American International Group, Inc.
Second Quarter 2011 Results
Conference Call Presentation

August 5, 2011

Cautionary Statement Regarding Projections and Other Information About Future Events

It should be noted that this document and the remarks made on the conference call may include projections and statements which may constitute "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. These projections and statements are not historical facts but instead represent only AIG's belief regarding future events, many of which, by their nature, are inherently uncertain and outside AIG's control. It is possible that AIG's actual results and financial condition will differ, possibly materially, from the results and financial condition indicated in these projections and statements. Factors that could cause AIG's actual results to differ, possibly materially, from those in the specific projections and statements include actions by credit rating agencies; change in market conditions; the occurrence of catastrophic events; significant legal proceedings; concentrations in AIG's investment portfolios, including its municipal bond portfolio; judgments concerning casualty insurance underwriting and reserves; judgments concerning the recognition of deferred tax assets; judgments concerning the recoverability of ILFC's fleet of aircraft; and such other factors as discussed throughout Part I, Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations of AIG's Quarterly Report on Form 10-Q for the quarter ended June 30, 2011, in Part II, Item 1A. Risk Factors of AIG's Quarterly Report on Form 10-Q for the quarter ended March 31, 2011, throughout Part II, Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations and in Part I, Item 1A. Risk Factors in AIG's Annual Report on Form 10-K for the year ended December 31, 2010. AIG is not under any obligation (and expressly disclaims any obligation) to update or alter any projection or other statement, whether written or oral, that may be made from time to time, whether as a result of new information, future events or otherwise.

This document and the remarks made on the conference call may also contain certain non-GAAP financial measures. The reconciliation of such measures to the most comparable GAAP measures in accordance with Regulation G are included in the Second Quarter 2011 Financial Supplement available in the Investor Information section of AIG's corporate website, www.aig.com, or herein.

Agenda

1. Overview – Robert H. Benmosche
2. Financial Overview – David L. Herzog
    1. Consolidated Results
    2. Chartis Results
    3. SunAmerica Financial Group Results
    4. Tax
3. Q&A

Overview

Robert H. Benmosche

President and Chief Executive Officer

Highlights of the Quarter

- Completion of stock offering
- Strong core insurance operating results
- Volatility of Maiden Lane II & III fair value

- Significant catastrophe losses
- No significant prior year reserve development
- Positive pricing trends in selected U.S. lines of business

- Strong sales across product suite
- Positive flows and assets under management growth
- Completed excess cash deployment

- Continue to manage fleet for long-term profitability
- Impairments consistent with fleet management

- Favorable delinquency trend
- Challenging macro environment

Financial Overview

David L. Herzog

Executive Vice President and Chief Financial Officer

Earnings Highlights

($ millions, except earnings per share)	Second Quarter 2011	Second Quarter 2010	Second Quarter Change	Year-to-Date 2011	Year-to-Date 2010	Year-to-Date Change
Revenues	$16,676	$18,314	(8.9%)	$34,112	$36,869	(7.5%)
Income (loss) from continuing operations	2,094	496	322.2%	914	2,584	(64.6%)
Income (loss) from discontinued operations, net of tax	(37)	(2,611)	98.6%	1,616	(2,268)	171.3%
Net income (loss)	2,057	(2,115)	197.3%	2,530	316	700.6%
Net income (loss) attributable to AIG	**$1,840**	**($2,656)**	**169.3%**	**$2,109**	**($873)**	**341.6%**
After-tax operating income attributable to AIG	**$1,276**	**$793**	**60.9%**	**$3,306**	**$1,430**	**131.2%**
Income (loss) per common share attributable to AIG (Diluted):						
Income (loss) from continuing operations	$1.03	($0.25)	511.4%	($0.18)	$2.11	(108.4%)
Income (loss) from discontinued operations	($0.03)	($19.32)	99.9%	$0.94	($3.41)	127.6%
After-tax operating income (loss) attributable to AIG	$0.69	$1.18	(41.5%)	$1.95	$2.13	(8.5%)
Return on Equity:						
Return on equity[1]	8.3%	NM		4.8%	NM	
Operating return on equity[2]	6.3%	4.7%		8.3%	4.3%	

1) Net Income divided by 2 period average AIG shareholders' equity
2) After-tax Operating Income divided by 2 period average AIG shareholders' equity excluding AOCI

