

**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): May 11, 2020

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))

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.

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
6% Subordinated Debentures due November 15, 2055	AFGH	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

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 first quarter of 2020 and the availability of the Investor Supplement on the Company’s website. The press release was issued on May 11, 2020. A copy of the press release is attached to this Form 8-K as Exhibit 99.1 and a copy of the Investor Supplement is attached as Exhibit 99.2 and are incorporated herein by reference.

The information contained herein 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	Earnings Release dated May 11, 2020, reporting American Financial Group Inc. results for the quarter ended March 31, 2020.
99.2	Investor Supplement – First Quarter 2020
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.

Date: May 12, 2020

AMERICAN FINANCIAL GROUP, INC.

By: /s/ Karl J. Grafe
Karl J. Grafe
Vice President

Press Release

For Immediate Release



American Financial Group, Inc. Announces First Quarter Results

- *Net loss per share of \$3.34; includes \$5.22 per share loss in after-tax non-core items*
- *Core net operating earnings of \$1.88 per share; includes \$0.08 per share loss from investments marked-to-market through core operating earnings*
- *First quarter annualized ROE of (23.1%); core operating ROE of 13.2%*
- *Parent company cash of \$485 million post April debt offering; excess capital of \$610 million at March 31, 2020*
- *Full year 2020 core net operating earnings guidance, excluding the impact of investments marked-to-market through core operating earnings, \$6.45 - \$7.25 per share*

CINCINNATI – May 11, 2020 – American Financial Group, Inc. (NYSE: AFG) today reported a 2020 first quarter net loss attributable to shareholders of \$301 million (\$3.34 per share loss) compared to earnings of \$329 million (\$3.63 per share) for the 2019 first quarter. Net earnings for the 2020 first quarter were adversely impacted by after-tax non-core items aggregating \$472 million (\$5.22 per share). These items included \$435 million (\$4.81 per share) in non-core after-tax net realized losses on securities, after-tax annuity non-core losses of \$30 million (\$0.34 per share), and \$7 million (\$0.07 per share) for costs associated with the runoff of our Lloyd’s-based insurer, Neon. By comparison, net earnings in the 2019 first quarter included \$145 million (\$1.61 per share) in after-tax net realized gains on securities. Other details may be found in the table on the following page. AFG’s book value per share was \$56.18 as of March 31, 2020. Annualized return on equity was (23.1%) and 25.9% for the first quarters of 2020 and 2019, respectively.

Core net operating earnings were \$171 million (\$1.88 per share) for the 2020 first quarter, compared to \$184 million (\$2.02 per share) in the 2019 first quarter. Core net operating earnings for the first quarters of 2020 and 2019 generated annualized returns on equity of 13.2% and 14.5%, respectively. The year-over-year decrease was the result of negative adjustments to the Company’s \$2.2 billion of investments that are marked to market through core operating earnings (“MTM investments”). The COVID-19 pandemic has had widespread financial and economic impacts, including a significant decrease in both equity and credit markets, which adversely affected returns on MTM investments. Excluding the impact of MTM investments, AFG’s first quarter 2020 core net operating earnings increased \$21 million (\$0.23 per share) year-over-year. Additional details may be found in the table below.

Components of Pretax Core Operating Earnings	Three Months Ended March 31,					
	2020		2019		2019	
	2020	2019	2020	2019	2020	2019
<i>In millions, except per share amounts</i>						
P&C Pretax Core Operating Earnings	\$ 178	\$ 177	\$ 3	\$ 8	\$ 181	\$ 185
Annuity Pretax Core Operating Earnings	79	64	(12)	26	67	90
Other Expenses	(20)	(27)	—	—	(20)	(27)
Holding Company Interest Expense	(17)	(16)	—	—	(17)	(16)
Pretax Core Operating Earnings	220	198	(9)	34	211	232
Related Income Taxes	42	41	(2)	7	40	48
Core Net Operating Earnings	\$ 178	\$ 157	\$ (7)	\$ 27	\$ 171	\$ 184
Core Operating Earnings (Loss) Per Share	\$ 1.96	\$ 1.73	(\$ 0.08)	\$ 0.29	\$ 1.88	\$ 2.02
Weighted Avg Diluted Shares Outstanding	91.1	90.7			91.1	90.7

Beginning with the second quarter of 2019, AFG changed the way it defines annuity core operating earnings to exclude the impact of items that are not necessarily indicative of operating trends. Core net operating earnings for periods prior to the change have not been adjusted, however results for the three month period ended March 31, 2019 are reconciled to historically reported Annuity Segment core operating earnings on page 5 of this release. As a result, reported core net operating earnings for periods beginning with the second quarter of 2019 are not directly comparable to prior year periods. Beginning prospectively with the first quarter of 2020, AFG's core net operating earnings for its property and casualty insurance segment excludes the run-off operations of Neon ("Neon exited lines"). The Neon exited lines impact is highlighted in the table below.

AFG's net earnings attributable to shareholders, 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 attributable to shareholders 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, annuity non-core earnings and losses, and special 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	
	March 31,	
	2020	2019
Components of net earnings (loss) attributable to shareholders:		
Core operating earnings before income taxes	\$ 211	\$ 229
Pretax non-core items:		
Realized gains (losses) on securities	(551)	184
Annuity non-core earnings (losses)	(38)	—
Neon exited lines	(10)	—
Earnings (loss) before income taxes	(388)	413
Provision (credit) for income taxes:		
Core operating earnings	40	48
Non-core items	(124)	39
Total provision (credit) for income taxes	(84)	87
Net earnings (loss), including noncontrolling interests	(304)	326
Less net earnings (losses) attributable to noncontrolling interests:		
Core operating earnings	—	(3)
Non-core items	(3)	—
Total net earnings (loss) attributable to noncontrolling interests	(3)	(3)
Net earnings (loss) attributable to shareholders	\$ (301)	\$ 329
Net earnings (loss):		
Core net operating earnings(a)	\$ 171	\$ 184
Non-core items:		
Realized gains (losses) on securities	(435)	145
Annuity non-core earnings (losses)	(30)	—
Neon exited lines	(7)	—
Net earnings (loss) attributable to shareholders	\$ (301)	\$ 329
Components of Earnings (Loss) Per Share(b):		
Core net operating earnings(a)	\$ 1.88	\$ 2.02
Non-core items:		
Realized gains (losses) on securities	(4.81)	1.61
Annuity non-core earnings (losses)	(0.34)	—
Neon exited lines	(0.07)	—
Diluted Earnings (Loss) Per Share	\$ (3.34)	\$ 3.63

Footnotes (a) and (b) are contained in the accompanying Notes to Financial Schedules at the end of this release.

Book value per share, excluding unrealized gains related to fixed maturities, was \$55.52 per share at March 31, 2020. In the 2020 first quarter, AFG repurchased 826,283 shares of its common stock at an average price of \$74.28 per share, for a total of approximately \$61 million.

Carl H. Lindner III and S. Craig Lindner, AFG's Co-Chief Executive Officers, commented: "The COVID-19 pandemic has had profound implications across the globe, requiring us to adjust to new ways of working, learning and interacting with each other. We are especially grateful for the guidance of health officials and government leaders at the local, state and federal levels, which has been instrumental in protecting health and promoting safety in these unprecedented times. We are also very thankful to those serving and caring for others, including healthcare professionals, first responders, military and food service personnel and other essential workers. Our foremost priority is to protect the well-being of our employees as we continue to provide the secure, trusted service and support on which our agents and policyholders rely. We entered the year in the strongest financial position in our Company's history, and our liquidity and excess capital afford us the flexibility to effectively address and respond to the uncertainties introduced by COVID-19. Our thoughts and prayers remain with all of those affected by the virus and the individuals caring for them.

"We are very pleased with the performance of our core operating businesses during the first quarter of 2020 amid these challenges. We believe our results demonstrate the strength of our portfolio of diversified specialty insurance businesses and the contributions of the exceptional employees who are part of the AFG family.

"AFG had approximately \$610 million of excess capital at March 31, 2020. This number includes parent company cash of approximately \$190 million. With consideration to our recent issuance of \$300 million of 10-year senior debt, AFG parent effectively held cash of \$485 million at March 31, 2020. We expect to continue to have significant excess capital and liquidity throughout 2020 and beyond. Specifically, our insurance subsidiaries are projected to have capital at or in excess of the levels expected by ratings agencies in order to maintain their current ratings, we have no near-term debt maturities and we maintain a \$500 million undrawn credit facility."

As previously announced, the Company provided full year 2020 core net operating earnings per share guidance excluding earnings or losses from MTM investments, given the uncertainty of the implications of COVID-19 and the resulting volatility in the financial markets. AFG continues to expect its 2020 core net operating earnings per share excluding MTM investments to be in the range of \$6.45 to \$7.25. For comparison, AFG's 2019 full year core operating earnings per share excluding MTM investments were \$7.11. In addition to excluding earnings on MTM investments where indicated, our 2020 core earnings per share expectations and guidance excludes non-core items such as realized gains and losses, annuity non-core earnings 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. Furthermore, the above guidance reflects the impacts of (i) recent opportunistic purchases of fixed income securities, (ii) lower short-term interest rates than previously assumed, (iii) a decline in property and casualty premiums as compared to our original expectations, (iv) recent renewal rate actions taken on annuity policies near or at the end of their surrender charge period, and (v) other items related to the impact of COVID-19.

Specialty Property and Casualty Insurance Operations

Pretax core operating earnings in AFG's P&C Insurance Segment were \$181 million in the first quarter of 2020, compared to \$185 million in the prior year period, a decrease of 2%. Lower year-over-year P&C net investment income, due to the impact of MTM investments, was the driver of the lower year-over-year earnings. Absent the impact of MTM investments, first quarter 2020 pretax core operating earnings in AFG's P&C Insurance Segment increased \$1 million when compared to the prior year period.

The Specialty P&C insurance operations generated an underwriting profit of \$89 million in the 2020 first quarter, compared to \$88 million in the first quarter of 2019. Higher underwriting profitability in our Specialty Casualty and Specialty Financial Groups was partially offset by lower underwriting profit in our Property and Transportation Group.

The first quarter 2020 combined ratio of 92.2% decreased 0.3% from the prior year period. First quarter 2020 results include 4.2 points of favorable prior year reserve development, compared to 4.0 points of favorable development in the comparable prior year period. Catastrophe losses were 0.8 points of the combined ratio in the first quarter of 2020; by comparison, catastrophe losses added 1.1 points in the prior year period.

Gross written premiums were down 1% and net written premiums were up 2% in the 2020 first quarter compared to the prior year quarter, primarily as the result of the run-off of Neon. Excluding the impact of the Neon runoff, gross and net written premiums increased 11% and 7%, respectively, year-over-year. Average renewal pricing across our entire P&C Group was up approximately 7% for the quarter. Excluding our workers' compensation business, renewal pricing was up approximately 11%. Pricing in our Specialty P&C group overall is the highest we have achieved in over five years, meeting or exceeding our expectations in each of our Specialty P&C sub-segments.

Further details about AFG's Specialty P&C operations may be found in the accompanying schedules.

The **Property and Transportation Group** reported an underwriting profit of \$27 million in the first quarter of 2020 compared to \$39 million in the first quarter of 2019. Lower crop earnings were the driver of the lower underwriting profit in the quarter. Catastrophe losses in this group were \$8 million in the first quarter of 2020 and \$9 million in the comparable 2019 period.

First quarter 2020 gross and net written premiums in this group were 13% and 12% higher, respectively, than the comparable prior year period. New business opportunities in our transportation, property & inland marine and ocean marine businesses, as well as new premiums from the addition of the Atlas paratransit business, were partially offset by declines in passenger transportation premiums caused by the COVID-19 pandemic. Overall renewal rates in this group increased 6% in the first quarter of 2020.

The **Specialty Casualty Group** reported an underwriting profit of \$52 million in the first quarter of 2020 compared to \$36 million in the comparable 2019 period. Higher profitability in our executive liability and workers' compensation businesses, as well as 2019 Neon underwriting losses impacting prior year core operating results, contributed to the higher year-over-year underwriting profitability. Higher year-over-year adverse prior year reserve development in our excess & surplus lines and public sector businesses partially offset these results. Underwriting profitability in our workers' compensation business continues to be very strong; these businesses reported higher year-over-year underwriting profit, primarily as a result of higher favorable prior year reserve development. The businesses in the Specialty Casualty Group achieved a very strong 90.7% calendar year combined ratio overall in the first quarter. Catastrophe losses for this group were less than \$1 million in the first quarter of 2020 and \$1 million in the comparable 2019 period.

Gross and net written premiums decreased 7% and 6%, respectively, for the first quarter of 2020 when compared to the same prior year period, primarily due to the run-off of Neon. Excluding the impact of Neon, gross and net written premiums for the first quarter of 2020 were up 13% and 4%, respectively, when compared to the same period in 2019. Higher cessions in our excess and surplus and excess liability businesses impacted net written premiums. With the exception of workers' compensation, the majority of businesses in this group achieved strong renewal pricing and reported premium growth during the first quarter. Growth in our excess and surplus lines and excess liability businesses, primarily the result of rate increases, new business opportunities and higher retentions on renewal business, was the primary driver of the higher premiums. Lower premiums in our workers' compensation businesses partially offset this growth. Renewal pricing for this group was up 8% in the first quarter. Excluding our workers' compensation

businesses, renewal rates in this group were up approximately 17%. Renewal rates in our Specialty Casualty Group overall and renewal rates adjusted to exclude the impact of workers' compensation are the highest we have seen in more than five years.

The **Specialty Financial Group** reported an underwriting profit of \$17 million in the first quarter of 2020, compared to \$13 million in the comparable 2019 period. Higher year-over-year underwriting profitability in our financial institutions business was partially offset by lower underwriting profitability in our fidelity and crime operations. Nearly all businesses in this group continued to achieve excellent underwriting margins. Catastrophe losses for this group were \$1 million in the first quarter of 2020, compared to \$2 million in the prior year quarter.

First quarter 2020 gross written premiums were down 1% and net written premiums were up 3%, when compared to the prior year period. Renewal pricing in this group was up approximately 5% for the quarter.

Carl Lindner III stated, "Our Specialty P&C Group performed exceptionally well during the first quarter, with excellent underwriting margins, healthy year-over-year growth in net written premiums and very strong renewal pricing that is exceeding our objectives. Based on our current expectations of the impact of COVID-19, we now expect P&C pretax core operating earnings, excluding the impact of MTM investments, in the range of \$630 million to \$690 million, and we expect an overall 2020 calendar year combined ratio in the range of 92% to 94%. We now expect net written premiums to be down 8% to 14% when compared to the \$5.3 billion reported in 2019, primarily due to the run-off of Neon. Excluding the impact of Neon, we expect net written premiums be 1% to 7% lower than the premiums reported in 2019."

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.

Annuity Segment

Annuity Core Operating Earnings – The table below reflects annuity core operating earnings under AFG's definition utilized beginning in the second quarter of 2019. For the first quarter of 2019, annuity core operating earnings are reconciled to previously reported annuity operating results.

