## KEMPER CORPORATION AND SUBSIDIARIES CONSOLIDATED STATEMENTS OF INCOME

	For the Year Ended December 31,		
DOLLARS IN MILLIONS, EXCEPT PER SHARE AMOUNTS	2019	2018	2017
Revenues:			
Earned Premiums	\$ 4,472.4	\$ 3,384.4	\$ 2,350.0
Net Investment Income	364.3	340.9	327.2
Other Income	35.5	42.2	4.0
Income (Loss) from Change in Fair Value of Equity and Convertible Securities	138.9	(64.3)	_
Net Realized Gains on Sales of Investments	41.9	26.4	56.5
Other-than-temporary Impairment Losses:			
Total Other-than-temporary Impairment Losses	(13.7)	(4.5)	(14.4)
Portion of Gains (Losses) Recognized in Other Comprehensive Income	(0.1)		0.1
Net Impairment Losses Recognized in Earnings	(13.8)	(4.5)	(14.3)
Total Revenues	5,039.2	3,725.1	2,723.4
Expenses:			
Policyholders' Benefits and Incurred Losses and Loss Adjustment Expenses	3,188.3	2,466.5	1,837.4
Insurance Expenses	1,019.7	900.5	644.3
Loss from Early Extinguishment of Debt	5.8	_	_
Interest and Other Expenses	163.8	159.0	80.6
Total Expenses	4,377.6	3,526.0	2,562.3
Income from Continuing Operations before Income Taxes	661.6	199.1	161.1
Income Tax Expense	(130.5)	(10.7)	(41.2)
Income from Continuing Operations	531.1	188.4	119.9
Income from Discontinued Operations	_	1.7	1.0
Net Income	\$ 531.1	\$ 190.1	\$ 120.9
Income from Continuing Operations Per Unrestricted Share:			
Basic	\$ 8.04	\$ 3.22	\$ 2.32
Diluted	\$ 7.96	\$ 3.19	\$ 2.31
Net Income Per Unrestricted Share:			
Basic	\$ 8.04	\$ 3.25	\$ 2.34
Diluted	\$ 7.96	\$ 3.22	\$ 2.33

The Notes to the Consolidated Financial Statements are an integral part of these financial statements.

## KEMPER CORPORATION AND SUBSIDIARIES CONSOLIDATED BALANCE SHEETS

		Decemb		er 31,	
DOLLARS IN MILLIONS, EXCEPT PER SHARE AMOUNTS		2019		2018	
Assets:					
Investments:					
Fixed Maturities at Fair Value (Amortized Cost: 2019 - \$6,372.7; 2018 - \$6,284.5)	\$	6,922.1	\$	6,424.2	
Equity Securities at Fair Value (Cost: 2019 - \$818.8; 2018 - \$720.8)		907.3		684.4	
Equity Securities at Modified Cost		41.9		41.5	
Equity Method Limited Liability Investments at Cost Plus Cumulative Undistributed Earnings		220.4		187.0	
Convertible Securities at Fair Value		37.3		31.5	
Short-term Investments at Cost which Approximates Fair Value		470.9		286.1	
Other Investments		444.5		414.8	
Total Investments		9,044.4		8,069.5	
Cash		136.8		75.1	
Receivables from Policyholders		1,117.1		1,007.1	
Other Receivables		219.7		245.4	
Deferred Policy Acquisition Costs		537.7		470.0	
Goodwill		1,114.0		1,112.4	
Current Income Tax Assets		44.7		38.9	
Other Assets		774.7		526.5	
Total Assets	\$	12,989.1	\$	11,544.9	
Liabilities and Shareholders' Equity:					
Insurance Reserves:					
Life and Health	\$	3,502.0	\$	3,491.9	
Property and Casualty		1,969.8		1,874.9	
Total Insurance Reserves		5,471.8		5,366.8	
Unearned Premiums		1,545.5		1,424.3	
Policyholder Contract Liabilities		309.8		76.8	
Deferred Income Tax Liabilities		178.2		26.2	
Liabilities for Unrecognized Tax Benefits		_		4.4	
Accrued Expenses and Other Liabilities.		733.1		687.3	
Long-term Debt, Current and Non-current, at Amortized Cost (Fair Value: 2019 - \$820.2; 2018 - \$911.2)		778.4		909.0	
Total Liabilities		9,016.8		8,494.8	
Shareholders' Equity:					
Common Stock, \$0.10 Par Value Per Share, 100 Million Shares Authorized; 66,665,888 Shares Issued and Outstanding at December 31, 2019 and 64,756,833 Shares Issued and Outstanding at December 31, 2018		6.7		6.5	
Paid-in Capital		1,819.2		1,666.3	
Retained Earnings		1,810.3		1,355.5	
Accumulated Other Comprehensive Income		336.1		21.8	
Total Shareholders' Equity	_	3,972.3		3,050.1	
Total Liabilities and Shareholders' Equity	\$	12,989.1	\$	11,544.9	
1000 2000 and ondividuolo Equity	Ψ	12,707.1	<u> </u>	11,511.7	

The Notes to the Consolidated Financial Statements are an integral part of these financial statements.

