First Quarter 2018 Investor Supplement

March 31, 2018

Horace Mann

HORACE MANN EDUCATORS CORPORATION
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Note: The information contained in this document includes measures which are based on methodologies other than accounting principles generally accepted in the United States ("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

For Period Ended	Three Months Ended					Year Ended	
($ in millions, except per share data)	**Mar. 31, 2018**	**Dec. 31, 2017**	**Sept. 30, 2017**	**Jun. 30, 2017**	**Mar. 31, 2017**	**Dec. 31, 2017**	**Dec. 31, 2016**
Earned premiums	$ 203.0	$ 204.3	$ 199.0	$ 195.7	$ 195.7	$ 794.7	$ 759.1
Net investment income	91.9	98.6	92.3	92.0	90.7	373.6	361.2
Net investment gains (losses)	(1.7)	(1.7)	(3.5)	2.0	(0.2)	(3.4)	4.1
Other income	2.3	1.8	2.0	1.7	1.1	6.6	4.5
Total revenues	$ 295.5	$ 303.0	$ 289.8	$ 291.4	$ 287.3	$ 1,171.5	$ 1,128.9
Net income	$ 20.2	$ 125.3	$ 26.5	$ 2.3	$ 15.3	$ 169.4	$ 83.8
Core earnings*	21.5	27.2	28.7	0.8	15.4	72.1	81.5
At Period End							
Total assets	$ 11,068.6	$ 11,198.3	$ 11,044.3	$ 10,876.1	$ 10,779.5	$ 11,198.3	$ 10,576.8
Total policy liabilities	6,211.4	6,182.0	6,143.8	6,081.5	6,083.8	6,182.0	6,024.1
Debt	297.5	297.5	247.4	247.3	247.3	297.5	247.2
Shareholders' equity	1,404.7	1,501.6	1,390.4	1,362.1	1,321.8	1,501.6	1,294.0
Per Share and Shares Data (in millions)							
Net income per share (basic)	$ 0.49	$ 3.03	$ 0.64	$ 0.05	$ 0.37	$ 4.10	$ 2.04
Core earnings per share (basic)*	0.52	0.66	0.69	0.02	0.38	1.75	1.98
Net income per diluted share	$ 0.48	$ 3.00	$ 0.64	$ 0.05	$ 0.37	$ 4.08	$ 2.02
Core earnings per diluted share*	0.51	0.65	0.69	0.02	0.37	1.74	1.97
Weighted average common shares (basic)	41.5	41.4	41.4	41.4	41.1	41.4	41.2
Dilutive effect of stock equivalents	0.2	0.3	0.2	0.1	0.2	0.2	0.3
Weighted average diluted shares	41.7	41.7	41.6	41.5	41.3	41.6	41.5
Book value per share	$ 34.35	$ 36.88	$ 34.20	$ 33.49	$ 32.60	$ 36.88	$ 32.15
Per share impact of net unrealized gains (losses) on securities	4.35	7.37	6.29	5.98	4.89	7.37	4.36
Book value per share excluding net unrealized gains (losses) on securities	$ 30.00	$ 29.51	$ 27.91	$ 27.51	$ 27.71	$ 29.51	$ 27.79
Dividends paid per share	$ 0.285	$ 0.275	$ 0.275	$ 0.275	$ 0.275	$ 1.100	$ 1.060
Financial Ratios							
Net Income ROE	12.5%	12.3%	4.7%	4.7%	5.4%	12.3%	6.2%
Net Income ROE excluding net unrealized gains on securities and re-measurement of deferred tax liability (DTL)*	6.5%	6.3%	5.7%	5.8%	6.7%	6.3%	7.6%
Core ROE	5.6%	5.3%	4.9%	4.5%	5.2%	5.3%	6.0%
Core ROE excluding net unrealized gains on securities and re-measurement of DTL*	6.7%	6.4%	5.9%	5.6%	6.5%	6.4%	7.4%
Debt to total capitalization	17.5%	16.5%	15.1%	15.4%	15.8%	16.5%	16.0%
Debt to total capitalization excluding net unrealized gains (losses) on securities	19.5%	19.2%	17.9%	18.1%	18.0%	19.2%	18.1%
Annualized investment yield, after tax	3.98%	3.44%	3.38%	3.39%	3.38%	3.44%	3.47%

*Refer to non-GAAP measures in the Appendix of this document.

HORACE MANN EDUCATORS CORPORATION
CONSOLIDATED STATEMENTS OF OPERATIONS

For Period Ended	Three Months Ended Mar. 31, 2018	Dec. 31, 2017	Sept. 30, 2017	Jun. 30, 2017	Mar. 31, 2017	Year Ended Dec. 31, 2017	Dec. 31, 2016
($ in millions)							
Revenues							
Insurance premiums and contract charges earned	$ 203.0	$ 204.3	$ 199.0	$ 195.7	$ 195.7	$ 794.7	$ 759.1
Net investment income	91.9	98.6	92.3	92.0	90.7	373.6	361.2
Net investment gains (losses)	(1.7)	(1.7)	(3.5)	2.0	(0.2)	(3.4)	4.1
Other income	2.3	1.8	2.0	1.7	1.1	6.6	4.5
Total revenues	295.5	303.0	289.8	291.4	287.3	1,171.5	1,128.9
Benefits, losses and expenses							
Benefits, claims and settlement expenses	143.6	137.4	134.9	165.9	144.1	582.3	541.1
Interest credited	50.0	50.4	50.1	49.3	48.8	198.6	192.0
DAC amortization expense, excluding unlocking	26.4	27.2	24.8	24.6	24.7	101.3	97.4
DAC unlocking	0.3	1.1	(0.6)	0.2	0.2	0.9	(0.7)
Operating expenses	48.2	48.7	44.2	46.2	48.7	187.8	173.1
Interest expense	3.2	3.0	3.0	2.9	3.0	11.9	11.8
Total benefits, losses and expenses	271.7	267.8	256.4	289.1	269.5	1,082.8	1,014.7
Income before income taxes	23.8	35.2	33.4	2.3	17.8	88.7	114.2
Income tax expense (benefit)	3.6	(90.1)	6.9	—	2.5	(80.7)	30.4
Net income	$ 20.2	$ 125.3	$ 26.5	$ 2.3	$ 15.3	$ 169.4	$ 83.8
Other Statistics							
Effective tax rate on net investment income	20.8%	33.6%	33.5%	33.7%	33.4%	33.5%	33.4%
Net investment income, after tax	$ 72.8	$ 65.5	$ 61.4	$ 61.0	$ 60.4	$ 248.3	$ 240.6
Catastrophes, net of reinsurance, pretax	9.8	3.6	8.6	32.4	17.2	61.8	60.0
Catastrophes, net of reinsurance, after tax	7.7	2.4	5.6	21.1	11.1	40.2	39.1
Other-than-temporary impairment losses on securities [1]	(0.1)	(0.1)	(6.1)	(3.6)	(2.8)	(12.6)	(11.1)
Exclusive Distributors [2]	675	694	694	703	697	694	683

[1] Included in pretax net investment gains (losses)

[2] Represents licensed agents and employed licensed producers.

