



## **American Financial Group Prices Increased Common Stock Offering**

December 15, 2000

Cincinnati, Ohio - December 15, 2000 - American Financial Group, Inc. (NYSE: AFG) today announced that it has increased its proposed offering of Common Stock from 6,250,000 shares to 7,250,000 shares and priced the offering at \$19 5/8 per share, equal to the last trade on the New York Stock Exchange prior to pricing. The Company has granted the underwriters an over-allotment option to purchase an additional 1,087,500 shares of Common Stock at the offering price. All of the shares are being offered by the Company. The net proceeds of the offering will be used to provide working capital for the property and casualty insurance operations. As previously announced, Carl H. Lindner, AFG's Chairman and Chief Executive Officer, and AFG's Retirement and Savings Plan will purchase 750,000 and 500,000 shares, respectively, in the offering.

The closing of the offering is expected to occur on December 20, 2000, and is subject to customary closing conditions. The shares from the offering will be sold pursuant to American Financial Group's shelf registration statement covering the issuance from time to time of up to \$500 million of various securities of the Company, which registration statement was declared effective by the Securities and Exchange Commission in June 1999.

This press release does not constitute an offer of any securities for sale. The shares may be offered only by means of a prospectus supplement. Credit Suisse First Boston Corporation is the lead manager, and Bear Stearns & Co. Inc and Merrill Lynch & Co are co-managers for the offering. A copy of the prospectus supplement and related base prospectus relating to the offering may be obtained from the offices of Credit Suisse First Boston Corporation, Eleven Madison Avenue, New York, NY 10010.

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.

This press release contains certain statements that may be deemed to be "forward-looking" statements. The Private Securities Litigation Reform Act of 1995 provides a safe harbor for forward-looking statements. Some of the forward-looking statements can be identified by the use of forward-looking words such as "believes", "expects", "may", "will", "should", "seeks", "approximately", "intends", "plans", "estimates", "anticipates" or the negative version of those words or other comparable terminology. Future plans and actions could differ materially from those contained in or implied by such forward-looking statements for a variety of factors including: changes in economic conditions, including interest rates, performance of securities markets and the availability of capital; regulatory actions; changes in legal environment; tax law changes; levels of catastrophes and other major losses; adequacy of loss reserves; availability of reinsurance; and competitive pressures, including the ability to obtain rate increases. Forward-looking statements speak only as of the date made. We undertake no obligations to update any forward-looking statements to reflect events or circumstances arising after the date on which they are made.