## KEMPER CORPORATION AND SUBSIDIARIES CONSOLIDATED STATEMENTS OF CASH FLOWS

Decrease   Receivable   Recei		For The Years Ended December 31,		
Departing Activities:   Net Income   State	DOLLARS IN MILLIONS	2019		
Net Income	· · · · · · · · · · · · · · · · · · ·			
Adjustments to Reconcile Net Income to Net Cash Provided by Operating Activities		\$ 531.1	\$ 190.1	\$ 120.9
Increase in Deferred Policy Acquisition Costs.		Ψ 001.1	Ψ 150.1	Ų 1 <b>2</b> 0.9
Equity in Farnings of Equity Method Limited Liability Investments.		(66.9)	(104.6)	(33.3)
Equity in Earnings of Equity Method Limited Liability Investments.				\ /
Contribution to Defined Benefit Pension Plan   Distribution of Accumulated Earnings of Equity Method Limited Liability Investments   1.9   13.9   19.6			(11.0)	(24.8)
Distribution of Accumulated Earnings of Equity Method Limited Liability Investments   11.9   13.9   19.6	Contribution to Defined Benefit Pension Plan	(55.3)		_
Decrease (Increase) in Value of Fair Value (Option Investments reported in Investment Income			` /	19.6
Income.				
Amortization of Investment Securities and Depreciation of Investment Real Estate				(1.3)
Amortization of Investment Securities and Depreciation of Investment Real Estate	Decrease (Increase) in Value of Equity and Convertible Securities at Fair Value	(138.9)	64.3	_
Net Realized Gains on Sales of Investments				16.7
Net Impairment Losses Recognized in Earnings				
Despreciation and Amoritzation of Property, Equipment and Software.   32.8   15.6   13.1     Increase in Receivables   (84.3)   (80.7)   (29.2)     Increase in Receivables   (10.2)   (10.2)   (12.2)   (13.1)     Increase in Unearned Premiums   12.12   54.7   35.2     Change in Unearned Premiums   12.12   54.7   35.2     Change in Income Taxes   (16.0)   49.9   2.9     Other, Net   30.7   13.7   (2.1)     Net Cash Provided by Operating Activities   30.4   35.92   240.6     Investing Activities   3.34   35.92   240.6     Investing Activities   1.229   2.643   3.592   240.6     Investing Activities   1.229   2.643   3.592   240.6     Investing Activities   1.229   2.643   3.582     Purchases of Fixed Maturities   1.229   2.643   3.582     Purchases of Fixed Maturities   217.3   35.19   342.0     Purchases of Equity and Convertible Securities   (12.84 9) (2.413   7.710.1)     Sales of Equity and Convertible Securities   (307.0)   (478.5)   (342.7)     Purchases of Equity and Convertible Securities   (307.0)   (478.5)   (342.7)     Purchases of Equity and Convertible Securities   (307.0)   (478.5)   (342.7)     Purchases of Equity and Convertible Securities   (307.0)   (478.5)   (342.7)   (479.7)     Sales of Investment Real Estate   (10.1)   (1.5)   (1			` ′	
Depreciation and Amortization of Property, Equipment and Software   32.8   15.6   13.1     Increase in Receivables   102.3   183.2   131.1     Increase in Insurance Reserves   102.3   183.2   131.1     Increase in Insurance Reserves   121.2   54.7   35.2     Change in Income Taxes   121.2   54.7   35.2     Change in Income Taxes   16.6   49.9   2.9     Change in Accrued Expenses and Other Liabilities   16.0   49.9   2.9     Other, Net   30.7   13.7   (2.1)     Net Cash Provided by Operating Activities   534.3   539.2   240.6     Investing Activities   1.229.1   2.643.3   539.2   240.6     Investing Activities   1.229.1   2.643.3   53.2     Purchases of Fixed Maturities of Fixed Maturities   1.229.1   2.643.3   53.2     Purchases of Equity and Convertible Securities   1.229.1   3.51.9   342.0     Purchases of Equity and Convertible Securities   307.0   (478.5)   (342.7)     Acquisition and Improvements of Investment Real Estate   (1.4   (1.5   (1.5)   (1.5)     Sales of Investment Real Estate   (1.4   (1.5   (1.5)   (1.5)   (1.5)   (1.5)     Sales of Investment Real Estate   (1.4   (1.5   (1.5)   (1.5)   (1.5)   (1.5)   (1.5)   (1.5)   (1.5)     Sales of Fair Value Option Investment for Equity Method Limited Liability Investments   29.5   14.1   48.1   (4.2)   (4.2	Loss from Early Extinguishment of Debt	5.8		_
Increase in Receivables   (84.3) (80.7) (29.2)     Increase in Insurance Reserves   (10.2) (13.1) (13.1)     Increase in Unearned Premiums   (12.1) (24.7) (35.2) (25.2)     Change in Income Taxes   (16.0) (49.9) (2.9) (2.9) (2.9) (2.0) (2			15.6	13.1
Increase in Insurance Reserves   102.3   183.2   13.1     Increase in Unearmed Premiums   121.2   54.7   35.2     Change in Income Taxes   58.8   13.1   28.9     Change in Income Taxes   (16.0   49.9   2.9     Other, Net   30.7   13.7   (2.1)     Net Cash Provided by Operating Activities   534.3   539.2   240.6     Investing Activities   534.3   539.2   240.6     Investing Activities   534.3   539.2   240.6     Investing Activities   1,229.1   2,643.3   538.2     Purchases of Fixed Maturities of Fixed Maturities   1,229.1   2,643.3   538.2     Purchases of Fixed Maturities   1,229.1   2,643.3   538.2     Purchases of Fixed Maturities   217.3   351.9   342.0     Sales of Equity and Convertible Securities   217.3   351.9   342.0     Purchases of Equity and Convertible Securities   (1,284.9)   (2,413.2)   (710.1)     Sales of Investment Real Estate   (1.4   (1.5 )   (1.5 )     Sales of Investment Real Estate   (1.4   (1.5 )   (1.5 )     Sales of Investment Real Estate   (1.4   (1.5 )   (1.5 )     Sales of Investment Real Estate   (1.4   (1.5 )   (1.5 )     Sales of Fair Value Option Investments   (73.7)   (43.1)   (27.9 )     Sales of Fair Value Option Investments   (73.7 )   (43.1)   (27.9 )     Decrease (Increase) in Short-term Investments   (176.0 )   52.7   39.4     Acquisition of Business, Net of Cash Acquired   (16.0 )   (2.0   (4.5 )			(80.7)	
