American International Group, Inc.

Earnings Conference Call Presentation
Fourth Quarter 2014

February 13, 2015

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Financial Objectives

To achieve a sustainable ROE at or above our cost of capital.

Key Metric	Annual targets through 2017	Outlook and Key Levers for Improvement
ROE, Ex. AOCI and DTA	~50+ bps increase	▪ Baseline of 7.4% ROE, normalized for CATs and alternative returns ▪ Expense efficiencies and capital return are key levers for improvement ▪ 10+% ROE remains the long term objective
Expense Management	3-5% reduction in net expense*	▪ Simplification of processes and organizational structure ▪ Execution and discipline on strategic projects ▪ New initiatives to be funded from GOE savings
Book Value Per Share, Ex. AOCI and DTA	10+% growth	▪ Balanced capital deployment – Announced $2.5 billion share repurchase authorization in February 2015 ▪ Non-core assets contribute to capital flexibility over time ▪ Disciplined risk appetite for new business and acquisitions

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* General operating expenses (see slide 7).

Operating Financial Highlights

($ in millions, except per share amounts)	Fourth Quarter 2013	Fourth Quarter 2014	Inc. (Dec.)
Commercial Insurance:			
Property Casualty	$ 734	$ 935	27%
Mortgage Guaranty	48	171	256%
Institutional Markets	191	118	(38%)
Total Commercial Insurance	973	1,224	26%
Consumer Insurance:			
Retirement	957	722	(25%)
Life	215	80	(63%)
Personal Insurance	(9)	121	NM
Total Consumer Insurance	1,163	923	(21%)
Total Insurance Operations	2,136	2,147	1%
Corporate and Other	296	(357)	NM
Consolidation, eliminations and other adjustments	48	(50)	NM
Pre-tax operating income	$ 2,480	$ 1,740	(30%)
After-tax operating income	$ 1,666	$ 1,371	(18%)
After-tax operating income per diluted share	$ 1.13	$ 0.97	(14%)
Return On Equity:			
ROE – After-tax operating income – Ex. AOCI	7.2%	5.7%	
ROE – After-tax operating income – Ex. AOCI and DTA	8.8%	6.8%	
Book Value Per Common Share:			
Book value per common share	$ 68.62	$ 77.69	13%
Book value per common share - Ex. AOCI	$ 64.28	$ 69.98	9%
Book value per common share - Ex. AOCI & DTA	$ 52.12	$ 58.23	12%

Note: Refer to Appendix included herein for Non-GAAP reconciliations.

Prior Year Reserve Development and Change in Discount

($ in millions)	2014 Fourth Quarter	2014 Full Year
Prior Year Development (Favorable) Unfavorable[1]:		
Commercial (Property Casualty)		
Casualty	$ (2)	$ 516
Financial Lines	92	135
Specialty	72	198
Property	13	(194)
Mortgage Guaranty	(30)	(104)
Total Commercial Insurance	145	551
Consumer Insurance (Personal Insurance)	(35)	(77)
Corporate and Other - Run-off insurance lines	135	229
Prior year development	$ 245	$ 703
(Additional) returned premium related to prior year development	52	(105)
Net prior year development	$ 297	$ 598
Net reserve discount charge	$ 568	$ 478

Prior Accident Year Development by Accident Year:	Full Year 2012	Full Year 2013	Full Year 2014
Accident Year			
2013	$ -	$ -	$ (283)
2012	-	(181)	(59)
2011	(162)	217	37
2010	(75)	(350)	12
2009	(45)	157	31
2008	(150)	(1)	8
2007	157	-	(113)
2006	(20)	(75)	64
2005	112	61	105
2004 and prior	604	729	901
Total prior year development	**$ 421**	**$ 557**	**$ 703**

Net unfavorable prior year development in 4Q14 was driven by the following:

- Commercial reflected adverse emergence in Primary Workers' Compensation, Healthcare, Pollution Products and International Financial Lines.
- Corporate and Other Runoff lines was driven primarily by the Pollution Products business within the runoff environmental book and the retained asbestos and assumed reinsurance portfolios in the runoff asbestos and environmental book.
- The change in net reserve discount in 4Q14 reflected the following:
  - Lower interest rates;
  - Revised loss payout expectations;
  - The acceleration of payments in the runoff Excess Workers' Compensation portfolio due to commutations of assumed reinsurance and individual claim settlements through the end of 2014;
  - The reduced premium volume of our Primary Workers' Compensation book in 2014 compared to prior years.

