



American International Group, Inc.

Earnings Conference Call Presentation
Second Quarter 2014

August 5, 2014

Cautionary Statement Regarding Projections and Other Information About Future Events

This document and the remarks made within this presentation may include, and officers and representatives of American International Group, Inc. (AIG) may from time to time make, projections, goals, assumptions and statements that may constitute “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. These projections, goals, assumptions 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. These projections, goals, assumptions and statements include statements preceded by, followed by or including words such as “believe,” “anticipate,” “expect,” “intend,” “plan,” “view,” “target” or “estimate”. 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, goals, assumptions and statements. Factors that could cause AIG’s actual results to differ, possibly materially, from those in the specific projections, goals, assumptions and statements include: changes in market conditions; the occurrence of catastrophic events, both natural and man-made; significant legal proceedings; the timing and applicable requirements of any new regulatory framework to which AIG is subject as a nonbank systemically important financial institution and as a global systemically important insurer; concentrations in AIG’s investment portfolios; actions by credit rating agencies; judgments concerning casualty insurance underwriting and insurance liabilities; judgments concerning the recognition of deferred tax assets; and such other factors discussed in Part I, Item 2. Management’s Discussion and Analysis of Financial Condition and Results of Operations (MD&A) in AIG’s Quarterly Report on Form 10-Q for the quarterly period ended June 30, 2014, in Part I, Item 2. MD&A in AIG’s Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2014 and in Part I, Item 1A. Risk Factors and Part II, Item 7. MD&A in AIG’s Annual Report on Form 10-K for the fiscal year ended December 31, 2013.

AIG is not under any obligation (and expressly disclaims any obligation) to update or alter any projections, goals, assumptions or other statements, 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 orally may also contain certain non-GAAP financial measures. The reconciliation of such measures to the most comparable GAAP measures in accordance with Regulation G is included in the Second Quarter 2014 Financial Supplement available in the Investor Information section of AIG’s corporate website, www.aig.com, as well as in this presentation.



Second Quarter 2014 Key Themes

Highlights:	Noteworthy Items
Capital Management, Liquidity & Other	<ul style="list-style-type: none"> ▪ Closed the sale of ILFC; total value of consideration of approximately \$7.6 billion⁽¹⁾ ▪ Repurchased approximately \$1.1 billion of AIG Common Stock during 2Q14; remaining share repurchase authorization of \$1.5 billion ▪ In July 2014, repurchased in tender offers, for an aggregate purchase price of \$2.5 billion, certain high coupon hybrid and senior notes issued or guaranteed by AIG Parent ▪ In July 2014, issued \$1 billion of 2.300% Notes due 2019 and \$1.5 billion of 4.500% Notes due 2044 ▪ \$1.6 billion of cash dividends and loan repayments from insurance subsidiaries ▪ Redeemed \$750 million principal amount of DIB notes and post 2Q14 redeemed an additional approximately \$2.0 billion of DIB notes due in 2016 and 2017, all using cash allocated to the DIB
AIG Property Casualty	<ul style="list-style-type: none"> ▪ Net premiums written increased slightly from 2Q13, excluding the effects of foreign exchange ▪ Global Commercial rates were unchanged in 2Q14 (+1.0% in the U.S.) ▪ Accident year loss ratio, as adjusted, increased 0.8 points to 62.7 from 2Q13, largely due to severe Commercial Insurance losses of \$193 million, partially offset by improvements in Consumer Insurance ▪ A low level of catastrophe losses of \$139 million ▪ Net prior year favorable reserve development, including premium adjustments, of \$14 million
Mortgage Guaranty	<ul style="list-style-type: none"> ▪ Operating earnings reflect prior year favorable reserve development of \$89 million ▪ New insurance written (NIW) of \$11.1 billion⁽²⁾ in 2Q14 reflects lower refinancing volume from a year ago ▪ 67% of net premiums earned in 2Q14 were from new business written after 2008 ▪ Delinquency ratio declined 50 bps from 1Q14 to 4.8%
AIG Life and Retirement	<ul style="list-style-type: none"> ▪ Premiums and deposits of \$7.4 billion driven by continued strong sales of individual retirement products ▪ Positive net flows and account balance growth drove greater fee income and contributed to the 13% increase in AUM from the year-ago period ▪ Ongoing management actions continue to benefit overall cost of funds for interest rate-sensitive business ▪ Net investment income impacted principally by lower returns on alternative investments



1) Based in part on AerCap's closing price per share of \$47.01 on May 13, 2014.

2) Domestic First-lien only, based on the principal amount of loans insured.

Financial Highlights

Net income in 2Q14 includes \$1.4 billion after-tax gain on sale of ILFC (\$0.96 per diluted share).

(\$ in millions, except per share amounts)	Second Quarter		
	2013	2014	Inc. / (Dec.)
Revenues	\$18,426	\$16,105	(13%)
Net income attributable to AIG	2,731	3,073	13%
Diluted earnings per common share	\$1.84	\$2.10	14%
ROE, Ex. AOCI ⁽¹⁾	12.3%	12.8%	
After-tax operating income attributable to AIG	\$1,655	\$1,833	11%
After-tax operating income attributable to AIG per common share	\$1.12	\$1.25	12%
ROE – After-tax operating income⁽²⁾	7.4%	7.7%	
Book value per common share	\$66.02	\$75.71	15%
Book value per common share - Ex. AOCI	\$61.25	\$67.65	10%



1) Computed as Annualized Net income (loss) attributable to AIG divided by Average AIG Shareholders' equity, excluding AOCI.

2) Computed as Annualized After-tax operating income attributable to AIG divided by Average AIG Shareholders' equity, excluding AOCI.

After-Tax Operating Income

Operating results driven by growth in insurance operations.

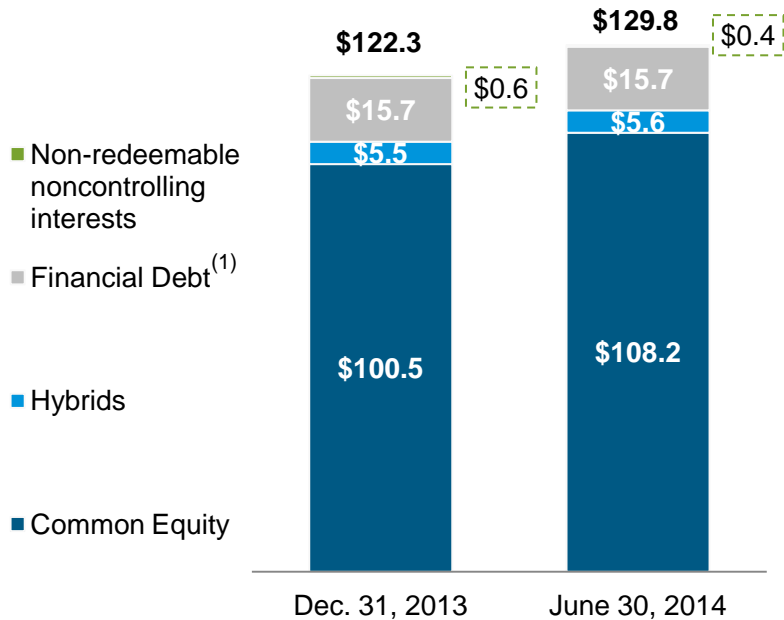
	Second Quarter	
<i>(\$ in millions, except per share amounts)</i>	2013	2014
Insurance operations:		
AIG Property Casualty	\$1,086	\$1,355
AIG Life and Retirement	1,151	1,180
Mortgage Guaranty	73	210
Total Insurance Operations	2,310	2,745
Other operations:		
Direct Investment book	591	313
Global Capital Markets	175	245
Equity in pre-tax operating earnings of AerCap	-	53
Interest expense	(353)	(327)
Corporate expenses, net	(253)	(282)
Other	(2)	(3)
Pre-tax operating income	2,468	2,744
Income tax expense	(786)	(918)
Noncontrolling interest, excluding net realized capital (gains) losses	(27)	7
After-tax operating income attributable to AIG	\$1,655	\$1,833
After-tax operating income per diluted common share	\$1.12	\$1.25



