Third Quarter 2020 Investor Supplement

September 30, 2020

Horace Mann

HORACE MANN EDUCATORS CORPORATION

TABLE OF CONTENTS

Note: The information contained in this document includes measures which are based on methodologies other than accounting principles generally accepted in the United States ("non-GAAP") and are marked with an asterisk (*) within this document. 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 SEC filings), and additional descriptions of 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**					**Nine Months Ended**	
($ in millions, except per share data)	**Sept. 30, 2020**	**Jun. 30, 2020**	**Mar. 31, 2020**	**Dec. 31, 2019**	**Sept. 30, 2019**	**Sept. 30, 2020**	**Sept. 30, 2019**
Insurance premiums and contract charges earned	$ 235.3	$ 225.4	$ 236.3	$ 240.4	$ 239.7	$ 697.0	$ 657.6
Net investment income	93.7	80.4	82.3	85.8	93.0	256.4	279.3
Net investment gains (losses)	2.5	3.2	(18.5)	1.7	(2.1)	(12.8)	151.6
Other income	5.6	5.4	6.5	5.7	6.0	17.5	16.9
Total revenues	$ 337.1	$ 314.4	$ 306.6	$ 333.6	$ 336.6	$ 958.1	$ 1,105.4
Net income	$ 36.5	$ 30.5	$ 18.5	$ 33.0	$ 25.4	$ 85.5	$ 151.4
Core earnings*	34.6	28.0	33.0	31.7	27.0	95.6	60.5
At Period End							
Total assets	$ 13,003.4	$ 12,571.7	$ 11,972.2	$ 12,478.7	$ 12,332.5	$ 13,003.4	$ 12,332.5
Total policy liabilities	7,129.7	7,031.5	6,978.3	6,956.5	6,905.4	7,129.7	6,905.4
Debt	437.2	437.2	433.1	433.0	433.0	437.2	433.0
Shareholders' equity	1,715.7	1,639.8	1,477.6	1,567.3	1,578.6	1,715.7	1,578.6
Per Share and Shares Data (in millions)							
Net income per share (basic)	$ 0.87	$ 0.73	$ 0.44	$ 0.79	$ 0.61	$ 2.04	$ 3.63
Core earnings per share (basic)*	0.82	0.67	0.79	0.76	0.65	2.28	1.45
Net income per diluted share	0.87	0.73	0.44	0.78	0.60	2.03	3.61
Core earnings per diluted share*	0.82	0.67	0.78	0.75	0.64	2.27	1.44
Weighted average common shares (basic)	41.9	41.9	41.8	41.8	41.8	41.9	41.7
Dilutive effect of stock equivalents	0.1	0.1	0.2	0.3	0.2	0.1	0.2
Weighted average diluted shares	42.1	42.0	42.0	42.1	42.0	42.0	41.9
Book value per share	$ 41.45	$ 39.69	$ 35.80	$ 38.01	$ 38.30	$ 41.45	$ 38.30
Per share impact of net unrealized investment gains on fixed maturity securities	7.93	6.76	3.31	5.59	6.46	7.93	6.46
Book value per share excluding net unrealized investment gains on fixed maturity securities*	$ 33.52	$ 32.93	$ 32.49	$ 32.42	$ 31.84	$ 33.52	$ 31.84
Dividends paid per share	$ 0.30	$ 0.30	$ 0.30	$ 0.2875	$ 0.2875	$ 0.90	$ 0.8625
Financial Ratios							
Net Income ROE - LTM [1]	7.4 %	6.9 %	11.3 %	12.5 %	9.2 %	7.4 %	9.2 %
Net Income ROE - Annualized	8.7 %	7.8 %	4.9 %	8.4 %	6.6 %	6.9 %	14.1 %
Core ROE - LTM*	9.4 %	9.0 %	7.6 %	7.3 %	4.1 %	9.4 %	4.1 %
Core ROE - Annualized*	10.1 %	8.3 %	9.9 %	9.6 %	8.3 %	9.4 %	6.4 %
Debt to total capitalization excluding net unrealized investment gains on fixed maturity securities*	24.0 %	24.3 %	24.4 %	24.5 %	24.8 %	24.0 %	24.8 %
Investment yield, excluding limited partnership interests, pretax - annualized	4.18 %	4.39 %	4.51 %	4.36 %	4.62 %	4.36 %	4.73 %

[1] LTM = Last twelve months

HORACE MANN EDUCATORS CORPORATION
CONSOLIDATED STATEMENTS OF OPERATIONS

For Period Ended	**Three Months Ended**					**Nine Months Ended**	
($ in millions)	**Sept. 30, 2020**	**Jun. 30, 2020**	**Mar. 31, 2020**	**Dec. 31, 2019**	**Sept. 30, 2019**	**Sept. 30, 2020**	**Sept. 30, 2019**
Revenues							
Insurance premiums and contract charges earned	$ 235.3	$ 225.4	$ 236.3	$ 240.4	$ 239.7	$ 697.0	$ 657.6
Net investment income	93.7	80.4	82.3	85.8	93.0	256.4	279.3
Net investment gains (losses)	2.5	3.2	(18.5)	1.7	(2.1)	(12.8)	151.6
Other income	5.6	5.4	6.5	5.7	6.0	17.5	16.9
Total revenues	337.1	314.4	306.6	333.6	336.6	958.1	1,105.4
Benefits, losses and expenses							
Benefits, claims and settlement expenses	151.4	143.0	138.7	138.8	154.2	433.1	446.3
Interest credited	51.1	50.7	51.5	52.7	53.6	153.3	160.1
Operating expenses	57.9	55.2	60.0	67.2	63.6	173.1	175.9
DAC amortization expense, excluding DAC unlocking	25.5	25.2	26.1	26.6	26.3	76.8	79.4
DAC unlocking	(0.9)	(4.8)	3.9	(0.3)	—	(1.8)	3.5
Intangible asset amortization expense	3.5	3.7	3.7	3.9	3.8	10.9	4.9
Interest expense	3.5	4.0	4.2	4.4	4.6	11.7	11.2
Other expense - goodwill impairment	—	—	—	—	—	—	28.0
Total benefits, losses and expenses	292.0	277.0	288.1	293.3	306.1	857.1	909.3
Income before income taxes	45.1	37.4	18.5	40.3	30.5	101.0	196.1
Income tax expense	8.6	6.9	—	7.3	5.1	15.5	44.7
Net income	$ 36.5	$ 30.5	$ 18.5	$ 33.0	$ 25.4	$ 85.5	$ 151.4
Other Statistics							
Effective tax rate on net investment income	20.5 %	20.3 %	20.4 %	20.3 %	20.3 %	20.4 %	20.3 %
Net investment income, after tax	$ 74.5	$ 64.1	$ 65.5	$ 68.3	$ 74.1	$ 204.1	$ 222.6
Catastrophe losses, net of reinsurance, pretax	34.8	34.7	8.8	4.4	14.7	78.3	47.6
Catastrophe losses, net of reinsurance, after tax	27.5	27.4	7.0	3.5	11.6	61.9	37.6
Other-than-temporary impairment losses on securities [1]	(1.1)	(0.5)	(3.7)	(1.1)	—	(5.3)	(0.3)

