UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549
FORM 10-Q
☑ **Quarterly Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934**

For the Quarterly Period Ended March 31, 2026

or

☐ **Transition Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934**
For the transition period from ____ to ____

Commission File No. 1-13653

AMERICAN FINANCIAL GROUP, INC.

Incorporated under the Laws of Ohio **IRS Employer I.D. No. 31-1544320**

301 East Fourth Street, Cincinnati, Ohio 45202

(513) 579-2121

Securities Registered Pursuant to Section 12(b) of the Act:

Title of Each Class	Trading Symbol(s)	Name of Each Exchange on Which Registered
Common Stock	AFG	New York Stock Exchange
5.875% Subordinated Debentures due March 30, 2059	AFGB	New York Stock Exchange
5.625% Subordinated Debentures due June 1, 2060	AFGD	New York Stock Exchange
5.125% Subordinated Debentures due December 15, 2059	AFGC	New York Stock Exchange
4.50% Subordinated Debentures due September 15, 2060	AFGE	New York Stock Exchange

Indicate by check mark whether the Registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months, and (2) has been subject to such filing requirements for the past 90 days. Yes ☑ No ☐

Indicate by check mark whether the Registrant has submitted electronically, every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T during the preceding 12 months. Yes ☑ No ☐

Indicate by check mark whether the Registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company or an emerging growth company. See definitions of "large accelerated filer," "accelerated filer," "smaller reporting company" and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer ☑ Accelerated filer ☐ Non-accelerated filer ☐
Smaller reporting company ☐ 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. ☐

Indicate by check mark whether the Registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☑

As of May 1, 2026, there were 83,086,083 shares of the Registrant's Common Stock outstanding, excluding 14.9 million shares owned by subsidiaries.

AMERICAN FINANCIAL GROUP, INC. 10-Q

TABLE OF CONTENTS

PART I
ITEM 1. — FINANCIAL STATEMENTS
AMERICAN FINANCIAL GROUP, INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEET (UNAUDITED)
(Dollars in Millions)

	March 31, 2026	December 31, 2025
Assets:		
Cash and cash equivalents	$ 1,353	$ 1,727
Investments:		
Fixed maturities, available for sale at fair value (amortized cost — $11,549 and $11,101; allowance for expected credit losses of $26 and $21)	11,397	11,052
Fixed maturities, trading at fair value	80	91
Equity securities, at fair value	753	785
Investments accounted for using the equity method	2,443	2,421
Mortgage loans	961	947
Real estate and other investments	156	159
Total cash and investments	17,143	17,182
Recoverables from reinsurers	5,303	5,528
Prepaid reinsurance premiums	1,211	1,089
Agents' balances and premiums receivable	1,670	1,641
Deferred policy acquisition costs	334	333
Assets of managed investment entities	3,987	4,050
Other receivables	1,058	1,212
Other assets	1,320	1,280
Goodwill	327	327
Total assets	$ 32,353	$ 32,642
Liabilities and Equity:		
Unpaid losses and loss adjustment expenses	$ 14,914	$ 15,094
Unearned premiums	3,911	3,736
Payable to reinsurers	1,065	1,195
Liabilities of managed investment entities	3,854	3,907
Long-term debt	1,820	1,820
Other liabilities	2,111	2,070
Total liabilities	27,675	27,822
Shareholders' equity:		
Common Stock, no par value — 200,000,000 shares authorized — 83,086,295 and 83,422,202 shares outstanding	83	83
Capital surplus	1,428	1,430
Retained earnings	3,294	3,357
Accumulated other comprehensive income (loss), net of tax	(127)	(50)
Total shareholders' equity	4,678	4,820
Total liabilities and shareholders' equity	$ 32,353	$ 32,642

AMERICAN FINANCIAL GROUP, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF EARNINGS (UNAUDITED)
(In Millions, Except Per Share Data)

	Three months ended March 31, 2026	Three months ended March 31, 2025
Revenues:		
Net earned premiums	$ 1,609	$ 1,580
Net investment income	187	173
Realized gains (losses) on securities	(18)	3
Income of managed investment entities:		
Investment income	67	76
Gain (loss) on change in fair value of assets/liabilities	(20)	(3)
Other income	29	27
Total revenues	1,854	1,856
Costs and Expenses:		
Losses and loss adjustment expenses	906	965
Commissions and other underwriting expenses	556	530
Interest charges on borrowed money	23	19
Expenses of managed investment entities	58	68
Other expenses	72	77
Total costs and expenses	1,615	1,659
Earnings before income taxes	239	197
Provision for income taxes	48	43
Net Earnings	$ 191	$ 154
Earnings per Common Share:		
Total basic earnings	$ 2.29	$ 1.84
Total diluted earnings	$ 2.29	$ 1.84
Average number of Common Shares:		
Basic	83.3	83.8
Diluted	83.3	83.8

AMERICAN FINANCIAL GROUP, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)
(In Millions)

	Three months ended March 31,	
	2026	2025
Net earnings	$ 191	$ 154
Other comprehensive income (loss), net of tax:		
Net unrealized gains (losses) on securities:		
Unrealized holding gains (losses) on securities arising during the period	(82)	55
Reclassification adjustment for realized (gains) losses included in net earnings	4	6
Total net unrealized gains (losses) on securities	(78)	61
Net unrealized gains (losses) on cash flow hedges:		
Unrealized holding gains (losses) on cash flow hedges arising during the period	—	1
Reclassification adjustment for investment income included in net earnings	1	2
Total net unrealized gains (losses) on cash flow hedges	1	3
Foreign currency translation adjustments	—	(3)
Other comprehensive income (loss), net of tax	(77)	61
Comprehensive income	$ 114	$ 215

AMERICAN FINANCIAL GROUP, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UNAUDITED)
(Dollars in Millions)

		Shareholders' Equity			
	Common Shares	Common Stock and Capital Surplus	Retained Earnings	Accumulated Other Comp. Income (Loss)	Total
Balance at December 31, 2025	83,422,202	$ 1,513	$ 3,357	$ (50)	$ 4,820
Net earnings	—	—	191	—	191
Other comprehensive loss	—	—	—	(77)	(77)
Dividends ($2.38 per share)	—	—	(199)	—	(199)
Shares issued:					
Restricted stock awards	150,544	—	—	—	—
Other benefit plans	16,112	2	—	—	2
Dividend reinvestment plan	6,080	1	—	—	1
Stock-based compensation expense	—	5	—	—	5
Shares acquired and retired	(466,097)	(9)	(51)	—	(60)
Shares exchanged — benefit plans	(38,736)	(1)	(4)	—	(5)
Forfeitures of restricted stock	(3,810)	—	—	—	—
Balance at March 31, 2026	83,086,295	$ 1,511	$ 3,294	$ (127)	$ 4,678
Balance at December 31, 2024	83,978,258	$ 1,495	$ 3,211	$ (240)	$ 4,466
Net earnings	—	—	154	—	154
Other comprehensive income	—	—	—	61	61
Dividends ($2.80 per share)	—	—	(234)	—	(234)
Shares issued:					
Exercise of stock options	18,932	1	—	—	1
Restricted stock awards	166,297	—	—	—	—
Other benefit plans	15,657	2	—	—	2
Dividend reinvestment plan	7,020	1	—	—	1
Stock-based compensation expense	—	4	—	—	4
Shares acquired and retired	(462,398)	(9)	(49)	—	(58)
Shares exchanged — benefit plans	(42,809)	(1)	(4)	—	(5)
Forfeitures of restricted stock	(12,504)	—	—	—	—
Balance at March 31, 2025	83,668,453	$ 1,493	$ 3,078	$ (179)	$ 4,392

AMERICAN FINANCIAL GROUP, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF CASH FLOWS (UNAUDITED)
(In Millions)

	Three months ended March 31, 2026	Three months ended March 31, 2025
Operating Activities:		
Net earnings	$ 191	$ 154
Adjustments:		
Depreciation and amortization	25	22
Realized (gains) losses on investing activities	13	(2)
Net sales of trading securities	12	7
Change in:		
Reinsurance and other receivables	228	349
Other assets	(27)	24
Insurance claims and reserves	(5)	(83)
Payable to reinsurers	(130)	(163)
Other liabilities	(3)	(15)
Managed investment entities’ assets/liabilities	162	42
Other operating activities, net	8	7
Net cash provided by operating activities	474	342
Investing Activities:		
Purchases of:		
Fixed maturities	(1,027)	(529)
Equity securities	(38)	(11)
Mortgage loans	(15)	(61)
Other investments	(38)	(65)
Real estate, property and equipment	(17)	(25)
Proceeds from:		
Maturities and redemptions of fixed maturities	570	441
Repayments of mortgage loans	—	24
Sales of fixed maturities	48	15
Sales of equity securities	46	5
Sales of other investments	24	12
Sales of real estate, property and equipment	7	—
Managed investment entities:		
Purchases of investments	(415)	(500)
Proceeds from sales and redemptions of investments	242	718
Other investing activities, net	—	(1)
Net cash provided by (used in) investing activities	(613)	23
Financing Activities:		
Issuances of Common Stock	2	3
Repurchases of Common Stock	(60)	(58)
Cash dividends paid on Common Stock	(198)	(233)
Issuances of managed investment entities’ liabilities	391	764
Retirements of managed investment entities’ liabilities	(370)	(971)
Net cash used in financing activities	(235)	(495)
Net Change in Cash and Cash Equivalents	(374)	(130)
Cash and cash equivalents at beginning of period	1,727	1,406
Cash and cash equivalents at end of period	$ 1,353	$ 1,276

INDEX TO NOTES

A. Accounting Policies

Basis of Presentation The accompanying consolidated financial statements for American Financial Group, Inc. and its subsidiaries ("AFG") are unaudited; however, management believes that all adjustments (consisting only of normal recurring accruals unless otherwise disclosed herein) necessary for fair presentation have been made. The results of operations for interim periods are not necessarily indicative of results to be expected for the year. The financial statements have been prepared in accordance with the instructions to Form 10-Q and, therefore, do not include all information and footnotes necessary to be in conformity with U.S. generally accepted accounting principles ("GAAP").

Certain reclassifications have been made to prior periods to conform to the current year's presentation. All significant intercompany balances and transactions have been eliminated. The results of operations of companies since their formation or acquisition are included in the consolidated financial statements. Events or transactions occurring subsequent to March 31, 2026, and prior to the filing of this Form 10-Q, have been evaluated for potential recognition or disclosure herein.

The preparation of the financial statements requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Changes in circumstances could cause actual results to differ materially from those estimates.

Fair Value Measurements Accounting standards define fair value as the price that would be received to sell an asset or paid to transfer a liability (an exit price) in an orderly transaction between market participants on the measurement date. The standards establish a hierarchy of valuation techniques based on whether the assumptions that market participants would use in pricing the asset or liability ("inputs") are observable or unobservable. Observable inputs reflect market data obtained from independent sources, while unobservable inputs reflect AFG's assumptions about the assumptions market participants would use in pricing the asset or liability. AFG did not have any significant nonrecurring fair value measurements in the first three months of 2026.

Investments Fixed maturity securities classified as "available for sale" are reported at fair value with unrealized gains and losses included in accumulated other comprehensive income ("AOCI") in AFG's Balance Sheet. Fixed maturity securities classified as "trading" are reported at fair value with changes in unrealized holding gains or losses during the period included in net investment income. Mortgage loans (net of any allowance) are carried primarily at the aggregate unpaid balance.

Realized gains or losses on the disposal of fixed maturity securities are determined on the specific identification basis. Premiums and discounts on fixed maturity securities are amortized using the effective interest method. Structured securities subject to prepayment risk are amortized over a period based on estimated future principal payments, including prepayments. Prepayment assumptions are reviewed periodically and adjusted to reflect actual prepayments and changes in expectations.

Equity securities are reported at fair value with holding gains and losses generally recorded in realized gains (losses) on securities. However, AFG records holding gains and losses on certain securities classified at purchase as "fair value through net investment income" in net investment income.

Limited partnerships and similar investments are generally accounted for using the equity method of accounting. Under the equity method, AFG records its share of the earnings or losses of the investee based on when it is reported by the investee in its financial statements rather than in the period in which the investee declares a dividend. AFG's share of the earnings or losses from equity method investments is generally recorded on a quarter lag due to the timing of the receipt of the investee's financial statements. AFG's equity in the earnings (losses) of limited partnerships and similar investments is included in net investment income.

Credit Losses on Fixed Maturity Investments When a decline in the value of an available for sale fixed maturity is considered to be other-than-temporary at the balance sheet date, an allowance for credit losses (impairment), including any write-off of accrued interest, is charged to earnings (included in realized gains (losses) on securities). If management can assert that it does not intend to sell the security and it is not more likely than not that it will have to sell it before recovery of its amortized cost basis, then the impairment is separated into two components: (i) the allowance related to credit losses (recorded in earnings) and (ii) the amount related to all other factors (recorded in other comprehensive income). The credit-related portion is measured by comparing a security's amortized cost (net of any existing allowance) to the present value of its current expected cash flows discounted at its effective yield prior to the charge. The allowance is limited to the difference between a security's amortized cost basis and its fair value. Subsequent increases or decreases in expected credit losses are recorded immediately in net earnings through realized gains (losses). If management intends to sell an impaired security, or it is more likely than not that it will be required to sell the security before recovery, an impairment is recorded in earnings to reduce the amortized cost of that security to fair value.

Credit Losses on Financial Instruments Measured at Amortized Cost Credit-related impairments for financial instruments measured at amortized cost (mortgage loans, premiums receivable and reinsurance recoverables) reflect estimated credit losses expected over the life of an exposure or pool of exposures. The estimate of expected credit losses considers historical information, current information, as well as reasonable and supportable forecasts, including estimates of prepayments. Expected credit losses, and subsequent increases or decreases in such expected losses, are recorded immediately through net earnings as an allowance that is deducted from the amortized cost basis of the financial asset, with the net carrying value of the financial asset presented on the balance sheet at the amount expected to be collected.

Derivatives Derivatives included in AFG's Balance Sheet are recorded at fair value. Changes in fair value of derivatives are included in earnings unless the derivatives are designated and qualify as highly effective cash flow hedges. AFG's derivatives that do not qualify for hedge accounting under GAAP consist primarily of components of certain fixed maturity securities (convertible fixed maturities and interest-only and principal-only mortgage-backed securities ("MBS")) and a total return swap related to its deferred compensation obligations to employees.

To qualify for hedge accounting, at the inception of a derivative contract, AFG formally documents the relationship between the terms of the hedge and the hedged items and its risk management objective. This documentation includes defining how hedge effectiveness is evaluated at the inception date and over the life of the derivative.

Changes in the fair value of derivatives that are designated and qualify as highly effective cash flow hedges are recorded in AOCI and are reclassified into earnings when the variability of the cash flows from the hedged items impacts earnings. When the change in the fair value of a qualifying cash flow hedge is included in earnings, it is included in the same line item in the statement of earnings as the cash flows from the hedged item. AFG uses interest rate swaps that are designated and qualify as highly effective cash flow hedges to mitigate interest rate risk related to certain floating-rate securities.

Goodwill Goodwill represents the excess of cost of subsidiaries over AFG's equity in their underlying net assets at the date of acquisition. Goodwill is not amortized, but is subject to an impairment test at least annually. AFG performs a qualitative analysis to determine whether it is more likely than not that the reporting unit's fair value exceeds its carrying amount. If it is not more likely, quantitative testing is not required.

Reinsurance Amounts recoverable from reinsurers are estimated in a manner consistent with the claim liability associated with the reinsured policies. AFG reports as assets (i) the estimated reinsurance recoverable on paid and unpaid losses, including an estimate for losses incurred but not reported, and (ii) amounts paid or due to reinsurers applicable to the unexpired terms of policies in force. Payable to reinsurers includes ceded premiums due to reinsurers, as well as ceded premiums retained by AFG under contracts to fund ceded losses as they become due. AFG also assumes reinsurance from other companies. Earnings on reinsurance assumed is recognized based on information received from ceding companies.