Change in Incearned Premiums				. ,
Change in Income Taxes         58.8         13.1         28.9           Change in Accrued Expenses and Other Liabilities         (16.0)         49.9         2.9           Other, Net         30.7         13.7         (2.1)           Net Cash Provided by Operating Activities         534.3         539.2         240.6           Investing Activities         1,229.1         2,643.3         528.2           Purchases of Fixed Maturities of Fixed Maturities         (1,284.9)         (2,413.2)         (710.1)           Sales Paydowns and Maturities Securities         (307.0)         (478.5)         342.0           Purchases of Equity and Convertible Securities         (307.0)         (478.5)         (342.7)           Acquisition and Improvements of Investment Real Estate         (1.4)         (1.5)         (1.5)           Sales of Investment Real Estate         (1.4)         (1.5)         (1.5)           Sales of Investment Real Estate         (1.4)         (1.5)         (1.5)           Sales of Fair Value Option Investments         (29.5)         14.1         48.1           Acquisitions of Equity Method Limited Liability Investments         (29.5)         14.1         48.1           Acquisition of Equity Method Limited Liability Investments         (29.5)         14.1         48.1				35.2
Change in Accrued Expenses and Other Liabilities			13.1	28.9
Other, Net.         30.7         13.7         (2.1)           Net Cash Provided by Operating Activities         534.3         539.2         240.6           Investing Activities:         334.3         539.2         240.6           Investing Activities:         1,229.1         2,643.3         528.2           Purchases of Fixed Maturities         (1,284.9)         (2,413.2)         (710.1)           Sales of Equity and Convertible Securities         307.0)         (478.5)         342.0           Purchases of Equity and Convertible Securities         (307.0)         (478.5)         342.7           Acquisition and Improvements of Investment Real Estate         (1.4)         (1.5)         (1.5)           Sales of Fair Value Option Investments         (2.5)         14.1         48.1           Acquisitions of Equity Method Limited Liability Investments         (1.60         5.2         39.4           Acquisition of Business, Net of Cash Ac			49.9	2.9
Net Cash Provided by Operating Activities   S34,3   S39,2   240,6     Investing Activities   Sales, Paydowns and Maturities of Fixed Maturities   1,229,1   2,643,3   528,2     Purchases of Fixed Maturities   (1,284,9)   (2,413,2)   (710,1)     Sales of Equity and Convertible Securities   217,3   351,9   342,0     Purchases of Fixed Maturities   (307,0)   (478,5)   (342,7)     Acquisition and Improvements of Investment Real Estate   (1,4)   (1,5)   (1,5)     Sales of Investment Real Estate   (1,4)   (1,5)   (1,5)     Sales of Investment Real Estate   29,5   14,1   48,1     Acquisitions of Equity Method Limited Liability Investments   29,5   14,1   48,1     Acquisitions of Equity Method Limited Liability Investments   (73,7)   (43,1)   (27,9)     Sales of Fair Value Option Investments   (73,7)   (43,1)   (27,9)     Sales of Fair Value Option Investments   (76,0)   52,7   39,4     Acquisition of Business, Net of Cash Acquired   (160,0)   52,7   39,4     Acquisitions of Mortgage Loans   (17,0)   (20,0)   (45,5)     Purchases of Corporate-owned Life Insurance   (150,0)   (20,0)   (45,5)     Purchases of Corporate-owned Life Insurance   (150,0)   (20,0)   (45,5)     Other, Net   (49,0)   46,6   (28,8)     Net Cash Used by Investing Activities   (633,4)   (497,6)   (105,4)     Financing Activities:   (49,0)   46,6   (28,8)     Net Proceeds from Issuance of Long-term Debt   (185,0)   (215,0)   (360,0)     Proceeds from Policyholder Contract Liabilities   (38,0)   (25,5)   (29,9)     Proceeds from Shares Issued under Employee Stock Purchase Plan   (16,8)   (22,5)   (29,9)     Proceeds from Shares Issued under Employee Stock Purchase Plan   (16,8)   (22,2)   (205,2)     Increase (Decrease) in Cash   (22,4)   (30,9)   (40,5)     Proceeds (24,0,9)   (40,5)				(2.1)
Investing Activities:   Sales, Paydowns and Maturities of Fixed Maturities   1,229.1   2,643.3   528.2     Purchases of Fixed Maturities   (1,284.9)   (2,413.2)   (710.1)     Sales of Equity and Convertible Securities   217.3   351.9   342.0     Purchases of Equity and Convertible Securities   (307.0)   (478.5)   (342.7)     Acquisition and Improvements of Investment Real Estate   (1.4)   (1.5)   (1.5)     Sales of Investment Real Estate   (2.7)   (2.7)     Sales of Investment Real Estate   (2.7)   (43.1)   (27.9)     Sales of Investment of Investment of Equity Method Limited Liability Investments   (73.7)   (43.1)   (27.9)     Sales of Fair Value Option Investments   (73.7)   (43.1)   (27.9)     Sales of Fair Value Option Investments   (176.0)   (52.7)   (42.2)     Purchases of Fair Value Option Investments   (176.0)   (70.0)     Decrease (Increase) in Short-term Investments   (176.0)   (52.7)   (39.4)     Acquisition of Business, Net of Cash Acquired   (44.5)   (44.5)   (49.6)   (45.6)     Purchases of Corporate Loans   (17.2)   (44.5)   (45.6)   (45.6)     Purchases of Corporate owned Life Insurance   (150.0)   (65.3)   (35.5)     Other, Net   (49.9)   (46.0)   (65.3)   (35.5)     Other, Net   (49.9)   (46.0)   (48.6)   (49.6)				