In millions	Three months ended		Change
	2020	2019	
Components of Pretax Annuity Core Operating Earnings:			
Pretax earnings before items below	\$ 79	\$ 75	5%
Amounts previously reported as operating, net	—	(11)	
Pretax Annuity core operating earnings before MTM investments	79	64	23%
MTM Investments, net of DAC	(12)	26	
Pretax Annuity core operating earnings, as reported	\$ 67	\$ 90	(26%)
Annualized yield on investments marked to market through core operating earnings	(1.9%)	10.9%	

First quarter 2020 pretax annuity core operating earnings before certain items increased 5% and reflects the impact of growth in the annuity business.

Earnings from investments marked to market ("MTM") through core operating earnings vary from quarter to quarter based on the reported results of the underlying investments. As discussed earlier, the COVID-19 pandemic has had widespread financial and economic impacts, including a significant decrease in both equity and credit markets, which impacted returns during the first quarter of 2020 on the Annuity Segment's \$1.3 billion of MTM investments.

Annuity Premiums – AFG’s Annuity Segment reported statutory premiums of \$1.21 billion in the first quarter of 2020, compared to \$1.40 billion in the first quarter of 2019, a decrease of 13%. However, sales in the first quarter of 2020 represent a 6% increase over sales in the fourth quarter of 2019, and reflect a sequential increase in all of the Annuity Segment’s major channels.

Craig Lindner stated, “While COVID-19 had a limited impact on premiums during the first quarter, the pandemic is expected to have a much bigger impact on sales in the second quarter, and possibly beyond. Subject to much uncertainty, our current best estimate is that 2020 Annuity sales will be between \$3.3 billion and \$4.0 billion, and result in growth in average investments and reserves of 5% to 7% in 2020. Furthermore, we believe that the Annuity Segment’s 5% increase in comparable core operating earnings before MTM investments demonstrates the strong fundamentals of our business. Although the Annuity Segment’s return on its \$1.3 billion of MTM investments was slightly negative in the first quarter of 2020, the cumulative return on these investments over the past five calendar years was nearly 10%.”

2020 Annuity Core Operating Earnings Guidance, Excluding Earnings or Losses from MTM Investments – While AFG continues to expect an attractive return on its MTM investments over the long term, due to ongoing volatility and uncertainty, it is difficult to forecast the MTM returns for the Annuity Segment in 2020. Pretax Annuity core operating earnings, excluding the impact of MTM investments, are expected to be in the range of \$280 million to \$310 million. By comparison, annuity core operating earnings excluding MTM investments was \$298 million in 2019.

This guidance reflects the impacts of (i) lower short-term interest rates, which will have a negative impact on the Annuity Segment’s approximately \$4.1 billion net investment in cash and floating rate securities, and (ii) recent opportunistic purchases of fixed income securities, which will have a positive impact on core operating earnings. In addition, AFG has recently initiated more aggressive renewal rate actions on annuity policies near or after the end of their surrender charge period, which will also have a positive impact on core operating earnings.

Craig Lindner added, “We believe AFG’s Annuity Segment is strongly positioned to deal with the effects of the pandemic. In addition to its strong capital position and strong underlying fundamentals, the Annuity Segment has the ability to lower the crediting rates on \$31 billion of annuity reserves by an average of 118 basis points. In addition, due to its prudent pricing, AFG has sold fewer annuities with guaranteed living benefits than many of its peers; at March 31, 2020, less than 13% of AFG’s annuity reserves contained these guarantees.”

Annuity Non-Core Loss – In the first quarter of 2020, AFG reported an after-tax Annuity non-core loss of \$30 million (\$0.34 per share loss), which reflects the unfavorable impact of the first quarter decrease in the S&P 500 on fair value accounting for FIAs.

More information about premiums and the results of operations for our Annuity Segment may be found in AFG’s Quarterly Investor Supplement.

Investments

Due to the significant drop in the stock market in the first quarter of 2020, AFG recorded first quarter 2020 net realized losses on securities of \$435 million (\$4.81 per share) after tax and after deferred acquisition costs (DAC), which included \$423 million (\$4.69 per share) in after-tax, after-DAC net losses to adjust equity securities that the Company continued to own, to fair value. AFG recorded \$145 million (\$1.61 per share) in non-core after-tax net realized gains on securities in the comparable prior year period.

Unrealized gains on fixed maturities were \$16 million after tax and after DAC at March 31, 2020, a decrease of \$846 million since year end. Our portfolio continues to be high quality, with 91% of our fixed maturity portfolio rated investment grade and 97% with a National Association of Insurance Commissioners’ designation of NAIC 1 or 2, its highest two categories.

For the three months ended March 31, 2020, P&C net investment income was approximately 5% lower than the comparable 2019 period. Excluding the impact of MTM investments, P&C net investment income was unchanged year-over-year.

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

Neon Exited Lines

On January 6, 2020, AFG announced its plans to exit the Lloyd's of London insurance market and actions it had initiated to place its Lloyd's subsidiaries including its Lloyd's Managing Agency, Neon Underwriting Ltd., into run-off. The exit from this business will allow AFG to reallocate capital to its other insurance businesses and opportunities that have the potential to earn targeted returns on investment. AFG recognized non-core after-tax net expenses of \$7 million (\$0.07 per share) in the first quarter of 2020 related to the run-off of this business.

About American Financial Group, Inc.

American Financial Group is an insurance holding company, based in Cincinnati, Ohio with assets of approximately \$68 billion as of March 31, 2020. Through the operations of Great American Insurance Group, AFG is engaged primarily in property and casualty insurance, focusing on specialized commercial products for businesses, and in the sale of traditional fixed and indexed annuities in the retail, financial institutions, broker-dealer, and registered investment advisor markets. 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 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; 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: 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, including the cost of equity index options; 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 and changes in regulation of the Lloyd's market, including modifications to capital requirements; changes in costs associated with the exit from the Lloyd's market and the run-off of AFG's Lloyd's-based insurer, Neon; the effects of the COVID-19 outbreak, including the effects on the international and national economy and credit markets, legislative or regulatory developments affecting the insurance industry,

quarantines or other travel or health-related restrictions; 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; trends in persistency and mortality; 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 other factors identified in AFG's filings with the Securities and Exchange Commission.

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.

Details Regarding AFG's 2020 First Quarter Earnings Results Conference Call

The Company will hold a conference call to discuss 2020 first quarter results at 11:30 a.m. (ET) tomorrow, Tuesday, May 12, 2020. Toll-free telephone access will be available by dialing 1-877-459-8719 (international dial-in 424-276-6843). The conference ID for the live call is 8449094. Please dial in five to ten minutes prior to the scheduled start time of the call.

A replay will be available approximately two hours following the completion of the call and will remain available until 11:59 p.m. (ET) on May 19, 2020. To listen to the replay, dial 1-855-859-2056 (international dial-in 404-537-3406) and provide the conference ID 8449094.

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.

An archived webcast will be available immediately after the call via the same link on our website until May 19, 2020 at 11:59 p.m. (ET).

Contact:

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

Websites:

www.AFGinc.com
www.GreatAmericanInsuranceGroup.com

(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.

AFG2020-11

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

	Three months ended	
	March 31,	
	2020	2019
Revenues		
P&C insurance net earned premiums	\$ 1,209	\$ 1,173
Net investment income	544	542
Realized gains (losses) on securities	(551)	184
Income (loss) of managed investment entities:		
Investment income	59	69
Gain (loss) on change in fair value of assets/liabilities	(43)	—
Other income	57	56
Total revenues	<u>1,275</u>	<u>2,024</u>
Costs and expenses		
P&C insurance losses & expenses	1,127	1,091
Annuity and supplemental insurance benefits & expenses	389	339
Interest charges on borrowed money	17	16
Expenses of managed investment entities	48	55
Other expenses	82	110
Total costs and expenses	<u>1,663</u>	<u>1,611</u>
Earnings (loss) before income taxes	(388)	413
Provision (credit) for income taxes	(84)	87
Net earnings (losses) including noncontrolling interests	(304)	326
Less: Net earnings (loss) attributable to noncontrolling interests	(3)	(3)
Net earnings (loss) attributable to shareholders	<u>\$ (301)</u>	<u>\$ 329</u>
Diluted earnings (loss) per Common Share	<u>\$ (3.34)</u>	<u>\$ 3.63</u>
Average number of diluted shares	90.3	90.7
	March 31,	December 31,
	2020	2019
Selected Balance Sheet Data:		
Total cash and investments	\$ 53,221	\$ 55,252
Long-term debt(c)	\$ 1,473	\$ 1,473
Shareholders' equity(d)	\$ 5,047	\$ 6,269
Shareholders' equity (excluding unrealized gains/losses related to fixed maturities)(d)	\$ 4,987	\$ 5,390
Book value per share	\$ 56.18	\$ 69.43
Book value per share (excluding unrealized gains/losses related to fixed maturities)	\$ 55.52	\$ 59.70
Common Shares Outstanding	89.8	90.3

Footnotes (c) and (d) are 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 March 31,		Change
	2020	2019	
Gross written premiums	<u>\$1,526</u>	<u>\$1,535</u>	(1%)
Net written premiums	<u>\$1,165</u>	<u>\$1,147</u>	2%
Ratios (GAAP):			
Loss & LAE ratio	58.5%	58.9%	
Underwriting expense ratio	33.7%	33.6%	
Specialty Combined Ratio	<u>92.2%</u>	<u>92.5%</u>	
Combined Ratio – P&C Segment	<u>92.8%</u>	<u>92.6%</u>	
Supplemental Information:(e)			
Gross Written Premiums:			
Property & Transportation	\$ 494	\$ 439	13%
Specialty Casualty	849	912	(7%)
Specialty Financial	183	184	(1%)
	<u>\$1,526</u>	<u>\$1,535</u>	(1%)
Net Written Premiums:			
Property & Transportation	\$ 386	\$ 344	12%
Specialty Casualty	586	626	(6%)
Specialty Financial	149	145	3%
Other	44	32	38%
	<u>\$1,165</u>	<u>\$1,147</u>	2%
Combined Ratio (GAAP):			
Property & Transportation	92.9%	89.0%	
Specialty Casualty	90.7%	94.2%	
Specialty Financial	89.1%	91.4%	
Aggregate Specialty Group	92.2%	92.5%	
Three months ended March 31,			
2020 2019			
Reserve Development (Favorable) / Adverse:			
Property & Transportation	\$ (24)	\$ (26)	
Specialty Casualty	(24)	(13)	
Specialty Financial	(2)	(6)	
Other Specialty	2	(1)	
	<u>\$ (48)</u>	<u>\$ (46)</u>	
Points on Combined Ratio:			
Property & Transportation	(6.2)	(7.2)	
Specialty Casualty	(4.3)	(2.2)	
Specialty Financial	(1.2)	(4.3)	
Aggregate Specialty Group	(4.2)	(4.0)	
Total P&C Segment	(3.5)	(3.9)	

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

AMERICAN FINANCIAL GROUP, INC.
ANNUITY SEGMENT
(Dollars in Millions)

Components of Statutory Premiums

	Three months ended March 31,		Change
	2020	2019	
<u>Annuity Premiums:</u>			
Financial Institutions	\$ 711	\$ 768	(7%)
Retail	197	330	(40%)
Broker-Dealer	155	233	(33%)
Pension Risk Transfer	103	10	930%
Education Market	39	49	(20%)
Variable Annuities	5	5	—
Total Annuity Premiums	<u>\$1,210</u>	<u>\$ 1,395</u>	(13%)

Components of Pretax Annuity Core Operating Earnings

	Three months ended March 31,		Change
	2020	2019	
Revenues:			
Net investment income	\$ 428	\$ 406	5%
Other income	35	28	25%
Total revenues	463	434	7%
Costs and Expenses:			
Annuity benefits	287	267	7%
Acquisition expenses	65	57	14%
Other expenses	32	35	(9%)
Total costs and expenses	384	359	7%
Annuity core operating earnings before items below	\$ 79	\$ 75	5%
Amounts previously reported as core	—	(11)	nm
Investments marked-to-market, net of DAC	(12)	26	nm
Pretax Annuity Core Operating Earnings	<u>\$ 67</u>	<u>\$ 90</u>	(26%)

Annuity Spread Information*

	Three months ended March 31,	
	2020	2019
Net interest spread before MTM investments	1.59%	1.69%
Net interest spread	1.53%	2.00%
Net spread earned before MTM investments	0.81%	0.80%
Net spread earned	0.69%	1.08%

* Excludes fixed annuity portion of variable annuity business.

Further details may be found in our Quarterly Investor Supplement, which is posted on our website.

AMERICAN FINANCIAL GROUP, INC.
Notes to Financial Schedules

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

	Three months ended March 31,	
	2020	2019
<u>Core Operating Earnings before Income Taxes:</u>		
P&C insurance segment	\$ 181	\$ 185
Annuity segment	67	101
Annuity results previously reported as operating earnings	—	(11)
Interest & other corporate expenses	(37)	(43)
Core operating earnings before income taxes	211	232
Related income taxes	40	48
Core net operating earnings	\$ 171	\$ 184

- b) Because AFG had a net loss for the first quarter of 2020, the impact of potential dilutive options (weighted average of 0.84 million shares) was excluded from AFG's fully diluted earnings per share calculation. However, for the non-GAAP measure of core net operating earnings, the Company believes it is most appropriate to use the fully diluted share data that would have been used if AFG had net earnings for the first quarter.
- c) Shareholders' Equity at March 31, 2020 includes \$16 million (\$0.17 per share) in unrealized after-tax gains on fixed maturities and \$44 million (\$0.49 per share) in unrealized after-tax gains on fixed maturity-related cash flow hedges. Shareholders' Equity at December 31, 2019 includes \$862 million (\$9.54 per share) in unrealized after-tax gains on fixed maturities and \$17 million (\$0.19 per share) in unrealized after-tax gains on fixed maturity-related cash flow hedges.
- d) On March 26, 2020, AFG announced the registered offering of \$300 million of 5.250% Senior Notes due April 2, 2030. The transaction closed on April 2, 2020.
- e) Supplemental Notes:
- **Property & Transportation** includes primarily physical damage and liability coverage for buses and trucks, 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 - First Quarter 2020

May 11, 2020

American Financial Group, Inc.

