



OPERATING DISCIPLINE

OPPORTUNISTIC MINDSET

COMPELLING BUSINESS MIX

LONG-TERM SHAREHOLDER VALUE

STRONG FOUNDATION BUILT
ON CULTURE AND VALUES

Specialty Property and Casualty Insurance
Fixed and Indexed Annuities

2019 Annual Report

Creating long-term value for our shareholders

01

American Financial Group (AFG) delivers insurance and annuity products that fulfill today's needs and tomorrow's dreams. [We back our financial solutions with integrity, reliability and exceptional service.](#)

Assets exceeding

\$70B

Debt to capital ratio less than

15%

Excess capital

\$1.1B

Property and Casualty and Annuity Businesses

Leaders in the markets we serve



CARL H. LINDNER III (left) and S. CRAIG LINDNER

Co-Chief Executive Officers

To our shareholders

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As we close out the last decade and begin another, we are both proud and energized. These feelings reflect how we view AFG's portfolio of businesses, our people, our product offerings and our track record of creating long-term value for shareholders.

At the end of 2019, AFG's financial position was the strongest in our history, with assets exceeding \$70 billion, a debt to capital ratio less than 15%, and excess capital of \$1.1 billion. Our Specialty Property and Casualty (P&C) and Annuity businesses are leaders in the markets they serve.

Our strong culture and values underpin a business built on specialization, entrepreneurial spirit, integrity and accountability. Our values shape our priorities and expectations for how we conduct our business, provide service to our customers, interact with each other and support our communities. Our insureds, producers and employees count on our long-term economic sustainability to help policyholders manage risks inherent in their businesses and individuals build secure financial futures for their retirement.

OUR PORTFOLIO OF BUSINESSES

Our business model is unique, with 34 specialty commercial P&C insurance operations and a market-leading annuity business focused primarily on sales of traditional fixed and indexed annuities. Our mix of diverse businesses has a measure of non-correlation that enables us to successfully navigate various economic cycles, produce consistently strong financial results and return capital to our shareholders over time.

We conduct our business operations under the Great American Insurance Group brand, and the roots of our flagship company, Great American Insurance Company, extend back to 1872. Maintaining strong financial strength ratings is a priority. Great American Insurance Company is currently rated "A+" by A.M. Best and Standard and Poor's, and we are among only four companies to be rated "A" or better by A.M. Best for more than 110 years. Our annuity companies are also rated "A+" by Standard and Poor's.

Our compelling portfolio of specialty P&C businesses offer a wide range of coverages in niche industries, backed by specialized industry knowledge and experienced claims handling. We build our P&C insurance products with a deep understanding of a wide variety of industries and the risks within these industries. More than 55% of our P&C gross written premiums are produced by businesses with top-10 market rankings.

We are pleased to have grown these operations during 2019. In August, we added our newly formed Accident & Health Division to the Specialty Casualty Group. This business will build upon Great American's existing array of accident and health insurance coverages, focusing on customized coverages for organizations and educational institutions. In June, we entered into an agreement with Atlas Financial Holdings, Inc. (AFH) to become the exclusive underwriter of its paratransit book of business. This is a great strategic fit for AFG because it complements our existing paratransit book and allows us to grow our footprint within an existing specialty transportation niche that has performed very well for us. This business added approximately \$16 million in gross written premium in 2019 at expected margins. Twelve months following the transaction, AFG is entitled to acquire the renewal rights for the business held by AFH and certain of its subsidiaries.

Our Annuity Segment reported strong sales in 2019—the second-highest level in our history. This business ranks in the top three within the financial institutions channel, and is ranked #11 as a provider of traditional fixed and indexed annuities overall. In the current interest rate environment, we are focused on earning appropriate returns on our products rather than growing our premiums. We design and price our annuity products to respond to evolving demographics and changes in financial markets. Throughout 2019, we introduced several new annuity products that expanded our offerings. We believe we are well positioned to continue to profitably grow our business over the long term and capitalize on our consumer-centric model, which is valued by our policyholders and distribution partners.

OPERATING WITH DISCIPLINE, CAPITALIZING ON OPPORTUNITY

Our commitment to building long-term shareholder value starts with maintaining strong and consistent core operating businesses. Our success depends on disciplined underwriting, prudent pricing and careful expense management.

We were pleased to see meaningful tightening in the P&C market during 2019 in response to several years of industry headwinds, including a continued low interest rate environment, increased loss severity in certain lines of business, the frequency of catastrophe activity, and the impact of social inflation. Renewal pricing was the strongest we have seen in over five years, with broad-based price strengthening across our portfolio of non-workers' compensation P&C businesses. While pricing was lower in our workers' compensation operations, we continued to meet or exceed our targeted returns on equity in these businesses. Meaningful price increases and new business opportunities enabled us to achieve healthy growth across our Specialty P&C portfolio.

Although industry catastrophe losses were manageable in 2019, our crop insurance business faced one of the most challenging growing seasons in history, with excess moisture resulting in a record number of prevented planting claims. Despite a poor crop year, our Specialty P&C insurance operations produced a calendar year GAAP combined ratio of 93.7%. Over the past 10 years, the statutory combined operating ratio of AFG's property and casualty operations has outperformed the industry by an average of more than eight points.

