

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

FORM 8-K

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

Date of Report (Date of earliest event reported): **November 14, 2007**

AMERICAN FINANCIAL GROUP, INC.

(Exact name of registrant as specified in its charter)

Ohio

(State or other jurisdiction
of incorporation)

1-13653

(Commission
File Number)

31-1544320

(IRS Employer
Identification No.)

One East Fourth Street, Cincinnati, OH

(Address of principal executive offices)

45202

(Zip Code)

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

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

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

Section 8 - Other Events

Item 8.01 Other Events.

On November 14, 2007, American Financial Group, Inc. ("AFG") announced that its Board of Directors has approved an increase in the Company's annual dividend from \$.40 to \$.50 per share of common stock. The increased dividend, when declared, will be paid on a quarterly basis of \$.125 per share of common stock beginning in January of 2008. The new dividend rate represents a 25 percent increase over the dividend paid in 2007.

A copy of the press release is attached as Exhibit 99.1 and is incorporated by reference herein.

Section 9 - Financial Statements and Exhibits

Item 9.01 Financial Statements and Exhibits.

- a. Financial statements of business acquired. Not applicable.
- b. Pro forma financial information. Not applicable.
- c. Exhibits

<u>Exhibit No.</u>	<u>Description</u>
99.1	Press release, dated November 14, 2007.

SIGNATURES

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

AMERICAN FINANCIAL GROUP, INC.

Date: November 15, 2007

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

**AMERICAN FINANCIAL GROUP, INC.
TO INCREASE ITS DIVIDEND BY 25%**

Cincinnati, Ohio - November 14, 2007 - American Financial Group, Inc. (NYSE/NASDAQ: AFG) announced today that its Board of Directors has approved an increase in the company's annual dividend from \$.40 to \$.50 per share of common stock. The increased dividend, when declared, will be paid on a quarterly basis of \$.125 per share of common stock beginning in January of 2008. The new dividend rate represents a 25 percent increase over the dividend paid in 2007.

Craig Lindner and Carl Lindner III, AFG's Co-Chief Executive Officers, stated that, "this dividend increase underscores the confidence of the Board and management in the Company's long-term business and financial outlook. The Company's financial performance so far this year has been outstanding, with strong growth in book value per share. We are pleased that the outcome of this year's review is resulting in another increase in the cash dividend. Our primary focus continues to be increasing shareholder value."

Since the end of the 2007 third quarter, AFG continued to repurchase its common shares from time to time at prevailing market prices, buying back an additional 1.7 million shares at an average price of \$29.22 through November 9. The Company intends to continue to make opportunistic repurchases of its shares under its existing repurchase authorization.

About American Financial Group, Inc.

Through the operations of the 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, indexed and variable annuities and a variety of supplemental insurance products.

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 and investment activities; 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.

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Actual results could differ materially from those expected by AFG depending on certain factors including but not limited to: the unpredictability of possible future litigation if certain settlements do not become effective, changes in economic conditions including interest rates, performance of securities markets, the availability of capital, regulatory actions and changes in the legal environment affecting AFG or its customers, tax law changes, levels of natural catastrophes, terrorist activities, including any nuclear, biological, chemical or radiological events, incidents of war and other major losses, development of insurance loss reserves and 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, mortality and morbidity, competitive pressures, including the ability to obtain adequate rates, and changes in debt and claims paying ratios.

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Web Sites: www.afginc.com
www.GreatAmericanInsurance.com

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