Sales, Paydowns and Maturities of Fixed Maturities         1,229.1         2,643.3         528.2           Purchases of Fixed Maturities         (1,284.9)         (2,413.2)         (710.1)           Sales of Equity and Convertible Securities         (307.0)         (478.5)         (342.7)           Purchases of Equity and Convertible Securities         (307.0)         (478.5)         (342.7)           Acquisition and Improvements of Investment Real Estate         —         —         —         26.7           Sale of Investment Real Estate         —         —         26.7         Sale of and Return of Investment of Equity Method Limited Liability Investments         29.5         14.1         48.1           Acquisitions of Equity Method Limited Liability Investments         (73.7)         (43.1)         (27.9)           Sales of Fair Value Option Investments         —         —         42.2           Purchases of Fair Value Option Investments         —         —         (7.0)           Decrease (Increase) in Short-term Investments         (176.0)         52.7         39.4           Acquisitions of Bursuess, Net of Cash Acquired         —         (60.0)         —           Acquisition of Business, Net of Cash Acquired         —         (60.0)         —           Paydowns of Mortgage Loans         —				
Purchases of Fixed Maturities         (1,284.9)         (2,413.2)         (710.1)           Sales of Equity and Convertible Securities         217.3         351.9         342.0           Purchases of Equity and Convertible Securities         (307.0)         (478.5)         (342.7)           Acquisition and Improvements of Investment Real Estate         (1.4)         (1.5)         (1.5)           Sales of Investment Real Estate         —         —         26.7           Sale of and Return of Investment of Equity Method Limited Liability Investments         29.5         14.1         48.1           Acquisitions of Equity Method Limited Liability Investments         —         —         26.7           Sales of Fair Value Option Investments         —         —         42.2           Purchases of Fair Value Option Investments         —         —         (7.0)           Decrease (Increase) in Short-term Investments         (176.0)         52.7         39.4           Acquisition of Business, Net of Cash Acquired         —         —         (560.6)         —           Acquisitions of Mortgage Loans         (172.0)         —         —           Increase in Other Investments         (0.1)         (2.0)         (4.5)           Purchases of Corporate-owned Life Insurance         (150.0)         — <td></td> <td>1,229.1</td> <td>2,643.3</td> <td>528.2</td>		1,229.1	2,643.3	528.2
Sales of Equity and Convertible Securities         (307.0)         (478.5)         (342.7)           Purchases of Equity and Convertible Securities         (307.0)         (478.5)         (342.7)           Acquisition and Improvements of Investment Real Estate         —         —         —         26.7           Sale of Investment Real Estate         —         —         —         26.7           Sale of and Return of Investment of Equity Method Limited Liability Investments         29.5         14.1         48.1           Acquisitions of Equity Method Limited Liability Investments         —         —         42.2           Sales of Fair Value Option Investments         —         —         42.2           Purchases of Fair Value Option Investments         —         —         (7.0)           Decrease (Increase) in Short-term Investments         (176.0)         52.7         39.4           Acquisition of Business, Net of Cash Acquired         —         —         (560.6)         —           Acquisitions of Mortgage Loans         17.2         —         —           Paydowns of Mortgage Loans         17.2         —         —           Increase in Other Investments         (0.1)         (2.0)         (4.5)           Purchases of Corporate-owned Life Insurance         (150.0)				(710.1)
Purchases of Equity and Convertible Securities         (307.0)         (478.5)         (342.7)           Acquisition and Improvements of Investment Real Estate         (1.4)         (1.5)         (1.5)           Sales of Investment Real Estate         —         —         26.7           Sale of and Return of Investment of Equity Method Limited Liability Investments         29.5         14.1         48.1           Acquisitions of Equity Method Limited Liability Investments         (73.7)         (43.1)         (27.9)           Sales of Fair Value Option Investments         —         —         42.2           Purchases of Fair Value Option Investments         —         —         (70.0)           Decrease (Increase) in Short-term Investments         (176.0)         52.7         39.4           Acquisition of Business, Net of Cash Acquired         —         (560.6)         —           Acquisition of Mortgage Loans         17.2         —         —           Paydowns of Mortgage Loans         17.2         —         —           Increase in Other Investments         (0.1)         (2.0)         (4.5)           Purchases of Corporate-owned Life Insurance         (150.0)         —         —           Acquisition of Software and Long-lived Assets         (84.0)         (65.3)         (35.5)     <				` /
