UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 OR 15(d) of the Securities Exchange Act of 1934

Date of Report: October 29, 2008
(Date of earliest event reported)

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

Ohio (State or other jurisdiction of incorporation)	0-4604 (Commission File Number)	31-0746871 (I.R.S. Employer Identification No.)

6200 S. Gilmore Road, Fairfield, Ohio (Address of principal executive offices)	45014-5141 (Zip Code)

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

N/A
(Former name or former address, if changed since last report.)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

o Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

o Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

o Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

o Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13a-4(c))

TABLE OF CONTENTS

Item 2.02 Results of Operations and Financial Condition.

On October 29, 2008, Cincinnati Financial Corporation issued the attached news release titled “Cincinnati Financial Reports Profitable 2008 Third Quarter,” furnished as Exhibit 99.1 hereto and incorporated herein by reference. On October 29, 2008, the company also distributed the attached information titled “Supplemental Financial Data,” furnished as Exhibit 99.2 hereto and incorporated herein by reference. This report should not be deemed an admission as to the materiality of any information contained in the news release or supplemental financial data.

In accordance with general instruction B.2 of Form 8-K, the information furnished in this report shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liabilities of that Section, nor shall such information be deemed incorporated by reference in any filing under the Securities Act of 1933, as amended.

Item 9.01 Financial Statements and Exhibits.

(c) Exhibits

Exhibit 99.1 — News release dated October 29, 2008, “Cincinnati Financial Reports Profitable 2008 Third Quarter”

Exhibit 99.2 — Supplemental Financial Data dated October 29, 2008

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 hereunto duly authorized.

CINCINNATI FINANCIAL CORPORATION

Date: October 29, 2008

/s/ Steven J. Johnston, FCAS, MAAA, CFA

Steven J. Johnston, FCAS, MAAA, CFA

Chief Financial Officer, Vice President, Secretary and Treasurer

CINCINNATI FINANCIAL CORPORATION

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Cincinnati Financial Reports Profitable 2008 Third Quarter

- *Positive net and operating income for three- and nine-month periods*
- *Book value holds steady for the quarter at $28.87 on September 30*

Cincinnati, October 29, 2008 — Cincinnati Financial Corporation (Nasdaq: CINF) today reported:

- Net income of $247 million, or $1.50 per share, in the 2008 third quarter, compared with $124 million, or 72 cents, in the 2007 third quarter. Third-quarter 2008 realized investment gains were significantly higher. Common stocks sales to lock in gains and diversify the portfolio more than offset previously announced non-cash impairment charges.
- Operating income* of $74 million, or 45 cents per share, in the 2008 third quarter, compared with $114 million, or 66 cents, in the 2007 third quarter. Previously announced catastrophe losses reduced 2008 third-quarter operating income by 25 cents per share compared with 5 cents last year. Nine-month operating income of $1.54 per share included an 87-cent catastrophe loss impact compared with a 10-cent impact on last year's nine-month operating income of $2.49 per share.

Financial Highlights

(Dollars in millions except share data)	Three months ended September 30, 2008	2007	Change %	Nine months ended Setpember 30, 2008	2007	Change %
Revenue Highlights						
Earned premiums	**$ 781**	$ 811	(3.7)	**$ 2,355**	$ 2,447	(3.8)
Investment income	**130**	152	(14.5)	**412**	451	(8.5)
Total revenues	**1,186**	982	20.8	**2,806**	3,283	(14.5)
Income Statement Data						
Net income	**$ 247**	$ 124	99.5	**$ 268**	$ 669	(59.9)
Net realized investment gains and losses	**173**	10	nm	**16**	238	(93.2)
Operating income*	**$ 74**	$ 114	(35.4)	**$ 252**	$ 431	(41.6)
Per Share Data (diluted)						
Net income	**$ 1.50**	$ 0.72	108.3	**$ 1.64**	$ 3.86	(57.5)
Net realized investment gains and losses	**1.05**	0.06	nm	**0.10**	1.37	(92.7)
Operating income*	**$ 0.45**	$ 0.66	(31.8)	**$ 1.54**	$ 2.49	(38.2)
Book value				**$ 28.87**	$ 38.47	(25.0)
Cash dividend declared	**$ 0.39**	$ 0.355	9.9	**$ 1.17**	$ 1.065	9.9
Weighted average shares outstanding	**164,242,185**	172,399,539	(4.7)	**163,834,163**	173,423,199	(5.5)

Insurance Operations Highlights

- $727 million in third-quarter 2008 consolidated property casualty net written premiums compared with $736 million in the 2007 third quarter. Strong contribution of new business written by agencies partially offset the effects of competition in the commercial markets and current economic trends. Excess and surplus lines operations launched in January 2008 added $4 million to new business in the third quarter and $8 million year-to-date.
- Property casualty underwriting loss of $9 million in 2008 third quarter compared with underwriting profit of $21 million in the 2007 third quarter. 2008 property casualty results were reduced by catastrophe losses.
- Three- and nine-month property casualty combined ratio near breakeven despite catastrophe losses from Hurricane Ike.
- 3 cents per share contribution from life insurance operations to third-quarter operating income, down from 5 cents.

Investment and Balance Sheet Highlights

- Book value of $28.87 at September 30, 2008, almost flat from $28.99 at June 30, 2008, but down from year-end 2007 on valuation changes in first half of year. Property casualty statutory surplus rose slightly from its midyear level.
- Pretax investment income of $130 million in 2008 third quarter compared with $152 million in 2007 third quarter. Dividend income from the equity portfolio declined due to dividend cuts, some from positions that the company has since sold or reduced.
- Equity sales of portions of selected positions locked in gains or reduced concentrations. Proceeds to be reinvested in sectors with better total return prospects. Sales helped reduce financial sector concentration by 25 percent since midyear.

Outlook**

- Outlook for specific full-year 2008 metrics unchanged from September update. Management anticipates full-year profitability and continued capital strength, which supports our cash dividend and continued investment in insurance operations, even in a difficult economic and industry environment.

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* The Definitions of Non-GAAP Information and Reconciliation to Comparable GAAP Measures on Page 11 defines and reconciles measures presented in this release that are not based on Generally Accepted Accounting Principles or Statutory Accounting Principles.

** Forward-looking statements and related assumptions are subject to the risks outlined in the company's safe harbor statement (see Page 8).

nm Not meaningful

Financial and Operational Strength for Current Challenges and Ongoing Success

Kenneth W. Stecher, president and chief executive officer, commented, “The current instability of financial markets highlights the value of operating in a transparent and conservative way, building a cushion of financial strength over a period of years. A long-term perspective governs all of our major decisions — to the consistent benefit of our policyholders, agents, shareholders and associates. We continue to focus on our risk management program, with the goal of more specifically defining our risk limits, aligning our operating plan accordingly and improving management’s ability to identify and respond to changing conditions.

“Exceptional liquidity arises from our strong cash flows and prudent cash balances. All of our insurance subsidiaries continue to be highly rated, operating with a level of capital far exceeding regulatory requirements. Statutory surplus of our property casualty insurance companies increased slightly during the third quarter of 2008. Plus, unlike many insurers, we hold significant additional assets at the parent company level, increasing our flexibility through all periods to maintain our cash dividend and to continue to invest in and expand our insurance operations.

“New internal parameters for our investment portfolio, including more conservative limits on sector and issuer concentrations, are helping us prepare to withstand future challenges. Recent sales of selected common stock holdings are part of a strategic rebalancing, providing cash for reinvestment into sectors that we believe have better prospects for both current income and long-term appreciation. In early October we sold approximately 9 million additional shares of Fifth Third Bancorp (NASDAQ: FITB), reducing our position to 20 million shares. In total, we have reduced our financial sector holdings 25 percent since midyear, moving this sector more in line with our longer-term targets. In large part, common stock sales occurred when we exercised appropriate sell discipline to lock in gains.

“At quarter-end, fixed-maturity investments represented almost 60 percent of the portfolio, a level management believes is appropriate. We view our diversification to be consistent with our view of prudent risk management. Going forward, we will evaluate all of our fixed-maturity and equity investments using our investment parameters and risk limits and adding to both the fixed maturity and equity portfolios, as appropriate. We believe our current capital position can withstand short-term pressures, such as the market volatility that we have experienced in October,” Stecher noted.

Third Quarter 2008 Underwriting Results and Full-year 2008 Property Casualty Outlook

Steven J. Johnston, FCAS, MAAA, CFA, chief financial officer, said, “As we work to write profitable insurance business, we continue to face unfavorable pricing and economic trends. At this time, we continue to believe that 2008 full-year written premiums could decline by 5 percent, or slightly more, if pessimistic views of these trends prove accurate and commercial insurance pricing continues to be very competitive.

“A more optimistic view could result in a rate of decline for full-year 2008 premiums closer to the 4.2 percent we experienced so far in 2008. This pace is appropriate and consistent with our agents’ practice of selecting and retaining accounts with manageable risk characteristics that support the lower prevailing prices. It reflects the advantages of our three-year policies. We believe this pace also reflects the advantages we achieve by maintaining an experienced field force. Our representatives live in our agents’ communities and serve their clients, providing us with quality intelligence on local market conditions. Since the end of the third quarter, our first Texas representative has begun to explore relationships with agencies in the Austin market, and our second team member is scheduled to relocate to the Dallas market in November.

“We continue to pioneer this and other new paths to future growth. During the third quarter, we introduced our excess and surplus lines capabilities to additional agencies in more states, staying on track with our plans to have these products available in 33 states by year end. We continued appointing new agencies and working to position our personal lines for profitable future growth, including introducing personal lines capabilities in new geographies. We look to 2009 for momentum in all of these initiatives, as well as advances in our technology that will make it easier for agents and their policyholders to do business with our company.”

Johnston continued, “High catastrophe losses continued to temper property casualty profitability despite satisfactory underlying trends. Our commercial lines combined ratio was 96.6 percent for the nine-month period, despite a 5.5 percentage-point rise in commercial catastrophe losses. We continue to see the potential for the full-year 2008 combined ratio for our overall property casualty operations to remain slightly above 100 percent.

“We’re taking that conservative view of the combined ratio because of the record catastrophe losses this year. Hurricane Ike moved into the Midwest on September 14, causing unusually high winds in Ohio, Indiana and Kentucky. Our third-quarter estimate of gross losses from that storm was $105 million, making it the single largest gross catastrophe event in the company’s history. Net of reinsurance, the loss is estimated at $57 million. Our reinsurance program, an important part of our risk management efforts, protected our surplus from outsized losses as intended. Virtually all of the losses reported by our policyholders occurred in the Midwest.

"Through October 24, we had received approximately 18,000 claims from Hurricane Ike, of which more than 80 percent have been closed. To restore the affected layers of our catastrophe reinsurance treaty, we incurred a reinstatement premium of $11 million, which reduced written and earned premiums for the three- and nine-month periods."

Johnston noted, "In mid-2008, we modified our defined benefit pension plan and began transitioning to a sponsored 401(k) with company matching of associate contributions. This action reduces the company's future risk while offering associates an up-to-date, more flexible benefits program. The pension plan now includes only associates 40 years of age or older on August 31, 2008, who elected to remain in the plan. We now expect fourth-quarter 2008 results to reflect a settlement cost of approximately $26 million, largely related to benefit distributions to those who left the qualified pension plan. Going forward, we expect potential savings from lower funding requirements for the pension plan to be offset by company matching contributions to 401(k) accounts for associates who do not accrue pension plan benefits."

Risk Management Strengthens Investment Opportunities

Stecher added, "Our rebalancing actions, together with market and economic forces, have significantly changed our investment portfolio over the past 12 months. The decision to rebalance our portfolio grew out of our implementation of an enhanced risk management process, which involves modeling outcomes, setting tolerances and acting to optimize use of our capital. We considered opportunities to reduce volatility risk while retaining upside potential. After common stock sales made since midyear, our financial sector holdings now account for approximately 30 percent of the market value of our equity portfolio, down 25 percent.

"While our equity portfolio now is better positioned for total return, it is producing lower dividend income. We expect full-year 2008 pretax investment income to be less than 90 percent of the 2007 level, with no resumption of earned dividend growth in 2009. We also expect our highly rated and diversified $5.941 billion bond and short-term investment portfolio to continue providing steady interest income. We generally hold bonds to maturity, redeeming them at full value of the principal."

Stecher concluded, "We believe that our strong surplus position and superior insurer financial strength ratings are competitive advantages that help our agents market our policies. In this market, consistency and predictability are our most valuable differentiators. Our financial strength supports the consistent, predictable performance that our policyholders, agents, associates and shareholders have always expected and received. We will continue to manage our capital to withstand significant challenges. We believe our capital position and cash flow continues to support our cash dividend, which the board sees as a priority over repurchase in this market."

Consolidated Property Casualty Insurance Operations

(Dollars in millions)	Three months ended September 30, 2008	2007	Change %	Nine months ended September 30, 2008	2007	Change %
Written premiums	**$ 727**	$ 736	(1.3)	**$ 2,292**	$ 2,392	(4.2)
Earned premiums	**$ 751**	$ 777	(3.3)	**$ 2,262**	$ 2,348	(3.6)
Loss and loss expenses excluding catastrophes	**460**	511	(9.9)	**1,362**	1,409	(3.3)
Catastrophe loss and loss expenses	**63**	13	375.8	**219**	28	688.6
Commission expenses	**124**	127	(3.0)	**409**	440	(6.9)
Underwriting expenses	**110**	102	9.0	**287**	270	6.3
Policyholder dividends	**3**	3	0.8	**11**	9	18.9
Underwriting profit (loss)	**$ (9)**	$ 21	(144.8)	**$ (26)**	$ 192	(113.3)
Ratios as a percent of earned premiums:						
Loss and loss expenses excluding catastrophes	**61.3%**	65.7%		**60.2%**	60.0%	
Catastrophe loss and loss expenses	**8.4**	1.7		**9.7**	1.2	
Loss and loss expenses	**69.7**	67.4		**69.9**	61.2	
Commission expenses	**16.5**	16.5		**18.1**	18.7	
Underwriting expenses	**14.7**	13.0		**12.6**	11.5	
Policyholder dividends	**0.4**	0.4		**0.5**	0.4	
Combined ratio	**101.3%**	97.3%		**101.1%**	91.8%	
Reserve development impact on loss and loss expense ratio	**13.7%**	6.5%		**8.9%**	5.4%	

- 1.3 percent and 4.2 percent declines in third-quarter and nine-month 2008 property-casualty net written premiums, reflecting weakening economy, soft pricing and disciplined underwriting.
- $92 million in third-quarter 2008 new business written directly by agencies, up 12.1 percent from $82 million in last year's third quarter.
- Positive benefits from growth initiatives seen in third quarter including $8 million in nine-month net written premiums from excess and surplus lines operations launched in January 2008.
- New state, new agency and other initiatives also contributed. Agency relationships rise to 1,118 with 1,369 reporting locations marketed property casualty insurance products at quarter end, up from 1,092 agency relationships with 1,327 reporting locations at year-end 2007.
- 101.3 percent third-quarter and 101.1 percent nine-month 2008 GAAP combined ratios. Near breakeven performance achieved in both periods despite significantly higher catastrophe losses. The effects of soft pricing and loss cost inflation were offset by higher savings from favorable development on prior year reserves.
- $63 million in third-quarter 2008 catastrophe losses, due primarily to Hurricane Ike.

(In millions, net of reinsurance) Dates	Cause of loss	Region	Three months ended September 30, Commercial lines	Personal lines	Total	Nine months ended September 30, Commercial lines	Personal lines	Total
2008								
First quarter catastrophes			**$ (1)**	**$ 0**	**$ (1)**	**$ 21**	**$ 21**	**$ 42**
Second quarter catastrophes			**(2)**	**(10)**	**(12)**	**66**	**34**	**100**
Jul. 19	Wind, hail, flood, water, hydrostatic	Midwest	**3**	**3**	**6**	**3**	**3**	**6**
Jul. 26	Wind, hail, flood, water, hydrostatic	Midwest	**1**	**8**	**9**	**1**	**8**	**9**
Sep. 12-14	Hurricane Ike	South, Midwest	**20**	**37**	**57**	**20**	**37**	**57**
All other			**1**	**0**	**1**	**3**	**3**	**6**
Development on 2007 and prior catastrophes			**1**	**2**	**3**	**(2)**	**1**	**(1)**
Calendar year incurred total			**$ 23**	**$ 40**	**$ 63**	**$ 112**	**$ 107**	**$ 219**
2007								
First quarter catastrophes			$ (1)	$ 1	$ 0	$ 5	$ 2	$ 7
Second quarter catastrophes			2	1	3	4	4	8
Sep. 20-21	Wind, hail, flood	Midwest	1	6	7	1	6	7
All other			4	2	6	18	8	26
Development on 2006 and prior catastrophes			(5)	2	(3)	(11)	(9)	(20)
Calendar year incurred total			$ 1	$ 12	$ 13	$ 17	$ 11	$ 28

Insurance Segment Highlights

Commercial Lines Insurance Operations

(Dollars in millions)	Three months ended September 30, 2008	2007	Change %	Nine months ended September 30, 2008	2007	Change %
Written premiums	**$ 538**	$ 544	(1.2)	**$ 1,759**	$ 1,851	(4.9)
Earned premiums	**$ 582**	$ 600	(3.0)	**$ 1,743**	$ 1,810	(3.7)
Loss and loss expenses excluding catastrophes	**348**	395	(11.8)	**1,034**	1,068	(3.3)
Catastrophe loss and loss expenses	**23**	1	nm	**112**	17	574.2
Commission expenses	**91**	94	(4.3)	**304**	330	(7.8)
Underwriting expenses	**87**	79	10.6	**223**	202	10.6
Policyholder dividends	**3**	3	0.8	**11**	9	18.9
Underwriting profit	**$ 30**	$ 28	7.2	**$ 59**	$ 184	(67.8)
Ratios as a percent of earned premiums:						
Loss and loss expenses excluding catastrophes	**59.8%**	65.8%		**59.3%**	59.0%	
Catastrophe loss and loss expenses	**4.0**	0.2		**6.4**	0.9	
Loss and loss expenses	**63.8**	66.0		**65.7**	59.9	
Commission expenses	**15.6**	15.8		**17.5**	18.3	
Underwriting expenses	**14.9**	13.1		**12.8**	11.1	
Policyholder dividends	**0.6**	0.5		**0.6**	0.5	
Combined ratio	**94.9%**	95.4%		**96.6%**	89.8%	
Reserve development impact on loss and loss expense ratio	**15.0%**	7.1%		**10.1%**	5.6%	

- 1.2 percent and 4.9 percent declines in third-quarter and nine-month 2008 commercial lines net written premiums, primarily a result of weakening economy, soft pricing and disciplined underwriting.
- $77 million in third-quarter 2008 new commercial lines business written directly by agencies, up 6.0 percent from $72 million in last year's third quarter. Nine-month new business rose 6.3 percent to $229 million from $216 million.
- Improved third-quarter 2008 combined ratio despite 3.8 percentage-point rise in the contribution of catastrophe losses. Savings from favorable development on prior year reserves rose substantially.
- Higher nine-month 2008 combined ratio primarily due to 5.5 percentage-point rise in the contribution of catastrophe losses. Other factors contributing to the change in the ratio were higher savings from favorable development on prior year reserves, lower pricing, normal loss cost inflation and higher underwriting expenses. Lower commission expenses partially offset these increases.
- Higher savings from favorable development on prior year reserves continued to reflect fluctuations in savings for the commercial casualty line of business.

