



ANNUAL STATEMENT
For the Year Ended December 31, 2011
OF THE CONDITION AND AFFAIRS OF THE
CINCINNATI INSURANCE COMPANY

NAIC Group Code	00244	00244	NAIC Company Code	10677	Employer's ID Number	31-0542366
	(Current Period)	(Prior Period)				
Organized under the Laws of	Ohio			State of Domicile or Port of Entry	Ohio	
Country of Domicile				United States		
Incorporated/Organized	08/02/1950			Commenced Business	01/23/1951	
Statutory Home Office	6200 SOUTH GILMORE ROAD			FAIRFIELD, OH 45014-5141		
	(Street and Number)			(City or Town, State and Zip Code)		
Main Administrative Office	6200 SOUTH GILMORE ROAD			FAIRFIELD, OH 45014-5141	513-870-2000	
	(Street and Number)			(City or Town, State and Zip Code)	(Area Code)	(Telephone Number)
Mail Address	P.O. BOX 145496			CINCINNATI, OH 45250-5496		
	(Street and Number or P.O. Box)			(City or Town, State and Zip Code)		
Primary Location of Books and Records	6200 SOUTH GILMORE ROAD			FAIRFIELD, OH 45014-5141	513-870-2646	
	(Street and Number)			(City or Town, State and Zip Code)	(Area Code)	(Telephone Number)
Internet Web Site Address	www.cinfin.com					
Statutory Statement Contact	Andrew Schnell			513-870-2646		
	(Name)			(Area Code) (Telephone Number) (Extension)		
	andrew_schnell@cinfin.com			513-603-5500		
	(E-Mail Address)			(Fax Number)		

OFFICERS

Name	Title	Name	Title
STEVEN JUSTUS JOHNSTON # ,	CHIEF EXECUTIVE OFFICER, PRESIDENT	MICHAEL JAMES SEWELL # ,	CHIEF FINANCIAL OFFICER, SENIOR VICE PRESIDENT
THERESA ANN HOFFER	VICE PRESIDENT, TREASURER		

OTHER OFFICERS

TERESA CURRIN CRACAS # ,	SENIOR VICE PRESIDENT	DONALD JOSEPH DOYLE JR ,	SENIOR VICE PRESIDENT
CRAIG WILLIAM FORRESTER ,	SENIOR VICE PRESIDENT	MARTIN FRANCIS HOLLENBECK ,	SENIOR VICE PRESIDENT
THOMAS ANTHONY JOSEPH ,	SENIOR VICE PRESIDENT	JOHN SCOTT KELLINGTON ,	SENIOR VICE PRESIDENT
LISA ANNE LOVE # ,	SENIOR VICE PRESIDENT	ERIC NEIL MATHEWS ,	SENIOR VICE PRESIDENT
MARTIN JOSEPH MULLEN ,	SENIOR VICE PRESIDENT	JACOB FERDINAND SCHERER ,	EXECUTIVE VICE PRESIDENT
JOHN JEFFERSON SCHIFF JR ,	CHAIRMAN OF THE EXECUTIVE COMMITTEE	JOAN O'CONNOR SHEVCHIK ,	SENIOR VICE PRESIDENT
KENNETH WILLIAM STECHER # ,	CHAIRMAN OF THE BOARD	CHARLES PHILIP STONEBURNER II ,	SENIOR VICE PRESIDENT
TIMOTHY LEE TIMMEL	SENIOR VICE PRESIDENT		

DIRECTORS OR TRUSTEES

WILLIAM FORREST BAHL	GREGORY THOMAS BIER	DONALD JOSEPH DOYLE JR	MARTIN FRANCIS HOLLENBECK
STEVEN JUSTUS JOHNSTON	THOMAS ANTHONY JOSEPH	WILLIAM RODNEY MCMULLEN	MARTIN JOSEPH MULLEN
JACOB FERDINAND SCHERER	JOHN JEFFERSON SCHIFF JR	THOMAS REID SCHIFF	KENNETH WILLIAM STECHER
JOHN FREDERICK STEELE JR	CHARLES PHILIP STONEBURNER II	TIMOTHY LEE TIMMEL	LARRY RUSSELL WEBB
EARNEST ANTHONY WOODS			

State ofOHIO.....
County ofBUTLER.....

The officers of this reporting entity, being duly sworn, each depose and say that they are the described officers of said reporting entity, and that on the reporting period stated above, all of the herein described assets were the absolute property of the said reporting entity, free and clear from any liens or claims thereon, except as herein stated, and that this statement, together with related exhibits, schedules and explanations therein contained, annexed or referred to, is a full and true statement of all the assets and liabilities and of the condition and affairs of the said reporting entity as of the reporting period stated above, and of its income and deductions therefrom for the period ended, and have been completed in accordance with the NAIC Annual Statement Instructions and Accounting Practices and Procedures manual except to the extent that: (1) state law may differ; or, (2) that state rules or regulations require differences in reporting not related to accounting practices and procedures, according to the best of their information, knowledge and belief, respectively. Furthermore, the scope of this attestation by the described officers also includes the related corresponding electronic filing with the NAIC, when required, that is an exact copy (except for formatting differences due to electronic filing) of the enclosed statement. The electronic filing may be requested by various regulators in lieu of or in addition to the enclosed statement.

STEVEN J. JOHNSTON CHIEF EXECUTIVE OFFICER, PRESIDENT	MICHAEL J. SEWELL CHIEF FINANCIAL OFFICER, SENIOR VICE PRESIDENT	THERESA A. HOFFER VICE PRESIDENT, TREASURER
Subscribed and sworn to before me this 17TH day of FEBRUARY, 2012		
a. Is this an original filing? Yes [X] No [] b. If no: 1. State the amendment number 2. Date filed 3. Number of pages attached		

ANNUAL STATEMENT FOR THE YEAR 2011 OF THE CINCINNATI INSURANCE COMPANY

ASSETS

	Current Year			Prior Year
	1	2	3	4
	Assets	Nonadmitted Assets	Net Admitted Assets (Cols. 1 - 2)	Net Admitted Assets
1. Bonds (Schedule D).....	4,865,973,849		4,865,973,849	4,933,709,152
2. Stocks (Schedule D):				
2.1 Preferred stocks	98,725,490		98,725,490	109,140,635
2.2 Common stocks	2,739,778,824		2,739,778,824	2,790,645,646
3. Mortgage loans on real estate (Schedule B):				
3.1 First liens			0	0
3.2 Other than first liens			0	0
4. Real estate (Schedule A):				
4.1 Properties occupied by the company (less \$ encumbrances).....	10,234,935		10,234,935	10,502,146
4.2 Properties held for the production of income (less \$ encumbrances)			0	0
4.3 Properties held for sale (less \$ encumbrances)			0	0
5. Cash (\$297,151,558 , Schedule E-Part 1), cash equivalents (\$0 , Schedule E-Part 2) and short-term investments (\$0 , Schedule DA).....	297,151,558		297,151,558	182,388,057
6. Contract loans (including \$premium notes).....			0	0
7. Derivatives (Schedule DB).....			0	0
8. Other invested assets (Schedule BA)	4,123,146		4,123,146	10,008,640
9. Receivables for securities	49,643		49,643	49,643
10. Securities lending reinvested collateral assets (Schedule DL).....			0	0
11. Aggregate write-ins for invested assets	0	0	0	0
12. Subtotals, cash and invested assets (Lines 1 to 11)	8,016,037,445	0	8,016,037,445	8,036,443,919
13. Title plants less \$charged off (for Title insurers only).....			0	0
14. Investment income due and accrued	72,086,096		72,086,096	74,199,945
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection	301,023,251	5,487,505	295,535,746	247,230,964
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$earned but unbilled premiums).....	822,729,450	192,487	822,536,963	770,739,506
15.3 Accrued retrospective premiums.....			0	0
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers	42,901,243	391,563	42,509,680	15,509,710
16.2 Funds held by or deposited with reinsured companies	227,362		227,362	227,496
16.3 Other amounts receivable under reinsurance contracts			0	0
17. Amounts receivable relating to uninsured plans			0	0
18.1 Current federal and foreign income tax recoverable and interest thereon	55,523,469		55,523,469	15,402,319
18.2 Net deferred tax asset.....	148,911,171		148,911,171	137,443,228
19. Guaranty funds receivable or on deposit			0	0
20. Electronic data processing equipment and software.....	37,414,369	35,196,350	2,218,019	3,645,215
21. Furniture and equipment, including health care delivery assets (\$)	6,141,504	6,141,504	0	0
22. Net adjustment in assets and liabilities due to foreign exchange rates			0	0
23. Receivables from parent, subsidiaries and affiliates	2,369,205		2,369,205	2,233,672
24. Health care (\$) and other amounts receivable.....			0	0
25. Aggregate write-ins for other than invested assets	46,798,070	2,920,717	43,877,353	39,955,711
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25).....	9,552,162,635	50,330,126	9,501,832,509	9,343,031,685
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....			0	0
28. Total (Lines 26 and 27)	9,552,162,635	50,330,126	9,501,832,509	9,343,031,685
DETAILS OF WRITE-INS				
1101.			0	0
1102.			0	0
1103.			0	0
1198. Summary of remaining write-ins for Line 11 from overflow page	0	0	0	0
1199. Totals (Lines 1101 through 1103 plus 1198) (Line 11 above)	0	0	0	0
2501. Equities and Deposits in Pools and Associations.....	36,264,819		36,264,819	36,447,146
2502. Miscellaneous Receivables.....	10,533,251	2,920,717	7,612,534	3,508,565
2503.				
2598. Summary of remaining write-ins for Line 25 from overflow page	0	0	0	0
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above)	46,798,070	2,920,717	43,877,353	39,955,711

LIABILITIES, SURPLUS AND OTHER FUNDS

	1 Current Year	2 Prior Year
1. Losses (Part 2A, Line 35, Column 8)	2,927,539,915	2,896,177,921
2. Reinsurance payable on paid losses and loss adjustment expenses (Schedule F, Part 1, Column 6)	48,694,282	50,165,280
3. Loss adjustment expenses (Part 2A, Line 35, Column 9)	900,710,444	859,939,917
4. Commissions payable, contingent commissions and other similar charges	73,438,975	79,131,576
5. Other expenses (excluding taxes, licenses and fees)	18,466,397	28,387,222
6. Taxes, licenses and fees (excluding federal and foreign income taxes)	14,757,473	14,656,519
7.1 Current federal and foreign income taxes (including \$ on realized capital gains (losses)).....		0
7.2 Net deferred tax liability.....		0
8. Borrowed money \$ and interest thereon \$		0
9. Unearned premiums (Part 1A, Line 38, Column 5) (after deducting unearned premiums for ceded reinsurance of \$15,002,614 and including warranty reserves of \$ and accrued accident and health experience rating refunds including \$ for medical loss ratio rebate per the Public Health Service Act)	1,576,644,543	1,502,303,660
10. Advance premium	5,656,746	5,053,087
11. Dividends declared and unpaid:		
11.1 Stockholders	60,000,000	50,000,000
11.2 Policyholders	13,730,000	14,185,114
12. Ceded reinsurance premiums payable (net of ceding commissions)	39,670,498	17,273,606
13. Funds held by company under reinsurance treaties (Schedule F, Part 3, Column 19)		0
14. Amounts withheld or retained by company for account of others	6,143,546	6,320,272
15. Remittances and items not allocated.....	453,647	389,786
16. Provision for reinsurance (Schedule F, Part 7)	2,458,344	0
17. Net adjustments in assets and liabilities due to foreign exchange rates		0
18. Drafts outstanding		0
19. Payable to parent, subsidiaries and affiliates	31,897,692	7,293,068
20. Derivatives		0
21. Payable for securities	10,328,536	0
22. Payable for securities lending		0
23. Liability for amounts held under uninsured plans		0
24. Capital notes \$and interest thereon \$		0
25. Aggregate write-ins for liabilities	24,460,347	34,522,125
26. Total liabilities excluding protected cell liabilities (Lines 1 through 25)	5,755,051,386	5,565,799,153
27. Protected cell liabilities		0
28. Total liabilities (Lines 26 and 27)	5,755,051,386	5,565,799,153
29. Aggregate write-ins for special surplus funds	0	0
30. Common capital stock	3,586,355	3,586,355
31. Preferred capital stock		0
32. Aggregate write-ins for other than special surplus funds	0	0
33. Surplus notes		0
34. Gross paid in and contributed surplus	363,410,416	363,410,416
35. Unassigned funds (surplus)	3,379,784,352	3,410,235,763
36. Less treasury stock, at cost:		
36.1 shares common (value included in Line 30 \$)		0
36.2 shares preferred (value included in Line 31 \$)		0
37. Surplus as regards policyholders (Lines 29 to 35, less 36) (Page 4, Line 39)	3,746,781,123	3,777,232,534
38. Totals (Page 2, Line 28, Col. 3)	9,501,832,509	9,343,031,687
DETAILS OF WRITE-INS		
2501. Accounts Payable -- Other.....	24,460,347	21,870,919
2502. Earned But Unbilled Payable.....		12,651,206
2503.		
2598. Summary of remaining write-ins for Line 25 from overflow page	0	0
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above)	24,460,347	34,522,125
2901.		
2902.		
2903.		
2998. Summary of remaining write-ins for Line 29 from overflow page	0	0
2999. Totals (Lines 2901 through 2903 plus 2998) (Line 29 above)	0	0
3201.		
3202.		
3203.		
3298. Summary of remaining write-ins for Line 32 from overflow page	0	0
3299. Totals (Lines 3201 through 3203 plus 3298) (Line 32 above)	0	0

ANNUAL STATEMENT FOR THE YEAR 2011 OF THE CINCINNATI INSURANCE COMPANY

STATEMENT OF INCOME

	1 Current Year	2 Prior Year
UNDERWRITING INCOME		
1. Premiums earned (Part 1, Line 35, Column 4)	2,961,842,226	2,877,822,911
DEDUCTIONS:		
2. Losses incurred (Part 2, Line 35, Column 7)	1,915,067,938	1,623,639,101
3. Loss adjustment expenses incurred (Part 3, Line 25, Column 1)	377,630,397	349,741,156
4. Other underwriting expenses incurred (Part 3, Line 25, Column 2)	949,512,196	942,325,252
5. Aggregate write-ins for underwriting deductions	0	0
6. Total underwriting deductions (Lines 2 through 5)	3,242,210,531	2,915,705,509
7. Net income of protected cells	0	0
8. Net underwriting gain (loss) (Line 1 minus Line 6 plus Line 7)	(280,368,306)	(37,882,598)
INVESTMENT INCOME		
9. Net investment income earned (Exhibit of Net Investment Income, Line 17)	355,303,327	330,018,756
10. Net realized capital gains (losses) less capital gains tax of \$ 23,084,312 (Exhibit of Capital Gains (Losses)).....	42,870,867	88,009,839
11. Net investment gain (loss) (Lines 9 + 10)	398,174,194	418,028,595
OTHER INCOME		
12. Net gain (loss) from agents' or premium balances charged off (amount recovered \$ 1,099,560 amount charged off \$ 1,506,172)	(406,612)	(540,416)
13. Finance and service charges not included in premiums	4,429,188	3,735,227
14. Aggregate write-ins for miscellaneous income	1,833,490	933,158
15. Total other income (Lines 12 through 14)	5,856,066	4,127,969
16. Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Lines 8 + 11 + 15)	123,661,955	384,273,966
17. Dividends to policyholders	16,016,235	14,167,939
18. Net income, after dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Line 16 minus Line 17)	107,645,719	370,106,027
19. Federal and foreign income taxes incurred	(12,515,950)	52,139,747
20. Net income (Line 18 minus Line 19) (to Line 22)	120,161,670	317,966,280
CAPITAL AND SURPLUS ACCOUNT		
21. Surplus as regards policyholders, December 31 prior year (Page 4, Line 39, Column 2)	3,777,232,536	3,647,791,505
22. Net income (from Line 20)	120,161,670	317,966,280
23. Net transfers (to) from Protected Cell accounts	0	0
24. Change in net unrealized capital gains or (losses) less capital gains tax of \$ (4,262,552)	(1,047,487)	28,980,005
25. Change in net unrealized foreign exchange capital gain (loss)	0	0
26. Change in net deferred income tax	7,205,390	(6,346,152)
27. Change in nonadmitted assets (Exhibit of Nonadmitted Assets, Line 28, Col. 3)	25,687,358	8,840,898
28. Change in provision for reinsurance (Page 3, Line 16, Column 2 minus Column 1)	(2,458,344)	0
29. Change in surplus notes	0	0
30. Surplus (contributed to) withdrawn from protected cells	0	0
31. Cumulative effect of changes in accounting principles	0	0
32. Capital changes:		
32.1. Paid in	0	0
32.2. Transferred from surplus (Stock Dividend)	0	0
32.3. Transferred to surplus	0	0
33. Surplus adjustments:		
33.1. Paid in	0	0
33.2. Transferred to capital (Stock Dividend)	0	0
33.3. Transferred from capital	0	0
34. Net remittances from or (to) Home Office	0	0
35. Dividends to stockholders	(180,000,000)	(220,000,000)
36. Change in treasury stock (Page 3, Lines 36.1 and 36.2, Column 2 minus Column 1)	0	0
37. Aggregate write-ins for gains and losses in surplus	0	0
38. Change in surplus as regards policyholders for the year (Lines 22 through 37)	(30,451,413)	129,441,031
39. Surplus as regards policyholders, December 31 current year (Line 21 plus Line 38) (Page 3, Line 37)	3,746,781,123	3,777,232,536
DETAILS OF WRITE-INS		
0501.		
0502.		
0503.		
0598. Summary of remaining write-ins for Line 5 from overflow page	0	0
0599. Totals (Lines 0501 through 0503 plus 0598) (Line 5 above)	0	0
1401. Collection Fees.....	906,856	933,158
1402. Miscellaneous Interest.....	926,635	0
1403.		
1498. Summary of remaining write-ins for Line 14 from overflow page	0	0
1499. Totals (Lines 1401 through 1403 plus 1498) (Line 14 above)	1,833,490	933,158
3701.		
3702.		
3703.		
3798. Summary of remaining write-ins for Line 37 from overflow page	0	0
3799. Totals (Lines 3701 through 3703 plus 3798) (Line 37 above)	0	0

CASH FLOW

	1 Current Year	2 Prior Year
Cash from Operations		
1. Premiums collected net of reinsurance.....	2,937,080,922	2,882,025,981
2. Net investment income	354,553,957	324,778,763
3. Miscellaneous income	5,891,673	4,163,024
4. Total (Lines 1 through 3)	3,297,526,552	3,210,967,768
5. Benefit and loss related payments	2,225,886,450	1,837,340,885
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts.....	0	0
7. Commissions, expenses paid and aggregate write-ins for deductions	950,648,997	919,080,960
8. Dividends paid to policyholders	16,471,349	17,062,467
9. Federal and foreign income taxes paid (recovered) net of \$28,944,070 tax on capital gains (losses).....	50,689,511	182,068,422
10. Total (Lines 5 through 9)	3,243,696,307	2,955,552,734
11. Net cash from operations (Line 4 minus Line 10)	53,830,244	255,415,034
Cash from Investments		
12. Proceeds from investments sold, matured or repaid:		
12.1 Bonds	443,998,626	592,632,094
12.2 Stocks	348,995,121	182,476,451
12.3 Mortgage loans	0	0
12.4 Real estate	0	0
12.5 Other invested assets	5,000,000	0
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments	0	1,845,934
12.7 Miscellaneous proceeds	10,328,536	5,137,993
12.8 Total investment proceeds (Lines 12.1 to 12.7)	808,322,283	782,092,472
13. Cost of investments acquired (long-term only):		
13.1 Bonds	363,109,996	656,882,537
13.2 Stocks	236,115,815	245,625,383
13.3 Mortgage loans	0	0
13.4 Real estate	0	868,968
13.5 Other invested assets	0	0
13.6 Miscellaneous applications	0	27,270,000
13.7 Total investments acquired (Lines 13.1 to 13.6)	599,225,811	930,646,888
14. Net increase (decrease) in contract loans and premium notes	0	0
15. Net cash from investments (Line 12.8 minus Line 13.7 minus Line 14)	209,096,473	(148,554,416)
Cash from Financing and Miscellaneous Sources		
16. Cash provided (applied):		
16.1 Surplus notes, capital notes	0	0
16.2 Capital and paid in surplus, less treasury stock.....	0	0
16.3 Borrowed funds	0	0
16.4 Net deposits on deposit-type contracts and other insurance liabilities	0	0
16.5 Dividends to stockholders	170,000,000	220,000,000
16.6 Other cash provided (applied).....	21,836,785	(7,611,531)
17. Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6)	(148,163,215)	(227,611,531)
RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS		
18. Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17)	114,763,502	(120,750,913)
19. Cash, cash equivalents and short-term investments:		
19.1 Beginning of year	182,388,056	303,138,969
19.2 End of year (Line 18 plus Line 19.1)	297,151,558	182,388,056

