American International Group, Inc.

Fourth Quarter 2012 Results
Conference Call Presentation

February 22nd, 2013

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Fourth Quarter 2012 Key Themes

Highlights:	Noteworthy Items
Strategic Activities	▪ Sold remaining AIA shares for $6.5 billion (realized gain of $240 million) ▪ Entered into agreement to sell up to 90% of ILFC; recorded as held-for-sale ▪ Strategic investment of $500 million in PICC Group through life companies ▪ Department of the Treasury sale of remaining shares of AIG
Liquidity and Capital	▪ Parent liquidity of $16.1 billion reflects AIA share sale ▪ Insurance company distributions of $1.3 billion in 4Q12 and $5.3 billion for the full year ($1.0 billion was contributed to AIG Property Casualty in 4Q12)
AIG Property Casualty	▪ Accident year loss ratio of 63.3%, as adjusted, continues to improve ▪ Global Commercial rates +6.0% (+8.6% in the U.S.) ▪ Catastrophe losses of $2.0 billion mostly attributable to Storm Sandy ▪ Increased acquisition expenses and investments in the business in line with strategic initiatives
AIG Life and Retirement	▪ Results benefit from active net investment spread management, strong alternative investment returns, growth in assets under management and continued expense discipline ▪ Variable annuity sales up 50% from 4Q11 ▪ Significantly lower fixed annuity sales versus 4Q11 and an increase in large group surrenders at VALIC negatively impacted net flows
Mortgage Guaranty	▪ Growth in new insurance written (up 63% from 4Q11) ▪ Delinquency ratio declined 80 bps from 3Q12 to 8.8% ▪ Results reflect a lengthening of foreclosure timelines and a change in estimated ultimate cure rate, both of which negatively impacted loss reserves

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Financial Highlights

GAAP results for 4Q12 reflect a $4.4 billion ($2.97 per share) net loss on ILFC sale.

	Fourth Quarter		
($ in millions, except per share amounts)	**2011**	**2012**	**Inc. (Dec.)**
Revenues	$16,376	$15,854	(3%)
Net income (loss) attributable to AIG	**21,479** [(1)]	**(3,958)**	**NM**
After-tax operating income attributable to AIG	**$1,471**	**$290**	**(80%)**
Diluted earnings (loss) per common share:			
Income from continuing operations	$11.26 [(1)]	$0.25	(98%)
Income (loss) from discontinued operations	$0.05	($2.93)	NM
After-tax operating income attributable to AIG	$0.77	$0.20	(74%)
Book value per common share	**$53.53**	**$66.38**	**24%**
Book value per common share - Ex. AOCI	**$50.11** [(2)]	**$57.87**	**15%**

1) Reflects a U.S. consolidated income tax group deferred tax asset valuation allowance release of $19.3 billion ($10.14 per share).
2) Adjusted to reflect reclassification of income taxes from Accumulated other comprehensive income to Additional paid-in capital.

After-tax Operating Income (Loss)

Insurance operating results reflect Storm Sandy losses of $2.0 billion.

	Fourth Quarter	
($ in millions, except per share amounts)	**2011**	**2012**
Insurance operations		
AIG Property Casualty	$367	($945)
AIG Life and Retirement	912	1,090
Mortgage Guaranty (reported in Other)	(25)	(45)
Total Insurance Operations	**1,254**	**100**
Direct Investment book	(27)	509
Global Capital Markets	46	300
Change in fair value of AIA (including realized gain in 2012)	1,021	240
Change in fair value of Maiden Lane III	208	-
Interest expense	(364)	(408)
Corporate expenses and eliminations	(470)	(356)
Pre-tax operating income attributable to AIG	**1,668**	**385**
Income tax (expense) / benefit	(77)	(87)
Noncontrolling interest – Treasury	(96)	-
Other noncontrolling interest	(24)	(8)
After-tax operating income attributable to AIG	**$1,471**	**$290**
After-tax operating income per diluted common share	**$0.77**	**$0.20**

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Deferred Tax Asset Overview

AIG has substantial tax attribute carryforwards that are available under U.S. tax law to offset future U.S. federal income tax obligations. Amounts are presented on a U.S. GAAP basis.

		As of 12/31/11		As of 12/31/12		
($ in billions)	Type	Gross Attributes	Deferred Tax Asset	Gross Attributes	Deferred Tax Asset	Utilization/Limitations
Net Operating Loss Carryforward	Non-Life & Life	$45.2	$15.8	$39.5	$13.8	▪ Use against AIG P&C, ILFC, UGC, AIG L&R and AIG Parent income ▪ Limited use (35%) against AIG L&R taxable income ▪ 2025–2031 Expiration
Capital Loss Carryforward	Life	$20.8	$7.3	$16.6	$5.8	▪ Can only apply against capital gains from AIG L&R ▪ 2013–2014 Expiration
Valuation Allowance			($7.2)		($5.1)	
Foreign Tax Credits	General		$4.2		$4.7	▪ Limited to tax on lower of taxable income or foreign source income ▪ 2015–2022 Expiration
Other Deferred Tax Liabilities			($1.8)		($2.5)	
Net Deferred Tax Assets			**$18.3**		**$16.7**	

