

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

FORM 8-K

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

Date of Report (Date of earliest event reported): May 4, 2021

AMERICAN FINANCIAL GROUP, INC.

(Exact name of registrant as specified in its charter)

Ohio
(State or other jurisdiction
of incorporation)

1-13653
(Commission
File Number)

31-1544320
(IRS Employer
Identification No.)

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

45202
(Zip Code)

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

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

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

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

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

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

Emerging growth company

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

Section 2 - Financial Information

Item 2.02 Results Of Operations And Financial Condition.

Reference is made to the press release of American Financial Group, Inc. (the "Company") relating to the announcement of the Company's results of operations for the first quarter of 2021 and the availability of the Investor Supplement on the Company's website. The press release was issued on May 4, 2021. A copy of the press release is attached to this Form 8-K as Exhibit 99.1 and a copy of the Investor Supplement is attached as Exhibit 99.2. Both are incorporated herein by reference.

The information contained herein shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934 as amended (the "Exchange Act"), or otherwise subject to the liabilities of that section, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933, as amended, or the Exchange Act.

Section 9 - Financial Statements and Exhibits

Item 9.01 Financial Statements and Exhibits.

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

<u>Exhibit No.</u>	<u>Description</u>
99.1	Earnings Release dated May 4, 2021, reporting American Financial Group Inc. results for the quarter ended March 31, 2021.
99.2	Investor Supplement – First Quarter 2021
104	Cover page Interactive Data File (embedded within Inline XBRL document)

SIGNATURES

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

AMERICAN FINANCIAL GROUP, INC.

Date: May 5, 2021

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

Press Release
For Immediate Release



American Financial Group, Inc. Announces First Quarter Results

- *Net earnings per share of \$4.84; includes \$2.46 earnings per share from after-tax non-core items*
- *Net earnings from continuing operations of \$267 million (\$3.08 per share)*
- *Core net operating earnings of \$2.38 per share, a 75% increase from the prior year period*
- *First quarter annualized ROE of 29.9%; core operating ROE of 14.7%*
- *Parent company cash of approximately \$200 million; excess capital of \$1.2 billion at March 31, 2021*
- *Full year 2021 core net operating earnings guidance increased to \$7.00 - \$8.00 per share, from previous guidance of \$6.25 to \$7.25 per share*

CINCINNATI – May 4, 2021 – American Financial Group, Inc. (NYSE: AFG) today reported 2021 first quarter net earnings attributable to shareholders of \$419 million (\$4.84 per share) compared to a net loss of \$301 million (\$3.34 per share loss) for the 2020 first quarter. Net earnings for the 2021 first quarter include after-tax non-core items totaling \$213 million (\$2.46 per share). As previously announced, the results of AFG’s Annuity operations are reported as discontinued operations beginning with the first quarter of 2021, in accordance with generally accepted accounting principles (GAAP), which included adjusting prior period results to reflect these operations as discontinued. AFG’s first quarter 2021 results included \$152 million (\$1.76 per share) in earnings from discontinued annuity operations and \$61 million (\$0.70 per share) in after-tax non-core net realized gains on securities. By comparison, the net loss attributable to shareholders in the 2020 first quarter included \$426 million (\$4.70 per share loss) in adverse after-tax non-core items. Other details may be found in the table on the following page. AFG’s book value per share was \$78.53 as of March 31, 2021. Annualized return on equity was 29.9% and (23.1%) for the first quarters of 2021 and 2020, respectively.

Core net operating earnings were \$206 million (\$2.38 per share) for the 2021 first quarter, compared to \$125 million (\$1.36 per share) in the 2020 first quarter. The year-over-year increase was the result of substantially higher underwriting profit in the Specialty Property and Casualty (“P&C”) insurance operations and significantly higher P&C net investment income. Improved results from AFG’s \$1.5 billion of alternative investments that are marked to market through core operating earnings were partially offset by lower other property and casualty net investment income, primarily due to lower short-term interest rates. Additional details for the 2021 and 2020 first quarters may be found in the table below. Core net operating earnings for the first quarters of 2021 and 2020 generated annualized returns on equity of 14.7% and 9.6%, respectively.

Components of Pretax Core Operating Earnings	Three Months Ended March 31,							
	2021		2020(a)		2021		2020(a)	
	Before Alternative Impact of Investments	Alternative Investments Investments, net of DAC	Before Alternative Impact of Investments	Alternative Investments Investments, net of DAC	Core Net Operating Earnings, as reported	Core Net Operating Earnings, as reported	Core Net Operating Earnings, as reported	Core Net Operating Earnings, as reported
In millions, except per share amounts								
P&C Pretax Core Operating Earnings	\$ 211	\$ 178	\$ 77	\$ 3	\$ 288	\$ 181		
Real estate entities and other to be acquired from								
Annuity operations	(1)	—	29	6	28	6		
Other expenses	(34)	(17)	—	—	(34)	(17)		
Holding company interest expense	(24)	(17)	—	—	(24)	(17)		
Pretax Core Operating Earnings	152	144	106	9	258	153		
Related provision for income taxes	30	26	22	2	52	28		
Core Net Operating Earnings	\$ 122	\$ 118	\$ 84	\$ 7	\$ 206	\$ 125		
Core Operating Earnings Per Share	\$ 1.41	\$ 1.28	\$ 0.97	\$ 0.08	\$ 2.38	\$ 1.36		
Weighted Avg Diluted Shares Outstanding	86.6	91.1	86.6	91.1	86.6	91.1		

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

Book value per share, excluding unrealized gains related to fixed maturities, was \$66.89 per share at March 31, 2021, compared to \$63.61 at the end of 2020, a 5.2% increase. In the 2021 first quarter, AFG repurchased 1.76 million shares of its common stock at an average price of \$108.98 per share, for a total of approximately \$192 million.

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

In millions, except per share amounts	Three months ended	
	March 31,	
	2021	2020(a)
Components of net earnings (loss) attributable to shareholders:		
Core operating earnings before income taxes	\$ 258	\$ 153
Pretax non-core items:		
Realized gains (losses) on securities	77	(328)
Neon exited lines(b)	—	(10)
Earnings (loss) before income taxes	335	(185)
Provision (credit) for income taxes:		
Core operating earnings	52	28
Non-core items	16	(69)
Total provision (credit) for income taxes	68	(41)
Net earnings (loss) from continuing operations including noncontrolling interests	267	(144)
Discontinued annuity operations	152	(160)
Less: Net earnings (losses) attributable to noncontrolling interests:		
Non-core items	—	(3)
Net earnings (loss) attributable to shareholders	\$ 419	\$ (301)
Net earnings (loss):		
Core net operating earnings(c)	\$ 206	\$ 125
Non-core items:		
Realized gains (losses) on securities	61	(259)
Neon exited lines(b)	—	(7)
Net earnings (loss) from continuing operations	267	(141)
Discontinued annuity operations	152	(160)
Net earnings (loss) attributable to shareholders	\$ 419	\$ (301)
Components of earnings (loss) per share:(d)		
Core net operating earnings(c)	\$ 2.38	\$ 1.36
Non-core items:		
Realized gains (losses) on securities	0.70	(2.86)
Neon exited lines(b)	—	(0.07)
Diluted net earnings (loss) per share from continuing operations	\$ 3.08	(1.57)
Discontinued annuity operations	1.76	(1.77)
Diluted net earnings (loss) per share	\$ 4.84	\$ (3.34)

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

S. Craig Lindner and Carl H. Lindner III, AFG's Co-Chief Executive Officers, issued this statement: "We are extremely proud of AFG's first quarter 2021 results, especially in the wake of elevated industry catastrophe levels resulting from severe winter storms, a continued low interest rate environment and the impact of the pandemic. We are hopeful that the vaccine rollout will help to facilitate a full re-opening of our economy in the near future, and are acting on growth opportunities across our Specialty P&C portfolio of businesses. We are especially pleased with the performance of our alternative investments, which are marked to market through core earnings. These results, combined with our disciplined operating philosophy, lower catastrophe volatility than our peers, and a portfolio of diversified specialty insurance businesses helped us achieve an annualized core return on equity of nearly 15% in the quarter.

“AFG had approximately \$1.2 billion of excess capital (including parent company cash of approximately \$200 million) at March 31, 2021. The sale of our Annuity business to Massachusetts Mutual Life Insurance Company (MassMutual) is expected to close in the second quarter and will significantly enhance AFG’s cash and excess capital. Returning capital to shareholders in the form of regular and special cash dividends and through opportunistic share repurchases is an important and effective component of our capital management strategy. In addition, our excess capital will be deployed into AFG’s core businesses as we identify potential for healthy, profitable organic growth, and opportunities to expand our specialty niche businesses through acquisitions and start-ups that meet our target return thresholds.

“Based on the strong results reported in the first quarter, we now expect AFG’s core net operating earnings in 2021 to be in the range of \$7.00 to \$8.00, an increase from our previous range of \$6.25 to \$7.25 per share. This guidance range excludes earnings from our discontinued annuity operations that will be sold to MassMutual, and continues to assume zero earnings on parent company cash, including the expected \$3.4 billion in net cash proceeds (net of directly owned real estate assets to be acquired by AFG Parent) from the sale of the annuity operations as we continue to evaluate options for the deployment of excess capital. Our core earnings per share guidance excludes non-core items such as results of discontinued operations, realized gains and losses and other significant items that are not able to be estimated with reasonable precision, or that may not be indicative of ongoing operations. Furthermore, the above guidance reflects a normal crop year and an annualized return of approximately 8% on alternative investments that are marked to market through core earnings over the remaining three quarters of 2021.”

Specialty Property and Casualty Insurance Operations

Pretax core operating earnings in AFG’s P&C Insurance Segment were a record \$288 million in the first quarter of 2021, compared to \$181 million in the prior year period, an increase of 59%. Significantly higher earnings from alternative investments and substantially higher year-over-year P&C underwriting profit were partially offset by lower other P&C net investment income, primarily the result of lower interest rates.

The Specialty P&C insurance operations generated an underwriting profit of \$134 million in the 2021 first quarter, compared to \$89 million in the first quarter of 2020. While each of our Specialty P&C Groups produced higher year-over-year underwriting profit, the increase was primarily due to higher underwriting profitability in our Property and Transportation Group.

The first quarter 2021 combined ratio was a very strong 88.5%, improving 3.7 points from the prior year period. First quarter 2021 results include \$59 million (5.2 points) of favorable prior year reserve development, compared to \$48 million (4.2 points) in the comparable prior year period. Catastrophe losses, net of reinsurance and including reinstatement premiums were \$31 million in the first quarter of 2021, primarily the result of winter storms in Texas. By comparison, catastrophe losses were \$9 million in the prior year period.

AFG recorded an additional \$9 million in reserve charges related to COVID-19 in the first quarter of 2021 – primarily related to its workers’ compensation businesses – and released approximately \$6 million of accident year 2020 COVID-19 reserves based on loss experience. Given the uncertainties surrounding the ultimate number and scope of claims relating to the pandemic, approximately 69% of the \$98 million in COVID-19 related reserves are held as incurred but not reported (IBNR) at March 31, 2021.

Gross and net written premiums were up 6% and 3%, respectively, in the 2021 first quarter compared to the prior year quarter, with healthy year-over-year growth reported within each of the Specialty P&C groups. Excluding workers' compensation, gross and net written premiums grew 9% and 7% respectively, year over year. Average renewal pricing across our entire P&C Group was up approximately 12% for the quarter. Excluding our workers' compensation business, renewal pricing was up approximately 16%. With the exception of workers' compensation, we are continuing to achieve strong renewal rate increases in the vast majority of our businesses.

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

The **Property and Transportation Group** reported an underwriting profit of \$56 million in the first quarter of 2021 compared to \$27 million in the first quarter of 2020. Higher underwriting profit in our transportation, property & inland marine and crop businesses were the drivers of the year-over-year increase. Catastrophe losses in this group, net of reinsurance and inclusive of reinstatement premiums, were \$22 million in the first quarter of 2021, primarily the result of winter storms in Texas. Catastrophe losses were \$8 million in the comparable 2020 period.