UNDERWRITING AND INVESTMENT EXHIBIT

PART 1 - PREMIUMS EARNED

Line of Business		1 Net Premiums Written per Column 6, Part 1B	2 Unearned Premiums Dec. 31 Prior Year - per Col. 3, Last Year's Part 1	3 Unearned Premiums Dec. 31 Current Year - per Col. 5 Part 1A	4 Premiums Earned During Year (Cols. 1 + 2 - 3)
1.	Fire	66,038,058	34,026,291	36,766,492	63,297,857
2.	Allied lines	46,994,761	27,160,515	29,551,010	44,604,266
3.	Farmowners multiple peril	0	12	0	12
4.	Homeowners multiple peril	313,506,441	167,049,222	185,284,127	295,271,536
5.	Commercial multiple peril	827,500,946	425,891,382	432,749,036	820,643,292
6.	Mortgage guaranty	0	0	0	0
8.	Ocean marine	0	0	0	0
9.	Inland marine	61,644,141	32,030,585	33,055,067	60,619,659
10.	Financial guaranty	0	0	0	0
11.1	Medical professional liability-occurrence	31,963,919	17,108,306	15,607,791	33,464,434
11.2	Medical professional liability-claims-made	65,563	0	39,551	26,012
12.	Earthquake	2,023,600	1,079,433	1,151,894	1,951,139
13.	Group accident and health	0	0	0	0
14.	Credit accident and health (group and individual)	0	0	0	0
15.	Other accident and health	31,059	429	534	30,954
16.	Workers' compensation	312,317,013	152,607,042	146,175,607	318,748,448
17.1	Other liability - occurrence	383,982,478	193,011,099	196,955,307	380,038,270
17.2	Other liability - claims-made	69,790,533	41,595,742	45,422,530	65,963,745
17.3	Excess workers' compensation.....	1,303,855	449,845	516,948	1,236,752
18.1	Products liability-occurrence	55,933,263	24,612,142	25,729,273	54,816,131
18.2	Products liability-claims-made	9,122	0	0	9,122
19.1,19.2	Private passenger auto liability	217,108,942	102,188,317	110,900,113	208,397,145
19.3,19.4	Commercial auto liability	305,286,873	137,408,917	145,904,171	296,791,620
21.	Auto physical damage	267,998,346	125,817,409	137,067,559	256,748,197
22.	Aircraft (all perils)	(23,521)	0	0	(23,521)
23.	Fidelity	7,717,200	6,913,667	6,631,448	7,999,419
24.	Surety	35,284,370	17,974,572	16,739,382	36,519,560
26.	Burglary and theft	2,418,855	1,062,382	1,293,787	2,187,450
27.	Boiler and machinery	12,711,212	6,967,559	7,178,043	12,500,727
28.	Credit	0	0	0	0
29.	International	0	0	0	0
30.	Warranty	0	0	0	0
31.	Reinsurance-nonproportional assumed property	0	0	0	0
32.	Reinsurance-nonproportional assumed liability	0	0	0	0
33.	Reinsurance-nonproportional assumed financial lines	0	0	0	0
34.	Aggregate write-ins for other lines of business	0	0	0	0
35.	TOTALS	3,021,607,029	1,514,954,868	1,574,719,671	2,961,842,226
DETAILS OF WRITE-INS					
3401.	.....			
3402.	.....			
3403.	.....			
3498.	Sum. of remaining write-ins for Line 34 from overflow page	0	0	0	0
3499.	Totals (Lines 3401 through 3403 plus 3498) (Line 34 above)	0	0	0	0

UNDERWRITING AND INVESTMENT EXHIBIT

PART 1A - RECAPITULATION OF ALL PREMIUMS

Line of Business		1 Amount Unearned (Running One Year or Less from Date of Policy) (a)	2 Amount Unearned (Running More Than One Year from Date of Policy) (a)	3 Earned but Unbilled Premium	4 Reserve for Rate Credits and Retrospective Adjustments Based on Experience	5 Total Reserve for Unearned Premiums Cols. 1 + 2 + 3 + 4
1.	Fire	36,665,856	100,636			36,766,492
2.	Allied lines	29,470,614	80,397			29,551,010
3.	Farmowners multiple peril	0				0
4.	Homeowners multiple peril	185,284,127				185,284,127
5.	Commercial multiple peril	429,865,922	2,867,881	15,232		432,749,036
6.	Mortgage guaranty					0
8.	Ocean marine					0
9.	Inland marine	32,753,171	301,896			33,055,067
10.	Financial guaranty					0
11.1	Medical professional liability-occurrence	15,271,036	336,755			15,607,791
11.2	Medical professional liability-claims-made	39,551				39,551
12.	Earthquake	1,133,440	18,454			1,151,894
13.	Group accident and health					0
14.	Credit accident and health (group and individual) ...					0
15.	Other accident and health	534				534
16.	Workers' compensation	148,517,710	15,646	(2,357,749)		146,175,607
17.1	Other liability-occurrence	195,738,184	804,285	412,839		196,955,307
17.2	Other liability-claims-made	39,808,767	5,613,763			45,422,530
17.3	Excess workers' compensation	516,948				516,948
18.1	Products liability-occurrence	25,584,955	139,513	4,806		25,729,273
18.2	Products liability-claims-made					0
19.1,19.2	Private passenger auto liability	110,900,113				110,900,113
19.3,19.4	Commercial auto liability	145,901,935	2,236			145,904,171
21.	Auto physical damage	137,067,555	4			137,067,559
22.	Aircraft (all perils)					0
23.	Fidelity	2,945,025	3,686,423			6,631,448
24.	Surety	9,239,368	7,500,014			16,739,382
26.	Burglary and theft	1,283,270	10,517			1,293,787
27.	Boiler and machinery	7,031,133	146,910			7,178,043
28.	Credit					0
29.	International					0
30.	Warranty					0
31.	Reinsurance-nonproportional assumed property					0
32.	Reinsurance-nonproportional assumed liability					0
33.	Reinsurance-nonproportional assumed financial lines					0
34.	Aggregate write-ins for other lines of business	0	0	0	0	0
35.	TOTALS	1,555,019,215	21,625,328	(1,924,872)	0	1,574,719,671
36.	Accrued retrospective premiums based on experience					
37.	Earned but unbilled premiums					1,924,872
38.	Balance (Sum of Lines 35 through 37)					1,576,644,543
DETAILS OF WRITE-INS						
3401.	.....				
3402.	.....				
3403.	.....				
3498.	Sum. of remaining write-ins for Line 34 from overflow page	0	0	0	0	0
3499.	Totals (Lines 3401 through 3403 plus 3498) (Line 34 above)	0	0	0	0	0

(a) State here basis of computation used in each case. Monthly Pro Rata

UNDERWRITING AND INVESTMENT EXHIBIT

PART 1B - PREMIUMS WRITTEN

Line of Business		1 Direct Business (a)	Reinsurance Assumed		Reinsurance Ceded		6 Net Premiums Written Cols. 1 + 2 + 3 - 4 - 5
			2 From Affiliates	3 From Non-Affiliates	4 To Affiliates	5 To Non-Affiliates	
1.	Fire	68,463,195	5,143,222	359,112		7,927,472	66,038,058
2.	Allied lines	53,697,850	4,462,433	224,599		11,390,121	46,994,761
3.	Farmowners multiple peril						0
4.	Homeowners multiple peril	353,478,318	160	979,363		40,951,400	313,506,441
5.	Commercial multiple peril	855,513,271	47,293,829	4,672,066		79,978,221	827,500,946
6.	Mortgage guaranty						0
8.	Ocean marine						0
9.	Inland marine	64,797,273	1,888,748			5,041,880	61,644,141
10.	Financial guaranty						0
11.1	Medical professional liability-occurrence	31,276,055	687,860			(4)	31,963,919
11.2	Medical professional liability-claims-made	64,980	583				65,563
12.	Earthquake	2,054,089	107,152			137,641	2,023,600
13.	Group accident and health						0
14.	Credit accident and health (group and individual)						0
15.	Other accident and health	31,059					31,059
16.	Workers' compensation	97,660,661	228,810,508	4,401,879		18,556,036	312,317,013
17.1	Other liability-occurrence	383,122,188	23,495,670			22,635,379	383,982,478
17.2	Other liability-claims-made	81,246,783	283,703			11,739,953	69,790,533
17.3	Excess workers' compensation	1,303,855					1,303,855
18.1	Products liability-occurrence	52,194,210	3,739,049	0		(4)	55,933,263
18.2	Products liability-claims-made		9,122				9,122
19.1,19.2	Private passenger auto liability	216,519,797	19,447	594,851		25,153	217,108,942
19.3,19.4	Commercial auto liability	283,578,797	20,603,380	1,222,413		117,717	305,286,873
21.	Auto physical damage	268,226,599	7,255,994	25,353		7,509,600	267,998,346
22.	Aircraft (all perils)			(23,521)			(23,521)
23.	Fidelity	8,299,638	2,884			585,322	7,717,200
24.	Surety	42,588,721	267,153			7,571,504	35,284,370
26.	Burglary and theft	2,513,776	193,433			288,354	2,418,855
27.	Boiler and machinery	13,483,400	377,949			1,150,137	12,711,212
28.	Credit						0
29.	International						0
30.	Warranty						0
31.	Reinsurance-nonproportional assumed property	XXX					0
32.	Reinsurance-nonproportional assumed liability	XXX					0
33.	Reinsurance-nonproportional assumed financial lines	XXX					0
34.	Aggregate write-ins for other lines of business	0	0	0	0	0	0
35.	TOTALS	2,880,114,516	344,642,280	12,456,115	0	215,605,883	3,021,607,029
DETAILS OF WRITE-INS							
3401.	.....					
3402.	.....					
3403.	.....					
3498.	Sum. of remaining write-ins for Line 34 from overflow page	0	0	0	0	0	0
3499.	Totals (Lines 3401 through 3403 plus 3498) (Line 34 above)	0	0	0	0	0	0

(a) Does the company's direct premiums written include premiums recorded on an installment basis? Yes [] No [X]

If yes: 1. The amount of such installment premiums \$

2. Amount at which such installment premiums would have been reported had they been recorded on an annualized basis \$

ANNUAL STATEMENT FOR THE YEAR 2011 OF THE CINCINNATI INSURANCE COMPANY

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2 - LOSSES PAID AND INCURRED

		Losses Paid Less Salvage				5	6	7	8
		1	2	3	4				
Line of Business		Direct Business	Reinsurance Assumed	Reinsurance Recovered	Net Payments (Cols. 1 + 2 - 3)	Net Losses Unpaid Current Year (Part 2A, Col. 8)	Net Losses Unpaid Prior Year	Losses Incurred Current Year (Cols. 4 + 5 - 6)	Percentage of Losses Incurred (Col. 7, Part 2) to Premiums Earned (Col. 4, Part 1)
1.	Fire	30,971,372	351,284	97,592	31,225,064	16,623,111	8,659,309	39,188,866	61.9
2.	Allied lines	51,714,149	1,719,651	9,314,776	44,119,023	10,852,877	8,638,871	46,333,030	103.9
3.	Farmowners multiple peril				0	0	0	0	0.0
4.	Homeowners multiple peril	398,579,968	676,188	68,216,205	331,039,951	94,502,203	88,792,714	336,749,440	114.0
5.	Commercial multiple peril	656,775,806	7,437,932	100,001,349	564,212,388	604,754,251	645,035,812	523,930,828	63.8
6.	Mortgage guaranty				0	0	0	0	0.0
8.	Ocean marine				0	0	0	0	0.0
9.	Inland marine	19,369,867	365,259	204,117	19,531,009	6,750,706	6,018,743	20,262,972	33.4
10.	Financial guaranty		64		64	0	0	64	0.0
11.1	Medical professional liability-occurrence	13,620,848			13,620,848	72,753,776	72,507,316	13,867,308	41.4
11.2	Medical professional liability-claims-made				0	14,878	0	14,878	57.2
12.	Earthquake	23,921		9,753	14,168	331	81	14,418	0.7
13.	Group accident and health				0	0	0	0	0.0
14.	Credit accident and health (group and individual)				0	0	0	0	0.0
15.	Other accident and health	17,387			17,387	500	0	17,887	57.8
16.	Workers' compensation	73,165,534	145,848,026	9,271,904	209,741,656	858,644,984	864,386,915	203,999,726	64.0
17.1	Other liability-occurrence	128,155,268	1,628,291	5,694,750	124,088,809	605,358,892	587,203,577	142,244,125	37.4
17.2	Other liability-claims-made	30,766,145		536,917	30,229,228	95,567,725	87,405,807	38,391,146	58.2
17.3	Excess workers' compensation	309,163		78,919	230,245	2,341,566	2,755,318	(183,507)	(14.8)
18.1	Products liability-occurrence	15,938,137	297,379	597,129	15,638,387	123,569,784	82,854,385	56,353,787	102.8
18.2	Products liability-claims-made				0	0	0	0	0.0
19.1,19.2	Private passenger auto liability	123,514,021	686,263	127,623	124,072,660	124,139,130	125,548,854	122,662,936	58.9
19.3,19.4	Commercial auto liability	160,923,302	2,808,817	578,000	163,154,118	280,611,279	290,818,486	152,946,911	51.5
21.	Auto physical damage	191,051,208	2,152,491	8,707,361	184,496,338	6,372,532	4,904,319	185,964,551	72.4
22.	Aircraft (all perils)	878,918	4,976	900,053	(16,159)	2,691,060	2,717,547	(42,646)	181.3
23.	Fidelity	16,620,124	174	6,917,089	9,703,209	5,808,038	6,293,572	9,217,676	115.2
24.	Surety	19,260,160		6,109,471	13,150,689	11,756,966	7,166,638	17,741,017	48.6
26.	Burglary and theft	457,677			457,677	302,350	242,329	517,698	23.7
27.	Boiler and machinery	4,979,236		53	4,979,183	4,122,975	4,227,329	4,874,829	39.0
28.	Credit				0	0	0	0	0.0
29.	International				0	0	0	0	0.0
30.	Warranty				0	0	0	0	0.0
31.	Reinsurance-nonproportional assumed property	XXX			0	0	0	0	0.0
32.	Reinsurance-nonproportional assumed liability	XXX			0	0	0	0	0.0
33.	Reinsurance-nonproportional assumed financial lines	XXX			0	0	0	0	0.0
34.	Aggregate write-ins for other lines of business	0	0	0	0	0	0	0	0.0
35.	TOTALS	1,937,092,210	163,976,797	217,363,061	1,883,705,945	2,927,539,915	2,896,177,922	1,915,067,938	64.7
DETAILS OF WRITE-INS									
3401.	.....							
3402.	.....							
3403.	.....							
3498.	Sum. of remaining write-ins for Line 34 from overflow page	0	0	0	0	0	0	0	0.0
3499.	Totals (Lines 3401 through 3403 + 3498) (Line 34 above)	0	0	0	0	0	0	0	0.0

ANNUAL STATEMENT FOR THE YEAR 2011 OF THE CINCINNATI INSURANCE COMPANY

UNDERWRITING AND INVESTMENT EXHIBIT
PART 2A - UNPAID LOSSES AND LOSS ADJUSTMENT EXPENSES

		Reported Losses				Incurred But Not Reported			8	9
		1	2	3	4	5	6	7		
Line of Business		Direct	Reinsurance Assumed	Deduct Reinsurance Recoverable from Authorized and Unauthorized Companies	Net Losses Excl. Incurred But Not Reported (Cols. 1 + 2 - 3)	Direct	Reinsurance Assumed	Reinsurance Ceded	Net Losses Unpaid (Cols. 4 + 5 + 6 - 7)	Net Unpaid Loss Adjustment Expenses
1.	Fire	17,942,878	175,506	369,217	17,749,167	(1,133,206)	28,510	21,360	16,623,111	1,676,437
2.	Allied lines	11,257,081	258,022	3,200,870	8,314,234	4,260,752	4,933	1,727,041	10,852,877	2,378,319
3.	Farmowners multiple peril				0				0	
4.	Homeowners multiple peril	76,497,808	226,442	7,496,270	69,227,980	39,805,256	47,035	14,578,068	94,502,203	26,061,363
5.	Commercial multiple peril	637,709,971	15,617,684	65,614,463	587,713,192	16,088,414	14,507,910	13,555,266	604,754,251	347,196,360
6.	Mortgage guaranty				0				0	
8.	Ocean marine				0				0	
9.	Inland marine	7,891,681	33,658	244,592	7,680,747	(810,920)		119,121	6,750,706	1,652,878
10.	Financial guaranty				0				0	
11.1	Medical professional liability-occurrence	44,035,537	63,451	13,313	44,085,675	28,617,000	51,101		72,753,776	29,797,731
11.2	Medical professional liability-claims-made	14,878			14,878				14,878	5,321
12.	Earthquake		4		4	2,524		2,197	331	
13.	Group accident and health				0				(a) 0	
14.	Credit accident and health (group and individual)				0				0	
15.	Other accident and health	500			500				(a) 500	1,756
16.	Workers' compensation	156,700,803	310,119,154	46,685,307	420,134,649	160,962,741	303,071,152	25,523,558	858,644,984	106,895,850
17.1	Other liability-occurrence	303,694,067	3,451,042	26,302,776	280,842,334	337,705,000	12,171,558	25,360,000	605,358,892	100,206,890
17.2	Other liability-claims-made	111,775,507		16,207,782	95,567,725				95,567,725	73,466,682
17.3	Excess workers' compensation	3,233,659		892,093	2,341,566				2,341,566	88,533
18.1	Products liability-occurrence	76,509,644	3,037,339	2,876,985	76,669,998	46,987,083	128,141	215,438	123,569,784	84,853,143
18.2	Products liability-claims-made				0				0	
19.1,19.2	Private passenger auto liability	127,667,524	1,260,857	24,954	128,903,427	(4,839,234)	74,937		124,139,130	39,417,893
19.3,19.4	Commercial auto liability	250,858,002	3,036,700	614,802	253,279,900	28,415,075	496,304	1,580,000	280,611,279	55,321,008
21.	Auto physical damage	6,041,694	524,473	566,484	5,999,683	2,304,905	1,421	1,933,476	6,372,532	19,330,986
22.	Aircraft (all perils)	74,419,085	1,506,730	74,486,491	1,439,324	858,502	1,279,545	886,311	2,691,060	1,007,388
23.	Fidelity	2,256,160	148	263,270	1,993,038	3,815,000			5,808,038	1,587,744
24.	Surety	16,108,401	117,074	6,489,549	9,735,926	2,021,000	40		11,756,966	9,674,645
26.	Burglary and theft	302,350			302,350				302,350	36,264
27.	Boiler and machinery	1,542,958	17		1,542,975	1,082,000	1,498,000		4,122,975	53,253
28.	Credit				0				0	
29.	International				0				0	
30.	Warranty				0				0	
31.	Reinsurance-nonproportional assumed property	XXX			0	XXX			0	
32.	Reinsurance-nonproportional assumed liability	XXX			0	XXX			0	
33.	Reinsurance-nonproportional assumed financial lines	XXX			0	XXX			0	
34.	Aggregate write-ins for other lines of business	0	0	0	0	0	0	0	0	0
35.	TOTALS	1,926,460,187	339,428,301	252,349,217	2,013,539,271	666,141,893	333,360,588	85,501,836	2,927,539,915	900,710,444
DETAILS OF WRITE-INS										
3401.	.....								
3402.	.....								
3403.	.....								
3498.	Sum. of remaining write-ins for Line 34 from overflow page	0	0	0	0	0	0	0	0	0
3499.	Totals (Lines 3401 through 3403 + 3498) (Line 34 above)	0	0	0	0	0	0	0	0	0

(a) Including \$for present value of life indemnity claims.