Personal Lines Insurance Operations

(Dollars in millions)	Three months ended September 30, 2008	2007	Change %	Nine months ended September 30, 2008	2007	Change %
Written premiums	**$ 184**	$ 192	(4.0)	**$ 525**	$ 542	(3.1)
Earned premiums	**$ 167**	$ 177	(5.4)	**$ 518**	$ 538	(3.6)
Loss and loss expenses excluding catastrophes	**111**	116	(4.1)	**328**	341	(3.8)
Catastrophe loss and loss expenses	**40**	12	222.3	**107**	11	858.0
Commission expenses	**32**	33	(2.1)	**103**	110	(5.8)
Underwriting expenses	**22**	23	(2.5)	**62**	68	(9.1)
Underwriting profit (loss)	**$ (38)**	$ (7)	(457.8)	**$ (82)**	$ 8	nm
Ratios as a percent of earned premiums:						
Loss and loss expenses excluding catastrophes	**66.3%**	65.4%		**63.2%**	63.3%	
Catastrophe loss and loss expenses	**23.8**	7.0		**20.7**	2.1	
Loss and loss expenses	**90.1**	72.4		**84.0**	65.4	
Commission expenses	**19.4**	18.7		**19.9**	20.4	
Underwriting expenses	**12.9**	12.7		**12.0**	12.6	
Combined ratio	**122.5%**	103.8%		**115.9%**	98.6%	
Reserve development impact on loss and loss expense ratio	**9.1%**	4.0%		**5.1%**	4.6%	

- 4.0 percent and 3.1 percent declines in third-quarter and nine-month 2008 personal lines net written premiums due to lower policy counts and pricing changes that reduced premiums per policy. Higher new personal lines business partially offset those factors.

- $11 million in third-quarter 2008 personal lines new business written directly by agencies, up 11.8 percent from $10 million in last year's third quarter. Nine-month new business rose 6.7 percent to $30 million from $28 million.
- 18.7 percentage-point rise in third-quarter 2008 combined ratio largely due to higher catastrophe losses. In addition to catastrophes, lower pricing and normal loss cost inflation continued to weigh on homeowner results. However, the loss and loss expense ratio for the largest line of business in this segment, personal auto, remained very healthy.
- Higher savings from favorable development on prior year reserves continue to reflect normal fluctuations in savings for the other personal line of business, which includes personal umbrella liability coverages.

Life Insurance Operations

	Three months ended September 30,			Nine months ended September 30,		
(In millions)	**2008**	2007	Change %	**2008**	2007	Change %
Written premiums	**$ 44**	$ 39	13.9	**$ 135**	$ 126	6.7
Earned premiums	**$ 30**	$ 34	(12.2)	**$ 93**	$ 99	(6.8)
Investment income, net of expenses	**30**	28	5.0	**89**	85	4.3
Other income	**0**	1	(103.7)	**1**	4	(61.7)
Total revenues, excluding realized investment gains and losses	**60**	63	(6.1)	**183**	188	(2.8)
Contract holders benefits	**41**	36	11.5	**115**	98	16.7
Expenses	**11**	15	(21.7)	**33**	44	(25.2)
Total benefits and expenses	**52**	51	1.9	**148**	142	3.7
Net income before income tax and realized investment gains and losses	**8**	12	(38.8)	**35**	46	(23.0)
Income tax	**3**	4	(36.2)	**12**	16	(22.0)
Net income before realized investment gains and losses	**$ 5**	$ 8	(40.1)	**$ 23**	$ 30	(23.6)

- $135 million in total nine-month 2008 life insurance segment net written premiums. Written premiums include life insurance, annuity and accident and health premiums.
- 3.8 percent increase to $108 million in nine-month 2008 written premiums for life insurance products in total.
- 23.3 percent increase to $23 million in nine-month 2008 written premiums for fixed annuity products.
- 9.8 percent rise to $58 million in nine-month 2008 term life insurance written premiums, reflecting marketing advantages of competitive, up-to-date products, personal service and policies backed by financial strength.
- 4.9 percent rise in face amount of life policies in force to $64.901 billion at September 30, 2008, from $61.875 billion at year-end 2007.
- $7 million decrease in nine-month 2008 operating profit, primarily due to less favorable mortality experience.
- During 2008, the LifeHorizons term insurance product was redesigned and a new 20-year term worksite product was introduced. These improvements support opportunities to cross-sell life insurance products to clients of the independent agencies that sell Cincinnati's property casualty insurance policies.

Investment and Balance Sheet Highlights

Investment Operations

(In millions)	Three months ended September 30, 2008	2007	Change %	Nine months ended September 30, 2008	2007	Change %
Investment income:						
Interest	**$ 83**	$ 77	6.8	**$ 238**	$ 229	3.8
Dividends	**46**	75	(38.9)	**169**	219	(22.8)
Other	**3**	4	(7.3)	**10**	11	(4.0)
Investment expenses	**(2)**	(4)	52.2	**(5)**	(8)	37.8
Total investment income, net of expenses	**130**	152	(14.5)	**412**	451	(8.5)
Investment interest credited to contract holders	**(16)**	(14)	(10.7)	**(47)**	(43)	(10.4)
Realized investment gains and losses summary:						
Realized investment gains and losses	**401**	20	nm	**441**	371	19.1
Change in fair value of securities with embedded derivatives	**(8)**	(3)	(174.8)	**(13)**	1	nm
Other-than-temporary impairment charges	**(121)**	(1)	nm	**(400)**	(2)	nm
Total realized investment gains and losses	**272**	16	nm	**28**	370	(92.4)
Investment operations income	**$ 386**	$ 154	151.6	**$ 393**	$ 778	(49.4)

- 14.5 percent and 8.5 percent declines in third-quarter and nine-month 2008 pretax net investment income, primarily due to dividend reductions of financial sector common and preferred holdings, including reductions earlier in the year on positions subsequently sold or reduced.
- Third-quarter pretax realized investment gains of $272 million included $401 million in net gains from investment sales and bond calls. These gains included $360 million from sales of 38 million shares of Fifth Third, $112 million from the sale of other financial stocks and $27 million from the sale of various non-financial common stock holdings. These gains were partially offset by realized losses of $80 million, primarily from the sales of certain distressed bonds and preferred shares in the financial sector.
- Third-quarter pretax realized investment gains of $272 million achieved despite $121 million in non-cash charges for other-than-temporary impairments, which included $47 million to write down preferred shares of Federal National Mortgage Association and the Federal Home Loan Mortgage Corporation. Total third-quarter charges represented 1.2 percent of invested assets.
- Impairments of equity securities accounted for more than 80 percent of total nine-month other-than-temporary impairment charges, reflecting the portfolio mix, the historic weighting in financial sector securities and the unprecedented decline in overall stock market values during 2008.

(Dollars in millions except share data)	At September 30, 2008	At December 31, 2007
Balance sheet data		
Invested assets	**$10,160**	$12,261
Total assets	**14,303**	16,637
Short-term debt	**69**	69
Long-term debt	**791**	791
Shareholders' equity	**4,687**	5,929
Book value per share	**28.87**	35.70
Debt-to-capital ratio	**15.5%**	12.7%

	Three months ended September 30, 2008	2007	Nine months ended September 30, 2008	2007
Performance measures				
Comprehensive income (loss)	**$ 41**	$(149)	**$ (927)**	$ 30
Return on equity, annualized	**21.0%**	7.4%	**6.7%**	13.4%
Return on equity, annualized, based on comprehensive income (loss)	**3.5**	(8.9)	**(23.3)**	0.6

- $10.160 billion in investment assets at September 30, 2008, compared with $10.379 billion at June 30, 2008. Cash and equivalents at $347 million at quarter-end, compared with $333 million at June 30.
- Shareholders' equity was $4.687 billion, or $28.87 per share, at September 30, 2008, essentially unchanged from June 30, 2008, but down from year-end 2007 due to declines in investment values during the first six months of 2008.
- $5.941 billion A1/A+-average rated bond portfolio at September 30, 2008, containing a diverse mix of taxable and tax-exempt securities.
- $4.137 billion equity portfolio includes $1.737 billion in pretax unrealized gains.
- $3.687 billion in statutory surplus for the property casualty insurance group at September 30, 2008, compared with $3.650 billion at June 30, 2008. The ratio of common stock to statutory surplus for the property casualty insurance group portfolio was 67.5 percent at September 30, 2008, compared with 86.0 percent at year-end 2007.
- No repurchases of common stock during the third quarter. Approximately 8.5 million shares remain authorized for repurchase.

For additional information or to register for this morning's conference call webcast, please visit *www.cinfin.com/investors*.

Cincinnati Financial Corporation offers property and casualty insurance, our main business, through our three standard market companies, The Cincinnati Insurance Company, The Cincinnati Indemnity Company and The Cincinnati Casualty Company. The Cincinnati Specialty Underwriters Insurance Company provides excess and surplus lines property and casualty insurance. The Cincinnati Life Insurance Company markets life and disability income insurance and annuities. CSU Producer Resources Inc., is our excess and surplus lines brokerage, serving the same local independent agencies that offer our standard market policies. CFC Investment Company offers commercial leasing and financing services. CinFin Capital Management Company provides asset management services to institutions, corporations and nonprofit organizations. For additional information about the company, please visit www.cinfin.com*.*

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Cincinnati, Ohio 45250-5496

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6200 South Gilmore Road
Fairfield, Ohio 45014-5141

Safe Harbor Statement

This is our "Safe Harbor" statement under the Private Securities Litigation Reform Act of 1995. Our business is subject to certain risks and uncertainties that may cause actual results to differ materially from those suggested by the forward-looking statements in this report. Some of those risks and uncertainties are discussed in our 2007 Annual Report on Form 10-K, Item 1A, Risk Factors, Page 21. Although we often review and update our forward-looking statements when events warrant, we caution our readers that we undertake no obligation to do so.

Factors that could cause or contribute to such differences include, but are not limited to:

- Unusually high levels of catastrophe losses due to risk concentrations, changes in weather patterns, environmental events, terrorism incidents or other causes
- Events or conditions that could weaken or harm the company's relationships with its independent agencies and hamper opportunities to add new agencies, resulting in limitations on the company's opportunities for growth, such as:
    - Multi-notch downgrades of the company's financial strength ratings
    - Concerns that doing business with the company is too difficult or
    - Perceptions that the company's level of service, particularly claims service, is no longer a distinguishing characteristic in the marketplace
- Further decline in overall stock market values negatively affecting the company's equity portfolio and book value; in particular further declines in the market value of financial sector stocks
- Securities laws that could limit the manner, timing and volume of our investment transactions
- Events, such as the credit crisis triggered by subprime mortgage lending practices, that lead to:
    - Significant decline in the value of a particular security or group of securities, such as our financial sector holdings, and impairment of the asset(s)
    - Significant decline in investment income due to reduced or eliminated dividend payouts from a particular security or group of securities
    - Significant rise in losses from surety and director and officer policies written for financial institutions
- Recession or other economic conditions or regulatory, accounting or tax changes resulting in lower demand for insurance products
- Prolonged low interest rate environment or other factors that limit the company's ability to generate growth in investment income or interest rate fluctuations that result in declining values of fixed-maturity investments
- Inaccurate estimates or assumptions used for critical accounting estimates
- Events or actions, including unauthorized intentional circumvention of controls, that reduce the company's future ability to maintain effective internal control over financial reporting under the Sarbanes-Oxley Act of 2002
- Changing consumer buying habits and consolidation of independent insurance agencies that could alter our competitive advantages
- Increased frequency and/or severity of claims
- Delays or inadequacies in the development, implementation, performance and benefits of technology projects and enhancements
- Ability to obtain adequate reinsurance on acceptable terms, amount of reinsurance purchased, financial strength of reinsurers and the potential for non-payment or delay in payment by reinsurers
- Increased competition that could result in a significant reduction in the company's premium growth rate
- Underwriting and pricing methods adopted by competitors that could allow them to identify and flexibly price risks, which could decrease our competitive advantages
- Personal lines pricing and loss trends that lead management to conclude that this segment could not attain sustainable profitability, which could prevent the capitalization of policy acquisition costs
- Actions of insurance departments, state attorneys general or other regulatory agencies that:
    - Restrict our ability to exit or reduce writings of unprofitable coverages or lines of business
    - Place the insurance industry under greater regulatory scrutiny or result in new statutes, rules and regulations
    - Increase our expenses
    - Add assessments for guaranty funds, other insurance related assessments or mandatory reinsurance arrangements; or that impair our ability to recover such assessments through future surcharges or other rate changes
    - Limit our ability to set fair, adequate and reasonable rates

    - Place us at a disadvantage in the marketplace
    - Restrict our ability to execute our business model, including the way we compensate agents
- Adverse outcomes from litigation or administrative proceedings
- Unforeseen departure of certain executive officers or other key employees due to retirement, health or other causes that could interrupt progress toward important strategic goals or diminish the effectiveness of certain longstanding relationships with insurance agents and others
- Events, such as an epidemic, natural catastrophe, terrorism or construction delays, that could hamper our ability to assemble our workforce at our headquarters location

Further, the company's insurance businesses are subject to the effects of changing social, economic and regulatory environments. Public and regulatory initiatives have included efforts to adversely influence and restrict premium rates, restrict the ability to cancel policies, impose underwriting standards and expand overall regulation. The company also is subject to public and regulatory initiatives that can affect the market value for its common stock, such as recent measures affecting corporate financial reporting and governance. The ultimate changes and eventual effects, if any, of these initiatives are uncertain.

Cincinnati Financial Corporation
Condensed Balance Sheets and Statements of Income (unaudited)

(Dollars in millions)	September 30, 2008	December 31, 2007
Assets		
Investments	$ 10,160	$ 12,261
Cash and cash equivalents	347	226
Premiums receivable	1,103	1,107
Reinsurance receivable	846	754
Other assets	1,847	2,289
Total assets	$ 14,303	$ 16,637
Liabilities		
Insurance reserves	$ 5,719	$ 5,445
Unearned premiums	1,583	1,564
Deferred income tax	236	977
6.125% senior notes due 2034	371	371
6.9% senior debentures due 2028	28	28
6.92% senior debentures due 2028	392	392
Other liabilities	1,287	1,931
Total liabilities	9,616	10,708
Shareholders' Equity		
Common stock and paid-in capital	1,456	1,442
Retained earnings	3,482	3,404
Accumulated other comprehensive income	956	2,151
Treasury stock	(1,207)	(1,068)
Total shareholders' equity	4,687	5,929
Total liabilities and shareholders' equity	$ 14,303	$ 16,637

(Dollars in millions except per share data)	Three months ended September 30, 2008	2007	Nine months ended September 30, 2008	2007
Revenues				
Earned premiums	$ 781	$ 811	$ 2,355	$ 2,447
Investment income, net of expenses	130	152	412	451
Realized investment gains and losses	272	16	28	370
Other income	3	3	11	15
Total revenues	1,186	982	2,806	3,283
Benefits and Expenses				
Insurance losses and policyholder benefits	563	559	1,693	1,533
Commissions	130	136	428	466
Other operating expenses	137	127	365	345
Total benefits and expenses	830	822	2,486	2,344
Income Before Income Taxes	356	160	320	939
Provision for Income Taxes	109	36	52	270
Net Income	$ 247	$ 124	$ 268	$ 669
Per Common Share:				
Net income—basic	$ 1.51	$ 0.72	$ 1.64	$ 3.89
Net income—diluted	$ 1.50	$ 0.72	$ 1.64	$ 3.86

* * *

Definitions of Non-GAAP Information and
Reconciliation to Comparable GAAP Measures
(See attached tables for 2008 reconciliations; prior-period reconciliations available at *www.cinfin.com/investors*.)

Cincinnati Financial Corporation prepares its public financial statements in conformity with accounting principles generally accepted in the United States of America (GAAP). Statutory data is prepared in accordance with statutory accounting rules as defined by the National Association of Insurance Commissioners' (NAIC) Accounting Practices and Procedures Manual and therefore is not reconciled to GAAP data.

