months Ended</b>					<b>Year to Date</b>	
	<b>Jun. 30, 2013</b>	<b>Mar. 31, 2013</b>	<b>Dec. 31, 2012</b>	<b>Sept. 30, 2012</b>	<b>Jun. 30, 2012</b>	<b>Jun. 30, 2013</b>	<b>Jun. 30, 2012</b>
<b>Net Investment Income</b>							
Fixed maturities [1]							
Taxable	\$ 69.3	\$ 70.0	\$ 69.1	\$ 67.9	\$ 68.3	\$ 139.3	\$ 136.4
Tax-exempt	5.9	5.9	5.9	5.9	6.0	11.8	11.8
Total fixed maturities	75.2	75.9	75.0	73.8	74.3	151.1	148.2
Equity securities	0.9	0.5	1.1	0.5	0.8	1.4	1.2
Policy loans	2.0	1.9	2.0	1.9	2.0	3.9	3.9
Limited partnerships and other alternative investments	1.3	1.2	1.3	2.3	1.1	2.5	2.3
Short-term investments and other	0.1	(0.0)	0.2	0.1	0.0	0.1	0.1
Investment income	79.5	79.5	79.6	78.6	78.2	159.0	155.7
Investment expenses	2.1	2.1	2.3	1.9	1.9	4.2	3.7
<b>Total net investment income</b>	<b>\$ 77.4</b>	<b>\$ 77.4</b>	<b>\$ 77.3</b>	<b>\$ 76.7</b>	<b>\$ 76.3</b>	<b>\$ 154.8</b>	<b>\$ 152.0</b>
Annualized investment yield, before-tax [2]	5.40%	5.42%	5.63%	5.67%	5.72%	5.40%	5.72%
Annualized investment yield, after-tax [2]	3.64%	3.68%	3.79%	3.82%	3.85%	3.64%	3.85%
<b>Net Investment Income by Segment</b>							
Property & Casualty	\$ 9.1	\$ 9.0	\$ 9.6	\$ 9.0	\$ 9.3	\$ 18.1	\$ 18.2
Annuity	51.4	51.3	50.8	50.7	49.8	102.7	99.3
Life	17.2	17.3	17.2	17.2	17.5	34.5	35.0
Corporate, including intersegment eliminations	(0.3)	(0.2)	(0.3)	(0.2)	(0.3)	(0.5)	(0.5)
<b>Total net investment income</b>	<b>\$ 77.4</b>	<b>\$ 77.4</b>	<b>\$ 77.3</b>	<b>\$ 76.7</b>	<b>\$ 76.3</b>	<b>\$ 154.8</b>	<b>\$ 152.0</b>
<b>Net Realized Capital Gains (Losses)</b>							
Gross gains on disposals	\$ 17.2	\$ 7.1	\$ 6.4	\$ 11.1	\$ 12.8	\$ 24.3	\$ 22.4
Gross losses on disposals	(0.8)	(0.2)	(0.2)	(0.3)	(2.9)	(1.0)	(12.1)
Other-than-temporary impairment losses	(1.0)	-	-	-	-	(1.0)	-
<b>Total net realized capital gains (losses)</b>	<b>\$ 15.4</b>	<b>\$ 6.9</b>	<b>\$ 6.2</b>	<b>\$ 10.8</b>	<b>\$ 9.9</b>	<b>\$ 22.3</b>	<b>\$ 10.3</b>

[1] Includes income on short-term bonds.

[2] Yields calculated by annualizing the result of year-to-date net investment income divided by the average of period-end and beginning of year invested assets at cost, amortized cost, or adjusted carrying value, as applicable.

