American International Group, Inc.
Fourth Quarter 2010 Results
Conference Call Presentation

February 25, 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 contain projections and other forward-looking statements concerning financial information and statements concerning future economic performance and events, plans and objectives relating to management, operations, products and services, and assumptions underlying these projections and statements. These projections and statements are not historical facts but instead represent only AIG's belief regarding future events, many of which, by their nature, are inherently uncertain and outside AIG's control. It is possible that AIG's actual results and financial condition may differ, possibly materially, from the anticipated results and financial condition indicated in these projections and statements. Factors that could cause AIG's actual results to differ, possibly materially, from those in the specific projections and statements include actions by credit rating agencies, change in market conditions, the occurrence of catastrophic events, significant legal proceedings, concentrations in AIG's investment portfolios, including its municipal bond portfolio, judgments concerning casualty insurance underwriting and reserves, judgments concerning the recognition of deferred tax assets, and such other factors as discussed in Part I, Item 1A. Risk Factors and in Part II, Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations of 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 such obligations) to update or alter any projection or other statement whether as a result of new information, future events or otherwise.

This document and the remarks made on the conference call may also contain certain non-GAAP financial measures. The reconciliation of such measures to the most comparable GAAP figures in accordance with Regulation G are included in the Fourth Quarter 2010 Financial Supplement available in the Investor Information section of AIG's corporate website, www.aigcorporate.com, or herein.

Agenda

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

Overview

Robert H. Benmosche
President and Chief Executive Officer

AIG

Earnings Highlights

($ millions, except earnings per share)	Fourth Quarter 2010	Fourth Quarter 2009	Fourth Quarter Change	Full Year 2010	Full Year 2009	Full Year Change
Revenues	$21,083	$18,784	12.2%	$77,301	$75,352	2.6%
Income (loss) from continuing operations	9,673	(8,086)	NM	12,077	(12,818)	NM
Income (loss) from discontinued operations	2,037	(924)	NM	(2,064)	505	NM
Net income (loss)	11,710	(9,010)	NM	10,013	(12,313)	NM
Net income (loss) attributable to AIG	**$11,176**	**($8,873)**	NM	**$7,786**	**($10,949)**	NM
After-tax operating income (loss) attributable to AIG	**($2,214)**	**($1,337)**	**(65.6%)**	**($898)**	**($781)**	**(15.0%)**
Income (loss) per common share attributable to AIG (Diluted):						
Income (loss) from continuing operations	$13.60	($58.51)	NM	$14.75	($93.69)	NM
Income (loss) from discontinued operations	$3.00	($7.00)	NM	($3.15)	$3.21	NM
After-tax operating income (loss) attributable to AIG	($15.99)	($9.87)	(62.0%)	($6.57)	($15.35) [1]	57.2%

1) Full year 2009 per share amounts reflect accumulated but unpaid dividends on Series D Preferred Stock and warrants issued upon exchange for Series E Preferred Stock

Recent Accomplishments

September 2008 – 2010 Restructuring and Recapitalization	Today

September 2008 – 2010
Restructuring and Recapitalization

- ✓ Stabilized businesses
- ✓ Undertook unprecedented divesture program
  - – Generated proceeds of over $57 bn through 33 business divestitures[1]
- ✓ Repaid FRBNY 2 years ahead of schedule
- ✓ Restructured government support
- ✓ De-risked and deleveraged
  - – Dramatic reduction in operating and financial leverage
  - – Wind-down of AIGFP portfolios
  - – Unwind of securities lending portfolio

Today

- ✓ Simplified capital structure and strengthened balance sheet
- ✓ Stabilized credit ratings
- ✓ Simplified portfolio of businesses
- ✓ Re-established insurance companies' dividend paying ability
- ✓ Re-established access to bank and credit markets

AIG is poised to return to profitable growth and improved returns

1) Net proceeds from divestiture of AIG businesses includes cash and securities received as consideration, net of transaction expenses and capital retained in subsidiaries. Excludes assets and real estate sales. Includes the value of AIG's remaining stake in AIA shares, as of 10/29/10.

AIG

Revitalized Business Positioned for Growth

- **Strong Operations**

CHARTIS

ILFC

SunAmerica Financial Group

UNITED GUARANTY.

- **Enhanced Enterprise Risk Management**
  - Developing sound and comprehensive tools to enhance value while supporting business growth in each of AIG's operations

- **Improved Employee Morale**
  - September 2010 survey indicated employees are committed and motivated to contribute to the success of the organization

Focused on Improved Shareholder Returns

We strive to become the most valuable insurance franchise.

Unmatched Scale and Global Industry Leadership	
Focus on Profitable Growth of Core Insurance Franchise	Create Shareholder Value
Enhanced Risk Management and Efficient Capital Usage	