Management uses certain non-GAAP and non-statutory financial measures to evaluate its primary business areas — property casualty insurance, life insurance and investments — when analyzing both GAAP and certain non-GAAP measures may improve understanding of trends in the underlying business, helping avoid incorrect or misleading assumptions and conclusions about the success or failure of company strategies. Management adjustments to GAAP measures generally: apply to non-recurring events that are unrelated to business performance and distort short-term results; involve values that fluctuate based on events outside of management's control; or relate to accounting refinements that affect comparability between periods, creating a need to analyze data on the same basis.

- Operating income: Operating income is calculated by excluding net realized investment gains and losses (defined as realized investment gains and losses after applicable federal and state income taxes) from net income. Management evaluates operating income to measure the success of pricing, rate and underwriting strategies. While realized investment gains (or losses) are integral to the company's insurance operations over the long term, the determination to realize investment gains or losses in any period may be subject to management's discretion and is independent of the insurance underwriting process. Also, under applicable GAAP accounting requirements, gains and losses can be recognized from certain changes in market values of securities without actual realization. Management believes that the level of realized investment gains or losses for any particular period, while it may be material, may not fully indicate the performance of ongoing underlying business operations in that period.
- For these reasons, many investors and shareholders consider operating income to be one of the more meaningful measures for evaluating insurance company performance. Equity analysts who report on the insurance industry and the company generally focus on this metric in their analyses. The company presents operating income so that all investors have what management believes to be a useful supplement to GAAP information.
- Statutory accounting rules: For public reporting, insurance companies prepare financial statements in accordance with GAAP. However, insurers also must calculate certain data according to statutory accounting rules as defined in the NAIC's Accounting Practices and Procedures Manual, which may be, and has been, modified by various state insurance departments. Statutory data is publicly available, and various organizations use it to calculate aggregate industry data, study industry trends and compare insurance companies.
- Written premium: Under statutory accounting rules, property casualty written premium is the amount recorded for policies issued and recognized on an annualized basis at the effective date of the policy. Management analyzes trends in written premium to assess business efforts. Earned premium, used in both statutory and GAAP accounting, is calculated ratably over the policy term. The difference between written and earned premium is unearned premium.
- Written premium adjustment — statutory basis only: In 2002, the company refined its estimation process for matching property casualty written premiums to policy effective dates, which added $117 million to 2002 written premiums. To better assess ongoing business trends, management may exclude this adjustment when analyzing trends in written premiums and statutory ratios that make use of written premiums.

Cincinnati Financial Corporation

Quarterly Net Income Reconciliation

(In millions except per share data)	Three months ended September 30, 2008	Nine months ended September 30, 2008
Net income	$ 247	$ 268
Net realized investment gains and losses	173	16
Operating income	74	252
Less catastrophe losses	(41)	(142)
Operating income before catastrophe losses	$ 115	$ 394
Diluted per share data:		
Net income	$ 1.50	$ 1.64
Net realized investment gains and losses	1.05	0.10
Operating income	0.45	1.54
Less catastrophe losses	(0.25)	(0.87)
Operating income before catastrophe losses	$ 0.70	$ 2.41

Quarterly Property Casualty Reconciliation

	Three months ended September 30, 2008		
(Dollars in millions)	Consolidated	Commercial	Personal
Premiums:			
Adjusted written premiums (statutory)	$ 735	$ 546	$ 184
Written premium adjustment — statutory only	(8)	(8)	—
Reported written premiums (statutory)	727	538	184
Unearned premiums change	24	44	(17)
Earned premiums	$ 751	$ 582	$ 167
Statutory combined ratio :			
Statutory combined ratio	102.8%	97.3%	120.6%
Less catastrophe losses	8.4	4.0	23.8
Statutory combined ratio excluding catastrophe losses	94.4%	93.3%	96.8%
Commission expense ratio	17.7%	18.1%	16.4%
Other expense ratio	15.5	15.4	14.0
Statutory expense ratio	33.2%	33.5%	30.4%
GAAP combined ratio	101.3%	94.9%	122.5%

	Nine months ended September 30, 2008		
(Dollars in millions)	Consolidated	Commercial	Personal
Premiums:			
Adjusted written premiums (statutory)	$ 2,309	$ 1,776	$ 525
Written premium adjustment — statutory only	(17)	(17)	—
Reported written premiums (statutory)	2,292	1,759	525
Unearned premiums change	(30)	(16)	(7)
Earned premiums	$ 2,262	$ 1,743	$ 518
Statutory combined ratio :			
Statutory combined ratio	100.5%	95.9%	114.9%
Less catastrophe losses	9.7	6.4	20.7
Statutory combined ratio excluding catastrophe losses	90.8%	89.5%	94.2%
Commission expense ratio	17.6%	17.1%	18.9%
Other expense ratio	13.0	13.1	12.0
Statutory expense ratio	30.6%	30.2%	30.9%
GAAP combined ratio	101.1%	96.6%	115.9%

Dollar amounts shown are rounded to millions; certain amounts may not add due to rounding. Ratios are calculated based on whole dollar amounts.

Exhibit 99.2

Cincinnati Financial Corporation
Supplemental Financial Data
September 30, 2008
Third Quarter

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	A.M. Best	Fitch	Moody's	Standard & Poor's
Cincinnati Financial Corporation				
Corporate Debt	aa-	A-	A3	BBB+
The Cincinnati Insurance Companies				
Insurer Financial Strength				
Property Casualty Group				
Standard Market Subsidiaries:	A++	—	A1	A+
The Cincinnati Insurance Company	A++	AA-	A1	A+
The Cincinnati Indemnity Company	A++	AA-	A1	A+
The Cincinnati Casualty Company	A++	AA-	A1	A+
Excess and Surplus Lines Subsidiary:				
The Cincinnati Specialty Underwriters Insurance Company	A	—	—	—
The Cincinnati Life Insurance Company	A+	AA-	—	A+

Ratings are as of September 25, 2008, under negative review or outlook and always subject to change and/or affirmation. For the latest ratings, select Ratings tab on *www.cinfin.com*.

The consolidated financial statements and financial exhibits that follow are unaudited. These consolidated financial statements and exhibits should be read in conjunction with the consolidated financial statements and notes included our periodic filings with the U.S. Securities and Exchange Commission. The results of operations for interim periods may not be indicative of results to be expected for the full year.

Cincinnati Financial Corporation
Supplemental Financial Data
Third Quarter 2008

Definitions of Non — GAAP Information and Reconciliation to Comparable GAAP Measures

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- **Operating income**: Operating income is calculated by excluding net realized investment gains and losses (defined as realized investment gains and losses after applicable federal and state income taxes) from net income. Management evaluates operating income to measure the success of pricing, rate and underwriting strategies. While realized investment gains (or losses) are integral to the company's insurance operations over the long term, the determination to realize investment gains or losses in any period may be subject to management's discretion and is independent of the insurance underwriting process. Also, under applicable GAAP accounting requirements, gains and losses can be recognized from certain changes in market values of securities and embedded derivatives without actual realization. Management believes that the level of realized investment gains or losses for any particular period, while it may be material, may not fully indicate the performance of ongoing underlying business operations in that period.

  For these reasons, many investors and shareholders consider operating income to be one of the more meaningful measures for evaluating insurance company performance. Equity analysts who report on the insurance industry and the company generally focus on this metric in their analyses. The company presents operating income so that all investors have what management believes to be a useful supplement to GAAP information.

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- **Written premium**: Under statutory accounting rules, property casualty written premium is the amount recorded for policies issued and recognized on an annualized basis at the effective date of the policy. Management analyzes trends in written premium to assess business efforts. Earned premium, used in both statutory and GAAP accounting, is calculated ratably over the policy term. The difference between written and earned premium is unearned premium.

- **Written premium adjustment** — statutory basis only: In 2002, the company refined its estimation process for matching property casualty written premiums to policy effective dates, which added $117 million to 2002 written premiums. To better assess ongoing business trends, management may exclude this adjustment when analyzing trends in written premiums and statutory ratios that make use of written premiums.

Cincinnati Financial Corporation
Quick Reference — Third Quarter 2008
(all data shown is for the three months ended or as of September 30, 2008)

(Based on reported data — see Pages 21-23 for adjusted data)

		9/30/2008	Year over year change %
Revenues:			
Commercial lines net written premiums	$	538	(1.2)
Personal lines net written premiums		184	(4.0)
Excess & Surplus lines net written premiums		5	nm
Property casualty net written premiums		727	(1.3)
Commercial lines net earned premiums		582	(3.0)
Personal lines net earned premiums		167	(5.4)
Excess & Surplus lines net earned premiums		2	nm
Property casualty net earned premiums		751	(3.3)
Life and accident and health net earned premiums		30	(12.2)
Investment income		130	(14.4)
Realized gains on investments		272	nm
Other income		3	(8.0)
Total revenues		1,186	20.8
Income:			
Operating income	$	74	(35.4)
Net realized investment gains and losses		173	nm
Net income (loss)		247	99.5
Per share (diluted):			
Operating income	$	0.45	(31.8)
Net realized investment gains and losses		1.05	nm
Net income (loss)		1.50	108.3
Book value		28.87	(25.0)
Weighted average shares — diluted		164,242,185	(4.7)
Benefits and expenses:			
Commercial lines loss and loss expenses	$	371	(6.1)
Personal lines loss and loss expenses		151	17.7
Excess & Surplus lines loss and loss expenses		1	nm
Life and accident and health losses and policy benefits		41	11.8
Operating expenses		253	1.5
Interest expenses		14	11.2
Total expenses		830	1.0
Net loss before income taxes		356	122.7
Total income tax benefit		109	202.9
Effective tax rate		30.6%	nm
Ratios:			
Commercial lines GAAP combined ratio		94.9%	
Personal lines GAAP combined ratio		122.5	
Excess & Surplus lines GAAP combined ratio		201.5	
Property casualty GAAP combined ratio		101.3	
Commercial lines STAT combined ratio		97.3%	
Personal lines STAT combined ratio		120.6	
Excess & Surplus lines STAT combined ratio		148.8	
Property casualty STAT combined ratio		102.8	
Return on equity based upon net income		21.0%	
Return on equity based upon operating income		6.3	
Balance Sheet:			
Fixed maturity investments	$	5,729	
Equity securities		4,137	
Short-term investments		212	
Other invested assets		82	
Total invested assets	$	10,160	
Property casualty and life loss and loss expense reserves	$	5,719	
Total debt		861	
Shareholders' equity		4,687	

Cincinnati Financial Corporation
Consolidated Statements of Income

	For the Three Months Ended September 30,				For the Nine Months Ended September 30,			
	2008	2007	Change	% Change	2008	2007	Change	% Change
Revenues:								
Premiums earned:								
Property Casualty	$ 802,233,648	$ 820,957,046	$ (18,723,398)	(2.28)	$2,397,285,096	$2,477,854,355	$ (80,569,259)	(3.25)
Life	40,729,802	42,395,592	(1,665,790)	(3.93)	125,439,013	124,663,788	775,225	0.62
Accident health	1,876,918	1,776,832	100,086	5.63	5,429,201	5,141,122	288,079	5.60
Premiums ceded	(64,230,406)	(54,453,334)	(9,777,072)	17.95	(172,911,865)	(160,490,771)	(12,421,094)	7.74
Total premiums earned	780,609,962	810,676,136	(30,066,174)	(3.71)	2,355,241,445	2,447,168,494	(91,927,049)	(3.76)
Investment income	130,110,465	152,051,554	(21,941,089)	(14.43)	412,167,203	450,376,849	(38,209,646)	(8.48)
Realized gain on investments	272,012,497	15,713,227	256,299,270	nm	28,295,897	370,146,519	(341,850,622)	(92.36)
Other income	3,072,121	3,339,995	(267,874)	(8.02)	10,658,100	14,893,770	(4,235,670)	(28.44)
Total revenues	**$1,185,805,045**	**$ 981,780,912**	**$204,024,133**	**20.78**	**$2,806,362,645**	**$3,282,585,632**	**$(476,222,987)**	**(14.51)**
Benefits & expenses:								
Losses & policy benefits	$ 653,976,246	$ 585,951,417	$ 68,024,829	11.61	$1,864,946,329	$1,649,479,484	$ 215,466,845	13.06
Reinsurance recoveries	(91,680,527)	(26,400,951)	(65,279,576)	247.26	(171,957,423)	(116,025,070)	(55,932,353)	48.21
Commissions	129,965,480	136,051,090	(6,085,610)	(4.47)	427,548,120	465,911,059	(38,362,939)	(8.23)
Other operating expenses	108,248,235	90,099,173	18,149,062	20.14	292,445,587	266,394,046	26,051,541	9.78
Interest expense	14,149,207	12,726,648	1,422,559	11.18	39,391,454	38,703,204	688,250	1.78
Taxes, licenses & fees	16,288,308	17,904,979	(1,616,671)	(9.03)	52,438,158	56,801,190	(4,363,032)	(7.68)
Incr deferred acq expense	(1,001,796)	5,679,866	(6,681,662)	(117.64)	(18,167,733)	(17,013,847)	(1,153,886)	6.78
Total expenses	**$ 829,945,153**	**$ 822,012,222**	**$ 7,932,931**	**0.97**	**$2,486,644,492**	**$2,344,250,066**	**$ 142,394,426**	**6.07**
Income (loss) before income taxes	**$ 355,859,892**	**$ 159,768,690**	**$196,091,202**	**122.73**	**$ 319,718,153**	**$ 938,335,566**	**$(618,617,413)**	**(65.93)**
Provision for income taxes:								
Current operating income	$ 41,159,742	$ 26,303,009	$ 14,856,733	56.48	$ 133,510,791	$ 132,246,641	$ 1,264,150	0.96
Realized investments gains and losses	98,674,151	5,992,647	92,681,504	nm	12,195,309	132,412,878	(120,217,569)	(90.79)
Deferred	(30,980,183)	3,644,481	(34,624,664)	(950.06)	(93,828,914)	4,978,995	(98,807,909)	nm
Total income taxes	**$ 108,853,710**	**$ 35,940,137**	**$ 72,913,573**	**202.88**	**$ 51,877,186**	**$ 269,638,514**	**$(217,761,328)**	**(80.76)**
Net income	**$ 247,006,182**	**$ 123,828,553**	**$123,177,629**	**99.47**	**$ 267,840,967**	**$ 668,697,052**	**$(400,856,085)**	**(59.95)**
Comprehensive net income	**$ 40,798,778**	**$(149,174,974)**	**$189,973,752**	**(127.35)**	**$ (926,614,532)**	**$ 29,253,026**	**$(955,867,558)**	**nm**
Operating income	$ 73,667,836	$ 114,107,975	$ (40,440,139)	(35.44)	$ 251,740,379	$ 430,953,411	$(179,213,032)	(41.59)
Net realized investments gains and losses	$ 173,338,346	$ 9,720,580	$163,617,766	nm	$ 16,100,588	$ 237,733,641	$(221,633,053)	(93.23)
Net income per share:								
Operating income	$ 0.45	$ 0.67	$ (0.22)	(32.84)	$ 1.54	$ 2.51	$ (0.97)	(38.65)
Net realized investments gains and losses	1.06	0.05	1.01	nm	0.10	1.38	(1.28)	(92.75)
Net income (loss) per share (basic)	**$ 1.51**	**$ 0.72**	**$ 0.79**	**109.72**	**$ 1.64**	**$ 3.89**	**$ (2.25)**	**(57.84)**
Operating income	$ 0.45	$ 0.66	$ (0.21)	(31.82)	$ 1.54	$ 2.49	$ (0.95)	(38.15)
Net realized investments gains and losses	1.05	0.06	0.99	nm	0.10	1.37	(1.27)	(92.70)
Net income (loss) per share (diluted)	**$ 1.50**	**$ 0.72**	**$ 0.78**	**108.33**	**$ 1.64**	**$ 3.86**	**$ (2.22)**	**(57.51)**
Dividends per share:								
Paid	$ 0.390	$ 0.355	$ 0.035	9.86	$ 1.135	$ 1.045	$ 0.09	8.61
Declared	$ 0.390	$ 0.355	$ 0.035	9.86	$ 1.170	$ 1.065	$ 0.11	9.86
Number of shares:								
Weighted avg — basic	164,146,095	171,068,956	(6,922,861)	(4.05)	163,404,320	171,804,376	(8,400,056)	(4.89)
Weighted avg — diluted	164,242,185	172,399,539	(8,157,354)	(4.73)	163,834,163	173,423,199	(9,589,036)	(5.53)

Cincinnati Financial Corporation and Subsidiaries
Consolidated Statements of Income for the Nine Months Ended September 30, 2008