First quarter 2021 gross and net written premiums in this group were 5% and 4% higher, respectively, than the comparable prior year period, with growth reported by nearly all the businesses in this group. The growth came primarily from our agricultural, property & inland marine and aviation businesses, primarily as a result of higher renewal rates. Overall renewal rates in this group increased 7% in the first quarter of 2021.

The **Specialty Casualty Group** reported an underwriting profit of \$56 million in the first quarter of 2021 compared to \$52 million in the comparable 2020 period. Higher profitability in our excess and surplus lines and excess liability businesses was partially offset by lower underwriting profit in our workers' compensation businesses, primarily the result of lower year-over-year prior period favorable reserve development. Underwriting profitability in our workers' compensation businesses overall continues to be excellent. The businesses in the Specialty Casualty Group achieved a very strong 90.2% calendar year combined ratio overall in the first quarter. Catastrophe losses for this group were approximately \$2 million in the first quarter of 2021 and less than \$1 million in the comparable prior year period.

First quarter 2021 gross written premiums increased 6%, and net written premiums were flat when compared to the same prior year period. Excluding workers' compensation, gross and net written premiums grew by 13% and 8%, respectively year-over-year. With the exception of workers' compensation, nearly all the businesses in this group achieved strong renewal pricing and reported premium growth during the first quarter. Significant renewal rate increases and strong renewal retention contributed to higher premiums in our excess liability businesses, which have higher cessions than other businesses in this group. Our executive liability and mergers and acquisitions liability businesses also contributed meaningfully to the year-over-year growth. These increases were partially offset by lower year-over-year premiums in our workers' compensation businesses, which were primarily the result of lower renewal rates and decreased exposure bases. Renewal pricing for this group was up 15% in the first quarter. Excluding our workers' compensation businesses, renewal rates in this group were up approximately 25%.

The **Specialty Financial Group** reported an underwriting profit of \$25 million in the first quarter of 2021, compared to \$17 million in the comparable 2020 period. Higher year-over-year underwriting profitability in our financial institutions business was the primary driver of the increase. This group continued to achieve excellent underwriting margins, and reported an 84.1% combined ratio for the first quarter of 2021. Catastrophe losses for this group, net of reinsurance and inclusive of reinstatement premiums, were \$6 million in the first quarter of 2021, compared to \$1 million in the prior year quarter.

First quarter 2021 gross and net written premiums in this group were up 5% and 8%, respectively, when compared to the prior year period. New business opportunities, coupled with growth in accounts within our lender services businesses with higher retentions contributed to the increase in the quarter. Renewal pricing in this group was up approximately 8% for the quarter.

Carl Lindner III stated, "Operating earnings in our P&C Segment set a new record in the 2021 first quarter. Our Specialty P&C Group performed exceptionally well, with excellent underwriting margins, healthy year-over-year growth in net written premiums and very strong renewal pricing, especially in our longer-tailed liability lines of business. Based on results through the first three months, we continue to expect an overall 2021 calendar year combined ratio in the range of 89% to 91% and we now expect net written premiums to be 7% to 10% higher than the \$5.0 billion reported in 2020, which is an increase from the range of +5% to +9% estimated previously. We expect the market to remain firm throughout 2021, allowing us to achieve solid renewal rate increases."

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

Investments

P&C Net Investment Income – For the three months ended March 31, 2021, P&C net investment income was approximately 61% higher than the comparable 2020 period, and included significantly higher earnings from alternative investments marked to market through core operating earnings. Earnings from alternative investments may vary from quarter to quarter based on the reported results of the underlying investments, and generally are reported on a quarter lag. The annualized yield on alternative investments held in the P&C portfolio in the first quarter of 2021 was 29.8%. The cumulative return on these investments over the past five calendar years was nearly 10%. Excluding the impact of alternative investments, P&C net investment income decreased 15% year-over-year, reflecting lower market interest rates.

Non-Core Net Realized Gains (Losses) – AFG recorded first quarter 2021 net realized gains on securities of \$61 million (\$0.70 per share) after tax, which included \$53 million (\$0.61 per share) in after-tax net gains to adjust equity securities that the Company continued to own at March 31, 2021, to fair value. By comparison, AFG recorded net realized losses on securities of \$259 million (\$2.86 per share loss) in the comparable 2020 period. Prior period results have been adjusted to reflect the reclassification of AFG's annuity operations to discontinued operations. See the table below under "Discontinued Annuity Operations" for additional information.

Unrealized gains on fixed maturities were \$963 million after tax and after deferred acquisition costs (DAC) at March 31, 2021, a decrease of \$292 million since year end 2020. This includes \$774 million after tax and after DAC related to assets held by our discontinued annuity operations. Our portfolio continues to be high quality, with 87% of our fixed maturity portfolio rated investment grade and 98% with a National Association of Insurance Commissioners' designation of NAIC 1 or 2, its highest two categories.

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

Sale of AFG's Annuity Businesses to MassMutual

On January 27, 2021, AFG announced that it entered into a definitive agreement to sell its Annuity business to MassMutual for \$3.5 billion in cash, subject to final closing adjustments to the extent that GAAP shareholders' equity excluding accumulated other comprehensive income (AOCI) of the entities sold varies from \$2.8 billion. GAAP shareholders' equity (excluding AOCI) of the entities to be sold was \$3.0 billion at March 31, 2021. Under the terms of the agreement, MassMutual will acquire Great American Life Insurance Company ("GALIC") and its two insurance subsidiaries, Annuity Investors Life Insurance Company and Manhattan National Life Insurance Company. The sale is expected to close in the second quarter of 2021. At March 31, 2021, GALIC and its subsidiaries had approximately \$43 billion of traditional fixed and indexed annuity reserves (included in liabilities of discontinued annuity operations).

Discontinued Annuity Operations

Beginning with the first quarter of 2021, AFG reports the results of its Annuity operations as discontinued operations, in accordance with generally accepted accounting principles (GAAP), which included adjusting prior period results to reflect these operations as discontinued. A reconciliation of amounts as previously presented to amounts reported as Discontinued Annuity Operations for the three month periods ended March 31, 2021 and March 31, 2020 appears below:

In millions	Three months ended	
	March 31,	
	2021	2020(a)
Pretax Annuity earnings historically reported as core operating	\$ 166	\$ 67
Amounts previously reported outside of annuity core earnings:		
Impact of fair value accounting for FIAs and reinsurance accounting	22	(38)
Realized gains (losses)	81	(223)
Run-off life and long-term care	—	(3)
Pretax Earnings of Businesses to be Sold to MassMutual	\$ 269	\$ (197)
Less earnings on assets to be retained by AFG included in continuing operations*	(28)	(6)
Total Pretax Results from Discontinued Annuity Operations	241	(203)
Less: related provision for taxes (credit)	89	(43)
Net Earnings (Loss) from Discontinued Annuity Operations	\$ 152	\$ (160)

*Primarily earnings from the real estate entities to be acquired from the Annuity operations prior to closing of the sale.

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

AFG recorded \$41 million in tax liabilities triggered by the pending sale of the Annuity operations in the first quarter of 2021. AFG expects to recognize an after-tax gain on the sale of \$680 million to \$700 million (\$7.85 to \$8.10 per AFG share) upon closing. Prior to completion of the transaction, AFG's P&C Group will acquire approximately \$460 million in real estate-related partnerships from GALIC and AFG parent will acquire approximately \$100 million in directly owned real estate from GALIC.

About American Financial Group, Inc.

American Financial Group is an insurance holding company, based in Cincinnati, Ohio. Through the operations of Great American Insurance Group, AFG is engaged primarily in property and casualty insurance, focusing on specialized commercial products for businesses, and in the sale of traditional fixed and fixed-indexed annuities in the retail, financial institutions, broker-dealer, and registered investment advisor markets. On January 27, 2021, AFG announced that it entered into a definitive agreement to sell its annuity business to Massachusetts Mutual Life Insurance Company. The sale is expected to close in the second quarter of 2021. 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: that AFG may be unable to complete the proposed sale of its annuity business because, among other reasons, conditions to the closing of the proposed transaction may not be satisfied or waived, uncertainty as to the timing of completion of the proposed transaction, or failure to realize the anticipated benefits from the proposed transaction; 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, including modifications to capital requirements; the effects of the COVID-19 outbreak, including the effects on the international and national economy and credit markets, legislative or regulatory developments affecting the insurance industry, quarantines or other travel or health-related restrictions; changes in the legal environment affecting AFG or its customers; tax law and accounting changes; levels of natural catastrophes and severe weather, terrorist activities (including any nuclear, biological, chemical or radiological events), incidents of war or losses resulting from pandemics, civil unrest and other major losses; disruption caused by cyber-attacks or other technology breaches or failures by AFG or its business partners and service providers, which could negatively impact AFG’s business and/or expose AFG to litigation; development of insurance loss reserves and establishment of other reserves, particularly with respect to amounts associated with asbestos and environmental claims; availability of reinsurance and ability of reinsurers to pay their obligations; trends in persistency and mortality; competitive pressures; the ability to obtain adequate rates and policy terms; changes in AFG’s credit ratings or the financial strength ratings assigned by major ratings agencies to AFG’s operating subsidiaries; the impact of the conditions in the international financial markets and the global economy relating to AFG’s international operations; and other factors identified in AFG’s filings with the Securities and Exchange Commission.

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

Conference Call

The Company will hold a conference call to discuss 2021 first quarter results at 11:30 a.m. (ET) tomorrow, Wednesday, May 5, 2021. Toll-free telephone access will be available by dialing 1-877-459-8719 (international dial-in 424-276-6843). The conference ID for the live call is 7973701. Please dial in five to ten minutes prior to the scheduled start time of the call.

A replay will be available approximately two hours following the completion of the call and will remain available until 11:59 p.m. (ET) on May 12, 2021. To listen to the replay, dial 1-855-859-2056 (international dial-in 404-537-3406) and provide the conference ID 7973701.

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

An archived webcast will be available immediately after the call via the same link on our website until May 12, 2021 at 11:59 p.m. (ET).