HORACE MANN EDUCATORS CORPORATION
CONSOLIDATED BALANCE SHEETS

($ in millions, except per share data)	Mar. 31, 2018	Dec. 31, 2017	Sept. 30, 2017	Jun. 30, 2017	Mar. 31, 2017	Dec. 31, 2016
ASSETS						
Investments						
Fixed maturity securities, available for sale, at fair value	$ 7,634.7	$ 7,724.1	$ 7,630.6	$ 7,578.6	$ 7,510.7	$ 7,456.7
Equity securities, at fair value	131.0	135.5	159.3	156.9	156.9	141.6
Short-term and other investments	459.0	492.7	547.2	502.4	456.6	401.0
Total investments	8,224.7	8,352.3	8,337.1	8,237.9	8,124.2	7,999.3
Cash	24.0	7.6	6.7	16.0	6.6	16.7
Deferred policy acquisition costs	280.2	257.8	257.2	256.9	265.6	267.6
Goodwill	47.4	47.4	47.4	47.4	47.4	47.4
Other assets	352.7	381.2	344.4	341.7	324.2	321.9
Separate account assets	2,139.6	2,152.0	2,051.5	1,976.2	2,011.5	1,923.9
Total assets	**$ 11,068.6**	**$ 11,198.3**	**$ 11,044.3**	**$ 10,876.1**	**$ 10,779.5**	**$ 10,576.8**
LIABILITIES AND SHAREHOLDERS' EQUITY						
Policy liabilities						
Investment contract and life policy reserves	$ 5,598.7	$ 5,573.7	$ 5,540.0	$ 5,480.9	$ 5,503.0	$ 5,448.0
Unpaid claims and claim expenses	358.3	347.8	341.8	352.5	340.0	329.9
Unearned premiums	254.4	260.5	262.0	248.1	240.8	246.2
Total policy liabilities	6,211.4	6,182.0	6,143.8	6,081.5	6,083.8	6,024.1
Other policyholder funds	720.5	724.3	717.4	713.0	711.4	709.0
Other liabilities	294.9	340.9	493.8	496.0	403.7	378.6
Long-term debt	297.5	297.5	247.4	247.3	247.3	247.2
Separate account liabilities	2,139.6	2,152.0	2,051.5	1,976.2	2,011.5	1,923.9
Total liabilities	9,663.9	9,696.7	9,653.9	9,514.0	9,457.7	9,282.8
Common stock, $0.001 par value	0.1	0.1	0.1	0.1	0.1	0.1
Additional paid-in capital	466.3	464.3	462.1	459.3	454.9	453.5
Retained earnings	1,254.4	1,231.2	1,165.2	1,150.2	1,159.5	1,155.7
Accumulated other comprehensive income, net of taxes:						
Net unrealized gains and losses on securities	178.0	300.1	255.7	243.5	198.3	175.7
Net funded status of pension and other post-retirement benefit obligations	(13.2)	(13.2)	(11.8)	(11.8)	(11.8)	(11.8)
Treasury stock, at cost	(480.9)	(480.9)	(480.9)	(479.2)	(479.2)	(479.2)
Total shareholders' equity	1,404.7	1,501.6	1,390.4	1,362.1	1,321.8	1,294.0
Total liabilities and shareholders' equity	**$ 11,068.6**	**$ 11,198.3**	**$ 11,044.3**	**$ 10,876.1**	**$ 10,779.5**	**$ 10,576.8**

HORACE MANN EDUCATORS CORPORATION
CAPITAL METRICS

For Period Ended	Three Months Ended Mar. 31, 2018	Dec. 31, 2017	Sept. 30, 2017	Jun. 30, 2017	Mar. 31, 2017	Year Ended Dec. 31, 2017	Dec. 31, 2016
($ in millions, except per share data)							
Debt and Total Capitalization							
Short term debt due under revolving credit agreement [1]	$ —	$ —	$ —	$ —	$ —	$ —	$ —
Senior Debt:							
4.50% Senior notes due December 1, 2025	247.5	247.5	247.4	247.3	247.3	247.5	247.2
FHLB Borrowing	50.0	50.0	—	—	—	50.0	—
Total debt	297.5	297.5	247.4	247.3	247.3	297.5	247.2
Shareholders' equity	1,404.7	1,501.6	1,390.4	1,362.1	1,321.8	1,501.6	1,294.0
Total capitalization	$ 1,702.2	$ 1,799.1	$ 1,637.8	$ 1,609.4	$ 1,569.1	$ 1,799.1	$ 1,541.2
Ratio of debt to shareholders' equity	21.2%	19.8%	17.8%	18.2%	18.7%	19.8%	19.1%
Ratio of debt to total capitalization	17.5%	16.5%	15.1%	15.4%	15.8%	16.5%	16.0%
Capital Returned to Shareholders							
Common stock repurchased [2]	$ —	$ 1.7	$ —	$ —	$ —	$ 1.7	$ 21.6
Cash dividends paid	11.6	11.2	11.2	11.2	11.1	44.7	43.9
Total capital returned to shareholders	$ 11.6	$ 12.9	$ 11.2	$ 11.2	$ 11.1	$ 46.4	$ 65.5

[1] Amount available for borrowing is $150.0 million; At LIBOR +115 bps; Expires on 7/30/19.

[2] As of March 31, 2018, the Company's program had a remaining authorization of $27.8 million.

HORACE MANN EDUCATORS CORPORATION
PROPERTY and CASUALTY SEGMENT
STATEMENTS OF OPERATIONS

For Period Ended	Three Months Ended					Year Ended	
($ in millions)	Mar. 31, 2018	Dec. 31, 2017	Sept. 30, 2017	Jun. 30, 2017	Mar. 31, 2017	Dec. 31, 2017	Dec. 31, 2016
UNDERWRITING RESULTS							
Written premiums							
Automobile	$ 114.9	$ 113.7	$ 116.3	$ 110.8	$ 109.9	$ 450.7	$ 425.9
Property and other	44.5	51.1	60.9	57.1	43.0	212.1	208.4
Total written premiums	159.4	164.8	177.2	167.9	152.9	662.8	634.3
Earned premiums							
Automobile	$ 112.6	$ 112.2	$ 110.7	$ 108.5	$ 106.6	$ 438.0	$ 414.3
Property and other	52.9	54.1	52.5	52.0	51.7	210.3	206.2
Total earned premiums	165.5	166.3	163.2	160.5	158.3	648.3	620.5
Losses and loss adjustment expenses							
Current accident year before catastrophes	111.2	108.4	106.8	116.0	106.0	437.2	411.1
Current accident year catastrophes	9.8	3.6	8.6	32.4	17.2	61.8	60.0
Prior years' reserve development [1]	(0.3)	(0.6)	(0.5)	(0.6)	(1.0)	(2.7)	(7.0)
Total losses and loss adjustment expenses	120.7	111.4	114.9	147.8	122.2	496.3	464.1
Operating expenses, including DAC amortization expense	43.1	44.9	41.4	42.4	44.7	173.4	165.7
Underwriting gain (loss)	1.7	10.0	6.9	(29.7)	(8.6)	(21.4)	(9.3)
Net investment income	9.5	9.7	9.2	8.1	9.2	36.2	39.0
Other income (expense)	0.2	(0.2)	(0.1)	0.1	—	(0.2)	0.6
Interest expense	0.2	0.1	—	—	—	0.1	—
Income (loss) before income taxes	11.2	19.4	16.0	(21.5)	0.6	14.5	30.3
Income tax expense (benefit)	1.5	3.8	2.6	(7.6)	(2.1)	(3.3)	4.7
Net income (loss) [2]	$ 9.7	$ 15.6	$ 13.4	$ (13.9)	$ 2.7	$ 17.8	$ 25.6

[1] (Favorable) unfavorable.

