

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 OR 15(d)
of The Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): November 1, 2023

AMERICAN FINANCIAL GROUP, INC.

(Exact name of registrant as specified in its charter)

Ohio
(State or other jurisdiction
of incorporation)

1-13653
(Commission
File Number)

31-1544320
(IRS Employer
Identification No.)

301 East Fourth Street, Cincinnati, OH
(Address of principal executive offices)

45202
(Zip Code)

Registrant's telephone number, including area code: 513-579-2121

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- ☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- ☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- ☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- ☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock	AFG	New York Stock Exchange
5.875% Subordinated Debentures due March 30, 2059	AFGB	New York Stock Exchange
5.125% Subordinated Debentures due December 15, 2059	AFGC	New York Stock Exchange
5.625% Subordinated Debentures due June 1, 2060	AFGD	New York Stock Exchange
4.5% Subordinated Debentures due September 15, 2060	AFGE	New York Stock Exchange

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Section 2 – Financial Information

Item 2.02 Results Of Operations And Financial Condition.

Reference is made to the press release of American Financial Group, Inc. (the “Company”) relating to the announcement of the Company’s results of operations for the third quarter of 2023 and the availability of the Investor Supplement on the Company’s website. The press release was issued on November 1, 2023. A copy of the press release is furnished as Exhibit 99.1 and a copy of the Investor Supplement is furnished as Exhibit 99.2 and are incorporated herein by reference.

Section 8 – Other Events

Item 8.01 Other Events.

In the press release referenced in Item 2.02 above, the Company also announced that its Board of Directors declared a special, one-time cash dividend of \$1.50 per share of Company Common Stock. The dividend is payable on November 22, 2023 to holders of record on November 13, 2023.

The information under Item 2.02 and in Exhibits 99.1 and 99.2 is being furnished and shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934 as amended (the “Exchange Act”), or otherwise subject to the liabilities of that section, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933, as amended, or the Exchange Act.

Section 9 – Financial Statements and Exhibits

Item 9.01 Financial Statements and Exhibits.

- (a) Financial statements of business acquired. Not applicable.
- (b) Pro forma financial information. Not applicable.
- (c) Shell company transactions. Not applicable
- (d) Exhibits.

<u>Exhibit No.</u>	<u>Description</u>
99.1	<u>Earnings Release dated November 1, 2023, reporting American Financial Group Inc. results for the quarter ended September 30, 2023.</u>
99.2	<u>Investor Supplement – Third Quarter 2023</u>
104	Cover page Interactive Data File (embedded within Inline XBRL document)

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

AMERICAN FINANCIAL GROUP, INC.

Date: November 2, 2023

By: /s/ Karl J. Grafe

Karl J. Grafe

Vice President

Press Release

For Immediate Release



American Financial Group, Inc. Announces Third Quarter Results and Declares Special Dividend

- Net earnings per share of \$2.09; includes (\$0.36) per share in after-tax non-core items
- Core net operating earnings \$2.45 per share, an increase of 9% from the prior year period
- Third quarter annualized ROE of 15.7%; annualized core operating ROE of 18.3%
- 7% overall renewal rate increase excluding workers' compensation
- Board of Directors declares \$1.50 per share special dividend, payable November 22, 2023
- Full year 2023 core net operating earnings guidance unchanged at \$10.15 to \$11.15 per share

CINCINNATI – November 1, 2023 – American Financial Group, Inc. (NYSE: AFG) today reported 2023 third quarter net earnings of \$177 million (\$2.09 per share) compared to \$165 million (\$1.93 per share) in the 2022 third quarter. Net earnings for the 2023 third quarter included net after-tax non-core items that reduced net income by \$31 million (\$0.36 per share loss). By comparison, net earnings for the 2022 third quarter included after-tax non-core items that reduced net income by \$27 million (\$0.31 per share loss). Other details may be found in the table on the following page.

Core net operating earnings were \$208 million (\$2.45 per share) for the 2023 third quarter, compared to \$192 million (\$2.24 per share) in the 2022 third quarter. The increase was due primarily to higher year-over-year net investment income, which was partially offset by lower underwriting profit in the Specialty Property and Casualty ("P&C") insurance operations. Additional details for the 2023 and 2022 third quarters may be found in the table below. Core net operating earnings for the third quarters of 2023 and 2022 generated annualized returns on equity of 18.3% and 17.1%, respectively.

Components of Pretax Core Operating Earnings

In millions, except per share amounts

	Three Months Ended September 30,					
	2023	2022	2023	2022	2023	2022
	Before Impact of Alternative Investments		Alternative Investments		Core Net Operating Earnings, as reported	
P&C Pretax Core Operating Earnings	\$ 273	\$ 253	\$ 25	\$ 36	\$ 298	\$ 289
Other expenses	(22)	(26)	—	—	(22)	(26)
Holding company interest expense	(19)	(19)	—	—	(19)	(19)
Pretax Core Operating Earnings	232	208	25	36	257	244
Related provision for income taxes	44	44	5	8	49	52
Core Net Operating Earnings	\$ 188	\$ 164	\$ 20	\$ 28	\$ 208	\$ 192
Core Operating Earnings Per Share	\$ 2.21	\$ 1.91	\$0.24	\$0.33	\$ 2.45	\$ 2.24
Weighted Avg Diluted Shares Outstanding	84.7	85.4	84.7	85.4	84.7	85.4

AFG's book value per share was \$47.31 at September 30, 2023. During the third quarter of 2023, AFG paid cash dividends of \$0.63 per share and repurchased \$86 million of its common stock at an average price per share of \$112.28. For the three months ended September 30, 2023, AFG's growth in book value per share plus dividends was 1.9% and year to date, growth in book value per share plus dividends was 11.9%. Annualized return on equity was 15.7% and 14.7% for the third quarters of 2023 and 2022, respectively.

Adjusted book value per share, which excludes unrealized gains (losses) related to fixed maturities, was \$53.90 at September 30, 2023. For the three months ended September 30, 2023, AFG's growth in adjusted book value per share plus dividends was 3.1%. Year to date, growth in adjusted book value per share plus dividends was 11.3%.

AFG's net earnings, determined in accordance with U.S. generally accepted accounting principles (GAAP), include certain items that may not be indicative of its ongoing core operations. The table below identifies such items and reconciles net earnings to core net operating earnings, a non-GAAP financial measure. AFG believes that its core net operating earnings provides management, financial analysts, ratings agencies, and investors with an understanding of the results from the ongoing operations of the Company by excluding the impact of net realized gains and losses and other items that are not necessarily indicative of operating trends. AFG's management uses core net operating earnings to evaluate financial performance against historical results because it believes this provides a more comparable measure of its continuing business. Core net operating earnings is also used by AFG's management as a basis for strategic planning and forecasting.

In millions, except per share amounts	Three months ended September 30,		Nine months ended September 30,	
	2023	2022	2023	2022
Components of net earnings:				
Core operating earnings before income taxes	\$ 257	\$ 244	\$ 823	\$ 930
Pretax non-core items:				
Realized gains (losses)	(23)	(35)	(71)	(143)
Gain (loss) on retirement of debt	—	1	1	(10)
Special A&E charges	(15)	—	(15)	—
Earnings before income taxes	219	210	738	777
Provision (credit) for income taxes:				
Core operating earnings	49	52	166	192
Non-core items	(7)	(7)	(17)	(37)
Total provision for income taxes	42	45	149	155
Net earnings	\$ 177	\$ 165	\$ 589	\$ 622
Net earnings:				
Core net operating earnings ^(a)	\$ 208	\$ 192	\$ 657	\$ 738
Non-core items:				
Realized gains (losses)	(19)	(28)	(57)	(113)
Gain (loss) on retirement of debt	—	1	1	(7)
Special A&E charges	(12)	—	(12)	—
Other	—	—	—	4
Net earnings	\$ 177	\$ 165	\$ 589	\$ 622
Components of earnings per share:				
Core net operating earnings ^(a)	\$ 2.45	\$ 2.24	\$ 7.72	\$ 8.65
Non-core Items:				
Realized gains (losses)	(0.21)	(0.32)	(0.65)	(1.32)
Gain (loss) on retirement of debt	—	0.01	0.01	(0.09)
Special A&E charges	(0.15)	—	(0.15)	—
Other	—	—	—	0.05
Diluted net earnings per share	\$ 2.09	\$ 1.93	\$ 6.93	\$ 7.29

Footnote (a) is contained in the accompanying Notes to Financial Schedules at the end of this release.

The Company also announced today that its Board of Directors has declared a special cash dividend of \$1.50 per share of American Financial Group common stock. The dividend is payable on November 22, 2023, to shareholders of record on November 13, 2023. The aggregate amount of this special dividend will be approximately \$126 million. This special dividend is in addition to the Company's regular quarterly cash dividend of \$0.71 per share most recently paid on October 25, 2023. With this special dividend, the Company has declared \$5.50 per share in special dividends in 2023.

S. Craig Lindner and Carl H. Lindner III, AFG's Co-Chief Executive Officers, issued this statement: "We are pleased with AFG's performance during the third quarter. We achieved an annualized core operating return of over 18% in the quarter, with strong underwriting results despite elevated catastrophe losses during the quarter. These strong results, coupled with meaningfully higher year-over-year investment income and effective capital management, enable us to continue to create value for our shareholders.

"AFG had approximately \$660 million of excess capital at September 30, 2023, which includes parent company cash and investments of \$364 million. Returning capital to shareholders in the form of regular and special cash dividends and through opportunistic share repurchases is an important and effective component of our capital management strategy. In addition, our excess capital will be deployed into AFG's core businesses as we identify potential for healthy, profitable organic growth, and opportunities to expand our specialty niche businesses through acquisitions and start-ups that meet our target return thresholds."

Craig and Carl Lindner continued, “Based on the results reported in the first nine months of the year and expectations for the remainder of the year, we continue to expect AFG’s 2023 core net operating earnings to be in the range of \$10.15 to \$11.15 per share. Our guidance reflects our updated expectations of a below average crop year, offset by higher-than-previously expected net investment income. At the midpoint of the range, our revised guidance would produce a core return on equity of approximately 20%.”

AFG’s core earnings per share guidance excludes non-core items such as realized gains and losses and other significant items that are not able to be estimated with reasonable precision, or that may not be indicative of ongoing operations.

Specialty Property and Casualty Insurance Operations

The Specialty P&C insurance operations reported underwriting profit of \$143 million in the 2023 third quarter, compared to \$158 million in the 2022 third quarter, a 9% decrease. A higher frequency of lower severity convective storms throughout the 2023 period resulted in catastrophes losses of \$56 million, compared to \$51 million in the prior year period, which included the impact of Hurricane Ian. Higher year-over-year underwriting profit in our Property and Transportation and Specialty Financial Groups was more than offset by lower underwriting profit in our Specialty Casualty Group.

The third quarter 2023 combined ratio was a strong 92.2%, 1.1 points higher than the 91.1% reported in the comparable prior year period and included 3.0 points in catastrophe losses. By comparison, catastrophe losses in the third quarter of 2022 added 2.5 points to the combined ratio. Third quarter 2023 results benefitted from 2.3 points of favorable prior year reserve development, compared to 3.1 points in the third quarter of 2022.