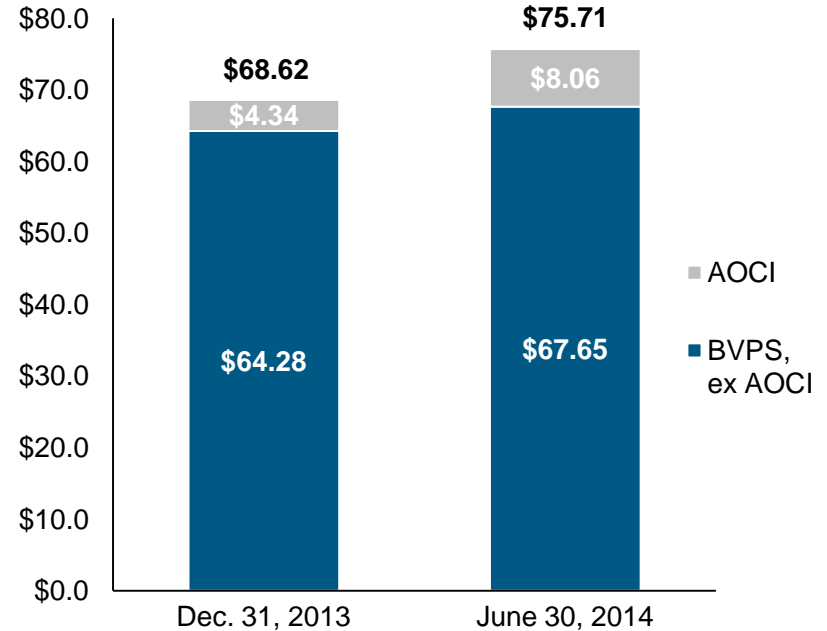
Strong Capital Position

Capital Structure

(\$ in billions, except per share data)



Book Value Per Share



Leverage Ratios:

Financial Debt + Hybrids / Total Capital

Dec. 31, 2013

17.3%

June 30, 2014

16.4%

Financial Debt / Total Capital

12.8%

12.1%

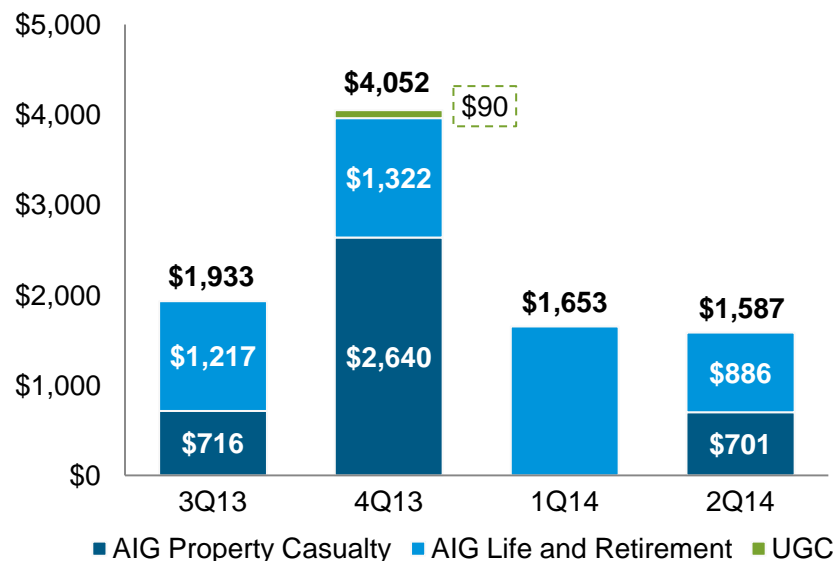


¹⁾ Includes AIG notes, bonds, loans and mortgages payable, and AIG Life Holdings, Inc. (AIGLH) notes and bonds payable and junior subordinated debt.

Financial Flexibility – A Source of Strength

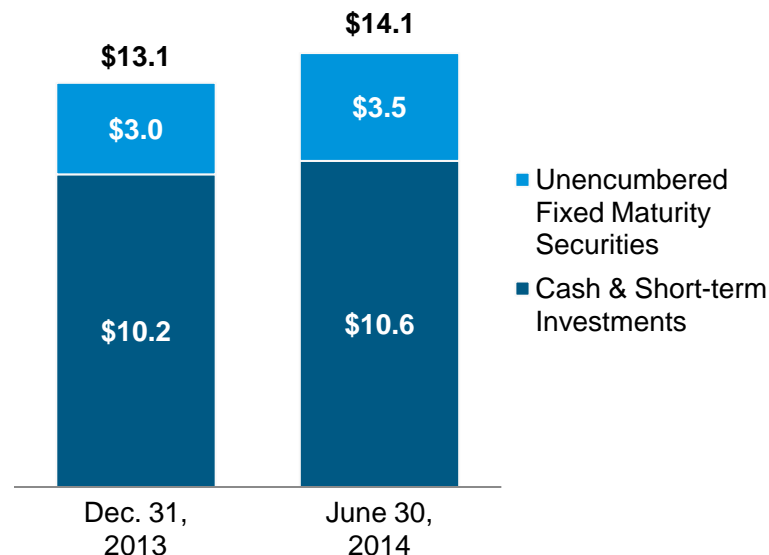
Insurance Company Cash Distributions*

(\$ in millions)



AIG Parent Liquidity

(\$ in billions)



- Year-to-date insurance company cash distributions of \$3.2 billion. Cash distributions in 2014 are expected to be \$5 – \$6 billion.
- Tax sharing payments from insurance businesses amounted to \$510 million in 2Q14, and \$781 million year-to-date; subject to reimbursement in future periods.
- AIG Parent cash, short-term investments and unencumbered fixed maturity securities of \$14.1 billion includes \$4.4 billion allocated toward future maturities of liabilities and contingent liquidity stress needs of the Direct Investment book and Global Capital Markets as of June 30, 2014.



