

# Cincinnati Financial Corporation

## Supplemental Financial Data

### for the period ending September 30, 2012

6200 South Gilmore Road  
Fairfield, Ohio 45014-5141  
*www.cinfin.com*

Investor Contact:  
Dennis E. McDaniel  
(513) 870-2768

Media Contact:  
Joan O. Shevchik  
(513) 603-5323

Shareholder Contact:  
Jerry L. Litton  
(513) 870-2639

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

Ratings are as of October 24, 2012, under continuous review and subject to change and/or affirmation. For the current ratings, select Financial Strength 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 with 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 2012**

	<b>Page</b>
Definitions of Non-GAAP Information and Reconciliation to Comparable GAAP Measures	3
<b>Consolidated</b>	
Quick Reference	4
CFC and Subsidiaries Consolidation – Nine Months Ended September 30, 2012	5
CFC and Subsidiaries Consolidation – Three Months Ended September 30, 2012	6
CFC Insurance Subsidiaries – Selected Balance Sheet Data	7
<b>Consolidated Property Casualty Insurance Operations</b>	
Statutory Statements of Income	8
Consolidated Cincinnati Insurance Companies – Losses Incurred Detail	9
Consolidated Cincinnati Insurance Companies – Loss Ratio Detail	10
Consolidated Cincinnati Insurance Companies – Loss Claim Count Detail	11
Direct Written Premiums by Line of Business and State	12
Quarterly Property Casualty Data – Commercial Lines of Business	13
Quarterly Property Casualty Data – Personal Lines of Business	14
Loss and Loss Expense Analysis – Nine Months Ended September 30, 2012	15
Loss and Loss Expense Analysis – Three Months Ended September 30, 2012	16
<b>Reconciliation Data</b>	
Quarterly Property Casualty Data – Consolidated	17
Quarterly Property Casualty Data – Commercial Lines	18
Quarterly Property Casualty Data – Personal Lines	19
Quarterly Property Casualty Data – Excess & Surplus Lines	20
<b>Life Insurance Operations</b>	
Statutory Statements of Income	21

## **Definitions of Non-GAAP Information and Reconciliation to Comparable GAAP Measures**

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. Management uses these measures when analyzing both GAAP and non-GAAP measures to improve its understanding of trends in the underlying business and to help 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.

**Cincinnati Financial Corporation**  
**Quick Reference - Third Quarter 2012**

(all data shown is for the three months ended or as of September 30, 2012)

	9/30/2012	Year over year change %
<b>Revenues:</b>		
Commercial lines net written premiums	\$ 619	13
Personal lines net written premiums	253	14
Excess & surplus lines net written premiums	27	23
Property casualty net written premiums	899	14
Life and accident and health net written premiums	47	6
Annuity net written premiums	12	(33)
Life, annuity and accident and health net written premiums	59	(5)
Commercial lines net earned premiums	607	9
Personal lines net earned premiums	219	13
Excess & surplus lines net earned premiums	25	32
Property casualty net earned premiums	851	11
Fee revenue	1	0
Life and accident and health net earned premiums	38	(12)
Investment income	132	2
Realized gains on investments	10	nm
Other revenue	3	0
<b>Total revenues</b>	<b>1,035</b>	<b>10</b>

<b>Income:</b>		
Operating income	\$ 105	425
Net realized investment gains and losses	6	nm
<b>Net income</b>	<b>111</b>	<b>484</b>

<b>Per share (diluted):</b>		
Operating income	\$ 0.64	392
Net realized investment gains and losses	0.04	nm
Net income	0.68	467
Book value	32.95	12
<b>Weighted average shares in thousands</b>	<b>163,857</b>	<b>0</b>

	9/30/2012	Year over year change %
<b>Benefits and expenses:</b>		
Commercial lines loss and loss expenses	\$ 352	(18)
Personal lines loss and loss expenses	152	(10)
Excess & surplus lines loss and loss expenses	21	75
Life and health contract holders' benefits incurred	46	(6)
Underwriting, acquisition and insurance expenses	296	14
Interest expenses	14	8
Other operating expenses	2	(50)
<b>Total benefits &amp; expenses</b>	<b>883</b>	<b>(5)</b>
Income before income taxes	152	nm
<b>Total income tax</b>	<b>41</b>	<b>nm</b>

<b>Balance Sheet:</b>		
Fixed maturity investments	\$ 9,116	
Equity securities	3,349	
Other invested assets	68	
<b>Total invested assets</b>	<b>\$ 12,533</b>	
Equity in net assets of subsidiaries	\$ 5,011	
Loss and loss expense reserves	\$ 4,344	
Life policy and investment contract reserves	2,285	
Long-term debt and capital lease obligation	828	
Shareholders' equity	5,359	

<b>Key ratios:</b>		
Commercial lines GAAP combined ratio	90.2	%
Personal lines GAAP combined ratio	105.7	
Excess & surplus lines GAAP combined ratio	111.5	
Property casualty GAAP combined ratio	94.8	
Commercial lines STAT combined ratio	91.1	%
Personal lines STAT combined ratio	98.3	
Excess & surplus lines STAT combined ratio	113.1	
Property casualty STAT combined ratio	93.5	
<b>Value creation ratio</b>	<b>5.4</b>	<b>%</b>

**Cincinnati Financial Corporation**  
**Consolidated Statements of Income for the Nine Months Ended September 30, 2012**

(In millions)	CFC	CONSOL P&C	CLIC	CFC-I	ELIM	Total
<b>Revenues:</b>						
Premiums earned:						
Property casualty	\$ -	\$ 2,612	\$ -	\$ -	\$ (1)	\$ 2,611
Life	-	-	166	-	-	166
Accident health	-	-	5	-	-	5
Premiums ceded	-	(137)	(40)	-	-	(177)
Total earned premium	-	2,475	131	-	(1)	2,605
Investment income	30	262	103	-	-	395
Realized gain on investments	17	6	5	1	-	29
Fee revenue	-	4	-	-	-	4
Other revenue	11	2	1	5	(11)	8
<b>Total revenues</b>	<b>\$ 58</b>	<b>\$ 2,749</b>	<b>\$ 240</b>	<b>\$ 6</b>	<b>\$ (12)</b>	<b>\$ 3,041</b>
<b>Benefits &amp; expenses:</b>						
Losses & policy benefits	\$ -	\$ 1,749	\$ 172	\$ -	\$ -	\$ 1,921
Reinsurance recoveries	-	(45)	(36)	-	-	(81)
Underwriting, acquisition and insurance expenses	-	798	59	-	-	857
Other operating expenses	20	-	-	2	(12)	10
Interest expense	40	-	-	1	-	41
<b>Total expenses</b>	<b>\$ 60</b>	<b>\$ 2,502</b>	<b>\$ 195</b>	<b>\$ 3</b>	<b>\$ (12)</b>	<b>\$ 2,748</b>
<b>Income (loss) before income taxes</b>	<b>\$ (2)</b>	<b>\$ 247</b>	<b>\$ 45</b>	<b>\$ 3</b>	<b>\$ -</b>	<b>\$ 293</b>
<b>Provision (benefit) for income taxes:</b>						
Current operating income	\$ (11)	\$ 60	\$ -	\$ 1	\$ -	\$ 50
Capital gains/losses	6	2	2	-	-	10
Deferred	-	(10)	14	-	-	4
<b>Total provision (benefit) for income taxes</b>	<b>\$ (5)</b>	<b>\$ 52</b>	<b>\$ 16</b>	<b>\$ 1</b>	<b>\$ -</b>	<b>\$ 64</b>
<b>Operating income (loss)</b>	<b>\$ (8)</b>	<b>\$ 191</b>	<b>\$ 26</b>	<b>\$ 1</b>	<b>\$ -</b>	<b>\$ 210</b>
<b>Net income - current year</b>	<b>\$ 3</b>	<b>\$ 195</b>	<b>\$ 29</b>	<b>\$ 2</b>	<b>\$ -</b>	<b>\$ 229</b>
<b>Net income - prior year</b>	<b>\$ 3</b>	<b>\$ 18</b>	<b>\$ 7</b>	<b>\$ 1</b>	<b>\$ 1</b>	<b>\$ 30</b>

\*Dollar amounts shown are rounded to millions; certain amounts may not add due to rounding.

**Cincinnati Financial Corporation and Subsidiaries**  
**Consolidated Statements of Income for the Three Months Ended September 30, 2012**

(In millions)	CFC	CONSOL P&C	CLIC	CFC-I	ELIM	Total
<b>Revenues:</b>						
Premiums earned:						
Property casualty	\$ -	\$ 898	\$ -	\$ -	\$ -	\$ 898
Life	-	-	51	-	-	51
Accident health	-	-	2	-	-	2
Premiums ceded	-	(48)	(14)	-	-	(62)
Total earned premium	-	850	39	-	-	889
Investment income	10	87	35	-	-	132
Realized gain on investments	2	4	4	-	-	10
Fee revenue	-	1	-	-	-	1
Other revenue	4	-	1	2	(4)	3
<b>Total revenues</b>	<b>\$ 16</b>	<b>\$ 942</b>	<b>\$ 79</b>	<b>\$ 2</b>	<b>\$ (4)</b>	<b>\$ 1,035</b>
<b>Benefits &amp; expenses:</b>						
Losses & policy benefits	\$ -	\$ 560	\$ 62	\$ -	\$ -	\$ 622
Reinsurance recoveries	-	(35)	(16)	-	-	(51)
Underwriting, acquisition and insurance expenses	-	282	14	-	-	296
Other operating expenses	6	-	-	-	(4)	2
Interest expense	14	-	-	-	-	14
<b>Total expenses</b>	<b>\$ 20</b>	<b>\$ 807</b>	<b>\$ 60</b>	<b>\$ -</b>	<b>\$ (4)</b>	<b>\$ 883</b>
<b>Income before income taxes</b>	<b>\$ (4)</b>	<b>\$ 135</b>	<b>\$ 19</b>	<b>\$ 2</b>	<b>\$ -</b>	<b>\$ 152</b>
<b>Provision (benefit) for income taxes:</b>						
Current operating income	\$ (8)	\$ 37	\$ 1	\$ -	\$ -	\$ 30
Capital gains/losses	1	2	1	-	-	4
Deferred	4	(1)	4	-	-	7
<b>Total provision (benefit) for income taxes</b>	<b>\$ (3)</b>	<b>\$ 38</b>	<b>\$ 6</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 41</b>
<b>Operating income (loss)</b>	<b>\$ (2)</b>	<b>\$ 95</b>	<b>\$ 10</b>	<b>\$ 2</b>	<b>\$ -</b>	<b>\$ 105</b>
<b>Net income - current year</b>	<b>\$ (1)</b>	<b>\$ 97</b>	<b>\$ 13</b>	<b>\$ 2</b>	<b>\$ -</b>	<b>\$ 111</b>
<b>Net income - prior year</b>	<b>\$ 3</b>	<b>\$ 10</b>	<b>\$ 6</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 19</b>

\*Dollar amounts shown are rounded to millions; certain amounts may not add due to rounding.