Third quarter 2023 gross written premiums were flat and net written premiums were up 4% when compared to the third quarter of 2022, reflecting a larger percentage of crop insurance premium written in the second quarter of 2023 (rather than the third quarter of 2023 when compared to the 2022 period) due to the earlier planting of corn and soybeans, as well as the impact of lower 2023 spring commodity futures pricing and related volatility. Excluding our crop business, gross and net written premiums grew by 7% and 10%, respectively, when compared to the prior year period. Year-over-year growth was reported within most of our Specialty P&C businesses as a result of a combination of new business opportunities, increased exposures, and a good renewal rate environment. Average renewal pricing across our P&C Group, excluding workers’ compensation, was up approximately 7% for the quarter, two points higher than the previous quarter. Including workers’ compensation, renewal rates were up approximately 5%, one point higher than renewal increases reported in the prior quarter. We are achieving renewal rate increases in excess of prospective loss ratio trends where we need them to meet targeted returns.

The **Property and Transportation Group** reported 2023 third quarter underwriting profit of \$42 million, compared to \$39 million in the third quarter of 2022. Higher underwriting profit in our transportation, property & inland marine, and ocean marine businesses was partially offset by lower profitability in our agricultural businesses. Catastrophe losses in this group were \$14 million in the third quarter of 2023, compared to \$13 million in the comparable 2022 period. Overall, the businesses in the Property and Transportation Group achieved a 94.8% calendar year combined ratio in the third quarter, an improvement of 0.6 points from the comparable period in 2022.

Gross and net written premiums for the third quarter of 2023 were 8% and 6% lower, respectively, than the comparable 2022 period. The year-over-year decrease reflects the previously discussed impacts of earlier planting of corn and soybeans and spring commodity futures pricing and related volatility on premiums in our crop insurance business. Excluding our crop business, gross and net written premiums grew by 2% and 4%, respectively, when compared to the 2022 third quarter. Most of the businesses in this group reported growth in gross and net written premium during the quarter as the result of higher rates, new business opportunities and organic growth. Overall renewal rates in this group increased 6% on average for the third quarter of 2023, consistent with renewal rates achieved in the second quarter of 2023.

The **Specialty Casualty Group** reported a 2023 third quarter underwriting profit of \$78 million, compared to \$118 million in the third quarter of 2022, reflecting lower levels of favorable prior year reserve development in our workers' compensation businesses and lower underwriting profit in our targeted markets businesses. Underwriting profitability in our workers' compensation businesses overall continues to be excellent. Catastrophe losses for this group were \$17 million and \$3 million in the third quarters of 2023 and 2022. The businesses in the Specialty Casualty Group achieved a strong 89.4% calendar year combined ratio overall in the third quarter, 6.8 points higher than the exceptionally strong results achieved in the comparable prior year period.

Third quarter 2023 gross and net written premiums increased 4% and 7%, respectively, when compared to the same prior year period. Factors contributing to the year-over-year growth included payroll growth in our workers' compensation businesses; new business opportunities, strong policy retention and rate increases in several of our targeted market businesses; and new business opportunities and higher policy renewals in our excess and surplus lines business. This growth was partially offset by lower year-over-year premiums in our mergers & acquisitions liability and executive liability businesses. Excluding workers' compensation, renewal pricing for this group was up 8% in the third quarter (up 5% including workers' compensation), a two-point improvement over the renewal pricing in the previous quarter.

The **Specialty Financial Group** reported an underwriting profit of \$29 million in the third quarter of 2023, compared to \$15 million in the third quarter of 2022. The year-over-year increase was primarily the result of lower catastrophe losses attributable to our financial institutions business. Catastrophe losses for this group were \$22 million in the third quarter of 2023, compared to \$34 million in the prior year quarter. This group reported a combined ratio of 87.6% for the third quarter of 2023, an improvement of 3.7 points over the prior year period.

Third quarter 2023 gross and net written premiums in this group were up 39% and 48%, respectively, when compared to the prior year period. While nearly all businesses in this group reported year-over-year growth, our financial institutions business was the primary driver of the higher premiums. Renewal pricing in this group was up 5% for the quarter.

Carl Lindner III stated, "I'm pleased with our third quarter results, which included higher year-over-year operating earnings in our P&C Segment despite the higher frequency of catastrophe losses during the quarter. Underwriting margins continue to be strong, and we are seeing opportunities to grow our Specialty P&C businesses through increasing exposures, new opportunities, and a continued favorable pricing environment. Our diversified portfolio of Specialty P&C businesses continues to meet or exceed targeted returns.

Mr. Lindner added, "Based on results through the first nine months and the updated expectation of a below average crop year, we now expect an overall 2023 calendar year combined ratio in the range of 90% to 92%. We have increased our guidance for net written premiums and now expect net written premiums to be 6% to 8% higher than the \$6.2 billion reported in 2022. This compares to our previous guidance of growth in the range of 5% to 8% and will establish a record for net written premiums for the year."

Further details about AFG's Specialty P&C operations may be found in the accompanying schedules and in our Quarterly Investor Supplement, which is posted on our website.

A&E Reserves

During the third quarter of 2023, AFG conducted an in-depth comprehensive review of its asbestos and environmental (A&E) exposures relating to the run-off operations of its P&C Group. During the 2023 review, no new trends were identified, and recent claims activity was generally consistent with our expectations resulting from our in-depth reviews in 2022 and 2021 and our most recent external study in 2020. As a result, and consistent with the internal review in the third quarter of 2022, the 2023 review resulted in no net change to the P&C Group's A&E reserves.

At September 30, 2023, the P&C Group's insurance reserves include A&E reserves of \$374 million, net of reinsurance recoverables. At September 30, 2023, the property and casualty insurance segment's three-year survival ratios were 22.7 times paid losses for asbestos reserves, 18.9 times paid losses for environmental reserves and 20.8 times paid losses for total A&E reserves. These ratios compare favorably with industry data compiled by S&P Global Market Intelligence as of December 31, 2022, which indicate that industry survival ratios were 8.6 times paid losses for asbestos, 7.3 times paid losses for environmental, and 8.3 times paid losses for total A&E reserves.

The 2023 in-depth comprehensive review also encompassed reserves for asbestos and environmental exposures of our former railroad and manufacturing operations. As a result of the study, AFG recorded a special non-core A&E charge to increase its liabilities for environmental exposures by \$15 million (\$12 million after-tax), due primarily to changes in the scope and costs of investigation and an increase in estimated remediation costs at a limited number of sites.

Investments

Net Investment Income – For the quarter ended September 30, 2023, property and casualty net investment income was approximately 17% higher than the comparable 2022 period. Excluding the impact of alternative investments, net investment income in our property and casualty insurance operations for the three months ended September 30, 2023, increased 33% year-over-year as a result of the impact of rising interest rates and higher balances of invested assets. The annualized return on alternative investments was approximately 4.2% for the 2023 third quarter compared to 7.1% for the prior year quarter. Earnings from alternative investments may vary from quarter to quarter based on the reported results of the underlying investments, and generally are reported on a quarter lag. The average annual return on alternative investments over the five calendar years ended December 31, 2022, was approximately 14%. Our guidance for the full year 2023 continues to assume a return of approximately 9% on alternative investments.

Non-Core Net Realized Gains (Losses) – AFG recorded third quarter 2023 net realized losses of \$19 million (\$0.21 per share loss) after tax, which included \$6 million (\$0.07 per share loss) in after-tax net losses to adjust equity securities that the Company continued to own at September 30, 2023, to fair value. AFG recorded net realized losses of \$28 million (\$0.32 per share loss) in the comparable 2022 period.

After-tax unrealized losses related to fixed maturities were \$555 million at September 30, 2023. Our portfolio continues to be high quality, with 93% of our fixed maturity portfolio rated investment grade and 96% of our P&C fixed maturity portfolio with a National Association of Insurance Commissioners' designation of NAIC 1 or 2, its highest two categories.

More information about the components of our investment portfolio may be found in our Quarterly Investor Supplement, which is posted on our website.

About American Financial Group, Inc.

American Financial Group is an insurance holding company, based in Cincinnati, Ohio. Through the operations of Great American Insurance Group, AFG is engaged primarily in property and casualty insurance, focusing on specialized commercial products for businesses. Great American Insurance Group's roots go back to 1872 with the founding of its flagship company, Great American Insurance Company.

Forward Looking Statements

This press release, and any related oral statements, contains certain statements that may be deemed to be “forward-looking statements” within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. All statements in this press release not dealing with historical results are forward-looking and are based on estimates, assumptions, and projections. Examples of such forward-looking statements include statements relating to: the Company’s expectations concerning market and other conditions and their effect on future premiums, revenues, earnings, investment activities and the amount and timing of share repurchases or special dividends; recoverability of asset values; expected losses and the adequacy of reserves for asbestos, environmental pollution and mass tort claims; rate changes; and improved loss experience.

Actual results and/or financial condition could differ materially from those contained in or implied by such forward-looking statements for a variety of reasons including, but not limited to: the risks and uncertainties AFG describes in the “Risk Factors” section of its most recent Annual Report on Form 10-K, as updated by its other reports filed with the Securities and Exchange Commission; changes in financial, political and economic conditions, including changes in interest and inflation rates, currency fluctuations and extended economic recessions or expansions in the U.S. and/or abroad; performance of securities markets; new legislation or declines in credit quality or credit ratings that could have a material impact on the valuation of securities in AFG’s investment portfolio; the availability of capital; changes in insurance law or regulation, including changes in statutory accounting rules, including modifications to capital requirements; changes in the legal environment affecting AFG or its customers; tax law and accounting changes; levels of natural catastrophes and severe weather, terrorist activities (including any nuclear, biological, chemical or radiological events), incidents of war or losses resulting from pandemics, civil unrest and other major losses; disruption caused by cyber-attacks or other technology breaches or failures by AFG or its business partners and service providers, which could negatively impact AFG’s business and/or expose AFG to litigation; development of insurance loss reserves and establishment of other reserves, particularly with respect to amounts associated with asbestos and environmental claims; availability of reinsurance and ability of reinsurers to pay their obligations; competitive pressures; the ability to obtain adequate rates and policy terms; changes in AFG’s credit ratings or the financial strength ratings assigned by major ratings agencies to AFG’s operating subsidiaries; the impact of the conditions in the international financial markets and the global economy relating to AFG’s international operations; and effects on AFG’s reputation, including as a result of environmental, social and governance matters.

The forward-looking statements herein are made only as of the date of this press release. The Company assumes no obligation to publicly update any forward-looking statements.

Conference Call

The Company will hold a conference call to discuss 2023 third quarter results at 11:30 a.m. (ET) tomorrow, Thursday, November 2, 2023. Simplified event registration and access provides two ways to access the call.

Participants should register for the call [here](#) now, or any time up to and during the time of the call, and will immediately receive the dial-in number and a unique PIN to access the call. While you may register at any time up to and during the time of the call, you are encouraged to join the call 10 minutes prior to the start of the event.

The conference call and accompanying webcast slides will also be broadcast live over the internet. To access the event, click the following link: <https://www.afginc.com/news-and-events/event-calendar>. Alternatively, you can choose **Events** from the Investor Relations page at www.AFGinc.com.

A replay of the webcast will be available via the same link on our website approximately two hours after the completion of the call.

Contact:

Diane P. Weidner, IRC
Vice President – Investor & Media Relations
513-369-5713

Websites:

www.AFGinc.com

www.GreatAmericanInsuranceGroup.com

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(Financial summaries follow)

This earnings release and AFG's Quarterly Investor Supplement are available in the Investor Relations section of AFG's website: www.AFGinc.com.