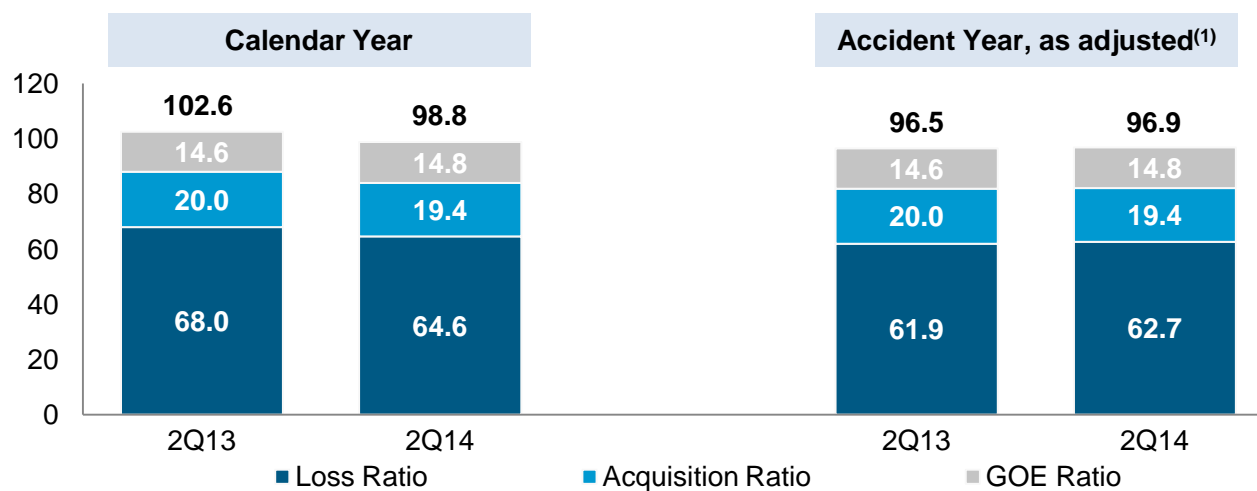
* 2Q14 distributions exclude \$178 million of non-cash dividends from AIG Property Casualty and \$642 million of non-cash distributions from AIG Life and Retirement and 4Q13 distributions exclude \$222 million of non-cash distributions from AIG Property Casualty.

AIG Property Casualty – Financial Results

Operating results reflect pricing discipline and lower catastrophe losses.

(\$ in millions)	2Q13	2Q14
Net premiums written	\$9,263	\$9,213
Net premiums earned	8,347	8,531
Underwriting income (loss)	(223)	101
Net investment income	1,309	1,254
Pre-tax operating income	\$1,086	\$1,355

Global Combined Ratios

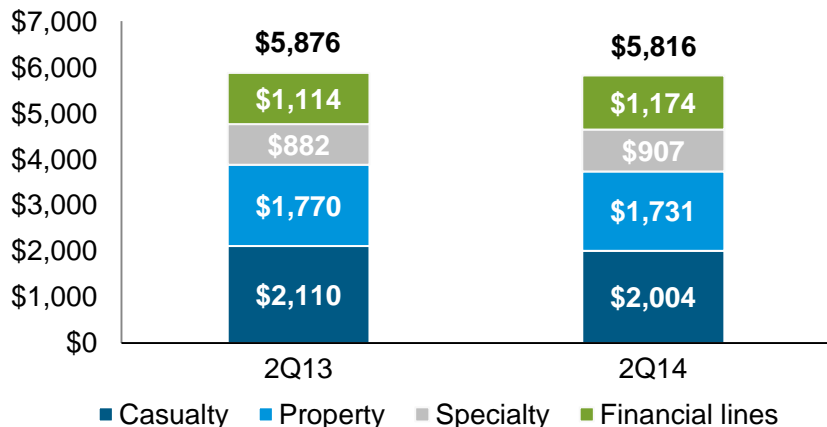


1) Both the accident year combined ratio, as adjusted, and accident year loss ratio, as adjusted, exclude catastrophe losses and related reinstatement premiums, prior year development, net of premium adjustments, and the impact of reserve discounting.

Commercial Insurance – Underwriting Results

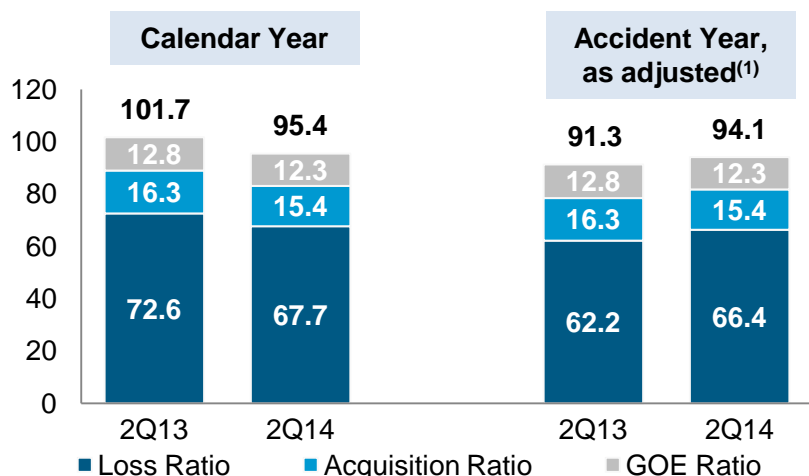
Net Premiums Written

(\$ in millions)

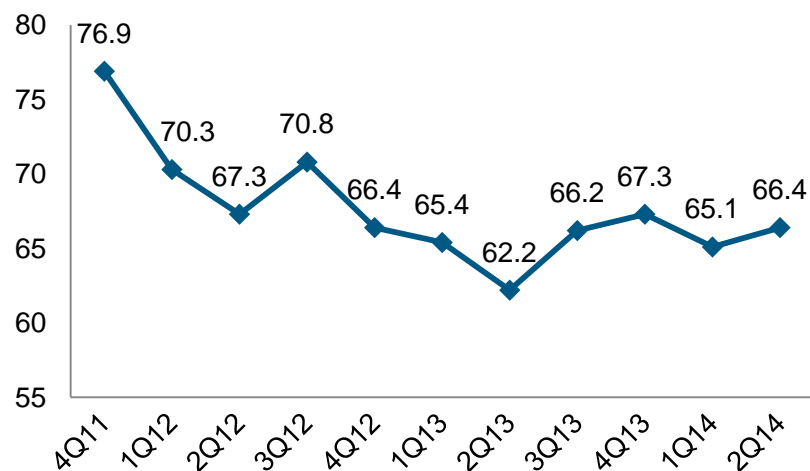


- Commercial Insurance NPW, excluding the effects of foreign exchange, declined 1% from 2Q13 driven by lower retention in U.S. Property catastrophe and certain Casualty lines. Net premiums written on an as-reported basis also declined 1% from 2Q13.
- Commercial Insurance rates were unchanged (+1.0% for the U.S.), led by U.S. Casualty at +2.8%, U.S. Financial Lines at +2.6% and U.S. Specialty at +2.5%, partially offset by U.S. Property at -3.6%.
- Severe losses accounted for a 3.0 point increase in the accident year loss ratio, as adjusted.
- The improvement in the combined ratio reflects a 5.1 point impact of prior year favorable reserve development in 2Q14 compared to prior year adverse reserve development in 2Q13.

Combined Ratios



Accident Year Loss Ratio, as adjusted⁽¹⁾

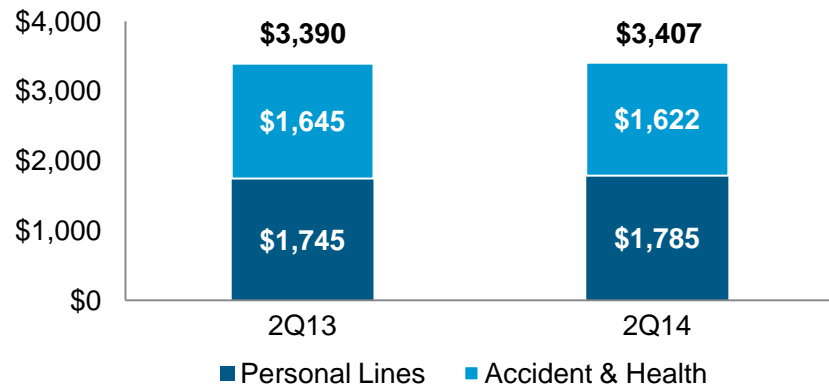


1) Both the accident year combined ratio, as adjusted, and accident year loss ratio, as adjusted, exclude catastrophe losses and related reinstatement premiums, prior year development, net of premium adjustments, and the impact of reserve discounting.

