

# Cincinnati Financial Corporation

## Supplemental Financial Data for the period ending June 30, 2011

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

Insurer Financial Strength	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 July 26, 2011, under continuous review and subject to change and/or affirmation. For the current ratings, select Financial Strength Ratings 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**  
**Second Quarter 2011**

	<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 – Six Months Ended June 30, 2011	5
CFC and Subsidiaries Consolidation – Three Months Ended June 30, 2011	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	15
Catastrophe Detail	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 - Second Quarter 2011**

(all data shown is for the three months ended or as of June 30, 2011)

	6/30/2011	Year over year change %
<b>Revenues:</b>		
Commercial lines net written premiums	\$ 537	1
Personal lines net written premiums	210	3
Excess & surplus lines net written premiums	21	62
Property casualty net written premiums	768	3
Life and accident and health net written premiums	48	9
Annuity net written premiums	29	(43)
Life, annuity and accident and health net written premiums	77	(19)
Commercial lines net earned premiums	533	(1)
Personal lines net earned premiums	180	1
Excess & surplus lines net earned premiums	17	55
Property casualty net earned premiums	730	0
Fee revenue	1	0
Life and accident and health net earned premiums	43	8
Investment income	132	2
Realized gains on investments	67	nm
Other revenue	2	0
Total revenues	975	11

<b>Income:</b>		
Operating loss	\$ (93)	nm
Net realized investment gains and losses	44	nm
Net loss	(49)	nm

<b>Per share (diluted):</b>		
Operating loss	\$ (0.57)	nm
Net realized investment gains and losses	0.27	nm
Net loss	(0.30)	nm
Book value	31.01	6
Weighted average shares	163,068,516	0

	6/30/2011	Year over year change %
<b>Benefits and expenses:</b>		
Commercial lines loss and loss expenses	\$ 483	27
Personal lines loss and loss expenses	269	65
Excess & surplus lines loss and loss expenses	7	(36)
Life and accident and health losses and policy benefits	44	2
Underwriting, acquisition and insurance expenses	251	2
Other operating expenses	6	100
Interest expenses	14	8
Total benefits & expenses	1,072	25
Loss before income taxes	(97)	nm
Total income tax	(48)	nm

<b>Balance Sheet:</b>		
Fixed maturity investments	\$ 8,717	
Equity securities	2,971	
Other invested assets	69	
Total invested assets	\$ 11,757	
Equity in net assets of subsidiaries	\$ 4,742	
Loss and loss expense reserves	\$ 4,535	
Total debt	839	
Shareholders' equity	5,057	

<b>Key ratios:</b>		
Commercial lines GAAP combined ratio	124.2	%
Personal lines GAAP combined ratio	179.2	
Excess & surplus lines GAAP combined ratio	74.7	
Property casualty GAAP combined ratio	136.6	
Commercial lines STAT combined ratio	123.0	%
Personal lines STAT combined ratio	178.4	
Excess & surplus lines STAT combined ratio	68.7	
Property casualty STAT combined ratio	135.4	
Value creation ratio	0.1	%

**Cincinnati Financial Corporation**  
**Consolidated Statements of Income for the Six Months Ended June 30, 2011**

(In millions)	CFC	CONSOL P&C	CLIC	CFC-I	ELIM	Total
<b>Revenues:</b>						
Premiums earned:						
Property casualty	\$ -	\$ 1,594	\$ -	\$ -	\$ -	\$ 1,594
Life	-	-	102	-	-	102
Accident health	-	-	3	-	-	3
Premiums ceded	-	(119)	(25)	-	-	(144)
Total earned premium	-	1,475	80	-	-	1,555
Investment income	20	176	67	-	-	263
Realized gain on investments	8	94	(24)	1	-	79
Fee revenue	-	2	-	-	-	2
Other revenue	7	1	1	4	(8)	5
<b>Total revenues</b>	<b>\$ 35</b>	<b>\$ 1,748</b>	<b>\$ 124</b>	<b>\$ 5</b>	<b>\$ (8)</b>	<b>\$ 1,904</b>
<b>Benefits &amp; expenses:</b>						
Losses & policy benefits	\$ -	\$ 1,531	\$ 109	\$ -	\$ (2)	\$ 1,638
Reinsurance recoveries	-	(242)	(20)	-	-	(262)
Underwriting, acquisition and insurance expenses	-	482	30	-	-	512
Other operating expenses	13	-	-	2	(5)	10
Interest expense	26	-	-	1	-	27
<b>Total expenses</b>	<b>\$ 39</b>	<b>\$ 1,771</b>	<b>\$ 119</b>	<b>\$ 3</b>	<b>\$ (7)</b>	<b>\$ 1,925</b>
<b>Income (loss) before income taxes</b>	<b>\$ (4)</b>	<b>\$ (23)</b>	<b>\$ 5</b>	<b>\$ 2</b>	<b>\$ (1)</b>	<b>\$ (21)</b>
<b>Provision (benefit) for income taxes:</b>						
Current operating income	\$ (10)	\$ (58)	\$ 14	\$ -	\$ -	\$ (54)
Capital gains/losses	3	33	(8)	-	-	28
Deferred	2	(7)	(3)	-	-	(8)
<b>Total provision (benefit) for income taxes</b>	<b>\$ (5)</b>	<b>\$ (32)</b>	<b>\$ 3</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (34)</b>
<b>Operating income (loss)</b>	<b>\$ (4)</b>	<b>\$ (52)</b>	<b>\$ 18</b>	<b>\$ 1</b>	<b>\$ (1)</b>	<b>\$ (38)</b>
<b>Net income - current year</b>	<b>\$ 1</b>	<b>\$ 9</b>	<b>\$ 2</b>	<b>\$ 2</b>	<b>\$ (1)</b>	<b>\$ 13</b>
<b>Net income (loss) - prior year</b>	<b>\$ (3)</b>	<b>\$ 82</b>	<b>\$ 16</b>	<b>\$ (1)</b>	<b>\$ 1</b>	<b>\$ 95</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 June 30, 2011**

(In millions)	CFC	CONSOL P&C	CLIC	CFC-I	ELIM	Total
<b>Revenues:</b>						
Premiums earned:						
Property casualty	\$ -	\$ 809	\$ -	\$ -	\$ -	\$ 809
Life	-	-	54	-	-	54
Accident health	-	-	2	-	-	2
Premiums ceded	-	(79)	(13)	-	-	(92)
Total earned premium	-	730	43	-	-	773
Investment income	10	88	34	-	-	132
Realized gain (loss) on investments	5	57	5	-	-	67
Fee revenue	-	1	-	-	-	1
Other revenue	3	-	1	2	(4)	2
<b>Total revenues</b>	<b>\$ 18</b>	<b>\$ 876</b>	<b>\$ 83</b>	<b>\$ 2</b>	<b>\$ (4)</b>	<b>\$ 975</b>
<b>Benefits &amp; expenses:</b>						
Losses & policy benefits	\$ -	\$ 988	\$ 56	\$ -	\$ (1)	\$ 1,043
Reinsurance recoveries	-	(229)	(12)	-	(1)	(242)
Underwriting, acquisition and insurance expenses	-	237	14	-	-	251
Other operating expenses	7	-	-	1	(2)	6
Interest expense	13	-	-	1	-	14
<b>Total expenses</b>	<b>\$ 20</b>	<b>\$ 996</b>	<b>\$ 58</b>	<b>\$ 2</b>	<b>\$ (4)</b>	<b>\$ 1,072</b>
<b>Income (loss) before income taxes</b>	<b>\$ (2)</b>	<b>\$ (120)</b>	<b>\$ 25</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (97)</b>
<b>Provision (benefit) for income taxes:</b>						
Current operating income	\$ (7)	\$ (70)	\$ 4	\$ -	\$ -	\$ (73)
Capital gains/losses	2	19	2	-	-	23
Deferred	3	(4)	3	-	-	2
<b>Total provision (benefit) for income taxes</b>	<b>\$ (2)</b>	<b>\$ (55)</b>	<b>\$ 9</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (48)</b>
<b>Operating income (loss)</b>	<b>\$ (3)</b>	<b>\$ (103)</b>	<b>\$ 13</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (93)</b>
<b>Net income (loss) - current year</b>	<b>\$ -</b>	<b>\$ (65)</b>	<b>\$ 16</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (49)</b>
<b>Net income - prior year</b>	<b>\$ (6)</b>	<b>\$ 24</b>	<b>\$ 9</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 27</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)	12/31/2011	9/30/2011	6/30/2011	3/31/2011	12/31/2010	9/30/2010	6/30/2010	3/31/2010								
<b>Cincinnati Insurance Consolidated</b>																
Fixed maturities (fair value)		\$	5,954	\$	5,850	\$	5,818	\$	5,924	\$	5,804	\$	5,759			
Equities (fair value)			2,113		2,203		2,175		1,928		1,862		2,013			
Short-term investments (fair value)			-		-		-		-		-		-			
Fixed maturities - pretax net unrealized gain (loss)			388		320		314		494		363		287			
Equities - pretax net unrealized gain			631		670		604		476		457		635			
Loss and loss expense reserves - STAT			3,903		3,788		3,756		3,799		3,781		3,689			
Equity GAAP			4,702		4,721		4,656		4,652		4,429		4,506			
Surplus - STAT			3,743		3,833		3,777		3,641		3,537		3,692			
<b>The Cincinnati Life Insurance Company</b>																
Fixed maturities (fair value)		\$	2,528	\$	2,449	\$	2,315	\$	1,867	\$	1,859	\$	2,055			
Equities (fair value)			37		102		103		108		100		114			
Short-term investments (fair value)			-		-		-		-		-		-			
Fixed maturities - pretax net unrealized gain (loss)			174		149		148		215		154		110			
Equities - pretax net unrealized gain (loss)			19		25		(4)		1		(7)		7			
Equity - GAAP			783		756		748		775		729		700			
Surplus - STAT			309		308		303		316		307		310			
<b>Cincinnati Insurance Consolidated</b>																
Fixed maturities (fair value)	\$	5,663	\$	5,521	\$	5,521	\$	5,169	\$	4,309	\$	4,183	\$	4,304	\$	4,351
Equities (fair value)		1,910		2,477		2,477		2,247		2,432		3,210		3,537		4,186
Short-term investments (fair value)		5		10		10		11		19		162		-		51
Fixed maturities - pretax net unrealized gain (loss)		202		301		301		25		(108)		(132)		(33)		39
Equities - pretax net unrealized gain		592		590		590		487		627		1,016		1,187		1,831
Loss and loss expense reserves - STAT		3,639		3,656		3,656		3,674		3,494		3,507		3,534		3,448
Equity GAAP		4,405		4,283		4,283		3,795		3,667		3,947		4,011		4,498
Surplus - STAT		3,648		3,472		3,472		3,241		3,360		3,687		3,650		4,027
<b>The Cincinnati Life Insurance Company</b>																
Fixed maturities (fair value)	\$	1,927	\$	1,868	\$	1,868	\$	1,694	\$	1,467	\$	1,483	\$	1,551	\$	1,534
Equities (fair value)		108		119		119		103		122		200		265		307
Short-term investments (fair value)		-		1		1		1		-		-		-		-
Fixed maturities - pretax net unrealized gain (loss)		72		67		67		(43)		(115)		(79)		(35)		-
Equities - pretax net unrealized gain		1		11		11		(8)		(7)		61		92		127
Equity - GAAP		666		653		653		563		471		530		617		661
Short-term investments (fair value)		300		283		283		270		290		371		420		453

