American International Group, Inc.

Conference Call Presentation
Third Quarter 2015

November 3, 2015

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Third Quarter 2015 Highlights

Continued Strategic Actions and Capital Management

Financial Overview	***After-tax operating income of $691mm ($0.52 per diluted share)*** – Market volatility impact on investment returns drives YoY comparisons – Pre-tax restructuring charge of $274 mm; plan to reduce net expenses by $1.0B - $1.5B by 2017 – Normalized ROE, ex. AOCI and DTA, of 6.9% for 9M’15 – Book value per share, ex. AOCI and DTA, of $61.91; growth of 6.3% YTD (growth adjusted for dividend increase is 6.6%)
Capital & Liquidity	– Repurchased approximately $3.7B of shares in 3Q15 (additional $602mm repurchased through the end of October 2015); $2.9B remaining under authorization at October 31, 2015 – Parent liquidity of $11.2B at September 30, 2015; insurance company distributions of $2.8B
Strategic Focus	– Reducing costs and deploying capital more efficiently – Focus on exiting businesses that lack current or realizable potential synergy with our core operations – Continuing to build capabilities in science, data, analytics and technology

AIG Consolidated Operating Financial Highlights

($ in Millions, Except per Share Amounts)	3Q14	3Q15	Inc. / Dec.
Operating revenues	**$15,476**	**$13,179**	**(15%)**
Pre-tax operating income (loss):			
Commercial Insurance:			
Property Casualty	952	569	(40%)
Mortgage Guaranty	135	162	20%
Institutional Markets	153	84	(45%)
Total Commercial Insurance	**1,240**	**815**	**(34%)**
Consumer Insurance:			
Retirement	1,094	635	(42%)
Life	50	(40)	N/M
Personal Insurance	120	62	(48%)
Total Consumer Insurance	**1,264**	**657**	**(48%)**
Total Insurance Operations	**2,504**	**1,472**	**(41%)**
Corporate and Other[1]	81	(624)	N/M
Total Pre-tax operating income	**$2,585**	**$848**	**(67%)**
After-tax operating income attributable to AIG	**$1,722**	**$691**	**(60%)**
After-tax operating income attributable to AIG per common share	**$1.19**	**$0.52**	**(56%)**
Return On Equity:			
ROE – After-tax operating income – ex. AOCI & DTA	**8.5%**	**3.5%**	
Book Value Per Common Share:			
Book value per common share	**$77.35**	**$79.40**	**3%**
Book value per common share – ex. AOCI & DTA	**$58.11**	**$61.91**	**7%**

1) Includes consolidations and eliminations.

Market Volatility Drives Year-Over-Year Operating Income Comparisons

($ in Millions)	3Q14		3Q15		After-tax	EPS
Income (Expense):	**Pre-tax**	**After-tax**	**Pre-tax**	**After-tax**	**Inc./(Dec.)**	**Impact**
Investments:						
Alternative returns[1]	$486	$316	($23)	($15)	($331)	
Fair value on PICC investments	49	32	(255)	(166)	(198)	($0.64)
Income from other assets[2]	586	381	15	10	(371)	
Other Noteworthy Items:						
Workers' compensation discount	-	-	(78)	(50)	(50)	
Update of actuarial assumptions[3]	121	78	(17)	(11)	(89)	($0.01)
Pension curtailment credit	-	-	179	116	116	
Total	**$1,242**	**$807**	**($179)**	**($116)**	**($923)**	**($0.65)**

Note: Pre-tax amounts are tax effected using a 35% tax rate and EPS impact is computed based on the average of the reported diluted weighted average shares outstanding, for the respective period.

1) Includes income from hedge funds, private equity funds and other investment partnerships.

2) Includes the results of DIB/GCM that were separately reported in 2014.

3) Represents the effect on Life and Retirement results from the review and update of certain assumptions used to amortize DAC and related items for interest-sensitive products, including life and annuity spreads, mortality rates, surrender rates and variable annuity growth rates. The update of actuarial assumptions also included adjustments to reserves for universal life with secondary guarantees, group benefit claim reserves and loss recognition for certain discontinued long-term care products.

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Progress on Financial Targets

($ in Millions, Except per Share Amounts)

Progress on Financial Targets			
Annual Targets Through 2017	**2015 Target**	**YTD Sept. 30, 2015**	**Commentary**
3–5% Reduction in Net Expenses[1]	$350 - $600	↓$523 from 9M’14	▪ Net expenses declined 5.9% from 9M’14.
~50+ bps Increase in Normalized ROE, ex. AOCI and DTA	7.6%[2]	6.9%	▪ 2015 target adjusted for the sale of AerCap shares.
10+% Growth in Book Value Per Share, ex. AOCI and DTA and Including Dividend Growth	$64.05	$62.07	▪ YTD growth of 6.6% driven by net earnings and accretion from share repurchases.

1) General operating expenses, operating basis (see non-GAAP measures in appendix).

2) The 2015 adjusted ROE target represents the initial 7.9% target reduced by the impact of 7 months of lost AerCap equity earnings following the sale of AerCap shares. The YTD 2015 actual ROE includes a 20 bps ROE contribution from AerCap earnings prior to the sale.

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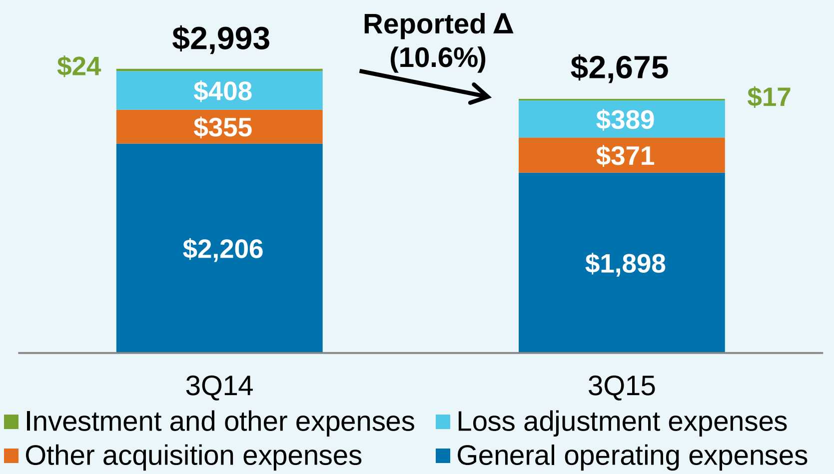
General Operating Expenses, Operating Basis