Financial Overview

David L. Herzog
Executive Vice President and Chief Financial Officer

Consolidated Performance

($ millions)	Fourth Quarter 2010	Fourth Quarter 2009	Fourth Quarter Change	Full Year 2010	Full Year 2009	Full Year Change
Continuing insurance pre-tax operating income:						
Chartis	($3,974)	($1,751)	(127.0%)	($1,068)	$694	NM
SunAmerica	1,043	1,086	(4.0%)	4,048	2,308	75.4%
Sub-Total - Continuing Insurance	**(2,931)**	**(665)**	**(340.8%)**	**2,980**	**3,002**	**(0.7%)**
ILFC (reported in Financial Services segment)	(606)	344	NM	(698)	1,360	NM
Mortgage Guaranty	154	(241)	NM	329	(1,673)	NM
Interest on third party debt	(452)	(499)	9.4%	(1,872)	(2,035)	8.0%
Other[1]	245	(750)	NM	1,020	223	357.4%
Sub-Total - Continuing Operations	**(3,590)**	**(1,811)**	**(98.2%)**	**1,759**	**877**	**100.6%**
AIA and Metlife income	133		NM	133		NM
FRBNY interest & return on preferred interest	(513)	(472)	(8.7%)	(2,454)	(2,162)	(13.5%)
Income taxes (expense) / benefit	1,756	946	85.6%	(336)	504	NM
After-tax operating income (loss) attributable to AIG	**($2,214)**	**($1,337)**	**(65.6%)**	**($898)**	**($781)**	**(15.0%)**

1) 4Q'10 includes unallocated corporate expenses ($181mm), restructuring expenses ($208mm), Direct Investment business income of $470mm, increase in the fair value of Maiden Lane III of $382mm, Financial Services segment (ex. ILFC) income of $280mm, Non-controlling interest of ($159mm), consolidation and elimination entries of ($269mm) and other miscellaneous of ($70mm).

AIG

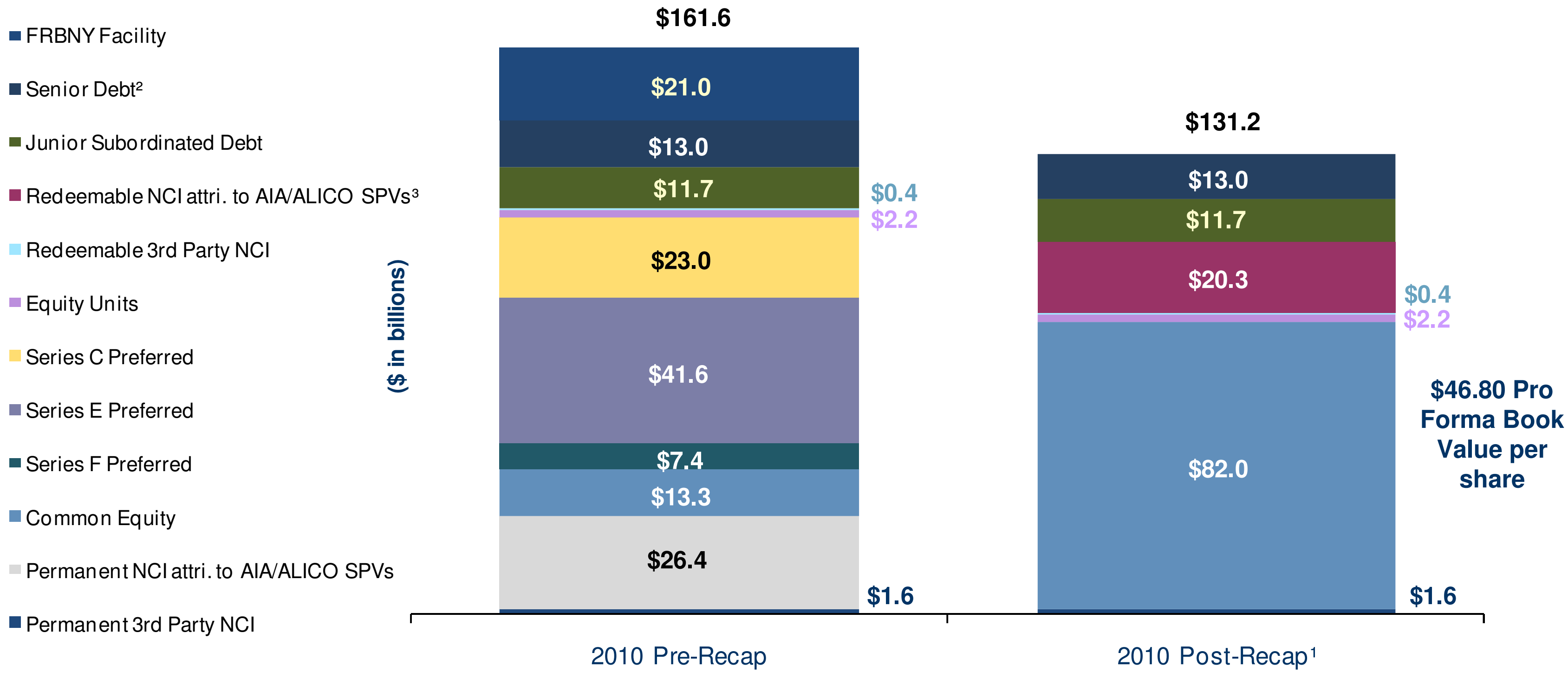
After-Tax Operating Income Reconciliation

