



ANNUAL STATEMENT
For the Year Ended December 31, 2012
OF THE CONDITION AND AFFAIRS OF THE
CINCINNATI INSURANCE COMPANY

NAIC Group Code 0244, 00244 NAIC Company Code 10677 Employer's ID Number 31-0542366
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
Main Administrative Office 6200 SOUTH GILMORE ROAD, FAIRFIELD, OH, 45014-5141 513-870-2000
Mail Address P.O. BOX 145496, CINCINNATI, OH, 45250-5496
Primary Location of Books and Records 6200 SOUTH GILMORE ROAD, FAIRFIELD, OH, 45014-5141 513-870-2646
Internet Web Site Address www.cinfin.com
Statutory Statement Contact Andrew Schnell 513-870-2646
andrew_schnell@cinfin.com 513-603-5500

OFFICERS

Table with 4 columns: Name, Title, Name, Title. Includes STEVEN JUSTUS JOHNSTON (CHIEF EXECUTIVE OFFICER, PRESIDENT), THERESA ANN HOFFER (VICE PRESIDENT, TREASURER), MICHAEL JAMES SEWELL (CHIEF FINANCIAL OFFICER, SENIOR VICE PRESIDENT).

OTHER OFFICERS

Table with 4 columns: Name, Title, Name, Title. Includes TERESA CURRIN CRACAS (SENIOR VICE PRESIDENT), MARTIN FRANCIS HOLLENBECK (SENIOR VICE PRESIDENT), LISA ANNE LOVE (SENIOR VICE PRESIDENT), JOHN JEFFERSON SCHIFF JR (SENIOR VICE PRESIDENT), etc.

DIRECTORS OR TRUSTEES

Table with 4 columns: Name, Title, Name, Title. Includes WILLIAM FORREST BAHL (GREGORY THOMAS BIER), MARTIN FRANCIS HOLLENBECK (STEVEN JUSTUS JOHNSTON), WILLIAM RODNEY MCMULLEN (MARTIN JOSEPH MULLEN), etc.

State of OHIO
County of BUTLER

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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 22ND day of FEBRUARY, 2013

a. Is this an original filing? Yes [] No [X]
b. If no:
1. State the amendment number 1
2. Date filed 12/03/2013
3. Number of pages attached 1

ANNUAL STATEMENT FOR THE YEAR 2012 OF THE CINCINNATI INSURANCE COMPANY

FIVE-YEAR HISTORICAL DATA

Show amounts in whole dollars only, no cents; show percentages to one decimal place, i.e., 17.6.

	1 2012	2 2011	3 2010	4 2009	5 2008
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)	1,565,225,716	1,430,835,792	1,370,541,886	1,377,912,803	1,483,711,138
2. Property lines (Lines 1, 2, 9, 12, 21 & 26)	539,329,563	479,412,829	446,337,573	433,377,991	438,288,338
3. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27)	1,411,067,637	1,275,774,836	1,198,183,468	1,172,291,084	1,199,088,023
4. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34)	50,098,245	51,189,455	53,863,482	57,804,844	56,332,203
5. Nonproportional reinsurance lines (Lines 31, 32 & 33)	0	0	0	0	0
6. Total (Line 35)	3,565,721,161	3,237,212,912	3,068,926,409	3,041,386,722	3,177,419,702
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)	1,511,085,200	1,377,761,562	1,321,709,524	1,324,662,937	1,422,444,856
8. Property lines (Lines 1, 2, 9, 12, 21 & 26)	508,088,850	447,117,761	417,593,814	403,866,928	408,465,357
9. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27)	1,318,495,162	1,153,695,077	1,123,202,489	1,097,516,944	1,119,319,111
10. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34)	42,585,447	43,032,629	44,926,746	48,104,241	48,243,433
11. Nonproportional reinsurance lines (Lines 31, 32 & 33)	0	0	0	0	0
12. Total (Line 35)	3,380,254,659	3,021,607,029	2,907,432,573	2,874,151,050	2,998,472,757
Statement of Income (Page 4)					
13. Net underwriting gain (loss) (Line 8)	128,635,926	(280,368,306)	(37,882,599)	(96,333,786)	9,517,330
14. Net investment gain (loss) (Line 11)	342,091,862	398,174,194	418,028,594	457,508,110	386,620,358
15. Total other income (Line 15)	5,596,928	5,856,066	4,127,969	(5,057,958)	2,220,815
16. Dividends to policyholders (Line 17)	16,181,079	16,016,235	14,167,939	17,180,324	8,726,910
17. Federal and foreign income taxes incurred (Line 19)	125,471,858	(12,515,950)	52,139,747	(10,090)	195,320,282
18. Net income (Line 20)	334,671,779	120,161,670	317,966,278	338,946,132	194,311,312
Balance Sheet Lines (Pages 2 and 3)					
19. Total admitted assets excluding protected cell business (Page 2, Line 26, Col. 3)	9,767,259,501	9,501,832,509	9,343,031,687	9,144,908,784	8,636,086,821
20. Premiums and considerations (Page 2, Col. 3)					
20.1 In course of collection (Line 15.1)	312,478,348	295,535,746	247,230,964	241,722,481	264,524,740
20.2 Deferred and not yet due (Line 15.2)	931,830,949	822,536,963	770,739,506	744,883,859	780,725,538
20.3 Accrued retrospective premiums (Line 15.3)	0	0	0	0	0
21. Total liabilities excluding protected cell business (Page 3, Line 26)	5,853,661,523	5,755,051,386	5,565,799,153	5,497,117,279	5,275,789,114
22. Losses (Page 3, Line 1)	2,836,585,289	2,927,539,915	2,896,177,921	2,803,198,942	2,692,673,548
23. Loss adjustment expenses (Page 3, Line 3)	860,189,053	900,710,444	859,939,917	835,787,925	801,138,329
24. Unearned premiums (Page 3, Line 9)	1,723,597,502	1,576,644,543	1,502,303,660	1,469,843,253	1,517,346,360
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)	3,913,597,978	3,746,781,123	3,777,232,534	3,647,791,505	3,360,297,707
Cash Flow (Page 5)					
27. Net cash from operations (Line 11)	373,997,584	53,830,244	255,415,033	445,856,142	129,981,331
Risk-Based Capital Analysis					
28. Total adjusted capital	3,927,821,006	3,754,074,513	3,792,754,615	3,663,657,076	3,388,699,761
29. Authorized control level risk-based capital	484,136,049	468,729,620	456,849,894	436,836,514	406,823,123
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)	58.6	60.7	61.4	61.7	55.4
31. Stocks (Lines 2.1 & 2.2)	37.3	35.4	36.1	34.1	37.4
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	0.1
34. Cash, cash equivalents and short-term investments (Line 5)	3.8	3.7	2.3	3.9	6.9
35. Contract loans (Line 6)	0.0	0.0	0.0	0.0	0.0
36. Derivatives (Line 7)	0.0	0.0	0.0	XXX	XXX
37. Other invested assets (Line 8)	0.1	0.1	0.1	0.1	0.2
38. Receivables for securities (Line 9)	0.0	0.0	0.0	0.1	0.0
39. Securities lending reinvested collateral assets (Line 10)	0.0	0.0	0.0	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)	843,753,681	820,178,928	813,310,246	789,011,151	792,614,214
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	0
47. All other affiliated	0	0	0	0	0
48. Total of above Lines 42 to 47	843,753,681	820,178,928	813,310,246	789,011,151	792,614,214
49. Total Investment in parent included in Lines 42 to 47 above					
50. 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)	21.6	21.9	21.5	21.6	23.6