UNDERWRITING AND INVESTMENT EXHIBIT

PART 3 - EXPENSES

	1	2	3	4
	Loss Adjustment Expenses	Other Underwriting Expenses	Investment Expenses	Total
1. Claim adjustment services:				
1.1 Direct	180,574,660			180,574,660
1.2 Reinsurance assumed	13,510,627			13,510,627
1.3 Reinsurance ceded	4,533,916			4,533,916
1.4 Net claim adjustment services (1.1 + 1.2 - 1.3)	189,551,371	0	0	189,551,371
2. Commission and brokerage:				
2.1 Direct, excluding contingent		465,777,784		465,777,784
2.2 Reinsurance assumed, excluding contingent		25,440,199		25,440,199
2.3 Reinsurance ceded, excluding contingent		5,576,971		5,576,971
2.4 Contingent-direct		63,620,479		63,620,479
2.5 Contingent-reinsurance assumed		5,900,000		5,900,000
2.6 Contingent-reinsurance ceded				0
2.7 Policy and membership fees				0
2.8 Net commission and brokerage (2.1 + 2.2 - 2.3 + 2.4 + 2.5 - 2.6 + 2.7)	0	555,161,491	0	555,161,491
3. Allowances to manager and agents	(8,646)	(87,859)	118	(96,387)
4. Advertising	108,849	52,055	186	161,091
5. Boards, bureaus and associations	1,053,327	6,917,449	98,636	8,069,411
6. Surveys and underwriting reports	785,274	19,268,908	307	20,054,489
7. Audit of assureds' records	442,021	2,427,776	10,441	2,880,238
8. Salary and related items:				
8.1 Salaries	107,576,129	162,582,278	2,629,537	272,787,944
8.2 Payroll taxes	7,001,696	11,813,131	138,669	18,953,496
9. Employee relations and welfare	23,099,529	41,100,825	431,316	64,631,670
10. Insurance		3,729,220		3,729,220
11. Directors' fees	9,839	9,861	162	19,862
12. Travel and travel items	11,038,172	9,279,159	47,141	20,364,472
13. Rent and rent items	6,966,053	10,308,299	148,932	17,423,285
14. Equipment	4,099,536	3,282,477	33,893	7,415,906
15. Cost or depreciation of EDP equipment and software	8,969,460	54,689,372	485,725	64,144,556
16. Printing and stationery	875,998	2,067,316	14,452	2,957,766
17. Postage, telephone and telegraph, exchange and express	2,688,198	4,139,767	3,070	6,831,036
18. Legal and auditing	13,446,425	(5,736,351)	256,849	7,966,923
19. Totals (Lines 3 to 18)	188,151,860	325,843,685	4,299,434	518,294,979
20. Taxes, licenses and fees:				
20.1 State and local insurance taxes deducting guaranty association credits of \$		63,627,687		63,627,687
20.2 Insurance department licenses and fees	11,892	1,932,702		1,944,593
20.3 Gross guaranty association assessments		(205,081)		(205,081)
20.4 All other (excluding federal and foreign income and real estate)	70,148	1,453,327	1,246	1,524,721
20.5 Total taxes, licenses and fees (20.1 + 20.2 + 20.3 + 20.4)	82,040	66,808,635	1,246	66,891,921
21. Real estate expenses	105,007	404,221	4,501	513,729
22. Real estate taxes		206,841		206,841
23. Reimbursements by uninsured plans				0
24. Aggregate write-ins for miscellaneous expenses	(259,881)	1,087,323	403	827,845
25. Total expenses incurred	377,630,397	949,512,196	4,305,584	(a) 1,331,448,177
26. Less unpaid expenses-current year	900,710,444	106,197,617	465,228	1,007,373,290
27. Add unpaid expenses-prior year	859,939,917	122,011,034	164,284	982,115,235
28. Amounts receivable relating to uninsured plans, prior year	0	0	0	0
29. Amounts receivable relating to uninsured plans, current year				0
30. TOTAL EXPENSES PAID (Lines 25 - 26 + 27 - 28 + 29)	336,859,869	965,325,613	4,004,640	1,306,190,122
DETAILS OF WRITE-INS				
2401. Interest Expense.....	(267,154)	1,074,204	303	807,354
2402. Charitable Contributions.....	7,272	13,119	100	20,491
2403.				
2498. Summary of remaining write-ins for Line 24 from overflow page	0	0	0	0
2499. Totals (Lines 2401 through 2403 plus 2498) (Line 24 above)	(259,881)	1,087,323	403	827,845

(a) Includes management fees of \$ 50,615,743 to affiliates and \$ to non-affiliates.

EXHIBIT OF NET INVESTMENT INCOME

		1	2
		Collected During Year	Earned During Year
1.	U.S. Government bonds	(a).....1,293,178	.....1,023,021
1.1	Bonds exempt from U.S. tax	(a).....109,806,489	.....108,359,206
1.2	Other bonds (unaffiliated)	(a).....155,473,670	.....154,853,734
1.3	Bonds of affiliates	(a).....0	.....0
2.1	Preferred stocks (unaffiliated)	(b).....7,327,304	.....7,327,304
2.11	Preferred stocks of affiliates	(b).....0	.....0
2.2	Common stocks (unaffiliated) .....	.....62,499,089	.....62,588,660
2.21	Common stocks of affiliates .....	.....25,000,000	.....25,000,000
3.	Mortgage loans	(c).....	.....
4.	Real estate	(d).....	.....
5.	Contract loans .....	.....	.....
6.	Cash, cash equivalents and short-term investments	(e).....77,024	.....77,024
7.	Derivative instruments	(f).....	.....
8.	Other invested assets .....	.....(229,994)	.....(282,702)
9.	Aggregate write-ins for investment income .....	.....662,665	.....662,665
10.	Total gross investment income	361,909,425	359,608,911
11.	Investment expenses		(g).....4,305,584
12.	Investment taxes, licenses and fees, excluding federal income taxes		(g).....
13.	Interest expense		(h).....
14.	Depreciation on real estate and other invested assets		(i).....
15.	Aggregate write-ins for deductions from investment income .....		.....0
16.	Total deductions (Lines 11 through 15) .....		.....4,305,584
17.	Net investment income (Line 10 minus Line 16)		355,303,327
DETAILS OF WRITE-INS			
0901.	Miscellaneous Interest Income.....	.....662,665	.....662,665
0902.	.....	.....	.....
0903.	.....	.....	.....
0998.	Summary of remaining write-ins for Line 9 from overflow page .....	.....0	.....0
0999.	Totals (Lines 0901 through 0903) plus 0998 (Line 9 above)	662,665	662,665
1501.	.....		.....
1502.	.....		.....
1503.	.....		.....
1598.	Summary of remaining write-ins for Line 15 from overflow page .....		.....0
1599.	Totals (Lines 1501 through 1503) plus 1598 (Line 15 above)		0

(a) Includes \$11,315,881 accrual of discount less \$7,210,355 amortization of premium and less \$1,714,982 paid for accrued interest on purchases.
(b) Includes \$ accrual of discount less \$ amortization of premium and less \$0 paid for accrued dividends on purchases.
(c) Includes \$0 accrual of discount less \$0 amortization of premium and less \$ paid for accrued interest on purchases.
(d) Includes \$ for company's occupancy of its own buildings; and excludes \$ interest on encumbrances.
(e) Includes \$ accrual of discount less \$ amortization of premium and less \$ paid for accrued interest on purchases.
(f) Includes \$ accrual of discount less \$ amortization of premium.
(g) Includes \$ investment expenses and \$ investment taxes, licenses and fees, excluding federal income taxes, attributable to segregated and Separate Accounts.
(h) Includes \$ interest on surplus notes and \$ interest on capital notes.
(i) Includes \$ depreciation on real estate and \$ depreciation on other invested assets.

EXHIBIT OF CAPITAL GAINS (LOSSES)

		1	2	3	4	5
		Realized Gain (Loss) On Sales or Maturity	Other Realized Adjustments	Total Realized Capital Gain (Loss) (Columns 1 + 2)	Change in Unrealized Capital Gain (Loss)	Change in Unrealized Foreign Exchange Capital Gain (Loss)
1.	U.S. Government bonds .....			.....0		
1.1	Bonds exempt from U.S. tax .....	.....174,064	.....(723,522)	.....(549,458)	.....(269,331)	
1.2	Other bonds (unaffiliated) .....	.....10,214,854		.....10,214,854	.....(361,896)	
1.3	Bonds of affiliates .....	.....0	.....0	.....0	.....0	0
2.1	Preferred stocks (unaffiliated) .....	.....940,225	.....0	.....940,225	.....386,281	0
2.11	Preferred stocks of affiliates .....	.....0	.....0	.....0	.....0	0
2.2	Common stocks (unaffiliated) .....	.....74,290,135	.....(19,023,464)	.....55,266,671	.....(11,933,773)	0
2.21	Common stocks of affiliates .....	.....0	.....0	.....0	.....6,868,681	0
3.	Mortgage loans .....	.....0	.....0	.....0	.....0	0
4.	Real estate .....	.....0	.....0	.....0	.....	0
5.	Contract loans .....	.....	.....	.....0	.....
6.	Cash, cash equivalents and short-term investments .....	.....	.....	.....0	.....0	0
7.	Derivative instruments .....	.....	.....	.....0	.....
8.	Other invested assets .....	.....0	.....0	.....0	.....0	0
9.	Aggregate write-ins for capital gains (losses) .....	.....82,887	.....0	.....82,887	.....0	0
10.	Total capital gains (losses)	85,702,165	(19,746,986)	65,955,179	(5,310,039)	0
DETAILS OF WRITE-INS						
0901.	Capital gains from investments previously charged off.....	.....82,887		.....82,887		
0902.	.....	.....		.....
0903.	.....	.....		.....
0998.	Summary of remaining write-ins for Line 9 from overflow page .....	.....0	.....0	.....0	.....0	0
0999.	Totals (Lines 0901 through 0903) plus 0998 (Line 9 above)	82,887	0	82,887	0	0

EXHIBIT OF NONADMITTED ASSETS

	1	2	3
	Current Year Total Nonadmitted Assets	Prior Year Total Nonadmitted Assets	Change in Total Nonadmitted Assets (Col. 2 - Col. 1)
1. Bonds (Schedule D).....	0	0	0
2. Stocks (Schedule D):			
2.1 Preferred stocks	0	0	0
2.2 Common stocks	0	0	0
3. Mortgage loans on real estate (Schedule B):			
3.1 First liens	0	0	0
3.2 Other than first liens	0	0	0
4. Real estate (Schedule A):			
4.1 Properties occupied by the company	0	0	0
4.2 Properties held for the production of income.....	0	0	0
4.3 Properties held for sale	0	0	0
5. Cash (Schedule E-Part 1), cash equivalents (Schedule E-Part 2) and short-term investments (Schedule DA).....	0	0	0
6. Contract loans	0	0	0
7. Derivatives (Schedule DB).....	0	0	0
8. Other invested assets (Schedule BA)	0	0	0
9. Receivables for securities	0	0	0
10. Securities lending reinvested collateral assets (Schedule DL).....	0	0	0
11. Aggregate write-ins for invested assets	0	0	0
12. Subtotals, cash and invested assets (Lines 1 to 11)	0	0	0
13. Title plants (for Title insurers only).....	0	0	0
14. Investment income due and accrued	0	0	0
15. Premiums and considerations:			
15.1 Uncollected premiums and agents' balances in the course of collection	5,487,505	7,592,776	2,105,271
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due.	192,487	0	(192,487)
15.3 Accrued retrospective premiums.....	0	0	0
16. Reinsurance:			
16.1 Amounts recoverable from reinsurers	391,563	3,183,375	2,791,812
16.2 Funds held by or deposited with reinsured companies	0	0	0
16.3 Other amounts receivable under reinsurance contracts	0	0	0
17. Amounts receivable relating to uninsured plans	0	0	0
18.1 Current federal and foreign income tax recoverable and interest thereon	0	0	0
18.2 Net deferred tax asset.....	0	0	0
19. Guaranty funds receivable or on deposit	0	0	0
20. Electronic data processing equipment and software.....	35,196,350	46,524,053	11,327,703
21. Furniture and equipment, including health care delivery assets.....	6,141,504	10,953,672	4,812,168
22. Net adjustment in assets and liabilities due to foreign exchange rates	0	0	0
23. Receivables from parent, subsidiaries and affiliates	0	0	0
24. Health care and other amounts receivable.....	0	0	0
25. Aggregate write-ins for other than invested assets	2,920,717	7,763,608	4,842,891
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25).....	50,330,126	76,017,484	25,687,358
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....	0	0	0
28. Total (Lines 26 and 27)	50,330,126	76,017,484	25,687,358
DETAILS OF WRITE-INS			
1101.			
1102.			
1103.			
1198. Summary of remaining write-ins for Line 11 from overflow page	0	0	0
1199. Totals (Lines 1101 through 1103 plus 1198) (Line 11 above)	0	0	0
2501. Equities and Deposits in Pools and Associations.....	0	0	0
2502. Miscellaneous Recievables.....	2,920,717	7,763,608	4,842,891
2503.			
2598. Summary of remaining write-ins for Line 25 from overflow page	0	0	0
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above)	2,920,717	7,763,608	4,842,891

NOTES TO FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies

A. Accounting Practices

The financial statements of the Cincinnati Insurance Company are presented on the basis of accounting practices prescribed or permitted by the Ohio Department of Insurance. The Ohio Department of Insurance recognizes only statutory accounting practices prescribed or permitted by the state of Ohio for determining and reporting the financial condition and results of operations of an insurance company, for determining its solvency under the Ohio Insurance Law. The National Association of Insurance Commissioners' (NAIC) *Accounting Practices and Procedures* manual, version effective January 1, 2001 and updates through current year have been adopted as a component of prescribed or permitted practices by the state of Ohio.

B. Use of Estimates in the Preparation of the Financial Statements

The preparation of financial statements in conformity with Statutory Accounting Principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities. It also requires disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the period. Actual results could differ from those estimates.

C. Accounting Policy

Premiums are earned over the terms of the related insurance policies and reinsurance contracts. Unearned premium reserves are established to cover the unexpired portion of premiums written. These reserves are computed by pro rata methods for direct business and are based on reports received from ceding companies for reinsurance. Expenses incurred in connection with acquiring new insurance business, including such acquisition costs as sales commissions, are charged to operations as incurred. Expenses incurred are reduced for ceding allowances received or receivable.

In addition, the company uses the following accounting policies:

- (1) Short-term investments are stated at amortized cost.
- (2) Bonds not backed by other loans are stated at amortized cost using the effective yield method.
- (3) Common Stocks are stated at market except that investments in stocks of uncombined subsidiaries and affiliates in which the Company has an interest of 20% or more are carried on the equity basis.
- (4) Preferred stocks are stated at book value. Also, Per SSAP 32, lower quality preferred stocks (P3 to P6) are being stated at the lower of book or fair value.
- (5) Not applicable
- (6) Not applicable
- (7) Investments in stocks of uncombined subsidiaries and affiliates in which the Company has an interest of 20% or more are carried on the equity basis.
- (8) The Company has minor ownership interest in partnerships. Alliance Capital Management Holding Limited Partnership is carried at the market value of the common stock.
- (9) The Company does not have any derivatives.
- (10) In the event that a first-order approximation (excluding anticipated investment income) of estimated future costs related to unearned premium as of a particular evaluation date exceeds the unearned premium as of that date, we would incorporate consideration of the related investment income we would expect to earn. However, to date we have not had to proceed to this step in order to demonstrate that no premium deficiency exists.
- (11) Unpaid losses and loss adjustment expenses include an amount determined from individual case estimates and loss reports and an amount, based on past experience, for losses incurred but not reported. Such liabilities are necessarily based on assumptions and estimates and while management believes the amount is adequate, the ultimate liability may be in excess of or less than the amount provided. The methods for making such estimates and for establishing the resulting liability is continually reviewed and any adjustments are reflected in the period determined.
- (12) The company has not modified its capital policy from a prior period.

2. Accounting Changes and Correction of Errors

- A. The company had no material changes in accounting principles and/or correction of errors.

3. Business Combinations and Goodwill

- A. Statutory Purchase Method – Not applicable
- B. Statutory Merger – Not applicable
- C. Impairment Loss on Business Combinations and Goodwill – Not applicable

4. Discontinued Operations – None

5. Investments

- A. Mortgage Loans - Not applicable
- B. Debt Restructuring - Not applicable
- C. Reverse Mortgages - Not applicable
- D. Loan-Backed Securities - Not applicable
- E. Repurchase Agreements - Not applicable
- F. Real Estate - Not applicable
- G. Low-income Housing Tax Credit (LIHTC)

1. The Cincinnati Insurance Company holds an investment in low income housing tax credits which reduces the company's premium tax liability in Georgia. The investment is required to be held through 2012 and all tax credits will expire at that time.
2. We are not aware that the low income housing tax credit investment is subject to any regulatory reviews.
3. The low income housing tax credit investment does not exceed 10% of non-admitted assets.
4. There was no impairment of the investment in 2011.
5. There were no write-downs or losses of tax credits in 2011.

6. Joint Ventures, Partnerships and Limited Liability Companies

- A. The Company has no investments in Joint Ventures, Partnerships or Limited Liability Companies that exceed 10% of its admitted assets.
- B. The Company did not recognize any impairment write down for its investments in Joint Ventures, Partnerships and Limited Liability Companies during the statement periods.

