

**STATE AUTO FINANCIAL CORPORATION AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF INCOME**  
(unaudited)

<i>(In millions, except per share amounts)</i>	Three Months Ended December 31		Year Ended December 31	
	<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>
Net premiums written	\$ 291.0	\$ 281.2	\$ 1,210.4	\$ 1,204.9 <sup>(B)</sup>
Earned premiums	299.6	285.0	1,176.5	1,126.0
Net investment income	21.4	19.7	82.1	87.4
Net realized loss on investments	-	(32.7)	(5.2)	(36.4)
Other income	0.5	1.3	3.5	4.9
Total revenue	<u>321.5</u>	<u>273.3</u>	<u>1,256.9</u>	<u>1,181.9</u>
Income (loss) before federal income taxes	16.1	(5.7)	(12.8)	(75.1)
Federal income tax expense (benefit)	1.7	(5.1)	(23.0)	(44.0)
Net income (loss)	<u>\$ 14.4</u>	<u>\$ (0.6)</u>	<u>\$ 10.2</u>	<u>\$ (31.1)</u>
Earnings (loss) per share:				
- basic	\$ 0.36	\$ (0.02)	\$ 0.26	\$ (0.78)
- diluted	\$ 0.36	\$ (0.02)	\$ 0.25	\$ (0.78)
Earnings (loss) per share from operations <sup>(A)</sup> :				
- basic	\$ 0.36	\$ 0.53	\$ 0.33	\$ (0.17)
- diluted	\$ 0.36	\$ 0.53	\$ 0.33	\$ (0.17)
Weighted average shares outstanding:				
- basic	39.7	39.5	39.7	39.7
- diluted	39.9	39.5	39.8	39.7
Return on equity (LTM)	1.3%	-3.7%		
Book value per share	\$ 21.33	\$ 19.23		
Dividends paid per share	\$ 0.15	\$ 0.15	\$ 0.60	\$ 0.60
Total shares outstanding	39.8	39.6		
GAAP ratios:				
Loss and LAE ratio	63.2	57.8	71.7	75.2
Expense ratio	35.2	38.2	34.1	34.6
Combined ratio	<u>98.4</u>	<u>96.0</u>	<u>105.8</u>	<u>109.8</u>
Reconciliation of non-GAAP financial measure:				
<sup>(A)</sup> Net income (loss) from operations:				
Net income (loss)	\$ 14.4	\$ (0.6)	\$ 10.2	\$ (31.1)
Less net realized loss on investments, less applicable federal income taxes	-	(21.7)	(2.9)	(24.1)
Net income (loss) from operations	<u>\$ 14.4</u>	<u>\$ 21.1</u>	<u>\$ 13.1</u>	<u>\$ (7.0)</u>

<sup>(B)</sup> Net premiums written for the year ended December 31, 2008, includes \$53.6 million of unearned premiums transferred to STFC in connection with the addition of The Patrons Group, Beacon National and SAMMI to the State Auto Pool, effective January 1, 2008.

**STATE AUTO FINANCIAL CORPORATION AND SUBSIDIARIES**  
**CONDENSED CONSOLIDATED BALANCE SHEETS**  
(unaudited)

	December 31 2009	December 31 2008
<i>(\$ millions, except per share amounts)</i>		
<b>ASSETS</b>		
Fixed maturities, available-for-sale, at fair value (amortized cost \$1,788.1 and \$1,781.1, respectively)	\$ 1,831.8	\$ 1,770.7
Equity securities, at fair value (cost \$189.7 and \$144.3, respectively)	224.1	137.5
Other invested assets, at fair value (cost \$44.1 and \$32.4, respectively)	52.3	31.7
Other invested assets	0.9	1.4
Notes receivable from affiliate	70.0	-
Total investments	2,179.1	1,941.3
Cash and cash equivalents	90.3	150.5
Accrued investment income and other assets	35.1	40.2
Deferred policy acquisition costs	127.3	122.3
Reinsurance recoverable on losses and loss expenses payable	20.8	21.2
Due from affiliate	7.7	-
Prepaid reinsurance premiums	7.2	7.0
Current federal income taxes	9.1	37.6
Deferred federal income taxes	75.9	111.0
Property and equipment, net	12.0	12.5
Total assets	\$ 2,564.5	\$ 2,443.6
<b>LIABILITIES</b>		
Losses and loss expenses payable	\$ 840.2	\$ 791.2
Unearned premiums	547.0	515.1
Notes payable (affiliates \$15.5 and \$15.5, respectively)	117.2	117.6
Pension and postretirement benefits	150.4	187.7
Due to affiliate	-	15.9
Other liabilities	60.3	55.1
Total liabilities	1,715.1	1,682.6
<b>STOCKHOLDERS' EQUITY</b>		
Common stock, without par value. Authorized 100.0 shares; 46.6 and 46.3 shares issued, respectively, at stated value of \$2.50 per share	116.6	115.9
Less 6.8 and 6.8 treasury shares, at cost, respectively	(115.7)	(115.5)
Additional paid-in capital	115.8	109.0
Accumulated other comprehensive loss	(2.9)	(97.6)
Retained earnings	735.6	749.2
Total stockholders' equity	849.4	761.0
Total liabilities and stockholders' equity	\$ 2,564.5	\$ 2,443.6