Acquisition and Improvements of Investment Real Estate       (1.4)       (1.5)       26.7         Sales of Investment Real Estate       —       —       26.7         Sale of and Return of Investment of Equity Method Limited Liability Investments       29.5       14.1       48.1         Acquisitions of Equity Method Limited Liability Investments       (73.7)       (43.1)       (27.9)         Sales of Fair Value Option Investments       —       —       42.2         Purchases of Fair Value Option Investments       —       —       (70.0)         Decrease (Increase) in Short-term Investments       (176.0)       52.7       39.4         Acquisition of Business, Net of Cash Acquired       —       (560.6)       —         Acquisition of Mortgage Loans       (44.5)       —       —         Acquisitions of Mortgage Loans       (44.5)       —       —         Increase in Other Investments       (0.1)       (2.0)       (4.5)         Purchases of Corporate-owned Life Insurance       (150.0)       —       —         Acquisition of Software and Long-lived Assets       (84.0)       (65.3)       (35.5)         Other, Net       (63.4)       (497.6)       (105.4)         Financing Activities       (63.4)       (497.6)       (105.4)				
Sales of Investment Real Estate         —         —         26.7           Sale of and Return of Investment of Equity Method Limited Liability Investments         29.5         14.1         48.1           Acquisitions of Equity Method Limited Liability Investments         —         —         42.2           Sales of Fair Value Option Investments         —         —         42.2           Purchases of Fair Value Option Investments         —         —         (7.0)           Decrease (Increase) in Short-term Investments         (176.0)         52.7         39.4           Acquisition of Business, Net of Cash Acquired         —         —         (560.6)         —           Acquisitions of Mortgage Loans         17.2         —         —           Paydowns of Mortgage Loans         17.2         —         —           Increase in Other Investments         (0.1)         (2.0)         (4.5)           Purchases of Corporate-owned Life Insurance         (150.0)         —         —           Acquisition of Software and Long-lived Assets         (84.0)         (65.3)         (35.5)           Other, Net         (49.9         4.6         (2.8)           Net Cash Used by Investing Activities         (84.0)         (65.3)         (35.5)           Other, Net         <				
Sale of and Return of Investment of Equity Method Limited Liability Investments       29.5       14.1       48.1         Acquisitions of Equity Method Limited Liability Investments       (73.7)       (43.1)       (27.9)         Sales of Fair Value Option Investments       —       —       42.2         Purchases of Fair Value Option Investments       —       (7.0)         Decrease (Increase) in Short-term Investments       (176.0)       52.7       39.4         Acquisition of Business, Net of Cash Acquired       —       (560.6)       —         Acquisition of Mortgage Loans       17.2       —       —         Paydowns of Mortgage Loans       17.2       —       —         Increase in Other Investments       (0.1)       (2.0)       (4.5)         Purchases of Corporate-owned Life Insurance       (150.0)       —       —         Acquisition of Software and Long-lived Assets       (84.0)       (65.3)       (35.5)         Other, Net       (4.9)       4.6       (2.8)         Net Cash Used by Investing Activities       (84.0)       (49.7)       (105.4)         Financing Activities       49.9       249.4       200.2         Repayment of Long-term Debt       (185.0)       (215.0)       (360.0)         Proceeds from Policyholde	Sales of Investment Real Estate			. ,
Acquisitions of Equity Method Limited Liability Investments         (73.7)         (43.1)         (27.9)           Sales of Fair Value Option Investments         —         —         42.2           Purchases of Fair Value Option Investments         —         (70.0)           Decrease (Increase) in Short-term Investments         (176.0)         52.7         39.4           Acquisition of Business, Net of Cash Acquired         —         (560.6)         —           Acquisitions of Mortgage Loans         (44.5)         —         —           Paydowns of Mortgage Loans         17.2         —         —           Increase in Other Investments         (0.1)         (2.0)         (4.5)           Purchases of Corporate-owned Life Insurance         (150.0)         —         —           Acquisition of Software and Long-lived Assets         (84.0)         (65.3)         (35.5)           Other, Net         (49.9)         4.6         (2.8)           Net Cash Used by Investing Activities         (633.4)         (497.6)         (105.4)           Financing Activities         49.9         249.4         200.2           Repayment of Long-term Debt         (185.0)         (215.0)         (360.0)           Proceeds from Policyholder Contract Liabilities         (318.6)			14.1	48.1
