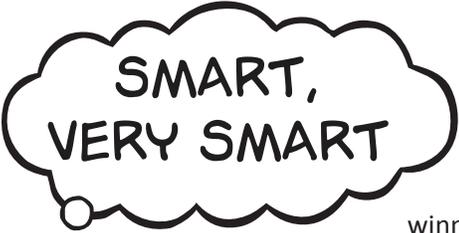


Indiana FarmersTM
MUTUAL INSURANCE COMPANY

2014 Annual Report

Message from the President



SMART,
VERY SMART

Growing up in a small town - Linton, Indiana - life was mostly centered around high school sports. As the daughter of the high school basketball and baseball coach, I was right in the middle of it. When I look back, it wasn't just about winning that made those moments special - it was about the time spent with family and friends, and it was about coming together as a community.

In today's society, that sense of community can be rare, so we are overjoyed to strengthen our Indiana ties by becoming part of the State Fairgrounds with the sponsorship of the Indiana Farmers Coliseum. To us, the Coliseum is more than just a building. It's a symbol of Indiana farm heritage and community – the same heritage and community Indiana Farmers has proudly been a part of for more than a century.

While the Coliseum sponsorship might be the more public way to show our support, we know our everyday commitment to our policyholders, providing excellent service and delivering on our promise of financial security, has a bigger impact on their lives. In 2014 we paid \$109,438,093 for losses and loss expenses to our customers and on their behalf. Financial security for our policyholders is dependent on our profitability; we finished the year with a net income of \$24,405,966 and added more than \$22 million to our Policyholders' Security Fund, the fund we hold in reserve to pay future losses.

Profitability and an excellent financial rating translate into peace of mind for you. You can rest easy knowing that A.M. Best, the financial rating company that evaluates insurance company performance, continues to give us an "A" (Excellent) rating.

The foundation of any community is built on the strength of its people. While we know the state of Indiana, our agents are the experts in their communities which is why we are committed to the independent agency system. Our associates make an impact on the direction of the company and touch the lives of our policyholders on a daily basis. Last year we set off on a journey to listen to the voice of the customer; our associates have fully embraced this ideal and have been leaders in making changes to the way we do business. They are setting new expectations and breaking the stereotype of insurance companies.

Given our company's longevity and commitment to the Hoosier state, I can honestly say I've never been more enthusiastic about what lies ahead for Indiana Farmers. Not only did we deliver some of the best results in the history of our company, we had the privilege of helping more than 17,000 of our policyholders put their lives back together.

For 2015, we remain focused on our relentless pursuit of the voice of the customer, our commitment to the state of Indiana and becoming the smart insurance choice for you.

Thank you to our agents, associates, industry partners, and most importantly, our policyholders for the success of 2014.



President | CEO

2014 Financial Highlights

Assets

Cash and short term investments	\$ 40,113,057
U.S. Government Bonds	130,935
Other Bonds	203,147,193
Stocks (at market)	50,154,553
Real Estate (net)	282,813
Reinsurance recoverable on paid losses	109,655
Premium in course of collection	1,613,191
Premium installments not yet due	45,385,435
Other admitted assets	18,643,085
Total Assets	\$ 359,579,917

Liabilities and Surplus

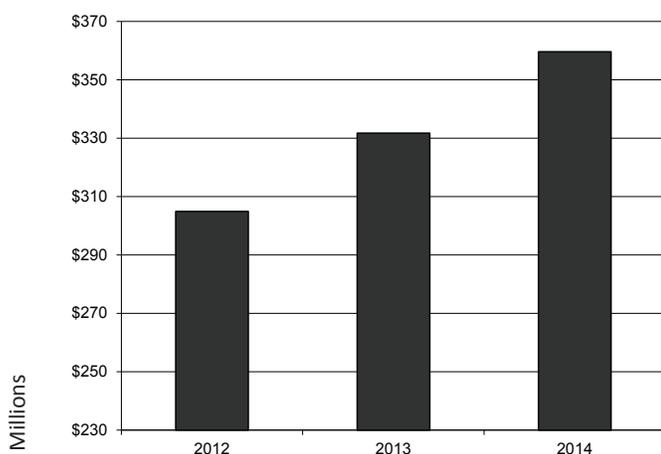
Reserve for claims, etc.	\$ 82,825,370
Reserve for unearned premium	93,646,400
Reserve for expenses, taxes, etc.	14,556,427
Drafts payable	6,022,842
All other liabilities	853,516
Total Liabilities	\$ 197,904,555

Policyholders' Security Fund \$ 161,675,362

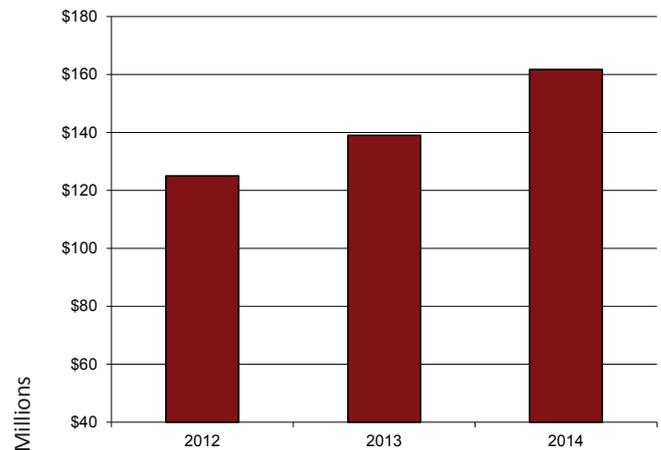
Total Liabilities & Policyholders' Security Fund \$ 359,579,917

Total Losses & Loss Expenses Incurred \$ 109,438,093

Direct Premium Written \$ 192,939,842



Total Assets



Policyholders' Security Fund

Officers & Board of Directors

Kim O. Smith
President and Chief Executive Officer

Paul G. Seppel
Executive Vice President,
Chief Financial Officer, Treasurer

Glenn A. Toren
Senior Vice President, Chief Operating Officer

H. Gregg Huey III
Senior Vice President,
Chief Advisory Officer

W. Ryan Campbell
Vice President, Chief Information Officer

J. Barton Anderson III
Vice President - Marketing

Rick A. Marden
Vice President - Underwriting

Cynthia D. Mehrtens
Vice President - Claims

K. Scott Hartzell
Assistant Vice President

Scott D. MacWilliam
Assistant Vice President

Scott W. Miller
Assistant Vice President

F. Neal Johnson
Chairman of the Board

James D. Strietelmeier
Vice Chairman of the Board

Judith G. Palmer
Board Member, Secretary

Mark A. Bates
Board Member

D. William Biddle
Board Member

Kedwin D. Graber
Board Member

David N. Griffiths
Board Member

David M. McIntosh
Board Member

Kim O. Smith
Board Member

Daniel E. Stone
Board Member



10 W. 106th Street, Indianapolis, IN 46290
800.666.6460 | www.indianafarmers.com