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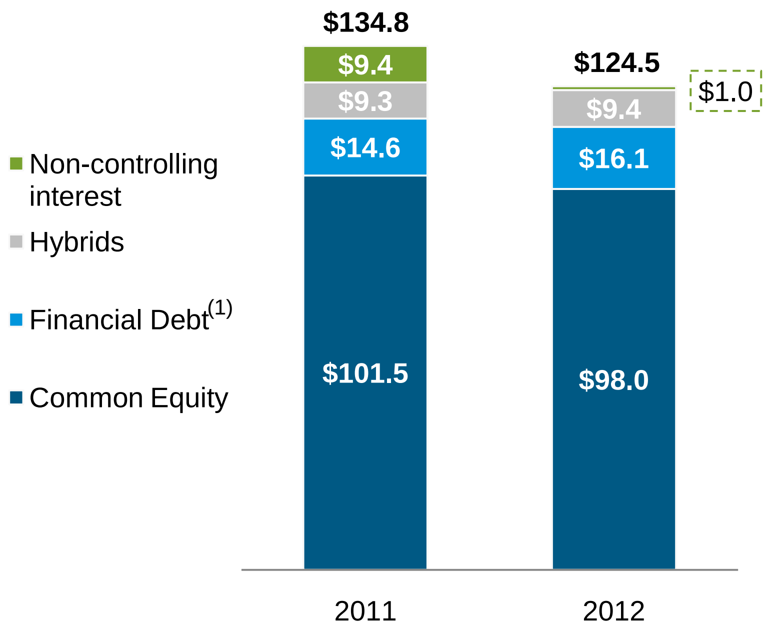
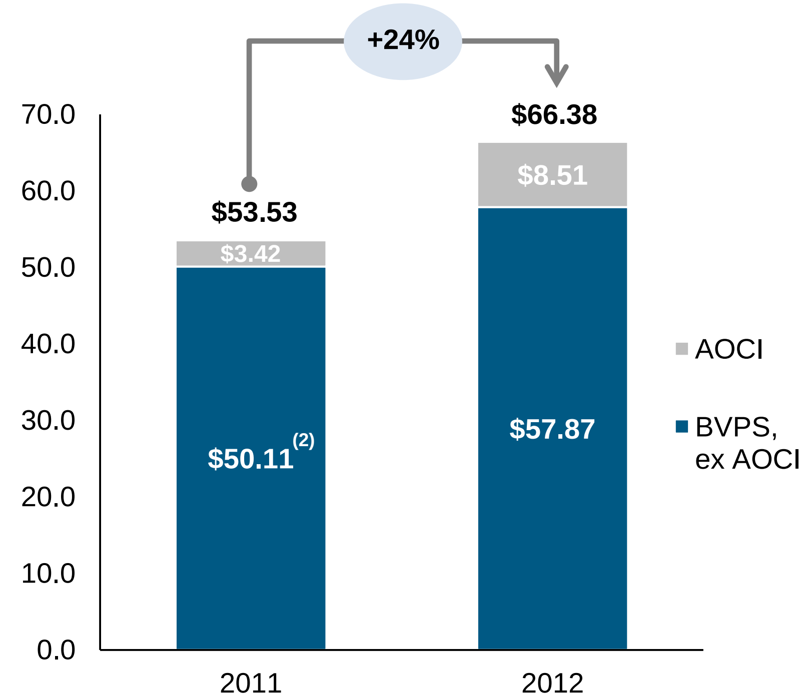
Strong Capital Position

Capital Structure

($ in billions, except per share data)
As of Dec. 31,



Book Value Per Share



Leverage Ratios:	2011	2012
Financial Debt + Hybrids / Capitalization[4]	18.9%	20.5%
Financial Debt / Capitalization[4]	11.6%	12.9%

Risk Based Capital Ratios[3]		
Year-end	AIG Property Casualty	AIG Life and Retirement
2011	430%	520%
2012	394%	510%

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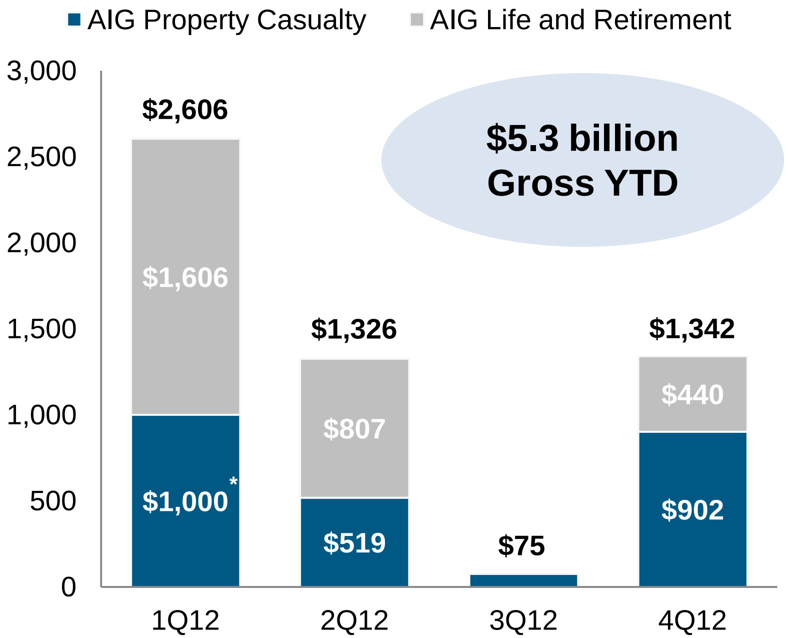
1) Includes AIG Loans, Mortgages, Notes and Bonds Payable, SAFG Inc. Notes and Bonds Payable, and Liabilities connected to the trust preferred stock.
2) Adjusted to reflect reclassification of income taxes from Accumulated other comprehensive income to Additional paid-in capital.
3) The inclusion of fleet RBC measures is intended solely for the information of investors and is not intended for the purpose of ranking any insurance company or for use in connection with any marketing, advertising or promotional activities. Amounts for 2012 are estimated.
4) Excludes redeemable noncontrolling interest.

Financial Flexibility – A Source of Strength

Parent liquidity reflects the sale of AIA shares in the fourth quarter.