Corporate Headquarters

Great American Insurance Group Tower

301 E Fourth Street

Cincinnati, OH 45202 513 579 6739

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Financial Highlights

(in millions, except per share information)



	Three Months Ended					Twelve Months Ended	
	3/31/20	12/31/19	9/30/19	6/30/19	3/31/19	12/31/19	12/31/18
Highlights							
Net earnings (loss)	\$ (301)	\$ 211	\$ 147	\$ 210	\$ 329	\$ 897	\$ 530
Core net operating earnings	171	203	205	192	184	784	761
Total assets	67,643	70,130	69,067	67,697	66,132	70,130	63,456
Adjusted shareholders' equity (a)	4,987	5,390	5,376	5,260	5,201	5,390	4,898
Property and Casualty net written premiums	1,165	1,313	1,618	1,264	1,147	5,342	5,023
Annuity statutory premiums	1,210	1,139	1,077	1,349	1,395	4,960	5,407
Per share data							
Diluted earnings (loss) per share	\$ (3.34)	\$ 2.31	\$ 1.62	\$ 2.31	\$ 3.63	\$ 9.85	\$ 5.85
Core net operating earnings per share	1.88	2.22	2.25	2.12	2.02	8.62	8.40
Adjusted book value per share (a)	55.52	59.70	59.65	58.49	58.02	59.70	54.86
Cash dividends per common share	0.4500	2.2500	0.4000	1.9000	0.4000	4.9500	4.4500
Financial ratios							
Annualized return on equity (b)	(23.1%)	15.6%	11.0%	16.0%	25.9%	17.1%	10.9%
Annualized core operating return on equity (b)	13.2%	15.0%	15.3%	14.7%	14.5%	14.9%	15.6%
Property and Casualty combined ratio - Specialty:							
Loss & LAE ratio	58.5%	63.2%	63.1%	60.2%	58.9%	61.5%	61.3%
Underwriting expense ratio	33.7%	30.3%	30.9%	34.8%	33.6%	32.2%	32.1%
Combined ratio - Specialty	92.2%	93.5%	94.0%	95.0%	92.5%	93.7%	93.4%
Net interest spread on fixed annuities - before							
investments marked to market	1.59%	1.71%	1.65%	1.72%	1.69%	1.69%	1.76%
Investments marked to market	(0.06%)	0.23%	0.28%	0.33%	0.31%	0.29%	0.33%
Net interest spread on fixed annuities - including marked to market	1.53%	1.94%	1.93%	2.05%	2.00%	1.98%	2.09%
Net spread earned on fixed annuities:							
Core operating - before investments marked to market	0.81%	0.87%	0.80%	0.80%	0.80%	0.82%	0.90%
Investments marked to market, net of DAC	(0.12%)	0.20%	0.26%	0.31%	0.28%	0.26%	0.30%
Core operating	0.69%	1.07%	1.06%	1.11%	1.08%	1.08%	1.20%
Non-core:							
Previously reported in core operating	n/a	n/a	n/a	n/a	(0.12%)	(0.03%)	(0.13%)
Currently reported in non-core	(0.38%)	0.24%	(0.28%)	(0.35%)	n/a	(0.09%)	n/a

(a) Excludes unrealized gains related to fixed maturity investments, a reconciliation to the GAAP measure is on page 21.

(b) Excludes accumulated other comprehensive income.

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



	Three Months Ended					Twelve Months Ended	
	3/31/20	12/31/19	9/30/19	6/30/19	3/31/19	12/31/19	12/31/18
Property and Casualty Insurance							
Underwriting profit	\$ 88	\$ 88	\$ 72	\$ 59	\$ 87	\$ 306	\$ 320
Net investment income	99	120	124	124	104	472	438
Other expense	(6)	(9)	(2)	(8)	(6)	(25)	(18)
Property and Casualty Insurance operating earnings	181	199	194	175	185	753	740
Annuity operating earnings	67	104	100	104	90	398	361
Interest expense of parent holding companies	(17)	(18)	(17)	(17)	(16)	(68)	(62)
Other expense	(20)	(32)	(22)	(25)	(27)	(106)	(94)
	211	253	255	237	232	977	945
Income tax expense	40	50	50	45	48	193	184
Core net operating earnings	171	203	205	192	184	784	761
Non-core items, net of tax:							
Realized gains (losses) on securities	(435)	51	(14)	45	145	227	(210)
Annuity non-core earnings (losses)	(30)	19	(21)	(27)	—	(29)	—
Special A&E charges:							
Property and Casualty Insurance run-off operations	—	—	(14)	—	—	(14)	(14)
Former Railroad and Manufacturing operations	—	—	(9)	—	—	(9)	(7)
Neon exited lines	(7)	(58)	—	—	—	(58)	—
Other non-core items	—	(4)	—	—	—	(4)	—
Net earnings	\$ (301)	\$ 211	\$ 147	\$ 210	\$ 329	\$ 897	\$ 530

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



	Three Months Ended					Twelve Months Ended	
	3/31/20	12/31/19	9/30/19	6/30/19	3/31/19	12/31/19	12/31/18
Core net operating earnings	\$ 171	\$ 203	\$ 205	\$ 192	\$ 184	\$ 784	\$ 761
Net earnings	\$ (301)	\$ 211	\$ 147	\$ 210	\$ 329	\$ 897	\$ 530
Average number of diluted shares - core	91.138	91.274	91.137	90.981	90.695	91.024	90.626
Average number of diluted shares - net	90.295	91.274	91.137	90.981	90.695	91.024	90.626
<u>Diluted earnings per share:</u>							
Core net operating earnings per share	\$ 1.88	\$ 2.22	\$ 2.25	\$ 2.12	\$ 2.02	\$ 8.62	\$ 8.40
Realized gains (losses) on securities	(4.81)	0.56	(0.15)	0.48	1.61	2.47	(2.31)
Annuity non-core earnings (losses)	(0.34)	0.21	(0.23)	(0.29)	—	(0.31)	—
Special A&E charges:							
Property and Casualty Insurance run-off operations	—	—	(0.15)	—	—	(0.15)	(0.16)
Former Railroad and Manufacturing operations	—	—	(0.10)	—	—	(0.10)	(0.08)
Neon exited lines	(0.07)	(0.64)	—	—	—	(0.64)	—
Other non-core items	—	(0.04)	—	—	—	(0.04)	—
Diluted earnings (loss) per share	\$ (3.34)	\$ 2.31	\$ 1.62	\$ 2.31	\$ 3.63	\$ 9.85	\$ 5.85

	Three Months Ended					Twelve Months Ended	
	3/31/20	12/31/19	9/30/19	6/30/19	3/31/19	12/31/19	12/31/18
Property and Transportation	\$ 27	\$ (2)	\$ 38	\$ 4	\$ 39	\$ 79	\$ 120
Specialty Casualty	52	69	23	47	36	175	141
Specialty Financial	17	32	26	21	13	92	66
Other Specialty	(7)	(10)	1	(12)	—	(21)	(5)
Underwriting profit - Specialty	89	89	88	60	88	325	322
Other core charges, included in loss and LAE	(1)	(1)	(16)	(1)	(1)	(19)	(2)
Underwriting profit - Core	88	88	72	59	87	306	320
Special A&E charges, included in loss and LAE	—	—	(18)	—	—	(18)	(18)
Neon exited lines	(1)	(76)	—	—	—	(76)	—
Underwriting profit (loss) - Property and Casualty Insurance	\$ 87	\$ 12	\$ 54	\$ 59	\$ 87	\$ 212	\$ 302
Included in results above:							
Current accident year catastrophe losses:							
Catastrophe reinstatement premium	\$ —	\$ 1	\$ —	\$ —	\$ —	\$ 1	\$ 2
Catastrophe loss	9	14	22	12	12	60	103
Total current accident year catastrophe losses	\$ 9	\$ 15	\$ 22	\$ 12	\$ 12	\$ 61	\$ 105
Prior year loss reserve development (favorable) / adverse	\$ (42)	\$ (45)	\$ (12)	\$ (41)	\$ (45)	\$ (143)	\$ (192)
Combined ratio:							
Property and Transportation	92.9%	100.4%	93.5%	99.1%	89.0%	95.7%	93.1%
Specialty Casualty	90.7%	89.7%	96.5%	92.5%	94.2%	93.3%	94.2%
Specialty Financial	89.1%	79.6%	83.7%	85.6%	91.4%	85.0%	88.9%
Other Specialty	117.7%	122.5%	98.5%	135.1%	98.9%	113.3%	103.7%
Combined ratio - Specialty	92.2%	93.5%	94.0%	95.0%	92.5%	93.7%	93.4%
Other core charges	0.1%	0.1%	1.1%	0.1%	0.1%	0.4%	0.0%
Neon exited lines charge	0.5%	5.5%	0.0%	0.0%	0.0%	1.4%	0.0%
Special A&E charges	0.0%	0.0%	1.2%	0.0%	0.0%	0.3%	0.4%
Combined ratio	92.8%	99.1%	96.3%	95.1%	92.6%	95.8%	93.8%
Specialty combined ratio excl. catastrophe and prior year development	95.6%	96.3%	95.5%	97.5%	95.4%	96.2%	95.7%
Loss and LAE components - property and casualty insurance							
Current accident year, excluding catastrophe loss	61.2%	66.0%	64.6%	62.7%	61.8%	64.0%	63.6%
Prior accident year loss reserve development	(3.5%)	(0.4%)	(0.8%)	(3.3%)	(3.9%)	(2.2%)	(4.0%)
Current accident year catastrophe loss	0.8%	1.0%	1.6%	0.9%	1.1%	1.2%	2.1%
Loss and LAE ratio	58.5%	66.6%	65.4%	60.3%	59.0%	63.0%	61.7%

	Three Months Ended					Twelve Months Ended	
	3/31/20	12/31/19	9/30/19	6/30/19	3/31/19	12/31/19	12/31/18
Gross written premiums	\$1,526	\$1,749	\$2,351	\$1,664	\$1,535	\$ 7,299	\$ 6,840
Ceded reinsurance premiums	(361)	(436)	(733)	(400)	(388)	(1,957)	(1,817)
Net written premiums	1,165	1,313	1,618	1,264	1,147	5,342	5,023
Change in unearned premiums	(27)	57	(176)	(64)	26	(157)	(158)
Net earned premiums	1,138	1,370	1,442	1,200	1,173	5,185	4,865
Loss and LAE	666	865	910	722	691	3,188	2,983
Underwriting expense	383	416	444	418	394	1,672	1,560
Underwriting profit	\$ 89	\$ 89	\$ 88	\$ 60	\$ 88	\$ 325	\$ 322
Included in results above:							
Current accident year catastrophe losses:							
Catastrophe reinstatement premium	\$ —	\$ 1	\$ —	\$ —	\$ —	\$ 1	\$ 2
Catastrophe loss	9	14	22	12	12	60	103
Total current accident year catastrophe losses	\$ 9	\$ 15	\$ 22	\$ 12	\$ 12	\$ 61	\$ 105
Prior year loss reserve development (favorable) / adverse	\$ (48)	\$ (53)	\$ (46)	\$ (42)	\$ (46)	\$ (187)	\$ (212)
Combined ratio:							
Loss and LAE ratio	58.5%	63.2%	63.1%	60.2%	58.9%	61.5%	61.3%
Underwriting expense ratio	33.7%	30.3%	30.9%	34.8%	33.6%	32.2%	32.1%
Combined ratio	92.2%	93.5%	94.0%	95.0%	92.5%	93.7%	93.4%
Combined ratio excl. catastrophe and prior year development	95.6%	96.3%	95.5%	97.5%	95.4%	96.2%	95.7%
Loss and LAE components:							
Current accident year, excluding catastrophe loss	61.9%	66.0%	64.6%	62.7%	61.8%	64.0%	63.6%
Prior accident year loss reserve development	(4.2%)	(3.8%)	(3.1%)	(3.4%)	(4.0%)	(3.7%)	(4.4%)
Current accident year catastrophe loss	0.8%	1.0%	1.6%	0.9%	1.1%	1.2%	2.1%
Loss and LAE ratio	58.5%	63.2%	63.1%	60.2%	58.9%	61.5%	61.3%

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



	Three Months Ended					Twelve Months Ended	
	3/31/20	12/31/19	9/30/19	6/30/19	3/31/19	12/31/19	12/31/18
Gross written premiums	\$ 494	\$ 628	\$ 1,113	\$ 579	\$ 439	\$ 2,759	\$ 2,645
Ceded reinsurance premiums	(108)	(179)	(452)	(157)	(95)	(883)	(891)
Net written premiums	386	449	661	422	344	1,876	1,754
Change in unearned premiums	—	56	(78)	(43)	17	(48)	(25)
Net earned premiums	386	505	583	379	361	1,828	1,729
Loss and LAE	237	392	421	259	225	1,297	1,192
Underwriting expense	122	115	124	116	97	452	417
Underwriting profit	\$ 27	\$ (2)	\$ 38	\$ 4	\$ 39	\$ 79	\$ 120
Included in results above:							
Current accident year catastrophe losses:							
Catastrophe reinstatement premium	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
Catastrophe loss	8	7	8	8	9	32	26
Total current accident year catastrophe losses	\$ 8	\$ 7	\$ 8	\$ 8	\$ 9	\$ 32	\$ 26
Prior year loss reserve development (favorable) / adverse	\$ (24)	\$ (18)	\$ (17)	\$ (6)	\$ (26)	\$ (67)	\$ (50)
Combined ratio:							
Loss and LAE ratio	61.4%	77.8%	72.1%	68.4%	62.2%	71.0%	69.0%
Underwriting expense ratio	31.5%	22.6%	21.4%	30.7%	26.8%	24.7%	24.1%
Combined ratio	92.9%	100.4%	93.5%	99.1%	89.0%	95.7%	93.1%
Combined ratio excl. catastrophe and prior year development	96.9%	102.5%	94.9%	98.7%	93.6%	97.5%	94.4%
Loss and LAE components:							
Current accident year, excluding catastrophe loss	65.4%	79.9%	73.5%	68.0%	66.8%	72.8%	70.3%
Prior accident year loss reserve development	(6.2%)	(3.5%)	(2.8%)	(1.6%)	(7.2%)	(3.6%)	(2.8%)
Current accident year catastrophe loss	2.2%	1.4%	1.4%	2.0%	2.6%	1.8%	1.5%
Loss and LAE ratio	61.4%	77.8%	72.1%	68.4%	62.2%	71.0%	69.0%

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



	Three Months Ended					Twelve Months Ended	
	3/31/20	12/31/19	9/30/19	6/30/19	3/31/19	12/31/19	12/31/18
Gross written premiums	\$ 849	\$ 929	\$1,031	\$ 896	\$ 912	\$ 3,768	\$3,445
Ceded reinsurance premiums	(263)	(260)	(287)	(234)	(286)	(1,067)	(936)
Net written premiums	586	669	744	662	626	2,701	2,509
Change in unearned premiums	(30)	7	(86)	(28)	3	(104)	(106)
Net earned premiums	556	676	658	634	629	2,597	2,403
Loss and LAE	340	402	416	380	388	1,586	1,476
Underwriting expense	164	205	219	207	205	836	786
Underwriting profit	\$ 52	\$ 69	\$ 23	\$ 47	\$ 36	\$ 175	\$ 141
Included in results above:							
Current accident year catastrophe losses:							
Catastrophe reinstatement premium	\$ —	\$ 1	\$ —	\$ —	\$ —	\$ 1	\$ 1
Catastrophe loss	—	5	10	1	1	17	45
Total current accident year catastrophe losses	\$ —	\$ 6	\$ 10	\$ 1	\$ 1	\$ 18	\$ 46
Prior year loss reserve development (favorable) / adverse	\$ (24)	\$ (25)	\$ (19)	\$ (31)	\$ (13)	\$ (88)	\$ (139)
Combined ratio:							
Loss and LAE ratio	61.1%	59.4%	63.1%	60.0%	61.6%	61.1%	61.5%
Underwriting expense ratio	29.6%	30.3%	33.4%	32.5%	32.6%	32.2%	32.7%
Combined ratio	90.7%	89.7%	96.5%	92.5%	94.2%	93.3%	94.2%
Combined ratio excl. catastrophe and prior year development	95.0%	92.7%	97.8%	97.1%	96.3%	96.0%	98.1%
Loss and LAE components:							
Current accident year, excluding catastrophe loss	65.4%	62.4%	64.4%	64.6%	63.7%	63.8%	65.4%
Prior accident year loss reserve development	(4.3%)	(3.8%)	(2.9%)	(4.7%)	(2.2%)	(3.4%)	(5.8%)
Current accident year catastrophe loss	0.0%	0.8%	1.6%	0.1%	0.1%	0.7%	1.9%
Loss and LAE ratio	61.1%	59.4%	63.1%	60.0%	61.6%	61.1%	61.5%

