

First Quarter 2020 Investor Presentation

May 8, 2020



Information as of March 31, 2020

Safe Harbor Statement and Non-GAAP Measures

Certain statements made in this presentation should be considered forward-looking as defined in the Private Securities Litigation Reform Act of 1995. Forward-looking statements give expectations or forecasts of future events. These statements are related to our intentions, beliefs, projections, estimations or forecasts of future events or our future financial performance and involve known and unknown risks, uncertainties and other factors that may cause our actual results to be materially different from those expressed or implied by the forward-looking statements. These statements can be identified by the fact that they do not relate strictly to historical or current facts. They use words such as anticipate, estimate, expect, project, intend, plan, believe and other words and terms of similar meaning in connection with a discussion of future operating or financial performance. We caution investors that these forward-looking statements are not guarantees of future performance, and actual results may differ materially.

Investors should consider the important risks and uncertainties that may cause such differences, including those risks discussed in our most recent Form 10-K and Form 10-Q filed with the Securities and Exchange Commission (SEC). Our forward-looking statements speak only as of the date of this presentation or as of the date they were made, and we undertake no obligation to update those statements.

The historical and forward-looking financial information contained in this presentation includes measures (marked with * the first time they are presented within this document) that are not based on accounting principles generally accepted in the United States (non-GAAP) such as core earnings, core earnings per share, pretax reporting segment income excluding DAC unlocking, and book value per share excluding some components of accumulated other comprehensive income. An explanation of these measures is contained in the Glossary of Selected Terms included as Exhibit 99.1 in our most recent Form 10-K and Form 10-Q filed with the SEC and are reconciled to the most directly comparable measures prepared in accordance with accounting principles generally accepted in the United States (GAAP) in the Appendix of the Investor Supplement available on our website at investors.horacemann.com.

Our Foundation: Financially sound company with strong strategy for profitable growth

Longevity

- Founded by Educators for Educators in 1945
- Offering 403(b) tax-qualified annuities since 1961
- NYSE listed (HMN) since 1991

Financial strength

- \$12.0B in assets⁽¹⁾
- \$1.3B in premium and contract deposits for 2019
- \$1.5B market capitalization⁽¹⁾
- Highly rated by all four major rating agencies

Niche market

- Educators have preferred risk profile
- Homogeneous customer set
- Serving about half of school locations⁽²⁾ in our market footprint

Multiline model

- Business mix balanced between segments
- Ability to provide total household solutions
- Provides earnings diversification

Proud to be the largest multiline financial services company focused on America's educators

Driven by a noble mission

Mission

We listen to and understand educators and those who serve our community. They are taking care of our children's future. We believe they deserve someone to look after theirs.

Vision

We aspire to be the company of choice to provide financial solutions for all educators and others who serve our communities - to help them protect what they have today and prepare for a successful tomorrow.

Value Proposition

We understand and solve the issues facing educators and others who serve the community, helping them achieve financial success to live better and retire happier.

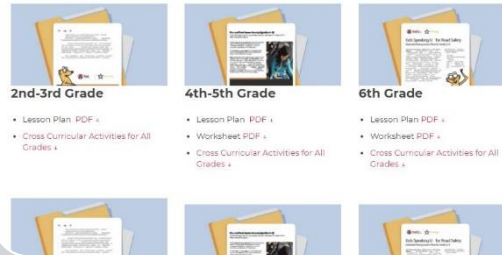
Understanding and helping address educators' needs during COVID-19 pandemic

COVID-19 update

15% credit on auto insurance premiums for two months through our **Teacher Appreciation Giveback Program**

Kids Speaking Up for Road Safety

Facilitator's Guide: Distracted Driving Lesson Plans for Grades 2-6
Facilitator's Guide PDF >



2nd-3rd Grade	4th-5th Grade	6th Grade
<ul style="list-style-type: none">• Lesson Plan PDF >• Cross Curricular Activities for All Grades >	<ul style="list-style-type: none">• Lesson Plan PDF >• Worksheet PDF >• Cross Curricular Activities for All Grades >	<ul style="list-style-type: none">• Lesson Plan PDF >• Worksheet PDF >• Cross Curricular Activities for All Grades >



THANK YOU,
TEACHERS

Financial relief

- 15% credit on auto premium
- Grace period through June on insurance payments
- Extending personal auto coverage to those delivering essential goods

Remote teaching resources

- Free classroom lessons and resources
- Customized “daily downloadables” like teacher Zoom backgrounds and Google Classroom headers

Feeling connected

- Virtual Teacher Appreciation Week activities, like lunch delivery and community yard signs to thank teachers
- Spearheading efforts to thank teachers on social media

Delivering value proposition for educator customers by focusing on “PDI”

Serving K-12 Educator Market

Homogenous customer set with attractive risk profiles

Solutions orientation addresses needs at every life stage

Focused on “PDI”

Products

- Products designed to meet educators’ needs and protect their unique risks

Distribution

- Knowledgeable, trusted distribution tailored to educator preferences

Infrastructure

- Modern, scalable infrastructure that is easy to do business with

Finding best solution to achieve long-term objectives

2020 outlook unchanged under conservative COVID-19 scenario analysis

Despite unexpected circumstances, full-year 2020 core EPS guidance range remains at \$2.55 to \$2.75 with core ROE* above 8%

- First-quarter core earnings slightly ahead of management expectations despite variations by segment, some of which were due to COVID-19 related impacts
- P&C outlook includes modest increase in second-quarter underwriting earnings due to temporary changes in policyholder driving patterns due to COVID-19
 - Every 10% deviation in monthly auto frequency from company expectations represents about \$2 million in pre-tax earnings
 - Analysis does not include offsets from other factors such as the potential for higher severity
- Updated scenario analysis also includes:
 - ~\$15 million reduction in pre-tax net investment income for 2020 compared with previous guidance due to lower contribution from alternatives portfolio
 - Catastrophe load assumption unchanged for full-year at approximately 7.5% (~\$45-55 million)
 - New insurance sales returning to anticipated levels beginning in third quarter, particularly for Supplemental segment
- Scenario analysis to be refined after second quarter with guidance to be updated

Key transformational stage in growth journey continues

2014-2018: Fix and Build	2019-2020: Transformation	2021-2025: Leverage Leadership
<p>Our performance: Established solutions orientation; filled PDI gaps to set stage for profitable growth</p>	<p>Our plan: Smart integration of key transactions while executing on fix and build enhancements</p>	<p>Our path: Accelerated shareholder value creation; significantly larger market share</p>
<p>Actual: Annual core ROE averaged 6.75%</p>	<p>Actual: • 2019: core ROE of 7.3%</p> <p>Guidance: • 2020: core ROE above 8%</p>	<p>Potential: Double-digit core ROE</p>

In **2019**, executed three strategic transactions to better position company for growth:

