Horace Mann®
Founded by Educators for Educators

INVESTOR FINANCIAL SUPPLEMENT
DECEMBER 31, 2016

HORACE MANN EDUCATORS CORPORATION
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Note 1: 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.

Note 2: Effective December 31, 2016, the "Annuity" reporting segment was renamed "Retirement".

HORACE MANN EDUCATORS CORPORATION
CONSOLIDATED FINANCIAL HIGHLIGHTS

	Three Months Ended					Year Ended	
For Period Ended	**Dec. 31, 2016**	**Sept. 30, 2016**	**Jun. 30, 2016**	**Mar. 31, 2016**	**Dec. 31, 2015**	**Dec. 31, 2016**	**Dec. 31, 2015**
($ in millions, except per share data)					Adjusted [1]		Adjusted [1]
Earned Premiums	$ 194.2	$ 191.1	$ 188.3	$ 185.5	$ 187.0	$ 759.1	$ 731.9
Net Investment Income	90.5	94.9	91.1	84.7	84.3	361.2	332.6
Net Realized Investment Gains (Losses)	(2.8)	4.0	3.1	(0.2)	3.9	4.1	12.7
Other Income	0.9	1.3	1.0	1.3	0.9	4.5	3.2
Total Revenues	$ 282.8	$ 291.3	$ 283.5	$ 271.3	$ 276.1	$ 1,128.9	$ 1,080.4
Net Income	$ 19.9	$ 26.9	$ 11.8	$ 25.2	$ 21.1	$ 83.8	$ 93.5
Operating Income	21.4	24.2	10.3	25.6	18.0	81.5	84.9
At Period End							
Total Assets	$ 10,576.8	$ 10,691.1	$ 10,466.3	$ 10,231.4	$ 10,057.0	$ 10,576.8	$ 10,057.0
Total Policy Liabilities	6,024.1	5,966.0	5,852.3	5,761.1	5,683.4	6,024.1	5,683.4
Debt	247.2	247.1	247.1	247.0	247.0	247.2	247.0
Shareholders' Equity	1,294.0	1,444.1	1,417.3	1,336.0	1,264.7	1,294.0	1,264.7
Per Share and Shares Data							
Net Income per share (basic)	$ 0.48	$ 0.66	$ 0.29	$ 0.61	$ 0.51	$ 2.04	$ 2.23
Operating Income per share (basic)	0.52	0.59	0.25	0.62	0.43	1.98	2.03
Net Income per diluted share	$ 0.48	$ 0.65	$ 0.29	$ 0.61	$ 0.50	$ 2.02	$ 2.20
Operating Income per diluted share	0.52	0.58	0.25	0.62	0.43	1.97	2.00
Weighted average common shares (basic)	41.1	41.1	41.1	41.3	41.6	41.2	41.9
Dilutive effect of stock equivalents	0.4	0.2	0.2	0.2	0.5	0.3	0.5
Weighted average diluted shares	41.5	41.3	41.3	41.5	42.1	41.5	42.4
Book value per share	$ 32.15	$ 35.94	$ 35.31	$ 33.11	$ 31.18	$ 32.15	$ 31.18
Per share impact of unrealized gain (loss) on fixed maturities and equity securities	4.36	8.40	8.21	6.06	4.32	4.36	4.32
Book value per share excluding unrealized gain (loss) on fixed maturities and equity securities	$ 27.79	$ 27.54	$ 27.10	$ 27.05	$ 26.86	$ 27.79	$ 26.86
Dividends paid per share	$ 0.265	$ 0.265	$ 0.265	$ 0.265	$ 0.250	$ 1.060	$ 1.000
Financial Ratios							
Net Income ROE	6.2%	6.3%	6.0%	6.4%	7.1%	6.2%	7.1%
Net Income ROE excluding unrealized on investments	7.6%	7.8%	7.4%	7.8%	8.7%	7.6%	8.7%
Operating Income ROE	6.0%	5.8%	5.7%	6.1%	6.4%	6.0%	6.4%
Operating Income ROE excluding unrealized on investments	7.4%	7.2%	6.9%	7.4%	7.9%	7.4%	7.9%
Debt to total capitalization	16.0%	14.6%	14.8%	15.6%	16.3%	16.0%	16.3%
Debt to total capitalization excluding unrealized on investments	18.1%	18.3%	18.5%	18.5%	18.5%	18.1%	18.5%
Annualized Investment yield, after tax	3.47%	3.50%	3.43%	3.33%	3.39%	3.47%	3.39%

[1] Adjusted to reflect the retrospective application of new accounting guidance for capitalized debt issuance costs. For earlier periods, the amount was not material.