AIG

Consolidated Performance

($ millions)	Second Quarter 2011	Second Quarter 2010	Second Quarter Change	Year-to-Date 2011	Year-to-Date 2010	Year-to-Date Change
Continuing insurance pre-tax operating income:						
Chartis	$789	$955	(17.4%)	$326	$1,834	(82.2%)
SunAmerica	743	858	(13.4%)	1,886	1,977	(4.6%)
Sub-Total - Continuing Insurance	**1,532**	**1,813**	**(15.5%)**	**2,212**	**3,811**	**(42.0%)**
ILFC (reported in Financial Services)	86	182	(52.7%)	203	126	61.1%
Mortgage Guaranty (reported in Other)	13	226	(94.2%)	26	299	(91.3%)
Interest on third party debt	(420)	(484)	13.2%	(847)	(959)	11.7%
Other (see below)	(984)	135	(828.9%)	509	705	(27.8%)
Sub-Total - Continuing Operations	**227**	**1,872**	**(87.9%)**	**2,103**	**3,982**	**(47.2%)**
AIA and MetLife income	1,521	-	NM	2,426	-	NM
FRBNY interest expense	-	(212)	100.0%	272	(406)	167.0%
Pre-tax operating income (loss) attrib. to AIG	**1,748**	**1,660**	**5.3%**	**4,801**	**3,576**	**34.3%**
Income taxes (expense) / benefit	(256)	(331)	22.7%	(1,083)	(959)	(12.9%)
Noncontrolling interest - Treasury/Fed	(141)	(508)	72.2%	(393)	(1,027)	61.7%
(Income)/Loss on other noncontrolling interest	(75)	(28)	(167.9%)	(19)	(160)	88.1%
After-tax operating income (loss) attrib. to AIG	**1,276**	**793**	**60.9%**	**3,306**	**1,430**	**131.2%**
Other:						
Maiden Lane III	(667)	358	(286.3%)	77	1,109	(93.1%)
Asset management income	92	303	(69.6%)	580	293	98.0%
Financial Services & Capital Markets Runoff	(232)	(157)	(47.8%)	(30)	(272)	89.0%
Parent & Other	(177)	(369)	52.0%	(118)	(425)	72.2%
Total Other	**(984)**	**135**	**(828.9%)**	**509**	**705**	**(27.8%)**

After-Tax Operating Income Reconciliation

($ millions, except earnings per share)	Second Quarter 2011	Second Quarter 2010	Second Quarter Change	Year-to-Date 2011	Year-to-Date 2010	Year-to-Date Change
After-tax operating income (loss) attrib. to AIG	**$1,276**	**$793**	**60.9%**	**$3,306**	**$1,430**	**131.2%**
Restructuring:						
Net Income from divested businesses (mainly AIA)	10	467	(97.9%)	16	951	(98.3%)
FRBNY total amortization, net of tax	-	(353)	NM	(2,358)	(768)	(207.0%)
Net gain (loss) on sale of divested businesses, net of tax	(1)	93	(101.1%)	(48)	17	(382.4%)
Net income (loss) from discontinued operations	(49)	(2,624)	98.1%	1,597	(2,291)	169.7%
RCG(L), net of SunAmerica DAC offset and tax	6	(360)	101.7%	(370)	(586)	36.9%
Derivatives not receiving hedge accounting, net of tax	28	(96)	129.2%	(41)	(203)	79.8%
Bargain purchase gain	-	-	NM	-	332	(100.0%)
Deferred income tax valuation allowance (charge) / release[1]	570	(576)	199.0%	7	245	(97.1%)
Net income (loss) attributable to AIG	**$1,840**	**($2,656)**	**169.3%**	**$2,109**	**($873)**	**341.6%**
Income (loss) per common share attributable to AIG						
Income (loss) from continuing operations	$1.03	($0.25)	511.4%	($0.18)	$2.11	(108.4%)
Income (loss) from discontinued operations	($0.03)	($19.32)	99.9%	$0.94	($3.41)	127.6%
After-tax operating income (loss) attributable to AIG	$0.69	$1.18	(41.5%)	$1.95	$2.13	(8.5%)

