UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-Q

[X] Quarterly Report Under Section 13 or 15 (d) of the Securities Exchange Act of 1934

For the Quarterly Period Ended September 30, 1998

[ ] Transition Report Pursuant to Section 13 or 15 (d) of the Securities Exchange Act of 1934

Commission File Number 0-4604

CINCINNATI FINANCIAL CORPORATION
(Exact name of registrant as specified in its charter)

An Ohio Corporation	31-0746871
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

6200 South Gilmore Road
Fairfield, Ohio 45014-5141

(Address of principal executive offices)

Registrant's telephone number, including area code: 513/870-2000

*Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15 (d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports) and (2) has been subject to such filing requirements for the past 90 days.

YES X . NO .

Securities registered pursuant to Section 12(g) of the Act:

$2.00 Par Common--166,968,082 shares outstanding at September 30, 1998

(Shares outstanding reflect the effects of a 3-for-1 stock split effective to shareholders of record on April 24, 1998.)

$52,769,000 of 5.5% Convertible Senior Debentures Due 2002

$419,597,000 of 6.9% Senior Debentures Due 2028

PART I

ITEM 1. FINANCIAL STATEMENTS

CINCINNATI FINANCIAL CORPORATION AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS

(000's omitted)

	(Unaudited) September 30, 1998	December 31, 1997
ASSETS		
Investments		
Fixed maturities (cost: 1998--$2,646,174; 1997--$2,571,549)	$ 2,803,154	$ 2,751,219
Equity securities (cost: 1998--$1,921,871; 1997--$1,725,855)	6,298,088	5,999,271
Other invested assets	51,752	46,560
Cash	97,809	80,168
Investment income receivable	75,266	74,520
Finance receivables	32,182	31,715
Premiums receivable	172,043	158,539
Reinsurance receivable	130,585	109,110
Prepaid reinsurance premiums	25,349	23,612
Deferred acquisition costs pertaining to unearned premiums and to life policies in force	139,880	135,313
Land, buildings and equipment for Company use (at cost less accumulated depreciation)	55,099	52,559
Other assets	57,762	30,839
Total assets	$ 9,938,969	$ 9,493,425
LIABILITIES		
Insurance reserves:		
Losses and loss expenses	$ 2,033,549	$ 1,936,534
Life policy reserves	523,885	482,447
Unearned premiums	456,724	443,054
Notes payable	41	280,558
6.9% senior debentures due 2028	419,597	0
5.5% convertible senior debentures due 2002	52,769	58,430
Federal income taxes		
Current	6,720	24,335
Deferred	1,430,346	1,406,478
Other liabilities	122,564	144,624
Total liabilities	5,046,195	4,776,460
SHAREHOLDERS' EQUITY		
Common stock, $2 per share; authorized 200,000 shares; issued 1998--170,293; 1997--169,391 shares; outstanding 1998--166,968; 1997--166,356 shares	340,587	338,782
Paid-in capital	216,155	203,282
Retained earnings	1,460,855	1,341,730
Accumulated other comprehensive income	2,957,827	2,905,756
	4,975,424	4,789,550
Less treasury shares at cost (1998--3,325 shares; 1997--3,035 shares)	(82,650)	(72,585)
Total shareholders' equity	4,892,774	4,716,965
Total liabilities and shareholders' equity	$ 9,938,969	$ 9,493,425

Common Stock, Paid-In-Capital and Share figures reflect the effects of a 3-for-1 stock split effective to shareholders of record on April 24, 1998.

Accompanying notes are an integral part of these financial statements.

CINCINNATI FINANCIAL CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS FOR INCOME
(UNAUDITED)

(000's omitted except per share data)