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1) Net of reinsurance.

Corporate and Other Operations

($ in millions)	Fourth Quarter 2013	Fourth Quarter 2014
Corporate and Other Operations:		
Direct Investment book	$418	$174
Global Capital Markets	194	27
Runoff insurance lines	369	(422)
Other operations	126	119
Equity in pre-tax operating earnings of AerCap	-	185
Fair value of PICC Group shares	-	67
Corporate expenses, net	(218)	(236)
Severance expense	(265)	-
Interest expense	(328)	(271)
Total Corporate and Other	$296	($357)

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General Operating Expenses

Targeting 3-5% of annual reduction through 2017

	Full Year	
($ in millions)	**2013**	**2014**
General operating expenses (GOE):		
General operating expenses	$ 9,164	$ 8,721
Other acquisition expenses	1,675	1,464
Loss adjustment expenses	1,666	1,667
Investment and other expenses	127	88
Total general operating expenses, Operating basis	**$12,632**	**$11,940**

- We remain focused on reducing business as usual costs (operating GOE less investment spend) sustainably over time, while making the necessary investments to drive profitability, growth, enhanced risk management and compliance.
  - General operating expenses in 2014 included $685 million of investment spend.
- We manage our expenses on a gross basis – before allocation to loss adjustment expenses, acquisition and other expenses – as it provides a more meaningful indication of our fixed operating costs.
- Total operating GOE for the full year of 2014 declined 3.5 percent, excluding the $265 million severance charge in 2013.

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Note: Refer to page 9 of the financial supplement for detailed presentation and the appendix included herein for the Non-GAAP reconciliation.

Capital Management Fourth Quarter Highlights

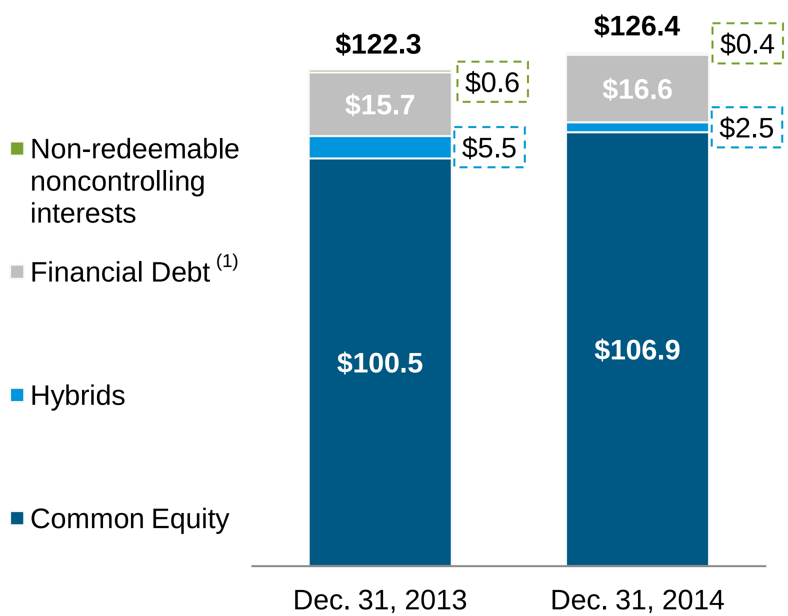
- **Share repurchases** of approximately $1.5 billion of AIG Common Stock during 4Q14; Additional authorization of $2.5 billion announced on February 12, 2015.
- **Debt repurchases** of certain high coupon hybrid and senior notes issued or guaranteed by AIG Parent, for an aggregate purchase price of $3.7 billion.
- **Debt issuances –** In October 2014 issued $750 million aggregate principal amount of 4.500% Notes due 2044 and in January 2015 issued $1.2 billion aggregate principal amount of 3.875% Notes due 2035 and $800 million aggregate principal amount of 4.375% Notes due 2055.
- **Distributions** of $3.6 billion in 4Q14 in the form of cash and fixed maturity securities from insurance subsidiaries and additional $2.8 billion in 1Q15.
- **Distributions** of excess capital from Domestic Life Insurance Companies resulted in a year-end RBC ratio of approximately 490%(1).