**STATE AUTO FINANCIAL CORPORATION AND SUBSIDIARIES**  
**CONDENSED CONSOLIDATED STATEMENTS OF INCOME**  
(unaudited)

	Three Months Ended		Year Ended	
	December 31		December 31	
<i>(\$ millions, except per share amounts)</i>	2009	2008	2009	2008
Earned premiums	\$ 299.6	\$ 285.0	\$ 1,176.5	\$ 1,126.0
Net investment income	21.4	19.7	82.1	87.4
Net realized loss on investments	-	(32.7)	(5.2)	(36.4)
Other income (includes \$0.5 and \$0.7, and \$2.2 and \$3.1, respectively from affiliates)	0.5	1.3	3.5	4.9
<b>Total revenues</b>	<b>321.5</b>	<b>273.3</b>	<b>1,256.9</b>	<b>1,181.9</b>
Losses and loss expenses	189.2	164.8	843.3	846.7
Acquisition and operating expenses	105.5	108.9	400.9	389.8
Interest expense (includes \$0.2 and \$0.3, and \$0.8 and \$1.2, respectively to affiliates)	2.0	1.8	7.6	7.3
Other expenses	8.7	3.5	17.9	13.2
<b>Total expenses</b>	<b>305.4</b>	<b>279.0</b>	<b>1,269.7</b>	<b>1,257.0</b>
Income (loss) before federal income taxes	16.1	(5.7)	(12.8)	(75.1)
Federal income tax expense (benefit)	1.7	(5.1)	(23.0)	(44.0)
Net income (loss)	<u>\$ 14.4</u>	<u>\$ (0.6)</u>	<u>\$ 10.2</u>	<u>\$ (31.1)</u>
Earnings (loss) per common share:				
Basic	<u>\$ 0.36</u>	<u>\$ (0.02)</u>	<u>\$ 0.26</u>	<u>\$ (0.78)</u>
Diluted	<u>\$ 0.36</u>	<u>\$ (0.02)</u>	<u>\$ 0.25</u>	<u>\$ (0.78)</u>
Dividends paid per common share	<u>\$ 0.15</u>	<u>\$ 0.15</u>	<u>\$ 0.60</u>	<u>\$ 0.60</u>

**STATE AUTO FINANCIAL CORPORATION AND SUBSIDIARIES**  
**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS**  
(unaudited)

(\$ millions)	Year Ended December 31	
	2009	2008
Cash flows from operating activities:		
Net loss	\$ 10.2	\$ (31.1)
Adjustments to reconcile net loss to net cash provided by operating activities:		
Depreciation, amortization and other, net	11.8	10.6
Share-based compensation	3.7	5.5
Net realized loss on investments	5.2	36.4
Changes in operating assets and liabilities:		
Deferred policy acquisition costs	(5.0)	(3.7)
Accrued investment income and other assets	4.7	1.1
Postretirement and pension benefits	1.8	7.3
Other liabilities and due to/from affiliate, net	(18.2)	33.2
Reinsurance recoverable on losses and loss expenses payable and prepaid reinsurance premiums	0.3	(11.0)
Losses and loss expenses payable	49.0	81.6
Unearned premiums	31.9	25.5
Excess tax benefits on share based awards	0.1	0.4
Federal income taxes	15.0	(64.3)
Cash provided from pooling change, effective 1/1/08	-	92.0
Net cash provided by operating activities	110.5	183.5
Cash flows from investing activities:		
Purchases of fixed maturities - available-for-sale	(494.7)	(288.5)
Purchases of equity securities - available-for-sale	(90.4)	(29.2)
Purchases of other invested assets	(13.0)	(24.7)
Maturities, calls and principal reductions of fixed maturities - available-for-sale	159.0	58.7
Sales of fixed maturities - available-for-sale	323.8	164.6
Sales of equity securities - available-for-sale	34.0	67.0
Sales of other invested assets	1.2	1.1
Note to affiliate	(70.0)	-
Net additions of property and equipment	(0.1)	(0.5)
Net cash used in investing activities	(150.2)	(51.5)
Cash flows from financing activities:		
Proceeds from issuance of common stock	3.3	4.4
Payments to acquire treasury shares	-	(33.2)
Excess tax benefits on share based awards	-	0.3
Payments of dividends	(23.8)	(23.9)
Net cash used in financing activities	(20.5)	(52.4)
Net (decrease) increase in cash and cash equivalents	(60.2)	79.6
Cash and cash equivalents at beginning of period	150.5	70.9
Cash and cash equivalents at end of period	\$ 90.3	\$ 150.5
<u>Supplemental disclosures:</u>		
Federal income taxes (received) paid	\$ (38.1)	\$ 18.2
Interest paid (to affiliates \$0.8 and \$1.2, respectively)	\$ 7.1	\$ 7.5

**STATE AUTO FINANCIAL CORPORATION AND SUBSIDIARIES**  
**CONDENSED CONSOLIDATED STATEMENT OF STOCKHOLDERS' EQUITY**  
(unaudited)

(\$ in millions)

	Year Ended December 31, 2009	Year Ended December 2008
Common shares:		
Balance at beginning of year	46.3	46.0
Issuance of shares	0.3	0.3
Balance at period ended	<u>46.6</u>	<u>46.3</u>
Treasury shares:		
Balance at beginning of year	(6.8)	(5.5)
Shares acquired on stock option exercises	-	(0.1)
Shares acquired under repurchase program	-	(1.2)
Balance at period ended	<u>(6.8)</u>	<u>(6.8)</u>
Common stock:		
Balance at beginning of year	\$115.9	115.0
Issuance of shares	0.7	0.9
Balance at period ended	<u>116.6</u>	<u>115.9</u>
Treasury stock:		
Balance at beginning of year	(\$115.5)	(81.0)
Shares acquired on stock option exercises	(0.2)	(1.3)
Shares acquired under repurchase program	-	(33.2)
Balance at period ended	<u>(115.7)</u>	<u>(115.5)</u>
Additional paid-in capital:		
Balance at beginning of year	\$109.0	98.2
Issuance of common stock	2.8	4.9
Tax benefit from stock options exercises	0.2	0.8
Stock options granted	3.8	5.1
Balance at period ended	<u>115.8</u>	<u>109.0</u>
Accumulated other comprehensive income (loss):		
Balance at beginning of year	(\$97.6)	(3.3)
Effects of changing benefit plan measurement date pursuant to SFAS No. 158, net of tax	-	3.5
Balance at beginning of year, as adjusted	<u>(97.6)</u>	<u>0.2</u>
Change in unrealized gains (losses) on investments, net of tax and reclassification adjustment	70.3	(57.6)
Amortization of gain on derivative used in cash flow hedge	(0.1)	(0.1)
Change in unrecognized benefit plan obligations, net of tax and reclassification adjustment	24.5	(40.1)
Balance at period ended	<u>(2.9)</u>	<u>(97.6)</u>
Retained earnings:		
Balance at beginning of year	\$749.2	806.6
Effects of changing benefit plan measurement date pursuant to SFAS No. 158, net of tax	-	(2.4)
Balance at beginning of year, as adjusted	<u>749.2</u>	<u>804.2</u>
Net loss	10.2	(31.1)
Cash dividends paid	(23.8)	(23.9)
Balance at period ended	<u>735.6</u>	<u>749.2</u>
Total stockholders' equity at period ended	<u>849.4</u>	<u>761.0</u>

**STATE AUTO FINANCIAL CORPORATION**  
**YEAR-TO-DATE**  
(unaudited)

**DIRECT PREMIUMS WRITTEN**

(\$ millions)