Insurance Company Distributions

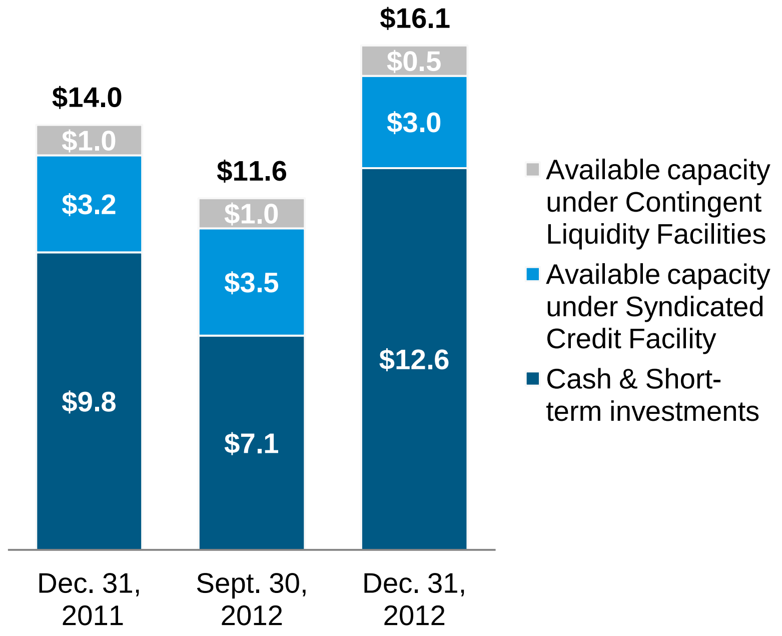
($ in millions)



* Represents non-cash distribution of municipal securities

Parent Liquidity

($ in billions)



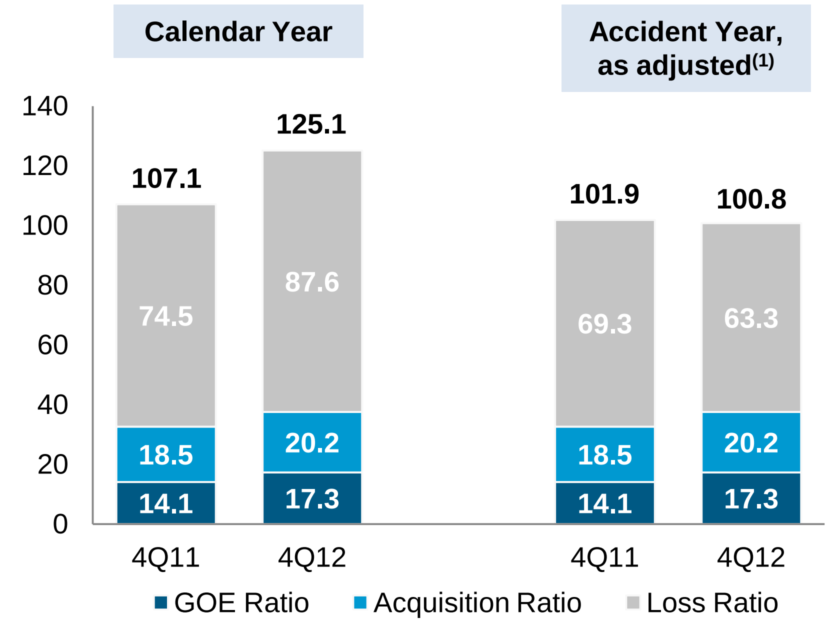
- Distributions exclude a $1.0 billion capital contribution to AIG Property Casualty in 4Q12 following Storm Sandy.
- Future annual distributions expected to be $4 – 5 billion.

AIG Property Casualty – Financial Results

Underwriting results in 4Q12 reflect Storm Sandy losses of $2.0 billion.

($ in millions)	4Q11	4Q12
Net premiums written	$7,848	$7,809
Net premiums earned	8,962	8,613
Underwriting loss	(636)	(2,162)
Net investment income	1,003	1,217
Operating income (loss)	$367	($945)

Global Combined Ratios



- Accident year loss ratio, as adjusted, continued to decline, reflecting shift to higher value business, enhanced risk selection tools and improved pricing.
- Acquisition ratio increased due to the shift to higher value business and investments in direct marketing.
- General Operating Expense (GOE) ratio increased due to strategic initiatives, severance and other personnel costs.

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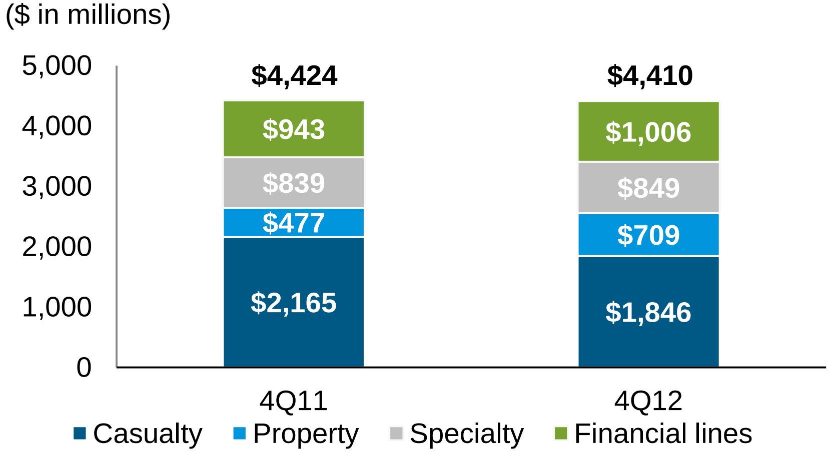
1) Combined ratio and loss ratio presented excluding catastrophe losses and related reinstatement premiums, prior year development, net of premium adjustments and the impact of reserve discount.

Commercial Insurance – Underwriting Results

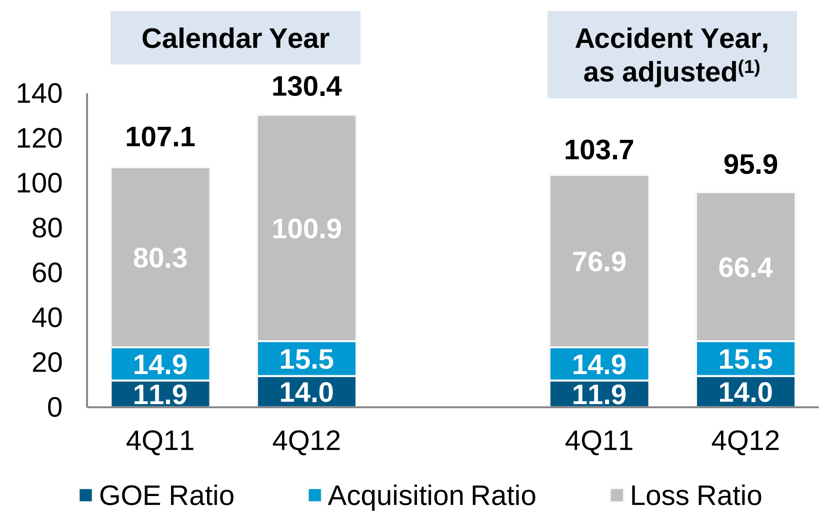
Commercial results reflect mix shift, enhanced risk selection, and price increases.

