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

November 4 , 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, goals, assumptions and statements which 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. The projections, goals, assumptions and statements may address, among other things: the timing of the disposition of the ownership position of the United States Department of the Treasury (the Treasury Department) in AIG; the timing and method of repayment of the preferred interests in AIA Aurora LLC held by the Treasury Department; AIG’s exposure to subprime mortgages, monoline insurers and the residential and commercial real estate markets, state and municipal bond issuers, and sovereign bond issuers; AIG’s strategy for risk management; AIG’s ability to retain and motivate its employees; AIG’s generation of deployable capital; AIG’s return on equity and earnings per share long-term aspirational goals; AIG’s strategy to grow net investment income, efficiently manage capital and reduce expenses; AIG’s strategy for customer retention, growth, product development, market position, financial results and reserves; and the revenues and combined ratios of AIG’s subsidiaries. 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 and statements include: actions by credit rating agencies; changes 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 in AIG’s Quarterly Report on Form 10-Q for the quarter ended September 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 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 on the conference call may also contain certain non-GAAP financial measures. The reconciliations of such measures to the most comparable GAAP measures in accordance with Regulation G are included within this document and in the Third Quarter 2011 Financial Supplement available in the Investor Information section of AIG's corporate website, www.aig.com.

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

- Macro environment pressure across investments and operating businesses
- Core insurance operations positioned for longer term horizon
- Volatility of AIA and Maiden Lane III interests

- Positive pricing trends
- Continued shift in mix of business to higher margin lines
- Initiatives underway to improve portfolio quality as well as capital efficiency

- Strong sales across product suite
- Positive flows for a third consecutive quarter
- Challenging interest rate environment and equity markets

- Filed S-1
- Impairment charges on older generation and less fuel-efficient aircraft

- General weakness in the housing market

Financial Overview

David L. Herzog
Executive Vice President and Chief Financial Officer

Earnings Highlights

($ millions, except earnings per share)	Third Quarter 2011	Third Quarter 2010	Third Quarter Change	Year-to-Date 2011	Year-to-Date 2010	Year-to-Date Change
Revenues	12,716	19,455	(34.6%)	46,828	56,324	(16.9%)
Income (loss) from continuing operations[1]	(3,724)	(180)	NM	(2,810)	2,404	(216.9%)
Income (loss) from discontinued operations, net of tax	(221)	(1,833)	87.9%	1,395	(4,101)	134.0%
Net income (loss)	(3,945)	(2,013)	(96.0%)	(1,415)	(1,697)	(16.6%)
Net income (loss) attributable to AIG	**(4,109)**	**($2,517)**	**(63.2%)**	**($2,000)**	**($3,390)**	**41.0%**
After-tax operating income (loss) attributable to AIG	**($3,038)**	**($114)**	**NM**	**$268**	**$1,316**	**(79.6%)**
Income (loss) per common share attributable to AIG (Diluted):						
Income (loss) from continuing operations[1]	($2.05)	($4.95)	58.6%	($2.37)	$1.11	(313.5%)
Income (loss) from discontinued operations	($0.11)	($13.58)	99.2%	$0.78	($6.16)	112.7%
After-tax operating income (loss) attributable to AIG	($1.60)	($0.84)	90.4%	$0.15	$1.96	(92.3%)

1) 2010 Period includes consolidated results of AIA

3Q 2011 Macroeconomic Drivers

Substantial negative impacts on results driven by macroeconomic drivers including declining equity markets, widening credit spreads, declining interest rates, and other factors.

Notable Items *($ in billions)*	**Pre-tax P&L Impact**
AIA Fair Value	($2.3)
ILFC Fleet Review	(1.5)
ML III Fair Value	(0.9)
Catastrophe Losses	(0.6)
SunAmerica DAC and GMDB	(0.2)
Total	**($5.5)**

ILFC Impairment

Key judgments were made as part of the September 30, 2011 impairment assessment including the following:

- Expected Aircraft Holding Period
- Future Lease Rates and Term
- Net Overhauls and Future Top-up Obligations
- Residual Value
- Fair Value Assumptions

Impairment Analysis[1]

Planes Impaired	Book Value	Fair Value	Impairment
95	$2,973	$1,458	($1,515)

1) Does not include 2 aircraft designated for part-out in the third quarter (net impairment charges of ~$3 million)