Contact:

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

Websites:

www.AFGinc.com
www.GreatAmericanInsuranceGroup.com

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(Financial summaries follow)

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

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

	Three months ended	
	March 31,	
	2021	2020(a)
Revenues		
P&C insurance net earned premiums	\$1,173	\$ 1,209
Net investment income	188	104
Realized gains (losses) on securities	77	(328)
Income of managed investment entities:		
Investment income	46	59
Gain (loss) on change in fair value of assets/liabilities	2	(13)
Other income	23	24
Total revenues	1,509	1,055
Costs and expenses		
P&C insurance losses & expenses	1,047	1,127
Interest charges on borrowed money	24	17
Expenses of managed investment entities	39	53
Other expenses	64	43
Total costs and expenses	1,174	1,240
Earnings (loss) from continuing operations before income taxes	335	(185)
Provision (credit) for income taxes	68	(41)
Net earnings (loss) from continuing operations, including noncontrolling interests	267	(144)
Net earnings (loss) from discontinued operations, including noncontrolling interests	152	(160)
Net earnings (loss) including controlling interests	419	(304)
Less: Net earnings (loss) from continuing operations attributable to noncontrolling interests	—	(3)
Net earnings (loss) attributable to shareholders	\$ 419	\$ (301)
Earnings (loss) attributable to shareholders per diluted common share:		
Continuing operations	\$ 3.08	\$ (1.57)
Discontinued operations	1.76	(1.77)
Diluted earnings (loss) attributable to shareholders	\$ 4.84	\$ (3.34)
Average number of diluted shares	86.6	90.3

Selected Balance Sheet Data:	March 31, 2021	December 31, 2020(a)
Total cash and investments	\$13,900	\$ 13,494
Long-term debt	\$ 1,963	\$ 1,963
Shareholders' equity(e)	\$ 6,685	\$ 6,789
Shareholders' equity (excluding unrealized gains/losses related to fixed maturities)(e)	\$ 5,695	\$ 5,493
Book value per share	\$ 78.53	\$ 78.62
Book value per share (excluding unrealized gains/losses related to fixed maturities)	\$ 66.89	\$ 63.61
Common Shares Outstanding	85.1	86.3

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

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

	Three months ended March 31,		Change
	2021	2020	
Gross written premiums	<u>\$1,616</u>	<u>\$1,526</u>	6%
Net written premiums	<u>\$1,205</u>	<u>\$1,165</u>	3%
Ratios (GAAP):			
Loss & LAE ratio	56.8%	58.5%	
Underwriting expense ratio	31.7%	33.7%	
Specialty Combined Ratio	<u>88.5%</u>	<u>92.2%</u>	
Combined Ratio – P&C Segment	<u>88.6%</u>	<u>92.8%</u>	
Supplemental Information:^(f)			
Gross Written Premiums:			
Property & Transportation	\$ 520	\$ 494	5%
Specialty Casualty	904	849	6%
Specialty Financial	192	183	5%
	<u>\$1,616</u>	<u>\$1,526</u>	6%
Net Written Premiums:			
Property & Transportation	\$ 403	\$ 386	4%
Specialty Casualty	588	586	-
Specialty Financial	161	149	8%
Other	53	44	20%
	<u>\$1,205</u>	<u>\$1,165</u>	3%
Combined Ratio (GAAP):			
Property & Transportation	85.6%	92.9%	
Specialty Casualty	90.2%	90.7%	
Specialty Financial	84.1%	89.1%	
Aggregate Specialty Group	88.5%	92.2%	

	Three months ended March 31,	
	2021	2020
Reserve Development (Favorable) / Adverse:		
Property & Transportation	\$ (43)	\$ (24)
Specialty Casualty	(9)	(24)
Specialty Financial	(8)	(2)
Other Specialty	1	2
	<u>\$ (59)</u>	<u>\$ (48)</u>
Points on Combined Ratio:		
Property & Transportation	(11.1)	(6.1)
Specialty Casualty	(1.7)	(4.2)
Specialty Financial	(5.4)	(1.1)
Aggregate Specialty Group	(5.2)	(4.2)
Total P&C Segment	(5.1)	(3.4)

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

AMERICAN FINANCIAL GROUP, INC.

Notes to Financial Schedules

- a) On January 27, 2021 AFG announced that it entered into a definitive agreement to sell its Annuity business to MassMutual. The results of AFG's Annuity operations are reported as discontinued operations beginning with the first quarter of 2021, in accordance with generally accepted accounting principles (GAAP), which included adjusting prior period results to reflect these operations as discontinued.
- b) In January 2020, AFG announced its plans to exit the Lloyd's of London insurance market and actions it had initiated to place its Lloyd's subsidiaries including its Lloyd's Managing Agency, Neon Underwriting Ltd., into run-off. AFG recognized after-tax non-core net expenses of \$7 million (\$0.07 per share) in the first quarter of 2020 related to the run-off of this business. AFG sold the legal entities that owned its Lloyd's of London insurer, Neon, to RiverStone Holdings Limited in a transaction that closed in the fourth quarter of 2020.
- c) Components of core net operating earnings (in millions):

	Three months ended	
	March 31,	
	2021	2020(a)
<u>Core Operating Earnings before Income Taxes:</u>		
P&C insurance segment	\$ 288	\$ 181
Real-estate entities and other to be acquired from		
Annuity operations	28	6
Interest & other corporate expenses	(58)	(34)
Core operating earnings before income taxes	258	153
Related income taxes	52	28
Core net operating earnings	<u>\$ 206</u>	<u>\$ 125</u>

- d) Because AFG had a net loss for the first quarter of 2020, the impact of potential dilutive options (weighted average of 0.84 million shares) was excluded from AFG's fully diluted earnings per share calculation. However, for the non-GAAP measure of core net operating earnings, the Company believes it is most appropriate to use the fully diluted share data that would have been used if AFG had net earnings for the first quarter.
- e) Shareholders' Equity at March 31, 2021 includes \$963 million (\$11.32 per share) in unrealized after-tax, after-DAC gains on fixed maturities and \$27 million (\$0.32 per share) in unrealized after-tax, after DAC gains on fixed maturity-related cash flow hedges. Shareholders' Equity at December 31, 2020 includes \$1.3 billion (\$14.54 per share) in unrealized after-tax, after-DAC gains on fixed maturities and \$41 million (\$0.47 per share) in unrealized after-tax, after-DAC gains on fixed maturity-related cash flow hedges.
- f) Supplemental Notes:
- **Property & Transportation** includes primarily physical damage and liability coverage for buses and trucks, inland and ocean marine, agricultural-related products and other commercial property coverages.
 - **Specialty Casualty** includes primarily excess and surplus, general liability, executive liability, professional liability, umbrella and excess liability, specialty coverages in targeted markets, customized programs for small to mid-sized businesses and workers' compensation insurance.
 - **Specialty Financial** includes risk management insurance programs for lending and leasing institutions (including equipment leasing and collateral and lender-placed mortgage property insurance), surety and fidelity products and trade credit insurance.
 - **Other** includes an internal reinsurance facility.



American Financial Group, Inc.
Investor Supplement - First Quarter 2021

May 4, 2021

American Financial Group, Inc.
Corporate Headquarters
Great American Insurance Group Tower
301 E Fourth Street
Cincinnati, OH 45202
513 579 6739

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	Three Months Ended					Twelve Months End	
	3/31/21	12/31/20	9/30/20	6/30/20	3/31/20	12/31/20	12/31/19
Highlights							
Net earnings (loss)	\$ 419	\$ 692	\$ 164	\$ 177	\$ (301)	\$ 732	\$ 897
Net earnings (loss) from continuing operations	267	265	88	113	(141)	325	519
Core net operating earnings	206	175	121	60	125	481	482
Total assets	74,197	73,710	73,234	70,985	67,786	73,710	70,246
Adjusted shareholders' equity (a)	5,695	5,493	5,087	5,049	4,987	5,493	5,390
Property and Casualty net written premiums	1,205	1,216	1,488	1,123	1,165	4,992	5,342
Per share data							
Diluted earnings (loss) per share	\$ 4.84	\$ 7.93	\$ 1.86	\$ 1.97	\$ (3.34)	\$ 8.20	\$ 9.85
Diluted earnings (loss) per share from continuing operations	3.08	3.03	1.00	1.26	(1.57)	3.63	5.70
Core net operating earnings per share	2.38	2.01	1.38	0.67	1.36	5.40	5.29
Adjusted book value per share (a)	66.89	63.61	58.29	56.95	55.52	63.61	59.70
Cash dividends per common share	0.5000	2.5000	0.4500	0.4500	0.4500	3.8500	4.9500
Financial ratios							
Annualized return on equity (b)	29.9%	52.1%	12.9%	14.1%	(23.1%)	14.0%	17.1%
Annualized core operating return on equity (b)	14.7%	13.2%	9.6%	4.8%	9.6%	9.2%	9.2%
Property and Casualty combined ratio - Specialty:							
Loss & LAE ratio	56.8%	58.6%	63.8%	62.6%	58.5%	60.9%	61.5%
Underwriting expense ratio	31.7%	27.6%	28.3%	32.6%	33.7%	30.4%	32.2%
Combined ratio - Specialty	<u>88.5%</u>	<u>86.2%</u>	<u>92.1%</u>	<u>95.2%</u>	<u>92.2%</u>	<u>91.3%</u>	<u>93.7%</u>

(a) Excludes unrealized gains related to fixed maturity investments, a reconciliation to the GAAP measure is on page 14.

(b) Excludes accumulated other comprehensive income.



	Three Months Ended					Twelve Months Ended	
	<u>3/31/21</u>	<u>12/31/20</u>	<u>9/30/20</u>	<u>6/30/20</u>	<u>3/31/20</u>	<u>12/31/20</u>	<u>12/31/19</u>
Property and Casualty Insurance							
Underwriting profit	\$ 134	\$ 163	\$ 103	\$ 52	\$ 88	\$ 406	\$ 306
Net investment income	159	122	111	72	99	404	472
Other expense	(5)	(11)	(9)	(8)	(6)	(34)	(25)
Property and Casualty Insurance operating earnings	288	274	205	116	181	776	753
Real estate entities and other to be acquired from Annuity	28	9	3	1	6	19	21
Interest expense of parent holding companies	(24)	(24)	(24)	(23)	(17)	(88)	(68)
Other expense	(34)	(32)	(29)	(20)	(17)	(98)	(107)
Pretax core operating earnings	258	227	155	74	153	609	599
Income tax expense	52	52	34	14	28	128	117
Core net operating earnings	206	175	121	60	125	481	482
Non-core items, net of tax:							
Realized gains (losses) on securities	61	97	18	85	(259)	(59)	122
Special A&E charges:							
Property and Casualty Insurance run-off operations	—	—	(37)	—	—	(37)	(14)
Former Railroad and Manufacturing operations	—	—	(17)	—	—	(17)	(9)
Neon exited lines	—	(3)	3	(32)	(7)	(39)	(58)
Other non-core items	—	(4)	—	—	—	(4)	(4)
Net earnings (loss) from continuing operations	\$ 267	\$ 265	\$ 88	\$ 113	\$ (141)	\$ 325	\$ 519
Discontinued Annuity operations	152	427	76	64	(160)	407	378
Net earnings (loss)	\$ 419	\$ 692	\$ 164	\$ 177	\$ (301)	\$ 732	\$ 897

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



	Three Months Ended					Twelve Months Ended	
	3/31/21	12/31/20	9/30/20	6/30/20	3/31/20	12/31/20	12/31/19
Core net operating earnings	\$ 206	\$ 175	\$ 121	\$ 60	\$ 125	\$ 481	\$ 482
Net earnings (loss) from continuing operations	\$ 267	\$ 265	\$ 88	\$ 113	\$ (141)	\$ 325	\$ 519
Net earnings (loss)	\$ 419	\$ 692	\$ 164	\$ 177	\$ (301)	\$ 732	\$ 897
Average number of diluted shares - core	86.577	87.156	88.546	89.997	91.138	89.202	91.024
Average number of diluted shares - net	86.577	87.156	88.546	89.997	90.295	89.202	91.024
<u>Diluted earnings per share:</u>							
Core net operating earnings per share	\$ 2.38	\$ 2.01	\$ 1.38	\$ 0.67	\$ 1.36	\$ 5.40	\$ 5.29
Realized gains (losses) on securities	0.70	1.10	0.20	0.95	(2.86)	(0.67)	1.34
Special A&E charges:							
Property and Casualty Insurance run-off operations	—	—	(0.42)	—	—	(0.42)	(0.15)
Former Railroad and Manufacturing operations	—	—	(0.19)	—	—	(0.19)	(0.10)
Neon exited lines	—	(0.04)	0.03	(0.36)	(0.07)	(0.45)	(0.64)
Other non-core items	—	(0.04)	—	—	—	(0.04)	(0.04)
Diluted earnings (loss) per share, continuing operations	\$ 3.08	\$ 3.03	\$ 1.00	\$ 1.26	\$ (1.57)	\$ 3.63	\$ 5.70
Discontinued Annuity operations	1.76	4.90	0.86	0.71	(1.77)	4.57	4.15
Diluted earnings (loss) per share	\$ 4.84	\$ 7.93	\$ 1.86	\$ 1.97	\$ (3.34)	\$ 8.20	\$ 9.85