In our annuity business, we continued to successfully navigate a persistently low interest rate environment as well as volatility in the stock market. Because we believe we have one of the highest

margins between our cost of funds and guaranteed minimum interest crediting rates—along with one of the lowest rider attachment rates in the industry—we are confident in our ability to manage spreads to acceptable returns. Specifically, at December 31, 2019, we had the ability to lower crediting rates by 119 basis points on \$31 billion of reserves, producing an additional \$368 million of pretax income.

Our operating discipline and entrepreneurial mindset have enabled us to achieve consistently strong core operating results over time. Over the past 10 years, our Annuity Segment's cumulative net earnings have exceeded its cumulative core operating earnings by 5%. Our focus on traditional fixed and indexed annuities—and away from lines of business without critical mass or competitive advantage—combined with in-house investment management skills and reduced unit costs, has helped us significantly improve returns on equity. Over the last ten years, the Annuity Segment has more than tripled its earnings, premiums and assets, while providing significant amounts of excess capital to AFG.

2019 RESULTS

In 2019, we achieved net earnings of \$897 million or \$9.85 per diluted share, generating a very strong return on equity of 17.1%. The \$9.85 earnings per share includes after-tax non-core items, which added \$1.23 per share.

In the second quarter of 2019, we changed how we define annuity core operating earnings to exclude items that are not necessarily indicative of operating trends. We believe these changes provide investors with a better view of fundamental business performance, and a measure of the Annuity Segment's business that is more comparable to that of its peers. This approach removes much of the volatility, both positive and negative, that results from the impact of interest rate and stock market fluctuations on our indexed annuity business, as well as the impact of other non-operating items.

In December, we initiated actions to exit from the Lloyd's of London insurance market during 2020. Neon and its predecessor, Marketform, have failed to achieve AFG's profitability objectives since our purchase of Marketform in 2008. The exit from this business will allow us to reallocate capital to our other insurance businesses and opportunities that have the potential to earn targeted returns on investment.

As 2019 came to an end, we were pleased by the US Treasury's passage of final Base Erosion and Anti-Abuse Tax (BEAT) regulations, which clarified the law created as part of the Tax Cuts and Jobs Act of 2017. Together, these measures promote a level playing field for the insurance industry and diminish the substantial tax advantages that foreign insurers have enjoyed for many years.

AFG produced core net operating earnings per share of \$8.62 during 2019, a 3% increase from the record results achieved in 2018. Core return on equity was 14.9%. These results reflect strong core operating earnings in our P&C insurance and annuity businesses as well as in our investment management operations, led by our investment professionals at American Money Management Corporation.

AFG's adjusted book value per share grew to \$59.70 at the end of 2019. Total value creation, measured as the change in adjusted book value per share plus dividends, was \$9.79 per share, or approximately 17.8% during 2019.

Property and Casualty Insurance

Property and casualty core pretax earnings grew to \$753 million in 2019 compared with \$740 million in 2018, an increase of \$13 million, or 2%. Higher year-over-year net investment income—due primarily to growth in the business—was partially offset by lower year-over-year underwriting profit.

Net written premiums increased 6% and overall renewal rates rose approximately 3% in 2019. Excluding the workers' compensation business, renewal pricing increased approximately 6%. Renewal pricing in our Specialty P&C Group overall is the highest we have achieved in over five years, meeting or exceeding our expectations in each of our Specialty P&C sub-segments. Loss cost trends across our P&C businesses remain stable overall. We continue to closely monitor loss activity and the impact of social inflation, general loss cost inflation and interest rates.

We are taking steps to address a few areas within our Specialty P&C business where loss costs are running higher and where we see more aggressive trial bar activity and increased jury awards driving severity. Similar to our success in addressing an uptick in loss severity in commercial auto nearly eight years ago, we are addressing elevated loss costs through underwriting and risk selection, and by securing rate increases to stay in front of loss ratio trends. We are encouraged by the pricing environment, especially our ability to achieve strong renewal rate increases in many of our Specialty Casualty businesses.

Concurrently, we are increasing initial loss picks in several of our longer-tailed liability lines where we have more exposure to social inflation, and holding more IBNR. We continue to think we are prudently reserved—and no less so than we were at the end of 2018, based on the types of business we write, and the way we operate our business. During 2019, our P&C Segment's statutory combined ratio outperformed the composite commercial P&C insurance industry by seven points.

Annuities

Our Annuity Segment reported core pretax earnings of \$398 million in 2019, an increase of 10% from the prior year, and generated an after-tax core operating return on equity of more than 12%. These results include an 11% increase in average annuity investments and a 9% increase in investment income, reflecting growth in the annuity business that was partially offset by the impact of lower investment yields.

Statutory annuity premiums were \$5.0 billion in 2019. In response to the continued drop in interest rates in 2019, we implemented numerous crediting rate decreases to maintain appropriate returns on annuity sales, which impacted premium volume.

Investments

We view investment management as a core competency and have a highly skilled in-house team of investment professionals managing our \$55 billion portfolio. By following a consistent opportunistic strategy over many years and changing economic conditions, we have outperformed market indices while effectively managing portfolio risk. Our portfolio consists primarily of investment-grade securities that provide a relatively predictable, steady stream of income. Over the 12 years ended

December 31, 2019, a time period that captures the beginning of the global financial crisis, returns in our fixed income portfolio have significantly surpassed those of fixed income indices, and our equity portfolio has achieved returns well above that of the S&P 500 Index.

