



American Financial Group Announces Write-down of Investment in Chiquita

January 16, 2001

Cincinnati, Ohio - January 16, 2001 - American Financial Group, Inc. (NYSE: AFG) today announced that its 2000 fourth quarter financial results will include a write-down of its investment in Chiquita Brands International, Inc. Chiquita today announced an initiative designed to resolve its upcoming debt maturities and improve its financial liquidity.

Chiquita's press release stated, "If successful, the restructuring would result in the conversion of a significant portion of Chiquita's outstanding \$862 million of public debt into common equity. As part of this initiative, [Chiquita] is discontinuing as of today all interest and principal payments on its public debt, including \$87 million of subordinated debentures due on March 28, 2001. As a result, all of such debt may become subject to acceleration. In addition, such a restructure, whether or not administered through a court proceeding, would adversely affect the holders of Chiquita's common and preferred stock."

AFG holds 24 million shares of Chiquita's common stock. As a result of Chiquita's announcement, AFG plans to write-down its investment in Chiquita to market value. As of September 30, 2000 the investment in Chiquita was carried at \$153 million. This write-down will not have a significant impact on the liquidity of AFG nor the liquidity or capital of its insurance subsidiaries. For purposes of statutory capital within AFG's insurance subsidiaries, the investment in Chiquita has been stated at market value.

AFG expects to release its 2000 financial results in mid-February and will hold a conference call shortly after such release.

American Financial Group is engaged primarily in private passenger automobile and specialty property and casualty insurance businesses and in the sale of retirement annuities, life, supplemental health and long-term care insurance products.