

AMERICAN FINANCIAL GROUP INC
 Form 4
 December 31, 2007

FORM 4

UNITED STATES SECURITIES AND EXCHANGE COMMISSION
 Washington, D.C. 20549

OMB APPROVAL

OMB Number: 3235-0287
 Expires: January 31, 2005
 Estimated average burden hours per response... 0.5

Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person *
 MISCHELL THOMAS E

(Last) (First) (Middle)
 ONE EAST FOURTH STREET
 (Street)

CINCINNATI, OH 45202

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol
 AMERICAN FINANCIAL GROUP INC [AFG]

3. Date of Earliest Transaction (Month/Day/Year)
 12/28/2007

4. If Amendment, Date Original Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

____ Director _____ 10% Owner
 Officer (give title below) _____ Other (specify below)
 Sr. V.P. - Taxes

6. Individual or Joint/Group Filing(Check Applicable Line)
 Form filed by One Reporting Person
 Form filed by More than One Reporting Person

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
				(A) or (D) Price			
Common Stock					1,500	I	#1 ⁽¹⁾
Common Stock					16,354.2111	I	#2 ⁽²⁾
Common Stock					42,641.433	I	#3 ⁽³⁾
Common Stock	12/28/2007		M	30,000 A	\$ 28.04	203,754	D
Common Stock	12/28/2007		S	14,600 D	\$ 29.23	189,154	D

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Common Stock	12/28/2007	S	10,200	D	\$ 29.24	178,954	D
Common Stock	12/28/2007	S	1,800	D	\$ 29.25	177,154	D
Common Stock	12/28/2007	S	1,900	D	\$ 29.26	175,254	D
Common Stock	12/28/2007	S	600	D	\$ 29.29	174,654	D
Common Stock	12/28/2007	S	400	D	\$ 29.3	174,254	D
Common Stock	12/28/2007	S	100	D	\$ 29.27	174,154	D
Common Stock	12/28/2007	S	400	D	\$ 29.28	173,754	D

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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SEC 1474
(9-02)

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned
(e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)	5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Amount of Underlying Securities (Instr. 3 and 4)		
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Employee Stock Option	\$ 28.04	12/28/2007		M	30,000	⁽⁴⁾	03/20/2008	Common Stock	30,000

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
MISCHELL THOMAS E ONE EAST FOURTH STREET			Sr. V.P. - Taxes	

CINCINNATI, OH 45202

Signatures

Thomas E. Mischell By: Karl J. Grafe, as
Attorney-in-Fact

12/31/2007

__Signature of Reporting Person

Date

Explanation of Responses:

* If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).

** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

(1) Indirect #1: Represents one-half of the 3,000 shares held by a general partnership of which the Reporting Person is a 50% partner.

(2) Indirect #2: Shares allocated to the Reporting Person's account under the Issuer's Employee Stock Purchase Plan (the "ESPP"). All ESPP information reporting herein is based on a plan statement dated as of 12/31/2006.

(3) Indirect #3: The Company Retirement and Savings Account. The number of shares of Common Stock which would be represented by the value of the Reporting Person's Company Securities Funds account in the Issuer's Retirement and Savings Plan is based on a statement dated as of 12/31/2006.

(4) Indirect #4: These Employee Stock Options ("Options") become exercisable as to 20% of the shares initially granted on the first anniversary of the date of grant, with an additional 20% becoming exercisable on each subsequent anniversary. The Options were granted under the Issuer's Stock Option Plan pursuant to Rule 16b-3.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.

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