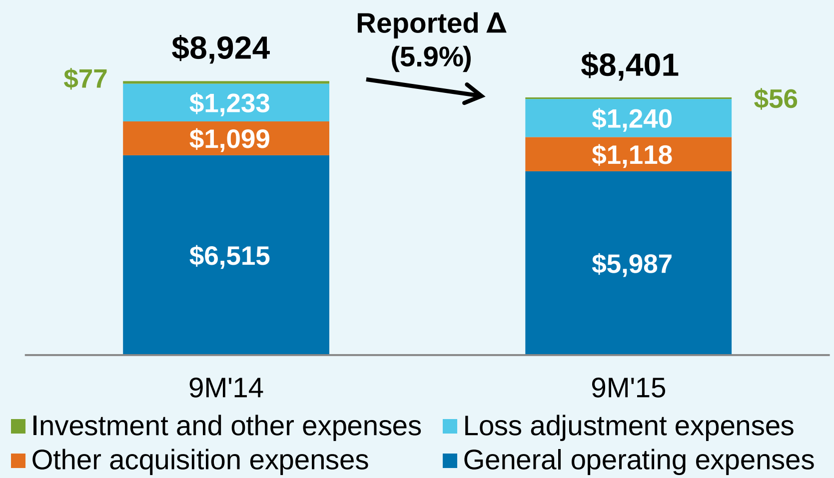
Targeting 3-5% of Annual Reduction Through 2017

General Operating Expenses, Operating Basis
($ in Millions)

Quarterly Comparison



Year-to-Date Comparison



- AIG manages expenses on a gross basis – before allocation to loss adjustment expenses, other acquisition expenses and investment and other expenses – as it provides a more meaningful indication of our operating costs.

Note: General operating expenses, operating basis (see non-GAAP measures in appendix).

Executing On Plan To Reduce Net Expenses By $1.0B - $1.5B By 2017

	Actions
Organizational Simplification	**Simplify AIG Structure:** Simplify organizational structure, consolidate activities, move back office activities to lower cost locations and shared service centers, and de-layer to realize cost savings and operational efficiencies.
	IT Architecture: Reduce the number of applications, retire older systems, and better leverage the cloud.
	Outsourcing: Outsource certain functions to improve expense flexibility and cost structure.
Operational Efficiency	**Benefits Optimization:** Align benefit offerings to market.
	Reduce Reliance on External Professional Services: Minimize the use of external consultants.
	Real Estate: Increase efficient utilization of operating locations.
	Automation: Increase the efficiency and effectiveness of business processes through enhanced automation and harnessing data.
Business Rationalization	**Portfolio Sculpting:** Optimize business strategy and efficiency through the wind-down or sale of non-scalable and lower profit businesses.
	Business Consolidation: Consolidate certain businesses and legal entities to reduce complexity, reduce structural costs, and more effectively harness market opportunities.
	Geographic Footprint: Focus the number of countries we conduct business in.

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2015 Expense Reduction Actions To Date

AIG Has Taken Action In 2015 That Will Generate Expense Savings

Organizational Simplification	+	Operational Efficiency	+	Business Rationalization	=	Expense Reductions
▪ Targeted 20%+ reduction in senior management positions ▪ Intends to announce further reductions in 2016		▪ Froze the pension plan ▪ Initiated global operating location optimization strategy		▪ Consolidated policy offerings in Japan ▪ Aligned distribution channels in the US ▪ Announced agreement to sell operations in Central America		▪ Expected to realize \$500mm - \$600mm[1] of annualized expense savings by 2017 from actions announced to date

Additional initiatives have been identified to generate additional expense savings in 2016 and 2017

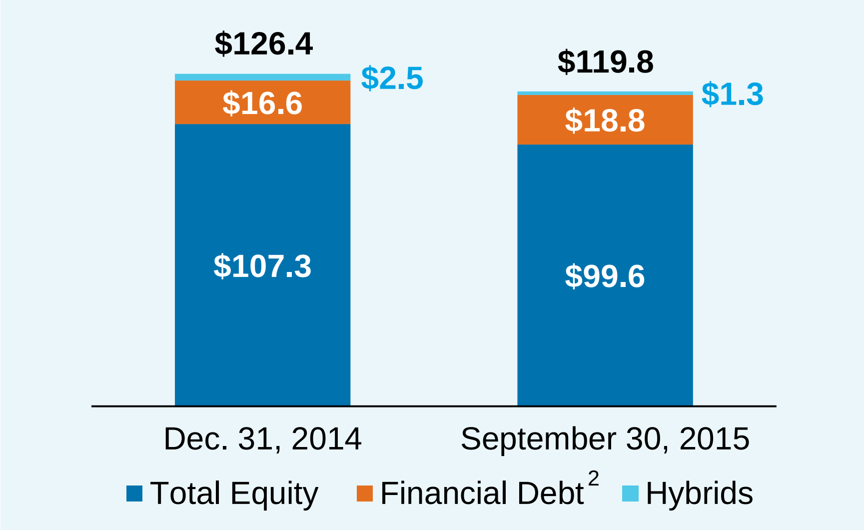
1) Includes \$100 million annual benefit from pension plan freeze.

Strong Capital Position

Returned $8.7 Billion To Shareholders Year-To-Date[1] Through Share Repurchases And Dividends

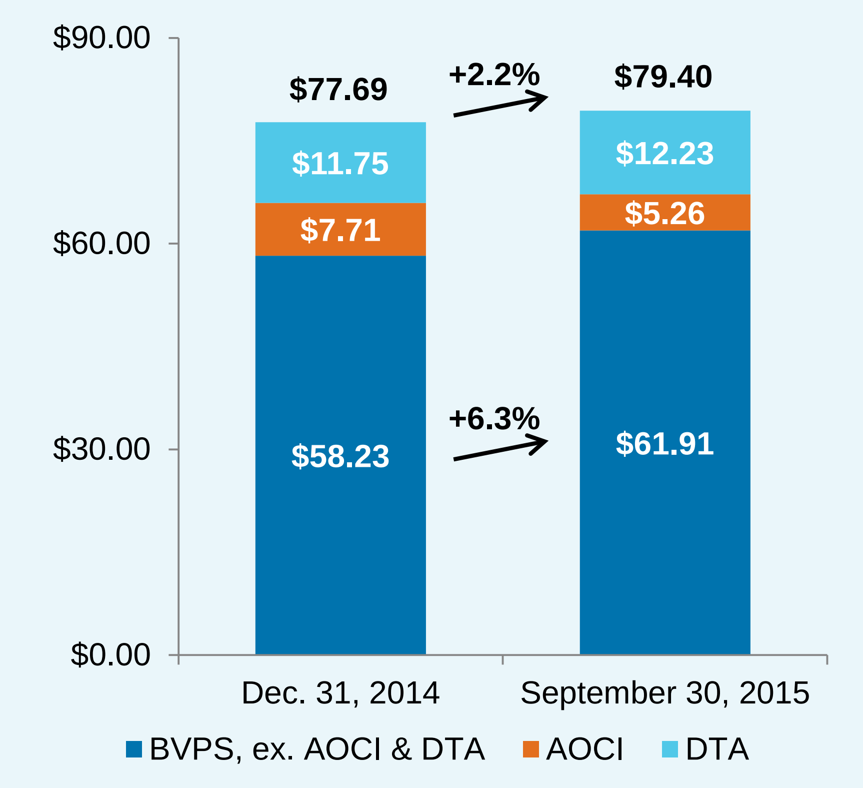
($ in Billions, Except per Share Amounts)