1) Excludes the tax valuation allowance included in discontinued operations

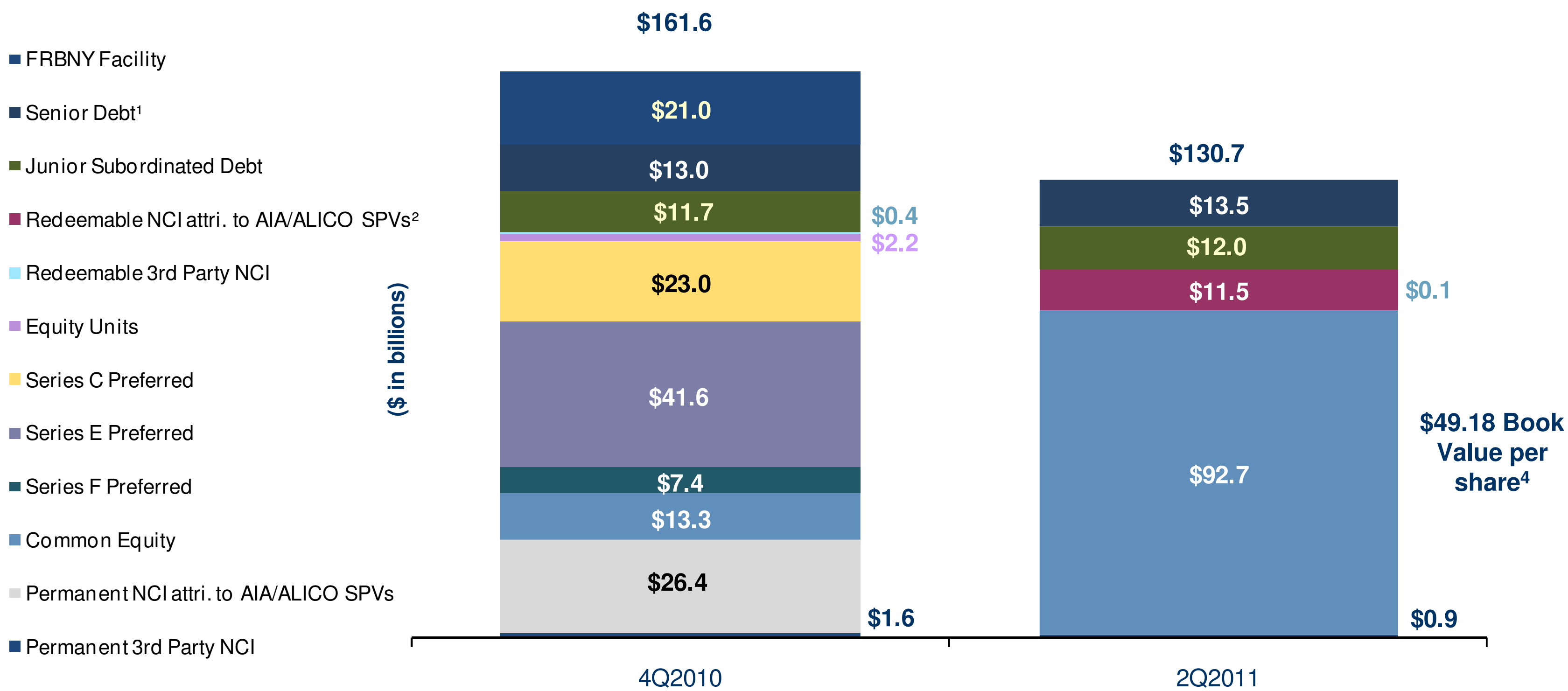
Per Share Measure Details

	Second Quarter			Year-to-Date		
	2011	2010	Change	2011	2010	Change
Net Income (Loss) attrib. to AIG From **Continuing Operations**	$1,889	($32)	6,085.6%	$512	$1,418	(63.9%)
Income allocated to Series C Preferred Stock	-	-	NM	-	(1,131)	(100.0%)
Deemed Dividends	-	-	NM	(812)	-	NM
Net Income (Loss), attributable to AIG common shareholders	1,889	(32)	6,085.6%	(300)	287	(204.4%)
Earnings (Loss) Per Share From Continuing Operations	**$1.03**	**($0.25)**	**511.4%**	**($0.18)**	**$2.11**	**(108.4%)**
Net Income attributable to AIG From **Discontinued Operations**	($49)	($2,624)	98.1%	$1,597	($2,291)	169.7%
Income allocated to Series C Preferred Stock	-	-	NM	-	1,828	NM
Net Income attributable to AIG common shareholders	(49)	(2,624)	98.1%	1,597	(463)	(445.1%)
Earnings Per Share From Discontinued Operations	**($0.03)**	**($19.32)**	**99.9%**	**$0.94**	**($3.41)**	**127.6%**
After Tax Operating Income Attributable to AIG	$1,276	$793	60.9%	$3,306	$1,430	131.2%
Income allocated to Series C Preferred Stock	-	(632)	NM	-	(1,141)	NM
Net Income attributable to AIG common shareholders	1,276	161	693.5%	3,306	289	1,042.3%
After Tax Operating Earnings Per Share[1]	**$0.69**	**$1.18**	**(41.5%)**	**$1.95**	**$2.13**	**(8.5%)**
Average Shares Outstanding	**1,837**	**136**		**1,698**	**136**	

1) Deemed dividend excluded from calculation of after-tax operating income earnings per share

2Q 2011 Capital Structure

($ in billions)



	4Q2010	2Q2011
Senior Financial Debt + Hybrids / Capitalization[3]	34.3%	21.6%
Senior Financial Debt / Capitalization[3]	25.5%	11.4%

1) Includes Loans and Mortgages Payable, Notes and Bonds Payable, AIGLH Notes and Bonds Payable, and Liabilities connected to the trust preferred stock.
2) With the transfer of the noncontrolling interest to the UST, the noncontrolling interest attributable to the AIA and ALICO SPV preferreds became redeemable noncontrolling interest in partially owned subsidiaries.
3) Excludes noncontrolling interest. Equity Units treated as equity.
4) Assumes conversion of Equity Units, which occurred on August 1, 2011

Chartis Results

Chartis: Operating Income

Chartis reported $789 million operating income in the quarter. Operating income was adversely impacted by $539 million of catastrophe losses.