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

(Dollars in millions)	For the Three Months Ended June 30,				For the Six Months Ended June 30,			
	2011	2010	Change	% Change	2011	2010	Change	% Change
<b>Underwriting income</b>								
Net premiums written	\$ 769	\$ 750	\$ 19	3	\$ 1,547	\$ 1,505	\$ 42	3
Unearned premiums increase	39	22	17	77	72	69	3	4
<b>Earned premiums</b>	<b>\$ 730</b>	<b>\$ 728</b>	<b>\$ 2</b>	<b>0</b>	<b>\$ 1,475</b>	<b>\$ 1,436</b>	<b>\$ 39</b>	<b>3</b>
Losses incurred	\$ 666	\$ 475	\$ 191	40	\$ 1,100	\$ 859	\$ 241	28
Allocated loss expenses incurred	51	41	10	24	96	84	12	14
Unallocated loss expenses incurred	43	38	5	13	93	85	8	9
Other underwriting expenses incurred	247	231	16	7	484	485	(1)	nm
Workers compensation dividend incurred	(7)	3	(10)	nm	8	7	1	14
<b>Total underwriting deductions</b>	<b>\$ 1,000</b>	<b>\$ 788</b>	<b>\$ 212</b>	<b>27</b>	<b>\$ 1,781</b>	<b>\$ 1,520</b>	<b>\$ 261</b>	<b>17</b>
<b>Net underwriting losses</b>	<b>\$ (270)</b>	<b>\$ (60)</b>	<b>\$ (210)</b>	<b>(350)</b>	<b>\$ (306)</b>	<b>\$ (84)</b>	<b>\$ (222)</b>	<b>(264)</b>
<b>Investment income</b>								
Gross investment income earned	\$ 91	\$ 90	\$ 1	1	\$ 182	\$ 180	\$ 2	1
Net investment income earned	90	88	2	2	180	177	3	(264)
Net realized capital gains	38	(8)	46	nm	61	(6)	67	nm
<b>Net investment gains (excl. subs)</b>	<b>\$ 128</b>	<b>\$ 80</b>	<b>\$ 48</b>	<b>60</b>	<b>\$ 241</b>	<b>\$ 171</b>	<b>\$ 70</b>	<b>41</b>
Dividend from subsidiary	-	-	-	-	-	-	-	-
<b>Net investment gains (net of tax)</b>	<b>\$ 128</b>	<b>\$ 80</b>	<b>\$ 48</b>	<b>60</b>	<b>\$ 241</b>	<b>\$ 171</b>	<b>\$ 70</b>	<b>41</b>
<b>Other income</b>	<b>\$ 1</b>	<b>\$ 1</b>	<b>\$ -</b>	<b>nm</b>	<b>\$ 2</b>	<b>\$ 2</b>	<b>\$ -</b>	<b>nm</b>
Net income before federal income taxes	\$ (141)	\$ 21	\$ (162)	nm	\$ (63)	\$ 89	\$ (152)	nm
Federal and foreign income taxes incurred	\$ (70)	\$ 9	\$ (79)	nm	\$ (57)	\$ 26	\$ (83)	nm
<b>Net income (loss) (statutory)</b>	<b>\$ (71)</b>	<b>\$ 12</b>	<b>\$ (83)</b>	<b>nm</b>	<b>\$ (6)</b>	<b>\$ 63</b>	<b>\$ (69)</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	
	12/31/11	9/30/11	6/30/11	3/31/11	12/31/10	9/30/10	6/30/10	3/31/10	6/30/11	6/30/10	9/30/11	9/30/10	12/31/11	12/31/10
<b>Consolidated</b>														
New losses greater than \$4,000,000			\$ 6	\$ 11	\$ 15	\$ 17	\$ 11	\$ 6	\$ 16	\$ 17	\$ 34		\$ 49	
New losses \$1,000,000-\$4,000,000			33	50	43	36	29	35	83	64	100		142	
New losses \$250,000-\$1,000,000			51	54	47	46	53	52	106	104	150		200	
Case reserve development above \$250,000			51	34	45	66	30	37	85	68	134		178	
Large losses subtotal			\$ 141	\$ 149	\$ 150	\$ 165	\$ 123	\$ 130	\$ 290	\$ 253	\$ 418		\$ 569	
IBNR incurred			18	32	18	16	11	12	51	23	41		59	
Catastrophe losses incurred			289	41	5	28	100	15	330	114	143		148	
Remaining incurred			218	213	184	228	239	228	430	468	694		876	
Total losses incurred			\$ 666	\$ 435	\$ 357	\$ 437	\$ 473	\$ 385	\$ 1,101	\$ 858	\$ 1,296		\$ 1,652	
<b>Commercial Lines</b>														
New losses greater than \$4,000,000			\$ 6	\$ 11	\$ 10	\$ 17	\$ 11	\$ 6	\$ 16	\$ 17	\$ 34		\$ 44	
New losses \$1,000,000-\$4,000,000			30	40	38	28	22	32	70	54	82		120	
New losses \$250,000-\$1,000,000			39	37	31	37	40	40	77	80	117		148	
Case reserve development above \$250,000			46	31	41	62	29	32	77	61	123		164	
Large losses subtotal			\$ 121	\$ 119	\$ 120	\$ 144	\$ 102	\$ 110	\$ 240	\$ 212	\$ 356		\$ 476	
IBNR incurred			11	24	19	10	7	9	35	17	27		45	
Catastrophe losses incurred			157	26	5	17	57	10	183	66	84		89	
Remaining incurred			124	131	97	141	152	152	255	304	444		542	
Total losses incurred			\$ 413	\$ 300	\$ 241	\$ 312	\$ 318	\$ 281	\$ 713	\$ 599	\$ 911		\$ 1,152	
<b>Personal Lines</b>														
New losses greater than \$4,000,000			\$ -	\$ -	\$ 5	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ 5	
New losses \$1,000,000-\$4,000,000			3	9	5	5	7	3	13	10	15		20	
New losses \$250,000-\$1,000,000			10	14	14	7	10	10	23	20	27		41	
Case reserve development above \$250,000			4	3	3	4	1	3	7	4	8		11	
Large losses subtotal			\$ 17	\$ 26	\$ 27	\$ 16	\$ 18	\$ 16	\$ 43	\$ 34	\$ 50		\$ 77	
IBNR incurred			4	4	1	4	2	1	9	2	7		8	
Catastrophe losses incurred			131	14	(1)	11	43	5	145	48	59		58	
Remaining incurred			91	80	86	84	83	75	170	159	243		328	
Total losses incurred			\$ 243	\$ 124	\$ 113	\$ 115	\$ 146	\$ 97	\$ 367	\$ 243	\$ 359		\$ 471	
<b>Excess &amp; Surplus Lines</b>														
New losses greater than \$4,000,000			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -	
New losses \$1,000,000-\$4,000,000			-	1	-	3	-	-	-	-	3		3	
New losses \$250,000-\$1,000,000			2	3	2	2	3	2	6	5	6		9	
Case reserve development above \$250,000			1	-	1	-	-	2	1	2	3		3	
Large losses subtotal			\$ 3	\$ 4	\$ 3	\$ 5	\$ 3	\$ 4	\$ 7	\$ 7	\$ 12		\$ 15	
IBNR incurred			3	4	(2)	2	2	2	7	5	7		4	
Catastrophe losses incurred			1	1	1	-	-	-	2	-	-		1	
Remaining incurred			3	2	1	3	4	1	5	4	7		9	
Total losses incurred			\$ 10	\$ 11	\$ 3	\$ 10	\$ 9	\$ 7	\$ 21	\$ 16	\$ 26		\$ 29	