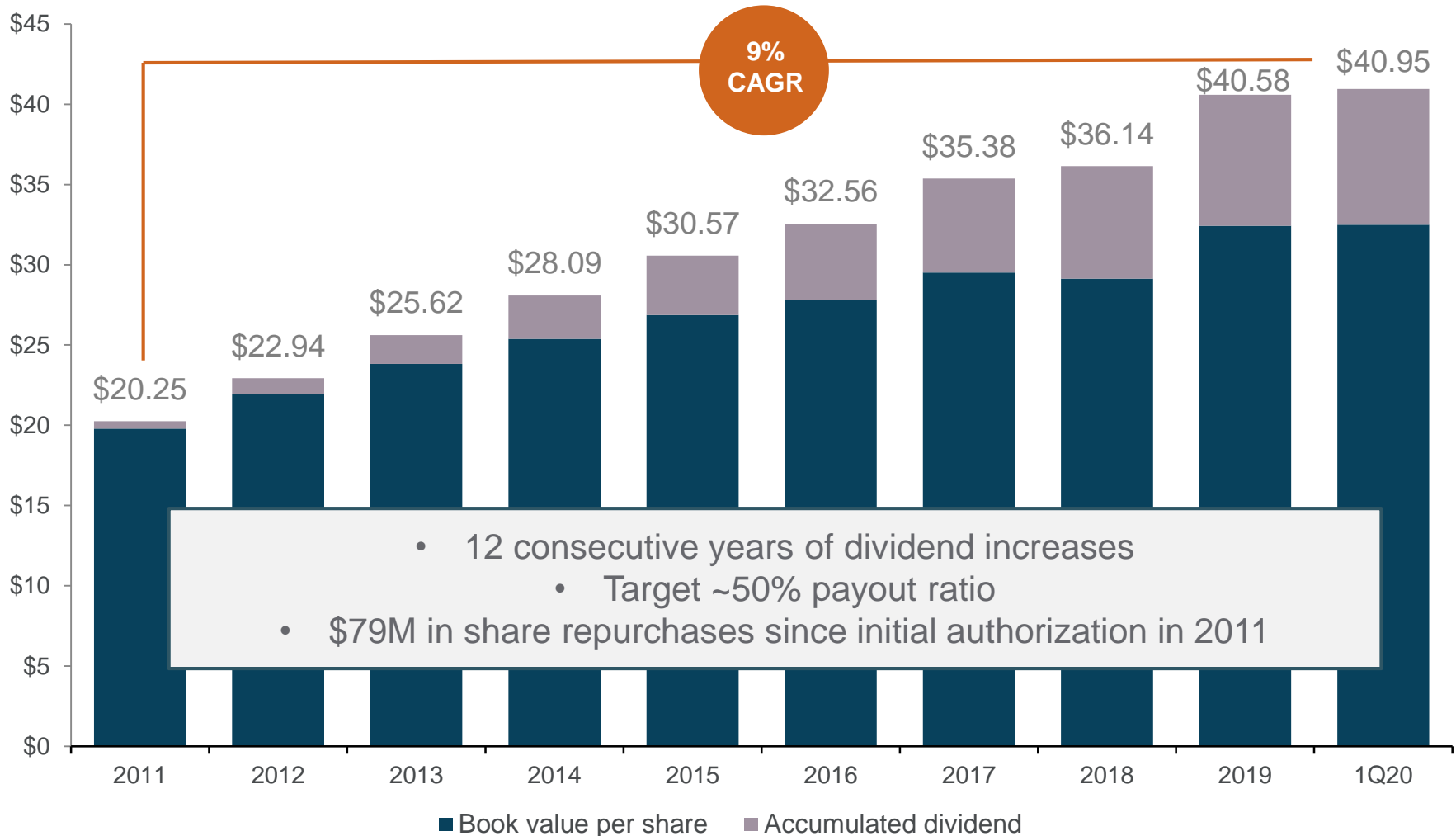
- Added Supplemental segment: 220 agents and 150,000 households with NTA acquisition
- Added infrastructure to improve value to the B2B market with acquisition of BCG
- Improved Retirement segment profitability and reduced interest-rate risk with annuity reinsurance transaction

In **2020**, smart integration and execution:

- Cross-sell products
- Align former NTA investment portfolio with Horace Mann objectives
- Roll out Guidewire administration platform to largest states
- Remain focused on efficiencies and synergies across organization

Focus on long-term shareholder value

Strong book value growth and 3.2% dividend yield⁽¹⁾

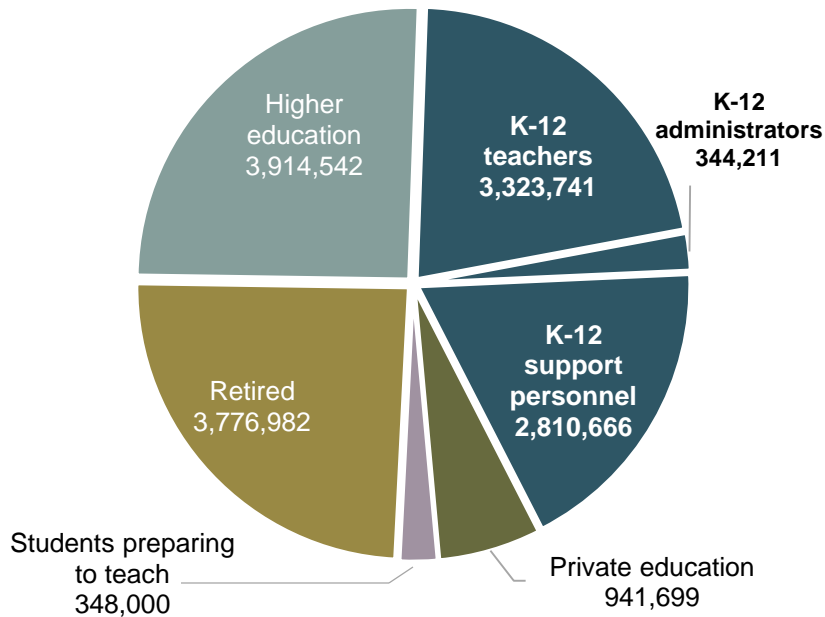


PDI growth strategy leads to industry-leading cross-sell and retention



Sizeable opportunity within existing K-12 educator market and adjacent segments

U.S. educator market⁽¹⁾



- 6.4 million K-12 educators nationwide
- Current customer base of roughly 470,000 educator households (600,000+ total households) in about half of the school buildings and administrative locations in our market footprint
- 8% increase in number of K-12 teachers anticipated between 2015 and 2027⁽²⁾
- Sizeable demographic shift as Baby Boomers retire and Millennials make up a higher percentage of the workforce

(1) K-12, private education and higher education numbers from U.S. Dept. of Education, National Center for Education Statistics, Digest of Education Statistics, December 2016. Student preparing to teach estimate derived from U.S. Dept. of Education, National Center for Education Statistics, The Condition of Education, 2016 (current year Education major Bachelors Degrees awarded times 4). Retired educator estimate derived from 2017 State Teacher and Public Employee Retirement Plans (public K-12 retirees receiving benefits).

(2) U.S. Department of Education, National Center for Education Statistics, Projections of Education Statistics to 2027, Feb. 2019.

K-12 educators have similar characteristics and can be reached through a consistent channel

Conservative & loyal

- Usually buy higher insurance limits
- Tend to bundle auto & home insurance
- Loyalty results in strong retention