	Second Quarter			Year-to-Date		
($ millions)	**2011**	**2010**	**Change**	**2011**	**2010**	**Change**
Net premiums written	$9,167	$7,792	17.6%	18,333	15,436	18.8%
Net premiums earned	9,033	7,733	16.8%	17,684	15,374	15.0%
Claims and claims adjustment expense incurred	6,680	5,575	19.8%	14,436	11,034	30.8%
Other underwriting expenses	2,706	2,316	16.8%	5,243	4,690	11.8%
Underwriting gain (loss)	(353)	(158)	(123.4%)	(1,995)	(350)	(470.0%)
Net Investment Income	1,142	1,113	2.6%	2,321	2,184	6.3%
Operating income before RCG (L)	**789**	**955**	**(17.4%)**	**326**	**1,834**	**(82.2%)**
RCG (L)	39	58	(32.8%)	86	195	(55.9%)
Bargain purchase gain	-	-	NM	-	332	(100.0%)
Pre-tax income	**$828**	**$1,013**	**(18.3%)**	**$412**	**$2,361**	**(82.5%)**
Loss Ratio	74.0	72.1		81.6	71.8	
Expense Ratio	30.0	29.9		29.6	30.5	
Combined Ratio	104.0	102.0		111.2	102.3	
Combined Ratio ex Cats	98.0	98.2		98.5	97.1	
Combined Ratio ex Development and Cats	97.7	96.9		98.2	97.8	
Significant Items						
Japan EQ & Tsunami	(14)	-		1,284	-	
Midwest & Eastern U.S. Tornadoes	348	-		348	-	
All other catastrophe losses	191	300		581	791	
Pre-tax catastrophe-related loss	525	300		2,213	791	
Reinstatement premiums related to catastrophe	14	-		53	10	
PY development (favorable) / unfavorable	-	94		23	(91)	
Total Significant Items	**$539**	**$394**		**$2,289**	**$710**	

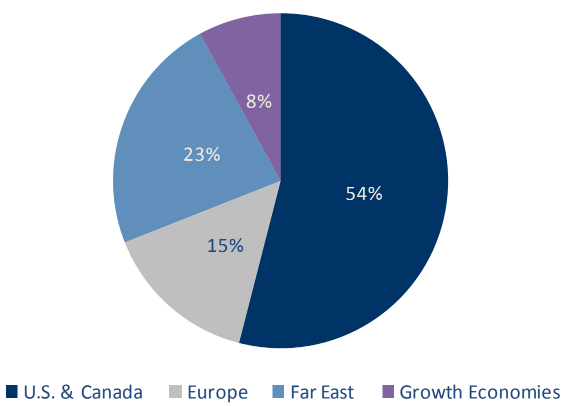
Chartis: Premiums

Premiums increased 17.6% over the prior year period largely driven by the consolidation of Fuji. Excluding Fuji and the impact of FX, Chartis premiums increased 2.4%.

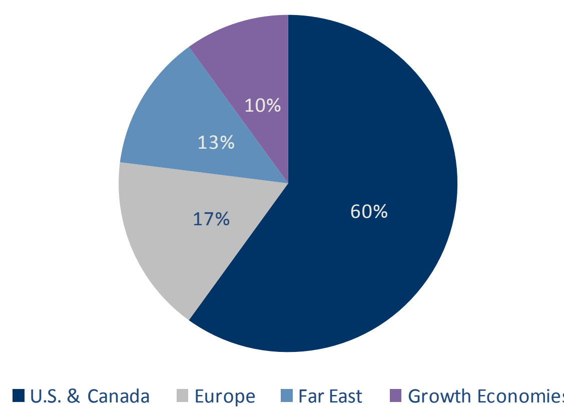
	Second Quarter			Year-to-Date		
($ millions)	2011	2010	Change	2011	2010	Change
Chartis U.S. NPW	$4,957	$4,738	4.6%	$9,085	$8,525	6.6%
Chartis International NPW	4,210	3,054	37.9%	9,248	6,911	33.8%
Fuji Effects	930	-	NM	1,924	-	NM
FX Impact	257	-	NM	323	-	NM
Chartis International NPW excluding Fuji and FX Impacts	3,023	3,054	(1.0%)	7,001	6,911	1.3%
Total Chartis NPW	**$9,167**	**$7,792**	**17.6%**	**$18,333**	**$15,436**	**18.8%**
Total Chartis NPW excluding Fuji and FX Impacts	**$7,980**	**$7,792**	**2.4%**	**$16,086**	**$15,436**	**4.2%**