[2] Net investment gains (losses) are not allocated by segment. Refer to Appendix for Segment Net Income (Loss) excluding the effect of the DTL re-measurement.

HORACE MANN EDUCATORS CORPORATION
PROPERTY and CASUALTY SEGMENT
UNDERWRITING RESULTS AND SUPPLEMENTAL DATA

	Three Months Ended					Year Ended	
For Period Ended	Mar. 31, 2018	Dec. 31, 2017	Sept. 30, 2017	Jun. 30, 2017	Mar. 31, 2017	Dec. 31, 2017	Dec. 31, 2016
UNDERWRITING RATIOS (%)							
Losses and loss adjustment expenses							
Current accident year before catastrophes	67.2	65.2	65.4	72.3	67.0	67.5	66.2
Current accident year catastrophes	5.9	2.2	5.3	20.2	10.8	9.5	9.7
Prior years' reserve development [1]	(0.2)	(0.4)	(0.3)	(0.4)	(0.6)	(0.4)	(1.1)
Total losses and loss adjustment expenses	72.9	67.0	70.4	92.1	77.2	76.6	74.8
Expense Ratio	26.0	27.0	25.4	26.4	28.3	26.7	26.7
Combined ratio	**98.9**	**94.0**	**95.8**	**118.5**	**105.5**	**103.3**	**101.5**
Combined ratio before catastrophes	**93.0**	**91.8**	**90.5**	**98.3**	**94.7**	**93.8**	**91.8**
Combined ratio before catastrophes and prior years' reserve development	**93.2**	**92.2**	**90.8**	**98.7**	**95.3**	**94.2**	**92.9**
PRODUCT (%)							
Automobile							
Loss and loss adjustment expense ratio	76.1	77.5	77.8	84.2	78.3	79.4	80.2
Expense ratio	25.7	27.2	25.6	26.4	28.6	26.9	27.1
Combined ratio	101.8	104.7	103.4	110.6	106.9	106.3	107.3
Prior years' reserve development [1]	0.0	(0.3)	0.0	0.0	0.0	(0.1)	(0.3)
Catastrophes	0.6	0.2	3.3	4.4	1.6	2.3	2.5
Combined ratio before catastrophes and prior years' reserve development	101.2	104.8	100.1	106.2	105.3	104.1	105.1
Property							
Loss and loss adjustment expense ratio	66.2	45.4	54.8	108.1	74.9	70.5	63.9
Expense ratio	27.1	26.8	25.1	26.5	27.6	26.5	26.2
Combined ratio	93.3	72.2	79.9	134.6	102.5	97.0	90.1
Prior years' reserve development [1]	(0.6)	(0.6)	(1.1)	(1.2)	(1.9)	(1.2)	(2.7)
Catastrophes	17.2	6.2	9.6	53.3	29.9	24.5	24.2
Combined ratio before catastrophes and prior years' development	76.7	66.6	71.4	82.5	74.5	73.7	68.6
SUPPLEMENTAL DATA							
Policy Count Retention (12 month)							
Automobile	82.9%	83.0%	83.0%	82.9%	83.0%	83.0%	83.5%
Property	87.9%	87.6%	87.6%	87.4%	87.5%	87.6%	87.8%
Sales (12-month annualized premium, in millions) [2]							
Automobile	$ 21.6	$ 22.0	$ 25.5	$ 23.4	$ 22.6	$ 93.5	$ 89.1
Property	4.2	4.7	5.4	4.7	4.0	18.8	18.0
Total sales	$ 25.8	$ 26.7	$ 30.9	$ 28.1	$ 26.6	$ 112.3	$ 107.1
Policies in force (in thousands)							
Automobile	475	479	482	484	484	479	485
Property	204	205	206	207	208	205	209
Total policies in force	679	684	688	691	692	684	694

[1] (Favorable) unfavorable.

[2] HM products.

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

For Period Ended	Three Months Ended					Year Ended	
($ in millions)	Mar. 31, 2018	Dec. 31, 2017	Sept. 30, 2017	Jun. 30, 2017	Mar. 31, 2017	Dec. 31, 2017	Dec. 31, 2016
Contract deposits	$ 98.8	$ 104.2	$ 114.8	$ 116.8	$ 117.3	$ 453.1	$ 520.2
Revenues							
Contract charges earned	$ 8.0	$ 7.2	$ 7.5	$ 6.7	$ 6.6	$ 28.0	$ 24.9
Net investment income	64.2	69.1	64.3	65.2	63.4	262.0	249.4
Other income	1.8	1.8	1.7	1.5	0.9	5.9	2.8
Total revenues	74.0	78.1	73.5	73.4	70.9	295.9	277.1
Benefits and Expenses							
Interest credited	38.7	39.1	38.8	38.1	37.5	153.5	147.3
Mortality loss and other reserve changes	1.9	1.8	1.6	1.3	1.1	5.8	3.9
DAC amortization expense, excluding unlocking	4.8	5.6	3.7	3.7	3.7	16.7	14.9
DAC unlocking	0.2	1.2	(0.7)	0.3	0.3	1.1	(0.3)
Operating expenses	14.4	12.7	12.1	12.9	12.1	49.8	40.3
Total benefits and expenses	**60.0**	**60.4**	**55.5**	**56.3**	**54.7**	**226.9**	**206.1**
Income before income taxes	**14.0**	**17.7**	**18.0**	**17.1**	**16.2**	**69.0**	**71.0**
Income tax expense (benefit)	2.6	(33.8)	4.4	5.3	4.7	(19.4)	20.3
Net income [1]	**$ 11.4**	**$ 51.5**	**$ 13.6**	**$ 11.8**	**$ 11.5**	**$ 88.4**	**$ 50.7**
Less: DAC unlocking, after tax	(0.2)	(0.7)	0.4	(0.2)	(0.2)	(0.7)	0.2
Net income excluding DAC unlocking	**$ 11.6**	**$ 52.2**	**$ 13.2**	**$ 12.0**	**$ 11.7**	**$ 89.1**	**$ 50.5**
Return on Assets (Before-tax basis points)							
ROA (12 month) [2]	102	106	104	110	114	106	114
Interest Spread [3]	170	194	188	189	183	194	193
SUPPLEMENTAL DATA							
Total AUM including Mutual Funds	$ 6,846	$ 6,828	$ 6,680	$ 6,533	$ 6,411	$ 6,828	$ 6,273
Annuity Contracts in force (in thousands)	223	223	221	221	220	223	219
Persistency (12 month)							
Fixed annuities	94.4%	94.5%	94.5%	94.4%	94.5%	94.5%	94.6%
Variable annuities	94.6%	94.8%	95.0%	94.9%	94.8%	94.8%	94.7%
Sales Deposits							
Spread based - Fixed annuities	$ 52.0	$ 58.0	$ 76.1	$ 72.8	$ 70.9	$ 277.8	$ 346.2
Fee based - Variable annuities	46.8	46.2	38.7	42.2	42.2	169.3	150.2
Fee based - Mutual Funds	14.1	15.7	13.7	10.0	5.3	44.7	12.2
Total sales deposits	$ 112.9	$ 119.9	$ 128.5	$ 125.0	$ 118.4	$ 491.8	$ 508.6

[1] Net investment gains (losses) are not allocated by segment. Refer to Appendix for Segment Net Income (Loss) excluding the effect of the DTL re-measurement.