FIVE-YEAR HISTORICAL DATA

(Continued)

	1 2012	2 2011	3 2010	4 2009	5 2008
Capital and Surplus Accounts (Page 4)					
51. Net unrealized capital gains (losses) (Line 24)	121,457,691	(1,047,487)	28,980,005	18,607,764	(1,156,697,700)
52. Dividends to stockholders (Line 35)	(300,000,000)	(180,000,000)	(220,000,000)	(50,000,000)	(160,000,000)
53. Change in surplus as regards policyholders for the year (Line 38)	166,816,855	(30,451,413)	129,441,029	287,493,798	(946,852,302)
Gross Losses Paid (Page 9, Part 2, Cols. 1 & 2)					
54. 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)	763,305,576	697,661,193	679,775,765	748,922,886	722,577,416
55. Property lines (Lines 1, 2, 9, 12, 21 & 26)	289,706,589	298,176,879	231,144,911	219,612,081	248,482,130
56. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27)	897,664,836	1,069,333,024	693,897,750	749,377,612	747,608,848
57. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34)	10,191,492	35,897,910	26,641,183	21,024,673	15,133,647
58. Nonproportional reinsurance lines (Lines 31, 32 & 33)	0	0	0	0	0
59. Total (Line 35)	1,960,868,492	2,101,069,007	1,631,459,609	1,738,937,252	1,733,802,041
Net Losses Paid (Page 9, Part 2, Col. 4)					
60. 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)	726,967,288	680,775,952	653,555,016	692,518,363	696,131,949
61. Property lines (Lines 1, 2, 9, 12, 21 & 26)	284,602,426	279,843,280	231,038,466	215,509,796	243,028,900
62. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27)	820,810,207	900,215,363	622,789,852	662,935,202	676,334,692
63. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34)	9,702,148	22,871,350	23,276,789	10,809,103	13,614,221
64. Nonproportional reinsurance lines (Lines 31, 32 & 33)	0	0	0	0	0
65. Total (Line 35)	1,842,082,069	1,883,705,945	1,530,660,123	1,581,772,464	1,629,109,762
Operating Percentages (Page 4) (Item divided by Page 4, Line 1) x 100.0					
66. Premiums earned (Line 1)	100.0	100.0	100.0	100.0	100.0
67. Losses incurred (Line 2)	53.8	64.7	56.4	58.6	57.6
68. Loss expenses incurred (Line 3)	9.9	12.7	12.2	13.0	10.6
69. Other underwriting expenses incurred (Line 4)	32.3	32.1	32.7	31.8	31.5
70. Net underwriting gain (loss) (Line 8)	4.0	(9.5)	(1.3)	(3.3)	0.3
Other Percentages					
71. 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)	31.0	31.2	32.3	32.1	31.5
72. Losses and loss expenses incurred to premiums earned (Page 4, Lines 2 + 3 divided by Page 4, Line 1 x 100.0)	63.7	77.4	68.6	71.6	68.2
73. 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)	86.4	80.6	77.0	78.8	89.2
One Year Loss Development (000 omitted)					
74. Development in estimated losses and loss expenses incurred prior to current year (Schedule P, Part 2-Summary, Line 12, Col. 11)	(389,171)	(276,842)	(259,141)	(155,342)	(289,889)
75. Percent of development of losses and loss expenses incurred to policyholders' surplus of prior year end (Line 74 above divided by Page 4, Line 21, Col. 1 x 100.0)	(10.4)	(7.3)	(7.1)	(4.6)	(6.7)
Two Year Loss Development (000 omitted)					
76. 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)	(506,979)	(387,908)	(276,416)	(334,151)	(437,113)
77. Percent of development of losses and loss expenses incurred to reported policyholders' surplus of second prior year end (Line 76 above divided by Page 4, Line 21, Col. 2 x 100.0)	(13.4)	(10.6)	(8.2)	(7.8)	(9.2)

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