\*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		
	12/31/11	9/30/11	6/30/11	3/31/11	12/31/10	9/30/10	6/30/10	3/31/10	6/30/11	6/30/10	9/30/11	9/30/10	12/31/11	12/31/10
<b>Consolidated</b>														
New losses greater than \$4,000,000			0.8 %	1.4 %	2.0 %	2.3 %	1.5 %	0.8 %	1.1 %	1.2 %		1.6 %		1.7 %
New losses \$1,000,000-\$4,000,000			4.6	6.7	5.7	4.8	4.0	4.9	5.6	4.6		4.6		4.9
New losses \$250,000-\$1,000,000			7.0	7.3	6.7	6.2	7.2	7.4	7.2	7.2		6.9		6.8
Case reserve development above \$250,000			6.9	4.6	5.9	8.9	4.2	5.3	5.8	4.7		6.2		6.1
Large losses subtotal			19.3 %	20.0 %	20.3 %	22.2 %	16.9 %	18.4 %	19.7 %	17.7 %		19.3 %		19.5 %
IBNR incurred			2.5	4.4	2.5	2.3	1.6	1.7	3.4	1.6		1.8		2.0
Total catastrophe losses incurred			39.6	5.5	0.7	3.8	13.6	2.1	22.3	7.9		6.5		5.1
Remaining incurred			29.8	28.5	24.4	30.5	33.0	32.1	29.2	32.6		31.9		30.0
Total loss ratio			91.2 %	58.4 %	47.9 %	58.8 %	65.1 %	54.3 %	74.6 %	59.8 %		59.5 %		56.6 %
<b>Commercial Lines</b>														
New losses greater than \$4,000,000			1.1 %	1.9 %	1.8 %	3.1 %	2.0 %	1.1 %	1.5 %	1.6 %		2.1 %		2.0 %
New losses \$1,000,000-\$4,000,000			5.5	7.5	7.0	5.1	4.1	6.1	6.5	5.1		5.1		5.6
New losses \$250,000-\$1,000,000			7.4	6.9	5.8	6.7	7.4	7.7	7.1	7.5		7.3		6.9
Case reserve development above \$250,000			8.7	5.7	7.4	11.4	5.4	6.2	7.2	5.8		7.7		7.6
Large losses subtotal			22.7 %	22.0 %	22.0 %	26.3 %	18.9 %	21.1 %	22.3 %	20.0 %		22.2 %		22.1 %
IBNR incurred			2.0	4.4	3.3	1.9	1.3	1.8	3.3	1.6		1.7		2.1
Total catastrophe losses incurred			29.6	4.9	1.0	3.2	10.5	1.8	17.1	6.2		5.2		4.1
Remaining incurred			23.3	24.2	17.8	25.7	28.3	29.0	23.7	28.6		27.6		25.2
Total loss ratio			77.6 %	55.5 %	44.1 %	57.1 %	59.0 %	53.7 %	66.4 %	56.4 %		56.7 %		53.5 %
<b>Personal Lines</b>														
New losses greater than \$4,000,000			0.0 %	0.0 %	2.7 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %		0.0 %		0.7 %
New losses \$1,000,000-\$4,000,000			2.0	4.8	2.3	2.8	4.4	1.5	3.5	3.0		2.9		2.8
New losses \$250,000-\$1,000,000			5.4	7.1	7.8	4.0	5.6	5.5	6.2	5.6		5.0		5.7
Case reserve development above \$250,000			2.3	1.7	1.8	2.0	0.6	1.9	2.0	1.2		1.5		1.6
Large losses subtotal			9.7 %	13.6 %	14.6 %	8.8 %	10.6 %	8.9 %	11.7 %	9.8 %		9.4 %		10.8 %
IBNR incurred			2.4	2.3	0.8	2.4	0.9	0.3	2.3	0.6		1.2		1.1
Total catastrophe losses incurred			73.0	7.4	(0.3)	6.0	23.8	3.0	39.2	13.5		11.0		8.1
Remaining incurred			50.6	41.6	45.3	46.0	47.1	43.1	46.0	45.1		45.4		45.4
Total loss ratio			135.7 %	64.9 %	60.4 %	63.2 %	82.4 %	55.3 %	99.2 %	69.0 %		67.0 %		65.4 %
<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 %
New losses \$1,000,000-\$4,000,000			0.0	0.0	0.0	19.4	0.0	0.0	0.0	0.0		7.1		5.1
New losses \$250,000-\$1,000,000			12.4	25.8	17.5	16.7	18.8	16.9	18.7	19.9		18.7		18.4
Case reserve development above \$250,000			2.5	2.7	1.8	2.5	2.7	20.7	2.6	11.6		13.1		14.2
Large losses subtotal			14.9 %	28.5 %	19.3 %	38.6 %	21.5 %	37.6 %	21.3 %	31.5 %		38.9 %		37.7 %
IBNR incurred			17.1	26.1	(13.2)	14.9	23.5	18.4	21.3	23.7		18.5		9.6
Total catastrophe losses incurred			4.2	2.8	(0.1)	4.6	0.0	0.0	3.6	0.0		1.7		1.2
Remaining incurred			13.4	20.2	14.7	14.2	32.5	9.4	16.6	18.3		18.8		17.4
Total loss ratio			49.6 %	77.6 %	20.7 %	72.3 %	77.5 %	65.4 %	62.8 %	73.5 %		77.9 %		65.9 %

\*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		
	12/31/11	9/30/11	6/30/11	3/31/11	12/31/10	9/30/10	6/30/10	3/31/10	6/30/11	6/30/10	9/30/11	9/30/10	12/31/11	12/31/10
<b>Consolidated</b>														
New losses greater than \$4,000,000			1	2	3	3	2	1	3	3		6		9
New losses \$1,000,000-\$4,000,000			18	30	23	20	18	19	48	37		57		80
New losses \$250,000-\$1,000,000			122	122	123	112	117	123	244	240		352		475
Case reserve development above \$250,000			81	68	71	101	73	77	149	143		237		308
Large losses total			222	222	220	236	210	220	444	423		652		872
<b>Commercial Lines</b>														
New losses greater than \$4,000,000			1	2	2	3	2	1	3	3		6		8
New losses \$1,000,000-\$4,000,000			15	24	20	15	12	17	39	29		44		64
New losses \$250,000-\$1,000,000			97	85	79	88	88	95	182	183		271		350
Case reserve development above \$250,000			70	59	70	93	70	67	129	137		230		300
Large losses total			183	170	171	199	172	180	353	352		551		722
<b>Personal Lines</b>														
New losses greater than \$4,000,000			-	-	1	-	-	-	-	-		-		1
New losses \$1,000,000-\$4,000,000			3	6	3	3	6	2	9	8		11		14
New losses \$250,000-\$1,000,000			20	29	38	19	24	24	49	48		67		105
Case reserve development above \$250,000			10	8	-	7	2	5	18	7		14		23
Large losses total			33	43	42	29	32	31	76	63		92		143
<b>Excess &amp; Surplus Lines</b>														
New losses greater than \$4,000,000			-	-	-	-	-	-	-	-		-		-
New losses \$1,000,000-\$4,000,000			-	-	-	2	-	-	-	-		2		2
New losses \$250,000-\$1,000,000			5	8	6	5	5	4	13	9		14		20
Case reserve development above \$250,000			1	1	1	1	1	5	2	6		7		8
Large losses total			6	9	7	8	6	9	15	15		23		30

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 Six Months Ended June 30, 2011**