Consolidated Performance

($ millions)	Third Quarter 2011	Third Quarter 2010	Third Quarter Change	Year-to-Date 2011	Year-to-Date 2010	Year-to-Date Change
Continuing insurance pre-tax operating income:						
Chartis	$442	$1,072	(58.8%)	$768	$2,906	(73.6%)
SunAmerica	444	1,028	(56.8%)	2,330	3,005	(22.5%)
Sub-Total - Continuing Insurance	**886**	**2,100**	**(57.8%)**	**3,098**	**5,911**	**(47.6%)**
Aircraft Leasing	(1,317)	(218)	(504.1%)	(1,114)	(92)	NM
Mortgage Guaranty (reported in Other)	(96)	(124)	22.6%	(70)	175	(140.0%)
Interest on third party debt	(498)	(580)	(14.1%)	(1,545)	(1,830)	15.6%
Other (see below)	(1,544)	434	(455.8%)	(835)	1,430	(158.4%)
Sub-Total - Continuing Operations	**(2,569)**	**1,612**	**(259.4%)**	**(466)**	**5,594**	**(108.3%)**
AIA and MetLife income	(2,315)	-	NM	111	-	NM
FRBNY / Treasury interest expense	-	(120)	100.0%	272	(526)	151.7%
Pre-tax operating income (loss) attrib. to AIG	**(4,884)**	**1,492**	**NM**	**(83)**	**5,068**	**(101.6%)**
Income taxes (expense) / benefit	2,010	(1,133)	277.4%	927	(2,092)	144.3%
Noncontrolling interest - Treasury/Fed	(145)	(388)	62.6%	(538)	(1,415)	62.0%
(Income)/Loss on other noncontrolling interest	(19)	(85)	77.6%	(38)	(245)	84.5%
After-tax operating income (loss) attrib. to AIG	**(3,038)**	**(114)**	**2,564.9%**	**268**	**1,316**	**(79.6%)**
Other:						
Maiden Lane III	(931)	301	(409.3%)	(854)	1,410	(160.6%)
Direct Investment book	119	54	120.4%	631	1,027	(38.6%)
Global Capital Markets	(174)	149	(216.8%)	(57)	(83)	31.3%
Other corporate expenses	(335)	(215)	(55.8%)	(451)	(1,178)	61.7%
Eliminations	(223)	145	(253.8%)	(104)	254	(140.9%)
Total Other	**(1,544)**	**434**	**(455.8%)**	**(835)**	**1,430**	**(158.4%)**

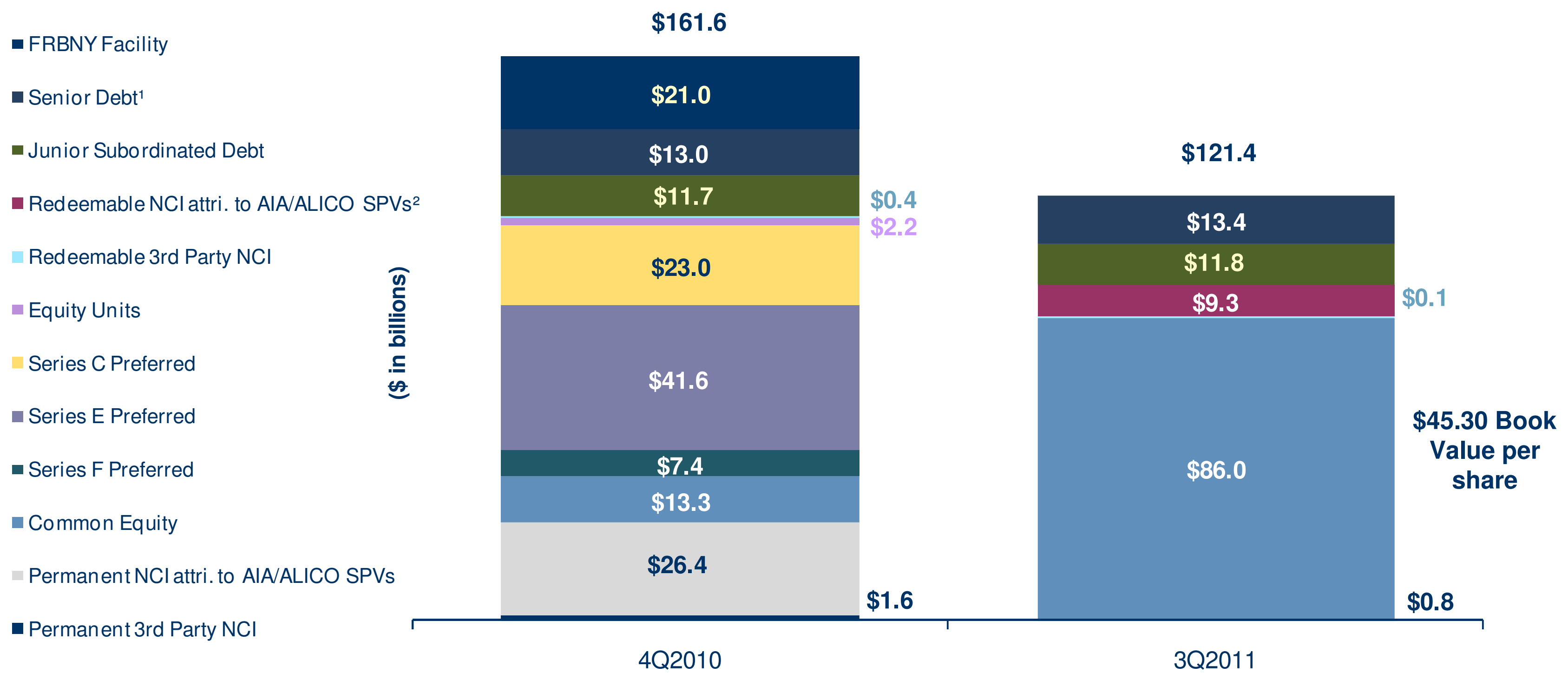
After-Tax Operating Income Reconciliation

