



American Financial Group, Inc. Enters Into Transaction with Atlas Financial Holdings, Inc. for its Paratransit Business

June 10, 2019

CINCINNATI--(BUSINESS WIRE)--Jun. 10, 2019-- American Financial Group, Inc. (NYSE: AFG) today announced that its commercial transportation specialist, National Interstate, has entered into an agreement with Atlas Financial Holdings, Inc. (AFH) to become the exclusive underwriter of AFH's paratransit book of business. The transaction is effective June 10, 2019 and National Interstate expects to begin issuing policies in the third quarter of 2019. National Interstate estimates that the majority of AFH's \$110 million paratransit business will be eligible for quotation under this arrangement over the first 12 months following inception of the agreement.

Under the terms of the agreement, an AFH subsidiary will act as an underwriting manager for National Interstate for at least 12 months following the transaction, after which time National Interstate is entitled to acquire the renewal rights for the business held by AFH and certain of its subsidiaries.

In addition, AFG has been granted a five-year warrant to acquire 19.9% of AFH's common stock outstanding at an exercise price of \$0.69 per share, which represents the average closing price per share for AFH's common stock over the preceding five trading days.

Carl H. Lindner III, Co-CEO of American Financial Group, commented, "Passenger transportation is a business we know well, and we are well-positioned to act on opportunities in a market that remains in a correction mode. This paratransit book of business is a great strategic fit for AFG. It complements National Interstate's existing paratransit book, and will allow us to grow our footprint within an existing specialty transportation niche that has performed very well for us. We look forward to working with Atlas and its agents to provide a smooth transition for policyholders."

About American Financial Group, Inc.

American Financial Group is an insurance holding company, based in Cincinnati, Ohio with assets over \$65 billion. Through the operations of Great American Insurance Group, AFG is engaged primarily in property and casualty insurance, focusing on specialized commercial products for businesses, and in the sale of traditional fixed, fixed-indexed and variable-indexed annuities in the retail, financial institutions, broker-dealer and registered investment advisor markets. Great American Insurance Group's roots go back to 1872 with the founding of its flagship company, Great American Insurance Company.

Forward Looking Statements

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

Actual results and/or financial condition could differ materially from those contained in or implied by such forward-looking statements for a variety of reasons including, but not limited to: changes in financial, political and economic conditions, including changes in interest and inflation rates, currency fluctuations and extended economic recessions or expansions in the U.S. and/or abroad; performance of securities markets, including the cost of equity index options; new legislation or declines in credit quality or credit ratings that could have a material impact on the valuation of securities in AFG's investment portfolio; the availability of capital; changes in insurance law or regulation, including changes in statutory accounting rules and changes in regulation of the Lloyd's market, including modifications to the establishment of capital requirements for and approval of business plans for syndicate participation; changes in the legal environment affecting AFG or its customers; tax law and accounting changes, including the impact of recent changes in U.S. corporate tax law; levels of natural catastrophes and severe weather, terrorist activities (including any nuclear, biological, chemical or radiological events), incidents of war or losses resulting from civil unrest and other major losses; disruption caused by cyber-attacks or other technology breaches or failures by AFG or its business partners and service providers, which could negatively impact AFG's business and/or expose AFG to litigation; development of insurance loss reserves and establishment of other reserves, particularly with respect to amounts associated with asbestos and environmental claims; availability of reinsurance and ability of reinsurers to pay their obligations; trends in persistency and mortality; competitive pressures; the ability to obtain adequate rates and policy terms; changes in AFG's credit ratings or the financial strength ratings assigned by major ratings agencies to AFG's operating subsidiaries; the impact of the conditions in the international financial markets and the global economy relating to AFG's international operations; and other factors identified in AFG's filings with the Securities and Exchange Commission.

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

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