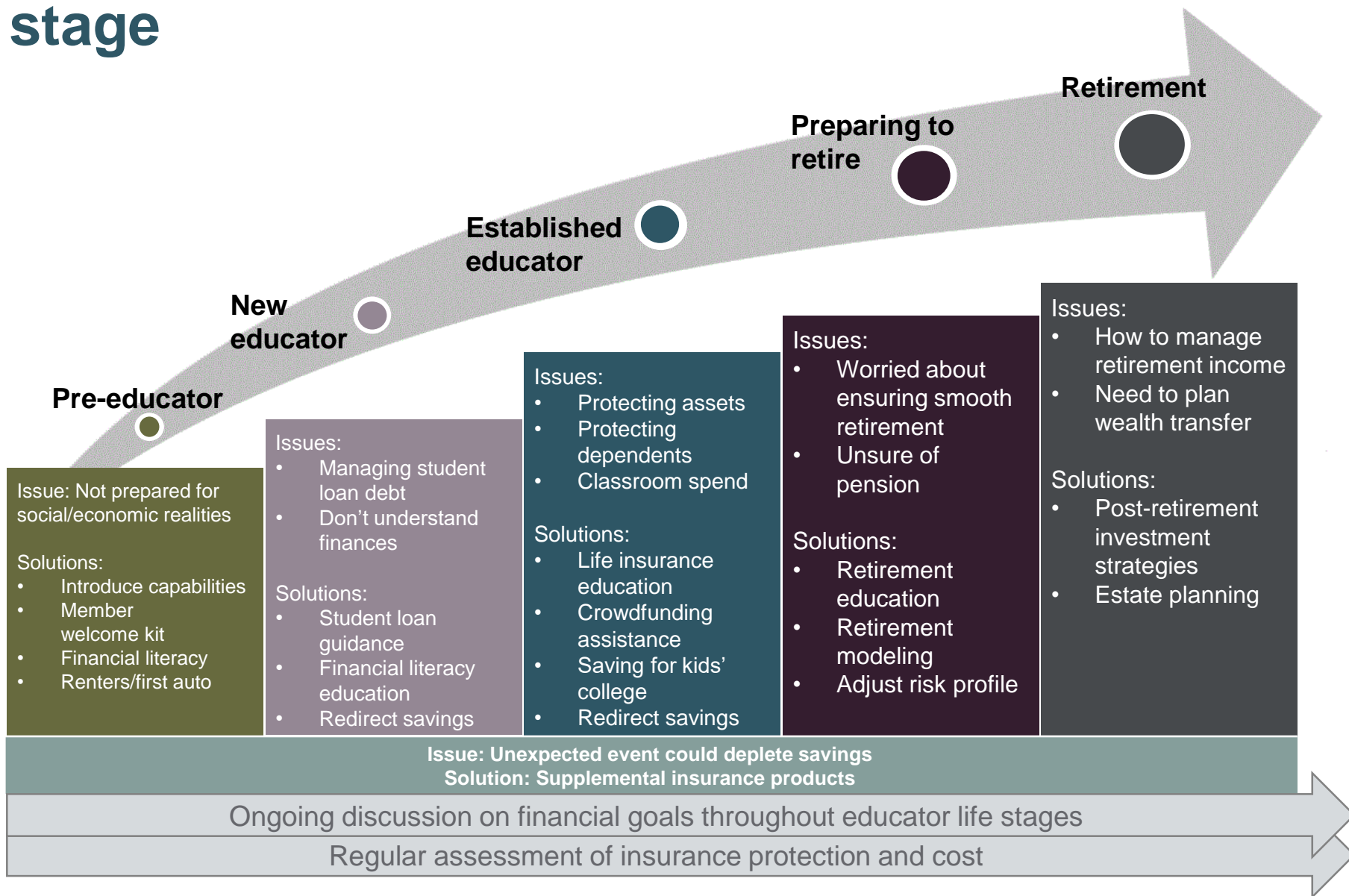
Work close to home

- Generally live close to school with short commutes
- Off-hour commutes with light traffic
- Tend to be off during adverse weather conditions

Fiscally responsible

- Focused on achieving goals
- Strong desire for guidance and education
- Open to reallocating savings to retirement needs

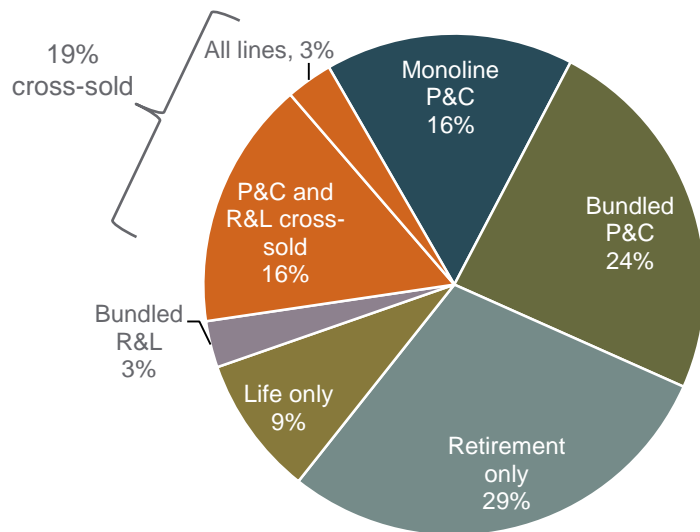
Solutions tailored for educators at every life stage



Targeted marketing efforts drive more cross-line sales, which leads to higher retention

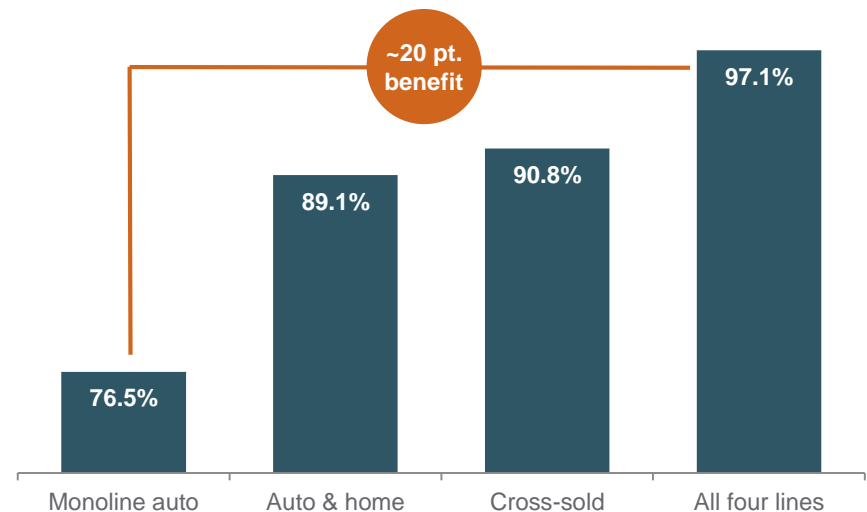
Strong cross-sell expertise⁽¹⁾

- Educator customer cross-line penetration of 19% far exceeds industry average of 12%⁽²⁾



Cross-selling improves Horace Mann persistency⁽³⁾

- Horace Mann policy retention and persistency exceed industry averages and improve with cross-sell efforts



(1) HMN data: ~360k educator households as of March 31, 2020; cross-line households defined as Auto and/or Property plus Retirement, Life and/or Group

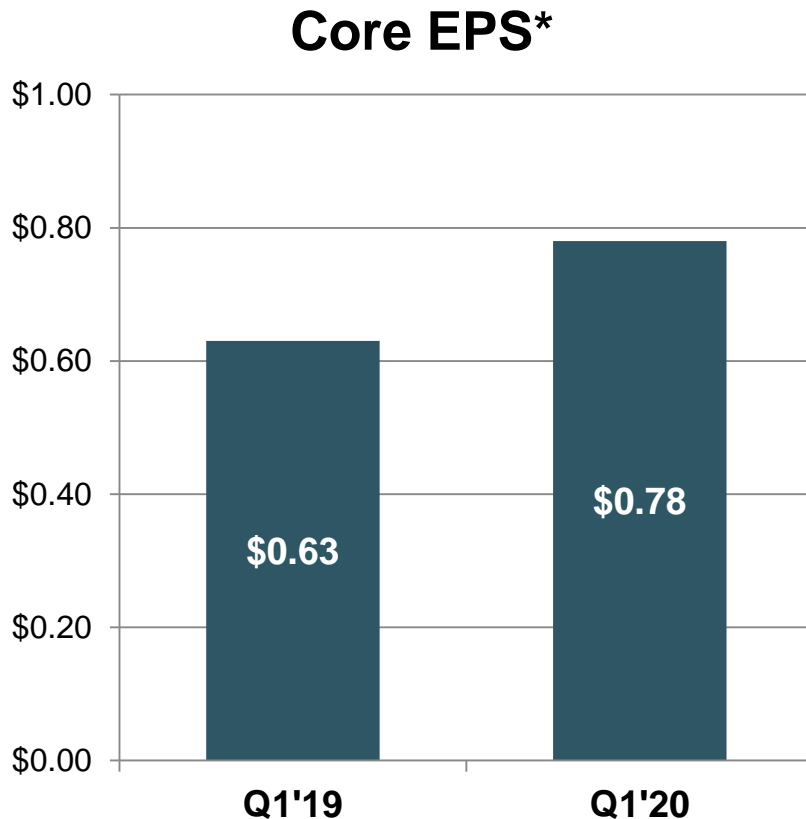
(2) Industry data per LIMRA, 2018 multiline exclusive agent average

(3) As of March 31, 2020

Business details and results



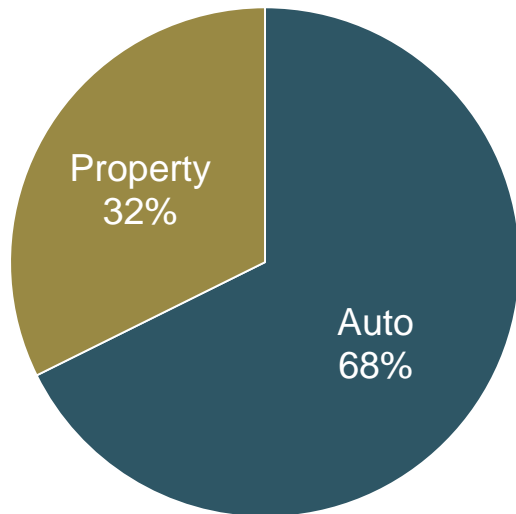
25% increase in core earnings over prior Q1



- Business is fully operational with **agents and 95% of company staff working remotely** to support educators with insurance and retirement solutions
- **Net income down**, largely due to realized losses on investments due to mark-to-market adjustments related to equity market volatility
- **Core earnings up 25%** on Property & Casualty segment performance and inclusion of new Supplemental segment, partially offset by lower net investment income on smaller Retirement portfolio
- **Financial position remains strong**, with A+ rated investment portfolio and capitalization ratios that support current financial strength ratings