	Three Months Ended					Twelve Months Ended	
	3/31/20	12/31/19	9/30/19	6/30/19	3/31/19	12/31/19	12/31/18
Gross written premiums	\$ 183	\$ 192	\$ 207	\$ 189	\$ 184	\$ 772	\$ 750
Ceded reinsurance premiums	(34)	(36)	(40)	(40)	(39)	(155)	(148)
Net written premiums	149	156	167	149	145	617	602
Change in unearned premiums	7	(4)	(6)	2	1	(7)	(4)
Net earned premiums	156	152	161	151	146	610	598
Loss and LAE	59	40	47	49	56	192	225
Underwriting expense	80	80	88	81	77	326	307
Underwriting profit	\$ 17	\$ 32	\$ 26	\$ 21	\$ 13	\$ 92	\$ 66
Included in results above:							
Current accident year catastrophe losses:							
Catastrophe reinstatement premium	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 1
Catastrophe loss	1	2	3	3	2	10	28
Total current accident year catastrophe losses	\$ 1	\$ 2	\$ 3	\$ 3	\$ 2	\$ 10	\$ 29
Prior year loss reserve development (favorable) / adverse	\$ (2)	\$ (14)	\$ (9)	\$ (9)	\$ (6)	\$ (38)	\$ (26)
Combined ratio:							
Loss and LAE ratio	38.0%	26.1%	29.7%	32.3%	38.2%	31.5%	37.6%
Underwriting expense ratio	51.1%	53.5%	54.0%	53.3%	53.2%	53.5%	51.3%
Combined ratio	89.1%	79.6%	83.7%	85.6%	91.4%	85.0%	88.9%
Combined ratio excl. catastrophe and prior year development	89.7%	87.7%	87.2%	89.7%	94.3%	89.7%	88.6%
Loss and LAE components:							
Current accident year, excluding catastrophe loss	38.6%	34.2%	33.2%	36.4%	41.1%	36.2%	37.3%
Prior accident year loss reserve development	(1.2%)	(9.2%)	(5.5%)	(5.9%)	(4.3%)	(6.3%)	(4.4%)
Current accident year catastrophe loss	0.6%	1.1%	2.0%	1.8%	1.4%	1.6%	4.7%
Loss and LAE ratio	38.0%	26.1%	29.7%	32.3%	38.2%	31.5%	37.6%

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



	Three Months Ended				Twelve Months Ended		
	3/31/20	12/31/19	9/30/19	6/30/19	3/31/19	12/31/19	12/31/18
Gross written premiums	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
Ceded reinsurance premiums	44	39	46	31	32	148	158
Net written premiums	44	39	46	31	32	148	158
Change in unearned premiums	(4)	(2)	(6)	5	5	2	(23)
Net earned premiums	40	37	40	36	37	150	135
Loss and LAE	30	31	26	34	22	113	90
Underwriting expense	17	16	13	14	15	58	50
Underwriting profit (loss)	\$ (7)	\$ (10)	\$ 1	\$ (12)	\$ —	\$ (21)	\$ (5)
Included in results above:							
Current accident year catastrophe losses:							
Catastrophe reinstatement premium	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
Catastrophe loss	—	—	1	—	—	1	4
Total current accident year catastrophe losses	\$ —	\$ —	\$ 1	\$ —	\$ —	\$ 1	\$ 4
Prior year loss reserve development (favorable) / adverse	\$ 2	\$ 4	\$ (1)	\$ 4	\$ (1)	\$ 6	\$ 3
Combined ratio:							
Loss and LAE ratio	73.9%	83.5%	64.0%	96.0%	59.7%	75.4%	66.4%
Underwriting expense ratio	43.8%	39.0%	34.5%	39.1%	39.2%	37.9%	37.3%
Combined ratio	117.7%	122.5%	98.5%	135.1%	98.9%	113.3%	103.7%
Combined ratio excl. catastrophe and prior year development	113.4%	113.4%	99.0%	123.4%	100.8%	108.9%	99.0%

	Three Months Ended					Twelve Months Ended	
	3/31/20	12/31/19	9/30/19	6/30/19	3/31/19	12/31/19	12/31/18
Net investment income	\$ 428	\$ 435	\$ 421	\$ 420	\$ 406	\$ 1,682	\$ 1,524
Investments marked to market through core operating earnings	(6)	23	27	31	29	110	114
Guaranteed withdrawal benefit fees	17	17	17	17	16	67	65
Policy charges and other miscellaneous income (a)	18	13	14	13	12	52	61
Total revenues	457	488	479	481	463	1,911	1,764
Annuity benefits (a)	287	285	280	275	267	1,107	982
Acquisition expenses	71	65	64	67	60	256	242
Other expenses	32	34	35	35	35	139	131
Total costs and expenses	390	384	379	377	362	1,502	1,355
Pretax Annuity core operating earnings	\$ 67	\$ 104	\$ 100	\$ 104	\$ 101	\$ 409	\$ 409
Other amounts previously reported as core operating, net (b)	n/a	n/a	n/a	n/a	(11)	(11)	(48)
Pretax Annuity core operating earnings - as reported	\$ 67	\$ 104	\$ 100	\$ 104	\$ 90	\$ 398	\$ 361
Components of Pretax Annuity Core Operating Earnings							
Pretax annuity core operating earnings before items below	79	84	75	75	75	309	305
Other amounts previously reported as core operating, net (b)	n/a	n/a	n/a	n/a	(11)	(11)	(48)
Pretax annuity core operating earnings before mark to market investments	79	84	75	75	64	298	257
Mark to market investment income (loss), net of DAC	(12)	20	25	29	26	100	104
Pretax Annuity core operating earnings - as reported	\$ 67	\$ 104	\$ 100	\$ 104	\$ 90	\$ 398	\$ 361

- (a) Gains received on options in excess of index credits to policyholder are recorded through annuity benefits for GAAP. For the investor supplement presentation, these gains are shown in policy charges and other miscellaneous income.
- (b) "Other" primarily reflects (1) the impact of fair value accounting, (2) the impact of changes in the stock market on the liability for guaranteed benefits and DAC, and (3) unlocking.

	Three Months Ended					Twelve Months Ended	
	3/31/20	12/31/19	9/30/19	6/30/19	3/31/19	12/31/19	12/31/18
Net investment income (excluding investments marked to market)	\$ 428	\$ 435	\$ 421	\$ 420	\$ 406	\$ 1,682	\$ 1,524
Guaranteed withdrawal benefit fees	17	17	17	17	16	67	65
Policy charges and other miscellaneous income (a)	18	13	14	13	12	52	61
Total revenues	463	465	452	450	434	1,801	1,650
Annuity benefits (a)	287	285	280	275	267	1,107	982
Acquisition expenses (excluding investments marked to market)	65	62	62	65	57	246	232
Other expenses	32	34	35	35	35	139	131
Total costs and expenses	384	381	377	375	359	1,492	1,345
Pretax Annuity core operating earnings (excluding investments marked to market)	79	84	75	75	75	309	305
Other amounts previously reported as core operating, net (b)	n/a	n/a	n/a	n/a	(11)	(11)	(48)
Pretax annuity core operating earnings before mark to market investments	79	84	75	75	64	298	257
Investments marked to market, net of DAC	(12)	20	25	29	26	100	104
Pretax Annuity core operating earnings - as reported	\$ 67	\$ 104	\$ 100	\$ 104	\$ 90	\$ 398	\$ 361

- (a) Gains received on options in excess of index credits to policyholder are recorded through annuity benefits for GAAP. For the investor supplement presentation, these gains are shown in policy charges and other miscellaneous income.
- (b) "Other" primarily reflects (1) the impact of fair value accounting, (2) the impact of changes in the stock market on the liability for guaranteed benefits and DAC, and (3) unlocking.

American Financial Group, Inc.
Detail of Annuity Benefits Expense
(\$ in millions)



	Three Months Ended					Twelve Months Ended	
	<u>3/31/20</u>	<u>12/31/19</u>	<u>9/30/19</u>	<u>6/30/19</u>	<u>3/31/19</u>	<u>12/31/19</u>	<u>12/31/18</u>
Detail of annuity benefits expense:							
Cost of funds:							
Amortization of options	\$ 150	\$ 150	\$ 149	\$ 146	\$ 141	\$ 586	\$ 506
Traditional fixed annuities	63	62	62	61	59	244	234
Fixed component of fixed-indexed annuities	25	25	24	23	22	94	78
Immediate annuities	6	6	6	6	6	24	24
Pension risk transfer (PRT)	4	3	2	1	1	7	1
Federal Home Loan Bank	5	6	7	7	7	27	20
Total cost of funds	253	252	250	244	236	982	863
Guaranteed withdrawal benefit reserve	25	24	21	20	19	84	74
Amortization of sales inducements	2	3	3	4	4	14	19
Change in expected death and annuitization reserve and other	7	6	6	7	8	27	26
Total other annuity benefits	34	33	30	31	31	125	119
Total annuity benefits expense	\$ 287	\$ 285	\$ 280	\$ 275	\$ 267	\$ 1,107	\$ 982

American Financial Group, Inc.
Core Net Spread on Fixed Annuities
(\$ in millions)



	Three Months Ended					Twelve Months Ended	
	3/31/20	12/31/19	9/30/19	6/30/19	3/31/19	12/31/19	12/31/18
Average fixed annuity investments (at amortized cost)							
(a)	\$40,073	\$39,316	\$38,650	\$37,907	\$36,991	\$38,216	\$34,471
Average annuity benefits accumulated	40,139	39,615	38,946	38,202	37,078	38,460	34,706
Annuity benefits accumulated in excess of investments							
(a)	\$ (66)	\$ (299)	\$ (296)	\$ (295)	\$ (87)	\$ (244)	\$ (235)
As % of average annuity benefits accumulated (except as noted)							
Net investment income (excluding investments marked to market) (as % of investments)	4.25%	4.40%	4.34%	4.40%	4.37%	4.38%	4.40%
Cost of funds	(2.52%)	(2.54%)	(2.57%)	(2.55%)	(2.54%)	(2.55%)	(2.49%)
Other annuity benefits, net of guaranteed withdrawal benefit fees	(0.14%)	(0.15%)	(0.12%)	(0.13%)	(0.14%)	(0.14%)	(0.15%)
Core net interest spread on fixed annuities	1.59%	1.71%	1.65%	1.72%	1.69%	1.69%	1.76%
Policy charges and other miscellaneous income	0.15%	0.11%	0.12%	0.11%	0.09%	0.11%	0.15%
Acquisition expenses (excluding investments marked to market)	(0.61%)	(0.62%)	(0.63%)	(0.66%)	(0.62%)	(0.63%)	(0.64%)
Other expenses	(0.32%)	(0.33%)	(0.34%)	(0.37%)	(0.36%)	(0.35%)	(0.37%)
Core net spread earned on fixed annuities (excluding investments marked to market)	0.81%	0.87%	0.80%	0.80%	0.80%	0.82%	0.90%
Investments marked to market, net of DAC	(0.12%)	0.20%	0.26%	0.31%	0.28%	0.26%	0.30%
Core net spread earned on fixed annuities	0.69%	1.07%	1.06%	1.11%	1.08%	1.08%	1.20%
Net spread earned on items previously reported as core operating	n/a	n/a	n/a	n/a	(0.12%)	(0.03%)	(0.13%)
Core net spread earned on fixed annuities - as reported	0.69%	1.07%	1.06%	1.11%	0.96%	1.05%	1.07%
Average annuity benefits accumulated	\$40,139	\$39,615	\$38,946	\$38,202	\$37,078	\$38,460	\$34,706
Net spread earned on fixed annuities (excluding investments marked to market) - core	0.81%	0.87%	0.80%	0.80%	0.80%	0.82%	0.90%
Earnings on fixed annuity benefits accumulated - core	\$ 81	\$ 85	\$ 78	\$ 77	\$ 74	\$ 314	\$ 314
Annuity benefits accumulated in excess of investments	\$ (66)	\$ (299)	\$ (296)	\$ (295)	\$ (87)	\$ (244)	\$ (235)
Net investment income (excluding investments marked to market) (as % of investments)	4.25%	4.40%	4.34%	4.40%	4.37%	4.38%	4.40%
Earnings/(loss) on annuity benefits accumulated in excess of investments	\$ (1)	\$ (3)	\$ (3)	\$ (3)	\$ (1)	\$ (10)	\$ (11)
Variable annuity earnings	(1)	2	—	1	2	5	2
Pretax Annuity core operating earnings (excluding investments marked to market)	79	84	75	75	75	309	305
Investments marked to market, net of DAC	(12)	20	25	29	26	100	104
Pretax Annuity core operating earnings	67	104	100	104	101	409	409
Other amounts previously reported as core operating, net	n/a	n/a	n/a	n/a	(11)	(11)	(48)
Pretax Annuity core operating earnings - as reported	\$ 67	\$ 104	\$ 100	\$ 104	\$ 90	\$ 398	\$ 361

(a) Excludes non-investment assets such as deferred acquisition costs, FIA options, accrued investment income and company owned life insurance.