CREATING LONG-TERM VALUE FOR SHAREHOLDERS

Intelligent deployment of our company's capital is a top priority, and we strive to find the highest and best use of capital to create long-term value for our shareholders. We do this through a combination of dividends, share repurchases, acquisitions and the addition of bolt-on or start-up businesses. We also look to grow organically when there is dislocation in the market or other prospects that align with our existing businesses. We regularly evaluate opportunities that have the potential to produce desired long-term returns. Alignment with our existing businesses and cultural fit are important considerations when we evaluate opportunities to expand our Specialty P&C insurance portfolio. We maintain financial leverage and capital adequacy at levels that are prudent for our business and consistent with our commitments to ratings agencies. We also maintain sufficient liquidity to respond to business needs and opportunities.

We returned \$446 million to shareholders in the form of regular and special dividends during 2019. We announced a 12.5% increase in AFG's regular quarterly dividend, to an annual rate of \$1.80 per share, beginning October 1, 2019. This marks the 14th consecutive annual dividend increase for the company. In addition, we paid \$3.30 per share in special dividends. The five-year compounded annual growth in dividends paid to our shareholders was approximately 12.6%, excluding special dividends. Dividend payments and share repurchases have enabled us to return \$1.9 billion to our shareholders over the past five years.

In addition, total shareholder return of AFG's Common Stock price plus dividends for the five- and 10-year periods ended December 31, 2019, was approximately 120% and 510%, respectively, exceeding comparable indices. These measures serve as benchmarks as we evaluate our effectiveness in creating value.

The Lindner family continues to hold a sizable interest in AFG's Common Stock. We believe that our significant family investment, together with the shares held by our management team and employees, serves to align our interests with those of our shareholders.

Impact of the coronavirus pandemic

As we conclude our comments, it is important that we acknowledge the coronavirus pandemic and the significant impact it has had on the health and well-being of individuals worldwide. We are taking precautionary efforts across our workforce to help to protect the health and wellness of our employees, while also responding to the needs of our agents, insureds and claimants.

Our thoughts and prayers are with those who have been affected by the outbreak of COVID-19. We continue to do our part to help to prevent the spread of the virus by making decisions that are informed by health officials and government leaders and guided by AFG's corporate values.

The pandemic has also contributed to significant negative impacts on the stock market and interest rates. We believe our financial strength, capital and liquidity will enable us to maintain appropriate returns within our P&C and annuity businesses in this challenging environment.

STRONG HISTORY, BRIGHT FUTURE

AFG's strong foundation and deep industry expertise enable us to serve as a trusted provider of financial solutions in the specialty P&C and annuity markets. Our financial strength has been essential in helping us successfully navigate various economic cycles over the years, and this time is no different.

Our success stems from disciplined growth through specialization and from patient, opportunistic management of our business over time. Our track record of success has enabled us to consistently create long-term value for our shareholders.

Although there are many factors that contribute to our success, our people are always at the core. Providing opportunities for their development and identifying our next generation of leaders are among our top priorities. We continue to promote the compelling benefits of a career in insurance to help us attract and retain the best and brightest talent.

We know the decisions we make today will impact our business and our shareholders for years to come. We remain committed to helping build a sustainable future for our customers, agents, investors and employees.

We thank God, our talented management team and our employees for a very successful year. We also thank you, our shareholders, for your investment and confidence.



CARL H. LINDNER III
Co-Chief Executive Officer



S. CRAIG LINDNER
Co-Chief Executive Officer

March 15, 2020

Our operating discipline and entrepreneurial mindset have enabled us to

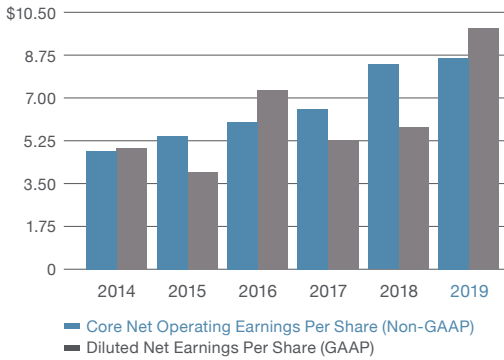
achieve
consistently strong
core operating
results over time.