HORACE MANN EDUCATORS CORPORATION
CONSOLIDATED STATEMENT OF OPERATIONS

For Period Ended	Three Months Ended					Year Ended	
	Dec. 31, 2016	**Sept. 30, 2016**	**Jun. 30, 2016**	**Mar. 31, 2016**	**Dec. 31, 2015**	**Dec. 31, 2016**	**Dec. 31, 2015**
($ in millions)							
Revenues							
Insurance premiums and contract charges earned	$ 194.2	$ 191.1	$ 188.3	$ 185.5	$ 187.0	$ 759.1	$ 731.9
Net investment income	90.5	94.9	91.1	84.7	84.3	361.2	332.6
Net realized investment gains (losses)	(2.8)	4.0	3.1	(0.2)	3.9	4.1	12.7
Other income	0.9	1.3	1.0	1.3	0.9	4.5	3.2
Total revenues	282.8	291.3	283.5	271.3	276.1	1,128.9	1,080.4
Benefits, losses and expenses							
Benefits, claims and settlement expenses	137.5	135.7	148.4	119.5	128.3	541.1	496.4
Interest credited	49.1	48.6	47.6	46.7	46.7	192.0	182.8
DAC amortization expense, excluding unlocking	24.7	24.6	24.1	24.0	23.9	97.4	95.5
DAC unlocking	(1.1)	(0.1)	0.4	0.1	1.6	(0.7)	3.4
Operating expenses	42.5	44.5	43.3	42.8	41.8	173.1	157.4
Interest expense	2.9	3.0	3.0	2.9	3.5	11.8	13.1
Debt retirement costs	-	-	-	-	2.3	-	2.3
Total benefits, losses and expenses	255.6	256.3	266.8	236.0	248.1	1,014.7	950.9
Income before income taxes	27.2	35.0	16.7	35.3	28.0	114.2	129.5
Income tax expense	7.3	8.1	4.9	10.1	6.9	30.4	36.0
Net income	$ 19.9	$ 26.9	$ 11.8	$ 25.2	$ 21.1	$ 83.8	$ 93.5
Less: Net realized investment gains (losses), after tax	(1.5)	2.7	1.5	(0.4)	3.1	2.3	8.6
Operating income	$ 21.4	$ 24.2	$ 10.3	$ 25.6	$ 18.0	$ 81.5	$ 84.9
Other Statistics							
Effective tax rate on net investment income	33.4%	33.6%	33.3%	33.3%	33.1%	33.4%	33.0%
Net investment income, after tax	$ 60.3	$ 63.0	$ 60.8	$ 56.5	$ 56.4	$ 240.6	$ 222.9
Catastrophes, net of reinsurance, pre-tax	11.6	8.4	27.3	12.7	7.6	60.0	44.4
Catastrophes, net of reinsurance, after tax	7.6	5.5	17.7	8.3	5.0	39.1	28.9
Other-than-temporary impairment losses on securities [1]	(3.7)	(0.2)	(3.5)	(3.7)	(2.9)	(11.1)	(19.5)
Agent Information							
Exclusive agencies	633	635	650	661	689	633	689
Employee agents	33	34	39	43	46	33	46
Total	666	669	689	704	735	666	735

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

HORACE MANN EDUCATORS CORPORATION
CONSOLIDATED BALANCE SHEET

($ in millions, except per share data)	Dec. 31, 2016	Sept. 30, 2016	Jun. 30, 2016	Mar. 31, 2016	Dec. 31, 2015 Adjusted [1]	Sept. 30, 2015
ASSETS						
Investments						
Fixed maturities, available for sale, at fair value	$ 7,456.7	$ 7,494.1	$ 7,481.7	$ 7,216.5	$ 7,091.3	$ 7,078.7
Equity securities, available for sale, at fair value	141.6	137.6	123.2	104.0	99.8	96.1
Short-term and other investments	401.0	537.5	466.1	504.1	456.9	366.4
Total investments	7,999.3	8,169.2	8,071.0	7,824.6	7,648.0	7,541.2
Cash	16.7	53.6	50.4	50.5	15.5	49.9
Deferred policy acquisition costs	267.6	225.8	223.0	239.2	253.2	237.4
Goodwill	47.4	47.4	47.4	47.4	47.4	47.4
Other assets	321.9	321.5	305.9	301.8	292.2	285.6
Separate account assets	1,923.9	1,873.6	1,768.6	1,767.9	1,800.7	1,742.0
Total assets	**$ 10,576.8**	**$ 10,691.1**	**$ 10,466.3**	**$ 10,231.4**	**$ 10,057.0**	**$ 9,903.5**
LIABILITIES AND SHAREHOLDERS' EQUITY						
Policy liabilities						
Investment contract and life policy reserves	$ 5,448.0	$ 5,385.9	$ 5,274.2	$ 5,189.5	$ 5,126.8	$ 5,064.8
Unpaid claims and claim expenses	329.9	332.8	344.7	344.3	323.7	324.4
Unearned premiums	246.2	247.3	233.4	227.3	232.9	234.5
Total policy liabilities	6,024.1	5,966.0	5,852.3	5,761.1	5,683.4	5,623.7
Other policyholder funds	709.0	706.4	698.7	693.9	692.7	612.6
Other liabilities	378.6	453.9	482.3	425.5	368.5	380.0
Short-term debt	-	-	-	-	-	113.0
Long-term debt, current and noncurrent	247.2	247.1	247.1	247.0	247.0	125.0
Separate account liabilities	1,923.9	1,873.6	1,768.6	1,767.9	1,800.7	1,742.0
Total liabilities	9,282.8	9,247.0	9,049.0	8,895.4	8,792.3	8,596.3
Common stock, $0.001 par value	0.1	0.1	0.1	0.1	0.1	0.1
Additional paid-in capital	453.5	450.7	447.5	444.9	442.6	439.2
Retained earnings	1,155.7	1,147.0	1,131.1	1,130.3	1,116.3	1,105.8
Accumulated other comprehensive income (loss), net of taxes:						
Net unrealized gains and losses on fixed maturities and equity securities	175.7	337.3	329.6	244.7	175.2	226.6
Net funded status of pension and other post-retirement benefit obligations	(11.8)	(11.8)	(11.8)	(11.8)	(11.8)	(13.0)
Treasury stock, at cost	(479.2)	(479.2)	(479.2)	(472.2)	(457.7)	(451.5)
Total shareholders' equity	1,294.0	1,444.1	1,417.3	1,336.0	1,264.7	1,307.2
Total liabilities and shareholders' equity	**$ 10,576.8**	**$ 10,691.1**	**$ 10,466.3**	**$ 10,231.4**	**$ 10,057.0**	**$ 9,903.5**

[1] Adjusted to reflect the retrospective application of new accounting guidance for capitalized debt issuance costs. For earlier periods, the amount was not material.