	Three Months Ended					Twelve Months Ended	
	3/31/20	12/31/19	9/30/19	6/30/19	3/31/19	12/31/19	12/31/18
Financial institutions single premium annuities - indexed	\$ 424	\$ 359	\$ 325	\$ 429	\$ 424	\$ 1,537	\$ 1,776
Financial institutions single premium annuities - fixed	287	270	302	313	344	1,229	492
Retail single premium annuities - indexed	172	170	198	274	301	943	1,418
Retail single premium annuities - fixed	25	25	30	36	29	120	87
Broker dealer single premium annuities - indexed	138	107	134	189	227	657	1,271
Broker dealer single premium annuities - fixed	17	9	9	8	6	32	14
Pension risk transfer (PRT)	103	158	39	50	10	257	132
Education market - fixed and indexed annuities	39	36	35	44	49	164	192
Subtotal fixed annuity premiums	1,205	1,134	1,072	1,343	1,390	4,939	5,382
Variable annuities	5	5	5	6	5	21	25
Total annuity premiums	\$1,210	\$1,139	\$1,077	\$1,349	\$1,395	\$ 4,960	\$ 5,407
Summary by Distribution Channel:							
Financial institutions	\$ 711	\$ 629	\$ 627	\$ 742	\$ 768	\$ 2,766	\$ 2,268
Retail	197	195	228	310	330	1,063	1,505
Broker dealer	155	116	143	197	233	689	1,285
Other	147	199	79	100	64	442	349
Total annuity premiums	\$1,210	\$1,139	\$1,077	\$1,349	\$1,395	\$ 4,960	\$ 5,407
Summary by Product Type:							
Total indexed	\$ 753	\$ 655	\$ 675	\$ 917	\$ 980	\$ 3,227	\$ 4,580
Total fixed	452	479	397	426	410	1,712	802
Variable	5	5	5	6	5	21	25
Total annuity premiums	\$1,210	\$1,139	\$1,077	\$1,349	\$1,395	\$ 4,960	\$ 5,407

American Financial Group, Inc.
Fixed Annuity Benefits Accumulated (GAAP)
(\$ in millions)



	Three Months Ended				Twelve Months Ended		
	3/31/20	12/31/19	9/30/19	6/30/19	3/31/19	12/31/19	12/31/18
Beginning fixed annuity reserves	\$40,018	\$39,212	\$38,680	\$37,724	\$36,431	\$36,431	\$33,005
Premiums	1,205	1,134	1,072	1,343	1,390	4,939	5,382
Federal Home Loan Bank (“FHLB”) advances (paydowns)	200	—	—	—	—	—	225
Surrenders, benefits and other withdrawals	(794)	(829)	(808)	(862)	(761)	(3,260)	(2,836)
Interest and other annuity benefit expenses:							
Cost of funds	253	252	250	244	236	982	863
Embedded derivative marked to market	(647)	276	111	251	462	1,100	(248)
Unlockings	—	—	(75)	—	—	(75)	59
Other	25	(27)	(18)	(20)	(34)	(99)	(19)
Ending fixed annuity reserves	\$40,260	\$40,018	\$39,212	\$38,680	\$37,724	\$40,018	\$36,431
Reconciliation to annuity benefits accumulated:							
Ending fixed annuity reserves	\$40,260	\$40,018	\$39,212	\$38,680	\$37,724	\$40,018	\$36,431
Impact of unrealized investment gains on reserves	38	225	269	192	108	225	10
Fixed component of variable annuities	165	163	170	172	174	163	175
Annuity benefits accumulated per balance sheet	\$40,463	\$40,406	\$39,651	\$39,044	\$38,006	\$40,406	\$36,616
Annualized surrenders and other withdrawals as a % of beginning reserves	7.9%	8.5%	8.4%	9.1%	8.4%	8.9%	8.6%
Rider reserves included in ending fixed annuity reserves above	\$ 690	\$ 625	\$ 611	\$ 491	\$ 478	\$ 625	\$ 472
Embedded Derivative liability included in ending fixed annuity reserves above	\$ 3,099	\$ 3,730	\$ 3,469	\$ 3,541	\$ 3,247	\$ 3,730	\$ 2,720



American Financial Group, Inc.
Guaranteed Minimum Interest Rate (“GMIR”) Analysis
(\$ in millions)

GMIR (a)	<u>3/31/20</u>	<u>12/31/19</u>	<u>9/30/19</u>	<u>6/30/19</u>	<u>3/31/19</u>	<u>12/31/18</u>
1 - 1.99%	83%	83%	82%	82%	81%	80%
2 - 2.99%	3%	3%	3%	3%	4%	4%
3 - 3.99%	7%	7%	7%	8%	8%	8%
4.00% and above	7%	7%	8%	7%	7%	8%
Annuity Benefits Accumulated	\$40,463	\$40,406	\$39,651	\$39,044	\$38,006	\$36,616
Traditional Fixed and FIA Surrender Value (b) (c)	\$30,934	\$30,921	\$30,292	\$29,891	\$29,163	\$27,842
Ability to Lower Average Crediting Rates by (b) (d)	1.18%	1.19%	1.20%	1.20%	1.20%	1.19%
Pretax earnings impact of crediting guaranteed minimums (b) (assumes net DAC impact over time = \$0)	\$ 365	\$ 368	\$ 363	\$ 359	\$ 350	\$ 331

- (a) Excludes FHLB advances, immediate reserves and certain other reserves.
- (b) Excludes Annuities with Guaranteed Withdrawal Benefits, FHLB advances, immediate reserves and certain other reserves.
- (c) FIA and VIA Surrender Value include Host + Embedded Derivatives + Fixed Account values.
- (d) Weighted Average Crediting Rate less GMIR

American Financial Group, Inc.
Annuity Non-Core Earnings (Losses)
(\$ in millions)



	Reported in Non-Core Earnings				Reported in Core Earnings Three Months Ended	Reported in Core Earnings Three Months Ended	
	3/31/20	Three Months Ended		3/31/19		Twelve Months Ended	
		12/31/19	9/30/19	6/30/19	3/31/19	12/31/19	12/31/18
Annuity Non-Core Earnings (Losses):							
Stock market impact on:							
Liability for guaranteed benefits (a)	\$ (33)	\$ 12	\$ 2	\$ 6	\$ 14	\$ 34	\$ (14)
DAC and sales inducements (b)	(10)	4	1	1	5	11	(4)
Fair Value (FV) accounting	(21)	8	1	—	14	23	(11)
Subtotal impact of changes in stock market	(64)	24	4	7	33	68	(29)
Impact of changes in interest rates on FV accounting	29	(4)	(30)	(38)	(45)	(117)	33
Other FIA items	(3)	4	—	(2)	1	3	(21)
Unlocks	—	—	(1)	—	—	(1)	(31)
Annuity Non-Core Earnings (Losses)	\$ (38)	\$ 24	\$ (27)	\$ (33)	\$ (11)	\$ (47)	\$ (48)
						Q1 Core = (\$11)	
<i>Reported as</i>	<i>Non-core</i>	<i>Non-core</i>	<i>Non-core</i>	<i>Non-core</i>	<i>Core</i>	Q2/Q3/Q4 Non-core = (\$36)	<i>Core</i>
Annuity Non-Core Earnings (Losses), net of taxes	\$ (30)	\$ 19	\$ (21)	\$ (27)	\$ —	\$ (29)	\$ —
Annuity Non-Core Net Spread Earned:							
Stock market impact on:							
Liability for guaranteed benefits (a)	(0.33%)	0.12%	0.02%	0.06%	0.15%	0.09%	(0.04%)
DAC and sales inducements (b)	(0.10%)	0.04%	0.01%	0.01%	0.06%	0.03%	(0.01%)
Fair Value (FV) accounting	(0.21%)	0.08%	0.01%	0.00%	0.15%	0.06%	(0.03%)
Subtotal impact of changes in stock market	(0.64%)	0.24%	0.04%	0.07%	0.36%	0.18%	(0.08%)
Impact of changes in interest rates on FV accounting	0.29%	(0.04%)	(0.31%)	(0.40%)	(0.49%)	(0.31%)	0.10%
Other FIA items	(0.03%)	0.04%	0.00%	(0.02%)	0.01%	0.01%	(0.06%)
Unlocks	0.00%	0.00%	(0.01%)	0.00%	0.00%	0.00%	(0.09%)
Non-core net spread earned on fixed annuities	(0.38%)	0.24%	(0.28%)	(0.35%)	(0.12%)	(0.12%)	(0.13%)
						Q1 Core = (.03%)	
<i>Reported as</i>	<i>Non-core</i>	<i>Non-core</i>	<i>Non-core</i>	<i>Non-core</i>	<i>Core</i>	Q2/Q3/Q4 Non-core = (.09%)	<i>Core</i>

- (a) Reflects the impact of changes in the stock market on AFG's liability for fixed-indexed annuities with guaranteed benefits. Increases in the stock market will generally have a favorable earnings impact; decreases in the stock market will generally have an unfavorable impact.
- (b) Reflects the impact of changes in the stock market on the current and projected lifetime profitability of AFG's annuity business. Increases in the stock market will generally have a favorable earnings impact; decreases in the stock market will generally have an unfavorable impact.

S&P 500	2,585	3,231	2,977	2,942	2,834	3,231	2,507
Average 5 and 15 year Corp A2 rates	3.01%	2.74%	2.71%	2.97%	3.41%	2.74%	3.90%

Non-core earnings sensitivities:

Incremental +/- 1% change in S&P 500	~ +/- \$1mm to \$2mm
Incremental +/- 10bps change in interest rates	~ +/- \$7mm to \$8mm

(Assumes parallel shift in rates
(primarily Corporate A2 rates))

American Financial Group, Inc.
Reconciliation from Core to GAAP Annuity Pretax Earnings
(\$ in millions)



	Three Months Ended					Twelve Months Ended	
	3/31/20	12/31/19	9/30/19	6/30/19	3/31/19	12/31/19	12/31/18
Annuity Earnings							
Core annuity operating earnings - as reported (see page 12)	\$ 67	\$ 104	\$ 100	\$ 104	\$ 90	\$ 398	\$ 361
Annuity non-core earnings (losses)	(38)	24	(27)	(33)	—	(36)	—
Earnings before income taxes - GAAP	\$ 29	\$ 128	\$ 73	\$ 71	\$ 90	\$ 362	\$ 361
Policy Charges and Other Miscellaneous Income							
Policy charges and other miscellaneous income (see page 12)	\$ 18	\$ 13	\$ 14	\$ 13	\$ 12	\$ 52	\$ 61
Annuity non-core policy charges and other miscellaneous income	—	—	1	—	—	1	(1)
Policy Charges and Other Miscellaneous Income - GAAP	\$ 18	\$ 13	\$ 15	\$ 13	\$ 12	\$ 53	\$ 60
Annuity Benefit Expense							
Annuity benefits expense (see page 13)	\$ 287	\$ 285	\$ 280	\$ 275	\$ 267	\$ 1,107	\$ 982
Annuity non-core annuity benefits	(3)	(30)	(26)	67	45	56	34
Annuity Benefit Expense - GAAP	\$ 284	\$ 255	\$ 254	\$ 342	\$ 312	\$ 1,163	\$ 1,016
Acquisition Expenses							
Acquisition expenses (see page 12)	\$ 71	\$ 65	\$ 64	\$ 67	\$ 60	\$ 256	\$ 242
Annuity non-core acquisition expenses	41	6	54	(34)	(34)	(8)	13
Acquisition Expenses - GAAP	\$ 112	\$ 71	\$ 118	\$ 33	\$ 26	\$ 248	\$ 255
Net Spread on Fixed Annuities							
Core net spread earned on fixed annuities - as reported (see page 14)	0.69%	1.07%	1.06%	1.11%	0.96%	1.05%	1.07%
Non-core net spread earned on fixed annuities	(0.38%)	0.24%	(0.28%)	(0.35%)	0.00%	(0.09%)	0.00%
Net Spread on Fixed Annuities	<u>0.31%</u>	<u>1.31%</u>	<u>0.78%</u>	<u>0.76%</u>	<u>0.96%</u>	<u>0.96%</u>	<u>1.07%</u>

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



	<u>3/31/20</u>	<u>12/31/19</u>	<u>9/30/19</u>	<u>6/30/19</u>	<u>3/31/19</u>	<u>12/31/18</u>
Assets:						
Total cash and investments	\$53,221	\$55,252	\$54,207	\$52,907	\$51,040	\$48,498
Recoverables from reinsurers	3,387	3,415	3,261	3,150	3,258	3,349
Prepaid reinsurance premiums	708	678	781	651	636	610
Agents' balances and premiums receivable	1,302	1,335	1,403	1,398	1,283	1,234
Deferred policy acquisition costs	1,573	1,037	964	1,203	1,447	1,682
Assets of managed investment entities	4,026	4,736	4,702	4,781	4,786	4,700
Other receivables	981	975	1,187	999	1,011	1,090
Variable annuity assets (separate accounts)	497	628	601	616	610	557
Other assets	1,741	1,867	1,754	1,785	1,854	1,529
Goodwill	207	207	207	207	207	207
Total assets	\$67,643	\$70,130	\$69,067	\$67,697	\$66,132	\$63,456
Liabilities and Equity:						
Unpaid losses and loss adjustment expenses	\$10,106	\$10,232	\$ 9,847	\$ 9,577	\$ 9,623	\$ 9,741
Unearned premiums	2,808	2,830	2,986	2,683	2,605	2,595
Annuity benefits accumulated	40,463	40,406	39,651	39,044	38,006	36,616
Life, accident and health reserves	607	612	613	619	632	635
Payable to reinsurers	779	814	867	755	730	752
Liabilities of managed investment entities	3,865	4,571	4,523	4,590	4,593	4,512
Long-term debt	1,473	1,473	1,423	1,423	1,423	1,302
Variable annuity liabilities (separate accounts)	497	628	601	616	610	557
Other liabilities	1,998	2,295	2,235	2,300	2,245	1,774
Total liabilities	\$62,596	\$63,861	\$62,746	\$61,607	\$60,467	\$58,484
Shareholders' equity:						
Common stock	\$ 90	\$ 90	\$ 90	\$ 90	\$ 90	\$ 89
Capital surplus	1,309	1,307	1,292	1,277	1,256	1,245
Retained earnings	3,616	4,009	4,022	3,914	3,875	3,588
Unrealized gains - fixed maturities	16	862	920	812	464	83
Unrealized gains (losses) - fixed maturity-related cash flow hedges	44	17	25	18	—	(11)
Other comprehensive income, net of tax	(28)	(16)	(28)	(21)	(20)	(24)
Total shareholders' equity	5,047	6,269	6,321	6,090	5,665	4,970
Noncontrolling interests	—	—	—	—	—	2
Total liabilities and equity	\$67,643	\$70,130	\$69,067	\$67,697	\$66,132	\$63,456

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



	<u>3/31/20</u>	<u>12/31/19</u>	<u>9/30/19</u>	<u>6/30/19</u>	<u>3/31/19</u>	<u>12/31/18</u>
Shareholders' equity	\$ 5,047	\$ 6,269	\$ 6,321	\$ 6,090	\$ 5,665	\$ 4,970
Unrealized (gains) related to fixed maturities	(60)	(879)	(945)	(830)	(464)	(72)
Adjusted shareholders' equity	4,987	5,390	5,376	5,260	5,201	4,898
Goodwill	(207)	(207)	(207)	(207)	(207)	(207)
Intangibles	(40)	(43)	(45)	(48)	(51)	(54)
Tangible adjusted shareholders' equity	\$ 4,740	\$ 5,140	\$ 5,124	\$ 5,005	\$ 4,943	\$ 4,637
Common shares outstanding	89.827	90.304	90.127	89.918	89.638	89.292
Book value per share:						
Book value per share	\$ 56.18	\$ 69.43	\$ 70.14	\$ 67.72	\$ 63.20	\$ 55.66
Adjusted (a)	55.52	59.70	59.65	58.49	58.02	54.86
Tangible, adjusted (b)	52.77	56.93	56.84	55.65	55.14	51.93
Market capitalization						
AFG's closing common share price	\$ 70.08	\$ 109.65	\$ 107.85	\$ 102.47	\$ 96.21	\$ 90.53
Market capitalization	\$ 6,295	\$ 9,902	\$ 9,720	\$ 9,214	\$ 8,624	\$ 8,084
Price / Adjusted book value ratio	1.26	1.84	1.81	1.75	1.66	1.65

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

American Financial Group, Inc.
Capitalization
(\$ in millions)



	<u>3/31/20</u>	<u>12/31/19</u>	<u>9/30/19</u>	<u>6/30/19</u>	<u>3/31/19</u>	<u>12/31/18</u>
AFG senior obligations	\$1,018	\$1,018	\$1,018	\$1,018	\$1,018	\$1,018
Borrowings drawn under credit facility	—	—	—	—	—	—
Debt excluding subordinated debt	\$1,018	\$1,018	\$1,018	\$1,018	\$1,018	\$1,018
AFG subordinated debentures	475	475	425	425	425	300
Total principal amount of long-term debt	\$1,493	\$1,493	\$1,443	\$1,443	\$1,443	\$1,318
Shareholders' equity	5,047	6,269	6,321	6,090	5,665	4,970
Noncontrolling interests (including redeemable NCI)	—	—	—	—	—	2
Less:						
Unrealized (gains) related to fixed maturity investments	(60)	(879)	(945)	(830)	(464)	(72)
Total adjusted capital	\$6,480	\$6,883	\$6,819	\$6,703	\$6,644	\$6,218
Ratio of debt to total adjusted capital:						
Including subordinated debt	23.0%	21.7%	21.2%	21.5%	21.7%	21.2%
Excluding subordinated debt	15.7%	14.8%	14.9%	15.2%	15.3%	16.4%