P&C segment: Providing coverage to protect what educators have today

P&C Net Written Premium (\$683M)⁽¹⁾



Opportunity

- Preferred risk profile
- Loyal customers less likely to leave due to rate actions

Products

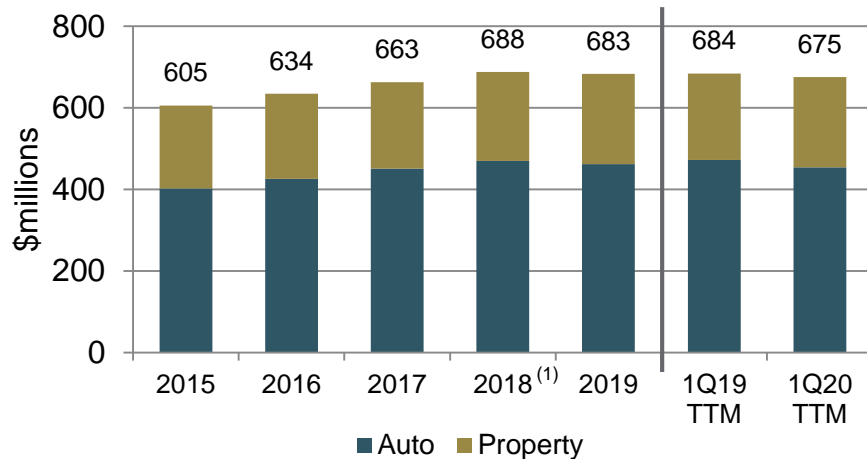
- Auto, homeowners, renters and umbrella
- Majority of P&C business is bundled Auto and Home
- Partnerships through Horace Mann General Agency

Strategy

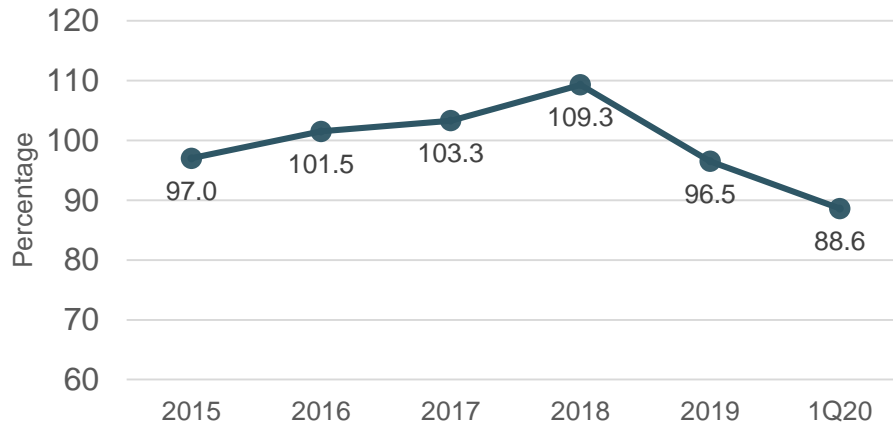
- Continuous improvement of P&C pricing segmentation
- Grow direct channel
- Modernize P&C infrastructure to enhance customer experience and ease of doing business

P&C segment: Significantly improving profitability continues; premium growth below prior year

Net written premium



Combined Ratio



Q1 Results

- Written premiums declined due to lower policy counts and a lower level of rate increases being implemented in 2020
- Combined ratio improved by 6.9 points, reflecting:
 - Improved underlying auto loss ratios
 - Temporary improvement in auto frequency due to changes in policyholder behavior because of COVID-19
 - Lower fire and non-cat weather losses, in addition to lower catastrophe losses
 - Benefit from improved expense ratio due to actions taken in 2019

Supplemental segment adds high-margin, in-demand solutions

- ✓ NTA acquisition added 150,000+ households and 220 agents experienced with worksite marketing
- ✓ Customers ~80% educators
- ✓ Products address needs of educators facing rising out-of-pocket healthcare costs
- ✓ Supplemental insurance unaffected by weather volatility
- ✓ Morbidity not correlated to mortality risk in Life business
- ✓ More attractive return profile than existing product lines
- ✓ Lower capital profile required

Aligned with "PDI" Growth Strategy in Education Market

Products

- Complementary supplemental insurance products designed to meet educators' needs and cover their financial risk

Distribution

- Trusted, knowledgeable agent network with extensive worksite marketing experience with limited geographic overlap

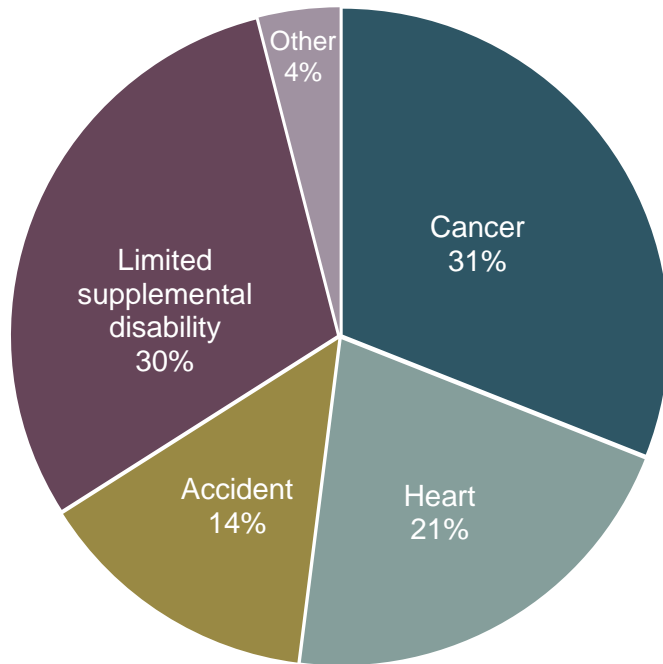
Infrastructure

- Strong management team focused on delivering great educator customer experiences, supported by modern and scalable infrastructure

Supplemental segment: Product overview

Providing options for educators to address unexpected events

Supplemental coverage in-force⁽¹⁾



Cancer

Guaranteed renewable limited benefit, specified disease product with coverage for individuals and families, providing benefits for certain losses directly resulting from the diagnosis and treatment of cancer

Heart

Guaranteed renewable limited benefit, specified disease product with coverage for individuals and families, providing benefits for diagnosis and treatment of heart attack, heart disease and stroke

Accident

Guaranteed renewable limited benefit, accident only insurance product with coverages for individuals and families, providing benefits related to injuries resulting from an accident

Limited supplemental disability

Provides limited, short-term “own occupation” coverage for individuals, providing benefits for disabilities resulting from injuries or sicknesses

Supplemental segment: Strong margins provide steady contribution to earnings

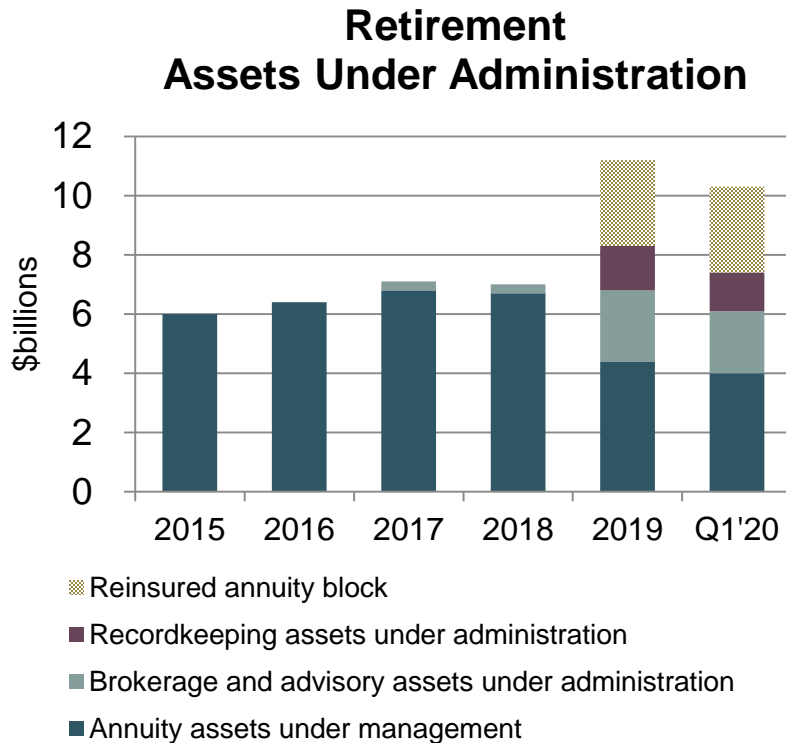
Q1'20 Supplemental measures

Benefit ratio	31.8%
Operating expense ratio	27.1%
Pretax profit margin	36.0%

Q1 Results

- Segment added \$10.5 million to core earnings, with pretax profit margin temporarily above management's longer-term expectations
- \$3.7 million in sales* reflected significantly lower sales volume in last few weeks of quarter due to COVID-19 school closings
- Strong premium persistency at 89.2%