FINANCIAL STRENGTH RATINGS

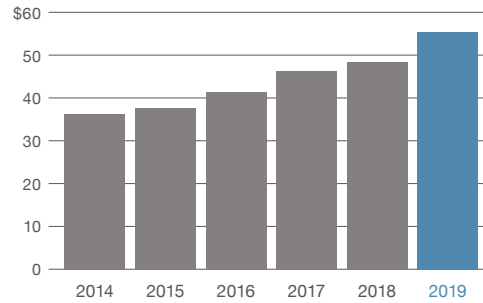
	A.M. Best*	Standard & Poor's*
SPECIALTY PROPERTY & CASUALTY INSURANCE GROUP		
Great American Insurance Company	A+ (Superior)	A+
Mid-Continent Casualty Company	A+ (Superior)	A+
National Interstate Insurance Company	A+ (Superior)	Not Rated
Vanliner Insurance Company	A+ (Superior)	Not Rated
Republic Indemnity Company of America	A (Excellent)	A+
Bridgefield Casualty Insurance Company	A (Excellent)	A+
Bridgefield Employers Insurance Company	A (Excellent)	A+
El Águila, Compañía de Seguros	A- (Excellent)	Not Rated
Great American International Insurance (EU) DAC	Not Rated	A+
Great American International Insurance (UK) Ltd.	Not Rated	A+
ANNUITY GROUP		
Great American Life Insurance Company	A (Excellent)	A+
Annuity Investors Life Insurance Company	A (Excellent)	A+

* Information reflects ratings in effect as of March 15, 2020.

EARNINGS PER SHARE (For the year ended December 31)

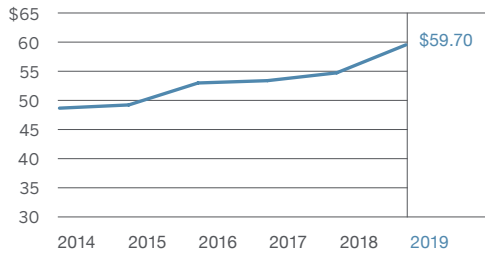


INVESTED ASSETS (As of December 31, in billions)



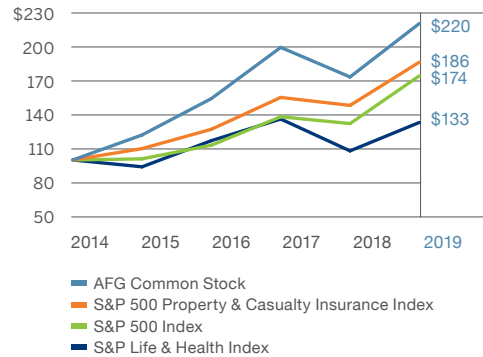
ADJUSTED BOOK VALUE PER SHARE

As of December 31 (excluding appropriated retained earnings and net unrealized gains related to fixed maturity securities)



5-YEAR CUMULATIVE TOTAL SHAREHOLDER RETURN

On AFG Common Stock vs S&P indices, as of December 31



This graph assumes \$100 invested on December 31, 2014 in AFG's Common Stock, the S&P 500 Property & Casualty Insurance Index, the S&P 500 Index and the S&P Life & Health Index, including reinvestments of dividends.

As of December 31, <i>(in millions, except per share data)</i>	2019	2018	2017
BALANCE SHEET DATA			
Cash and investments	\$55,252	\$ 48,498	\$46,048
Total assets	70,130	63,456	60,658
Long-term debt	1,473	1,302	1,301
Shareholders' equity	6,269	4,970	5,330
Adjusted shareholders' equity ^A	5,390	4,898	4,724
Book value per share	\$ 69.43	\$ 55.66	\$ 60.38
Adjusted book value per share ^A	59.70	54.86	53.51
Cash dividends per share ^B	\$ 4.950	\$ 4.450	\$ 4.788
Ratio of debt to total capital ^C			
Including subordinated debt	21.7%	21.2%	21.8%
Excluding subordinated debt	14.8%	16.4%	16.8%
Shares outstanding	90.3	89.3	88.3
For the Year Ended December 31,			
	2019	2018	2017
SUMMARY OF OPERATIONS			
Total revenues	\$ 8,237	\$ 7,150	\$ 6,865
Components of net earnings:			
Core net operating earnings ^D	\$ 784	\$ 761	\$ 588
Realized gains (losses) on securities	227	(210)	3
Annuity non-core earnings (losses)	(29)	—	—
Special A&E charges	(23)	(21)	(74)
Neon exited lines	(58)	—	18
Loss on retirement of debt	(4)	—	(33)
Tax benefit related to Neon restructuring	—	—	56
Tax expense related to change in U.S. corporate tax rate	—	—	(83)
Net earnings attributable to shareholders	\$ 897	\$ 530	\$ 475
Return on shareholders' equity:			
Core net operating earnings ^E	14.9%	15.6%	12.7%
Net earnings ^E	17.1%	10.9%	10.3%
Components of diluted earnings per share:			
Core net operating earnings ^D	\$ 8.62	\$ 8.40	\$ 6.55
Realized gains (losses) on securities	2.47	(2.31)	0.03
Annuity non-core earnings (losses)	(0.31)	—	—
Special A&E charges	(0.25)	(0.24)	(0.82)
Neon exited lines	(0.64)	—	0.19
Loss on retirement of debt	(0.04)	—	(0.37)
Tax benefit related to Neon restructuring	—	—	0.62
Tax expense related to change in U.S. corporate tax rate	—	—	(0.92)
Diluted earnings per share	\$ 9.85	\$ 5.85	\$ 5.28

^A Excludes net unrealized gains (losses) related to fixed maturity securities.

^B Includes special cash dividends of \$3.30 per share in 2019, \$3.00 per share in 2018, and \$3.50 per share in 2017.

^C The ratio is calculated by dividing the principal amount of AFG's long-term debt by its total capital, which includes long-term debt, noncontrolling interests and shareholders' equity (excluding unrealized gains (losses) related to fixed maturity investments).