Risk State	(Dollars in millions)								Commercial Lines				Personal Lines				Consolidated		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	2011 Total	2010 Total									
OH	\$ 65.5	\$ 50.0	\$ 31.9	\$ -	\$ 10.2	\$ 11.9	\$ 2.8	\$ 61.0	\$ 45.4	\$ 16.3	\$ 5.2	\$ 299.7	\$ 290.0	2.3	4.1	40.2	3.5					
IL	29.2	21.3	15.0	27.1	5.6	4.0	1.5	14.3	11.1	3.7	2.7	135.5	132.0	0.5	9.1	23.1	2.6					
IN	23.3	18.9	11.9	14.2	4.1	3.2	1.4	15.0	14.3	3.9	3.7	114.0	104.1	8.4	10.4	26.1	9.5					
PA	24.8	16.0	16.8	25.7	5.3	3.3	1.1	4.1	3.2	1.8	1.8	104.0	100.8	2.0	10.6	28.6	3.0					
GA	12.8	11.0	9.0	6.2	4.0	3.0	0.6	16.7	15.7	4.6	2.4	86.0	83.2	(0.4)	7.5	21.7	3.4					
NC	15.2	13.1	9.9	9.1	7.5	3.6	0.9	7.5	5.5	2.6	1.5	76.4	72.3	(1.9)	44.1	47.3	5.7					
MI	15.5	10.8	7.6	8.1	4.8	2.9	0.9	8.2	7.7	1.8	1.7	70.1	65.3	3.3	19.6	22.2	7.4					
VA	14.9	12.1	9.8	8.8	2.4	2.7	0.7	4.7	3.9	1.4	1.2	62.7	64.1	(3.5)	1.7	30.5	(2.2)					
KY	10.7	11.5	7.4	1.9	3.0	1.4	0.5	12.0	9.3	2.6	1.5	61.7	57.9	4.1	9.5	34.4	6.7					
TN	12.3	10.8	7.6	4.6	5.2	2.6	0.8	5.6	6.0	2.1	0.7	58.2	55.5	2.0	16.3	(4.9)	4.9					
WI	12.7	8.4	5.7	14.2	1.9	1.5	0.8	4.5	3.9	1.7	1.2	56.7	57.5	(3.7)	5.7	29.5	(1.6)					
AL	8.4	9.7	3.7	0.4	4.3	1.2	0.5	8.5	13.4	3.0	1.5	54.8	51.7	2.2	7.6	74.5	5.8					
MO	10.2	9.6	6.2	5.8	3.1	1.1	0.6	2.3	3.1	0.7	2.1	44.9	43.8	(2.2)	20.3	68.8	2.4					
FL	11.6	11.0	4.3	0.5	0.9	1.0	0.4	4.6	6.1	1.3	1.4	43.0	44.6	(2.0)	(10.6)	45.8	(3.6)					
MN	10.8	8.8	4.6	4.1	1.8	1.0	0.7	4.3	4.1	1.2	0.9	42.3	39.7	4.2	15.1	21.1	6.8					
IA	9.9	6.7	4.8	9.7	2.0	1.5	0.7	2.2	2.2	0.9	0.7	41.2	41.4	(3.1)	17.5	39.1	(0.3)					
NY	16.3	5.3	6.4	1.2	0.7	1.4	0.4	-	-	0.6	0.5	32.7	32.5	(1.5)	nm	26.4	0.5					
TX	10.1	8.0	6.1	1.0	0.4	0.6	0.6	-	-	-	3.1	29.8	19.4	48.5	62.4	117.9	53.6					
MD	6.4	3.9	5.2	4.4	0.7	1.1	0.3	0.6	1.1	0.3	0.7	24.7	23.2	4.4	36.9	10.1	6.6					
KS	4.0	4.2	2.4	4.1	1.7	0.8	0.3	2.4	3.0	0.7	0.4	23.9	24.1	(3.9)	6.9	40.6	(0.9)					
AR	4.1	5.6	2.9	1.6	2.5	1.1	0.3	1.9	2.1	0.7	0.9	23.6	22.2	1.3	21.6	61.1	6.2					
AZ	5.3	3.7	4.2	0.8	0.4	0.6	0.3	0.8	0.8	0.2	0.8	17.9	16.7	2.4	45.3	47.0	7.0					
SC	4.6	3.7	2.8	1.7	1.3	1.0	0.1	1.2	0.8	0.3	0.3	17.7	19.2	(13.9)	66.8	(2.6)	(7.8)					
UT	4.8	2.4	2.8	-	0.3	1.4	0.2	2.3	1.0	0.2	0.6	16.0	14.6	(0.8)	82.1	(17.1)	9.4					
MT	5.6	3.1	3.3	-	0.5	0.3	0.2	0.9	0.8	0.2	0.2	15.1	15.7	(7.3)	33.7	(22.0)	(3.8)					
NE	3.2	2.9	1.8	3.0	0.8	0.8	0.2	0.4	0.5	0.2	0.7	14.3	14.7	(6.0)	5.3	106.4	(2.8)					
ID	3.9	2.7	2.8	0.1	0.5	0.6	0.2	0.9	0.5	0.1	0.3	12.5	11.3	5.0	74.5	36.6	11.0					
VT	2.2	1.7	1.5	3.7	0.5	0.5	0.1	0.6	0.6	0.2	0.2	11.8	10.8	6.5	38.7	33.5	9.8					
WV	3.0	2.4	2.3	0.8	1.1	0.4	0.1	-	0.3	0.1	0.8	11.5	11.1	2.3	3.8	23.8	3.6					
ND	3.0	1.8	1.5	-	0.5	0.5	0.1	0.3	0.3	0.1	0.1	8.2	7.2	12.6	17.4	83.7	13.6					
CO	2.2	2.2	1.8	0.2	-	0.4	0.1	-	0.1	-	0.4	7.4	5.1	43.2	7.2	58.7	43.3					
NH	1.4	1.1	0.7	1.5	0.3	0.5	0.1	0.5	0.5	0.2	0.3	7.1	6.6	3.5	35.6	11.5	8.4					
SD	1.3	1.1	0.9	1.6	0.2	0.2	0.1	-	-	-	0.2	5.6	5.0	9.7	9.1	171.5	11.6					
WA	1.6	0.9	1.3	-	-	0.3	0.1	-	-	-	0.3	4.5	3.0	46.0	(8.2)	139.0	49.9					
NM	1.5	0.7	0.8	0.3	0.1	0.5	-	-	-	-	0.2	4.1	3.5	20.1	nm	(20.6)	17.3					
DE	0.9	0.9	0.8	0.8	0.2	0.1	0.1	-	-	-	-	3.7	4.6	(19.1)	8.8	nm	(19.1)					
OR	0.8	0.4	0.7	0.1	-	0.1	-	-	-	-	0.2	2.4	0.2	nm	65.6	nm	nm					
WY	0.4	0.2	0.1	-	-	0.1	-	-	-	-	0.2	1.0	0.4	88.3	5.1	nm	117.8					
CT	0.3	0.2	0.2	0.2	-	0.1	-	-	-	-	-	1.0	0.2	318.4	17.4	nm	325.5					
All Other	1.1	1.3	0.9	1.7	0.1	0.8	-	-	-	-	0.2	6.2	6.2	(3.9)	75.3	nm	(0.5)					
Total	\$ 375.8	\$ 290.4	\$ 210.1	\$ 168.9	\$ 78.9	\$ 60.1	\$ 19.1	\$ 188.2	\$ 167.2	\$ 53.6	\$ 41.7	\$ 1,653.9	\$ 1,581.4	2.0	10.0	38.7	4.6					
Other Direct	-	0.5	-	1.8	-	-	-	0.1	0.1	-	-	2.5	2.6	(6.2)	36.5	nm	(4.3)					
Total Direct	\$ 375.8	\$ 290.9	\$ 210.1	\$ 170.7	\$ 78.9	\$ 60.1	\$ 19.1	\$ 188.3	\$ 167.3	\$ 53.6	\$ 41.7	\$ 1,656.4	\$ 1,584.0	2.0	10.0	38.7	4.6					