**HORACE MANN EDUCATORS CORPORATION**  
**COMPOSITION OF INVESTED ASSETS**  
**CONSOLIDATED**

<u>For Period Ended</u> (\$ in millions)	<u>June 30,</u> <u>2013</u>		<u>March 31,</u> <u>2013</u>		<u>December 31,</u> <u>2012</u>		<u>September 30,</u> <u>2012</u>		<u>June 30,</u> <u>2012</u>		<u>March 31,</u> <u>2012</u>	
	<u>Amount</u>	<u>Percent</u>	<u>Amount</u>	<u>Percent</u>	<u>Amount</u>	<u>Percent</u>	<u>Amount</u>	<u>Percent</u>	<u>Amount</u>	<u>Percent</u>	<u>Amount</u>	<u>Percent</u>
Fixed maturities, at fair value [1]	\$ 5,930.6	94.2%	\$ 6,143.7	95.6%	\$ 5,962.2	94.8%	\$ 5,782.1	93.6%	\$ 5,694.7	95.7%	\$ 5,500.1	95.5%
Equity securities, at fair value	83.0	1.3%	58.7	0.9%	53.5	0.9%	39.2	0.6%	38.0	0.6%	27.8	0.5%
Policy loans, at outstanding balance	136.7	2.2%	135.7	2.1%	135.0	2.1%	133.1	2.2%	131.1	2.2%	129.2	2.2%
Limited partnerships and other alternative investments	64.9	1.0%	53.6	0.8%	53.8	0.9%	52.5	0.9%	52.3	0.9%	26.2	0.5%
Short-term investments [2]	82.1	1.3%	34.4	0.5%	87.6	1.4%	167.9	2.7%	33.5	0.6%	74.2	1.3%
Short-term investments, securities lending collateral	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total investments</b>	<b>\$ 6,297.3</b>	<b>100.0%</b>	<b>\$ 6,426.1</b>	<b>100.0%</b>	<b>\$ 6,292.1</b>	<b>100.0%</b>	<b>\$ 6,174.8</b>	<b>100.0%</b>	<b>\$ 5,949.6</b>	<b>100.0%</b>	<b>\$ 5,757.5</b>	<b>100.0%</b>
Asset-backed securities ("ABS")	\$ 508.4	8.6%	\$ 492.3	8.0%	\$ 517.1	8.7%	\$ 493.5	8.5%	\$ 489.1	8.6%	\$ 471.7	8.6%
Collateralized debt/loan obligations ("CDOs/CLOs")	162.4	2.7%	143.5	2.3%	115.1	1.9%	68.9	1.2%	41.8	0.7%	43.8	0.8%
Commercial mortgage-backed securities ("CMBS")	107.6	1.8%	99.9	1.6%	74.7	1.3%	53.2	0.9%	51.3	0.9%	56.9	1.0%
Corporate	2,569.1	43.3%	2,708.9	44.1%	2,624.9	44.0%	2,501.1	43.3%	2,470.1	43.4%	2,343.3	42.6%
Municipal	1,508.1	25.4%	1,604.2	26.1%	1,586.0	26.6%	1,559.2	27.0%	1,509.5	26.5%	1,451.7	26.4%
Residential mortgage-backed securities ("RMBS")	636.7	10.7%	646.4	10.5%	634.9	10.6%	642.5	11.1%	643.9	11.3%	600.6	10.9%
U.S. Treasuries and government agencies	438.3	7.4%	448.5	7.3%	409.4	6.9%	463.6	8.0%	489.0	8.6%	531.9	9.7%
<b>Total fixed maturities</b>	<b>\$ 5,930.6</b>	<b>100.0%</b>	<b>\$ 6,143.7</b>	<b>100.0%</b>	<b>\$ 5,962.2</b>	<b>100.0%</b>	<b>\$ 5,782.1</b>	<b>100.0%</b>	<b>\$ 5,694.7</b>	<b>100.0%</b>	<b>\$ 5,500.1</b>	<b>100.0%</b>
U.S. government/government agencies	\$ 1,057.3	17.8%	\$ 1,085.6	17.7%	\$ 1,034.9	17.4%	\$ 1,096.8	19.0%	\$ 1,129.2	19.8%	\$ 1,124.8	20.5%
AAA	328.8	5.5%	300.6	4.9%	249.6	4.2%	210.8	3.6%	235.6	4.1%	229.1	4.2%
AA	940.0	15.9%	985.5	16.0%	999.4	16.8%	967.3	16.7%	967.0	17.0%	968.2	17.6%
A	1,542.2	26.0%	1,579.7	25.7%	1,506.7	25.3%	1,475.0	25.5%	1,420.3	24.9%	1,363.1	24.8%
BBB	1,767.0	29.8%	1,886.1	30.7%	1,863.5	31.3%	1,723.5	29.8%	1,656.6	29.1%	1,537.2	27.9%
BB & below, includes securities not rated	295.3	5.0%	306.2	5.0%	308.2	5.2%	308.7	5.3%	286.0	5.0%	277.8	5.1%
<b>Total fixed maturities</b>	<b>\$ 5,930.6</b>	<b>100.0%</b>	<b>\$ 6,143.7</b>	<b>100.0%</b>	<b>\$ 5,962.2</b>	<b>100.0%</b>	<b>\$ 5,782.1</b>	<b>100.0%</b>	<b>\$ 5,694.7</b>	<b>100.0%</b>	<b>\$ 5,500.1</b>	<b>100.0%</b>
<b>INVESTMENTS BY SEGMENT</b>												
Property & Casualty	\$ 865.0	13.7%	\$ 885.9	13.8%	\$ 888.2	14.1%	\$ 894.3	14.5%	\$ 879.3	14.8%	\$ 866.9	15.1%
Annuity and Life	5,406.7	85.9%	5,526.1	86.0%	5,374.5	85.4%	5,266.3	85.3%	5,058.9	85.0%	4,870.4	84.6%
Corporate	25.6	0.4%	14.1	0.2%	29.4	0.5%	14.2	0.2%	11.4	0.2%	20.2	0.4%
<b>Total investments</b>	<b>\$ 6,297.3</b>	<b>100.0%</b>	<b>\$ 6,426.1</b>	<b>100.0%</b>	<b>\$ 6,292.1</b>	<b>100.0%</b>	<b>\$ 6,174.8</b>	<b>100.0%</b>	<b>\$ 5,949.6</b>	<b>100.0%</b>	<b>\$ 5,757.5</b>	<b>100.0%</b>