AFG2023-20

AMERICAN FINANCIAL GROUP, INC., AND SUBSIDIARIES
SUMMARY OF EARNINGS AND SELECTED BALANCE SHEET DATA
(In Millions, Except Per Share Data)

	Three months ended September 30,		Nine months ended September 30,	
	2023	2022	2023	2022
Revenues				
P&C insurance net earned premiums	\$1,855	\$1,767	\$4,799	\$4,462
Net investment income	168	151	583	549
Realized gains (losses) on:				
Securities	(19)	(35)	(67)	(143)
Subsidiaries	(4)	—	(4)	—
Income of managed investment entities:				
Investment income	105	75	321	175
Gain (loss) on change in fair value of assets/liabilities	16	(5)	12	(25)
Other income	43	31	100	93
Total revenues	2,164	1,984	5,744	5,111
Costs and expenses				
P&C insurance losses & expenses	1,736	1,621	4,419	3,934
Interest charges on borrowed money	19	19	57	65
Expenses of managed investment entities	105	62	303	148
Other expenses	85	72	227	187
Total costs and expenses	1,945	1,774	5,006	4,334
Earnings before income taxes	219	210	738	777
Provision for income taxes	42	45	149	155
Net earnings	\$ 177	\$ 165	\$ 589	\$ 622
Diluted earnings per common share	\$ 2.09	\$ 1.93	\$ 6.93	\$ 7.29
Average number of diluted shares	84.7	85.4	85.1	85.3

Selected Balance Sheet Data:	September 30, 2023	December 31, 2022
Total cash and investments	\$ 14,794	\$ 14,512
Long-term debt	\$ 1,474	\$ 1,496
Shareholders' equity ^(b)	\$ 3,981	\$ 4,052
Shareholders' equity (excluding unrealized gains/losses related to fixed maturities) ^(b)	\$ 4,536	\$ 4,578
Book value per share ^(b)	\$ 47.31	\$ 47.56
Book value per share (excluding unrealized gains/losses related to fixed maturities) ^(b)	\$ 53.90	\$ 53.73
Common Shares Outstanding	84.1	85.2

Footnote (b) is contained in the accompanying Notes to Financial Schedules at the end of this release.

AMERICAN FINANCIAL GROUP, INC.
SPECIALTY P&C OPERATIONS
(Dollars in Millions)

	Three months ended September 30,		Pct. Change	Nine months ended September 30,		Pct. Change
	2023	2022		2023	2022	
Gross written premiums	<u>\$3,140</u>	<u>\$3,153</u>	—%	<u>\$7,664</u>	<u>\$7,212</u>	6%
Net written premiums	<u>\$2,061</u>	<u>\$1,984</u>	4%	<u>\$5,247</u>	<u>\$4,868</u>	8%
Ratios (GAAP):						
Loss & LAE ratio	66.7%	66.4%		61.8%	59.1%	
Underwriting expense ratio	25.5%	24.7%		29.5%	28.3%	
Specialty Combined Ratio	92.2%	91.1%		91.3%	87.4%	
Combined Ratio – P&C Segment	92.3%	91.2%		91.3%	87.5%	

Supplemental Information:^(c)

Gross Written Premiums:						
Property & Transportation	\$1,592	\$1,737	(8%)	\$3,523	\$3,459	2%
Specialty Casualty	1,226	1,184	4%	3,299	3,108	6%
Specialty Financial	322	232	39%	842	645	31%
	<u>\$3,140</u>	<u>\$3,153</u>	—%	<u>\$7,664</u>	<u>\$7,212</u>	6%

Net Written Premiums:						
Property & Transportation	\$ 905	\$ 959	(6%)	\$2,125	\$2,092	2%
Specialty Casualty	829	777	7%	2,244	2,073	8%
Specialty Financial	261	176	48%	685	512	34%
Other	66	72	(8%)	193	191	1%
	<u>\$2,061</u>	<u>\$1,984</u>	4%	<u>\$5,247</u>	<u>\$4,868</u>	8%

Combined Ratio (GAAP):						
Property & Transportation	94.8%	95.4%		93.6%	92.2%	
Specialty Casualty	89.4%	82.6%		87.8%	81.1%	
Specialty Financial	87.6%	91.3%		89.6%	83.9%	
Aggregate Specialty Group	92.2%	91.1%		91.3%	87.4%	

	Three months ended September 30,		Nine months ended September 30,	
	2023	2022	2023	2022
Reserve Development (Favorable)/Adverse:				
Property & Transportation	\$ (14)	\$ (15)	\$ (72)	\$ (79)
Specialty Casualty	(22)	(42)	(73)	(140)
Specialty Financial	(10)	(11)	(24)	(39)
Other Specialty	2	12	—	27
Specialty Group	(44)	(56)	(169)	(231)
Other	1	3	1	5
Total Reserve Development	<u>\$ (43)</u>	<u>\$ (53)</u>	<u>\$ (168)</u>	<u>\$ (226)</u>
Points on Combined Ratio:				
Property & Transportation	(1.7)	(1.8)	(3.9)	(4.4)
Specialty Casualty	(2.9)	(6.3)	(3.4)	(7.1)
Specialty Financial	(4.2)	(6.3)	(3.8)	(7.8)
Aggregate Specialty Group	(2.3)	(3.1)	(3.5)	(5.2)
Total P&C Segment	(2.3)	(3.0)	(3.5)	(5.1)

Footnote (c) is contained in the accompanying Notes to Financial Schedules at the end of this release.

AMERICAN FINANCIAL GROUP, INC.
Notes to Financial Schedules

a) Components of core net operating earnings (dollars in millions):

	Three months ended September 30,		Nine months ended September 30,	
	2023	2022	2023	2022
Core Operating Earnings before Income Taxes:				
P&C insurance segment	\$ 298	\$ 289	\$ 947	\$1,056
Interest and other corporate expenses	(41)	(45)	(124)	(126)
Core operating earnings before income taxes	257	244	823	930
Related income taxes	49	52	166	192
Core net operating earnings	<u>\$ 208</u>	<u>\$ 192</u>	<u>\$ 657</u>	<u>\$ 738</u>

b) Shareholders' Equity at September 30, 2023, includes \$555 million (\$6.59 per share) in unrealized after-tax losses related to fixed maturities compared to \$526 million (\$6.17 per share) in unrealized after-tax losses related to fixed maturities at December 31, 2022.

c) Supplemental Notes:

- **Property & Transportation** includes primarily physical damage and liability coverage for buses and trucks and other specialty transportation niches, inland and ocean marine, agricultural-related products, and other commercial property coverages.
- **Specialty Casualty** includes primarily excess and surplus, general liability, executive liability, professional liability, umbrella and excess liability, specialty coverages in targeted markets, customized programs for small to mid-sized businesses and workers' compensation insurance.
- **Specialty Financial** includes risk management insurance programs for lending and leasing institutions (including equipment leasing and collateral and lender-placed mortgage property insurance), surety and fidelity products and trade credit insurance.
- **Other** includes an internal reinsurance facility.



American Financial Group, Inc.

Investor Supplement - Third Quarter 2023

November 1, 2023

American Financial Group, Inc.

Corporate Headquarters

Great American Insurance Group Tower

301 E Fourth Street

Cincinnati, OH 45202

513 579 6739

American Financial Group, Inc.
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American Financial Group, Inc.
Financial Highlights
(in millions, except per share information)



	Three Months Ended					Nine Months Ended	
	9/30/23	6/30/23	3/31/23	12/31/22	9/30/22	9/30/23	9/30/22
Highlights							
Net earnings	\$ 177	\$ 200	\$ 212	\$ 276	\$ 165	\$ 589	\$ 622
Core net operating earnings	208	202	247	255	192	657	738
Total assets	30,825	29,048	28,481	28,831	29,532	30,825	29,532
Adjusted shareholders' equity (a)	4,536	4,490	4,375	4,578	4,515	4,536	4,515
Property and Casualty net written premiums	2,061	1,667	1,519	1,338	1,984	5,247	4,868
Per share data							
Diluted earnings per share	\$ 2.09	\$ 2.34	\$ 2.49	\$ 3.24	\$ 1.93	\$ 6.93	\$ 7.29
Core net operating earnings per share	2.45	2.38	2.89	2.99	2.24	7.72	8.65
Adjusted book value per share (a)	53.90	52.90	51.37	53.73	53.03	53.90	53.03
Dividends per common share	0.63	0.63	4.63	2.63	0.56	5.89	11.68
Financial ratios							
Annualized return on equity (b)	15.7%	17.9%	18.9%	24.2%	14.7%	17.4%	17.6%
Annualized core operating return on equity (b)	18.3%	18.2%	22.0%	22.3%	17.1%	19.4%	20.9%
Property and Casualty combined ratio - Specialty:							
Loss & LAE ratio	66.7%	60.2%	57.0%	60.8%	66.4%	61.8%	59.1%
Underwriting expense ratio	25.5%	31.7%	32.2%	25.8%	24.7%	29.5%	28.3%
Combined ratio - Specialty	<u>92.2%</u>	<u>91.9%</u>	<u>89.2%</u>	<u>86.6%</u>	<u>91.1%</u>	<u>91.3%</u>	<u>87.4%</u>

(a) Excludes unrealized gains (losses) related to fixed maturity investments, a reconciliation to the GAAP measure is on page 13.

(b) Excludes accumulated other comprehensive income.

American Financial Group, Inc.
Summary of Earnings
(\$ in millions)



	Three Months Ended					Nine Months Ended	
	9/30/23	6/30/23	3/31/23	12/31/22	9/30/22	9/30/23	9/30/22
Property and Casualty Insurance							
Underwriting profit	\$ 142	\$ 124	\$ 154	\$ 218	\$ 155	\$ 420	\$ 558
Net investment income	170	191	207	159	145	568	524
Other income (expense)	(14)	(16)	(11)	(14)	(11)	(41)	(26)
Property and Casualty Insurance operating earnings	298	299	350	363	289	947	1,056
Interest expense of parent holding companies	(19)	(19)	(19)	(20)	(19)	(57)	(65)
Other expense	(22)	(22)	(23)	(25)	(26)	(67)	(61)
Pretax core operating earnings	257	258	308	318	244	823	930
Income tax expense	49	56	61	63	52	166	192
Core net operating earnings	208	202	247	255	192	657	738
Non-core items, net of tax:							
Realized gains (losses) on securities	(15)	(1)	(37)	21	(28)	(53)	(113)
Realized loss on subsidiaries	(4)	—	—	—	—	(4)	—
Special A&E charges - Former Railroad and Manufacturing operations	(12)	—	—	—	—	(12)	—
Gain (loss) on retirement of debt	—	(1)	2	—	1	1	(7)
Other non-core items	—	—	—	—	—	—	4
Net earnings	\$ 177	\$ 200	\$ 212	\$ 276	\$ 165	\$ 589	\$ 622

American Financial Group, Inc.
Earnings Per Share Summary
(in millions, except per share information)



	Three Months Ended					Nine Months Ended	
	9/30/23	6/30/23	3/31/23	12/31/22	9/30/22	9/30/23	9/30/22
Core net operating earnings	\$ 208	\$ 202	\$ 247	\$ 255	\$ 192	\$ 657	\$ 738
Net earnings	\$ 177	\$ 200	\$ 212	\$ 276	\$ 165	\$ 589	\$ 622
Average number of diluted shares	84.745	85.172	85.378	85.350	85.365	85.096	85.315
<u>Diluted earnings per share:</u>							
Core net operating earnings per share	\$ 2.45	\$ 2.38	\$ 2.89	\$ 2.99	\$ 2.24	\$ 7.72	\$ 8.65
Realized gains (losses) on securities	(0.17)	(0.02)	(0.42)	0.25	(0.32)	(0.61)	(1.32)
Realized loss on subsidiaries	(0.04)	—	—	—	—	(0.04)	—
Special A&E charges - Former Railroad and Manufacturing operations	(0.15)	—	—	—	—	(0.15)	—
Gain (loss) on retirement of debt	—	(0.02)	0.02	—	0.01	0.01	(0.09)
Other non-core items	—	—	—	—	—	—	0.05
Diluted earnings per share	\$ 2.09	\$ 2.34	\$ 2.49	\$ 3.24	\$ 1.93	\$ 6.93	\$ 7.29

American Financial Group, Inc.