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**

(Dollars in millions)	Three months ended								Six months ended		Nine months ended		Twelve months ended	
	12/31/11	9/30/11	6/30/11	3/31/11	12/31/10	9/30/10	6/30/10	3/31/10	6/30/11	6/30/10	9/30/11	9/30/10	12/31/11	12/31/10
<b>Commercial casualty:</b>														
Written premiums		\$ 177	\$ 189	\$ 166	\$ 161	\$ 168	\$ 191	\$ 366	\$ 359		\$ 520		\$ 686	
Earned premiums		180	172	175	182	172	164	352	336		518		693	
Current accident year before catastrophe losses		66.0 %	78.8 %	100.3 %	75.0 %	73.6 %	71.0 %	72.3 %	72.4 %		73.3 %		80.1 %	
Current accident year catastrophe losses		-	-	-	-	-	-	-	-		-		-	
Prior accident years before catastrophe losses		(27.2)	(32.3)	(50.5)	(18.5)	(25.3)	(12.7)	(29.7)	(19.2)		(18.9)		(26.9)	
Prior accident years catastrophe losses		-	-	-	-	-	-	-	-		-		-	
Total loss and loss expense ratio		38.8 %	46.5 %	49.8 %	56.5 %	48.3 %	58.3 %	42.6 %	53.2 %		54.4 %		53.2 %	
<b>Commercial property:</b>														
Written premiums		\$ 123	\$ 132	\$ 122	\$ 122	\$ 124	\$ 129	\$ 255	\$ 253		\$ 375		\$ 497	
Earned premiums		115	126	124	123	121	121	241	242		365		489	
Current accident year before catastrophe losses		76.8 %	64.8 %	54.6 %	60.5 %	56.5 %	62.2 %	70.5 %	59.4 %		59.7 %		58.4 %	
Current accident year catastrophe losses		78.8	15.2	2.0	10.3	39.1	10.6	45.6	24.8		20.0		15.4	
Prior accident years before catastrophe losses		(1.7)	8.0	(1.2)	1.3	(3.1)	0.5	3.4	(1.4)		(0.4)		(0.6)	
Prior accident years catastrophe losses		1.1	3.4	0.3	(1.3)	(2.4)	(2.3)	2.3	(2.3)		(2.0)		(1.4)	
Total loss and loss expense ratio		155.0 %	91.4 %	55.7 %	70.8 %	90.1 %	71.0 %	121.8 %	80.5 %		77.3 %		71.8 %	
<b>Commercial auto:</b>														
Written premiums		\$ 102	\$ 107	\$ 92	\$ 91	\$ 99	\$ 103	\$ 209	\$ 202		\$ 293		\$ 385	
Earned premiums		96	96	97	96	96	95	192	191		287		384	
Current accident year before catastrophe losses		72.6 %	76.5 %	75.5 %	67.1 %	69.5 %	68.1 %	74.5 %	68.8 %		68.2 %		70.0 %	
Current accident year catastrophe losses		6.2	0.3	0.4	(0.5)	4.4	-	3.3	2.2		1.3		1.1	
Prior accident years before catastrophe losses		(11.0)	(24.2)	(20.8)	(5.3)	(0.8)	(6.1)	(17.6)	(3.4)		(4.0)		(8.2)	
Prior accident years catastrophe losses		(0.1)	(0.4)	-	-	(0.2)	(1.0)	(0.2)	(0.6)		(0.4)		(0.3)	
Total loss and loss expense ratio		67.7 %	52.2 %	55.1 %	61.3 %	72.9 %	61.0 %	60.0 %	67.0 %		65.1 %		62.6 %	
<b>Workers' compensation:</b>														
Written premiums		\$ 73	\$ 90	\$ 75	\$ 68	\$ 72	\$ 95	\$ 163	\$ 167		\$ 235		\$ 310	
Earned premiums		81	76	81	77	79	74	157	153		230		311	
Current accident year before catastrophe losses		108.5 %	95.6 %	92.5 %	127.5 %	103.2 %	103.3 %	102.3 %	103.2 %		111.3 %		106.5 %	
Current accident year catastrophe losses		-	-	-	-	-	-	-	-		-		-	
Prior accident years before catastrophe losses		(28.9)	(4.1)	(9.8)	(15.3)	(13.3)	(11.9)	(16.9)	(12.6)		(13.5)		(12.6)	
Prior accident years catastrophe losses		-	-	-	-	-	-	-	-		-		-	
Total loss and loss expense ratio		79.6 %	91.5 %	82.7 %	112.2 %	89.9 %	91.4 %	85.4 %	90.6 %		97.8 %		93.9 %	
<b>Specialty package:</b>														
Written premiums		\$ 27	\$ 37	\$ 37	\$ 37	\$ 36	\$ 39	\$ 64	\$ 75		\$ 112		\$ 149	
Earned premiums		27	37	37	38	37	37	64	74		112		149	
Current accident year before catastrophe losses		93.8 %	62.7 %	47.1 %	60.8 %	66.1 %	70.5 %	75.7 %	68.2 %		65.8 %		61.1 %	
Current accident year catastrophe losses		223.8	9.2	7.2	18.9	23.0	8.5	99.4	15.9		16.8		14.5	
Prior accident years before catastrophe losses		1.8	15.1	(19.1)	9.6	(0.7)	17.4	9.5	8.3		8.7		1.8	
Prior accident years catastrophe losses		(0.7)	(1.5)	(0.3)	(0.2)	(2.8)	(7.4)	(1.1)	(5.1)		(3.4)		(2.6)	
Total loss and loss expense ratio		318.7 %	85.5 %	34.9 %	89.1 %	85.6 %	89.0 %	183.5 %	87.3 %		87.9 %		74.8 %	
<b>Surety and executive risk:</b>														
Written premiums		\$ 26	\$ 24	\$ 23	\$ 23	\$ 24	\$ 23	\$ 50	\$ 47		\$ 70		\$ 93	
Earned premiums		25	25	24	22	25	24	50	49		71		95	
Current accident year before catastrophe losses		47.9 %	54.7 %	75.7 %	91.2 %	53.9 %	47.1 %	51.3 %	50.5 %		63.4 %		66.5 %	
Current accident year catastrophe losses		-	-	-	-	-	-	-	-		-		-	
Prior accident years before catastrophe losses		19.4	41.4	43.8	(17.3)	(17.7)	4.0	30.2	(6.9)		(10.2)		3.4	
Prior accident years catastrophe losses		-	-	-	-	-	-	-	-		-		-	
Total loss and loss expense ratio		67.3 %	96.1 %	119.5 %	73.9 %	36.2 %	51.1 %	81.5 %	43.6 %		53.2 %		69.9 %	
<b>Machinery and equipment:</b>														
Written premiums		\$ 9	\$ 9	\$ 9	\$ 9	\$ 9	\$ 9	\$ 18	\$ 17		\$ 26		\$ 35	
Earned premiums		9	8	8	9	8	8	17	16		25		33	
Current accident year before catastrophe losses		32.0 %	28.2 %	21.4 %	20.4 %	48.3 %	23.0 %	30.1 %	35.8 %		30.6 %		28.2 %	
Current accident year catastrophe losses		0.2	0.2	(0.3)	(1.7)	1.7	0.3	0.2	1.0		0.1		-	
Prior accident years before catastrophe losses		6.9	8.5	(3.3)	(6.8)	1.8	(15.9)	7.7	(6.9)		(6.9)		(6.0)	
Prior accident years catastrophe losses		-	-	-	-	0.1	(1.3)	-	(0.6)		(0.4)		(0.3)	
Total loss and loss expense ratio		39.1 %	36.9 %	17.8 %	11.9 %	51.9 %	6.1 %	38.0 %	29.3 %		23.4 %		21.9 %	

\*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)	12/31/11	9/30/11	6/30/11	Three months ended				Six months ended		Nine months ended		Twelve months ended									
				3/31/11	12/31/10	9/30/10	6/30/10	3/31/10	6/30/11	6/30/10	9/30/11	9/30/10	12/31/11	12/31/10							
<b>Personal auto:</b>																					
Written premiums		\$	104	\$	82	\$	84	\$	98	\$	97	\$	73	\$	186	\$	170	\$	268	\$	352
Earned premiums			90		89		87		86		83		81		179		164		250		337
Current accident year before catastrophe losses			67.3 %		68.2 %		81.0 %		68.3 %		70.8 %		62.8 %		67.7 %		66.8 %		67.3 %		70.9 %
Current accident year catastrophe losses			10.3		1.3		-		0.2		4.2		0.1		5.8		2.2		1.5		1.1
Prior accident years before catastrophe losses			(5.0)		(5.3)		(2.4)		(0.3)		(1.2)		(4.5)		(5.1)		(2.8)		(1.9)		(2.1)
Prior accident years catastrophe losses			(0.1)		(0.4)		(0.1)		(0.1)		(0.2)		(0.2)		(0.2)		(0.2)		(0.2)		(0.1)
Total loss and loss expense ratio			72.5 %		63.8 %		78.5 %		68.1 %		73.6 %		58.2 %		68.2 %		66.0 %		66.7 %		69.8 %
<b>Homeowner:</b>																					
Written premiums		\$	78	\$	68	\$	75	\$	83	\$	81	\$	60	\$	146	\$	141	\$	224	\$	299
Earned premiums			66		76		74		72		72		70		142		142		214		289
Current accident year before catastrophe losses			97.8 %		71.4 %		78.0 %		72.0 %		70.2 %		67.2 %		83.6 %		68.6 %		69.8 %		72.0 %
Current accident year catastrophe losses			175.4		22.1		0.9		15.5		54.2		7.2		92.7		30.9		25.8		19.3
Prior accident years before catastrophe losses			(0.5)		2.6		(5.0)		(0.9)		0.8		1.9		1.1		1.3		0.6		(0.9)
Prior accident years catastrophe losses			(0.1)		(5.8)		(1.8)		(2.1)		(1.4)		(0.3)		(3.1)		(0.8)		(1.3)		(1.4)
Total loss and loss expense ratio			272.6 %		90.3 %		72.1 %		84.5 %		123.8 %		76.0 %		174.3 %		100.0 %		94.9 %		89.0 %
<b>Other personal:</b>																					
Written premiums		\$	28	\$	23	\$	24	\$	27	\$	26	\$	22	\$	51	\$	48	\$	75	\$	99
Earned premiums			24		25		24		24		24		23		49		47		71		95
Current accident year before catastrophe losses			88.2 %		55.9 %		60.9 %		70.1 %		69.1 %		56.1 %		71.9 %		62.6 %		65.1 %		64.1 %
Current accident year catastrophe losses			34.5		3.8		1.3		4.7		5.9		3.2		19.0		4.6		4.7		3.8
Prior accident years before catastrophe losses			(18.4)		2.3		(29.7)		(24.1)		(21.4)		(7.4)		(7.9)		(14.4)		(17.7)		(20.8)
Prior accident years catastrophe losses			(0.5)		(0.8)		(0.4)		(0.4)		(0.6)		(0.4)		(0.6)		(0.5)		(0.5)		(0.5)
Total loss and loss expense ratio			103.8 %		61.2 %		32.1 %		50.3 %		53.0 %		51.5 %		82.4 %		52.3 %		51.6 %		46.6 %