($ millions, except earnings per share)	Fourth Quarter 2010		Fourth Quarter 2009	Fourth Quarter Change	Full Year 2010		Full Year 2009	Full Year Change
After-tax operating income (loss) attributable to AIG	**($2,214)**		**($1,337)**	**(65.6%)**	**($898)**		**($781)**	**(15.0%)**
Restructuring:								
Net Income from divested businesses (mainly AIA)	259		298	(13.1%)	1,657		1,484	11.7%
FRBNY total amortization[1], net of tax	(708)		(3,830)	81.5%	(2,255)		(5,433)	58.5%
Net gain (loss) on sale of divested businesses, net of tax	13,506	2	(335)	NM	13,527	2	(1,263)	NM
Net income (loss) from discontinued operations	2,018	3	(952)	NM	(2,118)	3	433	NM
RCG(L), net of SunAmerica DAC offset and tax	165		(522)	NM	(915)		(4,012)	77.2%
Derivatives not receiving hedge accounting, net of tax	52		181	(71.3%)	(27)		1,114	NM
Bargain purchase gain	-		-	NM	332		-	NM
Goodwill impairments, net of NCI and taxes	-		-	NM	-		(264)	NM
Deferred income tax valuation allowance (charge) / release[4]	(1,902)		(2,376)	19.9%	(1,517)		(2,227)	NM
Net income (loss) attributable to AIG	**$11,176**		**($8,873)**	**NM**	**$7,786**		**($10,949)**	**NM**
Income (loss) per common share attributable to AIG								
Income (loss) from continuing operations	$13.60		($58.51)	NM	$14.75		($93.69)	NM
Income (loss) from discontinued operations	$3.00		($7.00)	NM	($3.15)		$3.21	NM
After-tax operating income (loss) attributable to AIG	($15.99)		($9.87)	(62.0%)	($6.57)		($15.35) 5	57.2%

1) 4Q'10 includes $0.7bn pretax accelerated amortization due to asset sales and debt issuance; 4Q'09 included $5.2bn of accelerated amortization related to a $25bn reduction in outstanding balance and maximum lending commitment under the FRBNY Credit Facility as a result of the issuance of preferred interests
2) 4Q'10 includes gain on sale of AIA $12.8bn, net of tax
3) 4Q'10 includes $2.7bn net gain on sale of Alico; in addition, FY'10 includes Alico and Star/Edison pretax goodwill impairments of $4.6bn
4) Excludes the tax valuation allowance included in discontinued operations
5) Full year 2009 per share amounts reflect accumulated but unpaid dividends on Series D Preferred Stock and warrants issued upon exchange for Series E Preferred Stock

Simplified Capital Structure, High Quality Capital

($ in billions)



	2010 Pre-Recap	2010 Post-Recap[1]
Senior Financial Debt + Hybrids / Capitalization[4]	34.3%	22.7%
Senior Financial Debt / Capitalization[4]	25.5%	11.9%

1) Pro forma for repayment of the FRBNY Credit Facility and exchange of the Series C/E/F Preferred Stock for AIG Common Equity.
2) Includes Loans and Mortgages Payable, Notes and Bonds Payable, AIGLH Notes and Bonds Payable, and Liabilities connected to the trust preferred stock.
3) With the transfer of the non-controlling interest to the UST, the non-controlling interest attributable to the AIA and ALICO SPV preferreds will become redeemable non-controlling interest in partially owned subsidiaries.
4) Excludes non-controlling interest. Equity units treated as equity.

Chartis Results

Chartis: Operating Income

Fourth quarter 2010 operating loss of $4.0 billion and a full year 2010 operating loss of $1.1 billion.

($ millions)	Fourth Quarter 2010	Fourth Quarter 2009	Fourth Quarter Change	Full Year 2010	Full Year 2009	Full Year Change
Net premiums written	$7,578	$6,929	9.4%	$31,612	$30,653	3.1%
Net premiums earned	8,550	8,030	6.5%	32,521	32,261	0.8%
Claims and claims adjustment expense incurred	10,724	7,940	35.1%	27,867	25,362	9.9%
Other underwriting expenses	3,001	2,696	11.3%	10,114	9,497	6.5%
Underwriting gain / (loss)	(5,175)	(2,606)	98.6%	(5,460)	(2,598)	110.2%
Net Investment Income	1,201	855	40.5%	4,392	3,292	33.4%
Operating income (loss) before RCG (L)	**(3,974)**	**(1,751)**	**NM**	**(1,068)**	**694**	**NM**
RCG (L)	(37)	152	NM	(49)	(530)	(90.8%)
Bargain purchase gain	-	-	NM	332	-	NM
Gain from divested assets	669	-	NM	669	-	NM
Pre-tax income (loss)	**($3,342)**	**($1,599)**	**109.0%**	**($116)**	**$164**	**(170.7%)**
Loss Ratio	125.4%	98.9%		85.7%	78.6%	
Expense Ratio	35.1%	33.6%		31.1%	29.4%	
Combined Ratio	160.5%	132.5%		116.8%	108.0%	
Combined Ratio ex Development and Cats	108.9%	105.5%		100.3%	99.3%	
Significant Loss Related Items						
Prior year (PY) development	**($4,203)**	**($2,151)**		**($4,280)**	**($2,795)**	
Asbestos	(1,162)	(80)		(1,335)	(155)	
All other	(3,067)	(2,119)		(2,953)	(2,522)	
Additional / (returned) premium related to PY Dev.	26	48		8	(118)	
Pre-tax catastrophe-related loss	(203)	2		(1,067)	(53)	
Reinstatement premiums related to catastrophe	-	-		(9)	-	
Total Loss Related Significant Items	**($4,406)**	**($2,149)**		**($5,356)**	**($2,848)**	

Strengthened Reserve Position

Process

- Continuous process with internal cross-functional input
- Extensive independent review by third-party actuarial firms
- Focused reviews of 4 specific classes