Consumer Insurance – Underwriting Results

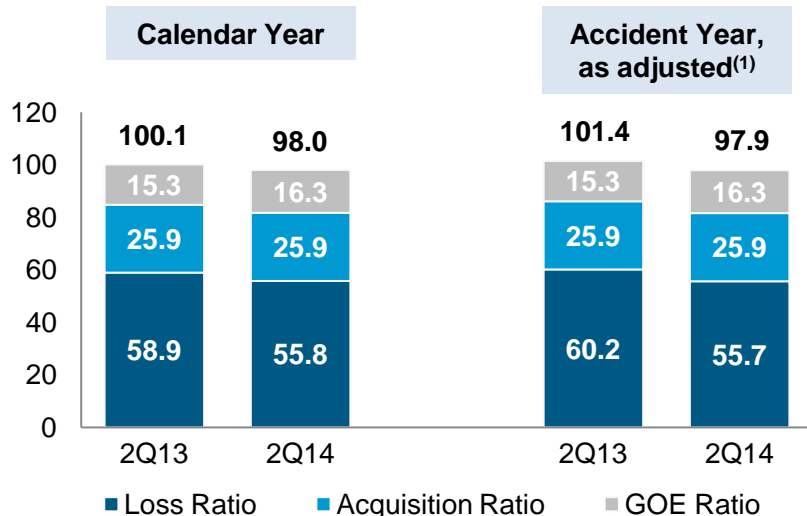
Net Premiums Written

(\$ in millions)

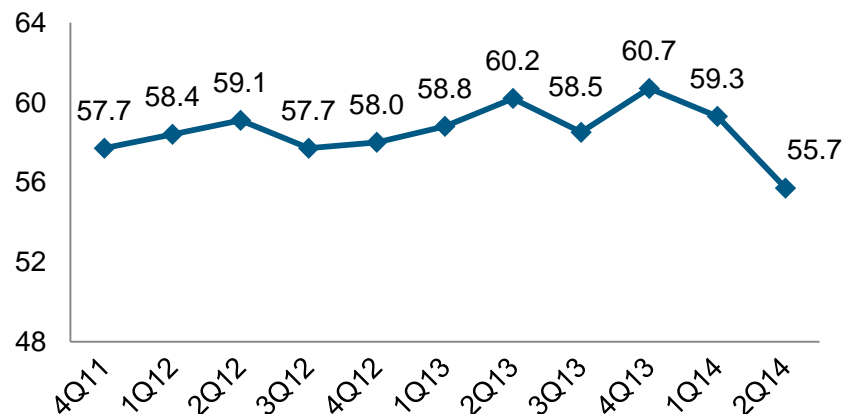


- Consumer Insurance NPW, excluding the effects of foreign exchange, grew 4% from 2Q13 reflecting growth in sales of Life & Health products in Japan and personal property in the U.S. On an as-reported basis, NPW grew 0.5% from 2Q13.
- The accident year loss ratio, as adjusted, reflects rate increases and improved loss experience in Japan Automobile, and rate actions and coverage changes in the U.S. Warranty business.
- General operating expense increase was driven by infrastructure costs related to the integration of our Japanese entities.

Combined Ratios



Accident Year Loss Ratio, as adjusted⁽¹⁾



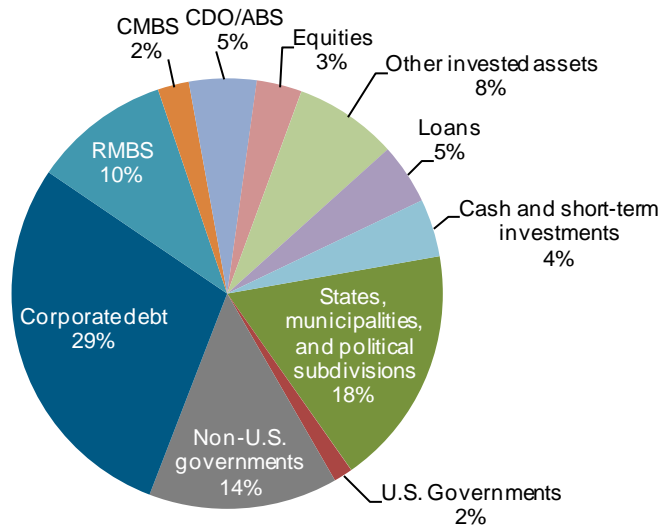
1) Both the accident year combined ratio, as adjusted, and accident year loss ratio, as adjusted, exclude catastrophe losses and related reinstatement premiums, prior year development, net of premium adjustments, and the impact of reserve discounting.

AIG Property Casualty – Investments

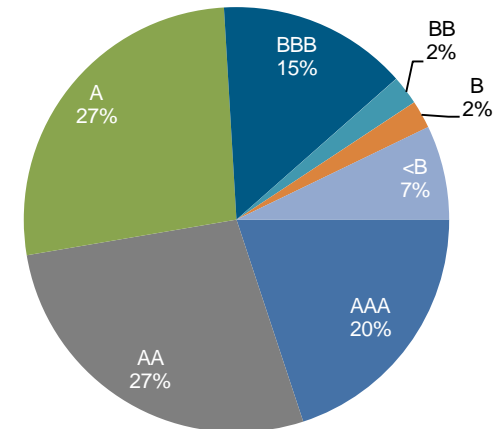
Net investment income: (\$ in millions)	Second Quarter		
	2013	2014	Inc./.(Dec.)
Interest and dividends	\$ 1,008	\$ 987	(2%)
Alternative investments ⁽¹⁾	240	188	(22%)
Other, net ⁽²⁾	61	79	30%
Net investment income	\$ 1,309	\$ 1,254	(4%)
Yield	4.13%	4.06%	(0.07)

Total Cash & Invested Assets as of June 30, 2014 - \$123.9 billion⁽³⁾

Total Portfolio Composition



Bond Portfolio - \$99.1 billion - by Agency Credit Rating



1) Includes income on hedge funds and private equity funds. Alternative investment income is reported on a lag basis. Hedge funds are generally on a one month lag, while private equity funds are generally on a one quarter lag.

2) Includes real estate income, changes in market value of investments accounted for under the fair value option, and income (loss) from equity method investments, net of investment expenses.

3) Includes intercompany invested assets that are eliminated in consolidation.

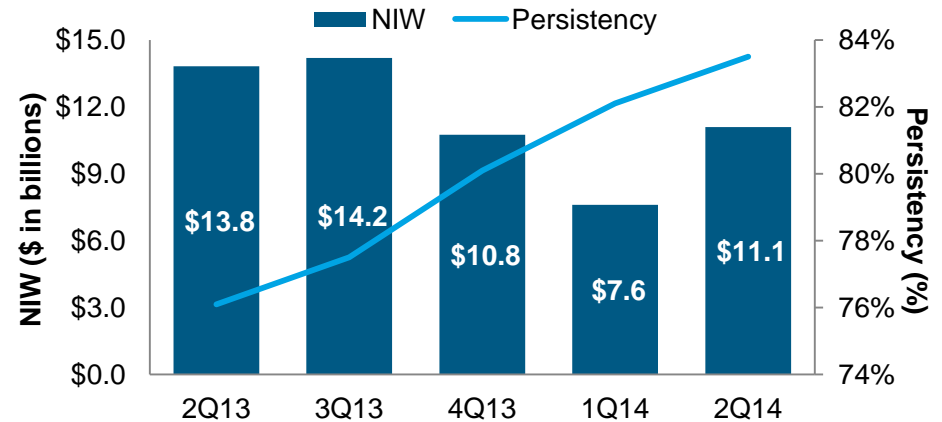
Mortgage Guaranty – Financial Results and Trends

Percentage of net premiums earned from business written after 2008 grew to 67%.