HORACE MANN EDUCATORS CORPORATION
CAPITAL METRICS

For Period Ended	Three Months Ended Dec. 31, 2016	Sept. 30, 2016	Jun. 30, 2016	Mar. 31, 2016	Dec. 31, 2015	Year Ended Dec. 31, 2016	Dec. 31, 2015
($ in millions, except per share data)					Adjusted [3]		Adjusted [3]
Book Value Per Share							
Numerator							
Shareholders' Equity	$ 1,294.0	$ 1,444.1	$ 1,417.3	$ 1,336.0	$ 1,264.7	$ 1,294.0	$ 1,264.7
Less: Unrealized Gains and Losses on Fixed Maturities and Equity Securities [1]	175.7	337.3	329.6	244.7	175.2	175.7	175.2
Shareholders' Equity Excluding Unrealized Gains and Losses on Fixed Maturities and Equity Securities	$ 1,118.3	$ 1,106.8	$ 1,087.7	$ 1,091.3	$ 1,089.5	$ 1,118.3	$ 1,089.5
Denominator							
Common Shares Issued and Outstanding, at period end	40.2	40.2	40.1	40.4	40.6	40.2	40.6
Book Value Per Share	$ 32.15	$ 35.94	$ 35.31	$ 33.11	$ 31.18	$ 32.15	$ 31.18
Book Value Per Share Excluding Unrealized on Fixed Maturities and Equity Securities	$ 27.79	$ 27.54	$ 27.10	$ 27.05	$ 26.86	$ 27.79	$ 26.86
Return on Shareholders' Equity							
Numerator							
Trailing 12 Months Net Income	$ 83.8	$ 85.0	$ 80.0	$ 84.4	$ 93.5	$ 83.8	$ 93.5
Trailing 12 Months Operating Income	81.5	78.1	75.1	80.2	84.9	81.5	84.9
Denominator (5-point Average)							
5-point Average Shareholders' Equity	$ 1,351.2	$ 1,353.9	$ 1,326.4	$ 1,324.9	$ 1,325.0	$ 1,351.2	$ 1,325.0
Trailing 12 Months Net Income on Average Shareholders' Equity (5-point Average)	6.2%	6.3%	6.0%	6.4%	7.1%	6.2%	7.1%
Trailing 12 Months Operating Income on Average Shareholders' Equity (5-point Average)	6.0%	5.8%	5.7%	6.1%	6.4%	6.0%	6.4%
Debt and Total Capitalization							
Short Term Debt, Due Under Revolving Credit Agreement, Expires On 7/30/19, At Libor +125 bps	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Senior Debt:							
4.50% Senior Notes Due December 1, 2025	247.2	247.1	247.1	247.0	247.0	247.2	247.0
6.05% Senior Notes Due June 15, 2015	-	-	-	-	-	-	-
6.85% Senior Notes Due April 15, 2016	-	-	-	-	-	-	-
Total Debt	247.2	247.1	247.1	247.0	247.0	247.2	247.0
Shareholders' Equity	1,294.0	1,444.1	1,417.3	1,336.0	1,264.7	1,294.0	1,264.7
Total Capitalization	$ 1,541.2	$ 1,691.2	$ 1,664.4	$ 1,583.0	$ 1,511.7	$ 1,541.2	$ 1,511.7
Ratio of Debt to Shareholders' Equity	19.1%	17.1%	17.4%	18.5%	19.5%	19.1%	19.5%
Ratio of Debt to Total Capitalization	16.0%	14.6%	14.8%	15.6%	16.3%	16.0%	16.3%
Capital Returned to Shareholders							
Common Stock Repurchased [2]	$ -	$ -	$ 7.1	$ 14.5	$ 6.2	$ 21.6	$ 22.0
Cash Dividends Paid	10.7	11.0	11.1	11.1	10.5	43.9	42.5
Total Capital Returned to Shareholders	$ 10.7	$ 11.0	$ 18.2	$ 25.6	$ 16.7	$ 65.5	$ 64.5

[1] After tax and including the impact on deferred policy acquisition costs for interest-sensitive life and investment (annuity) contracts.
[2] As of December 31, 2016, the Company's program had a remaining authorization of $29.5 million.
[3] Adjusted to reflect the retrospective application of new accounting guidance for capitalized debt issuance costs. For earlier periods, the amount was not material.