Retirement segment: Helping educators meet their financial goals with tailored solutions



Opportunity

- Educators face complicated retirement system offerings
- Educators want guidance to plan for the future

Products

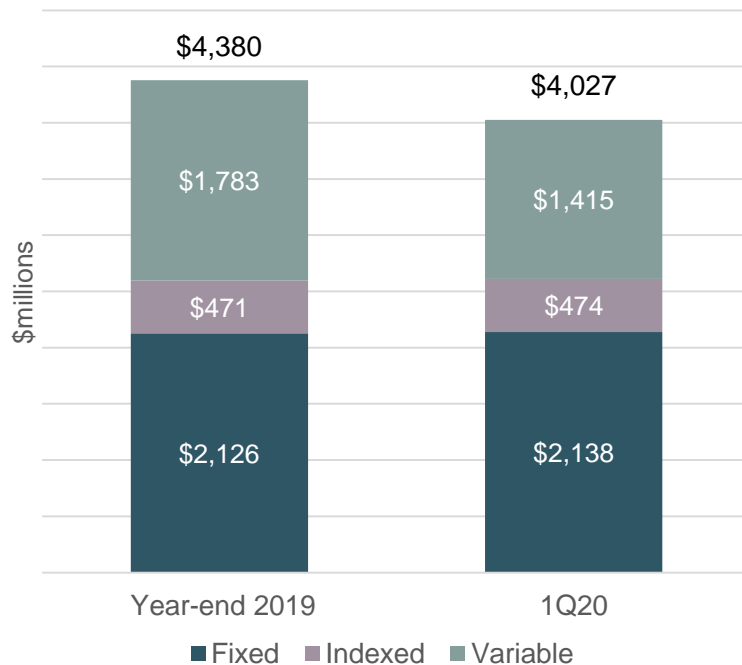
- Fixed annuities, variable annuities and Retirement Advantage mutual fund platform
- 62% of traditional annuities in 403(b)

Strategy

- Leverage captive agents to build relationships with homogeneous set of customers
- Advanced planning capabilities & tools
- Build on B2B opportunity

Retirement segment: Annuity reinsurance agreement reduced go-forward interest rate risk

Total Annuity AUM

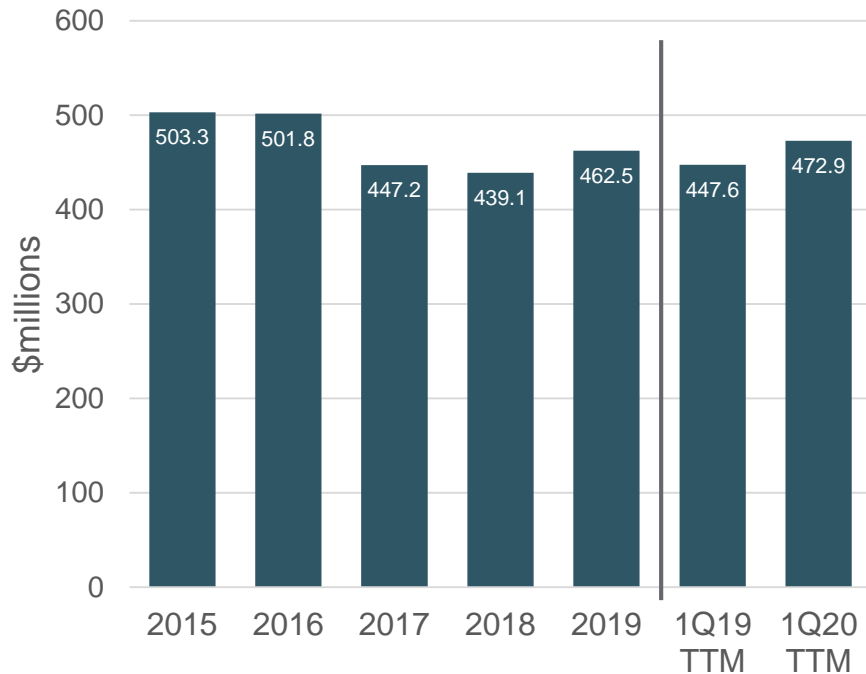


Horace Mann Retains \$4 Billion in AUM

- Reinsured \$2.9B legacy block
 - Supported strategies to drive higher ROE
 - Reduced interest rate risk
 - Enabled company to redeploy capital to support higher-margin products
- Average fixed annuity crediting rate now 2.5%
- Portfolio backing retained business maintains investment approach and will be appropriately duration-matched against liabilities

Retirement segment: Product suite meets unique needs of educator market

Annuity contract deposits*

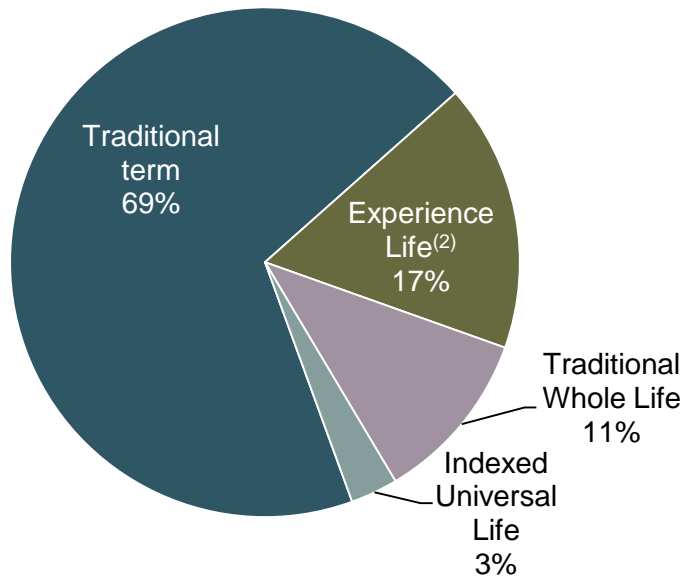


Q1 Results

- Annuity contract deposits rose 9.7% over prior year
- Net loss for the quarter, due to lower net investment income and negative DAC unlocking from equity market volatility
- Total cash value persistency remained strong at 94.5% for variable annuities and 94.0% for fixed annuities

Life segment: Sizeable opportunity in our middle-market educator niche

Individual insurance in force⁽¹⁾



Opportunity

- Many educators are uninsured or underinsured

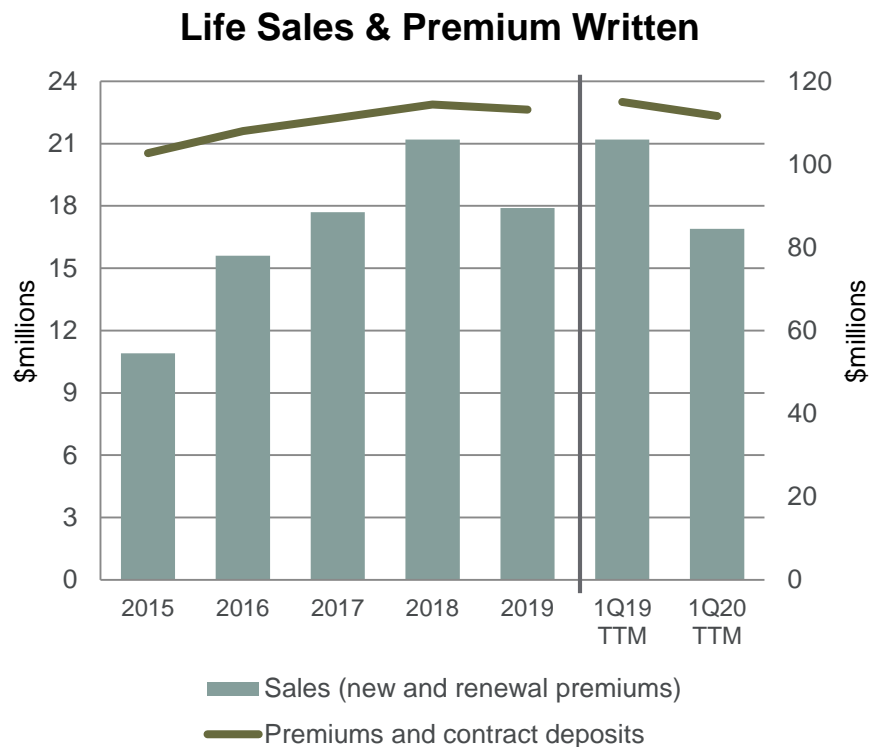
Products

- Basic coverages appropriate for educator income levels
- Full suite of Life products available