Net Premiums Written

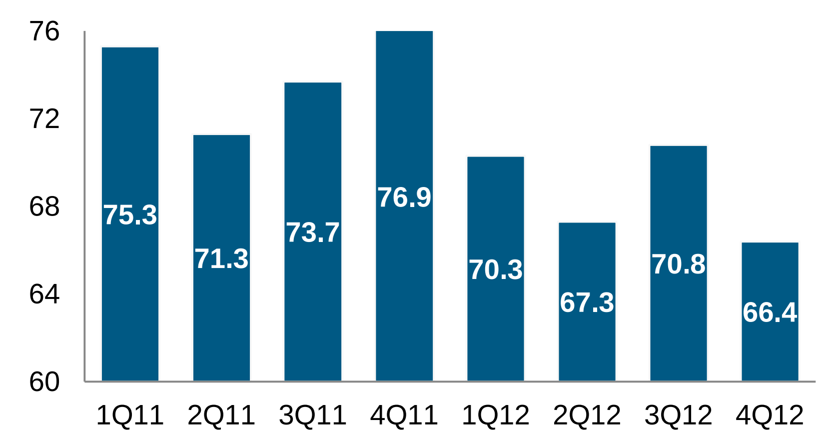


- Global Commercial Insurance rates increased +6.0% (+8.6% for the U.S.), led by U.S. Property at +14.6% and U.S. Workers' Compensation at +12.4%.
- Commercial Insurance continues to demonstrate underwriting discipline, focusing resources on higher value, profitable lines of business and geographies.
- Property net premiums written increased due to rate increases, changes to the reinsurance program and reduced catastrophe bond purchases.

Combined Ratios



Accident Year Loss Ratio[1]



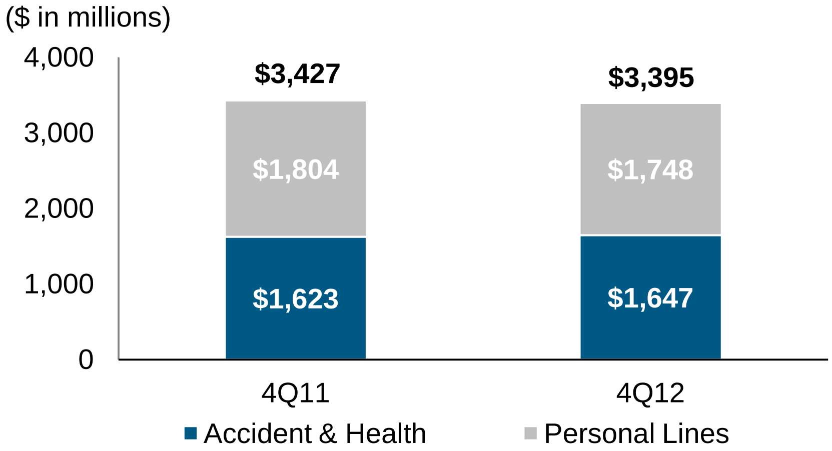
Note: In the fourth quarter of 2012 certain environmental business written prior to 2004 was transferred from Commercial Insurance to the Other category. All periods presented have been revised to align with this change.

1) Combined ratio and loss ratio presented excluding catastrophe losses and related reinstatement premiums, prior year development, net of premium adjustments and the impact of reserve discount.

Consumer Insurance – Underwriting Results

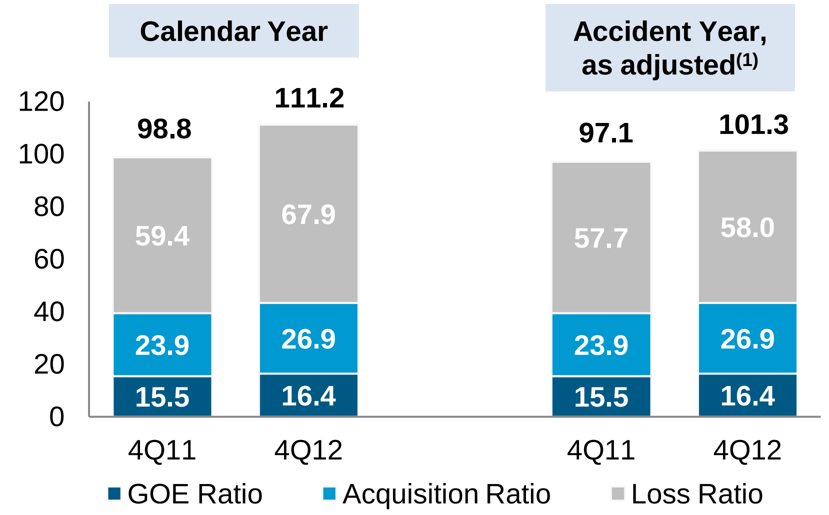
Consumer results reflect continued execution of global strategies.