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



	Three Months Ended					Twelve Months Ended	
	3/31/21	12/31/20	9/30/20	6/30/20	3/31/20	12/31/20	12/31/19
Property and Transportation	\$ 56	\$ 74	\$ 47	\$ 33	\$ 27	\$ 181	\$ 79
Specialty Casualty	56	91	53	27	52	223	175
Specialty Financial	25	20	13	—	17	50	92
Other Specialty	(3)	(6)	(9)	(6)	(7)	(28)	(21)
Underwriting profit - Specialty	134	179	104	54	89	426	325
Other core charges, included in loss and LAE	—	(16)	(1)	(2)	(1)	(20)	(19)
Underwriting profit - Core	134	163	103	52	88	406	306
Special A&E charges, included in loss and LAE	—	—	(47)	—	—	(47)	(18)
Neon exited lines (a)	—	(53)	(38)	(43)	(1)	(135)	(76)
Underwriting profit (loss) - Property and Casualty Insurance	\$ 134	\$ 110	\$ 18	\$ 9	\$ 87	\$ 224	\$ 212
Included in results above:							
COVID-19 related losses	\$ 9	\$ —	\$ —	\$ 105	\$ 10	\$ 115	\$ —
Current accident year catastrophe losses:							
Catastrophe reinstatement premium	\$ 11	\$ (3)	\$ 5	\$ —	\$ —	\$ 2	\$ 1
Catastrophe loss	20	41	52	26	9	128	60
Total current accident year catastrophe losses	\$ 31	\$ 38	\$ 57	\$ 26	\$ 9	\$ 130	\$ 61
Prior year loss reserve development (favorable) / adverse	\$ (59)	\$ (8)	\$ —	\$ (77)	\$ (42)	\$ (127)	\$ (143)
Combined ratio:							
Property and Transportation	85.6%	85.8%	91.9%	91.7%	92.9%	90.4%	95.7%
Specialty Casualty	90.2%	84.0%	90.7%	94.9%	90.7%	90.0%	93.3%
Specialty Financial	84.1%	86.8%	91.6%	100.4%	89.1%	91.8%	85.0%
Other Specialty	104.6%	116.9%	115.6%	114.2%	117.7%	116.1%	113.3%
Combined ratio — Specialty	88.5%	86.2%	92.1%	95.2%	92.2%	91.3%	93.7%
Other core charges	0.1%	1.2%	0.1%	0.2%	0.1%	0.5%	0.4%
Neon exited lines charge	0.0%	4.2%	3.1%	3.8%	0.5%	2.7%	1.4%
Special A&E charges	0.0%	0.0%	3.5%	0.0%	0.0%	1.0%	0.3%
Combined ratio	88.6%	91.6%	98.8%	99.2%	92.8%	95.5%	95.8%
P&C combined ratio excl. COVID-19 related losses, catastrophe losses, and prior year loss reserve development	91.2%	89.1%	95.0%	94.8%	94.6%	93.3%	97.4%
Loss and LAE components — property and casualty insurance							
Current accident year, excluding COVID-19 related and catastrophe losses	59.5%	60.1%	66.0%	60.7%	60.3%	61.9%	64.6%
COVID-19 related losses	0.8%	0.0%	0.0%	8.8%	0.8%	2.2%	0.0%
Current accident year catastrophe losses	1.7%	3.1%	3.8%	2.1%	0.8%	2.5%	1.2%
Prior accident year loss reserve development	(5.1%)	(0.6%)	0.0%	(6.5%)	(3.4%)	(2.5%)	(2.8%)
Loss and LAE ratio	56.9%	62.6%	69.8%	65.1%	58.5%	64.1%	63.0%

(a) In the fourth quarter of 2020, AFG recorded \$55 million in non-core losses from Neon's operations and a \$1 million reduction in the estimated tax benefit related to the sale of Neon, partially offset by a \$53 million favorable adjustment to the estimated loss on sale recorded in Q3.



	Three Months Ended					Twelve Months Ended	
	3/31/21	12/31/20	9/30/20	6/30/20	3/31/20	12/31/20	12/31/19
Gross written premiums	\$1,616	\$1,707	\$2,223	\$1,539	\$1,526	\$ 6,995	\$ 7,299
Ceded reinsurance premiums	(411)	(491)	(735)	(416)	(361)	(2,003)	(1,957)
Net written premiums	1,205	1,216	1,488	1,123	1,165	4,992	5,342
Change in unearned premiums	(32)	83	(149)	—	(27)	(93)	(157)
Net earned premiums	1,173	1,299	1,339	1,123	1,138	4,899	5,185
Loss and LAE	667	762	855	703	666	2,986	3,188
Underwriting expense	372	358	380	366	383	1,487	1,672
Underwriting profit	\$ 134	\$ 179	\$ 104	\$ 54	\$ 89	\$ 426	\$ 325
Included in results above:							
COVID-19 related losses	\$ 9	\$ —	\$ —	\$ 85	\$ 10	\$ 95	\$ —
Current accident year catastrophe losses:							
Catastrophe reinstatement premium	\$ 11	\$ (3)	\$ 5	\$ —	\$ —	\$ 2	\$ 1
Catastrophe loss	20	20	36	26	9	91	60
Total current accident year catastrophe losses	\$ 31	\$ 17	\$ 41	\$ 26	\$ 9	\$ 93	\$ 61
Prior year loss reserve development (favorable) / adverse	\$ (59)	\$ (32)	\$ (48)	\$ (85)	\$ (48)	\$ (213)	\$ (187)
Combined ratio:							
Loss and LAE ratio	56.8%	58.6%	63.8%	62.6%	58.5%	60.9%	61.5%
Underwriting expense ratio	31.7%	27.6%	28.3%	32.6%	33.7%	30.4%	32.2%
Combined ratio	88.5%	86.2%	92.1%	95.2%	92.2%	91.3%	93.7%
Specialty combined ratio excl. COVID-19 related losses, catastrophe losses, and prior year loss reserve development	91.2%	87.1%	93.1%	92.9%	94.7%	91.9%	96.2%
Loss and LAE components:							
Current accident year, excluding COVID-19 related and catastrophe losses	59.5%	59.5%	64.8%	60.3%	61.0%	61.5%	64.0%
COVID-19 related losses	0.8%	0.0%	0.0%	7.6%	0.9%	1.9%	0.0%
Current accident year catastrophe losses	1.7%	1.5%	2.7%	2.3%	0.8%	1.9%	1.2%
Prior accident year loss reserve development	(5.2%)	(2.4%)	(3.7%)	(7.6%)	(4.2%)	(4.4%)	(3.7%)
Loss and LAE ratio	56.8%	58.6%	63.8%	62.6%	58.5%	60.9%	61.5%



	Three Months Ended					Twelve Months Ended	
	3/31/21	12/31/20	9/30/20	6/30/20	3/31/20	12/31/20	12/31/19
Gross written premiums	\$ 520	\$ 647	\$1,061	\$ 611	\$ 494	\$ 2,813	\$ 2,759
Ceded reinsurance premiums	(117)	(207)	(426)	(185)	(108)	(926)	(883)
Net written premiums	403	440	635	426	386	1,887	1,876
Change in unearned premiums	(9)	81	(61)	(36)	—	(16)	(48)
Net earned premiums	394	521	574	390	386	1,871	1,828
Loss and LAE	221	329	403	239	237	1,208	1,297
Underwriting expense	117	118	124	118	122	482	452
Underwriting profit	\$ 56	\$ 74	\$ 47	\$ 33	\$ 27	\$ 181	\$ 79
Included in results above:							
COVID-19 related losses	\$ —	\$ —	\$ 1	\$ 3	\$ 3	\$ 7	\$ —
Current accident year catastrophe losses:							
Catastrophe reinstatement premium	\$ 8	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
Catastrophe loss	14	6	18	15	8	47	32
Total current accident year catastrophe losses	\$ 22	\$ 6	\$ 18	\$ 15	\$ 8	\$ 47	\$ 32
Prior year loss reserve development (favorable) / adverse	\$ (43)	\$ (29)	\$ (26)	\$ (28)	\$ (24)	\$ (107)	\$ (67)
Combined ratio:							
Loss and LAE ratio	56.0%	63.3%	70.1%	61.3%	61.4%	64.6%	71.0%
Underwriting expense ratio	29.6%	22.5%	21.8%	30.4%	31.5%	25.8%	24.7%
Combined ratio	85.6%	85.8%	91.9%	91.7%	92.9%	90.4%	95.7%
Combined ratio excl. COVID-19 related losses, catastrophe losses, and prior year loss reserve development	93.0%	90.0%	93.2%	94.3%	96.2%	93.2%	97.5%
Loss and LAE components:							
Current accident year, excluding COVID-19 related and catastrophe losses	63.4%	67.5%	71.4%	63.9%	64.7%	67.4%	72.8%
COVID-19 related losses	0.1%	0.2%	0.1%	0.8%	0.6%	0.4%	0.0%
Current accident year catastrophe losses	3.6%	1.2%	3.1%	3.8%	2.2%	2.5%	1.8%
Prior accident year loss reserve development	(11.1%)	(5.6%)	(4.5%)	(7.2%)	(6.1%)	(5.7%)	(3.6%)
Loss and LAE ratio	56.0%	63.3%	70.1%	61.3%	61.4%	64.6%	71.0%

	Three Months Ended					Twelve Months Ended	
	3/31/21	12/31/20	9/30/20	6/30/20	3/31/20	12/31/20	12/31/19
Gross written premiums	\$ 904	\$ 865	\$ 978	\$ 752	\$ 849	\$ 3,444	\$ 3,768
Ceded reinsurance premiums	(316)	(300)	(336)	(241)	(263)	(1,140)	(1,067)
Net written premiums	588	565	642	511	586	2,304	2,701
Change in unearned premiums	(17)	7	(82)	36	(30)	(69)	(104)
Net earned premiums	571	572	560	547	556	2,235	2,597
Loss and LAE	361	337	352	367	340	1,396	1,586
Underwriting expense	154	144	155	153	164	616	836
Underwriting profit	\$ 56	\$ 91	\$ 53	\$ 27	\$ 52	\$ 223	\$ 175
Included in results above:							
COVID-19 related losses	7	2	(1)	\$ 52	\$ 7	\$ 60	\$ —
Current accident year catastrophe losses:							
Catastrophe reinstatement premium	\$ 1	\$ (3)	\$ 5	\$ —	\$ —	\$ 2	\$ 1
Catastrophe loss	1	5	3	6	—	14	17
Total current accident year catastrophe losses	\$ 2	\$ 2	\$ 8	\$ 6	\$ —	\$ 16	\$ 18
Prior year loss reserve development (favorable) / adverse	\$ (9)	\$ (6)	\$ (16)	\$ (51)	\$ (24)	\$ (97)	\$ (88)
Combined ratio:							
Loss and LAE ratio	63.1%	59.0%	62.9%	67.1%	61.1%	62.5%	61.1%
Underwriting expense ratio	27.1%	25.0%	27.8%	27.8%	29.6%	27.5%	32.2%
Combined ratio	90.2%	84.0%	90.7%	94.9%	90.7%	90.0%	93.3%
Combined ratio excl. COVID-19 related losses, catastrophe losses, and prior year loss reserve development	90.4%	84.0%	92.9%	93.8%	93.6%	91.0%	96.0%
Loss and LAE components:							
Current accident year, excluding COVID-19 related and catastrophe losses	63.3%	59.0%	65.1%	66.0%	64.0%	63.5%	63.8%
COVID-19 related losses	1.2%	0.3%	(0.1%)	9.5%	1.3%	2.7%	0.0%
Current accident year catastrophe losses	0.3%	0.8%	0.8%	0.9%	0.0%	0.6%	0.7%
Prior accident year loss reserve development	(1.7%)	(1.1%)	(2.9%)	(9.3%)	(4.2%)	(4.3%)	(3.4%)
Loss and LAE ratio	63.1%	59.0%	62.9%	67.1%	61.1%	62.5%	61.1%