Observations

- New data and emerging trends indicated further adverse development primarily in 4 specific long-tail classes

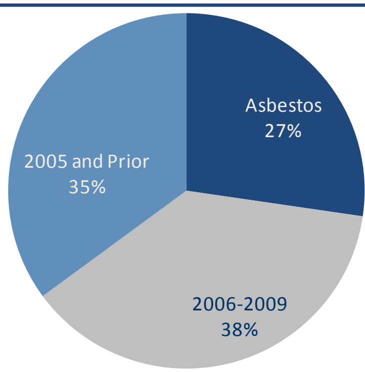
Actions

– Increased reserves by $4.2 bn net in 4Q2010
– Asbestos exclusion implemented in 1985
– Rebalanced new business premiums, reducing net premiums written in excess casualty, primary workers' comp and excess workers' comp by 55%, since 2007

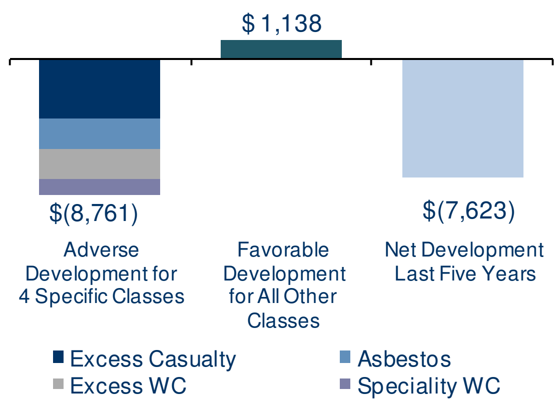
Results

- Carried loss reserves represent reasonable best estimates for all classes

Prior Accident Year Development[1]



Net Reserve Development for the Last Five Years (2006-2010)[1]



	NPW (% of Total) 2006	NPW (% of Total) 2010	PY Dev ($ bn) 4Q10
Excess Casualty	9.3%	3.9%	$1.0
Asbestos	0.0%	0.0%	1.3
Excess Workers' Comp	0.6%	0.3%	0.8
Specialty Workers' Comp	11.9%	2.5%	0.4
All Other Classes of Business	78.2%	93.3%	1.1
Total	**100.0%**	**100.0%**	**$4.6**
Discount & AP / RP Impact			**(0.4)**
Total, net			**$4.2**

1) Before discounting

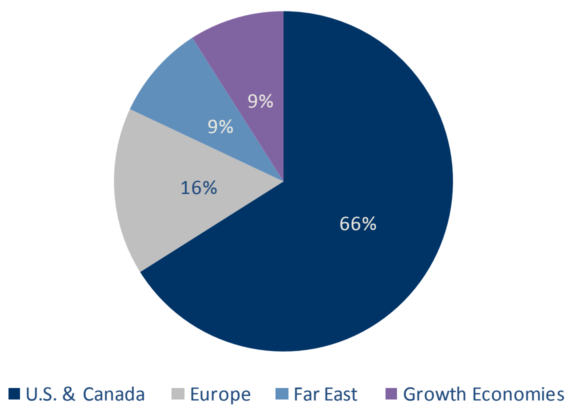
Chartis: Premiums

Chartis continues to deploy capital in higher margin segments and geographies. Premiums, excluding Fuji impact declined 3.3% relative to fourth quarter 2009 due to less ratable exposures, Chartis' risk management strategies and its price discipline.

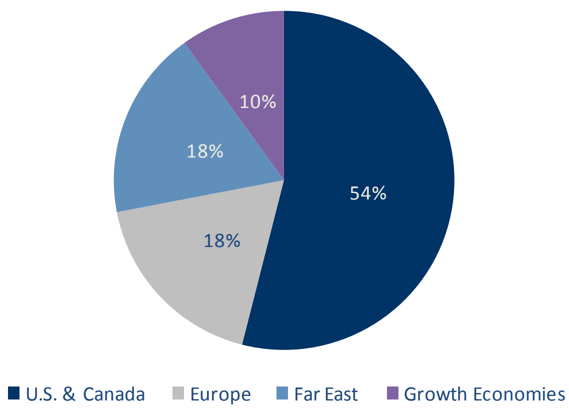
	Fourth Quarter			Full Year		
($ millions)	2010	2009	Change	2010	2009	Change
Chartis U.S. NPW	$3,982	$4,219	(5.6%)	$17,247	$18,373	(6.1%)
Chartis International NPW	3,596	2,710	32.7%	14,365	12,280	17.0%
Fuji Effects	(880)	-	NM	(1,747)	-	NM
Chartis International NPW excluding Fuji	2,716	2,710	0.2%	$12,618	$12,280	2.8%
Total Chartis NPW	**$7,578**	**$6,929**	**9.4%**	**$31,612**	**$30,653**	**3.1%**
Total Chartis NPW excluding Fuji	**$6,698**	**$6,929**	**(3.3%)**	**$29,865**	**$30,653**	**(2.6%)**