	Three Months Ended					Twelve Months Ended	
	3/31/20	12/31/19	9/30/19	6/30/19	3/31/19	12/31/19	12/31/18
Property and Casualty Insurance							
Paid Losses (GAAP)	\$ 751	\$ 727	\$ 769	\$ 666	\$ 704	\$ 2,866	\$ 2,602
GAAP Equity (excluding AOCI)							
Property and Casualty Insurance	\$ 3,800	\$ 4,043	\$ 4,094	\$ 3,959	\$ 3,868	\$ 3,638	
Annuity	2,512	2,715	2,613	2,612	2,553	2,443	
Parent and other subsidiaries	(1,297)	(1,352)	(1,303)	(1,290)	(1,200)	(1,159)	
AFG GAAP Equity (excluding AOCI)	\$ 5,015	\$ 5,406	\$ 5,404	\$ 5,281	\$ 5,221	\$ 4,922	
Allowable dividends without regulatory approval							
Property and Casualty Insurance	\$ 565	\$ 565	\$ 529	\$ 529	\$ 529	\$ 529	
Annuity and Run-off	287	287	768	768	768	768	
Total	\$ 852	\$ 852	\$ 1,297	\$ 1,297	\$ 1,297	\$ 1,297	

	Carrying Value - March 31, 2020					
	Property and Casualty Insurance	Annuity and Run-off	Parent and Other Non-Insurance	Consolidate CLOs	Total AFG Consolidated	% of Investment Portfolio
Total cash and investments:						
Cash and cash equivalents	\$ 1,089	\$ 378	\$ 206	\$ —	\$ 1,673	3%
Fixed maturities - Available for sale	8,502	37,623	9	—	46,134	87%
Fixed maturities - Trading	50	46	—	—	96	0%
Equity securities - common stocks	449	417	53	—	919	2%
Equity securities - perpetual preferred	367	273	—	—	640	1%
Investments accounted for using the equity method	736	1,027	—	—	1,763	3%
Mortgage loans	268	1,078	—	—	1,346	3%
Policy loans	—	161	—	—	161	0%
Equity index call options	—	209	—	—	209	0%
Real estate and other investments	113	274	53	(160)	280	1%
Total cash and investments	\$ 11,574	\$ 41,486	\$ 321	\$ (160)	\$ 53,221	100%

	Carrying Value - December 31, 2019					
	Property and Casualty Insurance	Annuity and Run-off	Parent and Other Non-Insurance	Consolidate CLOs	Total AFG Consolidated	% of Investment Portfolio
Total cash and investments:						
Cash and cash equivalents	\$ 1,387	\$ 746	\$ 181	\$ —	\$ 2,314	4%
Fixed maturities - Available for sale	8,596	37,899	10	—	46,505	84%
Fixed maturities - Trading	59	54	—	—	113	0%
Equity securities - common stocks	664	553	66	—	1,283	3%
Equity securities - perpetual preferred	397	257	—	—	654	1%
Investments accounted for using the equity method	703	985	—	—	1,688	3%
Mortgage loans	262	1,067	—	—	1,329	2%
Policy loans	—	164	—	—	164	0%
Equity index call options	—	924	—	—	924	2%
Real estate and other investments	122	265	55	(164)	278	1%
Total cash and investments	\$ 12,190	\$ 42,914	\$ 312	\$ (164)	\$ 55,252	100%

	Three Months Ended				Twelve Months Ended		
	3/31/20	12/31/19	9/30/19	6/30/19	3/31/19	12/31/19	12/31/18
Property and Casualty Insurance:							
Gross Investment Income							
Fixed maturities - Available for sale	\$ 81	\$ 79	\$ 75	\$ 79	\$ 77	\$ 310	\$ 284
Fixed maturities - Trading	1	—	1	1	1	3	3
Equity securities - dividends	10	11	12	13	13	49	48
Equity securities - MTM	3	(1)	7	1	2	9	13
Equity in investees	11	21	20	20	3	64	65
AFG managed CLOs	(11)	(2)	(2)	2	3	1	2
Other investments (a)	6	13	12	10	7	42	32
Gross investment income	101	121	125	126	106	478	447
Investment expenses	(2)	(1)	(1)	(2)	(2)	(6)	(9)
Total net investment income	\$ 99	\$ 120	\$ 124	\$ 124	\$ 104	\$ 472	\$ 438
Average cash and investments (b)	\$11,457	\$11,744	\$11,387	\$11,193	\$10,997	\$11,348	\$10,497
Average yield (c)	3.46%	4.09%	4.36%	4.43%	3.78%	4.16%	4.17%
Fixed Annuity:							
Gross Investment Income							
Fixed maturities - Available for sale	\$ 403	\$ 406	\$ 393	\$ 391	\$ 384	\$ 1,574	\$ 1,425
Equity securities - dividends	7	8	9	8	9	34	30
Equity securities - MTM	5	4	7	3	3	17	13
Equity in investees	14	24	23	25	18	90	96
AFG managed CLOs	(25)	(5)	(3)	3	8	3	5
Other investments (a)	19	23	21	22	15	81	73
Gross investment income	423	460	450	452	437	1,799	1,642
Investment expenses	(3)	(4)	(4)	(4)	(4)	(16)	(13)
Total net investment income	\$ 420	\$ 456	\$ 446	\$ 448	\$ 433	\$ 1,783	\$ 1,629
Average cash and investments (b)	\$40,073	\$39,316	\$38,650	\$37,907	\$36,991	\$38,216	\$34,471
Average yield (c)	4.19%	4.63%	4.62%	4.73%	4.68%	4.67%	4.73%
AFG consolidated net investment income:							
Property & Casualty core	\$ 99	\$ 120	\$ 124	\$ 124	\$ 104	\$ 472	\$ 438
Neon exited lines non-core	(6)	—	—	—	—	—	—
Annuity:							
Fixed Annuity	420	456	446	448	433	1,783	1,629
Variable Annuity	2	2	2	3	2	9	9
Parent & other	(7)	8	11	10	14	43	25
Consolidate CLOs	36	7	5	(5)	(11)	(4)	(7)
Total net investment income	\$ 544	\$ 593	\$ 588	\$ 580	\$ 542	\$ 2,303	\$ 2,094

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

American Financial Group, Inc.
Significant Investments Marked-to-Market Through Investment Income and Investments Accounted For Using the
Equity Method
(\$ in millions)



	Three Months Ended					Twelve Months Ended	
	3/31/20	12/31/19	9/30/19	6/30/19	3/31/19	12/31/19	12/31/18
Property and Casualty Insurance:							
Net Investment Income							
Equity securities MTM through investment income (a)	\$ 3	\$ (1)	\$ 7	\$ 1	\$ 2	\$ 9	\$ 13
Investments accounted for using the equity method (b)	11	21	20	20	3	64	65
AFG managed CLOs (eliminated in consolidation)	(11)	(2)	(2)	2	3	1	2
Total Property & Casualty	\$ 3	\$ 18	\$ 25	\$ 23	\$ 8	\$ 74	\$ 80
Investments							
Equity securities MTM through investment income (a)	\$ 93	\$ 85	\$ 77	\$ 57	\$ 52	\$ 85	\$ 50
Investments accounted for using the equity method (b)	736	703	625	614	578	703	557
AFG managed CLOs (eliminated in consolidation)	40	48	53	56	57	48	56
Total Property & Casualty	\$ 869	\$ 836	\$ 755	\$ 727	\$ 687	\$ 836	\$ 663
Annualized Yield - Property & Casualty	1.4%	9.1%	13.5%	13.0%	4.7%	10.1%	13.9%
Fixed Annuity:							
Net Investment Income							
Equity securities MTM through investment income (a)	\$ 5	\$ 4	\$ 7	\$ 3	\$ 3	\$ 17	\$ 13
Investments accounted for using the equity method (b)	14	24	23	25	18	90	96
AFG managed CLOs (eliminated in consolidation)	(25)	(5)	(3)	3	8	3	5
Total Fixed Annuity	\$ (6)	\$ 23	\$ 27	\$ 31	\$ 29	\$ 110	\$ 114
Investments							
Equity securities MTM through investment income (a)	\$ 160	\$ 142	\$ 120	\$ 101	\$ 88	\$ 142	\$ 84
Investments accounted for using the equity method (b)	1,027	985	910	892	862	985	817
AFG managed CLOs (eliminated in consolidation)	120	116	125	135	136	116	132
Total Fixed Annuity	\$1,307	\$1,243	\$1,155	\$1,128	\$1,086	\$1,243	\$1,033
Annualized Yield - Fixed Annuity	(1.9%)	7.7%	9.5%	11.2%	10.9%	9.7%	12.4%
Combined (includes Parent amounts not shown above):							
Net Investment Income							
Equity securities MTM through investment income (a)	\$ (5)	\$ 3	\$ 17	\$ 8	\$ 11	\$ 39	\$ 22
Investments accounted for using the equity method (b)	25	45	43	45	21	154	161
AFG managed CLOs (eliminated in consolidation)	(36)	(7)	(5)	5	11	4	7
Total Combined (including Parent)	\$ (16)	\$ 41	\$ 55	\$ 58	\$ 43	\$ 197	\$ 190
Investments							
Equity securities MTM through investment income (a)	\$ 306	\$ 294	\$ 262	\$ 220	\$ 198	\$ 294	\$ 187
Investments accounted for using the equity method (b)	1,763	1,688	1,535	1,506	1,440	1,688	1,374
AFG managed CLOs (eliminated in consolidation)	160	164	178	191	193	164	188
Total Combined (including Parent)	\$2,229	\$2,146	\$1,975	\$1,917	\$1,831	\$2,146	\$1,749
Annualized Yield - Combined	(2.9%)	8.0%	11.3%	12.4%	9.6%	10.2%	12.2%

- (a) AFG carries the small portion of its equity securities previously classified as “trading” and investments in limited partnerships and similar investments that aren’t accounted for using the equity method at 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)



March 31, 2020	Book Value (b)	Fair Value	Unrealized Gain (Loss)	% of Fair Value	% of Investment Portfolio
US Government and government agencies	\$ 194	\$ 209	\$ 15	0%	0%
States, municipalities and political subdivisions	6,544	6,924	380	15%	13%
Foreign government	199	205	6	0%	0%
Residential mortgage-backed securities	3,073	3,132	59	7%	6%
Commercial mortgage-backed securities	892	907	15	2%	2%
Collateralized loan obligations	4,439	4,138	(301)	9%	8%
Other asset-backed securities	7,055	6,758	(297)	15%	13%
Corporate and other bonds	23,740	23,957	217	52%	45%
Total AFG consolidated	\$ 46,136	\$ 46,230	\$ 94	100%	87%

Annualized yield on available for sale fixed maturities:

Excluding investment expense (a)	4.33%
Net of investment expense (a)	4.29%

Approximate average life and duration:

Approximate average life	5.5 years
Approximate duration	4 years

December 31, 2019	Book Value	Fair Value	Unrealized Gain (Loss)	% of Fair Value	% of Investment Portfolio
US Government and government agencies	\$ 203	\$ 213	\$ 10	1%	0%
States, municipalities and political subdivisions	6,628	6,987	359	15%	12%
Foreign government	209	211	2	0%	0%
Residential mortgage-backed securities	2,901	3,161	260	7%	6%
Commercial mortgage-backed securities	896	927	31	2%	2%
Collateralized loan obligations	4,307	4,280	(27)	9%	8%
Other asset-backed securities	6,992	7,128	136	15%	13%
Corporate and other bonds	22,501	23,711	1,210	51%	43%
Total AFG consolidated	\$ 44,637	\$ 46,618	\$ 1,981	100%	84%

Annualized yield on available for sale fixed maturities:

Excluding investment expense (a)	4.48%
Net of investment expense (a)	4.44%

Approximate average life and duration:

Approximate average life	5.5 years
Approximate duration	4 years

- (a) Annualized yield is calculated by dividing investment income for the quarter by the average cost over the quarter. Average cost is the average of the beginning and ending quarter asset balances.
- (b) Book Value is amortized cost, net of allowance for expected credit losses.

	March 31, 2020				December 31, 2019			
	Book Value	Fair Value	Unrealized Gain (Loss)	% of Fair Value	Book Value	Fair Value	Unrealized Gain (Loss)	% of Fair Value
Property and Casualty Insurance:								
US Government and government agencies	\$ 156	\$ 163	\$ 7	2%	\$ 165	\$ 167	\$ 2	2%
States, municipalities and political subdivisions	2,487	2,586	99	30%	2,524	2,614	90	30%
Foreign government	168	170	2	2%	178	177	(1)	2%
Residential mortgage-backed securities	990	997	7	12%	990	1,051	61	12%
Commercial mortgage-backed securities	83	83	—	1%	89	92	3	1%
Collateralized loan obligations	936	873	(63)	10%	906	901	(5)	11%
Other asset-backed securities	1,770	1,680	(90)	20%	1,727	1,741	14	20%
Corporate and other bonds	2,024	2,000	(24)	23%	1,861	1,912	51	22%
Property and Casualty Insurance	\$ 8,614	\$ 8,552	\$ (62)	100%	\$ 8,440	\$ 8,655	\$ 215	100%

Annualized yield on available for sale fixed maturities:

Excluding investment expense (a)	3.81%	3.94%
Net of investment expense (a)	3.75%	3.90%
Tax equivalent, net of investment expense (b)	3.89%	4.05%

Approximate average life and duration:

Approximate average life	4 years	4.5 years
Approximate duration	3 years	3 years

	March 31, 2020				December 31, 2019			
	Book Value	Fair Value	Unrealized Gain (Loss)	% of Fair Value	Book Value	Fair Value	Unrealized Gain (Loss)	% of Fair Value
Annuity and Run-off:								
US Government and government agencies	\$ 38	\$ 46	\$ 8	0%	\$ 38	\$ 46	\$ 8	0%
States, municipalities and political subdivisions	4,057	4,338	281	12%	4,104	4,373	269	12%
Foreign government	31	35	4	0%	31	34	3	0%
Residential mortgage-backed securities	2,081	2,126	45	6%	1,909	2,100	191	6%
Commercial mortgage-backed securities	809	824	15	2%	807	835	28	2%
Collateralized loan obligations	3,503	3,265	(238)	9%	3,401	3,379	(22)	9%
Other asset-backed securities	5,285	5,078	(207)	13%	5,265	5,387	122	14%
Corporate and other bonds	21,716	21,957	241	58%	20,640	21,799	1,159	57%
Total Annuity and Run-off	\$ 37,520	\$ 37,669	\$ 149	100%	\$ 36,195	\$ 37,953	\$ 1,758	100%

Annualized yield on available for sale fixed maturities:

Excluding investment expense (a)	4.44%	4.59%
Net of investment expense (a)	4.41%	4.55%

Approximate average life and duration:

Approximate average life	6 years	6 years
Approximate duration	4 years	4.5 years

- (a) Annualized yield is calculated by dividing investment income for the quarter by the average cost over the quarter. Average cost is the average of the beginning and ending quarter asset balances.
- (b) Adjusts the yield on tax-exempt bonds to the fully taxable equivalent yield.