Net Premiums Written

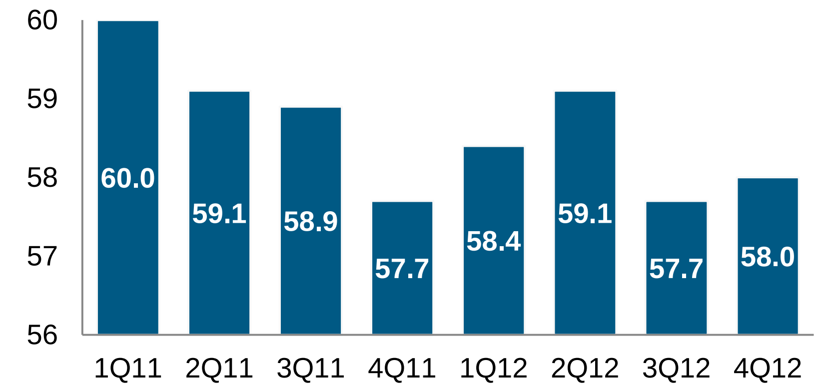


- Represents 41% of total AIG Property Casualty NPW for 2012, reflecting growth across the business using multiple distribution channels.
- Direct Marketing was 15% of Consumer NPW in 2012.

Combined Ratios



Accident Year Loss Ratio[1]



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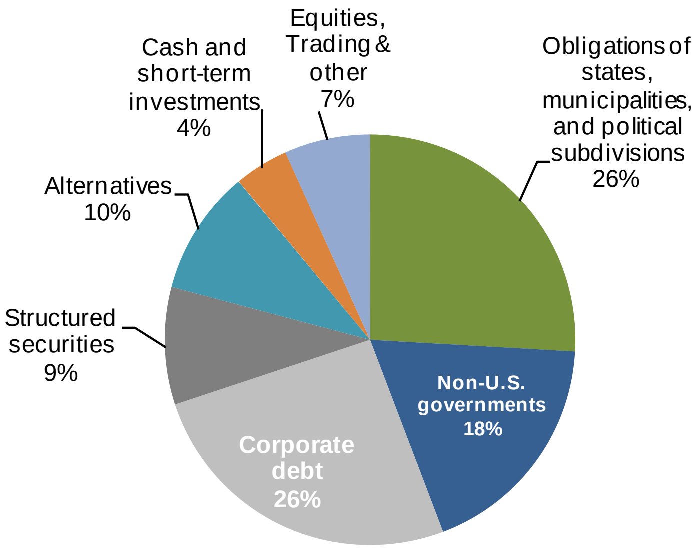
1) Combined ratio and loss ratio presented excluding catastrophe losses and related reinstatement premiums, prior year development, net of premium adjustments and the impact of reserve discount.

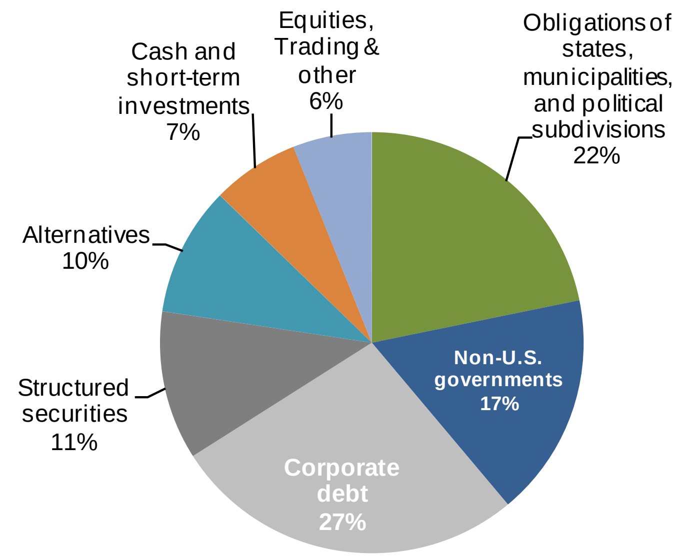
AIG Property Casualty – Investments

Net investment income: ($ in millions)	Fourth Quarter 2011	Fourth Quarter 2012	Inc./(Dec.)	Full Year 2011	Full Year 2012	Inc./(Dec.)
Interest and dividends	$ 963	$ 968	1%	$ 3,742	$ 3,949	6%
Alternative investments	(86)	157	NM	371	484	30%
Other, net[1]	126	92	(27%)	235	387	65%
Net investment income	**$ 1,003**	**$ 1,217**	**21%**	**$ 4,348**	**$ 4,820**	**11%**
Yield	**3.19%**	**3.79%**		**3.51%**	**3.81%**	

December 31, 2011
Invested Assets - $125.0 billion[2]



December 31, 2012
Invested Assets - $129.3 billion[2]



1) Includes income/loss from mutual funds, real estate, equity method investments and mark-to-market gains and losses, net of investment expenses.
2) Excludes intercompany assets.

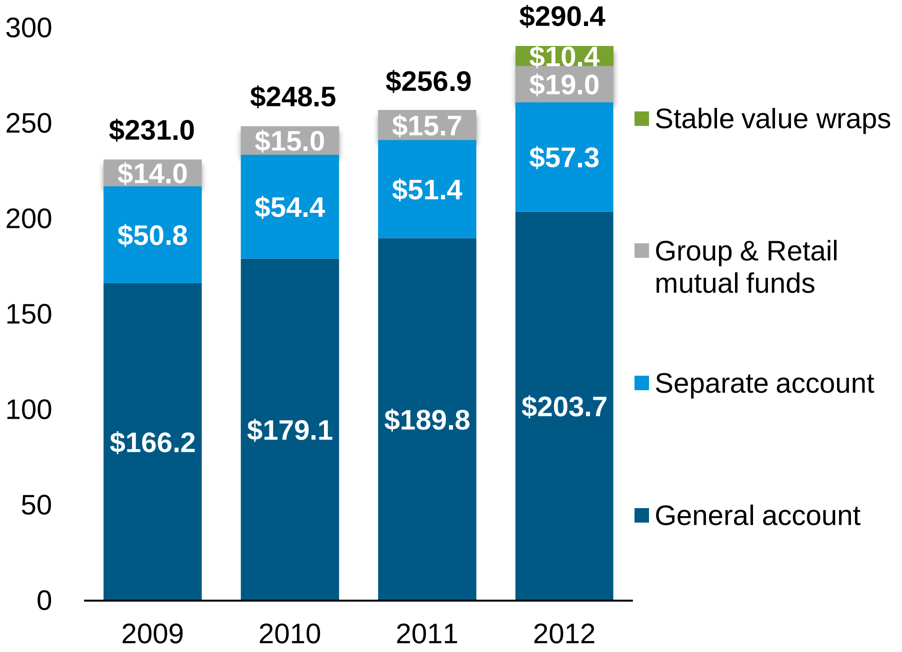
AIG Life and Retirement – Financial Results

Results reflect active management of net investment spreads.