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

HORACE MANN EDUCATORS CORPORATION
CONSOLIDATED BALANCE SHEETS

($ in millions, except per share data)	Sept. 30, 2020	Jun. 30, 2020	Mar. 31, 2020	Dec. 31, 2019	Sept. 30, 2019	Jun. 30, 2019
ASSETS						
Investments						
Fixed maturity securities, available for sale, at fair value	$ 6,168.5	$ 6,022.0	$ 5,843.2	$ 5,791.7	$ 5,839.5	$ 5,534.3
Equity securities, at fair value	102.3	90.3	87.0	101.9	105.5	100.1
Limited partnership interests	418.2	392.2	389.3	383.7	354.6	351.5
Short-term and other investments	453.1	376.3	281.7	361.9	433.4	433.7
Total investments	7,142.1	6,880.8	6,601.2	6,639.2	6,733.0	6,419.6
Cash	65.5	82.4	41.2	25.5	39.4	7.6
Deferred policy acquisition costs	242.0	257.1	297.8	276.7	269.2	279.0
Deposit asset on reinsurance	2,402.5	2,373.3	2,356.3	2,346.2	2,342.3	2,315.3
Intangible assets	166.3	169.8	173.5	177.2	181.1	15.1
Goodwill	49.1	49.1	49.1	49.1	48.7	29.5
Other assets	447.4	442.3	498.9	474.3	410.7	402.4
Separate account assets	2,488.5	2,316.9	1,954.2	2,490.5	2,308.1	2,310.9
Total assets	**$ 13,003.4**	**$ 12,571.7**	**$ 11,972.2**	**$ 12,478.7**	**$ 12,332.5**	**$ 11,779.4**
LIABILITIES AND SHAREHOLDERS' EQUITY						
Policy liabilities						
Investment contract and life policy reserves	$ 6,402.5	$ 6,320.6	$ 6,273.6	$ 6,234.4	$ 6,207.9	$ 5,776.8
Unpaid claims and claim expenses	454.5	444.5	438.4	442.9	412.3	398.3
Unearned premiums	272.7	266.4	266.3	279.2	285.2	270.2
Total policy liabilities	7,129.7	7,031.5	6,978.3	6,956.5	6,905.4	6,445.3
Other policyholder funds	744.5	741.9	716.3	647.3	672.8	821.9
Other liabilities	487.8	404.4	412.7	384.1	434.6	403.7
Short-term debt	135.0	135.0	135.0	135.0	135.0	—
Long-term debt	302.2	302.2	298.1	298.0	298.0	297.9
Separate account liabilities	2,488.5	2,316.9	1,954.2	2,490.5	2,308.1	2,310.9
Total liabilities	11,287.7	10,931.9	10,494.6	10,911.4	10,753.9	10,279.7
Common stock, $0.001 par value	0.1	0.1	0.1	0.1	0.1	0.1
Additional paid-in capital	486.8	483.8	481.9	481.0	478.6	476.3
Retained earnings	1,399.5	1,375.7	1,357.8	1,352.5	1,331.6	1,318.3
Accumulated other comprehensive income, net of taxes:						
Net unrealized investment gains on fixed maturity securities	328.2	279.1	136.7	230.4	266.4	203.1
Net funded status of benefit plans	(10.8)	(10.8)	(10.8)	(10.8)	(12.2)	(12.2)
Treasury stock, at cost	(488.1)	(488.1)	(488.1)	(485.9)	(485.9)	(485.9)
Total shareholders' equity	1,715.7	1,639.8	1,477.6	1,567.3	1,578.6	1,499.7
Total liabilities and shareholders' equity	**$ 13,003.4**	**$ 12,571.7**	**$ 11,972.2**	**$ 12,478.7**	**$ 12,332.5**	**$ 11,779.4**

HORACE MANN EDUCATORS CORPORATION
CAPITAL METRICS

For Period Ended	**Three Months Ended**					**Nine Months Ended**	
($ in millions, except per share data)	**Sept. 30, 2020**	**Jun. 30, 2020**	**Mar. 31, 2020**	**Dec. 31, 2019**	**Sept. 30, 2019**	**Sept. 30, 2020**	**Sept. 30, 2019**
Debt and Total Capitalization							
Short term debt due under revolving credit agreement [1]	$ 135.0	$ 135.0	$ 135.0	$ 135.0	$ 135.0	$ 135.0	$ 135.0
Senior Debt:							
4.50% Senior notes due December 1, 2025	248.2	248.2	248.1	248.0	248.0	248.2	248.0
FHLB Borrowing	54.0	54.0	50.0	50.0	50.0	54.0	50.0
Total debt	437.2	437.2	433.1	433.0	433.0	437.2	433.0
Shareholders' equity	1,715.7	1,639.8	1,477.6	1,567.3	1,578.6	1,715.7	1,578.6
Total capitalization	$ 2,152.9	$ 2,077.0	$ 1,910.7	$ 2,000.3	$ 2,011.6	$ 2,152.9	$ 2,011.6
Debt to shareholders' equity	25.5 %	26.7 %	29.3 %	27.6 %	27.4 %	25.5 %	27.4 %
Debt to total capitalization	20.3 %	21.0 %	22.7 %	21.6 %	21.5 %	20.3 %	21.5 %
Debt to total capitalization excluding net unrealized investment gains (losses) on fixed maturity securities *	24.0 %	24.3 %	24.4 %	24.5 %	24.8 %	24.0 %	24.8 %
Capital Returned to Shareholders							
Common stock repurchased [2]	$ —	$ —	$ 2.2	$ —	$ —	$ 2.2	$ —
Cash dividends paid	12.4	12.4	12.4	11.8	11.9	37.2	35.5
Total capital returned to shareholders	$ 12.4	$ 12.4	$ 14.6	$ 11.8	$ 11.9	$ 39.4	$ 35.5

(1) Amount available for borrowing is $90.0 million; At LIBOR +115 bps; Expires on June 21, 2024.

(2) As of September 30, 2020, the Company's program had a remaining authorization of $20.6 million.

HORACE MANN EDUCATORS CORPORATION
PROPERTY and CASUALTY SEGMENT
STATEMENTS OF OPERATIONS

For Period Ended *($ in millions)*	Three Months Ended Sept. 30, 2020	Jun. 30, 2020	Mar. 31, 2020	Dec. 31, 2019	Sept. 30, 2019	Nine Months Ended Sept. 30, 2020	Sept. 30, 2019
UNDERWRITING RESULTS							
Written premiums*							
Automobile	$ 109.5	$ 96.7	$ 109.4	$ 111.5	$ 118.8	$ 315.6	$ 350.2
Property and other	63.3	59.4	44.2	53.1	63.7	166.9	168.3
Total written premiums	172.8	156.1	153.6	164.6	182.5	482.5	518.5
Earned premiums							
Automobile	$ 108.7	$ 101.6	$ 111.8	$ 114.4	$ 115.7	$ 322.1	$ 349.7
Property and other	57.3	54.6	54.7	56.5	54.8	166.6	162.9
Total earned premiums	166.0	156.2	166.5	170.9	170.5	488.7	512.6
Losses and loss adjustment expenses							
Current accident year before catastrophe losses	90.8	74.5	96.6	103.0	107.8	261.9	328.1
Current accident year catastrophe losses	34.8	34.7	8.8	4.4	14.7	78.3	47.6
Prior years' reserve development [1]	(7.2)	(1.0)	(1.0)	—	(3.5)	(9.2)	(7.5)
Total losses and loss adjustment expenses	118.4	108.2	104.4	107.4	119.0	331.0	368.2
Operating expenses, including DAC amortization expense	41.9	40.9	43.2	46.7	45.0	126.0	136.9
Underwriting gain (loss)	**5.7**	**7.1**	**18.9**	**16.8**	**6.5**	**31.7**	**7.5**
Net investment income	13.7	6.3	10.3	8.1	10.7	30.3	33.6
Other income	0.5	0.8	0.8	0.3	0.5	2.1	1.7
Interest expense	0.1	0.1	0.2	0.3	0.3	0.4	1.0
Income before income taxes	19.8	14.1	29.8	24.9	17.4	63.7	41.8
Income tax expense	4.0	2.8	3.2	4.9	3.2	10.0	7.5
Net income [2]	**$ 15.8**	**$ 11.3**	**$ 26.6**	**$ 20.0**	**$ 14.2**	**$ 53.7**	**$ 34.3**

[1] (Favorable) unfavorable.