Sales of Fair Value Option Investments         —         —         42.2           Purchases of Fair Value Option Investments         —         —         (7.0)           Decrease (Increase) in Short-term Investments         (176.0)         52.7         39.4           Acquisition of Business, Net of Cash Acquired         —         (560.6)         —           Acquisitions of Mortgage Loans         (44.5)         —         —           Paydowns of Mortgage Loans         17.2         —         —           Increase in Other Investments         (0.1)         (2.0)         (4.5)           Purchases of Corporate-owned Life Insurance         (150.0)         —         —           Acquisition of Software and Long-lived Assets         (84.0)         (65.3)         (35.5)           Other, Net         (49.9)         4.6         (2.8)           Net Cash Used by Investing Activities         (633.4)         (497.6)         (105.4)           Financing Activities         49.9         249.4         200.2           Repayment of Long-term Debt         (185.0)         (215.0)         (360.0)           Proceeds from Issuance of Long-term Debt         (185.0)         (215.0)         (360.0)           Proceeds from Policyholder Contract Liabilities         (383.6) <t< td=""><td></td><td></td><td>(43.1)</td><td>(27.9)</td></t<>			(43.1)	(27.9)
Decrease (Increase) in Short-term Investments         (176.0)         52.7         39.4           Acquisition of Business, Net of Cash Acquired         —         (560.6)         —           Acquisitions of Mortgage Loans         (44.5)         —         —           Paydowns of Mortgage Loans         17.2         —         —           Increase in Other Investments         (0.1)         (2.0)         (4.5)           Purchases of Corporate-owned Life Insurance         (150.0)         —         —           Acquisition of Software and Long-lived Assets         (84.0)         (65.3)         (35.5)           Other, Net         (4.9)         4.6         (2.8)           Net Cash Used by Investing Activities         (633.4)         (497.6)         (105.4)           Financing Activities:         3         49.9         249.4         200.2           Repayment of Long-term Debt         49.9         249.4         200.2           Repayment of Dolicyholder Contract Liabilities         615.8         11.4         3.0           Repayment of Policyholder Contract Liabilities         (383.6)         (2.5)         (2.9)           Proceeds from Issuance of Common Stock, Net of Transaction Costs         127.5         —         —           Dividends and Dividend Equivalents Pai			`	42.2
Decrease (Increase) in Short-term Investments         (176.0)         52.7         39.4           Acquisition of Business, Net of Cash Acquired         —         (560.6)         —           Acquisitions of Mortgage Loans         (44.5)         —         —           Paydowns of Mortgage Loans         17.2         —         —           Increase in Other Investments         (0.1)         (2.0)         (4.5)           Purchases of Corporate-owned Life Insurance         (150.0)         —         —           Acquisition of Software and Long-lived Assets         (84.0)         (65.3)         (35.5)           Other, Net         (4.9)         4.6         (2.8)           Net Cash Used by Investing Activities         (633.4)         (497.6)         (105.4)           Financing Activities:         3         49.9         249.4         200.2           Repayment of Long-term Debt         49.9         249.4         200.2           Repayment of Dolicyholder Contract Liabilities         615.8         11.4         3.0           Repayment of Policyholder Contract Liabilities         (383.6)         (2.5)         (2.9)           Proceeds from Issuance of Common Stock, Net of Transaction Costs         127.5         —         —           Dividends and Dividend Equivalents Pai	Purchases of Fair Value Option Investments.	_		(7.0)
Acquisition of Business, Net of Cash Acquired       —       (560.6)       —         Acquisitions of Mortgage Loans       (44.5)       —       —         Paydowns of Mortgage Loans       17.2       —       —         Increase in Other Investments       (0.1)       (2.0)       (4.5)         Purchases of Corporate-owned Life Insurance       (150.0)       —       —         Acquisition of Software and Long-lived Assets       (84.0)       (65.3)       (35.5)         Other, Net       (4.9)       4.6       (2.8)         Net Cash Used by Investing Activities       (633.4)       (497.6)       (105.4)         Financing Activities:       49.9       249.4       200.2         Repayment of Long-term Debt       49.9       249.4       200.2         Repayment of Long-term Debt       (185.0)       (215.0)       (360.0)         Proceeds from Policyholder Contract Liabilities       615.8       11.4       3.0         Repayment of Policyholder Contract Liabilities       (383.6)       (2.5)       (2.9)         Proceeds from Issuance of Common Stock, Net of Transaction Costs       127.5       —       —         Dividends and Dividend Equivalents Paid       (67.8)       (56.4)       (49.5)         Proceeds from Shares Issued unde			52.7	39.4
Acquisitions of Mortgage Loans       (44.5)       —       —         Paydowns of Mortgage Loans       17.2       —       —         Increase in Other Investments       (0.1)       (2.0)       (4.5)         Purchases of Corporate-owned Life Insurance       (150.0)       —       —         Acquisition of Software and Long-lived Assets       (84.0)       (65.3)       (35.5)         Other, Net       (4.9)       4.6       (2.8)         Net Cash Used by Investing Activities       (633.4)       (497.6)       (105.4)         Financing Activities:       —       49.9       249.4       200.2         Repayment of Long-term Debt       (185.0)       (215.0)       (360.0)         Proceeds from Policyholder Contract Liabilities       615.8       11.4       3.0         Repayment of Policyholder Contract Liabilities       (383.6)       (2.5)       (2.9)         Proceeds from Issuance of Common Stock, Net of Transaction Costs       127.5       —       —         Dividends and Dividend Equivalents Paid       (67.8)       (56.4)       (49.5)         Proceeds from Shares Issued under Employee Stock Purchase Plan       1.6       —       —         Cash Exercise of Stock Options       2.4       0.9       4.0         Net			(560.6)	_