	Total	CFC	CONSOL P&C	CLIC	CFC-I	CINFIN	C-SUPR	ELIM
Revenues:								
Premiums earned:								
Property Casualty	$2,397,285,096	$ —	$2,397,869,818	$ —	$ —	$ —	$ —	$ (584,722)
Life	125,439,013	—	—	125,439,013	—	—	—	—
Accident health	5,429,201	—	—	5,429,201	—	—	—	—
Premiums ceded	(172,911,865)	—	(134,953,001)	(37,958,864)	—	—	—	—
Total earned premium	2,355,241,445	—	2,262,916,817	92,909,350	—	—	—	(584,722)
Investment income	412,167,203	56,157,915	266,951,430	88,259,571	343,612	158,394	36,435	259,846
Realized gain on investments	28,295,897	(140,733,165)	103,452,621	(67,087,119)	303,572	(771,978)	—	133,131,966
Other income	10,658,100	9,432,048	2,891,422	1,324,832	6,152,450	1,749,922	422,132	(11,314,706)
Total revenues	**$2,806,362,645**	**$ (75,143,202)**	**$2,636,212,290**	**$115,406,634**	**$6,799,634**	**$1,136,338**	**$ 458,567**	**$121,492,384**
Benefits & expenses:								
Losses & policy benefits	$1,864,946,329	$ —	$1,720,187,487	$148,219,872	$ —	$ —	$ —	$ (3,461,030)
Reinsurance recoveries	(171,957,423)	—	(138,305,695)	(33,651,728)	—	—	—	—
Commissions	427,548,120	82,500	409,018,691	18,869,061	—	—	—	(422,132)
Other operating expenses	292,445,587	17,846,415	255,075,233	22,799,674	3,289,248	556,925	1,618,579	(8,740,487)
Interest expense	39,391,454	37,320,192	409,404	—	2,155,714	—	—	(493,856)
Taxes, licenses & fees	52,438,158	909,163	48,328,365	3,115,439	21,360	53,238	10,593	—
Incr deferred acq expenses	(18,167,733)	—	(6,136,501)	(12,031,232)	—	—	—	—
Total expenses	**$2,486,644,492**	**$ 56,158,270**	**$2,288,576,984**	**$147,321,086**	**$5,466,322**	**$ 610,163**	**$ 1,629,172**	**$ (13,117,505)**
Income before income taxes	**$ 319,718,153**	**$(131,301,472)**	**$ 347,635,306**	**$ (31,914,452)**	**$1,333,312**	**$ 526,175**	**$(1,170,605)**	**$134,609,889**
Provision for income taxes:								
Current operating income	$ 133,510,791	$ 1,708,490	$ 157,817,524	$ 20,039,654	$ 374,110	$ 563,776	$ (396,575)	$ (46,596,188)
Capital gains/losses	12,195,309	(50,291,608)	39,515,163	(23,460,492)	106,250	(270,192)	—	46,596,188
Deferred	(93,828,914)	(12,399,350)	(120,411,810)	(8,006,690)	43,598	(159,588)	(8,535)	47,113,461
Total income tax	**$ 51,877,186**	**$ (60,982,468)**	**$ 76,920,877**	**$ (11,427,528)**	**$ 523,958**	**$ 133,996**	**$ (405,110)**	**$ 47,113,461**
Net income — current year	**$ 267,840,967**	**$ (70,319,004)**	**$ 270,714,429**	**$ (20,486,924)**	**$ 809,354**	**$ 392,179**	**$ (765,495)**	**$ 87,496,428**
Net income — prior year	**$ 668,687,052**	**$ 97,796,824**	**$ 495,854,570**	**$ 63,772,452**	**$1,696,452**	**$ 932,933**	**$ —**	**$ 8,633,821**
Change in net income	-59.9%	-171.9%	-45.4%	-132.1%	-52.3%	-58.0%	N/A	

Cincinnati Financial Corporation and Subsidiaries
Consolidated Statements of Income for the Three Months Ended September 30, 2008

	Total	CFC	CONSOL P&C	CLIC	CFC-I	CINFIN	C-SUPR	ELIM
Revenues:								
Premiums earned:								
Property Casualty	$ 802,233,648	$ —	$ 802,233,267	$ —	$ —	$ —	$ —	$ 381
Life	40,729,802	—	—	40,729,802	—	—	—	—
Accident health	1,876,918	—	—	1,876,918	—	—	—	—
Premiums ceded	(64,230,406)	—	(51,378,608)	(12,851,798)	—	—	—	—
Total earned premium	780,609,962	—	750,854,659	29,754,922	—	—	—	381
Investment income	130,110,465	15,270,883	83,848,139	29,944,299	127,849	8,785	7,583	902,927
Realized gain on investments	272,012,497	(71,774,086)	255,938,231	(45,300,879)	101,190	(213,700)	—	133,261,741
Other income	3,072,121	3,669,066	1,070,011	(42,060)	1,907,299	571,061	234,700	(4,337,956)
Total revenues	**$1,185,805,045**	**$(52,834,137)**	**$1,091,711,040**	**$ 14,356,282**	**$2,136,338**	**$ 366,146**	**$ 242,283**	**$129,827,093**
Benefits & expenses:								
Losses & policy benefits	$ 653,976,246	$ —	$ 601,044,209	$ 54,001,586	$ —	$ —	$ —	$ (1,069,549)
Reinsurance recoveries	(91,680,527)	—	(78,014,927)	(13,477,282)	—	—	—	(188,318)
Commissions	129,965,480	27,500	123,832,174	6,340,506	—	—	—	(234,700)
Other operating expenses	108,248,235	5,915,334	95,461,987	7,931,123	1,046,065	213,338	591,647	(2,911,259)
Interest expense	14,149,207	13,224,344	171,257	—	753,606	—	—	—
Taxes, licenses & fees	16,288,308	303,055	14,898,322	1,065,416	2,730	16,250	2,535	—
Incr deferred acq expenses	(1,001,796)	—	2,871,040	(3,872,836)	—	—	—	—
Total expenses	**$ 829,945,153**	**$ 19,470,233**	**$ 760,264,062**	**$ 51,988,513**	**$1,802,401**	**$ 229,588**	**$ 594,182**	**$ (4,403,826)**
Income before income taxes	**$ 355,859,892**	**$(72,304,370)**	**$ 331,446,978**	**$(37,632,231)**	**$ 333,937**	**$ 136,558**	**$(351,899)**	**$134,230,919**
Provision for income taxes:								
Current operating income	$ 41,159,742	$ (4,895,021)	$ 83,694,843	$ 8,854,764	$ 50,343	$ 175,430	$(124,429)	$ (46,596,188)
Capital gains/losses	98,674,151	(25,755,930)	93,728,580	(15,855,308)	35,416	(74,795)	—	46,596,188
Deferred	(30,980,183)	1,868,616	(73,637,772)	(6,144,473)	18,040	(68,666)	3,251	46,980,821
Total income tax	**$ 108,853,710**	**$(28,782,335)**	**$ 103,785,651**	**$(13,145,017)**	**$ 103,799**	**$ 31,969**	**$(121,178)**	**$ 46,980,821**
Net income — current year	**$ 247,006,182**	**$(43,522,035)**	**$ 227,661,327**	**$(24,487,214)**	**$ 230,138**	**$ 104,589**	**$(230,721)**	**$ 87,250,098**
Net income — prior year	**$ 123,828,556**	**$ 26,360,946**	**$ 88,226,236**	**$ 8,187,703**	**$ 534,691**	**$ 332,063**	**$ —**	**$ 186,917**
Change in net income	99.5%	-265.1%	158.0%	-399.1%	-57.0%	-68.5%	N/A	

Cincinnati Financial Corporation
Consolidated Balance Sheets

(Dollars in millions except per share data)	September 30, 2008 (unaudited)	December 31, 2007
Assets		
Investments		
Fixed maturities, at fair value (amortized cost: 2008—$5,943; 2007—$5,783) (includes securities pledged to creditors: 2008—$0; 2007—$745)	**$ 5,729**	$ 5,848
Equity securities, at fair value (cost: 2008—$2,400; 2007—$2,975)	**4,137**	6,249
Short-term investments, at fair value (amortized cost: 2008—$212; 2007—$101)	**212**	101
Other invested assets	**82**	63
Total investments	**10,160**	12,261
Cash and cash equivalents	**347**	226
Securities lending collateral invested	**—**	760
Investment income receivable	**96**	124
Finance receivable	**74**	92
Premiums receivable	**1,103**	1,107
Reinsurance receivable	**846**	754
Prepaid reinsurance premiums	**13**	13
Deferred policy acquisition costs	**501**	461
Land, building and equipment, net, for company use (accumulated depreciation: 2008—$290; 2007—$276)	**235**	239
Other assets	**381**	72
Separate accounts	**547**	528
Total assets	**$14,303**	$16,637
Liabilities		
Insurance reserves		
Losses and loss expense	**$ 4,166**	$ 3,967
Life policy reserves	**1,553**	1,478
Unearned premiums	**1,583**	1,564
Securities lending payable	**—**	760
Other liabilities	**671**	574
Deferred income tax	**236**	977
Notes payable	**69**	69
6.125% senior debenture due 2034	**371**	371
6.9% senior debenture due 2028	**28**	28
6.92% senior debenture due 2028	**392**	392
Separate accounts	**547**	528
Total liabilities	**9,616**	10,708
Shareholders' equity		
Common stock, par value—$2 per share; authorized: 2008—500 million shares, 2007—500 million shares; issued: 2008—196 million shares, 2007—196 million shares	**393**	393
Paid-in capital	**1,063**	1,049
Retained Earnings	**3,482**	3,404
Accumulated other comprehensive income	**956**	2,151
Treasury stock at cost (2008—34 million shares, 2007—30 million shares)	**(1,207)**	(1,068)
Total shareholders' equity	**4,687**	5,929
Total liabilities and shareholders' equity	**$14,303**	$16,637

Cincinnati Financial Corporation
Quarterly Net Income Reconciliation

(In millions except per share data)	Three months ended 12/31/08	9/30/08	6/30/08	3/31/08	12/31/07	9/30/07	6/30/07	3/31/07	Six months ended 6/30/08	6/30/07	Nine months ended 9/30/08	9/30/07	Twelve months ended 12/31/08	12/31/07
Net income (loss)		**$ 247**	$ 63	$ (42)	$ 187	$ 124	$ 351	$ 194	$ 21	$ 545	**$ 268**	$ 669		$ 855
Net realized investment gains and losses		**173**	(6)	(151)	8	10	187	41	(157)	228	**16**	238		245
Operating income		74	69	109	179	114	164	153	178	317	**252**	431		610
Less catastrophe losses		**(41)**	(74)	(28)	1	(9)	(7)	(2)	(101)	(9)	**(142)**	(18)		(17)
Operating income before catastrophe losses		**$ 115**	$ 143	$ 137	$ 178	$ 123	$ 171	$ 155	$ 279	$ 326	**$ 394**	$ 449		$ 627
Diluted per share data														
Net income (loss)		**$ 1.50**	$ 0.38	$(0.26)	$1.11	$ 0.72	$ 2.02	$ 1.11	$ 0.13	$ 3.13	**$ 1.64**	$ 3.86		$ 4.97
Net realized investment gains and losses		**1.05**	(0.04)	(0.92)	0.04	0.06	1.08	0.23	(0.95)	1.31	**0.10**	1.37		1.43
Operating income		**0.45**	0.42	0.66	1.07	0.66	0.94	0.88	1.08	1.82	**1.54**	2.49		3.54
Less catastrophe losses		**(0.25)**	(0.45)	(0.17)	0.01	(0.05)	(0.04)	(0.01)	(0.62)	(0.05)	**(0.87)**	(0.10)		(0.10)
Operating income before catastrophe losses		**$** 0.70	$ 0.87	$ 0.83	$1.06	$ 0.71	$ 0.98	$ 0.89	$ 1.70	$ 1.87	**$ 2.41**	$ 2.59		$ 3.64

Dollar amounts shown are rounded to millions; certain amounts may not add due to rounding. Ratios are calculated based on whole dollar amounts. The sum of quarterly amounts may not equal the full year as each is computed independently.

Cincinnati Financial Corporation
Top Holdings — Common Stocks

(Dollars in millions)	As of and for the nine months ended September 30, 2008 Cost	Fair value	Percent of fair value	Earned dividend income
The Procter & Gamble Company	$ 206	$ 524	13.3%	$ 9
Fifth Third Bancorp	29	348	8.8	45
Exxon Mobil Corporation	36	296	7.5	5
U.S. Bancorp	188	287	7.3	13
Johnson & Johnson	221	280	7.1	5
PNC Financial Services Group, Inc.	37	239	6.1	9
Wells Fargo & Company	92	194	4.9	6
Piedmont Natural Gas Company, Inc.	64	180	4.6	5
Wyeth	62	163	4.1	4
AllianceBernstein Holding L.P.	113	145	3.7	11
Chevron Corporation	56	109	2.8	3
General Electric Company	120	93	2.4	3
Pepsico, Inc.	72	83	2.1	1
Pfizer, Inc.	77	81	2.1	4
All other common stock holdings (33)	810	915	23.2	24
Total	$2,183	$3,937	100.0%	$147

Cincinnati Financial Corporation Subsidiaries
Selected Balance Sheet Data

(Dollars in millions)	12/31/2008	**9/30/2008**	6/30/2008	3/31/2008	12/31/2007	9/30/2007	6/30/2007	3/31/2007
Cincinnati Insurance Consolidated (including CSU)								
Fixed maturities and equities (fair value)	$ —	**$ 7,556**	$ 7,841	$ 8,628	$ 8,940	$ 9,586	$ 9,850	$ 9,837
Fixed maturities — pretax net unrealized gain (loss)	—	**(132)**	(33)	39	58	23	(30)	44
Equities — pretax net unrealized gain (loss)	—	**1,012**	1,227	1,831	2,077	2,657	2,917	3,017
Loss and loss expense reserves — STAT	—	**3,507**	3,534	3,448	3,398	3,461	3,374	3,373
Equity GAAP	—	**3,947**	4,011	4,498	4,784	5,282	5,404	5,272
Surplus — STAT	—	**3,687**	3,650	4,027	4,307	4,782	4,937	4,741
The Cincinnati Life Insurance Company								
Fixed maturities and equities (fair value)	$ —	**$ 1,683**	$ 1,816	$ 1,841	$ 1,887	$ 1,952	$ 1,922	$ 1,938
Fixed maturities — pretax net unrealized gain (loss)	—	**(79)**	(35)	0	6	4	(4)	20
Equities — pretax net unrealized gain (loss)	—	**61**	92	127	162	225	254	305
Equity — GAAP	—	**530**	617	661	685	724	730	739
Surplus — STAT	—	**371**	420	453	477	485	491	483

	12/31/2006	9/30/2006	6/30/2006	3/31/2006	12/31/2005	9/30/2005	6/30/2005	3/31/2005
Cincinnati Insurance Consolidated (including CSU)								
Fixed maturities and equities (fair value)	$ 9,882	$ 9,393	$ 8,987	$ 9,261	$ 8,947	$ 8,833	$ 8,802	$ 8,710
Fixed maturities — pretax net unrealized gain (loss)	47	51	(55)	2	50	86	152	99
Equities — pretax net unrealized gain (loss)	3,166	2,859	2,621	2,758	2,803	2,807	2,903	2,931
Loss and loss expense reserves — STAT	3,356	3,314	3,237	3,169	3,111	3,150	3,065	3,031
Equity GAAP	5,261	5,073	4,702	4,730	4,647	4,660	4,679	4,493
Surplus — STAT	4,723	4,607	4,342	4,334	4,220	4,224	4,180	4,065
The Cincinnati Life Insurance Company								
Fixed maturities and equities (fair value)	$ 1,916	$ 1,893	$ 1,803	$ 1,827	$ 1,788	$ 1,797	$ 1,748	$ 1,688
Fixed maturities — pretax net	15	17	(17)	6	31	45	70	53
Equities — pretax net unrealized gain (loss)	307	271	238	256	266	274	275	257
Equity — GAAP	719	688	652	666	651	348	655	622
Surplus — STAT	479	461	459	470	451	447	447	440

Consolidated Cincinnati Insurance Companies
GAAP Statements of Income

	For the Three Months Ended September 30,				For the Nine Months Ended September 30,			
	2008	2007	Change	% Change	2008	2007	Change	% Change
Premiums earned:								
Property casualty	$ 802,233,267	$820,959,014	$ (18,725,747)	(2.28)	$2,397,869,818	$2,478,188,351	$ (80,318,533)	(3.24)
Premiums ceded	(51,378,608)	(44,158,148)	(7,220,460)	16.35	(134,953,001)	(130,356,727)	(4,596,274)	3.53
Total premiums earned	750,854,659	776,800,866	(25,946,207)	(3.34)	2,262,916,817	2,347,831,624	(84,914,807)	(3.62)
Investment income	83,848,139	98,273,334	(14,425,195)	(14.68)	266,951,430	291,738,759	(24,787,329)	(8.50)
Realized gain on investments	255,938,231	(4,836,462)	260,774,693	nm	103,452,621	202,374,057	(98,921,436)	(48.88)
Other income	1,070,011	(340,240)	1,410,251	(414.49)	2,891,422	3,310,897	(419,475)	(12.67)
Total revenues	**$1,091,711,040**	**$869,897,498**	**$221,813,542**	**25.50**	**$2,636,212,290**	**$2,845,255,337**	**$(209,043,047)**	**(7.35)**
Benefits & expenses:								
Losses & policy benefits	$ 601,044,209	$540,738,841	$ 60,305,368	11.15	$1,720,187,487	$1,523,262,450	$ 196,925,037	12.93
Reinsurance recoveries	(78,014,927)	(16,893,445)	(61,121,482)	361.81	(138,305,695)	(86,370,570)	(51,935,125)	60.13
Commissions	123,832,174	127,709,961	(3,877,787)	(3.04)	409,018,691	439,509,545	(30,490,854)	(6.94)
Other operating expenses	95,461,987	79,527,546	15,934,441	20.04	255,075,233	234,370,169	20,705,064	8.83
Interest expense	171,257	—	171,257	—	409,404	—	409,404	—
Taxes, licenses & fees	14,898,322	16,645,686	(1,747,364)	(10.50)	48,328,365	52,977,986	(4,649,621)	(8.78)
Incr deferred acq expense	2,871,040	8,082,224	(5,211,184)	(64.48)	(6,136,501)	(8,282,870)	2,146,369	(25.91)
Total expenses	**$ 760,264,062**	**$755,810,813**	**$ 4,453,249**	**0.59**	**$2,288,576,984**	**$2,155,466,710**	**$ 133,110,274**	**6.18**
Income before income taxes	**$ 331,446,978**	**$114,086,685**	**$217,360,293**	**190.52**	**$ 347,635,306**	**$ 689,788,627**	**$(342,153,321)**	**(49.60)**
Provision for income taxes:								
Current operating income	$ 83,694,843	$ 30,444,664	$ 53,250,179	174.91	$ 157,817,524	$ 136,806,227	$ 21,011,297	15.36
Current realized investments gains and losses	93,728,580	(1,583,658)	95,312,238	nm	39,515,163	71,840,023	(32,324,860)	(45.00)
Deferred	(73,637,772)	(3,000,557)	(70,637,215)	nm	(120,411,810)	(14,712,193)	(105,699,617)	718.45
Total income taxes	**$ 103,785,651**	**$ 25,860,449**	**$ 77,925,202**	**301.33**	**$ 76,920,877**	**$ 193,934,057**	**$(117,013,180)**	**(60.34)**
Net income	**$ 227,661,327**	**$ 88,226,236**	**$139,435,091**	**158.04**	**$ 270,714,429**	**$ 495,854,570**	**$(225,140,141)**	**(45.40)**