Increasing International Focus

Chartis 2Q 2011 NPW
$9.2 Billion



Chartis 2Q 2010 NPW
$7.8 Billion



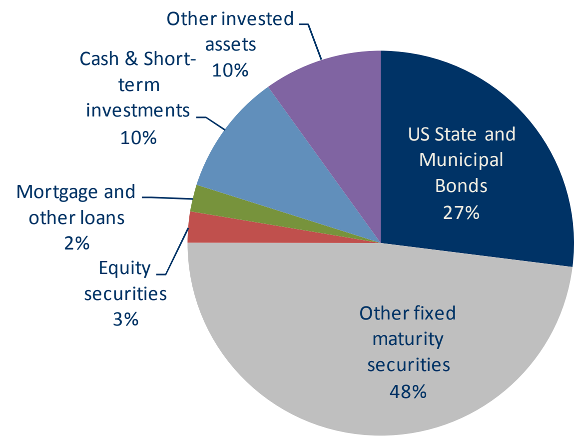
Chartis: Investments

Chartis net investment income increased 2.6% driven by the consolidation of Fuji and improved interest and dividends.

($ millions)	Second Quarter 2011	Second Quarter 2010	Second Quarter Change	Year-to-Date 2011	Year-to-Date 2010	Year-to-Date Change
Interest and dividend	$946	$850	11.3%	1,809	1,695	6.7%
Partnership income	161	220	(26.8%)	402	367	9.5%
Mutual funds	5	(25)	120.0%	50	(26)	292.3%
Other investment income	80	142	(43.7%)	172	250	(31.2%)
Investment expense	(50)	(74)	32.4%	(112)	(102)	(9.8%)
Net Investment Income	**$1,142**	**$1,113**	**2.6%**	**$2,321**	**$2,184**	**6.3%**
Yield	*3.7%*	*3.8%*		*3.8%*	*3.8%*	

- Interest and dividend income growth attributable to the Fuji consolidation in the international segment.
- Decrease in partnership income primarily driven by private equity returns in Chartis U.S.

Chartis Cash and Investments
2Q11: $127.1 Billion[1]



1) Inclusive of intercompany balances which are eliminated in consolidation

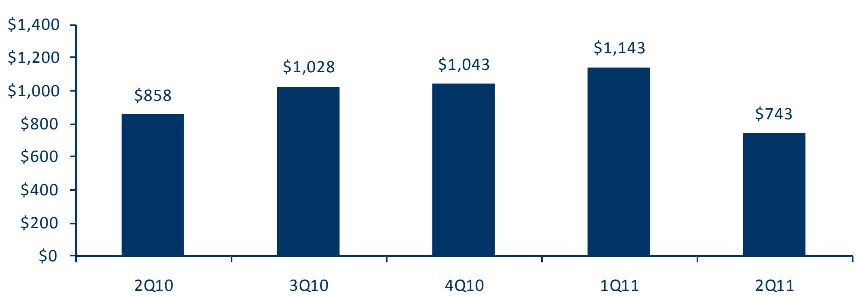
SunAmerica Financial Group Results

SunAmerica: Operating Income

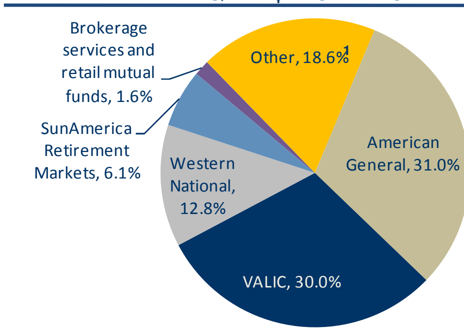
SunAmerica reported operating income of $0.7 billion in the second quarter of 2011. Assets under management grew 9.0%.