Paydowns of Mortgage Loans         17.2         —         —           Increase in Other Investments         (0.1)         (2.0)         (4.5)           Purchases of Corporate-owned Life Insurance         (150.0)         —         —           Acquisition of Software and Long-lived Assets         (84.0)         (65.3)         (35.5)           Other, Net         (4.9)         4.6         (2.8)           Net Cash Used by Investing Activities         (633.4)         (497.6)         (105.4)           Financing Activities:         (633.4)         (497.6)         (105.4)           Financing Activities:         49.9         249.4         200.2           Repayment of Long-term Debt         (185.0)         (215.0)         (360.0)           Proceeds from Policyholder Contract Liabilities         615.8         11.4         3.0           Repayment of Policyholder Contract Liabilities         (383.6)         (2.5)         (2.9)           Proceeds from Issuance of Common Stock, Net of Transaction Costs         127.5         —         —           Dividends and Dividend Equivalents Paid         (67.8)         (56.4)         (49.5)           Proceeds from Shares Issued under Employee Stock Purchase Plan         1.6         —         —           Cash Exercise of Stock Options			`	_
Increase in Other Investments				
Acquisition of Software and Long-lived Assets.       (84.0)       (65.3)       (35.5)         Other, Net.       (4.9)       4.6       (2.8)         Net Cash Used by Investing Activities       (633.4)       (497.6)       (105.4)         Financing Activities:       (633.4)       (497.6)       (105.4)         Net Proceeds from Issuance of Long-term Debt       49.9       249.4       200.2         Repayment of Long-term Debt       (185.0)       (215.0)       (360.0)         Proceeds from Policyholder Contract Liabilities       615.8       11.4       3.0         Repayment of Policyholder Contract Liabilities       (383.6)       (2.5)       (2.9)         Proceeds from Issuance of Common Stock, Net of Transaction Costs       127.5       —       —         Dividends and Dividend Equivalents Paid       (67.8)       (56.4)       (49.5)         Proceeds from Shares Issued under Employee Stock Purchase Plan       1.6       —       —         Cash Exercise of Stock Options       2.4       0.9       4.0         Net Cash Provided (Used) by Financing Activities       160.8       (12.2)       (205.2)         Increase (Decrease) in Cash       61.7       29.4       (70.0)         Cash, Beginning of Year       75.1       45.7       115.7 </td <td>Increase in Other Investments</td> <td>(0.1)</td> <td>(2.0)</td> <td>(4.5)</td>	Increase in Other Investments	(0.1)	(2.0)	(4.5)
Other, Net       (4.9)       4.6       (2.8)         Net Cash Used by Investing Activities       (633.4)       (497.6)       (105.4)         Financing Activities:       8         Net Proceeds from Issuance of Long-term Debt       49.9       249.4       200.2         Repayment of Long-term Debt       (185.0)       (215.0)       (360.0)         Proceeds from Policyholder Contract Liabilities       615.8       11.4       3.0         Repayment of Policyholder Contract Liabilities       (383.6)       (2.5)       (2.9)         Proceeds from Issuance of Common Stock, Net of Transaction Costs       127.5       —       —         Dividends and Dividend Equivalents Paid       (67.8)       (56.4)       (49.5)         Proceeds from Shares Issued under Employee Stock Purchase Plan       1.6       —       —         Cash Exercise of Stock Options       2.4       0.9       4.0         Net Cash Provided (Used) by Financing Activities       160.8       (12.2)       (205.2)         Increase (Decrease) in Cash       61.7       29.4       (70.0)         Cash, Beginning of Year       75.1       45.7       115.7	Purchases of Corporate-owned Life Insurance	(150.0)	_	_
Net Cash Used by Investing Activities       (633.4)       (497.6)       (105.4)         Financing Activities:       8       105.4)       105.4)         Net Proceeds from Issuance of Long-term Debt       49.9       249.4       200.2         Repayment of Long-term Debt       (185.0)       (215.0)       (360.0)         Proceeds from Policyholder Contract Liabilities       615.8       11.4       3.0         Repayment of Policyholder Contract Liabilities       (383.6)       (2.5)       (2.9)         Proceeds from Issuance of Common Stock, Net of Transaction Costs       127.5       —       —         Dividends and Dividend Equivalents Paid       (67.8)       (56.4)       (49.5)         Proceeds from Shares Issued under Employee Stock Purchase Plan       1.6       —       —         Cash Exercise of Stock Options       2.4       0.9       4.0         Net Cash Provided (Used) by Financing Activities       160.8       (12.2)       (205.2)         Increase (Decrease) in Cash       61.7       29.4       (70.0)         Cash, Beginning of Year       75.1       45.7       115.7	Acquisition of Software and Long-lived Assets	(84.0)	(65.3)	(35.5)
