

**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): August 2, 2023

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:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock	AFG	New York Stock Exchange
5.875% Subordinated Debentures due March 30, 2059	AFGB	New York Stock Exchange
5.125% 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 second quarter of 2023 and the availability of the Investor Supplement on the Company’s website. The press release was issued on August 2, 2023. A copy of the press release is furnished as Exhibit 99.1 and a copy of the Investor Supplement is furnished as Exhibit 99.2 and are incorporated herein by reference.

The information under Item 2.02 and in Exhibits 99.1 and 99.2 is being furnished and 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 August 2, 2023, reporting American Financial Group Inc. results for the quarter ended June 30, 2023.
99.2	Investor Supplement – Second Quarter 2023
104	Cover page Interactive Date 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: August 3, 2023

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

Press Release

For Immediate Release



American Financial Group, Inc. Announces Second Quarter Results

- Net earnings per share of \$2.34; includes \$0.04 per share loss from after-tax non-core items
- Second quarter core net operating earnings per share of \$2.38
- Second quarter annualized ROE of 17.9%; core operating ROE of 18.2%
- Net written premiums up 10% year-over-year; 5% renewal rate increases excluding workers' compensation
- Full year 2023 core net operating earnings guidance revised to \$10.15 to \$11.15 per share, from \$11.00 to \$12.00 per share estimated previously

CINCINNATI – August 2, 2023 – American Financial Group, Inc. (NYSE: AFG) today reported 2023 second quarter net earnings of \$200 million (\$2.34 per share) compared to \$167 million (\$1.96 per share) for the 2022 second quarter. Net earnings for the 2023 second quarter included after-tax non-core realized losses on securities of \$1 million (\$0.02 per share loss), and a \$1 million loss (\$0.02 per share loss) on retirement of debt. By comparison, net earnings in the 2022 second quarter included net after-tax non-core items that reduced net income by \$76 million (\$0.89 per share loss). Other details may be found in the table on the following page.

Core net operating earnings were \$202 million (\$2.38 per share) for the 2023 second quarter, compared to \$243 million (\$2.85 per share) in the 2022 second quarter. The year-over-year decrease was due primarily to the impact of elevated catastrophe losses and lower favorable prior year reserve development on underwriting profit in the Specialty Property and Casualty (“P&C”) insurance operations compared to the very strong second quarter of 2022. These items were partially offset by significantly higher net investment income in the 2023 second quarter. Additional details for the 2023 and 2022 second quarters may be found in the table below. Core net operating earnings for the second quarters of 2023 and 2022 generated annualized returns on equity of 18.2% and 20.7%, respectively.

Components of Pretax Core Operating Earnings <i>In millions, except per share amounts</i>	Three Months Ended June 30,							
	2023		2022		2023		2022	
	Before Impact of Alternative Investments		Alternative Investments		Core Net Operating Earnings, as reported			
P&C Pretax Core Operating Earnings	\$ 244	\$ 283	\$ 55	\$ 62	\$ 299	\$ 345		
Other expenses	(22)	(14)	—	—	(22)	(14)		
Holding company interest expense	(19)	(23)	—	—	(19)	(23)		
Pretax Core Operating Earnings	203	246	55	62	258	308		
Related provision for income taxes	44	52	12	13	56	65		
Core Net Operating Earnings	\$ 159	\$ 194	\$ 43	\$ 49	\$ 202	\$ 243		
Core Operating Earnings Per Share	\$ 1.87	\$ 2.28	\$0.51	\$0.57	\$ 2.38	\$ 2.85		
Weighted Avg Diluted Shares Outstanding	85.2	85.3	85.2	85.3	85.2	85.3		

AFG’s book value per share was \$47.06 at June 30, 2023. AFG paid cash dividends of \$0.63 per share and repurchased \$43 million of its common stock during the second quarter. For the three months ended June 30, 2023, AFG’s growth in book value per share plus dividends was 3.1% and year to date, growth in book value per share plus dividends was 10.0%. Annualized return on equity was 17.9% and 14.3% for the second quarters of 2023 and 2022, respectively.

Book value per share, excluding unrealized gains (losses) related to fixed maturities, was \$52.90 at June 30, 2023. For the three months ended June 30, 2023, AFG's growth in adjusted book value per share plus dividends was 4.2%. Year to date, growth in adjusted book value per share plus dividends was 8.3%.

AFG's net earnings, 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 to core net operating earnings, a non-GAAP financial measure. AFG believes that its core net operating earnings provides management, financial analysts, ratings agencies and investors with an understanding of the results from the ongoing operations of the Company by excluding the impact of net realized gains and losses and other 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		Six months ended	
	June 30,		June 30,	
	2023	2022	2023	2022
Components of net earnings:				
Core operating earnings before income taxes	\$ 258	\$ 308	\$ 566	\$ 686
<u>Pretax non-core items:</u>				
Realized gains (losses) on securities	(2)	(93)	(48)	(108)
Gain (loss) on retirement of debt	(1)	(9)	1	(11)
Earnings before income taxes	255	206	519	567
Provision (credit) for income taxes:				
Core operating earnings	56	65	117	140
Non-core items	(1)	(26)	(10)	(30)
Total provision for income taxes	55	39	107	110
Net earnings	\$ 200	\$ 167	\$ 412	\$ 457
Net earnings:				
Core net operating earnings ^(a)	\$ 202	\$ 243	\$ 449	\$ 546
<u>Non-core items:</u>				
Realized gains (losses) on securities	(1)	(73)	(38)	(85)
Gain (loss) on retirement of debt	(1)	(7)	1	(8)
Other	—	4	—	4
Net earnings	\$ 200	\$ 167	\$ 412	\$ 457
Components of earnings per share:				
Core net operating earnings ^(a)	\$ 2.38	\$ 2.85	\$ 5.27	\$ 6.41
<u>Non-core Items:</u>				
Realized gains (losses) on securities	(0.02)	(0.86)	(0.45)	(1.00)
Gain (loss) on retirement of debt	(0.02)	(0.08)	0.01	(0.10)
Other	—	0.05	—	0.05
Diluted net earnings per share	\$ 2.34	\$ 1.96	\$ 4.83	\$ 5.36

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

Carl H. Lindner III and S. Craig Lindner, AFG's Co-Chief Executive Officers, issued this statement: "We are pleased to report an annualized core operating return greater than 18% in the second quarter alongside double-digit premium growth. The higher interest rate environment contributed to meaningfully higher year-over-year investment income, and we continue to be pleased with the performance of our alternative investment portfolio, where returns exceeded our expectations during the quarter. These results, coupled with effective capital management and our entrepreneurial, opportunistic culture and disciplined operating philosophy enable us to continue to create value for our shareholders.

"AFG had approximately \$700 million of excess capital at June 30, 2023, which is net of the \$235 million in cash deployed to fund the CRS acquisition on July 3, 2023, and includes parent company cash and investments of approximately \$550 million. 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."

Messrs. Lindner continued, “Based on the results reported in the first half of the year and expectations for the remainder of the year, we now expect AFG’s core net operating earnings in 2023 to be in the range of \$10.15 to \$11.15 per share, a decrease from our previous range of \$11.00 to \$12.00 per share. At the midpoint of the range, our revised guidance would produce a core return on equity of approximately 20%. This guidance reflects updated full year expectations for underwriting results, partially offset by an increase in expected net investment income and continues to reflect an average crop year.”

AFG’s core earnings per share guidance excludes non-core items such as 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.

Specialty Property and Casualty Insurance Operations

Second quarter 2023 gross and net written premiums were up 12% and 10%, respectively, when compared to the second quarter of 2022. Year-over-year premium growth was reported within each of the Specialty P&C groups as a result of a combination of new business opportunities, increased exposures, and a good renewal rate environment. Average renewal pricing across our P&C Group, excluding workers’ compensation, was up approximately 5% for the quarter, and up approximately 4% overall, consistent with pricing increases achieved in the first quarter. We continued to attain renewal rate increases to achieve targeted returns, and we were successful in achieving or exceeding targeted returns in nearly all of our Specialty P&C businesses.

AFG’s Specialty P&C insurance operations reported underwriting profit of \$123 million in the 2023 second quarter, compared to \$197 million in the prior year period, with each of our Specialty P&C Groups producing lower year-over-year underwriting profit following the record second quarter underwriting profit reported in the 2022 period.

The second quarter 2023 combined ratio was 91.9%, 6.1 points higher than the prior year period. Second quarter 2023 results include \$61 million (4.0 points on the combined ratio) of favorable prior year reserve development, compared to \$86 million (6.2 points) in the comparable prior year period. Catastrophe losses impacted underwriting results by \$53 million and added 3.5 points to the combined ratio in the second quarter of 2023, compared to \$22 million (1.5 points) in the prior year period.

The **Property and Transportation Group** reported an underwriting profit of \$32 million in the second quarter of 2023, compared to \$39 million in the second quarter of 2022. Higher year-over-year profitability in our property and inland marine and ocean marine businesses was more than offset by lower favorable prior year reserve development in our transportation businesses. Catastrophe losses in this group were \$15 million in the second quarter of 2023, compared to \$19 million in the second quarter of 2022. Overall, the businesses in the Property and Transportation Group achieved a 94.2% calendar year combined ratio in the second quarter, 1.8 points higher than the comparable period in 2022.

Second quarter 2023 gross and net written premiums in this group were 10% and 6% higher, respectively, than the comparable prior year period. Factors contributing to the year-over-year growth included the impact of increased rates and exposures in our transportation businesses and earlier planting of corn and soybeans in our crop insurance business. Nearly all of the businesses in this group reported growth in gross and net written premium during the quarter. Overall renewal rates in this group increased 6% on average in the second quarter of 2023, consistent with the pricing achieved in this group for the first quarter of 2023.