^D Certain significant items that may not be indicative of ongoing core operations are excluded in deriving our core net operating earnings. Though it is not a generally accepted accounting principles (GAAP) measure, it is a key performance measure used by analysts and ratings agencies.

^E Excludes accumulated other comprehensive income.





Specialty Property and Casualty Insurance Operations

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PROPERTY AND TRANSPORTATION GROUP

Agricultural-related

Federally reinsured multi-peril crop (allied lines) insurance covering most perils as well as crop-hail, equine mortality and other coverages for full-time operating farms/ranches and agribusiness operations on a nationwide basis.

Commercial Automobile

Coverage for vehicles (such as buses and trucks) in a broad range of businesses including the moving and storage and transportation industries, as well as alternative risk transfer programs, and a specialized physical damage product for the trucking industry.

Property, Inland Marine and Ocean Marine

Coverage primarily for commercial properties, builders' risk, contractors' equipment, property, motor truck cargo, marine cargo, boat dealers, marina operators/dealers and excursion vessels.

SPECIALTY CASUALTY GROUP

Excess and Surplus

Liability, umbrella and excess coverage for unique, volatile or hard to place risks, using rates and forms that generally do not have to be approved by state insurance regulators.

Executive and Professional Liability

Coverage for directors and officers of businesses and non-profit organizations, errors and omissions, cyber, and mergers and acquisitions.

General Liability

Coverage for contractor-related businesses, energy development and production risks, and environmental liability risks.

Targeted Programs

Coverage (primarily liability and property) for social service agencies, leisure, entertainment and non-profit organizations, customized solutions for other targeted markets and alternative risk programs using agency captives.

Umbrella and Excess Liability

Coverage in excess of primary layers.

Workers' Compensation

Coverage for prescribed benefits payable to employees who are injured on the job.

SPECIALTY FINANCIAL GROUP

Fidelity and Surety

Fidelity and crime coverage for government, mercantile and financial institutions and surety coverage for various types of contractors and public and private corporations.

Lease and Loan Services

Coverage for insurance risk management programs for lending and leasing institutions, including equipment leasing and collateral and lender-placed mortgage property insurance.

Annuity Operations

Fixed and Indexed Annuities

Sold primarily in the retail, financial institutions, broker-dealer and registered investment advisor markets.





Our Operations

AFG HAS AN ENTREPRENEURIAL SPIRIT AT ITS CORE

Experienced professionals manage our Specialty Property & Casualty businesses, each of which handles its own decisions pertaining to underwriting, marketing, claims and policy servicing. This autonomous approach allows our P&C businesses to respond to local and specialty market conditions while also benefiting from centralized investment and administrative support. AFG's annuity professionals oversee a consumer-friendly product portfolio and manage pricing strategies within each of our distribution channels. Our annuity products equip individuals to manage financial risks and help them live their lives to the fullest.

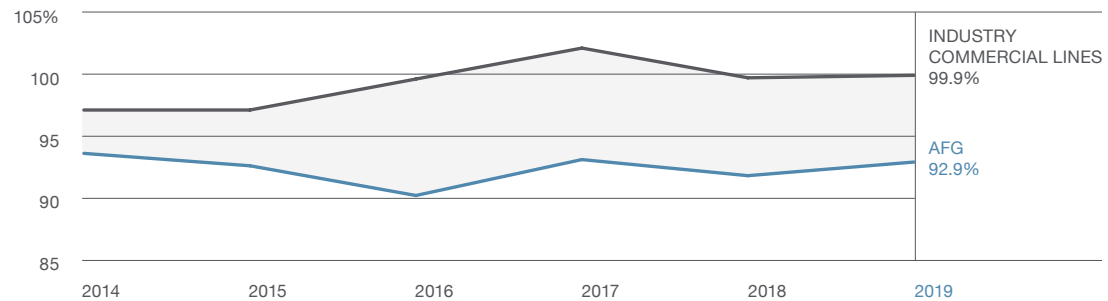
Corporate responsibility and sustainability

AFG's commitment to doing business in a responsible and sustainable manner starts with recognizing that many of our business decisions affect people and organizations in the larger community. We sustain AFG's business success by effectively managing risk—financial, social, environmental—to help create stability for our customers and deliver value to our shareholders. Learn more about our corporate responsibility efforts at AFGinc.com/About-Us/Corporate-Social-Responsibility.

MEASURING OUR PERFORMANCE

We have achieved solid results for many years with our diversified business model comprised of Specialty P&C and annuity operations. Both businesses are industry leaders in many of the markets that we serve. Our annuity business and some of our P&C businesses aren't closely correlated to the general P&C cycle, which has helped us achieve more consistent core operating earnings over time.

P&C STATUTORY COMBINED RATIO



Industry Commercial Lines based on data from A.M. Best

As of December 31, 2019, we allocated about 60% of our GAAP equity to what we consider non-correlated businesses.

Performance benchmarks and operational and financial measures provide a clear line of sight into our overall results.

AFG rewards its business leaders for strong performance through compensation programs that align with our strategic and financial goals. This approach ensures that we grow our business only when we can achieve targeted returns; sometimes, it prompts us to withdraw from markets that do not meet profit objectives or fit within our business strategy.