	<u>3/31/2009</u>	<u>3/31/2008</u>	<u>6/30/2009</u>	<u>6/30/2008</u>
<b>Personal Segment:</b>				
Standard private passenger auto	\$ 107.2	\$ 93.8	\$ 224.9	\$ 194.1
Nonstandard private passenger auto	11.2	12.3	20.4	22.5
Homeowners	49.8	44.7	118.9	105.6
Other personal	7.9	7.1	16.5	15.1
Personal segment	<u>176.1</u>	<u>157.9</u>	<u>380.7</u>	<u>337.3</u>
<b>Business Segment:</b>				
Commercial auto	26.2	26.9	53.5	56.3
Commercial multi peril	25.3	25.7	51.3	52.6
Fire & allied lines	25.7	22.9	52.2	48.1
Other & product liability	24.4	25.4	49.1	51.8
Workers' compensation	12.8	11.5	24.4	22.9
Other commercial	7.5	8.8	15.3	16.9
Business segment	<u>121.9</u>	<u>121.2</u>	<u>245.8</u>	<u>248.6</u>
Total	<u>\$ 298.0</u>	<u>\$ 279.1</u>	<u>\$ 626.5</u>	<u>\$ 585.9</u>

	<u>9/30/2009</u>	<u>9/30/2008</u>	<u>12/31/2009</u>	<u>12/31/2008</u>
<b>Personal Segment:</b>				
Standard private passenger auto	\$ 346.0	\$ 297.9	\$ 461.2	\$ 398.8
Nonstandard private passenger auto	29.7	33.3	37.7	42.3
Homeowners	189.6	168.6	250.6	222.1
Other personal	24.7	22.8	33.1	31.1
Personal segment	<u>590.0</u>	<u>522.6</u>	<u>782.6</u>	<u>694.3</u>
<b>Business Segment:</b>				
Commercial auto	77.7	83.4	101.0	110.7
Commercial multi peril	75.5	78.6	98.4	102.1
Fire & allied lines	78.6	74.2	104.9	100.1
Other & product liability	71.3	76.2	91.1	98.9
Workers' compensation	35.0	35.1	43.8	46.0
Other commercial	22.4	24.3	29.0	31.4
Business segment	<u>360.5</u>	<u>371.8</u>	<u>468.2</u>	<u>489.2</u>
Total	<u>\$ 950.5</u>	<u>\$ 894.4</u>	<u>\$ 1,250.8</u>	<u>\$ 1,183.5</u>

**STATE AUTO FINANCIAL CORPORATION**  
**YEAR-TO-DATE**  
(unaudited)

**NET PREMIUMS WRITTEN**

(\$ millions)

	<u>3/31/2009</u>	<u>3/31/2008*</u>	<u>6/30/2009</u>	<u>6/30/2008*</u>
<u>Personal Segment:</u>				
Standard private passenger auto	\$ 106.8	\$ 93.5	\$ 224.4	\$ 194.0
Nonstandard private passenger auto	11.2	12.3	20.4	22.5
Homeowners	48.5	44.7	116.3	105.6
Other personal	7.5	6.9	15.8	14.7
Personal segment	<u>174.0</u>	<u>157.4</u>	<u>376.9</u>	<u>336.8</u>
<u>Business Segment:</u>				
Commercial auto	26.0	26.6	53.2	55.9
Commercial multi peril	24.2	24.9	49.1	51.2
Fire & allied lines	24.5	22.4	49.4	47.3
Other & product liability	19.3	20.8	39.0	42.6
Workers' compensation	12.6	11.3	24.1	22.7
Other commercial	6.5	8.2	13.4	15.8
Business segment	<u>113.1</u>	<u>114.2</u>	<u>228.2</u>	<u>235.5</u>
Total	<u>\$ 287.1</u>	<u>\$ 271.6</u>	<u>\$ 605.1</u>	<u>\$ 572.3</u>

	<u>9/30/2009</u>	<u>9/30/2008*</u>	<u>12/31/2009</u>	<u>12/31/2008*</u>
<u>Personal Segment:</u>				
Standard private passenger auto	\$ 345.3	\$ 297.8	\$ 460.4	\$ 398.8
Nonstandard private passenger auto	29.6	33.3	37.7	42.2
Homeowners	185.6	166.9	245.2	219.8
Other personal	23.7	22.0	31.8	30.0
Personal segment	<u>584.2</u>	<u>520.0</u>	<u>775.1</u>	<u>690.8</u>
<u>Business Segment:</u>				
Commercial auto	77.3	82.9	100.3	110.0
Commercial multi peril	72.5	76.2	94.5	99.0
Fire & allied lines	74.4	71.8	99.3	96.8
Other & product liability	56.4	62.0	72.4	80.5
Workers' compensation	34.7	34.8	43.3	45.5
Other commercial	19.9	22.4	25.5	28.7
Business segment	<u>335.2</u>	<u>350.1</u>	<u>435.3</u>	<u>460.5</u>
Total	<u>\$ 919.4</u>	<u>\$ 870.1</u>	<u>\$ 1,210.4</u>	<u>\$ 1,151.3</u>

\* Excludes the pooling change effect of \$53.6

# STATE AUTO FINANCIAL CORPORATION

## YEAR-TO-DATE

(unaudited)

### NET PREMIUMS EARNED

<i>(\$ millions)</i>	<u>3/31/2009</u>	<u>3/31/2008</u>	<u>6/30/2009</u>	<u>6/30/2008</u>
<b><u>Personal Segment:</u></b>				
Standard private passenger auto	\$ 101.5	\$ 93.5	\$ 207.9	\$ 188.4
Nonstandard private passenger auto	10.0	10.8	20.1	21.6
Homeowners	54.8	53.9	111.2	107.8
Other personal	7.5	7.0	15.1	14.2
Personal segment	173.8	165.2	354.3	332.0
<b><u>Business Segment:</u></b>				
Commercial auto	27.2	27.8	54.1	55.3
Commercial multi peril	24.0	24.8	48.0	49.4
Fire & allied lines	23.8	23.6	48.0	47.6
Other & product liability	19.4	20.5	38.5	40.4
Workers' compensation	10.9	10.3	22.3	21.1
Other commercial	6.9	7.0	13.4	14.5
Business segment	112.2	114.0	224.3	228.3
Total	\$ 286.0	\$ 279.2	\$ 578.6	\$ 560.3
	<u>9/30/2009</u>	<u>9/30/2008</u>	<u>12/31/2009</u>	<u>12/31/2008</u>
<b><u>Personal Segment:</u></b>				
Standard private passenger auto	\$ 318.9	\$ 285.3	\$ 433.2	\$ 384.3
Nonstandard private passenger auto	29.6	32.3	38.7	42.6
Homeowners	169.7	160.8	230.0	215.4
Other personal	23.0	21.2	30.9	28.6
Personal segment	541.2	499.6	732.8	670.9
<b><u>Business Segment:</u></b>				
Commercial auto	80.5	83.0	106.2	110.5
Commercial multi peril	72.1	73.7	95.2	97.9
Fire & allied lines	72.8	70.6	97.6	94.7
Other & product liability	57.1	60.4	74.8	79.9
Workers' compensation	33.2	32.2	43.2	43.4
Other commercial	20.0	21.5	26.7	28.7
Business segment	335.7	341.4	443.7	455.1
Total	\$ 876.9	\$ 841.0	\$ 1,176.5	\$ 1,126.0