Capital Structure



Ratios:	Dec. 31 2014	Sept. 30 2015
Hybrids / Total capital	1.9%	1.1%
Financial debt / Total capital	13.2%	15.7%
Total debt / Total capital	15.1%	16.8%

Book Value Per Share

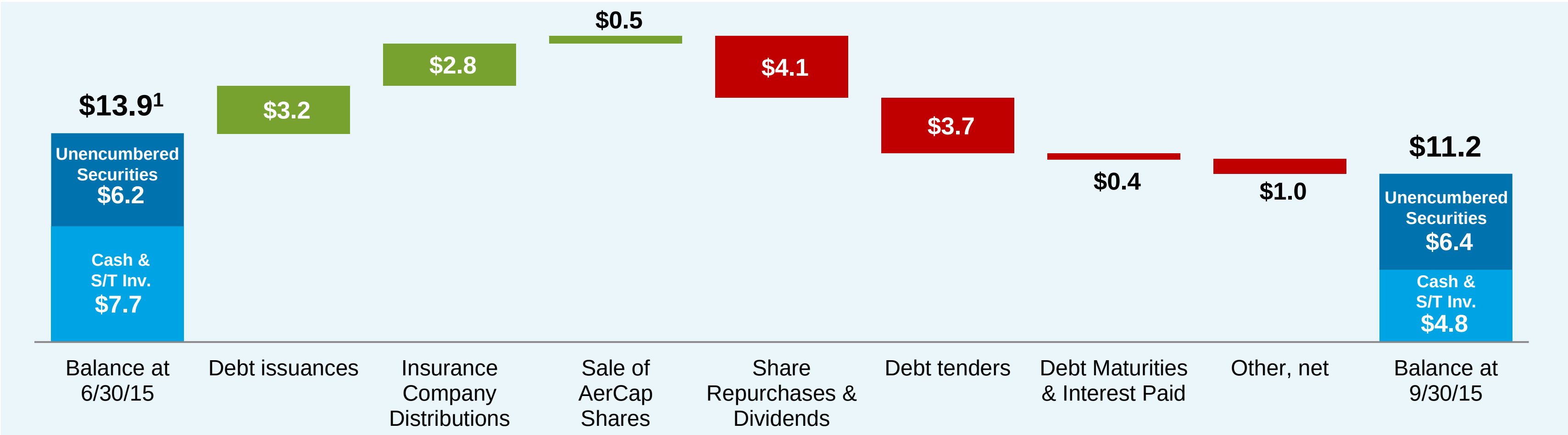


1) YTD through end of October 2015.

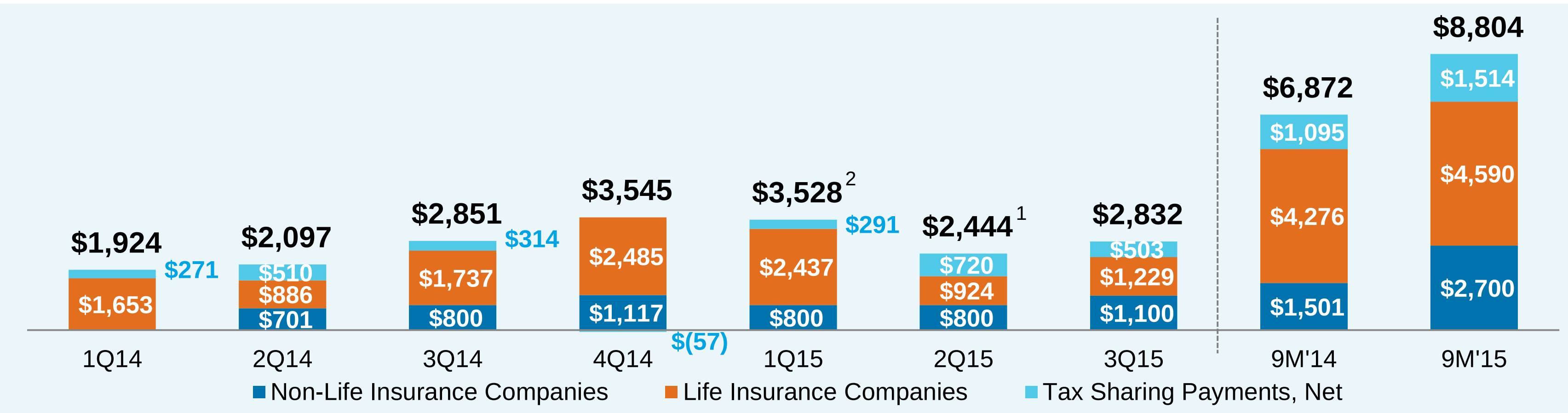
2) Includes AIG notes, bonds, loans and mortgages payable, and AIG Life Holdings, Inc. (AIGLH) notes and bonds payable, and junior subordinated debt.

Parent Liquidity – A Source of Strength

Changes in Parent Liquidity ($ in Billions)



Insurance Company Distributions ($ in Millions)



1) Revised from previous presentations to include $299 million of insurance company distributions in the form of fixed maturity securities that are now viewed as liquid securities.
2) 1Q15 includes $2.8 billion of dividends that were paid in the quarter but declared in 4Q14.