($ millions, except earnings per share)	Third Quarter 2011	Third Quarter 2010	Third Quarter Change	Year-to-Date 2011	Year-to-Date 2010	Year-to-Date Change
After-tax operating income (loss) attrib. to AIG	**($3,038)**	**($114)**	**2,564.9%**	**$268**	**$1,316**	**(79.6%)**
Restructuring:						
Net Income from divested businesses (mainly AIA)	-	447	(100.0%)	16	1,398	(98.9%)
FRBNY total amortization, net of tax	-	(779)	100.0%	(2,358)	(1,547)	(52.4%)
Net gain (loss) on sale of divested businesses, net of tax	(1)	4	(125.0%)	(49)	21	(333.3%)
Net income (loss) from discontinued operations	(221)	(1,845)	88.0%	1,376	(4,136)	(133.3%)
RCG(L), net of SunAmerica DAC offset and tax	141	(494)	128.5%	(229)	(1,080)	78.8%
Derivatives not receiving hedge accounting, net of tax	187	124	(50.8%)	146	(79)	284.8%
Bargain purchase gain	-	-	-	-	332	(100.0%)
Deferred income tax valuation allowance (charge) / release[1]	(1,177)	140	(940.7%)	(1,170)	385	(403.9%)
Net income (loss) attributable to AIG	**($4,109)**	**($2,517)**	**(63.2%)**	**($2,000)**	**($3,390)**	**41.0%**
Income (loss) per common share attributable to AIG (Diluted):						
Income (loss) from continuing operations[2]	($2.05)	($4.95)	58.6%	($2.37)	$1.11	(313.5%)
Income (loss) from discontinued operations	($0.11)	($13.58)	99.2%	$0.78	($6.16)	112.7%
After-tax operating income (loss) attributable to AIG	($1.60)	($0.84)	(90.4%)	$0.15	1.96	(92.3%)

1) Excludes the tax valuation allowance included in discontinued operations
2) 2010 Period includes consolidated results of AIA

3Q 2011 Capital Structure

($ in billions)



	4Q2010	3Q2011
Senior Financial Debt + Hybrids / Capitalization[3]	34.3%	22.6%
Senior Financial Debt / Capitalization[3]	25.5%	12.1%

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.

Chartis Results

Chartis: Operating Income

Chartis reported operating income of $442 million for the third quarter.