Deferred Policy Acquisition Costs ("DPAC") Policy acquisition costs (principally commissions, premium taxes and certain underwriting and policy issuance costs) directly related to the successful acquisition or renewal of an insurance contract are deferred. DPAC is limited based upon recoverability without any consideration for anticipated investment income and is charged against income ratably over the terms of the related policies. A premium deficiency is recognized if the sum of expected claims costs, claims adjustment expenses and unamortized acquisition costs exceed the related unearned premiums. A premium deficiency is first recognized by charging any unamortized acquisition costs to expense to the extent required to eliminate the deficiency. If the premium deficiency is greater than unamortized acquisition costs, a liability is accrued for the excess deficiency and reported with unpaid losses and loss adjustment expenses.

Managed Investment Entities A company is considered the primary beneficiary of, and therefore must consolidate, a variable interest entity ("VIE") based primarily on its ability to direct the activities of the VIE that most significantly impact that entity's economic performance and the obligation to absorb losses of, or receive benefits from, the entity that could potentially be significant to the VIE.

AFG manages, and has investments in, collateralized loan obligations ("CLOs") that are VIEs (see *Note F — "Managed Investment Entities"*). AFG has determined that it is the primary beneficiary of these CLOs because (i) its role as asset manager gives it the power to direct the activities that most significantly impact the economic performance of the CLOs and (ii) through its investment in the CLO debt tranches, it has exposure to CLO losses (limited to the amount AFG invested) and the right to receive CLO benefits that could potentially be significant to the CLOs.

Because AFG has no right to use the CLO assets and no obligation to pay the CLO liabilities, the assets and liabilities of the CLOs are shown separately in AFG's Balance Sheet. AFG has elected the fair value option for reporting on the CLO assets and liabilities to improve the transparency of financial reporting related to the CLOs. The net gain or loss from accounting for the CLO assets and liabilities at fair value is presented separately in AFG's Statement of Earnings.

The fair values of a CLO's assets may differ from the separately measured fair values of its liabilities even though the CLO liabilities only have recourse to the CLO assets. AFG has set the carrying value of the CLO liabilities equal to the fair value of the CLO assets (which have more observable fair values) as an alternative to reporting those liabilities at a separately measured fair value. CLO earnings attributable to AFG's shareholders are measured by the change in the fair value of AFG's investments in the CLOs and management fees earned.

At March 31, 2026, assets and liabilities of managed investment entities included $47 million in assets and $37 million in liabilities of a temporary warehousing entity that was established to provide AFG the ability to form a new CLO. At closing, all warehoused assets will be transferred to the new CLO and the liabilities will be repaid.

Unpaid Losses and Loss Adjustment Expenses The liabilities stated for unpaid claims and for expenses of investigation and adjustment of unpaid claims represent management's best estimate and are based upon (i) the accumulation of case estimates for losses reported prior to the close of the accounting period on direct business written; (ii) estimates received from ceding reinsurers and insurance pools and associations; (iii) estimates of unreported losses (including possible development on known claims) based on past experience; (iv) estimates based on experience of expenses for investigating and adjusting claims; and (v) the current state of the law and coverage litigation. Establishing reserves for asbestos, environmental and other mass tort claims involves considerably more judgment than other types of claims due to, among other things, inconsistent court decisions, an increase in bankruptcy filings as a result of asbestos-related liabilities, novel theories of coverage, and judicial interpretations that often expand theories of recovery and broaden the scope of coverage.

Loss reserve liabilities are subject to the impact of changes in claim amounts and frequency and other factors. Changes in estimates of the liabilities for losses and loss adjustment expenses are reflected in the statement of earnings in the period in which determined. Despite the variability inherent in such estimates, management believes that the liabilities for unpaid losses and loss adjustment expenses are adequate and reasonable.

Debt Issuance Costs Debt issuance costs related to AFG's outstanding debt are presented in its Balance Sheet as a direct reduction in the carrying value of long-term debt and are amortized over the life of the related debt using the effective interest method as a component of interest expense. Debt issuance costs related to AFG's revolving credit facility are included in other assets in AFG's Balance Sheet.

Leases Leases for terms of longer than one year are recognized as assets and liabilities for the rights and obligations created by those leases on the balance sheet based on the present value of contractual cash flows.

At March 31, 2026, AFG has a $213 million lease liability included in other liabilities and a lease right-of-use asset of $193 million included in other assets compared to $216 million and $198 million, respectively, at December 31, 2025.

Premium Recognition Property and casualty premiums are earned generally over the terms of the policies on a pro rata basis. Unearned premiums represent that portion of premiums written, which is applicable to the unexpired terms of policies in force. On reinsurance assumed from other insurance companies or written through various underwriting organizations, unearned premiums are based on information received from such companies and organizations.

Income Taxes Deferred income taxes are calculated using the liability method. Under this method, deferred income tax assets and liabilities are determined based on differences between financial reporting and tax bases and are measured using enacted tax rates. A valuation allowance is established to reduce total deferred tax assets to an amount that will more likely than not be realized. The effect of a change in tax rates on deferred tax assets and liabilities is recorded in net earnings in the period that includes the enactment date.

AFG recognizes the tax benefits of uncertain tax positions only when the position is more likely than not to be sustained under examination by the appropriate taxing authority. Interest and penalties on AFG's reserve for uncertain tax positions are recognized as a component of tax expense.

Stock-Based Compensation All share-based grants are recognized as compensation expense on a straight-line basis over their vesting periods based on their calculated fair value at the date of grant.

AFG records excess tax benefits or deficiencies for share-based payments through income tax expense in the statement of earnings. AFG accounts for forfeitures of awards when they occur.

Benefit Plans AFG provides retirement benefits to qualified employees of participating companies through the AFG 401(k) Retirement and Savings Plan, a defined contribution plan. AFG makes all contributions to the retirement fund portion of the plan and matches a percentage of employee contributions to the savings fund. Company contributions are expensed in the year for which they are declared. AFG and many of its subsidiaries provide health care and life insurance benefits to eligible retirees. AFG also provides postemployment benefits to former or inactive employees (primarily those on disability) who were not deemed retired under other company plans. The projected future cost of providing these benefits is expensed over the period employees earn such benefits.

Earnings Per Share Although basic earnings per share only considers shares of Common Stock outstanding during the period, the calculation of diluted earnings per share includes the following adjustments to weighted average common shares related to AFG's stock-based compensation plan: first three months of 2026 — none and 2025 — less than 0.1 million.

There were no anti-dilutive potential common shares for the first three months of 2026 or 2025.

Statement of Cash Flows For cash flow purposes, "investing activities" are defined as making and collecting loans and acquiring and disposing of debt or equity instruments, property and equipment and businesses. "Financing activities" include obtaining resources from owners and providing them with a return on their investments, borrowing money and repaying amounts borrowed. All other activities are considered "operating." Short-term investments having original maturities of three months or less when purchased are considered to be cash equivalents for purposes of the financial statements.

B. Segments of Operations

AFG manages its business as two segments: Property and casualty insurance and Other, which includes holding company assets and costs.

AFG reports its property and casualty insurance business in the following Specialty sub-segments: (i) Property and transportation, which includes physical damage and liability coverage for buses and trucks and other specialty transportation niches, inland and ocean marine, agricultural-related products and other commercial property coverages, (ii) Specialty casualty, which includes primarily excess and surplus, executive and professional liability, general liability, umbrella and excess liability, specialty coverages in targeted markets, customized programs for small to mid-sized businesses and workers' compensation insurance, and (iii) Specialty financial, which includes risk management insurance programs for lending and leasing institutions (including equipment leasing and collateral and lender-placed mortgage property insurance), fidelity and surety products and trade credit insurance. AFG's reportable segments and their components were determined based primarily upon similar economic characteristics, products and services. The impacts of all intercompany transactions between segments have been eliminated.

AFG's Chief Operating Decision Makers ("CODMs") are its Co-CEOs. The CODMs evaluate the performance of the Property and casualty insurance segment based on return on equity and underwriting profit. The CODMs use this measure to allocate resources and make capital decisions.

Sales of property and casualty insurance outside of the United States represented 5% and 4% of AFG's revenues in the first three months of 2026 and 2025, respectively.

The following tables (in millions) show AFG's assets, revenues and earnings before income taxes by segment and sub-segment.

	March 31, 2026	December 31, 2025
Assets		
Property and casualty insurance (*)	$ 27,527	$ 27,654
Other	4,826	4,988
Total assets	$ 32,353	$ 32,642

(*) Not allocable to sub-segments.

	Three months ended March 31,	
	2026	2025
Revenues		
Property and casualty insurance:		
Net earned premiums:		
Specialty		
Property and transportation	$ 526	$ 500
Specialty casualty	799	794
Specialty financial	284	286
Total net earned premiums	1,609	1,580
Net investment income	168	170
Other income	4	3
Total property and casualty insurance	1,781	1,753
Other	91	100
Total revenues before realized gains (losses)	1,872	1,853
Realized gains (losses) on securities	(18)	3
Total revenues	$ 1,854	$ 1,856
Earnings Before Income Taxes		
Property and casualty insurance:		
Underwriting:		
Specialty		
Property and transportation	$ 65	$ 37
Specialty casualty	34	20
Specialty financial	57	37
Total underwriting (a)	156	94
Investment and other income, net	153	152
Total property and casualty insurance	309	246
Other (b)	(52)	(52)
Total earnings before realized gains (losses) and income taxes	257	194
Realized gains (losses) on securities	(18)	3
Total earnings before income taxes	$ 239	$ 197

(a) Significant segment expenses, which are losses and loss adjustment expenses and commissions and other underwriting expenses, are shown in the table below by sub-segment.

(b) Includes interest charges on borrowed money and other holding company expenses.

The following table shows the components of underwriting profit, including significant segment expenses, for the Property and casualty insurance segment (in millions):

	Three months ended March 31, 2026	Three months ended March 31, 2025
Property and casualty insurance:		
Specialty:		
Property and transportation:		
Net earned premiums	$ 526	$ 500
Losses and loss adjustment expenses	301	311
Commissions and other underwriting expenses	160	152
Underwriting profit	$ 65	$ 37
Specialty casualty:		
Net earned premiums	$ 799	$ 794
Losses and loss adjustment expenses	517	536
Commissions and other underwriting expenses	248	238
Underwriting profit	$ 34	$ 20
Specialty financial:		
Net earned premiums	$ 284	$ 286
Losses and loss adjustment expenses	88	118
Commissions and other underwriting expenses	139	131
Underwriting profit	$ 57	$ 37
Total property and casualty insurance segment:		
Net earned premiums	$ 1,609	$ 1,580
Losses and loss adjustment expenses	906	965
Commissions and other underwriting expenses	547	521
Underwriting profit	$ 156	$ 94

C. Fair Value Measurements

Accounting standards for measuring fair value are based on inputs used in estimating fair value. The three levels of the hierarchy are as follows:

Level 1 — Quoted prices for identical assets or liabilities in active markets (markets in which transactions occur with sufficient frequency and volume to provide pricing information on an ongoing basis). AFG's Level 1 financial instruments consist primarily of publicly traded equity securities, highly liquid government bonds for which quoted market prices in active markets are available and short-term investments of managed investment entities.

Level 2 — Quoted prices for similar instruments in active markets; quoted prices for identical or similar assets or liabilities in inactive markets (markets in which there are few transactions, the prices are not current, price quotations vary substantially over time or among market makers, or in which little information is released publicly); and valuations based on other significant inputs that are observable in active markets. AFG's Level 2 financial instruments consist primarily of fixed maturity securities and investments of managed investment entities priced using observable inputs. Level 2 inputs include benchmark yields, reported trades, corroborated broker/dealer quotes, issuer spreads and benchmark securities. When non-binding broker quotes can be corroborated by comparison to similar securities priced using observable inputs, they are classified as Level 2.

Level 3 — Valuations derived from market valuation techniques generally consistent with those used to estimate the fair values of Level 2 financial instruments in which one or more significant inputs are unobservable or when the market for a security exhibits significantly less liquidity relative to markets supporting Level 2 fair value measurements. The unobservable inputs may include management's own assumptions about the assumptions market participants would use based on the best information available at the valuation date. Financial instruments whose fair value is estimated based on non-binding broker quotes or internally developed using significant inputs not based on, or corroborated by, observable market information are classified as Level 3.

As discussed in *Note A — "Accounting Policies — Managed Investment Entities,"* AFG has set the carrying value of its CLO liabilities equal to the fair value of the CLO assets (which have more observable fair values) as an alternative to reporting those liabilities at separately measured fair values. As a result, the CLO liabilities are categorized within the fair value hierarchy on the same basis (proportionally) as the related CLO assets. Since the portion of the CLO liabilities allocated to Level 3 is derived from the fair value of the CLO assets, these amounts are excluded from the progression of Level 3 financial instruments.

AFG's management is responsible for the valuation process and uses data from outside sources (including nationally recognized pricing services and broker/dealers) in establishing fair value. AFG's internal investment group includes approximately 25 investment professionals whose primary responsibility is to manage AFG's investment portfolio. These professionals monitor individual investments as well as overall industries and are active in the financial markets on a daily basis. The group is led by AFG's chief investment officer, who reports directly to one of AFG's Co-CEOs. Valuation techniques utilized by pricing services and prices obtained from external sources are reviewed by AFG's internal investment professionals who are familiar with the securities being priced and the markets in which they trade to ensure the fair value determination is representative of an exit price. To validate the appropriateness of the prices obtained, these investment managers consider widely published indices (as benchmarks), recent trades, changes in interest rates, general economic conditions and the credit quality of the specific issuers. In addition, AFG communicates directly with the pricing services regarding the methods and assumptions used in pricing, including verifying, on a test basis, the inputs used by the service to value specific securities.

Assets and liabilities measured and carried at fair value in the financial statements are summarized below (in millions):

	Level 1	Level 2	Level 3	Total
March 31, 2026				
Assets:				
Available for sale ("AFS") fixed maturities:				
U.S. government and government agencies	$ 146	$ 4	$ —	$ 150
States, municipalities and political subdivisions	—	785	6	791
Foreign government	—	237	—	237
Residential MBS	—	3,157	3	3,160
Collateralized loan obligations	—	1,180	—	1,180
Other asset-backed securities	—	2,219	356	2,575
Corporate and other	1	2,923	380	3,304
Total AFS fixed maturities	147	10,505	745	11,397
Trading fixed maturities	—	67	13	80
Equity securities	461	50	242	753
Assets of managed investment entities ("MIE")	168	3,804	15	3,987
Other assets — derivatives	—	1	—	1
Total assets accounted for at fair value	$ 776	$ 14,427	$ 1,015	$ 16,218
Liabilities:				
Contingent consideration — acquisitions	$ —	$ —	$ 3	$ 3
Liabilities of managed investment entities	163	3,676	15	3,854
Other liabilities — derivatives	—	11	—	11
Total liabilities accounted for at fair value	$ 163	$ 3,687	$ 18	$ 3,868
December 31, 2025				
Assets:				
Available for sale fixed maturities:				
U.S. government and government agencies	$ 157	$ 4	$ —	$ 161
States, municipalities and political subdivisions	—	831	4	835
Foreign government	—	238	—	238
Residential MBS	—	2,744	3	2,747
Collateralized loan obligations	—	1,160	—	1,160
Other asset-backed securities	—	2,215	310	2,525
Corporate and other	1	2,990	395	3,386
Total AFS fixed maturities	158	10,182	712	11,052
Trading fixed maturities	—	66	25	91
Equity securities	478	51	256	785
Assets of managed investment entities	310	3,725	15	4,050
Other assets — derivatives	—	1	—	1
Total assets accounted for at fair value	$ 946	$ 14,025	$ 1,008	$ 15,979
Liabilities:				
Contingent consideration — acquisitions	$ —	$ —	$ 3	$ 3
Liabilities of managed investment entities	298	3,594	15	3,907
Other liabilities — derivatives	—	3	—	3
Total liabilities accounted for at fair value	$ 298	$ 3,597	$ 18	$ 3,913

Approximately 6% of the total assets carried at fair value at March 31, 2026, were Level 3 assets. Internally developed prices for fixed maturities are estimated using a variety of inputs, including appropriate credit spreads over the treasury yield (of a similar duration), trade information and prices of comparable securities and other security specific features (such as optional early redemption). Internally developed Level 3 asset fair values represent approximately 88% ($894 million) of the total fair value of Level 3 assets at March 31, 2026. Approximately 68% ($612 million) of these internally developed Level 3 assets are priced using a pricing model that uses a discounted cash flow approach to estimate the fair value of fixed maturity securities. The credit spread applied by management is the significant unobservable input of the pricing model. In instances where the security is currently callable at par value and the pricing model suggests a higher price, management caps the fair value at par value. The remainder of the internally developed Level 3 investments ($282 million) are priced using internal models or inputs from third parties that are not market observable. Management believes that any justifiable changes in unobservable inputs used to determine internally developed fair values would not have resulted in a material change in AFG's financial position.