Cincinnati Insurance Group
Statutory Statements of Income

	For the Three Months Ended September 30, 2008	2007	Change	% Change	For the Nine Months Ended September 30, 2008	2007	Change	% Change
Underwriting income								
Net premiums written	$722,149,621	$736,354,821	$ (14,205,200)	(1.93)	$2,284,369,929	$2,392,327,271	$(107,957,342)	(4.51)
Unearned premiums increase	(27,266,596)	(40,446,047)	13,179,451	(32.59)	23,404,172	44,495,646	(21,091,474)	(47.40)
Earned premiums	**$749,416,216**	**$776,800,868**	**$ (27,384,652)**	**(3.53)**	**$2,260,965,757**	**$2,347,831,625**	**$ (86,865,868)**	**(3.70)**
Losses incurred	$455,923,541	$431,727,371	$ 24,196,170	5.60	$1,352,254,518	$1,166,347,214	$ 185,907,304	15.94
Allocated loss expenses incurred	18,674,251	44,377,048	(25,702,797)	(57.92)	88,302,910	133,163,852	(44,860,942)	(33.69)
Unallocated loss expenses incurred	47,818,830	47,740,977	77,853	0.16	139,838,754	137,380,815	2,457,939	1.79
Other underwriting expenses incurred	232,911,846	227,469,464	5,442,382	2.39	689,535,107	711,845,483	(22,310,376)	(3.13)
Workers compensation dividend incurred	3,215,144	2,649,865	565,279	21.33	4,620,246	8,052,312	(3,432,066)	(42.62)
Total underwriting deductions	**$758,543,612**	**$753,964,725**	**$ 4,578,887**	**0.61**	**$2,274,551,535**	**$2,156,789,676**	**$ 117,761,859**	**5.46**
Net underwriting gain	**$ (9,127,395)**	**$ 22,836,143**	**$ (31,963,538)**	**(139.97)**	**$ (13,585,778)**	**$ 191,041,949**	**$(204,627,727)**	**(107.11)**
Investment income								
Gross investment income earned	$ 82,853,216	$100,579,844	$ (17,726,628)	(17.62)	$ 263,767,428	$ 296,592,934	$ (32,825,506)	(11.07)
Net investment income earned	81,565,048	97,939,533	(16,374,485)	(16.72)	259,892,835	291,447,565	(31,554,730)	(10.83)
Net realized capital gains	172,046,155	959,585	171,086,570	nm	77,913,772	135,356,272	(57,442,500)	(42.44)
Net investment gains (excl. subs)	**$253,611,204**	**$ 98,899,118**	**$154,712,086**	**156.43**	**$ 337,806,607**	**$ 426,803,837**	**$ (88,997,230)**	**(20.85)**
Dividend from subsidiary	—	—	—	—	—	—	—	—
Net investment gains	**$253,611,204**	**$ 98,899,118**	**$154,712,086**	**156.43**	**$ 337,806,607**	**$ 426,803,837**	**$ (88,997,230)**	**(20.85)**
Other income	**$ 712,644**	**$ (514,171)**	**$ 1,226,815**	**(238.60)**	**$ 1,641,979**	**$ 2,794,180**	**$ (1,152,201)**	**(41.24)**
Net income before federal income taxes	$245,196,452	$121,221,090	$123,975,362	102.27	$ 325,862,808	$ 620,639,966	$(294,777,158)	(47.50)
Federal and foreign income taxes incurred	$ 83,809,041	$ 26,567,206	**$ 57,241,835**	215.46	$ 167,968,058	$ 131,380,364	$ 36,587,694	27.85
Net income (statutory)	**$161,387,412**	**$ 94,653,884**	**$ 66,733,528**	**70.50**	**$ 157,894,750**	**$ 489,259,602**	**$(331,364,852)**	**(67.73)**

* *Statutory data prepared in accordance with statutory accounting rules as defined by the National Association of Insurance Commissioners and filed with the appropriate regulatory bodies.*

Cincinnati Insurance Group — All Lines
Statutory Quarterly Analysis
(Based on reported data — see Page 21 for adjusted data)

	Three months ended								Six months ended		Nine months ended		Twelve months ended	
(Dollars in millions)	12/31/08	**9/30/08**	6/30/08	3/31/08	12/31/07	9/30/07	6/30/07	3/31/07	6/30/08	6/30/07	**9/30/08**	9/30/07	12/31/08	12/31/07
Net premiums written		**$ 722**	$ 788	$ 776	$ 724	$ 736	$ 810	$ 846	$1,562	$1,656	**$2,284**	$2,393		$3,117
Net premiums earned		**$ 749**	$ 760	$ 751	$ 777	$ 777	$ 786	$ 785	$1,512	$1,571	**$2,261**	$2,348		$3,125
Losses paid		**$ 467**	$ 396	$ 383	$ 375	$ 363	$ 380	$ 364	$ 778	$ 744	**$1,244**	$1,107		$1,481
Loss reserve change		**(11)**	83	35	(83)	69	(16)	6	119	(9)	**108**	60		(24)
Total losses incurred		**$ 456**	$ 479	$ 418	$ 292	$ 432	$ 364	$ 370	$ 897	$ 735	**$1,352**	$1,167		$1,457
Allocated loss expense paid		**35**	32	25	37	29	33	32	58	65	**93**	94		131
Allocated loss expense reserve change		**(16)**	—	12	26	15	16	8	12	24	**(4)**	39		65
Total allocated loss expense incurred		**$ 19**	$ 32	$ 37	$ 63	$ 44	$ 49	$ 40	$ 70	$ 89	**$ 89**	$ 133		$ 196
Unallocated loss expense paid		**47**	44	43	46	44	41	46	86	87	**133**	132		178
Unallocated loss expense reserve change		**—**	2	4	(6)	4	1	2	6	3	**7**	6		2
Total unallocated loss expense incurred		**$ 47**	$ 46	$ 47	$ 40	$ 48	$ 42	$ 48	$ 92	$ 90	**$ 140**	$ 138		$ 180
Underwriting expenses incurred		**236**	221	237	267	230	242	249	458	489	**694**	719		988
Underwriting profit (loss)		**$ (9)**	$ (18)	$ 12	$ 115	$ 23	$ 89	$ 78	$ (5)	$ 168	**$ (14)**	$ 191		$ 304
Ratio Data														
Loss ratio		**60.8%**	63.0%	55.5%	37.5%	55.6%	46.3%	47.2%	59.3%	46.8%	**59.8%**	49.7%		46.7%
Allocated loss expense ratio		**2.5**	4.3	5.0	8.1	5.7	6.3	5.0	4.6	5.7	**3.9**	5.7		6.3
Unallocated loss expense ratio		**6.4**	6.0	6.1	5.3	6.1	5.3	6.1	6.1	5.7	**6.2**	5.8		5.7
Net underwriting expense ratio		**32.7**	28.1	30.6	37.0	31.3	29.8	29.4	29.3	29.5	**30.4**	30.1		31.7
Statutory combined ratio		**102.4%**	101.4%	97.2%	87.9%	98.7%	87.7%	87.7%	99.3%	87.7%	**100.3%**	91.3%		90.4%
Statutory combined ratio excluding catastrophes		**94.0%**	86.5%	91.5%	88.1%	97.0%	86.3%	87.3%	89.0%	86.8%	**90.6%**	90.1%		89.5%
Loss Detail														
New losses greater than $4,000,000		**$ 10**	$ 18	$ 8	$ —	$ —	$ —	$ —	$ 26	$ —	**$ 36**	$ —		$ —
New losses $2,000,000—$4,000,000		**17**	25	14	36	54	17	22	39	39	**56**	93		129
New losses $1,000,000—$2,000,000		**33**	13	22	24	26	26	28	39	54	**72**	80		104
New losses $750,000—$1,000,000		**14**	14	9	13	9	9	10	21	19	**35**	28		41
New losses $500,000—$750,000		**16**	23	12	16	14	15	15	24	30	**40**	44		60
New losses $250,000—$500,000		**33**	20	29	29	24	22	23	57	45	**90**	69		98
Case reserve development above $250,000		**59**	54	48	68	50	48	53	103	101	**162**	151		219
Large losses subtotal		**$ 182**	$ 167	$ 142	$ 186	$ 177	$ 137	$ 151	$ 309	$ 288	**$ 491**	$ 465		$ 651
IBNR incurred		**(6)**	(6)	6	(43)	—	7	7	—	15	**(6)**	15		(25)
Catastrophe losses incurred		**63**	113	43	(2)	13	11	3	156	15	**219**	28		26
Remaining incurred		**217**	205	227	151	242	209	210	431	417	**648**	659		805
Total losses incurred		**$ 456**	$ 479	$ 418	$ 292	$ 432	$ 364	$ 371	$ 896	$ 735	**$1,352**	$1,167		$1,457
Loss Ratio														
New losses greater than $4,000,000		**1.3%**	2.4%	1.1%	—%	—%	—%	—%	1.7%	—%	**1.6%**	—%		—%
New losses $2,000,000—$4,000,000		**2.2**	3.3	1.9	4.6	6.9	2.2	2.8	2.6	2.5	**2.5**	4.0		4.1
New losses $1,000,000—$2,000,000		**4.4**	2.2	2.9	3.1	3.3	3.3	3.6	2.6	3.4	**3.2**	3.4		3.3
New losses $750,000—$1,000,000		**1.9**	1.7	1.2	1.7	1.2	1.1	1.3	1.4	1.2	**1.6**	1.2		1.3
New losses $500,000—$750,000		**2.1**	1.7	1.6	2.1	1.8	1.9	1.9	1.6	1.9	**1.8**	1.9		1.9
New losses $250,000—$500,000		**4.4**	3.6	3.9	3.7	3.1	2.8	2.9	3.7	2.9	**4.0**	2.9		3.1
Case reserve development above $250,000		**8.0**	7.1	6.4	8.8	6.4	6.1	6.8	6.9	6.4	**7.1**	6.4		7.0
Large losses subtotal		**24.3%**	22.0%	18.9%	23.9%	22.8%	17.4%	19.2%	20.5%	18.3%	**21.8%**	19.8%		20.9%
IBNR incurred		**(0.8)**	(0.9)	0.8	(5.5)	—	0.9	1.0	—	0.9	**(0.3)**	0.6		(0.9)
Total catastrophe losses incurred		**8.4**	14.9	5.7	(0.2)	1.7	1.4	0.4	10.3	0.9	**9.7**	1.2		0.8
Remaining incurred		**28.9**	27.0	30.1	19.3	31.0	26.6	26.6	28.5	26.7	**28.6**	28.1		25.9
Total loss ratio		**60.8%**	63.0%	55.5%	37.5%	55.5%	46.3%	47.2%	59.3%	46.8%	**59.8%**	49.7%		46.6%
Loss Claim Count														
New losses greater than $4,000,000		**2**	4	2	—	1	—	—	7	—	**9**	1		1
New losses $2,000,000—		**6**	9	5	12	16	5	7	13	12	**19**	28		40

$4,000,000												
New losses $1,000,000—$2,000,000	**27**	13	19	18	21	21	21	32	42	**59**	63	81
New losses $750,000—$1,000,000	**17**	15	10	16	11	11	12	25	23	**42**	34	50
New losses $500,000—$750,000	**28**	23	21	27	25	26	24	44	50	**72**	75	102
New losses $250,000—$500,000	**100**	84	87	88	75	67	72	171	139	**271**	214	302
Case reserve development above $250,000	**102**	84	81	112	93	82	93	165	175	**267**	268	380
Large losses total	**282**	232	225	273	242	212	229	457	441	**739**	683	956

* *Dollar amounts shown are rounded to millions; certain amounts may not add due to rounding. Ratios are calculated based on whole dollar amounts.*

* *NM — Not meaningful*

* *Statutory data prepared in accordance with statutory accounting rules as defined by the National Association of Insurance Commissioners and filed with the appropriate regulatory bodies.*

Cincinnati Insurance Group — Commercial Lines
Statutory Quarterly Analysis
(Based on reported data — see Page 22 for adjusted data)

	Three months ended								Six months ended		Nine months ended		Twelve months ended	
(Dollars in millions)	12/31/08	9/30/08	6/30/08	3/31/08	12/31/07	9/30/07	6/30/07	3/31/07	6/30/08	6/30/07	9/30/08	9/30/07	12/31/08	12/31/07
Net premiums written		$ 538	$ 597	$ 625	$ 562	$ 544	$ 613	$ 693	$1,222	$1,306	$1,759	$1,851		$2,413
Net premiums earned		$ 582	$ 586	$ 574	$ 601	$ 600	$ 606	$ 604	$1,161	$1,210	$1,743	$1,810		$2,411
Losses paid		$ 326	$ 280	$ 266	$ 272	$ 253	$ 270	$ 259	$ 546	$ 530	$ 871	$ 783		$1,055
Loss reserve change		(3)	67	32	(53)	66	(12)	23	100	11	97	77		23
Total losses incurred		$ 323	$ 347	$ 298	$ 219	$ 319	$ 258	$ 282	$ 646	$ 541	$ 968	$ 860		$1,078
Allocated loss expense paid		31	28	22	33	26	30	28	50	58	82	84		117
Allocated loss expense reserve change		(15)	1	12	27	16	16	8	13	24	(3)	40		67
Total allocated loss expense incurred		$ 16	$ 29	$ 34	$ 60	$ 42	$ 46	$ 36	$ 63	$ 82	$ 79	$ 124		$ 184
Unallocated loss expense paid		34	31	30	34	31	30	33	61	63	95	94		128
Unallocated loss expense reserve change		(1)	1	3	(3)	4	1	3	4	4	4	8		5
Total unallocated loss expense incurred		$ 33	$ 32	$ 33	$ 31	$ 35	$ 31	$ 36	$ 65	$ 67	$ 99	$ 102		$ 133
Underwriting expenses incurred		180	166	186	215	170	179	193	352	371	532	541		757
Underwriting profit (loss)		$ 30	$ 12	$ 23	$ 76	$ 34	$ 92	$ 57	$ 35	$ 149	$ 65	$ 183		$ 259
Ratio Data														
Loss ratio		55.4%	59.2%	52.0%	36.4%	53.2%	42.6%	46.8%	55.6%	44.7%	55.5%	47.5%		44.8%
Allocated loss expense ratio		2.7	5.0	5.9	9.9	7.0	7.6	6.0	5.4	6.8	4.5	6.8		7.6
Unallocated loss expense ratio		5.7	5.5	5.7	5.2	5.8	5.1	5.9	5.7	5.5	5.7	5.6		5.5
Net underwriting expense ratio		33.5	27.8	29.7	38.2	31.2	29.1	27.8	28.8	28.4	30.2	29.3		31.4
Statutory combined ratio		97.3%	97.5%	93.3%	89.7%	97.2%	84.4%	86.5%	95.5%	85.4%	95.9%	89.2%		89.3%
Statutory combined ratio excluding catastrophes		93.3%	86.2%	89.4%	89.7%	97.1%	83.6%	84.7%	87.8%	84.1%	89.5%	88.3%		88.6%
Loss Detail														
New losses greater than $4,000,000		$ 5	$ 18	$ 8	$ —	$ —	$ —	$ —	$ 26	$ —	$ 31	$ —		$ —
New losses $2,000,000—$4,000,000		17	25	14	34	47	13	22	40	35	56	81		116
New losses $1,000,000—$2,000,000		26	15	18	19	25	23	23	33	46	60	71		90
New losses $750,000—$1,000,000		12	11	8	11	8	6	9	19	15	31	23		34
New losses $500,000—$750,000		14	12	9	14	11	12	12	20	24	34	34		49
New losses $250,000—$500,000		25	22	23	21	18	16	18	45	34	70	53		73
Case reserve development above $250,000		57	51	44	60	45	46	49	96	95	153	140		200
Large losses subtotal		$ 156	$ 154	$ 124	$ 159	$ 154	$ 116	$ 133	$ 279	$ 249	$ 435	$ 402		$ 562
IBNR incurred		(7)	(8)	6	(29)	—	6	7	(2)	14	(10)	16		(12)
Catastrophe losses incurred		23	66	22	—	1	5	10	89	16	112	17		16
Remaining incurred		151	135	146	89	164	131	132	280	262	431	425		511
Total losses incurred		$ 323	$ 347	$ 298	$ 219	$ 319	$ 258	$ 282	$ 646	$ 541	$ 968	$ 860		$1,077
Loss Ratio														
New losses greater than $4,000,000		0.9%	3.1%	1.4%	—%	0.1%	—%	—%	2.3%	—%	1.8%	0.1%		—%
New losses $2,000,000—$4,000,000		2.9	4.3	2.5	5.7	7.8	2.1	3.6	3.4	2.9	3.2	4.5		4.7
New losses $1,000,000—$2,000,000		4.5	2.5	3.2	3.2	4.2	3.8	3.8	2.9	3.8	3.4	3.9		3.7
New losses $750,000—$1,000,000		2.1	1.9	1.3	1.8	1.3	1.0	1.5	1.6	1.2	1.8	1.3		1.4
New losses $500,000—$750,000		2.3	2.0	1.5	2.2	1.8	2.0	2.0	1.7	2.0	1.9	1.9		2.0
New losses $250,000—$500,000		4.3	3.8	4.0	3.4	3.0	2.6	2.8	3.9	2.7	4.0	2.9		2.9
Case reserve development above $250,000		9.8	8.7	7.8	10.1	7.5	7.6	8.1	8.3	7.8	8.8	7.6		8.3
Large losses subtotal		26.8%	26.3%	21.7%	26.4%	25.7%	19.1%	21.8%	24.0%	20.4%	24.9%	22.2%		23.2%
IBNR incurred		(1.3)	(1.4)	1.0	(4.8)	—	1.0	1.2	(0.2)	1.1	(0.6)	0.8		(0.5)
Total catastrophe losses incurred		4.0	11.3	3.9	—	0.2	0.8	1.8	7.6	1.3	6.4	0.9		0.7
Remaining incurred		25.9	23.0	25.4	14.8	27.3	21.7	22.0	24.2	21.9	24.8	23.6		21.4
Total loss ratio		55.4%	59.2%	52.0%	36.4%	53.2%	42.6%	46.8%	55.6%	44.7%	55.5%	47.5%		44.7%