Property and Casualty Insurance - Summary Underwriting Results (GAAP)

(\$ in millions)



	Three Months Ended					Nine Months Ended	
	9/30/23	6/30/23	3/31/23	12/31/22	9/30/22	9/30/23	9/30/22
Property and Transportation	\$ 42	\$ 32	\$ 43	\$ 68	\$ 39	\$ 117	\$ 140
Specialty Casualty	78	95	88	128	118	261	372
Specialty Financial	29	10	26	33	15	65	81
Other Specialty	(6)	(14)	(2)	(12)	(14)	(22)	(30)
Underwriting profit - Specialty	143	123	155	217	158	421	563
Other core charges, included in loss and LAE	(1)	1	(1)	1	(3)	(1)	(5)
Underwriting profit - Property and Casualty Insurance	\$ 142	\$ 124	\$ 154	\$ 218	\$ 155	\$ 420	\$ 558
Included in results above:							
Current accident year catastrophe losses:							
Catastrophe reinstatement premium	\$ —	\$ 2	\$ —	\$ (13)	\$ 18	\$ 2	\$ 18
Catastrophe losses	56	51	31	24	33	138	64
Total current accident year catastrophe losses	\$ 56	\$ 53	\$ 31	\$ 11	\$ 51	\$ 140	\$ 82
Prior year loss reserve development (favorable) / adverse	\$ (43)	\$ (62)	\$ (63)	\$ (59)	\$ (53)	\$ (168)	\$ (226)
Combined ratio:							
Property and Transportation	94.8%	94.2%	91.0%	90.0%	95.4%	93.6%	92.2%
Specialty Casualty	89.4%	86.6%	87.5%	81.3%	82.6%	87.8%	81.1%
Specialty Financial	87.6%	95.0%	86.5%	83.1%	91.3%	89.6%	83.9%
Other Specialty	109.8%	122.2%	103.5%	118.1%	122.7%	111.9%	116.9%
Combined ratio - Specialty	92.2%	91.9%	89.2%	86.6%	91.1%	91.3%	87.4%
Other core charges	0.1%	(0.2%)	0.1%	(0.1%)	0.1%	0.0%	0.1%
Combined ratio	92.3%	91.7%	89.3%	86.5%	91.2%	91.3%	87.5%
P&C combined ratio excl. catastrophe losses and prior year reserve development	91.5%	92.4%	91.5%	89.3%	91.7%	91.9%	90.9%
Loss and LAE components:							
Current accident year, excluding catastrophe losses	66.0%	60.7%	59.3%	63.5%	67.0%	62.4%	62.6%
Current accident year catastrophe losses	3.1%	3.5%	2.2%	0.8%	2.5%	2.9%	1.7%
Prior accident year loss reserve development	(2.3%)	(4.2%)	(4.4%)	(3.6%)	(3.0%)	(3.5%)	(5.1%)
Loss and LAE ratio	66.8%	60.0%	57.1%	60.7%	66.5%	61.8%	59.2%

American Financial Group, Inc.
Specialty - Underwriting Results (GAAP)
(\$ in millions)



	Three Months Ended				Nine Months Ended		
	9/30/23	6/30/23	3/31/23	12/31/22	9/30/22	9/30/23	9/30/22
Gross written premiums	\$ 3,140	\$2,369	\$2,155	\$1,845	\$ 3,153	\$ 7,664	\$ 7,212
Ceded reinsurance premiums	(1,079)	(702)	(636)	(507)	(1,169)	(2,417)	(2,344)
Net written premiums	2,061	1,667	1,519	1,338	1,984	5,247	4,868
Change in unearned premiums	(206)	(160)	(82)	285	(217)	(448)	(406)
Net earned premiums	1,855	1,507	1,437	1,623	1,767	4,799	4,462
Loss and LAE	1,238	906	819	987	1,173	2,963	2,638
Underwriting expense	474	478	463	419	436	1,415	1,261
Underwriting profit	\$ 143	\$ 123	\$ 155	\$ 217	\$ 158	\$ 421	\$ 563
Included in results above:							
Current accident year catastrophe losses:							
Catastrophe reinstatement premium	\$ —	\$ 2	\$ —	\$ (13)	\$ 18	\$ 2	\$ 18
Catastrophe losses	56	51	31	24	33	138	64
Total current accident year catastrophe losses	\$ 56	\$ 53	\$ 31	\$ 11	\$ 51	\$ 140	\$ 82
Prior year loss reserve development (favorable) / adverse	\$ (44)	\$ (61)	\$ (64)	\$ (58)	\$ (56)	\$ (169)	\$ (231)
Combined ratio:							
Loss and LAE ratio	66.7%	60.2%	57.0%	60.8%	66.4%	61.8%	59.1%
Underwriting expense ratio	25.5%	31.7%	32.2%	25.8%	24.7%	29.5%	28.3%
Combined ratio	92.2%	91.9%	89.2%	86.6%	91.1%	91.3%	87.4%
Specialty combined ratio excl. catastrophe losses and prior year reserve development	91.5%	92.4%	91.5%	89.3%	91.7%	91.9%	90.9%
Loss and LAE components:							
Current accident year, excluding catastrophe losses	66.0%	60.7%	59.3%	63.5%	67.0%	62.4%	62.6%
Current accident year catastrophe losses	3.0%	3.5%	2.2%	0.9%	2.5%	2.9%	1.7%
Prior accident year loss reserve development	(2.3%)	(4.0%)	(4.5%)	(3.6%)	(3.1%)	(3.5%)	(5.2%)
Loss and LAE ratio	66.7%	60.2%	57.0%	60.8%	66.4%	61.8%	59.1%

American Financial Group, Inc.
Property and Transportation - Underwriting Results (GAAP)
(\$ in millions)



	Three Months Ended					Nine Months Ended	
	9/30/23	6/30/23	3/31/23	12/31/22	9/30/22	9/30/23	9/30/22
Gross written premiums	\$1,592	\$1,059	\$ 872	\$ 601	\$1,737	\$ 3,523	\$ 3,459
Ceded reinsurance premiums	(687)	(391)	(320)	(178)	(778)	(1,398)	(1,367)
Net written premiums	905	668	552	423	959	2,125	2,092
Change in unearned premiums	(77)	(134)	(77)	259	(102)	(288)	(287)
Net earned premiums	828	534	475	682	857	1,837	1,805
Loss and LAE	636	346	289	489	663	1,271	1,246
Underwriting expense	150	156	143	125	155	449	419
Underwriting profit	\$ 42	\$ 32	\$ 43	\$ 68	\$ 39	\$ 117	\$ 140
Included in results above:							
Current accident year catastrophe losses:							
Catastrophe reinstatement premium	\$ —	\$ —	\$ —	\$ (1)	\$ 4	\$ —	\$ 4
Catastrophe losses	14	15	19	8	9	48	34
Total current accident year catastrophe losses	\$ 14	\$ 15	\$ 19	\$ 7	\$ 13	\$ 48	\$ 38
Prior year loss reserve development (favorable) / adverse	\$ (14)	\$ (21)	\$ (37)	\$ (13)	\$ (15)	\$ (72)	\$ (79)
Combined ratio:							
Loss and LAE ratio	76.8%	64.8%	60.9%	71.8%	77.3%	69.2%	69.0%
Underwriting expense ratio	18.0%	29.4%	30.1%	18.2%	18.1%	24.4%	23.2%
Combined ratio	94.8%	94.2%	91.0%	90.0%	95.4%	93.6%	92.2%
Combined ratio excl. catastrophe losses and prior year reserve development	94.8%	95.1%	94.8%	90.8%	95.8%	94.8%	94.6%
Loss and LAE components:							
Current accident year, excluding catastrophe losses	76.8%	65.7%	64.7%	72.6%	77.7%	70.4%	71.4%
Current accident year catastrophe losses	1.7%	2.9%	4.0%	1.0%	1.4%	2.7%	2.0%
Prior accident year loss reserve development	(1.7%)	(3.8%)	(7.8%)	(1.8%)	(1.8%)	(3.9%)	(4.4%)
Loss and LAE ratio	76.8%	64.8%	60.9%	71.8%	77.3%	69.2%	69.0%

American Financial Group, Inc.
Specialty Casualty - Underwriting Results (GAAP)
(\$ in millions)



	Three Months Ended					Nine Months Ended	
	9/30/23	6/30/23	3/31/23	12/31/22	9/30/22	9/30/23	9/30/22
Gross written premiums	\$1,226	\$1,012	\$1,061	\$1,007	\$1,184	\$ 3,299	\$ 3,108
Ceded reinsurance premiums	(397)	(319)	(339)	(352)	(407)	(1,055)	(1,035)
Net written premiums	829	693	722	655	777	2,244	2,073
Change in unearned premiums	(95)	18	(18)	31	(100)	(95)	(100)
Net earned premiums	734	711	704	686	677	2,149	1,973
Loss and LAE	463	421	417	381	374	1,301	1,072
Underwriting expense	193	195	199	177	185	587	529
Underwriting profit	\$ 78	\$ 95	\$ 88	\$ 128	\$ 118	\$ 261	\$ 372
Included in results above:							
Current accident year catastrophe losses:							
Catastrophe reinstatement premium	\$ —	\$ 2	\$ —	\$ (1)	\$ 1	\$ 2	\$ 1
Catastrophe losses	17	6	3	8	2	26	3
Total current accident year catastrophe losses	\$ 17	\$ 8	\$ 3	\$ 7	\$ 3	\$ 28	\$ 4
Prior year loss reserve development (favorable) / adverse	\$ (22)	\$ (24)	\$ (27)	\$ (50)	\$ (42)	\$ (73)	\$ (140)
Combined ratio:							
Loss and LAE ratio	63.1%	59.2%	59.2%	55.4%	55.3%	60.5%	54.3%
Underwriting expense ratio	26.3%	27.4%	28.3%	25.9%	27.3%	27.3%	26.8%
Combined ratio	89.4%	86.6%	87.5%	81.3%	82.6%	87.8%	81.1%
Combined ratio excl. catastrophe losses and prior year reserve development	90.0%	89.0%	90.9%	87.5%	88.5%	90.0%	88.1%
Loss and LAE components:							
Current accident year, excluding catastrophe losses	63.7%	61.6%	62.6%	61.6%	61.2%	62.7%	61.3%
Current accident year catastrophe losses	2.3%	1.0%	0.4%	1.1%	0.4%	1.2%	0.1%
Prior accident year loss reserve development	(2.9%)	(3.4%)	(3.8%)	(7.3%)	(6.3%)	(3.4%)	(7.1%)
Loss and LAE ratio	63.1%	59.2%	59.2%	55.4%	55.3%	60.5%	54.3%