Approximately 9% ($92 million) of the Level 3 assets were investments whose prices were determined based on financial information provided by third party asset managers. Approximately 3% ($29 million) of Level 3 assets were priced using non-binding broker quotes or pricing services, for which there is a lack of transparency as to the inputs used to determine fair value.

Changes in balances of Level 3 financial assets and liabilities carried at fair value during the first three months of 2026 and 2025 are presented below (in millions). The transfers into and out of Level 3 were due to changes in the availability of market observable inputs. All transfers are reflected in the table at fair value as of the end of the reporting period.

		Total realized/unrealized gains (losses) included in						
	Balance at December 31, 2025	Net earnings	Other comprehensive income (loss)	Purchases and issuances	Sales and settlements	Transfer into Level 3	Transfer out of Level 3	Balance at March 31, 2026
AFS fixed maturities:								
State and municipal	$ 4	$ —	$ —	$ —	$ —	$ 2	$ —	$ 6
Residential MBS	3	—	—	—	—	—	—	3
Other asset-backed securities	310	—	—	29	(10)	27	—	356
Corporate and other	395	(4)	—	18	(37)	8	—	380
Total AFS fixed maturities	712	(4)	—	47	(47)	37	—	745
Trading fixed maturities	25	1	—	—	(13)	—	—	13
Equity securities	256	(14)	—	—	—	—	—	242
Assets of MIE	15	(1)	—	1	—	—	—	15
Total Level 3 assets	$ 1,008	$ (18)	$ —	$ 48	$ (60)	$ 37	$ —	$ 1,015
Contingent consideration — acquisitions	$ (3)	$ —	$ —	$ —	$ —	$ —	$ —	$ (3)
Total Level 3 liabilities	$ (3)	$ —	$ —	$ —	$ —	$ —	$ —	$ (3)

		Total realized/unrealized gains (losses) included in						
	Balance at December 31, 2024	Net earnings	Other comprehensive income (loss)	Purchases and issuances	Sales and settlements	Transfer into Level 3	Transfer out of Level 3	Balance at March 31, 2025
AFS fixed maturities:								
State and municipal	$ 1	$ —	$ —	$ —	$ —	$ 3	$ —	$ 4
Residential MBS	1	—	—	—	—	—	—	1
Collateralized loan obligations	—	—	—	—	—	—	—	—
Other asset-backed securities	296	—	2	10	(27)	—	—	281
Corporate and other	470	(6)	4	14	(14)	1	(7)	462
Total AFS fixed maturities	768	(6)	6	24	(41)	4	(7)	748
Trading fixed maturities	26	1	—	—	(14)	—	—	13
Equity securities	292	(2)	—	13	—	—	(6)	297
Assets of MIE	10	(1)	—	3	—	—	—	12
Total Level 3 assets	$ 1,096	$ (8)	$ 6	$ 40	$ (55)	$ 4	$ (13)	$ 1,070
Contingent consideration — acquisitions	$ (2)	$ —	$ —	$ —	$ 1	$ —	$ —	$ (1)
Total Level 3 liabilities	$ (2)	$ —	$ —	$ —	$ 1	$ —	$ —	$ (1)

Fair Value of Financial Instruments The carrying value and fair value of financial instruments that are not carried at fair value in the financial statements are summarized below (in millions):

	Carrying Value	Fair Value Total	Level 1	Level 2	Level 3
March 31, 2026					
Financial assets:					
Cash and cash equivalents	$ 1,353	$ 1,353	$ 1,353	$ —	$ —
Mortgage loans	961	953	—	—	953
Total financial assets not accounted for at fair value	$ 2,314	$ 2,306	$ 1,353	$ —	$ 953
Long-term debt	$ 1,820	$ 1,552	$ —	$ 1,549	$ 3
Total financial liabilities not accounted for at fair value	$ 1,820	$ 1,552	$ —	$ 1,549	$ 3
December 31, 2025					
Financial assets:					
Cash and cash equivalents	$ 1,727	$ 1,727	$ 1,727	$ —	$ —
Mortgage loans	947	937	—	—	937
Total financial assets not accounted for at fair value	$ 2,674	$ 2,664	$ 1,727	$ —	$ 937
Long-term debt	$ 1,820	$ 1,609	$ —	$ 1,606	$ 3
Total financial liabilities not accounted for at fair value	$ 1,820	$ 1,609	$ —	$ 1,606	$ 3

D. Investments

Available for sale fixed maturities at March 31, 2026 and December 31, 2025, consisted of the following (in millions):

	Amortized Cost	Allowance for Expected Credit Losses	Gross Unrealized Gains	Gross Unrealized Losses	Net Unrealized	Fair Value
March 31, 2026						
Fixed maturities:						
U.S. government and government agencies	$ 150	$ —	$ 1	$ (1)	$ —	$ 150
States, municipalities and political subdivisions	820	—	6	(35)	(29)	791
Foreign government	236	—	1	—	1	237
Residential MBS	3,247	2	32	(117)	(85)	3,160
Collateralized loan obligations	1,185	4	2	(3)	(1)	1,180
Other asset-backed securities	2,608	5	21	(49)	(28)	2,575
Corporate and other	3,303	15	49	(33)	16	3,304
Total fixed maturities	$ 11,549	$ 26	$ 112	$ (238)	$ (126)	$ 11,397
December 31, 2025						
Fixed maturities:						
U.S. government and government agencies	$ 160	$ —	$ 1	$ —	$ 1	$ 161
States, municipalities and political subdivisions	853	—	8	(26)	(18)	835
Foreign government	236	—	2	—	2	238
Residential MBS	2,808	1	43	(103)	(60)	2,747
Collateralized loan obligations	1,167	5	1	(3)	(2)	1,160
Other asset-backed securities	2,539	5	29	(38)	(9)	2,525
Corporate and other	3,338	10	81	(23)	58	3,386
Total fixed maturities	$ 11,101	$ 21	$ 165	$ (193)	$ (28)	$ 11,052

Equity securities which are reported at fair value with holding gains and losses recognized in net earnings, consisted of the following at March 31, 2026 and December 31, 2025 (in millions):

	March 31, 2026			December 31, 2025		
	Actual Cost	Fair Value	Fair Value Over Cost	Actual Cost	Fair Value	Fair Value Over Cost
Common stocks	$ 341	$ 363	$ 22	$ 332	$ 365	$ 33
Perpetual preferred stocks	379	390	11	398	420	22
Total equity securities carried at fair value	$ 720	$ 753	$ 33	$ 730	$ 785	$ 55

The following table summarizes investments accounted for using the equity method, by strategy (in millions):

	Carrying Value		Net Investment Income Three months ended March 31,	
	March 31, 2026	December 31, 2025	2026	2025
Real estate-related investments (*)	$ 1,418	$ 1,431	$ 5	$ 17
Private equity	927	895	10	(6)
Private debt	98	95	3	2
Total investments accounted for using the equity method	$ 2,443	$ 2,421	$ 18	$ 13

(*) 88% and 87% of the carrying value relates to underlying investments in multi-family properties as of March 31, 2026 and December 31, 2025, respectively.

The earnings (losses) from these investments are generally reported on a quarter lag due to the timing required to obtain the necessary information from the funds. AFG regularly reviews and discusses fund performance with the fund managers to corroborate the reasonableness of the underlying reported asset values and to assess whether any events have occurred within the lag period that may materially affect the valuation of these investments.

With respect to partnerships and similar investments, AFG had unfunded commitments of $437 million and $456 million as of March 31, 2026 and December 31, 2025, respectively.

The following table shows gross unrealized losses (dollars in millions) on available for sale fixed maturities by investment category and length of time that individual securities have been in a continuous unrealized loss position at the following balance sheet dates.

	Less Than Twelve Months			Twelve Months or More		
	Unrealized Loss	Fair Value	Fair Value as % of Cost	Unrealized Loss	Fair Value	Fair Value as % of Cost
March 31, 2026						
Fixed maturities:						
U.S. government and government agencies	$ (1)	$ 47	98%	$ —	$ 33	100%
States, municipalities and political subdivisions	(6)	273	98%	(29)	264	90%
Foreign government	—	137	100%	—	—	—%
Residential MBS	(13)	1,177	99%	(104)	888	90%
Collateralized loan obligations	—	160	100%	(3)	121	98%
Other asset-backed securities	(10)	813	99%	(39)	750	95%
Corporate and other	(11)	746	99%	(22)	625	97%
Total fixed maturities	$ (41)	$ 3,353	99%	$ (197)	$ 2,681	93%
December 31, 2025						
Fixed maturities:						
U.S. government and government agencies	$ —	$ 15	100%	$ —	$ 44	100%
States, municipalities and political subdivisions	—	47	100%	(26)	426	94%
Foreign government	—	52	100%	—	5	100%
Residential MBS	(4)	186	98%	(99)	914	90%
Collateralized loan obligations	—	124	100%	(3)	147	98%
Other asset-backed securities	(1)	311	100%	(37)	803	96%
Corporate and other	(2)	174	99%	(21)	794	97%
Total fixed maturities	$ (7)	$ 909	99%	$ (186)	$ 3,133	94%

At March 31, 2026, the gross unrealized losses on fixed maturities of $238 million relate to approximately 1,100 securities. Investment grade securities (as determined by nationally recognized rating agencies) represented approximately 97% of the gross unrealized loss and 97% of the fair value of securities with unrealized losses.

To evaluate fixed maturities for expected credit losses (impairment), management considers whether the unrealized loss is credit-driven or a result of changes in market interest rates, the extent to which fair value is less than cost basis, historical operating, balance sheet and cash flow data from the issuer, third party research, communications with industry specialists and discussions with issuer management.

AFG analyzes its residential MBS for expected credit losses (impairment) each quarter based upon expected future cash flows. Management estimates expected future cash flows based upon its knowledge of the MBS market, cash flow projections received from independent sources (which reflect loan to collateral values, subordination, vintage and geographic concentration), implied cash flows inherent in security ratings and analysis of historical payment data.

Management believes AFG will recover its cost basis (net of any allowance) in the securities with unrealized losses and that AFG has the ability to hold the securities until they recover in value and had no intent to sell them at March 31, 2026.

A progression of the allowance for expected credit losses on available for sale fixed maturity securities is shown below (in millions):

	Structured Securities (*)	Corporate and Other	Total
Balance at December 31, 2025	$ 11	$ 10	$ 21
Provision for expected credit losses on securities with no previous allowance	—	5	5
Additions to previously recognized expected credit losses	—	—	—
Reductions due to sales or redemptions	—	—	—
Balance at March 31, 2026	$ 11	$ 15	$ 26
Balance at December 31, 2024	$ 11	$ 23	$ 34
Provision for expected credit losses on securities with no previous allowance	—	2	2
Additions to previously recognized expected credit losses	—	5	5
Reductions due to sales or redemptions	—	—	—
Balance at March 31, 2025	$ 11	$ 30	$ 41

(*) Includes residential MBS, collateralized loan obligations and other asset-backed securities (“ABS”).

In the first three months of 2026 and 2025, AFG did not purchase any securities with expected credit losses.

The table below sets forth the scheduled maturities of AFG’s available for sale fixed maturities as of March 31, 2026 (dollars in millions). Securities with sinking funds are reported at average maturity. Actual maturities may differ from contractual maturities because certain securities may be called or prepaid by the issuers.

	Amortized Cost, net (*)	Fair Value Amount	Fair Value %
Maturity			
One year or less	$ 694	$ 687	6%
After one year through five years	2,125	2,123	19%
After five years through ten years	1,459	1,472	13%
After ten years	216	200	2%
	4,494	4,482	40%
CLOs and other ABS (average life of approximately 3.5 years)	3,784	3,755	33%
Residential MBS (average life of approximately 6 years)	3,245	3,160	27%
Total	$ 11,523	$ 11,397	100%

(*) Amortized cost, net of allowance for expected credit losses.

Certain risks are inherent in fixed maturity securities, including loss upon default, price volatility in reaction to changes in interest rates, and general market factors and risks associated with reinvestment of proceeds due to prepayments or redemptions in a period of declining interest rates.

There were no investments in individual issuers that exceeded 10% of shareholders’ equity at March 31, 2026 or December 31, 2025.

Net Investment Income The following table shows investment income earned and investment expenses incurred (in millions):

	Three months ended March 31, 2026	Three months ended March 31, 2025
Investment income:		
Fixed maturities:		
Interest and amortization	$ 145	$ 140
Change in fair value (*)	—	(5)
Equity securities:		
Dividends	10	6
Change in fair value	(10)	—
Equity in earnings of partnerships and similar investments	18	13
Cash and cash equivalents	12	13
Mortgage loans	12	9
Other	7	4
Gross investment income	194	180
Investment expenses	(7)	(7)
Net investment income	$ 187	$ 173

(*) The change in the fair value of fixed maturities classified as trading and derivatives embedded in convertible fixed maturities related to limited partnerships and similar investments.

Realized gains (losses) and changes in unrealized appreciation (depreciation) included in AOCI related to fixed maturity securities are summarized as follows (in millions):

	Three months ended March 31, 2026				Three months ended March 31, 2025			
	Realized gains (losses)				Realized gains (losses)			
	Before Impairments	Impairment Allowance	Total	Change in Unrealized	Before Impairments	Impairment Allowance	Total	Change in Unrealized
Fixed maturities	$ (1)	$ (5)	$ (6)	$ (98)	$ 1	$ (7)	$ (6)	$ 76
Equity securities	(12)	—	(12)	—	9	—	9	—
Mortgage loans and other investments	—	—	—	—	—	—	—	—
Total pretax	(13)	(5)	(18)	(98)	10	(7)	3	76
Tax effects	2	1	3	20	(2)	1	(1)	(15)
Net of tax	$ (11)	$ (4)	$ (15)	$ (78)	$ 8	$ (6)	$ 2	$ 61

All equity securities are carried at fair value through net earnings. AFG recorded net holding gains (losses) on equity securities during the first three months of 2026 and 2025 on securities that were still owned at March 31, 2026 and March 31, 2025 as follows (in millions):

	Three months ended March 31, 2026	Three months ended March 31, 2025
Included in realized gains (losses)	$ (16)	$ 7
Included in net investment income	(7)	(1)
	$ (23)	$ 6

Gross realized gains and losses (excluding changes in impairment allowance and mark-to-market of derivatives) on available for sale fixed maturity investment transactions consisted of the following (in millions):

	Three months ended March 31, 2026	Three months ended March 31, 2025
Gross gains	$ 1	$ —
Gross losses	(1)	—

E. Derivatives

As discussed under "*Derivatives*" in *Note A — "Accounting Policies*," AFG uses derivatives to mitigate certain market risks related to its investment portfolio and deferred compensation obligations to employees.