HORACE MANN EDUCATORS CORPORATION
PROPERTY & CASUALTY SEGMENT
STATEMENT OF OPERATIONS

For Period Ended	Three Months Ended					Year Ended	
($ in millions)	**Dec. 31, 2016**	**Sept. 30, 2016**	**Jun. 30, 2016**	**Mar. 31, 2016**	**Dec. 31, 2015**	**Dec. 31, 2016**	**Dec. 31, 2015**
UNDERWRITING RESULTS							
Written premiums							
Voluntary Auto	$ 106.7	$ 108.8	$ 103.2	$ 103.2	$ 100.6	$ 421.9	$ 398.4
Property	48.9	59.9	55.5	42.5	47.8	206.8	202.0
Involuntary & Other	2.4	1.1	1.1	1.0	2.4	5.6	5.4
Total written premiums	158.0	169.8	159.8	146.7	150.8	634.3	605.8
Earned premiums							
Voluntary Auto	$ 104.9	$ 103.2	$ 101.8	$ 100.4	$ 99.4	$ 410.3	$ 389.8
Property	51.5	51.4	50.9	50.7	50.5	204.5	201.1
Involuntary & Other	2.6	1.1	1.0	1.0	2.5	5.7	5.1
Total earned premiums	159.0	155.7	153.7	152.1	152.4	620.5	596.0
Losses and loss adjustment expenses							
Current accident year before catastrophes	108.2	108.3	104.1	90.5	103.8	411.1	388.4
Current accident year catastrophes	11.6	8.4	27.3	12.7	7.6	60.0	44.4
Prior years' reserve development [1]	(2.7)	(0.7)	(1.6)	(2.0)	(2.5)	(7.0)	(12.5)
Total losses and loss adjustment expenses	117.1	116.0	129.8	101.2	108.9	464.1	420.3
Operating expenses, including DAC amortization expense	40.4	42.0	41.7	41.6	41.4	165.7	158.1
Underwriting gain (loss)	1.5	(2.3)	(17.8)	9.3	2.1	(9.3)	17.6
Net investment income	10.0	10.0	10.2	8.8	7.7	39.0	33.5
Other income (expense)	(0.2)	0.4	-	0.4	-	0.6	0.2
Income (loss) before income taxes	11.3	8.1	(7.6)	18.5	9.8	30.3	51.3
Income tax expense (benefit)	1.7	1.4	(3.1)	4.7	1.9	4.7	11.3
Net income (loss) [2]	$ 9.6	$ 6.7	$ (4.5)	$ 13.8	$ 7.9	$ 25.6	$ 40.0

[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 AND SUPPLEMENTAL DATA

For Period Ended	Three Months Ended Dec. 31, 2016	Sept. 30, 2016	Jun. 30, 2016	Mar. 31, 2016	Dec. 31, 2015	Year Ended Dec. 31, 2016	Dec. 31, 2015
UNDERWRITING RATIOS (%)							
Losses and loss adjustment expenses							
Current accident year before catastrophes	68.1	69.6	67.7	59.5	68.1	66.2	65.2
Current accident year catastrophes	7.3	5.3	17.7	8.3	5.0	9.7	7.4
Prior years' reserve development [1]	(1.7)	(0.4)	(1.0)	(1.3)	(1.6)	(1.1)	(2.1)
Total losses and loss adjustment expenses	73.7	74.5	84.4	66.5	71.5	74.8	70.5
Expense Ratio	25.4	27.0	27.2	27.3	27.1	26.7	26.5
Combined ratio	**99.1**	**101.5**	**111.6**	**93.8**	**98.6**	**101.5**	**97.0**
Combined ratio before catastrophes	**91.8**	**96.2**	**93.9**	**85.5**	**93.6**	**91.8**	**89.6**
Combined ratio before catastrophes and prior years' development	**93.5**	**96.6**	**94.9**	**86.8**	**95.2**	**92.9**	**91.7**
PRODUCT (%)							
Automobile							
Loss and loss adjustment expense ratio	82.6	81.1	84.9	71.9	82.7	80.2	75.4
Expense ratio	25.6	27.2	27.5	27.9	27.4	27.1	27.0
Combined ratio	108.2	108.3	112.4	99.8	110.1	107.3	102.4
Prior years' reserve development [1]	(1.3)	0.0	0.0	0.0	(0.1)	(0.3)	(1.1)
Catastrophes	1.3	3.4	4.5	0.7	0.6	2.5	0.8
Combined ratio before catastrophes and prior years' development	108.2	104.9	107.9	99.1	109.6	105.1	102.7
Property							
Loss and loss adjustment expense ratio	55.7	61.1	83.4	55.7	49.7	63.9	61.5
Expense ratio	25.4	26.6	26.6	26.4	26.8	26.2	25.7
Combined ratio	81.1	87.7	110.0	82.1	76.5	90.1	87.2
Prior years' reserve development [1]	(2.5)	(1.4)	(3.1)	(3.9)	(4.6)	(2.7)	(3.5)
Catastrophes	19.3	9.6	44.6	23.7	13.5	24.2	20.4
Combined ratio before catastrophes and prior years' development	64.3	79.5	68.5	62.3	67.6	68.6	70.3
SUPPLEMENTAL DATA							
Policy Count Retention (12 month)							
Voluntary Automobile	83.5%	83.5%	84.0%	84.5%	84.7%	83.5%	84.7%
Property	87.8%	87.8%	88.4%	88.4%	88.3%	87.8%	88.3%
Sales (12-month annualized premium, in millions) [2]							
Voluntary Automobile	$ 22.2	$ 24.3	$ 21.9	$ 20.7	$ 22.3	$ 89.1	$ 84.3
Property	4.6	5.1	4.5	3.8	4.3	18.0	17.2
Total Sales	$ 26.8	$ 29.4	$ 26.4	$ 24.5	$ 26.6	$ 107.1	$ 101.5
Policies in force (in thousands)							
Voluntary Automobile	485	486	487	487	487	485	487
Property	220	221	222	223	224	220	224
Total Policies in force	705	707	709	710	711	705	711

[1] (Favorable) unfavorable.
[2] HM products.