**Cincinnati Financial Corporation Insurance Subsidiaries**  
**Selected Balance Sheet Data**

(In millions)	12/31/12	9/30/12	6/30/12	3/31/12	12/31/11	9/30/11	6/30/11	3/31/11
<b>Cincinnati Insurance Consolidated</b>								
Fixed maturities (fair value)	\$ 6,082	\$ 6,067	\$ 6,004	\$ 5,917	\$ 5,975	\$ 5,954	\$ 5,850	
Equities (fair value)	2,355	2,246	2,264	2,131	1,865	2,113	2,203	
Fixed maturities - pretax net unrealized gain	566	502	482	461	439	388	320	
Equities - pretax net unrealized gain	769	669	731	594	361	631	670	
Loss and loss expense reserves - STAT	3,938	4,006	3,938	3,906	4,013	3,971	3,853	
Equity GAAP	4,965	4,794	4,864	4,740	4,507	4,686	4,706	
Surplus - STAT	3,815	3,722	3,835	3,747	3,513	3,743	3,833	
<b>The Cincinnati Life Insurance Company</b>								
Fixed maturities (fair value)	\$ 2,911	\$ 2,821	\$ 2,736	\$ 2,629	\$ 2,652	\$ 2,528	\$ 2,449	
Equities (fair value)	17	17	17	16	28	37	102	
Fixed maturities - pretax net unrealized gain	289	242	223	195	197	174	149	
Equities - pretax net unrealized gain	7	7	7	6	12	19	25	
Equity - GAAP	850	811	792	770	766	779	752	
Surplus - STAT	277	281	281	281	268	309	308	

**Consolidated Cincinnati Insurance Companies**  
**Statutory Statements of Income**

(Dollars in millions)	For the Three Months Ended September 30,				For the Nine Months Ended September 30,			
	2012	2011	Change	% Change	2012	2011	Change	% Change
<b>Underwriting income</b>								
Net premiums written	\$ 898	\$ 791	\$ 107	14	\$ 2,645	\$ 2,338	\$ 307	13
Unearned premiums increase	47	22	25	114	170	94	76	81
<b>Earned premiums</b>	<b>\$ 851</b>	<b>\$ 769</b>	<b>\$ 82</b>	<b>11</b>	<b>\$ 2,475</b>	<b>\$ 2,244</b>	<b>\$ 231</b>	<b>10</b>
Losses incurred	\$ 450	\$ 503	\$ (53)	(11)	\$ 1,446	\$ 1,604	\$ (158)	(10)
Allocated loss expenses incurred	31	50	(19)	(38)	113	145	(32)	(22)
Unallocated loss expenses incurred	44	56	(12)	(21)	145	149	(4)	(3)
Other underwriting expenses incurred	281	242	39	16	811	726	85	12
Workers compensation dividend incurred	5	3	2	67	11	11	-	0
<b>Total underwriting deductions</b>	<b>\$ 811</b>	<b>\$ 854</b>	<b>\$ (43)</b>	<b>(5)</b>	<b>\$ 2,526</b>	<b>\$ 2,635</b>	<b>\$ (109)</b>	<b>(4)</b>
<b>Net underwriting profit (loss)</b>	<b>\$ 40</b>	<b>\$ (85)</b>	<b>\$ 125</b>	<b>nm</b>	<b>\$ (51)</b>	<b>\$ (391)</b>	<b>\$ 340</b>	<b>87</b>
<b>Investment income</b>								
Gross investment income earned	\$ 90	\$ 89	\$ 1	1	\$ 270	\$ 272	\$ (2)	(1)
Net investment income earned	89	88	1	1	266	268	(2)	(1)
Net realized capital gains (losses)	6	(2)	8	nm	6	58	(52)	(90)
<b>Net investment gains (excl. subs)</b>	<b>\$ 95</b>	<b>\$ 86</b>	<b>\$ 9</b>	<b>10</b>	<b>\$ 272</b>	<b>\$ 326</b>	<b>\$ (54)</b>	<b>(17)</b>
Dividend from subsidiary	-	25	(25)	-	-	25	(25)	nm
<b>Net investment gains (net of tax)</b>	<b>\$ 95</b>	<b>\$ 111</b>	<b>\$ (16)</b>	<b>(14)</b>	<b>\$ 272</b>	<b>\$ 351</b>	<b>\$ (79)</b>	<b>(23)</b>
<b>Other income</b>	<b>\$ 1</b>	<b>\$ 2</b>	<b>\$ (1)</b>	<b>(50)</b>	<b>\$ 4</b>	<b>\$ 4</b>	<b>\$ -</b>	<b>0</b>
Net income (loss) before federal income taxes	\$ 136	\$ 28	\$ 108	386	\$ 225	\$ (36)	\$ 261	nm
Federal and foreign income taxes incurred	\$ 35	\$ 16	\$ 19	119	\$ 57	\$ (42)	\$ 99	nm
<b>Net income (statutory)</b>	<b>\$ 101</b>	<b>\$ 12</b>	<b>\$ 89</b>	<b>742</b>	<b>\$ 168</b>	<b>\$ 6</b>	<b>\$ 162</b>	<b>nm</b>

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

\* 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.

\*Excludes CSU Producers Resources Inc.



**Consolidated Cincinnati Insurance Companies**  
**Losses Incurred Detail**

(In millions)	Three months ended								Six months ended		Nine months ended		Twelve months ended	
	12/31/12	9/30/12	6/30/12	3/31/12	12/31/11	9/30/11	6/30/11	3/31/11	6/30/12	6/30/11	9/30/12	9/30/11	12/31/12	12/31/11
<b>Consolidated</b>														
New losses greater than \$4,000,000	\$ 21	\$ 4	\$ 10	\$ 21	\$ 18	\$ 5	\$ 11	\$ 15	\$ 16	\$ 36	\$ 34	\$ 56		
New losses \$1,000,000-\$4,000,000	39	47	31	47	45	33	49	78	83	117	128	173		
New losses \$250,000-\$1,000,000	50	58	43	53	59	52	55	102	106	152	165	217		
Case reserve development above \$250,000	60	55	67	68	57	51	34	122	85	182	142	210		
Large losses subtotal	\$ 170	\$ 164	\$ 151	\$ 189	\$ 179	\$ 141	\$ 149	\$ 317	\$ 290	\$ 487	\$ 469	\$ 656		
IBNR incurred	(25)	7	19	(11)	-	18	33	26	(11)	51	2	51	39	
Catastrophe losses incurred	62	146	89	(25)	90	289	40	233	329	295	419	395		
Remaining incurred	242	234	187	194	234	218	213	421	430	662	664	859		
Total losses incurred	\$ 449	\$ 551	\$ 446	\$ 347	\$ 503	\$ 666	\$ 435	\$ 997	\$ 1,100	\$ 1,446	\$ 1,603	\$ 1,949		
<b>Commercial Lines</b>														
New losses greater than \$4,000,000	\$ 21	\$ 4	\$ 10	\$ 21	\$ 18	\$ 6	\$ 11	\$ 15	\$ 16	\$ 36	\$ 34	\$ 56		
New losses \$1,000,000-\$4,000,000	30	33	24	38	40	30	40	56	70	86	110	148		
New losses \$250,000-\$1,000,000	33	36	31	35	45	39	37	68	77	101	122	156		
Case reserve development above \$250,000	56	51	64	58	52	46	31	115	77	171	129	187		
Large losses subtotal	\$ 140	\$ 124	\$ 129	\$ 152	\$ 155	\$ 121	\$ 119	\$ 254	\$ 240	\$ 394	\$ 395	\$ 547		
IBNR incurred	(21)	6	-	(5)	1	11	24	6	35	(14)	36	31		
Catastrophe losses incurred	43	89	39	(18)	58	157	26	127	183	170	241	223		
Remaining incurred	138	132	105	101	130	124	131	237	255	374	385	486		
Total losses incurred	\$ 300	\$ 351	\$ 273	\$ 230	\$ 344	\$ 413	\$ 300	\$ 624	\$ 713	\$ 924	\$ 1,057	\$ 1,287		
<b>Personal Lines</b>														
New losses greater than \$4,000,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
New losses \$1,000,000-\$4,000,000	9	13	5	9	4	3	9	18	13	27	17	25		
New losses \$250,000-\$1,000,000	14	18	8	13	11	10	14	26	23	40	35	48		
Case reserve development above \$250,000	1	3	2	8	4	4	3	5	7	6	11	19		
Large losses subtotal	\$ 24	\$ 34	\$ 15	\$ 30	\$ 19	\$ 17	\$ 26	\$ 49	\$ 43	\$ 73	\$ 63	\$ 92		
IBNR incurred	(10)	(4)	14	(4)	(3)	4	4	11	9	-	6	1		
Catastrophe losses incurred	18	56	49	(6)	32	131	14	105	145	123	177	171		
Remaining incurred	101	100	81	90	103	91	80	181	170	283	273	364		
Total losses incurred	\$ 133	\$ 186	\$ 159	\$ 110	\$ 151	\$ 243	\$ 124	\$ 346	\$ 367	\$ 479	\$ 519	\$ 628		
<b>Excess &amp; Surplus Lines</b>														
New losses greater than \$4,000,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
New losses \$1,000,000-\$4,000,000	1	1	2	-	1	-	-	3	-	4	1	-		
New losses \$250,000-\$1,000,000	3	4	4	5	3	2	4	8	6	11	8	13		
Case reserve development above \$250,000	2	1	1	2	1	1	-	3	1	5	2	4		
Large losses subtotal	\$ 6	\$ 6	\$ 7	\$ 7	\$ 5	\$ 3	\$ 4	\$ 14	\$ 7	\$ 20	\$ 11	\$ 17		
IBNR incurred	6	5	5	(2)	2	3	5	9	7	16	9	7		
Catastrophe losses incurred	-	1	1	(1)	-	1	-	2	1	2	1	1		
Remaining incurred	3	2	1	3	1	2	2	3	5	5	6	9		
Total losses incurred	\$ 15	\$ 14	\$ 14	\$ 7	\$ 8	\$ 9	\$ 11	\$ 28	\$ 20	\$ 43	\$ 27	\$ 34		