Loss Claim Count												
New losses greater than $4,000,000	**1**	4	2	—	1	—	—	6	—	**7**	1	1
New losses $2,000,000—$4,000,000	**6**	9	5	11	14	4	7	14	11	**20**	25	36
New losses $1,000,000—$2,000,000	**21**	12	16	14	20	19	17	28	36	**49**	56	70
New losses $750,000—$1,000,000	**15**	13	9	13	9	7	11	22	18	**37**	27	40
New losses $500,000—$750,000	**24**	21	16	23	20	21	20	37	41	**61**	61	84
New losses $250,000—$500,000	**74**	67	68	64	57	49	57	135	106	**209**	163	227
Case reserve development above $250,000	**95**	76	74	96	80	75	85	150	160	**245**	240	336
Large losses total	**236**	202	190	221	201	175	197	392	372	**628**	573	794

* *Dollar amounts shown are rounded to millions; certain amounts may not add due to rounding. Ratios are calculated based on whole dollar amounts.*

* *NM — Not meaningful*

* *Statutory data prepared in accordance with statutory accounting rules as defined by the National Association of Insurance Commissioners and filed with the appropriate regulatory bodies.*

Cincinnati Insurance Group — Personal Lines
Statutory Quarterly Analysis
(Based on reported data — see Page 23 for adjusted data)

(Dollars in millions)	Three months ended 12/31/08	9/30/08	6/30/08	3/31/08	12/31/07	9/30/07	6/30/07	3/31/07	Six months ended 6/30/08	6/30/07	Nine months ended 9/30/08	9/30/07	Twelve months ended 12/31/08	12/31/07
Net premiums written		**$ 184**	$ 191	$ 150	$ 162	$ 192	$ 197	$ 153	$ 341	$ 350	**$ 525**	$ 542		$ 704
Net premiums earned		**$ 167**	$ 174	$ 177	$ 176	$ 177	$ 180	$ 181	$ 351	$ 361	**$ 518**	$ 538		$ 714
Losses paid		**$ 141**	$ 116	$ 116	$ 103	$ 110	$ 110	$ 105	$ 232	$ 214	**$ 373**	$ 324		$ 426
Loss reserve change		**(8)**	16	3	(30)	3	(4)	(17)	19	(20)	**11**	(17)		(47)
Total losses incurred		**$ 133**	$ 132	$ 119	$ 73	$ 113	$ 106	$ 88	$ 251	$ 194	**$ 384**	$ 307		$ 379
Allocated loss expense paid		**4**	4	3	4	3	3	4	7	7	**11**	10		14
Allocated loss expense reserve change		**(1)**	(1)	—	(1)	(1)	—	—	—	—	**(1)**	(1)		(2)
Total allocated loss expense incurred		**$ 3**	$ 3	$ 3	$ 3	$ 2	$ 3	$ 4	$ 7	$ 7	**$ 10**	$ 9		$ 12
Unallocated loss expense paid		**13**	13	13	12	13	11	13	25	24	**38**	38		50
Unallocated loss expense reserve change		**1**	1	1	(3)	—	—	(1)	2	(1)	**3**	(2)		(3)
Total unallocated loss expense incurred		**$ 14**	$ 14	$ 14	$ 9	$ 13	$ 11	$ 12	$ 27	$ 23	**$ 41**	$ 36		$ 47
Underwriting expenses incurred		**56**	55	51	52	60	63	56	106	118	**162**	178		231
Underwriting profit (loss)		**$ (39)**	$ (30)	$ (10)	$ 39	$ (11)	$ (3)	$ 21	$ (40)	$ 19	**$ (79)**	$ 8		$ 45
Ratio Data														
Loss ratio		**79.7%**	75.6%	67.4%	41.3%	63.8%	58.6%	48.9%	71.5%	53.8%	**74.1%**	57.1%		53.2%
Allocated loss expense ratio		**1.8**	1.9	1.9	1.8	1.4	1.9	1.8	1.9	1.9	**1.9**	1.7		1.7
Unallocated loss expense ratio		**8.6**	7.9	7.4	5.5	7.3	6.2	6.6	7.6	6.4	**7.9**	6.7		6.4
Net underwriting expense ratio		**30.4**	29.0	34.1	32.8	31.1	31.9	36.2	31.2	33.7	**30.9**	32.8		32.8
Statutory combined ratio		**120.5%**	114.4%	110.8%	81.4%	103.6%	98.6%	93.5%	112.2%	95.8%	**114.8%**	98.3%		94.1%
Statutory combined ratio excluding catastrophes		**96.8%**	87.3%	99.2%	82.4%	96.6%	95.1%	97.6%	92.9%	96.1%	**94.2%**	96.2%		92.8%
Loss Detail														
New losses greater than $4,000,000		**$ 5**	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —	**$ 5**	$ —		$ —
New losses $2,000,000—$4,000,000		**—**	—	—	2	7	4	—	—	4	**—**	11		13
New losses $1,000,000—$2,000,000		**6**	2	4	5	1	3	5	5	8	**12**	10		14
New losses $750,000—$1,000,000		**2**	2	1	2	1	3	1	3	4	**4**	6		7
New losses $500,000—$750,000		**2**	1	3	2	3	3	3	4	6	**6**	8		11
New losses $250,000—$500,000		**8**	5	6	8	6	6	5	12	11	**20**	17		25
Case reserve development above $250,000		**2**	3	4	8	5	2	4	7	6	**9**	12		19
Large losses subtotal		**$ 25**	$ 13	$ 18	$ 27	$ 23	$ 21	$ 18	$ 31	$ 39	**$ 56**	$ 64		$ 89
IBNR incurred		**2**	2	—	(14)	—	1	—	2	1	**4**	—		(13)
Catastrophe losses incurred		**40**	47	21	(2)	12	6	(7)	67	(1)	**107**	11		10
Remaining incurred		**66**	70	80	62	78	78	77	151	155	**216**	232		293
Total losses incurred		**$ 133**	$ 132	$ 119	$ 73	$ 113	$ 106	$ 88	$ 251	$ 194	**$ 383**	$ 307		$ 379
Loss Ratio														
New losses greater than $4,000,000		**3.0%**	—%	—%	—%	—%	—%	—%	—%	—%	**1.0%**	0.1%		—%
New losses $2,000,000—$4,000,000		**—**	—	—	1.0	4.0	2.2	—	—	1.1	**—**	2.1		1.8
New losses $1,000,000—$2,000,000		**3.8**	1.1	2.1	2.8	0.8	1.7	3.0	1.6	2.3	**2.3**	1.8		2.0
New losses $750,000—$1,000,000		**1.0**	1.1	0.4	1.1	0.9	1.7	0.7	0.8	1.1	**0.9**	1.1		1.0
New losses $500,000—$750,000		**1.3**	0.7	1.5	1.1	1.6	1.7	1.9	1.1	1.8	**1.2**	1.5		1.5
New losses $250,000—$500,000		**4.8**	3.0	3.6	4.5	3.2	3.3	3.0	3.3	3.1	**3.8**	3.1		3.6
Case reserve development above $250,000		**1.4**	1.5	2.5	4.4	2.7	1.2	2.2	1.9	1.8	**1.7**	2.1		2.7
Large losses subtotal		**15.3%**	7.5%	10.0%	15.1%	13.2%	11.8%	10.6%	8.7%	11.2%	**10.9%**	11.8%		12.6%
IBNR incurred		**1.0**	0.9	0.2	(7.8)	—	0.4	—	0.6	0.2	**0.7**	0.1		(1.8)
Total catastrophe losses incurred		**23.8**	27.0	11.6	(1.0)	7.0	3.5	(4.1)	19.3	(0.3)	**20.7**	2.1		1.3
Remaining incurred		**39.6**	40.2	45.6	35.0	43.6	42.9	42.4	42.9	42.7	**41.9**	43.1		41.1
Total loss ratio		**79.7%**	75.6%	67.4%	41.3%	63.8%	58.6%	48.9%	71.5%	53.8%	**74.2%**	57.1%		53.2%
Loss Claim Count														
New losses greater than $4,000,000		**1**	—	—	—	—	—	—	—	—	**1**	—		—
New losses $2,000,000—$4,000,000		**—**	—	—	1	2	1	—	—	1	**—**	3		4
New losses $1,000,000—$2,000,000		**6**	1	3	4	1	2	4	4	6	**10**	7		11
New losses $750,000—$1,000,000		**2**	2	1	3	2	4	1	3	5	**5**	7		10
New losses $500,000—$750,000		**4**	2	5	4	5	5	4	7	9	**11**	14		18
New losses $250,000—$500,000		**26**	17	19	24	18	18	15	36	33	**62**	51		75
Case reserve development above $250,000		**7**	8	7	16	13	7	8	15	15	**22**	28		44
Large losses total		**46**	30	35	52	41	37	32	65	69	**111**	110		162

* *Dollar amounts shown are rounded to millions; certain amounts may not add due to rounding. Ratios are calculated based on whole dollar amounts.*

* *NM — Not meaningful*

* *Statutory data prepared in accordance with statutory accounting rules as defined by the National Association of Insurance Commissioners and filed with the appropriate regulatory bodies.*

Cincinnati Insurance Group
Direct Written Premiums by Risk State by Line of Business for the Nine Months Ended September 30, 2008

(Dollars in millions)

Risk State	Comm Casualty	Comm Prop	Comm Auto	Workers' Comp	Specialty Packages	Surety & Exec Risk	Mach. & Equip	Pers Auto	Home Owner	Other Personal	**9/30/2008 Agency Direct**	9/30/2007 Agency Direct	Commercial Change %	Personal Change %	Total Change %
AL	$ 15.4	$ 12.4	$ 6.2	$ 1.0	$ 5.8	$ 1.4	$ 0.5	$ 12.6	$ 19.1	$ 4.0	**$ 78.5**	$ 74.7	1.5	9.6	5.0
AZ	9.5	4.9	8.0	0.3	0.7	0.6	0.5	0.0	0.2	0.1	**24.9**	24.3	2.2	8.7	2.4
AR	7.8	7.8	5.0	4.1	3.1	1.1	0.4	1.9	2.2	0.6	**34.1**	32.4	6.6	(1.4)	5.3
DE	1.2	0.9	0.6	1.4	0.1	0.1	0.1	0.0	0.0	0.0	**4.5**	3.4	28.9	nm	31.3
FL	23.2	18.9	9.3	1.6	2.1	2.4	0.7	9.0	13.9	2.6	**83.7**	96.2	(10.1)	(18.9)	(13.0)
GA	20.5	15.6	13.7	10.3	5.6	5.2	0.6	23.0	21.2	5.9	**121.7**	123.2	(3.5)	2.1	(1.2)
ID	8.0	3.4	4.0	0.2	0.6	0.9	0.2	0.0	0.0	0.0	**17.3**	15.5	11.6	nm	11.7
IL	52.0	34.0	22.9	43.9	10.2	6.6	2.0	18.0	14.7	4.9	**209.1**	218.8	(5.3)	(0.3)	(4.5)
IN	35.7	27.8	17.7	22.3	5.9	6.1	1.6	20.5	19.8	5.2	**162.7**	171.6	(7.4)	1.0	(5.2)
IA	15.0	11.0	7.4	19.5	3.5	2.3	1.0	2.7	3.1	1.4	**66.8**	68.5	(1.3)	(11.6)	(2.5)
KS	5.8	6.3	3.7	7.2	2.2	1.2	0.3	3.2	4.2	0.9	**35.1**	35.6	2.7	(12.4)	(1.4)
KY	15.9	14.9	11.3	3.0	4.1	2.4	0.7	15.2	12.0	3.2	**82.7**	82.1	(1.2)	4.4	0.7
MD	10.6	4.8	7.6	9.7	0.8	1.2	0.3	0.0	1.2	0.4	**36.5**	36.6	(0.6)	15.6	(0.1)
MI	25.2	15.8	10.9	13.1	8.7	4.3	1.3	8.3	10.9	2.4	**100.9**	112.1	(9.8)	(10.7)	(10.0)
MN	17.6	11.5	6.8	6.5	2.3	1.8	0.9	4.6	4.1	2.6	**58.7**	65.7	(12.2)	(3.8)	(10.7)
MO	18.9	13.9	9.7	14.0	3.7	2.0	0.7	1.9	3.1	0.7	**68.6**	73.9	(7.4)	(4.8)	(7.1)
MT	11.4	5.1	5.3	0.1	0.7	0.4	0.3	0.3	0.4	0.1	**24.1**	23.5	(0.4)	415.0	2.4
NE	5.3	3.9	2.6	6.5	0.9	0.9	0.3	0.6	0.7	0.2	**21.9**	22.1	0.3	(17.4)	(1.0)
NH	2.0	1.2	1.0	1.9	0.5	0.5	0.1	0.5	0.5	0.3	**8.6**	9.9	(12.7)	(11.8)	(12.9)
NM	1.4	0.4	0.7	0.1	0.0	0.1	0.0	0.0	0.0	0.0	**2.8**	0.1	nm	nm	nm
NY	22.4	6.0	7.8	1.6	0.9	2.2	0.4	0.0	0.0	0.0	**41.4**	46.1	(10.3)	nm	(10.2)
NC	30.6	23.2	16.5	22.8	9.7	6.9	1.2	0.9	1.4	2.0	**115.2**	117.9	(2.5)	7.8	(2.3)
ND	4.0	2.9	2.0	(0.0)	0.6	0.5	0.2	0.3	0.3	0.1	**11.1**	10.9	3.6	(19.9)	1.4
OH	110.5	68.8	50.1	(0.4)	16.0	19.1	3.6	98.3	70.2	23.1	**459.3**	481.2	(6.2)	(2.1)	(4.5)
PA	34.6	21.6	21.8	41.8	7.4	5.1	1.3	5.7	4.6	2.5	**146.5**	151.6	(3.1)	(6.1)	(3.4)
SC	10.4	6.9	6.0	5.1	1.9	2.1	0.3	0.0	0.1	0.2	**32.9**	33.8	(2.7)	2.9	(2.8)
SD	3.5	2.3	1.9	3.8	0.3	0.4	0.1	0.0	0.0	0.0	**12.2**	12.1	0.8	nm	1.1
TN	18.2	13.8	11.3	10.0	6.4	3.9	0.8	6.3	6.8	2.4	**79.9**	82.2	(3.8)	2.1	(2.7)
UT	10.3	3.8	5.0	0.0	0.4	1.5	0.3	0.0	0.0	0.0	**21.4**	17.4	23.0	nm	22.9
VT	3.7	2.9	2.3	5.5	0.6	0.7	0.2	0.6	0.7	0.2	**17.3**	17.9	(3.2)	(6.2)	(3.4)
VA	24.9	18.6	16.5	16.8	3.8	4.0	0.9	6.9	6.1	2.2	**100.8**	106.9	(5.6)	(6.3)	(5.7)
WA	0.5	0.2	0.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0	**1.0**	0.3	190.4	nm	221.1
WV	5.4	3.7	4.1	(0.0)	1.7	0.8	0.2	0.0	0.6	0.2	**16.7**	19.1	(12.4)	(19.8)	(12.6)
WI	20.8	13.6	9.0	20.8	3.3	2.2	1.3	6.8	5.8	2.6	**86.3**	89.7	(4.1)	(2.7)	(3.8)
All Other	3.8	3.1	2.5	5.0	0.2	1.2	0.1	0.0	0.2	0.0	**16.2**	15.2	6.6	7.5	6.4
Total	$606.0	$406.0	$311.5	$299.5	$115.3	$92.1	$23.5	$248.2	$228.2	$70.8	**$2,401.2**	$2,492.6	(4.1)	(2.1)	(3.7)
Other Direct	0.0	1.5	0.0	5.9	0.0	0.0	0.0	0.0	2.3	0.0	**9.8**	12.3	(4.6)	(48.4)	(20.3)
Total Direct	$606.0	$407.5	$311.5	$305.4	$115.3	$92.1	$23.5	$248.2	$230.5	$70.8	**$2,411.0**	$2,504.9	(4.1)	(2.4)	(3.7)

Cincinnati Insurance Group
Quarterly Property Casualty Data — By Commercial Lines of Business