	Nine Months Ended Sept. 30, 1998	Nine Months Ended Sept. 30, 1997	Three Months Ended Sept. 30, 1998	Three Months Ended Sept. 30, 1997
REVENUES				
Premiums earned:				
Property and casualty	$ 1,144,515	$1,082,563	$ 386,056	$ 365,579
Life	44,815	41,118	14,418	13,680
Accident and health	6,265	6,058	2,130	2,104
Net premiums earned	1,195,595	1,129,739	402,604	381,363
Investment income, less expenses	272,833	259,166	91,446	88,245
Realized gain on investments	71,624	64,599	18,861	20,308
Other income	5,845	6,474	1,854	2,122
Total revenues	1,545,897	1,459,978	514,765	492,038
BENEFITS & EXPENSES				
Insurance losses and policyholder benefits	907,434	790,050	316,095	264,360
Commissions	211,664	214,143	73,614	73,264
Other operating expenses	110,342	101,502	36,810	34,337
Taxes, licenses & fees	42,231	37,163	16,394	12,208
Increase in deferred acquisition costs pertaining to unearned premiums and to life policies in force	(4,567)	(5,563)	(2,331)	(3,149)
Interest expense	19,600	15,314	8,119	5,536
Other expenses	5,927	6,785	2,045	3,518
Total benefits & expenses	1,292,631	1,159,394	450,746	390,074
INCOME BEFORE INCOME TAXES	253,266	300,584	64,019	101,964
PROVISION FOR INCOME TAXES				
Current	61,492	72,923	16,683	26,976
Deferred	(4,169)	784	(5,579)	(2,012)
Total provision for income taxes	57,323	73,707	11,104	24,964
NET INCOME	$ 195,943	$ 226,877	$ 52,915	$ 77,000
Average shares outstanding	166,871	165,690	167,072	163,124
Average shares outstanding (diluted)	172,251	172,266	172,233	169,963
PER COMMON SHARE				
Net income	$ 1.17	$ 1.37	$ .31	$ .47
Net income (diluted)	$ 1.15	$ 1.33	$ .31	$ .46
Cash dividends declared	$.4600	$ .4101	$ .1533	$ .1367

Per share amounts reflect the effects of a 3-for-1 stock split effective to shareholders of record on April 24, 1998.

Accompanying notes are an integral part of these financial statements.

CINCINNATI FINANCIAL CORPORATION AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(UNAUDITED)

NOTE I - ACCOUNTING POLICIES (000's omitted)

The consolidated financial statements include the accounts of the Company and all of its subsidiaries, each of which is wholly owned, and are presented in conformity with generally accepted accounting principles. All significant inter-company investments and transactions have been eliminated in consolidation. The December 31, 1997 consolidated balance sheet amounts are derived from the audited financial statements but do not include all disclosures required by generally accepted accounting principles.

INVESTMENTS--Fixed maturities and equity securities have been classified as available for sale and are carried at fair values at September 30, 1998 and December 31, 1997.

UNREALIZED GAINS AND LOSSES--The increases (decreases) in unrealized gains for fixed maturities and equity securities (net of income tax effect) for the nine-month and three-month periods ended September 30 are as follows:

	Fixed Maturities	Equity Securities	Total
Nine-Month Periods Ended			
September 30, 1998	$ (14,749)	$ 66,820	$ 52,071
September 30, 1997	$ 30,722	$ 849,476	$ 880,198
Three-Month Periods Ended			
September 30, 1998	$ (14,524)	$ (379,859)	$ (394,383)
September 30, 1997	$ 23,196	$ 342,464	$ 365,660

Such amounts are included as additions to and deductions from shareholders' equity.

REINSURANCE--Premiums earned are net of premiums on ceded business, and insurance losses and policyholder benefits are net of reinsurance recoveries in the accompanying statements of income for the nine-month and three-month periods ended September 30 as follows:

	Ceded Premiums	Reinsurance Recoveries
Nine-Month Periods Ended		
September 30, 1998	$ 73,912	$ 45,000
September 30, 1997	$ 72,803	$ 20,212
Three-Month Periods Ended		
September 30, 1998	$ 24,932	$ 9,748
September 30, 1997	$ 24,210	$ 6,897

NOTE II - STOCK OPTIONS

The Company has primarily qualified stock option plans under which options are granted to employees of the Company at prices which are not less than market price at the date of grant and which are exercisable over ten-year periods. On September 30, 1998, outstanding options for Stock Option Plan No. III totalled 49,614 shares with a purchase price of $7.34, outstanding options for Stock Plan No. IV totalled 2,834,023 shares with purchase prices ranging from a low of $7.46 to a high of $42.88, outstanding options for Stock Plan V totalled 1,446,405 shares with purchase prices ranging from a low of $20.48 to a high of $45.38, and outstanding options for Stock Plan VI totalled 606,000 shares with a purchase price of $33.88. These amounts reflect the effects of a 3-for-1 stock split effective to shareholders of record on April 24, 1998.