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

\* 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 Companies**  
**Loss Ratio Detail**

	Three months ended								Six months ended		Nine months ended		Twelve months ended	
	12/31/12	9/30/12	6/30/12	3/31/12	12/31/11	9/30/11	6/30/11	3/31/11	6/30/12	6/30/11	9/30/12	9/30/11	12/31/12	12/31/11
<b>Consolidated</b>														
New losses greater than \$4,000,000		2.5 %	0.5 %	1.3 %	2.8 %	2.3 %	0.8 %	1.4 %	0.9 %	1.1 %	1.4 %	1.5 %		1.9 %
New losses \$1,000,000-\$4,000,000		4.6	5.7	3.9	5.7	5.8	4.6	6.7	4.8	5.6	4.7	5.7		5.7
New losses \$250,000-\$1,000,000		5.9	7.1	5.5	6.6	7.7	7.0	7.3	6.2	7.2	6.2	7.4		7.2
Case reserve development above \$250,000		7.0	6.7	8.3	8.7	7.5	6.9	4.6	7.5	5.8	7.4	6.3		6.9
Large losses subtotal		20.0 %	20.0 %	19.0 %	23.8 %	23.3 %	19.3 %	20.0 %	19.4 %	19.7 %	19.7 %	20.9 %		21.7 %
IBNR incurred		(2.9)	0.9	2.3	(1.2)	0.1	2.5	4.4	1.6	3.4	0.1	2.3		1.4
Total catastrophe losses incurred		7.3	17.6	11.1	(3.0)	11.7	39.6	5.5	14.5	22.3	11.9	18.7		13.1
Remaining incurred		28.4	28.2	23.5	24.5	30.3	29.8	28.5	25.9	29.2	26.7	29.6		28.2
Total loss ratio		52.8 %	66.7 %	55.9 %	44.1 %	65.4 %	91.2 %	58.4 %	61.4 %	74.6 %	58.4 %	71.5 %		64.4 %
<b>Commercial Lines</b>														
New losses greater than \$4,000,000		3.4 %	0.7 %	1.9 %	3.9 %	3.2 %	1.1 %	1.9 %	1.3 %	1.5 %	2.0 %	2.1 %		2.6 %
New losses \$1,000,000-\$4,000,000		4.9	5.5	4.2	6.5	7.3	5.5	7.5	4.9	6.5	4.9	6.8		6.7
New losses \$250,000-\$1,000,000		5.5	6.2	5.5	6.0	8.1	7.4	6.9	5.9	7.1	5.8	7.5		7.1
Case reserve development above \$250,000		9.3	8.7	11.2	10.3	9.3	8.7	5.7	9.9	7.2	9.7	7.9		8.5
Large losses subtotal		23.1 %	21.1 %	22.8 %	26.7 %	27.9 %	22.7 %	22.0 %	22.0 %	22.3 %	22.4 %	24.3 %		24.9 %
IBNR incurred		(3.4)	1.1	0.0	(0.8)	0.2	2.0	4.4	0.5	3.3	(0.8)	2.2		1.4
Total catastrophe losses incurred		7.1	15.1	6.8	(3.2)	10.4	29.6	4.9	11.0	17.1	9.6	14.7		10.2
Remaining incurred		22.7	22.3	18.4	17.8	23.3	23.3	24.2	20.5	23.7	21.2	23.6		22.1
Total loss ratio		49.5 %	59.6 %	48.0 %	40.5 %	61.8 %	77.6 %	55.5 %	54.0 %	66.4 %	52.4 %	64.8 %		58.6 %
<b>Personal Lines</b>														
New losses greater than \$4,000,000		0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %		0.0 %
New losses \$1,000,000-\$4,000,000		3.7	6.4	2.3	3.9	2.2	2.0	4.8	4.4	3.5	4.1	3.0		3.3
New losses \$250,000-\$1,000,000		6.1	8.4	4.0	6.9	6.0	5.4	7.1	6.2	6.2	6.2	6.1		6.3
Case reserve development above \$250,000		0.5	1.2	0.9	4.2	1.9	2.3	1.7	1.1	2.0	0.9	2.0		2.5
Large losses subtotal		10.3 %	16.0 %	7.2 %	15.0 %	10.1 %	9.7 %	13.6 %	11.7 %	11.7 %	11.2 %	11.1 %		12.1 %
IBNR incurred		(4.6)	(1.6)	6.6	(1.6)	(1.5)	2.4	2.3	2.5	2.3	0.1	1.0		0.3
Total catastrophe losses incurred		8.8	26.2	23.3	(3.0)	16.4	73.0	7.4	24.8	39.2	19.3	31.4		22.5
Remaining incurred		46.2	46.6	39.1	44.7	53.5	50.6	41.6	42.8	46.0	44.0	48.6		47.6
Total loss ratio		60.7 %	87.2 %	76.2 %	55.1 %	78.5 %	135.7 %	64.9 %	81.8 %	99.2 %	74.6 %	92.1 %		82.5 %
<b>Excess &amp; Surplus Lines</b>														
New losses greater than \$4,000,000		0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %		0.0 %
New losses \$1,000,000-\$4,000,000		4.3	4.4	11.1	0.0	0.0	0.0	0.0	7.7	0.0	6.5	0.0		0.0
New losses \$250,000-\$1,000,000		15.0	16.5	17.7	22.6	13.5	12.4	25.8	17.1	18.7	16.3	16.8		18.4
Case reserve development above \$250,000		8.8	6.4	5.6	7.6	9.3	2.4	2.7	6.0	2.6	7.0	5.1		5.8
Large losses subtotal		28.1 %	27.3 %	34.4 %	30.2 %	22.8 %	14.8 %	28.5 %	30.8 %	21.3 %	29.8 %	21.9 %		24.2 %
IBNR incurred		25.9	21.0	22.2	(10.4)	12.5	17.1	26.1	21.6	21.3	23.2	18.1		10.1
Total catastrophe losses incurred		0.5	3.4	3.7	(0.4)	2.4	4.2	2.8	3.5	3.5	2.4	3.1		2.2
Remaining incurred		10.0	8.1	5.4	14.5	3.4	13.4	20.2	6.8	16.6	7.9	11.8		12.5
Total loss ratio		64.5 %	59.8 %	65.7 %	33.9 %	41.1 %	49.5 %	77.6 %	62.7 %	62.7 %	63.3 %	54.9 %		49.0 %

\*Certain amounts may not add due to rounding. Ratios are calculated based on whole dollar amounts.

\* 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 Companies**  
**Loss Claim Count Detail**

	Three months ended								Six months ended		Nine months ended		Twelve months ended	
	12/31/12	9/30/12	6/30/12	3/31/12	12/31/11	9/30/11	6/30/11	3/31/11	6/30/12	6/30/11	9/30/12	9/30/11	12/31/12	12/31/11
<b>Consolidated</b>														
New losses greater than \$4,000,000		4	1	2	4	3	1	2	3	3	7	6		10
New losses \$1,000,000-\$4,000,000		27	29	19	23	25	18	30	48	48	75	73		96
New losses \$250,000-\$1,000,000		116	130	101	115	129	122	122	231	244	347	373		488
Case reserve development above \$250,000		86	78	86	108	84	81	68	164	149	250	233		341
Large losses total		233	238	208	250	241	222	222	446	444	679	685		935
<b>Commercial Lines</b>														
New losses greater than \$4,000,000		4	1	2	4	3	1	2	3	3	7	6		10
New losses \$1,000,000-\$4,000,000		21	18	15	18	21	15	24	33	39	54	60		78
New losses \$250,000-\$1,000,000		78	77	70	76	98	97	85	147	182	225	280		356
Case reserve development above \$250,000		79	64	81	90	72	70	59	145	129	224	201		291
Large losses total		182	160	168	188	194	183	170	328	353	510	547		735
<b>Personal Lines</b>														
New losses greater than \$4,000,000		-	-	-	-	-	-	-	-	-	-	-		-
New losses \$1,000,000-\$4,000,000		5	10	2	5	4	3	6	12	9	17	13		18
New losses \$250,000-\$1,000,000		31	44	21	31	26	20	29	65	49	96	75		106
Case reserve development above \$250,000		3	8	4	15	9	10	8	12	18	15	27		42
Large losses total		39	62	27	51	39	33	43	89	76	128	115		166
<b>Excess &amp; Surplus Lines</b>														
New losses greater than \$4,000,000		-	-	-	-	-	-	-	-	-	-	-		-
New losses \$1,000,000-\$4,000,000		1	1	2	-	-	-	-	3	-	4	-		-
New losses \$250,000-\$1,000,000		7	9	10	8	5	5	8	19	13	26	18		26
Case reserve development above \$250,000		4	6	1	3	3	1	1	7	2	11	5		8
Large losses total		12	16	13	11	8	6	9	29	15	41	23		34

The sum of quarterly amounts may not equal the full year as each is computed independently.

\* 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.

**Consolidated Cincinnati Insurance Companies**  
**Agency Direct Written Premiums by Agency State by Line of Business for the Nine Months Ended September 30, 2012**

