Progressive Announces Public Offering of Senior Notes and Serial Preferred Shares

March 9, 2018

MAYFIELD VILLAGE, OHIO - March 9, 2018 - The Progressive Corporation (NYSE: PGR) (the "Company") today announced the pricing of an underwritten public offering of $600 million aggregate principal amount of 4.20% Senior Notes due 2048. The notes were priced at 99.173% of par. The Company also announced the pricing of an underwritten public offering of 500,000 shares of Series B Fixed-to-Floating Rate Cumulative Perpetual Serial Preferred Shares. The preferred shares were priced at their liquidation preference of $1,000 per share for an aggregate public offering amount of $500 million. The preferred shares will accrue dividends at a fixed rate of 5.375%, payable, when, as and if declared, semi-annually up to, but excluding, March 15, 2023. Thereafter, the preferred shares will accrue dividends at a floating rate equivalent to three-month U.S. dollar LIBOR plus 2.539%, payable, when, as and if declared, quarterly. The preferred shares are redeemable prior to March 15, 2023 in whole, but not in part, upon the occurrence of a "rating agency event" at a price of $1,020 per preferred share, and on or after March 15, 2023, in whole or in part, from time to time, at $1,000 per preferred share, in each case plus accrued and unpaid dividends to the redemption date.

The Company intends to use the proceeds of the offerings for general corporate purposes. The notes and preferred shares offerings are expected to close on March 14, 2018, subject to customary closing conditions.

Credit Suisse and Goldman Sachs & Co. LLC are serving as joint book-running managers for both of the offerings.

The offerings will be made pursuant to a registration statement on Form S-3, which was filed with the Securities and Exchange Commission today and became effective upon filing. The offering of the notes and the preferred shares will be made only by means of a prospectus supplement and the accompanying prospectus related to each offering. Copies of the prospectus supplement and the accompanying prospectus for each of the offerings may be obtained from Credit Suisse Securities (USA) LLC, Prospectus Department, Eleven Madison Avenue, Level 1B, New York, NY 10010, telephone: 1-800-221-1037, facsimile: 212-325-8057 or by emailing newyork.prospectus@credit-suisse.com, or from Goldman Sachs & Co. LLC, Prospectus Department, 200 West Street, New York, NY 10282, telephone: 1-866-471-2526, facsimile: 212-902-9316 or by emailing prospectus-ny@ny.email.gs.com.

This press release shall not constitute an offer to sell or a solicitation of an offer to buy, nor shall there be any sale of these securities in any state or other jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such state or jurisdiction. The securities offered have not been approved or disapproved by any regulatory authority, nor has any such authority passed upon the accuracy or adequacy of the registration statement, the prospectuses contained therein or the prospectus supplements.

The Progressive Corporation is a Cleveland-based insurance holding company. Its insurance subsidiaries offer personal auto, commercial auto, residential property and specialty property-casualty insurance and related services throughout the United States. Progressive's common shares are listed on the New York Stock Exchange.

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