American Financial Group, Inc.
Specialty Financial - Underwriting Results (GAAP)
(\$ in millions)



	Three Months Ended					Nine Months Ended	
	9/30/23	6/30/23	3/31/23	12/31/22	9/30/22	9/30/23	9/30/22
Gross written premiums	\$ 322	\$ 298	\$ 222	\$ 237	\$ 232	\$ 842	\$ 645
Ceded reinsurance premiums	(61)	(58)	(38)	(38)	(56)	(157)	(133)
Net written premiums	261	240	184	199	176	685	512
Change in unearned premiums	(29)	(45)	12	(6)	(5)	(62)	(7)
Net earned premiums	232	195	196	193	171	623	505
Loss and LAE	93	79	71	66	80	243	172
Underwriting expense	110	106	99	94	76	315	252
Underwriting profit	\$ 29	\$ 10	\$ 26	\$ 33	\$ 15	\$ 65	\$ 81
Included in results above:							
Current accident year catastrophe losses:							
Catastrophe reinstatement premium	\$ —	\$ —	\$ —	\$ (10)	\$ 13	\$ —	\$ 13
Catastrophe losses	22	19	4	7	21	45	26
Total current accident year catastrophe losses	\$ 22	\$ 19	\$ 4	\$ (3)	\$ 34	\$ 45	\$ 39
Prior year loss reserve development (favorable) / adverse	\$ (10)	\$ (11)	\$ (3)	\$ (8)	\$ (11)	\$ (24)	\$ (39)
Combined ratio:							
Loss and LAE ratio	39.8%	40.9%	36.0%	33.8%	47.2%	39.0%	34.1%
Underwriting expense ratio	47.8%	54.1%	50.5%	49.3%	44.1%	50.6%	49.8%
Combined ratio	87.6%	95.0%	86.5%	83.1%	91.3%	89.6%	83.9%
Combined ratio excl. catastrophe losses and prior year reserve development	82.5%	91.1%	85.7%	85.3%	82.4%	86.2%	85.7%
Loss and LAE components:							
Current accident year, excluding catastrophe losses	34.7%	37.0%	35.2%	36.0%	38.3%	35.6%	35.9%
Current accident year catastrophe losses	9.3%	9.6%	2.2%	1.9%	15.2%	7.2%	6.0%
Prior accident year loss reserve development	(4.2%)	(5.7%)	(1.4%)	(4.1%)	(6.3%)	(3.8%)	(7.8%)
Loss and LAE ratio	39.8%	40.9%	36.0%	33.8%	47.2%	39.0%	34.1%

American Financial Group, Inc.
Other Specialty - Underwriting Results (GAAP)
(\$ in millions)



	Three Months Ended					Nine Months Ended	
	9/30/23	6/30/23	3/31/23	12/31/22	9/30/22	9/30/23	9/30/22
Gross written premiums	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
Ceded reinsurance premiums	66	66	61	61	72	193	191
Net written premiums	66	66	61	61	72	193	191
Change in unearned premiums	(5)	1	1	1	(10)	(3)	(12)
Net earned premiums	61	67	62	62	62	190	179
Loss and LAE	46	60	42	51	56	148	148
Underwriting expense	21	21	22	23	20	64	61
Underwriting profit (loss)	\$ (6)	\$ (14)	\$ (2)	\$ (12)	\$ (14)	\$ (22)	\$ (30)
Included in results above:							
Current accident year catastrophe losses:							
Catastrophe reinstatement premium	\$ —	\$ —	\$ —	\$ (1)	\$ —	\$ —	\$ —
Catastrophe losses	3	11	5	1	1	19	1
Total current accident year catastrophe losses	<u>\$ 3</u>	<u>\$ 11</u>	<u>\$ 5</u>	<u>\$ —</u>	<u>\$ 1</u>	<u>\$ 19</u>	<u>\$ 1</u>
Prior year loss reserve development (favorable) / adverse	<u>\$ 2</u>	<u>\$ (5)</u>	<u>\$ 3</u>	<u>\$ 13</u>	<u>\$ 12</u>	<u>\$ —</u>	<u>\$ 27</u>
Combined ratio:							
Loss and LAE ratio	76.2%	91.1%	69.0%	83.3%	89.3%	78.9%	82.2%
Underwriting expense ratio	33.6%	31.1%	34.5%	34.8%	33.4%	33.0%	34.7%
Combined ratio	<u>109.8%</u>	<u>122.2%</u>	<u>103.5%</u>	<u>118.1%</u>	<u>122.7%</u>	<u>111.9%</u>	<u>116.9%</u>
Combined ratio excl. catastrophe losses and prior year reserve development	<u>101.2%</u>	<u>111.7%</u>	<u>92.0%</u>	<u>98.5%</u>	<u>100.7%</u>	<u>101.7%</u>	<u>100.8%</u>
Loss and LAE components:							
Current accident year, excluding catastrophe losses	67.6%	80.6%	57.5%	63.7%	67.3%	68.7%	66.1%
Current accident year catastrophe losses	4.9%	18.0%	7.5%	0.7%	1.1%	10.3%	0.4%
Prior accident year loss reserve development	3.7%	(7.5%)	4.0%	18.9%	20.9%	(0.1%)	15.7%
Loss and LAE ratio	<u>76.2%</u>	<u>91.1%</u>	<u>69.0%</u>	<u>83.3%</u>	<u>89.3%</u>	<u>78.9%</u>	<u>82.2%</u>

American Financial Group, Inc.
Consolidated Balance Sheet
(\$ in millions)



	9/30/23	6/30/23	3/31/23	12/31/22	9/30/22	6/30/22
Assets:						
Total cash and investments	\$14,794	\$14,489	\$14,451	\$14,512	\$14,322	\$14,268
Recoverables from reinsurers	4,421	3,852	3,838	3,977	4,108	3,567
Prepaid reinsurance premiums	1,223	1,112	1,021	917	1,180	1,006
Agents' balances and premiums receivable	2,088	1,796	1,459	1,339	1,698	1,623
Deferred policy acquisition costs	324	316	285	288	292	293
Assets of managed investment entities	4,871	5,235	5,391	5,447	5,099	5,218
Other receivables	1,377	721	637	886	1,328	740
Other assets	1,422	1,281	1,153	1,219	1,259	1,123
Goodwill	305	246	246	246	246	246
Total assets	\$30,825	\$29,048	\$28,481	\$28,831	\$29,532	\$28,084
Liabilities and Equity:						
Unpaid losses and loss adjustment expenses	\$12,891	\$11,925	\$11,761	\$11,974	\$12,067	\$11,201
Unearned premiums	3,997	3,686	3,435	3,246	3,785	3,397
Payable to reinsurers	1,398	1,038	911	1,035	1,366	971
Liabilities of managed investment entities	4,728	5,098	5,258	5,332	5,002	5,133
Long-term debt	1,474	1,474	1,478	1,496	1,533	1,542
Other liabilities	2,356	1,834	1,697	1,696	1,847	1,773
Total liabilities	\$26,844	\$25,055	\$24,540	\$24,779	\$25,600	\$24,017
Shareholders' equity:						
Common stock	\$ 84	\$ 85	\$ 85	\$ 85	\$ 85	\$ 85
Capital surplus	1,372	1,377	1,374	1,368	1,358	1,351
Retained earnings	3,095	3,042	2,933	3,142	3,091	2,979
Unrealized gains (losses) - fixed maturities	(521)	(464)	(413)	(497)	(554)	(326)
Unrealized gains (losses) - fixed maturity-related cash flow hedges	(34)	(33)	(21)	(29)	(29)	(8)
Other comprehensive income (loss), net of tax	(15)	(14)	(17)	(17)	(19)	(14)
Total shareholders' equity	3,981	3,993	3,941	4,052	3,932	4,067
Total liabilities and equity	\$30,825	\$29,048	\$28,481	\$28,831	\$29,532	\$28,084

American Financial Group, Inc.
Book Value Per Share and Price / Book Summary
(in millions, except per share information)



	9/30/23	6/30/23	3/31/23	12/31/22	9/30/22	6/30/22
Shareholders' equity	\$ 3,981	\$ 3,993	\$ 3,941	\$ 4,052	\$ 3,932	\$ 4,067
Unrealized (gains) losses related to fixed maturities	555	497	434	526	583	334
Adjusted shareholders' equity	4,536	4,490	4,375	4,578	4,515	4,401
Goodwill	(305)	(246)	(246)	(246)	(246)	(246)
Intangibles	(217)	(102)	(105)	(108)	(111)	(101)
Tangible adjusted shareholders' equity	\$ 4,014	\$ 4,142	\$ 4,024	\$ 4,224	\$ 4,158	\$ 4,054
Common shares outstanding	84.136	84.859	85.172	85.204	85.141	85.154
Book value per share:						
Book value per share	\$ 47.31	\$ 47.06	\$ 46.27	\$ 47.56	\$ 46.18	\$ 47.76
Adjusted (a)	53.90	52.90	51.37	53.73	53.03	51.68
Tangible, adjusted (b)	47.71	48.80	47.25	49.58	48.84	47.60
Market capitalization						
AFG's closing common share price	\$ 111.67	\$ 118.75	\$ 121.50	\$ 137.28	\$ 122.93	\$ 138.81
Market capitalization	\$ 9,395	\$ 10,077	\$ 10,348	\$ 11,697	\$ 10,466	\$ 11,820
Price / Adjusted book value ratio	2.07	2.24	2.37	2.56	2.32	2.69

- (a) Excludes unrealized gains (losses) related to fixed maturity investments.
(b) Excludes unrealized gains (losses) related to fixed maturity investments, goodwill and intangibles.

American Financial Group, Inc.