*\*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 at June 30, 2011</b>											
Commercial casualty	\$ 131	\$ 59	\$ 190	\$ (50)	\$ 17	\$ (2)	\$ (35)	\$ 81	\$ 17	\$ 57	\$ 155
Commercial property	179	22	201	100	52	9	161	279	52	31	362
Commercial auto	122	19	141	(14)	(3)	(4)	(21)	108	(3)	15	120
Workers' compensation	108	20	128	9	2	(2)	9	117	2	18	137
Specialty packages	77	10	87	67	16	5	88	144	16	15	175
Surety and executive risk	36	7	43	(11)	5	7	1	25	5	14	44
Machinery and equipment	5	-	5	1	-	-	1	6	-	-	6
Total commercial lines	658	137	795	102	89	13	204	760	89	150	999
Personal auto	114	14	128	(2)	3	2	3	112	3	16	131
Homeowners	210	19	229	42	53	6	101	252	53	25	330
Other personal	26	3	29	7	11	-	18	33	11	3	47
Total personal lines	350	36	386	47	67	8	122	397	67	44	508
Commercial casualty & property	8	2	10	5	7	1	13	13	7	3	23
Total excess & surplus lines	8	2	10	5	7	1	13	13	7	3	23
Total property casualty	\$ 1,016	\$ 175	\$ 1,191	\$ 154	\$ 163	\$ 22	\$ 339	\$ 1,170	\$ 163	\$ 197	\$ 1,530
<b>Ceded loss and loss expense incurred at June 30, 2011</b>											
Commercial casualty	\$ 2	\$ -	\$ 2	\$ 3	\$ -	\$ -	\$ 3	\$ 5	\$ 1	\$ -	\$ 5
Commercial property	13	2	15	39	15	-	54	52	15	2	69
Commercial auto	1	-	1	2	2	-	4	3	2	-	5
Workers' compensation	5	-	5	(1)	(1)	-	(2)	4	(1)	-	3
Specialty packages	9	1	10	39	9	-	48	48	9	1	58
Surety and executive risk	11	2	13	(10)	-	-	(10)	1	-	2	3
Machinery and equipment	-	-	-	-	-	-	-	-	-	-	-
Total commercial lines	41	5	46	72	25	-	97	113	25	5	143
Personal auto	1	-	1	4	4	-	8	5	4	-	9
Homeowners	11	-	13	43	27	-	70	54	27	2	83
Other personal	1	-	1	4	2	(1)	5	5	2	(1)	6
Total personal lines	13	2	15	51	33	(1)	83	64	33	1	98
Commercial casualty & property	-	-	-	-	1	-	1	-	1	-	1
Total excess & surplus lines	-	-	-	-	1	-	1	-	1	-	1
Total property casualty	\$ 53	\$ 7	\$ 60	\$ 123	\$ 59	\$ (1)	\$ 181	\$ 176	\$ 59	\$ 6	\$ 241
<b>Net loss and loss expense incurred at June 30, 2011</b>											
Commercial casualty	\$ 129	\$ 59	\$ 188	\$ (53)	\$ 17	\$ (2)	\$ (38)	\$ 76	\$ 17	\$ 57	\$ 150
Commercial property	166	20	186	61	37	9	107	227	37	29	293
Commercial auto	121	19	140	(16)	(5)	(4)	(25)	105	(5)	15	115
Workers' compensation	103	20	123	10	3	(2)	11	113	3	18	134
Specialty packages	68	9	77	28	7	5	40	96	7	14	117
Surety and executive risk	25	5	30	(1)	5	7	11	24	5	12	41
Machinery and equipment	5	-	5	1	-	-	1	6	-	-	6
Total commercial lines	617	132	749	30	64	13	107	647	64	145	856
Personal auto	113	14	127	(6)	(1)	2	(5)	107	(1)	16	122
Homeowners	199	17	216	(1)	26	6	31	198	26	23	247
Other personal	25	3	28	3	9	1	13	28	9	4	41
Total personal lines	337	34	371	(4)	33	9	39	333	34	43	410
Commercial casualty & property	8	2	10	5	6	1	12	13	6	3	22
Total excess & surplus lines	8	2	10	5	6	1	12	13	6	3	22
Total property casualty	\$ 962	\$ 168	\$ 1,130	\$ 31	\$ 104	\$ 23	\$ 158	\$ 993	\$ 104	\$ 191	\$ 1,288

**Cincinnati Insurance Companies**  
**Catastrophe Detail - April 22-28, 2011 and May 20-27, 2011 events**

(Dollars in millions)				Three months ended				Six months ended		Nine months ended		Twelve months ended		
	12/31/11	9/30/11	6/30/11	3/31/11	12/31/10	9/30/10	6/30/10	3/31/10	6/30/11	6/30/10	9/30/11	9/30/10	12/31/11	12/31/10
<b>Consolidated Property Casualty Group</b>														
Ceded earned premium reinstatement			\$ (38)						\$ (38)					
All other earned premiums			768						768					
Total earned premiums			\$ 730						\$ 730					
Catastrophe gross loss and loss expense incurred			386						386					
Catastrophe net loss and loss expense incurred			\$ 160						\$ 160					
All other net loss and loss expense incurred			599						599					
Total net loss and loss expenses incurred			\$ 759						\$ 759					
<b>Commercial Lines</b>														
Ceded earned premium reinstatement			\$ (23)						\$ (23)					
All other earned premiums			556						556					
Total earned premiums			\$ 533						\$ 533					
Catastrophe gross loss and loss expense incurred			219						219					
Catastrophe net loss and loss expense incurred			\$ 92						\$ 92					
All other net loss and loss expense incurred			391						391					
Total net loss and loss expenses incurred			\$ 483						\$ 483					
<b>Personal Lines</b>														
Ceded earned premium reinstatement			\$ (15)						\$ (15)					
All other earned premiums			195						195					
Total earned premiums			\$ 180						\$ 180					
Catastrophe gross loss and loss expense incurred			167						167					
Catastrophe net loss and loss expense incurred			\$ 68						\$ 68					
All other net loss and loss expense incurred			201						201					
Total net loss and loss expenses incurred			\$ 269						\$ 269					
<b>Excess &amp; Surplus Lines</b>														
Ceded earned premium reinstatement			\$ -						\$ -					
All other earned premiums			-						-					
Total earned premiums			\$ -						\$ -					
Catastrophe gross loss and loss expense incurred			-						-					
Catastrophe net loss and loss expense incurred			\$ -						\$ -					
All other net loss and loss expense incurred			-						-					
Total net loss and loss expenses incurred			\$ -						\$ -					