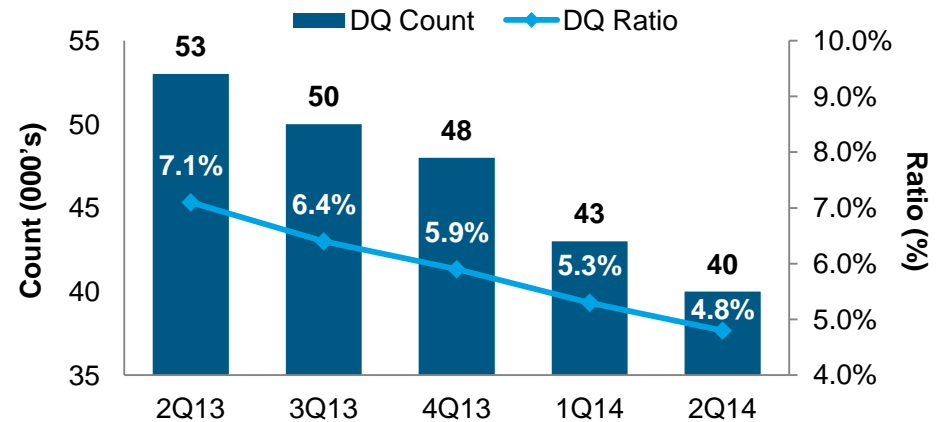
(\$ in millions)	2Q13	2Q14
Net premiums written	\$275	\$249
Net premiums earned	208	226
Underwriting income ⁽²⁾	40	177
Net investment income	33	33
Pre-tax operating income	\$73	\$210

Underwriting Ratios:	2Q13	2Q14
Loss ratio ⁽²⁾	57.2	(3.1)
Expense ratio	<u>23.6</u>	<u>24.8</u>
Combined ratio	80.8	21.7

Business Trends⁽¹⁾



Primary Delinquency Trend⁽¹⁾



- Delinquencies continue to fall as volume of new delinquencies declines and cure rates improve.



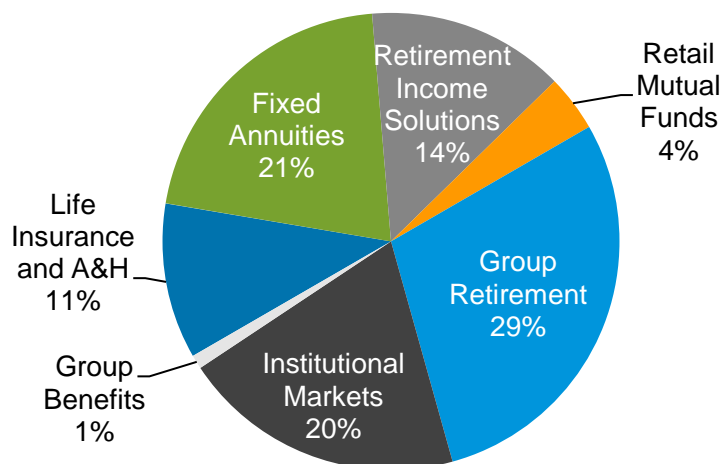
1) Domestic First-lien only, based on the principal amount of loans insured.
 2) 2Q14 includes \$89 million of favorable prior year reserve development.

AIG Life and Retirement – Financial Results

(\$ in millions)	2Q13	2Q14
Premiums and deposits	\$6,765	\$7,360
Premiums	649	700
Policy fees	623	701
Net investment income	2,637	2,561
Advisory fee and other income	419	498
Total revenues⁽¹⁾	4,328	4,460
Benefits and expenses	3,177	3,280
Pre-tax operating income	\$1,151	\$1,180

1) Excluding net realized capital gains (losses).

Assets Under Management



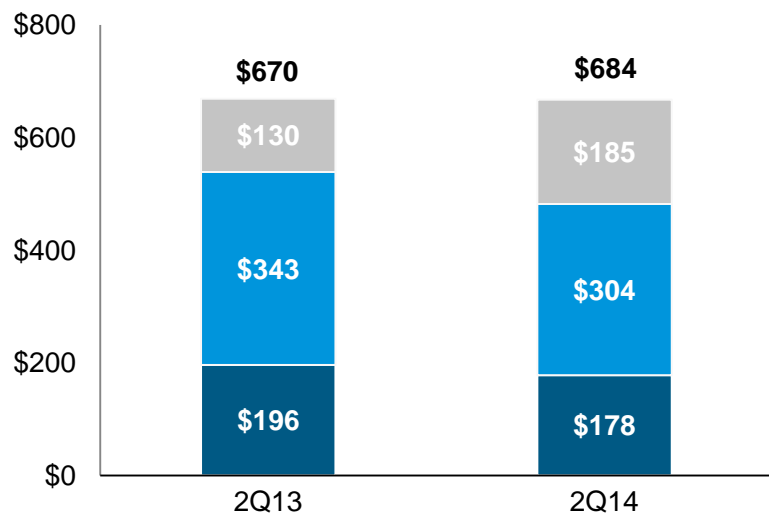
- Pre-tax operating income benefited from strong growth in fee income driven by higher account balances and significant net flows in fee-based businesses over the last twelve months.
- Management actions and run-off of higher cost policies continue to drive down cost of funds for AIG L&R's interest rate-sensitive businesses. Disciplined pricing of new business also benefited overall cost of funds.
- Net investment income primarily reflects lower returns on alternative investments as well as a decline in the base yield from the year ago quarter.

- Assets under management increased 13% from the year-ago period to \$333 billion at June 30, 2014. Growth was driven by strong individual retirement product net flows, higher account balances due to equity market appreciation and greater institutional assets.
- Net inflows in 2Q14 were \$939 million, up from \$417 million in 2Q13, on improved variable annuity and fixed annuity sales, partially offset by lower retail mutual fund flows.

AIG Life and Retirement – Retail & Institutional Results

Retail Pre-Tax Operating Income⁽¹⁾

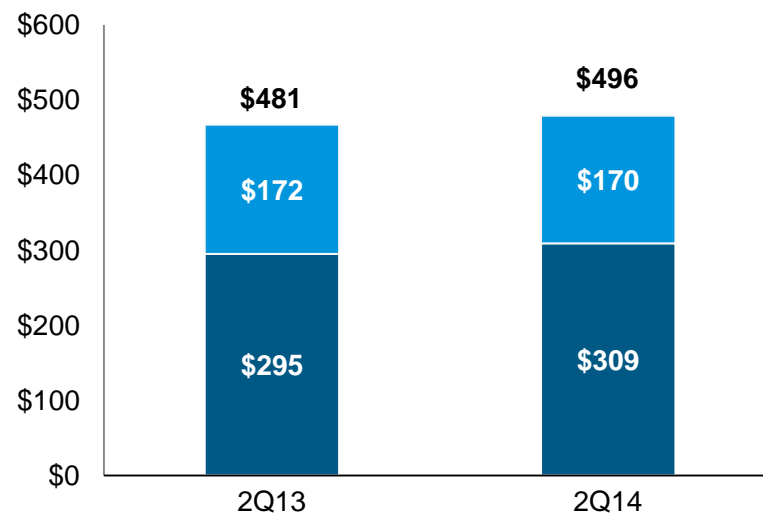
(\$ in millions)