Capitalization

(\$ in millions)



	9/30/23	6/30/23	3/31/23	12/31/22	9/30/22	6/30/22
AFG senior obligations	\$ 823	\$ 823	\$ 828	\$ 846	\$ 884	\$ 893
Borrowings drawn under credit facility	—	—	—	—	—	—
Debt excluding subordinated debt	\$ 823	\$ 823	\$ 828	\$ 846	\$ 884	\$ 893
AFG subordinated debentures	675	675	675	675	675	675
Total principal amount of long-term debt	\$1,498	\$1,498	\$1,503	\$1,521	\$1,559	\$1,568
Shareholders' equity	3,981	3,993	3,941	4,052	3,932	4,067
Less:						
Unrealized (gains) losses related to fixed maturity investments	555	497	434	526	583	334
Total adjusted capital	\$6,034	\$5,988	\$5,878	\$6,099	\$6,074	\$5,969
Ratio of debt to total adjusted capital:						
Including subordinated debt	24.8%	25.0%	25.6%	24.9%	25.7%	26.3%
Excluding subordinated debt	13.6%	13.7%	14.1%	13.9%	14.6%	15.0%

	Three Months Ended					Nine Months Ended	
	9/30/23	6/30/23	3/31/23	12/31/22	9/30/22	9/30/23	9/30/22
<u>Property and Casualty Insurance</u>							
Paid Losses (GAAP)	<u>\$ 805</u>	<u>\$ 802</u>	<u>\$ 881</u>	<u>\$ 914</u>	<u>\$ 776</u>	<u>\$ 2,488</u>	<u>\$ 2,168</u>
<u>GAAP Equity (excluding AOCI)</u>							
Property and Casualty Insurance		<u>9/30/23</u>	<u>6/30/23</u>	<u>3/31/23</u>	<u>12/31/22</u>	<u>9/30/22</u>	<u>6/30/22</u>
		\$ 5,786	\$ 5,581	\$ 5,392	\$ 5,433	\$ 5,527	\$ 5,399
Parent and other subsidiaries		(1,235)	(1,077)	(1,000)	(838)	(993)	(984)
AFG GAAP Equity (excluding AOCI)		<u>\$ 4,551</u>	<u>\$ 4,504</u>	<u>\$ 4,392</u>	<u>\$ 4,595</u>	<u>\$ 4,534</u>	<u>\$ 4,415</u>
<u>Allowable dividends without regulatory approval</u>							
Property and Casualty Insurance		\$ 887	\$ 887	\$ 887	\$ 887	\$ 843	\$ 843

American Financial Group, Inc.
Total Cash and Investments
(\$ in millions)



Carrying Value - September 30, 2023					
	Property and Casualty Insurance	Parent & Other	Consolidate CLOs	Total AFG Consolidated	% of Investment Portfolio
Total cash and investments:					
Cash and cash equivalents	\$ 1,074	\$ 147	\$ —	\$ 1,221	8%
Fixed maturities - Available for sale	9,761	170	—	9,931	67%
Fixed maturities - Trading	51	—	—	51	1%
Equity securities - Common stocks	588	—	—	588	4%
Equity securities - Perpetual preferred	419	—	—	419	3%
Investments accounted for using the equity method	1,806	1	—	1,807	12%
Mortgage loans	644	—	—	644	4%
Real estate and other investments	181	95	(143)	133	1%
Total cash and investments	\$ 14,524	\$ 413	\$ (143)	\$ 14,794	100%

Carrying Value - December 31, 2022					
	Property and Casualty Insurance	Parent & Other	Consolidate CLOs	Total AFG Consolidated	% of Investment Portfolio
Total cash and investments:					
Cash and cash equivalents	\$ 622	\$ 250	\$ —	\$ 872	6%
Fixed maturities - Available for sale	9,505	590	—	10,095	70%
Fixed maturities - Trading	32	—	—	32	0%
Equity securities - common stocks	553	—	—	553	4%
Equity securities - perpetual preferred	457	—	—	457	3%
Investments accounted for using the equity method	1,699	1	—	1,700	12%
Mortgage loans	676	—	—	676	4%
Real estate and other investments	153	89	(115)	127	1%
Total cash and investments	\$ 13,697	\$ 930	\$ (115)	\$ 14,512	100%

American Financial Group, Inc.
Net Investment Income
(\$ in millions)



	Three Months Ended					Nine Months Ended	
	9/30/23	6/30/23	3/31/23	12/31/22	9/30/22	9/30/23	9/30/22
Property and Casualty Insurance:							
Gross investment income excluding alternative investments							
Fixed maturities	\$ 121	\$ 117	\$ 112	\$ 107	\$ 93	\$ 350	\$ 250
Equity securities	8	8	9	13	8	25	23
Other investments (a)	19	16	13	14	12	48	26
Gross investment income excluding alternative investments	148	141	134	134	113	423	299
Gross investment income from alternative investments (b)	25	55	78	28	36	158	237
Total gross investment income	173	196	212	162	149	581	536
Investment expenses	(3)	(5)	(5)	(3)	(4)	(13)	(12)
Total net investment income	\$ 170	\$ 191	\$ 207	\$ 159	\$ 145	\$ 568	\$ 524
Average cash and investments (c)	\$14,899	\$14,498	\$14,350	\$14,304	\$14,105	\$14,624	\$13,981
Average yield - fixed maturities before inv expenses (d)	4.68%	4.62%	4.40%	4.15%	3.73%	4.56%	3.43%
Average yield - overall portfolio, net (d)	4.56%	5.27%	5.77%	4.45%	4.11%	5.18%	5.00%
Average tax equivalent yield - overall portfolio, net (d)	4.63%	5.34%	5.83%	4.53%	4.21%	5.25%	5.10%
AFG consolidated net investment income:							
Property & Casualty core	\$ 170	\$ 191	\$ 207	\$ 159	\$ 145	\$ 568	\$ 524
Parent & other	10	12	11	9	10	33	15
Consolidate CLOs	(12)	(5)	(1)	—	(4)	(18)	10
Total net investment income	\$ 168	\$ 198	\$ 217	\$ 168	\$ 151	\$ 583	\$ 549
Average cash and investments (c)	\$15,264	\$15,025	\$15,058	\$15,083	\$14,852	\$15,161	\$15,254
Average yield - overall portfolio, net (d)	4.40%	5.27%	5.76%	4.46%	4.07%	5.13%	4.80%
Average yield - fixed maturities before inv expenses (d)	4.74%	4.67%	4.43%	4.19%	3.74%	4.60%	3.32%

- (a) Includes income from mortgage loans, real estate, short-term investments, and cash equivalents.
(b) Investment income on alternative investments is detailed on page 18.
(c) Average cash and investments is the average of the beginning and ending quarter balances, or the average of the five quarters balances.
(d) Average yield is calculated by dividing investment income for the period by the average balance.

	Three Months Ended					Nine Months Ended	
	9/30/23	6/30/23	3/31/23	12/31/22	9/30/22	9/30/23	9/30/22
Property and Casualty Insurance:							
Net Investment Income							
Convertible fixed maturities MTM through investment income	\$ (11)	\$ 8	\$ 4	\$ —	\$ —	\$ 1	\$ —
Equity securities MTM through investment income (a)	7	14	16	7	(5)	37	1
Investments accounted for using the equity method (b)	17	28	57	21	37	102	246
AFG managed CLOs (eliminated in consolidation)	12	5	1	—	4	18	(10)
Total Property & Casualty	\$ 25	\$ 55	\$ 78	\$ 28	\$ 36	\$ 158	\$ 237
Investments							
Convertible fixed maturities MTM through investment income	\$ 17	\$ 28	\$ 19	\$ —	\$ —	\$ 17	\$ —
Equity securities MTM through investment income (a)	411	423	377	332	289	411	289
Investments accounted for using the equity method (b)	1,806	1,755	1,732	1,699	1,661	1,806	1,661
AFG managed CLOs (eliminated in consolidation)	143	136	132	115	97	143	97
Total Property & Casualty	\$2,377	\$2,342	\$2,260	\$2,146	\$2,047	\$2,377	\$2,047
Annualized Return—Property & Casualty	4.2%	9.6%	14.2%	5.3%	7.1%	9.2%	16.1%
AFG Consolidated:							
Net Investment Income							
Convertible fixed maturities MTM through investment income	\$ (11)	\$ 8	\$ 4	\$ —	\$ —	\$ 1	\$ —
Equity securities MTM through investment income (a)	7	14	16	7	(5)	37	1
Investments accounted for using the equity method (b)	17	28	57	21	37	102	246
AFG managed CLOs (eliminated in consolidation)	12	5	1	—	4	18	(10)
Total AFG Consolidated	\$ 25	\$ 55	\$ 78	\$ 28	\$ 36	\$ 158	\$ 237
Investments							
Convertible fixed maturities MTM through investment income	\$ 17	\$ 28	\$ 19	\$ —	\$ —	\$ 17	\$ —
Equity securities MTM through investment income (a)	411	423	377	332	289	411	289
Investments accounted for using the equity method (b)	1,807	1,756	1,733	1,700	1,661	1,807	1,661
AFG managed CLOs (eliminated in consolidation)	143	136	132	115	97	143	97
Total AFG Consolidated	\$2,378	\$2,343	\$2,261	\$2,147	\$2,047	\$2,378	\$2,047
Annualized Return—AFG Consolidated	4.2%	9.6%	14.2%	5.3%	7.1%	9.2%	16.1%

- (a) AFG records holding gains and losses in net investment income on its portfolio of limited partnerships and similar investments that do not qualify for equity method accounting and certain other securities classified at purchase as “fair value through net investment income.”
- (b) The majority of AFG’s investments accounted for using the equity method mark their underlying assets to market through net income.

American Financial Group, Inc.
Fixed Maturities - By Security Type - AFG Consolidated
(\$ in millions)



September 30, 2023	Book Value (a)	Fair Value	Unrealized Gain (Loss)	% of Fair Value	% of Investment Portfolio
US Government and government agencies	\$ 240	\$ 229	\$ (11)	2%	2%
States, municipalities and political subdivisions	986	911	(75)	9%	6%
Foreign government	274	264	(10)	3%	2%
Residential mortgage-backed securities	1,813	1,619	(194)	16%	11%
Commercial mortgage-backed securities	78	76	(2)	1%	1%
Collateralized loan obligations	1,754	1,723	(31)	17%	12%
Other asset-backed securities	2,436	2,277	(159)	23%	15%
Corporate and other bonds	3,060	2,883	(177)	29%	19%
Total AFG consolidated	\$ 10,641	\$ 9,982	\$ (659)	100%	68%
Approximate duration - P&C	3.1 years				
Approximate duration - P&C including cash	2.8 years				
December 31, 2022	Book Value (a)	Fair Value	Unrealized Gain (Loss)	% of Fair Value	% of Investment Portfolio
US Government and government agencies	\$ 233	\$ 219	\$ (14)	2%	2%
States, municipalities and political subdivisions	1,234	1,186	(48)	12%	8%
Foreign government	266	252	(14)	2%	2%
Residential mortgage-backed securities	1,755	1,598	(157)	16%	11%
Commercial mortgage-backed securities	88	85	(3)	1%	1%
Collateralized loan obligations	1,987	1,921	(66)	19%	13%
Other asset-backed securities	2,428	2,245	(183)	22%	15%
Corporate and other bonds	2,766	2,621	(145)	26%	18%
Total AFG consolidated	\$ 10,757	\$ 10,127	\$ (630)	100%	70%
Approximate duration - P&C	3.1 years				
Approximate duration - P&C including cash	2.9 years				

(a) Book Value is amortized cost, net of allowance for expected credit losses.