7. Investment Income

- A. There was no due and accrued income excluded from investment income in 2011.
- B. Not applicable

8. Derivative Instruments

- A. Not applicable
- B. Not applicable
- C. Not applicable
- D. Not applicable
- E. Not applicable
- F. Not applicable

NOTES TO FINANCIAL STATEMENTS

9. Income Taxes

A. The components of the net deferred tax asset/(liability) are as follows:

(1)

Description	2011			2010		
	Ordinary	Capital	Total	Ordinary	Capital	Total
Gross deferred tax assets	\$343,871,685	\$ 46,405,063	\$ 390,276,748	\$334,567,861	\$ 47,851,432	\$382,419,293
Statutory valuation allowance	-	-	-	-	-	-
Adjusted gross deferred tax assets	343,871,685	46,405,063	390,276,748	334,567,861	47,851,432	382,419,293
Gross deferred tax liabilities	\$(48,298,421)	\$(193,067,156)	\$(241,365,577)	\$(47,646,357)	\$(197,329,708)	\$(244,976,065)
))))))
		\$(146,662,093)			\$(149,478,276)	
Net deferred tax asset/(liability) before admissibility test	\$295,573,264	)	\$ 148,911,171	\$286,921,504	)	\$137,443,228
Admitted pursuant to Paragraph 10.a	125,791,507	-	125,791,507	123,443,024	47,851,432	171,294,457
Paragraph 10.b.i.	67,236,232	-	67,236,232	46,119,935	-	46,119,935
Paragraph 10.b.ii.	326,581,812	326,581,812	326,581,812	343,607,130	343,607,130	343,607,130
Admitted pursuant to paragraph 10.b. (lesser of i. or ii.)	67,236,232	-	67,236,232	46,119,935	-	46,119,935
Admitted pursuant to paragraph 10.c.	150,843,946	46,405,063	197,249,009	165,004,902	-	165,004,902
Additional admitted pursuant to paragraph 10.e.i.	-	-	-	-	-	-
Paragraph 10.e.ii.a.	-	-	-	-	-	-
Paragraph 10.e.ii.b.	489,872,718	489,872,718	489,872,718	515,410,695	515,410,695	515,410,695
Additional admitted pursuant to paragraph 10.e.ii. (lesser of a. or b.)	-	-	-	-	-	-
Additional admitted pursuant to paragraph 10.e.iii.	-	-	-	-	-	-
Admitted deferred tax asset	343,871,685	46,405,063	390,276,748	334,567,861	47,851,432	382,419,293
Deferred tax liability	(48,298,421)	(193,067,156)	(241,365,577)	(47,646,357)	(197,329,708)	(244,976,065)
		\$(146,662,093)			\$(149,478,276)	
Net Admitted DTA or (DTL)	\$295,573,264	)	\$148,911,171	\$286,921,504	)	\$137,443,228
Nonadmitted DTA	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Due to the operation of current federal tax law, the Company was able to offset ordinary deferred tax assets using capital deferred tax liabilities for purposes of determining admissible assets under SSAP 10(c).

- (2) The Company has elected to admit DTAs pursuant to paragraph 10.e.
(3) The Company recorded no change in admitted DTAs as the result of its election to employ the provisions of paragraph 10.e. as follows:

Description	Change During 2011		
	Ordinary	Capital	Total
Gross deferred tax assets	\$9,303,824	\$(1,446,369)	\$7,857,455
Statutory valuation allowance	-	-	-
Adjusted gross deferred tax assets	9,303,824	(1,446,369)	7,857,455
Gross deferred tax liabilities	\$(652,064)	\$4,262,552	\$3,610,488
Net deferred tax asset/(liability) before admissibility test	\$8,651,760	\$2,816,183	\$11,467,943
Admitted pursuant to Paragraph 10.a	2,348,483	(47,851,432)	(45,502,950)
Paragraph 10.b.i.	21,116,297	-	21,116,297
Paragraph 10.b.ii.	(17,025,318)	(17,025,318)	(17,025,318)
Admitted pursuant to paragraph 10.b. (lesser of i. or ii.)	21,116,297	-	21,116,297
Admitted pursuant to paragraph 10.c.	(14,160,956)	46,405,063	32,244,107
Additional admitted pursuant to paragraph 10.e.i.	-	-	-
Paragraph 10.e.ii.a.	-	-	-
Paragraph 10.e.ii.b.	(25,537,977)	(25,537,977)	(25,537,977)
Additional admitted pursuant to paragraph 10.e.ii. (lesser of a. or b.)	-	-	-
Additional admitted pursuant to paragraph 10.e.iii.	-	-	-
Admitted deferred tax asset	9,303,824	(1,446,369)	7,857,455
Deferred tax liability	(652,064)	4,262,552	3,610,488
Change in net admitted DTA or (DTL)	\$ 8,651,760	\$2,816,183	\$11,467,943
Change in nonadmitted DTA	\$ -	\$ -	\$ -

NOTES TO FINANCIAL STATEMENTS

(4) The following table provides the Company’s assets, capital and surplus and RBC information with the DTA calculated under SSAP No. 10R paragraphs 10(a) to (c) and the additional DTA determined under SSAP No. 10R paragraph 10(e) as of December 31, 2011:

Description	With paragraph's 10.a. - c.	With paragraph's 10.e.	Difference
Admitted DTAs	\$ 390,276,748	\$ 390,276,748	\$ -
Admitted assets	\$ 9,501,832,509	\$ 9,501,832,509	\$ -
Statutory surplus (September 30, 2011)	\$ 3,512,630,712	\$ 3,512,630,712	\$ -
Total adjusted capital	\$ 3,754,074,513	\$ 3,754,074,513	\$ -
Authorized control level used in 10.d.(2011)	\$ 473,882,731	\$ 473,882,731	\$ -

(4) The following table provides the Company’s assets, capital and surplus and RBC information with the DTA calculated under SSAP No. 10R paragraphs 10(a) to (c) and the additional DTA determined under SSAP No. 10R paragraph 10(e) as of December 31, 2010:

Description	With paragraph's 10.a. - c.	With paragraph's 10.e.	Difference
Admitted DTAs	\$ 382,419,293	\$ 382,419,293	\$ -
Admitted assets	\$ 9,343,031,687	\$ 9,343,031,687	\$ -
Statutory surplus (September 30, 2010)	\$ 3,640,728,680	\$ 3,640,728,680	\$ -
Total adjusted capital	\$ 3,777,232,534	\$ 3,777,232,534	\$ -
Authorized control level used in 10.d.(2010)	\$ 456,849,894	\$ 456,849,894	\$ -

(4) The following table provides the Company’s assets, capital and surplus and RBC information with the DTA calculated under SSAP No. 10R paragraphs 10(a) to (c) and the additional DTA determined under SSAP No. 10R paragraph 10(e) change from 2010 to 2011:

Description	With paragraph's 10.a. - c.	With paragraph's 10.e.	Difference
Admitted DTAs	\$ 7,857,455	\$ 7,857,455	\$ -
Admitted assets	\$ 158,800,822	\$ 158,800,822	\$ -
Statutory surplus	\$ (128,097,968)	\$ (128,097,968)	\$ -
Total adjusted capital	\$ (23,158,021)	\$ (23,158,021)	\$ -
Authorized control level used in 10.d.	\$ 17,032,837	\$ 17,032,837	\$ -

- B. Temporary differences for which a DTL has not been established: \$ -
- C. Current Tax and Change in Deferred Tax

The percentage amount tax planning strategies impact the net admitted DTA’s is 0%.

Current income taxes incurred consist of the following major components:

Description	2011	2010
Current income tax expense	\$ (12,515,950)	\$ 52,139,750
Tax on capital gains/(losses)	23,084,313	47,389,913
Federal income taxes incurred	\$ 10,568,363	\$ 99,529,663

The tax effects of temporary differences that give rise to significant portions of the deferred tax assets and liabilities are as follows:

DTAs Resulting From Book/Tax Differences in	December 31, 2011	December 31, 2010	Change	Character
Unearned premium reserve	\$ 110,365,118	\$ 105,161,256	\$ 5,203,862	Ordinary
Unpaid loss reserve	197,982,506	179,754,595	18,227,911	Ordinary
Contingent commission	18,079	1,598,844	(1,580,765)	Ordinary
Other deferred tax assets	17,890,438	21,447,046	(3,556,608)	Ordinary
Nonadmitted statutory assets	17,615,544	26,606,120	(8,990,576)	Ordinary
Other reserves and accruals, net	-	-	-	Ordinary
Investments	46,405,063	47,851,432	(1,446,369)	Capital
Gross DTAs	\$ 390,276,748	\$ 382,419,293	\$ 7,857,455	
Nonadmitted DTAs	\$ -	\$ -	\$ -	

DTLs Resulting From Book/Tax Differences in	December 31, 2011	December 31, 2010	Change	Character
Unrealized (gain)/loss on investments	\$ (193,067,156)	\$ (197,329,709)	\$ 4,262,553	Capital
Contingent commission	-	-	-	Ordinary
Commission expense	(41,387,518)	(38,600,399)	(2,787,119)	Ordinary
Other, net	(6,910,903)	(9,045,957)	2,135,054	Ordinary
Gross DTLs	\$ (241,365,577)	\$ (244,976,065)	\$ 3,610,488	

The change in net deferred income taxes is comprised of the following (this analysis is exclusive of nonadmitted assets as the Change in Nonadmitted Assets is reported separately from the Change in Net Deferred Income Taxes in the surplus section of the Annual Statement):

	December 31, 2011	December 31, 2010	Change
Total deferred tax assets	\$ 390,276,748	\$ 382,419,293	\$ 7,857,455
Total deferred tax liabilities	(241,365,577)	(244,976,065)	3,610,488
Net deferred tax asset(liability)	\$ 148,911,171	\$ 137,443,228	\$ 11,467,943
Tax effect of unrealized (gains)/losses			(4,262,553)
Change in net deferred income tax (charge)/benefit			\$ 7,205,390

	December 31, 2010	December 31, 2009	Change
Total deferred tax assets	\$ 382,419,293	\$ 390,810,316	\$ (8,391,023)
Total deferred tax liabilities	(244,976,065)	(244,500,479)	(475,586)
Net deferred tax asset(liability)	\$ 137,443,228	\$ 146,309,837	\$ (8,866,609)
Tax effect of unrealized (gains)/losses			2,520,490
Change in net deferred income tax (charge)/benefit			\$ (6,346,119)

NOTES TO FINANCIAL STATEMENTS

D. Reconciliation of Federal income Tax Rate to Actual Effective Rate

The provision for federal and foreign income taxes incurred is different from that which would be obtained by applying the statutory federal income tax rate to income before income taxes. The significant items causing this difference are as follows:

As of December 31, 2011			
Description	Amount	Tax Effect	Effective Tax Rate
Income before taxes	\$ 130,730,034	\$45,755,512	35.00%
Net tax exempt interest	(87,828,800)	(30,740,080)	-23.51%
Net dividends received deduction	(39,019,228)	(13,656,730)	-10.45%
Other permanent items, net	(20,539,973)	(7,188,991)	-5.50%
DRD on accrued	(53,425)	(18,699)	-0.01%
Other	632,525	221,384	0.17%
Total	<u>\$(16,078,867)</u>	<u>\$(5,627,604)</u>	<u>-4.30%</u>
Federal income taxes incurred expense/(benefit)	\$ (35,759,858)	\$ (12,515,950)	-9.57%
Tax on capital gains/(losses)	65,955,179	23,084,313	17.66%
Change in nonadmitted excluding deferred tax asset	(25,687,360)	(8,990,576)	-6.88%
Change in net deferred income tax charge/(benefit)	<u>(20,586,828)</u>	<u>(7,205,391)</u>	<u>-5.51%</u>
Total statutory income taxes incurred	<u>\$ (16,078,867)</u>	<u>\$(5,627,604)</u>	<u>-4.30%</u>

As of December 31, 2010			
Description	Amount	Tax Effect	Effective Tax Rate
Income before taxes	\$ 417,495,915	\$146,123,570	35.00%
Net tax exempt interest	(92,050,668)	(32,217,734)	-7.72%
Net dividends received deduction	(36,021,142)	(12,607,400)	-3.02%
Other permanent items, net	3,627,001	1,269,450	0.30%
DRD on accrued	27,240	9,534	0.00%
Other	582,991	204,048	0.06%
Total	<u>\$ 293,661,337</u>	<u>\$102,781,468</u>	<u>24.62%</u>
Federal income taxes incurred expense/(benefit)	\$ 148,970,713	\$ 52,139,750	12.49%
Tax on capital gains/(losses)	135,399,752	47,389,913	11.35%
Change in nonadmitted excluding deferred tax asset	(8,840,898)	(3,094,314)	-0.74%
Change in net deferred income tax charge/(benefit)	<u>18,131,770</u>	<u>6,346,119</u>	<u>1.52%</u>
Total statutory income taxes incurred	<u>\$ 293,661,337</u>	<u>\$102,781,468</u>	<u>24.62%</u>

- E. At December 31, 2011, the Company had net operating loss carryforwards of: \$ -
At December 31, 2011, the Company had capital loss carryforwards of: \$ -

The following is income tax expense for the current and prior years that is available for recoupment in the event of future net losses:

Year	Ordinary	Capital	Total
2011	\$ -	\$ -	\$ -
2010	80,482,316	45,309,191	125,791,507
2009	-	53,345,571	53,345,571
Total	<u>\$ 80,482,316</u>	<u>\$ 98,654,762</u>	<u>\$ 179,137,078</u>

Deposits admitted under Internal Revenue Code Section 6603: \$ -

F. The Company’s federal income tax return is consolidated with the following entities:

Cincinnati Financial Corporation (Parent)
The Cincinnati Casualty Company
The Cincinnati Indemnity Company
The Cincinnati Specialty Underwriters Insurance Company
The Cincinnati Life Insurance company
CFC Investment Company
CSU Producer Resources, Inc.

The method of allocation between the companies is subject to written agreement, approved by the Board of Directors, whereby allocation is made primarily on a separate return basis with a current credit for net losses.

10. Information Concerning Parent, Subsidiaries, Affiliates and Other Related Parties

- A. Not applicable
B. The Company didn't pay any common stock dividends to the Parent Company in 2011.
C. Not applicable
D. At December 31, 2011, the Company reported \$2,369,205 due from an affiliate The CSU Producer Resources, Inc. and from a subsidiary The CSU Insurance Company. Also at December 31, 2011, the Company reported 31,897,692 due to the parent, Cincinnati Financial Corporation, and to affiliates The Cincinnati Life Insurance Company and CFC Investment Company, and to subsidiaries The Cincinnati Casualty Company and The Cincinnati Indemnity Company. The terms of the settlement require that these amounts be settled within 30 days.
E. Not applicable

NOTES TO FINANCIAL STATEMENTS

- F. The Company has the following management agreements with related parties:
- (1) Inter-company Benefits and Expense Allocation Agreement.
 - (2) Inter-company Cost Sharing and Expense Allocation Agreement.
 - (3) Inter-company Tax Sharing Agreement.
 - (4) Inter-company Reinsurance Agreement.
- G. All outstanding shares of The Company are owned by the Parent Company, Cincinnati Financial Corporation, a holding company domiciled in the State of Ohio.
- H. Not applicable
- I. Not applicable
- J. Not applicable
- K. Not applicable
- L. Not applicable
11. Debt
- A. Capital Notes – Not applicable
 - B. All Other Debt – Not applicable
12. Retirement Plans, Deferred Compensation, Postemployment Benefits and Compensated Absences and Other Postretirement Benefit Plans
- A. Defined Benefit Plan – Not applicable
 - B. Defined Contribution Plans – The Company matches contributions of up to 6 percent of each employee's compensation. The Company's contribution for the plan was \$8,028,596 and \$7,466,449 for 2011 and 2010 respectively.
 - C. Multiemployer Plans – Not applicable
 - D. Consolidated/Holding Company Plans – The Company participates in a qualified, noncontributory defined benefit pension plan sponsored by Cincinnati Financial Corporation, the parent. The Company has no legal obligations for benefits under these plans. Cincinnati Financial Corporation allocates amounts to the Company based on the percentage of participants on the Company's payroll. The Company's share of net expense for the qualified pension plan was \$11,827,179 and \$11,658,124 for 2011 and 2010 respectively.
 - E. Postemployment Benefits and Compensated Absences – Not applicable
 - F. Impact of Medicare Modernization Act on Postretirement Benefits – Not applicable
13. Capital and Surplus, Dividend Restrictions and Quasi-Reorganizations
- (1) The Company has 1,000,000 shares authorized, 717,271 shares issued and 717,271 shares outstanding. All shares are Class A shares.
 - (2) The Company has no preferred stock outstanding.
 - (3) Without prior approval from the Ohio Insurance Commissioner, dividends to shareholders are limited by the laws of Ohio which state that dividends are restricted to the greater of 10% of surplus or net income. In 2012 we would be restricted to \$374,678,112. In 2011 10% of surplus was \$374,678,112 and net income was \$120,161,670. In 2011 we would be restricted to \$377,723,254. In 2010 10% of surplus was \$377,723,254 and net income was \$317,966,280.
 - (4) An ordinary dividend in the amount of \$50,000,000 on January 31, 2011 was paid by the Company.
An ordinary dividend in the amount of \$60,000,000 on February 28, 2011 was paid by the Company.
An ordinary dividend in the amount of \$60,000,000 on December 29, 2011 was paid by the Company.
 - (5) Within the limitations of (3) above, there are no restrictions placed on the portion of Company profits that may be paid as ordinary dividends to stockholders.
 - (6) There were no restrictions placed on the Company's surplus, including for whom the surplus is being held.
 - (7) Not applicable
 - (8) Not applicable
 - (9) Not applicable
 - (10) The portion of unassigned funds (surplus) represented or reduced by cumulative unrealized gains & losses is (\$1,047,487) net of tax.
 - (11) The Company has no surplus debentures or similar obligations.
 - (12) Not applicable
 - (13) Not applicable
14. Contingencies
- A. The Company is not aware of any material liabilities not disclosed on our balance sheet as of year-end.
 - B. The Company is not aware of any material assessments as of year-end.
 - C. The Company does not have any gain contingencies.
 - D. The Company had 7 claims where amounts were paid to settle extra-contractual obligations or bad faith claim s in 2011. These payments totaled \$8,301,939.
 - E. The Company does not have product warranties.
 - F. Various lawsuits against the Company have arisen in the course of the Company's business. Contingent liabilities arising from litigation, income taxes and other matters are not considered material in relation to the financial position of the Company. The Company has no assets it considers impaired.
15. Leases
- A.
- 1) The Company has various noncancelable operating lease agreements that expire through October 2016.
 - 2) At January 1, 2011, the minimum agreement rental commitments are as follows:
(Dollars in Thousands)
- | Year Ending December 31 | Operating Leases |
|-------------------------|------------------|
| 1. 2011 | \$ 8,902 |
| 2. 2012 | \$ 9,508 |
| 3. 2013 | \$ 6,441 |
| 4. 2014 | \$ 2,613 |
| 5. 2015 | \$ 1,320 |
| 6. Total | \$28,784 |
- 3) The company is not involved in any material sales leaseback transactions.
- B. Not applicable
16. Information About Financial Instruments with Off-Balance Sheet Risk and Financial Instruments with Concentrations of Credit Risk – Not applicable
17. Sale, Transfer and Servicing of Financial Assets and Extinguishments of Liabilities
- A. Not applicable
 - B. Not applicable
 - C. Not applicable
18. Gain or Loss to the Reporting Entity from Uninsured Plans and the Uninsured Portion of Partially Insured Plans – Not applicable
19. The Company does not have any direct premiums written through managing general agents or third party administrators equal or greater than 5% of surplus.
20. Fair Value Measurement
- A. Not applicable
 - B. Not applicable
 - C. Not applicable

NOTES TO FINANCIAL STATEMENTS

21. Other Items
- A. Not applicable

B. Not applicable

C. Assets in the amount of \$45,948,375 and \$44,242,962 at December 31, 2011 and 2010, respectively, were on deposit with government authorities or trustees as required by law.