[2] Net investment gains (losses) are not allocated by segment.

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

For Period Ended	Three Months Ended					Nine Months Ended	
	Sept. 30, 2020	Jun. 30, 2020	Mar. 31, 2020	Dec. 31, 2019	Sept. 30, 2019	Sept. 30, 2020	Sept. 30, 2019
UNDERWRITING RATIOS (%)							
Losses and loss adjustment expenses							
Current accident year before catastrophe losses and PYD	54.7	47.6	58.0	60.3	63.3	53.6	64.0
Current accident year catastrophe losses	20.9	22.2	5.3	2.6	8.6	16.0	9.3
Prior years' reserve development (1)	(4.3)	(0.6)	(0.6)	0.0	(2.1)	(1.9)	(1.5)
Total losses and loss adjustment expenses	71.3	69.2	62.7	62.9	69.8	67.7	71.8
Expense Ratio	25.2	26.2	25.9	27.4	26.4	25.8	26.7
Combined ratio	**96.5**	**95.4**	**88.6**	**90.3**	**96.2**	**93.5**	**98.5**
Combined ratio before catastrophe losses	**75.6**	**73.2**	**83.3**	**87.7**	**87.6**	**77.5**	**89.2**
Combined ratio before catastrophe losses and prior years' reserve development*	**79.9**	**73.8**	**83.9**	**87.7**	**89.7**	**79.4**	**90.7**
PRODUCT (%)							
Automobile							
Loss and loss adjustment expense ratio	57.6	53.2	65.8	72.0	65.8	59.1	70.2
Expense ratio	25.7	27.1	25.9	27.7	26.6	26.2	26.8
Combined ratio	83.3	80.3	91.7	99.7	92.4	85.3	97.0
Prior years' reserve development (1)	(0.9)	0.0	(0.9)	0.0	(3.0)	(0.6)	(1.6)
Catastrophe losses	1.7	3.1	0.2	0.1	2.1	1.6	1.6
Combined ratio before catastrophe losses and prior years' reserve development*	82.5	77.2	92.4	99.6	93.3	84.3	97.0
Property							
Loss and loss adjustment expense ratio	97.3	99.1	56.5	44.5	78.2	84.5	75.3
Expense ratio	24.4	24.8	26.2	27.0	26.1	25.1	26.7
Combined ratio	121.7	123.9	82.7	71.5	104.3	109.6	102.0
Prior years' reserve development (1)	(10.8)	(1.8)	0.0	0.0	0.0	(4.3)	(1.2)
Catastrophe losses	57.3	57.9	15.8	7.4	22.6	43.9	25.9
Combined ratio before catastrophe losses and prior years' development*	75.2	67.8	66.9	64.1	81.7	70.0	77.3
INFORMATIONAL DATA							
Policy Count Retention - LTM							
Automobile	80.9 %	81.6 %	81.3 %	81.1 %	80.9 %	80.9 %	80.9 %
Property	86.7 %	87.5 %	87.1 %	87.1 %	87.3 %	86.7 %	87.3 %
Sales * (LTM annualized premium, in millions) (2)							
Automobile	$ 16.9	$ 15.4	$ 15.9	$ 17.6	$ 20.1	$ 48.2	$ 58.4
Property	5.1	3.9	3.9	4.6	5.3	12.9	13.8
Total sales	$ 22.0	$ 19.3	$ 19.8	$ 22.2	$ 25.4	$ 61.1	$ 72.2
Risks in force (in thousands)							
Automobile (3)	406	418	424	433	441	406	441
Property	187	191	192	194	196	187	196
Total risks in force	593	609	616	627	637	593	637

(1) (Favorable) unfavorable.
(2) HM products.
(3) Includes assumed risks in force of 4.

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

For Period Ended	**Three Months Ended**					**Nine Months Ended**	
($ in millions)	**Sept. 30, 2020**	**Jun. 30, 2020**	**Mar. 31, 2020**	**Dec. 31, 2019**	**Sept. 30, 2019**	**Sept. 30, 2020**	**Sept. 30, 2019**
Revenues							
Premiums and contract charges earned	$ 32.5	$ 33.3	$ 33.0	$ 32.9	$ 32.9	$ 98.8	N/A
Net investment income	4.3	4.0	3.5	3.8	3.7	11.8	N/A
Other income	0.7	0.6	0.7	0.8	0.6	2.0	N/A
Total revenues	**37.5**	**37.9**	**37.2**	**37.5**	**37.2**	**112.6**	**N/A**
Benefits and Expenses							
Benefits	9.2	8.7	10.7	10.6	11.1	28.6	N/A
Change in reserves	1.3	3.8	(0.2)	(0.6)	3.6	4.9	N/A
Interest credited	0.2	—	—	—	—	0.2	N/A
Operating expenses (includes DAC unlocking and amortization expense)	10.1	10.1	10.1	9.9	10.5	30.3	N/A
Intangible asset amortization expense	3.1	3.2	3.2	3.4	3.2	9.5	N/A
Total benefits and expenses	**23.9**	**25.8**	**23.8**	**23.3**	**28.4**	**73.5**	**N/A**
Income before income taxes	13.6	12.1	13.4	14.2	8.8	39.1	N/A
Income tax expense	3.0	2.6	2.9	3.1	1.9	8.5	N/A
Net income (1)	**$ 10.6**	**$ 9.5**	**$ 10.5**	**$ 11.1**	**$ 6.9**	**$ 30.6**	**N/A**
INFORMATIONAL DATA							
Total Sales *	$ 1.4	$ 0.7	$ 3.7	$ 4.6	$ 3.6	$ 5.8	N/A
Benefits ratio (2)	32.3 %	37.5 %	31.8 %	30.4 %	44.7 %	33.9 %	N/A
Operating expense ratio (3)	26.9 %	26.6 %	27.1 %	26.4 %	28.2 %	26.9 %	N/A
Pretax profit margin (4)	36.3 %	31.9 %	36.0 %	37.9 %	23.7 %	34.7 %	N/A
Premium persistency (rolling 12 months)	90.1 %	89.3 %	89.2 %	89.3 %	88.9 %	90.1 %	88.9 %
Policies in force (in thousands)	292	298	297	297	297	292	297

N/A - The acquisition of NTA closed on July 1, 2019.

(1) Net investment gains (losses) are not allocated by segment.

(2) Ratio of benefits plus change in reserves to earned premium.

(3) Ratio of operating expenses to total revenues.

(4) Ratio of income before taxes to total revenues.