**STATE AUTO FINANCIAL CORPORATION**  
**QUARTER-TO-DATE**  
(unaudited)

**NET PREMIUMS WRITTEN**

<i>(\$ millions)</i>	<u>12/31/2009</u>	<u>12/31/2008</u>	<u>Change</u>
<u>Personal Segment:</u>			
Standard private passenger auto	\$ 115.1	\$ 101.0	14.0%
Nonstandard private passenger auto	8.1	8.9	-9.0%
Homeowners	59.6	52.9	12.7%
Other personal	8.1	8.0	1.2%
Personal segment	<u>190.9</u>	<u>170.8</u>	11.8%
<u>Business Segment:</u>			
Commercial auto	23.0	27.1	-15.1%
Commercial multi peril	22.0	22.8	-3.5%
Fire & allied lines	24.9	25.0	-0.4%
Other & product liability	16.0	18.5	-13.5%
Workers' compensation	8.6	10.7	-19.6%
Other commercial	5.6	6.3	-11.1%
Business segment	<u>100.1</u>	<u>110.4</u>	-9.3%
Total	<u>\$ 291.0</u>	<u>\$ 281.2</u>	3.5%

**NET PREMIUMS EARNED**

<i>(\$ millions)</i>	<u>12/31/2009</u>	<u>12/31/2008</u>	<u>Change</u>
<u>Personal Segment:</u>			
Standard private passenger auto	\$ 114.3	\$ 99.0	15.5%
Nonstandard private passenger auto	9.1	10.3	-11.7%
Homeowners	60.3	54.6	10.4%
Other personal	7.9	7.4	6.8%
Personal segment	<u>191.6</u>	<u>171.3</u>	11.9%
<u>Business Segment:</u>			
Commercial auto	25.7	27.5	-6.5%
Commercial multi peril	23.1	24.2	-4.5%
Fire & allied lines	24.8	24.1	2.9%
Other & product liability	17.7	19.5	-9.2%
Workers' compensation	10.0	11.2	-10.7%
Other commercial	6.7	7.2	-6.9%
Business segment	<u>108.0</u>	<u>113.7</u>	-5.0%
Total	<u>\$ 299.6</u>	<u>\$ 285.0</u>	5.1%

**STATE AUTO FINANCIAL CORPORATION**  
**YEAR-TO-DATE**  
(unaudited)

**NET PREMIUMS WRITTEN**

<i>(\$ millions)</i>	<u>12/31/2009</u>	<u>12/31/2008*</u>	<u>Change</u>
<u>Personal Segment:</u>			
Standard private passenger auto	\$ 460.4	\$ 398.8	15.4%
Nonstandard private passenger auto	37.7	42.2	-10.7%
Homeowners	245.2	219.8	11.6%
Other personal	31.8	30.0	6.0%
Personal segment	<u>775.1</u>	<u>690.8</u>	12.2%
<u>Business Segment:</u>			
Commercial auto	100.3	110.0	-8.8%
Commercial multi peril	94.5	99.0	-4.5%
Fire & allied lines	99.3	96.8	2.6%
Other & product liability	72.4	80.5	-10.1%
Workers' compensation	43.3	45.5	-4.8%
Other commercial	25.5	28.7	-11.1%
Business segment	<u>435.3</u>	<u>460.5</u>	-5.5%
Total	<u>\$ 1,210.4</u>	<u>\$ 1,151.3</u>	5.1%

**NET PREMIUMS EARNED**

<i>(\$ millions)</i>	<u>12/31/2009</u>	<u>12/31/2008</u>	<u>Change</u>
<u>Personal Segment:</u>			
Standard private passenger auto	\$ 433.2	\$ 384.3	12.7%
Nonstandard private passenger auto	38.7	42.6	-9.2%
Homeowners	230.0	215.4	6.8%
Other personal	30.9	28.6	8.0%
Personal segment	<u>732.8</u>	<u>670.9</u>	9.2%
<u>Business Segment:</u>			
Commercial auto	106.2	110.5	-3.9%
Commercial multi peril	95.2	97.9	-2.8%
Fire & allied lines	97.6	94.7	3.1%
Other & product liability	74.8	79.9	-6.4%
Workers' compensation	43.2	43.4	-0.5%
Other commercial	26.7	28.7	-7.0%
Business segment	<u>443.7</u>	<u>455.1</u>	-2.5%
Total	<u>\$ 1,176.5</u>	<u>\$ 1,126.0</u>	4.5%

\* Excludes the pooling change effect of \$53.6

**STATE AUTO FINANCIAL CORPORATION**  
**QUARTERLY STATUTORY LOSS AND LAE RATIOS**  
(unaudited)

	<u>3/31/2009</u>	<u>3/31/2008</u>	<u>6/30/2009</u>	<u>6/30/2008</u>
<u>Personal Segment:</u>				
Standard private passenger auto	66.3%	68.7%	69.9%	68.6%
Nonstandard private passenger auto	79.5%	85.0%	79.5%	76.0%
Homeowners	128.5%	96.6%	105.6%	126.4%
Other personal	53.9%	76.0%	50.9%	88.0%
Personal segment	86.1%	79.2%	80.8%	88.6%
<u>Business Segment:</u>				
Commercial auto	52.1%	56.6%	52.7%	62.2%
Commercial multi peril	58.7%	93.7%	68.0%	99.7%
Fire & allied lines	97.4%	84.1%	98.8%	109.8%
Other & product liability	62.6%	77.4%	72.7%	49.9%
Workers' compensation	68.2%	51.2%	77.7%	63.8%
Other commercial	37.4%	36.8%	46.7%	31.8%
Business segment	65.6%	72.4%	71.5%	76.3%
All lines	78.1%	76.4%	77.3%	83.6%