■ Life Insurance and A&H ■ Fixed Annuities ■ Ret. Inc. Solutions

Institutional Pre-Tax Operating Income⁽²⁾

(\$ in millions)



■ Group Retirement ■ Institutional Markets

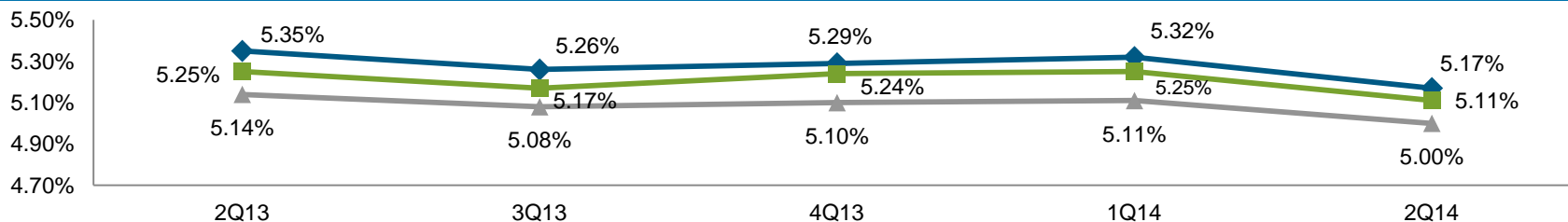
- Retail pre-tax operating income benefited from higher fee income and lower cost of funds, which were partially offset by lower net investment income. The 42% increase in Retirement Income Solutions income was driven by greater fee income on higher assets under management. Fixed Annuities income declined due to lower net investment income driven by lower alternative investment income, which was partially offset by a lower cost of funds. Life Insurance and A&H income declined primarily as a result of lower net investment income.
- Institutional pre-tax operating income benefited from higher Group Retirement income, which was driven by higher fee income and lower cost of funds. Institutional Markets earnings were essentially unchanged, with growth in fee income offset by lower net investment income driven primarily by lower alternative investment income.



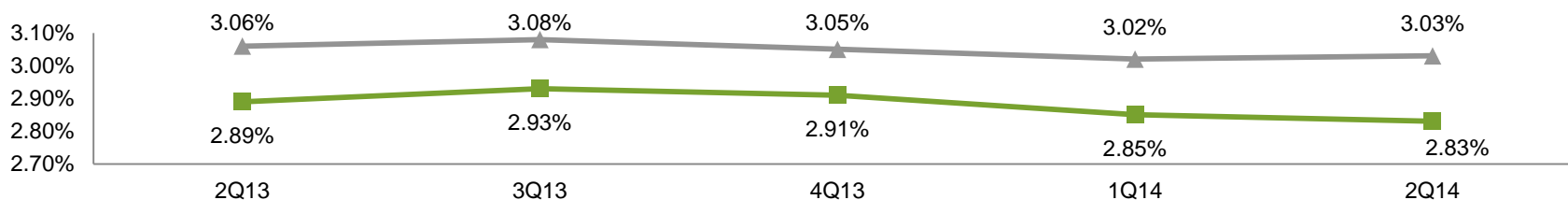
1) Breakdown excludes operating income for Brokerage Services and Retail Mutual Funds which are included in the Retail operating segment total.
 2) Breakdown excludes operating income for Group Benefits which is included in the Institutional operating segment total.

AIG Life and Retirement – Base Yields and Spreads

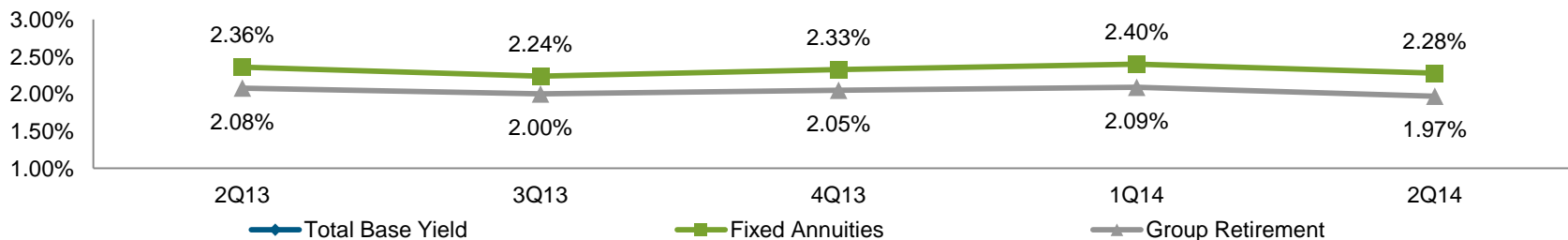
Base Yields⁽¹⁾



Cost of Funds⁽²⁾



Base Net Investment Spreads⁽¹⁾



- Base yield declined in the quarter due in part to strong results from commercial mortgage loans and structured securities in prior periods. Base yields have also been impacted by lower reinvestment rates of available cash flows over the last twelve months. Realized gains taken in the fixed maturity investment portfolio in 2013 in connection with utilizing capital loss carry forwards also negatively impacted base investment yield as proceeds were reinvested at yields lower than the overall portfolio rate.
- Cost of funds reflects the active management of crediting rates, disciplined new business pricing and the run off of older business with crediting rates generally higher than the overall cost of funds.



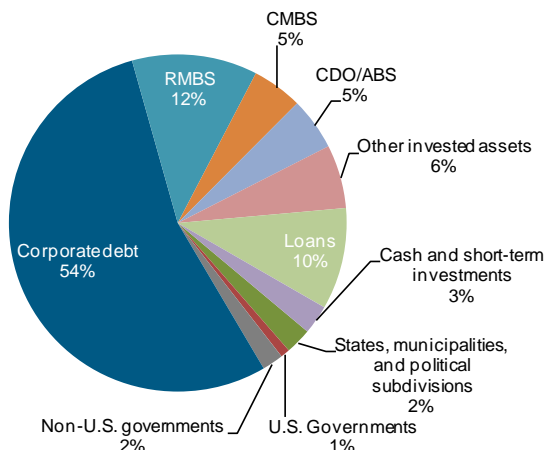
1) Includes return on base portfolio. Quarterly results are annualized.
2) Excludes the amortization of sales inducement assets.