Risk State	(Dollars in millions)												2012 Total	2011 Total	Comm'l Change %	Personal Change %	E & S Change %	Consol Change %
	Comm Casualty	Comm Property	Comm Auto	Workers' Comp	Spec Packages	Surety & Exec Risk	Mach. & Equipment	Personal Auto	Home Owner	Other Personal	E & S Lines	Consolidated						
OH	\$ 107.5	\$ 79.6	\$ 50.7	\$ -	\$ 15.2	\$ 18.6	\$ 4.5	\$ 97.6	\$ 77.7	\$ 26.9	\$ 8.2	\$ 485.9	\$ 452.6	9.3	4.9	7.4	7.4	
IL	45.3	33.5	21.3	39.8	9.6	5.4	2.6	24.4	20.1	6.4	5.5	214.1	201.2	4.5	10.6	29.7	6.4	
IN	36.6	30.9	18.4	22.6	6.0	5.1	2.5	25.6	25.6	6.5	7.0	186.9	169.3	10.7	8.7	19.5	10.4	
PA	37.7	26.1	25.8	37.8	7.8	5.4	1.8	7.6	5.9	3.0	3.2	162.4	149.0	7.8	16.1	30.0	8.9	
GA	21.5	19.4	15.5	9.2	6.3	4.6	1.1	26.7	26.6	7.7	5.9	144.5	129.4	12.8	7.9	44.1	11.7	
NC	25.5	24.2	15.1	13.9	11.8	6.2	1.6	16.5	12.1	4.7	2.9	134.6	119.6	7.3	31.6	18.9	12.7	
MI	27.1	18.0	12.6	14.1	7.4	4.7	1.6	18.4	15.6	3.3	3.7	126.5	106.9	12.3	33.0	42.7	18.5	
KY	16.8	19.4	11.8	2.4	5.1	2.4	1.1	19.5	16.7	4.2	2.9	102.4	95.2	7.0	7.2	27.7	7.6	
TN	20.1	18.8	13.1	7.1	8.1	4.0	1.3	10.3	11.4	3.7	1.9	100.0	88.2	10.7	19.3	61.5	13.4	
VA	22.1	18.8	14.0	13.6	4.0	5.3	1.2	8.1	7.0	2.6	2.9	99.5	94.1	3.7	9.6	53.6	5.7	
WI	21.1	15.8	9.4	23.3	3.1	2.3	1.5	7.0	6.7	2.8	2.3	95.3	83.2	16.5	4.3	38.3	14.6	
AL	14.9	16.2	6.9	0.8	6.8	2.3	0.9	14.0	22.5	5.0	3.0	93.2	83.2	15.6	7.2	27.6	12.0	
MO	18.1	16.8	10.1	8.9	5.0	2.3	1.1	4.0	5.7	1.3	3.5	76.7	69.5	8.8	16.2	24.8	10.4	
MN	17.6	14.3	7.1	6.5	2.7	1.9	1.1	9.3	8.8	3.4	2.4	75.2	62.6	12.5	42.0	29.8	20.1	
IA	14.0	11.6	6.7	15.2	2.9	3.1	1.2	3.8	3.9	1.4	1.4	65.2	62.2	3.6	9.2	41.5	5.0	
TX	22.1	15.8	13.2	1.8	0.9	1.5	1.2	-	-	-	6.3	62.8	46.5	37.1	(16.3)	18.5	34.9	
FL	16.3	14.4	5.9	1.0	0.8	1.5	0.6	6.4	8.5	1.7	2.5	59.5	63.3	(7.1)	(6.4)	24.0	(5.9)	
NY	25.1	8.6	8.6	1.6	1.0	2.3	0.7	0.4	0.2	-	0.9	49.4	45.2	8.8	(85.3)	34.5	7.9	
MD	12.2	6.8	9.1	8.3	1.0	2.0	0.5	2.1	2.3	0.7	1.3	46.2	39.1	15.3	48.1	20.1	18.3	
AR	7.0	10.4	4.7	1.9	4.4	1.1	0.6	4.0	4.4	1.2	1.6	41.3	35.7	11.2	32.7	29.5	16.2	
KS	6.4	8.4	3.7	5.1	2.6	1.3	0.6	3.8	5.1	1.1	0.9	38.9	36.5	5.0	7.8	63.0	6.6	
UT	9.4	4.8	6.1	-	0.8	2.3	0.3	5.1	2.3	0.5	1.1	32.6	26.8	18.6	33.2	19.5	21.8	
SC	8.0	6.7	5.1	2.8	1.8	1.5	0.3	2.7	1.9	0.6	0.8	32.1	28.3	9.1	41.7	36.7	14.0	
AZ	9.1	6.0	7.5	1.8	0.7	0.8	0.4	2.1	1.6	0.6	1.2	31.8	26.6	15.3	53.6	20.4	19.5	
MT	9.2	5.5	5.0	-	0.8	0.5	0.4	1.7	1.5	0.4	0.3	25.3	23.5	6.5	16.2	(7.3)	7.6	
NE	5.5	5.6	2.8	5.2	1.2	0.8	0.3	0.6	0.7	0.2	1.0	24.0	20.9	15.5	1.6	27.1	15.0	
ID	7.6	4.7	4.7	0.1	0.7	0.9	0.3	1.7	1.1	0.3	0.6	22.7	19.2	16.4	25.7	28.7	17.8	
WV	6.4	4.6	4.4	1.4	1.9	0.5	0.3	-	0.4	0.1	1.6	21.7	17.6	24.2	(4.7)	22.2	23.1	
VT	3.0	2.8	2.1	5.2	0.7	0.8	0.2	1.0	1.0	0.3	0.6	17.7	16.3	7.9	7.0	55.4	9.0	
CO	5.6	5.3	3.7	0.3	-	0.9	0.4	-	0.2	-	0.8	17.1	12.3	37.9	24.7	59.0	38.6	
ND	5.1	3.5	2.8	-	1.0	0.5	0.3	0.5	0.5	0.2	0.3	14.6	12.2	20.0	10.8	48.9	19.6	
NH	2.1	1.8	1.1	1.6	0.4	0.4	0.1	1.3	1.2	0.4	0.4	10.9	10.5	(7.1)	48.9	6.2	3.9	
WA	3.4	1.7	2.6	-	-	0.6	0.2	-	-	-	0.8	9.4	7.8	20.7	24.9	14.5	20.1	
SD	2.2	1.9	1.2	2.3	0.4	0.4	0.1	-	-	-	0.4	9.0	7.6	18.0	(10.2)	20.8	18.0	
DE	2.7	1.9	1.6	1.8	0.3	0.4	0.2	-	-	-	0.1	8.9	7.3	21.0	14.2	nm	21.9	
NM	2.9	1.4	1.6	0.7	0.1	1.1	0.1	-	-	-	0.4	8.3	5.8	42.9	(25.6)	12.6	41.1	
OR	2.0	1.2	1.4	0.1	-	0.5	0.1	-	-	-	1.3	6.7	3.7	65.2	(27.5)	166.2	78.4	
WY	1.2	0.9	0.5	-	-	0.3	-	-	-	-	0.3	3.2	2.5	29.1	(5.8)	34.6	29.4	
CT	0.9	0.9	0.5	0.2	-	0.2	0.1	-	-	0.2	0.2	3.2	1.6	102.8	10.5	57.4	98.7	
All Other	2.5	1.9	1.8	3.5	0.6	1.3	0.1	-	-	-	0.9	12.5	10.2	18.1	(24.0)	209.3	23.0	
Total	\$ 623.7	\$ 491.1	\$ 340.3	\$ 262.0	\$ 123.7	\$ 97.8	\$ 33.5	\$ 325.9	\$ 299.6	\$ 91.3	\$ 83.3	\$ 2,772.3	\$ 2,493.3	10.4	11.5	29.0	11.2	
Other Direct	-	0.8	-	2.6	-	-	-	-	0.1	-	-	3.6	3.2	15.9	(32.1)	nm	12.6	
Total Direct	\$ 623.7	\$ 491.9	\$ 340.3	\$ 264.6	\$ 123.7	\$ 97.8	\$ 33.5	\$ 325.9	\$ 299.7	\$ 91.3	\$ 83.3	\$ 2,775.9	\$ 2,496.5	10.4	11.5	29.0	11.2	

Dollar amounts shown are rounded to the nearest hundred thousand; certain amounts may not add due to rounding. Percentage changes are calculated based on whole dollar amounts.