	<u>9/30/2009</u>	<u>9/30/2008</u>	<u>12/31/2009</u>	<u>12/31/2008</u>
<u>Personal Segment:</u>				
Standard private passenger auto	69.0%	66.6%	73.5%	69.4%
Nonstandard private passenger auto	67.2%	57.2%	76.7%	80.8%
Homeowners	71.3%	126.0%	63.2%	32.1%
Other personal	42.6%	105.1%	25.3%	31.9%
Personal segment	68.5%	86.4%	68.4%	56.6%
<u>Business Segment:</u>				
Commercial auto	57.5%	68.7%	62.5%	60.0%
Commercial multi peril	72.0%	71.3%	37.4%	32.7%
Fire & allied lines	54.6%	98.4%	39.7%	65.8%
Other & product liability	82.5%	73.3%	62.7%	57.2%
Workers' compensation	84.6%	82.2%	90.9%	122.7%
Other commercial	37.0%	37.9%	32.8%	24.3%
Business segment	65.6%	75.5%	52.7%	58.9%
All lines	67.4%	82.0%	62.8%	57.5%

**STATE AUTO FINANCIAL CORPORATION**  
**YEAR-TO-DATE STATUTORY LOSS AND LAE RATIOS**  
(unaudited)

	<u>3/31/2009</u>	<u>3/31/2008</u>	<u>6/30/2009</u>	<u>6/30/2008</u>
<u>Personal Segment:</u>				
Standard private passenger auto	66.3%	68.7%	68.2%	68.7%
Nonstandard private passenger auto	79.5%	85.0%	79.5%	80.5%
Homeowners	128.5%	96.6%	116.9%	111.5%
Other personal	53.9%	76.0%	52.4%	82.0%
Personal segment	86.1%	79.2%	83.4%	83.9%
<u>Business Segment:</u>				
Commercial auto	52.1%	56.6%	52.4%	59.4%
Commercial multi peril	58.7%	93.7%	63.4%	96.6%
Fire & allied lines	97.4%	84.1%	98.1%	97.1%
Other & product liability	62.6%	77.4%	67.6%	63.9%
Workers' compensation	68.2%	51.2%	73.0%	57.7%
Other commercial	37.4%	36.8%	41.9%	34.3%
Business segment	65.6%	72.4%	68.6%	74.4%
All lines	78.1%	76.4%	77.7%	80.0%

	<u>9/30/2009</u>	<u>9/30/2008</u>	<u>12/31/2009</u>	<u>12/31/2008</u>
<u>Personal Segment:</u>				
Standard private passenger auto	68.5%	68.0%	69.8%	68.3%
Nonstandard private passenger auto	75.5%	72.8%	75.8%	74.7%
Homeowners	101.2%	116.3%	91.2%	95.0%
Other personal	49.0%	89.7%	42.9%	74.7%
Personal segment	78.3%	84.7%	75.7%	77.5%
<u>Business Segment:</u>				
Commercial auto	54.1%	62.5%	56.1%	61.9%
Commercial multi peril	66.3%	88.3%	59.3%	74.6%
Fire & allied lines	83.3%	97.5%	72.2%	89.5%
Other & product liability	72.5%	67.0%	70.1%	64.6%
Workers' compensation	76.8%	66.1%	80.1%	80.7%
Other commercial	40.3%	35.5%	38.4%	32.7%
Business segment	67.6%	74.7%	64.0%	70.8%
All lines	74.2%	80.7%	71.3%	74.8%

**State Auto Financial Corporation**  
**2009 STATUTORY LOSS AND LAE RATIOS**  
(unaudited)

(\$ millions)

	<u>Earned</u>	<u>Catastrophe</u>	<u>Excluding Cat</u>	<u>Statutory</u>	<u>Loss &amp; LAE</u>	<u>Loss &amp; LAE</u>	<u>Loss &amp; LAE</u>
<b>1st Quarter 2009</b>	<u>Premium</u>	<u>Loss &amp; LAE</u>	<u>Loss &amp; LAE</u>	<u>Loss &amp; LAE</u>	<u>Catastrophe</u>	<u>Excluding Cat</u>	<u>Loss &amp; LAE</u>
					<u>Ratio</u>	<u>Ratio</u>	<u>Ratio</u>
<u>Personal Segment:</u>							
Std private pass auto	\$ 101.5	\$ 1.1	\$ 66.2	\$ 67.3	1.1%	65.2%	66.3%
Nonstd private pass auto	10.0	0.2	7.8	8.0	1.5%	78.0%	79.5%
Homeowners	54.8	31.7	38.7	70.4	57.9%	70.6%	128.5%
Other personal	7.5	1.9	2.1	4.0	25.1%	28.8%	53.9%
Personal segment	<u>173.8</u>	<u>34.9</u>	<u>114.8</u>	<u>149.7</u>	20.1%	66.0%	86.1%
<u>Business Segment:</u>							
Commercial auto	27.2	0.2	14.0	14.2	0.6%	51.5%	52.1%
Commercial multi peril	24.0	2.4	11.7	14.1	10.0%	48.7%	58.7%
Fire & allied lines	23.8	6.4	16.8	23.2	26.8%	70.6%	97.4%
Other & product liability	19.4	-	12.1	12.1	0.0%	62.6%	62.6%
Workers' compensation	10.9	-	7.5	7.5	0.0%	68.2%	68.2%
Other commercial	6.9	(0.1)	2.6	2.5	-0.3%	37.7%	37.4%
Business segment	<u>112.2</u>	<u>8.9</u>	<u>64.7</u>	<u>73.6</u>	8.0%	57.6%	65.6%
Total	<u>\$ 286.0</u>	<u>\$ 43.8</u>	<u>\$ 179.5</u>	<u>\$ 223.3</u>	15.3%	62.8%	78.1%

(\$ millions)