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



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

(Dollars in millions)	Three months ended								Six months ended		Nine months ended		Twelve months ended	
	12/31/11	9/30/11	6/30/11	3/31/11	12/31/10	9/30/10	6/30/10	3/31/10	6/30/11	6/30/10	9/30/11	9/30/10	12/31/11	12/31/10
<b>Premiums</b>														
Agency renewal written premiums			\$ 717	\$ 708	\$ 648	\$ 677	\$ 685	\$ 682	\$ 1,425	\$ 1,367		\$ 2,044		\$ 2,692
Agency new business written premiums			117	102	107	109	106	92	219	198		307		414
Other written premiums			(66)	(31)	(33)	(50)	(42)	(18)	(97)	(60)		(110)		(143)
Reported written premiums – statutory*			\$ 768	\$ 779	\$ 722	\$ 736	\$ 749	\$ 756	\$ 1,547	\$ 1,505		\$ 2,241		\$ 2,963
Unearned premium change			(38)	(34)	23	7	(21)	(48)	(72)	(69)		(62)		(39)
Earned premiums			\$ 730	\$ 745	\$ 745	\$ 743	\$ 728	\$ 708	\$ 1,475	\$ 1,436		\$ 2,179		\$ 2,924
<b>Year over year change %</b>														
Agency renewal written premiums			5 %	4 %	2 %	1 %	3 %	(2) %	4 %	0 %		1 %		1 %
Agency new business written premiums			10	11	14	2	(1)	(5)	11	(3)		(1)		2
Other written premiums			(57)	(72)	33	(9)	16	(29)	(62)	6		0		10
Reported written premiums – statutory*			3	3	6	1	4	(3)	3	0		0		2
<b>Paid losses and loss expenses</b>														
Losses paid			\$ 560	\$ 404	\$ 400	\$ 421	\$ 382	\$ 334	\$ 964	\$ 716		\$ 1,137		\$ 1,537
Loss expenses paid			82	85	93	84	72	80	166	151		235		328
Loss and loss expenses paid			\$ 642	\$ 489	\$ 493	\$ 505	\$ 454	\$ 414	\$ 1,130	\$ 867		\$ 1,372		\$ 1,865
<b>Statutory combined ratio</b>														
Loss ratio			91.2 %	58.4 %	47.7 %	58.8 %	65.1 %	54.3 %	74.6 %	59.8 %		59.5 %		56.5 %
Allocated loss expense ratio			7.0	6.0	6.7	5.9	5.7	6.0	6.5	5.8		5.9		6.1
Unallocated loss expense ratio			5.9	6.7	6.5	6.9	5.2	6.7	6.3	6.0		6.2		6.3
Net underwriting expense ratio			31.3	32.2	33.3	32.9	31.3	34.1	31.8	32.7		32.8		32.9
Statutory combined ratio			135.4 %	103.3 %	94.2 %	104.5 %	107.3 %	101.1 %	119.2 %	104.3 %		104.4 %		101.8 %
Contribution from catastrophe losses			39.8	5.5	0.7	3.8	13.6	2.1	22.5	8.0		6.5		5.1
Statutory combined ratio excluding catastrophe losses			95.6 %	97.8 %	93.5 %	100.7 %	93.7 %	99.0 %	96.7 %	96.3 %		97.9 %		96.7 %
Commission expense ratio			18.2 %	18.4 %	19.9 %	18.7 %	17.9 %	18.4 %	18.3 %	18.1 %		18.3 %		18.7 %
Other expense ratio			13.1	13.8	13.4	14.2	13.4	15.7	13.5	14.6		14.5		14.2
Statutory expense ratio			31.3 %	32.2 %	33.3 %	32.9 %	31.3 %	34.1 %	31.8 %	32.7 %		32.8 %		32.9 %
<b>GAAP combined ratio</b>														
GAAP combined ratio			136.6 %	103.9 %	93.1 %	103.9 %	107.6 %	102.6 %	120.1 %	105.2 %		104.7 %		101.7 %
Contribution from catastrophe losses			39.8	5.5	0.7	3.8	13.6	2.1	22.5	8.0		6.5		5.1
GAAP combined ratio excluding catastrophe losses			96.8 %	98.4 %	92.4 %	100.1 %	94.0 %	100.5 %	97.6 %	97.2 %		98.2 %		96.6 %

\*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)	12/31/11	9/30/11	6/30/11	Three months ended				Six months ended		Nine months ended		Twelve months ended		
				3/31/11	12/31/10	9/30/10	6/30/10	3/31/10	6/30/11	6/30/10	9/30/11	9/30/10	12/31/11	12/31/10
<b>Premiums</b>														
Agency renewal written premiums			\$ 500	\$ 542	\$ 474	\$ 479	\$ 492	\$ 533	\$ 1,042	\$ 1,025	\$ 1,504		\$ 1,978	
Agency new business written premiums			81	71	76	74	73	66	152	139	213		289	
Other written premiums			(44)	(25)	(26)	(42)	(33)	(11)	(69)	(44)	(86)		(112)	
Reported written premiums – statutory*			\$ 537	\$ 588	\$ 524	\$ 511	\$ 532	\$ 588	\$ 1,125	\$ 1,120	\$ 1,631		\$ 2,155	
Unearned premium change			(4)	(48)	22	36	6	(65)	(52)	(59)	(23)		(1)	
Earned premiums			\$ 533	\$ 540	\$ 546	\$ 547	\$ 538	\$ 523	\$ 1,073	\$ 1,061	\$ 1,608		\$ 2,154	
<b>Year over year change %</b>														
Agency renewal written premiums			2 %	2 %	(1) %	(2) %	1 %	(4) %	2 %	(2) %		(2) %		(2) %
Agency new business written premiums			11	8	13	(3)	(8)	(13)	9	(10)	(8)		(3)	
Other written premiums			(33)	(127)	38	(14)	23	(57)	(57)	14	2		14	
Reported written premiums – statutory*			1	0	4	(3)	2	(6)	0	(3)	(3)		(1)	
<b>Paid losses and loss expenses</b>														
Losses paid			\$ 327	\$ 290	\$ 284	\$ 290	\$ 266	\$ 230	\$ 618	\$ 497	\$ 786		\$ 1,070	
Loss expenses paid			63	69	75	65	58	63	131	120	186		261	
Loss and loss expenses paid			\$ 390	\$ 359	\$ 359	\$ 355	\$ 324	\$ 293	\$ 749	\$ 617	\$ 972		\$ 1,331	
<b>Statutory combined ratio</b>														
Loss ratio			77.5 %	55.5 %	44.2 %	57.1 %	59.0 %	53.8 %	66.4 %	56.4 %		56.7 %		53.5 %
Allocated loss expense ratio			8.9	7.0	7.9	6.9	6.5	7.1	8.0	6.8		6.8		7.1
Unallocated loss expense ratio			4.4	6.7	6.4	6.7	4.8	6.6	5.5	5.7		6.0		6.1
Net underwriting expense ratio			32.2	32.9	33.4	34.8	31.7	31.9	32.6	31.8		32.7		32.9
Statutory combined ratio			123.0 %	102.1 %	91.9 %	105.5 %	102.0 %	99.3 %	112.5 %	100.7 %		102.2 %		99.6 %
Contribution from catastrophe losses			29.7	4.9	1.0	3.2	10.4	1.8	17.2	6.2		5.2		4.1
Statutory combined ratio excluding catastrophe losses			93.3 %	97.2 %	90.9 %	102.3 %	91.6 %	97.5 %	95.3 %	94.5 %		97.0 %		95.5 %
Commission expense ratio			17.7 %	18.5 %	19.0 %	19.0 %	17.6 %	17.2 %	18.1 %	17.4 %		17.9 %		18.1 %
Other expense ratio			14.5	14.4	14.4	15.8	14.1	14.7	14.5	14.4		14.8		14.8
Statutory expense ratio			32.2 %	32.9 %	33.4 %	34.8 %	31.7 %	31.9 %	32.6 %	31.8 %		32.7 %		32.9 %
<b>GAAP combined ratio</b>														
GAAP combined ratio			124.2 %	104.0 %	90.6 %	103.4 %	101.7 %	102.1 %	114.0 %	101.9 %		102.4 %		99.4 %
Contribution from catastrophe losses			29.7	4.9	1.0	3.2	10.4	1.8	17.2	6.2		5.2		4.1
GAAP combined ratio excluding catastrophe losses			94.5 %	99.1 %	89.6 %	100.2 %	91.3 %	100.3 %	96.8 %	95.7 %		97.2 %		95.3 %

\*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 - Personal Lines**

(Dollars in millions)	Three months ended								Six months ended		Nine months ended		Twelve months ended	
	12/31/11	9/30/11	6/30/11	3/31/11	12/31/10	9/30/10	6/30/10	3/31/10	6/30/11	6/30/10	9/30/11	9/30/10	12/31/11	12/31/10
<b>Premiums</b>														
Agency renewal written premiums			\$ 205	\$ 156	\$ 166	\$ 189	\$ 187	\$ 143	\$ 361	\$ 330	\$ 519		\$ 685	
Agency new business written premiums			26	22	23	25	24	18	48	42	67		90	
Other written premiums			(21)	(5)	(6)	(6)	(7)	(6)	(26)	(13)	(19)		(25)	
Reported written premiums – statutory*			\$ 210	\$ 173	\$ 183	\$ 208	\$ 204	\$ 155	\$ 383	\$ 359	\$ 567		\$ 750	
Unearned premium change			(30)	17	3	(26)	(25)	19	(13)	(6)	(32)		(29)	
Earned premiums			\$ 180	\$ 190	\$ 186	\$ 182	\$ 179	\$ 174	\$ 370	\$ 353	\$ 535		\$ 721	
<b>Year over year change %</b>														
Agency renewal written premiums			10 %	9 %	8 %	7 %	6 %	4 %	9 %	5 %	6 %		7 %	
Agency new business written premiums			8	22	15	19	26	29	14	24	22		20	
Other written premiums			(200)	17	0	25	(40)	0	(100)	0	10		4	
Reported written premiums – statutory*			3	12	10	9	7	7	7	7	8		9	
<b>Paid losses and loss expenses</b>														
Losses paid			\$ 229	\$ 109	\$ 116	\$ 128	\$ 114	\$ 103	\$ 338	\$ 217	\$ 345		\$ 461	
Loss expenses paid			18	15	17	17	14	17	33	30	48		65	
Loss and loss expenses paid			\$ 247	\$ 124	\$ 133	\$ 145	\$ 128	\$ 120	\$ 371	\$ 247	\$ 393		\$ 526	
<b>Statutory combined ratio</b>														
Loss ratio			135.7 %	64.9 %	60.5 %	63.2 %	82.4 %	55.3 %	99.3 %	69.0 %	67.0 %		65.4 %	
Allocated loss expense ratio			3.0	2.3	2.5	1.9	2.0	1.9	2.6	2.0	1.9		2.1	
Unallocated loss expense ratio			10.7	6.9	6.9	7.2	6.7	7.2	8.8	6.9	7.1		6.9	
Net underwriting expense ratio			29.0	30.3	32.6	28.4	30.1	42.1	29.5	35.3	32.8		32.7	
Statutory combined ratio			178.4 %	104.4 %	102.5 %	100.7 %	121.2 %	106.5 %	140.2 %	113.2 %	108.8 %		107.1 %	
Contribution from catastrophe losses			73.4	7.4	(0.3)	6.0	23.8	3.0	39.4	13.6	11.0		8.1	
Statutory combined ratio excluding catastrophe losses			105.0 %	97.0 %	102.8 %	94.7 %	97.4 %	103.5 %	100.8 %	99.6 %	97.8 %		99.0 %	
Commission expense ratio			18.7 %	17.9 %	21.7 %	17.1 %	18.1 %	22.4 %	18.3 %	20.0 %	19.0 %		19.6 %	
Other expense ratio			10.3	12.4	10.9	11.3	12.0	19.7	11.2	15.3	13.8		13.1	
Statutory expense ratio			29.0 %	30.3 %	32.6 %	28.4 %	30.1 %	42.1 %	29.5 %	35.3 %	32.8 %		32.7 %	
<b>GAAP combined ratio</b>														
GAAP combined ratio			179.2 %	101.4 %	101.9 %	103.4 %	123.4 %	102.5 %	139.2 %	113.1 %	109.8 %		107.7 %	
Contribution from catastrophe losses			73.4	7.4	(0.3)	6.0	23.8	3.0	39.4	13.6	11.0		8.1	
GAAP combined ratio excluding catastrophe losses			105.8 %	94.0 %	102.2 %	97.4 %	99.6 %	99.5 %	99.8 %	99.5 %	98.8 %		99.6 %	