1) Represents the ratio of total adjusted statutory capital to Company Action Level (CAL) Risk-based Capital (RBC). The inclusion of 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. RBC ratio for Domestic Life Insurance Companies excludes holding company, AGC Life Insurance Company. Amounts for 2014 are estimated.

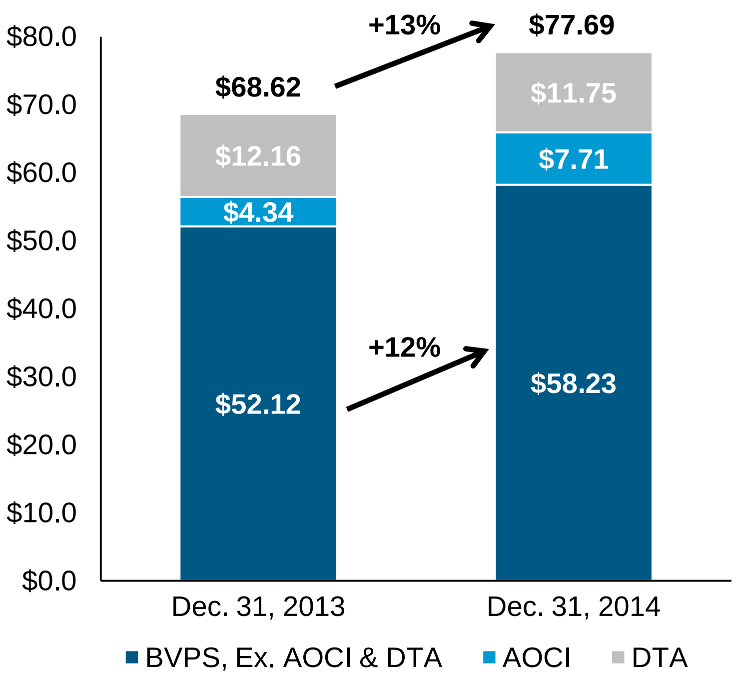
Strong Capital Position

Capital Structure

($ in billions, except per share data)



Book Value Per Share



Leverage Ratios:	Dec. 31, 2013	Dec. 31, 2014	Pro Forma Dec. 31, 2014[2]
Financial Debt + Hybrids / Total Capital	17.3%	15.1%	16.4%
Financial Debt / Total Capital	12.8%	13.2%	14.5%

Risk Based Capital Ratios[3]		
Year-end	Domestic Life Insurance Companies	Domestic Non-Life Insurance Companies
2013	568% (CAL)	416% (ACL)
2014	490% (CAL)	440% (ACL)

1) Includes AIG notes, bonds, loans and mortgages payable, and AIG Life Holdings, Inc. (AIGLH) notes and bonds payable and junior subordinated debt.
2) Includes $1.2 billion aggregate principal amount of 3.875% Notes due 2035 and $800 million aggregate principal amount of 4.375% Notes due 2055 issued in January 2015.
3) The inclusion of 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. ACL is defined as Authorized Control Level and CAL is defined as Company Action Level. RBC ratio for Domestic Life Insurance Companies excludes holding company, AGC Life Insurance Company. Amounts for 2014 are estimated.

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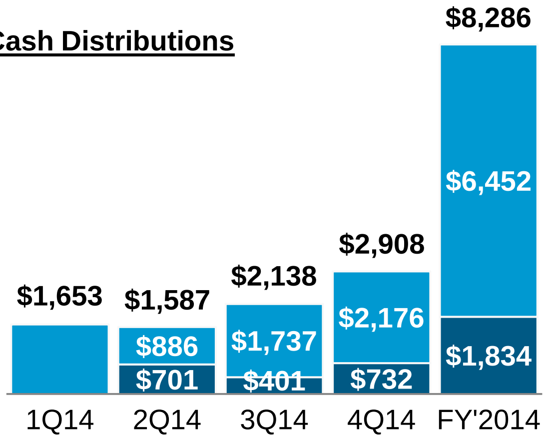
Financial Flexibility – A Source of Strength