The **Specialty Casualty Group** reported an underwriting profit of \$95 million in the second quarter of 2023, compared to \$130 million in the second quarter of 2022. Lower levels of favorable prior year reserve development in our workers’ compensation businesses and adverse development in our public entity business were partially offset by higher levels of favorable prior year reserve development in our executive

liability business. Underwriting profitability in our workers' compensation businesses overall continues to be excellent. Catastrophe losses for this group were \$8 million in the second quarter of 2023 compared to less than \$1 million in the prior year quarter. The businesses in the Specialty Casualty Group achieved a very strong 86.6% calendar year combined ratio overall in the second quarter of 2023, an increase of 6.5 points over the exceptionally strong 80.1% reported in the second quarter of 2022.

Second quarter 2023 gross and net written premiums both increased 7% when compared to the same prior year period. Three-fourths of the businesses in this group reported year-over-year growth. The primary factors contributing to the higher premiums included increased exposures and higher renewal rates in our excess and surplus lines business, new business opportunities, strong policy retention and rate increases in several of our targeted market businesses, and payroll growth in our workers' compensation businesses. This growth was partially offset by lower year-over-year premiums in our executive liability business. Excluding our workers' compensation businesses, renewal rates for this group were up approximately 6% in the second quarter; overall renewal rates in this group were up 3%.

The **Specialty Financial Group** reported an underwriting profit of \$10 million in the second quarter of 2023, compared to \$37 million in the second quarter of 2022. The decrease was primarily due to higher year-over-year catastrophe losses in our financial institutions business and lower profitability in our surety and fidelity businesses. Catastrophe losses for this group were \$19 million in the second quarter of 2023 compared to \$3 million in the prior year quarter. This group reported a combined ratio of 95.0% for the second quarter of 2023, 16.6 points higher than the very strong 78.4% reported in the comparable period in 2022, primarily the result of elevated catastrophe losses.

Second quarter 2023 gross and net written premiums in this group were up 40% and 36%, respectively, when compared to the prior year period. All of the businesses in this group reported growth during the quarter. Growth in our financial institutions business resulted from market opportunities and the addition of several new accounts. Renewal pricing in this group was up approximately 2% for the quarter.

Carl Lindner III stated, "I am pleased with the underwriting profitability in our Specialty P&C businesses in the second quarter of 2023, especially considering the challenges presented by the higher frequency of industry catastrophe losses during the quarter. New business opportunities, a continued favorable pricing environment and payroll growth contributed to double-digit growth in premiums during the quarter and through the first half of the year. Importantly, we continued to achieve pricing increases that enable us to meet or exceed targeted returns across our portfolio of Specialty P&C businesses."

Mr. Lindner added, "Our underwriting results through the first six months of 2023 included elevated catastrophe losses and lower profitability in the Specialty Casualty Group, primarily due to lower favorable prior year reserve development in workers' compensation and the impact of social inflation on selected businesses. Based on these results and our view that these trends will continue for the second half of the year, we now expect an overall 2023 calendar year combined ratio in the range of 89% to 91%, revised upward from our previous guidance of 87% to 89%. We have increased our guidance for net written premiums and now expect net written premiums to be 5% to 8% higher than the \$6.2 billion reported in 2022. This compares to our previous guidance of growth in the range of 3% to 6% and will establish a record for net written premiums for the year."

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

Net Investment Income – For the quarter ended June 30, 2023, property and casualty net investment income was approximately 22% higher than the comparable 2022 period. Excluding the impact of alternative investments, net investment income in our property and casualty insurance operations for the three months ended June 30, 2023 increased 45% year-over-year as a result of the impact of rising interest

rates and higher balances of invested assets. The annualized return on alternative investments was approximately 9.6% for the 2023 second quarter compared to 12.4% for the prior year quarter. 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 average annual return on alternative investments over the five calendar years ended December 31, 2022, was approximately 14%. Our guidance for 2023 assumes a return of approximately 9% on alternative investments.

Non-Core Net Realized Gains (Losses) – AFG recorded second quarter 2023 net realized losses on securities of \$1 million (\$0.02 per share loss) after tax, which included \$2 million (\$0.02 per share) in after-tax net gains to adjust equity securities that the Company continued to own at June 30, 2023, to fair value. By comparison, AFG recorded net realized losses on securities of \$73 million (\$0.86 per share) in the comparable 2022 period.

After-tax unrealized losses related to fixed maturities were \$497 million at June 30, 2023. Our portfolio continues to be high quality, with 93% of our fixed maturity portfolio rated investment grade and 96% of our P&C fixed maturity portfolio 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.

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. 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, and any related oral statements, 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 or special dividends; recoverability of asset values; expected losses and the adequacy of reserves for asbestos, environmental pollution and mass tort claims; rate changes; and improved loss experience.

Actual results and/or financial condition could differ materially from those contained in or implied by such forward-looking statements for a variety of reasons including, but not limited to: the risks and uncertainties AFG describes in the "Risk Factors" section of its most recent Annual Report on Form 10-K, as updated by its other reports filed with the Securities and Exchange Commission; 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; new legislation or declines in credit quality or credit ratings that could have a material impact on the valuation of securities in AFG's investment portfolio; the availability of capital; changes in insurance law or regulation, including changes in statutory accounting rules, including modifications to capital requirements; changes in the legal environment affecting AFG or its customers; tax law and accounting changes; levels of natural catastrophes and severe weather, terrorist activities (including any nuclear, biological, chemical or radiological events), incidents of war or losses resulting from pandemics, civil unrest and other major

losses; disruption caused by cyber-attacks or other technology breaches or failures by AFG or its business partners and service providers, which could negatively impact AFG's business and/or expose AFG to litigation; development of insurance loss reserves and establishment of other reserves, particularly with respect to amounts associated with asbestos and environmental claims; availability of reinsurance and ability of reinsurers to pay their obligations; competitive pressures; the ability to obtain adequate rates and policy terms; changes in AFG's credit ratings or the financial strength ratings assigned by major ratings agencies to AFG's operating subsidiaries; the impact of the conditions in the international financial markets and the global economy relating to AFG's international operations; and effects on AFG's reputation, including as a result of environmental, social and governance matters.

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 2023 second quarter results at 11:30 a.m. (ET) tomorrow, Thursday, August 3, 2023. New, simplified event registration and access provides two ways to access the call.

Participants should register for the call [here](#) now or any time up to and during the time of the call, and will immediately receive the dial-in number and a unique PIN to access the call. While you may register at any time up to and during the time of the call, you are encouraged to join the call 10 minutes prior to the start of the event.

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.

A replay of the webcast will be available via the same link on our website approximately two hours after the completion of the call.

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.

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

	Three months ended		Six months ended	
	June 30, 2023	2022	June 30, 2023	2022
Revenues				
P&C insurance net earned premiums	\$1,507	\$1,393	\$2,944	\$2,695
Net investment income	198	168	415	398
Realized gains (losses) on securities	(2)	(93)	(48)	(108)
Income of managed investment entities:				
Investment income	112	54	216	100
Gain (loss) on change in fair value of assets/liabilities	—	(15)	(4)	(20)
Other income	25	32	57	62
Total revenues	<u>1,840</u>	<u>1,539</u>	<u>3,580</u>	<u>3,127</u>
Costs and expenses				
P&C insurance losses & expenses	1,390	1,206	2,683	2,313
Interest charges on borrowed money	19	23	38	46
Expenses of managed investment entities	103	47	198	86
Other expenses	73	57	142	115
Total costs and expenses	<u>1,585</u>	<u>1,333</u>	<u>3,061</u>	<u>2,560</u>
Earnings before income taxes	255	206	519	567
Provision for income taxes	55	39	107	110
Net earnings	<u>\$ 200</u>	<u>\$ 167</u>	<u>\$ 412</u>	<u>\$ 457</u>
Diluted earnings per common share	<u>\$ 2.34</u>	<u>\$ 1.96</u>	<u>\$ 4.83</u>	<u>\$ 5.36</u>
Average number of diluted shares	85.2	85.3	85.3	85.3
Selected Balance Sheet Data:				
		June 30, 2023	December 31, 2022	
Total cash and investments		\$14,489	\$ 14,512	
Long-term debt		\$ 1,474	\$ 1,496	
Shareholders' equity ^(b)		\$ 3,993	\$ 4,052	
Shareholders' equity (excluding unrealized gains/losses related to fixed maturities) ^(b)		\$ 4,490	\$ 4,578	
Book value per share ^(b)		\$ 47.06	\$ 47.56	
Book value per share (excluding unrealized gains/losses related to fixed maturities) ^(b)		\$ 52.90	\$ 53.73	
Common Shares Outstanding		84.9	85.2	

Footnote (b) is 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 June 30,		Pct. Change	Six months ended June 30,		Pct. Change	
	2023	2022		2023	2022		
Gross written premiums	<u>\$2,369</u>	<u>\$2,123</u>	12%	<u>\$4,524</u>	<u>\$4,059</u>	11%	
Net written premiums	<u>\$1,667</u>	<u>\$1,516</u>	10%	<u>\$3,186</u>	<u>\$2,884</u>	10%	
Ratios (GAAP):							
Loss & LAE ratio	60.2%	55.4%		58.6%	54.3%		
Underwriting expense ratio	31.7%	30.4%		32.0%	30.6%		
Specialty Combined Ratio	91.9%	85.8%		90.6%	84.9%		
Combined Ratio – P&C Segment	<u>91.7%</u>	<u>86.0%</u>		<u>90.5%</u>	<u>85.0%</u>		
Supplemental Information:^(c)							
Gross Written Premiums:							
Property & Transportation	\$1,059	\$ 962	10%	\$1,931	\$1,722	12%	
Specialty Casualty	1,012	948	7%	2,073	1,924	8%	
Specialty Financial	298	213	40%	520	413	26%	
	<u>\$2,369</u>	<u>\$2,123</u>	12%	<u>\$4,524</u>	<u>\$4,059</u>	11%	
Net Written Premiums:							
Property & Transportation	\$ 668	\$ 632	6%	\$1,220	\$1,133	8%	
Specialty Casualty	693	646	7%	1,415	1,296	9%	
Specialty Financial	240	177	36%	424	336	26%	
Other	66	61	8%	127	119	7%	
	<u>\$1,667</u>	<u>\$1,516</u>	10%	<u>\$3,186</u>	<u>\$2,884</u>	10%	
Combined Ratio (GAAP):							
Property & Transportation	94.2%	92.4%		92.6%	89.3%		
Specialty Casualty	86.6%	80.1%		87.1%	80.4%		
Specialty Financial	95.0%	78.4%		90.8%	80.1%		
Aggregate Specialty Group	91.9%	85.8%		90.6%	84.9%		
Reserve Development (Favorable)/Adverse:							
Property & Transportation				\$ (21)	\$ (30)	\$ (58)	\$ (64)
Specialty Casualty				(24)	(49)	(51)	(98)
Specialty Financial				(11)	(15)	(14)	(28)
Other Specialty				(5)	8	(2)	15
Specialty Group				(61)	(86)	(125)	(175)
Other				(1)	1	—	2
Total Reserve Development				<u>\$ (62)</u>	<u>\$ (85)</u>	<u>\$ (125)</u>	<u>\$ (173)</u>
Points on Combined Ratio:							
Property & Transportation				(3.8)	(6.0)	(5.7)	(6.8)
Specialty Casualty				(3.4)	(7.5)	(3.6)	(7.5)
Specialty Financial				(5.7)	(8.9)	(3.5)	(8.5)
Aggregate Specialty Group				(4.0)	(6.2)	(4.2)	(6.5)
Total P&C Segment				(4.2)	(6.1)	(4.3)	(6.4)