[1] Cost of \$5,591.1, \$5,509.9, \$5,311.4, \$5,136.3, \$5,146.8, and \$5,041.5 at June 30, 2013, March 31, 2013, December 31, 2012, September 30, 2012, June 30, 2012, and March 31, 2012, respectively.

[2] Includes \$25.6, \$14.1, \$29.4, \$14.2, \$11.4, and \$20.2 of short-term investments in the Corporate segment at June 30, 2013, March 31, 2013, December 31, 2012, September 30, 2012, June 30, 2012, and March 31, 2012, respectively.

# HORACE MANN EDUCATORS CORPORATION

## RATINGS AND CONTACT INFORMATION

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As of June 30, 2013	A.M. Best	Standard & Poor's	Moody's	Fitch
<b>Financial Strength Ratings:</b>				
Horace Mann Life Insurance Company	A	A	A3	A-
Horace Mann Property and Casualty Insurance Company	A-	A	A3	A-
Horace Mann Insurance Company	A-	A	A3	A-
Teachers Insurance Company	A-	A	A3	A-
Horace Mann Lloyds	A-	NR	NR	A-
<b>Other Ratings:</b>				
Horace Mann Educators Corporation:				
Senior debt	bbb	BBB	Baa3	BBB
NR - not rated				

### TRANSFER AGENT

American Stock Transfer & Trust Company  
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E-mail: [info@amstock.com](mailto:info@amstock.com)  
Corporate Website: [www.amstock.com/shareholder/sh\\_general\\_info.asp](http://www.amstock.com/shareholder/sh_general_info.asp)

### COMMON STOCK

Common stock of Horace Mann Educators Corporation is traded on the New York Stock Exchange under the symbol "HMN".

This report is for information purposes only. It should be read in conjunction with documents filed by Horace Mann Educators Corporation with the U.S. Securities and Exchange Commission, including the most recent Annual Report on Form 10-K, Quarterly Reports on Form 10-Q, and Current Reports on Form 8-K.