Increasing International Focus

Chartis 2007 NPW
$36 Billion



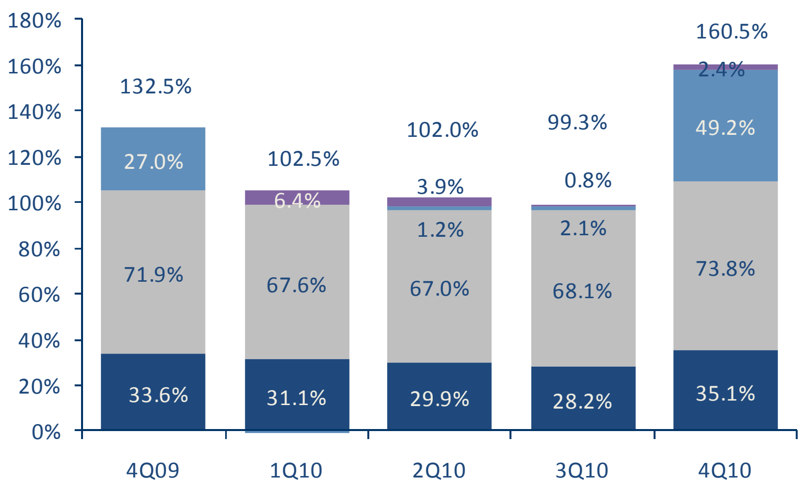
Chartis 2010 NPW
$32 Billion



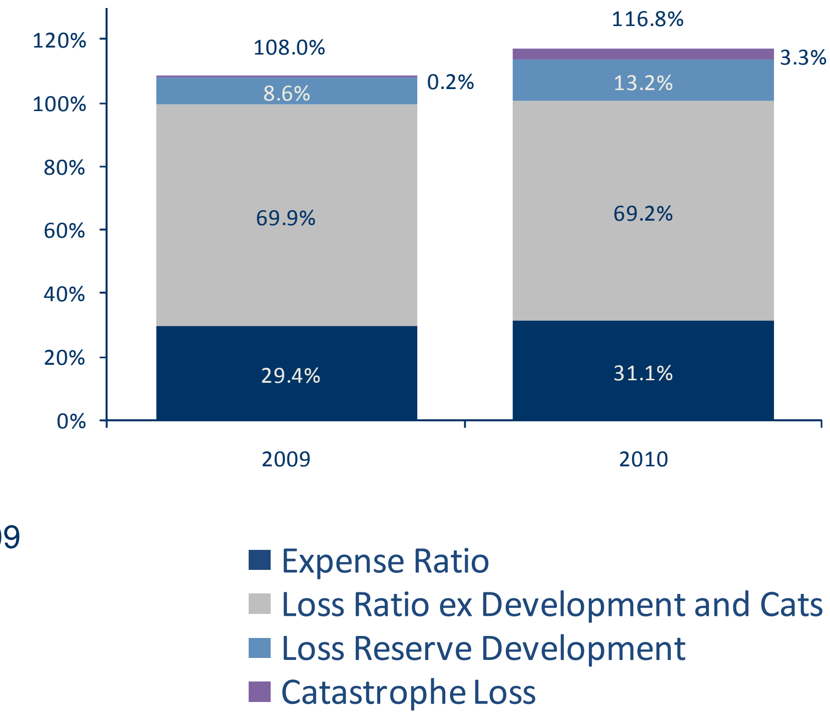
Chartis: Underwriting Ratios

Adverse reserve development of $4.2 billion, net of discount and loss sensitive premium adjustments, in the fourth quarter drove most of the underwriting losses for the quarter and the year.

Chartis Quarterly Underwriting Ratios



Chartis Annual Underwriting Ratios



- Combined Ratio of 160.5% in 4Q10 vs 132.5% in 4Q09
- Current year AY Combined Ratio 111.3% in 4Q10 vs 105.5% in 4Q09
- Current year AY Combined Ratio excluding catastrophe losses of 108.9% in 4Q10 vs 105.5% in 4Q09

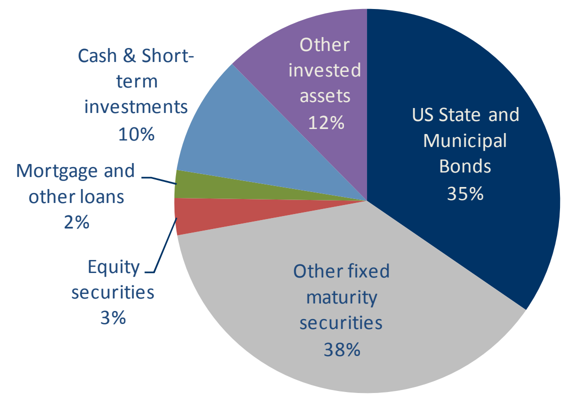
Chartis: Investments

Investment Income increased 40.5% primarily due to a 4Q09 equity method loss from Fuji in other investment income and an increase in partnership income.

	Fourth Quarter			Full Year		
($ millions)	2010	2009	Change	2010	2009	Change
Interest and dividend	$882	$901	(2.1%)	$3,450	$3,556	(3.0%)
Partnership income (loss)	257	107	140.2%	640	(220)	NM
Mutual funds	58	51	13.7%	19	198	(90.4%)
Other investment income	97	(172)	NM	464	(17)	NM
Investment expense	(93)	(32)	(190.6%)	(181)	(225)	19.6%
Net Investment Income	**$1,201**	**$855**	**40.5%**	**$4,392**	**$3,292**	**33.4%**
Yield	*4.0%*	*3.3%*		*3.8%*	*3.3%*	

- Increase in partnership income in both U.S. and International
- US and International fixed income holdings are of high quality and have a duration of 4.1 years and 2.5 years respectively

Chartis Cash and Investments
$123.2 Billion[1]