We have diversified our Specialty P&C portfolio through acquisitions, business bolt-ons and start-ups. Carefully executed dispositions enable us to focus on operational areas where we have deep expertise in developing, delivering and servicing products for specialty niches.

Our Annuity Segment sharpened its focus and grew considerably following the height of the global financial crisis in 2008. Our consumer-friendly model and strong ratings have driven significant growth in annuity sales, especially in the financial institutions channel.

OUR PEOPLE

AFG and its Great American Insurance Group member companies employ about 8,500 employees in approximately 120 office locations globally.

We place a high priority on developing talent and leadership skills at all levels of our organization. AFG's people-focused culture—which encourages honest communication and supports a healthy work/life balance—enables us to attract, retain and empower high-caliber individuals. For a closer look at how we create a welcoming and rewarding workplace, visit GAIG.com/Careers.

RATINGS

The ratings assigned to AFG by independent agencies such as A.M. Best and Standard & Poor's are an important competitive factor. Agents and brokers who distribute our Specialty P&C insurance products, as well as the agents, advisors and financial institutions that sell our annuity products, often use a company's rating as an initial screening measure when considering their clients' needs. Ratings of financial strength or claims-paying ability apply to individual insurance companies. The rating criteria and designations vary for each agency. AFG's favorable ratings contribute significantly to our strong, competitive position in the marketplace. Visit the agencies' websites for information about their rating processes.



¹⁸ Great American Insurance Company is rated A+ (Superior) and is one of only four property and casualty insurers to have maintained a financial strength rating of A or better from A.M. Best for more than 110 years.

A.M. Best, as of September 11, 2019

SPECIALTY P&C INSURANCE OPERATIONS

Our 34 Specialty P&C businesses provide insurance solutions that help businesses manage their unique operational, industry and market risks. Many of these businesses are leaders in the markets they serve, including crop, executive liability, fidelity/crime, workers' compensation, non-profit/social services, passenger transportation, surety, trade credit and trucking.

Our P&C expertise stems from a strong commitment to these markets. In our Equine Mortality Division, for example, more than 55% of our staff members have a role in horse ownership. Also, many of our equine policy underwriters and claims representatives have degrees in animal science.

Our diversified book of businesses, strong capital adequacy, disciplined pricing and relatively low windstorm/earthquake and coastal exposures are central to AFG's Specialty P&C strategy.

As of December 31, 2019, our net exposure to a catastrophic earthquake or windstorm that industry models indicate should statistically occur once in every 500 years was approximately 6% of AFG's Shareholders' Equity.

We reward our P&C professionals for helping achieve profitable growth and healthy returns on equity. Therefore, our premium volume varies based on market conditions, including our ability to achieve appropriate pricing and scale. During 2019, we grew several of our businesses organically along with the start-up of our Accident and Health Division.

Over
55%

Share of P&C Group's gross written premiums
generated by "top 10" businesses



108 Years

OUR EXPERIENCE PROVIDING EQUINE INSURANCE

Great American Insurance Group has been a member of the Grayson-Jockey Club Research Foundation since 2011. This Foundation funds veterinary research at universities throughout North America and beyond, and is committed to the advancement of horses of all breeds.



We launched our new P&C brand message in 2019 to celebrate the valuable contributions of our insureds, agents and Great American employees—both at work and in their communities. *For all the great you do* reflects our company culture and reinforces our core values as well as our deep industry and customer knowledge.

SPECIALTY PROPERTY AND
CASUALTY INSURANCE OPERATIONS

GROSS WRITTEN PREMIUMS

Year Ended December 31,

2019

2018

2017

(dollars in millions)

Specialty Property & Casualty Operations	\$ 7,299	\$ 6,840	\$ 6,502
Property and Transportation Group	\$ 2,759	\$ 2,645	\$ 2,688
Specialty Casualty Group	\$ 3,768	\$ 3,445	\$ 3,087
Specialty Financial Group	\$ 772	\$ 750	\$ 727



Pictured employees (left to right): Sarah Brizzolara, Riley Slike, Paul Hoffman, Paul (P.J.) Painter, and Nick Kathman

for all the *great* you doSM

NET WRITTEN PREMIUMS

GAAP COMBINED RATIO

2019	2018	2017	2019	2018	2017
\$ 5,342	\$ 5,023	\$ 4,751	93.7%	93.4%	93.1%
\$ 1,876	\$ 1,754	\$ 1,765	95.7%	93.1%	91.0%
\$ 2,701	\$ 2,509	\$ 2,280	93.3%	94.2%	95.2%
\$ 617	\$ 602	\$ 596	85.0%	88.9%	89.4%

22 Live Your Life Great

400,000+ ONLINE VIEWS

Our five-part video series featuring Great American annuity customers who are "living their lives great" in retirement. Watch the videos at GAIG.com/GreatRetirements



It pays to keep things simple.®

AFG ranked second in sales of fixed-indexed annuities through financial institutions and #11 for sales of fixed annuities overall in 2019.

