



# NEWS RELEASE

A.M. BEST COMPANY, INC., OLDWICK, NJ • A.M. BEST EUROPE, LTD., LONDON  
A.M. BEST ASIA-PACIFIC, LTD., HONG KONG

**FOR IMMEDIATE RELEASE**

**May 10, 2010**

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**A.M. Best Upgrades Issuer Credit Rating of  
American Financial Group, Inc. and Certain Subsidiaries**

**Rating Supplement**

The ICRs have been upgraded to “bbb+” from “bbb” with a stable outlook for **American Financial Group, Inc. and AAG Holding Company, Inc.**

The ICRs have been upgraded to “a+” from “a” and the FSR of A (Excellent) has been affirmed with a stable outlook for **Great American Insurance Companies** and its following property/casualty members:

- **Great American Contemporary Insurance Company**
- **Great American Alliance Insurance Company**
- **Great American Assurance Company**
- **Great American Casualty Insurance Company**
- **Great American E&S Insurance Company**
- **Great American Fidelity Insurance Company**
- **Great American Insurance Company**
- **Great American Insurance Company of New York**
- **Great American Lloyds Insurance Company**
- **Great American Protection Insurance Company**
- **Great American Security Insurance Company**
- **Great American Spirit Insurance Company**

The ICRs have been upgraded to “a+” from “a” and the FSR of A (Excellent) has been affirmed with a stable outlook for **Mid-Continent Group** and its following property/casualty members:

- **Mid-Continent Assurance Company**

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- **Mid-Continent Casualty Company**
- **Oklahoma Surety Company**

The FSR of A (Excellent) and ICRs of “a” have been affirmed with a stable outlook for

**Republic Indemnity Insurance Pool** and its following property/casualty members:

- **Republic Indemnity Company of America**
- **Republic Indemnity Company of California**

The FSR of A+ (Superior) and ICRs of “aa-” have been affirmed with a stable outlook for

**American Empire Surplus Lines Pool** and its following property/casualty members:

- **American Empire Insurance Company**
- **American Empire Surplus Lines Company**

The following debt ratings have been upgraded with a stable outlook:

**American Financial Group, Inc.—**

--to “bbb+” from “bbb” on \$350 million 9.875% senior unsecured notes, due 2019  
--to “bbb+” from “bbb” on \$115 million 7.125% senior unsecured debentures, due 2034

**American Premier Underwriters, Inc.—**

--to “bbb” from “bbb-” on \$150 million 10.875% subordinated notes, due 2011 (of which \$7.721 million is still outstanding)

**AAG Holding Company, Inc.** (guaranteed by American Financial Group, Inc.)—

--to “bbb+” from “bbb” on \$112.5 million 7.5% senior unsecured debentures, due 2033  
--to “bbb+” from “bbb” on \$86.25 million 7.25% senior unsecured debentures, due 2034

The following indicative ratings have been upgraded with a stable outlook under the shelf registration:

**American Financial Group, Inc.—**

--to “bbb+” from “bbb” on senior unsecured debt  
--to “bbb” from “bbb-” on subordinated debt  
--to “bbb-” from “bb+” on preferred stock

**American Financial Capital Trust II, III & IV—**

--to “bbb-” from “bb+” on preferred securities

The principal methodologies used in determining these ratings, including any additional methodologies and factors that may have been considered, can be found at

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[www.ambest.com/ratings/methodology](http://www.ambest.com/ratings/methodology).

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