1) Inclusive of intercompany balances which are eliminated in consolidation

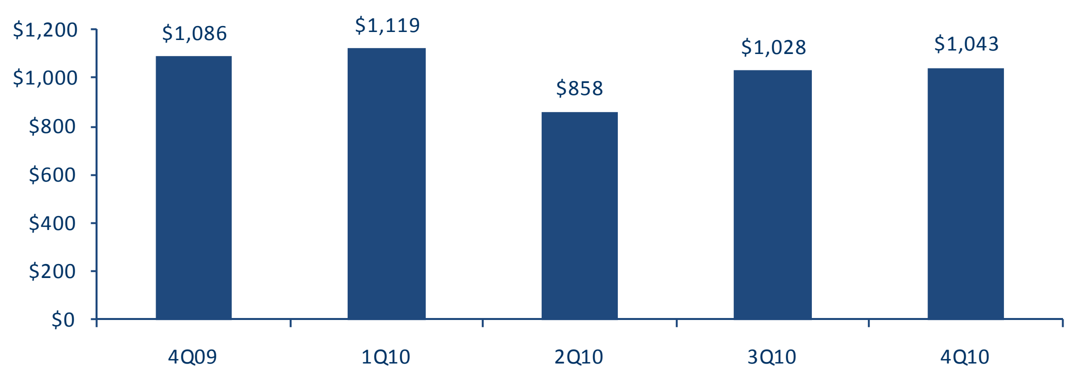
SunAmerica Financial Group Results

SunAmerica: Operating Income

Operating income of $1.0 billion in the fourth quarter and $4.0 billion for full year 2010.

($ millions)	Fourth Quarter 2010	Fourth Quarter 2009	Fourth Quarter Change	Full Year 2010	Full Year 2009	Full Year Change
Premiums, deposits and other considerations	**$4,943**	**$5,275**	**(6.3%)**	**$19,086**	**$18,715**	**2.0%**
Premiums and other considerations	600	624	(3.8%)	2,520	2,689	(6.3%)
Fee income	732	655	11.8%	2,710	2,638	2.7%
Investment income	2,777	2,663	4.3%	10,768	9,553	12.7%
Revenues	**4,109**	**3,942**	**4.2%**	**15,998**	**14,880**	**7.5%**
Policy benefits and claims incurred	2,124	2,154	(1.4%)	8,756	9,092	(3.7%)
Amortization of deferred policy acquisition costs	366	276	32.6%	1,275	1,668	(23.6%)
Non deferrable commissions	123	122	0.8%	467	454	2.9%
General operating expenses	453	304	49.0%	1,452	1,358	6.9%
Benefits and expense	**3,066**	**2,856**	**7.4%**	**11,950**	**12,572**	**(4.9%)**
Operating income before RCG (L) and DAC offset	**$1,043**	**$1,086**	**(4.0%)**	**$4,048**	**$2,308**	**75.4%**
RCG (L), net of related DAC amortization	256	(416)	NM	(1,336)	(3,406)	NM
Goodwill impairment	-	-	NM	-	(81)	NM
Pre-tax income (loss)	**$1,299**	**$670**	**93.9%**	**$2,712**	**($1,179)**	**NM**
Assets under management				**$248,533**	**$230,975**	**7.6%**

SunAmerica Operating Income

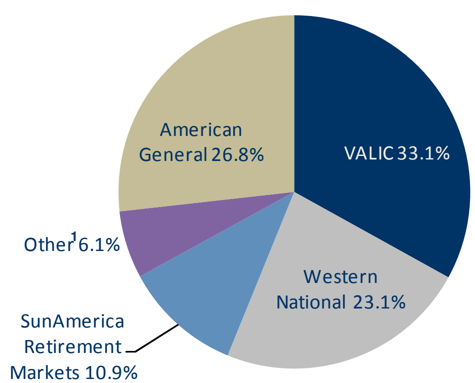


SunAmerica: Premiums, Deposits and Other Considerations

PDOC decreased 6% from the fourth quarter 2009 primarily due to lower fixed annuity sales. PDOC increased for the full year 2010 over full year 2009 highlighting the advantages of SunAmerica's diversified product portfolio and multi-channel distribution network as well as the significant progress made in re-engaging distribution relationships.

($ millions)	Fourth Quarter			Full Year		
	2010	2009	Change	2010	2009	Change
Premiums, deposits and other considerations						
American General	$1,323	$1,284	3.0%	$5,110	$5,446	(6.2%)
SunAmerica Retirement Markets	663	251	164.1%	2,072	891	132.5%
VALIC	1,519	1,624	(6.5%)	6,309	6,201	1.7%
Western National	1,084	1,914	(43.4%)	4,410	5,348	(17.5%)
Other[1]	354	202	75.2%	1,185	829	42.9%
Premiums, Deposits and Other Considerations	**$4,943**	**$5,275**	**(6.3%)**	**$19,086**	**$18,715**	**2.0%**
Life Insurance Sales[2]	**$70**	**$59**	**18.6%**	**$253**	**$228**	**11.0%**

Premiums, Deposits and Other Considerations
2010: $19.1 Billion



1) Other includes Individual annuities – runoff and brokerage services and retail mutual funds
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