D. Not applicable

E. Not applicable

F. Not applicable

G. Subprime Mortgage Related Risk Exposure - The Cincinnati Insurance Company has no investments in subprime or related areas. This includes direct investments in subprime mortgage loans, RMBS, CMBS, CDO's, hedge funds, credit default swaps or SIVs. Additionally, we have no equity investments in subsidiary, controlled or affiliated entities with subprime exposure nor do we underwrite any form of mortgage guarantee insurance.
22. Subsequent Events – None
23. Reinsurance
- A. Unsecured Reinsurance Recoverables - None

B. Reinsurance Recoverable in Dispute – None

C. Reinsurance Assumed and Ceded

(1)

	Assumed Reinsurance		Ceded Reinsurance		Assumed Less Ceded	
	Premium	Commission	Premium	Commission	Premium	Commission
	Reserve	Equity	Reserve	Equity	Reserve	Equity
(I) Affiliates	\$187,400,396	\$11,800,184	\$ 0	\$ 0	\$187,400,396	\$ 11,800,184
(ii) All Other	\$ 3,385,660	\$ 863,856	\$15,002,614	\$388,065	(\$11,616,954)	\$475,791
(iii)Total	\$190,786,056	\$12,664,040	\$15,002,614	\$388,065	\$175,783,442	\$ 12,275,975
(iv) Direct Unearned Premium Reserve			\$1,398,554,068			

(2)

REINSURANCE				
	Direct	Assumed	Ceded	Net
(i)Contingent Comm	\$63,620,479	\$ 5,900,000	\$ 0	\$69,520,479
(ii)Sliding Scale Adj.				
(iii)Other Profit Comm Arrangements				
(iv)Total	\$63,620,479	\$ 5,900,000	\$ 0	\$69,520,479

(3) Not applicable

- D. Uncollectible Reinsurance – None

E. Commutation of Ceded Reinsurance – None

F. Retroactive Reinsurance – None

G. Reinsurance Accounted for as a Deposit – None

H. Disclosures for the Transfer of Property and Casualty Run-off Agreements - None
24. Retrospectively Rated Contracts and Contracts Subject to Redetermination– None
25. Reserves as of December 31, 2010 were \$3,756,117,838. As of December 31, 2011, \$1,024,260,405 has been paid for incurred losses and loss adjustment expenses attributable to insured events of prior years. Reserves remaining for prior years are now \$2,456,027,578 as a result of re-estimation of unpaid claims and claim adjustment expenses principally on commercial casualty lines of insurance. Therefore, there has been \$275,829,854 favorable prior-year development since December 31, 2010 to December 31, 2011. The decrease is generally the result of ongoing analysis of recent loss development trends. Original estimates are increased or decreased, as additional information becomes known regarding individual claims. Because the Company does not write retrospectively rated policies, prior-year development does not effect premium adjustments.
26. Intercompany Pooling Arrangements – None
27. Structured Settlements
- A. Loss Reserves Eliminated by Annuities \$177,071,745

Unrecorded Loss Contingencies - None

B.

Life Insurance Company and Location	Licensed in Ohio (Yes/No)	Statement (Present) Value of Annuities
The Cincinnati Life Insurance Company,	Yes	\$174,650,331
Fairfield, Ohio		

28. Health Care Receivables – None
29. Participating Policies – None
30. Premium Deficiency Reserves
1. Liability carried for premium deficiency reserve \$0

2. Date of most recent evaluation of this liability January 26, 2012

3. Anticipated investment income was not utilized in this calculation.
31. High Deductibles – None
32. The Company does not discount unpaid losses or loss adjustment expenses except for income tax purposes.

NOTES TO FINANCIAL STATEMENTS

33. Yes, the Company has exposure to environmental claims. The Company’s exposure arises from the sale of commercial liability products. The Company tries to estimate the full impact of the environmental exposures by establishing full case basis reserves on all known losses and computing IBNR based on generally accepted actuarial methodologies. Ceded amounts are related to Company business only. The increase in asbestos and environmental reserves is the result of changes in the identification of asbestos and environmental losses and is not related to new or additional exposures.

ASBESTOS LOSSES	2011	2010	2009	2008	2007
	Direct	Direct	Direct	Direct	Direct
Beginning Reserves	\$39,852,740	\$40,038,964	\$34,666,597	\$45,621,397	\$50,792,943
Incurred Loss & LAE	(\$1,099,461)	\$781,021	\$7,326,647	(\$9,339,254)	(\$4,029,764)
Calendar Yr. Pymnts for Loss and LAE	\$1,056,244	\$967,245	\$1,954,280	\$1,615,546	\$1,141,782
Ending Reserves	\$37,697,035	\$39,852,740	\$40,038,964	\$34,666,597	\$45,621,397
	Assumed	Assumed	Assumed	Assumed	Assumed
Beginning Reserves	\$6,232,524	\$7,376,959	\$4,258,554	\$6,936,084	\$9,549,303
Incurred Loss and LAE	\$1,298,383	(\$556,879)	\$3,534,452	(\$6,558,839)	(\$2,140,519)
Calendar year payments for Loss and LAE	\$811,801	\$587,556	\$416,047	(\$3,881,309)	\$472,700
Ending Reserves	\$6,719,106	\$6,232,524	\$7,376,959	\$4,258,554	\$6,936,084
	Net	Net	Net	Net	Net
Beginning Reserves	\$23,996,144	\$25,977,294	\$20,470,735	\$25,573,487	\$32,542,383
Incurred Loss & LAE	\$1,501,091	(\$426,349)	\$7,876,886	(\$7,368,515)	(\$5,354,414)
Calendar Yr. Pymnts for Loss and LAE	\$1,868,045	\$1,554,801	\$2,370,327	(\$2,265,763)	\$1,614,482
Ending Reserves	\$23,629,190	\$23,996,144	\$25,977,294	\$20,470,735	\$25,573,487
IBNR Reserves					
Direct	(\$4,251,000)	(\$3,420,000)	(\$2,918,000)	(\$9,226,000)	(\$8,115,000)
Assumed	\$3,352,529	\$2,431,314	\$3,552,892	\$2,162,992	\$2,475,061
Net	(\$898,471)	(\$988,686)	\$634,892	(\$7,063,008)	(\$5,639,939)
LAE Reserves					
Direct	\$14,581,000	\$15,105,000	\$15,851,000	\$15,209,000	\$17,462,000
Assumed	\$79,965	\$126,049	\$55,528	\$65,865	\$64,805
Net	\$14,660,965	\$15,231,049	\$15,906,528	\$15,274,865	\$17,526,805
ENVIRONMENTAL LOSSES	2011	2010	2009	2008	2007
	Direct	Direct	Direct	Direct	Direct
Beginning Reserves	\$108,657,016	\$91,097,946	\$93,868,092	\$97,892,136	\$102,275,642
Incurred Loss & LAE	\$8,752,575	\$22,674,373	\$4,577,137	\$2,069,787	\$3,479,138
Calendar Yr Pymts for Loss and LAE	\$6,762,715	\$5,115,303	\$7,347,283	\$6,093,831	\$7,862,644
Ending Reserves	\$110,646,876	\$108,657,016	\$91,097,946	\$93,868,092	\$97,892,136
	Assumed	Assumed	Assumed	Assumed	Assumed
Beginning Reserves	\$1,027,044	\$1,418,014	\$1,222,542	\$1,231,245	\$1,541,555
Incurred Loss & LAE	\$322,167	(\$311,965)	\$223,984	(\$1,109,104)	(\$223,073)
Calendar Yr Pymts for Loss and LAE	\$82,213	\$79,005	\$28,512	(\$1,100,401)	\$87,237
Ending Reserves	\$1,266,998	\$1,027,044	\$1,418,014	\$1,222,542	\$1,231,245
	Net	Net	Net	Net	Net
Beginning Reserves	\$109,684,060	\$92,515,960	\$95,090,634	\$97,874,521	\$98,841,944
Incurred Loss & LAE	\$9,074,742	\$22,362,408	\$4,801,121	\$2,209,543	\$7,342,458
Calendar Yr Pymts for Loss and LAE	\$6,844,928	\$5,194,308	\$7,375,795	\$4,993,430	\$7,949,881
Ending Reserves	\$111,913,874	\$109,684,060	\$92,515,960	\$95,090,634	\$97,874,521
IBNR Reserves					
Direct	\$51,922,000	\$49,975,000	\$43,366,000	\$42,446,000	\$42,376,000
Assumed	\$846,173	\$455,152	\$909,477	\$824,104	\$673,139
Net	\$52,768,173	\$50,430,152	\$44,275,477	\$43,270,104	\$43,049,139
LAE Reserves					
Direct	\$46,288,000	\$45,240,000	\$34,865,000	\$36,218,000	\$37,823,000
Assumed	\$42,530	\$79,398	\$66,618	\$50,616	\$57,202
Net	\$46,330,530	\$45,319,398	\$34,931,618	\$36,268,616	\$37,880,202

34. Subscriber Savings Accounts – Not applicable

35. Multiple Peril Crop Insurance – None

36. Financial Guaranty Insurance – None

37. Other

Total Net Losses and Expenses Unpaid – AY’s 2001 & Prior

(000’s)	1992 & P	1993	1994	1995	1996	1997	1998	1999	2000	2001
Part 1A	4	33	25	0	97	0	309	0	133	74
Part 1B	323	8	41	4	10	5	4	127	139	221
Part 1C	72	58	172	55	1	3	2	661	125	203
Part 1D	45,570	10,308	6,512	9,205	10,024	12,329	10,667	13,132	22,288	24,290
Part 1E	11,862	1,586	3,159	4,183	4,148	4,315	3,874	4,091	7,522	9,773
Part 1F	13	0	3	17	10	186	0	0	137	165
Part 1G	6	81	152	219	339	468	469	93	161	3,166
Part 1H	22,018	43	48	104	376	145	157	127	797	1,682
Part 1I	16	2	7	12	1	0	10	10	0	0
Part 1J	9	1	3	0	6	19	12	12	45	16
Part 1K	26	0	10	6	1	157	7	37	(186)	52
Part 1R	2,045	833	225	218	222	37	31	145	715	728
Totals	81,962	12,953	10,357	14,023	15,280	17,663	15,542	18,434	31,876	40,370
										258,943

NOTES TO FINANCIAL STATEMENTS

Prior year data included in Schedule P is calculated as follows:
Part 1-Payments made in the current year and current reserves for AY's 2001 & prior.
Parts 2&3-The prior line on last year’s statement is combined with the year 2001 total. Paid amounts prior to 2003 are then subtracted from this sum to arrive at the prior figure.
Part 4-The sum of the prior year line and the 2001 line from the prior year's Schedule P compose the prior figures for this section.
Part 5 Section 1&3-The prior line is combined with year 2001 from the prior schedule P. Counts for accident year 2001 in the preceding year are then subtracted from this sum to arrive at the prior figure, removing the cumulative effect.
Part 5 Section 2 - The prior line is combined with the 2001 AY of the prior year's Schedule P to arrive at the new prior number.

Total Net Salvage and Subrogation Unpaid – AY’s 2001 & Prior

(000's)	1992 & P	1993	1994	1995	1996	1997	1998	1999	2000	2001
Part 1A	0	0	0	0	0	0	0	0	0	1
Part 1B	0	0	0	0	0	0	0	0	7	16
Part 1C	0	0	0	0	0	0	0	0	(3)	(3)
Part 1D	0	0	0	0	0	0	0	161	317	247
Part 1E	0	0	0	0	0	0	0	0	27	76
Part 1F	0	0	0	0	0	0	0	0	0	0
Part 1G	0	0	0	0	0	0	0	0	0	0
Part 1H	0	0	0	0	0	0	0	0	0	0
Part 1I	0	0	0	0	0	0	0	0	0	0
Part 1J	0	0	0	0	0	0	0	0	0	16
Part 1K	0	0	0	0	0	0	0	4	1	(5)
Part 1R	0	0	0	0	0	0	0	0	0	0
Totals	0	0	0	0	0	0	0	165	349	348
										862

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

GENERAL

- 1.1

Is the reporting entity a member of an Insurance Holding Company System consisting of two or more affiliated persons, one or more of which is an insurer?

Yes ☒ No ☐
- 1.2

If yes, did the reporting entity register and file with its domiciliary State Insurance Commissioner, Director or Superintendent or with such regulatory official of the state of domicile of the principal insurer in the Holding Company System, a registration statement providing disclosure substantially similar to the standards adopted by the National Association of Insurance Commissioners (NAIC) in its Model Insurance Holding Company System Regulatory Act and model regulations pertaining thereto, or is the reporting entity subject to standards and disclosure requirements substantially similar to those required by such Act and regulations?

Yes ☒ No ☐ N/A ☐
- 1.3

State Regulating?

OHIO.....
- 2.1

Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity?

Yes ☐ No ☒
- 2.2

If yes, date of change:

.....
- 3.1

State as of what date the latest financial examination of the reporting entity was made or is being made.

.....12/31/2009
- 3.2

State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released.

.....12/31/2009
- 3.3

State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date).

.....08/03/2010
- 3.4

By what department or departments? OHIO.....
- 3.5

Have all financial statement adjustments within the latest financial examination report been accounted for in a subsequent financial statement filed with Departments?

Yes ☒ No ☐ N/A ☐
- 3.6

Have all of the recommendations within the latest financial examination report been complied with?

Yes ☒ No ☐ N/A ☐
- 4.1

During the period covered by this statement, did any agent, broker, sales representative, non-affiliated sales/service organization or any combination thereof under common control (other than salaried employees of the reporting entity) receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:

4.11 sales of new business?

4.12 renewals?

Yes ☐ No ☒

Yes ☐ No ☒
- 4.2

During the period covered by this statement, did any sales/service organization owned in whole or in part by the reporting entity or an affiliate, receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:

4.21 sales of new business?

4.22 renewals?

Yes ☐ No ☒

Yes ☐ No ☒
- 5.1

Has the reporting entity been a party to a merger or consolidation during the period covered by this statement?

Yes ☐ No ☒
- 5.2

If yes, provide the name of the entity, NAIC company code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.

1 Name of Entity	2 NAIC Company Code	3 State of Domicile
.....
.....
.....
.....
.....

- 6.1

Has the reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period?

Yes ☐ No ☒
- 6.2

If yes, give full information
- 7.1

Does any foreign (non-United States) person or entity directly or indirectly control 10% or more of the reporting entity?

Yes ☐ No ☒
- 7.2

If yes,

7.21 State the percentage of foreign control

.....

7.22 State the nationality(s) of the foreign person(s) or entity(s); or if the entity is a mutual or reciprocal, the nationality of its manager or attorney-in-fact and identify the type of entity(s) (e.g., individual, corporation, government, manager or attorney-in-fact).
- | 1
Nationality | 2
Type of Entity |
|------------------|---------------------|
| | |
| | |
| | |
| | |
| | |
- 15

GENERAL INTERROGATORIES

8.1 Is the company a subsidiary of a bank holding company regulated by the Federal Reserve Board? Yes [] No [X]

8.2 If response to 8.1 is yes, please identify the name of the bank holding company.

8.3 Is the company affiliated with one or more banks, thrifts or securities firms? Yes [] No [X]

8.4 If response to 8.3 is yes, please provide the names and locations (city and state of the main office) of any affiliates regulated by a federal financial regulatory services agency [i.e. the Federal Reserve Board (FRB), the Office of the Comptroller of the Currency (OCC), the Office of Thrift Supervision (OTS), the Federal Deposit Insurance Corporation (FDIC) and the Securities Exchange Commission (SEC)] and identify the affiliate's primary federal regulator.

1	2	3	4	5	6	7
Affiliate Name	Location (City, State)	FRB	OCC	OTS	FDIC	SEC

9. What is the name and address of the independent certified public accountant or accounting firm retained to conduct the annual audit?
Deloitte & Touche, Suite 1900, 250 East 5th Street, PO Box 5340, Cincinnati, OH 45201-5340.....

10.1 Has the insurer been granted any exemptions to the prohibited non-audit services provided by the certified independent public accountant requirements as allowed in Section 7H of the Annual Financial Reporting Model Regulation (Model Audit Rule), or substantially similar state law or regulation? Yes [] No [X]

10.2 If the response to 10.1 is yes, provide information related to this exemption:

10.3 Has the insurer been granted any exemptions related to the other requirements of the Annual Financial Reporting Model Regulation as allowed for in Section 17A of the Model Regulation, or substantially similar state law or regulation? Yes [] No [X]

10.4 If the response to 10.3 is yes, provide information related to this exemption:

10.5 Has the reporting entity established an Audit Committee in compliance with the domiciliary state insurance laws? Yes [X] No [] N/A []

10.6 If the response to 10.5 is no or n/a, please explain

11. What is the name, address and affiliation (officer/employee of the reporting entity or actuary/consultant associated with an actuarial consulting firm) of the individual providing the statement of actuarial opinion/certification?
Rita Zona, Deloitte & Touche LLP, 111 S. Wacker Drive, Chicago, IL 60606.....

12.1 Does the reporting entity own any securities of a real estate holding company or otherwise hold real estate indirectly? Yes [] No [X]

12.11 Name of real estate holding company

12.12 Number of parcels involved

12.13 Total book/adjusted carrying value \$.....

12.2 If yes, provide explanation

13. FOR UNITED STATES BRANCHES OF ALIEN REPORTING ENTITIES ONLY:

13.1 What changes have been made during the year in the United States manager or the United States trustees of the reporting entity?

13.2 Does this statement contain all business transacted for the reporting entity through its United States Branch on risks wherever located? Yes [] No []

13.3 Have there been any changes made to any of the trust indentures during the year? Yes [] No []

13.4 If answer to (13.3) is yes, has the domiciliary or entry state approved the changes? Yes [] No [] N/A []

14.1 Are the senior officers (principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions) of the reporting entity subject to a code of ethics, which includes the following standards? Yes [X] No []

a. Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;

b. Full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by the reporting entity;

c. Compliance with applicable governmental laws, rules and regulations;

d. The prompt internal reporting of violations to an appropriate person or persons identified in the code; and

e. Accountability for adherence to the code.

14.11 If the response to 14.1 is no, please explain:

14.2 Has the code of ethics for senior managers been amended? Yes [] No [X]

14.21 If the response to 14.2 is yes, provide information related to amendment(s)

14.3 Have any provisions of the code of ethics been waived for any of the specified officers? Yes [] No [X]

14.31 If the response to 14.3 is yes, provide the nature of any waiver(s).

GENERAL INTERROGATORIES

- 15.1 Is the reporting entity the beneficiary of a Letter of Credit that is unrelated to reinsurance with a NAIC rating of 3 or below? Yes ☐ No ☒
- 15.2 If the response to 15.1 is yes, indicate the American Bankers Association (ABA) Routing Number and the name of the issuing or confirming bank of the Letter of Credit and describe the circumstances in which the Letter of Credit is triggered.