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

AMERICAN FINANCIAL GROUP, INC.
Notes to Financial Schedules

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

	Three months ended		Six months ended	
	June 30,		June 30,	
	2023	2022	2023	2022
<u>Core Operating Earnings before Income Taxes:</u>				
P&C insurance segment	\$ 299	\$ 345	\$ 649	\$ 767
Interest and other corporate expenses	(41)	(37)	(83)	(81)
Core operating earnings before income taxes	258	308	566	686
Related income taxes	56	65	117	140
Core net operating earnings	<u>\$ 202</u>	<u>\$ 243</u>	<u>\$ 449</u>	<u>\$ 546</u>

b) Shareholders' Equity at June 30, 2023 includes \$497 million (\$5.84 per share) in unrealized after-tax losses related to fixed maturities compared to \$526 million (\$6.17 per share) in unrealized after-tax losses related to fixed maturities at December 31, 2022.

c) Supplemental Notes:

- **Property & Transportation** includes primarily physical damage and liability coverage for buses and trucks and other specialty transportation niches, inland and ocean marine, agricultural-related products and other commercial property coverages.
- **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 - Second Quarter 2023

August 2, 2023

American Financial Group, Inc.

Corporate Headquarters

Great American Insurance Group Tower

301 E Fourth Street

Cincinnati, OH 45202

513 579 6739



American Financial Group, Inc.

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American Financial Group, Inc.
Financial Highlights
(in millions, except per share information)



	Three Months Ended					Six Months Ended	
	6/30/23	3/31/23	12/31/22	9/30/22	6/30/22	6/30/23	6/30/22
Highlights							
Net earnings	\$ 200	\$ 212	\$ 276	\$ 165	\$ 167	\$ 412	\$ 457
Core net operating earnings	202	247	255	192	243	449	546
Total assets	29,048	28,481	28,831	29,532	28,084	29,048	28,084
Adjusted shareholders' equity (a)	4,490	4,375	4,578	4,515	4,401	4,490	4,401
Property and Casualty net written premiums	1,667	1,519	1,338	1,984	1,516	3,186	2,884
Per share data							
Diluted earnings per share	\$ 2.34	\$ 2.49	\$ 3.24	\$ 1.93	\$ 1.96	\$ 4.83	\$ 5.36
Core net operating earnings per share	2.38	2.89	2.99	2.24	2.85	5.27	6.41
Adjusted book value per share (a)	52.90	51.37	53.73	53.03	51.68	52.90	51.68
Dividends per common share	0.63	4.63	2.63	0.56	8.56	5.26	11.12
Financial ratios							
Annualized return on equity (b)	17.9%	18.9%	24.2%	14.7%	14.3%	18.3%	19.2%
Annualized core operating return on equity (b)	18.2%	22.0%	22.3%	17.1%	20.7%	20.0%	23.0%
Property and Casualty combined ratio - Specialty:							
Loss & LAE ratio	60.2%	57.0%	60.8%	66.4%	55.4%	58.6%	54.3%
Underwriting expense ratio	31.7%	32.2%	25.8%	24.7%	30.4%	32.0%	30.6%
Combined ratio - Specialty	<u>91.9%</u>	<u>89.2%</u>	<u>86.6%</u>	<u>91.1%</u>	<u>85.8%</u>	<u>90.6%</u>	<u>84.9%</u>

(a) Excludes unrealized gains (losses) related to fixed maturity investments, a reconciliation to the GAAP measure is on page 13.

(b) Excludes accumulated other comprehensive income.

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



	Three Months Ended					Six Months Ended	
	<u>6/30/23</u>	<u>3/31/23</u>	<u>12/31/22</u>	<u>9/30/22</u>	<u>6/30/22</u>	<u>6/30/23</u>	<u>6/30/22</u>
Property and Casualty Insurance							
Underwriting profit	\$ 124	\$ 154	\$ 218	\$ 155	\$ 196	\$ 278	\$ 403
Net investment income	191	207	159	145	156	398	379
Other income (expense)	(16)	(11)	(14)	(11)	(7)	(27)	(15)
Property and Casualty Insurance operating earnings	299	350	363	289	345	649	767
Interest expense of parent holding companies	(19)	(19)	(20)	(19)	(23)	(38)	(46)
Other expense	(22)	(23)	(25)	(26)	(14)	(45)	(35)
Pretax core operating earnings	258	308	318	244	308	566	686
Income tax expense	56	61	63	52	65	117	140
Core net operating earnings	202	247	255	192	243	449	546
Non-core items, net of tax:							
Realized gains (losses) on securities	(1)	(37)	21	(28)	(73)	(38)	(85)
Gain (loss) on retirement of debt	(1)	2	—	1	(7)	1	(8)
Other non-core items	—	—	—	—	4	—	4
Net earnings	\$ 200	\$ 212	\$ 276	\$ 165	\$ 167	\$ 412	\$ 457

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



	Three Months Ended					Six Months Ended	
	6/30/23	3/31/23	12/31/22	9/30/22	6/30/22	6/30/23	6/30/22
Core net operating earnings	\$ 202	\$ 247	\$ 255	\$ 192	\$ 243	\$ 449	\$ 546
Net earnings	\$ 200	\$ 212	\$ 276	\$ 165	\$ 167	\$ 412	\$ 457
Average number of diluted shares	85.172	85.378	85.350	85.365	85.339	85.274	85.290
<u>Diluted earnings per share:</u>							
Core net operating earnings per share	\$ 2.38	\$ 2.89	\$ 2.99	\$ 2.24	\$ 2.85	\$ 5.27	\$ 6.41
Realized gains (losses) on securities	(0.02)	(0.42)	0.25	(0.32)	(0.86)	(0.45)	(1.00)
Gain (loss) on retirement of debt	(0.02)	0.02	—	0.01	(0.08)	0.01	(0.10)
Other non-core items	—	—	—	—	0.05	—	0.05
Diluted earnings per share	\$ 2.34	\$ 2.49	\$ 3.24	\$ 1.93	\$ 1.96	\$ 4.83	\$ 5.36

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



	Three Months Ended					Six Months Ended	
	6/30/23	3/31/23	12/31/22	9/30/22	6/30/22	6/30/23	6/30/22
Property and Transportation	\$ 32	\$ 43	\$ 68	\$ 39	\$ 39	\$ 75	\$ 101
Specialty Casualty	95	88	128	118	130	183	254
Specialty Financial	10	26	33	15	37	36	66
Other Specialty	(14)	(2)	(12)	(14)	(9)	(16)	(16)
Underwriting profit - Specialty	123	155	217	158	197	278	405
Other core charges, included in loss and LAE	1	(1)	1	(3)	(1)	—	(2)
Underwriting profit - Property and Casualty Insurance	\$ 124	\$ 154	\$ 218	\$ 155	\$ 196	\$ 278	\$ 403
Included in results above:							
Current accident year catastrophe losses:							
Catastrophe reinstatement premium	\$ 2	\$ —	\$ (13)	\$ 18	\$ —	\$ 2	\$ —
Catastrophe losses	51	31	24	33	22	82	31
Total current accident year catastrophe losses	\$ 53	\$ 31	\$ 11	\$ 51	\$ 22	\$ 84	\$ 31
Prior year loss reserve development (favorable) / adverse	\$ (62)	\$ (63)	\$ (59)	\$ (53)	\$ (85)	\$ (125)	\$ (173)
Combined ratio:							
Property and Transportation	94.2%	91.0%	90.0%	95.4%	92.4%	92.6%	89.3%
Specialty Casualty	86.6%	87.5%	81.3%	82.6%	80.1%	87.1%	80.4%
Specialty Financial	95.0%	86.5%	83.1%	91.3%	78.4%	90.8%	80.1%
Other Specialty	122.2%	103.5%	118.1%	122.7%	114.6%	113.1%	113.8%
Combined ratio - Specialty	91.9%	89.2%	86.6%	91.1%	85.8%	90.6%	84.9%
Other core charges	(0.2%)	0.1%	(0.1%)	0.1%	0.2%	(0.1%)	0.1%
Combined ratio	91.7%	89.3%	86.5%	91.2%	86.0%	90.5%	85.0%
P&C combined ratio excl. catastrophe losses and prior year reserve development	92.4%	91.5%	89.3%	91.7%	90.5%	92.1%	90.2%
Loss and LAE components:							
Current accident year, excluding catastrophe losses	60.7%	59.3%	63.5%	67.0%	60.1%	60.1%	59.6%
Current accident year catastrophe losses	3.5%	2.2%	0.8%	2.5%	1.6%	2.7%	1.2%
Prior accident year loss reserve development	(4.2%)	(4.4%)	(3.6%)	(3.0%)	(6.1%)	(4.3%)	(6.4%)
Loss and LAE ratio	60.0%	57.1%	60.7%	66.5%	55.6%	58.5%	54.4%