($ millions)	Third Quarter 2011	Third Quarter 2010	Third Quarter Change	Year-to-Date 2011	Year-to-Date 2010	Year-to-Date Change
Net premiums written	$8,659	$8,598	0.7%	26,992	24,034	12.3%
Net premiums earned	9,043	8,597	5.2%	26,727	23,971	11.5%
Claims and claims adjustment expense incurred	6,838	6,109	11.9%	21,274	17,143	24.1%
Other underwriting expenses	2,787	2,423	15.0%	8,030	7,113	12.9%
Underwriting gain (loss)	(582)	65	NM	(2,577)	(285)	NM
Net Investment Income	1,024	1,007	1.7%	3,345	3,191	4.8%
Operating income before RCG (L)	**442**	**1,072**	**(58.8%)**	**768**	**2,906**	**(73.6%)**
RCG (L)	57	(207)	127.5%	143	(12)	NM
Bargain purchase gain	-	-	NM	-	332	(100.0%)
Other Income	(1)	-	NM	(1)	-	NM
Pre-tax income	**$498**	**$865**	**(42.4%)**	**$910**	**$3,226**	**(71.8%)**
Loss Ratio	75.6	71.1		79.6	71.5	
Expense Ratio	30.8	28.2		30.0	29.7	
Combined Ratio	106.4	99.3		109.6	101.2	
Combined Ratio ex Cats	100.0	98.4		99.0	97.6	
Accident Year Combined Ratio ex Cats	99.2	96.3		98.5	97.3	
Significant Items						
Pre-tax catastrophe-related loss	605	72		2,818	863	
Reinstatement premiums related to catastrophe	(31)	-		22	10	
PY development (favorable) / unfavorable	62	168		85	77	
Returned / (additional) premiums related to PY development	(25)	(40)		(153)	18	

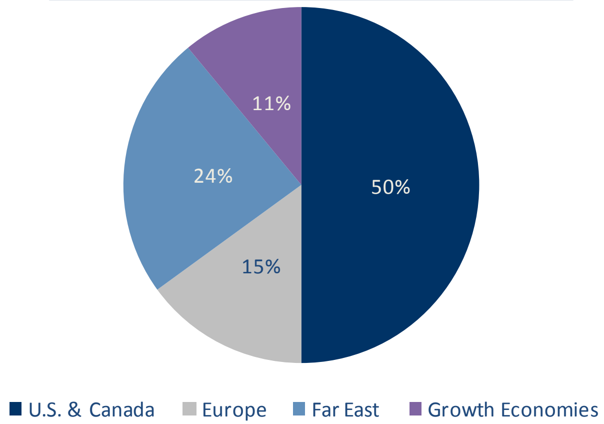
Chartis: Premiums

Chartis premiums increased 0.7% and included a 4.2% increase from foreign exchange. Growth continues in the international regions and the Consumer Insurance business.

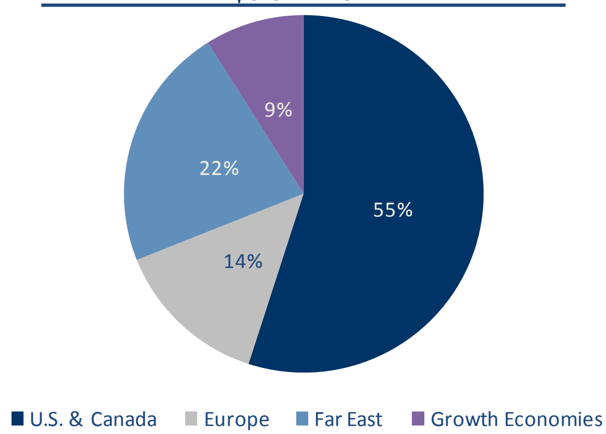
NPW ($ millions)	Third Quarter 2011	Third Quarter 2010	Third Quarter Change	Year-to-Date 2011	Year-to-Date 2010	Year-to-Date Change
U.S. Commercial	$3,543	$3,853	(8.0%)	$11,088	$10,671	3.9%
U.S. Consumer	815	847	(3.8%)	2,325	2,517	(7.6%)
International Commercial	1,750	1,482	18.1%	5,871	5,269	11.4%
International Consumer	2,550	2,376	7.3%	7,677	5,500	39.6%
Other	1	40	(97.5%)	31	77	(59.7%)
FX Impact[1]	(360)	-	NM	(775)	-	NM
Total Chartis NPW	**$8,659**	**$8,598**	**0.7%**	**$26,992**	**$24,034**	**12.3%**
Total Chartis NPW excluding FX Impacts	**$8,299**	**$8,598**	**(3.5%)**	**$26,217**	**$24,034**	**9.1%**