HORACE MANN EDUCATORS CORPORATION
RETIREMENT SEGMENT
STATEMENT OF OPERATIONS AND SUPPLEMENTAL DATA

For Period Ended *($ in millions)*	Three Months Ended Dec. 31, 2016	Sept. 30, 2016	Jun. 30, 2016	Mar. 31, 2016	Dec. 31, 2015	Year Ended Dec. 31, 2016	Dec. 31, 2015
Contract deposits	$ 128.3	$ 154.6	$ 124.7	$ 112.6	$ 125.8	$ 520.2	$ 548.0
Revenues							
Contract charges earned	$ 6.3	$ 6.4	$ 6.1	$ 6.1	$ 6.1	$ 24.9	$ 25.4
Net investment income	62.4	66.3	62.6	58.1	58.6	249.4	228.4
Other income	0.8	0.5	0.7	0.8	0.6	2.8	2.1
Total revenues	69.5	73.2	69.4	65.0	65.3	277.1	255.9
Benefits and Expenses							
Interest credited	37.9	37.4	36.4	35.6	35.7	147.3	138.7
Mortality loss and other reserve changes	0.8	1.4	0.8	0.9	1.3	3.9	3.2
DAC amortization expense, excluding unlocking	3.8	3.7	3.7	3.7	3.8	14.9	14.7
DAC unlocking	(0.9)	(0.1)	0.5	0.2	1.5	(0.3)	3.4
Operating expenses	10.7	10.5	9.5	9.6	8.0	40.3	32.6
Total benefits and expenses	**52.3**	**52.9**	**50.9**	**50.0**	**50.3**	**206.1**	**192.6**
Income before income taxes	**17.2**	**20.3**	**18.5**	**15.0**	**15.0**	**71.0**	**63.3**
Income tax expense	5.8	4.6	5.5	4.4	4.6	20.3	19.9
Net income [1]	**$ 11.4**	**$ 15.7**	**$ 13.0**	**$ 10.6**	**$ 10.4**	**$ 50.7**	**$ 43.4**
Less: DAC unlocking, after tax	0.6	0.1	(0.3)	(0.1)	(1.0)	0.2	(2.2)
Net income excluding DAC unlocking	**$ 10.8**	**$ 15.6**	**$ 13.3**	**$ 10.7**	**$ 11.4**	**$ 50.5**	**$ 45.6**
Return on Assets (Before-tax basis points)							
ROA (12 month) [2]	114	117	110	107	114	114	114
Interest Spread [3]	193	195	185	183	184	193	184
SUPPLEMENTAL DATA							
Annuity Contracts in force (in thousands)	219	215	214	212	211	219	211
Persistency (12 month)							
Fixed Annuities	94.6%	94.6%	94.8%	94.9%	94.8%	94.6%	94.8%
Variable Annuities	94.7%	94.6%	94.6%	94.5%	94.3%	94.7%	94.3%
Sales (12-month annualized deposits, in millions) [4]							
Recurring	$ 15.7	$ 10.8	$ 10.6	$ 9.2	$ 17.7	$ 46.3	$ 49.4
Single Deposit/Rollover	72.3	106.8	69.8	61.7	73.3	310.6	321.3
Total Sales	$ 88.0	$ 117.6	$ 80.4	$ 70.9	$ 91.0	$ 356.9	$ 370.7

[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] Before-tax basis points. Quarterly results reflect spread earned on an adjusted annualized year-to-date basis for the fixed and fixed indexed annuity blocks of business.

[4] HM products.

HORACE MANN EDUCATORS CORPORATION
RETIREMENT SEGMENT
ACCOUNT VALUE ROLLFORWARD

For Period Ended *($ in millions)*	**Three Months Ended** Dec. 31, 2016	Sept. 30, 2016	Jun. 30, 2016	Mar. 31, 2016	Dec. 31, 2015	Sept. 30, 2015
FIXED ACCOUNT ANNUITIES [1]						
Beginning balance	$ 4,166.2	$ 4,086.7	$ 4,026.0	$ 3,984.4	$ 3,953.6	$ 3,897.7
Deposits	61.3	84.6	60.1	55.1	54.7	67.6
Withdrawals	(81.9)	(69.7)	(64.0)	(64.3)	(74.7)	(60.3)
Net Transfers	16.1	28.0	26.9	14.9	15.7	14.9
Interest Credited	37.9	37.4	36.4	35.6	35.7	35.1
Other	1.4	(0.8)	1.3	0.3	(0.6)	(1.4)
Ending balance	$ 4,201.0	$ 4,166.2	$ 4,086.7	$ 4,026.0	$ 3,984.4	$ 3,953.6
FIXED INDEXED ACCOUNT ANNUITIES [2]						
Beginning balance	$ 283.0	$ 251.4	$ 230.3	$ 212.6	$ 183.5	$ 148.5
Deposits	21.0	32.3	22.6	19.6	28.8	34.4
Withdrawals	(1.8)	(2.0)	(1.3)	(2.2)	(1.0)	(0.9)
Net Transfers	(1.3)	(1.5)	(1.3)	(0.5)	(0.2)	(0.4)
Index Credits	0.5	1.7	-	-	0.3	0.6
Other	0.7	1.1	1.1	0.8	1.2	1.3
Ending balance	$ 302.1	$ 283.0	$ 251.4	$ 230.3	$ 212.6	$ 183.5
VARIABLE ACCOUNT ANNUITIES [3]						
Beginning balance	$ 1,873.6	$ 1,768.6	$ 1,767.9	$ 1,800.7	$ 1,742.0	$ 1,905.3
Deposits	46.0	37.7	42.0	37.9	42.3	37.3
Withdrawals	(23.6)	(28.4)	(26.2)	(21.8)	(25.7)	(27.5)
Net Transfers	(14.7)	(26.5)	(25.6)	(14.4)	(15.5)	(14.5)
Fees & Charges	(7.3)	(7.1)	(7.0)	(6.6)	(7.2)	(7.1)
Market Appreciation	49.8	129.1	17.4	(28.0)	64.7	(151.6)
Other	0.1	0.2	0.1	0.1	0.1	0.1
Ending balance	$ 1,923.9	$ 1,873.6	$ 1,768.6	$ 1,767.9	$ 1,800.7	$ 1,742.0