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

For Period Ended	Three Months Ended					Nine Months Ended	
($ in millions)	Sept. 30, 2020	Jun. 30, 2020	Mar. 31, 2020	Dec. 31, 2019	Sept. 30, 2019	Sept. 30, 2020	Sept. 30, 2019
Annuity contract deposits*	$ 137.2	$ 111.8	$ 117.7	$ 117.9	$ 128.3	$ 366.7	$ 344.6
Revenues							
Contract charges earned	$ 7.4	$ 6.7	$ 7.4	$ 7.0	$ 6.6	$ 21.5	$ 22.1
Net investment income	33.6	31.2	29.8	33.5	37.0	94.6	141.2
Investment income - Deposit asset on reinsurance	24.5	23.9	23.7	23.8	23.8	72.1	47.0
Other income	3.9	3.6	4.6	4.0	4.5	12.1	13.4
Total revenues	69.4	65.4	65.5	68.3	71.9	200.3	223.7
Benefits and Expenses							
Interest credited	14.2	14.5	15.7	16.4	17.5	44.4	77.2
Interest credited - Reinsured block	25.5	24.9	24.6	25.0	24.9	75.0	49.2
Mortality loss and other reserve changes	1.3	1.2	1.6	2.6	0.9	4.1	2.7
Operating expenses	15.1	13.4	15.5	18.0	16.7	44.0	51.0
DAC amortization expense, excluding DAC unlocking	4.7	4.3	4.7	4.5	4.3	13.7	13.5
DAC unlocking	(0.7)	(4.6)	4.0	(0.1)	—	(1.3)	3.6
Intangible asset amortization expense	0.4	0.5	0.5	0.5	0.6	1.4	1.7
Other expense - goodwill impairment	—	—	—	—	—	—	28.0
Total benefits and expenses	60.5	54.2	66.6	66.9	64.9	181.3	226.9
Income (loss) before income taxes	8.9	11.2	(1.1)	1.4	7.0	19.0	(3.2)
Income tax expense (benefit)	1.1	1.5	(0.2)	(0.7)	1.1	2.4	3.7
Net income (loss) [(1)]	**$ 7.8**	**$ 9.7**	**$ (0.9)**	**$ 2.1**	**$ 5.9**	**$ 16.6**	**$ (6.9)**
Core earnings (loss)	**7.8**	**9.7**	**(0.9)**	**2.1**	**5.9**	**16.6**	**21.1**
Less: DAC unlocking, after tax	0.5	3.7	(3.2)	—	—	1.0	(2.8)
Core earnings excluding DAC unlocking	**$ 7.3**	**$ 6.0**	**$ 2.3**	**$ 2.1**	**$ 5.9**	**$ 15.6**	**$ 23.9**
Fixed annuity interest spread - Annualized [(2)]	225	186	151	203	224	188	198
Variable annuity fee margin - Annualized [(2)]	152	150	158	149	149	138	150
INFORMATIONAL DATA							
Assets under administration (AUA)							
Annuity assets under management [(3)]	$ 4,508.7	$ 4,324.3	$ 4,026.6	$ 4,379.6	$ 4,215.9	$ 4,508.7	$ 4,215.9
Brokerage and advisory assets under administration	2,124.3	2,168.0	2,093.9	2,391.8	2,259.4	2,124.3	2,259.4
Recordkeeping assets under administration	1,399.6	1,460.5	1,260.8	1,499.2	1,422.4	1,399.6	1,422.4
Total AUA	$ 8,032.6	$ 7,952.8	$ 7,381.3	$ 8,270.6	$ 7,897.7	$ 8,032.6	$ 7,897.7
Persistency - LTM							
Fixed annuities	94.5 %	94.2 %	94.0 %	94.0 %	93.9 %	94.5 %	93.9 %
Variable annuities	94.8 %	94.9 %	94.5 %	94.7 %	94.7 %	94.8 %	94.7 %
Annuity Contracts in force (in thousands)	230	230	229	229	227	230	227

(1) Net investment gains (losses) are not allocated by segment.

(2) Effective June 30, 2019, excludes the impact of the reinsured block.

(3) Amount reported as of September 30, 2020 excludes $660.1 of assets under management held under modified coinsurance reinsurance.

HORACE MANN EDUCATORS CORPORATION
RETIREMENT SEGMENT
ACCOUNT VALUE ROLLFORWARD

For Period Ended	**Three Months Ended**					
($ in millions)	**Sept. 30, 2020**	**Jun. 30, 2020**	**Mar. 31, 2020**	**Dec. 31, 2019**	**Sept. 30, 2019**	**Jun. 30, 2019**
FIXED ACCOUNT ANNUITIES [1]						
Beginning balance	$ 2,147.6	$ 2,138.1	$ 2,125.9	$ 2,126.6	$ 2,111.4	$ 4,319.6
Reinsurance transfer [4]	(30.2)	(18.3)	(10.1)	(6.1)	(28.4)	(2,215.7)
Deposits	61.8	44.9	44.5	41.0	54.3	42.0
Withdrawals	(59.4)	(61.1)	(82.1)	(89.7)	(66.1)	(81.1)
Net transfers	20.3	6.4	22.8	14.0	18.5	10.9
Interest credited	39.7	39.4	40.3	41.5	42.3	42.3
Other	(2.2)	(1.8)	(3.2)	(1.4)	(5.4)	(6.6)
Ending balance	$ 2,177.6	$ 2,147.6	$ 2,138.1	$ 2,125.9	$ 2,126.6	$ 2,111.4
FIXED INDEXED ACCOUNT ANNUITIES [2]						
Beginning balance	$ 487.4	$ 473.9	$ 471.1	$ 454.3	$ 439.6	$ 429.0
Deposits	16.9	14.6	15.4	17.1	19.4	12.9
Withdrawals	(7.4)	(8.7)	(9.1)	(6.6)	(9.5)	(4.8)
Net transfers	(0.8)	(0.4)	(0.8)	(0.6)	(0.6)	(0.4)
Index credits	1.2	1.0	1.6	3.1	0.4	2.0
Other	5.4	7.0	(4.3)	3.8	5.0	0.9
Ending balance	$ 502.7	$ 487.4	$ 473.9	$ 471.1	$ 454.3	$ 439.6
VARIABLE ACCOUNT ANNUITIES [3]						
Beginning balance	$ 2,316.9	$ 1,954.2	$ 2,490.5	$ 2,308.1	$ 2,310.9	$ 2,224.1
Deposits	58.5	52.3	57.8	59.8	54.6	54.1
Withdrawals	(32.3)	(21.5)	(38.0)	(35.4)	(28.8)	(30.9)
Net transfers	(19.5)	(5.9)	(22.0)	(13.4)	(17.9)	(10.5)
Fees and charges	(9.5)	(8.4)	(9.1)	(9.6)	(9.1)	(9.0)
Market appreciation	174.4	346.2	(525.0)	181.0	(1.6)	83.1
Other	—	—	—	—	—	—
Ending balance	$ 2,488.5	$ 2,316.9	$ 1,954.2	$ 2,490.5	$ 2,308.1	$ 2,310.9
Held under modified coinsurance agreement	660.1	627.6	539.6	707.8	673.1	691.6
Ending balance net of reinsurance	$ 1,828.4	$ 1,689.3	$ 1,414.6	$ 1,782.7	$ 1,635.0	$ 1,619.3

[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] Represents account balances transfered to reinsurer on April 1, 2019.