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



	Three Months Ended					Six Months Ended	
	6/30/23	3/31/23	12/31/22	9/30/22	6/30/22	6/30/23	6/30/22
Gross written premiums	\$2,369	\$2,155	\$1,845	\$ 3,153	\$2,123	\$ 4,524	\$ 4,059
Ceded reinsurance premiums	(702)	(636)	(507)	(1,169)	(607)	(1,338)	(1,175)
Net written premiums	1,667	1,519	1,338	1,984	1,516	3,186	2,884
Change in unearned premiums	(160)	(82)	285	(217)	(123)	(242)	(189)
Net earned premiums	1,507	1,437	1,623	1,767	1,393	2,944	2,695
Loss and LAE	906	819	987	1,173	773	1,725	1,465
Underwriting expense	478	463	419	436	423	941	825
Underwriting profit	\$ 123	\$ 155	\$ 217	\$ 158	\$ 197	\$ 278	\$ 405
Included in results above:							
Current accident year catastrophe losses:							
Catastrophe reinstatement premium	\$ 2	\$ —	\$ (13)	\$ 18	\$ —	\$ 2	\$ —
Catastrophe losses	51	31	24	33	22	82	31
Total current accident year catastrophe losses	\$ 53	\$ 31	\$ 11	\$ 51	\$ 22	\$ 84	\$ 31
Prior year loss reserve development (favorable) / adverse	\$ (61)	\$ (64)	\$ (58)	\$ (56)	\$ (86)	\$ (125)	\$ (175)
Combined ratio:							
Loss and LAE ratio	60.2%	57.0%	60.8%	66.4%	55.4%	58.6%	54.3%
Underwriting expense ratio	31.7%	32.2%	25.8%	24.7%	30.4%	32.0%	30.6%
Combined ratio	91.9%	89.2%	86.6%	91.1%	85.8%	90.6%	84.9%
Specialty combined ratio excl. catastrophe losses and prior year reserve development	92.4%	91.5%	89.3%	91.7%	90.5%	92.1%	90.2%
Loss and LAE components:							
Current accident year, excluding catastrophe losses	60.7%	59.3%	63.5%	67.0%	60.1%	60.1%	59.6%
Current accident year catastrophe losses	3.5%	2.2%	0.9%	2.5%	1.5%	2.7%	1.2%
Prior accident year loss reserve development	(4.0%)	(4.5%)	(3.6%)	(3.1%)	(6.2%)	(4.2%)	(6.5%)
Loss and LAE ratio	60.2%	57.0%	60.8%	66.4%	55.4%	58.6%	54.3%

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



	Three Months Ended					Six Months Ended	
	6/30/23	3/31/23	12/31/22	9/30/22	6/30/22	6/30/23	6/30/22
Gross written premiums	\$1,059	\$ 872	\$ 601	\$1,737	\$ 962	\$1,931	\$1,722
Ceded reinsurance premiums	(391)	(320)	(178)	(778)	(330)	(711)	(589)
Net written premiums	668	552	423	959	632	1,220	1,133
Change in unearned premiums	(134)	(77)	259	(102)	(127)	(211)	(185)
Net earned premiums	534	475	682	857	505	1,009	948
Loss and LAE	346	289	489	663	327	635	583
Underwriting expense	156	143	125	155	139	299	264
Underwriting profit	\$ 32	\$ 43	\$ 68	\$ 39	\$ 39	\$ 75	\$ 101
Included in results above:							
Current accident year catastrophe losses:							
Catastrophe reinstatement premium	\$ —	\$ —	\$ (1)	\$ 4	\$ —	\$ —	\$ —
Catastrophe losses	15	19	8	9	19	34	25
Total current accident year catastrophe losses	\$ 15	\$ 19	\$ 7	\$ 13	\$ 19	\$ 34	\$ 25
Prior year loss reserve development (favorable) / adverse	\$ (21)	\$ (37)	\$ (13)	\$ (15)	\$ (30)	\$ (58)	\$ (64)
Combined ratio:							
Loss and LAE ratio	64.8%	60.9%	71.8%	77.3%	64.7%	62.9%	61.4%
Underwriting expense ratio	29.4%	30.1%	18.2%	18.1%	27.7%	29.7%	27.9%
Combined ratio	94.2%	91.0%	90.0%	95.4%	92.4%	92.6%	89.3%
Combined ratio excl. catastrophe losses and prior year reserve development							
	95.1%	94.8%	90.8%	95.8%	94.6%	95.0%	93.4%
Loss and LAE components:							
Current accident year, excluding catastrophe losses	65.7%	64.7%	72.6%	77.7%	66.9%	65.3%	65.5%
Current accident year catastrophe losses	2.9%	4.0%	1.0%	1.4%	3.8%	3.3%	2.7%
Prior accident year loss reserve development	(3.8%)	(7.8%)	(1.8%)	(1.8%)	(6.0%)	(5.7%)	(6.8%)
Loss and LAE ratio	64.8%	60.9%	71.8%	77.3%	64.7%	62.9%	61.4%

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



	Three Months Ended					Six Months Ended	
	6/30/23	3/31/23	12/31/22	9/30/22	6/30/22	6/30/23	6/30/22
Gross written premiums	\$1,012	\$1,061	\$1,007	\$1,184	\$ 948	\$2,073	\$1,924
Ceded reinsurance premiums	(319)	(339)	(352)	(407)	(302)	(658)	(628)
Net written premiums	693	722	655	777	646	1,415	1,296
Change in unearned premiums	18	(18)	31	(100)	11	—	—
Net earned premiums	711	704	686	677	657	1,415	1,296
Loss and LAE	421	417	381	374	354	838	698
Underwriting expense	195	199	177	185	173	394	344
Underwriting profit	\$ 95	\$ 88	\$ 128	\$ 118	\$ 130	\$ 183	\$ 254
Included in results above:							
Current accident year catastrophe losses:							
Catastrophe reinstatement premium	\$ 2	\$ —	\$ (1)	\$ 1	\$ —	\$ 2	\$ —
Catastrophe losses	6	3	8	2	—	9	1
Total current accident year catastrophe losses	\$ 8	\$ 3	\$ 7	\$ 3	\$ —	\$ 11	\$ 1
Prior year loss reserve development (favorable) / adverse	\$ (24)	\$ (27)	\$ (50)	\$ (42)	\$ (49)	\$ (51)	\$ (98)
Combined ratio:							
Loss and LAE ratio	59.2%	59.2%	55.4%	55.3%	53.9%	59.2%	53.9%
Underwriting expense ratio	27.4%	28.3%	25.9%	27.3%	26.2%	27.9%	26.5%
Combined ratio	86.6%	87.5%	81.3%	82.6%	80.1%	87.1%	80.4%
Combined ratio excl. catastrophe losses and prior year reserve development							
	89.0%	90.9%	87.5%	88.5%	87.5%	90.0%	87.9%
Loss and LAE components:							
Current accident year, excluding catastrophe losses	61.6%	62.6%	61.6%	61.2%	61.3%	62.1%	61.4%
Current accident year catastrophe losses	1.0%	0.4%	1.1%	0.4%	0.1%	0.7%	0.0%
Prior accident year loss reserve development	(3.4%)	(3.8%)	(7.3%)	(6.3%)	(7.5%)	(3.6%)	(7.5%)
Loss and LAE ratio	59.2%	59.2%	55.4%	55.3%	53.9%	59.2%	53.9%

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



	Three Months Ended					Six Months Ended	
	6/30/23	3/31/23	12/31/22	9/30/22	6/30/22	6/30/23	6/30/22
Gross written premiums	\$ 298	\$ 222	\$ 237	\$ 232	\$ 213	\$ 520	\$ 413
Ceded reinsurance premiums	(58)	(38)	(38)	(56)	(36)	(96)	(77)
Net written premiums	240	184	199	176	177	424	336
Change in unearned premiums	(45)	12	(6)	(5)	(6)	(33)	(2)
Net earned premiums	195	196	193	171	171	391	334
Loss and LAE	79	71	66	80	44	150	92
Underwriting expense	106	99	94	76	90	205	176
Underwriting profit	\$ 10	\$ 26	\$ 33	\$ 15	\$ 37	\$ 36	\$ 66
Included in results above:							
Current accident year catastrophe losses:							
Catastrophe reinstatement premium	\$ —	\$ —	\$ (10)	\$ 13	\$ —	\$ —	\$ —
Catastrophe losses	19	4	7	21	3	23	5
Total current accident year catastrophe losses	\$ 19	\$ 4	\$ (3)	\$ 34	\$ 3	\$ 23	\$ 5
Prior year loss reserve development (favorable) / adverse	\$ (11)	\$ (3)	\$ (8)	\$ (11)	\$ (15)	\$ (14)	\$ (28)
Combined ratio:							
Loss and LAE ratio	40.9%	36.0%	33.8%	47.2%	25.7%	38.5%	27.5%
Underwriting expense ratio	54.1%	50.5%	49.3%	44.1%	52.7%	52.3%	52.6%
Combined ratio	95.0%	86.5%	83.1%	91.3%	78.4%	90.8%	80.1%
Combined ratio excl. catastrophe losses and prior year reserve development							
	91.1%	85.7%	85.3%	82.4%	85.7%	88.5%	87.2%
Loss and LAE components:							
Current accident year, excluding catastrophe losses	37.0%	35.2%	36.0%	38.3%	33.0%	36.2%	34.6%
Current accident year catastrophe losses	9.6%	2.2%	1.9%	15.2%	1.6%	5.8%	1.4%
Prior accident year loss reserve development	(5.7%)	(1.4%)	(4.1%)	(6.3%)	(8.9%)	(3.5%)	(8.5%)
Loss and LAE ratio	40.9%	36.0%	33.8%	47.2%	25.7%	38.5%	27.5%