Financing Activities:  Net Proceeds from Issuance of Long-term Debt	Other, Net	(4.9)		(2.8)
Net Proceeds from Issuance of Long-term Debt       49.9       249.4       200.2         Repayment of Long-term Debt       (185.0)       (215.0)       (360.0)         Proceeds from Policyholder Contract Liabilities       615.8       11.4       3.0         Repayment of Policyholder Contract Liabilities       (383.6)       (2.5)       (2.9)         Proceeds from Issuance of Common Stock, Net of Transaction Costs       127.5       —       —         Dividends and Dividend Equivalents Paid       (67.8)       (56.4)       (49.5)         Proceeds from Shares Issued under Employee Stock Purchase Plan       1.6       —       —         Cash Exercise of Stock Options       2.4       0.9       4.0         Net Cash Provided (Used) by Financing Activities       160.8       (12.2)       (205.2)         Increase (Decrease) in Cash       61.7       29.4       (70.0)         Cash, Beginning of Year       75.1       45.7       115.7	Net Cash Used by Investing Activities	(633.4)	(497.6)	(105.4)
Repayment of Long-term Debt       (185.0)       (215.0)       (360.0)         Proceeds from Policyholder Contract Liabilities       615.8       11.4       3.0         Repayment of Policyholder Contract Liabilities       (383.6)       (2.5)       (2.9)         Proceeds from Issuance of Common Stock, Net of Transaction Costs       127.5       —       —         Dividends and Dividend Equivalents Paid       (67.8)       (56.4)       (49.5)         Proceeds from Shares Issued under Employee Stock Purchase Plan       1.6       —       —         Cash Exercise of Stock Options       2.4       0.9       4.0         Net Cash Provided (Used) by Financing Activities       160.8       (12.2)       (205.2)         Increase (Decrease) in Cash       61.7       29.4       (70.0)         Cash, Beginning of Year       75.1       45.7       115.7	Financing Activities:			
Proceeds from Policyholder Contract Liabilities615.811.43.0Repayment of Policyholder Contract Liabilities(383.6)(2.5)(2.9)Proceeds from Issuance of Common Stock, Net of Transaction Costs127.5——Dividends and Dividend Equivalents Paid(67.8)(56.4)(49.5)Proceeds from Shares Issued under Employee Stock Purchase Plan1.6——Cash Exercise of Stock Options2.40.94.0Net Cash Provided (Used) by Financing Activities160.8(12.2)(205.2)Increase (Decrease) in Cash61.729.4(70.0)Cash, Beginning of Year75.145.7115.7	Net Proceeds from Issuance of Long-term Debt	49.9	249.4	200.2
Proceeds from Policyholder Contract Liabilities615.811.43.0Repayment of Policyholder Contract Liabilities(383.6)(2.5)(2.9)Proceeds from Issuance of Common Stock, Net of Transaction Costs127.5——Dividends and Dividend Equivalents Paid(67.8)(56.4)(49.5)Proceeds from Shares Issued under Employee Stock Purchase Plan1.6——Cash Exercise of Stock Options2.40.94.0Net Cash Provided (Used) by Financing Activities160.8(12.2)(205.2)Increase (Decrease) in Cash61.729.4(70.0)Cash, Beginning of Year75.145.7115.7	Repayment of Long-term Debt	(185.0)	(215.0)	(360.0)
Proceeds from Issuance of Common Stock, Net of Transaction Costs 127.5 — — Dividends and Dividend Equivalents Paid (67.8) (56.4) (49.5) Proceeds from Shares Issued under Employee Stock Purchase Plan 1.6 — — Cash Exercise of Stock Options 2.4 0.9 4.0 Net Cash Provided (Used) by Financing Activities 160.8 (12.2) (205.2) Increase (Decrease) in Cash 61.7 29.4 (70.0) Cash, Beginning of Year 75.1 45.7 115.7	Proceeds from Policyholder Contract Liabilities	615.8	11.4	3.0
Dividends and Dividend Equivalents Paid(67.8)(56.4)(49.5)Proceeds from Shares Issued under Employee Stock Purchase Plan1.6——Cash Exercise of Stock Options2.40.94.0Net Cash Provided (Used) by Financing Activities160.8(12.2)(205.2)Increase (Decrease) in Cash61.729.4(70.0)Cash, Beginning of Year75.145.7115.7	Repayment of Policyholder Contract Liabilities	(383.6)	(2.5)	(2.9)
Proceeds from Shares Issued under Employee Stock Purchase Plan1.6——Cash Exercise of Stock Options2.40.94.0Net Cash Provided (Used) by Financing Activities160.8(12.2)(205.2)Increase (Decrease) in Cash61.729.4(70.0)Cash, Beginning of Year75.145.7115.7				
Cash Exercise of Stock Options         2.4         0.9         4.0           Net Cash Provided (Used) by Financing Activities         160.8         (12.2)         (205.2)           Increase (Decrease) in Cash         61.7         29.4         (70.0)           Cash, Beginning of Year         75.1         45.7         115.7			(56.4)	(49.5)
Cash Exercise of Stock Options         2.4         0.9         4.0           Net Cash Provided (Used) by Financing Activities         160.8         (12.2)         (205.2)           Increase (Decrease) in Cash         61.7         29.4         (70.0)           Cash, Beginning of Year         75.1         45.7         115.7				
Increase (Decrease) in Cash       61.7       29.4       (70.0)         Cash, Beginning of Year       75.1       45.7       115.7	Cash Exercise of Stock Options	2.4		
Cash, Beginning of Year	Net Cash Provided (Used) by Financing Activities	160.8	(12.2)	(205.2)
				. ,
Cash, End of Year				
	Cash, End of Year	<u>\$ 136.8</u>	<u>\$ 75.1</u>	<u>\$ 45.7</u>

The Notes to the Consolidated Financial Statements are an integral part of these financial statements.