[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.

HORACE MANN EDUCATORS CORPORATION
RETIREMENT SEGMENT
ACCOUNT VALUE ROLLFORWARD

	Three Months Ended					
For Period Ended ($ in millions)	**Mar. 31, 2018**	**Dec. 31, 2017**	**Sept. 30, 2017**	**Jun. 30, 2017**	**Mar. 31, 2017**	**Dec. 31, 2016**
FIXED ACCOUNT ANNUITIES [1]						
Beginning balance	$ 4,235.1	$ 4,222.5	$ 4,184.2	$ 4,233.2	$ 4,201.0	$ 4,166.2
Deposits	41.5	46.4	59.2	55.7	52.6	61.3
Withdrawals	(76.5)	(78.9)	(63.7)	(143.5) [4]	(72.7)	(81.9)
Net transfers	13.8	9.1	9.0	7.1	15.6	16.1
Interest credited	38.8	39.1	38.8	38.1	37.5	37.9
Other	(4.9)	(3.1)	(5.0)	(6.4)	(0.8)	1.4
Ending balance	$ 4,247.8	$ 4,235.1	$ 4,222.5	$ 4,184.2	$ 4,233.2	$ 4,201.0
FIXED INDEXED ACCOUNT ANNUITIES [2]						
Beginning balance	$ 376.9	$ 360.1	$ 342.1	$ 320.7	$ 302.1	$ 283.0
Deposits	10.5	11.6	16.9	17.4	19.3	21.0
Withdrawals	(3.8)	(3.0)	(2.8)	(2.1)	(2.3)	(1.8)
Net transfers	(1.0)	(0.7)	(0.9)	(0.7)	(1.0)	(1.3)
Index credits	3.6	3.4	3.9	2.9	2.3	0.5
Other	(4.1)	5.5	0.9	3.9	0.3	0.7
Ending balance	$ 382.1	$ 376.9	$ 360.1	$ 342.1	$ 320.7	$ 302.1
VARIABLE ACCOUNT ANNUITIES [3]						
Beginning balance	$ 2,152.0	$ 2,051.5	$ 1,976.2	$ 2,011.5	$ 1,923.9	$ 1,873.6
Deposits	46.8	46.2	38.6	43.7	45.4	46.0
Withdrawals	(30.5)	(30.0)	(27.3)	(127.0) [4]	(26.1)	(23.6)
Net transfers	(12.8)	(8.4)	(8.1)	(6.4)	(14.6)	(14.7)
Fees and charges	(8.6)	(8.4)	(8.2)	(7.8)	(7.5)	(7.3)
Market appreciation	(7.3)	101.1	80.3	62.1	90.3	49.8
Other	—	—	—	0.1	0.1	0.1
Ending balance	$ 2,139.6	$ 2,152.0	$ 2,051.5	$ 1,976.2	$ 2,011.5	$ 1,923.9

[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.

[4] Includes fixed account withdrawals of approximately $78 and variable account withdrawals of approximately $97 due to the transfer of the Company's 401(k) assets to a third-party provider.

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

For Period Ended	Three Months Ended					Year Ended	
($ in millions)	Mar. 31, 2018	Dec. 31, 2017	Sept. 30, 2017	Jun. 30, 2017	Mar. 31, 2017	Dec. 31, 2017	Dec. 31, 2016
Premiums and contract deposits	**$ 25.8**	**$ 31.4**	**$ 26.4**	**$ 26.9**	**$ 26.5**	**$ 111.2**	**$ 108.0**
Revenues							
Premiums and contract charges earned	$ 29.5	$ 30.8	$ 28.3	$ 28.5	$ 30.8	$ 118.4	$ 113.7
Net investment income	18.3	20.0	19.0	18.9	18.3	76.2	73.6
Other income	0.1	0.1	0.1	0.1	0.1	0.4	0.8
Total revenues	**47.9**	**50.9**	**47.4**	**47.5**	**49.2**	**195.0**	**188.1**
Benefits and Expenses							
Death benefits / mortality cost [1]	9.5	11.9	8.2	7.2	8.8	36.1	33.1
Interest credited	11.3	11.3	11.3	11.3	11.2	45.1	44.7
Change in reserves	11.5	12.3	10.2	9.6	12.0	44.1	40.0
DAC amortization expense, excluding unlocking	1.8	2.0	1.9	1.9	1.9	7.7	7.5
DAC unlocking	0.1	—	—	(0.1)	(0.1)	(0.2)	(0.4)
Operating expenses	9.0	9.2	8.4	8.9	10.0	36.5	36.9
Total benefits and expenses	**43.2**	**46.7**	**40.0**	**38.8**	**43.8**	**169.3**	**161.8**
Income before income taxes	**4.7**	**4.2**	**7.4**	**8.7**	**5.4**	**25.7**	**26.3**
Income tax expense (benefit)	0.9	(59.1)	2.6	3.1	1.5	(51.9)	9.7
Net income [2]	**$ 3.8**	**$ 63.3**	**$ 4.8**	**$ 5.6**	**$ 3.9**	**$ 77.6**	**$ 16.6**
Less: DAC unlocking, after tax	(0.1)	—	—	0.1	0.1	0.2	0.3
Net income excluding DAC unlocking	**$ 3.9**	**$ 63.3**	**$ 4.8**	**$ 5.5**	**$ 3.8**	**$ 77.4**	**$ 16.3**
Earnings margin (before tax)							
Return on premium (12 month) [3]	21.4%	21.5%	23.3%	22.9%	21.7%	21.5%	22.8%
SUPPLEMENTAL DATA							
Lapse ratio (12 month) [4]	4.9%	4.9%	4.7%	4.7%	4.5%	4.9%	4.3%
Sales (12-month premium, $ in millions) [5]							
Recurring	$ 1.9	$ 2.6	$ 1.6	$ 1.9	$ 1.7	$ 7.8	$ 7.7
Single premium	2.4	3.5	1.6	1.8	3.0	9.9	7.9
Total sales	$ 4.3	$ 6.1	$ 3.2	$ 3.7	$ 4.7	$ 17.7	$ 15.6
Insurance in force ($ in millions)	$ 17,665	$ 17,564	$ 17,403	$ 17,308	$ 17,164	$ 17,564	$ 17,025
Policies in force (in thousands)	198	198	197	197	198	198	198

[1] Ordinary life insurance.

