Horace Mann

News release for immediate release

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Horace Mann reports fourth-quarter and full-year 2024 results

SPRINGFIELD, Ill., February 5, 2025 — Horace Mann Educators Corporation (NYSE:HMN), the largest multiline financial services company focused on helping America's educators and a core small-cap growth and value equity in the Financials sector, today reported financial results for the three months and full year ended December 31, 2024:

- Diversified business delivered full-year net income of $103 million, or $2.48 per share, and core earnings* of $132 million, or $3.18 per share, with reported book value of $31.51 and adjusted book value* of $37.54 at year end; fourth-quarter net income was $0.92 per share, with record core earnings of $1.62 per share
- Net premiums and contract charges earned up 8% for the year and 10% for the quarter; total revenue rose 7% for the year and 2% for the quarter
- Full-year Property & Casualty combined ratio of 97.9% improved 15 points over prior year
- Full-year 2025 core EPS estimated at $3.60 to $3.90, with a double-digit shareholder return on equity

($ in millions, except per share amounts)	Three Months Ended December 31,			Twelve Months Ended December 31,		
	2024	2023	% Change	2024	2023	% Change
Total revenues	$ 409.0	$ 402.9	1.5%	$1,595.2	$1,491.9	6.9%
Net income	38.2	39.5	-3.3%	102.8	45.0	128.4%
Net investment gains (losses), after tax	(13.7)	4.6	N.M.	(13.6)	(18.8)	N.M.
Non-core Legacy Commercial exposures, after tax (1)	(15.7)	—	N.M.	(15.7)	—	N.M.
Core earnings*	67.6	34.9	93.7%	132.1	63.8	107.1%
Adjusted core earnings*	69.8	37.8	84.7%	141.3	72.0	96.3%
Per diluted share:						
Net income	0.92	0.95	-3.2%	2.48	1.09	127.5%
Net investment gains (losses), after tax	(0.33)	0.11	N.M.	(0.33)	(0.45)	N.M.
Non-core Legacy Commercial exposures, after tax (1)	(0.37)	—	N.M.	(0.37)	—	N.M.
Core earnings per diluted share*	1.62	0.84	92.9%	3.18	1.54	106.5%
Adjusted core earnings per diluted share*	1.68	0.91	84.6%	3.40	1.74	95.4%
Book value per share				31.51	28.78	9.5%
Adjusted book value per share*				37.54	36.29	3.4%
Tangible book value per share*				32.38	30.79	5.2%
Core ROE - LTM				8.8 %	4.3 %	4.5 pts

N.M. - Not meaningful.
(1) In the fourth quarter of 2024, the Company recorded $15.7 million, after-tax of costs related to non-core legacy commercial liability policies. These policies were issued as early as the 1960s and prior to the current ownership structure of the Company. See additional disclosure contained in Note 10 of the September 30, 2024 Form 10-Q.
* These measures are not based on accounting principles generally accepted in the United States of America (non-GAAP). They are reconciled to the most directly comparable GAAP measures in the Appendix to the Investor Supplement. An explanation of these measures is contained in the Glossary of Selected Terms included as an exhibit in the Company's reports filed with the Securities and Exchange Commission.

"In 2024, we delivered strong earnings results by restoring Property & Casualty segment profitability while positioning the company for sustained, profitable household growth," said Horace Mann President & CEO Marita

Zuraitis. “In 2025, by maintaining business profitability and executing on our growth plans, we expect core EPS in the range of $3.60 to $3.90 per share and a double-digit shareholder return on equity.

“Our results clearly illustrate Horace Mann’s ability to empower all educators to achieve lifelong financial success, while also helping employers attract and retain employees by providing more comprehensive benefits,” Zuraitis added. “The diversification of our business reflects our strategy to deliver consistent and reliable value to shareholders with a solid balance sheet and a compelling dividend.”

Simultaneous with this release, the Quarterly Results page of investors.horacemann.com has been updated to include the fourth-quarter investor supplement and investor presentation. These include details on company and segment financial performance, company guidance and outlook.

Quarterly webcast

Horace Mann’s senior management will discuss the company’s fourth-quarter and full-year financial results with investors on February 6, 2025 at 10:00 a.m. Eastern Time. The conference call will be webcast live at investors.horacemann.com and available later in the day for replay.

About Horace Mann

Horace Mann Educators Corporation (NYSE: HMN) is the largest multiline financial services company focused on helping America’s educators and others who serve the community achieve lifelong financial success. The company offers individual and group insurance and financial solutions tailored to the needs of the educational community. Founded by Educators for Educators® in 1945, Horace Mann is headquartered in Springfield, Illinois. For more information, visit horacemann.com.

Safe Harbor Statement and Non-GAAP Measures

Certain statements included in this news release, including those regarding our earnings outlook, expected catastrophe losses, our investment strategies, our plans to implement additional rate actions, our plans relating to share repurchases and dividends, our efforts to enhance customer experience and expand our products and solutions to more educators, our strategies to create sustainable long-term growth and double-digit ROEs, our strategy to achieve a larger share of the education market, and other business strategies, constitute forward-looking statements within the meaning of the U.S. Private Securities Litigation Reform Act of 1995. Forward-looking statements are made based on management’s current expectations and beliefs concerning future developments and their potential effects upon Horace Mann and its subsidiaries. Horace Mann cautions investors that such statements are subject to risks and uncertainties, many of which are difficult to predict and generally beyond Horace Mann’s control, that could cause actual results to differ materially from those expressed in, or implied or projected by, the forward-looking statements included in this document. Certain important factors that could cause actual results to differ, possibly materially, from expectations or estimates reflected in such forward-looking statements can be found in the “Risk Factors” and “Forward-Looking Information” sections included in Horace Mann’s Annual Reports on Form 10-K and Quarterly Reports on Form 10-Q filed with the Securities and Exchange Commission (SEC). The forward-looking statements herein are subject to the risk, among others, that we will be unable to execute our strategy because of market or competitive conditions or other factors. Horace Mann does not undertake to update any particular forward-looking statement included in this document if we later become aware that such statement is not likely to be achieved.

Information contained in this news release include measures which are based on methodologies other than accounting principles generally accepted in the United States of America (GAAP). Reconciliations of non-GAAP measures to the closest GAAP measures are contained in the Appendix to the Investor Supplement and additional descriptions of the non-GAAP measures are contained in the Glossary of Selected Terms included as an exhibit to Horace Mann’s SEC filings.

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