
American Financial Group, Inc.
Fixed Maturity Investment Portfolio

March 31, 2011 Earnings Release Supplement

Fixed Maturity Portfolio – AFG Consolidated

March 31, 2011

(\$ - in millions)

	<u>Amortized</u> <u>Cost</u>	<u>Fair Value</u>	<u>Unrealized</u> <u>Gain/(Loss)</u>	<u>% Fair Value</u>
US Government and government agencies	\$ 429	\$ 440	\$ 11	2%
States, municipalities and political subdivisions	3,138	3,141	3	16%
Foreign government	360	367	7	2%
Residential Mortgaged-backed securities	3,765	3,891	126	19%
Commercial Mortgaged-backed securities	2,164	2,332	168	12%
Corporate bonds				
Manufacturing	1,835	1,957	122	10%
Banks, lending and credit institutions	1,783	1,865	82	9%
Gas and electric services	1,276	1,384	108	7%
Insurance and insurance related	833	882	49	4%
All other corporate	3,569	3,768	199	19%
	<u>\$ 19,152</u>	<u>\$ 20,027</u>	<u>\$ 875</u>	<u>100%</u>

AFG Fixed Maturity Portfolio – by Segment

March 31, 2011

(\$ - in millions)

Annuity and Supplemental Insurance Segment	Amortized	Fair Value	Unrealized	% Fair Value
	Cost		Gain/(Loss)	
US Government and government agencies	\$ 91	\$ 95	\$ 4	1%
States, municipalities and political subdivisions	1,050	1,050	-	7%
Foreign government	32	34	2	0%
Residential Mortgaged-backed securities	2,887	2,993	106	21%
Commercial Mortgaged-backed securities	1,757	1,906	149	13%
Corporate bonds	7,898	8,385	487	58%
	<u>\$ 13,715</u>	<u>\$ 14,463</u>	<u>\$ 748</u>	<u>100%</u>

Property and Casualty Segment	Amortized	Fair Value	Unrealized	% Fair Value
	Cost		Gain/(Loss)	
US Government and government agencies	\$ 338	\$ 345	\$ 7	6%
States, municipalities and political subdivisions	2,088	2,091	3	38%
Foreign government	328	333	5	6%
Residential Mortgaged-backed securities	878	889	11	16%
Commercial Mortgaged-backed securities	407	426	19	8%
Corporate bonds	1,396	1,469	73	26%
	<u>\$ 5,435</u>	<u>\$ 5,553</u>	<u>\$ 118</u>	<u>100%</u>

Mortgage-Backed Securities Portfolio – AFG Consolidated

March 31, 2011

(\$ - in millions)

AFG Consolidated

By Asset Type	Amortized Cost	Fair Value		Unrealized Gain/(Loss)
		Total	% of MBS Portfolio	
Residential				
Agency	\$ 433	\$ 448	7%	\$ 15
Prime (Non-Agency)	2,117	2,227	36%	110
Alt-A	736	729	11%	(7)
Subprime	454	458	7%	4
Subtotal - Residential	3,740	3,862	62%	122
Commercial	2,164	2,332	37%	168
Other	25	29	0%	4
Total	\$ 5,929	\$ 6,223	100%	\$ 294

- Substantially all of AFG's MBS securities are either senior tranches of securitizations or collateralized by senior tranches of securitizations.
- The average amortized cost as a percent of par is – Prime 85%; Alt-A 76%; Subprime 83%; CMBS 97%.
- The average FICO score of our residential MBS securities is – Prime 735; Alt-A 713; Subprime 658.
- Over 99% of our Commercial MBS portfolio is investment-grade rated (92% AAA) and the average subordination for this group of assets is 36%.
- The approximate average life by collateral type is – Residential 4 years; CMBS 5 years.

Mortgage-Backed Securities Portfolio – by Segment

March 31, 2011

(\$ - in millions)

Annuity and Supplemental Insurance Segment

By Asset Type	Amortized Cost	Fair Value			Unrealized Gain/(Loss)
		Total	% of MBS Portfolio	% of Life Invest Port	
Residential					
Agency	\$ 128	\$ 136	3%	1%	\$ 8
Prime (Non-Agency)	1,898	1,986	41%	12%	88
Alt-A	524	524	11%	3%	-
Subprime	318	325	6%	2%	7
Subtotal - Residential	2,868	2,971	60%	19%	103
Commercial	1,757	1,906	39%	13%	149
Other	19	22	1%	0%	3
Total	\$ 4,644	\$ 4,899	100%	31%	\$ 255

Property and Casualty Segment

By Asset Type	Amortized Cost	Fair Value			Unrealized Gain/(Loss)
		Total	% of MBS Portfolio	% of P&C Invest Port	
Residential					
Agency	\$ 305	\$ 312	24%	4%	\$ 7
Prime (Non-Agency)	219	232	18%	2%	13
Alt-A	212	205	16%	3%	(7)
Subprime	136	133	10%	2%	(3)
Subtotal - Residential	872	882	67%	12%	10
Commercial	407	426	32%	6%	19
Other	6	7	1%	0%	1
Total	\$ 1,285	\$ 1,315	100%	18%	\$ 30

Mortgage-Backed Securities Portfolio – AFG Consolidated

March 31, 2011

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<u>By Credit Rating</u>	<u>GAAP Data</u>			
	<u>Amortized Cost</u>	<u>Fair Value</u>	<u>% of MBS Portfolio</u>	<u>Unrealized Gain/(Loss)</u>
Investment Grade				
AAA	\$ 3,773	\$ 4,001	64%	\$ 228
AA	485	504	8%	19
A	351	348	6%	(3)
BBB	220	227	3%	7
Subtotal - Investment Grade	4,829	5,080	82%	251
BB	179	160	3%	(19)
B	313	310	6%	(3)
Other	608	673	11%	65
Total	\$ 5,929	\$ 6,223	100%	\$ 294

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 low est.

<u>By NAIC Designation</u>	<u>Statutory Data - AFG Consolidated</u>				
	<u>Carrying Value</u>	<u>% Carrying Value</u>	<u>Amortized Cost</u>	<u>Fair Value</u>	<u>Unrealized Gain/(Loss)</u>
1	\$ 5,666	96.7%	\$ 5,671	\$ 5,988	\$ 317
2	81	1.4%	81	81	-
	5,747	98.1%	5,752	6,069	317
3	45	0.8%	45	43	(2)
4	18	0.3%	18	16	(2)
5	28	0.5%	29	39	10
6	19	0.3%	19	40	21
Total	\$ 5,857	100.0%	\$ 5,863	\$ 6,207	\$ 344