[2] Net investment gains (losses) are not allocated by segment. Refer to Appendix for Segment Net Income (Loss) excluding the effect of the DTL re-measurement.

[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 and OTHER SEGMENT
STATEMENTS OF OPERATIONS
(Amounts are net of consolidating eliminations)

For Period Ended	Three Months Ended					Year Ended	
($ in millions)	Mar. 31, 2018	Dec. 31, 2017	Sept. 30, 2017	Jun. 30, 2017	Mar. 31, 2017	Dec. 31, 2017	Dec. 31, 2016
Revenues							
Net investment income	$ (0.1)	$ (0.2)	$ (0.2)	$ (0.2)	$ (0.2)	$ (0.8)	$ (0.8)
Other income	0.2	0.1	0.3	0.1	—	0.5	0.3
Total revenues	**0.1**	**(0.1)**	**0.1**	**(0.1)**	**(0.2)**	**(0.3)**	**(0.5)**
Expenses							
Interest expense	3.0	2.9	3.0	2.9	3.0	11.8	11.8
Debt retirement costs	—	—	—	—	—	—	—
Other operating expenses	1.5	1.4	1.6	1.0	1.0	5.0	5.2
Total expenses	**4.5**	**4.3**	**4.6**	**3.9**	**4.0**	**16.8**	**17.0**
Loss before income taxes	(4.4)	(4.4)	(4.5)	(4.0)	(4.2)	(17.1)	(17.5)
Income tax benefit	(1.0)	(0.2)	(1.4)	(1.3)	(1.5)	(4.4)	(6.1)
Loss after tax	**$ (3.4)**	**$ (4.2)**	**$ (3.1)**	**$ (2.7)**	**$ (2.7)**	**$ (12.7)**	**$ (11.4)**
Net investment gains (losses) pretax [1]	(1.7)	(1.7)	(3.5)	2.0	(0.2)	(3.4)	4.1
Tax on net investment gains (losses) [1]	(0.4)	(0.8)	(1.3)	0.5	(0.1)	(1.7)	1.8
Net investment gains (losses) after tax [1]	(1.3)	(0.9)	(2.2)	1.5	(0.1)	(1.7)	2.3
Net loss	**$ (4.7)**	**$ (5.1)**	**$ (5.3)**	**$ (1.2)**	**$ (2.8)**	**$ (14.4)**	**$ (9.1)**

[1] Corporate level transactions, such as net investment gains (losses), are not allocated to the operating segments consistent with how management evaluates the results of those segments.

[2] Refer to Appendix for Segment Net Income (Loss) excluding the effect of the DTL re-measurement.

HORACE MANN EDUCATORS CORPORATION
INVESTMENT EARNINGS BEFORE TAXES
CONSOLIDATED

For Period Ended	Three Months Ended					Year Ended	
($ in millions)	Mar. 31, 2018	Dec. 31, 2017	Sept. 30, 2017	Jun. 30, 2017	Mar. 31, 2017	Dec. 31, 2017	Dec. 31, 2016
Net Investment Income							
Fixed maturity securities [1]							
Taxable	$ 85.4	$ 87.6	$ 82.8	$ 83.2	$ 82.4	$ 336.0	$ 323.0
Tax-exempt	1.6	4.7	4.5	4.3	4.8	18.3	19.8
Total fixed maturity securities	87.0	92.3	87.3	87.5	87.2	354.3	342.8
Equity securities	1.3	1.7	1.6	1.6	1.5	6.4	4.7
Policy loans	2.2	2.3	2.2	2.2	2.1	8.8	8.6
Limited partnerships and other alternative investments	3.6	4.4	3.4	2.7	2.2	12.7	13.6
Short-term investments and other	0.3	0.4	0.2	0.4	0.2	1.2	1.1
Investment income	94.4	101.1	94.7	94.4	93.2	383.4	370.8
Investment expense	2.5	2.5	2.4	2.4	2.5	9.8	9.6
Total net investment income	**$ 91.9**	**$ 98.6**	**$ 92.3**	**$ 92.0**	**$ 90.7**	**$ 373.6**	**$ 361.2**
Annualized investment yield, before tax [2]	5.03%	5.17%	5.09%	5.10%	5.07%	5.17%	5.21%
Annualized investment yield, after tax [2]	3.98%	3.44%	3.38%	3.39%	3.38%	3.44%	3.47%
Net Investment Income by Segment							
Property & Casualty	$ 9.5	$ 9.7	$ 9.2	$ 8.1	$ 9.2	$ 36.2	$ 39.0
Retirement	64.2	69.1	64.3	65.2	63.4	262.0	249.4
Life	18.3	20.0	19.0	18.9	18.3	76.2	73.6
Corporate & Other, including intersegment eliminations	(0.1)	(0.2)	(0.2)	(0.2)	(0.2)	(0.8)	(0.8)
Total net investment income	**$ 91.9**	**$ 98.6**	**$ 92.3**	**$ 92.0**	**$ 90.7**	**$ 373.6**	**$ 361.2**
Net Investment Gains (Losses)							
Gross realized gains	$ 4.9	$ 11.9	$ 5.7	$ 7.9	$ 5.0	$ 30.5	$ 23.3
Gross realized losses, excluding impairment charges	(1.3)	(13.5)	(3.1)	(2.3)	(2.4)	(21.3)	(8.1)
Change in fair value of equity securities	(5.2)	—	—	—	—	—	—
Other-than-temporary impairment losses	(0.1)	(0.1)	(6.1)	(3.6)	(2.8)	(12.6)	(11.1)
Total net investment gains (losses)	**$ (1.7)**	**$ (1.7)**	**$ (3.5)**	**$ 2.0**	**$ (0.2)**	**$ (3.4)**	**$ 4.1**