Operating income ($ in millions)	4Q11	4Q12
Life Insurance	**$157**	**$171**
Retirement Services	**755**	**919**
Total	**$912**	**$1,090**

Assets Under Management

(As of Dec. 31, $ in billions)

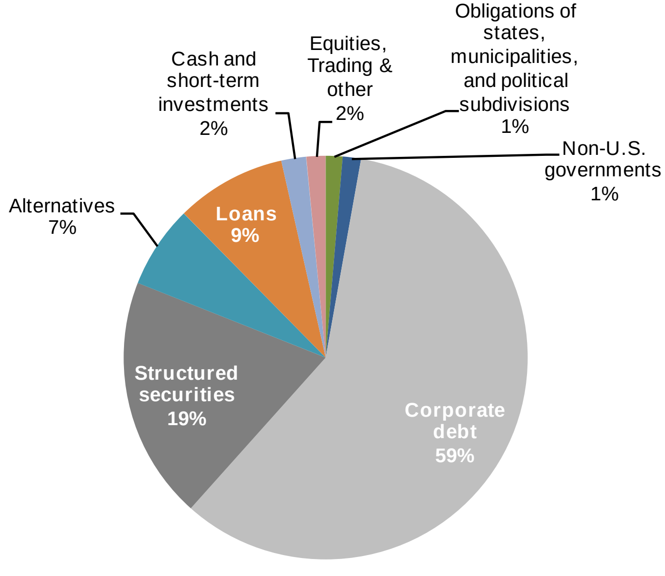


- Operating income in 4Q12 reflects strong alternative investment income, a $57 million gain on PICC Group investment, active net investment spread management, growth in assets under management and continued expense discipline.
- 4Q12 results include a loss recognition charge on legacy long-term care business of $61 million and a net favorable DAC and reserve unlocking of $41 million.
- Year ago quarter reflected a favorable legal settlement of $202 million, net, partially offset by a $105 million increase in IBNR reserves.
- Total AUM of $290.4 billion, up 13% from a year ago due to strong fixed income and equity markets and the novation of stable value wrap business from AIG Global Capital Markets.
- Negative net flows in 4Q12 of $844 million reflected lower fixed annuity deposits and an increase in large group surrenders at VALIC, partially offset by strong variable annuity and retail mutual fund net flows.
- Variable annuity sales increased 50% from 4Q11 to $1.2 billion.

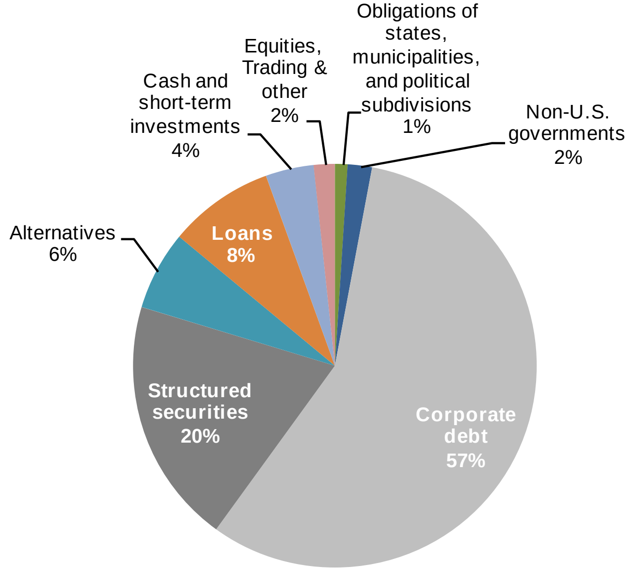
AIG Life and Retirement – Investments

Net investment income: ($ in millions)	Fourth Quarter 2011	Fourth Quarter 2012	Fourth Quarter Inc./(Dec.)	Full Year 2011	Full Year 2012	Full Year Inc./(Dec.)
Interest and dividends	$ 2,372	$ 2,316	(2%)	$ 9,043	$ 9,650	7%
Alternative investments	31	332	NM	842	954	13%
Call and tender income	24	42	75%	222	146	(34%)
Other, net[1]	(55)	25	NM	(225)	(32)	(86%)
Net investment income	**$ 2,372**	**$ 2,715**	**14%**	**$ 9,882**	**$ 10,718**	**8%**
Base Yield[2]	**5.44%**	**5.33%**		**5.34%**	**5.43%**	
Total Yield[3]	**5.33%**	**6.09%**		**5.63%**	**6.04%**	

December 31, 2011
Invested Assets - $189.8 billion[4]



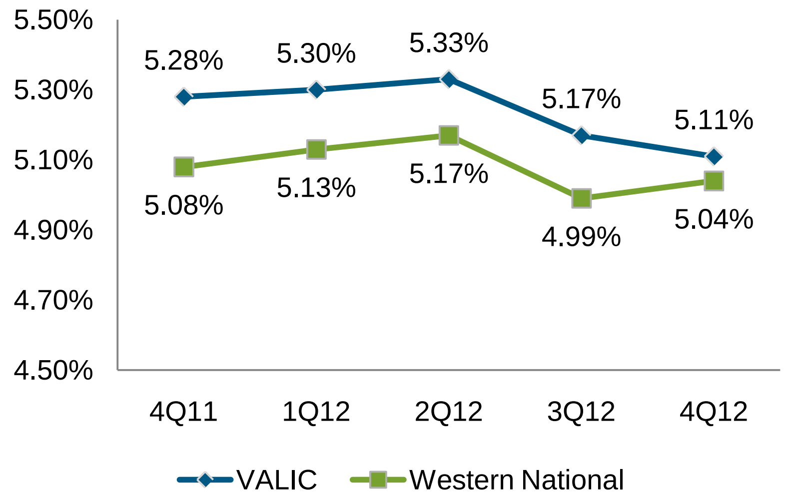
December 31, 2012
Invested Assets - $203.7 billion[4]