Increasing International Focus

Chartis 3Q 2011 NPW
$8.7 Billion



Chartis 3Q 2010 NPW
$8.6 Billion



1) Foreign exchange effect computed using a constant exchange rate for each period

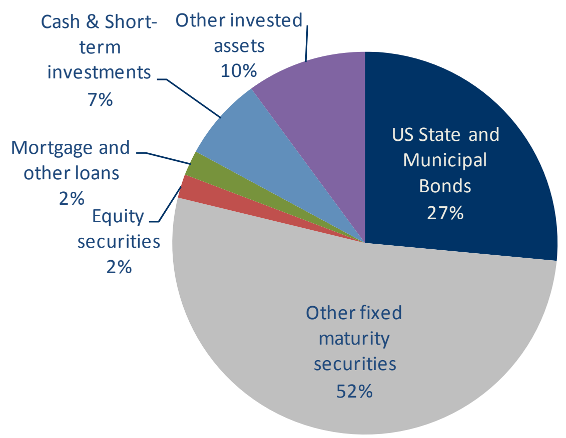
Chartis: Investments

Quarterly net investment income increased 1.7% driven by a relatively stable yield on an increased investment balance.

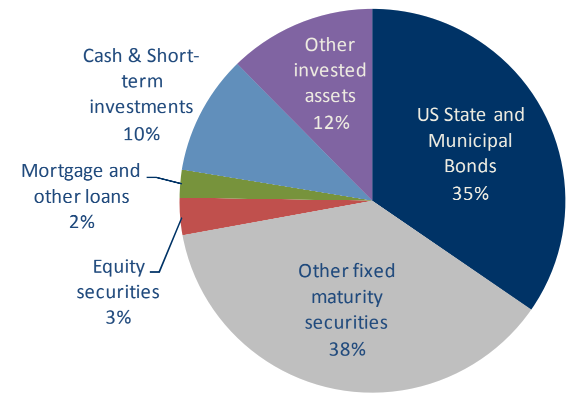
	Third Quarter			Year-to-Date		
($ millions)	2011	2010	Change	2011	2010	Change
Interest and dividend	$970	$873	11.1%	2,779	2,568	8.2%
Partnership income	55	16	243.8%	457	383	19.3%
Mutual funds	(15)	(13)	(15.4%)	35	(39)	189.7%
Other investment income	71	117	(39.3%)	243	367	(33.8%)
Investment expense	(57)	14	507.1%	(169)	(88)	(92.0%)
Net Investment Income	**$1,024**	**$1,007**	**1.7%**	**$3,345**	**$3,191**	**4.8%**
Yield	*3.3%*	*3.4%*		*5.4%*	*3.7%*	

Asset Allocation

Chartis Cash and Investments
3Q11: $128.8 Billion[1]



Chartis Cash and Investments
4Q10: $123.2 Billion[1]



1) Inclusive of intercompany balances which are eliminated in consolidation

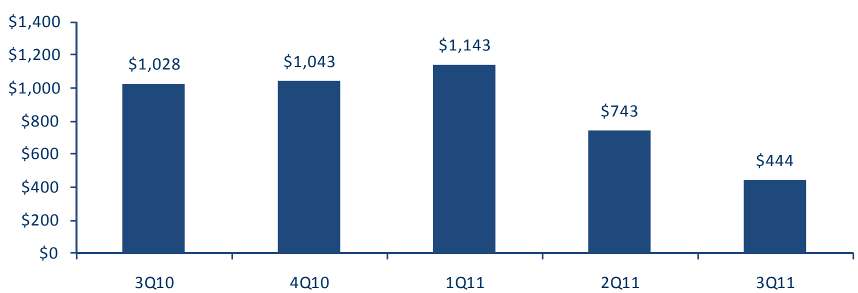
SunAmerica Financial Group Results

SunAmerica: Operating Income

SunAmerica reported operating income of $444 million in the third quarter of 2011. Variable Annuity benefits and DAC amortization increased due to the weak equity markets.