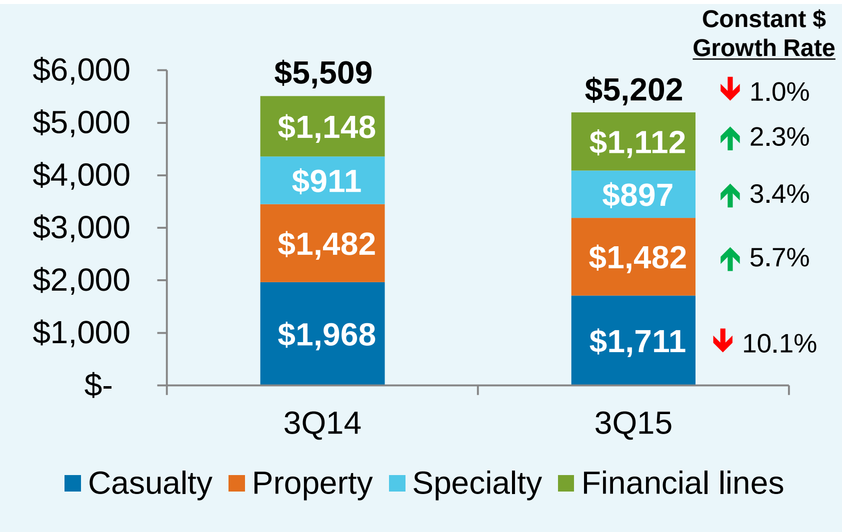
Commercial Insurance

Commercial Insurance – Property Casualty Financial Highlights

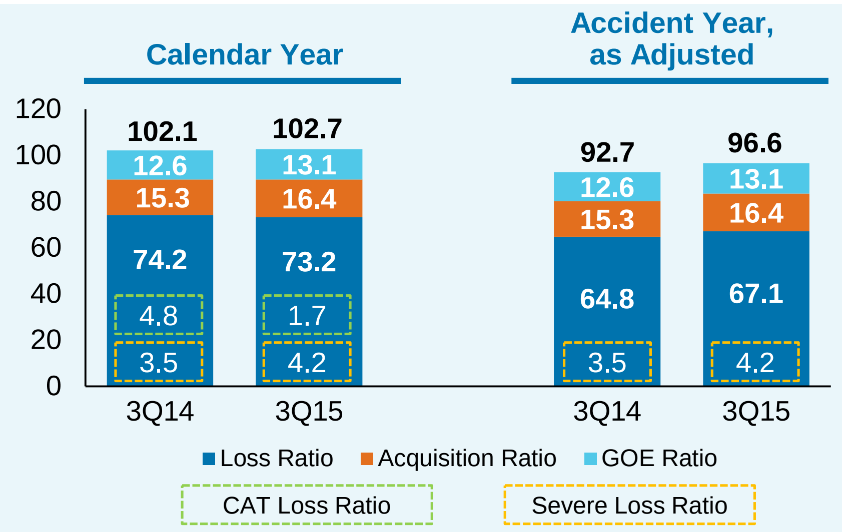
($ in Millions)	3Q14	3Q15
Net premiums written	$5,509	$5,202
Net premiums earned	5,357	5,005
Underwriting loss	(116)	(141)
Net investment income	1,068	710
Pre-tax operating income	$952	$569

- NPW, excluding the effects of FX, declined 1.0% YoY (down 5.6% on a reported basis) primarily from our strategy to enhance risk selection and optimize our product portfolio, particularly in U.S. Casualty.
- Overall rates in 3Q15 declined by 1.4% YoY.
- The accident year loss ratio, as adjusted, was driven by higher attritional and severe losses in Property and increased Commercial Auto and Healthcare losses, partially offset by improved loss experience in Specialty.
- The acquisition ratio increase was driven by higher commissions within certain lines in Specialty, as well as the impact of the NSM acquisition commencing in 2Q15.
- The GOE ratio increase YoY was due to lower earned premiums as well as the impact of the NSM acquisition.
- NII declined YoY primarily due to weaker hedge fund performance and the fair value decline of PICC P&C shares.

Net Premiums Written ($ in Millions)



Combined Ratios

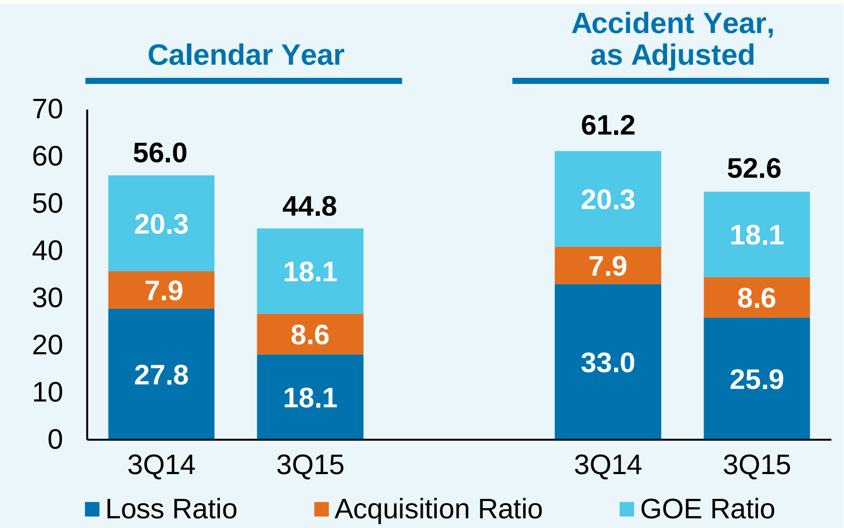


Commercial Insurance – Mortgage Guaranty Financial Highlights

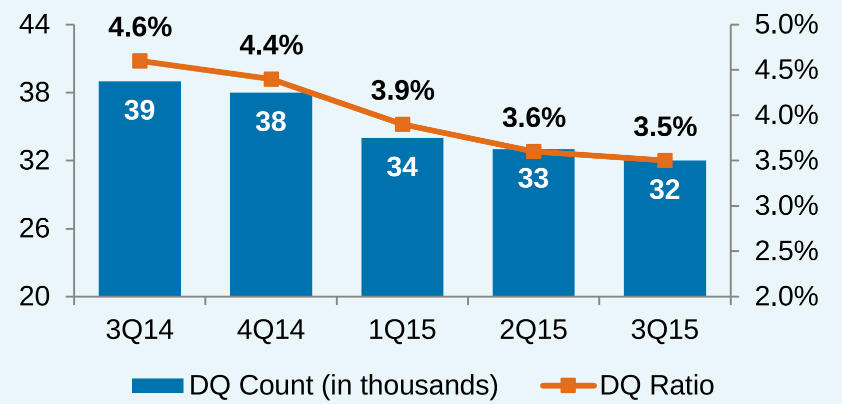
($ in Millions)	3Q14	3Q15
New insurance written[1]	$12,643	$14,483
Net premiums written	271	274
Net premiums earned	227	232
Underwriting income	100	128
Net investment income	35	34
Pre-tax operating income	$135	$162

- New insurance written growth was driven by a decrease in residential mortgage interest rates in the latter part of 2014 and increased purchase volume, which was favorably impacted by a drop in unemployment, higher existing home sales and lower down payment requirements.
- Pre-tax operating income growth reflects improved loss experience from lower delinquency rates and higher cure rates.

Combined Ratios



Primary Delinquency Trend[1]



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

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

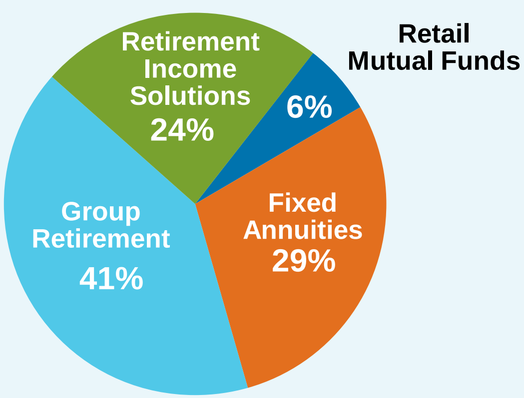
Consumer Insurance

Consumer Insurance – Retirement Financial Highlights

($ in Millions)	3Q14	3Q15
Premiums and deposits[1]	$5,863	$6,625
Premiums	67	37
Policy fees	265	261
Net investment income	1,629	1,396
Advisory fee and other income	511	509
Total operating revenues	2,472	2,203
Benefits and expenses	1,378	1,568
Pre-tax operating income	$1,094	$635
Noteworthy Items:		
Update of actuarial assumptions	$256	$140

- Premiums and deposits increased 13%, driven by increased sales of Fixed Annuities, Index Annuities, Retail Mutual Funds, and Group Retirement products.
- The decline in pre-tax operating income reflects lower alternative investment performance and lower base portfolio income from lower reinvestment rates. Additionally, the update of actuarial assumptions resulted in a lower positive adjustment to pre-tax operating income by $116 million.