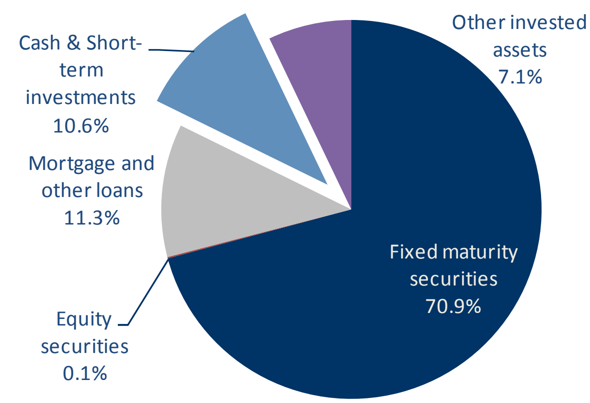
SunAmerica: Investments

Investment income is up 4.3% for the quarter and 12.7% for the year on improved partnership returns and higher interest income. Further re-deployment of excess cash and short-term investments into longer-term higher yielding securities provides a significant opportunity to improve future earnings.

	Fourth Quarter			Full Year		
($ millions)	2010	2009	Change	2010	2009	Change
Interest and dividends	$2,397	$2,353	1.9%	$9,798	$9,301	5.3%
Partnership income	378	338	11.8%	963	264	264.8%
Other	49	49	0.0%	176	157	12.1%
Investment expense	(47)	(77)	(39.0%)	(169)	(169)	0.0%
Net Investment Income	**$2,777**	**$2,663**	**4.3%**	**$10,768**	**$9,553**	**12.7%**
Cash and investments				**$179,099**	**$166,184**	**7.8%**
Yields:						
Base investment income	5.30%	5.42%		5.46%	5.81%	
Partnerships[1]	0.49%	0.40%		0.17%	(0.29%)	
Other enhancements[2]	0.66%	0.55%		0.70%	0.28%	
Total Yield	**6.45%**	**6.37%**		**6.33%**	**5.80%**	

- 90% of bond portfolio is Investment Grade with an average rating of A-
- Bond portfolio moved from an unrealized loss of $1.7 billion as of 12/31/09 to an unrealized gain of $5.2 billion as of 12/31/10[3]

SAFG Cash and Investments
$183.0 Billion[4]

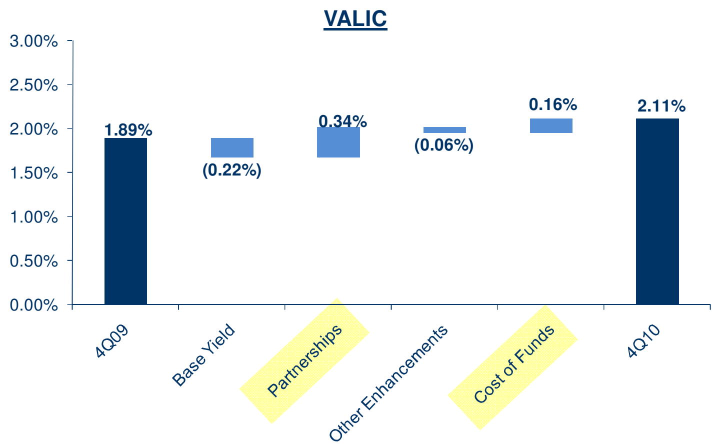


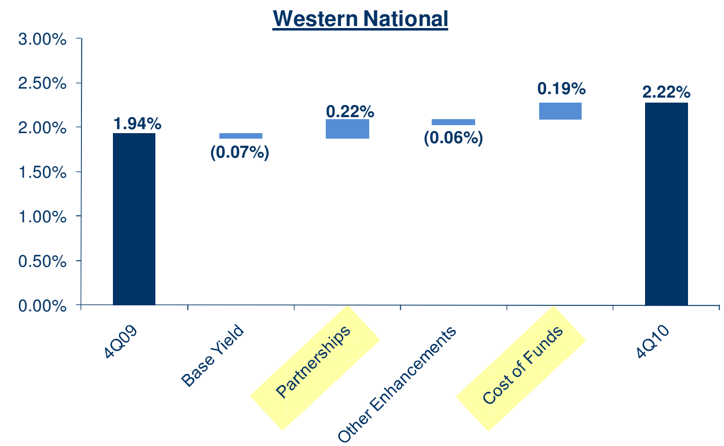
1) Includes incremental effect to base yield of investments in hedge funds and private equity funds
2) Includes incremental effect to base yield of gains on Maiden Lane II and income from calls and prepayment fees
3) Excluding income taxes and related DAC impacts
4) Inclusive of intercompany balances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

SunAmerica: Net Investment Spreads

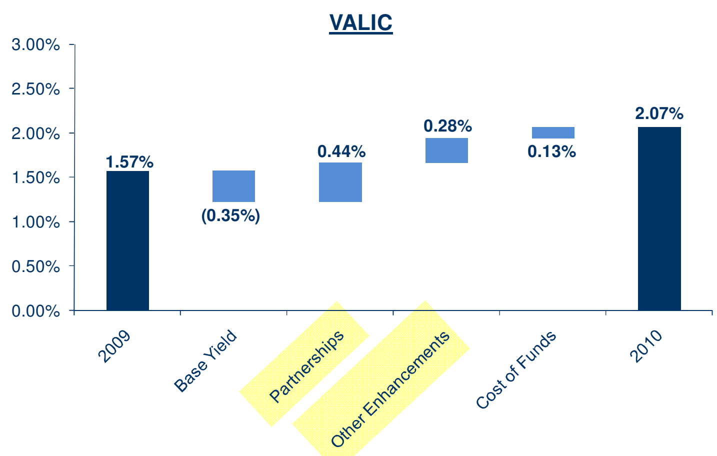
Despite a decrease in base yields, spreads increased for fourth quarter and full year 2010 over fourth quarter and full year 2009. Increase for full year driven by improved partnership and other enhancements as well as disciplined management of credited rates.