[1] Represents account balances having a guarantee of principal and a guaranteed minimum rate of return.
[2] Represents account balances with a contingent return linked to the Standard & Poor's 500 Index and/or the Dow Jones Industrial Average.
[3] Represents account balances invested in various mutual funds at the direction of the contractholders who bear the investment risk.

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

	Three Months Ended					Year Ended	
For Period Ended *($ in millions)*	**Dec. 31, 2016**	**Sept. 30, 2016**	**Jun. 30, 2016**	**Mar. 31, 2016**	**Dec. 31, 2015**	**Dec. 31, 2016**	**Dec. 31, 2015**
Premiums and contract deposits	**$ 29.6**	**$ 27.2**	**$ 27.3**	**$ 23.9**	**$ 28.6**	**$ 108.0**	**$ 102.7**
Revenues							
Premiums and contract charges earned	$ 28.9	$ 29.0	$ 28.5	$ 27.3	$ 28.5	$ 113.7	$ 110.5
Net investment income	18.3	18.8	18.5	18.0	18.2	73.6	71.6
Other income	0.2	0.3	0.2	0.1	0.3	0.8	0.8
Total revenues	**47.4**	**48.1**	**47.2**	**45.4**	**47.0**	**188.1**	**182.9**
Benefits and Expenses							
Death benefits / mortality cost [1]	8.0	8.4	8.1	8.6	9.4	33.1	37.1
Interest credited	11.2	11.2	11.2	11.1	11.0	44.7	44.1
Change in reserves	11.6	9.9	9.7	8.8	8.7	40.0	35.8
DAC amortization expense, excluding unlocking	1.7	1.9	2.0	1.9	1.7	7.5	7.6
DAC unlocking	(0.2)	-	(0.1)	(0.1)	0.1	(0.4)	-
Operating expenses	9.1	9.6	9.1	9.1	9.7	36.9	35.4
Total benefits and expenses	**41.4**	**41.0**	**40.0**	**39.4**	**40.6**	**161.8**	**160.0**
Income before income taxes	**6.0**	**7.1**	**7.2**	**6.0**	**6.4**	**26.3**	**22.9**
Income tax expense	2.5	2.5	2.6	2.1	2.0	9.7	7.9
Net income [2]	**$ 3.5**	**$ 4.6**	**$ 4.6**	**$ 3.9**	**$ 4.4**	**$ 16.6**	**$ 15.0**
Less: DAC unlocking, after tax	0.1	-	0.1	0.1	(0.1)	0.3	-
Net income excluding DAC unlocking	**$ 3.4**	**$ 4.6**	**$ 4.5**	**$ 3.8**	**$ 4.5**	**$ 16.3**	**$ 15.0**
Earnings margin (Before tax)							
Return On Premium (12 month) [3]	22.8%	23.5%	22.5%	21.3%	20.7%	22.8%	20.7%
SUPPLEMENTAL DATA							
Lapse Ratio (12 month) [4]	4.3%	4.1%	4.1%	4.2%	4.1%	4.3%	4.1%
Sales (12-month premium, in millions) [5]							
Recurring	$ 2.0	$ 2.0	$ 1.9	$ 1.8	$ 2.1	$ 7.7	$ 6.8
Single Premium	2.9	1.6	2.2	1.2	1.4	7.9	4.1
Total Sales	$ 4.9	$ 3.6	$ 4.1	$ 3.0	$ 3.5	$ 15.6	$ 10.9
Insurance in force (in millions)	$ 17,025	$ 16,864	$ 16,828	$ 16,651	$ 16,505	$ 17,025	$ 16,505
Policies in force (in thousands)	198	198	201	201	202	198	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)