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



	Three Months Ended					Six Months Ended	
	6/30/23	3/31/23	12/31/22	9/30/22	6/30/22	6/30/23	6/30/22
Gross written premiums	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
Ceded reinsurance premiums	66	61	61	72	61	127	119
Net written premiums	66	61	61	72	61	127	119
Change in unearned premiums	1	1	1	(10)	(1)	2	(2)
Net earned premiums	67	62	62	62	60	129	117
Loss and LAE	60	42	51	56	48	102	92
Underwriting expense	21	22	23	20	21	43	41
Underwriting profit (loss)	\$ (14)	\$ (2)	\$ (12)	\$ (14)	\$ (9)	\$ (16)	\$ (16)
Included in results above:							
Current accident year catastrophe losses:							
Catastrophe reinstatement premium	\$ —	\$ —	\$ (1)	\$ —	\$ —	\$ —	\$ —
Catastrophe losses	11	5	1	1	—	16	—
Total current accident year catastrophe losses	\$ 11	\$ 5	\$ —	\$ 1	\$ —	\$ 16	\$ —
Prior year loss reserve development (favorable) / adverse	\$ (5)	\$ 3	\$ 13	\$ 12	\$ 8	\$ (2)	\$ 15
Combined ratio:							
Loss and LAE ratio	91.1%	69.0%	83.3%	89.3%	79.6%	80.3%	78.4%
Underwriting expense ratio	31.1%	34.5%	34.8%	33.4%	35.0%	32.8%	35.4%
Combined ratio	122.2%	103.5%	118.1%	122.7%	114.6%	113.1%	113.8%
Combined ratio excl. catastrophe losses and prior year reserve development	111.7%	92.0%	98.5%	100.7%	101.5%	102.1%	100.7%
Loss and LAE components:							
Current accident year, excluding catastrophe losses	80.6%	57.5%	63.7%	67.3%	66.5%	69.3%	65.3%
Current accident year catastrophe losses	18.0%	7.5%	0.7%	1.1%	0.1%	12.9%	0.2%
Prior accident year loss reserve development	(7.5%)	4.0%	18.9%	20.9%	13.0%	(1.9%)	12.9%
Loss and LAE ratio	91.1%	69.0%	83.3%	89.3%	79.6%	80.3%	78.4%

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



	6/30/23	3/31/23	12/31/22	9/30/22	6/30/22	3/31/22
Assets:						
Total cash and investments	\$14,489	\$14,451	\$14,512	\$14,322	\$14,268	\$15,601
Recoverables from reinsurers	3,852	3,838	3,977	4,108	3,567	3,478
Prepaid reinsurance premiums	1,112	1,021	917	1,180	1,006	933
Agents' balances and premiums receivable	1,796	1,459	1,339	1,698	1,623	1,391
Deferred policy acquisition costs	316	285	288	292	293	271
Assets of managed investment entities	5,235	5,391	5,447	5,099	5,218	5,231
Other receivables	721	637	886	1,328	740	645
Other assets	1,281	1,153	1,219	1,259	1,123	966
Goodwill	246	246	246	246	246	246
Total assets	\$29,048	\$28,481	\$28,831	\$29,532	\$28,084	\$28,762
Liabilities and Equity:						
Unpaid losses and loss adjustment expenses	\$11,925	\$11,761	\$11,974	\$12,067	\$11,201	\$10,986
Unearned premiums	3,686	3,435	3,246	3,785	3,397	3,206
Payable to reinsurers	1,038	911	1,035	1,366	971	910
Liabilities of managed investment entities	5,098	5,258	5,332	5,002	5,133	5,112
Long-term debt	1,474	1,478	1,496	1,533	1,542	1,917
Other liabilities	1,834	1,697	1,696	1,847	1,773	1,796
Total liabilities	\$25,055	\$24,540	\$24,779	\$25,600	\$24,017	\$23,927
Shareholders' equity:						
Common stock	\$ 85	\$ 85	\$ 85	\$ 85	\$ 85	\$ 85
Capital surplus	1,377	1,374	1,368	1,358	1,351	1,340
Retained earnings	3,042	2,933	3,142	3,091	2,979	3,541
Unrealized gains (losses) - fixed maturities	(464)	(413)	(497)	(554)	(326)	(109)
Unrealized losses - fixed maturity-related cash flow hedges	(33)	(21)	(29)	(29)	(8)	(4)
Other comprehensive income (loss), net of tax	(14)	(17)	(17)	(19)	(14)	(18)
Total shareholders' equity	3,993	3,941	4,052	3,932	4,067	4,835
Total liabilities and equity	\$29,048	\$28,481	\$28,831	\$29,532	\$28,084	\$28,762

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



	<u>6/30/23</u>	<u>3/31/23</u>	<u>12/31/22</u>	<u>9/30/22</u>	<u>6/30/22</u>	<u>3/31/22</u>
Shareholders' equity	\$ 3,993	\$ 3,941	\$ 4,052	\$ 3,932	\$ 4,067	\$ 4,835
Unrealized (gains) losses related to fixed maturities	497	434	526	583	334	113
Adjusted shareholders' equity	4,490	4,375	4,578	4,515	4,401	4,948
Goodwill	(246)	(246)	(246)	(246)	(246)	(246)
Intangibles	(102)	(105)	(108)	(111)	(101)	(104)
Tangible adjusted shareholders' equity	\$ 4,142	\$ 4,024	\$ 4,224	\$ 4,158	\$ 4,054	\$ 4,598
Common shares outstanding	84.859	85.172	85.204	85.141	85.154	85.103
Book value per share:						
Book value per share	\$ 47.06	\$ 46.27	\$ 47.56	\$ 46.18	\$ 47.76	\$ 56.81
Adjusted (a)	52.90	51.37	53.73	53.03	51.68	58.14
Tangible, adjusted (b)	48.80	47.25	49.58	48.84	47.60	54.02
Market capitalization						
AFG's closing common share price	\$118.75	\$121.50	\$137.28	\$122.93	\$138.81	\$145.62
Market capitalization	\$10,077	\$10,348	\$11,697	\$10,466	\$11,820	\$12,393
Price / Adjusted book value ratio	2.24	2.37	2.56	2.32	2.69	2.50

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

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



	<u>6/30/23</u>	<u>3/31/23</u>	<u>12/31/22</u>	<u>9/30/22</u>	<u>6/30/22</u>	<u>3/31/22</u>
AFG senior obligations	\$ 823	\$ 828	\$ 846	\$ 884	\$ 893	\$1,270
Borrowings drawn under credit facility	—	—	—	—	—	—
Debt excluding subordinated debt	\$ 823	\$ 828	\$ 846	\$ 884	\$ 893	\$1,270
AFG subordinated debentures	675	675	675	675	675	675
Total principal amount of long-term debt	\$1,498	\$1,503	\$1,521	\$1,559	\$1,568	\$1,945
Shareholders' equity	3,993	3,941	4,052	3,932	4,067	4,835
Less:						
Unrealized (gains) losses related to fixed maturity investments	497	434	526	583	334	113
Total adjusted capital	\$5,988	\$5,878	\$6,099	\$6,074	\$5,969	\$6,893
Ratio of debt to total adjusted capital:						
Including subordinated debt	25.0%	25.6%	24.9%	25.7%	26.3%	28.2%
Excluding subordinated debt	13.7%	14.1%	13.9%	14.6%	15.0%	18.4%

American Financial Group, Inc.
Additional Supplemental Information
(\$ in millions)



	Three Months Ended				Six Months Ended	
	<u>6/30/23</u>	<u>3/31/23</u>	<u>12/31/22</u>	<u>9/30/22</u>	<u>6/30/22</u>	<u>6/30/22</u>
<u>Property and Casualty Insurance</u>						
Paid Losses (GAAP)	<u>\$ 802</u>	<u>\$ 881</u>	<u>\$ 914</u>	<u>\$ 776</u>	<u>\$ 678</u>	<u>\$1,683</u>
		<u>6/30/23</u>	<u>3/31/23</u>	<u>12/31/22</u>	<u>9/30/22</u>	<u>6/30/22</u>
<u>GAAP Equity (excluding AOCI)</u>						
Property and Casualty Insurance	\$ 5,581	\$ 5,392	\$ 5,433	\$ 5,527	\$ 5,399	\$ 5,375
Parent and other subsidiaries	(1,077)	(1,000)	(838)	(993)	(984)	(409)
AFG GAAP Equity (excluding AOCI)	<u>\$ 4,504</u>	<u>\$ 4,392</u>	<u>\$ 4,595</u>	<u>\$ 4,534</u>	<u>\$ 4,415</u>	<u>\$ 4,966</u>
<u>Allowable dividends without regulatory approval</u>						
Property and Casualty Insurance	\$ 887	\$ 887	\$ 887	\$ 843	\$ 843	\$ 843

American Financial Group, Inc.
Total Cash and Investments
(\$ in millions)



	Carrying Value - June 30, 2023				
	Property and Casualty Insurance	Parent & Other	Consolidate CLOs	Total AFG Consolidated	% of Investment Portfolio
Total cash and investments:					
Cash and cash equivalents	\$ 785	\$ 203	\$ —	\$ 988	7%
Fixed maturities - Available for sale	9,584	301	—	9,885	68%
Fixed maturities - Trading	38	—	—	38	0%
Equity securities - Common stocks	617	—	—	617	4%
Equity securities - Perpetual preferred	431	—	—	431	3%
Investments accounted for using the equity method	1,755	1	—	1,756	12%
Mortgage loans	645	—	—	645	5%
Real estate and other investments	174	91	(136)	129	1%
Total cash and investments	\$ 14,029	\$ 596	\$ (136)	\$ 14,489	100%