($ millions)	Second Quarter 2011	Second Quarter 2010	Second Quarter Change	Year-to-Date 2011	Year-to-Date 2010	Year-to-Date Change
Premiums, deposits and other considerations	**$6,144**	**$4,968**	**23.7%**	**$12,370**	**$9,705**	27.5%
Premiums and other considerations	662	658	0.6%	1,283	1,325	(3.2%)
Fee income	682	657	3.8%	1,366	1,305	4.7%
Investment income	2,461	2,628	(6.4%)	5,215	5,335	(2.2%)
Revenues	**3,805**	**3,943**	**(3.5%)**	**7,864**	**7,965**	**(1.3%)**
Policy benefits and claims incurred	1,212	1,170	3.6%	2,227	2,264	(1.6%)
Interest credited	1,110	1,127	(1.5%)	2,215	2,236	(0.9%)
Amortization of deferred policy acquisition costs	303	355	(14.6%)	643	623	3.2%
Non deferrable commissions	122	112	8.9%	242	232	4.3%
General operating expenses	315	321	(1.9%)	651	633	2.8%
Benefits and expense	**3,062**	**3,085**	**(0.7%)**	**5,978**	**5,988**	**(0.2%)**
Operating income before RCG (L) and DAC offset	**$743**	**$858**	**(13.4%)**	**$1,886**	**$1,977**	**(4.6%)**
RCG (L), net of related DAC amortization	32	(770)	104.2%	(171)	(1,562)	89.1%
Pre-tax income	**$775**	**$88**	**780.7%**	**$1,715**	**$415**	**313.3%**
Assets under management	**$254,869**	**$233,815**	**9.0%**			

SunAmerica Operating Income



Pre-tax Operating Income
2Q11: $743 Million



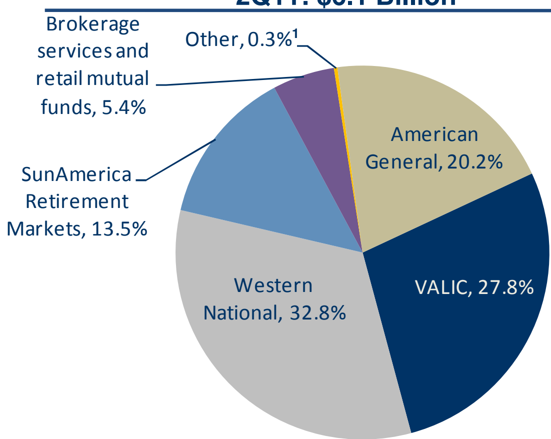
1) Other includes GICs and Individual annuities – runoff

SunAmerica: Premiums, Deposits and Other Considerations

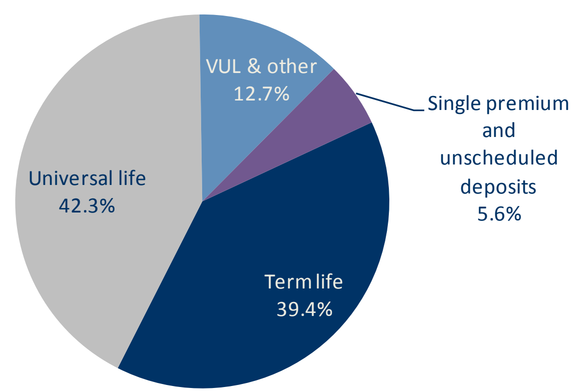
SAFG PDOC increased 23.7% driven primarily by fixed and variable annuity sales. Retail life insurance sales increased 16.1%. SAFG had positive net flows of $726 million.

($ millions)	Second Quarter 2011	Second Quarter 2010	Second Quarter Change	Year-to-Date 2011	Year-to-Date 2010	Year-to-Date Change
Premiums, deposits and other considerations						
American General	$1,241	$1,316	(5.7%)	$2,428	$2,639	(8.0%)
SunAmerica Retirement Markets	832	496	67.7%	1,591	853	86.5%
VALIC	1,705	1,602	6.4%	3,407	3,210	6.1%
Western National	2,018	1,277	58.0%	4,169	2,430	71.6%
Brokerage services and retail mutual funds	329	255	29.0%	739	531	39.2%
Other[1]	19	22	(13.6%)	36	42	(14.3%)
Premiums, Deposits and Other Considerations	**$6,144**	**$4,968**	**23.7%**	**$12,370**	**$9,705**	**27.5%**
Retail	65	56	16.1%	120	102	17.6%
Institutional	6	23	(73.9%)	6	24	(75.0%)
Life Insurance Sales[2]	**$71**	**$79**	**(10.1%)**	**$126**	**$126**	**0.0%**

Premiums, Deposits and Other Considerations
2Q11: $6.1 Billion



Life Insurance Sales
2Q11: $71 Million



1) Other includes GICs and Individual annuities – runoff
2) Life insurance sales include periodic premiums from new business expected to be collected over a one-year period and 10% of single and unscheduled deposits

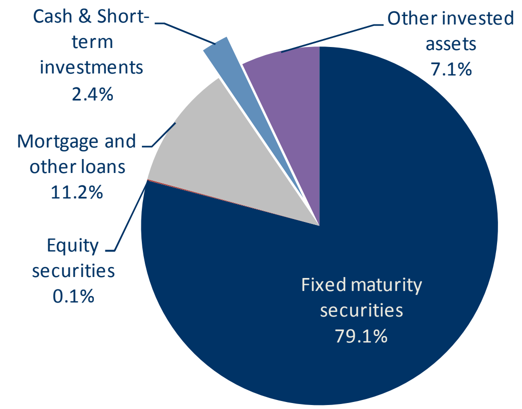
SunAmerica: Investments

SAFG second quarter net investment income declined 6.4% over the prior period primarily driven by a lower fair market valuation of Maiden Lane II investment.