The following table presents the classification of derivative assets and liabilities included in AFG's Balance Sheet at fair value (in millions):

		March 31, 2026		December 31, 2025	
	Balance Sheet Line	Asset	Liability	Asset	Liability
Derivatives designated and qualifying as cash flow hedges:					
Interest rate swaps	Other assets/Other liabilities	$ 1	$ 3	$ 1	$ 3
Derivatives not designated as hedging instruments:					
Fixed maturities with embedded derivatives	Fixed maturities	46	—	53	—
Total return swap	Other assets/Other liabilities	—	8	—	—
		$ 47	$ 11	$ 54	$ 3

AFG's interest rate swaps are designated and qualify as highly effective cash flow hedges to mitigate interest rate risk related to certain floating-rate securities included in AFG's portfolio of fixed maturity securities. The purpose of each of these swaps is to effectively convert a portion of AFG's floating-rate fixed maturity securities to fixed rates by offsetting the variability in cash flows attributable to changes in the applicable Secured Overnight Financing Rate ("SOFR").

Under the terms of the swaps, AFG receives fixed-rate interest payments in exchange for variable interest payments based on SOFR. The notional amounts of the interest rate swaps generally decline over each swap's respective life (the active swaps expire between October 2026 and October 2034) in anticipation of the expected decline in AFG's portfolio of fixed maturity securities with floating interest rates based on SOFR. The total outstanding notional amount of AFG's interest rate swaps was $714 million at March 31, 2026 compared to $464 million at December 31, 2025, reflecting four new swaps entered into in the first three months of 2026 ($300 million notional amount at issuance), partially offset by scheduled amortization. Amounts reclassified from AOCI to net investment income were losses of $1 million and $3 million in the first three months of 2026 and 2025, respectively. Based on a forward interest rate curve at March 31, 2026, management estimates that it will reclassify approximately $3 million of pre-tax net losses on interest rate swaps from AOCI to net investment income over the next twelve months. The actual amount will vary based on changes in SOFR. A collateral receivable supporting these swaps of $16 million and $10 million at March 31, 2026 and December 31, 2025, respectively, is included in other assets in AFG's Balance Sheet.

The fixed maturities with embedded derivatives consist of convertible fixed maturity securities and interest-only and principal-only MBS. AFG records the change in the fair value of these securities in net earnings. These investments are part of AFG's overall investment strategy and represent a small component of AFG's overall investment portfolio.

AFG is exposed to fair value changes from certain equity and fixed maturity market-based exposures related to its deferred compensation obligations to certain employees. To mitigate this risk, AFG entered into a total return swap. AFG's Balance Sheet includes a $10 million receivable for collateral posted related to the swap (included in other assets) at March 31, 2026, and a liability of less than $1 million to return collateral related to the swap (included in other liabilities) at December 31, 2025.

The following table summarizes the gains (losses) included in AFG's Statement of Earnings for changes in the fair value of derivatives (in millions):

	Statement of Earnings Line	Three months ended March 31, 2026	2025
Qualifying cash flow hedges:			
Interest rate swaps	Net investment income	$ (1)	$ (3)
Non-designated hedges:			
Fixed maturities with embedded derivatives	Realized gains (losses) on securities	(1)	1
Fixed maturities with embedded derivatives	Net investment income	—	(5)
Total return swap	Other expenses	(4)	(3)
Earnings (losses) on non-designated hedges		(5)	(7)
Total earnings (losses) on derivatives		$ (6)	$ (10)

F. Managed Investment Entities

AFG is the investment manager and it has investments ranging from 5.4% to 100% of the most subordinate debt tranche of ten active collateralized loan obligations ("CLOs"), which are considered variable interest entities. AFG also owns portions of the senior debt tranches of certain of these CLOs. Upon formation, these entities issued securities in various senior and subordinate classes and invested the proceeds primarily in secured bank loans, which serve as collateral for the debt securities issued by each CLO. None of the collateral was purchased from AFG. AFG's investments in the subordinate debt tranches of these entities receive residual income from the CLOs only after the CLOs pay expenses (including management fees to AFG) and interest on and returns of capital to senior levels of debt securities. There are no contractual requirements for AFG to provide additional funding for these entities. AFG has not provided and does not intend to provide any financial support to these entities.

AFG's maximum exposure to economic loss on the CLOs that it manages is limited to its investment in those CLOs, which had an aggregate fair value of $133 million (including $112 million invested in the most subordinate tranches and $10 million invested in a temporary warehousing entity) at March 31, 2026.

In the first three months of 2025, AFG formed one new CLO, which issued $406 million face amount of liabilities (including $40 million face amount purchased by AFG). In the first three months of 2025, one CLO was substantially liquidated in accordance with the CLO indenture.

The following table shows a progression of the fair value of AFG's investment in CLO tranches and temporary warehousing entities (in millions):

	Three months ended March 31, 2026	Three months ended March 31, 2025
Balance at beginning of period	$ 143	$ 175
Purchases	11	35
Sales	—	(79)
Distributions	(8)	(11)
CLO earnings (losses) attributable to AFG	(13)	2
Balance at end of period	$ 133	$ 122

The revenues and expenses of the CLOs are separately identified in AFG's Statement of Earnings, after the elimination of management fees and earnings attributable to AFG as measured by the change in the fair value of AFG's investments in the CLOs. Selected financial information related to the CLOs is shown below (in millions):

	Three months ended March 31, 2026	Three months ended March 31, 2025
Gains (losses) on change in fair value of assets/liabilities (*):		
Assets	$ (74)	$ (57)
Liabilities	54	54
Management fees paid to AFG	2	3
CLO earnings (losses) attributable to AFG	(13)	2

(*) Included in revenues in AFG's Statement of Earnings.

The aggregate unpaid principal balance of the CLOs' fixed maturity investments exceeded the fair value of the investments by $147 million and $77 million at March 31, 2026 and December 31, 2025, respectively. Excluding the most subordinated tranches, the aggregate unpaid principal balance of the CLOs' debt exceeded the carrying value by $21 million at March 31, 2026 and the carrying value of the CLOs' debt exceeded the aggregate unpaid principal balance by $13 million at December 31, 2025. At March 31, 2026 and December 31, 2025, the CLO assets did not include any loans in default for which the CLOs are not accruing interest.

In addition to the CLOs that it manages, AFG had investments in CLOs that are managed by third parties (therefore not consolidated), which are included in available for sale fixed maturity securities and had a fair value of $1.18 billion at March 31, 2026 and $1.16 billion December 31, 2025.

G. Goodwill and Other Intangibles

There were no changes in the goodwill balance of $327 million during the first three months of 2026.

Included in other assets in AFG's Balance Sheet is $184 million at March 31, 2026 and $189 million at December 31, 2025 of amortizable intangible assets related to acquisitions. These amounts are net of accumulated amortization of $80 million and $75 million, respectively. Amortization of intangibles was $5 million in both the first three months of 2026 and 2025.

H. Long-Term Debt

Long-term debt consisted of the following (in millions):

	March 31, 2026			December 31, 2025		
	Principal	Discount and Issue Costs	Carrying Value	Principal	Discount and Issue Costs	Carrying Value
Direct Senior Obligations of AFG:						
4.50% Senior Notes due June 2047	$ 567	$ (1)	$ 566	$ 567	$ (1)	$ 566
5.00% Senior Notes due September 2035	350	(6)	344	350	(6)	344
5.25% Senior Notes due April 2030	253	(3)	250	253	(3)	250
Other	3	—	3	3	—	3
	1,173	(10)	1,163	1,173	(10)	1,163
Direct Subordinated Obligations of AFG:						
4.50% Subordinated Debentures due September 2060	200	(5)	195	200	(5)	195
5.125% Subordinated Debentures due December 2059	200	(5)	195	200	(5)	195
5.625% Subordinated Debentures due June 2060	150	(4)	146	150	(4)	146
5.875% Subordinated Debentures due March 2059	125	(4)	121	125	(4)	121
	675	(18)	657	675	(18)	657
	$ 1,848	$ (28)	$ 1,820	$ 1,848	$ (28)	$ 1,820

Scheduled principal payments on debt for the balance of 2026, the subsequent five years and thereafter are as follows: 2026 — none; 2027 — none; 2028 — none; 2029 — none; 2030 — $253 million; 2031 — none and thereafter — $1.60 billion.

AFG can borrow up to $450 million under its revolving credit facility, which expires in June 2028. Amounts borrowed under this agreement bear interest at rates ranging from 1.00% to 1.75% (currently 1.25%) over a SOFR-based floating rate. No amounts were borrowed under this facility at March 31, 2026 or December 31, 2025.

I. Shareholders’ Equity

AFG is authorized to issue 12.5 million shares of Voting Preferred Stock and 12.5 million shares of Nonvoting Preferred Stock, each without par value.

Accumulated Other Comprehensive Income (Loss), Net of Tax (“AOCI”) Comprehensive income is defined as all changes in shareholders’ equity except those arising from transactions with shareholders. Comprehensive income includes net earnings and other comprehensive income (loss), which consists primarily of changes in net unrealized gains or losses on available for sale fixed maturity securities.

The progression of the components of accumulated other comprehensive income (loss) is as follows (in millions):

	AOCI Beginning Balance	Other Comprehensive Income (Loss)			AOCI Ending Balance
		Pretax	Tax	Net of tax	
Three months ended March 31, 2026					
Net unrealized gains (losses) on securities:					
Unrealized holding gains (losses) on securities arising during the period		$ (103)	$ 21	$ (82)	
Reclassification adjustment for realized (gains) losses included in net earnings (*)		5	(1)	4	
Total net unrealized gains (losses) on securities	$ (22)	(98)	20	(78)	$ (100)
Net unrealized gains (losses) on cash flow hedges:					
Unrealized holding gains (losses) on cash flow hedges arising during the period		—	—	—	
Reclassification adjustment for investment income included in net earnings (*)		1	—	1	
Total net unrealized gains (losses) on cash flow hedges	(2)	1	—	1	(1)
Foreign currency translation adjustments	(28)	—	—	—	(28)
Pension and other postretirement plan adjustments	2	—	—	—	2
Total	$ (50)	$ (97)	$ 20	$ (77)	$ (127)
Three months ended March 31, 2025					
Net unrealized gains (losses) on securities:					
Unrealized holding gains (losses) on securities arising during the period		$ 69	$ (14)	$ 55	
Reclassification adjustment for realized (gains) losses included in net earnings (*)		7	(1)	6	
Total net unrealized gains (losses) on securities	$ (202)	76	(15)	61	$ (141)
Net unrealized gains (losses) on cash flow hedges:					
Unrealized holding gains (losses) on cash flow hedges arising during the period		1	—	1	
Reclassification adjustment for investment income included in net earnings (*)		3	(1)	2	
Total net unrealized gains (losses) on cash flow hedges	(10)	4	(1)	3	(7)
Foreign currency translation adjustments	(30)	(3)	—	(3)	(33)
Pension and other postretirement plan adjustments	2	—	—	—	2
Total	$ (240)	$ 77	$ (16)	$ 61	$ (179)

(*) The reclassification adjustments affected the following lines in AFG's Statement of Earnings:

OCI component	Affected line in the statement of earnings
Pretax - Net unrealized gains (losses) on securities	Realized gains (losses) on securities
Pretax - Net unrealized gains (losses) on cash flow hedges	Net investment income
Tax	Provision for income taxes

Stock Incentive Plan Under AFG's stock incentive plan, employees of AFG and its subsidiaries are eligible to receive equity awards in the form of stock options, stock appreciation rights, restricted stock awards, restricted stock units and stock awards. In the first three months of 2026, AFG issued 150,544 shares of restricted Common Stock (fair value of $132.82 per share) under the stock incentive plan.

Total compensation expense related to the stock incentive plan was $5 million and $4 million in the first three months of 2026 and 2025, respectively.

J. Income Taxes

The following is a reconciliation of income taxes at the statutory rate of 21% to the provision for income taxes as shown in AFG's Statement of Earnings (dollars in millions):

	Three months ended March 31,			
	2026		2025	
	Amount	% of EBT	Amount	% of EBT
Earnings before income taxes ("EBT")	$ 239		$ 197	
Income taxes at statutory rate	$ 50	21%	$ 41	21%
Effect of:				
State and local income taxes, net of federal income tax effect (*)	3	1%	3	2%
Income tax credits	(4)	(2%)	—	—%
Impact of nontaxable or nondeductible items:				
Tax preference investments	(1)	—%	(1)	(1%)
Other	1	—%	—	—%
Other adjustments	(1)	—%	—	—%
Provision for income taxes as shown in the statement of earnings	$ 48	20%	$ 43	22%

(*) State taxes in Florida and Illinois represent the majority (greater than 50%) of the state and local net tax effect in the first three months of both 2026 and 2025.

K. Contingencies

There have been no significant changes to the matters discussed and referred to in *Note M — "Contingencies"* of AFG's 2025 Form 10-K, which covers property and casualty insurance reserves for claims related to environmental exposures, asbestos and other mass tort claims and environmental and occupational injury and disease claims of subsidiaries' former railroad and manufacturing operations.

L. Insurance

Insurance Reserves The following table provides an analysis of changes in the liability for losses and loss adjustment expenses during the first three months of 2026 and 2025 (in millions):

	Three months ended March 31,	
	2026	2025
Balance at beginning of year	$ 15,094	$ 14,179
Less reinsurance recoverables, net of allowance	5,306	4,957
Net liability at beginning of year	9,788	9,222
Provision for losses and LAE occurring in the current period	976	985
Net decrease in the provision for claims of prior years	(70)	(20)
Total losses and LAE incurred	906	965
Payments for losses and LAE of:		
Current year	(92)	(104)
Prior years	(796)	(863)
Total payments	(888)	(967)
Foreign currency translation and other	(2)	(2)
Net liability at end of period	9,804	9,218
Add back reinsurance recoverables, net of allowance	5,110	4,752
Gross unpaid losses and LAE included in the balance sheet at end of period	$ 14,914	$ 13,970

The net decrease in the provision for claims of prior years during the first three months of 2026 reflects (i) lower than anticipated losses in the crop business and lower than expected claim severity in the ocean marine and commercial auto businesses (within the Property and transportation sub-segment) and (ii) lower than anticipated claim frequency in the fidelity and crime business and lower than expected claim severity in the surety business (within the Specialty financial sub-segment). In the Specialty casualty sub-segment, lower than anticipated claim severity in the workers' compensation businesses was offset by higher than anticipated severity in certain social inflation exposed businesses.

The net decrease in the provision for claims of prior years during the first three months of 2025 reflects (i) lower than anticipated losses in the crop business and lower than anticipated claim frequency and severity in the trucking business (within the Property and transportation sub-segment), (ii) lower than anticipated claim severity in the workers' compensation businesses (within the Specialty casualty sub-segment) and (iii) lower than anticipated claim frequency and severity in the financial institutions business (within the Specialty financial sub-segment). This favorable development was partially offset by higher than anticipated claim severity in the excess liability businesses (within the Specialty casualty sub-segment).

Recoverables from Reinsurers and Premiums Receivable Progressions of the 2026 and 2025 allowance for expected credit losses on recoverables from reinsurers and premiums receivable are shown below (in millions):

	Recoverables from Reinsurers		Premiums Receivable	
	2026	2025	2026	2025
Balance at December 31	$ 10	$ 11	$ 20	$ 19
Provision (credit) for expected credit losses	(1)	(1)	(1)	(1)
Write-offs charged against the allowance	—	—	—	—
Balance at March 31	$ 9	$ 10	$ 19	$ 18

M. Subsequent Event

Charleston Harbor Resort & Marina In April 2026, AFG reached definitive agreements to sell the Charleston Harbor Resort & Marina. Subject to receipt of necessary third-party approvals and satisfaction of customary closing conditions, the transaction is expected to close in the second or third quarter of 2026. AFG currently expects to recognize a pretax gain of approximately $125 million on the sale, which will be included in net investment income.