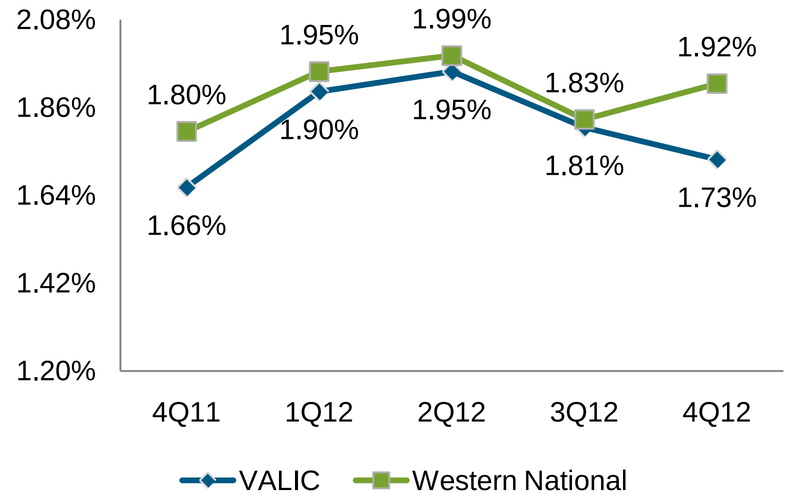
1) Includes income/loss from mutual funds, real estate, equity method investments and mark-to-market gains and losses, net of investment expenses.
2) Includes the investment return on surplus other than alternative investment or yield enhancement activities. Quarterly results are annualized.
3) Represents the base yields and the incremental effect to base yield on investments in hedge funds, private equity funds, gains on Maiden Lane II and income from calls and prepayment fees. Quarterly results are annualized.
4) Excludes intercompany assets.

AIG Life and Retirement – Base Yields and Spreads

Base Yields[1]



Base Net Investment Spreads[1]



- Western National base net investment spreads increased sequentially reflecting a slight increase in base yield and a slight decline in crediting rates.
- VALIC base net investment spreads declined sequentially reflecting lower base yields driven by both lower reinvestment yields and the repositioning of the portfolio to improve credit quality.
- At December 31, 2012, a total of 63% of fixed annuity and universal life account values are at contractual minimum guaranteed crediting rates vs. 45% at December 31, 2011.

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1) Includes the investment return on surplus other than alternative investment or yield enhancement activities.

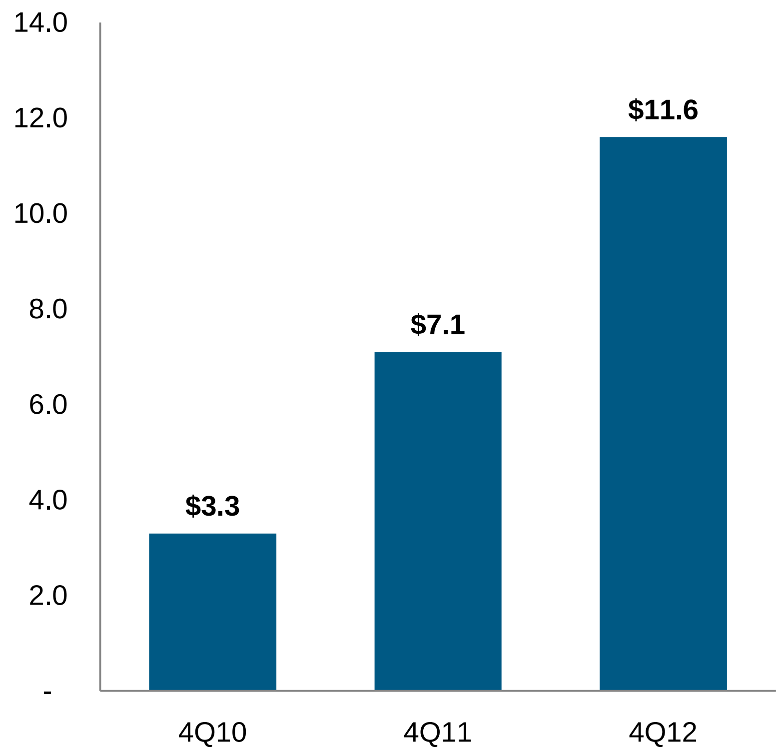
Mortgage Guaranty – Results

4Q12 operating loss of $45 million reflects a lengthening of foreclosure timelines and a change in estimated ultimate cure rate, both of which negatively impacted loss reserves.

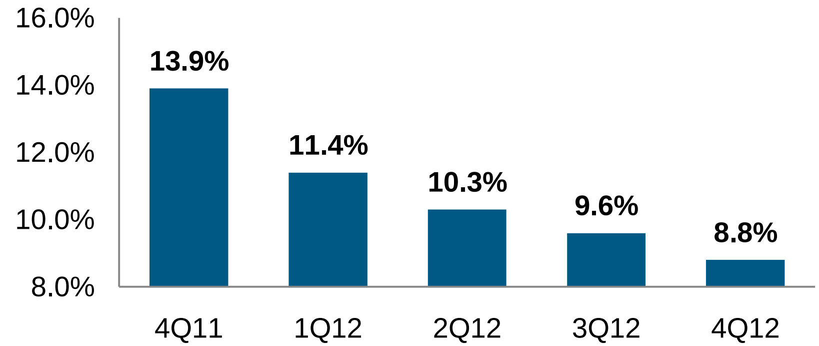
New Insurance Written (NIW)(1)

($ in billions)

Growth in New insurance written reflects consistently high quality risks.