Assets Under Management
September 30, 2015 – $220.3 Billion

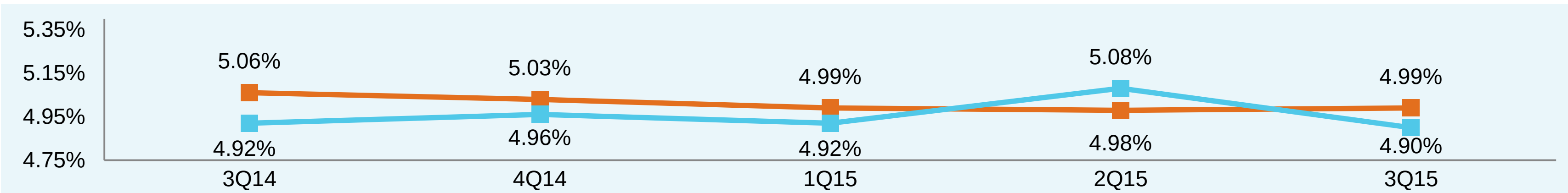


- Assets under management of $220.3B at September 30, 2015 decreased $4.6B from September 30, 2014, as a result of lower separate account investment performance and the fair value impact on fixed maturity securities from the widening of credit spreads, partially offset by positive net flows from Variable and Index annuities.

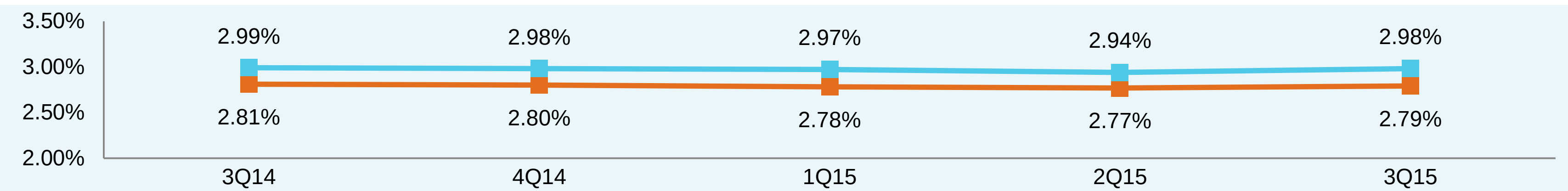
1) Excludes activity related to closed blocks of fixed and variable annuities.

Consumer Insurance – Retirement – Base Yields and Spreads

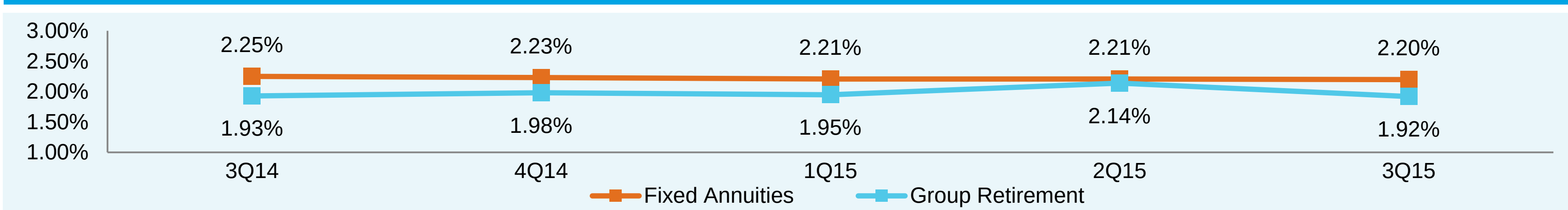
Base Yields[1]



Cost of Funds[2]



Base Net Investment Spreads[1]



- The trend in base yields reflects the reinvestment of cash flows at yields lower than the overall portfolio rate. The Group Retirement 2Q15 base yield and net investment spread included a one-time accretion adjustment on a U.S. Treasury Strip Bond.

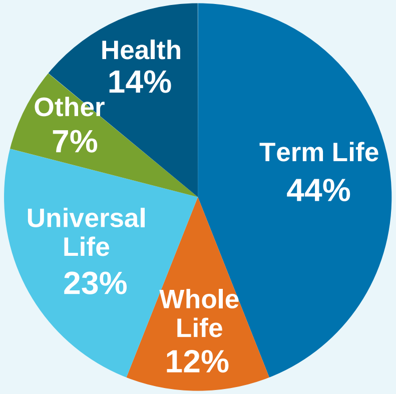
1) Annualized return on base portfolio.
2) Excludes the amortization of sales inducement assets.

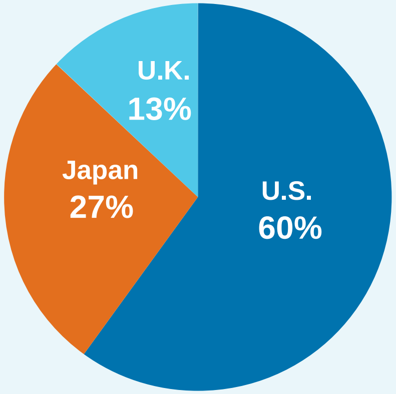
Consumer Insurance – Life Financial Highlights

($ in Millions)	3Q14	3Q15
Premiums and deposits	$1,163	$1,223
Premiums	655	675
Policy fees	370	392
Net investment income	550	496
Other income[1]	-	15
Total operating revenues	1,575	1,578
Benefits and expenses	1,525	1,618
Pre-tax operating income (loss)	$50	($40)
Noteworthy Items:		
Update of actuarial assumptions	($135)	($157)

- Excluding the effect of FX, Life premiums and deposits increased 8% YoY (5% on a reported basis) primarily due to the acquisition of AIG Life Limited and growth in Japan.
- The decline in pre-tax operating income primarily reflected lower alternative investment performance, mortality experience that was within pricing expectations, but less favorable than the prior-year period and updated actuarial assumptions.
- Benefits and expenses increased compared to 3Q14 primarily due to international growth from acquisitions.

3Q15 New Business Sales
$110 Million





- Life insurance new product sales continue to reflect the balance and diversification of new business from a geographic and product portfolio perspective.
- New business sales in the U.S. are from universal and term life. Japan sales consist of whole life, health and savings products. U.K. sales are primarily term life.
- Life insurance in force increased 10% from a year ago, primarily due to the acquisition of AIG Life Limited.