	Three months ended								Six months ended		Nine months ended		Twelve months ended	
(Dollars in millions)	12/31/08	**9/30/08**	6/30/08	3/31/08	12/31/07	9/30/07	6/30/07	3/31/07	6/30/08	6/30/07	**9/30/08**	9/30/07	12/31/08	12/31/07
Commercial casualty:														
Written premiums		**$ 171**	$ 199	$ 211	$ 189	$ 179	$ 218	$ 245	$ 410	$ 462	**$ 582**	$ 641		$ 830
Earned premiums		**197**	194	190	204	205	209	209	384	418	**580**	623		827
Loss and loss expenses ratio		**44.4%**	39.8%	58.3%	32.0%	63.7%	54.6%	53.5%	48.9%	54.2%	**47.4%**	57.4%		51.1%
Less catastrophe loss ratio		**—**	—	—	—	—	—	—	—	—	**—**	—		—
Loss and loss expenses excluding catastrophe loss ratio		**44.4%**	39.8%	58.3%	32.0%	63.7%	54.6%	53.5%	48.9%	54.2%	**47.4%**	57.4%		51.1%
Commercial property:														
Written premiums		**$ 117**	$ 124	$ 124	$ 116	$ 120	$ 125	$ 138	$ 247	$ 263	**$ 364**	$ 383		$ 499
Earned premiums		**120**	123	122	124	125	125	123	244	248	**364**	373		497
Loss and loss expenses ratio		**70.0%**	97.6%	75.5%	32.9%	61.5%	45.8%	53.6%	86.6%	49.7%	**81.1%**	53.7%		48.5%
Less catastrophe loss ratio		**15.6**	38.0	16.5	—	(1.4)	3.2	6.9	27.3	5.0	**23.4**	2.9		2.2
Loss and loss expenses excluding catastrophe loss ratio		**54.4%**	59.6%	59.0%	32.9%	62.9%	42.6%	46.7%	59.3%	44.7%	**57.7%**	50.8%		46.3%
Commercial auto:														
Written premiums		**$ 93**	$ 108	$ 107	$ 100	$ 92	$ 112	$ 124	$ 215	$ 236	**$ 308**	$ 329		$ 429
Earned premiums		**103**	104	101	110	108	110	113	205	223	**308**	331		440
Loss and loss expenses ratio		**63.2%**	67.5%	63.4%	60.3%	66.9%	62.9%	64.6%	65.5%	63.4%	**64.7%**	64.5%		63.5%
Less catastrophe loss ratio		**0.1**	3.4	(0.4)	(0.2)	0.4	—	(0.2)	1.5	—	**1.0**	0.1		—
Loss and loss expenses excluding catastrophe loss ratio		**63.1%**	64.1%	63.8%	60.5%	66.5%	62.9%	64.8%	64.0%	63.4%	**63.7%**	64.4%		63.5%
Workers' compensation:														
Written premiums		**$ 84**	$ 95	$ 114	$ 88	$ 84	$ 92	$ 113	$ 209	$ 206	**$ 292**	$ 289		$ 378
Earned premiums		**93**	94	94	93	94	95	92	189	187	**282**	280		373
Loss and loss expenses ratio		**90.9%**	78.3%	64.8%	113.6%	82.0%	66.8%	76.5%	71.5%	71.5%	**77.9%**	75.0%		84.6%
Less catastrophe loss ratio		**—**	—	—	—	—	—	—	—	—	**—**	—		—
Loss and loss expenses excluding catastrophe loss ratio		**90.9%**	78.3%	64.8%	113.6%	82.0%	66.8%	76.5%	71.5%	71.5%	**77.9%**	75.0%		84.6%
Specialty package:														
Written premiums		**$ 36**	$ 36	$ 37	$ 36	$ 34	$ 36	$ 41	$ 73	$ 77	**$ 109**	$ 111		$ 146
Earned premiums		**35**	36	35	36	36	37	36	72	73	**107**	109		146
Loss and loss expenses ratio		**80.2%**	109.7%	63.4%	41.9%	76.7%	49.9%	69.6%	86.8%	59.6%	**84.6%**	65.3%		59.4%
Less catastrophe loss ratio		**12.2**	43.9	8.1	0.6	6.2	2.6	7.0	26.2	4.7	**21.5**	5.2		4.1
Loss and loss expenses excluding catastrophe loss ratio		**68.0%**	65.8%	55.3%	41.3%	70.5%	47.3%	62.6%	60.6%	54.9%	**63.1%**	60.1%		55.3%
Surety and executive risk:														
Written premiums		**$ 29**	$ 28	$ 25	$ 26	$ 28	$ 23	$ 25	$ 54	$ 48	**$ 82**	$ 76		$ 102
Earned premiums		**27**	28	25	27	25	24	24	53	47	**80**	73		100
Loss and loss expenses ratio		**73.6%**	92.0%	45.9%	55.7%	36.5%	49.3%	24.0%	70.1%	36.7%	**71.3%**	36.7%		41.8%
Less catastrophe loss ratio		**—**	—	—	—	—	—	—	—	—	**—**	—		—
Loss and loss expenses excluding catastrophe loss ratio		**73.6%**	92.0%	45.9%	55.7%	36.5%	49.3%	24.0%	70.1%	36.7%	**71.3%**	36.7%		41.8%
Machinery and equipment:														
Written premiums		**$ 8**	$ 7	$ 7	$ 7	$ 7	$ 7	$ 7	$ 14	$ 14	**$ 22**	$ 22		$ 29
Earned premiums		**7**	7	7	7	7	7	7	14	14	**22**	21		28
Loss and loss expense ratio		**32.4%**	34.1%	53.3%	27.8%	34.7%	20.4%	28.2%	43.6%	24.3%	**39.8%**	27.8%		27.8%
Less catastrophe loss ratio		**2.8**	1.0	—	(0.8)	1.3	—	(1.6)	0.6	(0.8)	**1.3**	(0.1)		(0.3)
Loss and loss expense excluding catastrophe loss ratio		**29.6%**	33.1%	53.3%	28.6%	33.4%	20.4%	29.8%	43.0%	25.1%	**38.5%**	27.9%		28.1%

* *Dollar amounts shown are rounded to millions; certain amounts may not add due to rounding. Ratios are calculated based on whole dollar amounts. The sum of quarterly amounts may not equal the full year as each is computed independently.*

Cincinnati Insurance Group
Quarterly Property Casualty Data — By Personal Lines of Business

(Dollars in millions)	Three months ended 12/31/08	9/30/08	6/30/08	3/31/08	12/31/07	9/30/07	6/30/07	3/31/07	Six months ended 6/30/08	6/30/07	Nine months ended 9/30/08	9/30/07	Twelve months ended 12/31/08	12/31/07
Personal auto:														
Written premiums		**$ 88**	$ 89	$ 69	$ 75	$ 92	$ 93	$ 72	$ 158	$ 164	**$ 246**	$ 256		$ 332
Earned premiums		**81**	82	83	83	85	86	88	164	174	**245**	259		342
Loss and loss expenses ratio		**63.7%**	56.8%	67.6%	65.3%	67.7%	67.6%	66.5%	62.2%	67.1%	**62.7%**	67.3%		66.8%
Less catastrophe loss ratio		**1.7**	3.1	1.7	(0.3)	0.7	(0.3)	(2.3)	2.4	(1.3)	**2.2**	(0.6)		(0.6)
Loss and loss expenses excluding catastrophe loss ratio		**62.0%**	53.7%	65.9%	65.6%	67.0%	67.9%	68.8%	59.8%	68.4%	**60.5%**	67.9%		67.4%
Homeowner:														
Written premiums		**$ 72**	$ 79	$ 60	$ 66	$ 77	$ 80	$ 61	$ 139	$ 141	**$ 212**	$ 218		$ 284
Earned premiums		**64**	71	72	71	70	72	71	143	143	**208**	214		285
Loss and loss expenses ratio		**122.8%**	130.7%	91.4%	36.6%	82.7%	66.9%	50.0%	110.9%	58.5%	**114.6%**	66.5%		59.0%
Less catastrophe loss ratio		**54.5**	60.0	25.2	(2.3)	15.6	8.3	(7.5)	42.5	0.4	**46.2**	5.4		3.5
Loss and loss expenses excluding catastrophe loss ratio		**68.3%**	70.7%	66.2%	38.9%	67.1%	58.6%	57.5%	68.4%	58.1%	**68.4%**	61.1%		55.5%
Other personal:														
Written premiums		**$ 24**	$ 23	$ 21	$ 21	$ 23	$ 24	$ 20	$ 44	$ 44	**$ 67**	$ 67		$ 88
Earned premiums		**22**	21	22	22	22	22	22	44	43	**65**	65		87
Loss and loss expenses ratio		**91.5%**	43.2%	62.2%	24.1%	57.9%	62.8%	43.4%	52.9%	53.1%	**65.8%**	54.7%		47.0%
Less Catastrophe loss ratio		**14.5**	8.0	4.1	0.6	3.7	3.5	(0.1)	6.0	1.3	**8.9**	2.0		1.7
Loss and loss expenses excluding catastrophe loss ratio		**77.0%**	35.2%	58.1%	23.5%	54.2%	59.3%	43.5%	46.9%	51.8%	**56.9%**	52.7%		45.3%

* *Dollar amounts shown are rounded to millions; certain amounts may not add due to rounding. Ratios are calculated based on whole dollar amounts. The sum of quarterly amounts may not equal the full year as each is computed independently.*

Cincinnati Insurance Group
Quarterly Detailed Loss Analysis

(Dollars in millions)	Three months ended								Six months ended		Nine months ended		Twelve months ended	
	12/31/08	**9/30/08**	6/30/08	3/31/08	12/31/07	9/30/07	6/30/07	3/31/07	6/30/08	6/30/07	**9/30/08**	9/30/07	12/31/08	12/31/07
All Lines														
Loss and loss expenses:														
Loss and loss expenses — current AY		**$ 563**	$ 531	$ 467	$ 515	$ 558	$ 484	$ 472	$ 998	$ 956	**$1,562**	$1,514		$2,029
Loss and loss expenses — prior AY's		**(103)**	(87)	(9)	(118)	(47)	(40)	(17)	(96)	(57)	**(200)**	(105)		(222)
Catastrophes — current AY		**62**	113	47	(1)	15	15	16	160	30	**222**	47		45
Catastrophes — prior AY's		**1**	—	(4)	(1)	(2)	(4)	(13)	(4)	(17)	**(3)**	(19)		(20)
Total		**$ 523**	$ 557	$ 501	$ 395	$ 524	$ 455	$ 458	$1,058	$ 912	**$1,581**	$1,437		$1,832
Ratio to Earned Premiums														
Loss and loss expenses:														
Loss and loss expenses — current AY		**75.2%**	69.8%	62.2%	66.3%	71.9%	61.6%	60.2%	66.0%	60.9%	**69.0%**	64.5%		64.9%
Loss and loss expenses — prior AY's		**(13.8)**	(11.4)	(1.3)	(15.2)	(6.2)	(5.1)	(2.3)	(6.3)	(3.6)	**(8.8)**	(4.5)		(7.1)
Catastrophes — current AY		**8.3**	14.8	6.2	(0.1)	2.0	1.9	2.1	10.6	1.9	**9.8**	2.0		1.3
Catastrophes — prior AY's		**0.1**	0.1	(0.5)	(0.1)	(0.3)	(0.5)	(1.7)	(0.3)	(1.1)	**(0.1)**	(0.9)		(0.6)
Total		**69.8%**	73.3%	66.6%	50.9%	67.4%	57.9%	58.3%	70.0%	58.1%	**69.9%**	61.1%		58.5%
Commercial Lines														
Loss and loss expenses:														
Loss and loss expenses — current AY		**$ 436**	$ 416	$ 354	$ 412	$ 433	$ 370	$ 356	$ 770	$ 726	**$1,207**	$1,158		$1,570
Loss and loss expenses — prior AY's		**(88)**	(74)	(11)	(102)	(38)	(40)	(12)	(85)	(52)	**(173)**	(90)		(192)
Catastrophes — current AY		**23**	66	25	—	5	8	12	92	20	**115**	26		25
Catastrophes — prior AY's		**—**	—	(3)	—	(4)	(3)	(2)	(3)	(5)	**(3)**	(9)		(9)
Total		**$ 371**	$ 408	$ 365	$ 310	$ 396	$ 335	$ 354	$ 774	$ 689	**$1,146**	$1,085		$1,394
Ratio to Earned Premiums														
Loss and loss expenses:														
Loss and loss expenses — current AY		**74.9%**	71.1%	61.6%	68.5%	72.2%	61.0%	59.0%	66.4%	60.0%	**69.2%**	63.9%		65.2%
Loss and loss expenses — prior AY's		**(15.0)**	(12.6)	(1.9)	(17.0)	(6.4)	(6.6)	(2.1)	(7.3)	(4.2)	**(9.9)**	(4.9)		(8.0)
Catastrophes — current AY		**4.0**	11.2	4.5	—	0.9	1.4	2.2	7.9	1.8	**6.6**	1.5		1.0
Catastrophes — prior AY's		**—**	0.1	(0.6)	—	(0.7)	(0.5)	(0.4)	(0.3)	(0.4)	**(0.2)**	(0.6)		(0.4)
Total		**63.8%**	69.7%	63.6%	51.4%	66.0%	55.3%	58.7%	66.7%	57.2%	**65.7%**	59.9%		57.8%
Personal Lines														
Loss and loss expenses:														
Loss and loss expenses — current AY		**$ 127**	$ 115	$ 113	$ 103	$ 125	$ 114	$ 116	$ 228	$ 230	**$ 355**	$ 356		$ 459
Loss and loss expenses — prior AY's		**(16)**	(13)	2	(16)	(9)	—	(5)	(11)	(5)	**(27)**	(15)		(30)
Catastrophes — current AY		**39**	47	22	(1)	10	7	4	68	10	**107**	21		20
Catastrophes — prior AY's		**1**	—	(1)	(1)	2	(1)	(11)	(1)	(12)	**—**	(10)		(11)
Total		**$ 151**	$ 149	$ 136	$ 85	$ 128	$ 120	$ 104	$ 284	$ 223	**$ 435**	$ 352		$ 438
Ratio to Earned Premiums														
Loss and loss expenses:														
Loss and loss expenses — current AY		**75.9%**	65.6%	64.1%	58.5%	70.5%	63.3%	64.3%	64.8%	64.1%	**66.1%**	66.1%		64.4%
Loss and loss expenses — prior AY's		**(9.6)**	(7.2)	1.0	(8.9)	(5.1)	(0.1)	(2.9)	(3.1)	(1.5)	**(5.1)**	(2.8)		(4.2)
Catastrophes — current AY		**23.3**	27.0	11.9	(0.7)	5.9	3.8	2.0	19.6	2.9	**20.7**	3.9		2.7
Catastrophes — prior AY's		**0.5**	—	(0.3)	(0.3)	1.1	(0.3)	(6.1)	(0.3)	(3.5)	**—**	(1.8)		(1.5)
Total		**90.1%**	85.4%	76.7%	48.6%	72.4%	66.7%	57.3%	81.0%	62.0%	**84.0%**	65.4%		61.4%

Cincinnati Insurance Group
Quarterly Property Casualty Data — All Lines

(Dollars in millions)	Three months ended 12/31/08	9/30/08	6/30/08	3/31/08	12/31/07	9/30/07	6/30/07	3/31/07	Six months ended 6/30/08	6/30/07	Nine months ended 9/30/08	9/30/07	Twelve months ended 12/31/08	12/31/07
Premiums														
Agency renewal written premiums		**$ 687**	$ 739	$ 733	$ 705	$ 732	$ 761	$ 762	$ 1,472	$ 1,523	**$ 2,159**	$ 2,255		$ 2,960
Agency new business written premiums		**88**	97	75	81	82	81	81	172	162	**259**	244		325
Ceded written premiums		**(49)**	(37)	(37)	(41)	(41)	(39)	(38)	(75)	(77)	**(124)**	(118)		(159)
Other written premiums		**4**	1	2	4	6	5	6	3	11	**7**	17		22
Written premium adjustment — statutory only		**(8)**	(12)	3	(25)	(43)	2	35	(9)	37	**(17)**	(6)		(31)
Reported written premiums (statutory)*		**$ 722**	$ 788	$ 776	$ 724	$ 736	$ 810	$ 846	$ 1,563	$ 1,656	**$ 2,284**	$ 2,392		$ 3,117
Unearned premiums change		**27**	(28)	(25)	53	41	(23)	(61)	(51)	(85)	**(23)**	(42)		7
Earned premiums		**$ 749**	$ 760	$ 751	$ 777	$ 777	$ 787	$ 785	$ 1,512	$ 1,571	**$ 2,261**	$ 2,350		$ 3,124
Year over year change %														
Agency renewal written premiums		**(6.1)%**	(3.0)%	(3.7)%	(3.5)%	1.6%	3.3%	1.9%	(3.4)%	2.6%	**(4.3)%**	2.3%		0.8%
Agency new business written premiums		**6.7**	19.6	(7.5)	(8.3)	(15.9)	(13.3)	4.8	6.1	(5.2)	**6.3**	(9.1)		(8.9)
Ceded written premiums		**20.3**	(4.6)	(1.1)	7.3	12.6	29.3	17.5	(2.9)	23.2	**5.1**	19.4		16.0
Other written premiums		**(39.1)**	(74.6)	(71.8)	(9.5)	31.6	61.3	60.6	(73.1)	60.9	**(61.6)**	49.6		32.0
Written premium adjustment — statutory only		**(81.6)**	(900.0)	(91.5)	(18.0)	521.4	(85.7)	7.3	(124.3)	(15.1)	**161.5**	(117.8)		(616.4)
Reported written premiums (statutory)*		**(1.9)**	(2.8)	(8.4)	(4.1)	(5.6)	(0.5)	2.1	(5.7)	0.8	**(4.5)**	(1.3)		(1.9)
Statutory combined ratio														
Statutory combined ratio		**102.4%**	101.5%	97.2%	87.8%	98.7%	87.7%	87.7%	99.5%	87.7%	**100.3%**	91.3%		90.3%
Less catastrophe losses		**8.4**	14.9	5.7	(0.3)	1.7	1.4	0.4	10.3	0.9	**9.7**	1.2		0.8
Statutory combined ratio excluding catastrophe losses		**94.0%**	86.6%	91.5%	88.1%	97.0%	86.3%	87.3%	89.2%	86.8%	**90.6%**	90.1%		89.5%
Commission expense ratio		**17.7%**	17.4%	17.7%	23.1%	18.1%	18.1%	18.0%	17.5%	18.0%	**17.6%**	18.0%		19.2%
Other expense ratio		**15.0**	10.7	12.9	13.9	13.2	11.7	11.4	11.8	11.6	**12.8**	12.1		12.5
Statutory expense ratio		**32.7%**	28.1%	30.6%	37.0%	31.3%	29.8%	29.4%	29.3%	29.6%	**30.4%**	30.1%		31.7%
GAAP combined ratio														
GAAP combined ratio		**101.2%**	103.5%	98.6%	85.6%	97.3%	88.6%	89.6%	101.1%	89.1%	**101.1%**	91.8%		90.3%

* *Dollar amounts shown are rounded to millions; certain amounts may not add due to rounding. Ratios are calculated based on whole dollar amounts. The sum of quarterly amounts may not equal the full year as each is computed independently.*

* *nm — Not meaningful*

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regulatory bodies.