	Three Months Ended					Twelve Months Ended	
	3/31/21	12/31/20	9/30/20	6/30/20	3/31/20	12/31/20	12/31/19
Gross written premiums	\$ 192	\$ 195	\$ 184	\$ 176	\$ 183	\$ 738	\$ 772
Ceded reinsurance premiums	(31)	(32)	(31)	(37)	(34)	(134)	(155)
Net written premiums	161	163	153	139	149	604	617
Change in unearned premiums	(4)	(5)	2	5	7	9	(7)
Net earned premiums	157	158	155	144	156	613	610
Loss and LAE	53	56	62	65	59	242	192
Underwriting expense	79	82	80	79	80	321	326
Underwriting profit	\$ 25	\$ 20	\$ 13	\$ —	\$ 17	\$ 50	\$ 92
Included in results above:							
COVID-19 related losses	\$ 2	\$ (3)	\$ (1)	\$ 30	\$ —	\$ 26	\$ —
Current accident year catastrophe losses:							
Catastrophe reinstatement premium	\$ 2	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
Catastrophe loss	4	7	13	5	1	26	10
Total current accident year catastrophe losses	\$ 6	\$ 7	\$ 13	\$ 5	\$ 1	\$ 26	\$ 10
Prior year loss reserve development (favorable) / adverse	\$ (8)	\$ (6)	\$ (9)	\$ (11)	\$ (2)	\$ (28)	\$ (38)
Combined ratio:							
Loss and LAE ratio	33.8%	35.6%	39.9%	44.9%	38.0%	39.5%	31.5%
Underwriting expense ratio	50.3%	51.2%	51.7%	55.5%	51.1%	52.3%	53.5%
Combined ratio	84.1%	86.8%	91.6%	100.4%	89.1%	91.8%	85.0%
Combined ratio excl. COVID-19 related losses, catastrophe losses, and prior year loss reserve development	85.9%	87.7%	89.5%	83.7%	89.5%	87.7%	89.7%
Loss and LAE components:							
Current accident year, excluding COVID-19 related and catastrophe losses	35.6%	36.5%	37.8%	28.2%	38.4%	35.4%	36.2%
COVID-19 related losses	1.5%	(1.8%)	(0.8%)	21.1%	0.1%	4.3%	0.0%
Current accident year catastrophe losses	2.1%	4.5%	8.6%	3.6%	0.6%	4.3%	1.6%
Prior accident year loss reserve development	(5.4%)	(3.6%)	(5.7%)	(8.0%)	(1.1%)	(4.5%)	(6.3%)
Loss and LAE ratio	33.8%	35.6%	39.9%	44.9%	38.0%	39.5%	31.5%



	Three Months Ended					Twelve Months Ended	
	3/31/21	12/31/20	9/30/20	6/30/20	3/31/20	12/31/20	12/31/19
Gross written premiums	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
Ceded reinsurance premiums	53	48	58	47	44	197	148
Net written premiums	53	48	58	47	44	197	148
Change in unearned premiums	(2)	—	(8)	(5)	(4)	(17)	2
Net earned premiums	51	48	50	42	40	180	150
Loss and LAE	32	40	38	32	30	140	113
Underwriting expense	22	14	21	16	17	68	58
Underwriting profit (loss)	\$ (3)	\$ (6)	\$ (9)	\$ (6)	\$ (7)	\$ (28)	\$ (21)
Included in results above:							
COVID-19 related losses	\$ —	\$ 1	\$ 1	\$ —	\$ —	\$ 2	\$ —
Current accident year catastrophe losses:							
Catastrophe reinstatement premium	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
Catastrophe loss	1	2	2	—	—	4	1
Total current accident year catastrophe losses	\$ 1	\$ 2	\$ 2	\$ —	\$ —	\$ 4	\$ 1
Prior year loss reserve development (favorable) / adverse	\$ 1	\$ 9	\$ 3	\$ 5	\$ 2	\$ 19	\$ 6
Combined ratio:							
Loss and LAE ratio	62.3%	80.2%	78.6%	76.9%	73.9%	77.6%	75.4%
Underwriting expense ratio	42.3%	36.7%	37.0%	37.3%	43.8%	38.5%	37.9%
Combined ratio	104.6%	116.9%	115.6%	114.2%	117.7%	116.1%	113.3%
Combined ratio excl. COVID-19 related losses, catastrophe losses, and prior year loss reserve development	100.2%	92.5%	107.8%	100.3%	113.4%	103.1%	108.9%

	Three Months Ended				Twelve Months Ended		
	3/31/21	12/31/20	9/30/20	6/30/20	3/31/20	12/31/20	12/31/19
Pretax Annuity earnings historically reported as core operating:							
Net investment income (a)	\$ 366	\$ 368	\$ 418	\$ 421	\$ 428	\$ 1,635	\$ 1,682
Alternative investments MTM to be retained by Annuity	76	42	37	(46)	(18)	15	77
Alternative investments MTM to be retained by AFG	29	19	9	9	12	49	33
Guaranteed withdrawal benefit fees	17	17	18	17	17	69	67
Policy charges and other miscellaneous income	14	19	17	13	18	67	52
Total revenues	502	465	499	414	457	1,835	1,911
Annuity benefits (a)	238	242	282	274	287	1,085	1,107
Acquisition expenses	66	68	64	62	71	265	256
Other expenses (a)	32	26	32	36	32	126	139
Total costs and expenses	336	336	378	372	390	1,476	1,502
Pretax Annuity earnings historically reported as core operating earnings							
	\$ 166	\$ 129	\$ 121	\$ 42	\$ 67	\$ 359	\$ 409
Impact of fair value, reinsurance accounting & unlocking	\$ 22	\$ (48)	\$ (43)	\$ (59)	\$ (38)	\$ (188)	\$ (47)
Realized gains (losses)	81	470	22	96	(223)	365	132
Run-off life and long-term care	—	(2)	(3)	—	(3)	(8)	1
Pretax earnings of businesses to be sold to Mass Mutual	\$ 269	\$ 549	\$ 97	\$ 79	\$ (197)	\$ 528	\$ 495
Less amounts included in continuing operations	(28)	(9)	(3)	(1)	(6)	(19)	(21)
Pretax results from discontinued operations	\$ 241	\$ 540	\$ 94	\$ 78	\$ (203)	\$ 509	\$ 474
Taxes	(89)	(113)	(18)	(14)	43	(102)	(96)
Net earnings from discontinued operations	\$ 152	\$ 427	\$ 76	\$ 64	\$ (160)	\$ 407	\$ 378

(a) The decreases in Net Investment Income, Annuity Benefits, and Other Expenses beginning in Q4 2020 reflect the impact of the Annuity Segment's October 2020 block reinsurance transaction.



	<u>3/31/21</u>	<u>12/31/20</u>	<u>9/30/20</u>	<u>6/30/20</u>	<u>3/31/20</u>	<u>12/31/19</u>
Assets:						
Total cash and investments	\$13,900	\$13,494	\$13,685	\$13,216	\$12,346	\$12,886
Recoverables from reinsurers	3,231	3,288	3,324	3,132	3,116	3,134
Prepaid reinsurance premiums	755	768	862	733	708	678
Agents' balances and premiums receivable	1,209	1,229	1,382	1,363	1,299	1,333
Deferred policy acquisition costs	244	244	269	296	310	322
Assets of managed investment entities	5,102	4,971	4,717	4,393	4,026	4,736
Other receivables	576	678	854	539	525	630
Assets of discontinued annuity operations	48,139	47,885	46,947	46,183	44,250	45,433
Other assets	865	977	1,018	954	1,030	918
Goodwill	176	176	176	176	176	176
Total assets	<u>\$74,197</u>	<u>\$73,710</u>	<u>\$73,234</u>	<u>\$70,985</u>	<u>\$67,786</u>	<u>\$70,246</u>
Liabilities and Equity:						
Unpaid losses and loss adjustment expenses	\$10,384	\$10,392	\$10,754	\$10,321	\$10,106	\$10,232
Unearned premiums	2,821	2,803	3,015	2,778	2,808	2,830
Payable to reinsurers	753	807	977	746	779	814
Liabilities of managed investment entities	5,045	4,914	4,666	4,355	4,009	4,687
Long-term debt	1,963	1,963	2,108	1,912	1,473	1,473
Other liabilities	1,653	1,584	1,650	1,597	1,498	1,537
Liabilities of discontinued annuity operations	44,893	44,458	43,724	43,150	42,066	42,404
Total liabilities	<u>\$67,512</u>	<u>\$66,921</u>	<u>\$66,894</u>	<u>\$64,859</u>	<u>\$62,739</u>	<u>\$63,977</u>
Shareholders' equity:						
Common stock	\$ 85	\$ 86	\$ 87	\$ 89	\$ 90	\$ 90
Capital surplus	1,279	1,281	1,283	1,299	1,309	1,307
Retained earnings	4,354	4,149	3,737	3,685	3,616	4,009
Unrealized gains - fixed maturities	963	1,255	1,212	1,030	16	862
Unrealized gains (losses) - fixed maturity-related cash flow hedges	27	41	41	47	44	17
Other comprehensive income, net of tax	(23)	(23)	(20)	(24)	(28)	(16)
Total shareholders' equity	<u>6,685</u>	<u>6,789</u>	<u>6,340</u>	<u>6,126</u>	<u>5,047</u>	<u>6,269</u>
Total liabilities and equity	<u>\$74,197</u>	<u>\$73,710</u>	<u>\$73,234</u>	<u>\$70,985</u>	<u>\$67,786</u>	<u>\$70,246</u>

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



	<u>3/31/21</u>	<u>12/31/20</u>	<u>9/30/20</u>	<u>6/30/20</u>	<u>3/31/20</u>	<u>12/31/19</u>
Shareholders' equity	\$ 6,685	\$ 6,789	\$ 6,340	\$ 6,126	\$ 5,047	\$ 6,269
Unrealized (gains) related to fixed maturities	(990)	(1,296)	(1,253)	(1,077)	(60)	(879)
Adjusted shareholders' equity	5,695	5,493	5,087	5,049	4,987	5,390
Goodwill from continuing and discontinued operations	(207)	(207)	(207)	(207)	(207)	(207)
Intangibles	(31)	(34)	(34)	(37)	(40)	(43)
Tangible adjusted shareholders' equity	\$ 5,457	\$ 5,252	\$ 4,846	\$ 4,805	\$ 4,740	\$ 5,140
Common shares outstanding	85.126	86.345	87.267	88.659	89.827	90.304
Book value per share:						
Book value per share	\$ 78.53	\$ 78.62	\$ 72.65	\$ 69.10	\$ 56.18	\$ 69.43
Adjusted (a)	66.89	63.61	58.29	56.95	55.52	59.70
Tangible, adjusted (b)	64.10	60.82	55.53	54.20	52.77	56.93
Market capitalization						
AFG's closing common share price	\$ 114.10	\$ 87.62	\$ 66.98	\$ 63.46	\$ 70.08	\$ 109.65
Market capitalization	\$ 9,713	\$ 7,566	\$ 5,845	\$ 5,626	\$ 6,295	\$ 9,902
Price / Adjusted book value ratio	1.71	1.38	1.15	1.11	1.26	1.84