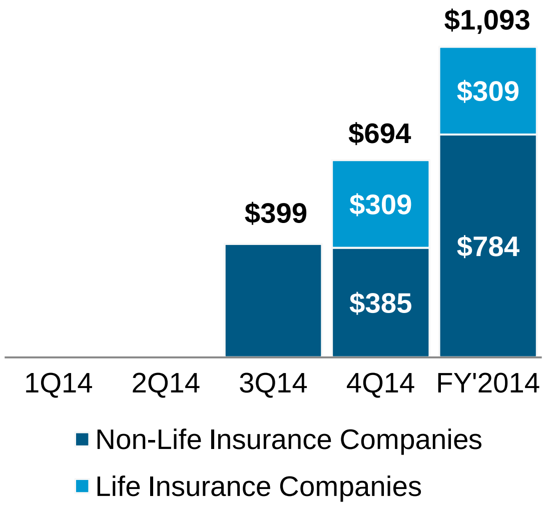
Insurance Company Distributions

($ in millions)

Cash Distributions

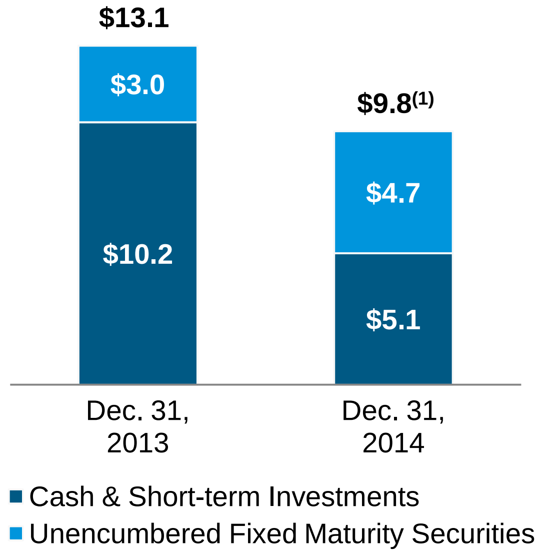


Distributions of Fixed Maturity Securities



AIG Parent Liquidity

($ in billions)



Changes in AIG Parent Liquidity

($ in billions)	
AIG Parent Liquidity, excluding DIB/GCM:	
Balance, October 1, 2014	**$9.9**
Issuance of debt	0.8
Cash distributions	2.9
Non-cash distributions	0.7
Liability management	(3.7)
Purchase of common stock	(1.5)
Litigation settlement	(1.0)
Interest on debt	(0.3)
Dividends paid	(0.2)
Other, net	(0.7)
Balance, December 31, 2014	**$6.9**
Add: DIB/GCM	**2.9**
Total AIG Parent Liquidity	**$9.8**[1]

- Additional dividends declared in 4Q14 and paid in 1Q15 were $2.8 billion ($2.2 billion for Life Insurance Companies, which included $2.0 billion of fixed maturity securities, and $600 million for Non-Life Insurance Companies).
- Full year 2014 net tax sharing payments from insurance businesses amounted to $1.0 billion following a $57 million net reimbursement to subsidiaries in 4Q14. The tax sharing payments may be subject to further adjustment in future periods.

1) AIG Parent cash, short-term investments and unencumbered fixed maturity securities of $9.8 billion include $2.9 billion allocated toward future maturities of liabilities and contingent liquidity stress needs of the Direct Investment book and Global Capital Markets as of December 31, 2014. December 31, 2014 balance excludes $2.0 billion debt issuance in January 2015. See slide 9.