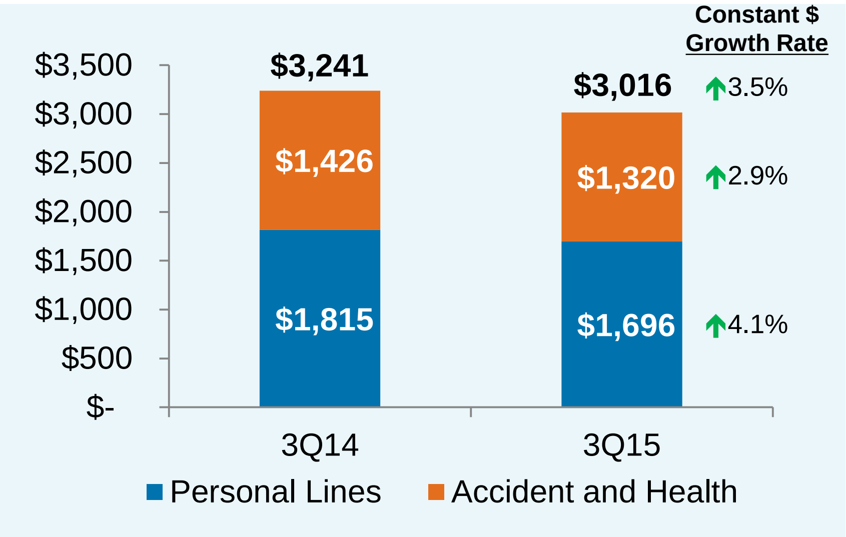
1) Other income primarily related to commission and profit sharing revenues received by Laya Healthcare from the distribution of insurance products.

Consumer Insurance – Personal Insurance Financial Highlights

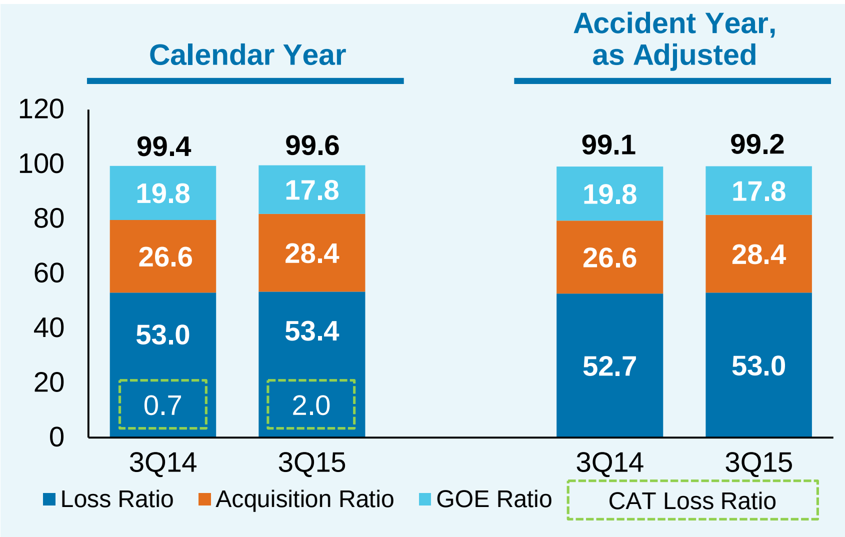
($ in Millions)	3Q14	3Q15
Net premiums written	$3,241	$3,016
Net premiums earned	3,059	2,819
Underwriting income	16	10
Net investment income	104	52
Pre-tax operating income	$120	$62

- Personal Insurance NPW, excluding the effects of FX, increased 3.5% (down 6.9% on a reported basis) driven by growth across all products, partially offset by reductions in Warranty Service Programs.
- The decline in underwriting income reflects a modestly higher accident year loss ratio, as adjusted, from higher Auto and U.S. Property losses, as well as higher catastrophe losses, which were partially offset by favorable prior year reserve development.
- The slight decrease in the expense ratio primarily reflects higher acquisition costs, which was more than offset by lower general operating costs reflecting the timing of investment in strategic initiatives together with an ongoing focus on cost efficiency.
- The decline in net investment income reflected lower allocated net investment income and a decline in alternative investment income.

Net Premiums Written ($ in Millions)



Combined Ratios



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Q&A

Appendix – Non-GAAP Reconciliations

Glossary of Non-GAAP Financial Measures

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We use the following operating performance measures because we believe they enhance the understanding of the underlying profitability of continuing operations and trends of our business segments. We believe they also allow for more meaningful comparisons with our insurance competitors. When we use these measures, reconciliations to the most comparable GAAP measure are provided, on a consolidated basis.

- **Operating revenue** excludes Net realized capital gains (losses), Aircraft leasing revenues, income from non-operating litigation settlements (included in Other income for GAAP purposes) and changes in fair values of fixed maturity securities designated to hedge living benefit liabilities, net of interest expense (included in Net investment income for GAAP purposes).
- **Book Value Per Share Excluding Accumulated Other Comprehensive Income (AOCI), Book Value Per Share Excluding AOCI and Deferred Tax Assets (DTA) and Book Value Per Share Excluding AOCI and DTA and Including Dividend Growth** are used to show the amount of our net worth on a per-share basis. We believe these measures are useful to investors because they eliminate the effect of non-cash items that can fluctuate significantly from period to period, including changes in fair value of our available for sale securities portfolio, foreign currency translation adjustments and U.S. tax attribute deferred tax assets. Deferred tax assets represent U.S. tax attributes related to net operating loss carryforwards and foreign tax credits. Amounts are estimates based on projections of full year attribute utilization. Book Value Per Share Excluding AOCI is derived by dividing Total AIG shareholders' equity, excluding AOCI, by Total common shares outstanding. Book Value Per Share Excluding AOCI and DTA is derived by dividing Total AIG shareholders' equity, excluding AOCI and DTA, by Total common shares outstanding. Book Value Per Share Excluding AOCI and DTA and including dividend growth is derived by dividing Total AIG shareholders' equity, excluding AOCI and DTA and including growth in dividends to shareholders, by Total common shares outstanding.
- **After-tax operating income attributable to AIG** is derived by excluding the following items from net income attributable to AIG:
  - deferred income tax valuation allowance releases and charges;
  - changes in fair value of fixed maturity securities designated to hedge living benefit liabilities (net of interest expense);
  - changes in benefit reserves and deferred policy acquisition costs (DAC), value of business acquired (VOBA), and sales inducement assets (SIA) related to net realized capital gains and losses;
  - other income and expense — net, related to Corporate and Other run-off insurance lines;
  - loss on extinguishment of debt;
  - net realized capital gains and losses;
  - non-qualifying derivative hedging activities, excluding net realized capital gains and losses;
  - income or loss from discontinued operations;
  - income and loss from divested businesses, including:
    - gain on the sale of International Lease Finance Corporation (ILFC); and
    - certain post-acquisition transaction expenses incurred by AerCap Holdings N.V. (AerCap) in connection with its acquisition of ILFC and the difference between expensing AerCap's maintenance rights assets over the remaining lease term as compared to the remaining economic life of the related aircraft and related tax effects;
  - legacy tax adjustments primarily related to certain changes in uncertain tax positions and other tax adjustments;
  - non-operating litigation reserves and settlements;
  - reserve development related to non-operating run-off insurance business; and
  - restructuring and other costs related to initiatives designed to reduce operating expenses, improve efficiency and simplify our organization.
- **Return on Equity – After-tax Operating Income Excluding AOCI and Return on Equity – After-tax Operating Income Excluding AOCI and DTA** are used to show the rate of return on shareholders' equity. We believe these measures are useful to investors because they eliminate the effect of non-cash items that can fluctuate significantly from period to period, including changes in fair value of our available for sale securities portfolio, foreign currency translation adjustments and U.S. tax attribute deferred tax assets. Deferred tax assets represent U.S. tax attributes related to net operating loss carryforwards and foreign tax credits. Amounts are estimates based on projections of full year attribute utilization. Return on Equity – After-tax Operating Income Excluding AOCI is derived by dividing actual or annualized after-tax operating income attributable to AIG by average AIG shareholders' equity, excluding average AOCI. Return on Equity – After-tax Operating Income Excluding AOCI and DTA is derived by dividing actual or annualized after-tax operating income attributable to AIG, by average AIG shareholders' equity, excluding average AOCI and DTA.

