

**SUMMARY ANNUAL REPORT  
FOR KEMPER EMPLOYEES' SAVINGS AND PROFIT SHARING PLAN**

This is a summary of the annual report for the Kemper Employees' Savings and Profit Sharing Plan, EIN 36-1410470, Plan No. 001, for the period January 1, 2002 through December 31, 2002. The annual report has been filed with the Employee Benefits Security Administration, U.S. Department of Labor, as required under the Employee Retirement Income Security Act of 1974 (ERISA).

**Basic Financial Statement**

Benefits under the plan are provided through a trust fund. Plan expenses were \$46,575,104. These expenses included \$46,575,104 in benefits paid to participants and beneficiaries. A total of 10,388 persons were participants in or beneficiaries of the plan at the end of the plan year, although not all of these persons had yet earned the right to receive benefits.

The value of plan assets, after subtracting liabilities of the plan, was \$563,050,267 as of December 31, 2002, compared to \$646,050,780 as of January 1, 2002. During the plan year the plan experienced a decrease in its net assets of \$83,000,513. This decrease includes unrealized appreciation and depreciation in the value of plan assets; that is, the difference between the value of the plan's assets at the end of the year and the value of the assets at the beginning of the year or the cost of assets acquired during the year. The plan had total income of \$(36,406,350) including employer contributions of \$13,534,144, employee contributions of \$29,369,769, and earnings from investments of \$(79,310,263).

**Your Rights To Additional Information**

You have the right to receive a copy of the full annual report, or any part thereof, on request. The items listed below are included in that report:

1. an accountant's report;
2. financial information; and
3. information regarding any common or collective trusts, pooled separate accounts, master trusts or 103-12 investment entities in which the plan participates.

To obtain a copy of the full annual report, or any part thereof, write or call the office of Kemper Insurance Company who is Benefit Plan Administrator, One Kemper Drive, Long Grove, IL 60049-0001, (847) 320-4440.

You also have the right to receive from the plan administrator, on request and at no charge, a statement of the assets and liabilities of the plan and accompanying notes, or a statement of income and expenses of the plan and accompanying notes, or both. If you request a copy of the full annual report from the plan administrator, these two statements and accompanying notes will be included as part of that report.

You also have the legally protected right to examine the annual report at the main office of the plan (Kemper Insurance Company, One Kemper Drive, Long Grove, IL 60049-0001) and at the U.S. Department of Labor in Washington, D.C., or to obtain a copy from the U.S. Department of Labor upon payment of copying costs. Requests to the Department should be addressed to: Public Disclosure Room, Room N1513, Employee Benefits Security Administration, U.S. Department of Labor, 200 Constitution Avenue, N.W., Washington, D.C. 20210.