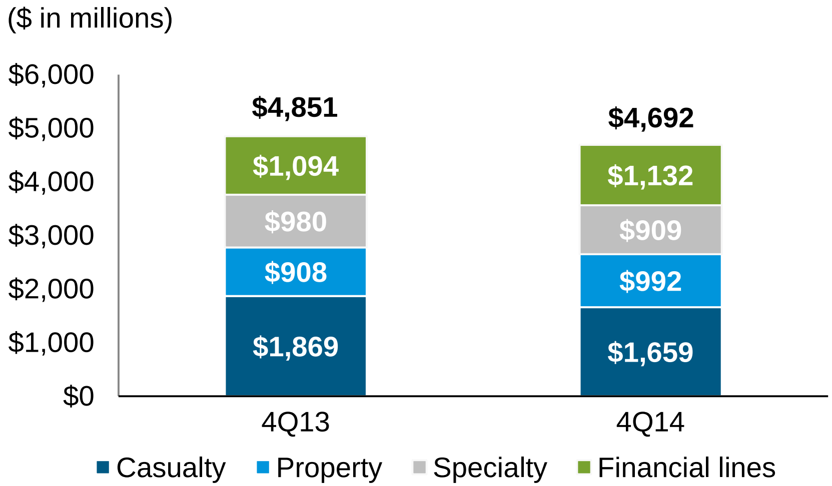
Commercial Insurance

Commercial Insurance – Property Casualty Financial Results

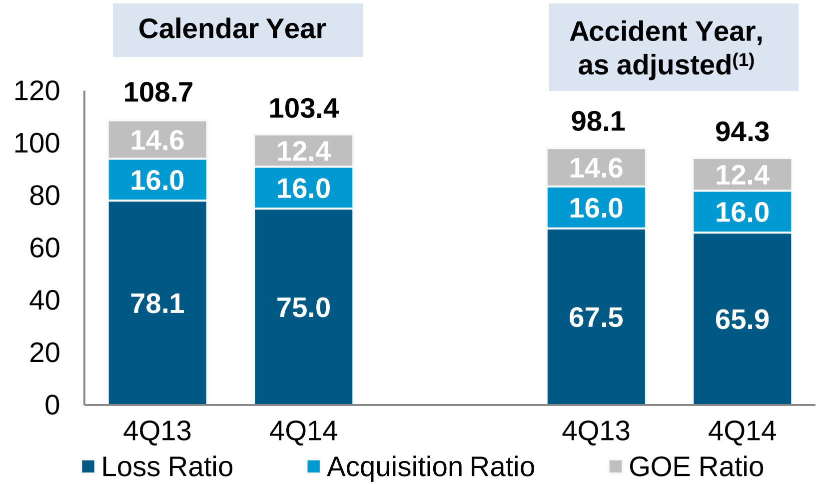
($ in millions)	4Q13	4Q14
Net premiums written	**$4,851**	**$4,692**
Net premiums earned	**5,305**	**5,207**
Underwriting loss	**(460)**	**(173)**
Net investment income	**1,194**	**1,108**
Pre-tax operating income	**$734**	**$935**

- Property Casualty NPW, excluding the effects of foreign exchange and return premiums on loss-sensitive business, decreased 1% from 4Q13 driven by lower retention of renewal business and decreased new business due to our continued underwriting discipline in U.S. Casualty, largely offset by new business growth in Financial lines and Property.
- Property Casualty rates were relatively flat in 4Q14 led by U.S. Financial lines at +2.1%, U.S. Specialty at +1.9% and U.S. Casualty at +0.1%, partially offset by U.S. Property at -5.9%.
- The accident year loss ratio, as adjusted, declined 1.6 points from 4Q13 primarily due to a 3.6 point reduction in severe losses and an improvement in Financial lines, partially offset by an increase in the frequency of non-severe losses, particularly in Property and Specialty.
- The 4Q14 combined ratio declined primarily due to a 2.9 point decrease from lower catastrophe losses, lower severe losses, slightly offset by an increase in prior year adverse development. In addition, the GOE ratio declined from the prior year period, as a result of efficiencies realized in organizational realignment initiatives.

Net Premiums Written



Combined Ratios



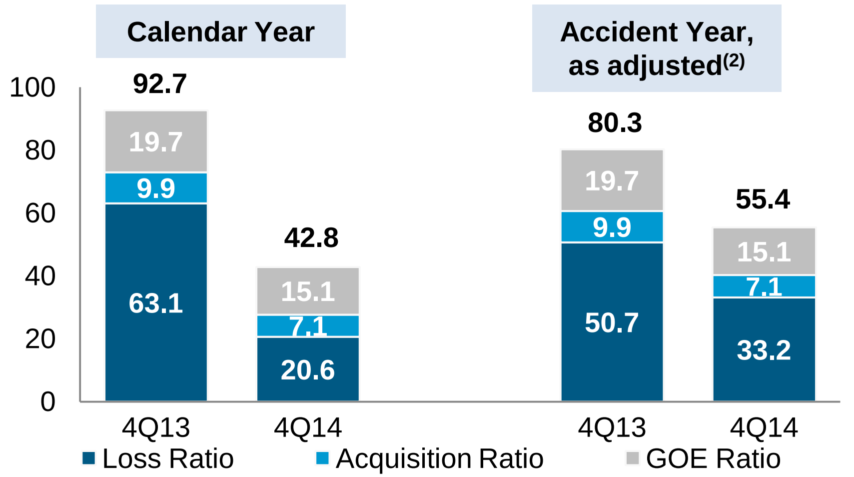
1) Both the accident year combined ratio, as adjusted, and accident year loss ratio, as adjusted, exclude catastrophe losses and related reinstatement premiums, prior year development, net of premium adjustments, and the impact of reserve discounting.