Cincinnati Insurance Group
Quarterly Property Casualty Data — Commercial Lines

(Dollars in millions)	Three months ended 12/31/08	**9/30/08**	6/30/08	3/31/08	12/31/07	9/30/07	6/30/07	3/31/07	Six months ended 6/30/08	6/30/07	Nine months ended **9/30/08**	9/30/07	Twelve months ended 12/31/08	12/31/07
Premiums														
Agency renewal written premiums		**$ 502**	$ 552	$ 588	$ 546	$ 544	$ 569	$ 612	$ 1,140	$ 1,181	**$ 1,642**	$ 1,725		$ 2,271
Agency new business written premiums		**77**	87	66	71	72	71	72	153	143	**229**	216		287
Ceded written premiums		**(46)**	(31)	(32)	(34)	(32)	(32)	(31)	(63)	(62)	**(109)**	(94)		(128)
Other written premiums		**13**	1	—	3	4	3	4	1	7	**14**	11		14
Written premium adjustment — statutory only		**(8)**	(12)	3	(24)	(44)	2	36	(9)	37	**(17)**	(7)		(31)
Reported written premiums (statutory)*		**$ 538**	$ 597	$ 625	$ 562	$ 544	$ 613	$ 693	$ 1,222	$ 1,306	**$ 1,759**	$ 1,851		$ 2,413
Unearned premiums change		**44**	(11)	(51)	39	56	(6)	(89)	(61)	(96)	**(16)**	(41)		(2)
Earned premiums		**$ 582**	$ 586	$ 574	$ 601	$ 600	$ 607	$ 604	$ 1,161	$ 1,210	**$ 1,743**	$ 1,810		$ 2,411
Year over year change %														
Agency renewal written premiums		**(7.7)%**	(2.9)%	(4.0)%	(3.4)%	3.5%	7.4%	3.9%	(3.5)%	5.6%	**(4.8)%**	4.9%		2.8%
Agency new business written premiums		**6.0**	21.2	(8.3)	(10.5)	(18.3)	(16.9)	2.7	6.4	(8.1)	**6.3**	(11.8)		(11.5)
Ceded written premiums		**43.6**	(1.6)	2.8	11.6	9.5	24.1	10.9	0.6	17.3	**15.1**	14.5		13.7
Other written premiums		**250.5**	(73.4)	(99.4)	(27.0)	(3.6)	12.3	37.2	(89.2)	26.2	**25.0**	14.3		1.7
Written premium adjustment — statutory only		**(81.6)**	(900.0)	(91.5)	(18.1)	530.2	(84.7)	5.8	(124.3)	(14.7)	**161.7**	(117.8)		(526.2)
Reported written premiums (statutory)*		**(1.2)**	(2.7)	(9.8)	(4.6)	(6.4)	1.7	3.8	(6.5)	2.8	**(4.9)**	(0.1)		(1.2)
Statutory combined ratio														
Statutory combined ratio		**97.3%**	97.7%	93.3%	89.7%	97.3%	84.4%	86.5%	95.6%	85.4%	**95.9%**	89.2%		89.2%
Less catastrophe losses		**4.0**	11.3	3.9	—	0.2	0.8	1.8	7.6	1.3	**6.4**	0.9		0.6
Statutory combined ratio excluding catastrophe losses		**93.3%**	86.4%	89.4%	89.7%	97.1%	83.6%	84.7%	88.0%	84.1%	**89.5%**	88.3%		88.6%
Commission expense ratio		**18.1%**	16.9%	16.5%	23.1%	18.2%	17.7%	16.7%	16.7%	17.2%	**17.1%**	17.5%		18.8%
Other expense ratio		**15.4**	10.9	13.2	15.1	13.1	11.4	11.2	12.1	11.3	**13.1**	11.8		12.6
Statutory expense ratio		**33.5%**	27.8%	29.7%	38.2%	31.3%	29.1%	27.9%	28.8%	28.5%	**30.2%**	29.3%		31.4%
GAAP combined ratio														
GAAP combined ratio		**94.9%**	99.9%	95.0%	87.3%	95.4%	85.2%	88.9%	97.4%	87.0%	**96.6%**	89.8%		89.2%

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* *nm — Not meaningful*

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Cincinnati Insurance Group
Quarterly Property Casualty Data — Personal Lines

(Dollars in millions)	Three months ended 12/31/08	9/30/08	6/30/08	3/31/08	12/31/07	9/30/07	6/30/07	3/31/07	Six months ended 6/30/08	6/30/07	Nine months ended 9/30/08	9/30/07	Twelve months ended 12/31/08	12/31/07
Premiums														
Agency renewal written premiums		**$ 185**	$ 186	$ 146	$ 159	$ 188	$ 192	$ 150	$ 332	$ 343	**$ 517**	$ 530		$ 690
Agency new business written premiums		**11**	10	8	10	10	10	9	19	18	**30**	28		38
Ceded written premiums		**(13)**	(6)	(6)	(7)	(8)	(7)	(8)	(12)	(15)	**(26)**	(23)		(30)
Other written premiums		**1**	1	2	1	2	2	2	2	4	**4**	6		7
Written premium adjustment — statutory only		**—**	—	—	(1)	—	—	—	—	—	**—**	—		(1)
Reported written premiums (statutory)*		**$ 184**	$ 191	$ 150	$ 162	$ 192	$ 197	$ 153	$ 341	$ 350	**$ 525**	$ 541		$ 704
Unearned premiums change		**(17)**	(17)	27	14	(15)	(17)	28	10	11	**(7)**	(3)		10
Earned premiums		**$ 167**	$ 174	$ 177	$ 176	$ 177	$ 180	$ 181	$ 351	$ 361	**$ 518**	$ 538		$ 714
Year over year change %														
Agency renewal written premiums		**(1.6)%**	(3.3)%	(2.8)%	(3.9)%	(3.4)%	(7.1)%	(5.6)%	(3.1)%	(6.5)%	**(2.5)%**	(5.4)%		(5.1)%
Agency new business written premiums		**11.8**	7.7	(0.5)	12.1	7.0	26.5	25.4	3.9	26.0	**6.7**	18.6		16.9
Ceded written premiums		**61.4**	(17.3)	(17.2)	(9.1)	26.5	56.4	56.4	(17.3)	56.4	**11.0**	44.1		26.6
Other written premiums		**(37.3)**	(76.2)	(0.4)	117.4	276.1	265.9	187.1	(43.3)	227.0	**(41.3)**	242.4		211.2
Written premium adjustment — statutory only		**(100.0)**	—	(100.0)	(17.0)	(92.9)	(100.0)	(100.9)	(100.0)	(98.4)	**(100.0)**	(102.0)		(5.1)
Reported written premiums (statutory)*		**(4.0)**	(3.0)	(2.0)	(2.3)	(3.1)	(6.8)	(5.1)	(2.6)	(6.1)	**(3.1)**	(5.1)		(4.4)
Statutory combined ratio														
Statutory combined ratio		**120.6%**	114.3%	110.8%	81.4%	103.6%	98.6%	93.5%	112.2%	95.8%	**114.9%**	98.3%		94.1%
Less catastrophe losses		**23.8**	27.0	11.6	(1.0)	7.0	3.5	(4.1)	19.3	(0.3)	**20.7**	2.1		1.3
Statutory combined ratio excluding catastrophe losses		**96.8%**	87.3%	99.2%	82.4%	96.6%	95.1%	97.6%	92.9%	96.1%	**94.2%**	96.2%		92.8%
Commission expense ratio		**16.4%**	18.6%	22.3%	22.8%	17.6%	19.3%	23.8%	20.2%	21.2%	**18.9%**	20.6%		19.9%
Other expense ratio		**14.0**	10.3	11.8	10.0	13.5	12.6	12.4	11.0	12.6	**12.0**	12.2		12.9
Statutory expense ratio		**30.4%**	28.9%	34.1%	32.8%	31.1%	31.9%	36.2%	31.2%	33.8%	**30.9%**	32.8%		32.8%
GAAP combined ratio														
GAAP combined ratio		**122.5%**	115.3%	110.1%	79.7%	103.8%	99.9%	92.0%	112.7%	96.0%	**115.9%**	98.6%		93.9%

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* *nm — Not meaningful*

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The Cincinnati Life Insurance Company
GAAP Statements of Income

	For the Three Months Ended September 30,				For the Nine Months Ended September 30,			
	2008	2007	Change	% Change	2008	2007	Change	% Change
Revenues:								
Premiums earned:								
Life	$ 40,729,802	$ 42,395,592	$ (1,665,790)	(3.93)	$125,439,013	$124,663,788	$ 775,225	0.62
Accident health	1,876,918	1,776,832	100,086	5.63	5,429,201	5,141,122	288,079	5.60
Premiums ceded	(12,851,798)	(10,295,186)	(2,556,612)	24.83	(37,958,864)	(30,134,044)	(7,824,820)	25.97
Total premiums earned	29,754,922	33,877,238	(4,122,316)	(12.17)	92,909,350	99,670,866	(6,761,516)	(6.78)
Investment income	29,944,299	28,515,819	1,428,480	5.01	88,259,571	84,594,298	3,665,273	4.33
Realized investment gains and losses	(45,300,879)	(117,732)	(45,183,147)	nm	(67,087,119)	51,750,857	(118,837,976)	(229.63)
Other income	(42,060)	1,141,955	(1,184,015)	(103.68)	1,324,832	3,461,706	(2,136,874)	(61.73)
Total revenues	**$ 14,356,282**	**$ 63,417,280**	**$(49,060,998)**	**(77.36)**	**$115,406,634**	**$239,477,727**	**$(124,071,093)**	**(51.81)**
Benefits & expenses:								
Losses & policy benefits	$ 54,001,586	$ 45,763,373	$ 8,238,213	18.00	$148,219,872	$127,869,309	$ 20,350,563	15.92
Reinsurance recoveries	(13,477,282)	(9,507,506)	(3,969,776)	(41.75)	(33,651,728)	(29,654,500)	(3,997,228)	13.48
Commissions	6,340,506	8,388,628	(2,048,122)	(24.42)	18,869,061	26,401,514	(7,532,453)	(28.53)
Other operating expenses	7,931,123	7,831,539	99,584	1.27	22,799,674	23,382,074	(582,400)	(2.49)
Taxes, licenses & fees	1,065,416	930,560	134,856	14.49	3,115,439	2,756,613	358,826	13.02
Incr deferred acq expense	(3,872,836)	(2,402,358)	(1,470,478)	(61.21)	(12,031,232)	(8,730,977)	(3,300,255)	37.80
Total expenses	**$ 51,988,513**	**$ 51,004,236**	**$ 984,277**	**1.93**	**$147,321,086**	**$142,024,033**	**$ 5,297,053**	**3.73**
Income before income taxes	**$(37,632,231)**	**$ 12,413,044**	**$(50,045,275)**	**(403.17)**	**$ (31,914,452)**	**$ 97,453,694**	**$(129,368,146)**	**(132.75)**
Provision for income taxes:								
Current	$ 8,854,764	$ 1,076,018	$ 7,778,746	722.92	$ 20,039,654	$ 4,508,915	$ 15,530,739	344.45
Current capital gains/losses	(15,855,308)	(22,206)	(15,833,102)	nm	(23,460,492)	18,257,800	(41,718,292)	(228.50)
Deferred	(6,144,473)	3,171,530	(9,316,003)	(293.74)	(8,006,690)	10,914,527	(18,921,217)	(173.36)
Total income taxes	**$(13,145,017)**	**$ 4,225,342**	**$(17,370,359)**	**(411.10)**	**$ (11,427,528)**	**$ 33,681,242**	**$ (45,108,770)**	**(133.93)**
Net income	**$(24,487,214)**	**$ 8,187,702**	**$(32,674,916)**	**(399.07)**	**$ (20,486,924)**	**$ 63,772,452**	**$ (84,259,376)**	**(132.13)**

The Cincinnati Life Insurance Company
Statutory Statements of Income

	For the Three Months Ended September 30,				For the Nine Months Ended September 30,			
	2008	2007	Change	% Change	2008	2007	Change	% Change
Net premiums written	$ 42,316,142	$36,952,328	$ 5,363,814	14.52	$128,951,950	$119,900,032	$ 9,051,918	7.55
Net investment income	29,944,298	28,518,609	1,425,689	5.00	88,259,909	84,607,029	3,652,880	4.32
Amortization of interest maintenance reserve	(776,347)	(716,933)	(59,414)	(8.29)	(1,306,983)	(727,925)	(579,058)	(79.55)
Commissions and expense allowances on reinsurance ceded	1,802,472	1,945,861	(143,389)	(7.37)	5,638,577	6,464,843	(826,266)	(12.78)
Income from fees associated with Separate Accounts	(42,059)	1,141,955	(1,184,014)	(103.68)	1,324,832	3,461,706	(2,136,874)	(61.73)
Total revenues	**$ 73,244,506**	**$67,841,820**	**$ 5,402,686**	**7.96**	**$222,868,285**	**$213,705,685**	**$ 9,162,600**	**4.29**
Death benefits and matured endowments	$ 12,870,280	$10,205,681	$ 2,664,599	26.11	$ 34,007,859	$ 27,252,513	$ 6,755,346	24.79
Annuity benefits	8,349,420	11,176,827	(2,827,407)	(25.30)	21,625,252	28,828,501	(7,203,249)	(24.99)
Disability benefits and benefits under accident and health contracts	667,540	638,935	28,605	4.48	1,932,660	1,631,352	301,308	18.47
Surrender benefits and group conversions	5,463,519	6,406,696	(943,177)	(14.72)	17,494,817	17,479,044	15,773	0.09
Interest and adjustments on deposit-type contract funds	2,857,794	2,322,816	534,978	23.03	8,504,910	6,722,093	1,782,817	26.52
Increase in aggregate reserves for life and accident and health contracts	24,577,586	16,724,962	7,852,624	46.95	76,893,912	71,711,184	5,182,728	7.23
Payments on supplementary contracts with life contingencies	82,228	86,811	(4,583)	(5.28)	247,152	258,824	(11,672)	(4.51)
Total benefit expenses	**$ 54,868,367**	**$47,562,728**	**$ 7,305,639**	**15.36**	**$160,706,562**	**$153,883,511**	**$ 6,823,051**	**4.43**
Commissions	$ 8,067,352	$ 8,283,629	$ (216,277)	(2.61)	$ 24,280,763	$ 26,016,514	$ (1,735,751)	(6.67)
General insurance expenses and taxes	9,548,814	9,797,137	(248,323)	(2.53)	28,883,743	29,278,421	(394,678)	(1.35)
Increase in loading on deferred and uncollected premiums	(646,621)	(1,525,841)	879,220	57.62	(2,569,023)	(5,337,160)	2,768,137	51.87
Net transfers to or (from) Separate Accounts	—	—	—	—	—	(215,913)	215,913	—
Other deductions	(27)	—	(27)	—	109	108	1	0.93
Total operating expenses	**$ 16,969,518**	**$16,554,925**	**$ 414,593**	**2.50**	**$ 50,595,592**	**$ 49,741,970**	**$ 853,622**	**1.72**
Federal and Foreign Income Taxes Incurred	8,727,715	886,409	7,841,306	884.61	19,853,997	4,447,095	15,406,902	346.45
Net gain from operations before realized capital gains or (losses)	**$ (7,321,094)**	**$ 2,837,758**	**$(10,158,852)**	**(357.99)**	**$ (8,287,866)**	**$ 5,633,109**	**$(13,920,975)**	**(247.13)**
Net realized gains or (losses) net of capital gains tax	(25,346,502)	2,604,683	(27,951,185)	nm	(39,669,636)	37,332,560	(77,002,196)	(206.26)
Net Income (Statutory)	**$(32,667,596)**	**$ 5,442,441**	**$(38,110,037)**	**(700.24)**	**$ (47,957,502)**	**$ 42,965,669**	**$(90,923,171)**	**(211.62)**

* *Statutory data prepared in accordance with statutory accounting rules as defined by the National Association of Insurance Commissioners and filed with the appropriate regulatory bodies.*