	Three Months Ended					Year Ended	
For Period Ended *($ in millions)*	**Dec. 31, 2016**	**Sept. 30, 2016**	**Jun. 30, 2016**	**Mar. 31, 2016**	**Dec. 31, 2015**	**Dec. 31, 2016**	**Dec. 31, 2015**
Revenues							
Net investment income	$ (0.2)	$ (0.2)	$ (0.2)	$ (0.2)	$ (0.2)	$ (0.8)	$ (0.9)
Other income	0.1	0.1	0.1	-	-	0.3	0.1
Total revenues	**(0.1)**	**(0.1)**	**(0.1)**	**(0.2)**	**(0.2)**	**(0.5)**	**(0.8)**
Expenses							
Interest expense	2.9	3.0	3.0	2.9	3.5	11.8	13.1
Debt retirement costs	-	-	-	-	2.3	-	2.3
Other operating expenses	1.5	1.4	1.4	0.9	1.1	5.2	4.5
Total expenses	**4.4**	**4.4**	**4.4**	**3.8**	**6.9**	**17.0**	**19.9**
Operating income (loss) before income tax	**(4.5)**	**(4.5)**	**(4.5)**	**(4.0)**	**(7.1)**	**(17.5)**	**(20.7)**
Income tax expense (benefit)	(1.4)	(1.7)	(1.7)	(1.3)	(2.4)	(6.1)	(7.2)
Operating income (loss) after tax	**$ (3.1)**	**$ (2.8)**	**$ (2.8)**	**$ (2.7)**	**$ (4.7)**	**$ (11.4)**	**$ (13.5)**
Realized investment gains (losses) pretax [1]	(2.8)	4.0	3.1	(0.2)	3.9	4.1	12.7
Tax on realized investment gains (losses) [1]	(1.3)	1.3	1.6	0.2	0.8	1.8	4.1
Realized investment gains (losses) after tax [1]	(1.5)	2.7	1.5	(0.4)	3.1	2.3	8.6
Net income (loss)	**$ (4.6)**	**$ (0.1)**	**$ (1.3)**	**$ (3.1)**	**$ (1.6)**	**$ (9.1)**	**$ (4.9)**

[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 TAXES
CONSOLIDATED

For Period Ended *($ in millions)*	Three Months Ended **Dec. 31, 2016**	**Sept. 30, 2016**	**Jun. 30, 2016**	**Mar. 31, 2016**	**Dec. 31, 2015**	Year Ended **Dec. 31, 2016**	**Dec. 31, 2015**
Net Investment Income							
Fixed maturities [1]							
Taxable	$ 80.7	$ 83.2	$ 80.8	$ 78.3	$ 78.6	$ 323.0	$ 303.6
Tax-exempt	5.0	4.8	4.9	5.1	5.4	19.8	22.6
Total fixed maturities	85.7	88.0	85.7	83.4	84.0	342.8	326.2
Equity securities	1.2	1.3	1.1	1.1	1.2	4.7	4.4
Policy loans	2.2	2.2	2.1	2.1	2.1	8.6	8.3
Limited partnerships and other alternative investments	3.5	5.6	4.4	0.1	(1.1)	13.6	2.0
Short-term investments and other	0.3	0.3	0.2	0.3	0.4	1.1	0.8
Investment income	92.9	97.4	93.5	87.0	86.6	370.8	341.7
Investment expenses	2.4	2.5	2.4	2.3	2.3	9.6	9.1
Total net investment income	**$ 90.5**	**$ 94.9**	**$ 91.1**	**$ 84.7**	**$ 84.3**	**$ 361.2**	**$ 332.6**
Annualized investment yield, before-tax [2]	5.21%	5.25%	5.14%	4.99%	5.06%	5.21%	5.06%
Annualized investment yield, after-tax [2]	3.47%	3.50%	3.43%	3.33%	3.39%	3.47%	3.39%
Net Investment Income by Segment							
Property & Casualty	$ 10.0	$ 10.0	$ 10.2	$ 8.8	$ 7.7	$ 39.0	$ 33.5
Retirement	62.4	66.3	62.6	58.1	58.6	249.4	228.4
Life	18.3	18.8	18.5	18.0	18.2	73.6	71.6
Corporate, including intersegment eliminations	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.8)	(0.9)
Total net investment income	**$ 90.5**	**$ 94.9**	**$ 91.1**	**$ 84.7**	**$ 84.3**	**$ 361.2**	**$ 332.6**
Net Realized Capital Gains (Losses)							
Gross gains	$ 4.1	$ 4.6	$ 9.0	$ 5.6	$ 7.1	$ 23.3	$ 39.6
Gross losses, excluding impairment charges	(3.2)	(0.4)	(2.4)	(2.1)	(0.3)	(8.1)	(7.4)
Other-than-temporary impairment losses	(3.7)	(0.2)	(3.5)	(3.7)	(2.9)	(11.1)	(19.5)
Total net realized capital gains (losses)	**$ (2.8)**	**$ 4.0**	**$ 3.1**	**$ (0.2)**	**$ 3.9**	**$ 4.1**	**$ 12.7**