[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 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	March 31, 2018		December 31, 2017		September 30, 2017		June 30, 2017		March 31, 2017		December 31, 2016	
($ in millions)	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent
Fixed maturity securities, at fair value [1]	$ 7,634.7	92.8 %	$ 7,724.1	92.5 %	$ 7,630.6	91.5 %	$ 7,578.6	92.0 %	$ 7,510.7	92.4 %	$ 7,456.7	93.2 %
Equity securities, at fair value	131.0	1.6 %	135.5	1.6 %	159.3	1.9 %	156.9	1.9 %	157.0	1.9 %	141.6	1.8 %
Policy loans, at outstanding balance	152.8	1.9 %	153.6	1.9 %	153.6	1.9 %	152.9	1.9 %	151.5	1.9 %	151.9	1.9 %
Limited partnerships and other alternative investments	284.0	3.4 %	276.5	3.3 %	282.1	3.4 %	245.4	3.0 %	223.9	2.8 %	204.2	2.6 %
Short-term investments	22.2	0.3 %	62.6	0.7 %	111.5	1.3 %	104.1	1.3 %	81.1	1.0 %	44.9	0.6 %
Total investments	**$ 8,224.7**	**100.0%**	**$ 8,352.3**	**100.0%**	**$ 8,337.1**	**100.0%**	**$ 8,237.9**	**100.0%**	**$ 8,124.2**	**100.0%**	**$ 7,999.3**	**100.0%**
Asset-backed securities	$ 656.4	8.6 %	$ 651.9	8.5 %	$ 647.5	8.5 %	$ 664.5	8.8 %	$ 648.1	8.6 %	$ 626.9	8.4 %
Collateralized debt/loan obligations	646.0	8.4 %	649.7	8.4 %	522.4	6.9 %	525.8	6.9 %	583.2	7.8 %	667.7	9.0 %
Commercial mortgage-backed securities	612.7	8.0 %	582.0	7.5 %	535.1	7.0 %	541.9	7.2 %	528.4	7.0 %	503.8	6.8 %
Corporate	2,580.3	33.8 %	2,681.7	34.7 %	2,921.9	38.3 %	2,927.6	38.6 %	2,936.9	39.1 %	2,909.0	39.0 %
Municipal	1,861.3	24.4 %	1,893.3	24.5 %	1,842.2	24.1 %	1,817.2	24.0 %	1,777.4	23.7 %	1,769.4	23.7 %
Residential mortgage-backed securities	516.0	6.8 %	530.1	6.9 %	490.5	6.4 %	495.3	6.5 %	505.4	6.7 %	512.8	6.9 %
U.S. Treasuries and government agencies	762.0	10.0 %	735.4	9.5 %	671.0	8.8 %	606.3	8.0 %	531.3	7.1 %	467.1	6.3 %
Total fixed maturity securities	**$ 7,634.7**	**100.0%**	**$ 7,724.1**	**100.0%**	**$ 7,630.6**	**100.0%**	**$ 7,578.6**	**100.0%**	**$ 7,510.7**	**100.0%**	**$ 7,456.7**	**100.0%**
U.S. government/government agencies	$ 1,486.7	19.5 %	$ 1,443.8	18.7 %	$ 1,316.4	17.3 %	$ 1,229.4	16.2 %	$ 1,141.1	15.2 %	$ 1,082.0	14.5 %
AAA	581.7	7.6 %	560.7	7.3 %	551.6	7.2 %	586.6	7.7 %	623.4	8.3 %	610.7	8.2 %
AA	1,737.3	22.8 %	1,770.5	22.9 %	1,621.0	21.2 %	1,587.7	20.9 %	1,605.6	21.4 %	1,658.3	22.2 %
A	1,712.1	22.4 %	1,765.1	22.8 %	1,770.5	23.2 %	1,757.7	23.2 %	1,724.6	23.0 %	1,698.6	22.8 %
BBB	1,850.3	24.2 %	1,907.0	24.7 %	2,063.7	27.1 %	2,121.4	28.0 %	2,102.8	28.0 %	2,097.9	28.1 %
BB and below, includes securities not rated	266.6	3.5 %	277.0	3.6 %	307.4	4.0 %	295.8	3.9 %	313.2	4.2 %	309.2	4.1 %
Total fixed maturity securities	**$ 7,634.7**	**100.0%**	**$ 7,724.1**	**100.0%**	**$ 7,630.6**	**100.0%**	**$ 7,578.6**	**100.0%**	**$ 7,510.7**	**100.0%**	**$ 7,456.7**	**100.0%**
INVESTMENTS BY SEGMENT												
Property and Casualty	$ 977.5	11.9 %	$ 996.8	11.9 %	$ 939.9	11.3 %	$ 920.2	11.2 %	$ 908.0	11.2 %	$ 903.3	11.3 %
Retirement and Life	7,244.6	88.1 %	7,348.7	88.0 %	7,382.5	88.5 %	7,315.9	88.8 %	7,200.4	88.6 %	7,072.0	88.4 %
Corporate [2]	2.6	— %	6.8	0.1 %	14.7	0.2 %	1.8	— %	15.8	0.2 %	24.0	0.3 %
Total investments	**$ 8,224.7**	**100.0%**	**$ 8,352.3**	**100.0%**	**$ 8,337.1**	**100.0%**	**$ 8,237.9**	**100.0%**	**$ 8,124.2**	**100.0%**	**$ 7,999.3**	**100.0%**

[1] Amortized Cost of $7,373.5, $7,302.9, $7,194.4, $7,161.9, $7,173.2, and $7,152.1 at March 31, 2018, December 31, 2017, September 30, 2017, June, 30, 2017, March 31, 2017, and December 31, 2016 respectively.

[2] Corporate segment assets are comprised entirely of short-term investments.

Appendix

HORACE MANN EDUCATORS CORPORATION
RECONCILIATIONS OF GAAP MEASURES TO NON-GAAP MEASURES

The following measures are used by the Company's management to evaluate financial performance against historical results and establish targets on a consolidated basis. In some cases, these measures are considered non-GAAP measures under applicable SEC rules because they are not displayed as separate line items in the consolidated financial statements or are not required to be disclosed in the notes to the consolidated financial statements or, in some cases, include or exclude certain items not ordinarily included or excluded in the most comparable GAAP financial measure. Reconciliations of these measures to the most comparable GAAP measures also follow.

In the opinion of the Company's management, a discussion of these measures provides investors, financial analysts, rating agencies and other financial statement users with a better understanding of the significant factors that compromise the Company's periodic results of operations and how management evaluates the Company's financial performance. Internally, the Company's management uses these measures to evaluate performance against historical results, to establish financial targets on a consolidated basis and for other reasons, which are discussed below.

Some of these measures exclude net investment gains (losses), net of tax, and/or net unrealized gains on fixed maturity and equity securities, net of tax, which can be significantly impacted by both discretionary and other economic factors and are not necessarily indicative of operating trends. Other measures exclude the effect of the DTL re-measurement that occurred on December 31, 2017.

Other companies may calculate these measures differently, and, therefore, their measures may not be comparable to those used by the Company's management.

HORACE MANN EDUCATORS CORPORATION
RECONCILIATIONS OF GAAP MEASURES TO NON-GAAP MEASURES

For Period Ended *($ in millions after tax)*	Three Months Ended Mar. 31, 2018	Dec. 31, 2017	Sept. 30, 2017	Jun. 30, 2017	Mar. 31, 2017	Year Ended Dec. 31, 2017	Dec. 31, 2016
Reconciliation of Net Income to Core Earnings							
Net income	$ 20.2	$ 125.3	$ 26.5	$ 2.3	$ 15.3	$ 169.4	$ 83.8
Less: Net investment gains (losses)	(1.3)	(0.9)	(2.2)	1.5	(0.1)	(1.7)	2.3
Re-measurement of DTL	—	99.0	—	—	—	99.0	—
Core earnings*	$ 21.5	$ 27.2	$ 28.7	$ 0.8	$ 15.4	$ 72.1	$ 81.5
Pretax net income	$ 23.8	$ 35.2	$ 33.4	$ 2.3	$ 17.8	$ 88.7	$ 114.2
Less: Pretax net investment gains (losses)	(1.7)	(1.7)	(3.5)	2.0	(0.2)	(3.4)	4.1
Pretax core earnings*	$ 25.5	$ 36.9	$ 36.9	$ 0.3	$ 18.0	$ 92.1	$ 110.1
Reconciliation of Net Income per Share to Core Earnings per Share on a Basic and Diluted Basis							
Net income per share (basic)	$ 0.49	$ 3.03	$ 0.64	$ 0.05	$ 0.37	$ 4.10	$ 2.04
Less: Net investment gains (losses)	(0.03)	(0.02)	(0.05)	0.03	(0.01)	(0.04)	0.06
Re-measurement of DTL	—	2.39	—	—	—	2.39	—
Core earnings per share (basic)*	$ 0.52	$ 0.66	$ 0.69	$ 0.02	$ 0.38	$ 1.75	$ 1.98
Net income per diluted share	$ 0.48	$ 3.00	$ 0.64	$ 0.05	$ 0.37	$ 4.08	$ 2.02
Less: Net investment gains (losses)	(0.03)	(0.02)	(0.05)	0.03	—	(0.04)	0.05
Re-measurement of DTL	—	2.37	—	—	—	2.38	—
Core earnings per diluted share*	$ 0.51	$ 0.65	$ 0.69	$ 0.02	$ 0.37	$ 1.74	$ 1.97