($ millions)	Third Quarter 2011	Third Quarter 2010	Third Quarter Change	Year-to-Date 2011	Year-to-Date 2010	Year-to-Date Change
Premiums, deposits and other considerations	**$5,746**	**$4,438**	**29.5%**	**$18,116**	**$14,143**	28.1%
Premiums and other considerations	591	595	(0.7%)	1,874	1,920	(2.4%)
Fee income	658	673	(2.2%)	2,024	1,978	2.3%
Net investment income	2,295	2,656	(13.6%)	7,510	7,991	(6.0%)
Revenues excluding RCG(L)	**3,544**	**3,924**	**(9.7%)**	**11,408**	**11,889**	**(4.0%)**
Policyholder benefits and claims incurred	1,190	1,007	18.2%	3,417	3,271	4.5%
Interest credited	1,134	1,125	0.8%	3,349	3,361	(0.4%)
Amortization of deferred policy acquisition costs	360	286	25.9%	1,003	909	10.3%
Non deferrable commissions	125	112	11.6%	367	344	6.7%
General operating expenses	291	366	(20.5%)	942	999	(5.7%)
Benefits and expense	**3,100**	**2,896**	**7.0%**	**9,078**	**8,884**	**2.2%**
Operating income before RCG (L) and DAC offset	**$444**	**$1,028**	**(56.8%)**	**$2,330**	**$3,005**	**(22.5%)**
RCG (L), net of related DAC amortization	(135)	(30)	(350.0%)	(306)	(1,592)	80.8%
Pre-tax income	**$309**	**$998**	**(69.0%)**	**$2,024**	**$1,413**	**43.2%**
Assets under management	**250,624**	**244,613**	**2.5%**			

SunAmerica Operating Income



Pre-tax Operating Income
3Q11: $444 Million

American General	**258**
VALIC	**111**
Western National	**20**
SunAmerica Retirement Markets	**(122)**
Brokerage Services and retail mutual funds	**-**
Other[1]	**177**

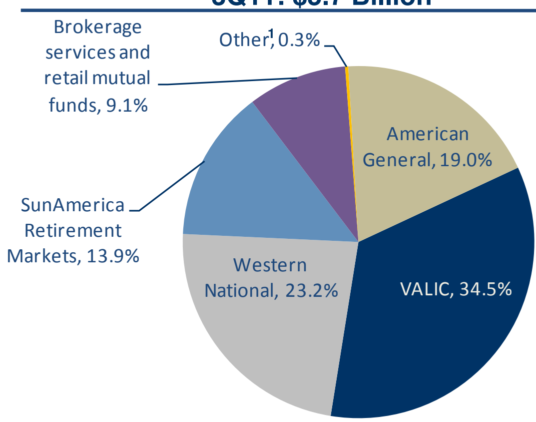
1) Other includes GICs and Individual annuities – runoff

SunAmerica: Premiums, Deposits and Other Considerations

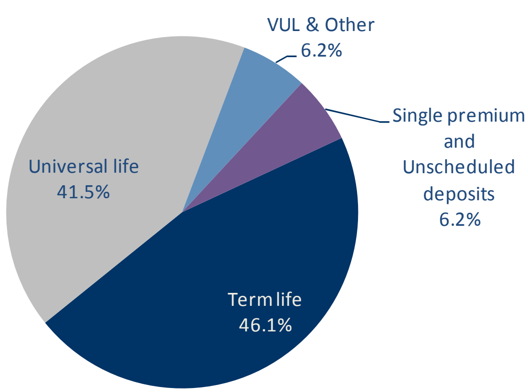
SunAmerica Premiums, Deposits and Other Considerations increased 29.5% in the third quarter driven by retirement services products. Life insurance sales increased 14.0% over the prior period.

($ millions)	Third Quarter 2011	Third Quarter 2010	Third Quarter Change	Year-to-Date 2011	Year-to-Date 2010	Year-to-Date Change
Premiums, deposits and other considerations						
American General	$1,092	$1,148	(4.9%)	$3,520	$3,787	(7.1%)
SunAmerica Retirement Markets	800	556	43.9%	2,391	1,409	69.7%
VALIC	1,982	1,580	25.4%	5,389	4,790	12.5%
Western National	1,333	896	48.8%	5,502	3,326	65.4%
Brokerage services and retail mutual funds	522	236	121.2%	1,261	767	64.4%
Other[1]	17	22	(22.7%)	53	64	(17.2%)
Premiums, Deposits and Other Considerations	**$5,746**	**$4,438**	**29.5%**	**$18,116**	**$14,143**	**28.1%**
Retail	62	54	14.8%	182	156	16.7%
Institutional	3	3	0.0%	9	27	(66.7%)
Life Insurance Sales[2]	**$65**	**$57**	**14.0%**	**$191**	**$183**	**4.4%**