	<u>Earned</u>	<u>Catastrophe</u>	<u>Excluding Cat</u>	<u>Statutory</u>	<u>Loss &amp; LAE</u>	<u>Loss &amp; LAE</u>	<u>Loss &amp; LAE</u>
<b>2nd Quarter 2009</b>	<u>Premium</u>	<u>Loss &amp; LAE</u>	<u>Loss &amp; LAE</u>	<u>Loss &amp; LAE</u>	<u>Catastrophe</u>	<u>Excluding Cat</u>	<u>Loss &amp; LAE</u>
					<u>Ratio</u>	<u>Ratio</u>	<u>Ratio</u>
<u>Personal Segment:</u>							
Std private pass auto	\$ 106.4	\$ 2.6	\$ 71.8	\$ 74.4	2.5%	67.4%	69.9%
Nonstd private pass auto	10.1	0.2	7.8	8.0	1.5%	78.0%	79.5%
Homeowners	56.4	22.7	36.9	59.6	40.2%	65.4%	105.6%
Other personal	7.6	1.2	2.7	3.9	15.8%	35.1%	50.9%
Personal segment	<u>180.5</u>	<u>26.7</u>	<u>119.2</u>	<u>145.9</u>	14.8%	66.0%	80.8%
<u>Business Segment:</u>							
Commercial auto	26.9	0.3	13.9	14.2	1.1%	51.6%	52.7%
Commercial multi peril	24.0	2.7	13.6	16.3	11.4%	56.6%	68.0%
Fire & allied lines	24.2	6.8	17.1	23.9	28.2%	70.6%	98.8%
Other & product liability	19.1	-	13.9	13.9	0.0%	72.7%	72.7%
Workers' compensation	11.4	-	8.8	8.8	0.0%	77.7%	77.7%
Other commercial	6.5	0.4	2.6	3.0	5.0%	41.7%	46.7%
Business segment	<u>112.1</u>	<u>10.2</u>	<u>69.9</u>	<u>80.1</u>	9.1%	62.4%	71.5%
Total	<u>\$ 292.6</u>	<u>\$ 36.9</u>	<u>\$ 189.1</u>	<u>\$ 226.0</u>	12.6%	64.7%	77.3%

**State Auto Financial Corporation**  
**2009 STATUTORY LOSS AND LAE RATIOS**  
(unaudited)

(\$ millions)

<b>3rd Quarter 2009</b>	<b>Earned Premium</b>	<b>Catastrophe Loss &amp; LAE</b>	<b>Excluding Cat Loss &amp; LAE</b>	<b>Statutory Loss &amp; LAE</b>	<b>Loss &amp; LAE Catastrophe Ratio</b>	<b>Loss &amp; LAE Excluding Cat Ratio</b>	<b>Loss &amp; LAE Ratio</b>
<u>Personal Segment:</u>							
Stnd private pass auto	\$ 111.0	\$ 0.9	\$ 75.7	\$ 76.6	0.8%	68.2%	69.0%
Nonstnd private pass auto	9.5	(0.1)	6.5	6.4	-0.6%	67.8%	67.2%
Homeowners	58.5	9.5	32.2	41.7	16.3%	55.0%	71.3%
Other personal	7.9	0.1	3.3	3.4	0.7%	41.9%	42.6%
Personal segment	<u>186.9</u>	<u>10.4</u>	<u>117.7</u>	<u>128.1</u>	5.6%	62.9%	68.5%
<u>Business Segment:</u>							
Commercial auto	26.4	0.1	15.1	15.2	0.3%	57.2%	57.5%
Commercial multi peril	24.1	0.7	16.7	17.4	3.1%	68.9%	72.0%
Fire & allied lines	24.8	(0.3)	13.8	13.5	-1.2%	55.8%	54.6%
Other & product liability	18.6	-	15.3	15.3	0.0%	82.5%	82.5%
Workers' compensation	10.9	-	9.2	9.2	0.0%	84.6%	84.6%
Other commercial	6.6	(0.1)	2.6	2.5	-2.1%	39.1%	37.0%
Business segment	<u>111.4</u>	<u>0.4</u>	<u>72.7</u>	<u>73.1</u>	0.3%	65.3%	65.6%
Total	<u>\$ 298.3</u>	<u>\$ 10.8</u>	<u>\$ 190.4</u>	<u>\$ 201.2</u>	3.6%	63.8%	67.4%

(\$ millions)

<b>4th Quarter 2009</b>	<b>Earned Premium</b>	<b>Catastrophe Loss &amp; LAE</b>	<b>Excluding Cat Loss &amp; LAE</b>	<b>Statutory Loss &amp; LAE</b>	<b>Loss &amp; LAE Catastrophe Ratio</b>	<b>Loss &amp; LAE Excluding Cat Ratio</b>	<b>Loss &amp; LAE Ratio</b>
<u>Personal Segment:</u>							
Stnd private pass auto	\$ 114.3	\$ (0.1)	\$ 84.1	\$ 84.0	-0.1%	73.6%	73.5%
Nonstnd private pass auto	9.1	-	7.0	7.0	-0.5%	77.2%	76.7%
Homeowners	60.3	1.0	37.1	38.1	1.7%	61.5%	63.2%
Other personal	7.9	(0.6)	2.6	2.0	-7.8%	33.1%	25.3%
Personal segment	<u>191.6</u>	<u>0.3</u>	<u>130.8</u>	<u>131.1</u>	0.1%	68.3%	68.4%
<u>Business Segment:</u>							
Commercial auto	25.7	(0.1)	16.2	16.1	-0.2%	62.7%	62.5%
Commercial multi peril	23.1	(0.7)	9.3	8.6	-3.2%	40.6%	37.4%
Fire & allied lines	24.8	(0.7)	10.6	9.9	-2.8%	42.5%	39.7%
Other & product liability	17.7	-	11.1	11.1	0.0%	62.7%	62.7%
Workers' compensation	10.0	-	9.1	9.1	0.0%	90.9%	90.9%
Other commercial	6.7	-	2.1	2.1	-0.5%	33.3%	32.8%
Business segment	<u>108.0</u>	<u>(1.5)</u>	<u>58.4</u>	<u>56.9</u>	-1.4%	54.1%	52.7%
Total	<u>\$ 299.6</u>	<u>\$ (1.2)</u>	<u>\$ 189.2</u>	<u>\$ 188.0</u>	-0.4%	63.2%	62.8%

**State Auto Financial Corporation**  
**2009 STATUTORY LOSS AND LAE RATIOS**  
(unaudited)

(\$ millions)