AIG Life and Retirement – Investments

Net investment income: (\$ in millions)	Second Quarter		
	2013	2014	Inc./.(Dec.)
Base portfolio ⁽¹⁾	\$ 2,267	\$ 2,238	(1%)
Alternative investments ⁽²⁾	436	252	(42%)
Other enhancements ⁽³⁾	(66)	71	NM
Net investment income	\$ 2,637	\$ 2,561	(3%)
Base Yield⁽⁴⁾	5.35%	5.17%	(0.18)
Total Yield⁽⁵⁾	5.83%	5.48%	(0.35)

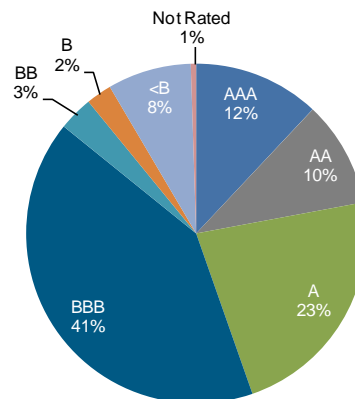
Total Cash & Invested Assets as of June 30, 2014 - \$203.5 billion⁽⁶⁾

Total Portfolio Composition

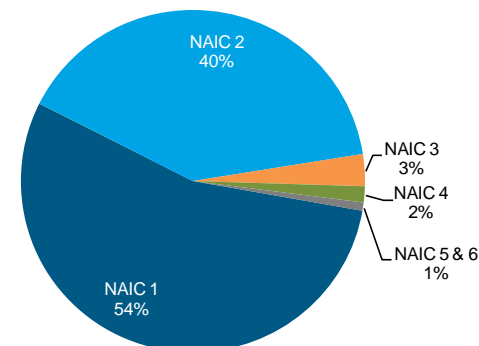


Bond Portfolio - \$165.2 billion

By Agency Credit Rating



By NAIC Ratings⁽⁷⁾



- Includes interest, dividends and real estate income, net of investment expenses.
- Includes income on hedge funds, private equity funds and affordable housing partnerships. Alternative investment income is reported on a lag basis. Hedge funds are generally on a one month lag, while private equity funds are generally on a one quarter lag.
- Includes call and tender income, changes in market value of investments accounted for under the fair value option, interest received on defaulted investments and other miscellaneous investment income.
- Includes return on base portfolio. Quarterly results are annualized.
- Represents the base yields and the incremental effect on base yield of alternative investments and other enhancements. Quarterly results are annualized.
- Includes intercompany invested assets that are eliminated in consolidation.
- NAIC ratings exclude \$1.0 billion of fixed maturity securities for which no NAIC Designation is available because they are not held in legal entities within AIG Life and Retirement that require a statutory filing. A significant portion of instruments with below investment grade credit ratings from rating agencies are comprised of non-agency RMBS, most of which are rated higher when using the NAIC's cash flow based evaluation approach comparing book value to expected recoveries.



Q&A

Appendix

Non-GAAP Reconciliation – Pre-Tax Operating Income

(\$ in millions)	2Q14					Total
	AIG Property Casualty	AIG Life and Retirement	Mortgage Guaranty	Other Operations ⁽²⁾		
Income (loss) from continuing operations, before tax	\$ 1,490	\$ 1,249	\$ 211	\$ 1,530	\$ 4,480	
Adjustments to arrive at pre-tax operating income:						
Income from divested businesses ⁽¹⁾	-	-	-	(2,151)	(2,151)	
Legal reserves (settlements), net of related expenses	-	(12)	-	506	494	
Changes in fair value of securities designated to hedge living benefit liabilities, net of interest expense	-	(54)	-	-	(54)	
Changes in benefit reserves and DAC, VOBA and SIA related to net realized capital (gains) losses	-	41	-	1	42	
Loss on extinguishment of debt	-	-	-	34	34	
Other income - net	(8)	-	-	8	-	
Net realized capital (gains) loss	(127)	(44)	(1)	71	(101)	
Pre-tax operating income	\$ 1,355	\$ 1,180	\$ 210	\$ (1)	\$ 2,744	

(\$ in millions)	2Q13					Total
	AIG Property Casualty	AIG Life and Retirement	Mortgage Guaranty	Other Operations ⁽²⁾		
Income (loss) from continuing operations, before tax	\$ 1,205	\$ 1,719	\$ 75	\$ 166	\$ 3,165	
Adjustments to arrive at pre-tax operating income:						
Loss from divested businesses ⁽¹⁾	-	-	-	29	29	
Legal reserves (settlements), net of related expenses	(3)	(359)	-	(32)	(394)	
Changes in fair value of securities designated to hedge living benefit liabilities, net of interest expense	-	69	-	-	69	
Changes in benefit reserves and DAC, VOBA and SIA related to net realized capital (gains) losses	-	1,152	-	-	1,152	
Loss on extinguishment of debt	-	-	-	38	38	
Other income - net	(7)	-	-	7	-	
Net realized capital (gains) losses	(109)	(1,430)	(2)	(50)	(1,591)	
Pre-tax operating income	\$ 1,086	\$ 1,151	\$ 73	\$ 158	\$ 2,468	



1) 2Q14 includes the gain on sale of ILFC, which was sold on May 14, 2014. 2Q14 also includes certain post-acquisition costs incurred by AerCap in connection with its acquisition of ILFC and related tax effects.

2) Includes consolidation and eliminations.

Non-GAAP Reconciliation – After-Tax Operating Income

After-tax Operating Income Attributable to AIG (\$ in millions)	Second Quarter	
	2013	2014
Net income (loss) attributable to AIG	\$ 2,731	\$ 3,073
Adjustments to arrive at After-tax operating income attributable to AIG:		
(Income) loss from discontinued operations	(18)	(30)
(Income) loss from divested businesses ⁽¹⁾	16	(1,399)
Uncertain tax positions and other tax adjustments	64	39
Legal reserves (settlements) related to legacy crisis matters	(257)	321
Deferred income tax valuation allowance releases	(752)	(75)
Changes in fair values of AIG Life and Retirement fixed maturity securities designated to hedge living benefit liabilities, net of interest expense	45	(35)
Changes in benefit reserves and DAC, VOBA and SIA related to net realized capital gains (losses)	835	28
Loss on extinguishment of debt	25	22
Net realized capital (gains) losses	(1,034)	(111)
After-tax operating income attributable to AIG	\$ 1,655	\$ 1,833



1) 2Q14 includes the gain on sale of ILFC, which was sold on May 14, 2014. 2Q14 also includes certain post-acquisition costs incurred by AerCap in connection with its acquisition of ILFC and related tax effects.

Non-GAAP Reconciliation – Return On Equity

Return On Equity	Second Quarter	
	2013	2014
Annualized Net income attributable to AIG	\$ 10,924	\$ 12,292
Annualized After-tax operating income attributable to AIG	\$ 6,620	\$ 7,332
Average AIG Shareholders' equity ⁽¹⁾	98,492	105,997
Less: Average AOCI	9,439	10,298
Average AIG Shareholders' equity, excluding average AOCI ⁽¹⁾	\$ 89,053	\$ 95,699
ROE ⁽²⁾	11.1%	11.6%
ROE excluding AOCI ⁽³⁾	12.3%	12.8%
ROE - After-tax operating income ⁽⁴⁾	7.4%	7.7%



1) Includes net deferred tax asset.

2) Computed as Annualized Net income (loss) attributable to AIG divided by Average AIG Shareholders' equity.

3) Computed as Annualized Net income (loss) attributable to AIG divided by Average AIG Shareholders' equity, excluding AOCI.

4) Computed as Annualized After-tax operating income divided by Average AIG Shareholders' equity, excluding AOCI.