1	2	3	4
American Bankers Association (ABA) Routing Number	Issuing or Confirming Bank Name	Circumstances That Can Trigger the Letter of Credit	Amount

BOARD OF DIRECTORS

16. Is the purchase or sale of all investments of the reporting entity passed upon either by the board of directors or a subordinate committee thereof? Yes ☒ No ☐
17. Does the reporting entity keep a complete permanent record of the proceedings of its board of directors and all subordinate committees thereof? Yes ☒ No ☐
18. Has the reporting entity an established procedure for disclosure to its board of directors or trustees of any material interest or affiliation on the part of any of its officers, directors, trustees or responsible employees that is in conflict or is likely to conflict with the official duties of such person? Yes ☒ No ☐

FINANCIAL

19. Has this statement been prepared using a basis of accounting other than Statutory Accounting Principles (e.g., Generally Accepted Accounting Principles)? Yes ☐ No ☒
- 20.1 Total amount loaned during the year (inclusive of Separate Accounts, exclusive of policy loans):

20.11 To directors or other officers \$.....

20.12 To stockholders not officers \$.....

20.13 Trustees, supreme or grand (Fraternal only) \$.....
- 20.2 Total amount of loans outstanding at the end of year (inclusive of Separate Accounts, exclusive of policy loans):

20.21 To directors or other officers \$.....

20.22 To stockholders not officers \$.....

20.23 Trustees, supreme or grand (Fraternal only) \$.....
- 21.1 Were any assets reported in this statement subject to a contractual obligation to transfer to another party without the liability for such obligation being reported in the statement? Yes ☐ No ☒
- 21.2 If yes, state the amount thereof at December 31 of the current year:

21.21 Rented from others \$.....

21.22 Borrowed from others \$.....

21.23 Leased from others \$.....

21.24 Other \$.....
- 22.1 Does this statement include payments for assessments as described in the *Annual Statement Instructions* other than guaranty fund or guaranty association assessments? Yes ☐ No ☒
- 22.2 If answer is yes:

22.21 Amount paid as losses or risk adjustment \$.....

22.22 Amount paid as expenses \$.....

22.23 Other amounts paid \$.....
- 23.1 Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement? Yes ☒ No ☐
- 23.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount: \$.....0

INVESTMENT

- 24.1 Were all the stocks, bonds and other securities owned December 31 of current year, over which the reporting entity has exclusive control, in the actual possession of the reporting entity on said date? (other than securities lending programs addressed in 24.3) Yes ☒ No ☐
- 24.2 If no, give full and complete information, relating thereto
- 24.3 For security lending programs, provide a description of the program including value for collateral and amount of loaned securities, and whether collateral is carried on or off-balance sheet. (an alternative is to reference Note 17 where this information is also provided)
- 24.4 Does the company's security lending program meet the requirements for a conforming program as outlined in the Risk-Based Capital Instructions? Yes ☐ No ☐ NA ☒
- 24.5 If answer to 24.4 is yes, report amount of collateral for conforming programs. \$.....
- 24.6 If answer to 24.4 is no, report amount of collateral for other programs. \$.....
- 24.7 Does your securities lending program require 102% (domestic securities) and 105% (foreign securities) from the counterparty at the outset of the contract? Yes ☐ No ☐ NA ☐
- 24.8 Does the reporting entity non-admit when the collateral received from the counterparty falls below 100%? Yes ☐ No ☐ NA ☐
- 24.9 Does the reporting entity or the reporting entity's securities lending agent utilize the Master Securities Lending Agreement (MSLA) to conduct securities lending? Yes ☐ No ☐ NA ☐

GENERAL INTERROGATORIES

25.1 Were any of the stocks, bonds or other assets of the reporting entity owned at December 31 of the current year not exclusively under the control of the reporting entity or has the reporting entity sold or transferred any assets subject to a put option contract that is currently in force? (Exclude securities subject to Interrogatory 21.1 and 24.3). Yes [X] No []

25.2 If yes, state the amount thereof at December 31 of the current year:

25.21	Subject to repurchase agreements	\$.....
25.22	Subject to reverse repurchase agreements	\$.....
25.23	Subject to dollar repurchase agreements	\$.....
25.24	Subject to reverse dollar repurchase agreements	\$.....
25.25	Pledged as collateral	\$.....
25.26	Placed under option agreements	\$.....
25.27	Letter stock or securities restricted as to sale	\$.....
25.28	On deposit with state or other regulatory body	\$.....45,948,375
25.29	Other	\$.....

25.3 For category (25.27) provide the following:

1 Nature of Restriction	2 Description	3 Amount
.....
.....
.....
.....
.....

26.1 Does the reporting entity have any hedging transactions reported on Schedule DB? Yes [] No [X]

26.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state? Yes [] No [] N/A [X]
If no, attach a description with this statement.

27.1 Were any preferred stocks or bonds owned as of December 31 of the current year mandatorily convertible into equity, or, at the option of the issuer, convertible into equity? Yes [] No [X]

27.2 If yes, state the amount thereof at December 31 of the current year: \$.....

28. Excluding items in Schedule E – Part 3 – Special Deposits, real estate, mortgage loans and investments held physically in the reporting entity's offices, vaults or safety deposit boxes, were all stocks, bonds and other securities, owned throughout the current year held pursuant to a custodial agreement with a qualified bank or trust company in accordance with Section 1, III – General Examination Considerations, F. Outsourcing of Critical Functions, Custodial or Safekeeping agreements of the NAIC *Financial Condition Examiners Handbook*? Yes [X] No []

28.01 For agreements that comply with the requirements of the NAIC *Financial Condition Examiners Handbook*, complete the following:

1 Name of Custodian(s)	2 Custodian's Address
Fifth Third Bank.....	Fifth Third Center, Cincinnati, Ohio 45263.....

28.02 For all agreements that do not comply with the requirements of the NAIC *Financial Condition Examiners Handbook*, provide the name, location and a complete explanation:

1 Name(s)	2 Location(s)	3 Complete Explanation(s)
.....
.....
.....

28.03 Have there been any changes, including name changes, in the custodian(s) identified in 28.01 during the current year? Yes [] No [X]

28.04 If yes, give full and complete information relating thereto:

1 Old Custodian	2 New Custodian	3 Date of Change	4 Reason
.....
.....
.....

28.05 Identify all investment advisors, brokers/dealers or individuals acting on behalf of broker/dealers that have access to the investment accounts, handle securities and have authority to make investments on behalf of the reporting entity:

1 Central Registration Depository Number(s)	2 Name	3 Address
.....
.....
.....

GENERAL INTERROGATORIES

- 29.1 Does the reporting entity have any diversified mutual funds reported in Schedule D - Part 2 (diversified according to the Securities and Exchange Commission (SEC) in the Investment Company Act of 1940 [Section 5 (b) (1)])?
- 29.2 If yes, complete the following schedule:
- Yes [] No [X]

1 CUSIP #	2 Name of Mutual Fund	3 Book/Adjusted Carrying Value
.....
.....
.....
29.2999 TOTAL		0

- 29.3 For each mutual fund listed in the table above, complete the following schedule:

1 Name of Mutual Fund (from above table)	2 Name of Significant Holding of the Mutual Fund	3 Amount of Mutual Fund's Book/Adjusted Carrying Value Attributable to the Holding	4 Date of Valuation
.....
.....
.....

30. Provide the following information for all short-term and long-term bonds and all preferred stocks. Do not substitute amortized value or statement value for fair value.

	1 Statement (Admitted) Value	2 Fair Value	3 Excess of Statement over Fair Value (-), or Fair Value over Statement (+)
30.1 Bonds.....	4,865,973,849	5,334,547,938	468,574,089
30.2 Preferred Stocks.....	98,725,490	113,008,582	14,283,092
30.3 Totals	4,964,699,339	5,447,556,520	482,857,181

- 30.4 Describe the sources or methods utilized in determining the fair values:

The majority of fair market values are obtained from Interactive Data Corporation, a pricing vendor. For any security that Interactive Data Corp is unable to price, the fair market value is analytically determined by a brokerage firm which trades this type of security.....

- 31.1 Was the rate used to calculate fair value determined by a broker or custodian for any of the securities in Schedule D?
- 31.2 If the answer to 31.1 is yes, does the reporting entity have a copy of the broker's or custodian's pricing policy (hard copy or electronic copy) for all brokers or custodians used as a pricing source?
- 31.3 If the answer to 31.2 is no, describe the reporting entity's process for determining a reliable pricing source for purposes of disclosure of fair value for Schedule D:
Private placement securities are priced by an outside private placement manager. For other securities not priced by the SVO, we use Interactive Data Pricing & Reference Service. If it is not priced by either SVO or IDP & RS we obtain a quote from two seperate outside brokers for each security.....
- 32.1 Have all the filing requirements of the *Purposes and Procedures Manual* of the NAIC Securities Valuation Office been followed?
- 32.2 If no, list exceptions:
Please see the attached list at the back of this statement.....
- Yes [X] No []
- Yes [] No [X]
- Yes [] No [X]

GENERAL INTERROGATORIES

OTHER

- 33.1 Amount of payments to Trade associations, service organizations and statistical or rating bureaus, if any? \$6,163,737
- 33.2 List the name of the organization and the amount paid if any such payment represented 25% or more of the total payments to trade associations, service organizations and statistical or rating bureaus during the period covered by this statement.

1 Name	2 Amount Paid
.....	\$.....
.....	\$.....
.....	\$.....

- 34.1 Amount of payments for legal expenses, if any? \$9,578,678
- 34.2 List the name of the firm and the amount paid if any such payment represented 25% or more of the total payments for legal expenses during the period covered by this statement.

1 Name	2 Amount Paid
.....	\$.....
.....	\$.....
.....	\$.....

- 35.1 Amount of payments for expenditures in connection with matters before legislative bodies, officers or departments of government, if any? \$155,455
- 35.2 List the name of the firm and the amount paid if any such payment represented 25% or more of the total payment expenditures in connection with matters before legislative bodies, officers or departments of government during the period covered by this statement.

1 Name	2 Amount Paid
Property Casualty Insurers Association.....	\$.....121,183

GENERAL INTERROGATORIES
PART 2 - PROPERTY & CASUALTY INTERROGATORIES

1.1

Does the reporting entity have any direct Medicare Supplement Insurance in force?

Yes [] No [X]

1.2

If yes, indicate premium earned on U. S. business only

\$.....0

1.3

What portion of Item (1.2) is not reported on the Medicare Supplement Insurance Experience Exhibit?

\$.....

1.31

Reason for excluding

.....

1.4

Indicate amount of earned premium attributable to Canadian and/or Other Alien not included in Item (1.2) above.

\$.....

1.5

Indicate total incurred claims on all Medicare Supplement insurance.

\$.....0

1.6

Individual policies:

Most current three years:

1.61

Total premium earned

\$.....0

1.62

Total incurred claims

\$.....0

1.63

Number of covered lives

.....0

All years prior to most current three years:

1.64

Total premium earned

\$.....0

1.65

Total incurred claims

\$.....0

1.66

Number of covered lives

.....0

1.7

Group policies:

Most current three years:

1.71

Total premium earned

\$.....0

1.72

Total incurred claims

\$.....0

1.73

Number of covered lives

.....0

All years prior to most current three years:

1.74

Total premium earned

\$.....0

1.75

Total incurred claims

\$.....0

1.76

Number of covered lives

.....0

2.

Health Test:

1

Current Year

2

Prior Year

2.1

Premium Numerator

\$

0

\$

0

2.2

Premium Denominator

\$

2,961,842,226

\$

2,877,822,911

2.3

Premium Ratio (2.1/2.2)

.....

0.000

.....

0.000

2.4

Reserve Numerator

\$

2,789

\$

429

2.5

Reserve Denominator

\$

5,453,589,184

\$

5,308,586,779

2.6

Reserve Ratio (2.4/2.5)

.....

0.000

.....

0.000

3.1

Does the reporting entity issue both participating and non-participating policies?

Yes [X] No []

3.2

If yes, state the amount of calendar year premiums written on:

3.21

Participating policies.....

\$.....97,660,661

3.22

Non-participating policies.....

\$.....2,782,453,854

4.

For Mutual reporting entities and Reciprocal Exchanges only:

4.1

Does the reporting entity issue assessable policies?.....

Yes [] No []

4.2

Does the reporting entity issue non-assessable policies?.....

Yes [] No []

4.3

If assessable policies are issued, what is the extent of the contingent liability of the policyholders?.....

%

4.4

Total amount of assessments paid or ordered to be paid during the year on deposit notes or contingent premiums.

\$.....

5.

For Reciprocal Exchanges Only:

5.1

Does the exchange appoint local agents?.....

Yes [] No []

5.2

If yes, is the commission paid:

5.21

Out of Attorney's-in-fact compensation.....

Yes [] No [] N/A []

5.22

As a direct expense of the exchange.....

Yes [] No [] N/A []

5.3

What expenses of the Exchange are not paid out of the compensation of the Attorney-in-fact?

.....

5.4

Has any Attorney-in-fact compensation, contingent on fulfillment of certain conditions, been deferred?.....

Yes [] No []

5.5

If yes, give full information

.....

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GENERAL INTERROGATORIES
PART 2 - PROPERTY & CASUALTY INTERROGATORIES

6.1

What provision has this reporting entity made to protect itself from an excessive loss in the event of a catastrophe under a workers' compensation contract issued without limit of loss.....
Protection is provided through several excess reinsurance contracts for workers' compensation coverage.....

6.2

Describe the method used to estimate this reporting entity's probable maximum insurance loss, and identify the type of insured exposures comprising that probable maximum loss, the locations of concentrations of those exposures and the external resources (such as consulting firms or computer software models), if any, used in the estimation process:
The company has engaged with Towers Watson who uses outside consultants from Risk Management Solutions and Applied Insurance Research to model potential maximum loss exposure.....

6.3

What provision has this reporting entity made (such as a catastrophic reinsurance program) to protect itself from an excessive loss arising from the types and concentrations of insured exposures comprising its probable maximum property insurance loss?.....
The company has a catastrophic reinsurance program insuring losses to \$455 million excess \$45 million, plus co-participation by layer.....

6.4

Does the reporting entity carry catastrophe reinsurance protection for at least one reinstatement, in an amount sufficient to cover its estimated probable maximum loss attributable to a single loss event or occurrence?.....

Yes [X] No []

6.5

If no, describe any arrangements or mechanisms employed by the reporting entity to supplement its catastrophe reinsurance program or to hedge its exposure to uninsured catastrophic loss
.....

7.1

Has the reporting entity reinsured any risk with any other entity under a quota share reinsurance contract that includes a provision that would limit the reinsurer's losses below the stated quota share percentage (e.g., a deductible, a loss ratio corridor, a loss cap, an aggregate limit or any similar provisions)?.....

Yes [] No [X]

7.2

If yes, indicate the number of reinsurance contracts containing such provisions.....

7.3

If yes, does the amount of reinsurance credit taken reflect the reduction in quota share coverage caused by any applicable limiting provision(s)?.....

Yes [] No []

8.1

Has this reporting entity reinsured any risk with any other entity and agreed to release such entity from liability, in whole or in part, from any loss that may occur on this risk, or portion thereof, reinsured?.....

Yes [] No [X]

8.2

If yes, give full information
.....

9.1

Has the reporting entity ceded any risk under any reinsurance contract (or under multiple contracts with the same reinsurer or its affiliates) for which during the period covered by the statement: (i) it recorded a positive or negative underwriting result greater than 5% of prior year-end surplus as regards policyholders or it reported calendar year written premium ceded or year-end loss and loss expense reserves ceded greater than 5% of prior year-end surplus as regards policyholders; (ii) it accounted for that contract as reinsurance and not as a deposit; and (iii) the contract(s) contain one or more of the following features or other features that would have similar results:

(a) A contract term longer than two years and the contract is noncancellable by the reporting entity during the contract term;

(b) A limited or conditional cancellation provision under which cancellation triggers an obligation by the reporting entity, or an affiliate of the reporting entity, to enter into a new reinsurance contract with the reinsurer, or an affiliate of the reinsurer;

(c) Aggregate stop loss reinsurance coverage;

(d) A unilateral right by either party (or both parties) to commute the reinsurance contract, whether conditional or not, except for such provisions which are only triggered by a decline in the credit status of the other party;

(e) A provision permitting reporting of losses, or payment of losses, less frequently than on a quarterly basis (unless there is no activity during the period); or

(f) Payment schedule, accumulating retentions from multiple years or any features inherently designed to delay timing of the reimbursement to the ceding entity.....

Yes [] No [X]

9.2

Has the reporting entity during the period covered by the statement ceded any risk under any reinsurance contract (or under multiple contracts with the same reinsurer or its affiliates), for which, during the period covered by the statement, it recorded a positive or negative underwriting result greater than 5% of prior year-end surplus as regards policyholders or it reported calendar year written premium ceded or year-end loss and loss expense reserves ceded greater than 5% of prior year-end surplus as regards policyholders; excluding cessions to approved pooling arrangements or to captive insurance companies that are directly or indirectly controlling, controlled by, or under common control with (i) one or more unaffiliated policyholders of the reporting entity, or (ii) an association of which one or more unaffiliated policyholders of the reporting entity is a member where:

(a) The written premium ceded to the reinsurer by the reporting entity or its affiliates represents fifty percent (50%) or more of the entire direct and assumed premium written by the reinsurer based on its most recently available financial statement; or

(b) Twenty-five percent (25%) or more of the written premium ceded to the reinsurer has been retroceded back to the reporting entity or its affiliates in a separate reinsurance contract.

Yes [] No [X]

9.3

If yes to 9.1 or 9.2, please provide the following information in the Reinsurance Summary Supplemental Filing for General Interrogatory 9:

(a) The aggregate financial statement impact gross of all such ceded reinsurance contracts on the balance sheet and statement of income;

(b) A summary of the reinsurance contract terms and indicate whether it applies to the contracts meeting the criteria in 9.1 or 9.2; and

(c) A brief discussion of management's principle objectives in entering into the reinsurance contract including the economic purpose to be achieved.

9.4

Except for transactions meeting the requirements of paragraph 31 of SSAP No. 62R, Property and Casualty Reinsurance, has the reporting entity ceded any risk under any reinsurance contract (or multiple contracts with the same reinsurer or its affiliates) during the period covered by the financial statement, and either:

(a) Accounted for that contract as reinsurance (either prospective or retroactive) under statutory accounting principles ("SAP") and as a deposit under generally accepted accounting principles ("GAAP"); or

(b) Accounted for that contract as reinsurance under GAAP and as a deposit under SAP?

Yes [] No [X]

9.5

If yes to 9.4, explain in the Reinsurance Summary Supplemental Filing for General Interrogatory 9 (Section D) why the contract(s) is treated differently for GAAP and SAP.

9.6

The reporting entity is exempt from the Reinsurance Attestation Supplement under one or more of the following criteria:

(a) The entity does not utilize reinsurance; or,

(b) The entity only engages in a 100% quota share contract with an affiliate and the affiliated or lead company has filed an attestation supplement; or

(c) The entity has no external cessions and only participates in an intercompany pool and the affiliated or lead company has filed an attestation supplement.

Yes [] No [X]
Yes [] No [X]
Yes [] No [X]

10.

If the reporting entity has assumed risks from another entity, there should be charged on account of such reinsurances a reserve equal to that which the original entity would have been required to charge had it retained the risks. Has this been done?

Yes [X] No [] N/A []

16.1

GENERAL INTERROGATORIES
PART 2 - PROPERTY & CASUALTY INTERROGATORIES

11.1

Has the reporting entity guaranteed policies issued by any other entity and now in force:

Yes [] No [X]

11.2

If yes, give full information

12.1

If the reporting entity recorded accrued retrospective premiums on insurance contracts on Line 15.3 of the asset schedule, Page 2, state the amount of corresponding liabilities recorded for:

12.11

Unpaid losses

\$

12.12

Unpaid underwriting expenses (including loss adjustment expenses)

\$

12.2

Of the amount on Line 15.3, Page 2, state the amount that is secured by letters of credit, collateral and other funds?

\$

12.3

If the reporting entity underwrites commercial insurance risks, such as workers' compensation, are premium notes or promissory notes accepted from its insureds covering unpaid premiums and/or unpaid losses?

Yes [] No [X] N/A []

12.4

If yes, provide the range of interest rates charged under such notes during the period covered by this statement:

12.41

From

%

12.42

To

%

12.5

Are letters of credit or collateral and other funds received from insureds being utilized by the reporting entity to secure premium notes or promissory notes taken by a reporting entity, or to secure any of the reporting entity's reported direct unpaid loss reserves, including unpaid losses under loss deductible features of commercial policies?

Yes [X] No []

12.6

If yes, state the amount thereof at December 31 of current year:

12.61

Letters of Credit

\$

24,852,653

12.62

Collateral and other funds

\$

719,398

13.1

Largest net aggregate amount insured in any one risk (excluding workers' compensation):

\$

26,000,000

13.2

Does any reinsurance contract considered in the calculation of this amount include an aggregate limit of recovery without also including a reinstatement provision?