Appendix A
American Financial Group, Inc.
Fixed Maturities by Credit Rating & NAIC Designation by Type
9/30/2023



(\$ in millions)

By Credit Rating (a)	Fair Value by Type									% Total
	US Gov	Munis	Frgn Gov	RMBS	CMBS	CLOs	ABS	Corp/Oth	Total	
Investment grade										
AAA	\$ —	\$ 322	\$ 247	\$1,317	\$ 65	\$1,534	\$ 893	\$ 22	\$4,400	44%
AA	229	535	9	98	7	169	298	157	1,502	15%
A	—	44	4	27	1	18	484	788	1,366	14%
BBB	—	8	4	—	—	—	480	1,547	2,039	20%
Subtotal - Investment grade	229	909	264	1,442	73	1,721	2,155	2,514	9,307	93%
BB	—	—	—	7	3	—	7	202	219	2%
B	—	—	—	7	—	—	2	69	78	1%
CCC, CC, C	—	—	—	91	—	—	4	6	101	1%
D	—	—	—	8	—	—	—	2	10	0%
Subtotal - Non-Investment grade	—	—	—	113	3	—	13	279	408	4%
Not Rated (b)	—	2	—	64	—	2	109	90	267	3%
Total	\$ 229	\$ 911	\$ 264	\$1,619	\$ 76	\$1,723	\$2,277	\$ 2,883	\$9,982	100%

NAIC designation	Fair Value by Type									% Total
	US Gov	Munis	Frgn gov	RMBS	CMBS	CLOs	ABS	Corp/Oth	Total	
1	\$ 229	\$ 904	\$ 218	\$1,561	\$ 73	\$1,665	\$1,699	\$ 983	\$7,332	75%
2	—	7	—	9	—	—	480	1,562	2,058	21%
Subtotal	229	911	218	1,570	73	1,665	2,179	2,545	9,390	96%
3	—	—	—	1	3	—	7	202	213	2%
4	—	—	—	—	—	—	2	74	76	1%
5	—	—	—	2	—	—	9	44	55	1%
6	—	—	—	1	—	—	—	2	3	0%
Subtotal	—	—	—	4	3	—	18	322	347	4%
Total insurance companies	\$ 229	\$ 911	\$ 218	\$1,574	\$ 76	\$1,665	\$2,197	\$ 2,867	\$9,737	100%
No NAIC designation (c)	—	—	—	—	—	2	8	11	21	
Non-Insurance and Foreign Companies (d)	—	—	46	45	—	56	72	5	224	
Total	\$ 229	\$ 911	\$ 264	\$1,619	\$ 76	\$1,723	\$2,277	\$ 2,883	\$9,982	

- (a) If two agencies rate a security, the rating displayed above is the lower of the two; if three or more agencies rate a security, the rating displayed is the second lowest.
- (b) For ABS, 88% are NAIC 1 and 5% are NAIC 5. For Corp/Oth, 17% are NAIC 1, 23% NAIC 2, 41% NAIC 5 and 12% do not have a designation. For Total, 60% are NAIC 1, 11% NAIC 2, 16% NAIC 5 and 8% do not have a designation.
- (c) Surplus notes and CLO equity tranches that are classified as other invested assets for STAT.
- (d) 98% are investment grade rated.

Appendix B
American Financial Group, Inc.
Fixed Maturities by Credit Rating & NAIC Designation by Type
12/31/2022



(\$ in millions)

By Credit Rating (a)	Fair Value by Type									% Total
	US Gov	Munis	Frgn Gov	RMBS	CMBS	CLOs	ABS	Corp/Oth	Total	
Investment grade										
AAA	\$ 219	\$ 477	\$ 239	\$1,317	\$ 63	\$1,708	\$ 860	\$ 24	\$ 4,907	49%
AA	—	648	9	6	14	169	347	163	1,356	13%
A	—	50	4	76	2	41	475	670	1,318	13%
BBB	—	7	—	—	3	—	443	1,287	1,740	17%
Subtotal - Investment grade	219	1,182	252	1,399	82	1,918	2,125	2,144	9,321	92%
BB	—	—	—	8	3	—	8	200	219	2%
B	—	—	—	8	—	—	1	51	60	1%
CCC, CC, C	—	—	—	103	—	—	5	1	109	1%
D	—	—	—	8	—	—	—	—	8	0%
Subtotal - Non-Investment grade	—	—	—	127	3	—	14	252	396	4%
Not Rated (b)	—	4	—	72	—	3	106	225	410	4%
Total	\$ 219	\$1,186	\$ 252	\$1,598	\$ 85	\$1,921	\$2,245	\$ 2,621	\$10,127	100%

NAIC designation	Fair Value by Type									% Total
	US Gov	Munis	Frgn gov	RMBS	CMBS	CLOs	ABS	Corp/Oth	Total	
1	\$ 219	\$1,178	\$ 213	\$1,506	\$ 82	\$1,627	\$1,657	\$ 878	\$ 7,360	78%
2	—	8	—	11	—	—	443	1,310	1,772	19%
Subtotal	219	1,186	213	1,517	82	1,627	2,100	2,188	9,132	97%
3	—	—	—	1	3	—	8	239	251	3%
4	—	—	—	—	—	—	1	46	47	0%
5	—	—	—	3	—	—	10	22	35	0%
6	—	—	—	1	—	—	—	—	1	0%
Subtotal	—	—	—	5	3	—	19	307	334	3%
Total insurance companies	\$ 219	\$1,186	\$ 213	\$1,522	\$ 85	\$1,627	\$2,119	\$ 2,495	\$ 9,466	100%
No NAIC designation (c)	—	—	—	—	—	3	—	20	23	
Non-Insurance and Foreign Companies (d)	—	—	39	76	—	291	126	106	638	
Total	\$ 219	\$1,186	\$ 252	\$1,598	\$ 85	\$1,921	\$2,245	\$ 2,621	\$10,127	

- (a) If two agencies rate a security, the rating displayed above is the lower of the two; if three or more agencies rate a security, the rating displayed is the second lowest.
- (b) For ABS, 95% are NAIC 1 and 5% are NAIC 5.
For Corp/Oth, 44% are held by non-insurance companies, 11% are NAIC 1, 12% NAIC 2 and 16% NAIC 3.
For Total, 46% are NAIC 1, 7% NAIC 2, 9% NAIC 3 and 26% are held by non-insurance companies.
- (c) Surplus notes and CLO equity tranches that are classified as other invested assets for STAT.
- (d) 76% are investment grade rated.

Appendix C
American Financial Group, Inc.
Corporate Securities by Credit Rating & NAIC Designation by Industry
9/30/2023
(\$ in millions)



Credit Rating (a)	Fair Value By Industry															Total	% Total		
	Asset Managers	Banking	Technology	Insurance	Consumer	Other Financials	Utilities	REITs	Autos	Basic Industry	Retailers	Media	Capital Goods	Other					
Investment Grade																			
AAA	\$ —	\$ —	\$ 11	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 11	\$ 22				1%
AA	5	—	17	42	39	27	5	—	—	—	9	—	—	13	157				5%
A	32	161	55	144	45	32	73	53	68	11	17	3	38	56	788				27%
BBB	516	192	143	34	49	88	65	70	58	108	31	44	38	111	1,547				54%
Subtotal	553	353	226	220	133	147	143	123	126	119	57	47	76	191	2,514				87%
BB	23	2	25	3	30	12	—	—	5	14	39	33	2	14	202				7%
B	—	—	2	1	11	—	—	—	4	—	32	—	4	15	69				3%
CCC, CC, C	—	—	—	—	1	—	—	—	—	—	—	—	—	5	6				0%
D	—	—	2	—	—	—	—	—	—	—	—	—	—	—	2				0%
Subtotal	23	2	29	4	42	12	—	—	9	14	71	33	6	34	279				10%
Not Rated (b)	—	—	3	10	15	10	—	13	—	1	—	20	7	11	90				3%
Total	\$ 576	\$ 355	\$ 258	\$ 234	\$ 190	\$ 169	\$ 143	\$ 136	\$ 135	\$ 134	\$ 128	\$ 100	\$ 89	\$ 236	\$ 2,883				100%

	Fair Value By Industry																	
	Asset		Other										Basic		Capital			
NAIC designation	Managers	Banking	Technology	Insurance	Consumer	Financials	Utilities	REITs	Autos	Industry	Retailers	Media	Goods	Other	Total	% Total		
1	\$ 37	\$ 161	\$ 82	\$ 186	\$ 95	\$ 66	\$ 78	\$ 53	\$ 71	\$ 11	\$ 26	\$ 3	\$ 38	\$ 76	\$ 983	34%		
2	516	192	144	33	49	88	65	83	55	108	31	44	38	116	1,562	54%		
Subtotal	553	353	226	219	144	154	143	136	126	119	57	47	76	192	2,545	88%		
3	23	2	24	4	34	7	—	—	5	15	39	33	2	14	202	7%		
4	—	—	1	—	9	8	—	—	4	—	32	—	4	16	74	3%		
5	—	—	5	—	3	—	—	—	—	—	—	20	7	9	44	2%		
6	—	—	2	—	—	—	—	—	—	—	—	—	—	—	2	0%		
Subtotal	23	2	32	4	46	15	—	—	9	15	71	53	13	39	322	12%		
Total insurance companies	\$ 576	\$ 355	\$ 258	\$ 223	\$ 190	\$ 169	\$ 143	\$ 136	\$ 135	\$ 134	\$ 128	\$ 100	\$ 89	\$ 231	\$ 2,867	100%		
No NAIC designation (c)	—	—	—	11	—	—	—	—	—	—	—	—	—	—	11			
Non-Insurance and Foreign Companies	—	—	—	—	—	—	—	—	—	—	—	—	—	5	5			
Total	\$ 576	\$ 355	\$ 258	\$ 234	\$ 190	\$ 169	\$ 143	\$ 136	\$ 135	\$ 134	\$ 128	\$ 100	\$ 89	\$ 236	\$ 2,883			

- (a) If two agencies rate a security, the rating displayed above is the lower of the two; if three or more agencies rate a security, the rating displayed is the second lowest.
- (b) 17% of not rated securities are NAIC 1, 23% NAIC 2, 41% NAIC 5 and 12% do not have a designation.

Appendix D
American Financial Group, Inc.
Corporate Securities by Credit Rating & NAIC Designation by Industry
12/31/2022
(\$ in millions)



Credit Rating (a)	Fair Value By Industry															
	Asset Managers	Banking	Other Financials	Technology	Insurance	Consumer	REITs	Retailers	Basic Industry	Media	Autos	Capital Goods	Energy	Other	Total	% Total
Investment Grade																
AAA	\$ —	\$ —	\$ —	\$ 10	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 14	\$ 24	1%
AA	—	—	23	39	21	48	—	5	—	—	—	—	16	11	163	6%
A	52	144	43	54	129	29	54	17	3	—	42	45	—	58	670	26%
BBB	442	214	90	105	27	44	63	32	83	32	30	22	17	86	1,287	49%
Subtotal	494	358	156	208	177	121	117	54	86	32	72	67	33	169	2,144	82%
BB	22	—	12	23	1	22	2	49	8	34	11	1	5	10	200	7%
B	—	—	—	3	1	26	—	—	—	—	4	4	—	13	51	2%
CCC, CC, C	—	—	—	—	—	1	—	—	—	—	—	—	—	—	1	0%
D	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	0%
Subtotal	22	—	12	26	2	49	2	49	8	34	15	5	5	23	252	9%
Not Rated																
(b)	1	—	120	11	16	25	12	—	2	23	—	3	1	11	225	9%
Total	\$ 517	\$ 358	\$ 288	\$ 245	\$ 195	\$ 195	\$ 131	\$ 103	\$ 96	\$ 89	\$ 87	\$ 75	\$ 39	\$ 203	\$2,621	100%

	Fair Value By Industry															
NAIC designation	Asset Managers	Banking	Other Financials	Technology	Insurance	Consumer	REITs	Retailers	Basic Industry	Media	Autos	Capital Goods	Energy	Other	Total	% Total
1	\$ 52	\$ 144	\$ 79	\$ 103	\$ 150	\$ 88	\$ 54	\$ 22	\$ 3	\$ —	\$ 42	\$ 45	\$ 16	\$ 80	\$ 878	35%
2	443	213	91	105	29	48	75	32	83	32	30	24	17	88	1,310	53%
Subtotal	495	357	170	208	179	136	129	54	86	32	72	69	33	168	2,188	88%
3	22	—	12	29	2	27	2	49	10	54	11	2	6	13	239	9%
4	—	—	—	5	—	24	—	—	—	—	4	4	—	9	46	2%
5	—	—	—	3	—	8	—	—	—	3	—	—	—	8	22	1%
6	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	0%
Subtotal	22	—	12	37	2	59	2	49	10	57	15	6	6	30	307	12%
Total insurance companies	\$ 517	\$ 357	\$ 182	\$ 245	\$ 181	\$ 195	\$ 131	\$ 103	\$ 96	\$ 89	\$ 87	\$ 75	\$ 39	\$ 198	\$2,495	100%
No NAIC designation (c)	—	—	6	—	14	—	—	—	—	—	—	—	—	—	20	
Non-Insurance and Foreign Companies	—	1	100	—	—	—	—	—	—	—	—	—	—	5	106	
Total	\$ 517	\$ 358	\$ 288	\$ 245	\$ 195	\$ 195	\$ 131	\$ 103	\$ 96	\$ 89	\$ 87	\$ 75	\$ 39	\$ 203	\$2,621	

- (a) If two agencies rate a security, the rating displayed above is the lower of the two; if three or more agencies rate a security, the rating displayed is the second lowest.
- (b) For Other Financials, 84% are held by non-insurance companies and 11% are NAIC 1.
For the Total, 44% are held by non-insurance companies, 11% are NAIC 1, 12% NAIC 2 and 16% NAIC 3.
- (c) Surplus notes that are classified as other invested assets for STAT.