**Quarterly Property Casualty Data - Commercial Lines**

	Three months ended								Six months ended		Nine months ended		Twelve months ended	
	12/31/12	9/30/12	6/30/12	3/31/12	12/31/11	9/30/11	6/30/11	3/31/11	6/30/12	6/30/11	9/30/12	9/30/11	12/31/12	12/31/11
<b>Commercial casualty:</b>														
Written premiums	\$ 200	\$ 202	\$ 202	\$ 169	\$ 175	\$ 177	\$ 189	\$ 404	\$ 366	\$ 604	\$ 541	\$ 710		
Earned premiums	197	191	181	179	180	180	172	372	352	569	532	711		
Current accident year before catastrophe losses	52.1 %	67.2 %	70.2 %	70.4 %	64.1 %	66.0 %	78.8 %	68.7 %	72.3 %	63.0 %	69.5 %	69.7 %		
Current accident year catastrophe losses	-	-	-	-	-	-	-	-	-	-	-	-		
Prior accident years before catastrophe losses	(12.9)	(29.2)	(26.7)	11.6	(26.7)	(27.2)	(32.3)	(28.0)	(29.7)	(22.8)	(28.7)	(18.5)		
Prior accident years catastrophe losses	-	-	-	-	-	-	-	-	-	-	-	-		
Total loss and loss expense ratio	39.2 %	38.0 %	43.5 %	82.0 %	37.4 %	38.8 %	46.5 %	40.7 %	42.6 %	40.2 %	40.8 %	51.2 %		
<b>Commercial property:</b>														
Written premiums	\$ 150	\$ 146	\$ 141	\$ 125	\$ 132	\$ 123	\$ 132	\$ 287	\$ 255	\$ 437	\$ 387	\$ 512		
Earned premiums	138	134	131	128	128	115	126	265	241	403	369	497		
Current accident year before catastrophe losses	45.3 %	55.3 %	57.2 %	31.1 %	77.6 %	76.8 %	64.8 %	56.2 %	70.5 %	52.5 %	73.0 %	62.1 %		
Current accident year catastrophe losses	29.6	56.7	31.4	(5.3)	33.8	78.8	15.2	44.3	45.6	39.2	41.5	29.4		
Prior accident years before catastrophe losses	(2.1)	(3.4)	(4.4)	(17.5)	(4.9)	(1.7)	8.0	(4.0)	3.4	(3.3)	0.5	(4.1)		
Prior accident years catastrophe losses	(0.7)	1.3	(5.8)	(5.3)	3.7	1.1	3.4	(2.2)	2.3	(1.7)	2.8	0.7		
Total loss and loss expense ratio	72.1 %	109.9 %	78.4 %	3.0 %	110.2 %	155.0 %	91.4 %	94.3 %	121.8 %	86.7 %	117.8 %	88.1 %		
<b>Commercial auto:</b>														
Written premiums	\$ 109	\$ 115	\$ 114	\$ 100	\$ 96	\$ 102	\$ 107	\$ 229	\$ 209	\$ 338	\$ 305	\$ 405		
Earned premiums	108	106	101	102	100	96	96	207	192	315	292	394		
Current accident year before catastrophe losses	71.1 %	71.8 %	73.9 %	81.3 %	67.8 %	72.6 %	76.5 %	72.8 %	74.5 %	72.2 %	72.2 %	74.5 %		
Current accident year catastrophe losses	0.8	3.2	1.4	(1.5)	2.5	6.2	0.3	2.4	3.3	1.8	3.0	1.9		
Prior accident years before catastrophe losses	4.9	(1.8)	(11.9)	3.1	3.5	(11.0)	(24.2)	(6.8)	(17.6)	(2.7)	(10.3)	(6.9)		
Prior accident years catastrophe losses	(0.2)	(0.3)	(0.5)	-	(0.1)	(0.1)	(0.4)	(0.4)	(0.2)	(0.3)	(0.2)	(0.2)		
Total loss and loss expense ratio	76.6 %	72.9 %	62.9 %	82.9 %	73.7 %	67.7 %	52.2 %	68.0 %	60.0 %	71.0 %	64.7 %	69.3 %		
<b>Workers' compensation:</b>														
Written premiums	\$ 78	\$ 86	\$ 93	\$ 78	\$ 71	\$ 73	\$ 90	\$ 179	\$ 163	\$ 257	\$ 234	\$ 312		
Earned premiums	89	85	81	83	78	81	76	166	157	255	235	318		
Current accident year before catastrophe losses	80.8 %	80.8 %	82.7 %	64.5 %	119.2 %	108.5 %	95.6 %	81.7 %	102.3 %	81.5 %	107.9 %	96.6 %		
Current accident year catastrophe losses	-	-	-	-	-	-	-	-	-	-	-	-		
Prior accident years before catastrophe losses	(25.7)	(14.3)	(19.0)	(58.2)	(28.4)	(28.9)	(4.1)	(16.6)	(16.9)	(19.8)	(20.7)	(30.5)		
Prior accident years catastrophe losses	-	-	-	-	-	-	-	-	-	-	-	-		
Total loss and loss expense ratio	55.1 %	66.5 %	63.7 %	6.3 %	90.8 %	79.6 %	91.5 %	65.1 %	85.4 %	61.7 %	87.2 %	66.1 %		
<b>Specialty package:</b>														
Written premiums	\$ 39	\$ 38	\$ 40	\$ 37	\$ 36	\$ 27	\$ 37	\$ 78	\$ 64	\$ 117	\$ 100	\$ 137		
Earned premiums	37	37	38	38	36	27	37	75	64	112	100	138		
Current accident year before catastrophe losses	56.7 %	72.8 %	66.4 %	42.8 %	91.6 %	93.8 %	62.7 %	69.6 %	75.7 %	65.3 %	81.5 %	70.9 %		
Current accident year catastrophe losses	29.3	23.9	24.8	(3.0)	25.7	223.8	9.2	24.4	99.4	26.0	72.7	51.8		
Prior accident years before catastrophe losses	9.1	(3.0)	(14.0)	(20.6)	19.6	1.8	15.1	(8.5)	9.5	(2.7)	13.2	3.9		
Prior accident years catastrophe losses	(14.8)	(0.2)	(12.6)	0.8	(0.9)	(0.7)	(1.5)	(6.5)	(1.1)	(9.2)	(1.1)	(0.6)		
Total loss and loss expense ratio	80.3 %	93.5 %	64.6 %	20.0 %	136.0 %	318.7 %	85.5 %	79.0 %	183.5 %	79.4 %	166.3 %	126.0 %		
<b>Surety and executive risk:</b>														
Written premiums	\$ 31	\$ 29	\$ 27	\$ 26	\$ 28	\$ 26	\$ 24	\$ 56	\$ 50	\$ 87	\$ 78	\$ 104		
Earned premiums	28	27	27	27	26	25	25	54	50	82	76	103		
Current accident year before catastrophe losses	60.4 %	72.1 %	49.2 %	96.4 %	54.7 %	47.9 %	54.7 %	60.9 %	51.3 %	60.7 %	52.4 %	63.7 %		
Current accident year catastrophe losses	-	-	-	-	-	-	-	-	-	-	-	-		
Prior accident years before catastrophe losses	(17.2)	10.3	34.8	38.8	32.5	19.4	41.4	22.3	30.2	8.9	31.0	33.0		
Prior accident years catastrophe losses	-	-	-	-	-	-	-	-	-	-	-	-		
Total loss and loss expense ratio	43.2 %	82.4 %	84.0 %	135.2 %	87.2 %	67.3 %	96.1 %	83.2 %	81.5 %	69.6 %	83.4 %	96.7 %		
<b>Machinery and equipment:</b>														
Written premiums	\$ 12	\$ 10	\$ 9	\$ 11	\$ 9	\$ 9	\$ 9	\$ 19	\$ 18	\$ 31	\$ 27	\$ 38		
Earned premiums	10	10	9	10	9	9	8	19	17	29	26	36		
Current accident year before catastrophe losses	19.9 %	23.8 %	36.0 %	10.0 %	38.7 %	32.0 %	28.2 %	29.8 %	30.1 %	26.4 %	33.1 %	26.9 %		
Current accident year catastrophe losses	-	-	-	(2.3)	2.4	0.2	0.2	-	0.2	-	0.9	0.1		
Prior accident years before catastrophe losses	(3.9)	(2.5)	3.2	(7.8)	(1.6)	6.9	8.5	0.4	7.7	(1.1)	4.5	1.2		
Prior accident years catastrophe losses	-	-	-	-	-	-	-	-	-	-	-	-		
Total loss and loss expense ratio	16.0 %	21.3 %	39.2 %	(0.1) %	39.5 %	39.1 %	36.9 %	30.2 %	38.0 %	25.3 %	38.5 %	28.2 %		

\*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.

**Quarterly Property Casualty Data - Personal Lines**

(Dollars in millions)	Three months ended								Six months ended		Nine months ended		Twelve months ended	
	12/31/12	9/30/12	6/30/12	3/31/12	12/31/11	9/30/11	6/30/11	3/31/11	6/30/12	6/30/11	9/30/12	9/30/11	12/31/12	12/31/11
<b>Personal auto:</b>														
Written premiums	\$ 117	\$ 115	\$ 91	\$ 92	\$ 107	\$ 104	\$ 82	\$ 206	\$ 186	\$ 323	\$ 293	\$ 385		
Earned premiums	101	100	98	95	94	90	89	198	179	299	273	368		
Current accident year before catastrophe losses	68.2 %	78.0 %	73.5 %	103.4 %	66.6 %	67.3 %	68.2 %	75.8 %	67.7 %	73.2 %	67.4 %	76.7 %		
Current accident year catastrophe losses	(3.1)	9.7	5.1	(0.9)	1.5	10.3	1.3	7.4	5.8	3.9	4.3	3.0		
Prior accident years before catastrophe losses	(5.2)	(4.7)	(8.1)	4.8	1.7	(5.0)	(5.3)	(6.4)	(5.1)	(6.0)	(2.8)	(0.8)		
Prior accident years catastrophe losses	(0.3)	(0.7)	(0.8)	-	(0.1)	(0.1)	(0.4)	(0.8)	(0.2)	(0.6)	(0.2)	(0.2)		
Total loss and loss expense ratio	59.6 %	82.3 %	69.7 %	107.3 %	69.7 %	72.5 %	63.8 %	76.0 %	68.2 %	70.5 %	68.7 %	78.7 %		
<b>Homeowner:</b>														
Written premiums	\$ 105	\$ 103	\$ 77	\$ 79	\$ 87	\$ 78	\$ 68	\$ 180	\$ 146	\$ 285	\$ 233	\$ 312		
Earned premiums	90	87	84	78	74	66	76	171	142	261	216	294		
Current accident year before catastrophe losses	80.7 %	74.0 %	63.0 %	62.8 %	86.2 %	97.8 %	71.4 %	68.6 %	83.6 %	72.8 %	84.5 %	78.7 %		
Current accident year catastrophe losses	28.1	59.2	60.4	(5.3)	40.3	175.4	22.1	59.8	92.7	48.9	74.7	53.6		
Prior accident years before catastrophe losses	(11.9)	(6.0)	(2.9)	(13.3)	(6.1)	(0.5)	2.6	(4.5)	1.1	(7.1)	(1.4)	(4.5)		
Prior accident years catastrophe losses	(4.9)	(5.7)	(9.8)	(0.2)	(1.8)	(0.1)	(5.8)	(7.7)	(3.1)	(6.8)	(2.7)	(2.0)		
Total loss and loss expense ratio	92.0 %	121.5 %	110.7 %	44.0 %	118.6 %	272.6 %	90.3 %	116.2 %	174.3 %	107.8 %	155.1 %	125.8 %		
<b>Other personal:</b>														
Written premiums	\$ 31	\$ 32	\$ 25	\$ 25	\$ 28	\$ 28	\$ 23	\$ 57	\$ 51	\$ 88	\$ 79	\$ 104		
Earned premiums	28	27	27	26	25	24	25	54	49	82	74	100		
Current accident year before catastrophe losses	46.2 %	68.6 %	63.1 %	52.7 %	87.0 %	88.2 %	55.9 %	65.9 %	71.9 %	59.2 %	77.0 %	70.7 %		
Current accident year catastrophe losses	18.4	6.0	11.7	(0.8)	10.4	34.5	3.8	8.8	19.0	12.1	16.1	11.7		
Prior accident years before catastrophe losses	(30.4)	6.2	(22.1)	(18.8)	(36.4)	(18.4)	2.3	(7.8)	(7.9)	(15.5)	(17.6)	(17.9)		
Prior accident years catastrophe losses	(1.2)	(1.2)	(3.1)	(0.1)	(0.6)	(0.5)	(0.8)	(2.1)	(0.6)	(1.8)	(0.6)	(0.5)		
Total loss and loss expense ratio	33.0 %	79.6 %	49.6 %	33.0 %	60.4 %	103.8 %	61.2 %	64.8 %	82.4 %	54.0 %	74.9 %	64.0 %		

\*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 Companies Consolidated**  
**Loss and Loss Expense Analysis**