\*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	
	12/31/11	9/30/11	6/30/11	3/31/11	12/31/10	9/30/10	6/30/10	3/31/10	6/30/11	6/30/10	9/30/11	9/30/10	12/31/11	12/31/10
<b>Premiums</b>														
Agency renewal written premiums			\$ 12	\$ 10	\$ 8	\$ 9	\$ 6	\$ 6	\$ 22	\$ 12	\$ 21		\$ 29	
Agency new business written premiums			10	9	8	9	9	8	19	17	27		35	
Other written premiums			(1)	(1)	(1)	(2)	(2)	(1)	(2)	(3)	(5)		(6)	
Reported written premiums – statutory*			\$ 21	\$ 18	\$ 15	\$ 16	\$ 13	\$ 13	\$ 39	\$ 26	\$ 43		\$ 58	
Unearned premium change			(4)	(3)	(1)	(3)	(2)	(2)	(7)	(4)	(8)		(9)	
Earned premiums			\$ 17	\$ 15	\$ 14	\$ 13	\$ 11	\$ 11	\$ 32	\$ 22	\$ 35		\$ 49	
<b>Year over year change %</b>														
Agency renewal written premiums			100 %	67 %	100 %	200 %	200 %	500 %	83 %	500 %	320 %		190 %	
Agency new business written premiums			11	13	14	0	13	14	12	13	8		9	
Other written premiums			50	0	0	nm	nm	0	33	nm	(400)		(100)	
Reported written premiums – statutory*			62	38	50	33	30	86	50	53	48		49	
<b>Paid losses and loss expenses</b>														
Losses paid			\$ 4	\$ 4	\$ 1	\$ 3	\$ 1	\$ 1	\$ 8	\$ 2	\$ 5		\$ 6	
Loss expenses paid			1	1	1	1	0	0	2	1	2		2	
Loss and loss expenses paid			\$ 5	\$ 5	\$ 2	\$ 4	\$ 1	\$ 1	\$ 10	\$ 3	\$ 7		\$ 8	
<b>Statutory combined ratio</b>														
Loss ratio			49.6 %	77.6 %	20.8 %	72.3 %	81.5 %	65.4 %	62.8 %	73.5 %	73.1 %		58.1 %	
Allocated loss expense ratio			(12.8)	19.1	16.1	23.5	20.4	21.0	2.2	20.7	21.8		20.1	
Unallocated loss expense ratio			4.7	6.1	2.7	7.9	6.5	5.1	5.3	5.8	6.5		5.5	
Net underwriting expense ratio			31.6	27.6	39.0	30.8	33.5	38.5	29.8	35.8	33.9		35.2	
Statutory combined ratio			73.1 %	130.4 %	78.6 %	134.5 %	141.9 %	130.0 %	100.1 %	135.8 %	135.3 %		118.9 %	
Contribution from catastrophe losses			4.4	2.8	(0.1)	4.6	5.6	0.0	3.6	2.7	1.7		1.2	
Statutory combined ratio excluding catastrophe losses			68.7 %	127.6 %	78.7 %	129.9 %	136.3 %	130.0 %	96.5 %	133.1 %	133.6 %		117.7 %	
Commission expense ratio			24.5 %	22.2 %	30.7 %	27.0 %	26.0 %	28.2 %	23.5 %	27.0 %	27.0 %		27.9 %	
Other expense ratio			7.1	5.4	8.3	3.8	7.5	10.3	6.3	8.8	6.9		7.3	
Statutory expense ratio			31.6 %	27.6 %	39.0 %	30.8 %	33.5 %	38.5 %	29.8 %	35.8 %	33.9 %		35.2 %	
<b>GAAP combined ratio</b>														
GAAP combined ratio			74.7 %	133.0 %	75.3 %	129.8 %	137.5 %	127.1 %	102.1 %	132.4 %	131.4 %		115.4 %	
Contribution from catastrophe losses			4.4	2.8	(0.1)	4.6	5.6	0.0	3.6	2.7	1.7		1.2	
GAAP combined ratio excluding catastrophe losses			70.3 %	130.2 %	75.4 %	125.2 %	131.9 %	127.1 %	98.5 %	129.7 %	129.7 %		114.2 %	

\*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.

\*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.

\* Statutory data does not include CSU Producers Resources Inc.

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

(Dollars in millions)	For the Three Months Ended June 30,				For the Six Months Ended June 30,			
	2011	2010	Change	% Change	2011	2010	Change	% Change
Net premiums written	\$ 75	\$ 93	\$ (18)	(19)	\$ 177	\$ 198	\$ (21)	(11)
Net investment income	35	34	1	3	70	67	3	4
Amortization of interest maintenance reserve	-	(1)	1	nm	-	(1)	1	nm
Commissions and expense allowances on reinsurance ceded	1	2	(1)	(50)	3	3	-	nm
Income from fees associated with Separate Accounts	1	1	-	nm	1	1	-	nm
<b>Total revenues</b>	<b>\$ 112</b>	<b>\$ 129</b>	<b>\$ (17)</b>	<b>(13)</b>	<b>\$ 251</b>	<b>\$ 268</b>	<b>\$ (17)</b>	<b>(6)</b>
Death benefits and matured endowments	\$ 14	\$ 13	\$ 1	8	\$ 30	\$ 26	\$ 4	15
Annuity benefits	12	8	4	50	26	18	8	44
Disability benefits and benefits under accident and health contracts	-	1	(1)	nm	-	1	(1)	nm
Surrender benefits and group conversions	6	5	1	20	12	11	1	9
Interest and adjustments on deposit-type contract funds	3	3	-	nm	5	5	-	nm
Increase in aggregate reserves for life and accident and health contracts	58	78	(20)	(26)	135	162	(27)	(17)
Payments on supplementary contracts with life contingencies	-	-	-	nm	-	-	-	nm
<b>Total benefit expenses</b>	<b>\$ 93</b>	<b>\$ 108</b>	<b>\$ (15)</b>	<b>(14)</b>	<b>\$ 208</b>	<b>\$ 223</b>	<b>\$ (15)</b>	<b>(7)</b>
Commissions	\$ 10	\$ 12	\$ (2)	(17)	\$ 22	\$ 23	\$ (1)	(4)
General insurance expenses and taxes	10	9	1	11	21	19	2	11
Increase in loading on deferred and uncollected premiums	(3)	(3)	-	nm	(3)	(4)	1	25
Net transfers from Separate Accounts	-	-	-	-	-	-	-	nm
Other deductions	-	-	-	-	-	-	-	nm
<b>Total operating expenses</b>	<b>\$ 17</b>	<b>\$ 18</b>	<b>\$ (1)</b>	<b>(6)</b>	<b>\$ 40</b>	<b>\$ 38</b>	<b>\$ 2</b>	<b>5</b>
Federal and foreign income tax benefit	4	1	3	300	12	(3)	15	nm
<b>Net gain from operations before realized capital gains</b>	<b>\$ (2)</b>	<b>\$ 2</b>	<b>\$ (4)</b>	<b>nm</b>	<b>\$ (9)</b>	<b>\$ 10</b>	<b>\$ (19)</b>	<b>nm</b>
Net realized gains net of capital gains tax	2	-	2	nm	(17)	1	(18)	nm
<b>Net income (loss) (statutory)</b>	<b>\$ -</b>	<b>\$ 2</b>	<b>\$ (2)</b>	<b>nm</b>	<b>\$ (26)</b>	<b>\$ 11</b>	<b>\$ (37)</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.