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Glossary of Non-GAAP Financial Measures (continued)

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- **Normalized Return on Equity, Excluding AOCI and DTA** further adjusts Return on Equity – After-tax Operating Income, excluding AOCI and DTA for the effects of certain volatile or market related items. Normalized Return on Equity, Excluding AOCI and DTA is derived by excluding the following tax adjusted effects from Return on Equity – After-tax Operating Income, Excluding AOCI and DTA:
  - Catastrophe losses compared to expectations
  - Alternative investment returns compared to expectations
  - DIB/GCM returns compared to expectations
  - Fair value changes on PICC investments
  - Update of actuarial assumptions
  - Net reserve discount change
  - Life insurance IBNR death claim charge
  - Prior year loss reserve development
- **General operating expenses, operating basis,** is derived by making the following adjustments to general operating and other expenses: include (i) loss adjustment expenses, reported as policyholder benefits and losses incurred and (ii) certain investment and other expenses reported as net investment income, and exclude (i) advisory fee expenses, (ii) non-deferrable insurance commissions, (iii) direct marketing and acquisition expenses, net of deferrals, (iv) non-operating litigation reserves and (v) other expense related to a retroactive reinsurance agreement. We use general operating expenses, operating basis, because we believe it provides a more meaningful indication of our ordinary course of business operating costs.

Commercial Insurance: Property Casualty and Mortgage Guaranty; Consumer Insurance: Personal Insurance

- **Pre-tax operating income:** includes both underwriting income and loss and net investment income, but excludes net realized capital gains and losses, other income and expense — net and non-operating litigation reserves and settlements. Underwriting income and loss is derived by reducing net premiums earned by losses and loss adjustment expenses incurred, acquisition expenses and general operating expenses.
- **Ratios:** We, along with most property and casualty insurance companies, use the loss ratio, the expense ratio and the combined ratio as measures of underwriting performance. These ratios are relative measurements that describe, for every $100 of net premiums earned, the amount of losses and loss adjustment expenses, and the amount of other underwriting expenses that would be incurred. A combined ratio of less than 100 indicates underwriting income and a combined ratio of over 100 indicates an underwriting loss. The underwriting environment varies across countries and products, as does the degree of litigation activity, all of which affect such ratios. In addition, investment returns, local taxes, cost of capital, regulation, product type and competition can have an effect on pricing and consequently on profitability as reflected in underwriting income and associated ratios.
- **Accident year loss and combined ratios, as adjusted:** both the accident year loss and combined ratios, as adjusted, exclude catastrophe losses and related reinstatement premiums, prior year development, net of premium adjustments, and the impact of reserve discounting. Catastrophe losses are generally weather or seismic events having a net impact in excess of $10 million each.

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Glossary of Non-GAAP Financial Measures (continued)

Commercial Insurance: Institutional Markets; Consumer Insurance: Retirement and Life

- **Pre-tax operating income** is derived by excluding the following items from pre-tax income:
  - changes in fair values of fixed maturity securities designated to hedge living benefit liabilities (net of interest expense);
  - net realized capital gains and losses;
  - changes in benefit reserves and DAC, VOBA and SIA related to net realized capital gains and losses;
  - non-operating litigation reserves and settlements
- **Premiums and deposits:** includes direct and assumed amounts received and earned on traditional life insurance policies, group benefit policies and life-contingent payout annuities, as well as deposits received on universal life, investment-type annuity contracts and mutual funds.

Corporate and Other

- **Pre-tax operating income and loss** is derived by excluding the following items from pre-tax income and loss:
  - loss on extinguishment of debt
  - net realized capital gains and losses
  - changes in benefit reserves and DAC, VOBA and SIA related to net realized capital gains and losses
  - income and loss from divested businesses, including Aircraft Leasing
  - net gain or loss on sale of divested businesses, including:
    - gain on the sale of ILFC and
    - certain post-acquisition transaction expenses incurred by AerCap in connection with its acquisition of ILFC and the difference between expensing AerCap's maintenance rights assets over the remaining lease term as compared to the remaining economic life of the related aircraft and our share of AerCap's income taxes
  - non-operating litigation reserves and settlements
  - reserve development related to non-operating run-off insurance business
  - restructuring and other costs related to initiatives designed to reduce operating expenses, improve efficiency and simplify our organization.

Results from discontinued operations are excluded from all of these measures.

Acronyms

- **YTD** – Year-to-date
- **YoY –** Year-over-year
- **NPW –** Net premiums written
- **AUM –** Assets under management
- **FX –** Foreign exchange
- **AOCI –** Accumulated other comprehensive income
- **DTA –** Deferred tax assets
- **PYD –** Prior year loss reserve development

Non-GAAP Reconciliation – Premiums and Deposits, Operating Revenues, and General Operating Expenses

Premiums and Deposits ($ in Millions)	Institutional Markets 3Q14	Institutional Markets 3Q15	Retirement 3Q14	Retirement 3Q15	Life 3Q14	Life 3Q15
Premiums and Deposits	$2,840	$159	$5,863	$6,625	$1,163	$1,223
Deposits	(2,725)	(33)	(5,822)	(6,542)	(366)	(369)
Other	(7)	(11)	26	(46)	(142)	(179)
Premiums	$108	$115	$67	$37	$655	$675

Total Operating Revenues (In Millions)	3Q14	3Q15
Total operating revenues	**$15,476**	**$13,179**
Reconciling Items:		
Changes in fair values of fixed maturity securities designated to living benefit liabilities, net of interest expense	32	4
Net realized capital gains (losses)	536	(342)
Non-operating litigation reserves and settlements	653	-
Other	-	(19)
Total revenues	**$16,697**	**$12,822**

($ in Millions)	3Q14	3Q15	9M'14	9M'15
Total general operating expenses, Operating basis	**$2,993**	**$2,675**	**$8,924**	**$8,401**
Loss adjustment expenses, reported as policyholder benefits and losses incurred	(408)	(389)	(1,233)	(1,240)
Advisory fee expenses	338	339	986	1,012
Non-deferrable insurance commissions	130	123	376	377
Direct marketing and acquisition expenses, net of deferrals	105	200	367	441
Investment expenses reported as net investment income	(24)	(17)	(77)	(56)
Total general operating and other expenses included in pre-tax operating income	**3,134**	**2,931**	**9,343**	**8,935**
Restructuring and other costs	-	274	-	274
Non-operating litigation reserves	17	(30)	546	5
Total general operating and other expenses, GAAP basis	**$3,151**	**$3,175**	**$9,889**	**$9,214**

