

American Family Mutual Insurance Company and Subsidiaries

**Consolidated Financial Statements
December 31, 2014 and 2013**

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December 31, 2014 and 2013

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Independent Auditor's Report

To the Board of Directors of
American Family Mutual Insurance Company and Subsidiaries:

We have audited the accompanying consolidated financial statements of American Family Mutual Insurance Company and Subsidiaries, which comprise the consolidated balance sheets as of December 31, 2014 and 2013, and the related consolidated statements of comprehensive income, of changes in policyholders' equity and of cash flows for the years then ended.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the consolidated financial statements based on our audits. At December 31, 2013, we did not audit the financial statements of Homesite Group, Inc., an indirect wholly-owned subsidiary of American Family Mutual Insurance Company acquired on December 31, 2013, which statements reflected total assets constituting 4.9 percent of consolidated total assets at December 31, 2013. These financial statements were audited by other auditors whose report thereon was furnished to us, and our opinion expressed herein, insofar as it relates to the amounts included for Homesite Group, Inc., at December 31, 2013 is based solely on the report of the other auditors. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the Company's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