	Second Quarter			Year-to-Date		
($ millions)	2011	2010	Change	2011	2010	Change
Interest and dividends[1]	$2,275	$2,181	4.3%	$4,349	$4,438	(2.0%)
Maiden Lane II	(176)	120	(246.7%)	75	279	(73.1%)
Call and Tender	97	107	(9.3%)	131	167	(21.6%)
Partnership income	309	213	45.1%	722	448	61.2%
Other	13	44	(70.5%)	54	82	(34.1%)
Investment expense	(57)	(37)	(54.1%)	(116)	(79)	(46.8%)
Net Investment Income	**$2,461**	**$2,628**	**(6.4%)**	**$5,215**	**$5,335**	**(2.2%)**
Yields:						
Base investment income	5.36%	5.42%		5.18%	5.52%	
Partnerships[2]	0.39%	0.10%		0.51%	0.13%	
Other enhancements[3]	(0.12%)	0.70%		0.30%	0.68%	
Total Yield	**5.63%**	**6.22%**		**5.99%**	**6.33%**	

- Redeployment of $8.4 billion of cash and short-term investments to higher yielding fixed income securities

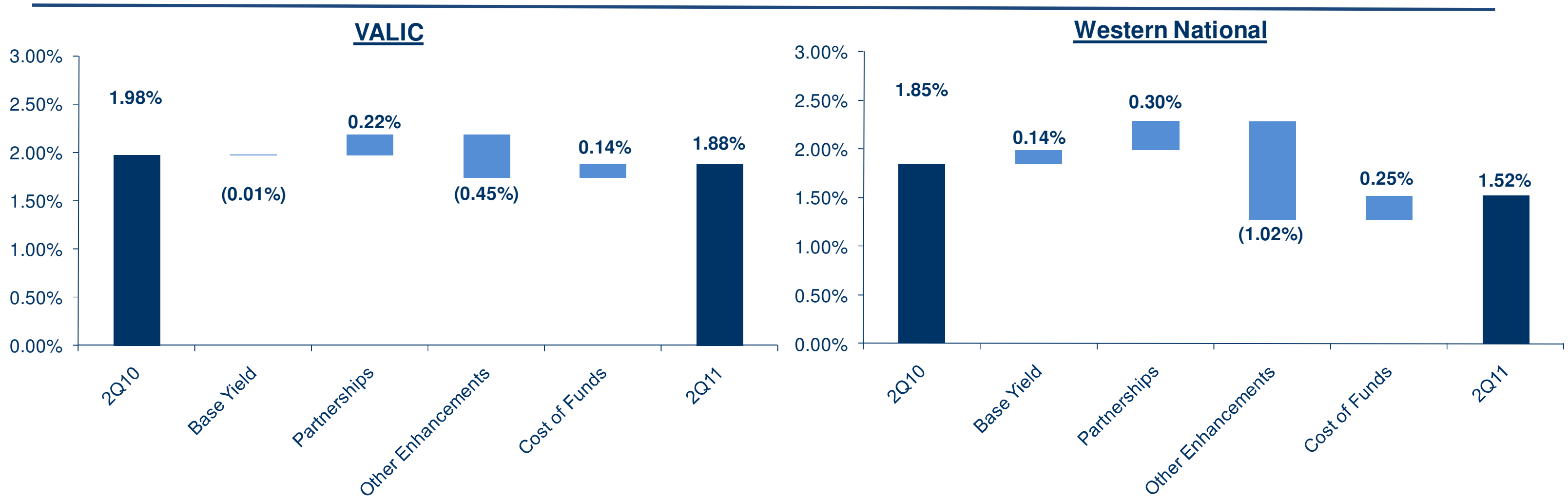
SAFG Cash and Investments
2Q11: $189 Billion[4]