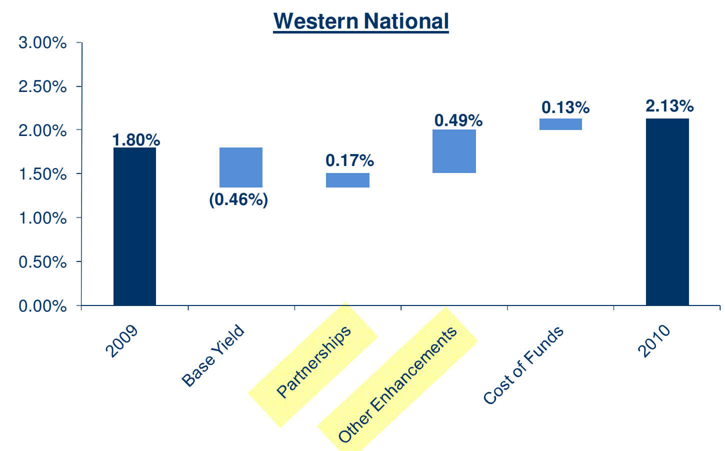
4Q09 to 4Q10 Change in Net Spreads





2009 to 2010 Change in Net Spreads



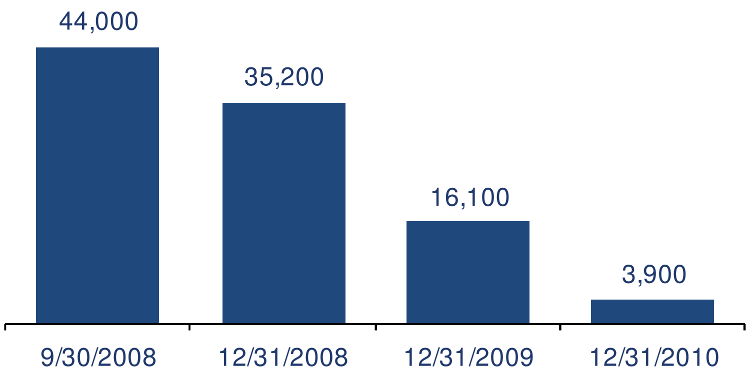


AIGFP Portfolio Unwind Update

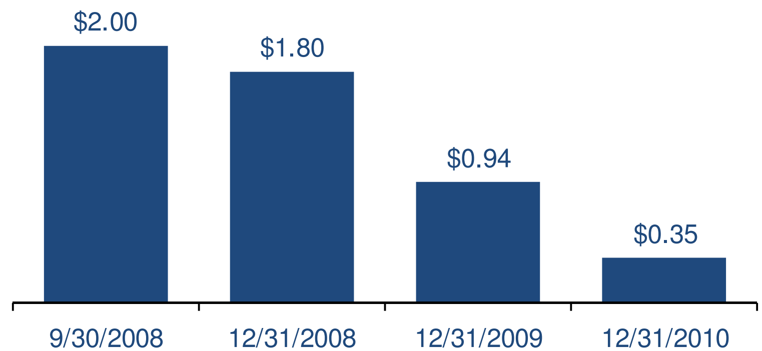
Financial Products Portfolio Unwind

De-risked portfolio, subject to Federal Reserve oversight, while preserving value

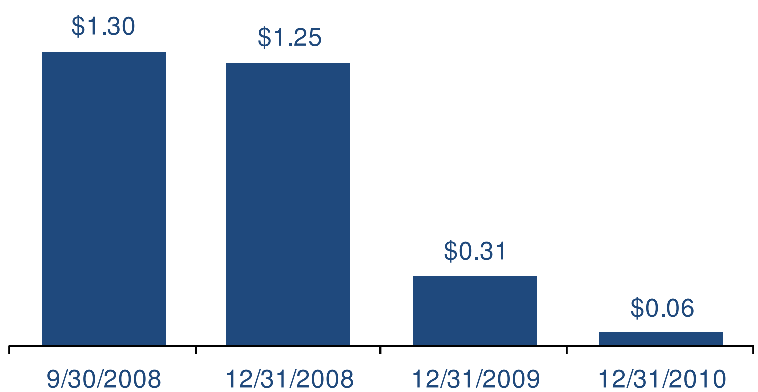
Number of Outstanding Trade Positions[1]



Notional of Derivatives Outstanding ($ trillion)



Exposure to Change in Volatility[2] ($ billion)



1) Due to FAS 161, FP is changing its methodology for computing notional, leading to a slight increase of previously reported values. 9/30/2008 and 12/31/2008 FAS 161 notionals are estimates.

2) Gross vega calculated as the sum of all the individual positions' absolute vegas as if each position is not hedged. Table shows 95% reduction in overall hedging volatility since 9/30/2008, resulting in significantly less complex portfolio at 12/31/2010 vs. 9/30/2008 even if "net" position had not been materially altered.

Tax

Deferred Tax Asset Overview

AIG has substantial deferred tax assets that are available to offset future 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.

Q&A