LIMRA, as of December 31, 2019

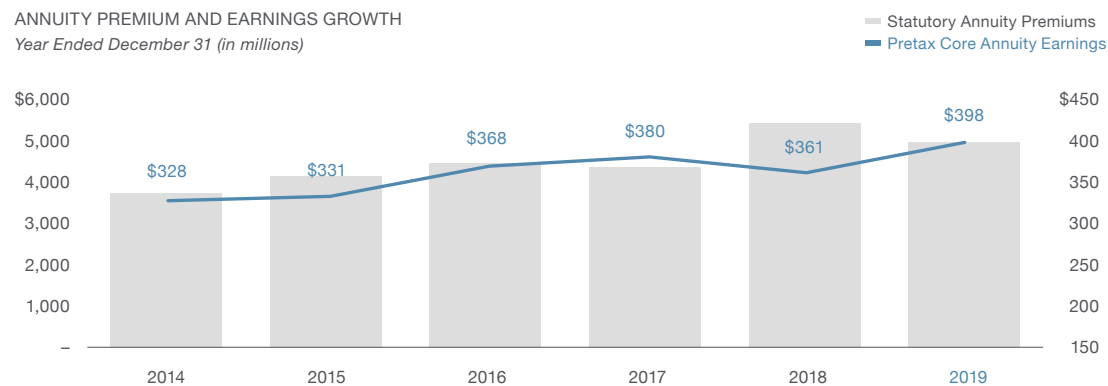
ANNUITY OPERATIONS

Through the annuity operations of Great American Insurance Group, AFG sells traditional fixed and indexed annuities in the retail, financial institutions, broker-dealer and registered investment advisor markets. Our annuity operations—in alignment with our belief that “It Pays to Keep Things Simple”—help individuals plan for secure financial futures by providing products that are easy to understand and responsive to their needs.

We continually seek ways to best serve the needs of our policyholders and distribution partners. Our efforts include developing consumer-friendly products with a simpler design, generally shorter surrender periods and lower surrender charges than many other companies. We believe this approach gives policyholders greater transparency and confidence when choosing products to help protect their financial future.

Our in-house investment management team, American Money Management Corporation, closely monitors market conditions and economic trends to achieve adequate pricing and effective investment management strategies that support our consumer-friendly annuity products.

ANNUITY PREMIUM AND EARNINGS GROWTH
Year Ended December 31 (in millions)



The financial institutions channel generates about 56% of AFG’s statutory annuity premiums.

24 Approximately 91% of our fixed maturity investments are rated investment grade and 98% have an NAIC designation of 1 or 2, the highest two levels.

INVESTMENTS

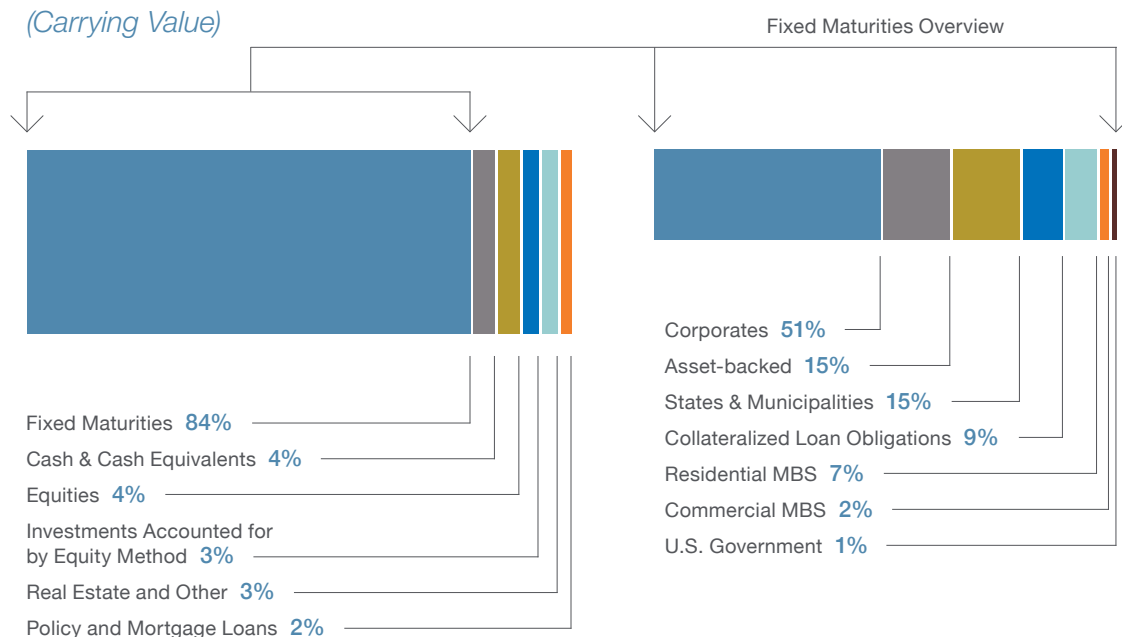
We focus on high-quality investments that maximize long-term returns rather than short-term performance. We believe that our investment returns will continue to contribute meaningfully to our earnings and book value growth.

Fixed-income investments—primarily corporate and municipal bonds and asset-backed securities—account for approximately 90% of our total investments. Stocks, real estate and other investments round out our portfolio.