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

For Period Ended	Three Months Ended					Nine Months Ended	
($ in millions)	Sept. 30, 2020	Jun. 30, 2020	Mar. 31, 2020	Dec. 31, 2019	Sept. 30, 2019	Sept. 30, 2020	Sept. 30, 2019
Premiums and contract deposits*	$ 26.9	$ 27.6	$ 24.8	$ 30.7	$ 27.7	$ 79.3	$ 82.5
Revenues							
Premiums and contract charges earned	$ 29.4	$ 29.2	$ 29.4	$ 29.6	$ 29.7	$ 88.0	$ 90.0
Net investment income	18.2	15.6	15.6	17.2	18.4	49.4	54.8
Other income	0.1	—	—	0.2	—	0.1	0.2
Total revenues	47.7	44.8	45.0	47.0	48.1	137.5	145.0
Benefits and Expenses							
Death benefits / mortality cost [1]	9.0	9.2	10.1	7.1	8.4	28.3	26.4
Interest credited	11.2	11.3	11.2	11.3	11.2	33.7	33.7
Change in reserves	12.2	11.9	12.1	11.7	11.2	36.2	34.3
Operating expenses	8.4	8.3	9.1	10.4	8.9	25.8	27.5
DAC amortization expense, excluding unlocking	1.9	2.0	1.9	2.0	2.0	5.8	6.1
DAC unlocking	(0.2)	(0.2)	(0.1)	(0.2)	—	(0.5)	(0.1)
Total benefits and expenses	42.5	42.5	44.3	42.3	41.7	129.3	127.9
Income before income taxes	5.2	2.3	0.7	4.7	6.4	8.2	17.1
Income tax expense	0.9	0.4	0.1	0.7	1.3	1.4	3.5
Net income [2]	**$ 4.3**	**$ 1.9**	**$ 0.6**	**$ 4.0**	**$ 5.1**	**$ 6.8**	**$ 13.6**
Less: DAC unlocking, after tax	0.2	0.1	0.1	0.1	—	0.4	0.1
Net income excluding DAC unlocking	**$ 4.1**	**$ 1.8**	**$ 0.5**	**$ 3.9**	**$ 5.1**	**$ 6.4**	**$ 13.5**
Earnings margin (before tax)							
Return on premium - LTM	10.5 %	11.7 %	15.4 %	18.0 %	18.1 %	10.5 %	18.1 %
INFORMATIONAL DATA							
Lapse ratio - LTM [3]	4.3 %	4.2 %	4.7 %	4.6 %	4.5 %	4.3 %	4.5 %
Sales * (LTM, $ in millions) [4]							
Recurring	$ 2.0	$ 2.3	$ 1.8	$ 2.3	$ 2.6	$ 6.1	$ 6.9
Single premium	0.7	1.3	1.5	1.9	1.8	3.5	6.8
Total sales	$ 2.7	$ 3.6	$ 3.3	$ 4.2	$ 4.4	$ 9.6	$ 13.7
Insurance in force ($ in millions)	$ 19,681	$ 19,565	$ 19,295	$ 19,180	$ 18,937	$ 19,681	$ 18,937
Policies in force (in thousands)	201	201	201	201	202	201	202

[1] Ordinary life insurance.

[2] Net investment gains (losses) are not allocated by segment.

[3] Based on ordinary life insurance in force.

[4] 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					Nine Months Ended	
($ in millions)	**Sept. 30, 2020**	**Jun. 30, 2020**	**Mar. 31, 2020**	**Dec. 31, 2019**	**Sept. 30, 2019**	**Sept. 30, 2020**	**Sept. 30, 2019**
Revenues							
Net investment income	$ (0.6)	$ (0.6)	$ (0.6)	$ (0.6)	$ (0.6)	$ (1.8)	$ (1.0)
Other income	0.4	0.4	0.4	0.4	0.4	1.2	1.0
Total revenues	**(0.2)**	**(0.2)**	**(0.2)**	**(0.2)**	**(0.2)**	**(0.6)**	**—**
Expenses							
Interest expense	3.4	3.9	4.0	4.1	4.3	11.3	10.2
Debt retirement costs	—	—	—	—	—	—	—
Other operating expenses	1.3	1.4	1.6	2.3	2.5	4.3	9.8
Total expenses	**4.7**	**5.3**	**5.6**	**6.4**	**6.8**	**15.6**	**20.0**
Loss before income taxes	(4.9)	(5.5)	(5.8)	(6.6)	(7.0)	(16.2)	(20.0)
Income tax benefit	(1.0)	(1.1)	(2.0)	(1.1)	(1.9)	(4.1)	(4.6)
Loss after tax	**$ (3.9)**	**$ (4.4)**	**$ (3.8)**	**$ (5.5)**	**$ (5.1)**	**$ (12.1)**	**$ (15.4)**
Net investment gains (losses) pretax [1]	2.5	3.2	(18.5)	1.7	(2.1)	(12.8)	151.6
Tax on net investment gains (losses) [1]	0.6	0.7	(4.0)	0.4	(0.5)	(2.7)	32.7
Net investment gains (losses) after tax [1]	1.9	2.5	(14.5)	1.3	(1.6)	(10.1)	118.9
Net income (loss)	**$ (2.0)**	**$ (1.9)**	**$ (18.3)**	**$ (4.2)**	**$ (6.7)**	**$ (22.2)**	**$ 103.5**

[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.

HORACE MANN EDUCATORS CORPORATION
INVESTMENT EARNINGS BEFORE TAXES
CONSOLIDATED

For Period Ended	Three Months Ended					Nine Months Ended	
($ in millions)	Sept. 30, 2020	Jun. 30, 2020	Mar. 31, 2020	Dec. 31, 2019	Sept. 30, 2019	Sept. 30, 2020	Sept. 30, 2019
Net Investment Income							
Fixed maturity securities [1]							
Taxable	$ 53.1	$ 55.6	$ 56.0	$ 52.4	$ 56.5	$ 164.7	$ 191.2
Tax-exempt	3.3	3.3	3.4	3.6	3.7	10.0	12.1
Total fixed maturity securities	56.4	58.9	59.4	56.0	60.2	174.7	203.3
Equity securities	1.1	1.2	1.2	1.2	1.1	3.5	3.7
Policy loans	2.3	2.3	2.3	2.6	2.2	6.9	6.7
Senior commercial mortgage loan funds	0.9	(1.3)	1.4	1.6	1.7	1.0	5.8
Limited partnership interests	10.2	(2.2)	(4.1)	1.3	5.2	3.9	17.0
Short-term investments and other	0.5	0.5	0.6	1.4	1.0	1.6	3.2
Investment income	71.4	59.4	60.8	64.1	71.4	191.6	239.7
Investment expense	2.2	2.9	2.2	2.1	2.2	7.3	7.4
Total net investment income - investment portfolio	**69.2**	**56.5**	**58.6**	**62.0**	**69.2**	**184.3**	**232.3**
Investment income - Deposit asset on reinsurance	24.5	23.9	23.7	23.8	23.8	72.1	47.0
Total gross investment income	**$ 93.7**	**$ 80.4**	**$ 82.3**	**$ 85.8**	**$ 93.0**	**$ 256.4**	**$ 279.3**
Investment yield, pretax - annualized [2]	4.64 %	3.86 %	4.02 %	4.28 %	4.81 %	4.17 %	4.97 %
Investment yield, after tax - annualized [2]	3.70 %	3.09 %	3.21 %	3.41 %	3.85 %	3.33 %	3.97 %
Investment yield, excluding limited partnership interests, pretax - annualized [2]	4.18 %	4.39 %	4.51 %	4.36 %	4.62 %	4.36 %	4.73 %
Investment yield, excluding limited partnership interests, after tax - annualized [2]	3.33 %	3.51 %	3.60 %	3.48 %	3.69 %	3.48 %	3.78 %
Portfolio Net Investment Income by Segment							
Property and Casualty	$ 13.7	$ 6.3	$ 10.3	$ 8.1	$ 10.7	$ 30.3	$ 33.6
Supplemental	4.3	4.0	3.5	3.8	3.7	11.8	3.7
Retirement	33.6	31.2	29.8	33.5	37.0	94.6	141.2
Life	18.2	15.6	15.6	17.2	18.4	49.4	54.8
Corporate and Other, including intersegment eliminations	(0.6)	(0.6)	(0.6)	(0.6)	(0.6)	(1.8)	(1.0)
Total net investment income	**$ 69.2**	**$ 56.5**	**$ 58.6**	**$ 62.0**	**$ 69.2**	**$ 184.3**	**$ 232.3**
Net Investment Gains (Losses)							
Gross realized gains	$ 8.3	$ 7.4	$ 5.9	$ 6.5	$ 1.9	$ 21.6	$ 156.6
Gross realized losses, excluding impairment charges	(7.0)	(10.3)	(6.2)	(3.0)	(5.1)	(23.5)	(12.7)
Change in fair value of equity securities	2.3	6.6	(14.5)	(0.7)	1.1	(5.6)	8.0
Other-than-temporary impairment losses	(1.1)	(0.5)	(3.7)	(1.1)	—	(5.3)	(0.3)
Total net investment gains (losses)	**$ 2.5**	**$ 3.2**	**$ (18.5)**	**$ 1.7**	**$ (2.1)**	**$ (12.8)**	**$ 151.6**