<b>Year to date 2009</b>	<b>Earned Premium</b>	<b>Catastrophe Loss &amp; LAE</b>	<b>Excluding Cat Loss &amp; LAE</b>	<b>Statutory Loss &amp; LAE</b>	<b>Loss &amp; LAE Catastrophe Ratio</b>	<b>Loss &amp; LAE Excluding Cat Ratio</b>	<b>Loss &amp; LAE Ratio</b>
<b>Personal Segment:</b>							
Std private pass auto	\$ 433.2	\$ 4.5	\$ 297.8	\$ 302.3	1.0%	68.8%	69.8%
Nonstd private pass auto	38.7	0.3	29.1	29.4	0.5%	75.3%	75.8%
Homeowners	230.0	64.9	144.9	209.8	28.3%	62.9%	91.2%
Other personal	30.9	2.6	10.7	13.3	8.1%	34.8%	42.9%
Personal segment	<u>732.8</u>	<u>72.3</u>	<u>482.5</u>	<u>554.8</u>	9.9%	65.8%	75.7%
<b>Business Segment:</b>							
Commercial auto	106.2	0.5	59.2	59.7	0.5%	55.6%	56.1%
Commercial multi peril	95.2	5.1	51.3	56.4	5.4%	53.9%	59.3%
Fire & allied lines	97.6	12.2	58.3	70.5	12.5%	59.7%	72.2%
Other & product liability	74.8	-	52.4	52.4	0.0%	70.1%	70.1%
Workers' compensation	43.2	-	34.6	34.6	0.0%	80.1%	80.1%
Other commercial	26.7	0.2	9.9	10.1	0.5%	37.9%	38.4%
Business segment	<u>443.7</u>	<u>18.0</u>	<u>265.7</u>	<u>283.7</u>	4.1%	59.9%	64.0%
Total	<u>\$ 1,176.5</u>	<u>\$ 90.3</u>	<u>\$ 748.2</u>	<u>\$ 838.5</u>	7.7%	63.6%	71.3%

**State Auto Financial Corporation**  
**2008 STATUTORY LOSS AND LAE RATIOS**  
(unaudited)

(\$ millions)

<b>1st Quarter 2008</b>	<b>Earned Premium</b>	<b>Catastrophe Loss &amp; LAE</b>	<b>Excluding Cat Loss &amp; LAE</b>	<b>Statutory Loss &amp; LAE</b>	<b>Loss &amp; LAE Catastrophe Ratio</b>	<b>Loss &amp; LAE Excluding Cat Ratio</b>	<b>Loss &amp; LAE Ratio</b>
<b>Personal Segment:</b>							
Std private pass auto	\$ 93.5	\$ 1.3	\$ 62.9	\$ 64.2	1.3%	67.4%	68.7%
Nonstd private pass auto	10.8	0.1	9.1	9.2	0.7%	84.3%	85.0%
Homeowners	53.9	21.8	30.3	52.1	40.5%	56.1%	96.6%
Other personal	7.0	2.1	3.2	5.3	31.0%	45.0%	76.0%
Personal segment	<u>165.2</u>	<u>25.3</u>	<u>105.5</u>	<u>130.8</u>	15.3%	63.9%	79.2%
<b>Business Segment:</b>							
Commercial auto	27.8	0.1	15.7	15.8	0.3%	56.3%	56.6%
Commercial multi peril	24.8	4.7	18.5	23.2	19.1%	74.6%	93.7%
Fire & allied lines	23.6	4.6	15.2	19.8	19.4%	64.7%	84.1%
Other & product liability	20.5	-	15.8	15.8	0.0%	77.4%	77.4%
Workers' compensation	10.3	-	5.3	5.3	0.0%	51.2%	51.2%
Other commercial	7.0	0.3	2.3	2.6	4.3%	32.5%	36.8%
Business segment	<u>114.0</u>	<u>9.7</u>	<u>72.8</u>	<u>82.5</u>	8.5%	63.9%	72.4%
Total	<u>\$ 279.2</u>	<u>\$ 35.0</u>	<u>\$ 178.3</u>	<u>\$ 213.3</u>	12.5%	63.9%	76.4%

(\$ millions)

<b>2nd Quarter 2008</b>	<b>Earned Premium</b>	<b>Catastrophe Loss &amp; LAE</b>	<b>Excluding Cat Loss &amp; LAE</b>	<b>Statutory Loss &amp; LAE</b>	<b>Loss &amp; LAE Catastrophe Ratio</b>	<b>Loss &amp; LAE Excluding Cat Ratio</b>	<b>Loss &amp; LAE Ratio</b>
<b>Personal Segment:</b>							
Std private pass auto	\$ 94.9	\$ 5.2	\$ 59.9	\$ 65.1	5.5%	63.1%	68.6%
Nonstd private pass auto	10.8	0.2	8.1	8.3	2.0%	74.0%	76.0%
Homeowners	53.9	39.6	28.6	68.2	73.4%	53.0%	126.4%
Other personal	7.2	3.2	3.0	6.2	44.7%	43.3%	88.0%
Personal segment	<u>166.8</u>	<u>48.2</u>	<u>99.6</u>	<u>147.8</u>	28.9%	59.7%	88.6%
<b>Business Segment:</b>							
Commercial auto	27.5	0.6	16.5	17.1	2.0%	60.2%	62.2%
Commercial multi peril	24.6	9.7	14.8	24.5	39.6%	60.1%	99.7%
Fire & allied lines	24.0	17.6	8.8	26.4	73.1%	36.7%	109.8%
Other & product liability	19.9	-	9.9	9.9	0.0%	49.9%	49.9%
Workers' compensation	10.8	-	6.9	6.9	0.0%	63.8%	63.8%
Other commercial	7.5	0.7	1.7	2.4	9.3%	22.5%	31.8%
Business segment	<u>114.3</u>	<u>28.6</u>	<u>58.6</u>	<u>87.2</u>	25.0%	51.3%	76.3%
Total	<u>\$ 281.1</u>	<u>\$ 76.8</u>	<u>\$ 158.2</u>	<u>\$ 235.0</u>	27.3%	56.3%	83.6%

**State Auto Financial Corporation**  
**2008 STATUTORY LOSS AND LAE RATIOS**  
(unaudited)

(\$ millions)