ITEM 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

INDEX TO MD&A

FORWARD-LOOKING STATEMENTS

The Private Securities Litigation Reform Act of 1995 provides a safe harbor for forward-looking statements. Some of the forward-looking statements can be identified by the use of words such as "anticipates", "believes", "expects", "projects", "estimates", "intends", "plans", "seeks", "could", "may", "should", "will" or the negative version of those words or other comparable terminology. Such forward-looking statements include statements relating to: expectations concerning market and other conditions and their effect on future premiums, revenues, earnings, investment activities and the amount and timing of share repurchases and special dividends; recoverability of asset values; expected losses and the adequacy of reserves for asbestos, environmental pollution and mass tort claims; rate changes; and improved loss experience.

Actual results and/or financial condition could differ materially from those contained in or implied by such forward-looking statements for a variety of reasons including but not limited to the following and the risks and uncertainties AFG describes in the *"Risk Factors"* section of its most recent Annual Report on Form 10-K, as updated by its other reports filed with the Securities and Exchange Commission, including:

- whether or not the sale of Charleston Harbor Resort & Marina closes and AFG's net gain as a result of the sale;
- changes in financial, political and economic conditions, including changes in interest and inflation rates and impacts from tariffs or other trade actions, currency fluctuations and extended economic recessions or expansions in the U.S. and/or abroad;
- performance of securities markets;
- new legislation or declines in credit quality or credit ratings that could have a material impact on the valuation of securities in AFG's investment portfolio;
- the availability of capital;
- changes in insurance law or regulation, including changes in statutory accounting rules, including modifications to capital requirements;
- changes in the legal environment affecting AFG or its customers;
- tax law and accounting changes;
- levels of natural catastrophes and severe weather, terrorist activities (including any nuclear, biological, chemical or radiological events), incidents of war or losses resulting from pandemics, civil unrest and other major losses;
- disruption caused by cyber-attacks or other technology breaches or failures by AFG or its business partners and service providers, which could negatively impact AFG's business or reputation and/or expose AFG to litigation;
- development of insurance loss reserves and establishment of other reserves, particularly with respect to amounts associated with asbestos and environmental claims;
- availability of reinsurance and ability of reinsurers to pay their obligations;
- competitive pressures;
- the ability to obtain adequate rates and policy terms;
- changes in AFG's credit ratings or the financial strength ratings assigned by major ratings agencies to AFG's operating subsidiaries; and
- the impact of the conditions in the international financial markets and the global economy relating to AFG's international operations.

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

OBJECTIVE

The objective of Management's Discussion and Analysis is to provide a discussion and analysis of the financial statements and other statistical data that management believes will enhance the understanding of AFG's financial condition, changes in financial condition and results of operations. The tables and narrative that follow are presented in a manner that is consistent with the information that AFG's management uses to make operational decisions and allocate capital resources. They are provided to demonstrate the nature of the transactions and events that could impact AFG's financial results. This discussion should be read in conjunction with the financial statements beginning on page 2.

OVERVIEW

Financial Condition

AFG is organized as a holding company with almost all of its operations being conducted by subsidiaries. AFG, however, has continuing cash needs for administrative expenses, the payment of principal and interest on borrowings, shareholder dividends and taxes. Therefore, certain analyses are most meaningfully presented on a parent only basis while others are best done on a total enterprise basis. In addition, because its businesses are financial in nature, AFG does not prepare its consolidated financial statements using a current-noncurrent format. Consequently, certain traditional ratios and financial analysis tests are not meaningful.

Results of Operations

Through the operations of its subsidiaries, AFG is engaged primarily in property and casualty insurance, focusing on specialized commercial products for businesses.

AFG reported net earnings of $191 million ($2.29 per share, diluted) for the first three months of 2026 compared to $154 million ($1.84 per share, diluted) for the first three months of 2025, reflecting higher underwriting profit.

Outlook

Management expects overall premium growth and strong underwriting results in the current property and casualty insurance market. In addition, management anticipates improved returns on alternative investments, relative to the returns earned in 2025 and the first quarter of 2026, will have a positive impact on net investment income beginning in the second half of 2026.

AFG's financial condition, results of operations and cash flows are impacted by the economic, legal and regulatory environment. Economic inflation, social inflation and other economic conditions may impact premium levels, loss cost trends and investment returns.

Management believes that AFG's strong financial position and current liquidity and capital at its subsidiaries will give AFG the flexibility to continue to effectively address and respond to anticipated and unanticipated challenges. AFG's insurance subsidiaries continue to have capital at or in excess of the levels required by ratings agencies in order to maintain their current ratings, and the parent company does not have any debt maturities until 2030.

CRITICAL ACCOUNTING POLICIES

Significant accounting policies are summarized in *Note A — "Accounting Policies"* to the financial statements. The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that can have a significant effect on amounts reported in the financial statements. As more information becomes known, these estimates and assumptions change and, thus, impact amounts reported in the future. The areas where management believes the degree of judgment required to determine amounts recorded in the financial statements is most significant are as follows:

- the valuation of investments, including the determination of impairment allowances,
- the establishment of insurance reserves, especially asbestos and environmental-related reserves,
- the recoverability of reinsurance, and
- the establishment of asbestos and environmental liabilities of former railroad and manufacturing operations.

For a discussion of these policies, see *Management’s Discussion and Analysis — “Critical Accounting Policies”* in AFG’s 2025 Form 10-K.

LIQUIDITY AND CAPITAL RESOURCES

Ratios

AFG’s debt to total capital ratio on a consolidated basis is shown below (dollars in millions):

			December 31,	
	March 31, 2026		2025	2024
Principal amount of long-term debt	$ 1,848		$ 1,848	$ 1,498
Total capital	6,653		6,718	6,204
Ratio of debt to total capital:				
Including subordinated debt	27.8%		27.5%	24.1%
Excluding subordinated debt	17.6%		17.5%	13.3%

The ratio of debt to total capital is a non-GAAP measure that management believes is useful for investors, analysts and ratings agencies to evaluate AFG’s financial strength and liquidity and to provide insight into how AFG finances its operations. The ratio is calculated by dividing the principal amount of AFG’s long-term debt by its total capital, which includes long-term debt and shareholders’ equity (excluding accumulated other comprehensive income (loss), net of tax). In addition, maintaining a ratio of debt, excluding subordinated debt and debt secured by real estate (if any), to total capital of 35% or lower is a financial covenant in AFG’s bank credit facility.

Condensed Consolidated Cash Flows

AFG’s principal sources of cash include insurance premiums, income from its investment portfolio and proceeds from the maturities, redemptions and sales of investments. Insurance premiums in excess of acquisition expenses and operating costs are invested until they are needed to meet policyholder obligations or made available to the parent company through dividends to cover debt obligations and corporate expenses, and to provide returns to shareholders through share repurchases and dividends. Cash flows from operating, investing and financing activities as detailed in AFG’s Consolidated Statement of Cash Flows are shown below (in millions):

	Three months ended March 31,	
	2026	2025
Net cash provided by operating activities	$ 474	$ 342
Net cash provided by (used in) investing activities	(613)	23
Net cash used in financing activities	(235)	(495)
Net change in cash and cash equivalents	$ (374)	$ (130)

Net Cash Provided by Operating Activities AFG’s property and casualty insurance operations typically produce positive net operating cash flows as premiums collected and investment income exceed policy acquisition costs, claims payments and operating expenses. AFG’s net cash provided by operating activities is impacted by the level and timing of premiums, claim and expense payments and recoveries from reinsurers. Cash flows provided by operating activities also include the activity of AFG’s managed investment entities (collateralized loan obligations (“CLO”)) other than those activities included in investing or financing activities. The changes in the assets and liabilities of the managed investment entities included in operating activities increased cash flows from operating activities by $162 million during the first three months of 2026 and $42 million in the first three months of 2025, accounting for a $120 million increase in cash flows from operating activities in the 2026 period compared to the 2025 period. As discussed in *Note A — “Accounting Policies — Managed Investment Entities*” to the financial statements, AFG has no right to use the CLO assets and no obligation to pay the CLO liabilities and such assets and liabilities are shown separately in AFG’s Balance Sheet. Excluding the impact of the managed investment entities, net cash provided by operating activities was $312 million and $300 million in the first three months of 2026 and 2025, respectively.

Net Cash Provided by (Used in) Investing Activities AFG’s investing activities consist primarily of the investment of funds provided by its property and casualty businesses. Investing activities also include the purchase and disposal of managed investment entity investments, which are presented separately in AFG’s Balance Sheet. Net investment activity in the managed investment entities was a $173 million use of cash in the first three months of 2026 compared to a $218 million source of cash in the first three months of 2025, accounting for a $391 million increase in net cash used in investing activities in the first three months of 2026 compared to the 2025 period. See *Note A — "Accounting Policies — Managed Investment Entities"* and *Note F — "Managed Investment Entities"* to the financial statements. Excluding the activity of the managed investment entities, investing activities were a $440 million use of cash in the first three months of 2026 compared to $195 million in the first three months of 2025, an increase of $245 million reflecting the investment of cash in fixed maturity investments.

Net Cash Used in Financing Activities AFG's financing activities consist primarily of issuances and retirements of long-term debt, issuances and repurchases of Common Stock and dividend payments. Net cash used in financing activities was $235 million for the first three months of 2026 compared to $495 million in the first three months of 2025, a decrease of $260 million. AFG paid cash dividends totaling $198 million in the first three months of 2026 compared to $233 million in the first three months of 2025, resulting in a $35 million decrease in cash used in financing activities in the 2026 quarter compared to the 2025 quarter. During the first three months of 2026, AFG repurchased $60 million of its Common Stock compared to $58 million in the comparable 2025 period, an increase in cash used in financing activities of $2 million. Financing activities also include issuances and retirements of managed investment entity liabilities, which are nonrecourse to AFG and presented separately in AFG's Balance Sheet. Issuances of managed investment entity liabilities exceeded retirements by $21 million in the first three months of 2026 compared to retirements exceeding issuances by $207 million in the first three months of 2025, accounting for a $228 million decrease in net cash used in financing activities in the 2026 period compared to the 2025 period. See *Note A — "Accounting Policies — Managed Investment Entities*" and *Note F — "Managed Investment Entities"* to the financial statements.

Parent and Subsidiary Liquidity

Parent Holding Company Liquidity Management believes AFG has sufficient resources to meet its liquidity requirements. If funds generated from operations, including dividends, tax payments and borrowings from subsidiaries, are insufficient to meet fixed charges in any period, AFG would be required to utilize parent company cash and investments or to generate cash through borrowings, sales of other assets or similar transactions.

AFG's operations continue to generate significant excess capital for future returns of capital to shareholders in the form of regular and special cash dividends and through opportunistic share repurchases or to be deployed into its property and casualty businesses as management identifies the potential for profitable organic growth, and opportunities to expand through acquisitions of established businesses or start-ups that meet target return thresholds.

During the first three months of 2026, AFG repurchased 466,097 shares of its Common Stock for $60 million and paid a special cash dividend totaling $125 million ($1.50 per share) in February.

In September 2025, AFG issued $350 million in 5.00% Senior Notes due in September 2035.

During 2025, AFG repurchased 799,398 shares of its Common Stock for $99 million and paid special cash dividends totaling $334 million ($2.00 per share in both March and November).

AFG may, at any time and from time to time, seek to retire or purchase its outstanding debt through cash purchases or exchanges for equity or debt, in open-market purchases, privately negotiated transactions or otherwise. Such repurchases or exchanges, if any, will be upon such terms and at such prices as management may determine, and will depend on prevailing market conditions, AFG's liquidity requirements, contractual restrictions and other factors.

At March 31, 2026, AFG (parent) held approximately $408 million in cash and investments. Management believes that AFG's cash balances are held at stable banking institutions, although the amounts of many of these deposits are in excess of federally insured balances. AFG can borrow up to $450 million under its revolving credit facility, which expires in June 2028. Amounts borrowed under this agreement bear interest at rates ranging from 1.00% to 1.75% (based on AFG's credit rating, currently 1.25%) over a SOFR-based floating rate. There were no borrowings under AFG's credit facility, or under any other parent company short-term borrowing arrangements, during 2025 or the first three months of 2026.

Under a tax allocation agreement with AFG, all 80% (or more) owned U.S. subsidiaries generally pay taxes to (or recover taxes from) AFG based on each subsidiary's contribution to amounts due under AFG's consolidated tax return.

Subsidiary Liquidity The liquidity requirements of AFG's insurance subsidiaries relate primarily to the policyholder claims and underwriting expenses and payments of dividends and taxes to AFG. Historically, cash flows from premiums and investment income have generally provided more than sufficient funds to meet these requirements. Funds received in excess of cash requirements are generally invested in marketable securities. In addition, the insurance subsidiaries generally hold a significant amount of highly liquid, short duration investments.

AFG believes its insurance subsidiaries maintain sufficient liquidity to pay claims and underwriting expenses. In addition, these subsidiaries have sufficient capital to meet commitments in the event of unforeseen reserve deficiencies, inadequate premium rates or reinsurer insolvencies. Management believes that the capital levels in AFG's insurance subsidiaries are adequate to maintain its business and rating agency ratings. Nonetheless, changes in statutory accounting rules, changes in rating agency measures, significant declines in the fair value of the insurance subsidiaries' investment portfolios or significant ratings downgrades on these investments, could create a need for additional capital.

Investments

AFG's investment portfolio at March 31, 2026, contained $11.40 billion in fixed maturity securities classified as available for sale and carried at fair value with unrealized gains and losses included in accumulated other comprehensive income (loss) and $80 million in fixed maturities classified as trading with holding gains and losses included in net investment income. In addition, AFG's investment portfolio includes $555 million in equity securities carried at fair value with holding gains and losses included in realized gains (losses) on securities and $198 million in equity securities carried at fair value with holding gains and losses included in net investment income. AFG's investment portfolio also includes $2.44 billion in investments accounted for using the equity method (limited partnerships and similar investments). Under the equity method, AFG records its share of the earnings or losses of the investee based on when it is reported by the investee in its financial statements rather than in the period in which the investee declares a dividend. AFG's share of the earnings or losses from equity method investments is included in net investment income and is generally recorded on a quarter lag due to the timing of the receipt of the investee's financial statements.

Fair values for AFG's portfolio are determined by AFG's internal investment professionals using data from nationally recognized pricing services, non-binding broker quotes and other market information. Fair values of equity securities are determined by published closing prices when available. For AFG's fixed maturity portfolio, approximately 91% was priced using pricing services at March 31, 2026 and 2% was priced using non-binding broker quotes. The remaining 7% was priced internally using a variety of inputs including credit spreads, trade information, prices of comparable securities, estimates of cash flow and other security specific features. When prices obtained for the same security vary, AFG's internal investment professionals select the price they believe is most indicative of an exit price. For additional information on determination of fair value, see *Note C — "Fair Value Measurements"* to the financial statements.

The pricing services use a variety of observable inputs to estimate fair value of fixed maturities that do not trade on a daily basis. Based upon information provided by the pricing services, these inputs include, but are not limited to, recent reported trades, benchmark yields, issuer spreads, bids or offers, reference data, and measures of volatility. Included in the pricing of structured securities are estimates of the rate of future prepayments and defaults of principal over the remaining life of the underlying collateral. Due to the lack of transparency in the process that brokers use to develop prices, valuations that are based on brokers' prices are classified as Level 3 in the GAAP hierarchy unless the price can be corroborated, for example, by comparison to similar securities priced using observable inputs.

Valuation techniques utilized by pricing services and prices obtained from external sources are reviewed by AFG's internal investment professionals who are familiar with the securities being priced and the markets in which they trade to ensure the fair value determination is representative of an exit price. To validate the appropriateness of the prices obtained, these investment managers consider widely published indices (as benchmarks), recent trades, changes in interest rates, general economic conditions and the credit quality of the specific issuers. In addition, AFG communicates directly with pricing services regarding the methods and assumptions used in pricing, including verifying, on a test basis, the inputs used by the services to value specific securities.