(In millions)	Paid losses	Paid loss expense	Total paid	Change in case reserves	Change in IBNR reserves	Change in loss expense reserves	Total change in reserves	Case incurred	IBNR incurred	Loss expense incurred	Total incurred
<b>Gross loss and loss expense incurred for the nine months ended September 30, 2012</b>											
Commercial casualty	\$ 219	\$ 101	\$ 320	\$ (33)	\$ (27)	\$ (21)	\$ (81)	\$ 186	\$ (27)	\$ 80	\$ 239
Commercial property	289	23	312	44	11	3	58	333	11	26	370
Commercial auto	195	31	226	(4)	1	1	(2)	191	1	32	224
Workers' compensation	158	34	192	(22)	-	(6)	(28)	136	-	28	164
Specialty packages	82	14	96	(6)	(2)	(3)	(11)	76	(2)	11	85
Surety and executive risk	40	15	55	7	(1)	(3)	3	47	(1)	12	58
Machinery and equipment	7	-	7	(2)	1	1	-	5	1	1	7
Total commercial lines	990	218	1,208	(16)	(17)	(28)	(61)	974	(17)	190	1,147
Personal auto	179	30	209	3	-	-	3	182	-	30	212
Homeowners	251	22	273	17	(6)	3	14	268	(6)	25	287
Other personal	39	2	41	1	-	-	1	40	-	2	42
Total personal lines	469	54	523	21	(6)	3	18	490	(6)	57	541
Commercial casualty & property	12	5	17	20	16	7	43	32	16	12	60
Total excess & surplus lines	12	5	17	20	16	7	43	32	16	12	60
Total property casualty	\$ 1,471	\$ 277	\$ 1,748	\$ 25	\$ (7)	\$ (18)	\$ -	\$ 1,496	\$ (7)	\$ 259	\$ 1,748
<b>Ceded loss and loss expense incurred for the nine months ended September 30, 2012</b>											
Commercial casualty	\$ 7	\$ 1	\$ 8	\$ 10	\$ (5)	\$ (1)	\$ 4	\$ 17	\$ (5)	\$ -	\$ 12
Commercial property	23	1	24	(5)	-	-	(5)	18	-	1	19
Commercial auto	-	-	-	1	(1)	-	-	1	(1)	-	-
Workers' compensation	8	-	8	-	(1)	-	(1)	8	(1)	-	7
Specialty packages	13	-	13	(15)	(2)	-	(17)	(2)	(2)	-	(4)
Surety and executive risk	2	-	2	(2)	-	-	(2)	-	-	-	-
Machinery and equipment	-	-	-	-	-	-	-	-	-	-	-
Total commercial lines	53	2	55	(11)	(9)	(1)	(21)	42	(9)	1	34
Personal auto	1	-	1	-	(1)	-	(1)	1	(1)	-	-
Homeowners	17	-	17	(4)	(7)	-	(11)	13	(7)	-	6
Other personal	1	-	1	(1)	(1)	-	(2)	-	(1)	-	(1)
Total personal lines	19	-	19	(5)	(9)	-	(14)	14	(9)	-	5
Commercial casualty & property	-	-	-	4	1	-	5	4	1	-	5
Total excess & surplus lines	-	-	-	4	1	-	5	4	1	-	5
Total property casualty	\$ 72	\$ 2	\$ 74	\$ (12)	\$ (17)	\$ (1)	\$ (30)	\$ 60	\$ (17)	\$ 1	\$ 44
<b>Net loss and loss expense incurred for the nine months ended September 30, 2012</b>											
Commercial casualty	\$ 212	\$ 100	\$ 312	\$ (43)	\$ (22)	\$ (20)	\$ (85)	\$ 169	\$ (22)	\$ 80	\$ 227
Commercial property	266	22	288	49	11	3	63	315	11	25	351
Commercial auto	195	31	226	(5)	2	1	(2)	190	2	32	224
Workers' compensation	150	34	184	(22)	1	(6)	(27)	128	1	28	157
Specialty packages	69	14	83	9	-	(3)	6	78	-	11	89
Surety and executive risk	38	15	53	9	(1)	(3)	5	47	(1)	12	58
Machinery and equipment	7	-	7	(2)	1	1	-	5	1	1	7
Total commercial lines	937	216	1,153	(5)	(8)	(27)	(40)	932	(8)	189	1,113
Personal auto	178	30	208	3	1	-	4	181	1	30	212
Homeowners	234	22	256	21	1	3	25	255	1	25	281
Other personal	38	2	40	2	1	-	3	40	1	2	43
Total personal lines	450	54	504	26	3	3	32	476	3	57	536
Commercial casualty & property	12	5	17	16	15	7	38	28	15	12	55
Total excess & surplus lines	12	5	17	16	15	7	38	28	15	12	55
Total property casualty	\$ 1,399	\$ 275	\$ 1,674	\$ 37	\$ 10	\$ (17)	\$ 30	\$ 1,436	\$ 10	\$ 258	\$ 1,704

**Cincinnati Insurance Companies Consolidated**  
**Loss and Loss Expense Analysis**

(In millions)	Paid losses	Paid loss expense	Total paid	Change in case reserves	Change in IBNR reserves	Change in loss expense reserves	Total change in reserves	Case incurred	IBNR incurred	Loss expense incurred	Total incurred
<b>Gross loss and loss expense incurred for the three months ended September 30, 2012</b>											
Commercial casualty	\$ 72	\$ 31	\$ 103	\$ (7)	\$ (4)	\$ (4)	\$ (15)	\$ 65	\$ (4)	\$ 27	\$ 88
Commercial property	111	9	120	21	(32)	3	(8)	132	(32)	12	112
Commercial auto	69	10	79	3	1	2	6	72	1	12	85
Workers' compensation	51	9	60	(10)	4	(3)	(9)	41	4	6	51
Specialty packages	33	5	38	(2)	(5)	(2)	(9)	31	(5)	3	29
Surety and executive risk	14	4	18	7	3	(12)	(2)	21	3	(8)	16
Machinery and equipment	2	-	2	1	(2)	1	-	3	(2)	1	2
Total commercial lines	352	68	420	13	(35)	(15)	(37)	365	(35)	53	383
Personal auto	61	9	70	-	(7)	(2)	(9)	61	(7)	7	61
Homeowners	98	9	107	3	(27)	2	(22)	101	(27)	11	85
Other personal	13	1	14	-	(5)	-	(5)	13	(5)	1	9
Total personal lines	172	19	191	3	(39)	-	(36)	175	(39)	19	155
Commercial casualty & property	5	2	7	7	6	3	16	12	6	5	23
Total excess & surplus lines	5	2	7	7	6	3	16	12	6	5	23
Total property casualty	\$ 529	\$ 89	\$ 618	\$ 23	\$ (68)	\$ (12)	\$ (57)	\$ 552	\$ (68)	\$ 77	\$ 561
<b>Ceded loss and loss expense incurred for the three months ended September 30, 2012</b>											
Commercial casualty	\$ 4	\$ -	\$ 4	\$ 7	\$ (1)	\$ -	\$ 6	\$ 11	\$ (1)	\$ -	\$ 10
Commercial property	5	1	6	6	1	-	7	11	1	1	13
Commercial auto	-	-	-	1	-	-	1	1	-	-	1
Workers' compensation	3	-	3	(1)	1	-	-	2	1	-	3
Specialty packages	4	-	4	(5)	-	-	(5)	(1)	-	-	(1)
Surety and executive risk	3	-	3	2	-	-	2	5	-	-	5
Machinery and equipment	-	-	-	-	-	-	-	-	-	-	-
Total commercial lines	19	1	20	10	1	-	11	29	1	1	31
Personal auto	-	-	-	-	-	-	-	-	-	-	-
Homeowners	3	-	3	(1)	1	-	-	2	1	-	3
Other personal	-	-	-	-	-	-	-	-	-	-	-
Total personal lines	3	-	3	(1)	1	-	-	2	1	-	3
Commercial casualty & property	-	-	-	1	1	-	2	1	1	-	2
Total excess & surplus lines	-	-	-	1	1	-	2	1	1	-	2
Total property casualty	\$ 22	\$ 1	\$ 23	\$ 10	\$ 3	\$ -	\$ 13	\$ 32	\$ 3	\$ 1	\$ 36
<b>Net loss and loss expense incurred for the three months ended September 30, 2012</b>											
Commercial casualty	\$ 68	\$ 31	\$ 99	\$ (14)	\$ (3)	\$ (4)	\$ (21)	\$ 54	\$ (3)	\$ 27	\$ 78
Commercial property	106	8	114	15	(33)	3	(15)	121	(33)	11	99
Commercial auto	69	10	79	2	1	2	5	71	1	12	84
Workers' compensation	48	9	57	(9)	3	(3)	(9)	39	3	6	48
Specialty packages	29	5	34	3	(5)	(2)	(4)	32	(5)	3	30
Surety and executive risk	11	4	15	5	3	(12)	(4)	16	3	(8)	11
Machinery and equipment	2	-	2	1	(2)	1	-	3	(2)	1	2
Total commercial lines	333	67	400	3	(36)	(15)	(48)	336	(36)	52	352
Personal auto	61	9	70	-	(7)	(2)	(9)	61	(7)	7	61
Homeowners	95	9	104	4	(28)	2	(22)	99	(28)	11	82
Other personal	13	1	14	-	(5)	-	(5)	13	(5)	1	9
Total personal lines	169	19	188	4	(40)	-	(36)	173	(40)	19	152
Commercial casualty & property	5	2	7	6	5	3	14	11	5	5	21
Total excess & surplus lines	5	2	7	6	5	3	14	11	5	5	21
Total property casualty	\$ 507	\$ 88	\$ 595	\$ 13	\$ (71)	\$ (12)	\$ (70)	\$ 520	\$ (71)	\$ 76	\$ 525