	Carrying Value - December 31, 2022				
	Property and Casualty Insurance	Parent & Other	Consolidate CLOs	Total AFG Consolidated	% of Investment Portfolio
Total cash and investments:					
Cash and cash equivalents	\$ 622	\$ 250	\$ —	\$ 872	6%
Fixed maturities - Available for sale	9,505	590	—	10,095	70%
Fixed maturities - Trading	32	—	—	32	0%
Equity securities - common stocks	553	—	—	553	4%
Equity securities - perpetual preferred	457	—	—	457	3%
Investments accounted for using the equity method	1,699	1	—	1,700	12%
Mortgage loans	676	—	—	676	4%
Real estate and other investments	153	89	(115)	127	1%
Total cash and investments	\$ 13,697	\$ 930	\$ (115)	\$ 14,512	100%

American Financial Group, Inc.
Net Investment Income
(\$ in millions)



	Three Months Ended					Six Months Ended	
	6/30/23	3/31/23	12/31/22	9/30/22	6/30/22	6/30/23	6/30/22
Property and Casualty Insurance:							
Gross investment income excluding alternative investments							
Fixed maturities	\$ 117	\$ 112	\$ 107	\$ 93	\$ 82	\$ 229	\$ 158
Equity securities	8	9	13	8	7	17	14
Other investments (a)	16	13	14	12	9	29	14
Gross investment income excluding alternative investments	141	134	134	113	98	275	186
Gross investment income from alternative investments (b)	55	78	28	36	62	133	201
Total gross investment income	196	212	162	149	160	408	387
Investment expenses	(5)	(5)	(3)	(4)	(4)	(10)	(8)
Total net investment income	\$ 191	\$ 207	\$ 159	\$ 145	\$ 156	\$ 398	\$ 379
Average cash and investments (c)	\$ 14,498	\$ 14,350	\$ 14,304	\$ 14,105	\$ 13,983	\$ 14,438	\$ 13,878
Average yield - fixed maturities before inv expenses (d)	4.62%	4.40%	4.15%	3.73%	3.33%	4.51%	3.29%
Average yield - overall portfolio, net (d)	5.27%	5.77%	4.45%	4.11%	4.46%	5.51%	5.46%
Average tax equivalent yield - overall portfolio, net (d)	5.34%	5.83%	4.53%	4.21%	4.56%	5.58%	5.56%
AFG consolidated net investment income:							
Property & Casualty core	\$ 191	\$ 207	\$ 159	\$ 145	\$ 156	\$ 398	\$ 379
Parent & other	12	11	9	10	—	23	5
Consolidate CLOs	(5)	(1)	—	(4)	12	(6)	14
Total net investment income	\$ 198	\$ 217	\$ 168	\$ 151	\$ 168	\$ 415	\$ 398
Average cash and investments (c)	\$ 15,025	\$ 15,058	\$ 15,083	\$ 14,852	\$ 15,210	\$ 15,064	\$ 15,331
Average yield - overall portfolio, net (d)	5.27%	5.76%	4.46%	4.07%	4.42%	5.51%	5.19%
Average yield - fixed maturities before inv expenses (d)	4.67%	4.43%	4.19%	3.74%	3.17%	4.55%	3.14%

- (a) Includes income from mortgage loans, real estate, short-term investments, and cash equivalents.
(b) Investment income on alternative investments is detailed on page 18.
(c) Average cash and investments is the average of the beginning and ending quarter balances, or the average of the five quarters balances.
(d) Average yield is calculated by dividing investment income for the period by the average balance.

	Three Months Ended					Six Months Ended	
	6/30/23	3/31/23	12/31/22	9/30/22	6/30/22	6/30/23	6/30/22
Property and Casualty Insurance:							
Net Investment Income							
Convertible fixed maturities MTM through investment income	\$ 8	\$ 4	\$ —	\$ —	\$ —	\$ 12	\$ —
Equity securities MTM through investment income (a)	14	16	7	(5)	(2)	30	6
Investments accounted for using the equity method (b)	28	57	21	37	76	85	209
AFG managed CLOs (eliminated in consolidation)	5	1	—	4	(12)	6	(14)
Total Property & Casualty	\$ 55	\$ 78	\$ 28	\$ 36	\$ 62	\$ 133	\$ 201
Investments							
Convertible fixed maturities MTM through investment income	\$ 28	\$ 19	\$ —	\$ —	\$ —	\$ 28	\$ —
Equity securities MTM through investment income (a)	423	377	332	289	276	423	276
Investments accounted for using the equity method (b)	1,755	1,732	1,699	1,661	1,626	1,755	1,626
AFG managed CLOs (eliminated in consolidation)	136	132	115	97	85	136	85
Total Property & Casualty	\$ 2,342	\$ 2,260	\$ 2,146	\$ 2,047	\$ 1,987	\$ 2,342	\$ 1,987
Annualized Return - Property & Casualty	9.6%	14.2%	5.3%	7.1%	12.4%	11.8%	20.7%
AFG Consolidated:							
Net Investment Income							
Convertible fixed maturities MTM through investment income	\$ 8	\$ 4	\$ —	\$ —	\$ —	\$ 12	\$ —
Equity securities MTM through investment income (a)	14	16	7	(5)	(2)	30	6
Investments accounted for using the equity method (b)	28	57	21	37	76	85	209
AFG managed CLOs (eliminated in consolidation)	5	1	—	4	(12)	6	(14)
Total AFG Consolidated	\$ 55	\$ 78	\$ 28	\$ 36	\$ 62	\$ 133	\$ 201
Investments							
Convertible fixed maturities MTM through investment income	\$ 28	\$ 19	\$ —	\$ —	\$ —	\$ 28	\$ —
Equity securities MTM through investment income (a)	423	377	332	289	276	423	276
Investments accounted for using the equity method (b)	1,756	1,733	1,700	1,661	1,626	1,756	1,626
AFG managed CLOs (eliminated in consolidation)	136	132	115	97	85	136	85
Total AFG Consolidated	\$ 2,343	\$ 2,261	\$ 2,147	\$ 2,047	\$ 1,987	\$ 2,343	\$ 1,987
Annualized Return - AFG Consolidated	9.6%	14.2%	5.3%	7.1%	12.4%	11.8%	20.7%

- (a) AFG records holding gains and losses in net investment income on its portfolio of limited partnerships and similar investments that do not qualify for equity method accounting and certain other securities classified at purchase as “fair value through net investment income.”
- (b) The majority of AFG’s investments accounted for using the equity method mark their underlying assets to market through net income.

American Financial Group, Inc.
Fixed Maturities - By Security Type - AFG Consolidated
(\$ in millions)



June 30, 2023	Book Value (a)	Fair Value	Unrealized Gain (Loss)	% of Fair Value	% of Investment Portfolio
US Government and government agencies	\$ 241	\$ 229	\$ (12)	2%	1%
States, municipalities and political subdivisions	1,012	968	(44)	10%	7%
Foreign government	276	262	(14)	3%	2%
Residential mortgage-backed securities	1,708	1,546	(162)	15%	11%
Commercial mortgage-backed securities	81	79	(2)	1%	0%
Collateralized loan obligations	1,904	1,859	(45)	19%	13%
Other asset-backed securities	2,331	2,169	(162)	22%	15%
Corporate and other bonds	2,957	2,811	(146)	28%	19%
Total AFG consolidated	\$ 10,510	\$ 9,923	\$ (587)	100%	68%
Approximate duration - P&C	3.1 years				
Approximate duration - P&C including cash	2.9 years				
December 31, 2022	Book Value (a)	Fair Value	Unrealized Gain (Loss)	% of Fair Value	% of Investment Portfolio
US Government and government agencies	\$ 233	\$ 219	\$ (14)	2%	2%
States, municipalities and political subdivisions	1,234	1,186	(48)	12%	8%
Foreign government	266	252	(14)	2%	2%
Residential mortgage-backed securities	1,755	1,598	(157)	16%	11%
Commercial mortgage-backed securities	88	85	(3)	1%	1%
Collateralized loan obligations	1,987	1,921	(66)	19%	13%
Other asset-backed securities	2,428	2,245	(183)	22%	15%
Corporate and other bonds	2,766	2,621	(145)	26%	18%
Total AFG consolidated	\$ 10,757	\$ 10,127	\$ (630)	100%	70%
Approximate duration - P&C	3.1 years				
Approximate duration - P&C including cash	2.9 years				

(a) 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 6/30/2023
(\$ in millions)



By Credit Rating (a)	Fair Value by Type								Total	% Total
	US Gov	Munis	Frgn Gov	RMBS	CMBS	CLOs	ABS	Corp/Oth		
Investment grade										
AAA	\$ 229	\$ 373	\$ 244	\$1,294	\$ 68	\$1,638	\$ 838	\$ 22	\$4,706	47%
AA	—	534	9	39	7	177	280	158	1,204	12%
A	—	51	4	29	1	42	483	741	1,351	14%
BBB	—	8	5	—	—	—	448	1,509	1,970	20%
Subtotal - Investment grade	229	966	262	1,362	76	1,857	2,049	2,430	9,231	93%
BB	—	—	—	7	3	—	8	214	232	2%
B	—	—	—	8	—	—	2	61	71	1%
CCC, CC, C	—	—	—	95	—	—	4	6	105	1%
D	—	—	—	8	—	—	—	2	10	0%
Subtotal - Non-Investment grade	—	—	—	118	3	—	14	283	418	4%
Not Rated (b)	—	2	—	66	—	2	106	98	274	3%
Total	\$ 229	\$ 968	\$ 262	\$1,546	\$ 79	\$1,859	\$2,169	\$ 2,811	\$9,923	100%

NAIC designation	Fair Value by Type								Total	% Total
	US Gov	Munis	Frgn gov	RMBS	CMBS	CLOs	ABS	Corp/Oth		
1	\$ 229	\$ 960	\$ 214	\$1,485	\$ 76	\$1,690	\$1,611	\$ 940	\$7,205	75%
2	—	8	—	7	—	—	447	1,515	1,977	21%
Subtotal	229	968	214	1,492	76	1,690	2,058	2,455	9,182	96%
3	—	—	—	1	3	—	8	241	253	3%
4	—	—	—	—	—	—	2	74	76	1%
5	—	—	—	3	—	—	9	21	33	0%
6	—	—	—	—	—	—	—	2	2	0%
Subtotal	—	—	—	4	3	—	19	338	364	4%
Total insurance companies	\$ 229	\$ 968	\$ 214	\$1,496	\$ 79	\$1,690	\$2,077	\$ 2,793	\$9,546	100%
Total non-insurance (c)	—	—	48	50	—	169	92	18	377	
Total	\$ 229	\$ 968	\$ 262	\$1,546	\$ 79	\$1,859	\$2,169	\$ 2,811	\$9,923	

- (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, 89% are NAIC 1 and 5% are NAIC 5.
For Corp/Oth, 23% are NAIC 1, 7% NAIC 2, 25% NAIC 3, 17% NAIC 4, 14% NAIC 5 and 14% are held by non-insurance companies.
For Total, 64% are NAIC 1, 4% NAIC 2, 9% NAIC 3, 6% NAIC 4, 7% NAIC 5 and 10% are held by non-insurance companies.
- (c) 83% are investment grade rated.