In general, the fair value of AFG's fixed maturity investments is inversely correlated to changes in interest rates. The following table demonstrates the sensitivity of such fair values to reasonably likely changes in interest rates by illustrating the estimated effect on AFG's fixed maturity portfolio that an immediate increase of 100 basis points in the interest rate yield curve would have had at March 31, 2026 (dollars in millions). Effects of increases or decreases from the 100 basis points illustrated would be approximately proportional.

Fair value of fixed maturity portfolio	$ 11,477
Percentage impact on fair value of 100 bps increase in interest rates	(3.5%)
Pretax impact on fair value of fixed maturity portfolio	$ (402)

Approximately 96% of the fixed maturities held by AFG at March 31, 2026, were rated "investment grade" (credit rating of AAA to BBB) by nationally recognized rating agencies, 1% were rated "non-investment grade" and 3% were not rated. Investment grade securities generally bear lower yields and lower degrees of risk than those that are unrated and non-investment grade. Management believes that the high-quality investment portfolio should generate a stable and predictable investment return.

AFG has $75 million of direct exposure to office commercial real estate through property ownership, mortgages or equity method investments. AFG's fixed maturity portfolio includes securities (the majority of which are AAA-rated) with a carrying value of approximately $235 million that have minimal exposure to office commercial real estate.

Summarized information for the unrealized gains and losses recorded in AFG's Balance Sheet at March 31, 2026, is shown in the following table (dollars in millions). There were $451 million of available for sale fixed maturity securities with no unrealized gains or losses at March 31, 2026.

	Securities With Unrealized Gains	Securities With Unrealized Losses
Available for Sale Fixed Maturities		
Fair value of securities	$ 4,912	$ 6,034
Amortized cost of securities, net of allowance for expected credit losses	$ 4,800	$ 6,272
Gross unrealized gain (loss)	$ 112	$ (238)
Fair value as % of amortized cost	102%	96%
Number of security positions	869	1,097
Number individually exceeding $2 million gain or loss	2	26
Concentration of gains (losses) by type or industry (exceeding 5% of unrealized):		
Residential mortgage-backed securities	$ 32	$ (117)
Other asset-backed securities	21	(49)
Banking	13	(6)
States and municipalities	6	(35)
Percentage rated investment grade	97%	97%

The table below sets forth the scheduled maturities of AFG's available for sale fixed maturity securities at March 31, 2026, based on their fair values. Securities with sinking funds are reported at average maturity. Actual maturities may differ from contractual maturities because certain securities may be called or prepaid by the issuers.

	Securities With Unrealized Gains	Securities With Unrealized Losses
Maturity		
One year or less	3%	8%
After one year through five years	22%	15%
After five years through ten years	17%	10%
After ten years	1%	3%
	43%	36%
CLOs and other asset-backed securities (average life of approximately 3.5 years)	35%	30%
Residential mortgage-backed securities (average life of approximately 6 years)	22%	34%
	100%	100%

The table below (dollars in millions) summarizes the unrealized gains and losses on fixed maturity securities by dollar amount:

	Aggregate Fair Value	Aggregate Unrealized Gain (Loss)	Fair Value as % of Cost
Fixed Maturities at March 31, 2026			
Securities with unrealized gains:			
Exceeding $500,000 (44 securities)	$ 691	$ 39	106%
$500,000 or less (825 securities)	4,221	73	102%
	$ 4,912	$ 112	102%
Securities with unrealized losses:			
Exceeding $500,000 (95 securities)	$ 1,324	$ (150)	90%
$500,000 or less (1,002 securities)	4,710	(88)	98%
	$ 6,034	$ (238)	96%

The following table (dollars in millions) summarizes the unrealized losses for all securities with unrealized losses by issuer quality and the length of time those securities have been in an unrealized loss position:

	Aggregate Fair Value	Aggregate Unrealized Loss	Fair Value as % of Cost
Securities with Unrealized Losses at March 31, 2026			
Investment grade fixed maturities with losses for:			
Less than one year (430 securities)	$ 3,300	$ (39)	99%
One year or longer (535 securities)	2,561	(191)	93%
	$ 5,861	$ (230)	96%
Non-investment grade fixed maturities with losses for:			
Less than one year (40 securities)	$ 53	$ (2)	96%
One year or longer (92 securities)	120	(6)	95%
	$ 173	$ (8)	96%

When a decline in the value of a specific investment is considered to be other-than-temporary, an allowance for credit losses (impairment) is charged to earnings (accounted for as a realized loss). The determination of whether unrealized losses are other-than-temporary requires judgment based on subjective as well as objective factors as detailed in AFG's 2025 Form 10-K under *Management's Discussion and Analysis — "Investments."*

Based on its analysis, management believes AFG will recover its cost basis (net of any allowance) in the fixed maturity securities with unrealized losses and that AFG has the ability to hold the securities until they recover in value and had no intent to sell them at March 31, 2026. Although AFG has the ability to continue holding its fixed maturity investments with unrealized losses, its intent to hold them may change due to deterioration in the issuers' creditworthiness, decisions to lessen exposure to a particular issuer or industry, asset/liability management decisions, market movements, changes in views about appropriate asset allocation or the desire to offset taxable realized gains. Should AFG's ability or intent change regarding a particular security, a charge for impairment would likely be required. While it is not possible to accurately predict if or when a specific security will become impaired, increases in the allowance for credit losses could be material to results of operations in future periods. Significant declines in the fair value of AFG's investment portfolio could have a significant adverse effect on AFG's liquidity. For information on AFG's realized gains (losses) on securities, see *"Results of Operations — Realized Gains (Losses) on Securities."*

Uncertainties

Management believes that the areas posing the greatest risk of material loss are the adequacy of its insurance reserves and contingencies arising out of its former railroad and manufacturing operations. See *Management's Discussion and Analysis — "Uncertainties — Asbestos and Environmental-related ("A&E") Insurance Reserves*" in AFG's 2025 Form 10–K.

MANAGED INVESTMENT ENTITIES

Accounting standards require AFG to consolidate its investments in collateralized loan obligation ("CLO") entities that it manages and owns an interest in (in the form of debt). See *Note A — "Accounting Policies — Managed Investment Entities"* and *Note F — "Managed Investment Entities"* to the financial statements. The effect of consolidating these entities is shown in the tables below (in millions). The "Before CLO Consolidation" columns include AFG's investment and earnings in the CLOs on an unconsolidated basis.

CONDENSED CONSOLIDATING BALANCE SHEET

	Before CLO Consolidation	Managed Investment Entities	Consol. Entries		Consolidated As Reported
March 31, 2026					
Assets:					
Cash and investments	$ 17,276	$ —	$ (133)	(*)	$ 17,143
Assets of managed investment entities	—	3,987	—		3,987
Other assets	11,223	—	—	(*)	11,223
Total assets	$ 28,499	$ 3,987	$ (133)		$ 32,353
Liabilities:					
Unpaid losses and loss adjustment expenses and unearned premiums	$ 18,825	$ —	$ —		$ 18,825
Liabilities of managed investment entities	—	3,977	(123)	(*)	3,854
Long-term debt and other liabilities	4,996	—	—		4,996
Total liabilities	23,821	3,977	(123)		27,675
Shareholders' equity:					
Common Stock and Capital surplus	1,511	10	(10)		1,511
Retained earnings	3,294	—	—		3,294
Accumulated other comprehensive income (loss), net of tax	(127)	—	—		(127)
Total shareholders' equity	4,678	10	(10)		4,678
Total liabilities and shareholders' equity	$ 28,499	$ 3,987	$ (133)		$ 32,353
December 31, 2025					
Assets:					
Cash and investments	$ 17,325	$ —	$ (143)	(*)	$ 17,182
Assets of managed investment entities	—	4,050	—		4,050
Other assets	11,410	—	—	(*)	11,410
Total assets	$ 28,735	$ 4,050	$ (143)		$ 32,642
Liabilities:					
Unpaid losses and loss adjustment expenses and unearned premiums	$ 18,830	$ —	$ —		$ 18,830
Liabilities of managed investment entities	—	4,050	(143)	(*)	3,907
Long-term debt and other liabilities	5,085	—	—		5,085
Total liabilities	23,915	4,050	(143)		27,822
Shareholders' equity:					
Common Stock and Capital surplus	1,513	—	—		1,513
Retained earnings	3,357	—	—		3,357
Accumulated other comprehensive income (loss), net of tax	(50)	—	—		(50)
Total shareholders' equity	4,820	—	—		4,820
Total liabilities and shareholders' equity	$ 28,735	$ 4,050	$ (143)		$ 32,642

(*) Elimination of the fair value of AFG's investment in CLOs and related accrued interest.

CONDENSED CONSOLIDATING STATEMENT OF EARNINGS

	Before CLO Consol. (a)	Managed Investment Entities	Consol. Entries		Consolidated As Reported
Three months ended March 31, 2026					
Revenues:					
Net earned premiums	$ 1,609	$ —	$ —		$ 1,609
Net investment income	174	—	13	(b)	187
Realized gains (losses) on securities	(18)	—	—		(18)
Income of managed investment entities:					
Investment income	—	67	—		67
Gain (loss) on change in fair value of assets/liabilities	—	1	(21)	(b)	(20)
Other income	31	—	(2)	(c)	29
Total revenues	1,796	68	(10)		1,854
Costs and Expenses:					
Insurance benefits and expenses	1,462	—	—		1,462
Expenses of managed investment entities	—	68	(10)	(b)(c)	58
Interest charges on borrowed money and other expenses	95	—	—		95
Total costs and expenses	1,557	68	(10)		1,615
Earnings before income taxes	239	—	—		239
Provision for income taxes	48	—	—		48
Net earnings	$ 191	$ —	$ —		$ 191
Three months ended March 31, 2025					
Revenues:					
Net earned premiums	$ 1,580	$ —	$ —		$ 1,580
Net investment income	175	—	(2)	(b)	173
Realized gains (losses) on securities	3	—	—		3
Income of managed investment entities:					
Investment income	—	76	—		76
Gain (loss) on change in fair value of assets/liabilities	—	5	(8)	(b)	(3)
Other income	30	—	(3)	(c)	27
Total revenues	1,788	81	(13)		1,856
Costs and Expenses:					
Insurance benefits and expenses	1,495	—	—		1,495
Expenses of managed investment entities	—	79	(11)	(b)(c)	68
Interest charges on borrowed money and other expenses	96	—	—		96
Total costs and expenses	1,591	79	(11)		1,659
Earnings before income taxes	197	2	(2)		197
Provision for income taxes	43	—	—		43
Net earnings	$ 154	$ 2	$ (2)		$ 154

(a) Includes a loss of $13 million in the first three months of 2026 and income of $2 million in the first three months of 2025, representing the change in fair value of AFG’s CLO investments and $2 million and $3 million of income in the first three months of 2026 and 2025, respectively, in CLO management fees earned.

(b) Elimination of the change in fair value of AFG’s investments in the CLOs, including $8 million in both the first three months of 2026 and 2025, in distributions recorded as interest expense by the CLOs.

(c) Elimination of management fees earned by AFG.

RESULTS OF OPERATIONS

General

AFG's net earnings, determined in accordance with GAAP, include certain items that may not be indicative of its ongoing core operations. Core net operating earnings excludes realized gains (losses) on securities because such gains and losses are influenced significantly by financial markets, interest rates and the timing of sales. In addition, special charges related to coverage that AFG no longer writes, such as asbestos and environmental exposures, are excluded from core earnings.

The following table (in millions, except per share amounts) identifies non-core items and reconciles net earnings to core net operating earnings, a non-GAAP financial measure. AFG believes core net operating earnings is a useful tool for investors and analysts in analyzing ongoing operating trends and for management to evaluate financial performance against historical results because it believes this provides a more comparable measure of its continuing business.

	Three months ended March 31,	
	2026	2025
Components of net earnings:		
Core operating earnings before income taxes	$ 257	$ 194
Pretax non-core item:		
Realized gains (losses) on securities	(18)	3
Earnings before income taxes	239	197
Provision for income taxes:		
Core operating earnings	51	42
Non-core item:		
Realized gains (losses) on securities	(3)	1
Total provision for income taxes	48	43
Net earnings	$ 191	$ 154
Net earnings:		
Core net operating earnings	$ 206	$ 152
Realized gains (losses) on securities	(15)	2
Net earnings	$ 191	$ 154
Diluted per share amounts:		
Core net operating earnings	$ 2.47	$ 1.81
Realized gains (losses) on securities	(0.18)	0.03
Net earnings	$ 2.29	$ 1.84

Net earnings were $191 million in the first three months of 2026 compared to $154 million in the first three months of 2025 reflecting higher core net operating earnings partially offset by net realized losses on securities in the first three months of 2026 compared to net realized gains on securities in the first three months of 2025. Core net operating earnings in the first three months of 2026 increased $54 million compared to the first three months of 2025 reflecting higher underwriting profit. Net realized losses on securities in the first three months of 2026 include after-tax losses of $13 million and net realized gains on securities in the first three months of 2025 include after-tax gains of $5 million, resulting from the change in fair value of equity securities that were still held at the balance sheet date.

RESULTS OF OPERATIONS — THREE MONTHS ENDED MARCH 31, 2026 AND 2025

Segmented Statement of Earnings

AFG reports its operations as two segments: (i) Property and casualty insurance ("P&C") and (ii) Other, which includes holding company costs and income and expenses related to the managed investment entities ("MIEs").

AFG's net earnings, determined in accordance with GAAP, include certain items that may not be indicative of its ongoing core operations. The following tables for the three months ended March 31, 2026 and 2025 identify such items by segment and reconcile net earnings to core net operating earnings, a non-GAAP financial measure that AFG believes is a useful tool for investors and analysts in analyzing ongoing operating trends (in millions):

		Other				
	P&C	Consol. MIEs	Holding Co., other and unallocated	Total	Non-core reclass	GAAP Total
Three months ended March 31, 2026						
Revenues:						
Net earned premiums	$ 1,609	$ —	$ —	$ 1,609	$ —	$ 1,609
Net investment income	168	13	6	187	—	187
Realized gains (losses) on securities	—	—	—	—	(18)	(18)
Income of MIEs:						
Investment income	—	67	—	67	—	67
Gain (loss) on change in fair value of assets/liabilities	—	(20)	—	(20)	—	(20)
Other income	4	(2)	27	29	—	29
Total revenues	1,781	58	33	1,872	(18)	1,854
Costs and Expenses:						
Losses and loss adjustment expenses	906	—	—	906	—	906
Commissions and other underwriting expenses	547	—	9	556	—	556
Interest charges on borrowed money	—	—	23	23	—	23
Expenses of MIEs	—	58	—	58	—	58
Other expenses	19	—	53	72	—	72
Total costs and expenses	1,472	58	85	1,615	—	1,615
Earnings before income taxes	309	—	(52)	257	(18)	239
Provision for income taxes	62	—	(11)	51	(3)	48
Core Net Operating Earnings	247	—	(41)	206		
Non-core earnings (loss) (*):						
Realized gains (losses) on securities, net of tax	—	—	(15)	(15)	15	—
Net Earnings	$ 247	$ —	$ (56)	$ 191	$ —	$ 191

	P&C	Other: Consol. MIEs	Other: Holding Co., other and unallocated	Total	Non-core reclass	GAAP Total
Three months ended March 31, 2025						
Revenues:						
Net earned premiums	$ 1,580	$ —	$ —	$ 1,580	$ —	$ 1,580
Net investment income	170	(2)	5	173	—	173
Realized gains (losses) on securities	—	—	—	—	3	3
Income of MIEs:						
Investment income	—	76	—	76	—	76
Gain (loss) on change in fair value of assets/liabilities	—	(3)	—	(3)	—	(3)
Other income	3	(3)	27	27	—	27
Total revenues	1,753	68	32	1,853	3	1,856
Costs and Expenses:						
Losses and loss adjustment expenses	965	—	—	965	—	965
Commissions and other underwriting expenses	521	—	9	530	—	530
Interest charges on borrowed money	—	—	19	19	—	19
Expenses of MIEs	—	68	—	68	—	68
Other expenses	21	—	56	77	—	77
Total costs and expenses	1,507	68	84	1,659	—	1,659
Earnings before income taxes	246	—	(52)	194	3	197
Provision for income taxes	53	—	(11)	42	1	43
Core Net Operating Earnings	193	—	(41)	152		
Non-core earnings (loss) (*):						
Realized gains (losses) on securities, net of tax	—	—	2	2	(2)	—
Net Earnings	$ 193	$ —	$ (39)	$ 154	$ —	$ 154

(*) See the reconciliation of core earnings to GAAP net earnings under "*Results of Operations — General*" for details on the tax impacts of these reconciling items.