NOTE III - INTERIM ADJUSTMENTS

The preceding summary of financial information for Cincinnati Financial Corporation and consolidated subsidiaries is unaudited, but the Company believes that all adjustments (consisting only of normal recurring accruals) necessary for fair presentation have been made. The results of operations for this interim period is not necessarily an indication of results to be expected for the remaining three months of the year.

NOTE IV - FINANCIAL ACCOUNTING PRONOUNCEMENTS

SFAS No. 131 "Disclosures About Segments of an Enterprise and Related Information" is effective for the Company in 1998 and will require additional disclosures for the Company's operating segments in the annual consolidated financial statement. Beginning in 1999, certain segment information is required to be reported quarterly.

NOTE V - COMPREHENSIVE INCOME (000's omitted)

In the first nine months of 1998, the Company experienced less unrealized gains in equity securities than in the first nine months of 1997, resulting in comprehensive income of $248,014 in 1998, compared to $1,107,075 in 1997 and a third quarter 1998 comprehensive loss of $(341,469) compared to comprehensive income of $442,660 in the third quarter of 1997.

CINCINNATI FINANCIAL CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF SHAREHOLDERS' EQUITY
(UNAUDITED)

(000's omitted)

NINE MONTHS ENDED SEPTEMBER 30, 1997 AND 1998

	Common Shares	Stock Amount	Treasury Stock	Paid-In Capital	Retained Earnings	Accumulated Other Comprehensive Income	Total Shareholders' Equity
Bal. Dec. 31, 1996	167,486	$334,972	$ (11,217)	$ 178,547	$1,132,880	$ 1,527,707	$3,162,889
Net income					226,877		226,877
Change in unreal. gains net of inc. taxes of $473,953						880,198	880,198
Comprehensive income							1,107,075
Div. declared					(67,820)		(67,820)
Purchase/issuance of treasury shares			(61,829)	22			(61,807)
Stock options exercised	231	460		2,725			3,185
Conversion of debentures	50	99		641			740
Bal. Sept. 30, 1997	167,767	$ 335,531	$ (73,046)	$ 181,935	$ 1,291,937	$ 2,407,905	$4,144,262
Bal. Dec. 31, 1997	169,391	$338,782	$ (72,585)	$ 203,282	$ 1,341,730	$ 2,905,756	$4,716,965
Net income					195,943		195,943
Change in unreal. gains net of inc. taxes of $28,039						52,071	52,071
Comprehensive income							248,014
Div. declared					(76,818)		(76,818)
Purchase/issuance of treasury shares			(10,065)	21			(10,044)
Stock options exercised	522	1,044		7,952			8,996
Conversion of debentures	380	761		4,900			5,661
Bal. Sept. 30, 1998	170,293	$ 340,587	$ (82,650)	$ 216,155	$ 1,460,855	$ 2,957,827	$4,892,774

Common Stock, Paid-In-Capital and Share figures reflect the effects of a 3-for-1 stock split effective to shareholders of record on April 24, 1998.

Accompanying notes are an integral part of these financial statements.

(000's omitted)

ITEM 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

Premiums earned for the nine months ended September 30, 1998 have increased $65,856 (6%) over the nine months ended September 30, 1997. Also, premiums earned have increased $21,241 (6%) for the three months ended September 30, 1998 over the three months ended September 30, 1997. For the nine-month period ended September 30, 1998 and the three-month period ended September 30, 1998, the growth rate of our property and casualty subsidiaries is less than last year on both a gross written and earned premium basis. These growth rates were less than last year because the increases in new business and some rate increases on personal lines business were offset by the continued softness of the commercial lines market and by lower premiums on workers' compensation coverages. The net premium growth of our life and health subsidiary has increased 24.1% for the nine-month and 26.8% for the three-month periods ended September 30, 1998 compared to the same periods of 1997. The premium growth in our life subsidiary is mainly attributable to growth of life insurance and increased annuity sales of structured settlements from Cincinnati Insurance claims. For the nine-month and three-month periods ended September 30, 1998, investment income, net of expenses, has increased $13,667 (5%) and $3,201 (4%) when compared with the first nine months and third quarter of 1997, respectively. This increase is the result of the growth of the investment portfolio because of investing cash flows from operations and dividend increases from equity securities.

Realized gains on investments for the nine months ended September 30, 1998 amounted to $71,624 compared to $64,599 for the nine-month period ended September 30, 1997, and $18,861 for the three-month period ended September 30, 1998 compared to $20,308 for the three-month period ended September 30, 1997. The realized gains are predominantly the result of the sale of equity securities. With convertible securities, it is management's decision to realize the gains and reinvest the proceeds at higher yields. Other equity securities are sold at the discretion of management and reinvested in other equity securities.

