*FBL Financial Group, Inc.*
*4Q15 Conference Call*

**Jim Brannen**
**Chief Executive Officer**

Thanks Kathleen. Good morning, and thank you to everyone who joined us on the call today.

Before I get started today, I want to thank Florence Hunt, our most loyal conference call attendee. I want to give her a birthday shout out, as she will turn 98-years-old on March 24th. She is the mother of former FBL executive JoAnn Rummelhart. Both Florence and JoAnn have been shareholders since our initial public offering. Happy Birthday, Florence, and thanks for being with us today.

I am pleased to report that FBL Financial Group once again posted strong earnings results. Net income for the fourth quarter came in at $1.23 per share and operating income was $1.04 per share.

These results cap off a record high year of net income per share, while maintaining a very strong capital position. We also enhanced shareholder returns with significant dividends.

Sales for the fourth quarter were very strong, with premiums collected up 23% over the prior year quarter. Annuity premiums collected were up 51% and life insurance premiums collected were up 4% compared to the fourth quarter of 2014.

During the fourth quarter of 2015 we offered a 4-year guarantee annuity in the months of November and December. This is similar to a limited product offering we did in the third quarter of 2015. The new limited offering was well received by agents and customers and resulted in $26 million of additional annuity premiums collected in the fourth quarter.

Other than these limited offerings, our shorter term annuity products have been suspended. Given the success with these offerings and demand from our agents, we are introducing a 4-year guarantee annuity product on an ongoing basis. This product will meet our pricing objectives as it will have a lower commission rate and lower interest crediting rate.

In addition to strong fixed rate annuity sales, premiums collected on our indexed annuity product continue to grow. We saw an increase of 25% in the fourth quarter over the fourth quarter of 2014.

Life sales were also strong for the fourth quarter with premiums collected up 4% compared to the fourth quarter of 2014, led by sales of whole life. Sales of our indexed universal life product, which we introduced mid-year 2015, continue to grow as agents and customers embrace this product.

Turning now to our agency force, during 2015 we added a net 54 agents bringing us to a total of 1,849 agents and agency managers as of year-end. We have also been able to improve agent retention. Our first year agent retention increased from 78% in 2014 to 92% in 2015. At year-end, we also have 88 active reserve agents working to complete the steps necessary to become a full time Farm Bureau agent.

As I look back on 2015, one of the things I am most proud of is the growth in our agency force. A strong and growing agency force is critical to our success.
I believe our multiline exclusive agents are one of our most significant competitive advantages and they represent a strong brand and have meaningful relationships with our clients. Growing the agency force is hard work, but it continues to be a priority for us.

Moving forward in 2016, we are awaiting the Department of Labor's pending fiduciary rule. We’re in the planning stages now, but will need to examine the final rule, once published, to determine how it will impact our industry and our company. I’m confident that we’ll be able to adapt to the changes that come from this rule. I believe our exclusive agency force, which focuses on trusted relationships and needs-based selling, will give us an advantage as we implement changes as a result of this additional regulation.

2016 has already been a tumultuous year for markets, and looking ahead, I see many challenges facing us, including continued low interest rates, a more active regulatory environment, slowing global and domestic growth, increased information technology and cybersecurity costs, and others. I also feel confident about where FBL Financial Group stands. We have a very strong capital position and maintain the industry-leading cross-sell rate. We have a profitable book of business that is balanced between life and annuity business, as well as a diversified, high quality investment portfolio. I believe we also have best-in-class distribution with our exclusive Farm Bureau agency force, and a very loyal niche customer base.

I'm cautiously optimistic as we move forward in 2016.

Now I'll turn the call over to Don Seibel to review of our financial results. Don.

**Don Seibel**
**Chief Financial Officer**

Thanks, Jim, and good morning everyone.

I'm pleased to share with you today some insights regarding our financial results and financial position.

The fourth quarter of 2015 capped off a strong year for FBL Financial Group. As Jim indicated, operating income for the quarter was $1.04 per share and net income was $1.23 per share. During the quarter our operating income adjustments totaled $0.19 per share and consisted primarily of realized gains on investments.

Our fourth quarter operating income is in line with our expectations with overall spreads coming in at our target levels. In addition, we had some offsetting items impacting our results. These included:

- Investment fee income from bond calls and prepayments totaling $0.05 per share,
- A negative impact from unlocking of $0.02 per share, and
- An increase in death benefits

During the fourth quarter we had an unscheduled true up to the DAC unlocking we performed in the third quarter. In short, we further refined our mortality assumptions by product. While this had a relatively small negative impact of $700,000 to our pre-tax income, the unlocking decreased pre-tax income in the Life segment by $1.6 million and increased pre-tax income in the Corporate Segment by $900,000.