**Consolidated Cincinnati Insurance Companies**  
**Quarterly Property Casualty Data - Consolidated**

(Dollars in millions)	Three months ended								Six months ended		Nine months ended		Twelve months ended	
	12/31/12	9/30/12	6/30/12	3/31/12	12/31/11	9/30/11	6/30/11	3/31/11	6/30/12	6/30/11	9/30/12	9/30/11	12/31/12	12/31/11
<b>Premiums</b>														
Agency renewal written premiums	\$ 807	\$ 798	\$ 762	\$ 712	\$ 730	\$ 717	\$ 708	\$ 1,560	\$ 1,425	\$ 2,367	\$ 2,155		\$ 2,867	
Agency new business written premiums	130	131	108	103	115	117	102	239	219	369	334		437	
Other written premiums	(38)	(26)	(27)	(55)	(54)	(66)	(31)	(53)	(97)	(91)	(151)		(206)	
Reported written premiums – statutory*	\$ 899	\$ 903	\$ 843	\$ 760	\$ 791	\$ 768	\$ 779	\$ 1,746	\$ 1,547	\$ 2,645	\$ 2,338		\$ 3,098	
Unearned premium change	(48)	(77)	(45)	25	(22)	(38)	(34)	(122)	(72)	(170)	(94)		(69)	
Earned premiums	\$ 851	\$ 826	\$ 798	\$ 785	\$ 769	\$ 730	\$ 745	\$ 1,624	\$ 1,475	\$ 2,475	\$ 2,244		\$ 3,029	
<b>Year over year change %</b>														
Agency renewal written premiums	11 %	11 %	8 %	10 %	8 %	5 %	4 %	9 %	4 %	10 %	5 %		7 %	
Agency new business written premiums	13	12	6	(4)	6	10	11	9	11	10	9		6	
Other written premiums	30	61	13	(67)	(8)	(57)	(72)	45	(62)	40	(37)		(44)	
Reported written premiums – statutory*	14	18	8	5	7	3	3	13	3	13	4		5	
<b>Paid losses and loss expenses</b>														
Losses paid	\$ 507	\$ 475	\$ 415	\$ 455	\$ 481	\$ 560	\$ 404	\$ 890	\$ 964	\$ 1,399	\$ 1,442		\$ 1,899	
Loss expenses paid	88	97	90	90	85	82	85	189	166	275	251		342	
Loss and loss expenses paid	\$ 595	\$ 572	\$ 505	\$ 545	\$ 566	\$ 642	\$ 489	\$ 1,079	\$ 1,130	\$ 1,674	\$ 1,693		\$ 2,241	
<b>Statutory combined ratio</b>														
Loss ratio	52.8 %	66.7 %	55.9 %	44.0 %	65.4 %	91.2 %	58.4 %	61.4 %	74.6 %	58.4 %	71.5 %		64.4 %	
Allocated loss expense ratio	3.7	4.5	5.5	6.2	6.4	7.0	6.0	5.0	6.5	4.6	6.4		6.3	
Unallocated loss expense ratio	5.2	6.3	6.1	5.4	7.3	5.9	6.7	6.3	6.3	5.9	6.7		6.3	
Net underwriting expense ratio	31.8	30.2	31.3	32.9	31.1	31.3	32.2	30.7	31.8	31.1	31.5		31.9	
Statutory combined ratio	93.5 %	107.7 %	98.8 %	88.5 %	110.2 %	135.4 %	103.3 %	103.4 %	119.2 %	100.0 %	116.1 %		108.9 %	
Contribution from catastrophe losses	8.0	17.8	11.1	(2.8)	12.0	39.8	5.5	14.6	22.5	12.3	18.9		13.3	
Statutory combined ratio excluding catastrophe losses	85.5 %	89.9 %	87.7 %	91.3 %	98.2 %	95.6 %	97.8 %	88.8 %	96.7 %	87.7 %	97.2 %		95.6 %	
Commission expense ratio	18.4 %	18.1 %	18.9 %	19.5 %	18.2 %	18.2 %	18.4 %	18.5 %	18.3 %	18.5 %	18.2 %		18.6 %	
Other expense ratio	13.4	12.1	12.4	13.4	12.9	13.1	13.8	12.2	13.5	12.6	13.3		13.3	
Statutory expense ratio	31.8 %	30.2 %	31.3 %	32.9 %	31.1 %	31.3 %	32.2 %	30.7 %	31.8 %	31.1 %	31.5 %		31.9 %	
<b>GAAP combined ratio</b>														
GAAP combined ratio	94.8 %	109.5 %	99.1 %	87.5 %	110.6 %	136.7 %	104.1 %	104.4 %	120.2 %	101.1 %	117.0 %		109.3 %	
Contribution from catastrophe losses	8.0	17.8	11.1	(2.8)	12.0	39.8	5.5	14.6	22.5	12.3	18.9		13.3	
GAAP combined ratio excluding catastrophe losses	86.8 %	91.7 %	88.0 %	90.3 %	98.6 %	96.9 %	98.6 %	89.8 %	97.7 %	88.8 %	98.1 %		96.0 %	

\*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

\* 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.

**Consolidated Cincinnati Insurance Companies**  
**Quarterly Property Casualty Data - Commercial Lines**

(Dollars in millions)	Three months ended								Six months ended		Nine months ended		Twelve months ended	
	12/31/12	9/30/12	6/30/12	3/31/12	12/31/11	9/30/11	6/30/11	3/31/11	6/30/12	6/30/11	9/30/12	9/30/11	12/31/12	12/31/11
<b>Premiums</b>														
Agency renewal written premiums	\$ 557	\$ 552	\$ 571	\$ 514	\$ 507	\$ 500	\$ 542	\$ 1,123	\$ 1,042	\$ 1,680	\$ 1,549		\$ 2,063	
Agency new business written premiums	90	91	75	74	81	81	71	166	152	256	233		307	
Other written premiums	(28)	(17)	(20)	(42)	(41)	(44)	(25)	(37)	(69)	(65)	(110)		(152)	
Reported written premiums – statutory*	\$ 619	\$ 626	\$ 626	\$ 546	\$ 547	\$ 537	\$ 588	\$ 1,252	\$ 1,125	\$ 1,871	\$ 1,672		\$ 2,218	
Unearned premium change	(12)	(36)	(58)	21	10	(4)	(48)	(94)	(52)	(106)	(42)		(21)	
Earned premiums	\$ 607	\$ 590	\$ 568	\$ 567	\$ 557	\$ 533	\$ 540	\$ 1,158	\$ 1,073	\$ 1,765	\$ 1,630		\$ 2,197	
<b>Year over year change %</b>														
Agency renewal written premiums	10 %	10 %	5 %	8 %	6 %	2 %	2 %	8 %	2 %	8 %	3 %		4 %	
Agency new business written premiums	11	12	6	(3)	9	11	8	9	9	10	9		6	
Other written premiums	32	61	20	(62)	2	(33)	(127)	46	(57)	41	(28)		(36)	
Reported written premiums – statutory*	13	17	6	4	7	1	0	11	0	12	3		3	
<b>Paid losses and loss expenses</b>														
Losses paid	\$ 331	\$ 320	\$ 282	\$ 329	\$ 326	\$ 327	\$ 290	\$ 602	\$ 618	\$ 937	\$ 942		\$ 1,273	
Loss expenses paid	67	74	74	75	65	63	69	149	131	216	197		271	
Loss and loss expenses paid	\$ 398	\$ 394	\$ 356	\$ 404	\$ 391	\$ 390	\$ 359	\$ 751	\$ 749	\$ 1,153	\$ 1,139		\$ 1,544	
<b>Statutory combined ratio</b>														
Loss ratio	49.5 %	59.6 %	48.0 %	40.6 %	61.8 %	77.5 %	55.5 %	54.0 %	66.4 %	52.4 %	64.8 %		58.5 %	
Allocated loss expense ratio	4.0	5.0	6.8	7.7	7.7	8.9	7.0	5.8	8.0	5.2	7.9		7.9	
Unallocated loss expense ratio	4.5	5.5	6.3	1.8	7.3	4.4	6.7	5.9	5.5	5.4	6.1		5.0	
Net underwriting expense ratio	33.1	31.7	31.3	33.6	32.6	32.2	32.9	31.5	32.6	32.0	32.6		32.8	
Statutory combined ratio	91.1 %	101.8 %	92.4 %	83.7 %	109.4 %	123.0 %	102.1 %	97.2 %	112.5 %	95.0 %	111.4 %		104.2 %	
Contribution from catastrophe losses	7.5	15.2	6.8	(2.9)	10.7	29.7	4.9	11.2	17.2	9.9	14.9		10.4	
Statutory combined ratio excluding catastrophe losses	83.6 %	86.6 %	85.6 %	86.6 %	98.7 %	93.3 %	97.2 %	86.0 %	95.3 %	85.1 %	96.5 %		93.8 %	
Commission expense ratio	18.3 %	17.8 %	17.9 %	18.9 %	18.1 %	17.7 %	18.5 %	17.8 %	18.1 %	18.0 %	18.1 %		18.3 %	
Other expense ratio	14.8	13.9	13.4	14.7	14.5	14.5	14.4	13.7	14.5	14.0	14.5		14.5	
Statutory expense ratio	33.1 %	31.7 %	31.3 %	33.6 %	32.6 %	32.2 %	32.9 %	31.5 %	32.6 %	32.0 %	32.6 %		32.8 %	
<b>GAAP combined ratio</b>														
GAAP combined ratio	90.2 %	103.5 %	94.2 %	83.9 %	108.0 %	124.2 %	104.3 %	98.9 %	114.2 %	95.9 %	112.0 %		104.8 %	
Contribution from catastrophe losses	7.5	15.2	6.8	(2.9)	10.7	29.7	4.9	11.2	17.2	9.9	14.9		10.4	
GAAP combined ratio excluding catastrophe losses	82.7 %	88.3 %	87.4 %	86.8 %	97.3 %	94.5 %	99.4 %	87.7 %	97.0 %	86.0 %	97.1 %		94.4 %	

\*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

\* 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.

**Consolidated Cincinnati Insurance Companies  
Quarterly Property Casualty Data - Personal Lines**

(Dollars in millions)	Three months ended								Six months ended		Nine months ended		Twelve months ended	
	12/31/12	9/30/12	6/30/12	3/31/12	12/31/11	9/30/11	6/30/11	3/31/11	6/30/12	6/30/11	9/30/12	9/30/11	12/31/12	12/31/11
<b>Premiums</b>														
Agency renewal written premiums	\$ 231	\$ 227	\$ 175	\$ 185	\$ 209	\$ 205	\$ 156	\$ 402	\$ 361	\$ 633	\$ 570	\$ 755		
Agency new business written premiums	31	29	24	22	25	26	22	53	48	84	73	95		
Other written premiums	(9)	(6)	(6)	(11)	(12)	(21)	(5)	(12)	(26)	(21)	(38)	(49)		
Reported written premiums – statutory*	\$ 253	\$ 250	\$ 193	\$ 196	\$ 222	\$ 210	\$ 173	\$ 443	\$ 383	\$ 696	\$ 605	\$ 801		
Unearned premium change	(34)	(36)	16	3	(29)	(30)	17	(20)	(13)	(54)	(42)	(39)		
Earned premiums	\$ 219	\$ 214	\$ 209	\$ 199	\$ 193	\$ 180	\$ 190	\$ 423	\$ 370	\$ 642	\$ 563	\$ 762		
<b>Year over year change %</b>														
Agency renewal written premiums	11 %	11 %	12 %	11 %	11 %	10 %	9 %	11 %	9 %	11 %	10 %	10 %		
Agency new business written premiums	24	12	9	(4)	0	8	22	10	14	15	9	6		
Other written premiums	25	71	(20)	(83)	(100)	(200)	17	54	(100)	45	(100)	(96)		
Reported written premiums – statutory*	14	19	12	7	7	3	12	16	7	15	7	7		
<b>Paid losses and loss expenses</b>														
Losses paid	\$ 169	\$ 151	\$ 130	\$ 122	\$ 151	\$ 229	\$ 109	\$ 280	\$ 338	\$ 450	\$ 488	\$ 611		
Loss expenses paid	19	21	15	14	18	18	15	37	33	54	51	66		
Loss and loss expenses paid	\$ 188	\$ 172	\$ 145	\$ 136	\$ 169	\$ 247	\$ 124	\$ 317	\$ 371	\$ 504	\$ 539	\$ 677		
<b>Statutory combined ratio</b>														
Loss ratio	60.7 %	87.2 %	76.2 %	55.1 %	78.4 %	135.7 %	64.9 %	81.8 %	99.3 %	74.6 %	92.1 %	82.5 %		
Allocated loss expense ratio	1.9	1.9	1.8	1.8	1.9	3.0	2.3	1.8	2.6	1.8	2.4	2.2		
Unallocated loss expense ratio	6.9	8.8	5.6	16.0	7.0	10.7	6.9	7.2	8.8	7.2	8.2	10.2		
Net underwriting expense ratio	28.8	26.5	31.2	31.0	27.4	29.0	30.3	28.6	29.5	28.6	28.8	29.3		
Statutory combined ratio	98.3 %	124.4 %	114.8 %	103.9 %	114.7 %	178.4 %	104.4 %	119.4 %	140.2 %	112.2 %	131.5 %	124.2 %		
Contribution from catastrophe losses	10.2	26.6	23.5	(2.7)	16.8	73.4	7.4	25.0	39.4	19.9	31.7	22.7		
Statutory combined ratio excluding catastrophe losses	88.1 %	97.8 %	91.3 %	106.6 %	97.9 %	105.0 %	97.0 %	94.4 %	100.8 %	92.3 %	99.8 %	101.5 %		
Commission expense ratio	17.9 %	18.2 %	21.3 %	20.4 %	17.6 %	18.7 %	17.9 %	19.6 %	18.3 %	18.9 %	18.1 %	18.6 %		
Other expense ratio	10.9	8.3	9.9	10.6	9.8	10.3	12.4	9.0	11.2	9.7	10.7	10.7		
Statutory expense ratio	28.8 %	26.5 %	31.2 %	31.0 %	27.4 %	29.0 %	30.3 %	28.6 %	29.5 %	28.6 %	28.8 %	29.3 %		
<b>GAAP combined ratio</b>														
GAAP combined ratio	105.7 %	126.1 %	110.9 %	99.4 %	119.9 %	179.5 %	101.5 %	118.6 %	139.4 %	114.2 %	132.7 %	124.0 %		
Contribution from catastrophe losses	10.2	26.6	23.5	(2.7)	16.8	73.4	7.4	25.0	39.4	19.9	31.7	22.7		
GAAP combined ratio excluding catastrophe losses	95.5 %	99.5 %	87.4 %	102.1 %	103.1 %	106.1 %	94.1 %	93.6 %	100.0 %	94.3 %	101.0 %	101.3 %		