Property and Casualty Insurance Segment — Results of Operations

Performance measures such as underwriting profit or loss and related combined ratios are often used by property and casualty insurers to help users of their financial statements better understand the company's performance. Underwriting profitability is measured by the combined ratio, which is a sum of the ratios of losses and loss adjustment expenses, and commissions and other underwriting expenses to premiums. A combined ratio under 100% indicates an underwriting profit. The combined ratio does not reflect net investment income, other income, other expenses or federal income taxes.

AFG's property and casualty insurance operations contributed $309 million in pretax earnings in the first three months of 2026 compared to $246 million in the first three months of 2025, an increase of $63 million (26%), reflecting higher underwriting profit.

The following table details AFG's earnings before income taxes from its property and casualty insurance operations for the three months ended March 31, 2026 and 2025 (dollars in millions):

	Three months ended March 31, 2026	Three months ended March 31, 2025	% Change
Gross written premiums	$ 2,435	$ 2,291	6%
Reinsurance premiums ceded	(771)	(680)	13%
Net written premiums	1,664	1,611	3%
Change in unearned premiums	(55)	(31)	77%
Net earned premiums	1,609	1,580	2%
Loss and loss adjustment expenses	906	965	(6%)
Commissions and other underwriting expenses	547	521	5%
Underwriting gain	156	94	66%
Net investment income	168	170	(1%)
Other income and expenses, net	(15)	(18)	(17%)
Earnings before income taxes	$ 309	$ 246	26%

	Three months ended March 31, 2026	Three months ended March 31, 2025	Change
Combined Ratios:			
Specialty lines			
Loss and LAE ratio	56.3%	61.0%	(4.7%)
Underwriting expense ratio	34.0%	33.0%	1.0%
Combined ratio	90.3%	94.0%	(3.7%)
Aggregate — including exited lines			
Loss and LAE ratio	56.4%	61.1%	(4.7%)
Underwriting expense ratio	34.0%	33.0%	1.0%
Combined ratio	90.4%	94.1%	(3.7%)

AFG reports the underwriting performance of its Specialty property and casualty insurance business in the following sub-segments: (i) Property and transportation, (ii) Specialty casualty and (iii) Specialty financial.

To understand the overall profitability of particular lines, the timing of claims payments and the related impact of investment income must be considered. Certain "short-tail" lines of business (primarily property coverages) generally have quick loss payouts, which reduce the time funds are held, thereby limiting investment income earned thereon. In contrast, "long-tail" lines of business (primarily liability coverages and workers' compensation) generally have payouts that are either structured over many years or take many years to settle, thereby significantly increasing investment income earned on related premiums received.

Gross Written Premiums

Gross written premiums ("GWP") were $2.44 billion for the first three months of 2026 compared to $2.29 billion for the first three months of 2025, an increase of $144 million (6%). Detail of gross written premiums is shown below (dollars in millions):

	Three months ended March 31, 2026 GWP	2026 %	2025 GWP	2025 %	% Change
Property and transportation	$ 999	41%	$ 897	39%	11%
Specialty casualty	1,089	45%	1,068	47%	2%
Specialty financial	347	14%	326	14%	6%
	$ 2,435	100%	$ 2,291	100%	6%

Reinsurance Premiums Ceded

Reinsurance premiums ceded (“Ceded”) were 32% of gross written premiums for the first three months of 2026 compared to 30% for the first three months of 2025, an increase of 2 percentage points. Detail of reinsurance premiums ceded is shown below (dollars in millions):

	Three months ended March 31,				
	2026		2025		Change in
	Ceded	% of GWP	Ceded	% of GWP	% of GWP
Property and transportation	$ (403)	40%	$ (334)	37%	3%
Specialty casualty	(300)	28%	(296)	28%	—%
Specialty financial	(68)	20%	(50)	15%	5%
	$ (771)	32%	$ (680)	30%	2%

Net Written Premiums

Net written premiums (“NWP”) were $1.66 billion for the first three months of 2026 compared to $1.61 billion for the first three months of 2025, an increase of $53 million (3%). Detail of net written premiums is shown below (dollars in millions):

	Three months ended March 31,				
	2026		2025		
	NWP	%	NWP	%	% Change
Property and transportation	$ 596	36%	$ 563	35%	6%
Specialty casualty	789	47%	772	48%	2%
Specialty financial	279	17%	276	17%	1%
	$ 1,664	100%	$ 1,611	100%	3%

Net Earned Premiums

Net earned premiums (“NEP”) were $1.61 billion for the first three months of 2026 compared to $1.58 billion for the first three months of 2025, an increase of $29 million (2%). Detail of net earned premiums is shown below (dollars in millions):

	Three months ended March 31,				
	2026		2025		
	NEP	%	NEP	%	% Change
Property and transportation	$ 526	33%	$ 500	32%	5%
Specialty casualty	799	50%	794	50%	1%
Specialty financial	284	17%	286	18%	(1%)
	$ 1,609	100%	$ 1,580	100%	2%

Gross written premiums for the first three months of 2026 increased $144 million (6%) compared to the first three months of 2025 driven primarily by new business opportunities, a good renewal rate environment and increased exposures. Overall average renewal rates increased approximately 3% in the first three months of 2026. Excluding the workers’ compensation businesses, renewal pricing increased approximately 5%.

Property and transportation Gross written premiums increased $102 million (11%) in the first three months of 2026 compared to the first three months of 2025. This increase was due primarily to growth in crop insurance products that are heavily ceded, and to a lesser extent, new business opportunities, higher exposures and a favorable rate environment in the transportation businesses. Average renewal rates increased approximately 6% for this group in the first three months of 2026. Reinsurance premiums ceded as a percentage of gross written premiums increased 3 percentage points in the first three months of 2026 compared to the first three months of 2025, reflecting growth in the heavily ceded crop insurance products.

Specialty casualty Gross written premiums increased $21 million (2%) in the first three months of 2026 compared to the first three months of 2025. The primary drivers of growth included new business opportunities and favorable renewal pricing in the targeted markets and workers’ compensation businesses. This growth was tempered by heightened competitive conditions in the excess and surplus lines business. Average renewal rates increased approximately 3% for this group in the first three months of 2026. Excluding the workers’ compensation businesses, renewal rates for this group

Table of Contents

increased approximately 6%. Reinsurance premiums ceded as a percentage of gross written premiums in the first three months of 2026 were comparable to the first three months of 2025.

Specialty financial Gross written premiums increased $21 million (6%) in the first three months of 2026 compared to the first three months of 2025, due primarily to growth in the lender services businesses. Average renewal rates increased approximately 1% for this group in the first three months of 2026. Reinsurance premiums ceded as a percentage of gross written premiums increased 5 percentage points in the first three months of 2026 compared to the first three months of 2025, reflecting higher cessions of catastrophe exposed business in the financial institutions business.

Combined Ratio

The table below (dollars in millions) details the components of the combined ratio:

	Three months ended March 31,			Three months ended March 31,	
	2026	2025	Change	2026	2025
Property and transportation					
Loss and LAE ratio	57.1%	62.1%	(5.0%)		
Underwriting expense ratio	30.5%	30.4%	0.1%		
Combined ratio	87.6%	92.5%	(4.9%)		
Underwriting profit				$ 65	$ 37
Specialty casualty					
Loss and LAE ratio	64.7%	67.6%	(2.9%)		
Underwriting expense ratio	31.1%	30.0%	1.1%		
Combined ratio	95.8%	97.6%	(1.8%)		
Underwriting profit				$ 34	$ 20
Specialty financial					
Loss and LAE ratio	31.2%	41.1%	(9.9%)		
Underwriting expense ratio	48.8%	45.9%	2.9%		
Combined ratio	80.0%	87.0%	(7.0%)		
Underwriting profit				$ 57	$ 37
Total Specialty					
Loss and LAE ratio	56.3%	61.0%	(4.7%)		
Underwriting expense ratio	34.0%	33.0%	1.0%		
Combined ratio	90.3%	94.0%	(3.7%)		
Underwriting profit				$ 156	$ 94
Aggregate — including exited lines					
Loss and LAE ratio	56.4%	61.1%	(4.7%)		
Underwriting expense ratio	34.0%	33.0%	1.0%		
Combined ratio	90.4%	94.1%	(3.7%)		
Underwriting profit				$ 156	$ 94

The Specialty property and casualty insurance operations generated an underwriting profit of $156 million in the first three months of 2026 compared to $94 million in the first three months of 2025, an increase of $62 million (66%), reflecting higher year-over-year underwriting profit in each of the Specialty sub-segments. Overall catastrophe losses were $35 million (2.2 points on the combined ratio) in the first three months of 2026 compared to $72 million (4.5 points) in the first three months of 2025.

Property and transportation Underwriting profit for this group was $65 million for the first three months of 2026 compared to $37 million for the first three months of 2025, an increase of $28 million (76%), reflecting higher underwriting profit in the agricultural, transportation and ocean marine businesses. Catastrophe losses were $12 million (2.2 points on the combined ratio) in the first three months of 2026 compared to $10 million (2.0 points) in the first three months of 2025.

Specialty casualty Underwriting profit for this group was $34 million for the first three months of 2026 compared to $20 million for the first three months of 2025, an increase of $14 million (70%). Higher underwriting profit in the targeted markets, workers’ compensation and executive and professional liability businesses were the principal drivers of these improved results. Catastrophe losses were $11 million (1.4 points on the combined ratio) in the first three months of 2026 compared to catastrophe losses of $27 million (3.4 points) in the first three months of 2025.

Specialty financial Underwriting profit for this group was $57 million for the first three months of 2026 compared to $37 million in the first three months of 2025, an increase of $20 million (54%), reflecting higher underwriting profit in the financial institutions and fidelity and crime businesses. Catastrophe losses were $12 million (4.2 points on the combined ratio) in the first three months of 2026 compared to $35 million (11.9 points) in the first three months of 2025.

Losses and Loss Adjustment Expenses

AFG's overall loss and LAE ratio was 56.4% for the first three months of 2026 compared to 61.1% for the first three months of 2025, a decrease of 4.7 percentage points. The components of losses and LAE amounts and ratio are detailed below (dollars in millions):

	Three months ended March 31,				
	Amount		Ratio		Change in
	2026	2025	2026	2025	Ratio
Property and transportation					
Current year, excluding catastrophe losses	$ 336	$ 320	63.9%	64.0%	(0.1%)
Prior accident years development	(47)	(19)	(9.0%)	(3.9%)	(5.1%)
Current year catastrophe losses including the impact of net reinstatement premiums	12	10	2.2%	2.0%	0.2%
Property and transportation losses and LAE and ratio	$ 301	$ 311	57.1%	62.1%	(5.0%)
Specialty casualty					
Current year, excluding catastrophe losses	$ 506	$ 497	63.3%	62.6%	0.7%
Prior accident years development	—	12	—%	1.6%	(1.6%)
Current year catastrophe losses including the impact of net reinstatement premiums	11	27	1.4%	3.4%	(2.0%)
Specialty casualty losses and LAE and ratio	$ 517	$ 536	64.7%	67.6%	(2.9%)
Specialty financial					
Current year, excluding catastrophe losses	$ 99	$ 96	34.9%	33.8%	1.1%
Prior accident years development	(23)	(13)	(7.9%)	(4.6%)	(3.3%)
Current year catastrophe losses including the impact of net reinstatement premiums	12	35	4.2%	11.9%	(7.7%)
Specialty financial losses and LAE and ratio	$ 88	$ 118	31.2%	41.1%	(9.9%)
Total Specialty					
Current year, excluding catastrophe losses	$ 941	$ 913	58.5%	57.8%	0.7%
Prior accident years development	(70)	(20)	(4.4%)	(1.3%)	(3.1%)
Current year catastrophe losses including the impact of net reinstatement premiums	35	72	2.2%	4.5%	(2.3%)
Total Specialty losses and LAE and ratio	$ 906	$ 965	56.3%	61.0%	(4.7%)
Aggregate — including exited lines					
Current year, excluding catastrophe losses	$ 941	$ 913	58.5%	57.8%	0.7%
Prior accident years development	(70)	(20)	(4.3%)	(1.3%)	(3.0%)
Current year catastrophe losses including the impact of net reinstatement premiums	35	72	2.2%	4.6%	(2.4%)
Aggregate losses and LAE and ratio	$ 906	$ 965	56.4%	61.1%	(4.7%)

Current accident year losses and LAE, excluding catastrophe losses

The current accident year loss and LAE ratio, excluding catastrophe losses, for AFG's Specialty property and casualty insurance operations was 58.5% for the first three months of 2026 compared to 57.8% for the first three months of 2025, an increase of 0.7 percentage points.

Property and transportation The 0.1 percentage points decrease in the loss and LAE ratio for the current year, excluding catastrophe losses, reflects growth in the property and inland marine and ocean marine businesses, both of which have a lower loss and LAE ratio than some of the other businesses in the Property and transportation sub-segment, partially offset by growth in the transportation businesses, which has a higher loss and LAE ratio than some of the other businesses in the Property and transportation sub-segment.

Specialty casualty The 0.7 percentage points increase in the loss and LAE ratio for the current year, excluding catastrophe losses, reflects growth in the workers' compensation and public sector businesses, both of which have a higher loss and LAE ratio than some of the other businesses in the Specialty casualty sub-segment and a decrease in net earned premiums in the executive liability and the excess and surplus lines businesses, both of which have a lower loss and LAE ratio than some of the other businesses in the Specialty casualty sub-segment.

Specialty financial The 1.1 percentage points increase in the loss and LAE ratio for the current year, excluding catastrophe losses, reflects growth in AFG's European operations, which has a higher loss and LAE ratio than some of the other businesses in the Specialty financial sub-segment and a decrease in net earned premiums in the surety business, which has a lower loss and LAE ratio than some of the other businesses in the Specialty financial sub-segment.

Net prior year reserve development
AFG's Specialty property and casualty insurance operations recorded net favorable reserve development related to prior accident years of $70 million in the first three months of 2026 compared to $20 million in the first three months of 2025, an increase of $50 million (250%).

Property and transportation Net favorable reserve development of $47 million in the first three months of 2026 reflects lower than anticipated losses in the crop business and lower than expected claim severity in the ocean marine and commercial auto businesses. Net favorable reserve development of $19 million in the first three months of 2025 reflects lower than anticipated losses in the crop business and lower than anticipated claim frequency and severity in the trucking business.

Specialty casualty Net favorable reserve development of less than $1 million in the first three months of 2026 reflects lower than anticipated claim severity in the workers' compensation businesses, offset by higher than anticipated severity in certain social inflation exposed businesses. Net adverse reserve development of $12 million in the first three months of 2025 reflects higher than anticipated claim severity in the excess liability businesses, partially offset by lower than anticipated claim severity in the workers' compensation businesses.

Specialty financial Net favorable reserve development of $23 million in the first three months of 2026 reflects lower than anticipated claim frequency in the fidelity and crime business and lower than expected claim severity in the surety business. Net favorable reserve development of $13 million in the first three months of 2025 reflects lower than anticipated claim frequency and severity in the financial institutions business.