[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

For Period Ended	December 31, 2016		September 30, 2016		June 30, 2016		March 31, 2016		December 31, 2015		September 30, 2015	
($ in millions)	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent
Fixed maturities, at fair value [1]	$ 7,456.7	93.2%	$ 7,494.1	91.7%	$ 7,481.7	92.7%	$ 7,216.5	92.2%	$ 7,091.3	92.7%	$ 7,078.7	93.9%
Equity securities, at fair value	141.6	1.8%	137.6	1.7%	123.2	1.5%	104.0	1.3%	99.8	1.3%	96.1	1.3%
Policy loans, at outstanding balance	151.9	1.9%	150.7	1.8%	149.8	1.9%	148.6	1.9%	148.7	1.9%	147.4	2.0%
Limited partnerships and other alternative investments	204.2	2.6%	172.6	2.1%	162.9	2.0%	139.2	1.8%	134.1	1.8%	116.3	1.5%
Short-term investments [2]	44.9	0.6%	214.2	2.6%	153.4	1.9%	216.3	2.8%	174.1	2.3%	102.7	1.4%
Short-term investments, securities lending collateral	-	-	-	-	-	-	-	-	-	-	-	-
Total investments	**$ 7,999.3**	**100.0%**	**$ 8,169.2**	**100.0%**	**$ 8,071.0**	**100.0%**	**$ 7,824.6**	**100.0%**	**$ 7,648.0**	**100.0%**	**$ 7,541.2**	**100.0%**
Asset-backed securities ("ABS")	$ 626.9	8.4%	$ 581.4	7.8%	$ 581.7	7.8%	$ 527.4	7.3%	$ 534.1	7.5%	$ 551.0	7.8%
Collateralized debt/loan obligations ("CDOs/CLOs")	667.7	9.0%	650.4	8.7%	657.9	8.8%	623.3	8.6%	608.2	8.6%	588.2	8.3%
Commercial mortgage-backed securities ("CMBS")	503.8	6.8%	431.5	5.8%	418.7	5.6%	344.5	4.8%	286.5	4.0%	221.4	3.1%
Corporate	2,909.0	39.0%	3,033.3	40.5%	2,966.2	39.6%	2,908.0	40.3%	2,853.1	40.2%	2,836.1	40.1%
Municipal	1,769.4	23.7%	1,778.7	23.7%	1,745.8	23.3%	1,727.3	23.9%	1,708.9	24.1%	1,712.4	24.2%
Residential mortgage-backed securities ("RMBS")	512.8	6.9%	530.7	7.1%	562.9	7.5%	545.9	7.6%	554.4	7.8%	570.9	8.1%
U.S. Treasuries and government agencies	467.1	6.3%	488.1	6.5%	548.5	7.3%	540.1	7.5%	546.1	7.7%	598.7	8.5%
Total fixed maturities	**$ 7,456.7**	**100.0%**	**$ 7,494.1**	**100.0%**	**$ 7,481.7**	**100.0%**	**$ 7,216.5**	**100.0%**	**$ 7,091.3**	**100.0%**	**$ 7,078.7**	**100.0%**
U.S. government/government agencies	$ 1,082.0	14.5%	$ 1,009.0	13.5%	$ 1,127.1	15.1%	$ 1,078.6	14.9%	$ 1,080.1	15.2%	$ 1,125.2	15.9%
AAA	610.7	8.2%	584.5	7.8%	566.6	7.6%	541.8	7.5%	493.1	7.0%	489.0	6.9%
AA	1,658.3	22.2%	1,630.0	21.8%	1,590.2	21.3%	1,503.7	20.8%	1,479.2	20.9%	1,465.9	20.7%
A	1,698.6	22.8%	1,776.4	23.7%	1,750.9	23.4%	1,726.1	23.9%	1,693.1	23.9%	1,749.5	24.7%
BBB	2,097.9	28.1%	2,201.0	29.4%	2,167.4	29.0%	2,094.8	29.0%	2,091.7	29.5%	1,987.3	28.1%
BB & below, includes securities not rated	309.2	4.1%	293.2	3.9%	279.5	3.7%	271.5	3.8%	254.1	3.6%	261.8	3.7%
Total fixed maturities	**$ 7,456.7**	**100.0%**	**$ 7,494.1**	**100.0%**	**$ 7,481.7**	**100.0%**	**$ 7,216.5**	**100.0%**	**$ 7,091.3**	**100.0%**	**$ 7,078.7**	**100.0%**
INVESTMENTS BY SEGMENT												
Property & Casualty	$ 903.3	11.3%	$ 933.9	11.4%	$ 932.7	11.6%	$ 925.9	11.8%	$ 916.0	12.0%	$ 920.2	12.2%
Annuity and Life	7,072.0	88.4%	7,201.8	88.2%	7,120.6	88.2%	6,886.4	88.0%	6,709.1	87.7%	6,595.0	87.5%
Corporate	24.0	0.3%	33.5	0.4%	17.7	0.2%	12.3	0.2%	22.9	0.3%	26.0	0.3%
Total investments	**$ 7,999.3**	**100.0%**	**$ 8,169.2**	**100.0%**	**$ 8,071.0**	**100.0%**	**$ 7,824.6**	**100.0%**	**$ 7,648.0**	**100.0%**	**$ 7,541.2**	**100.0%**

[1] Cost of $7,152.1, $6,907.6, $6,910.2, $6,791.3, $6,785.6 and $6,676.5 at December 31, 2016, September 30, 2016, June 30, 2016, March 31, 2016, December 31, 2015 and September 30, 2015, respectively.
[2] Includes $24.0, $33.5, $17.7, $12.3, $22.9 and $26.0 of short-term investments in the Corporate segment at December 31, 2016, September 30, 2016, June 30, 2016, March 31, 2016, December 31, 2015 and September 30, 2015, respectively.

HORACE MANN EDUCATORS CORPORATION
RATINGS AND CONTACT INFORMATION

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As of December 31, 2016	**A.M. Best**	**Standard & Poor's**	**Moody's**	**Fitch**
Financial Strength Ratings:				
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
Other Ratings:				
Horace Mann Educators Corporation:				
Senior debt	bbb	BBB	Baa3	BBB

NR - not rated

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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.