HORACE MANN EDUCATORS CORPORATION
RECONCILIATIONS OF GAAP MEASURES TO NON-GAAP MEASURES

For Period Ended ($ in millions)	Twelve Months Ended Mar. 31, 2018	Dec. 31, 2017	Sept. 30, 2017	Jun. 30, 2017	Mar. 31, 2017
Reconciliation of Return on Equity					
5 Quarter Average Shareholders' Equity					
Shareholders' equity	$ 1,404.7	$ 1,501.6	$ 1,390.4	$ 1,362.1	$ 1,321.8
Net unrealized gains on securities	178.0	300.1	255.7	243.5	198.3
DTL Re-measurement	—	99.0	—	—	—
5 quarter average shareholders' equity	1,396.1	1,374.0	1,362.5	1,367.9	1,362.6
5 quarter average shareholders' equity excluding re-measurement of DTL	1,396.1	1,354.2	1,362.5	1,367.9	1,362.6
5 quarter average shareholders' equity excluding net unrealized gains on securities and re-measurement of DTL	1,161.0	1,119.5	1,120.4	1,111.0	1,105.5
Net Income Return on Equity					
Numerator: Trailing 12 months net income	$ 174.3	$ 169.4	$ 64.0	$ 64.4	$ 73.9
Denominator: 5 quarter average shareholders' equity	1,396.1	1,374.0	1,362.5	1,367.9	1,362.6
Net income ROE	12.5%	12.3%	4.7%	4.7%	5.4%
Net Income Return on Equity excluding net unrealized gains on securities and re-measurement of DTL					
Numerator: Trailing 12 months net income	$ 174.3	$ 169.4	$ 64.0	$ 64.4	$ 73.9
Less: Re-measurement of DTL	99.0	99.0	—	—	—
Denominator: 5 quarter average shareholders' equity excluding net unrealized gains on securities and re-measurement of DTL	1,161.0	1,119.5	1,120.4	1,111.0	1,105.5
Net Income ROE excluding net unrealized gains on securities and re-measurement of DTL	6.5%	6.3%	5.7%	5.8%	6.7%
Core Return on Equity					
Numerator: Trailing 12 months net income	$ 174.3	$ 169.4	$ 64.0	$ 64.4	$ 73.9
Less: Net investment gains (losses) after tax	(2.9)	(1.7)	(2.3)	2.6	2.6
Re-measurement of DTL	99.0	99.0	—	—	—
Trailing 12 months core earnings	78.2	72.1	66.3	61.8	71.3
Denominator: 5 quarter average shareholders' equity excluding re-measurement of DTL	1,396.1	1,354.2	1,362.5	1,367.9	1,362.6
Core Return on Equity	5.6%	5.3%	4.9%	4.5%	5.2%
Core Return on Equity excluding net unrealized gains on securities and re-measurement of DTL					
Numerator: Trailing 12 months core earnings	$ 78.2	$ 72.1	$ 66.3	$ 61.8	$ 71.3
Denominator: 5 quarter average shareholders' equity excluding net unrealized gains on securities and re-measurement of DTL	1,161.0	1,119.5	1,120.4	1,111.0	1,105.5
Core ROE excluding net unrealized gains on securities and re-measurement of DTL	6.7%	6.4%	5.9%	5.6%	6.5%

HORACE MANN EDUCATORS CORPORATION
RECONCILIATIONS OF GAAP MEASURES TO NON-GAAP MEASURES

	Twelve Months Ended				
For Period Ended	**Mar. 31,**	**Dec. 31,**	**Sept. 30,**	**Jun. 30,**	**Mar. 31,**
($ in millions)	**2018**	**2017**	**2017**	**2017**	**2017**

Reconciliation of Book Value per Common Share to Book Value per Common Share, Excluding Net Unrealized Gains on Securities

	Mar. 31, 2018	Dec. 31, 2017	Sept. 30, 2017	Jun. 30, 2017	Mar. 31, 2017
Book value per common share					
Numerator: Common shareholders' equity	$ 1,404.7	$ 1,501.6	$ 1,390.4	$ 1,362.1	$ 1,321.8
Denominator:					
Common shares outstanding	40.9	40.7	40.7	40.7	40.5
Book value per common share	$ 34.35	$ 36.88	$ 34.20	$ 33.49	$ 32.60
Book value per common share, excluding net unrealized gains on securities*					
Numerator: Common Shareholders' equity	$ 1,404.7	$ 1,501.6	$ 1,390.4	$ 1,362.1	$ 1,321.8
Less: Net unrealized gains on securities	178.0	300.1	255.7	243.5	198.3
Adjusted common shareholders' equity	1,226.7	1,201.5	1,134.7	1,118.6	1,123.5
Denominator:					
Common Shares outstanding	40.9	40.7	40.7	40.7	40.5
Book value per common share, excluding net unrealized gains on securities*	$ 30.00	$ 29.51	$ 27.91	$ 27.51	$ 27.71

HORACE MANN EDUCATORS CORPORATION
RECONCILIATIONS OF GAAP MEASURES TO NON-GAAP MEASURES
OPERATING RATIOS - PROPERTY AND CASUALTY