Premiums, Deposits and Other Considerations
3Q11: $5.7 Billion



Life Insurance Sales
3Q11: $65 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

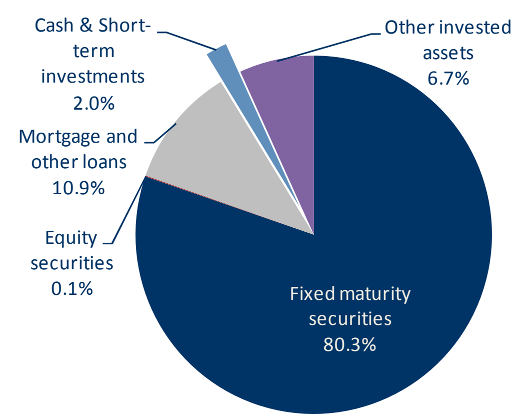
SunAmerica: Investments

SAFG third quarter net investment income declined 13.6% over the prior period primarily driven by a lower fair market valuation of the Maiden Lane II investment and lower partnership income. A prolonged low interest rate environment would continue to pressure base yields.

	Third Quarter			Year-to-Date		
($ millions)	**2011**	**2010**	**Change**	**2011**	**2010**	**Change**
Interest and dividends[1]	$2,290	$2,250	1.8%	$6,639	$6,687	(0.7%)
Maiden Lane II	(43)	156	(127.6%)	32	436	(92.7%)
Call and tender	67	111	(39.6%)	198	278	(28.8%)
Partnership income	89	137	(35.0%)	811	585	38.6%
Other	(46)	45	(202.2%)	8	127	(93.7%)
Investment expense	(62)	(43)	(44.2%)	(178)	(122)	(45.9%)
Net Investment Income	**$2,295**	**$2,656**	**(13.6%)**	**$7,510**	**$7,991**	**(6.0%)**
Yields:						
Base investment income	5.49%	5.50%		5.31%	5.52%	
Partnerships[2]	(0.11%)	(0.08%)		0.30%	0.06%	
Other enhancements[3]	(0.17%)	0.80%		0.12%	0.72%	
Total Yield	**5.21%**	**6.22%**		**5.73%**	**6.30%**	

- Sold $9.6 billion of investments year-to-date 2011 to generate capital gains
- Substantially re-invested excess cash and short-term investments
- $97 million aircraft impairment in equity method investments

SAFG Cash and Investments
3Q11: $193 Billion[4]