Yes [X] No []

13.3

State the number of reinsurance contracts (excluding individual facultative risk certificates, but including facultative programs, automatic facilities or facultative obligatory contracts) considered in the calculation of the amount.

1

14.1

Is the company a cedant in a multiple cedant reinsurance contract?

Yes [] No [X]

14.2

If yes, please describe the method of allocating and recording reinsurance among the cedants:

14.3

If the answer to 14.1 is yes, are the methods described in item 14.2 entirely contained in the respective multiple cedant reinsurance contracts?

Yes [] No []

14.4

If the answer to 14.3 is no, are all the methods described in 14.2 entirely contained in written agreements?

Yes [] No []

14.5

If the answer to 14.4 is no, please explain:

15.1

Has the reporting entity guaranteed any financed premium accounts?

Yes [] No [X]

15.2

If yes, give full information

16.1

Does the reporting entity write any warranty business?

Yes [] No [X]

If yes, disclose the following information for each of the following types of warranty coverage:

	1	2	3	4	5
	Direct Losses Incurred	Direct Losses Unpaid	Direct Written Premium	Direct Premium Unearned	Direct Premium Earned
16.11 Home	\$	\$	\$	\$	\$
16.12 Products	\$	\$	\$	\$	\$
16.13 Automobile	\$	\$	\$	\$	\$
16.14 Other*	\$	\$	\$	\$	\$

* Disclose type of coverage:

GENERAL INTERROGATORIES
PART 2 - PROPERTY & CASUALTY INTERROGATORIES

17.1 Does the reporting entity include amounts recoverable on unauthorized reinsurance in Schedule F – Part 3 that it excludes from Schedule F – Part 5. Yes [] No [X]

Incurred but not reported losses on contracts in force prior to July 1, 1984, and not subsequently renewed are exempt from inclusion in Schedule F – Part 5. Provide the following information for this exemption:

17.11	Gross amount of unauthorized reinsurance in Schedule F – Part 3 excluded from Schedule F – Part 5.....	\$.....
17.12	Unfunded portion of Interrogatory 17.11.....	\$.....
17.13	Paid losses and loss adjustment expenses portion of Interrogatory 17.11	\$.....
17.14	Case reserves portion of Interrogatory 17.11.....	\$.....
17.15	Incurred but not reported portion of Interrogatory 17.11.....	\$.....
17.16	Unearned premium portion of Interrogatory 17.11.....	\$.....
17.17	Contingent commission portion of Interrogatory 17.11.....	\$.....

Provide the following information for all other amounts included in Schedule F – Part 3 and excluded from Schedule F – Part 5, not included above.

17.18	Gross amount of unauthorized reinsurance in Schedule F – Part 3 excluded from Schedule F – Part 5.....	\$.....
17.19	Unfunded portion of Interrogatory 17.18.....	\$.....
17.20	Paid losses and loss adjustment expenses portion of Interrogatory 17.18	\$.....
17.21	Case reserves portion of Interrogatory 17.18.....	\$.....
17.22	Incurred but not reported portion of Interrogatory 17.18.....	\$.....
17.23	Unearned premium portion of Interrogatory 17.18.....	\$.....
17.24	Contingent commission portion of Interrogatory 17.18.....	\$.....

18.1 Do you act as a custodian for health savings accounts? Yes [] No [X]
18.2 If yes, please provide the amount of custodial funds held as of the reporting date. \$.....
18.3 Do you act as an administrator for health savings accounts? Yes [] No [X]
18.4 If yes, please provide the balance of the funds administered as of the reporting date. \$.....

ANNUAL STATEMENT FOR THE YEAR 2011 OF THE CINCINNATI INSURANCE COMPANY

FIVE-YEAR HISTORICAL DATA

	1	2	3	4	5
	2011	2010	2009	2008	2007
Gross Premiums Written (Page 8, Part 1B, Cols. 1, 2 & 3)					
1. Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 17.3, 18.1, 18.2, 19.1, 19.2 & 19.3, 19.4)	1,430,835,792	1,370,541,886	1,377,912,803	1,483,711,138	1,545,972,891
2. Property lines (Lines 1, 2, 9, 12, 21 & 26)	479,412,829	446,337,573	433,377,991	438,288,338	465,760,906
3. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27)	1,275,774,836	1,198,183,468	1,172,291,084	1,199,088,023	1,228,684,160
4. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34)	51,189,455	53,863,482	57,804,844	56,332,203	53,192,457
5. Nonproportional reinsurance lines (Lines 31, 32 & 33)	0	0	0	0	0
6. Total (Line 35)	3,237,212,912	3,068,926,409	3,041,386,722	3,177,419,702	3,293,610,414
Net Premiums Written (Page 8, Part 1B, Col. 6)					
7. Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 17.3, 18.1, 18.2, 19.1, 19.2 & 19.3, 19.4)	1,377,761,562	1,321,709,524	1,324,662,937	1,422,444,856	1,476,785,795
8. Property lines (Lines 1, 2, 9, 12, 21 & 26)	447,117,761	417,593,814	403,866,928	408,465,357	436,440,417
9. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27)	1,153,695,077	1,123,202,489	1,097,516,944	1,119,319,111	1,159,853,860
10. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34)	43,032,629	44,926,746	48,104,241	48,243,433	46,089,147
11. Nonproportional reinsurance lines (Lines 31, 32 & 33)	0	0	0	0	0
12. Total (Line 35)	3,021,607,029	2,907,432,573	2,874,151,050	2,998,472,757	3,119,169,219
Statement of Income (Page 4)					
13. Net underwriting gain (loss) (Line 8)	(280,368,306)	(37,882,599)	(96,333,786)	9,517,330	321,246,792
14. Net investment gain (loss) (Line 11)	398,174,194	418,028,594	457,508,110	386,620,358	528,563,566
15. Total other income (Line 15)	5,856,066	4,127,969	(5,057,958)	2,220,815	3,960,170
16. Dividends to policyholders (Line 17)	16,016,235	14,167,939	17,180,324	8,726,910	15,087,864
17. Federal and foreign income taxes incurred (Line 19)	(12,515,950)	52,139,747	(10,090)	195,320,282	180,356,757
18. Net income (Line 20)	120,161,670	317,966,278	338,946,132	194,311,312	658,325,907
Balance Sheet Lines (Pages 2 and 3)					
19. Total admitted assets excluding protected cell business (Page 2, Line 26, Col. 3)	9,501,832,509	9,343,031,687	9,144,908,784	8,636,086,821	10,019,658,447
20. Premiums and considerations (Page 2, Col. 3)					
20.1 In course of collection (Line 15.1)	295,535,746	247,230,964	241,722,481	264,524,740	296,314,299
20.2 Deferred and not yet due (Line 15.2)	822,536,963	770,739,506	744,883,859	780,725,538	743,757,820
20.3 Accrued retrospective premiums (Line 15.3)	0	0	0	0	0
21. Total liabilities excluding protected cell business (Page 3, Line 26)	5,755,051,386	5,565,799,153	5,497,117,279	5,275,789,114	5,712,508,440
22. Losses (Page 3, Line 1)	2,927,539,915	2,896,177,921	2,803,198,942	2,692,673,548	2,589,608,795
23. Loss adjustment expenses (Page 3, Line 3)	900,710,444	859,939,917	835,787,925	801,138,329	807,913,401
24. Unearned premiums (Page 3, Line 9)	1,576,644,543	1,502,303,660	1,469,843,253	1,517,346,360	1,548,704,182
25. Capital paid up (Page 3, Lines 30 & 31)	3,586,355	3,586,355	3,586,355	3,586,355	3,586,355
26. Surplus as regards policyholders (Page 3, Line 37)	3,746,781,123	3,777,232,534	3,647,791,505	3,360,297,707	4,307,150,009
Cash Flow (Page 5)					
27. Net cash from operations (Line 11)	53,830,244	255,415,033	445,856,142	129,981,331	515,960,298
Risk-Based Capital Analysis					
28. Total adjusted capital	3,754,074,513	3,792,754,615	3,663,657,076	3,388,699,761	4,336,233,504
29. Authorized control level risk-based capital	473,882,731	456,849,894	436,836,514	406,823,123	615,081,954
Percentage Distribution of Cash, Cash Equivalents and Invested Assets (Page 2, Col. 3)(Item divided by Page 2, Line 12, Col. 3) x 100.0					
30. Bonds (Line 1)	60.7	61.4	61.7	55.4	44.4
31. Stocks (Lines 2.1 & 2.2)	35.4	36.1	34.1	37.4	54.0
32. Mortgage loans on real estate (Lines 3.1 and 3.2)	0.0	0.0	0.0	0.0	0.0
33. Real estate (Lines 4.1, 4.2 & 4.3)	0.1	0.1	0.1	0.1	0.0
34. Cash, cash equivalents and short-term investments (Line 5)	3.7	2.3	3.9	6.9	1.4
35. Contract loans (Line 6)	0.0	0.0	0.0	0.0	0.0
36. Derivatives (Line 7)	0.0	0.0	XXX	XXX	XXX
37. Other invested assets (Line 8)	0.1	0.1	0.1	0.2	0.1
38. Receivables for securities (Line 9)	0.0	0.0	0.1	0.0	0.0
39. Securities lending reinvested collateral assets (Line 10)	0.0	0.0	XXX	XXX	XXX
40. Aggregate write-ins for invested assets (Line 11)	0.0	0.0	0.0	0.0	0.0
41. Cash, cash equivalents and invested assets (Line 12)	100.0	100.0	100.0	100.0	100.0
Investments in Parent, Subsidiaries and Affiliates					
42. Affiliated bonds, (Sch. D, Summary, Line 12, Col. 1)	0	0	0	0	0
43. Affiliated preferred stocks (Sch. D, Summary, Line 18, Col. 1)	0	0	0	0	0
44. Affiliated common stocks (Sch. D, Summary, Line 24, Col. 1)	820,178,928	813,310,246	789,011,151	792,614,214	1,017,221,160
45. Affiliated short-term investments (subtotals included in Schedule DA Verification, Col. 5, Line 10)	0	0	0	0	0
46. Affiliated mortgage loans on real estate		0	0	0	0
47. All other affiliated		0	0	0	0
48. Total of above Lines 42 to 47	820,178,928	813,310,246	789,011,151	792,614,214	1,017,221,160
49. Percentage of investments in parent, subsidiaries and affiliates to surplus as regards policyholders (Line 48 above divided by Page 3, Col. 1, Line 37 x 100.0)	21.9	21.5	21.6	23.6	23.6

FIVE-YEAR HISTORICAL DATA

	1	2	3	4	5
	2011	2010	2009	2008	2007
(Continued)					
Capital and Surplus Accounts (Page 4)					
50. Net unrealized capital gains (losses) (Line 24)	(1,047,487)	28,980,005	18,607,764	(1,156,697,700)	(696,520,764)
51. Dividends to stockholders (Line 35)	(180,000,000)	(220,000,000)	(50,000,000)	(160,000,000)	(420,000,000)
52. Change in surplus as regards policyholders for the year (Line 38)	(30,451,413)	129,441,029	287,493,798	(946,852,302)	(443,055,063)
Gross Losses Paid (Page 9, Part 2, Cols. 1 & 2)					
53. Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 17.3, 18.1, 18.2, 19.1, 19.2 & 19.3, 19.4)	697,661,193	679,775,765	748,922,886	722,577,416	755,160,228
54. Property lines (Lines 1, 2, 9, 12, 21 & 26)	298,176,879	231,144,911	219,612,081	248,482,130	226,333,441
55. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27)	1,069,333,024	693,897,750	749,377,612	747,608,848	570,439,586
56. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34)	35,897,910	26,641,183	21,024,673	15,133,647	10,410,199
57. Nonproportional reinsurance lines (Lines 31, 32 & 33)	0	0	0	0	0
58. Total (Line 35)	2,101,069,007	1,631,459,609	1,738,937,252	1,733,802,041	1,562,343,454
Net Losses Paid (Page 9, Part 2, Col. 4)					
59. Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 17.3, 18.1, 18.2, 19.1, 19.2 & 19.3, 19.4)	680,775,952	653,555,016	692,518,363	696,131,949	699,604,328
60. Property lines (Lines 1, 2, 9, 12, 21 & 26)	279,843,280	231,038,466	215,509,796	243,028,900	223,793,386
61. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27)	900,215,363	622,789,852	662,935,202	676,334,692	549,415,150
62. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34)	22,871,350	23,276,789	10,809,103	13,614,221	9,026,193
63. Nonproportional reinsurance lines (Lines 31, 32 & 33)	0	0	0	0	0
64. Total (Line 35)	1,883,705,945	1,530,660,123	1,581,772,464	1,629,109,762	1,481,839,057
Operating Percentages (Page 4) (Item divided by Page 4, Line 1) x 100.0					
65. Premiums earned (Line 1)	100.0	100.0	100.0	100.0	100.0
66. Losses incurred (Line 2)	64.7	56.4	58.6	57.6	46.6
67. Loss expenses incurred (Line 3)	12.7	12.2	13.0	10.6	12.0
68. Other underwriting expenses incurred (Line 4)	32.1	32.7	31.8	31.5	31.1
69. Net underwriting gain (loss) (Line 8)	(9.5)	(1.3)	(3.3)	0.3	10.3
Other Percentages					
70. Other underwriting expenses to net premiums written (Page 4, Lines 4 + 5 - 15 divided by Page 8, Part 1B, Col. 6, Line 35 x 100.0)	31.2	32.3	32.1	31.5	31.1
71. Losses and loss expenses incurred to premiums earned (Page 4, Lines 2 + 3 divided by Page 4, Line 1 x 100.0)	77.4	68.6	71.6	68.2	58.6
72. Net premiums written to policyholders' surplus (Page 8, Part 1B, Col. 6, Line 35 divided by Page 3, Line 37, Col. 1 x 100.0)	80.6	77.0	78.8	89.2	72.4
One Year Loss Development (000 omitted)					
73. Development in estimated losses and loss expenses incurred prior to current year (Schedule P, Part 2-Summary, Line 12, Col. 11)	(276,842)	(259,141)	(155,342)	(289,889)	(212,066)
74. Percent of development of losses and loss expenses incurred to policyholders' surplus of prior year end (Line 73 above divided by Page 4, Line 21, Col. 1 x 100.0)	(7.3)	(7.1)	(4.6)	(6.7)	(4.5)
Two Year Loss Development (000 omitted)					
75. Development in estimated losses and loss expenses incurred 2 years before the current year and prior year (Schedule P, Part 2 - Summary, Line 12, Col. 12)	(387,908)	(276,416)	(334,151)	(437,113)	(232,525)
76. Percent of development of losses and loss expenses incurred to reported policyholders' surplus of second prior year end (Line 75 above divided by Page 4, Line 21, Col. 2 x 100.0)	(10.6)	(8.2)	(7.8)	(9.2)	(5.5)

NOTE: If a party to a merger, have the two most recent years of this exhibit been restated due to a merger in compliance with the disclosure requirements of SSAP No. 3, *Accounting Changes and Correction of Errors*? Yes [] No []

If no, please explain

.....

SCHEDULE P - ANALYSIS OF LOSSES AND LOSS EXPENSES
SCHEDULE P - PART 1 - SUMMARY

(\$000 Omitted)

Years in Which Premiums Were Earned and Losses Were Incurred	Premiums Earned			Loss and Loss Expense Payments								12
	1	2	3	Loss Payments		Defense and Cost Containment Payments		Adjusting and Other Payments		10	11	Number of Claims Reported Direct and Assumed
	Direct and Assumed	Ceded	Net (Cols. 1 - 2)	4	5	6	7	8	9	Salvage and Subrogation Received	Total Net Paid (Cols. 4 - 5 + 6 - 7 + 8 - 9)	
				Direct and Assumed	Ceded	Direct and Assumed	Ceded	Direct and Assumed	Ceded			
1. Prior	XXX	XXX	XXX	28,897	3,423	3,452	542	2,750	0	942	31,134	XXX
2. 2002	2,723,426	330,348	2,393,078	1,415,814	85,468	128,322	10,374	144,232	0	48,446	1,592,526	XXX
3. 2003	2,866,821	211,037	2,655,784	1,468,087	74,474	136,486	4,007	152,252	0	50,675	1,678,344	XXX
4. 2004	3,096,530	174,822	2,921,708	1,595,002	143,043	124,222	6,495	157,994	0	47,809	1,727,681	XXX
5. 2005	3,239,583	179,203	3,060,380	1,542,515	100,556	118,556	3,605	164,890	0	49,750	1,721,800	XXX
6. 2006	3,323,718	157,381	3,166,336	1,512,477	64,885	122,284	1,444	159,591	0	51,166	1,728,023	XXX
7. 2007	3,302,038	174,551	3,127,487	1,406,887	40,798	110,569	2,497	171,690	0	45,588	1,645,851	XXX
8. 2008	3,185,612	177,290	3,008,322	1,584,324	110,728	104,709	2,813	193,461	6,493	46,603	1,762,461	XXX
9. 2009	3,054,331	167,561	2,886,770	1,329,303	56,313	79,058	1,685	164,906	0	40,014	1,515,269	XXX
10. 2010	3,039,382	161,559	2,877,823	1,201,011	15,286	42,971	941	149,225	0	39,604	1,376,980	XXX
11. 2011	3,177,114	215,272	2,961,842	1,272,429	181,586	20,633	401	91,955	6,724	21,873	1,196,305	XXX
12. Totals	XXX	XXX	XXX	14,356,746	876,560	991,263	34,804	1,552,946	13,217	442,468	15,976,374	XXX

	Losses Unpaid				Defense and Cost Containment Unpaid				Adjusting and Other Unpaid		23	24	25
	Case Basis		Bulk + IBNR		Case Basis		Bulk + IBNR		21	22			
	13	14	15	16	17	18	19	20					
	Direct and Assumed	Ceded	Direct and Assumed	Ceded	Direct and Assumed	Ceded	Direct and Assumed	Ceded	Direct and Assumed	Ceded			
1.	214,500	114,252	127,230	1,791	31,264	29,246	26,617	273	4,894	0	862	258,943	XXX
2.	25,645	3,774	21,400	1,018	389	316	5,986	55	993	0	374	49,250	XXX
3.	29,426	3,874	23,485	2,220	671	658	8,322	40	1,531	0	944	56,643	XXX
4.	32,634	3,346	23,738	2,608	144	144	10,059	330	1,827	0	1,055	61,974	XXX
5.	41,846	3,131	28,599	3,435	184	183	14,937	660	2,811	0	1,699	80,967	XXX
6.	92,107	11,525	39,042	3,489	58	56	24,163	150	4,887	0	3,673	145,037	XXX
7.	126,212	14,441	49,146	5,114	205	201	38,491	240	7,712	0	5,503	201,771	XXX
8.	231,407	14,758	62,356	5,665	105	76	68,369	270	14,480	0	10,209	355,948	XXX
9.	298,168	4,573	90,099	7,039	71	50	120,587	295	23,621	0	14,239	520,589	XXX
10.	402,267	12,309	145,026	10,368	168	138	150,431	500	50,328	0	23,465	724,905	XXX
11.	771,676	66,367	389,381	42,754	291	223	219,116	735	101,837	0	44,377	1,372,223	XXX
12.	2,265,888	252,349	999,502	85,502	33,552	31,292	687,077	3,548	214,921	0	106,400	3,828,250	XXX

	Total Losses and Loss Expenses Incurred			Loss and Loss Expense Percentage (Incurred/Premiums Earned)			Nontabular Discount		34 Inter-Company Pooling Participation Percentage	Net Balance Sheet Reserves After Discount	
	26	27	28	29	30	31	32	33		35	36
	Direct and Assumed	Ceded	Net	Direct and Assumed	Ceded	Net	Loss	Loss Expense		Losses Unpaid	Loss Expenses Unpaid
1.	XXX	XXX	XXX	XXX	XXX	XXX	0	0	XXX	225,687	33,256
2.	1,742,782	101,005	1,641,777	64.0	30.6	68.6	0	0		42,253	6,997
3.	1,820,259	85,273	1,734,987	63.5	40.4	65.3	0	0		46,817	9,825
4.	1,945,621	155,966	1,789,655	62.8	89.2	61.3	0	0		50,418	11,556
5.	1,914,337	111,569	1,802,767	59.1	62.3	58.9	0	0		63,879	17,088
6.	1,954,609	81,549	1,873,060	58.8	51.8	59.2	0	0		116,135	28,902
7.	1,910,912	63,291	1,847,622	57.9	36.3	59.1	0	0		155,803	45,967
8.	2,259,211	140,803	2,118,408	70.9	79.4	70.4	0	0		273,340	82,608
9.	2,105,814	69,956	2,035,858	68.9	41.7	70.5	0	0		376,655	143,934
10.	2,141,428	39,542	2,101,885	70.5	24.5	73.0	0	0		524,616	200,289
11.	2,867,319	298,791	2,568,528	90.2	138.8	86.7	0	0		1,051,936	320,286
12.	XXX	XXX	XXX	XXX	XXX	XXX	0	0	XXX	2,927,540	900,710

Note: Parts 2 and 4 are gross of all discounting, including tabular discounting. Part 1 is gross of only nontabular discounting, which is reported in Columns 32 and 33 of Part 1. The tabular discount, if any, is reported in the Notes to Financial Statements, which will reconcile Part 1 with Parts 2 and 4.