Catastrophe losses
AFG generally seeks to reduce its exposure to catastrophes (whether resulting from climate change or otherwise) through individual risk selection, including minimizing coastal and known fault-line exposures, and the purchase of reinsurance. AFG currently has comprehensive property catastrophe reinsurance coverage in place (including a $70 million per occurrence net retention) for losses up to $625 million in the vast majority of circumstances. This coverage consists of a combination of $205 million from traditional reinsurance and $350 million of coverage through a fully collateralized catastrophe bond. Based on data available at December 31, 2025, management estimates that AFG's exposure to a catastrophic earthquake or windstorm that industry models indicate should statistically occur once in every 500 years is less than 3% of AFG's Shareholders' Equity.

Catastrophe losses of $35 million in the first three months of 2026 resulted primarily from winter and convective storms in multiple regions of the United States. Catastrophe losses of $72 million in the first three months of 2025 resulted primarily from California wildfires.

Commissions and Other Underwriting Expense
Commissions and other underwriting expenses ("U/W Exp") were $547 million in the first three months of 2026 compared to $521 million for the first three months of 2025, an increase of $26 million (5%). AFG's underwriting expense ratio, calculated as commissions and other underwriting expenses divided by net premiums earned, was 34.0% for the first

three months of 2026 compared to 33.0% for the first three months of 2025, an increase of 1.0 percentage points. Detail of commissions and other underwriting expenses and underwriting expense ratios is shown below (dollars in millions):

	Three months ended March 31,				
	2026		2025		Change in
	U/W Exp	% of NEP	U/W Exp	% of NEP	% of NEP
Property and transportation	$ 160	30.5%	$ 152	30.4%	0.1%
Specialty casualty	248	31.1%	238	30.0%	1.1%
Specialty financial	139	48.8%	131	45.9%	2.9%
	$ 547	34.0%	$ 521	33.0%	1.0%

Property and transportation Commissions and other underwriting expenses as a percentage of net earned premiums increased 0.1 percentage points in the first three months of 2026 compared to the first three months of 2025. The increase reflects higher costs for software and other expenses associated with certain initiatives in IT security, customer experience and data analytics, partially offset by the impact of growth in the crop and transportation businesses, both of which have a lower commissions and other underwriting expense ratio than some of the other businesses in the Property and transportation sub-segment.

Specialty casualty Commissions and other underwriting expenses as a percentage of net earned premiums increased 1.1 percentage points in the first three months of 2026 compared to the first three months of 2025 reflecting higher costs for software and other expenses associated with certain initiatives in IT security, customer experience and data analytics and lower reinsurance ceding commissions in certain excess and surplus businesses, partially offset by the impact of higher ceding commissions in the public sector business.

Specialty financial Commissions and other underwriting expenses as a percentage of net earned premiums increased 2.9 percentage points in the first three months of 2026 compared to the first three months of 2025 due primarily to higher costs for software and other expenses associated with certain initiatives in IT security, customer experience and data analytics and higher profit-based commissions to agents in the financial institutions business.

Property and Casualty Net Investment Income

Net investment income in AFG’s property and casualty insurance operations was $168 million in the first three months of 2026 compared to $170 million in the first three months of 2025, a decrease of $2 million (1%). The average invested assets and overall yield earned on investments held by AFG’s property and casualty insurance operations are provided below (dollars in millions):

	Three months ended March 31,			
	2026	2025	Change	% Change
Net investment income:				
Net investment income, excluding alternative investments	$ 171	$ 158	$ 13	8%
Alternative investments	(3)	12	(15)	(125%)
Total net investment income	$ 168	$ 170	$ (2)	(1%)
Average invested assets (at amortized cost)	$ 16,855	$ 15,881	$ 974	6%
Yield (net investment income as a % of average invested assets):				
Excluding alternative investments	4.87%	4.81%	0.06%	
Alternative investments	(0.43%)	1.75%	(2.18%)	
Overall P&C portfolio	3.99%	4.28%	(0.29%)	
Yield on fixed maturities (before investment expenses)	5.04%	5.13%	(0.09%)	

The decrease in the property and casualty insurance segment’s net investment income for the first three months of 2026 compared to the first three months of 2025 reflects the impact of lower returns on AFG’s alternative investment portfolio (partnerships and similar investments and AFG-managed CLOs), partially offset by higher balances of invested assets.

Property and Casualty Other Income and Expenses, Net

Other income and expenses, net for AFG's property and casualty insurance operations was a net expense of $15 million for the first three months of 2026 compared to $18 million for the first three months of 2025, an improvement of $3 million (17%). The table below details the items included in other income and expenses, net for AFG's property and casualty insurance operations (in millions):

	Three months ended March 31,	
	2026	2025
Other income	$ 4	$ 3
Other expenses:		
Amortization of intangibles	5	5
Interest expense on funds withheld	10	11
Other	4	5
Total other expenses	19	21
Other income and expenses, net	$ (15)	$ (18)

Holding Company, Other and Unallocated — Results of Operations

AFG's net pretax loss outside of its property and casualty insurance segment (excluding realized gains and losses) totaled $52 million in both the first three months of 2026 and 2025.

The following table details AFG's loss before income taxes from operations outside of its property and casualty insurance segment for the three months ended March 31, 2026 and 2025 (dollars in millions):

	Three months ended March 31,		
	2026	2025	% Change
Revenues:			
Net investment income	$ 6	$ 5	20%
Other income — P&C fees	25	25	—%
Other income	2	2	—%
Total revenues	33	32	3%
Costs and Expenses:			
P&C — loss adjustment and underwriting expenses	9	9	—%
Other expense — expenses associated with P&C fees	16	16	—%
Other expenses	37	40	(8%)
Costs and expenses, excluding interest charges on borrowed money	62	65	(5%)
Loss before income taxes, excluding realized gains and losses and interest charges on borrowed money	(29)	(33)	(12%)
Interest charges on borrowed money	23	19	21%
Loss before income taxes, excluding realized gains and losses	$ (52)	$ (52)	—%

Holding Company and Other — P&C Fees and Related Expenses

Summit, a workers' compensation insurance subsidiary, collects fees from a small group of unaffiliated insurers for providing underwriting, policy administration and claims services. In addition, certain of AFG's property and casualty insurance businesses collect fees from customers for ancillary services such as workplace safety programs and premium financing. In both the first three months of 2026 and 2025, AFG collected $25 million in fees for these services. Management views this fee income, net of the $16 million in both the first three months of 2026 and 2025, in expenses incurred to generate such fees, as a reduction in the cost of underwriting its property and casualty insurance policies. The expenses related to providing such services are embedded in property and casualty underwriting and claims servicing expenses. Consistent with internal management reporting, these fees and the related expenses are netted and recorded as a reduction of commissions and other underwriting expenses and loss adjustment expenses in AFG's segmented results.

Holding Company and Other — Other Income

Other income in the table above includes $2 million and $3 million in the first three months of 2026 and the first three months of 2025, respectively, in management fees paid to AFG by the AFG-managed CLOs (AFG's consolidated managed investment entities). The management fees are eliminated in consolidation — see the other income line in the Consolidate MIEs column under *"Results of Operations — Segmented Statement of Earnings."*

Holding Company and Other — Other Expenses

AFG's holding companies and other operations outside of its property and casualty insurance segment recorded other expenses of $37 million in the first three months of 2026 compared to $40 million in the first three months of 2025, a decrease of $3 million (8%). Other expenses for the 2025 quarter include a $4 million charge to increase liabilities related to AFG's former railroad and manufacturing operations.

Holding Company and Other — Interest Charges on Borrowed Money

AFG's holding companies and other operations outside of its property and casualty insurance segment recorded interest expense of $23 million in the first three months of 2026 compared to $19 million in the first three months of 2025, an increase of $4 million (21%), reflecting the issuance of $350 million principal amount of 5.00% Senior Notes in September 2025.

Realized Gains (Losses) on Securities

AFG's realized gains (losses) on securities were net losses of $18 million in the first three months of 2026 compared to net gains of $3 million in the first three months of 2025, a change of $21 million (700%). Realized gains (losses) on securities consisted of the following (in millions):

	Three months ended March 31, 2026	Three months ended March 31, 2025
Realized gains (losses) before impairment allowances:		
Change in the fair value of equity securities	$ (12)	$ 9
Change in the fair value of derivatives	(1)	1
	(13)	10
Change in allowance for impairments on securities	(5)	(7)
Realized gains (losses) on securities	$ (18)	$ 3

The $12 million net realized loss from the change in the fair value of equity securities in the first three months of 2026 includes losses of $7 million on investments in asset managers, $6 million on investments in media companies and $4 million on investments in healthcare companies, partially offset by gains of $7 million on investments in natural gas companies. The $9 million net realized gain from the change in the fair value of equity securities in the first three months of 2025 includes gains of $5 million on investments in media companies and $2 million on investments in natural gas companies.

Consolidated Income Taxes

AFG's consolidated provision for income taxes was $48 million for the first three months of 2026 compared to $43 million for the first three months of 2025, an increase of $5 million (12%). See *Note J — "Income Taxes"* to the financial statements for an analysis of items affecting AFG's effective tax rate.

ACCOUNTING STANDARDS TO BE ADOPTED

In November 2024, the FASB issued ASU No. 2024-03 ("ASU 2024-03"), *Income Statement — Reporting Comprehensive Income — Expense Disaggregation Disclosures (Subtopic 220-40): Disaggregation of Income Statement Expenses.* ASU 2024-03 requires additional information and disaggregation of specified expense categories in the notes to financial statements. ASU 2024-03 is effective for fiscal years beginning after December 15, 2026, and interim periods within fiscal years beginning after December 15, 2027, with early adoption permitted and applied either prospectively or retrospectively. As of March 31, 2026, AFG has not adopted ASU 2024-03. Management is evaluating the impact of the standard to AFG's income statement expense disclosures. Since ASU 2024-03 only requires additional disclosures, the adoption of this guidance will not have an impact on AFG's results of operations or financial condition.

ITEM 3. Quantitative and Qualitative Disclosure about Market Risk

As of March 31, 2026, there were no material changes to the information provided in *Item 7A — Quantitative and Qualitative Disclosures about Market Risk* of AFG's 2025 Form 10-K.

Consistent with the discussion in *Item 2 — Management's Discussion and Analysis — "Investments,"* the following table demonstrates the sensitivity of the fair value of AFG's fixed maturity portfolio to reasonably likely changes in interest rates by illustrating the estimated effect on AFG's fixed maturity portfolio that an immediate increase of 100 basis points in the interest rate yield curve would have had at March 31, 2026 (based on the duration of the portfolio, dollars in millions). Effects of increases or decreases from the 100 basis points illustrated would be approximately proportional.

Fair value of fixed maturity portfolio	$	11,477
Percentage impact on fair value of 100 bps increase in interest rates		(3.5%)
Pretax impact on fair value of fixed maturity portfolio	$	(402)

ITEM 4. Controls and Procedures

AFG's management, with participation of its Co-Chief Executive Officers and its Chief Financial Officer, has evaluated AFG's disclosure controls and procedures (as defined in Exchange Act Rule 13a-15) as of the end of the period covered by this report. Based on that evaluation, AFG's Co-CEOs and CFO concluded that the controls and procedures are effective. There have been no changes in AFG's internal control over financial reporting during the first fiscal quarter of 2026 that materially affected, or are reasonably likely to materially affect, AFG's internal control over financial reporting.

In the ordinary course of business, AFG and its subsidiaries routinely enhance their information systems by either upgrading current systems or implementing new systems. There have been no changes in AFG's business processes and procedures during the first fiscal quarter of 2026 that have materially affected, or are reasonably likely to materially affect, AFG's internal control over financial reporting.

PART II
OTHER INFORMATION

ITEM 2. Unregistered Sales of Equity Securities and Use of Proceeds

Issuer Purchases of Equity Securities AFG repurchased shares of its Common Stock during 2026 as follows:

	Total Number of Shares Purchased	Average Price Paid Per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs	Maximum Number of Shares that May Yet be Purchased Under the Plans or Programs (*)
First quarter:				
January	124,688	$ 128.34	124,688	4,875,312
February	137,522	128.66	137,522	4,737,790
March	203,887	127.04	203,887	4,533,903
Total	466,097	$ 127.86	466,097	

(*) Represents the remaining shares that may be repurchased until December 31, 2030 under the Plan authorized by AFG's Board of Directors in December 2025.

In connection with its stock incentive plan, AFG acquired 160 shares of its Common Stock (at an average of $133.27 per share) in January 2026, 38,268 shares (at an average of $129.87 per share) in February 2026 and 308 shares (at an average of $128.28 per share) in March 2026.

ITEM 5. Other Information

During the three months ended March 31, 2026, none of the Company's directors or officers adopted, terminated or modified a "Rule 10b5-1 trading arrangement" or "non-Rule 10b5-1 trading arrangement," as those terms are defined in Regulation S-K, Item 408.

ITEM 6. Exhibits

Number	Exhibit Description
31(a)	Certification of Co-Chief Executive Officer pursuant to section 302(a) of the Sarbanes-Oxley Act of 2002.
31(b)	Certification of Co-Chief Executive Officer pursuant to section 302(a) of the Sarbanes-Oxley Act of 2002.
31(c)	Certification of Chief Financial Officer pursuant to section 302(a) of the Sarbanes-Oxley Act of 2002.
32	Certification of Co-Chief Executive Officers and Chief Financial Officer pursuant to section 906 of the Sarbanes-Oxley Act of 2002.
101.INS	XBRL Instance Document - the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.
101.SCH	Inline XBRL Taxonomy Extension Schema Document.
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document.
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document.
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document.
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document.
104	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101).

Signature

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, thereunto duly authorized.

American Financial Group, Inc.

May 7, 2026	By:	/s/ Brian S. Hertzman
		Brian S. Hertzman
		Senior Vice President and Chief Financial Officer

Exhibit 31(a)

AMERICAN FINANCIAL GROUP, INC. 10-Q
SARBANES-OXLEY SECTION 302(a) CERTIFICATIONS

I, Carl H. Lindner III, certify that:

1. I have reviewed this quarterly report on Form 10-Q of American Financial Group, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent functions):

   a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

May 7, 2026

By: /s/ Carl H. Lindner III
Carl H. Lindner III
Co-Chief Executive Officer

Exhibit 31(b)

AMERICAN FINANCIAL GROUP, INC. 10-Q
SARBANES-OXLEY SECTION 302(a) CERTIFICATIONS

I, S. Craig Lindner, certify that:

1. I have reviewed this quarterly report on Form 10-Q of American Financial Group, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent functions):

   a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

May 7, 2026

By: /s/ S. Craig Lindner
S. Craig Lindner
Co-Chief Executive Officer

Exhibit 31(c)

AMERICAN FINANCIAL GROUP, INC. 10-Q
SARBANES-OXLEY SECTION 302(a) CERTIFICATIONS

I, Brian S. Hertzman, certify that:

1. I have reviewed this quarterly report on Form 10-Q of American Financial Group, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent functions):

   a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

May 7, 2026

By: /s/ Brian S. Hertzman
Brian S. Hertzman
Senior Vice President and Chief Financial Officer

Exhibit 32

AMERICAN FINANCIAL GROUP, INC. 10-Q
CERTIFICATION OF CHIEF EXECUTIVE OFFICERS AND CHIEF FINANCIAL OFFICER
PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the filing with the Securities and Exchange Commission of the Quarterly Report of American Financial Group, Inc. (the “Company”) on Form 10-Q for the period ended March 31, 2026 (the “Report”), the undersigned officers of the Company, certify, pursuant to section 906 of the Sarbanes-Oxley Act of 2002, that to the best of their knowledge:

(1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

May 7, 2026	By: /s/ S. Craig Lindner
Date	S. Craig Lindner Co-Chief Executive Officer
May 7, 2026	By: /s/ Carl H. Lindner III
Date	Carl H. Lindner III Co-Chief Executive Officer
May 7, 2026	By: /s/ Brian S. Hertzman
Date	Brian S. Hertzman Senior Vice President and Chief Financial Officer

A signed original of this written statement will be retained by the Registrant and furnished to the Securities and Exchange Commission or its staff upon request.