Insurance losses and policyholder benefits (net of reinsurance recoveries) increased $117,384 (15%) for the first nine months of 1998 over the same period in 1997 and increased $51,735 (20%) for the third quarter when compared to the third quarter of 1997. The losses and benefits of the property and casualty companies have increased $111,582 for the nine-month period and increased $46,927 for the third quarter of 1998 compared to the comparable periods for 1997. The property and casualty losses for the first nine months and for the third quarter of 1998 have increased because of an increase in catastrophe losses and a higher incidence of claims that occur in the normal course of business. Catastrophe losses were $81.8 million and $23.5 million, respectively, for the first nine months of 1998 and 1997 and were $24.5 million and $9.0 million, respectively, for the third quarter of 1998 and 1997. These losses were substantially higher for the first nine months and third quarter of 1998 compared to the same periods of 1997 because of higher incidence and severity of these weather-related claims. Policyholder benefits of the life insurance subsidiary increased $5,802 for the first nine months of 1998 over the same period of 1997 and increased $4,808 for the third quarter when compared to the third quarter of 1997. The majority of the nine-month and third quarter increase is the result of an increase in life-related costs.

Commission expenses decreased $2,479 for the nine-month period ended September 30, 1998 compared to the same period of 1997 and increased $350 for the third quarter of 1998 compared to the same period in 1997. The decrease for the year is attributable to lower contingency commissions. Other operating expenses increased $8,840 for the nine-month period ended September 30, 1998 compared to the same period for 1997 and increased $2,473 for the third quarter of 1998 compared to the same period in 1997. The increase is attributable to increases in staff and costs associated to our investment in infrastructure to support future growth. Interest expenses increased $4,286 for the nine-month period ended September 30, 1998 compared to the same period for 1997 and increased $2,583 for the third quarter of 1998 compared to the same period in 1997. The increase is attributable to the increase in debt and a higher interest rate of the 30-year senior debenture compared to short-term debt held previously.

Provision for income taxes, current and deferred, have decreased by $16,384 for the first nine months of 1998 compared to the first nine months of 1997 and have decreased $13,860 for the third quarter of 1998 compared to the third quarter of 1997. The decrease in federal taxes is primarily attributable to a decrease in the effective tax rate to 22.6% from 24.5% at September 30, 1998 and 1997, respectively, and a decrease in the effective tax rate to 17.3% from 24.5% for the third quarter of 1998 and 1997, respectively.

The Company issued $419,594 of 30-year, noncallable senior debentures in the second quarter 1998. Proceeds were used to pay off $279,694 of short-term debt as it matures and for future general corporate purposes, including the expansion of the Company's headquarters.

The Company has been working on the Year 2000 project for several years to address potential problems within the Company's operations that could result from the century change. The corporate Information Systems Department is primarily responsible for this endeavor and has a designated team of Company associates assigned to this effort. This team has access to key associates in all areas of the Company's operations as well as to outside consultants and resources on an as-needed basis.

The Information Systems Department provides a comprehensive report on a quarterly basis for corporate management and the Audit Committee of the Board of Directors. This report identifies progress against the plan as well as projections on specific issues.

	% of Hardware/Software Applications Year 2000 Compliant		
	Actual as of Sept. 30, 1998	Planned as of Dec. 31, 1998	Planned as of June 30, 1999
Mission critical systems	75%	90%	100%
All other systems	75%	90%	100%

We have identified computer systems (both hardware and software), including equipment with embedded computer chips, that were not Year 2000 compliant; determined what revisions or replacements would be needed to achieve compliance; prioritized and proceeded to implement those revisions or replacements; instituted testing procedures to ensure that the revisions and fixes are operational; and moved the compliant systems into production. As of September 30, 1998, approximately 75% of the applications have either been modified to be compliant or have been replaced by purchased compliant systems. Additional in-depth testing, both internal and third-party related, is planned into 1999. We believe that all critical systems will be Year 2000 compliant by June 30, 1999.

As part of the overall review of Year 2000, the Company is verifying with certain key outside vendors, and with others where a significant business relationship exists to determine their Year 2000 compliance status and plans. Because the Company markets products through independent agencies, it is of paramount importance that those approximately 1,000 agencies (1,300 offices) successfully transition to a Year 2000 compliant processing system. We are actively working with those agencies. As of September 1998, nearly all of the agencies' processing systems have either been made compliant or the agencies have plans to get them compliant by June 30, 1999. Phone and personal interviews are being used to verify the progress of the agencies.