ANNUAL STATEMENT FOR THE YEAR 2011 OF THE CINCINNATI INSURANCE COMPANY

SCHEDULE P - PART 2 - SUMMARY

Years in Which Losses Were Incurred	INCURRED NET LOSSES AND DEFENSE AND COST CONTAINMENT EXPENSES REPORTED AT YEAR END (\$000 OMITTED)										DEVELOPMENT	
	1	2	3	4	5	6	7	8	9	10	11	12
	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	One Year	Two Year
1. Prior	1,503,413	1,453,529	1,364,610	1,334,971	1,305,020	1,299,385	1,286,265	1,318,897	1,335,224	1,341,104	5,880	22,207
2. 2002	1,630,778	1,612,429	1,549,933	1,530,332	1,518,495	1,499,099	1,492,137	1,494,754	1,496,774	1,496,551	(223)	1,797
3. 2003	XXX	1,708,527	1,682,581	1,626,509	1,601,689	1,586,794	1,565,825	1,579,961	1,581,043	1,581,205	162	1,244
4. 2004	XXX	XXX	1,775,293	1,735,536	1,720,201	1,670,706	1,627,875	1,638,045	1,632,623	1,629,834	(2,789)	(8,211)
5. 2005	XXX	XXX	XXX	1,791,077	1,764,184	1,729,916	1,661,919	1,644,517	1,637,051	1,635,067	(1,984)	(9,450)
6. 2006	XXX	XXX	XXX	XXX	1,932,951	1,844,574	1,771,406	1,725,501	1,720,752	1,708,582	(12,170)	(16,919)
7. 2007	XXX	XXX	XXX	XXX	XXX	1,865,872	1,801,030	1,760,519	1,713,146	1,668,220	(44,926)	(92,299)
8. 2008	XXX	XXX	XXX	XXX	XXX	XXX	2,136,486	2,025,406	1,949,914	1,916,961	(32,953)	(108,445)
9. 2009	XXX	XXX	XXX	XXX	XXX	XXX	XXX	2,025,162	1,887,095	1,847,331	(39,764)	(177,831)
10. 2010	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	2,050,406	1,902,332	(148,074)	XXX
11. 2011	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	2,381,460	XXX	XXX
12. Totals											(276,842)	(387,908)

SCHEDULE P - PART 3 - SUMMARY

Years in Which Losses Were Incurred	CUMULATIVE PAID NET LOSSES AND DEFENSE AND COST CONTAINMENT EXPENSES REPORTED AT YEAR END (\$000 OMITTED)										11	12
	1	2	3	4	5	6	7	8	9	10	Number of Claims Closed With Loss Payment	Number of Claims Closed Without Loss Payment
	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011		
1. Prior	000	413,470	660,253	810,320	907,006	964,298	1,002,013	1,035,732	1,058,671	1,087,055	XXX	XXX
2. 2002	653,864	976,965	1,141,173	1,260,638	1,349,729	1,393,632	1,416,782	1,430,981	1,438,798	1,448,294	XXX	XXX
3. 2003	XXX	690,340	1,020,956	1,202,594	1,330,989	1,415,399	1,468,291	1,501,634	1,514,049	1,526,092	XXX	XXX
4. 2004	XXX	XXX	733,791	1,104,443	1,280,495	1,408,649	1,486,757	1,530,318	1,550,414	1,569,687	XXX	XXX
5. 2005	XXX	XXX	XXX	701,110	1,064,625	1,274,248	1,404,733	1,481,311	1,528,053	1,556,910	XXX	XXX
6. 2006	XXX	XXX	XXX	XXX	742,661	1,136,167	1,320,058	1,448,337	1,526,798	1,568,432	XXX	XXX
7. 2007	XXX	XXX	XXX	XXX	XXX	695,730	1,078,743	1,258,687	1,386,725	1,474,161	XXX	XXX
8. 2008	XXX	XXX	XXX	XXX	XXX	XXX	871,158	1,262,663	1,447,453	1,575,493	XXX	XXX
9. 2009	XXX	XXX	XXX	XXX	XXX	XXX	XXX	830,310	1,168,517	1,350,363	XXX	XXX
10. 2010	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	842,232	1,227,755	XXX	XXX
11. 2011	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	1,111,075	XXX	XXX

SCHEDULE P - PART 4 - SUMMARY

Years in Which Losses Were Incurred	BULK AND IBNR RESERVES ON NET LOSSES AND DEFENSE AND COST CONTAINMENT EXPENSES REPORTED AT YEAR END (\$000 OMITTED)									
	1 2002	2 2003	3 2004	4 2005	5 2006	6 2007	7 2008	8 2009	9 2010	10 2011
1. Prior	627,760	433,274	336,531	270,646	190,688	164,191	133,915	153,648	158,524	151,782
2. 2002	453,661	279,696	152,827	99,612	55,581	37,374	26,999	28,243	28,214	26,312
3. 2003	XXX	478,827	285,871	165,143	86,696	60,684	31,020	35,662	31,465	29,547
4. 2004	XXX	XXX	515,266	279,828	164,403	87,511	41,662	47,457	36,513	30,859
5. 2005	XXX	XXX	XXX	515,730	301,874	175,304	74,771	61,746	46,481	39,441
6. 2006	XXX	XXX	XXX	XXX	521,498	296,464	161,788	87,979	70,569	59,566
7. 2007	XXX	XXX	XXX	XXX	XXX	482,308	256,965	150,258	106,244	82,283
8. 2008	XXX	XXX	XXX	XXX	XXX	XXX	558,860	297,212	177,527	124,789
9. 2009	XXX	XXX	XXX	XXX	XXX	XXX	XXX	552,158	277,365	203,352
10. 2010	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	559,680	284,589
11. 2011	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	565,008

ANNUAL STATEMENT FOR THE YEAR 2011 OF THE CINCINNATI INSURANCE COMPANY

SCHEDULE T - EXHIBIT OF PREMIUMS WRITTEN

Allocated By States And Territories										
States, etc.		1	Gross Premiums, Including Policy and Membership Fees Less Return Premiums and Premiums on Policies Not Taken		4 Dividends Paid or Credited to Policyholders on Direct Business	5 Direct Losses Paid (Deducting Salvage)	6 Direct Losses Incurred	7 Direct Losses Unpaid	8 Finance and Service Charges Not Included in Premiums	9 Direct Premium Written for Federal Purchasing Groups (Included in Col. 2)
			2 Direct Premiums Written	3 Direct Premiums Earned						
1. Alabama	AL	L	105,562,919	103,860,770	484	112,484,373	120,768,581	53,160,036	168,999	
2. Alaska	AK	L	131,229	113,993	0	0	5,141	17,056	20	
3. Arizona	AZ	L	31,515,914	31,426,895	75,399	25,279,362	19,981,141	24,427,772	47,280	
4. Arkansas	AR	L	41,512,282	40,993,478	25,811	26,468,070	31,425,235	30,931,567	65,155	
5. California	CA	L	2,594,049	2,427,658	9,266	874,689	384,164	5,709,565	172	
6. Colorado	CO	L	11,456,292	10,457,236	0	5,360,751	6,951,058	6,857,191	6,136	
7. Connecticut	CT	L	1,939,778	1,345,296	3,210	367,111	1,009,891	1,416,374	846	
8. Delaware	DE	L	9,068,730	8,768,132	195,782	6,781,826	8,024,651	13,236,976	8,285	
9. District of Columbia	DC	L	1,103,697	973,363	3,773	183,588	773,787	1,500,160	102	
10. Florida	FL	L	77,581,913	80,046,614	2,169	32,750,590	35,002,862	67,905,068	74,543	
11. Georgia	GA	L	153,795,186	153,812,262	302,807	124,102,642	117,116,683	108,168,882	202,192	
12. Hawaii	HI	L	34,138	32,760	0	19,500	18,265	38,545	20	
13. Idaho	ID	L	23,190,898	23,080,774	0	8,448,008	7,752,375	13,363,246	35,082	
14. Illinois	IL	L	208,797,265	214,881,292	1,249,189	111,348,069	97,941,857	239,944,958	273,205	
15. Indiana	IN	L	187,201,808	185,704,162	289,295	128,933,351	134,334,185	159,785,162	331,254	
16. Iowa	IA	L	67,211,568	70,041,229	2,026,030	38,767,546	44,817,114	69,151,576	81,837	
17. Kansas	KS	L	39,019,453	40,626,894	662,693	39,176,731	37,551,037	31,801,985	52,558	
18. Kentucky	KY	L	117,238,044	116,600,015	14,531	71,137,453	62,176,924	69,839,660	151,979	
19. Louisiana	LA	L	1,953,196	1,759,772	0	438,593	843,179	2,143,524	145	
20. Maine	ME	L	127,552	122,631	0	76,770	98,250	62,700	20	
21. Maryland	MD	L	43,140,131	42,613,348	645,036	19,638,793	20,430,432	42,960,667	74,967	
22. Massachusetts	MA	L	779,745	797,318	0	88,380	105,296	1,550,922	90	
23. Michigan	MI	L	124,532,772	124,624,894	364,122	93,340,102	80,769,994	103,959,637	290,414	
24. Minnesota	MN	L	72,500,804	71,220,729	367,237	50,724,964	38,389,311	85,801,504	112,291	
25. Mississippi	MS	L	1,144,827	1,177,506	1,129	262,047	196,810	1,297,101	125	
26. Missouri	MO	L	75,372,823	77,543,571	448,522	78,856,691	111,305,878	101,561,737	132,093	
27. Montana	MT	L	28,575,910	28,979,253	0	22,020,740	16,305,002	27,231,737	28,057	
28. Nebraska	NE	L	22,259,035	22,654,453	331,550	13,459,155	12,218,556	23,304,013	14,904	
29. Nevada	NV	L	1,098,002	1,029,873	14,160	202,072	340,081	908,064	85	
30. New Hampshire	NH	L	11,433,867	11,528,058	174,132	3,848,690	4,211,996	9,500,895	20,977	
31. New Jersey	NJ	L	2,277,204	2,279,179	40,785	883,663	7,150,208	8,781,832	135	
32. New Mexico	NM	L	6,548,776	6,774,277	0	1,258,247	2,176,611	3,295,815	10,256	
33. New York	NY	L	54,889,482	56,830,340	186,188	21,371,303	39,705,699	88,239,839	44,756	
34. North Carolina	NC	L	138,603,465	136,478,349	357,963	85,260,469	99,000,054	114,025,305	233,383	
35. North Dakota	ND	L	15,117,724	15,349,590	0	6,063,043	7,200,567	10,332,007	12,307	
36. Ohio	OH	L	572,417,131	579,653,928	0	386,591,987	376,879,496	389,048,493	893,969	
37. Oklahoma	OK	L	1,234,343	1,311,349	0	2,853,746	1,172,522	2,054,659	295	
38. Oregon	OR	L	3,393,175	2,180,033	18,636	262,639	750,669	689,898	3,670	
39. Pennsylvania	PA	L	158,309,929	161,447,339	2,378,632	107,448,502	116,029,777	198,515,909	251,656	
40. Rhode Island	RI	L	23,062	58,575	0	240,046	(80,135)	275,693	0	
41. South Carolina	SC	L	35,036,362	35,673,866	44,862	17,956,173	22,322,715	32,709,412	31,634	
42. South Dakota	SD	L	7,900,753	8,021,355	135,586	2,740,769	5,495,818	10,540,155	7,425	
43. Tennessee	TN	L	101,694,813	100,734,082	146,466	128,559,347	143,320,317	95,956,845	176,777	
44. Texas	TX	L	35,628,144	30,036,963	22,652	15,850,131	24,749,023	77,246,286	83,558	
45. Utah	UT	L	32,410,230	31,513,655	0	13,082,256	12,579,537	28,231,481	62,868	
46. Vermont	VT	L	18,400,590	18,801,627	266,265	11,826,248	16,730,605	19,209,169	29,993	
47. Virginia	VA	L	110,148,361	110,977,850	730,126	52,519,768	53,087,009	85,192,629	194,796	
48. Washington	WA	L	9,098,489	8,090,334	0	5,163,982	8,506,539	5,408,865	15,837	
49. West Virginia	WV	L	19,222,366	20,376,538	8,722	9,170,653	10,766,929	16,782,359	27,236	
50. Wisconsin	WI	L	92,929,829	95,211,982	4,575,670	51,998,085	43,885,957	107,928,812	135,074	
51. Wyoming	WY	L	2,953,982	2,281,467	0	550,495	354,696	598,203	2,329	
52. American Samoa	AS	N	0	0	0	0	0	0	0	
53. Guam	GU	N	0	0	0	0	0	0	0	
54. Puerto Rico	PR	L	2,479	1,733	0	0	138	136	0	
55. U.S. Virgin Islands	VI	N	0	0	0	0	0	0	0	
56. Northern Mariana Islands	MP	N	0	0	0	0	0	0	0	
57. Canada	CN	N	0	0	0	0	0	0	0	
58. Aggregate other alien	OT	XXX	0	0	0	0	0	0	0	0
59. Totals	(a)	52	2,880,114,516	2,893,328,640	16,118,880	1,937,092,210	2,003,034,487	2,592,602,080	4,391,785	0
DETAILS OF WRITE-INS										
5801.		XXX								
5802.		XXX								
5803.		XXX								
5898. Sum. of remaining write-ins for Line 58 from overflow page		XXX	0	0	0	0	0	0	0	0
5899. Totals (Lines 5801 through 5803 + 5898) (Line 58 above)		XXX	0	0	0	0	0	0	0	0

(L) Licensed or Chartered - Licensed Insurance Carrier or Domiciled RRG; (R) Registered - Non-domiciled RRGs; (Q) Qualified - Qualified or Accredited Reinsurer; (E) Eligible - Reporting Entities eligible or approved to write Surplus Lines in the state; (N) None of the above - Not allowed to write business in the state.

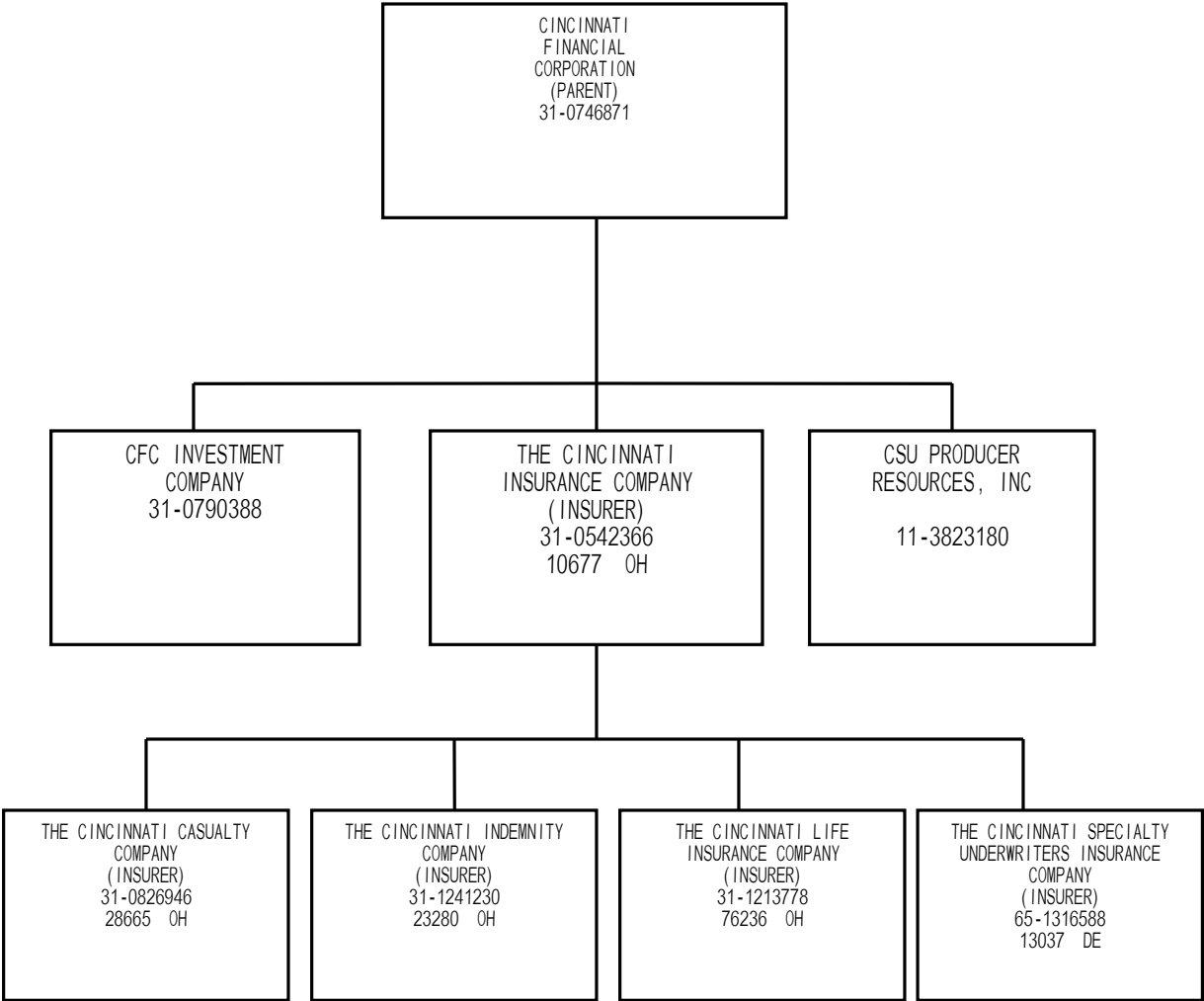
Explanation of basis of allocation of premiums by states, etc.

Premiums recieved on all classes are allocated to the state in which the risk is located.

(a) Insert the number of L responses except for Canada and Other Alien

ANNUAL STATEMENT FOR THE YEAR 2011 OF THE
THE CINCINNATI INSURANCE COMPANY

SCHEDULE Y – INFORMATION CONCERNING ACTIVITIES OF INSURER
MEMBERS OF A HOLDING COMPANY GROUP PART 1 –
ORGANIZATIONAL CHART



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