Appendix E
American Financial Group, Inc.
Asset-Backed Securities by Credit Rating & NAIC Designation by Collateral Type
9/30/2023
(\$ in millions)



Credit Rating (a)	Fair Value By Collateral Type											Total	% Total
	Whole Business	Commercial Real Estate	TruPS	Single Family Rental	Secured Financing (c)	Railcar	Triple Net Lease	Aircraft	Mortgage Servicer Receivables	Consumer Loans	Other		
Investment Grade													
AAA	\$ —	\$ 408	\$ 47	\$ 171	\$ 25	\$ —	\$ 144	\$ —	\$ 5	\$ 10	\$ 83	\$ 893	40%
AA	60	6	142	10	20	—	21	5	—	10	24	298	13%
A	10	—	16	—	30	165	5	41	—	7	210	484	21%
BBB	360	—	—	—	1	6	—	31	55	—	27	480	21%
Subtotal	430	414	205	181	76	171	170	77	60	27	344	2,155	95%
BB	—	—	—	—	1	—	—	6	—	—	—	7	0%
B	—	—	—	—	1	—	—	1	—	—	—	2	0%
CCC, CC, C	—	—	—	—	—	—	—	4	—	—	—	4	0%
D	—	—	—	—	—	—	—	—	—	—	—	—	0%
Subtotal	—	—	—	—	2	—	—	11	—	—	—	13	0%
Not Rated (b)	—	—	—	—	95	—	—	5	—	—	9	109	5%
Total	\$ 430	\$ 414	\$ 205	\$ 181	\$ 173	\$ 171	\$ 170	\$ 93	\$ 60	\$ 27	\$ 353	\$ 2,277	100%

NAIC designation	Fair Value By Collateral Type											Total	% Total
	Whole Business	Commercial Real Estate	TruPS	Single Family Rental	Secured Financing (c)	Railcar	Triple Net Lease	Aircraft	Mortgage Servicer Receivables	Consumer Loans	Other		
1	\$ 70	\$ 345	\$ 205	\$ 180	\$ 170	\$ 165	\$ 170	\$ 46	\$ 5	\$ 25	\$ 318	\$ 1,699	77%
2	360	—	—	—	1	6	—	31	55	—	27	480	22%
Subtotal	430	345	205	180	171	171	170	77	60	25	345	2,179	99%
3	—	—	—	—	1	—	—	6	—	—	—	7	0%
4	—	—	—	—	1	—	—	1	—	—	—	2	0%
5	—	—	—	—	—	—	—	9	—	—	—	9	1%
6	—	—	—	—	—	—	—	—	—	—	—	—	0%
Subtotal	—	—	—	—	2	—	—	16	—	—	—	18	1%
Total insurance companies	\$ 430	\$ 345	\$ 205	\$ 180	\$ 173	\$ 171	\$ 170	\$ 93	\$ 60	\$ 25	\$ 345	\$ 2,197	100%
No NAIC designation	—	—	—	—	—	—	—	—	—	—	8	8	
Non-Insurance and Foreign Companies	—	69	—	1	—	—	—	—	—	2	—	72	
Total	\$ 430	\$ 414	\$ 205	\$ 181	\$ 173	\$ 171	\$ 170	\$ 93	\$ 60	\$ 27	\$ 353	\$ 2,277	

- (a) If two agencies rate a security, the rating displayed above is the lower of the two; if three or more agencies rate a security, the rating displayed is the second lowest.
- (b) 88% of not rated securities are NAIC 1 and 5% are NAIC 5.
- (c) Secured Financings are privately placed funding agreements secured primarily by Single Family Rental properties and Bank Loans.

Appendix F
American Financial Group, Inc.
Asset-Backed Securities by Credit Rating & NAIC Designation by Collateral Type

12/31/2022

(\$ in millions)



Credit Rating (a)	Fair Value By Collateral Type												Total	% Total
	Commercial Real Estate	Whole Business	TruPS	Secured Financing (c)	Triple Net Lease	Single Family Rental	Railcar	Aircraft	Mortgage Servicer Receivables	Consumer Loans	Auto	Other		
Investment														
Grade														
AAA	\$ 456	\$ —	\$ 40	\$ 25	\$ 138	\$ 156	\$ —	\$ —	\$ 5	\$ 8	\$ 3	\$ 29	\$ 860	38%
AA	8	60	186	25	21	11	—	7	—	12	13	4	347	16%
A	—	4	7	34	8	—	160	38	—	33	—	191	475	21%
BBB	—	326	—	1	—	—	6	26	62	—	—	22	443	20%
Subtotal	464	390	233	85	167	167	166	71	67	53	16	246	2,125	95%
BB	—	—	—	1	—	—	—	7	—	—	—	—	8	0%
B	—	—	—	—	—	—	—	1	—	—	—	—	1	0%
CCC, CC, C	—	—	—	—	—	—	—	5	—	—	—	—	5	0%
D	—	—	—	—	—	—	—	—	—	—	—	—	—	0%
Subtotal	—	—	—	1	—	—	—	13	—	—	—	—	14	0%
Not Rated (b)	—	—	—	95	—	—	—	5	—	—	—	6	106	5%
Total	\$ 464	\$ 390	\$ 233	\$ 181	\$ 167	\$ 167	\$ 166	\$ 89	\$ 67	\$ 53	\$ 16	\$ 252	\$ 2,245	100%

NAIC designation	Fair Value By Collateral Type												Total	% Total
	Commercial Real Estate	Whole Business	TruPS	Secured Financing (c)	Triple Net Lease	Single Family Rental	Railcar	Aircraft	Mortgage Servicer Receivables	Consumer Loans	Auto	Other		
1	\$ 358	\$ 64	\$ 233	\$ 179	\$ 167	\$ 166	\$ 160	\$ 46	\$ 5	\$ 34	\$ 16	\$ 229	\$ 1,657	78%
2	—	326	—	1	—	—	6	26	62	—	—	22	443	21%
Subtotal	358	390	233	180	167	166	166	72	67	34	16	251	2,100	99%
3	—	—	—	1	—	—	—	7	—	—	—	—	8	0%
4	—	—	—	—	—	—	—	1	—	—	—	—	1	0%
5	—	—	—	—	—	—	—	9	—	—	—	1	10	1%
6	—	—	—	—	—	—	—	—	—	—	—	—	—	0%
Subtotal	—	—	—	1	—	—	—	17	—	—	—	1	19	1%
Total insurance companies	\$ 358	\$ 390	\$ 233	\$ 181	\$ 167	\$ 166	\$ 166	\$ 89	\$ 67	\$ 34	\$ 16	\$ 252	\$ 2,119	100%
No NAIC designation	—	—	—	—	—	—	—	—	—	—	—	—	—	
Non-Insurance and Foreign Companies	106	—	—	—	—	1	—	—	—	19	—	—	126	
Total	\$ 464	\$ 390	\$ 233	\$ 181	\$ 167	\$ 167	\$ 166	\$ 89	\$ 67	\$ 53	\$ 16	\$ 252	\$ 2,245	

- (a) If two agencies rate a security, the rating displayed above is the lower of the two; if three or more agencies rate a security, the rating displayed is the second lowest.
- (b) 95% of not rated securities are NAIC 1 and 5% are NAIC 5.
- (c) Secured Financings are privately placed funding agreements secured by assets including Single Family Rental properties, Bank Loans, and Commercial and Residential mortgages.

Investments accounted for using equity method (Real Estate Funds/Investments) (a)

<u>Investment Type</u>	<u>Book Value</u>	<u>% of Book Value</u>	<u>Occupancy (b)</u>	<u>Collection Rate (c)</u>
Multi-family	\$ 1,212	92%	95%	98%
Fund Investments	59	4%	—	—
QOZ Fund - Development	19	2%	—	—
Office	16	1%	88%	100%
Hospitality	10	1%	—	—
Land Development	5	0%	—	—
Student Housing	—	0%	—	—
Total	\$ 1,321	100%		

Real Estate

<u>Property Type</u>	<u>Book Value</u>	<u>% of Book Value</u>	<u>Debt</u>
Resort & Marina	\$ 53	53%	\$ —
Marina	36	36%	—
Office Building	9	9%	—
Land	2	2%	—
Total	\$ 100	100%	\$ —

Mortgage Loans

<u>Property Type</u>	<u>Book Value</u>	<u>% of Book Value</u>	<u>Loan To Value</u>
Multifamily	\$ 461	71%	66%
Hospitality	126	20%	51%
Office	57	9%	89%
Total	\$ 644	100%	65%

Currently, no loans are receiving interest deferral through forbearance agreements.

- (a) Total investments accounted for using the equity method is \$1.8 billion, the amounts presented in this table only relate to real estate funds/investments.
- (b) Occupancy as of 9/30/23
- (c) Collections for July—September

(\$ in millions)

Investments accounted for using equity method (Real Estate Funds/Investments) (a)

<u>Investment Type</u>	<u>Book Value</u>	<u>% of Book Value</u>	<u>Occupancy (b)</u>	<u>Collection Rate (c)</u>
Multi-family	\$ 1,127	92%	95%	98%
Fund Investments	52	4%	—	—
QOZ Fund - Development	19	2%	—	—
Office	15	1%	93%	100%
Hospitality	9	1%	—	—
Land Development	6	0%	—	—
Student Housing	1	0%	—	—
Total	\$ 1,229	100%		

Real Estate

<u>Property Type</u>	<u>Book Value</u>	<u>% of Book Value</u>	<u>Debt</u>
Resort & Marina	\$ 50	52%	\$—
Marina	35	36%	—
Office Building	10	10%	—
Land	2	2%	—
Total	\$ 97	100%	\$—

Mortgage Loans

<u>Property Type</u>	<u>Book Value</u>	<u>% of Book Value</u>	<u>Loan To Value</u>
Multifamily	\$ 491	73%	67%
Hospitality	127	19%	52%
Office	58	8%	1
Total	\$ 676	100%	66%

Currently, no loans are receiving interest deferral through forbearance agreements.

- (a) Total investments accounted for using the equity method is \$1.7 billion, the amounts presented in this table only relate to real estate funds/investments.
- (b) Occupancy as of 12/31/22
- (c) Collections for October - December