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

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



	<u>3/31/21</u>	<u>12/31/20</u>	<u>9/30/20</u>	<u>6/30/20</u>	<u>3/31/20</u>	<u>12/31/19</u>
AFG senior obligations	\$1,318	\$ 1,318	\$ 1,318	\$ 1,318	\$1,018	\$1,018
Borrowings drawn under credit facility	—	—	—	—	—	—
Debt excluding subordinated debt	\$1,318	\$ 1,318	\$ 1,318	\$ 1,318	\$1,018	\$1,018
AFG subordinated debentures	675	675	825	625	475	475
Total principal amount of long-term debt	\$1,993	\$ 1,993	\$ 2,143	\$ 1,943	\$1,493	\$1,493
Shareholders' equity	6,685	6,789	6,340	6,126	5,047	6,269
Noncontrolling interests (including redeemable NCI)	—	—	—	—	—	—
Less:						
Unrealized (gains) related to fixed maturity investments	(990)	(1,296)	(1,253)	(1,077)	(60)	(879)
Total adjusted capital	\$7,688	\$ 7,486	\$ 7,230	\$ 6,992	\$6,480	\$6,883
Ratio of debt to total adjusted capital:						
Including subordinated debt	25.9%	26.6%	29.6%	27.8%	23.0%	21.7%
Excluding subordinated debt	17.1%	17.6%	18.2%	18.9%	15.7%	14.8%



	<u>Three Months Ended</u>				<u>Twelve Months Ended</u>	
	<u>3/31/21</u>	<u>12/31/20</u>	<u>9/30/20</u>	<u>6/30/20</u>	<u>3/31/20</u>	<u>12/31/19</u>
<u>Property and Casualty Insurance</u>						
Paid Losses (GAAP)	\$ 674	\$ 758	\$ 646	\$ 601	\$ 751	\$ 2,866
<u>GAAP Equity (excluding AOCI)</u>						
	<u>3/31/21</u>	<u>12/31/20</u>	<u>9/30/20</u>	<u>6/30/20</u>	<u>3/31/20</u>	<u>12/31/19</u>
Property and Casualty Insurance	\$ 4,571	\$ 4,458	\$ 4,154	\$ 3,945	\$ 3,800	\$ 4,043
Annuity	3,012	2,893	2,659	2,579	2,512	2,715
Parent and other subsidiaries	(1,865)	(1,835)	(1,706)	(1,451)	(1,297)	(1,352)
AFG GAAP Equity (excluding AOCI)	\$ 5,718	\$ 5,516	\$ 5,107	\$ 5,073	\$ 5,015	\$ 5,406
<u>Allowable dividends without regulatory approval</u>						
Property and Casualty Insurance	\$ 416	\$ 416	\$ 565	\$ 565	\$ 565	\$ 565
Annuity and Run-off	289	289	287	287	287	287
Total	\$ 705	\$ 705	\$ 852	\$ 852	\$ 852	\$ 852

Carrying Value - March 31, 2021

	Property and Casualty Insurance	Parent and Other Non- Insurance (a)	Consolidate CLOs	Total AFG Consolidated	% of Investment Portfolio
Total cash and investments:					
Cash and cash equivalents	\$ 1,454	\$ 237	\$ —	\$ 1,691	12%
Fixed maturities — Available for sale	9,282	7	—	9,289	67%
Fixed maturities — Trading	26	—	—	26	0%
Equity securities — common stocks	461	75	—	536	4%
Equity securities — perpetual preferred	408	—	—	408	3%
Investments accounted for using the equity method	861	463	—	1,324	9%
Mortgage loans	408	—	—	408	3%
Real estate and other investments	124	151	(57)	218	2%
Total cash and investments	\$ 13,024	\$ 933	\$ (57)	\$ 13,900	100%

Carrying Value - December 31, 2020

	Property and Casualty Insurance	Parent and Other Non- Insurance (a)	Consolidate CLOs	Total AFG Consolidated	% of Investment Portfolio
Total cash and investments:					
Cash and cash equivalents	\$ 1,408	\$ 257	\$ —	\$ 1,665	12%
Fixed maturities — Available for sale	9,076	8	—	9,084	67%
Fixed maturities — Trading	24	—	—	24	0%
Equity securities — common stocks	438	72	—	510	4%
Equity securities — perpetual preferred	379	—	—	379	3%
Investments accounted for using the equity method	806	429	—	1,235	9%
Mortgage loans	377	—	—	377	3%
Real estate and other investments	125	151	(56)	220	2%
Total cash and investments	\$ 12,633	\$ 917	\$ (56)	\$ 13,494	100%

- (a) On January 27, 2021, AFG entered into a definitive agreement to sell its annuity subsidiaries to Mass Mutual (which includes the run-off life and long term care business). As part of the sale of the annuity business, AFG will acquire approximately \$460 million in real estate-related partnerships and approximately \$100 million in directly owned real estate from GALIC.

	Three Months Ended					Twelve Months Ended	
	3/31/21	12/31/20	9/30/20	6/30/20	3/31/20	12/31/20	12/31/19
Property and Casualty Insurance:							
Gross Investment Income							
Fixed maturities - Available for sale	\$ 72	\$ 71	\$ 72	\$ 75	\$ 81	\$ 299	\$ 310
Fixed maturities - Trading	—	—	—	—	1	1	3
Equity securities - dividends	8	7	8	8	10	33	49
Equity securities - MTM	23	8	(3)	2	3	10	9
Equity in investees	49	27	27	(15)	11	50	64
AFG managed CLOs	5	6	4	—	(11)	(1)	1
Other investments (a)	4	4	5	3	6	18	42
Gross investment income	161	123	113	73	101	410	478
Investment expenses	(2)	(1)	(2)	(1)	(2)	(6)	(6)
Total net investment income	\$ 159	\$ 122	\$ 111	\$ 72	\$ 99	\$ 404	\$ 472
Average cash and investments (b)	\$12,573	\$12,135	\$11,764	\$11,454	\$11,457	\$11,760	\$11,348
Average yield (c)	5.06%	4.02%	3.77%	2.51%	3.46%	3.44%	4.16%
AFG consolidated net investment income:							
Property & Casualty core	\$ 159	\$ 122	\$ 111	\$ 72	\$ 99	\$ 404	\$ 472
Neon exited lines non-core	—	—	1	—	(6)	(5)	—
Equity in Investees (d)	29	19	9	9	12	49	33
Other Investments (d)	—	1	1	(2)	—	—	4
Parent & other	5	11	4	9	(12)	12	24
Consolidate CLOs	(5)	(6)	(4)	—	11	1	(1)
Total net investment income	\$ 188	\$ 147	\$ 122	\$ 88	\$ 104	\$ 461	\$ 532

- (a) Includes income from mortgage loans, real estate, policy loans, short-term investments, and cash equivalents.
- (b) Average cash and investments is the average of the beginning and ending quarter balances, or the average of the five quarters balances.
- (c) Average yield is calculated by dividing investment income for the quarter by the average cash and investment balance over the quarter.
- (d) On January 27, 2021, AFG entered into a definitive agreement to sell its annuity subsidiaries to Mass Mutual (which includes the run-off life and long term care business). As part of the sale of the annuity business, AFG will retain approximately \$460 million in real estate-related partnerships and approximately \$100 million in directly owned real estate from GALIC. Investment income from these assets to be retained are included in continuing operations.

	Three Months Ended					Twelve Months Ended	
	3/31/21	12/31/20	9/30/20	6/30/20	3/31/20	12/31/20	12/31/19
Property and Casualty Insurance:							
Net Investment Income							
Equity securities MTM through investment income (a)	\$ 23	\$ 8	\$ (3)	\$ 2	\$ 3	\$ 10	\$ 9
Investments accounted for using the equity method (b)	49	27	27	(15)	11	50	64
AFG managed CLOs (eliminated in consolidation)	5	6	4	—	(11)	(1)	1
Total Property & Casualty	\$ 77	\$ 41	\$ 28	\$ (13)	\$ 3	\$ 59	\$ 74
Investments							
Equity securities MTM through investment income (a)	\$ 159	\$ 129	\$ 109	\$ 95	\$ 86	\$ 129	\$ 71
Investments accounted for using the equity method (b)	861	806	778	755	736	806	703
AFG managed CLOs (eliminated in consolidation)	57	57	46	39	40	57	48
Total Property & Casualty	\$1,077	\$ 992	\$ 933	\$ 889	\$ 862	\$ 992	\$ 822
Annualized Yield - Property & Casualty	29.8%	17.0%	12.3%	(5.9%)	1.4%	6.6%	10.3%
Continuing Operations (c):							
Net Investment Income							
Equity securities MTM through investment income (a)	\$ 23	\$ 8	\$ (3)	\$ 2	\$ 3	\$ 10	\$ 9
Investments accounted for using the equity method (b)	78	46	36	(6)	23	99	97
AFG managed CLOs (eliminated in consolidation)	5	6	4	—	(11)	(1)	1
Total Continuing operations	\$ 106	\$ 60	\$ 37	\$ (4)	\$ 15	\$ 108	\$ 107
Investments							
Equity securities MTM through investment income (a)	\$ 159	\$ 129	\$ 109	\$ 95	\$ 86	\$ 129	\$ 71
Investments accounted for using the equity method (b)	1,324	1,235	1,194	1,150	1,095	1,235	1,028
AFG managed CLOs (eliminated in consolidation)	57	57	46	39	40	57	48
Total Continuing operations	\$1,540	\$1,421	\$1,349	\$1,284	\$1,221	\$1,421	\$1,147
Annualized Yield - Continuing operations	28.6%	17.3%	11.2%	(1.3%)	5.1%	8.4%	10.7%

- (a) AFG carries the small portion of its equity securities previously classified as “trading” and investments in limited partnerships and similar investments that aren’t accounted for using the equity method at fair value through net investment income.
- (b) The majority of AFG’s investments accounted for using the equity method mark their underlying assets to market through net income.
- (c) On January 27, 2021, AFG entered into a definitive agreement to sell its annuity subsidiaries to Mass Mutual (which includes the run-off life and long term care business). As part of the sale of the annuity business, AFG will retain approximately \$460 million in real estate-related partnerships and approximately \$100 million in directly owned real estate from GALIC. Investment income from these assets to be retained are included in continuing operations.



March 31, 2021 (a)	Book Value (d)	Fair Value	Unrealized Gain (Loss)	% of Fair Value	% of Investment Portfolio
US Government and government agencies	\$ 212	\$ 215	\$ 3	2%	2%
States, municipalities and political subdivisions	2,076	2,167	91	24%	16%
Foreign government	211	213	2	2%	2%
Residential mortgage-backed securities	796	847	51	9%	6%
Commercial mortgage-backed securities	106	109	3	1%	1%
Collateralized loan obligations	1,130	1,131	1	12%	8%
Other asset-backed securities	2,170	2,188	18	24%	16%
Corporate and other bonds	2,374	2,445	71	26%	18%
Total AFG consolidated	\$ 9,075	\$ 9,315	\$ 240	100%	69%

Annualized yield on available for sale fixed maturities:

Excluding investment expense (b)	3.23%
Net of investment expense (b)	3.16%
Tax equivalent, net of investment expense (c)	3.34%

Approximate average life and duration:

Approximate average life	4 years
Approximate duration	3 years

December 31, 2020 (a)	Book Value (d)	Fair Value	Unrealized Gain (Loss)	% of Fair Value	% of Investment Portfolio
US Government and government agencies	\$ 192	\$ 198	\$ 6	2%	1%
States, municipalities and political subdivisions	2,196	2,312	116	25%	17%
Foreign government	193	197	4	2%	1%
Residential mortgage-backed securities	859	915	56	10%	7%
Commercial mortgage-backed securities	89	92	3	1%	1%
Collateralized loan obligations	1,062	1,062	—	12%	8%
Other asset-backed securities	2,033	2,047	14	23%	15%
Corporate and other bonds	2,200	2,285	85	25%	17%
Total AFG consolidated	\$ 8,824	\$ 9,108	\$ 284	100%	67%

Annualized yield on available for sale fixed maturities:

Excluding investment expense (b)	3.32%
Net of investment expense (b)	3.26%
Tax equivalent, net of investment expense (c)	3.40%

Approximate average life and duration:

Approximate average life	4 years
Approximate duration	3 years

- (a) Excludes \$34.79 billion at March 31, 2021 and \$34.17 billion at December 31, 2020 in fair value related to fixed maturities that are held in assets of discontinued annuity operations.
- (b) Annualized yield is calculated by dividing investment income for the quarter by the average cost over the quarter. Average cost is the average of the beginning and ending quarter asset balances.
- (c) Adjusts the yield on tax-exempt bonds to the fully taxable equivalent yield.
- (d) Book Value is amortized cost, net of allowance for expected credit losses.