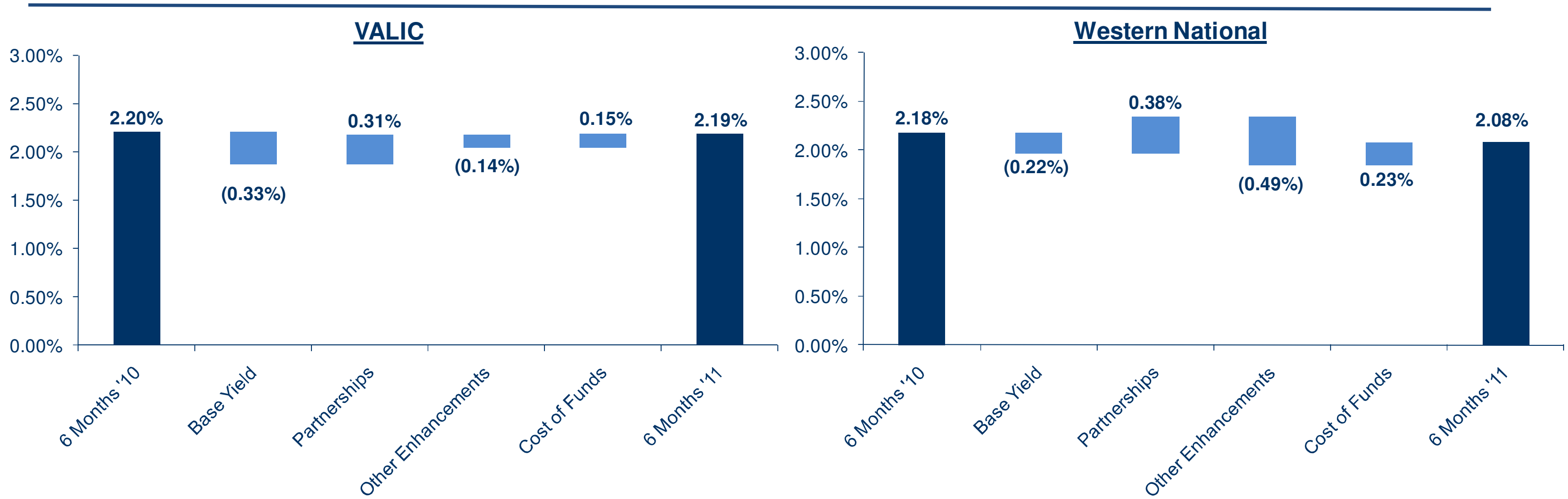
1) Excludes Maiden Lane II income
2) Includes incremental effect to base yield of investments in hedge funds and private equity funds
3) Includes incremental effect to base yield of gains on Maiden Lane II and income from calls and prepayment fees
4) Inclusive of intercompany balances which are eliminated in consolidation

SunAmerica: Net Investment Spreads

2Q10 to 2Q11 Change in Net Spreads



6 Months 2010 to 6 Months 2011 Change in Net Spreads



Tax

Group Deferred Tax Asset Overview

AIG has substantial tax attribute carry forwards that are available under U.S. tax law to offset future U.S. federal income tax obligations.

($ in billions)	Type	Origin / Source	Gross Attributes (As of 12/31/10)	Deferred Tax Asset (As of 12/31/10)	Utilization / Limitations
Net Operating Loss Carryforward	*Non-Life*	• AIG FP • FRBNY Loan Commitment Fee	$32.3	$11.3	• Use against Chartis, ILFC, UGC and AIG income • Limited use (35%) against SAFG taxable income • 2028 - 2030 Expiration
Capital Loss Carryforward	*Non-Life*	• Chartis • AIG Parent	$4.6	$1.6	• Non-Life Capital Gains • 2014 – 2015 Expiration
	Life (SAFG)	• Securities lending transaction	$23.2	$8.1	• Life Realized Capital Gains • Can only apply against capital gains from SAFG • 2013 – 2015 Expiration
Foreign Tax Credits	*General*	• AIA • ALICO • Foreign General Insurance		$4.6	• Limited to lower of taxable income or foreign source income • 2015 – 2020 Expiration
Total:				**$25.6**[1]	

1) Excludes $0.4 billion of other general tax credits and alternative minimum tax credits, other ordinary and OCI related DTA / DTL. The valuation allowance as of 12/31/10 was $23.8 billion.

Effective Tax Rate

- Q2 2011 effective tax rate from continuing operations – (15.9%)
  - Lower than 35% primarily due to tax exempt income, investments in partnerships, effective settlements of uncertain tax positions, and a decrease in the valuation allowance attributable to the anticipated inclusion of ALICO SPV within the U.S. consolidated income tax group
- Q2 2011 effective tax rate for computing After Tax Operating Income (non-GAAP measure) – 14.6%
  - Lower than 35% primarily due to tax exempt income, investments in partnerships, and effective settlements of uncertain tax positions
- Valuation allowance for the U.S. consolidated income tax group
  - AIG has reported financial taxable income for the first half of 2011 and is currently projecting financial taxable income for the full year 2011
  - AIG expects to emerge from cumulative losses in recent years in the second half of 2011
  - If these factors are met, the valuation allowance could be released in large part during the fourth quarter of 2011, which would materially and favorably affect net income and other comprehensive income in the period.

Expected After Tax Operating Income ETR for 3Q and 4Q: 25% - 30%

Q&A