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Non-GAAP Reconciliation –
Pre-tax and After-tax Operating Income

Pre-tax and After-tax Operating Income (In Millions, Except Per Share Data)	3Q14	3Q15
Pre-tax income from continuing operations	$3,019	($115)
Adjustments to arrive at Pre-tax operating income:		
Changes in fair values of fixed maturity securities designated to hedge living benefit liabilities, net of interest expense	(32)	(4)
Changes in benefit reserves and DAC, VOBA and SIA related to net realized capital gains (losses)	45	2
Loss on extinguishment of debt	742	346
Net realized capital (gains) losses	(536)	342
(Income) loss from divested businesses	(17)	3
Non-operating litigation reserves and settlements	(636)	(30)
Reserve development related to non-operating run-off insurance business	-	30
Restructuring and other costs	-	274
Pre-tax operating income	**$2,585**	**$848**
Net income attributable to AIG	**$2,192**	**($231)**
Adjustments to arrive at After-tax operating income (amounts net of tax):		
Uncertain tax positions and other tax adjustments	(25)	233
Deferred income tax valuation allowance releases	(21)	8
Changes in fair values of fixed maturity securities designated to hedge living benefit liabilities, net of interest expense	(21)	(3)
Changes in benefit reserves and DAC, VOBA and SIA related to net realized capital gains (losses)	29	2
Loss on extinguishment of debt	482	225
Net realized capital (gains) losses	(301)	262
(Income) loss from discontinued businesses	(2)	17
(Income) loss from divested businesses	(42)	1
Non-operating litigation reserves and settlements	(569)	(20)
Reserve development related to non-operating run-off insurance business	-	20
Restructuring and other costs	-	177
After-tax operating income	**$1,722**	**$691**
After-tax operating income per diluted share	**$1.19**	**$0.52**

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Non-GAAP Reconciliation – Book Value Per Share and Return On Equity

Book Value Per Common Share ($ in Millions, Except Per Share Data)	Sept. 30, 2014	Dec. 31, 2014	Sept. 30, 2015
Total AIG shareholders' equity (a)	$108,581	$106,898	$98,999
Less: Accumulated other comprehensive income (AOCI)	(11,331)	(10,617)	(6,557)
Total AIG shareholders' equity, excluding AOCI (b)	97,250	96,281	92,442
Less: Deferred tax assets (DTA)*	(15,682)	(16,158)	(15,252)
Total AIG shareholders' equity, excluding AOCI and DTA (c)	$81,568	$80,123	$77,190
Total common shares outstanding (d)	**1,403.8**	**1,375.9**	**1,246.8**
Book value per share (a÷d)	$77.35	$77.69	$79.40
Book value per share, excluding AOCI (b÷d)	$69.28	$69.98	$74.14
Book value per share, excluding AOCI and DTA (c÷d)	$58.11	$58.23	$61.91
Add: Dividend growth			$0.16
Book value per share, excluding AOCI and DTA and including dividend growth			$62.07

Return On Equity (ROE) Computations ($ in Millions)	3Q14	3Q15
Actual or annualized net income attributable to AIG (a)	$8,768	($924)
Actual or annualized after-tax operating income (b)	$6,888	$2,764
Average AIG shareholders' equity (c)	108,371	101,629
Less: Average AOCI	(11,421)	(7,089)
Average AIG shareholders' equity, excluding average AOCI (d)	96,950	94,540
Less: Average DTA	(15,790)	(15,271)
Average AIG shareholders' equity, excluding average AOCI and DTA (e)	**$81,160**	**$79,269**
ROE (a÷c)	8.1%	(0.9%)
ROE – after-tax operating income, excluding AOCI (b÷d)	7.1%	2.9%
ROE – after-tax operating income, excluding AOCI and DTA (b÷e)	8.5%	3.5%

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

	Property Casualty		Mortgage Guaranty		Personal Insurance	
Accident Year Combined Ratio, As Adjusted	**3Q14**	**3Q15**	**3Q14**	**3Q15**	**3Q14**	**3Q15**
Loss ratio	74.2	73.2	27.8	18.1	53.0	53.4
Catastrophe losses and reinstatement premiums	(4.8)	(1.7)	N/M	N/M	(0.7)	(2.0)
Prior year development net of premium adjustments	(4.9)	(3.6)	5.2	7.8	0.4	1.6
Net reserve discount benefit (change)	0.3	(0.8)	N/M	N/M	N/M	N/M
Accident year loss ratio, as adjusted	64.8	67.1	33.0	25.9	52.7	53.0
Acquisition ratio	15.3	16.4	7.9	8.6	26.6	28.4
General operating expense ratio	12.6	13.1	20.3	18.1	19.8	17.8
Expense ratio	27.9	29.5	28.2	26.7	46.4	46.2
Combined ratio	102.1	102.7	56.0	44.8	99.4	99.6
Catastrophe losses and reinstatement premiums	(4.8)	(1.7)	N/M	N/M	(0.7)	(2.0)
Prior year development net of premium adjustments	(4.9)	(3.6)	5.2	7.8	0.4	1.6
Net reserve discount benefit (charge)	0.3	(0.8)	N/M	N/M	N/M	N/M
Accident year combined ratio, as adjusted	92.7	96.6	61.2	52.6	99.1	99.2

Non-GAAP Reconciliation – Normalized ROE, Ex. AOCI & DTA*

	9M'15			3Q15		
	Pre-tax	After-tax	ROE	Pre-tax	After-tax	ROE
As reported	**$6,243**	**$4,275**	**7.1%**	**$848**	**$691**	**3.5%**
Adjustments to arrive at Normalized ROE, ex. AOCI & DTA:						
Catastrophe losses below expectations	(669)	(435)	(0.7%)	(513)	(333)	(1.7%)
Worse than expected alternative returns	138	90	0.2%	458	298	1.5%
(Better) worse than expected DIB & GCM returns	(117)	(76)	(0.1%)	254	165	0.8%
Fair value changes on PICC investments	(21)	(14)	(0.0%)	257	167	0.8%
Update of actuarial assumptions[1]	17	11	0.0%	17	11	0.1%
Net reserve discount charge	(157)	(102)	(0.2%)	78	50	0.3%
Unfavorable prior year loss reserve development	555	361	0.6%	191	124	0.6%
Normalized ROE, ex. AOCI & DTA	**$5,989**	**$4,110**	**6.9%**	**$1,590**	**$1,173**	**5.9%**

Note: Normalizing adjustments are tax effected using a 35% tax rate and computed based on average shareholders' equity, excluding AOCI and DTA, for the respective period.

1) Represents the effect on Life and Retirement results from the review and update of certain assumptions used to amortize DAC and related items for interest-sensitive products, including life and annuity spreads, mortality rates, surrender rates and variable annuity growth rates. The update of actuarial assumptions also included adjustments to reserves for universal life with secondary guarantees, group benefit claim reserves and loss recognition for certain discontinued long-term care products.

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