Appendix B
American Financial Group, Inc.
Fixed Maturities by Credit Rating & NAIC Designation by Type 12/31/2022
(\$ in millions)



By Credit Rating (a)	Fair Value by Type								Total	% Total
	US Gov	Munis	Frgn Gov	RMBS	CMBS	CLOs	ABS	Corp/Oth		
Investment grade										
AAA	\$ 219	\$ 477	\$ 239	\$1,317	\$ 63	\$1,708	\$ 860	\$ 24	\$ 4,907	49%
AA	—	648	9	6	14	169	347	163	1,356	13%
A	—	50	4	76	2	41	475	670	1,318	13%
BBB	—	7	—	—	3	—	443	1,287	1,740	17%
Subtotal - Investment grade	219	1,182	252	1,399	82	1,918	2,125	2,144	9,321	92%
BB	—	—	—	8	3	—	8	200	219	2%
B	—	—	—	8	—	—	1	51	60	1%
CCC, CC, C	—	—	—	103	—	—	5	1	109	1%
D	—	—	—	8	—	—	—	—	8	0%
Subtotal - Non-Investment grade	—	—	—	127	3	—	14	252	396	4%
Not Rated (b)	—	4	—	72	—	3	106	225	410	4%
Total	\$ 219	\$1,186	\$ 252	\$1,598	\$ 85	\$1,921	\$2,245	\$ 2,621	\$10,127	100%

NAIC designation	Fair Value by Type								Total	% Total
	US Gov	Munis	Frgn gov	RMBS	CMBS	CLOs	ABS	Corp/Oth		
1	\$ 219	\$1,178	\$ 213	\$1,506	\$ 82	\$1,627	\$1,657	\$ 878	\$ 7,360	78%
2	—	8	—	11	—	—	443	1,310	1,772	19%
Subtotal	219	1,186	213	1,517	82	1,627	2,100	2,188	9,132	97%
3	—	—	—	1	3	—	8	239	251	3%
4	—	—	—	—	—	—	1	46	47	0%
5	—	—	—	3	—	—	10	22	35	0%
6	—	—	—	1	—	—	—	—	1	0%
Subtotal	—	—	—	5	3	—	19	307	334	3%
Total insurance companies	\$ 219	\$1,186	\$ 213	\$1,522	\$ 85	\$1,627	\$2,119	\$ 2,495	\$ 9,466	100%
Total non-insurance (c)	—	—	39	76	—	294	126	126	661	
Total	\$ 219	\$1,186	\$ 252	\$1,598	\$ 85	\$1,921	\$2,245	\$ 2,621	\$10,127	

- (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, 95% are NAIC 1 and 5% are NAIC 5.
For Corp/Oth, 53% are held by non-insurance companies, 11% are NAIC 1, 12% NAIC 2 and 16% NAIC 3.
For Total, 46% are NAIC 1, 7% NAIC 2, 9% NAIC 3 and 31% are held by non-insurance companies.
- (c) 76% are investment grade rated.

Appendix C
American Financial Group, Inc.
Corporate Securities by Credit Rating & NAIC Designation by Industry 6/30/2023
(\$ in millions)



Credit Rating (a)	Fair Value By Industry															Total	% Total	
	Asset Managers	Banking	Technology	Consumer	Insurance	Other Financials	Basic Industry	REITs	Retailers	Media	Utilities	Capital Goods	Autos	Other				
Investment Grade																		
AAA	\$ —	\$ —	\$ 10	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 12	\$ 22	1%	
AA	5	—	23	41	33	29	—	—	10	—	5	—	—	12	158	6%		
A	34	154	53	54	150	28	11	49	17	3	51	45	41	51	741	26%		
BBB	509	185	140	67	34	86	118	86	33	44	42	34	25	106	1,509	54%		
Subtotal	548	339	226	162	217	143	129	135	60	47	98	79	66	181	2,430	87%		
BB	22	1	29	24	1	12	17	—	50	34	—	2	5	17	214	8%		
B	—	—	2	37	—	—	—	—	—	—	—	4	4	14	61	2%		
CCC, CC, C	—	—	—	1	—	—	—	—	—	—	1	—	—	4	6	0%		
D	—	—	2	—	—	—	—	—	—	—	—	—	—	—	2	0%		
Subtotal	22	1	33	62	1	12	17	—	50	34	1	6	9	35	283	10%		
Not Rated (b)	—	—	4	20	14	14	1	—	—	20	—	15	—	10	98	3%		
Total	\$ 570	\$ 340	\$ 263	\$ 244	\$ 232	\$ 169	\$ 147	\$ 135	\$ 110	\$ 101	\$ 99	\$ 100	\$ 75	\$ 226	\$2,811	100%		

NAIC designation	Fair Value By Industry															Total	% Total
	Asset Managers	Banking	Technology	Consumer	Insurance	Other Financials	Basic Industry	REITs	Retailers	Media	Utilities	Capital Goods	Autos	Other			
1	\$ 39	\$ 154	\$ 86	\$ 107	\$ 183	\$ 69	\$ 11	\$ 49	\$ 27	\$ 3	\$ 56	\$ 45	\$ 41	\$ 70	\$ 940	34%	
2	509	185	139	69	34	86	118	86	33	44	42	34	25	111	1,515	54%	
Subtotal	548	339	225	176	217	155	129	135	60	47	98	79	66	181	2,455	88%	
3	22	1	28	28	2	14	18	—	50	54	—	2	5	17	241	8%	
4	—	—	2	34	—	—	—	—	—	—	—	19	4	15	74	3%	
5	—	—	5	6	—	—	—	—	—	—	1	—	—	9	21	1%	
6	—	—	2	—	—	—	—	—	—	—	—	—	—	—	2	0%	
Subtotal	22	1	37	68	2	14	18	—	50	54	1	21	9	41	338	12%	
Total insurance companies	\$ 570	\$ 340	\$ 262	\$ 244	\$ 219	\$ 169	\$ 147	\$ 135	\$ 110	\$ 101	\$ 99	\$ 100	\$ 75	\$ 222	\$2,793	100%	
Total non-insurance	—	—	1	—	13	—	—	—	—	—	—	—	—	4	18		
Total	\$ 570	\$ 340	\$ 263	\$ 244	\$ 232	\$ 169	\$ 147	\$ 135	\$ 110	\$ 101	\$ 99	\$ 100	\$ 75	\$ 226	\$2,811		

(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 the Total, 23% are NAIC 1, 7% NAIC 2, 25% NAIC 3, 17% NAIC 4, 14% NAIC 5 and 14% are held by non-insurance companies.

Appendix D
American Financial Group, Inc.
Corporate Securities by Credit Rating & NAIC Designation by Industry 12/31/2022
(\$ in millions)



Credit Rating (a)	Fair Value By Industry														Total	% Total	
	Asset Managers	Banking	Other Financials	Technology	Insurance	Consumer	REITs	Retailers	Basic Industry	Media	Autos	Capital Goods	Energy	Other			
Investment Grade																	
AAA	\$ —	\$ —	\$ —	\$ 10	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 14	\$ 24	1%
AA	—	—	23	39	21	48	—	5	—	—	—	—	—	16	11	163	6%
A	52	144	43	54	129	29	54	17	3	—	42	45	—	58	670	26%	
BBB	442	214	90	105	27	44	63	32	83	32	30	22	17	86	1,287	49%	
Subtotal	494	358	156	208	177	121	117	54	86	32	72	67	33	169	2,144	82%	
BB	22	—	12	23	1	22	2	49	8	34	11	1	5	10	200	7%	
B	—	—	—	3	1	26	—	—	—	—	4	4	—	13	51	2%	
CCC, CC, C	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
D	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Subtotal	22	—	12	26	2	49	2	49	8	34	15	5	5	23	252	9%	
Not Rated (b)	1	—	120	11	16	25	12	—	2	23	—	3	1	11	225	9%	
Total	\$ 517	\$ 358	\$ 288	\$ 245	\$ 195	\$ 195	\$ 131	\$ 103	\$ 96	\$ 89	\$ 87	\$ 75	\$ 39	\$ 203	\$2,621	100%	

NAIC designation	Fair Value By Industry														Total	% Total
	Asset Managers	Banking	Other Financials	Technology	Insurance	Consumer	REITs	Retailers	Basic Industry	Media	Autos	Capital Goods	Energy	Other		
1	\$ 52	\$ 144	\$ 79	\$ 103	\$ 150	\$ 88	\$ 54	\$ 22	\$ 3	\$ —	\$ 42	\$ 45	\$ 16	\$ 80	\$ 878	35%
2	443	213	91	105	29	48	75	32	83	32	30	24	17	88	1,310	53%
Subtotal	495	357	170	208	179	136	129	54	86	32	72	69	33	168	2,188	88%
3	22	—	12	29	2	27	2	49	10	54	11	2	6	13	239	9%
4	—	—	—	5	—	24	—	—	—	—	4	4	—	9	46	2%
5	—	—	—	3	—	8	—	—	—	3	—	—	—	8	22	1%
6	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Subtotal	22	—	12	37	2	59	2	49	10	57	15	6	6	30	307	12%
Total insurance companies	\$ 517	\$ 357	\$ 182	\$ 245	\$ 181	\$ 195	\$ 131	\$ 103	\$ 96	\$ 89	\$ 87	\$ 75	\$ 39	\$ 198	\$2,495	100%
Total non-insurance	—	1	106	—	14	—	—	—	—	—	—	—	—	5	126	
Total	\$ 517	\$ 358	\$ 288	\$ 245	\$ 195	\$ 195	\$ 131	\$ 103	\$ 96	\$ 89	\$ 87	\$ 75	\$ 39	\$ 203	\$2,621	

- (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, 88% are held by non-insurance companies and 11% are NAIC 1.
For the Total, 53% are held by non-insurance companies, 11% are NAIC 1, 12% NAIC 2 and 16% NAIC 3.