\*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

\* 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.

**Consolidated Cincinnati Insurance Companies**  
**Quarterly Property Casualty Data - Excess & Surplus Lines**

(Dollars in millions)	Three months ended								Six months ended		Nine months ended		Twelve months ended	
	12/31/12	9/30/12	6/30/12	3/31/12	12/31/11	9/30/11	6/30/11	3/31/11	6/30/12	6/30/11	9/30/12	9/30/11	12/31/12	12/31/11
<b>Premiums</b>														
Agency renewal written premiums	\$ 19	\$ 19	\$ 16	\$ 13	\$ 14	\$ 12	\$ 10	\$ 35	\$ 22	\$ 54	\$ 36		\$ 49	
Agency new business written premiums	9	11	9	7	9	10	9	20	19	29	28		35	
Other written premiums	(1)	(3)	(1)	(2)	(1)	(1)	(1)	(4)	(2)	(5)	(3)		(5)	
Reported written premiums – statutory*	\$ 27	\$ 27	\$ 24	\$ 18	\$ 22	\$ 21	\$ 18	\$ 51	\$ 39	\$ 78	\$ 61		\$ 79	
Unearned premium change	(2)	(5)	(3)	1	(3)	(4)	(3)	(8)	(7)	(10)	(10)		(9)	
Earned premiums	\$ 25	\$ 22	\$ 21	\$ 19	\$ 19	\$ 17	\$ 15	\$ 43	\$ 32	\$ 68	\$ 51		\$ 70	
<b>Year over year change %</b>														
Agency renewal written premiums	36 %	58 %	60 %	63 %	56 %	100 %	67 %	59 %	83 %	50 %	71 %		69 %	
Agency new business written premiums	0	10	0	(13)	(10)	11	13	5	12	4	4		0	
Other written premiums	0	(200)	0	(100)	50	50	0	(100)	33	(67)	40		17	
Reported written premiums – statutory*	23	29	33	20	29	62	38	31	50	28	42		36	
<b>Paid losses and loss expenses</b>														
Losses paid	\$ 5	\$ 4	\$ 3	\$ 3	\$ 3	\$ 4	\$ 4	\$ 7	\$ 8	\$ 12	\$ 12		\$ 15	
Loss expenses paid	2	2	1	2	2	1	1	3	2	5	3		5	
Loss and loss expenses paid	\$ 7	\$ 6	\$ 4	\$ 5	\$ 5	\$ 5	\$ 5	\$ 10	\$ 10	\$ 17	\$ 15		\$ 20	
<b>Statutory combined ratio</b>														
Loss ratio	64.5 %	59.8 %	65.7 %	33.9 %	41.1 %	49.6 %	77.6 %	62.7 %	62.8 %	63.3 %	54.9 %		48.9 %	
Allocated loss expense ratio	11.9	15.1	10.6	5.6	11.2	(12.8)	19.1	12.8	2.2	12.6	5.5		5.5	
Unallocated loss expense ratio	5.8	3.9	5.3	2.9	9.9	4.7	6.1	4.6	5.3	5.0	7.0		5.9	
Net underwriting expense ratio	30.9	30.6	31.9	31.8	30.7	31.6	27.6	31.2	29.8	31.1	30.0		30.5	
Statutory combined ratio	113.1 %	109.4 %	113.5 %	74.2 %	92.9 %	73.1 %	130.4 %	111.3 %	100.1 %	112.0 %	97.4 %		90.8 %	
Contribution from catastrophe losses	0.7	3.5	3.7	(0.3)	2.5	4.4	2.8	3.5	3.6	2.5	3.2		2.2	
Statutory combined ratio excluding catastrophe losses	112.4 %	105.9 %	109.8 %	74.5 %	90.4 %	68.7 %	127.6 %	107.8 %	96.5 %	109.5 %	94.2 %		88.6 %	
Commission expense ratio	25.4 %	25.3 %	26.5 %	26.0 %	25.1 %	24.5 %	22.2 %	25.8 %	23.5 %	25.7 %	24.1 %		24.5 %	
Other expense ratio	5.5	5.3	5.4	5.8	5.6	7.1	5.4	5.4	6.3	5.4	6.0		6.0	
Statutory expense ratio	30.9 %	30.6 %	31.9 %	31.8 %	30.7 %	31.6 %	27.6 %	31.2 %	29.8 %	31.1 %	30.1 %		30.5 %	
<b>GAAP combined ratio</b>														
GAAP combined ratio	111.5 %	110.7 %	113.6 %	73.7 %	94.0 %	75.9 %	132.7 %	112.1 %	102.6 %	111.9 %	99.4 %		92.2 %	
Contribution from catastrophe losses	0.7	3.5	3.7	(0.3)	2.5	4.4	2.8	3.5	3.6	2.5	3.2		2.2	
GAAP combined ratio excluding catastrophe losses	110.8 %	107.2 %	109.9 %	74.0 %	91.5 %	71.5 %	129.9 %	108.6 %	99.0 %	109.4 %	96.2 %		90.0 %	

\*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

\* 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.

**The Cincinnati Life Insurance Company  
Statutory Statements of Income**

(Dollars in millions)	For the Three Months Ended September 30,				For the Nine Months Ended September 30,			
	2012	2011	Change	% Change	2012	2011	Change	% Change
Net premiums written	\$ 58	\$ 60	\$ (2)	(3)	\$ 184	\$ 237	\$ (53)	(22)
Net investment income	36	34	2	6	105	104	1	1
Amortization of interest maintenance reserve	1	-	1	nm	1	-	1	nm
Commissions and expense allowances on reinsurance ceded	1	2	(1)	(50)	5	5	-	0
Income from fees associated with Separate Accounts	-	1	(1)	nm	1	2	(1)	(50)
<b>Total revenues</b>	<b>\$ 96</b>	<b>\$ 97</b>	<b>\$ (1)</b>	<b>(1)</b>	<b>\$ 296</b>	<b>\$ 348</b>	<b>\$ (52)</b>	<b>(15)</b>
Death benefits and matured endowments	\$ 19	\$ 17	\$ 2	12	\$ 54	\$ 47	\$ 7	15
Annuity benefits	9	11	(2)	(18)	36	37	(1)	(3)
Disability benefits and benefits under accident and health contracts	1	(1)	2	nm	1	(1)	2	nm
Surrender benefits and group conversions	5	7	(2)	(29)	17	19	(2)	(11)
Interest and adjustments on deposit-type contract funds	3	3	-	0	9	8	1	13
Increase in aggregate reserves for life and accident and health contracts	38	41	(3)	(7)	121	176	(55)	(31)
Payments on supplementary contracts with life contingencies	-	-	-	-	-	-	-	-
<b>Total benefit expenses</b>	<b>\$ 75</b>	<b>\$ 78</b>	<b>\$ (3)</b>	<b>(4)</b>	<b>\$ 238</b>	<b>\$ 286</b>	<b>\$ (48)</b>	<b>(17)</b>
Commissions	\$ 9	\$ 9	\$ -	0	\$ 29	\$ 31	\$ (2)	(6)
General insurance expenses and taxes	10	10	-	0	31	31	-	0
Increase in loading on deferred and uncollected premiums	(1)	(2)	1	50	(3)	(5)	2	40
Net transfers from Separate Accounts	-	-	-	-	-	-	-	-
Other deductions	-	-	-	-	-	-	-	-
<b>Total operating expenses</b>	<b>\$ 18</b>	<b>\$ 17</b>	<b>\$ 1</b>	<b>6</b>	<b>\$ 57</b>	<b>\$ 57</b>	<b>\$ -</b>	<b>0</b>
Federal and foreign income tax provision (benefit)	-	1	(1)	-	(1)	13	(14)	nm
<b>Net income (loss) from operations before realized capital gains</b>	<b>\$ 3</b>	<b>\$ 1</b>	<b>\$ 2</b>	<b>200</b>	<b>\$ 2</b>	<b>\$ (8)</b>	<b>\$ 10</b>	<b>nm</b>
Net realized gains (losses) net of capital gains tax	1	(1)	2	nm	1	(18)	19	nm
<b>Net income (loss) (statutory)</b>	<b>\$ 4</b>	<b>\$ -</b>	<b>\$ 4</b>	<b>nm</b>	<b>\$ 3</b>	<b>\$ (26)</b>	<b>\$ 29</b>	<b>nm</b>

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

\* 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.