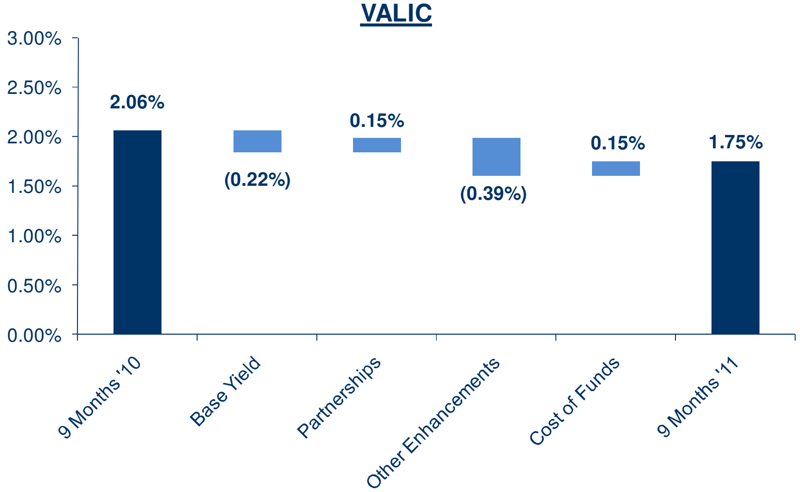


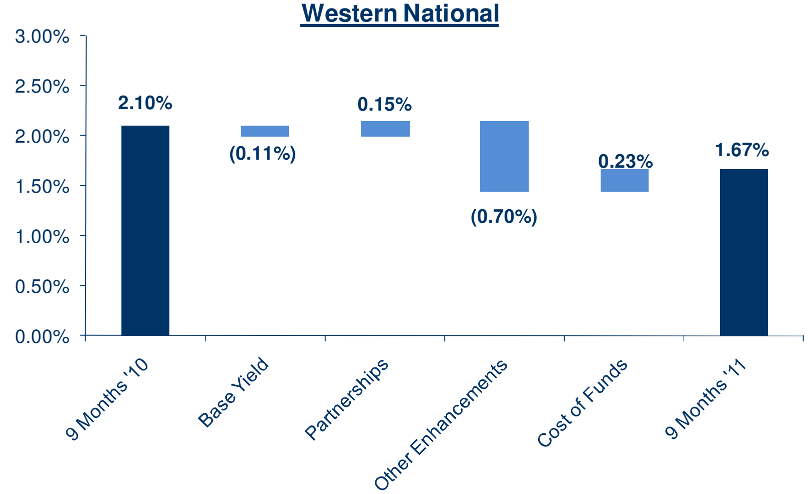
1) Excludes Maiden Lane II income
2) Includes incremental effect to base yield of investments in hedge funds and private equity funds
3) Includes incremental effect to base yield of gains on Maiden Lane II and income from calls and prepayment fees
4) Inclusive of intercompany balances which are eliminated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

SunAmerica: Net Investment Spreads

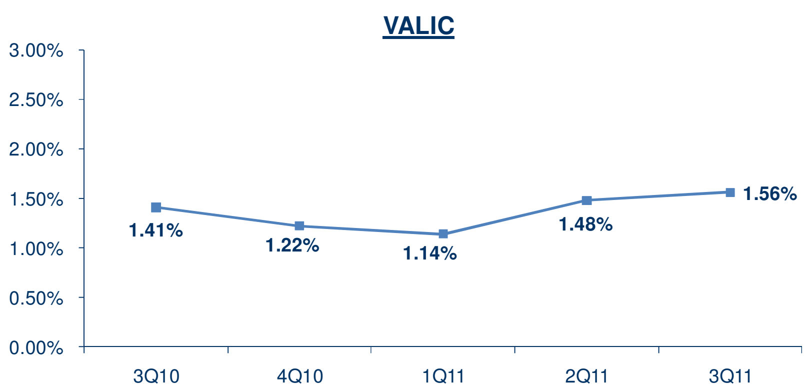
While spreads narrowed, net spread rate excluding partnerships and other enhancements increased in the third quarter.

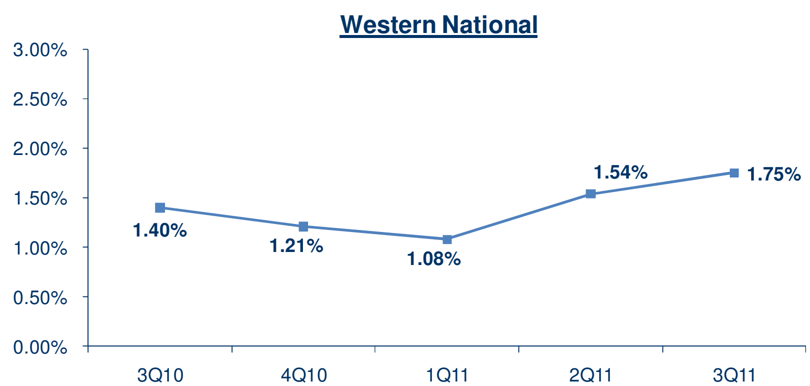
9 Months 2010 to 9 Months 2011 Change in Net Spreads





Quarterly Net Spread Rate Trend Excluding Partnerships and Other Enhancements





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

- Q3 2011 effective tax rate from continuing operations – 14.5%
  – Lower than 35% primarily due to tax exempt income, investments in partnerships, partially offset by an increase in the valuation allowance attributable to continuing operations
- Q3 2011 effective tax rate for computing After Tax Operating Income (Non-GAAP measure) – 41.1%
  – Greater than 35% (larger tax benefit) primarily due to tax exempt income and investment in partnerships
- Valuation allowance for the U.S. consolidated income tax group
  – AIG has emerged from cumulative losses in recent years during the third quarter of 2011
  – AIG's U.S. consolidated income tax group still needs to demonstrate sustainable operating profit
  – Depending on AIG's level of 2011 profitability, it is possible that the valuation allowance could be released in large part during the fourth quarter, which would materially and favorably affect net income and shareholders' equity in the period

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

Q&A