<b>3rd Quarter 2008</b>	<b>Earned Premium</b>	<b>Catastrophe Loss &amp; LAE</b>	<b>Excluding Cat Loss &amp; LAE</b>	<b>Statutory Loss &amp; LAE</b>	<b>Loss &amp; LAE Catastrophe Ratio</b>	<b>Loss &amp; LAE Excluding Cat Ratio</b>	<b>Loss &amp; LAE Ratio</b>
<u>Personal Segment:</u>							
Std private pass auto	\$ 96.9	\$ 2.0	\$ 62.6	\$ 64.6	2.1%	64.5%	66.6%
Nonstd private pass auto	10.7	-	6.1	6.1	0.2%	57.0%	57.2%
Homeowners	53.0	37.0	29.7	66.7	69.9%	56.1%	126.0%
Other personal	7.0	2.1	5.3	7.4	30.1%	75.0%	105.1%
Personal segment	<u>167.6</u>	<u>41.1</u>	<u>103.7</u>	<u>144.8</u>	24.6%	61.8%	86.4%
<u>Business Segment:</u>							
Commercial auto	27.7	0.2	18.8	19.0	0.8%	67.9%	68.7%
Commercial multi peril	24.3	3.3	14.0	17.3	13.8%	57.5%	71.3%
Fire & allied lines	23.0	10.0	12.6	22.6	43.4%	55.0%	98.4%
Other & product liability	20.0	-	14.7	14.7	0.0%	73.3%	73.3%
Workers' compensation	11.1	-	9.1	9.1	0.0%	82.2%	82.2%
Other commercial	7.0	0.1	2.6	2.7	0.5%	37.4%	37.9%
Business segment	<u>113.1</u>	<u>13.6</u>	<u>71.8</u>	<u>85.4</u>	12.0%	63.5%	75.5%
Total	<u>\$ 280.7</u>	<u>\$ 54.7</u>	<u>\$ 175.5</u>	<u>\$ 230.2</u>	19.5%	62.5%	82.0%

(\$ millions)

<b>4th Quarter 2008</b>	<b>Earned Premium</b>	<b>Catastrophe Loss &amp; LAE</b>	<b>Excluding Cat Loss &amp; LAE</b>	<b>Statutory Loss &amp; LAE</b>	<b>Loss &amp; LAE Catastrophe Ratio</b>	<b>Loss &amp; LAE Excluding Cat Ratio</b>	<b>Loss &amp; LAE Ratio</b>
<u>Personal Segment:</u>							
Std private pass auto	\$ 99.0	\$ (0.3)	\$ 69.0	\$ 68.7	-0.3%	69.7%	69.4%
Nonstd private pass auto	10.3	-	8.3	8.3	-0.2%	81.0%	80.8%
Homeowners	54.6	(6.9)	24.4	17.5	-12.7%	44.8%	32.1%
Other personal	7.4	(1.6)	4.0	2.4	-21.1%	53.0%	31.9%
Personal segment	<u>171.3</u>	<u>(8.8)</u>	<u>105.7</u>	<u>96.9</u>	-5.2%	61.8%	56.6%
<u>Business Segment:</u>							
Commercial auto	27.5	-	16.5	16.5	-0.1%	60.1%	60.0%
Commercial multi peril	24.2	(1.4)	9.3	7.9	-5.6%	38.3%	32.7%
Fire & allied lines	24.1	(0.1)	15.9	15.8	-0.5%	66.3%	65.8%
Other & product liability	19.5	-	11.1	11.1	0.0%	57.2%	57.2%
Workers' compensation	11.2	-	13.8	13.8	0.0%	122.7%	122.7%
Other commercial	7.2	(0.1)	1.9	1.8	-0.7%	25.0%	24.3%
Business segment	<u>113.7</u>	<u>(1.6)</u>	<u>68.5</u>	<u>66.9</u>	-1.4%	60.3%	58.9%
Total	<u>\$ 285.0</u>	<u>\$ (10.4)</u>	<u>\$ 174.2</u>	<u>\$ 163.8</u>	-3.7%	61.2%	57.5%

**State Auto Financial Corporation**  
**2008 STATUTORY LOSS AND LAE RATIOS**  
(unaudited)

(\$ millions)

<b>Year to date 2008</b>	<b>Earned Premium</b>	<b>Catastrophe Loss &amp; LAE</b>	<b>Excluding Cat Loss &amp; LAE</b>	<b>Statutory Loss &amp; LAE</b>	<b>Loss &amp; LAE Catastrophe Ratio</b>	<b>Loss &amp; LAE Excluding Cat Ratio</b>	<b>Loss &amp; LAE Ratio</b>
<b>Personal Segment:</b>							
Std private pass auto	\$ 384.3	\$ 8.2	\$ 254.4	\$ 262.6	2.1%	66.2%	68.3%
Nonstd private pass auto	42.6	0.3	31.5	31.8	0.7%	74.0%	74.7%
Homeowners	215.4	91.5	113.0	204.5	42.5%	52.5%	95.0%
Other personal	28.6	5.8	15.6	21.4	20.6%	54.1%	74.7%
Personal segment	<u>670.9</u>	<u>105.8</u>	<u>414.5</u>	<u>520.3</u>	15.8%	61.7%	77.5%
<b>Business Segment:</b>							
Commercial auto	110.5	0.8	67.6	68.4	0.7%	61.2%	61.9%
Commercial multi peril	97.9	16.5	56.5	73.0	16.8%	57.8%	74.6%
Fire & allied lines	94.7	32.0	52.7	84.7	33.8%	55.7%	89.5%
Other & product liability	79.9	-	51.6	51.6	0.0%	64.6%	64.6%
Workers' compensation	43.4	-	35.0	35.0	0.0%	80.7%	80.7%
Other commercial	28.7	1.0	8.4	9.4	3.4%	29.3%	32.7%
Business segment	<u>455.1</u>	<u>50.3</u>	<u>271.8</u>	<u>322.1</u>	11.0%	59.8%	70.8%
Total	<u>\$ 1,126.0</u>	<u>\$ 156.1</u>	<u>\$ 686.3</u>	<u>\$ 842.4</u>	13.9%	60.9%	74.8%

**STATE AUTO FINANCIAL CORPORATION**  
**ROLLING FOUR QUARTER - PAID LOSS COST TRENDS**  
**STANDARD PRIVATE PASSENGER AUTO**  
(unaudited)

<u>Coverages</u>	<u>Frequency</u>	<u>12/31/2009</u>	
		<u>Severity</u>	<u>Pure Prem</u>
Bodily Injury	-8.6%	-9.5%	-17.3%
Property Damage	7.4%	0.8%	8.3%
Medical Payments	-1.4%	1.1%	-0.3%
Personal Injury Protection	-2.8%	6.7%	3.7%
Comprehensive	9.5%	1.1%	10.7%
Collision	5.9%	2.4%	8.4%
Total	5.6%	-4.7%	0.6%