Appendix E
American Financial Group, Inc.
Asset-Backed Securities by Credit Rating & NAIC Designation by Collateral Type 6/30/2023
(\$ in millions)



Credit Rating (a)	Fair Value By Collateral Type											Total	% Total	
	Commercial Real Estate	Whole Business	TruPS	Railcar	Single Family Rental	Triple Net Lease	Secured Financing (c)	Aircraft	Mortgage Servicer Receivables	Consumer Loans	Other			
Investment Grade														
AAA	\$ 418	\$ —	\$ 47	\$ —	\$ 153	\$ 133	\$ 25	\$ —	\$ 5	\$ 11	\$ 46	\$ 838	39%	
AA	6	60	143	—	10	20	5	6	—	11	19	280	13%	
A	—	4	16	157	—	8	31	42	—	22	203	483	22%	
BBB	—	328	—	6	—	—	1	28	59	—	26	448	21%	
Subtotal	424	392	206	163	163	161	62	76	64	44	294	2,049	95%	
BB	—	—	—	—	—	—	1	7	—	—	—	8	0%	
B	—	—	—	—	—	—	—	2	—	—	—	2	0%	
CCC, CC, C	—	—	—	—	—	—	—	4	—	—	—	4	0%	
D	—	—	—	—	—	—	—	—	—	—	—	—	0%	
Subtotal	—	—	—	—	—	—	1	13	—	—	—	14	0%	
Not Rated (b)	—	—	—	—	—	—	95	4	—	—	7	106	5%	
Total	\$ 424	\$ 392	\$ 206	\$ 163	\$ 163	\$ 161	\$ 158	\$ 93	\$ 64	\$ 44	\$ 301	\$2,169	100%	

NAIC designation	Fair Value By Collateral Type											Total	% Total
	Commercial Real Estate ABS	Whole Business	TruPS	Railcar	Single Family Rental	Triple Net Lease	Secured Financing (b)	Aircraft	Mortgage Servicer Receivables	Consumer Loans	Other		
1	\$ 352	\$ 64	\$ 206	\$ 157	\$ 162	\$ 161	\$ 156	\$ 48	\$ 5	\$ 31	\$ 269	\$1,611	78%
2	—	328	—	6	—	—	1	28	59	—	25	447	22%
Subtotal	352	392	206	163	162	161	157	76	64	31	294	2,058	100%
3	—	—	—	—	—	—	1	7	—	—	—	8	0%
4	—	—	—	—	—	—	—	2	—	—	—	2	0%
5	—	—	—	—	—	—	—	8	—	—	1	9	0%
6	—	—	—	—	—	—	—	—	—	—	—	—	0%
Subtotal	—	—	—	—	—	—	1	17	—	—	1	19	0%
Total insurance companies	\$ 352	\$ 392	\$ 206	\$ 163	\$ 162	\$ 161	\$ 158	\$ 93	\$ 64	\$ 31	\$ 295	\$2,077	100%
Total non-insurance	72	—	—	—	1	—	—	—	—	13	6	92	
Total	\$ 424	\$ 392	\$ 206	\$ 163	\$ 163	\$ 161	\$ 158	\$ 93	\$ 64	\$ 44	\$ 301	\$2,169	

- (a) If two agencies rate a security, the rating displayed above is the lower of the two; if three or more agencies rate a security, the rating displayed is the second lowest.
- (b) 89% of not rated securities are NAIC 1, 5% are NAIC 5.
- (c) Secured Financings are privately placed funding agreements secured by assets including Single Family Rental properties, Bank Loans, and Commercial and Residential mortgages.

Appendix F
American Financial Group, Inc.
Asset-Backed Securities by Credit Rating & NAIC Designation by Collateral Type 12/31/2022
(\$ in millions)



Credit Rating (a)	Fair Value By Collateral Type												Total	% Total	
	Commercial Real Estate	Whole Business	TruPS	Secured Financing (c)	Triple Net Lease	Single Family Rental	Railcar	Aircraft	Mortgage Servicer Receivables	Consumer Loans	Auto	Other			
Investment Grade															
AAA	\$ 456	\$ —	\$ 40	\$ 25	\$ 138	\$ 156	\$ —	\$ —	\$ 5	\$ 8	\$ 3	\$ 29	\$ 860	38%	
AA	8	60	186	25	21	11	—	7	—	12	13	4	347	16%	
A	—	4	7	34	8	—	160	38	—	33	—	191	475	21%	
BBB	—	326	—	1	—	—	6	26	62	—	—	22	443	20%	
Subtotal	464	390	233	85	167	167	166	71	67	53	16	246	2,125	95%	
BB	—	—	—	1	—	—	—	7	—	—	—	—	8	0%	
B	—	—	—	—	—	—	—	1	—	—	—	—	1	0%	
CCC, CC, C	—	—	—	—	—	—	—	5	—	—	—	—	5	0%	
D	—	—	—	—	—	—	—	—	—	—	—	—	—	0%	
Subtotal	—	—	—	1	—	—	—	13	—	—	—	—	14	0%	
Not Rated (b)	—	—	—	95	—	—	—	5	—	—	—	6	106	5%	
Total	\$ 464	\$ 390	\$ 233	\$ 181	\$ 167	\$ 167	\$ 166	\$ 89	\$ 67	\$ 53	\$ 16	\$ 252	\$2,245	100%	

NAIC designation	Fair Value By Collateral Type												Total	% Total
	Commercial Real Estate	Whole Business	TruPS	Secured Financing (c)	Triple Net Lease	Single Family Rental	Railcar	Aircraft	Mortgage Servicer Receivables	Consumer Loans	Auto	Other		
1	\$ 358	\$ 64	\$ 233	\$ 179	\$ 167	\$ 166	\$ 160	\$ 46	\$ 5	\$ 34	\$ 16	\$ 229	\$1,657	78%
2	—	326	—	1	—	—	6	26	62	—	—	22	443	21%
Subtotal	358	390	233	180	167	166	166	72	67	34	16	251	2,100	99%
3	—	—	—	1	—	—	—	7	—	—	—	—	8	0%
4	—	—	—	—	—	—	—	1	—	—	—	—	1	0%
5	—	—	—	—	—	—	—	9	—	—	—	1	10	1%
6	—	—	—	—	—	—	—	—	—	—	—	—	—	0%
Subtotal	—	—	—	1	—	—	—	17	—	—	—	1	19	1%
Total insurance companies	\$ 358	\$ 390	\$ 233	\$ 181	\$ 167	\$ 166	\$ 166	\$ 89	\$ 67	\$ 34	\$ 16	\$ 252	\$2,119	100%
Total non-insurance	106	—	—	—	—	1	—	—	—	19	—	—	126	
Total	\$ 464	\$ 390	\$ 233	\$ 181	\$ 167	\$ 167	\$ 166	\$ 89	\$ 67	\$ 53	\$ 16	\$ 252	\$2,245	

- (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) 95% of not rated securities are NAIC 1 and 5% are NAIC 5.
- (c) Secured Financings are privately placed funding agreements secured by assets including Single Family Rental properties, Bank Loans, and Commercial and Residential mortgages.

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	\$ 1,208	92%	95%	98%
Fund Investments	56	4%	—	—
QOZ Fund - Development	18	2%	—	—
Office	15	1%	90%	100%
Hospitality	10	1%	—	—
Land Development	5	0%	—	—
Student Housing	1	0%	—	—
Total	\$ 1,313	100%		

Real Estate

<u>Property Type</u>	<u>Book Value</u>	<u>% of Book Value</u>	<u>Debt</u>
Resort & Marina	\$ 53	53%	\$ —
Marina	35	36%	—
Office Building	9	9%	—
Land	2	2%	—
Total	\$ 99	100%	\$ —

Mortgage Loans

<u>Property Type</u>	<u>Book Value</u>	<u>% of Book Value</u>	<u>Loan To Value</u>
Multifamily	\$ 461	71%	68%
Hospitality	126	20%	51%
Office	58	9%	89%
Total	\$ 645	100%	67%

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

- (a) Total investments accounted for using the equity method is \$1.8 billion, the amounts presented in this table only relate to real estate funds/investments.
- (b) Occupancy as of 6/30/23
- (c) Collections for April - June

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	\$ 1,127	92%	95%	98%
Fund Investments	52	4%	—	—
QOZ Fund - Development	19	2%	—	—
Office	15	1%	93%	100%
Hospitality	9	1%	—	—
Land Development	6	0%	—	—
Student Housing	1	0%	—	—
Total	\$ 1,229	100%		

Real Estate

<u>Property Type</u>	<u>Book Value</u>	<u>% of Book Value</u>	<u>Debt</u>
Resort & Marina	\$ 50	52%	\$ —
Marina	35	36%	—
Office Building	10	10%	—
Land	2	2%	—
Total	\$ 97	100%	\$ —

Mortgage Loans

<u>Property Type</u>	<u>Book Value</u>	<u>% of Book Value</u>	<u>Loan To Value</u>
Multifamily	\$ 491	73%	67%
Hospitality	127	19%	52%
Office	58	8%	1
Total	\$ 676	100%	66%

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

- (a) Total investments accounted for using the equity method is \$1.7 billion, the amounts presented in this table only relate to real estate funds/investments.
- (b) Occupancy as of 12/31/22
- (c) Collections for October - December