By Credit Rating (a)	March 31, 2020			
	Book Value	Fair Value	Unrealized Gain (Loss)	% of Fair Value
Investment grade				
AAA	\$ 9,578	\$ 9,466	\$ (112)	21%
AA	8,197	8,356	159	18%
A	10,460	10,607	147	23%
BBB	13,469	13,452	(17)	29%
Subtotal - Investment grade	41,704	41,881	177	91%
BB	1,171	1,027	(144)	2%
B	209	193	(16)	1%
Other (b)	3,052	3,129	77	6%
Subtotal - Non-Investment grade	4,432	4,349	(83)	9%
Total	\$ 46,136	\$ 46,230	\$ 94	100%

97% of the fixed maturity portfolio is NAIC designated 1 or 2.

By Credit Rating (a)	December 31, 2019			
	Book Value	Fair Value	Unrealized Gain (Loss)	% of Fair Value
Investment grade				
AAA	\$ 8,854	\$ 9,010	\$ 156	19%
AA	8,615	8,957	342	19%
A	10,456	10,983	527	24%
BBB	12,759	13,465	706	29%
Subtotal - Investment grade	40,684	42,415	1,731	91%
BB	714	724	10	2%
B	186	183	(3)	0%
Other (b)	3,053	3,296	243	7%
Subtotal - Non-Investment grade	3,953	4,203	250	9%
Total	\$ 44,637	\$ 46,618	\$ 1,981	100%

98% of the fixed maturity portfolio is NAIC designated 1 or 2.

- (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) See pages 34 and 35 for more information.

American Financial Group, Inc.
Mortgage-Backed Securities - AFG Consolidated
(\$ in millions)



March 31, 2020	Book Value	Fair Value	Unrealized Gain (Loss)	% of Fair Value	% of Investment Portfolio
Residential					
Agency	\$ 494	\$ 506	\$ 12	13%	1%
Prime (Non-Agency)	1,359	1,383	24	34%	2%
Alt-A	904	918	14	23%	2%
Subprime	316	325	9	8%	1%
Commercial	892	907	15	22%	2%
Total AFG consolidated	\$ 3,965	\$ 4,039	\$ 74	100%	8%

- Substantially all of AFG's MBS securities are either senior tranches of securitizations or collateralized by senior tranches of securitizations.
- The average amortized cost as a percent of par is - Prime 88%; Alt-A 81%; Subprime 82%; CMBS 99%.
- The average FICO score of our residential MBS securities is - Prime 748; Alt-A 694; Subprime 630.
- 96% of our Commercial MBS portfolio is investment-grade rated (82% AAA) and the average subordination for this group of assets is 35%.
- The approximate average life by collateral type is - Residential 4 years; Commercial 3 years.

December 31, 2019	Book Value	Fair Value	Unrealized Gain (Loss)	% of Fair Value	% of Investment Portfolio
Residential					
Agency	\$ 549	\$ 552	\$ 3	13%	1%
Prime (Non-Agency)	1,157	1,264	107	31%	2%
Alt-A	897	1,015	118	25%	2%
Subprime	298	330	32	8%	1%
Commercial	896	927	31	23%	2%
Total AFG consolidated	\$ 3,797	\$ 4,088	\$ 291	100%	8%

Property and Casualty Insurance:

By Asset Type	March 31, 2020				
	Book Value	Fair Value	Unrealized Gain (Loss)	% of Fair Value	% of Inv Portfolio
Residential					
Agency	\$ 269	\$ 277	\$ 8	26%	2%
Prime (Non-Agency)	332	328	(4)	30%	3%
Alt-A	257	258	1	24%	2%
Subprime	132	134	2	12%	1%
Commercial	83	83	—	8%	1%
Total	\$ 1,073	\$ 1,080	\$ 7	100%	9%

By Asset Type	December 31, 2019				
	Book Value	Fair Value	Unrealized Gain (Loss)	% of Fair Value	% of Inv Portfolio
Residential					
Agency	\$ 315	\$ 317	\$ 2	28%	3%
Prime (Non-Agency)	279	292	13	26%	2%
Alt-A	265	299	34	26%	2%
Subprime	131	143	12	12%	1%
Commercial	89	92	3	8%	1%
Total	\$ 1,079	\$ 1,143	\$ 64	100%	9%

Annuity and Run-off:

By Asset Type	March 31, 2020				
	Book Value	Fair Value	Unrealized Gain (Loss)	% of Fair Value	% of Inv Portfolio
Residential					
Agency	\$ 225	\$ 229	\$ 4	8%	0%
Prime (Non-Agency)	1,025	1,046	21	35%	3%
Alt-A	647	660	13	23%	2%
Subprime	184	191	7	6%	0%
Commercial	809	824	15	28%	2%
Total	\$ 2,890	\$ 2,950	\$ 60	100%	7%

By Asset Type	December 31, 2019				
	Book Value	Fair Value	Unrealized Gain (Loss)	% of Fair Value	% of Inv Portfolio
Residential					
Agency	\$ 234	\$ 235	\$ 1	8%	1%
Prime (Non-Agency)	876	962	86	33%	2%
Alt-A	632	716	84	25%	2%
Subprime	167	187	20	6%	0%
Commercial	807	835	28	28%	2%
Total	\$ 2,716	\$ 2,935	\$ 219	100%	7%

American Financial Group, Inc.
Mortgage-Backed Securities - Credit Rating
(\$ in millions)



By Credit Rating (a)	March 31, 2020			
	Book Value	Fair Value	Unrealized Gain (Loss)	% of Fair Value
Investment grade				
AAA	\$ 2,051	\$ 2,061	\$ 10	51%
AA	175	175	—	4%
A	293	288	(5)	7%
BBB	157	161	4	4%
Subtotal - investment grade	2,676	2,685	9	66%
BB	96	91	(5)	2%
B	112	107	(5)	3%
Other (b)	1,081	1,156	75	29%
Total	\$ 3,965	\$ 4,039	\$ 74	100%

96% of the mortgage-backed security portfolio has an NAIC 1 designation.

By Credit Rating (a)	December 31, 2019			
	Book Value	Fair Value	Unrealized Gain (Loss)	% of Fair Value
Investment grade				
AAA	\$ 1,921	\$ 1,957	\$ 36	48%
AA	144	151	7	4%
A	248	266	18	6%
BBB	181	193	12	5%
Subtotal - investment grade	2,494	2,567	73	63%
BB	105	106	1	3%
B	102	102	—	2%
Other (b)	1,096	1,313	217	32%
Total	\$ 3,797	\$ 4,088	\$ 291	100%

97% of the mortgage-backed security portfolio has an NAIC 1 designation.

- (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) See pages 34 and 35 for more information.

Appendix A
American Financial Group, Inc.
Components of Core Operating Earnings As Reported
(\$ in millions)



	Three Months Ended					Twelve Months Ended	
	3/31/20	12/31/19	9/30/19	6/30/19	3/31/19	12/31/19	12/31/18
Core operating earnings before mark to market							
Property and Casualty Insurance core operating earnings before mark to market	\$ 178	\$ 181	\$ 169	\$ 152	\$ 177	\$ 679	\$ 660
Annuity Pretax core operating earnings before mark to market	79	84	75	75	64	298	257
Interest expense of parent holding companies	(17)	(18)	(17)	(17)	(16)	(68)	(62)
Other expense	(20)	(32)	(22)	(25)	(27)	(106)	(94)
Pre-tax core operating earnings before mark to market	220	215	205	185	198	803	761
Income tax expense	42	42	39	34	41	156	145
Core net operating earnings before mark to market	\$ 178	\$ 173	\$ 166	\$ 151	\$ 157	\$ 647	\$ 616
Core mark to market investments, net of DAC							
Property and Casualty Insurance mark to market investments	\$ 3	\$ 18	\$ 25	\$ 23	\$ 8	\$ 74	\$ 80
Annuity mark to market investments, Net of DAC	(12)	20	25	29	26	100	104
Core pre-tax mark to market investments, net of DAC	(9)	38	50	52	34	174	184
Income tax expense	(2)	8	11	11	7	37	39
Core mark to market investments, net of DAC	\$ (7)	\$ 30	\$ 39	\$ 41	\$ 27	\$ 137	\$ 145
Core operating earnings as reported							
Property and Casualty Insurance operating earnings	\$ 181	\$ 199	\$ 194	\$ 175	\$ 185	\$ 753	\$ 740
Annuity operating earnings	67	104	100	104	90	398	361
Interest expense of parent holding companies	(17)	(18)	(17)	(17)	(16)	(68)	(62)
Other expense	(20)	(32)	(22)	(25)	(27)	(106)	(94)
Pre-tax core operating earnings as reported	211	253	255	237	232	977	945
Income tax expense	40	50	50	45	48	193	184
Core net operating earnings as reported	\$ 171	\$ 203	\$ 205	\$ 192	\$ 184	\$ 784	\$ 761
Average number of diluted shares	91.138	91.274	91.137	90.981	90.695	91.024	90.626
Diluted core net operating earnings per share:							
Core net operating earnings before mark to market per share	\$ 1.96	\$ 1.90	\$ 1.82	\$ 1.66	\$ 1.73	\$ 7.11	\$ 6.80
Core mark to market investments, net of DAC per share	(0.08)	0.32	0.43	0.46	0.29	1.51	1.60
Core net operating earnings as reported per share	\$ 1.88	\$ 2.22	\$ 2.25	\$ 2.12	\$ 2.02	\$ 8.62	\$ 8.40

Appendix B
American Financial Group, Inc.
Fixed Maturities by Credit Rating & NAIC Designation by Type 3/31/2020
(\$ in millions)



By Credit Rating (a)	Fair Value by Type								Total	% Total
	US Gov	Munis	Frgn Gov	RMBS	CMBS	CLOs	Other ABS	Corp/Oth		
Investment grade										
AAA	\$ 199	\$2,077	\$ 137	\$1,316	\$ 745	\$2,981	\$ 1,855	\$ 156	\$ 9,466	21%
AA	10	4,297	51	156	19	912	1,708	1,203	8,356	18%
A	—	396	2	275	13	212	1,762	7,947	10,607	23%
BBB	—	92	3	66	95	22	702	12,472	13,452	29%
Subtotal - Investment grade	209	6,862	193	1,813	872	4,127	6,027	21,778	41,881	91%
BB	—	9	—	61	30	—	6	921	1,027	2%
B	—	—	—	107	—	—	4	82	193	1%
CCC, CC, C	—	—	—	459	5	—	8	34	506	1%
D	—	—	—	159	—	—	—	1	160	0%
Subtotal - Non-Investment grade	—	9	—	786	35	—	18	1,038	1,886	4%
Not Rated (b)	—	53	12	533	—	11	713	1,141	2,463	5%
Total	\$ 209	\$6,924	\$ 205	\$3,132	\$ 907	\$4,138	\$ 6,758	\$23,957	\$46,230	100%

NAIC designation	Fair Value by type								Total	% Total
	US Gov	Munis	Frgn gov	RMBS	CMBS	CLOs	Other ABS	Corp/Oth		
1	\$ 207	\$6,821	\$ 170	\$3,004	\$ 861	\$4,104	\$ 6,022	\$10,249	\$31,438	68%
2	—	93	—	39	13	22	711	12,530	13,408	29%
Subtotal	207	6,914	170	3,043	874	4,126	6,733	22,779	44,846	97%
3	—	9	—	21	30	—	6	943	1,009	2%
4	—	—	—	32	—	—	3	148	183	1%
5	—	—	—	21	3	11	4	69	108	0%
6	—	—	—	5	—	—	5	4	14	0%
Subtotal	—	9	—	79	33	11	18	1,164	1,314	3%
No designation (c)	2	1	35	10	—	1	7	14	70	0%
Total	\$ 209	\$6,924	\$ 205	\$3,132	\$ 907	\$4,138	\$ 6,758	\$23,957	\$46,230	100%

- (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) 89% are NAIC 1, 3% NAIC 2, 2% NAIC 3, 3% NAIC 4, 2% NAIC 5 and 1% NAIC 6.
- (c) Primarily relates to securities held by non-insurance companies.

Appendix C
American Financial Group, Inc.
Fixed Maturities by Credit Rating & NAIC Designation by Type 12/31/2019
(\$ in millions)



By Credit Rating (a)	Fair Value by Type								Total	% Total
	US Gov	Munis	Frgn Gov	RMBS	CMBS	CLOs	Other ABS	Corp/Oth		
Investment grade										
AAA	\$ 204	\$2,086	\$ 134	\$1,184	\$ 773	\$2,921	\$ 1,529	\$ 179	\$ 9,010	19%
AA	9	4,325	52	131	20	1,074	1,779	1,567	8,957	19%
A	—	418	8	250	16	241	1,983	8,067	10,983	24%
BBB	—	95	3	115	78	27	742	12,405	13,465	29%
Subtotal - Investment grade	213	6,924	197	1,680	887	4,263	6,033	22,218	42,415	91%
BB	—	9	—	74	32	—	13	596	724	2%
B	—	—	1	97	5	—	4	76	183	0%
CCC, CC, C	—	—	—	544	3	—	4	42	593	1%
D	—	—	—	185	—	—	—	1	186	0%
Subtotal - Non-Investment grade	—	9	1	900	40	—	21	715	1,686	3%
Not Rated (b)	—	54	13	581	—	17	1,074	778	2,517	6%
Total	\$ 213	\$6,987	\$ 211	\$3,161	\$ 927	\$4,280	\$ 7,128	\$23,711	\$46,618	100%

NAIC designation	Fair Value by type								Total	% Total
	US Gov	Munis	Frgn gov	RMBS	CMBS	CLOs	Other ABS	Corp/Oth		
1	\$ 191	\$6,875	\$ 172	\$3,030	\$ 883	\$4,232	\$ 6,308	\$10,310	\$32,001	69%
2	—	95	—	29	9	26	770	12,518	13,447	29%
Subtotal	191	6,970	172	3,059	892	4,258	7,078	22,828	45,448	98%
3	—	9	—	29	32	—	13	601	684	2%
4	—	—	—	16	—	—	4	146	166	0%
5	—	—	—	21	3	18	4	92	138	0%
6	15	—	—	5	—	—	15	5	40	0%
Subtotal	15	9	—	71	35	18	36	844	1,028	2%
No designation (c)	7	8	39	31	—	4	14	39	142	0%
Total	\$ 213	\$6,987	\$ 211	\$3,161	\$ 927	\$4,280	\$ 7,128	\$23,711	\$46,618	100%

- (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) 87% are NAIC 1, 4% NAIC 2, 2% NAIC 3, 3% NAIC 4, 3% NAIC 5 and 1% NAIC 6.
- (c) Primarily relates to securities held by non-insurance companies.