Contingency planning for the Year 2000 includes standard backup and recovery procedures to be followed in the event of a critical system failure. While we do not expect any unusual kinds of failure as a result of specific Year 2000 related changes, by June 30, 1999, we plan to develop specific backup procedures for the Year 2000 to minimize the effect of any potential problems.

Should the Company or a third party with whom the Company transacts business have a system failure due to the century change, it is believed it will not result in more than a delay in processing or reporting, with no material financial impact.

We have budgeted $9.5 million pretax to resolve the Year 2000 issues. This would encompass the costs of modifications, the salaries of the associates primarily assigned to this effort and the fees of outside consultants for this effort. As of September 30, 1998, the Company has incurred approximately $6.8 million of these costs. The expenses incurred during the first nine months of 1998 were approximately $3.1 million.

Although the Company expects its systems to be Year 2000 compliant on or before December 31, 1999, it cannot predict the outcome or the success of its Year 2000 project, or that third-party systems are or will be Year 2000 compliant, or that the costs required to address the Year 2000 issue or the impact of a failure to achieve substantial Year 2000 compliance will not have a material adverse effect on the Company's business, financial condition or results of operations.

The Company could incur losses due to adverse changes in market rates and prices. The Company's primary market risk exposures are to changes in price for equity securities and changes in interest rates and credit ratings for fixed maturity securities. The Company could alter the existing investment portfolios or change the character of future investments to manage exposure to market risk. CFC, with the Board of Directors, administers and oversees investment risk through the Investment Committee, which provides executive oversight of investment activities. The Company has specific investment guidelines and policies that define the overall framework used daily by investment portfolio managers to limit the Company's exposure to market risk.

On November 22, 1996, the Board authorized repurchase of up to 3 million of the Company's outstanding shares. On August 21, 1998, the Board authorized repurchase of an additional 6 million shares, to reflect the three-for-one split, which results in a total of 9 million shares authorized to be repurchased. As of September 30, 1998, the Company has repurchased 3.1 million shares, and plans to repurchase the remaining 5.9 million shares as management deems appropriate, over an unspecified period of time.

PART II
OTHER INFORMATION

ITEM 1. Legal Proceedings

The Company is involved in no material litigation other than routine litigation incident to the nature of the insurance industry.

ITEM 2. Changes in Securities

There have been no material changes in securities during the third quarter.

ITEM 3. Defaults Upon Senior Securities

The Company has not defaulted on any interest or principal payment, and no arrearage in the payment of dividends has occurred.

ITEM 4. Submission of Matters to a Vote of Security Holders

No special matters were voted upon by security holders during the third quarter.

ITEM 5. Other Information

No matters to report.

ITEM 6. Exhibits and Reports on Form 8-K

(a) Exhibits included:

Exhibit 11--Statement re Computation of Per Share Earnings.
Exhibit 27--Financial Data Schedule

(b) The Company was not required to file any reports on Form 8-K during the quarter ended September 30, 1998.

Signature

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 thereunto duly authorized.

CINCINNATI FINANCIAL CORPORATION

(Registrant)

Date October 29, 1998

By /s/ T.F. ELCHYNSKI

T.F. Elchynski
Senior Vice President and Chief Financial Officer
(Principal Financial Officer)

CINCINNATI FINANCIAL CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
(UNAUDITED)