Strategy

- Leverage trusted agents to cross-sell customers
- Improve ease of doing business, including use of automated underwriting tools to reduce time to issue policies

Life segment: Profitable in-force block



Q1 Results

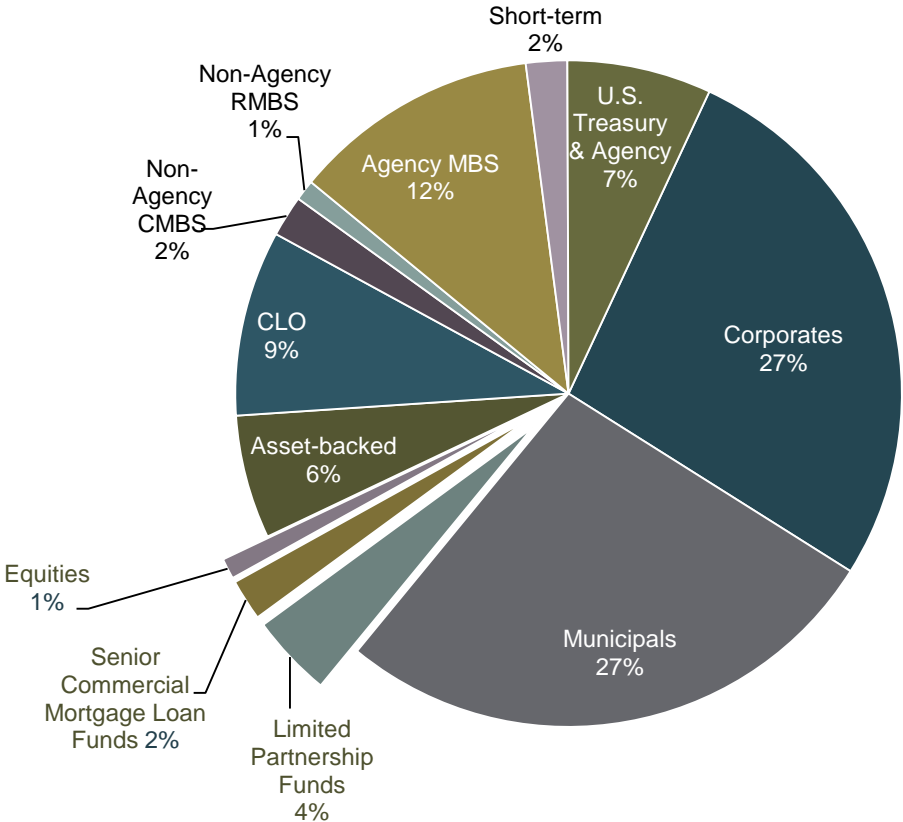
- Life sales* down from last year on lower single premium product sales; recurring premium sales remained steady
- Face amount persistency above 95%⁽¹⁾
- Mortality in line with modeled actuarial assumptions
- Decline in earnings due to lower net investment income

Investments: High-quality, well-diversified portfolio

Constructed to support insurance liabilities through various market cycles

Portfolio Composition⁽¹⁾

\$6.5 billion fair value



\$5.9 billion core fixed-maturity portfolio

- 77% A-rated or higher
- A+ weighted-average credit quality
- <3% below-investment grade exposure
- 99% of CLO exposure AAA or AA rated
- 6.1 average duration
- 4.5% pre-tax yield
- Q1 core new money yield of 3.9%

\$476 million invested in limited partnership funds and equities

- ~7% of total investment portfolio
- Includes <2% allocation to senior commercial mortgage loan funds

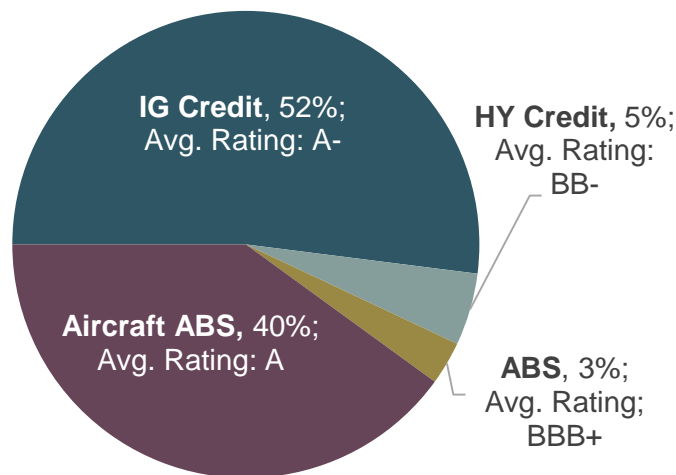
(1) As of March 31, 2020; excludes \$152.8 million in policy loans and \$2.6 million in derivatives

\$5.9 billion fixed maturity portfolio has relatively low exposure to industries most impacted by COVID-19

\$454M amortized cost: 93% investment grade: A- average rating; MV/BV ratio of 93%

All Ratings Levels	Number of Issuers	Amortized Cost	Pretax Net Unrealized Gains / Loss	Average Quality	Average Price	Average Gain / Loss
Travel / Leisure	46	82,531,462	(3,337,593)	BBB	0.96	(72,556)
Energy	77	134,356,178	2,930,513	BBB+	1.02	38,059
Retail	21	54,192,301	(150,339)	A-	1.00	(7,159)
Aircraft	55	183,384,831	(32,869,292)	A	0.82	(597,623)
Total	199	454,464,772	(33,426,711)	A-	0.93	(167,973)

COVID-19 exposure by fixed maturity security type and sector



Travel / Leisure \$83M

- 66% exposure in private placements with strong covenants
- 15% exposure to BBB-rated whole business securitizations
- 10% exposure to BIG hotel / gaming

Energy \$134M

- 25% exposure to large cap integrated energy issuers: AA- average rating
- 23% exposure to less-price sensitive midstream issuers: BBB average rating
- 13% exposure to IG exploration/production & oil field services: A average rating
- 9% exposure to BIG energy companies

Retail \$54M

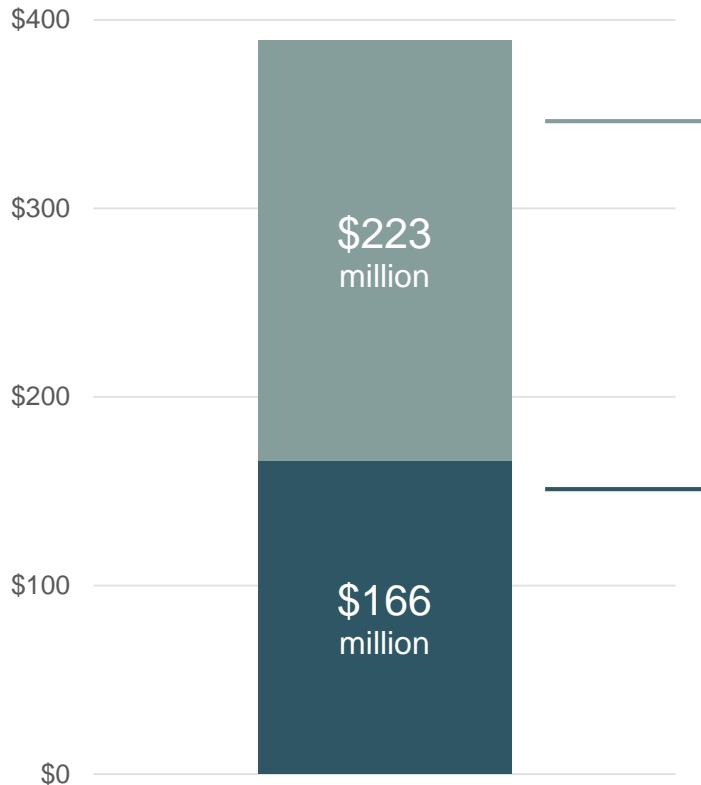
- 39% exposure to private placements with strong covenants: AA Average rating
- 25% exposure to Credit Tenant Leases: AA- average rating
- 19% exposure to two large cap home improvement retailers
- 3% BIG exposure in form of Bank Loans