INVESTMENT PORTFOLIO As of December 31, 2019

\$55.3 Billion

(Carrying Value)



We believe that our disciplined approach to steady and healthy growth will continue to produce

value for our
shareholders
for generations
to come.

Board of Directors

AMERICAN FINANCIAL GROUP



Seated, left to right: Mary Beth Martin, John Von Lehman, Ken Ambrecht.
Standing, left to right: Carl Lindner III, Jeff Consolino, Jim Evans, John Berding, Will Verity, Gina Drosos, Terry Jacobs, Greg Joseph, Craig Lindner.

AS OF MARCH 15, 2020

Carl H. Lindner III

Co-Chief Executive Officer, American Financial Group, Inc.

S. Craig Lindner

*Co-Chief Executive Officer, American Financial Group, Inc.,
Chief Executive Officer, Great American Financial Resources, Inc.*

Gregory G. Joseph^{1*}

*Lead Independent Director, American Financial Group, Inc.,
Executive and Principal of various automotive retailers known
as the Joseph Automotive Group*

Kenneth C. Ambrecht^{2,3}

*Principal, KCA Associates, LLC, a consulting firm to
participants in the capital markets*

John B. Berding

President, American Money Management Corporation

Joseph E. (Jeff) Consolino

*Executive Vice President and Chief Financial Officer,
American Financial Group, Inc., Chairman, Neon Capital Ltd.*

Virginia "Gina" C. Drosos^{1,3}

*Chief Executive Officer, Signet Jewelers Limited,
a leading specialty retail jeweler*

James E. Evans

*Former Senior Executive Officer and currently Executive
Consultant to American Financial Group, Inc.*

Terry S. Jacobs^{1,2*}

*Chairman and Chief Executive Officer,
The JFP Group, LLC, a real estate development company*

Mary Beth Martin^{2,3}

Executive Director of the Farmer Family Foundation

William W. Verity^{2,3*}

*President, Verity Investment Partners, an investment
management company*

John I. Von Lehman^{1,3}

*Retired Executive Vice President, Chief Financial Officer
and Secretary, The Midland Company, an Ohio-based
provider of specialty insurance products*

Board of Directors Committees:

1 Audit Committee

2 Compensation Committee

3 Corporate Governance Committee

** Chairman of Committee*

Senior Management

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AS OF MARCH 15, 2020

AMERICAN FINANCIAL GROUP, INC.

Carl H. Lindner III
Co-Chief Executive Officer

S. Craig Lindner
Co-Chief Executive Officer

Joseph E. (Jeff) Consolino
*Executive Vice President and
Chief Financial Officer*

Michelle A. Gillis
*Senior Vice President and
Chief Administrative Officer*

Vito C. Peraino
*Senior Vice President and
General Counsel*

H. Kim Baird
Vice President—Tax

Anthony W. Dunn
Vice President—Internal Audit

Karl J. Grafe
*Vice President, Assistant General
Counsel and Secretary*

Brian S. Hertzman
Vice President and Controller

Mark A. Weiss
*Vice President and Assistant
General Counsel*

David J. Witzgall
Vice President and Treasurer

AMERICAN MONEY MANAGEMENT CORPORATION

John B. Berding
President

ANNUITY OPERATIONS

Mark F. Muething
*President, Chief Operating
Officer and General Counsel*

Christopher P. Miliano
*Executive Vice President and
Chief Financial Officer*

Timothy J. Minard
*Executive Vice President and
Chief Distribution Officer*

Michael J. Prager
*Executive Vice President
and Chief Actuary*

PROPERTY AND CASUALTY OPERATIONS

Gary J. Gruber
President and Chief Operating Officer

Ronald J. Brichler
Executive Vice President

Vincent McLenaghan
Executive Vice President

Anthony J. Mercurio
Executive Vice President

Michael E. Sullivan, Jr.
Executive Vice President

David L. Thompson, Jr.
Executive Vice President

Annual Shareholders' Meeting

The Annual Shareholders' Meeting will be held on May 20, 2020. Notices will be mailed to all holders of the Company's Common Stock.

Common Stock Market Information

American Financial Group's Common Stock is traded on the New York Stock Exchange under the symbol AFG. On February 1, 2020, approximately 5,500 holders of record own our shares.

Dividend Reinvestment Plan

This plan allows registered shareholders to automatically reinvest the dividends on their AFG Common Stock toward the purchase of additional shares of AFG Common Stock at a 4% discount to the current market price. Dividend Reinvestment Plan information and enrollment forms may be obtained from the Company's Transfer Agent.

Forward-Looking Statements

The disclosures in this 2019 Annual Report contain certain forward-looking statements that are subject to numerous assumptions, risks or uncertainties. 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. Please see "Forward-Looking Statements" in the Company's Annual Report on Form 10-K filed with the Securities and Exchange Commission.

Additional Information

Investors or analysts requesting additional information, including copies of the American Financial Group, Inc. Form 10-K as filed with the Securities and Exchange Commission, may contact:

Investor Relations, American Financial Group, Inc.
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Cincinnati, Ohio 45202
513-579-6739
AFGInvestorRelations@amfin.com

SEC filings, news releases and other information may also be accessed on American Financial Group's website at AFGinc.com.

Transfer Agent

Broadridge Corporate Issuer Solutions
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888-789-8804
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