	(000's omitted)	
	Nine Months Ended September 30,	
	1998	1997
Cash flows from operating activities:		
Net income	$ 195,943	$ 226,877
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation and amortization	8,313	7,604
Increase in investment income receivable	(746)	(2,857)
Increase in premiums receivable	(13,504)	(877)
(Increase) decrease in reinsurance receivable	(21,475)	15,645
(Increase) decrease in prepaid reinsurance premiums	(1,737)	1,078
Increase in deferred acquisition costs	(4,567)	(5,563)
Increase in accounts receivable	(7,933)	(119)
Decrease in other assets	853	36,621
Increase in loss and loss expense reserves	97,015	45,391
Increase in life policy reserves	41,438	31,493
Increase in unearned premiums	13,670	12,469
(Decrease) increase in other liabilities	(24,969)	20,498
(Decrease) increase in deferred income taxes	(4,169)	205
Realized gains on investments	(71,624)	(64,599)
(Decrease) increase in current income taxes	(17,615)	11,514
Other	(19,216)	531
Net cash provided by operating activities	169,677	335,911
Cash flows from investing activities:		
Sale of fixed maturities	30,010	142,168
Call or maturity of fixed maturities investments	275,860	233,397
Sale of equity securities investments	258,310	212,164
Collection of finance receivables	11,003	4,746
Purchase of fixed maturities investments	(373,844)	(506,317)
Purchase of equity securities investments	(387,661)	(271,335)
Investment in land, buildings and equipment	(12,981)	(10,820)
Investment in finance receivables	(11,470)	(8,747)
Investment in other invested assets	(5,382)	(3,433)
Net cash used in investing activities	(216,155)	(208,177)
Cash flows from financing activities:		
Debentures issue	419,594	-0-
Proceeds from stock options exercised	8,996	3,186
Purchase/Issuance of treasury shares	(10,044)	(61,807)
(Decrease) increase in notes payable	(280,517)	14,890
Payment of cash dividends to shareholders	(73,910)	(65,882)
Net cash used in financial activities	64,119	(109,613)
Net increase in cash	17,641	18,121
Cash at beginning of period	80,168	59,933
Cash at end of period	$ 97,809	$ 78,054
Supplemental disclosures of cash flow information		
Interest paid	$ 24,348	$ 15,673
Income taxes paid	$ 76,301	$ 61,988

Accompanying notes are an integral part of these financial statements.

EXHIBIT 11

CINCINNATI FINANCIAL CORPORATION

STATEMENT RE COMPUTATION OF PER SHARE EARNINGS

(000's omitted except per share data)

	Nine Months Ended September 30,		Three Months Ended September 30,	
	1998	1997	1998	1997
Basic earnings per share:				
Net income	$ 195,943	$ 226,877	$ 52,915	$ 77,000
Average shares outstanding	166,871	165,690	167,072	163,124
Net income per common share	$ 1.17	$ 1.37	$ .31	$ .47
Diluted earnings per share:				
Net income	$ 195,943	$ 226,877	$ 52,915	$ 77,000
Interest on convertible debentures--net of tax	1,452	2,128	471	707
Net income for per share calculation (diluted)	$ 197,395	$ 229,005	$ 53,386	$ 77,707
Average shares outstanding	166,871	165,690	167,072	163,124
Effective of dilutive securities:				
5.5% convertible senior debentures	3,547	5,318	3,547	5,318
Stock options	1,833	1,258	1,614	1,521
Total dilutive shares	172,251	172,266	172,233	169,963
Net income per common share--diluted	$ 1.15	$ 1.33	$ .31	$ .46

THIS SCHEDULE CONTAINS SUMMARY FINANCIAL INFORMATION EXTRACTED FROM THE CONSOLIDATED BALANCE SHEETS AND CONSOLIDATED STATEMENTS OF INCOME AND IS QUALIFIED IN ITS ENTIRETY BY REFERENCE TO SUCH FINANCIAL STATEMENTS.

9-MOS
DEC-31-1998
JAN-01-1998
SEP-30-1998
2,803,154
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6,298,088
11,119
4,508
9,152,994
97,809
3,612
139,880
9,938,969
2,518,813
456,724
34,924
16,959
472,407
0
0
340,587
4,552,187
9,938,969
1,195,595
272,833
71,624
5,845
907,434
250,443
134,754
253,266
57,323
195,943
0
0
0
195,943
1.17
1.15
1,776,648
0
0
0
0
1,854,496
0

Equals the sum of Fixed Maturities, Equity Securities and other Invested Assets.
Equals the sum of Life Policy Reserves and Losses and Loss Expenses less the Life Company liability for Supplementary Contracts without Life Contingencies of $3,697 which is classified as Other Policyholder Funds.
Equals the sum of Notes Payable, the 5.5% Convertible Senior Debentures and the 6.9% Senior Debentures
Equals the Total Shareholders' Equity
Equals the Sum of Commissions, Other Operating Expenses, Taxes and licenses and Fees, Increase in deferred acquisition costs, Interest expense and other expenses
Equals the net reserve for unpaid claims for the property casualty subsidiaries less loss checks payable as of December 31, 1997
Equals the net reserve for unpaid claims for the property casualty subsidiaries less loss checks payable as of September 30, 1998