Appendix A
American Financial Group, Inc.
Fixed Maturities by Credit Rating & NAIC Designation by Type
3/31/2021
(\$ in millions)



By Credit Rating (a)	Fair Value by Type									
	US Gov	Munis	Frgn Gov	RMBS	CMBS	CLOs	ABS	Corp/Oth	Total	% Total
Investment grade										
AAA	\$ 215	\$ 859	\$ 200	\$ 448	\$ 79	\$ 895	\$ 940	\$ 46	\$3,682	40%
AA	—	1,201	—	18	10	166	420	170	1,985	21%
A	—	86	—	29	1	60	414	639	1,229	13%
BBB	—	9	3	9	12	9	221	978	1,241	13%
Subtotal - Investment grade	215	2,155	203	504	102	1,130	1,995	1,833	8,137	87%
BB	—	—	—	9	7	—	2	120	138	2%
B	—	—	—	23	—	—	10	28	61	1%
CCC, CC, C	—	—	—	162	—	—	—	9	171	2%
D	—	—	—	32	—	—	—	—	32	0%
Subtotal - Non-Investment grade	—	—	—	226	7	—	12	157	402	5%
Not Rated (b)	—	12	10	117	—	1	181	455	776	8%
Total	\$ 215	\$2,167	\$ 213	\$ 847	\$ 109	\$1,131	\$2,188	\$ 2,445	\$9,315	100%

NAIC designation	Fair Value by type									
	US Gov	Munis	Frgn gov	RMBS	CMBS	CLOs	ABS	Corp/Oth	Total	% Total
1	\$ 215	\$2,157	\$ 190	\$ 818	\$ 100	\$1,120	\$1,952	\$ 1,249	\$7,801	84%
2	—	9	—	3	2	9	221	1,008	1,252	14%
Subtotal	215	2,166	190	821	102	1,129	2,173	2,257	9,053	98%
3	—	—	—	4	7	—	2	119	132	1%
4	—	—	—	3	—	—	10	41	54	1%
5	—	—	—	10	—	1	2	22	35	0%
6	—	—	—	1	—	—	—	2	3	0%
Subtotal	—	—	—	18	7	1	14	184	224	2%
No designation (c)	—	1	23	8	—	1	1	4	38	0%
Total	\$ 215	\$2,167	\$ 213	\$ 847	\$ 109	\$1,131	\$2,188	\$ 2,445	\$9,315	100%

- (a) If two agencies rate a security, the rating displayed above is the lower of the two; if three or more agencies rate a security, the rating displayed is the second lowest.
- (b) For ABS, 98% are NAIC 1.
For Corp/Oth, 87% are NAIC 1, 6% NAIC 2, 2% NAIC 3, 2% NAIC 4, 3% NAIC 5.
For Total, 89% are NAIC 1, 4% NAIC 2, 2% NAIC 3, 2% NAIC 4, 3% NAIC 5.
- (c) Primarily relates to securities held by non-insurance companies.

Appendix B
American Financial Group, Inc.
Fixed Maturities by Credit Rating & NAIC Designation by Type
12/31/2020
(\$ in millions)



By Credit Rating (a)	Fair Value by Type									
	US Gov	Munis	Frgn Gov	RMBS	CMBS	CLOs	ABS	Corp/Oth	Total	% Total
Investment grade										
AAA	\$ 198	\$ 922	\$ 179	\$ 492	\$ 62	\$ 801	\$ 889	\$ 41	\$3,584	39%
AA	—	1,271	—	20	8	179	407	163	2,048	22%
A	—	97	—	31	1	72	330	620	1,151	13%
BBB	—	9	2	10	14	9	208	887	1,139	13%
Subtotal - Investment grade	198	2,299	181	553	85	1,061	1,834	1,711	7,922	87%
BB	—	—	—	10	6	—	2	95	113	1%
B	—	—	—	24	—	—	10	30	64	1%
CCC, CC, C	—	—	—	170	1	—	—	13	184	2%
D	—	—	—	38	—	—	—	—	38	0%
Subtotal - Non-Investment grade	—	—	—	242	7	—	12	138	399	4%
Not Rated (b)	—	13	16	120	—	1	201	436	787	9%
Total	\$ 198	\$2,312	\$ 197	\$ 915	\$ 92	\$1,062	\$2,047	\$ 2,285	\$9,108	100%

NAIC designation	Fair Value by type									
	US Gov	Munis	Frgn gov	RMBS	CMBS	CLOs	ABS	Corp/Oth	Total	% Total
1	\$ 198	\$2,302	\$ 176	\$ 883	\$ 83	\$1,051	\$1,823	\$ 1,203	\$7,719	85%
2	—	9	—	2	2	9	208	907	1,137	12%
Subtotal	198	2,311	176	885	85	1,060	2,031	2,110	8,856	97%
3	—	—	—	7	7	—	2	95	111	1%
4	—	—	—	2	—	—	10	49	61	1%
5	—	—	—	10	—	1	2	28	41	1%
6	—	—	—	2	—	—	—	1	3	0%
Subtotal	—	—	—	21	7	1	14	173	216	3%
No designation (c)	—	1	21	9	—	1	2	2	36	0%
Total	\$ 198	\$2,312	\$ 197	\$ 915	\$ 92	\$1,062	\$2,047	\$ 2,285	\$9,108	100%

- (a) If two agencies rate a security, the rating displayed above is the lower of the two; if three or more agencies rate a security, the rating displayed is the second lowest.
- (b) For ABS, 98% are NAIC 1.
For Corp/Oth, 87% are NAIC 1, 4% NAIC 2, 2% NAIC 3, 4% NAIC 4, 3% NAIC 5.
For Total, 90% are NAIC 1, 2% NAIC 2, 2% NAIC 3, 2% NAIC 4, 3% NAIC 5.
- (c) Primarily relates to securities held by non-insurance companies.

Appendix C
American Financial Group, Inc.
Corporate Securities by Credit Rating & NAIC Designation by Industry
3/31/2021
(\$ in millions)



Credit Rating (a)	Fair Value By Industry																		% Total		
	Banking	Other Financials	Insurance	Asset Managers	Technology	Energy	Healthcare	Consumer	REITs	Capital Goods	Utilities	Basic Industry	Media	Autos	Communications	Retailers	Aviation	Restaurants, Hospitality & Leisure		Other	
Investment Grade																					
AAA	\$ —	\$ —	\$ —	\$ —	\$ 10	\$ —	\$ 10	\$ 11	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 13	\$ —	\$ —	\$ —	\$ 2	\$ 46	29
AA	28	7	35	—	28	37	12	5	15	—	—	—	—	—	—	—	—	—	3	170	79
A	120	44	115	69	24	23	22	49	21	62	26	1	—	28	26	—	4	—	5	639	269
BBB	172	85	20	241	79	32	42	36	34	13	6	18	3	117	36	1	16	6	21	978	409
Subtotal	320	136	170	310	141	92	86	101	70	75	32	19	3	145	75	1	20	6	31	1,833	759
BB	—	6	6	—	20	12	9	35	—	5	—	4	—	12	1	7	2	1	—	120	59
B	—	—	—	—	2	—	3	4	14	—	—	—	—	4	—	—	1	—	—	28	19
CCC, CC, C	—	—	—	—	2	—	—	2	—	—	—	—	—	—	—	—	—	5	—	9	09
D	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	09
Subtotal	—	6	6	—	24	12	12	41	14	5	—	4	—	16	1	7	3	6	—	157	69
Not Rated (b)	—	375	9	22	2	—	2	12	13	1	—	—	17	—	—	—	—	1	1	455	199
Total	\$ 320	\$ 517	\$ 185	\$ 332	\$ 167	\$ 104	\$ 100	\$ 154	\$ 97	\$ 81	\$ 32	\$ 23	\$ 20	\$ 161	\$ 76	\$ 8	\$ 23	\$ 13	\$ 32	\$ 2,445	100%

NAIC designation	Fair Value By Industry																		% Total		
	Banking	Other Financials	Insurance	Asset Managers	Technology	Energy	Healthcare	Consumer	REITs	Capital Goods	Utilities	Basic Industry	Media	Autos	Communications	Retailers	Aviation	Restaurants, Hospitality & Leisure		Other	
1	\$ 148	\$ 419	\$ 158	\$ 68	\$ 66	\$ 60	\$ 46	\$ 67	\$ 36	\$ 63	\$ 26	\$ 1	\$ 13	\$ 27	\$ 39	\$ —	\$ 4	\$ —	\$ 8	\$ 1,249	51
2	172	91	22	264	79	32	41	36	34	14	5	18	4	117	36	1	16	6	20	1,008	41
Subtotal	320	510	180	332	145	92	87	103	70	77	31	19	17	144	75	1	20	6	28	2,257	92
3	—	6	4	—	15	12	8	35	6	4	1	4	—	12	1	7	2	2	—	119	5
4	—	—	—	—	2	—	4	8	21	—	—	—	—	5	—	—	1	—	—	41	2
5	—	—	1	—	5	—	1	7	—	—	—	—	3	—	—	—	—	5	—	22	1
6	—	1	—	—	—	—	—	1	—	—	—	—	—	—	—	—	—	—	—	2	0
Subtotal	—	7	5	—	22	12	13	51	27	4	1	4	3	17	1	7	3	7	—	184	8
No designation (c)	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	4	0
Total	\$ 320	\$ 517	\$ 185	\$ 332	\$ 167	\$ 104	\$ 100	\$ 154	\$ 97	\$ 81	\$ 32	\$ 23	\$ 20	\$ 161	\$ 76	\$ 8	\$ 23	\$ 13	\$ 32	\$ 2,445	100%

(a) If two agencies rate a security, the rating displayed above is the lower of the two; if three or more agencies rate a security, the rating displayed is the second lowest.
(b) For Other Financials, 98% are NAIC 1.
For the Total, 87% are NAIC 1, 6% NAIC 2, 2% NAIC 3, 2% NAIC 4, 3% NAIC 5.
(c) Primarily relates to securities held by non-insurance companies.