[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	**September 30, 2020**		**June 30, 2020**		**March 31, 2020**		**December 31, 2019**		**September 30, 2019**		**June 30, 2019**	
($ in millions)	**Amount**	**Percent**	**Amount**	**Percent**	**Amount**	**Percent**	**Amount**	**Percent**	**Amount**	**Percent**	**Amount**	**Percent**
Fixed maturity securities, at fair value [1]	$ 6,168.5	86.4 %	$ 6,022.0	87.5 %	$ 5,843.2	88.5 %	$ 5,791.7	87.3 %	$ 5,839.5	86.7 %	$ 5,534.3	86.2 %
Equity securities, at fair value	102.3	1.4 %	90.3	1.3 %	87.0	1.3 %	101.9	1.5 %	105.5	1.6 %	100.1	1.5 %
Policy loans, at outstanding balance	151.4	2.1 %	152.2	2.2 %	152.8	2.3 %	153.5	2.3 %	153.9	2.3 %	153.5	2.4 %
Senior commercial mortgage loan funds	139.1	2.0 %	117.4	1.7 %	114.8	1.7 %	115.7	1.7 %	119.2	1.8 %	118.4	1.8 %
Limited partnership interests	279.1	3.9 %	274.8	4.0 %	274.5	4.2 %	268.0	4.1 %	235.4	3.5 %	233.1	3.7 %
Short-term investments and other	301.7	4.2 %	224.1	3.3 %	128.9	2.0 %	208.4	3.1 %	279.5	4.1 %	280.2	4.4 %
Total investments	**$ 7,142.1**	**100.0 %**	**$ 6,880.8**	**100.0 %**	**$ 6,601.2**	**100.0 %**	**$ 6,639.2**	**100.0 %**	**$ 6,733.0**	**100.0 %**	**$ 6,419.6**	**100.0 %**
Asset-backed securities	$ 379.4	6.2 %	$ 427.4	7.1 %	$ 365.0	6.2 %	$ 460.2	8.0 %	$ 472.0	8.1 %	$ 472.3	8.6 %
Collateralized debt/loan obligations	663.2	10.8 %	593.0	9.8 %	559.2	9.6 %	619.4	10.7 %	624.4	10.7 %	753.2	13.6 %
Commercial mortgage-backed securities	351.8	5.7 %	348.7	5.8 %	348.1	6.0 %	367.1	6.3 %	361.8	6.2 %	340.5	6.2 %
Corporate	2,028.3	32.9 %	1,906.0	31.7 %	1,729.6	29.6 %	1,626.8	28.1 %	1,632.9	28.0 %	1,368.7	24.7 %
Municipal	1,816.5	29.4 %	1,805.5	30.0 %	1,770.0	30.3 %	1,686.1	29.1 %	1,676.4	28.7 %	1,599.7	28.9 %
Residential mortgage-backed securities	545.2	8.8 %	566.5	9.4 %	602.6	10.3 %	573.2	9.9 %	613.8	10.5 %	433.5	7.8 %
U.S. Treasuries and government agencies	384.1	6.2 %	374.9	6.2 %	468.7	8.0 %	458.9	7.9 %	458.2	7.8 %	566.4	10.2 %
Total fixed maturity securities	**$ 6,168.5**	**100.0 %**	**$ 6,022.0**	**100.0 %**	**$ 5,843.2**	**100.0 %**	**$ 5,791.7**	**100.0 %**	**$ 5,839.5**	**100.0 %**	**$ 5,534.3**	**100.0 %**
U.S. government/government agencies	$ 1,118.8	18.1 %	$ 1,125.4	18.7 %	$ 1,248.8	21.4 %	$ 1,209.2	20.9 %	$ 1,239.8	21.2 %	$ 1,178.8	21.3 %
AAA	714.7	11.6 %	694.7	11.5 %	669.5	11.5 %	658.2	11.4 %	646.6	11.1 %	676.7	12.2 %
AA	1,368.2	22.2 %	1,356.0	22.5 %	1,298.4	22.2 %	1,280.1	22.1 %	1,307.0	22.4 %	1,265.2	22.9 %
A	1,222.2	19.8 %	1,226.5	20.4 %	1,267.4	21.7 %	1,340.4	23.1 %	1,334.7	22.9 %	1,251.5	22.6 %
BBB	1,256.0	20.4 %	1,188.7	19.7 %	1,084.2	18.5 %	1,093.3	18.9 %	1,116.3	19.1 %	994.8	18.0 %
BB and below, includes securities not rated	488.6	7.9 %	430.7	7.2 %	274.9	4.7 %	210.5	3.6 %	195.1	3.3 %	167.3	3.0 %
Total fixed maturity securities	**$ 6,168.5**	**100.0 %**	**$ 6,022.0**	**100.0 %**	**$ 5,843.2**	**100.0 %**	**$ 5,791.7**	**100.0 %**	**$ 5,839.5**	**100.0 %**	**$ 5,534.3**	**100.0 %**
INVESTMENTS BY SEGMENT												
Property and Casualty	$ 1,043.0	14.6 %	$ 1,005.5	14.6 %	$ 1,017.2	15.4 %	$ 1,036.3	15.6 %	$ 1,040.6	15.5 %	$ 1,038.4	16.2 %
Supplemental	633.0	8.9 %	611.8	8.9 %	563.6	8.5 %	540.9	8.2 %	533.2	7.9 %	—	— %
Retirement and Life	5,465.8	76.5 %	5,263.1	76.5 %	5,016.7	76.0 %	5,060.6	76.2 %	5,158.8	76.6 %	5,362.8	83.5 %
Corporate and Other [2]	0.3	— %	0.4	— %	3.7	0.1 %	1.4	— %	0.4	— %	18.4	0.3 %
Total investments	**$ 7,142.1**	**100.0 %**	**$ 6,880.8**	**100.0 %**	**$ 6,601.2**	**100.0 %**	**$ 6,639.2**	**100.0 %**	**$ 6,733.0**	**100.0 %**	**$ 6,419.6**	**100.0 %**

[1] Amortized Cost of $5,672.3, $5,604.4, $5,653.4, $5,457.0, $5,453.4, and $5,241.8, at September 30, 2020, June 30, 2020, March 31, 2020, December 31, 2019, September 30, 2019, and June 30, 2019, respectively.

