

Liberty Mutual Insurance Enters Into Agreement to Sell Summit Holding Southeast, Inc. to American Financial Group

On January 9, 2014, Liberty Mutual Insurance reached a definitive agreement to sell Summit Holding Southeast, Inc. and its related companies (together, "Summit") to American Financial Group (NYSE/NASDAQ: AFG) in an all-cash transaction. Based in Lakeland, FL, Summit is a leading provider of workers' compensation solutions in the Southeastern United States, with approximately \$520 million of premium written. Following the transaction, Summit will continue to operate under the Summit brand as a member of AFG's Great American Insurance Group.

Under the terms of the transaction, AFG will pay Liberty Mutual Insurance an estimated \$250 million at closing. The purchase price will be subject to adjustment between signing and closing for, among other things, changes in Summit's GAAP tangible book value.

Bank of America Merrill Lynch acted as financial advisor to Liberty Mutual Insurance.

About the Seller

Boston-based Liberty Mutual Insurance is a diversified global insurer and third largest property and casualty insurer in the U.S. based on 2012 direct written premium. Liberty Mutual Insurance ranks 81st on the Fortune 100 list of largest corporations in the U.S. based on 2012 revenue. As of December 31, 2012, Liberty Mutual Insurance had \$120.060 billion in consolidated assets, \$101.535 billion in consolidated liabilities, and \$36.944 billion in annual consolidated revenue. Liberty Mutual Insurance offers a wide range of insurance products and services, including personal automobile, homeowners, workers compensation, commercial multiple peril, commercial automobile, general liability, global specialty, group disability, assumed reinsurance, fire and surety. Liberty Mutual Insurance employs over 50,000 people in approximately 900 offices throughout the world. For a full description of Liberty Mutual Insurance's business operations, products and distribution channels, please visit Liberty Mutual's Investor Relations website at www.libertymutual.com/investors.

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