Appendix D
American Financial Group, Inc.
Corporate Securities by Credit Rating & NAIC Designation by Industry
12/31/2020
(\$ in millions)



Fair Value By Industry

Credit Rating (a)	Fair Value By Industry																	Total	%		
	Banking	Other Financials	Insurance	Asset Managers	Technology	Energy	Healthcare	Consumer	REITs	Capital Goods	Utilities	Basic Industry	Media	Autos	Communications	Retailers	Aviation			Restaurants, Hospitality & Leisure	Other
Investment Grade																					
AAA	\$ —	\$ —	\$ —	\$ —	\$ 16	\$ —	\$ 10	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 13	\$ —	\$ —	\$ —	\$ 2	\$ 41	29
AA	28	12	35	8	23	37	12	5	—	—	—	—	—	—	—	—	—	—	3	163	79
A	121	39	96	53	24	25	22	50	36	63	27	1	—	28	26	—	4	—	5	620	279
BBB	190	65	21	147	81	33	45	36	23	13	5	19	4	119	37	1	16	6	26	887	399
Subtotal	339	116	152	208	144	95	89	91	59	76	32	20	4	147	76	1	20	6	36	1,711	759
BB	—	9	6	—	16	13	4	21	—	4	1	4	—	11	1	2	1	2	—	95	49
B	—	—	—	—	2	3	3	3	15	—	—	1	—	—	—	2	1	—	—	30	19
CCC, CC, C	—	—	—	—	2	—	1	2	—	—	—	2	—	—	—	1	—	5	—	13	19
D	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	0
Subtotal	—	9	6	—	20	16	8	26	15	4	1	7	—	11	1	5	2	7	—	138	69
Not Rated (b)	—	385	8	—	3	—	—	7	13	2	—	—	16	—	—	—	—	2	—	436	199
Total	\$ 339	\$ 510	\$ 166	\$ 208	\$ 167	\$ 111	\$ 97	\$ 124	\$ 87	\$ 82	\$ 33	\$ 27	\$ 20	\$ 158	\$ 77	\$ 6	\$ 22	\$ 15	\$ 36	\$ 2,285	100%

Fair Value By Industry

NAIC designation	Fair Value By Industry																	Total	%		
	Banking	Other Financials	Insurance	Asset Managers	Technology	Energy	Healthcare	Consumer	REITs	Capital Goods	Utilities	Basic Industry	Media	Autos	Communications	Retailers	Aviation			Restaurants, Hospitality & Leisure	Other
1	\$ 149	\$ 432	\$ 131	\$ 62	\$ 63	\$ 62	\$ 45	\$ 55	\$ 35	\$ 63	\$ 27	\$ 1	\$ —	\$ 28	\$ 39	\$ —	\$ 4	\$ —	\$ 7	\$ 1,203	7
2	190	69	22	146	81	33	45	36	24	14	5	19	17	119	37	1	16	6	27	907	40
Subtotal	339	501	153	208	144	95	90	91	59	77	32	20	17	147	76	1	20	6	34	2,110	91
3	—	9	4	—	14	13	3	20	5	4	1	4	—	11	1	2	1	3	—	95	4
4	—	—	8	—	2	3	4	5	23	—	—	1	—	—	—	2	1	—	—	49	2
5	—	—	1	—	6	—	—	8	—	1	—	2	3	—	—	1	—	6	—	28	1
6	—	—	—	—	1	—	—	—	—	—	—	—	—	—	—	—	—	—	—	1	0
Subtotal	—	9	13	—	23	16	7	33	28	5	1	7	3	11	1	5	2	9	—	173	8
No designation (c)	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	2	0
Total	\$ 339	\$ 510	\$ 166	\$ 208	\$ 167	\$ 111	\$ 97	\$ 124	\$ 87	\$ 82	\$ 33	\$ 27	\$ 20	\$ 158	\$ 77	\$ 6	\$ 22	\$ 15	\$ 36	\$ 2,285	100%

- (a) If two agencies rate a security, the rating displayed above is the lower of the two; if three or more agencies rate a security, the rating displayed is the second lowest.
- (b) For Other Financials, 99% are NAIC 1.
For the Total, 87% are NAIC 1, 4% NAIC 2, 2% NAIC 3, 4% NAIC 4, 3% NAIC 5.
- (c) Primarily relates to securities held by non-insurance companies.

Appendix E
American Financial Group, Inc.
Asset-Backed Securities by Credit Rating & NAIC Designation by Collateral Type
3/31/2021
(\$ in millions)



Credit Rating (a)	Fair Value By Collateral Type											Total	% Total
	Secured Financing (c)	TruPS	Whole Business	Railcar	Commercial Real Estate	Single Family Rental	Aircraft	Mortgage Servicer Receivables	Consumer Loans	Other			
Investment Grade													
AAA	\$ —	\$ —	\$ —	\$ —	\$ 485	\$ 128	\$ —	\$ 39	\$ 56	\$ 232	\$ 940	43%	
AA	64	171	40	—	12	39	—	—	42	52	420	19%	
A	47	35	4	153	—	6	40	—	40	89	414	19%	
BBB	2	—	138	—	—	—	32	46	—	3	221	10%	
Subtotal	113	206	182	153	497	173	72	85	138	376	1,995	91%	
BB	—	—	—	—	—	—	2	—	—	—	2	0%	
B	1	—	—	—	—	—	8	—	—	1	10	1%	
CCC, CC, C	—	—	—	—	—	—	—	—	—	—	—	0%	
D	—	—	—	—	—	—	—	—	—	—	—	0%	
Subtotal	1	—	—	—	—	—	10	—	—	1	12	1%	
Not Rated (b)	146	—	—	—	—	—	3	—	—	32	181	8%	
Total	\$ 260	\$ 206	\$ 182	\$ 153	\$ 497	\$ 173	\$ 85	\$ 85	\$ 138	\$ 409	\$2,188	100%	

NAIC designation	Fair Value By Collateral Type											Total	% Total
	Secured Financing (c)	TruPS	Whole Business	Railcar	Commercial Real Estate	Single Family Rental	Aircraft	Mortgage Servicer Receivables	Consumer Loans	Other			
1	\$ 257	\$ 206	\$ 44	\$ 153	\$ 497	\$ 173	\$ 40	\$ 39	\$ 138	\$ 405	\$1,952	89%	
2	2	—	138	—	—	—	32	46	—	3	221	10%	
Subtotal	259	206	182	153	497	173	72	85	138	408	2,173	99%	
3	—	—	—	—	—	—	2	—	—	—	2	0%	
4	1	—	—	—	—	—	8	—	—	1	10	1%	
5	—	—	—	—	—	—	2	—	—	—	2	0%	
6	—	—	—	—	—	—	—	—	—	—	—	0%	
Subtotal	1	—	—	—	—	—	12	—	—	1	14	1%	
No designation (d)	—	—	—	—	—	—	1	—	—	—	1	0%	
Total	\$ 260	\$ 206	\$ 182	\$ 153	\$ 497	\$ 173	\$ 85	\$ 85	\$ 138	\$ 409	\$2,188	100%	

- (a) If two agencies rate a security, the rating displayed above is the lower of the two; if three or more agencies rate a security, the rating displayed is the second lowest.
- (b) 98% of not rated securities are NAIC 1.
- (c) Secured Financings are privately placed funding agreements secured by assets including Single Family Rental properties, Bank Loans, Bank Trust Preferreds, Commercial and Residential Mortgages.
- (d) Primarily relates to securities held by non-insurance companies.

Appendix F
American Financial Group, Inc.
Asset-Backed Securities by Credit Rating & NAIC Designation by Collateral Type
12/31/2020
(\$ in millions)



Credit Rating (a)	Fair Value By Collateral Type											Total	% Total
	Secured Financing (c)	TruPS	Whole Business	Railcar	Commercial Real Estate	Single Family Rental	Aircraft	Mortgage Servicer Receivables	Consumer Loans	Other			
Investment Grade													
AAA	\$ —	\$ —	\$ —	\$ —	\$ 427	\$ 151	\$ —	\$ 39	\$ 53	\$ 219	\$ 889	43%	
AA	61	173	41	—	6	46	—	—	33	47	407	20%	
A	13	36	4	140	—	5	38	—	22	72	330	16%	
BBB	—	—	134	—	—	—	30	40	—	4	208	10%	
Subtotal	74	209	179	140	433	202	68	79	108	342	1,834	89%	
BB	—	—	—	—	—	—	2	—	—	—	2	0%	
B	2	—	—	—	—	—	7	—	—	1	10	1%	
CCC, CC, C	—	—	—	—	—	—	—	—	—	—	—	0%	
D	—	—	—	—	—	—	—	—	—	—	—	0%	
Subtotal	2	—	—	—	—	—	9	—	—	1	12	1%	
Not Rated (b)	167	—	—	—	—	—	3	—	—	31	201	10%	
Total	\$ 243	\$ 209	\$ 179	\$ 140	\$ 433	\$ 202	\$ 80	\$ 79	\$ 108	\$ 374	\$2,047	100%	

NAIC designation	Fair Value By Collateral Type											Total	% Total
	Secured Financing (c)	TruPS	Whole Business	Railcar	Commercial Real Estate	Single Family Rental	Aircraft	Mortgage Servicer Receivables	Consumer Loans	Other			
1	\$ 241	\$ 209	\$ 46	\$ 140	\$ 433	\$ 201	\$ 37	\$ 40	\$ 108	\$ 368	\$1,823	89%	
2	1	—	133	—	—	—	31	39	—	4	208	10%	
Subtotal	242	209	179	140	433	201	68	79	108	372	2,031	99%	
3	—	—	—	—	—	—	2	—	—	—	2	0%	
4	1	—	—	—	—	—	7	—	—	2	10	1%	
5	—	—	—	—	—	—	2	—	—	—	2	0%	
6	—	—	—	—	—	—	—	—	—	—	—	0%	
Subtotal	1	—	—	—	—	—	11	—	—	2	14	1%	
No designation (d)	—	—	—	—	—	1	1	—	—	—	2	0%	
Total	\$ 243	\$ 209	\$ 179	\$ 140	\$ 433	\$ 202	\$ 80	\$ 79	\$ 108	\$ 374	\$2,047	100%	

- (a) If two agencies rate a security, the rating displayed above is the lower of the two; if three or more agencies rate a security, the rating displayed is the second lowest.
- (b) 98% of not rated securities are NAIC 1.
- (c) Secured Financings are privately placed funding agreements secured by assets including Single Family Rental properties, Bank Loans, Bank Trust Preferreds, Commercial and Residential Mortgages.
- (d) Primarily relates to securities held by non-insurance companies.

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

<u>Investment Type</u>	<u>Book Value</u>	<u>% of Book Value</u>	<u>Occupancy (b)</u>	<u>Collection Rate (c)</u>
Multi-family	\$ 863	88%	96%	98%
Fund Investments	38	4%	—	—
Student Housing	25	2%	94%	98%
QOZ Fund - Development	19	2%	—	—
Land Development	17	2%	—	—
Office	15	1%	81%	100%
Hospitality	8	1%	—	—
Total	\$ 985	100%		

Real Estate

<u>Property Type</u>	<u>Book Value</u>	<u>% of Book Value</u>	<u>Debt</u>
Marina	\$ 63	39%	\$—
Resort & Marina	55	34%	—
Hotel	23	14%	—
Office Building	17	10%	—
Land	5	3%	—
Total	\$163	100%	\$—

Mortgage Loans

<u>Property Type</u>	<u>Book Value</u>	<u>% of Book Value</u>	<u>Loan To Value (d)</u>
Multifamily	169	41%	66%
Hospitality	160	39%	56%
Office	73	18%	72%
Retail	6	2%	57%
Other	—	0%	—
Total	\$ 408	100%	63%

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

- (a) Total investments accounted for using the equity method is \$1.3 billion, the amounts presented in this table only relate to real estate funds/investments.
- (b) Occupancy as of 3/31/21
- (c) Collections for January - March
- (d) Based on most recent property appraisals, the vast majority of which are prior to March 2020.

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

<u>Investment Type</u>	<u>Book Value</u>	<u>% of Book Value</u>	<u>Occupancy (b)</u>	<u>Collection Rate (c)</u>
Multi-family	\$ 793	87%	96%	98%
Fund Investments	38	4%	—	—
Student Housing	28	3%	94%	98%
Land - Development	17	2%	—	—
QOZ Fund - Development	16	2%	—	—
Office	15	1%	90%	100%
Hospitality	8	1%	—	—
Total	\$ 915	100%		

Real Estate

<u>Property Type</u>	<u>Book Value</u>	<u>% of Book Value</u>	<u>Debt</u>
Marina	\$ 63	39%	\$—
Resort & Marina	56	34%	—
Hotel	23	14%	—
Office Building	17	10%	—
Land	4	3%	—
Total	\$163	100%	\$—

Mortgage Loans

<u>Property Type</u>	<u>Book Value</u>	<u>% of Book Value</u>	<u>Loan To Value</u>
Hospitality	160	42%	56%
Multi-family	138	37%	68%
Office	73	19%	72%
Retail	6	2%	57%
Other	—	0%	—
Total	\$ 377	100%	64%

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

- (a) Total investments accounted for using the equity method is \$1.2 billion, the amounts presented in this table only relate to real estate funds/investments.
- (b) Occupancy as of 12/31/20
- (c) Collections for October - December
- (d) Based on most recent property appraisals, the vast majority of which are prior to March 2020.