[2] Corporate and Other 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. A number of these measures are components of net income or the balance sheet but, in some cases, are not based on accounting principles generally accepted in the United States of America (non-GAAP) under applicable SEC rules because they are not displayed as separate line items in the Consolidated Statements of Operations or the Consolidated Balance Sheets or are not required to be disclosed in the Notes to the Consolidated Financial Statements or, in some cases, there is inclusion or exclusion of certain items not ordinarily included or excluded in accordance with accounting principles generally accepted in the United States of America (GAAP). 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 investment gains on fixed maturity 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 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					Nine Months Ended	
	Sept. 30, 2020	**Jun. 30, 2020**	**Mar. 31, 2020**	**Dec. 31, 2019**	**Sept. 30, 2019**	**Sept. 30, 2020**	**Sept. 30, 2019**
Reconciliation of Net Income to Core Earnings							
Net income	$ 36.5	$ 30.5	$ 18.5	$ 33.0	$ 25.4	$ 85.5	$ 151.4
Less: Net investment gains (losses)	1.9	2.5	(14.5)	1.3	(1.6)	(10.1)	118.9
Other expense - goodwill impairment	—	—	—	—	—	—	(28.0)
Core earnings*	$ 34.6	$ 28.0	$ 33.0	$ 31.7	$ 27.0	$ 95.6	$ 60.5
Pretax net income	$ 45.1	$ 37.4	$ 18.5	$ 40.3	$ 30.5	$ 101.0	$ 196.1
Less: Pretax net investment gains (losses)	2.5	3.2	(18.5)	1.7	(2.1)	(12.8)	151.6
Other expense - goodwill impairment	—	—	—	—	—	—	(28.0)
Pretax core earnings*	$ 42.6	$ 34.2	$ 37.0	$ 38.6	$ 32.6	$ 113.8	$ 72.5
Reconciliation of Net Income per Share to Core Earnings per Share on a Basic and Diluted Basis							
Net income per share (basic)	$ 0.87	$ 0.73	$ 0.44	$ 0.79	$ 0.61	$ 2.04	$ 3.63
Less: Net investment gains (losses)	0.05	0.06	(0.35)	0.03	(0.04)	(0.24)	2.85
Other expense - goodwill impairment	—	—	—	—	—	—	(0.67)
Core earnings per share (basic)*	$ 0.82	$ 0.67	$ 0.79	$ 0.76	$ 0.65	$ 2.28	$ 1.45
Net income per diluted share	0.87	0.73	$ 0.44	$ 0.78	$ 0.60	$ 2.03	$ 3.61
Less: Net investment gains (losses)	0.05	0.06	(0.34)	0.03	(0.04)	(0.24)	2.84
Other expense - goodwill impairment	—	—	—	—	—	—	(0.67)
Core earnings per diluted share*	$ 0.82	$ 0.67	$ 0.78	$ 0.75	$ 0.64	$ 2.27	$ 1.44

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

For Period Ended	Three Months Ended					Nine Months Ended	
($ in millions)	Sept. 30, 2020	Jun. 30, 2020	Mar. 31, 2020	Dec. 31, 2019	Sept. 30, 2019	Sept. 30, 2020	Sept. 30, 2019
Reconciliation of Return on Equity							
Average Shareholders' Equity							
Shareholders' equity	$ 1,715.7	$ 1,639.8	$ 1,477.6	$ 1,567.3	$ 1,578.6	$ 1,715.7	$ 1,578.6
Net unrealized investment gains on fixed maturity securities	328.2	279.1	136.7	230.4	266.4	328.2	266.4
5 quarter average shareholders' equity	1,595.8	1,552.6	1,509.4	1,472.0	1,419.4	1,595.8	1,419.4
2 quarter average shareholders' equity	1,677.8	1,558.7	1,522.5	1,573.0	1,539.2	1,641.5	1,434.6
5 quarter average shareholders' equity excluding net unrealized investment gains on fixed maturity securities	1,347.6	1,329.5	1,299.9	1,270.5	1,248.7	1,347.6	1,248.7
2 quarter average shareholders' equity excluding net unrealized investment gains on fixed maturity securities	1,374.1	1,350.8	1,338.9	1,324.6	1,304.4	1,362.2	1,253.0
Net Income Return on Equity - LTM							
Numerator: LTM net income	$ 118.5	$ 107.4	$ 170.7	$ 184.4	$ 131.1	$ 118.5	$ 131.1
Denominator: 5 quarter average shareholders' equity	1,595.8	1,552.6	1,509.4	1,472.0	1,419.4	1,595.8	1,419.4
Net income ROE - LTM	7.4 %	6.9 %	11.3 %	12.5 %	9.2 %	7.4 %	9.2 %
Net Income Return on Equity - Annualized							
Numerator: Annualized net income	$ 146.0	$ 122.0	$ 74.0	$ 132.0	$ 101.6	$ 114.0	$ 201.9
Denominator: 2 quarter average shareholders' equity	1,677.8	1,558.7	1,522.5	1,573.0	1,539.2	1,641.5	1,434.6
Net income ROE - Annualized	8.7 %	7.8 %	4.9 %	8.4 %	6.6 %	6.9 %	14.1 %
Core Return on Equity - LTM							
Numerator: LTM core earnings	$ 127.3	$ 119.7	$ 98.8	$ 92.2	$ 51.8	$ 127.3	$ 51.8
Denominator: 5 quarter average shareholders' equity excluding net unrealized investment gains on fixed maturity securities	1,347.6	1,329.5	1,299.9	1,270.5	1,248.7	1,347.6	1,248.7
Core ROE - LTM	9.4 %	9.0 %	7.6 %	7.3 %	4.1 %	9.4 %	4.1 %
Core Return on Equity - Annualized							
Numerator: Annualized core earnings	$ 138.4	$ 112.0	$ 132.0	$ 126.8	$ 108.0	$ 127.5	$ 80.7
Denominator: 2 quarter average shareholders' equity excluding net unrealized investment gains on fixed maturity securities	1,374.1	1,350.8	1,338.9	1,324.6	1,304.4	1,362.2	1,253.0
Core ROE - Annualized	10.1 %	8.3 %	9.9 %	9.6 %	8.3 %	9.4 %	6.4 %

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

For Period Ended ($ in millions)	Twelve Months Ended Sept. 30, 2020	Jun. 30, 2020	Mar. 31, 2020	Dec. 31, 2019	Sept. 30, 2019
Reconciliation of Book Value per Common Share to Book Value per Common Share, Excluding Net Unrealized Investment Gains on Fixed Maturity Securities					
Book value per common share					
Numerator: Common shareholders' equity	$ 1,715.7	$ 1,639.8	$ 1,477.6	$ 1,567.3	$ 1,578.6
Denominator: Common shares outstanding	41.4	41.3	41.3	41.2	41.2
Book value per common share	$ 41.45	$ 39.69	$ 35.80	$ 38.01	$ 38.30
Book value per common share, excluding net unrealized investment gains on fixed maturity securities*					
Numerator: Common shareholders' equity	$ 1,715.7	$ 1,639.8	$ 1,477.6	$ 1,567.3	$ 1,578.6
Less: Net unrealized investment gains on fixed maturity securities	328.2	279.1	136.7	230.4	266.4
Adjusted common shareholders' equity	1,387.5	1,360.7	1,340.9	1,336.9	1,312.2
Denominator: Common shares outstanding	41.4	41.3	41.3	41.2	41.2
Book value per common share, excluding net unrealized investment gains on fixed maturity securities*	$ 33.52	$ 32.93	$ 32.49	$ 32.42	$ 31.84
Reconciliation of Debt to Total Capitalization to Debt to Total Capitalization, Excluding Net Unrealized Investment Gains on Fixed Maturity Securities					
Debt to total capitalization					
Numerator: Total debt	$ 437.2	$ 437.2	$ 433.1	$ 433.0	$ 433.0
Denominator:					
Total debt	437.2	437.2	433.1	433.0	433.0
Common shareholders' equity	1,715.7	1,639.8	1,477.6	1,567.3	1,578.6
Total capital	2,152.9	2,077.0	1,910.7	2,000.3	2,011.6
Debt to total capitalization	20.3 %	21.0 %	22.7 %	21.6 %	21.5 %
Debt to total capitalization excluding net unrealized investment gains on fixed maturity securities					
Numerator: Total debt	$ 437.2	$ 437.2	$ 433.1	$ 433.0	$ 433.0
Denominator:					
Total debt	437.2	437.2	433.1	433.0	433.0
Common shareholders' equity	1,715.7	1,639.8	1,477.6	1,567.3	1,578.6
Less: Net unrealized investment gains on fixed maturity securities	328.2	279.1	136.7	230.4	266.4
Adjusted common shareholders' equity	1,824.7	1,797.9	1,774.0	1,769.9	1,745.2
Debt to total capitalization excluding net unrealized investment gains on fixed maturity securities	24.0 %	24.3 %	24.4 %	24.5 %	24.8 %