Appendix D
American Financial Group, Inc.
Corporate Securities by Credit Rating & NAIC Designation by Industry
3/31/2020
(\$ in millions)



Fair Value By Industry

Credit Rating (a)	Fair Value By Industry																	Total		
	Banking	Insurance	Other Financials	Technology	Asset Managers	Energy	Healthcare	Consumer	REITs	Utilities	Capital Goods	Basic Industry	Media	Autos	Communi- cations	Retailers	Restaurants, Hospitality & Leisure		Aviation	Other
Investment Grade																				
AAA	\$ —	\$ —	\$ —	\$ 25	\$ —	\$ —	\$ 20	\$ 29	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 81	\$ —	\$ —	\$ —	\$ 1	\$ 156
AA	148	128	99	108	197	176	90	111	—	—	—	—	—	—	22	19	30	75	1,203	
A	2,066	1,068	345	520	729	217	364	270	329	541	357	69	218	311	165	82	110	168	7,947	
BBB	2,969	1,033	691	877	598	929	891	564	672	343	435	577	423	265	284	276	247	139	259	12,472
Subtotal	5,183	2,229	1,135	1,530	1,524	1,322	1,365	974	1,001	884	792	646	641	576	530	380	284	279	503	21,778
BB	49	18	29	72	10	152	60	160	154	14	17	49	8	61	3	11	32	19	3	921
B	—	1	—	4	—	10	22	28	—	—	—	10	4	—	—	—	3	—	—	82
CCC, CC, C	—	—	1	8	—	1	2	5	—	—	—	2	—	—	—	8	7	—	—	34
D	—	—	—	—	—	1	—	—	—	—	—	—	—	—	—	—	—	—	—	1
Subtotal	49	19	30	84	10	164	84	193	154	14	17	61	12	61	3	19	42	19	3	1,038
Not Rated (b)	25	13	849	16	4	2	34	93	16	—	5	10	50	—	2	13	8	—	1	1,141
Total	\$ 5,257	\$ 2,261	\$ 2,014	\$ 1,630	\$ 1,538	\$ 1,488	\$ 1,483	\$ 1,260	\$ 1,171	\$ 898	\$ 814	\$ 717	\$ 703	\$ 637	\$ 535	\$ 412	\$ 334	\$ 298	\$ 507	\$ 23,957

Fair Value By Industry

NAIC designation	Fair Value By Industry																	Total			
	Banking	Insurance	Other Financials	Technology	Asset Managers	Energy	Healthcare	Consumer	REITs	Utilities	Capital Goods	Basic Industry	Media	Autos	Communi- cations	Retailers	Restaurants, Hospitality & Leisure		Aviation	Other	
1	\$ 2,223	\$ 1,200	\$ 1,258	\$ 668	\$ 931	\$ 395	\$ 495	\$ 474	\$ 337	\$ 541	\$ 357	\$ 69	\$ 218	\$ 310	\$ 246	\$ 117	\$ 37	\$ 140	\$ 233	\$ 10,248	
2	2,985	1,033	703	877	597	928	904	569	672	343	439	586	423	265	284	276	249	139	258	12,530	
Subtotal	5,208	2,233	1,961	1,545	1,528	1,323	1,399	1,043	1,009	884	796	655	641	575	530	393	286	279	491	22,778	
3	49	18	29	71	10	152	60	169	162	14	18	49	7	61	3	11	38	19	3	943	
4	—	10	13	4	—	11	22	28	—	—	—	10	47	—	—	—	3	—	—	148	
5	—	—	11	8	—	—	2	20	—	—	—	3	8	—	2	8	7	—	—	65	
6	—	—	—	2	—	2	—	—	—	—	—	—	—	—	—	—	—	—	—	4	
Subtotal	49	28	53	85	10	165	84	217	162	14	18	62	62	61	5	19	48	19	3	1,164	
No designation (c)	—	—	—	—	—	—	—	—	—	—	—	—	—	1	—	—	—	—	—	13	14
Total	\$ 5,257	\$ 2,261	\$ 2,014	\$ 1,630	\$ 1,538	\$ 1,488	\$ 1,483	\$ 1,260	\$ 1,171	\$ 898	\$ 814	\$ 717	\$ 703	\$ 637	\$ 535	\$ 412	\$ 334	\$ 298	\$ 507	\$ 23,957	

(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) 84% are NAIC 1, 5% NAIC 2, 2% NAIC 3, 6% NAIC 4, 3% NAIC 5.

(c) Primarily relates to securities held by non-insurance companies.

Appendix E
American Financial Group, Inc.
Corporate Securities by Credit Rating & NAIC Designation by Industry 12/31/2019
(\$ in millions)



Fair Value By Industry

Credit Rating (a)	Fair Value By Industry																	Total	T	
	Banking	Insurance	Other Financials	Technology	Asset Managers	Energy	Healthcare	Consumer	REITs	Utilities	Capital Goods	Basic Industry	Media	Autos	Communi-cations	Retailers	Restaurants, Hospitality & Leisure			Aviation
Investment Grade																				
AAA	\$ —	\$ —	\$ —	\$ 48	\$ —	\$ —	\$ 20	\$ 29	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 78	\$ —	\$ —	\$ —	\$ 4	\$ 179
AA	219	308	72	146	205	204	98	114	—	—	1	—	—	35	—	22	20	46	77	1,567
A	2,482	921	326	471	775	260	425	258	352	450	333	44	112	278	176	89	18	166	131	8,067
BBB	2,691	1,034	656	862	576	1,199	753	673	845	291	424	556	454	334	264	209	206	133	245	12,405
Subtotal	5,392	2,263	1,054	1,527	1,556	1,663	1,296	1,074	1,197	741	758	600	566	647	518	320	244	345	457	22,218
BB	3	15	29	75	17	102	50	89	75	19	11	46	3	4	4	—	44	10	—	596
B	—	1	—	4	—	—	18	22	—	—	—	16	5	—	—	—	10	—	—	76
CCC, CC, C	—	—	1	9	—	1	—	2	—	—	—	—	—	—	—	12	17	—	—	42
D	—	—	—	—	—	1	—	—	—	—	—	—	—	—	—	—	—	—	—	1
Subtotal	3	16	30	88	17	104	68	113	75	19	11	62	8	4	4	12	71	10	—	715
Not Rated (b)	33	14	486	1	7	2	34	97	20	—	5	8	50	—	2	13	4	—	2	778
Total	\$ 5,428	\$ 2,293	\$ 1,570	\$ 1,616	\$ 1,580	\$ 1,769	\$ 1,398	\$ 1,284	\$ 1,292	\$ 760	\$ 774	\$ 670	\$ 624	\$ 651	\$ 524	\$ 345	\$ 319	\$ 355	\$ 459	\$ 23,711

Fair Value By Industry

NAIC designation	Fair Value By Industry																	Total	T	
	Banking	Insurance	Other Financials	Technology	Asset Managers	Energy	Healthcare	Consumer	REITs	Utilities	Capital Goods	Basic Industry	Media	Autos	Communi-cations	Retailers	Restaurants, Hospitality & Leisure			Aviation
1	\$ 2,712	\$ 1,235	\$ 842	\$ 663	\$ 950	\$ 440	\$ 562	\$ 448	\$ 349	\$ 449	\$ 330	\$ 64	\$ 112	\$ 348	\$ 253	\$ 124	\$ 22	\$ 213	\$ 194	\$ 10,310
2	2,712	1,031	675	862	606	1,222	767	688	859	291	428	552	454	298	263	209	224	129	248	12,518
Subtotal	5,424	2,266	1,517	1,525	1,556	1,662	1,329	1,136	1,208	740	758	616	566	646	516	333	246	342	442	22,828
3	3	15	28	66	17	103	50	98	84	19	10	38	3	4	4	—	46	13	—	601
4	—	11	13	6	—	—	16	27	—	—	—	16	47	—	—	—	10	—	—	146
5	—	—	11	16	7	1	2	17	—	—	1	—	7	—	2	11	17	—	—	92
6	—	—	—	1	—	3	—	—	—	—	—	—	—	—	—	1	—	—	—	5
Subtotal	3	26	52	89	24	107	68	142	84	19	11	54	57	4	6	12	73	13	—	844
No designation (c)	1	1	1	2	—	—	1	6	—	1	5	—	1	1	2	—	—	—	17	39
Total	\$ 5,428	\$ 2,293	\$ 1,570	\$ 1,616	\$ 1,580	\$ 1,769	\$ 1,398	\$ 1,284	\$ 1,292	\$ 760	\$ 774	\$ 670	\$ 624	\$ 651	\$ 524	\$ 345	\$ 319	\$ 355	\$ 459	\$ 23,711

- (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) 74% are NAIC 1, 9% NAIC 2, 3% NAIC 3, 8% NAIC 4, 6% NAIC 5.
- (c) Primarily relates to securities held by non-insurance companies.

Appendix F
American Financial Group, Inc.
Asset-Backed Securities by Credit Rating & NAIC Designation by Collateral Type
3/31/2020
(\$ in millions)



Credit Rating (a)	Fair Value By Collateral Type												Total	% Total			
	CLOs	Secured Financing (c)	TruPS	Whole Business	Railcar	Commercial Real Estate	Single Family Rental	Aircraft	Mortgage Servicer Receivables	Consumer Loans	Life Ins/ Structured Settlements	Other					
Investment Grade																	
AAA	\$2,981	\$ —	\$ —	\$ —	\$ —	\$ 717	\$ 456	\$ —	\$ 152	\$ 50	\$ 146	\$ 334	\$ 4,836	44%			
AA	912	318	929	97	—	48	120	—	29	101	—	66	2,620	24%			
A	212	78	294	22	591	—	10	306	—	14	3	444	1,974	18%			
BBB	22	10	47	580	12	—	—	—	29	—	1	23	724	7%			
Subtotal	4,127	406	1,270	699	603	765	586	306	210	165	150	867	10,154	93%			
BB	—	—	1	—	—	—	—	—	—	—	5	—	6	0%			
B	—	—	—	—	—	—	—	—	—	—	—	4	4	0%			
CCC, CC, C	—	—	—	—	—	—	—	5	—	—	3	—	8	0%			
D	—	—	—	—	—	—	—	—	—	—	—	—	—	0%			
Subtotal	—	—	1	—	—	—	—	5	—	—	8	4	18	0%			
Not Rated (b)	11	706	—	—	—	—	—	6	—	—	—	1	724	7%			
Total	\$4,138	\$ 1,112	\$1,271	\$ 699	\$ 603	\$ 765	\$ 586	\$ 317	\$ 210	\$ 165	\$ 158	\$ 872	\$10,896	100%			

NAIC designation	Fair Value By Collateral Type												Total	% Total
	CLOs	Secured Financing (c)	TruPS	Whole Business	Railcar	Commercial Real Estate	Single Family Rental	Aircraft	Mortgage Servicer Receivables	Consumer Loans	Life Ins/ Structured Settlements	Other		
1	\$4,104	\$ 1,102	\$1,223	\$ 119	\$ 591	\$ 765	\$ 585	\$ 306	\$ 181	\$ 165	\$ 149	\$ 836	\$10,126	93%
2	22	10	47	580	12	—	—	—	29	—	1	32	733	7%
Subtotal	4,126	1,112	1,270	699	603	765	585	306	210	165	150	868	10,859	100%
3	—	—	1	—	—	—	—	—	—	—	5	—	6	0%
4	—	—	—	—	—	—	—	—	—	—	—	3	3	0%
5	11	—	—	—	—	—	—	—	—	—	3	1	15	0%
6	—	—	—	—	—	—	—	5	—	—	—	—	5	0%
Subtotal	11	—	1	—	—	—	—	5	—	—	8	4	29	0%
No designation (d)	1	—	—	—	—	—	1	6	—	—	—	—	8	0%
Total	\$4,138	\$ 1,112	\$1,271	\$ 699	\$ 603	\$ 765	\$ 586	\$ 317	\$ 210	\$ 165	\$ 158	\$ 872	\$10,896	100%

- (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) 98% of not rated securities are NAIC 1 or 2.
- (c) Secured Financings are privately placed funding agreements secured by assets including Single Family Rental properties, Bank Loans, Bank Trust Preferreds, Commercial and Residential Mortgages.
- (d) Primarily relates to securities held by non-insurance companies.

Appendix G
American Financial Group, Inc.
Asset-Backed Securities by Credit Rating & NAIC Designation by Collateral Type 12/31/2019
(\$ in millions)



Credit Rating (a)	Fair Value By Collateral Type												Total	% Total			
	CLOs	Secured Financing (c)	TruPS	Whole Business	Railcar	Commercial Real Estate	Single Family Rental	Aircraft	Mortgage Servicer Receivables	Consumer Loans	Life Ins/ Structured Settlements	Other					
Investment Grade																	
AAA	\$2,921	\$ —	\$ —	\$ —	\$ —	\$ 460	\$ 367	\$ —	\$ 167	\$ 64	\$ 157	\$ 314	\$ 4,450	39%			
AA	1,074	311	990	92	—	52	106	—	34	110	—	84	2,853	25%			
A	241	78	326	22	602	—	11	442	—	17	3	482	2,224	19%			
BBB	27	10	53	599	—	—	—	—	38	—	1	41	769	7%			
Subtotal	4,263	399	1,369	713	602	512	484	442	239	191	161	921	10,296	90%			
BB	—	—	1	—	—	—	—	7	—	—	5	—	13	0%			
B	—	—	—	—	—	—	—	—	—	—	—	4	4	0%			
CCC, CC, C	—	—	—	—	—	—	—	—	—	—	3	1	4	0%			
D	—	—	—	—	—	—	—	—	—	—	—	—	—	0%			
Subtotal	—	—	1	—	—	—	—	7	—	—	8	5	21	0%			
Not Rated (b)	17	1,060	—	—	—	—	—	14	—	—	—	—	1,091	10%			
Total	\$4,280	\$ 1,459	\$1,370	\$ 713	\$ 602	\$ 512	\$ 484	\$ 463	\$ 239	\$ 191	\$ 169	\$ 926	\$11,408	100%			

NAIC designation	Fair Value By Collateral Type												Total	% Total
	CLOs	Secured Financing (c)	TruPS	Whole Business	Railcar	Commercial Real Estate	Single Family Rental	Aircraft	Mortgage Servicer Receivables	Consumer Loans	Life Ins/ Structured Settlements	Other		
1	\$4,232	\$ 1,421	\$1,314	\$ 114	\$ 601	\$ 511	\$ 482	\$ 442	\$ 201	\$ 189	\$ 159	\$ 874	\$10,540	93%
2	26	38	53	599	—	—	—	—	38	—	2	40	796	7%
Subtotal	4,258	1,459	1,367	713	601	511	482	442	239	189	161	914	11,336	100%
3	—	—	1	—	—	—	—	7	—	—	5	—	13	0%
4	—	—	—	—	—	—	—	—	—	—	—	4	4	0%
5	18	—	—	—	—	—	—	—	—	—	3	1	22	0%
6	—	—	—	—	—	—	—	14	—	—	—	1	15	0%
Subtotal	18	—	1	—	—	—	—	21	—	—	8	6	54	0%
No designation (d)	4	—	2	—	1	1	2	—	—	2	—	6	18	0%
Total	\$4,280	\$ 1,459	\$1,370	\$ 713	\$ 602	\$ 512	\$ 484	\$ 463	\$ 239	\$ 191	\$ 169	\$ 926	\$11,408	100%

- (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) 97% of not rated securities are NAIC 1 or 2.
- (c) Secured Financings are privately placed funding agreements secured by assets including Single Family Rental properties, Bank Loans, Bank Trust Preferreds, Commercial and Residential Mortgages.
- (d) Primarily relates to securities held by non-insurance companies.