For Period Ended	Three Months Ended Mar. 31, 2018	Dec. 31, 2017	Sept. 30, 2017	Jun. 30, 2017	Mar. 31, 2017	Year Ended Dec. 31, 2017	Dec. 31, 2016
Property and Casualty							
Claims and claims expense ("loss") ratio	72.9	67.0	70.4	92.1	77.2	76.6	74.8
Expense ratio	26.0	27.0	25.4	26.4	28.3	26.7	26.7
Combined ratio	98.9	94.0	95.8	118.5	105.5	103.3	101.5
Loss ratio	72.9	67.0	70.4	92.1	77.2	76.6	74.8
Less: effect of catastrophe losses	5.9	2.2	5.3	20.2	10.8	9.5	9.7
effect of prior years' reserve development	(0.2)	(0.4)	(0.3)	(0.4)	(0.6)	(0.4)	(1.1)
Underlying loss ratio*	67.2	65.2	65.4	72.3	67.0	67.5	66.2
Reconciliation of combined ratio to underlying combined ratio							
Combined ratio	98.9	94.0	95.8	118.5	105.5	103.3	101.5
Effect of catastrophe losses	5.9	2.2	5.3	20.2	10.8	9.5	9.7
Effect of prior years' reserve development	(0.2)	(0.4)	(0.3)	(0.4)	(0.6)	(0.4)	(1.1)
Underlying combined ratio*	93.2	92.2	90.8	98.7	95.3	94.2	92.9
Auto							
Claims and claims expense ("loss") ratio	76.1	77.5	77.8	84.2	78.3	79.4	80.2
Expense ratio	25.7	27.2	25.6	26.4	28.6	26.9	27.1
Combined ratio	101.8	104.7	103.4	110.6	106.9	106.3	107.3
Loss ratio	76.1	77.5	77.8	84.2	78.3	79.4	80.2
Less: effect of catastrophe losses	0.6	0.2	3.3	4.4	1.6	2.3	2.5
effect of prior years' reserve development	—	(0.3)	—	—	—	(0.1)	(0.3)
Underlying loss ratio*	75.5	77.6	74.5	79.8	76.7	77.2	78.0
Reconciliation of combined ratio to underlying combined ratio							
Combined ratio	101.8	104.7	103.4	110.6	106.9	106.3	107.3
Effect of catastrophe losses	0.6	0.2	3.3	4.4	1.6	2.3	2.5
Effect of prior years' reserve development	—	(0.3)	—	—	—	(0.1)	(0.3)
Underlying combined ratio*	101.2	104.8	100.1	106.2	105.3	104.1	105.1

HORACE MANN EDUCATORS CORPORATION
RECONCILIATIONS OF GAAP MEASURES TO NON-GAAP MEASURES
OPERATING RATIOS - PROPERTY AND CASUALTY (Cont.)

	Three Months Ended					Year Ended	
For Period Ended	**Mar. 31, 2018**	**Dec. 31, 2017**	**Sept. 30, 2017**	**Jun. 30, 2017**	**Mar. 31, 2017**	**Dec. 31, 2017**	**Dec. 31, 2016**
Property							
Claims and claims expense ("loss") ratio	66.2	45.4	54.8	108.1	74.9	70.5	63.9
Expense Ratio	27.1	26.8	25.1	26.5	27.6	26.5	26.2
Combined Ratio	93.3	72.2	79.9	134.6	102.5	97.0	90.1
Loss ratio	66.2	45.4	54.8	108.1	74.9	70.5	63.9
Less: effect of catastrophe losses	17.2	6.2	9.6	53.3	29.9	24.5	24.2
effect of prior years' reserve development	(0.6)	(0.6)	(1.1)	(1.2)	(1.9)	(1.2)	(2.7)
Underlying loss ratio*	49.6	39.8	46.3	56.0	46.9	47.2	42.4
Reconciliation of combined ratio to underlying combined ratio							
Combined ratio	93.3	72.2	79.9	134.6	102.5	97.0	90.1
Effect of catastrophe losses	17.2	6.2	9.6	53.3	29.9	24.5	24.2
Effect of prior years' reserve development	(0.6)	(0.6)	(1.1)	(1.2)	(1.9)	(1.2)	(2.7)
Underlying combined ratio*	76.7	66.6	71.4	82.5	74.5	73.7	68.6

HORACE MANN EDUCATORS CORPORATION
RECONCILIATIONS OF GAAP MEASURES TO NON-GAAP MEASURES
IMPACT OF ONE-TIME TAX BENEFIT FROM TAX CUTS AND JOBS ACT OF 2017

For Period Ended	Three Months Ended					Year Ended	
($ in millions)	Mar. 31, 2018	Dec. 31, 2017	Sept. 30, 2017	Jun. 30, 2017	Mar. 31, 2017	Dec. 31, 2017	Dec. 31, 2016
Property and Casualty							
Income (loss) before income taxes	$ 11.2	$ 19.4	$ 16.0	$ (21.5)	$ 0.6	$ 14.5	$ 30.3
Tax on operations	1.5	4.4	2.6	(7.6)	(2.1)	(2.7)	4.7
Segment core earnings*	9.7	15.0	13.4	(13.9)	2.7	17.2	25.6
DTL re-measurement	—	0.6	—	—	—	0.6	—
Net income (loss)	$ 9.7	$ 15.6	$ 13.4	$ (13.9)	$ 2.7	$ 17.8	$ 25.6
Retirement							
Income before income taxes	$ 14.0	$ 17.7	$ 18.0	$ 17.1	$ 16.2	$ 69.0	$ 71.0
Tax on operations	2.6	5.7	4.4	5.3	4.7	20.1	20.3
Segment core earnings*	11.4	12.0	13.6	11.8	11.5	48.9	50.7
DTL re-measurement	—	39.5	—	—	—	39.5	—
Net income	$ 11.4	$ 51.5	$ 13.6	$ 11.8	$ 11.5	$ 88.4	$ 50.7
Life							
Income before income taxes	$ 4.7	$ 4.2	$ 7.4	$ 8.7	$ 5.4	$ 25.7	$ 26.3
Tax on operations	0.9	1.2	2.6	3.1	1.5	8.4	9.7
Segment core earnings*	3.8	3.0	4.8	5.6	3.9	17.3	16.6
DTL re-measurement	—	60.3	—	—	—	60.3	—
Net income	$ 3.8	$ 63.3	$ 4.8	$ 5.6	$ 3.9	$ 77.6	$ 16.6
Corporate and other							
Loss before income taxes	$ (4.4)	$ (4.4)	$ (4.5)	$ (4.0)	$ (4.2)	$ (17.1)	$ (17.5)
Tax on operations	(1.0)	(1.6)	(1.4)	(1.3)	(1.5)	(5.8)	(6.1)
Segment core earnings*	(3.4)	(2.8)	(3.1)	(2.7)	(2.7)	(11.3)	(11.4)
Net investment gains (losses) after tax	(1.3)	(0.9)	(2.2)	1.5	(0.1)	(1.7)	2.3
DTL re-measurement	—	(1.4)	—	—	—	(1.4)	—
Net loss	$ (4.7)	$ (5.1)	$ (5.3)	$ (1.2)	$ (2.8)	$ (14.4)	$ (9.1)
Consolidated							
Income before income taxes	$ 25.5	$ 36.9	$ 36.9	$ 0.3	$ 18.0	$ 92.1	$ 110.1
Tax on operations	4.0	9.7	8.2	(0.5)	2.6	20.0	28.6
Core earnings*	21.5	27.2	28.7	0.8	15.4	72.1	81.5
Net investment gains (losses) after tax	(1.3)	(0.9)	(2.2)	1.5	(0.1)	(1.7)	2.3
DTL re-measurement	—	99.0	—	—	—	99.0	—
Net income	$ 20.2	$ 125.3	$ 26.5	$ 2.3	$ 15.3	$ 169.4	$ 83.8

HORACE MANN EDUCATORS CORPORATION

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As of March 31, 2018	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

TRANSFER AGENT

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Corporate Website: 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.