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

For Period Ended	Three Months Ended					Nine Months Ended	
($ in millions after tax)	**Sept. 30, 2020**	**Jun. 30, 2020**	**Mar. 31, 2020**	**Dec. 31, 2019**	**Sept. 30, 2019**	**Sept. 30, 2020**	**Sept. 30, 2019**
Reconciliation of Investment Yield Excluding Limited Partnership Interests							
Numerator:							
Total net investment income, pretax	$ 93.7	$ 80.4	$ 82.3	$ 85.8	$ 93.0	$ 256.4	$ 279.3
Less: Investment income on deposit asset on reinsurance	24.5	23.9	23.7	23.8	23.8	72.1	47.0
Investment income (loss) on limited partnership interests	11.1	(3.5)	(2.7)	2.9	6.9	4.9	22.8
Adjusted net investment income, pretax	58.1	60.0	61.3	59.1	62.3	179.4	209.5
Denominator:							
Adjusted investment portfolio, beginning of period (1)	$ 5,480.5	$ 5,452.2	$ 5,425.8	$ 5,417.3	$ 5,381.9	$ 5,425.8	$ 7,105.8
Adjusted investment portfolio, end of period (1)	5,637.1	5,480.5	5,452.2	5,425.8	5,417.3	5,637.1	5,417.3
Average adjusted investment portfolio for the period	5,558.8	5,466.4	5,439.0	5,421.6	5,399.6	5,531.5	6,261.6
Investment yield, excluding limited partnership interests, pretax - annualized (2)	4.18 %	4.39 %	4.51 %	4.36 %	4.62 %	4.36 %	4.73 %
Investment yield, excluding limited partnership interests, after tax - annualized (2) (3)	3.33 %	3.51 %	3.60 %	3.48 %	3.69 %	3.48 %	3.78 %

(1) Represents the carrying amount of total investment portfolio as presented in the Consolidated Balance Sheets adjusted to exclude FHLB funding agreements, the carrying amount of limited partnership interests, and gross unrealized investment gains/losses.

(2) For each of the three month periods presented, investment yields are calculated by annualizing the result of year-to-date net investment income divided by the average quarter-end and beginning of quarter carrying amount of invested assets. For the periods ended September 30, 2020 and 2019 presented, investment yields are calculated by (i) summing the investment yields for each respective three month period applicable to the period and (ii) dividing that sum per the calculation in (i) by three.

(3) Investment yield, excluding limited partnership interests, after tax - annualized is calculated using the effective tax rate in effect for each applicable period.

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

	Three Months Ended					Nine Months Ended	
For Period Ended	**Sept. 30, 2020**	**Jun. 30, 2020**	**Mar. 31, 2020**	**Dec. 31, 2019**	**Sept. 30, 2019**	**Sept. 30, 2020**	**Sept. 30, 2019**
Property and Casualty							
Claims and claims expense ("loss") ratio	71.3	69.2	62.7	62.9	69.8	67.7	71.8
Expense ratio	25.2	26.2	25.9	27.4	26.4	25.8	26.7
Combined ratio	96.5	95.4	88.6	90.3	96.2	93.5	98.5
Loss ratio	71.3	69.2	62.7	62.9	69.8	67.7	71.8
Less: effect of catastrophe losses	20.9	22.2	5.3	2.6	8.6	16.0	9.3
effect of prior years' reserve development	(4.3)	(0.6)	(0.6)	—	(2.1)	(1.9)	(1.5)
Underlying loss ratio*	54.7	47.6	58.0	60.3	63.3	53.6	64.0
Reconciliation of combined ratio to underlying combined ratio							
Combined ratio	96.5	95.4	88.6	90.3	96.2	93.5	98.5
Effect of catastrophe losses	20.9	22.2	5.3	2.6	8.6	16.0	9.3
Effect of prior years' reserve development	(4.3)	(0.6)	(0.6)	—	(2.1)	(1.9)	(1.5)
Underlying combined ratio*	79.9	73.8	83.9	87.7	89.7	79.4	90.7
Auto							
Claims and claims expense ("loss") ratio	57.6	53.2	65.8	72.0	65.8	59.1	70.2
Expense ratio	25.7	27.1	25.9	27.7	26.6	26.2	26.8
Combined ratio	83.3	80.3	91.7	99.7	92.4	85.3	97.0
Loss ratio	57.6	53.2	65.8	72.0	65.8	59.1	70.2
Less: effect of catastrophe losses	1.7	3.1	0.2	0.1	2.1	1.6	1.6
effect of prior years' reserve development	(0.9)	—	(0.9)	—	(3.0)	(0.6)	(1.6)
Underlying loss ratio*	56.8	50.1	66.5	71.9	66.7	58.1	70.2
Reconciliation of combined ratio to underlying combined ratio							
Combined ratio	83.3	80.3	91.7	99.7	92.4	85.3	97.0
Effect of catastrophe losses	1.7	3.1	0.2	0.1	2.1	1.6	1.6
Effect of prior years' reserve development	(0.9)	—	(0.9)	—	(3.0)	(0.6)	(1.6)
Underlying combined ratio*	82.5	77.2	92.4	99.6	93.3	84.3	97.0

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

For Period Ended	Three Months Ended Sept. 30, 2020	Jun. 30, 2020	Mar. 31, 2020	Dec. 31, 2019	Sept. 30, 2019	Nine Months Ended Sept. 30, 2020	Sept. 30, 2019
Property							
Claims and claims expense ("loss") ratio	97.3	99.1	56.5	44.5	78.2	84.5	75.3
Expense ratio	24.4	24.8	26.2	27.0	26.1	25.1	26.7
Combined ratio	121.7	123.9	82.7	71.5	104.3	109.6	102.0
Loss ratio	97.3	99.1	56.5	44.5	78.2	84.5	75.3
Less: effect of catastrophe losses	57.3	57.9	15.8	7.4	22.6	43.9	25.9
effect of prior years' reserve development	(10.8)	(1.8)	—	—	—	(4.3)	(1.2)
Underlying loss ratio*	50.8	43.0	40.7	37.1	55.6	44.9	50.6
Reconciliation of combined ratio to underlying combined ratio							
Combined ratio	121.7	123.9	82.7	71.5	104.3	109.6	102.0
Effect of catastrophe losses	57.3	57.9	15.8	7.4	22.6	43.9	25.9
Effect of prior years' reserve development	(10.8)	(1.8)	—	—	—	(4.3)	(1.2)
Underlying combined ratio*	75.2	67.8	66.9	64.1	81.7	70.0	77.3

HORACE MANN EDUCATORS CORPORATION

RATINGS AND CONTACT INFORMATION

Address:
1 Horace Mann Plaza
Springfield, IL 62715

Corporate Website:
www.horacemann.com

Contact:
Heather J. Wietzel
Vice President
Investor Relations
Phone: 217-788-5144
Heather.Wietzel@horacemann.com

As of September 30, 2020

	A.M. Best	Standard & Poor's	Moody's	Fitch
Financial Strength Ratings:				
Horace Mann Life Insurance Company	A	A	A2	A
Horace Mann Property & Casualty Insurance Company	A	A	A2	A
Horace Mann Insurance Company	A	A	A2	A
Teachers Insurance Company	A	A	A2	A
Horace Mann Lloyds	A	NR	NR	A
National Teachers Associates Life Insurance Company	A-	NR	NR	NR
National Teachers Associates Life Insurance Company of New York	A-	NR	NR	NR
Other Ratings:				
Horace Mann Educators Corporation:				
Senior debt	bbb	BBB	Baa2	BBB

NR - not rated

TRANSFER AGENT

American Stock Transfer & Trust Company
6201 15th Avenue
Brooklyn, NY 11219
Phone: 800-937-5449
E-mail: help@astfinancial.com
Corporate Website: https://us.astfinancial.com/ShareHolder/GeneralAccountInformation

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.