
American Financial Group, Inc.
Fixed Maturity Investment Portfolio

June 30, 2011 Earnings Release Supplement

Fixed Maturity Portfolio – AFG Consolidated

June 30, 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	\$ 404	\$ 418	\$ 14	2%
States, municipalities and political subdivisions	3,442	3,539	97	17%
Foreign government	340	351	11	2%
Residential Mortgaged-backed securities	3,772	3,879	107	19%
Commercial Mortgaged-backed securities	2,221	2,409	188	11%
Corporate bonds				
Manufacturing	1,912	2,054	142	10%
Banks, lending and credit institutions	1,799	1,895	96	9%
Gas and electric services	1,299	1,430	131	7%
Insurance and insurance related	853	914	61	4%
All other corporate	3,770	4,006	236	19%
	<u>\$ 19,812</u>	<u>\$ 20,895</u>	<u>\$ 1,083</u>	<u>100%</u>

AFG Fixed Maturity Portfolio – by Segment

June 30, 2011

(\$ - in millions)

Annuity and Supplemental Insurance Segment	Amortized Cost	Fair Value	Unrealized Gain/(Loss)	% Fair Value
US Government and government agencies	\$ 92	\$ 97	\$ 5	1%
States, municipalities and political subdivisions	1,149	1,191	42	8%
Foreign government	32	35	3	0%
Residential Mortgaged-backed securities	2,944	3,030	86	20%
Commercial Mortgaged-backed securities	1,793	1,960	167	13%
Corporate bonds	8,292	8,879	587	58%
	<u>\$ 14,302</u>	<u>\$ 15,192</u>	<u>\$ 890</u>	<u>100%</u>

Property and Casualty Segment	Amortized Cost	Fair Value	Unrealized Gain/(Loss)	% Fair Value
US Government and government agencies	\$ 312	\$ 321	\$ 9	6%
States, municipalities and political subdivisions	2,293	2,348	55	41%
Foreign government	308	316	8	5%
Residential Mortgaged-backed securities	828	841	13	15%
Commercial Mortgaged-backed securities	428	449	21	8%
Corporate bonds	1,338	1,417	79	25%
	<u>\$ 5,507</u>	<u>\$ 5,692</u>	<u>\$ 185</u>	<u>100%</u>

Mortgage-Backed Securities Portfolio – AFG Consolidated

June 30, 2011

(\$ - in millions)

<u>By Asset Type</u>	<u>Amortized Cost</u>	<u>Fair Value</u>		<u>Unrealized Gain/(Loss)</u>	
		<u>Total</u>	<u>% of MBS Portfolio</u>		<u>% of Cons Invest Port</u>
Residential					
Agency	\$ 405	\$ 421	7%	2%	\$ 16
Prime (Non-Agency)	2,066	2,167	34%	9%	101
Alt-A	728	718	11%	3%	(10)
Subprime	549	546	9%	2%	(3)
Subtotal - Residential	<u>3,748</u>	<u>3,852</u>	<u>61%</u>	<u>16%</u>	<u>104</u>
Commercial	2,221	2,409	38%	10%	188
Other	24	27	1%	0%	3
Total	<u>\$ 5,993</u>	<u>\$ 6,288</u>	<u>100%</u>	<u>26%</u>	<u>\$ 295</u>

- 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 75%; Subprime 82%; CMBS 98%.
- The average FICO score of our residential MBS securities is – Prime 737; Alt-A 713; Subprime 654.
- All of our Commercial MBS portfolio is investment-grade rated (91% 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

June 30, 2011

(\$ - in millions)

Annuity and Supplemental Insurance Segment

By Asset Type	Amortized Cost	Fair Value		Unrealized Gain/(Loss)
		Total	% of MBS Portfolio	
Residential				
Agency	\$ 122	\$ 130	3%	\$ 8
Prime (Non-Agency)	1,854	1,934	39%	80
Alt-A	529	526	11%	(3)
Subprime	421	420	8%	(1)
Subtotal - Residential	2,926	3,010	61%	84
Commercial	1,793	1,960	39%	167
Other	18	20	0%	2
Total	\$ 4,737	\$ 4,990	100%	\$ 253

Property and Casualty Segment

By Asset Type	Amortized Cost	Fair Value		Unrealized Gain/(Loss)
		Total	% of MBS Portfolio	
Residential				
Agency	\$ 283	\$ 291	23%	\$ 8
Prime (Non-Agency)	212	225	17%	13
Alt-A	199	192	15%	(7)
Subprime	128	126	10%	(2)
Subtotal - Residential	822	834	65%	12
Commercial	428	449	35%	21
Other	6	7	0%	1
Total	\$ 1,256	\$ 1,290	100%	\$ 34

Mortgage-Backed Securities Portfolio – AFG Consolidated

June 30, 2011

(\$ - in millions)

<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	\$ 3,573	\$ 3,807	61%	\$ 234
AA	512	530	8%	18
A	381	381	6%	-
BBB	283	290	5%	7
Subtotal - Investment Grade	<u>4,749</u>	<u>5,008</u>	<u>80%</u>	<u>259</u>
BB	194	183	3%	(11)
B	366	353	5%	(13)
Other	684	744	12%	60
Total	<u>\$ 5,993</u>	<u>\$ 6,288</u>	<u>100%</u>	<u>\$ 295</u>

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	\$ 5,737	97.0%	\$ 5,742	\$ 6,064	\$ 322
2	62	1.1%	62	61	(1)
	<u>5,799</u>	<u>98.1%</u>	<u>5,804</u>	<u>6,125</u>	<u>321</u>
3	60	1.0%	60	55	(5)
4	26	0.4%	26	27	1
5	9	0.2%	9	19	10
6	20	0.3%	20	43	23
Total	<u>\$ 5,914</u>	<u>100.0%</u>	<u>\$ 5,919</u>	<u>\$ 6,269</u>	<u>\$ 350</u>