Aircraft \$183M

- 93% exposure to Aircraft ABS, 28% exposure EETCs, 9% combo notes
- 83% of exposure is senior in the transaction structure
- Well diversified carrier mix, majority in-demand narrowbody collateral

Limited partnership investments: \$389 million portfolio focused on balancing risk and returns

Alternatives portfolio⁽¹⁾



More traditional funds, such as high-yield corporate credit, mezzanine, real estate, infrastructure and private equity
Long-term target return: 10%+

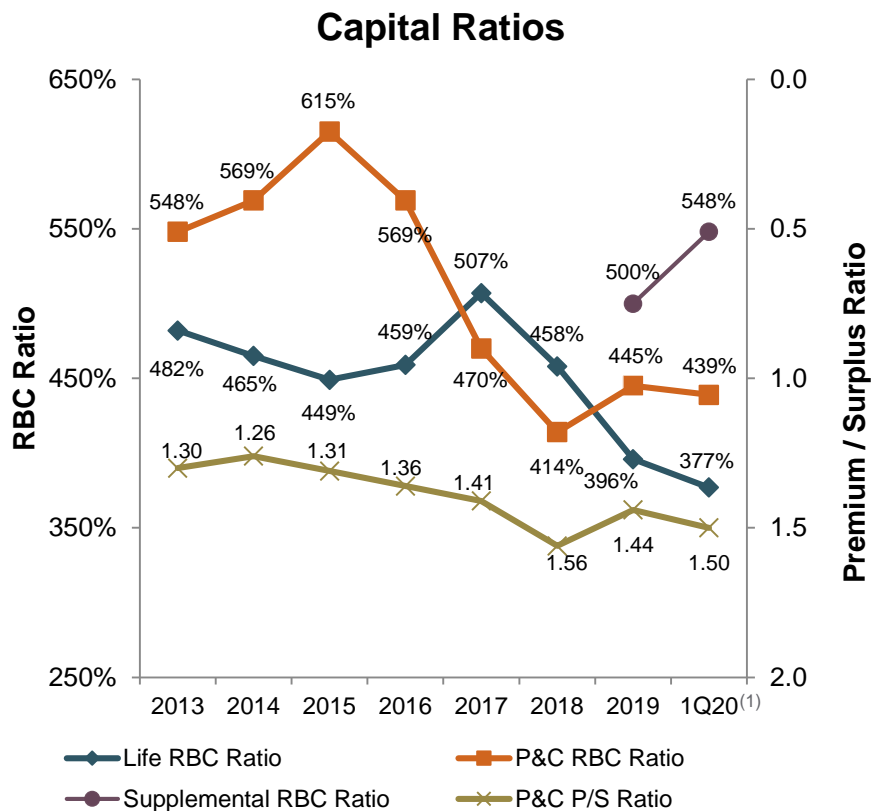
Funds with senior commercial mortgage loans or investment grade corporate credit exposure

- \$115M Senior Commercial Loan Funds
 - 113 loans
 - 1.61 Debt Service Coverage Ratio
 - 62.7% Loan to Value Ratio
- \$51M JPMorgan Global Transport Income Fund
 - Operating leases primarily to highly rated mega cap corporations (Container Liner, Mining, Utilities, Oil & Gas sectors)
 - Underlying portfolio of transportation assets (mainly bulk carriers, container ships, tankers, Liquefied Natural Gas carriers)
 - Fund carries BBB rating

Long-term target return: 5% to 7%

Fully integrated investment process focused on established investment managers with strong and consistent historical performance through various market cycles

Strong capital position, with more than adequate capital to grow our businesses



- Capital management strategies have resulted in strong capital ratios
 - P&C loss reserves held at top half of independent actuarial range
 - Conservative L&R product design
 - New Supplemental segment delivering strong earnings
 - Investment portfolio appropriately positioned
- Target RBC ratio of 425% across all insurance subsidiaries
- Debt-to-capital ratio⁽²⁾ of 24.4%

Appendix



Highly rated by all rating agencies

Education market focus, earnings diversification and capital strength cited

Current Financial Strength Ratings

Agency	Rating (affirmed/reviewed)	Outlook
S&P	A (2/19/20)	Stable
Moody's	A2 (7/2/19)	Stable
AM Best	A (6/6/19)	Stable
Fitch	A (6/25/19)	Stable

Committed to Corporate Social Responsibility

Incorporating ESG factors into business decisions and balancing the needs of stakeholders

Environment

We prioritize understanding climate change and mitigating associated risk, as well as reducing our environmental footprint.

Social Responsibility

We strive to have a significant positive social impact as an insurance company and employer.

Governance

We embrace strong corporate governance principles, which help us make the right decisions to achieve Horace Mann's business goals, manage our risks, maintain our financial strength, and take care of our employees, agents, customers and communities.



To read our Corporate Social Responsibility report, visit csr.horacemann.com.

Strong corporate governance policies aligned with long-term shareholder interests

Effective board structure

- Separate CEO and chairman
- Non-employee director independence
- Audit, Compensation & Nominating Committee completely independent
- Use of independent compensation consultant to complete intensive annual review of prevailing market compensation practices and industry standards

Performance-based NEO compensation

- Up to 76% of NEOs' target compensation linked to performance and equity-based incentives
- Annual incentive plan aligned with achieving shared corporate objectives
- Long-term equity-based incentive plan aligned with shareholder value metrics
- Significant NEO and board member stock ownership requirements

Governance best practices

- Clawback provision for both cash & equity awards
- Anti-hedging and pledging policy of company shares
- No single-trigger change in control benefits
- No excise tax gross-ups from change in control
- Limited perquisites and executive benefits
- No poison pill

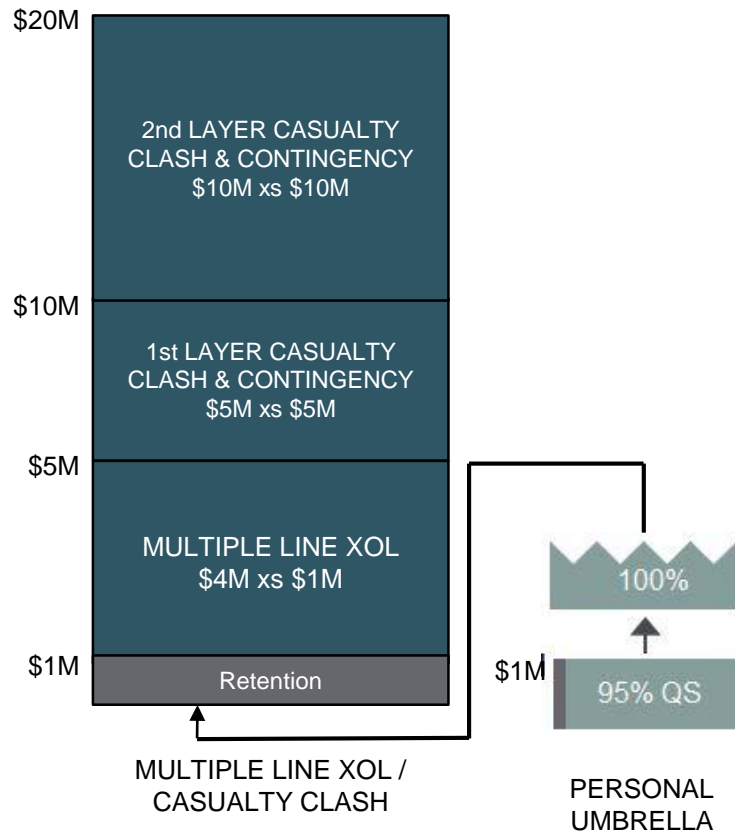
Strong and stable P&C reserves further reduce potential earnings volatility