Non-GAAP Reconciliation – BVPS ex. AOCI and Premiums & Deposits

Book Value Per Common Share - Ex. AOCI (\$ in millions, except per share data)	December 31,	June 30,	
	2013	2013	2014
Total AIG shareholders' equity	\$ 100,470	\$ 97,463	\$ 108,161
Less: AOCI	\$ 6,360	\$ 7,039	\$ 11,511
Total AIG shareholders' equity, excluding AOCI	\$ 94,110	\$ 90,424	\$ 96,650
Total common shares outstanding	1,464,063,323	1,476,348,011	1,428,575,390
Book value per common share	\$ 68.62	\$ 66.02	\$ 75.71
Book value per common share, excluding AOCI	\$ 64.28	\$ 61.25	\$ 67.65

AIG Life and Retirement Premiums and Deposits (\$ in millions)	Second Quarter	
	2013	2014
Premiums and deposits	\$ 6,765	\$ 7,360
Deposits	(5,957)	(6,626)
Other	(159)	(34)
Premiums	\$ 649	\$ 700

Non-GAAP Reconciliation – Accident Year Combined Ratio, As Adjusted

AIG Property Casualty Accident year combined ratio, as adjusted	Quarterly										
	4Q11	1Q12	2Q12	3Q12	4Q12	1Q13	2Q13	3Q13	4Q13	1Q14	2Q14
Commercial Insurance											
Loss ratio	80.3	72.3	70.7	78.0	100.9	64.9	72.6	71.8	77.9	69.4	67.7
Catastrophe losses and reinstatement premiums	(8.1)	(1.5)	(5.4)	(4.5)	(32.8)	(0.6)	(6.0)	(3.5)	(3.6)	(3.6)	(2.3)
Prior year development net of premium adjustments	3.9	(0.5)	0.1	(2.7)	(1.7)	1.1	(4.4)	(2.1)	(0.9)	(3.2)	0.7
Net reserve discount benefit (charge)	0.8	-	1.9	-	-	-	-	-	(6.1)	2.5	0.3
Accident year loss ratio, as adjusted	76.9	70.3	67.3	70.8	66.4	65.4	62.2	66.2	67.3	65.1	66.4
Acquisition ratio	14.9	18.0	17.2	15.6	15.5	16.3	16.3	15.8	16.1	16.2	15.4
General operating expense ratio	11.9	11.3	11.4	12.4	13.9	11.0	12.8	12.6	13.7	12.1	12.3
Expense ratio	26.8	29.3	28.6	28.0	29.4	27.3	29.1	28.4	29.8	28.3	27.7
Combined ratio	107.1	101.6	99.3	106.0	130.3	92.2	101.7	100.2	107.7	97.7	95.4
Catastrophe losses and reinstatement premiums	(8.1)	(1.5)	(5.4)	(4.5)	(32.8)	(0.6)	(6.0)	(3.5)	(3.6)	(3.6)	(2.3)
Prior year development net of premium adjustments	3.9	(0.5)	0.1	(2.7)	(1.7)	1.1	(4.4)	(2.1)	(0.9)	(3.2)	0.7
Net reserve discount benefit (charge)	0.8	-	1.9	-	-	-	-	-	(6.1)	2.5	0.3
Accident year combined ratio, as adjusted	103.7	99.6	95.9	98.8	95.8	92.7	91.3	94.6	97.1	93.4	94.1
Consumer Insurance											
Loss ratio	59.4	58.1	59.2	58.3	67.9	57.8	58.9	58.8	60.4	61.3	55.8
Catastrophe losses and reinstatement premiums	(1.0)	(0.1)	(1.1)	(0.6)	(8.9)	(0.3)	(0.3)	(1.2)	(0.6)	(2.5)	(0.6)
Prior year development net of premium adjustments	(0.7)	0.4	1.0	-	(1.0)	1.3	1.6	0.9	0.9	0.5	0.5
Accident year loss ratio, as adjusted	57.7	58.4	59.1	57.7	58.0	58.8	60.2	58.5	60.7	59.3	55.7
Acquisition ratio	23.9	23.7	23.5	25.7	26.9	24.9	25.9	26.1	25.2	25.9	25.9
General operating expense ratio	15.5	14.9	15.0	14.8	16.4	15.7	15.3	15.0	17.7	14.7	16.3
Expense ratio	39.4	38.6	38.5	40.5	43.3	40.6	41.2	41.1	42.9	40.6	42.2
Combined ratio	98.8	96.7	97.7	98.8	111.2	98.4	100.1	99.9	103.3	101.9	98.0
Catastrophe losses and reinstatement premiums	(1.0)	(0.1)	(1.1)	(0.6)	(8.9)	(0.3)	(0.3)	(1.2)	(0.6)	(2.5)	(0.6)
Prior year development net of premium adjustments	(0.7)	0.4	1.0	-	(1.0)	1.3	1.6	0.9	0.9	0.5	0.5
Accident year combined ratio, as adjusted	97.1	97.0	97.6	98.2	101.3	99.4	101.4	99.6	103.6	99.9	97.9
Total AIG Property Casualty											
Loss ratio	74.5	68.0	68.9	71.4	87.6	63.3	68.0	67.3	68.2	67.1	64.6
Catastrophe losses and reinstatement premiums	(5.3)	(0.9)	(3.7)	(2.9)	(22.9)	(0.5)	(3.7)	(2.7)	(2.4)	(3.2)	(1.6)
Prior year development net of premium adjustments	(0.1)	(0.6)	(1.5)	(2.0)	(1.4)	0.4	(2.3)	(0.8)	(3.1)	(1.9)	(0.2)
Net reserve discount benefit (charge)	0.2	(0.2)	1.1	-	-	-	(0.1)	(0.1)	3.7	1.2	(0.1)
Accident year loss ratio, as adjusted	69.3	66.3	64.8	66.5	63.3	63.2	61.9	63.7	66.4	63.2	62.7
Acquisition ratio	18.5	20.2	19.6	19.5	20.2	19.7	20.0	19.7	19.5	19.9	19.4
General operating expense ratio	14.1	13.7	13.9	14.1	17.3	14.3	14.6	14.6	16.1	14.2	14.8
Expense ratio	32.6	33.9	33.5	33.6	37.5	34.0	34.6	34.3	35.6	34.1	34.2
Combined ratio	107.1	101.9	102.4	105.0	125.1	97.3	102.6	101.6	103.8	101.2	98.8
Catastrophe losses and reinstatement premiums	(5.3)	(0.9)	(3.7)	(2.9)	(22.9)	(0.5)	(3.7)	(2.7)	(2.4)	(3.2)	(1.6)
Prior year development net of premium adjustments	(0.1)	(0.6)	(1.5)	(2.0)	(1.4)	0.4	(2.3)	(0.8)	(3.1)	(1.9)	(0.2)
Net reserve discount benefit (charge)	0.2	(0.2)	1.1	-	-	-	(0.1)	(0.1)	3.7	1.2	(0.1)
Accident year combined ratio, as adjusted	101.9	100.2	98.3	100.1	100.8	97.2	96.5	98.0	102.0	97.3	96.9





Bring on tomorrow

American International Group, Inc. (AIG) is a leading international insurance organization serving customers in more than 130 countries and jurisdictions. AIG companies serve commercial, institutional, and individual customers through one of the most extensive worldwide property-casualty networks of any insurer. In addition, AIG companies are leading providers of life insurance and retirement services in the United States. AIG common stock is listed on the New York Stock Exchange and the Tokyo Stock Exchange.

Additional information about AIG can be found at www.aig.com | YouTube: www.youtube.com/aig | Twitter: @AIG_LatestNews | LinkedIn: <http://www.linkedin.com/company/aig>

AIG is the marketing name for the worldwide property-casualty, life and retirement, and general insurance operations of American International Group, Inc. For additional information, please visit our website at www.aig.com. All products and services are written or provided by subsidiaries or affiliates of American International Group, Inc. Products or services may not be available in all countries, and coverage is subject to actual policy language. Non-insurance products and services may be provided by independent third parties. Certain property-casualty coverages may be provided by a surplus lines insurer. Surplus lines insurers do not generally participate in state guaranty funds, and insureds are therefore not protected by such funds.