Primary Delinquency (DQ) Ratio (%)



DQ Aging	4Q11	1Q12	2Q12	3Q12	4Q12
% Over 12Mos	47%	44%	42%	40%	39%

Vintage Year	Average	
	FICO Score	LTV Ratio
2010	760	90
2011	757	91
2012	758	91

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1) New insurance written – original principal balance of loans (First-lien).

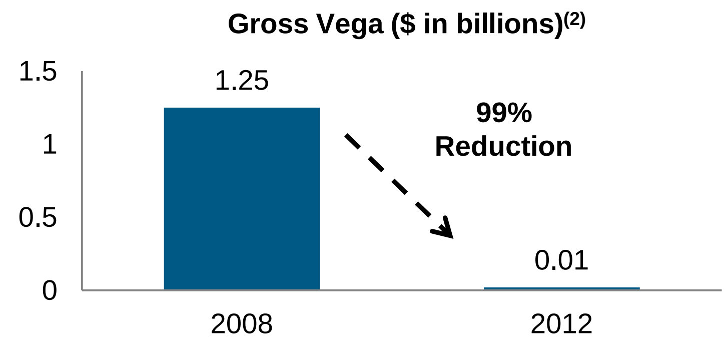
Q&A

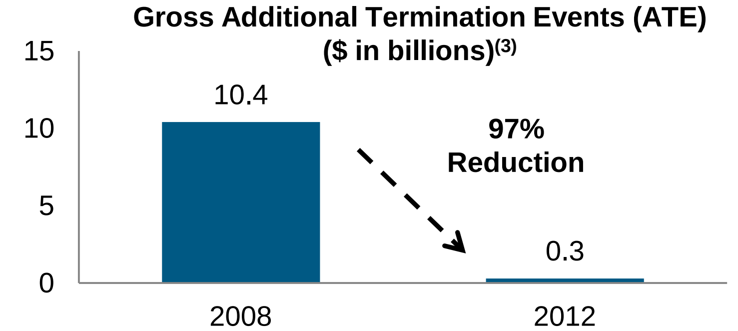
Appendix

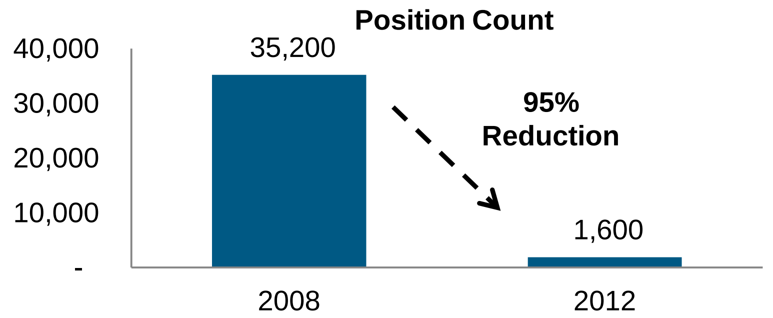
Legacy AIGFP: What We've Accomplished

AIG will continue to de-risk the legacy AIGFP portfolio while ensuring the firm retains the maximum economic benefit possible.

Net Notional Exposures ($ in billions)					
Derivatives Book	December 31,			% Reduction	
	2008(1)	2011	2012	2008 – 2012	2011 – 2012
Market Derivatives	~1,450	131	101	93%	23%
Multi-sector CDS	~13	6	4	69%	33%
Corporate Arbitrage	~52	12	12	77%	0%
Regulatory Capital CDS	~245	7	0	>99%	>99%
Stable Value Wraps	~40	20	10	75%	50%
Total Legacy Derivatives (4)	**~$1,800**	**$176**	**$127**	**93%**	**28%**







1) 2008 net notional amounts are approximate.
2) The Gross Vega is calculated as the sum of all the individual positions' absolute vegas as if each position is not hedged. Although AIGFP's books are almost completely hedged on a net Vega basis, the Gross Vega measure will help monitor how well the volatility risk is being eliminated. The interest rate option vega denotes the change in value due to a 0.1% increase in normal volatility. For other derivatives (i.e., Equity, Commodity and FX option), vega denotes the change in value due to a 1% increase in lognormal volatility.
3) Gross ATE measures the impact of a three-notch downgrade. 2008 Gross ATE includes $1.3 billion attributable to Guaranteed Investment Contracts (GICs).
4) Excludes $16.5 billion and $10.2 billion of intercompany derivatives in 2012 and 2011, respectively.

Legacy AIGFP: Where We're Going

Actively managing the portfolio for maximum profit contribution and with limited risk.

Type	Estimated Average Life	Description
Market Derivatives	5.7 years	**AIG Derisking Activities and Portfolio Hedging - ~$73 billion:** ▪ Aggregate Value at Risk on Market Derivatives is effectively zero at a 95% confidence level ▪ Derivatives primarily facilitate hedging of the assets and liabilities of the DIB program as well as affiliate companies' ordinary course risk management activity
	7.9 years	**3rd Party Client Trades - ~$28 billion:** ▪ Aggregate Value at Risk on Market Derivatives is effectively zero at a 95% confidence level ▪ Third-party trades primarily intermediated and represent ~$28 billion of total remaining notional ▪ Bulk of remaining trades expected to remain until maturity as they have been intermediated to preserve economic value or provide attractive funding
Stable Value Wraps	4.9 years	▪ No material realized losses even through market stress of 2008 ▪ During Q4 2012, Stable Value Wraps with a notional value of $8 billion were novated to AIG Life & Retirement and further novations are expected during 2013
Multi-sector CDS	5.8 years	▪ $782 million profit contribution since 12/31/08 ▪ Managed to retain significant future upside - Where economics are compelling will continue to unwind trades
Corporate Arbitrage	3.2 years	▪ $1.91 billion profit contribution since 12/31/08 ▪ Vast majority of notional has been intermediated to preserve economics while eliminating contingent liquidity ▪ Third-party credit review confirms no expected losses even in stress scenarios
Regulatory Capital CDS	0.6 years	▪ $251 million profit contribution since 12/31/08 on termination of related mezzanine and hedges ▪ Less than $100 million in total notional remains. Expected to terminate or completely amortize during 2013

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