Net P&C Reserve Position			
	Independent Actuary		HMN
	Low	High	Held
2019	\$230.4M	\$278.7M	\$266.5M
2018	\$240.7M	\$291.4M	\$277.5M
2017	\$234.1M	\$277.0M	\$261.8M
2016	\$219.8M	\$260.0M	\$246.6M

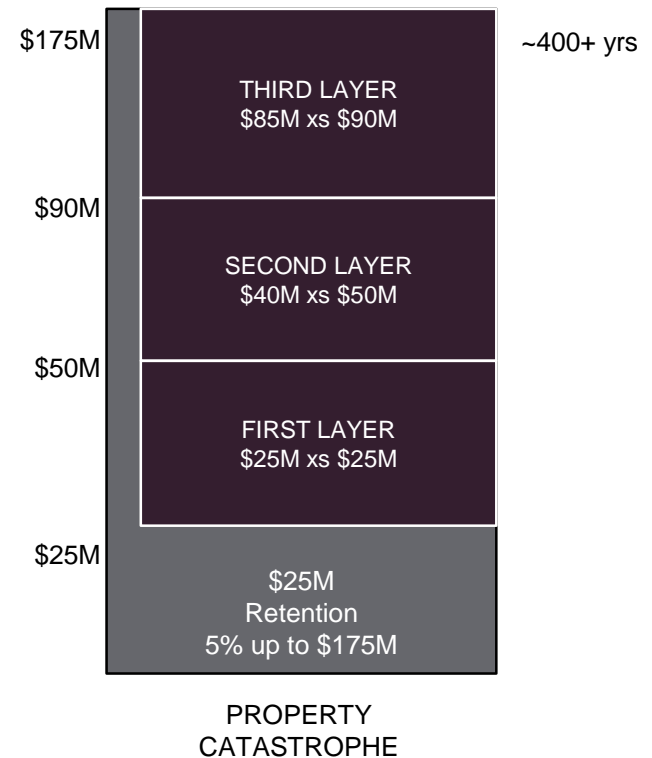
- **Appropriate conservatism**
 - Disciplined reserving practices
 - Recent favorable reserve development consistent with independent observations
- **Strong claims organization/capabilities**
 - Centralized claim offices
 - Technology/infrastructure
 - Implementation of best practices and procedures

Current single-event catastrophe reinsurance provides PML coverage of approximately 400+ years

Multiple Line XOL / Casualty⁽¹⁾



Property⁽¹⁾



Consolidated GAAP income statement

(\$ in Millions)	2015	2016	2017	2018	2019	1Q20
Written premiums and contract deposits	\$1,256.5	\$1,262.5	\$1,227.1	\$1,235.0	\$1,324.5	\$328.7
Insurance premiums and contract charges earned	\$731.9	\$759.1	\$794.7	\$817.3	\$898.0	\$236.3
Net investment income	332.6	361.2	373.6	376.5	365.1	82.3
Net investment gains (losses)	12.7	4.1	(3.4)	(12.5)	153.3	(18.5)
Other income	3.2	4.5	6.6	10.3	24.9	7.2
Total revenues	1,080.4	1,128.9	1,171.5	1,191.6	1,441.3	307.3
Benefits, claims and settlement expenses	496.4	541.1	582.3	637.6	585.1	138.7
Interest credited	182.8	192.0	198.6	206.2	212.8	51.5
Operating expenses, including interest expense	172.8	184.9	199.7	218.4	261.0	64.9
DAC unlocking and amortization expense	98.9	96.7	102.2	109.9	109.2	30.0
Intangible asset amortization expense	—	—	—	—	8.8	3.7
Other expense – goodwill impairment	—	—	—	—	28.0	--
Total benefits, losses and expenses	950.9	1,014.7	1,082.8	1,172.1	1,204.9	288.8
Income before income taxes	129.5	114.2	88.7	19.5	236.4	18.5
Income tax expense (benefit)	36.0	30.4	(80.7)	1.2	52.0	--
Net income (loss)	\$93.5	\$83.8	\$169.4	\$18.3	\$184.4	\$18.5
DTL re-measurement and net investment gains/losses after tax and other expense – goodwill impairment	8.6	2.3	97.3	(10.1)	92.2	(14.5)
Core Earnings*	\$84.9	\$81.5	\$72.1	\$28.4	\$92.2	33.0
Core EPS*	\$2.00	\$1.97	\$1.74	\$0.68	\$2.20	\$0.78
Book value per share excluding net unrealized investment gains on securities*	\$26.86	\$27.79	\$29.51	\$29.13	\$32.42	\$32.49

Consolidated GAAP balance sheet

(\$ in Millions)	2015	2016	2017	2018	2019	1Q20
Assets						
Investments	\$7,648.0	\$7,999.3	\$8,352.3	\$8,250.7	\$6,639.2	\$6,601.2
Cash	15.5	16.7	7.6	11.9	25.5	41.2
DAC	253.2	267.6	257.8	298.7	276.7	297.8
Deposit asset on reinsurance	—	—	—	—	2,346.2	2,356.3
Intangible assets, net	—	—	—	—	177.2	173.5
Goodwill	47.4	47.4	47.4	47.4	49.1	49.1
Other assets	292.2	321.9	381.2	422.1	474.3	498.9
Separate account assets	1,800.7	1,923.9	2,152.0	2,001.1	2,490.5	1,954.2
Total assets	\$10,057.0	\$10,576.8	\$11,198.3	\$11,031.9	\$12,478.7	\$11,972.2
Liabilities						
Policy liabilities & other policyholder funds	\$6,376.1	\$6,733.1	\$6,906.3	\$7,152.1	\$7,603.8	\$7,694.6
Other liabilities	368.5	378.6	340.9	290.4	384.1	412.7
Short term debt	—	—	—	—	135.0	135.0
Long term debt	247.0	247.2	297.5	297.7	298.0	298.1
Separate account liabilities	1,800.7	1,923.9	2,152.0	2,001.1	2,490.5	1,954.2
Total liabilities	8,792.3	9,282.8	9,696.7	9,741.3	10,911.4	10,494.6
Shareholders' equity	1,264.7	1,294.0	1,501.6	1,290.6	1,567.3	1,477.6
Total liabilities and shareholders' equity	\$10,057.0	\$10,576.8	\$11,198.3	\$11,031.9	\$12,478.7	\$11,972.2

Updated 2020 Analyst Modeling Considerations

	2019 Actual	Original 2020 Guidance	Updated 2020 Guidance	Comments
Property and Casualty				
Core earnings (after tax)	\$54.3 million	\$55-60 million	\$61-66 million	First-quarter underwriting earnings ~\$5 million (pre tax) above expectations. Second-quarter expected to include ~\$6 million (pre tax) due to reduced driving. Presumes remainder of the year returns to more normal underlying combined ratio in range of 95-97%
Retirement				
Ex-DAC core earnings (after tax)	\$26.0 million	\$27-29 million	\$22-24 million	Reflects lower investment income
Life				
Ex-DAC core earnings (after tax)	\$17.4 million	\$14-16 million	\$10-12 million	Reflects lower first-quarter investment income
Supplemental				
Core earnings (after tax)	\$18.0 million ⁽¹⁾	\$28-30 million	\$31-33 million	Pretax profit margin expected to be at long-term target for remainder of 2020 (in low to mid-20%)
Investment Income				
Total net investment income (pre tax).	\$365.1 million	Flat	~\$350 million (down ~\$15 million)	Core new money rate expected to be ~4% for remainder of 2020. Net investment income on alternative portfolio expected to be \$10-15 million for full year, down from previous estimate of ~\$25 million, due to impact of market volatility, primarily in first and second quarters 2020 net investment income also includes accreted investment income on reinsurance deposit receivable.

Horace Mann at a glance

Exchange ticker symbol	NYSE:HMN
Share Price	\$36.59 ⁽¹⁾
Shares Outstanding	41.3 million ⁽¹⁾⁽²⁾
Market Capitalization	\$1.5 billion ⁽¹⁾
Annualized Dividend Per Share	\$1.20 ⁽¹⁾
Dividend Yield Per Share	3.2% ⁽¹⁾
Average Daily Volume	179K shares (52-week average daily volume as of 3/31/20)
Book Value Per Share*	\$32.49 ⁽¹⁾⁽³⁾
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