I'll focus the remainder of my comments around our operating results by segment.

Annuity segment results were strong this quarter with spreads exceeding our targets. However, during the quarter the point-in-time spread on our annuity business decreased by three basis points to 205 basis points. The decrease is due to a decline in investment yields as we did not make any crediting rate changes during the quarter. This spread remains above our target of 202 basis points for this business. It will be difficult to earn the target spread going forward given the current interest rate environment. While we have 33% of our annuity business currently receiving a crediting rate above the guarantees, there are competitive pressures that will make it difficult to be aggressive in taking further rate actions.

The Annuity Segment benefited from $1.4 million of investment fee income for the quarter.

Results for our life insurance segment were not as strong as we had expected for the quarter. As previously mentioned, unlocking resulted in a $1.6 million charge to the pre-tax results and death benefits were higher, although I would characterize the death benefits as still being within our range of expectations. The number of claims was in line with our recent experience, however, the average claim size was elevated. With respect to mortality experience and also looking forward to the next quarter, I'll note that we have seasonality with our mortality experience and typically have higher death benefits in the first quarter of the year.

Spreads on our universal life business are pressured and are not currently meeting our targets, as much of this business is at the minimum guarantee. Point-in-time spreads on our universal life business totaled 140 basis points at year-end, which is below our target for this business of 154 basis points. Like the annuity segment, it will be difficult to maintain the current universal life spreads going forward given the current interest rate environment. While we have 19% of our universal life business currently receiving a crediting rate above the guarantees, there are competitive pressures that will make it difficult to be aggressive in taking further rate actions on the in-force block of business.

The Life Segment benefited from $900,000 of investment fee income for the quarter.

Results for our Corporate & Other segment exceeded expectations this quarter due primarily to the benefit from the impact of unlocking.

Next, I will turn to our balance sheet and capital position.

With the steep decline in oil prices, energy investments have garnered a lot of attention, so I'd like to spend a moment discussing our energy exposure. We've provided detail on this exposure in our investor supplement on page 17.

Our energy portfolio had a carrying value of $484 million as of year-end 2015, and was trading at 91% of amortized cost, with $48 million of net unrealized losses. This exposure represents 6.3% of our total investments. These holdings are well diversified across subsectors, including midstream, oil field services, independent exploration & production, integrated energy, and refiners. These securities were 90% investment grade at December 31. The area of most concern is with the drillers, of which we have $38 million carrying value of exposure, or 8% of our energy holdings. Gross unrealized losses on our driller exposure is $13 million. While we currently do not see a need to take any impairment losses on our energy exposure, we are watching this sector very closely. Moody's has indicated their intent to broadly recalibrate energy company ratings given the lower price environment. The level of future impairments, if any, will depend on the performance of the individual companies and our assessment of whether or not we have an intent to sell an issue prior to maturity.

Next I'll comment on our capital levels.

At December 31, the capital position of our wholly-owned subsidiary, Farm Bureau Life, remained excellent with company action level risk based capital ratio of 570%, an increase from 545% at year-end 2014.

Using 425% RBC as a base, Farm Bureau Life had excess capital of approximately $170 million at December 31. At the holding company level we also have more than adequate liquidity and capital with excess capital at the parent company of approximately $55 million at year-end. On top of that, going forward, I expect Farm Bureau Life to generate approximately $60 million of excess capital each year.

As we review our options for deploying this capital, we consider stock repurchases, our regular quarterly dividend and the payment of special dividends. We have not been active repurchasing shares recently and did not repurchase any FBL stock during the fourth quarter. Our board of directors reviews the dividend rate regularly and is committed to having an attractive dividend yield, given our strong and consistent operating results. We also view the payment of special dividends, on occasion, as a viable option for distributing a portion of our excess capital. Our board will next review the payment of dividends when it meets in March.

From a financial perspective, I look back on 2015 as a year of success for FBL Financial Group. We grew our business, actively managed spreads and expenses and delivered strong financial results. At the same time we returned almost $93 million to shareholders through dividends and common stock repurchases. We move forward in 2016 with discipline to profitably grow our business in these challenging times.

That concludes our prepared remarks. We will now turn the call over to the operator and open it up to any questions you may have.