Commercial Insurance – Mortgage Guaranty Financial Results and Trends

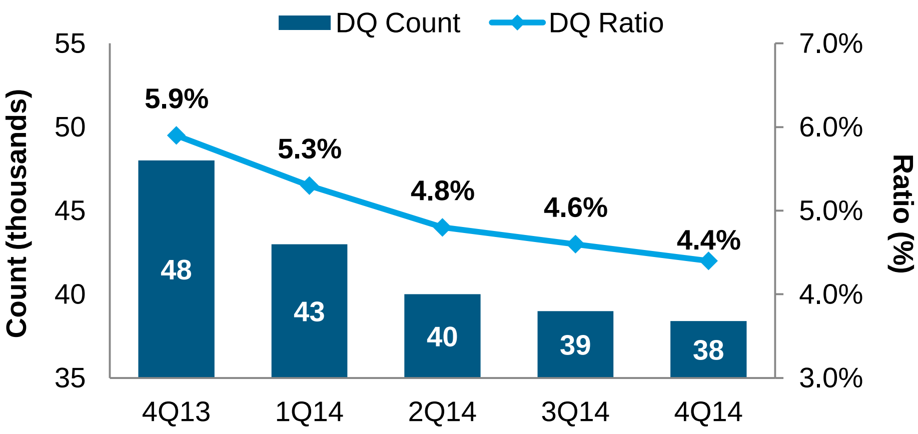
($ in millions)	4Q13	4Q14
New insurance written[(1)]	$10,752	$10,733
Net premiums written	255	273
Net premiums earned	203	238
Underwriting income	15	136
Net investment income	33	35
Pre-tax operating income	$48	$171

- New insurance written in 4Q14 and 4Q13 was comparable despite a change in the mix of purchases and refinancings.
- Underwriting income improvement resulted from premium growth, reduced accident year losses in the first-lien business, favorable prior year loss reserve development of $30 million, and a benefit to premiums from a legal settlement on second-lien business.

Combined Ratios



Primary Delinquency Trend[(1)]



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

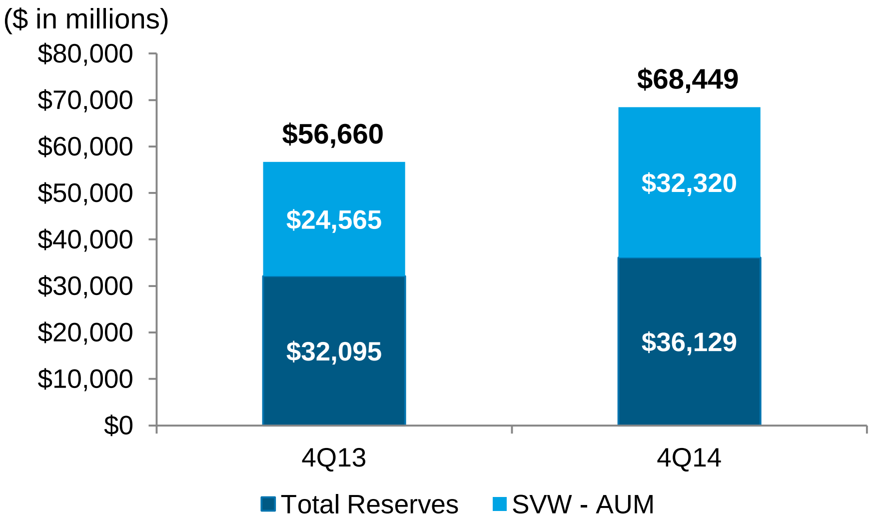
1) Domestic First-lien only, based on the principal amount of loans insured.
2) Both the accident year combined ratio, as adjusted, and accident year loss ratio, as adjusted, exclude prior year development.

Commercial Insurance – Institutional Markets Financial Results

($ in millions)	4Q13	4Q14
Premiums and deposits	$294	$615
Premiums	123	64
Policy fees	29	49
Net investment income	550	435
Total operating revenues	702	548
Benefits and expenses	511	430
Pre-tax operating income	$191	$118

- The decline in pre-tax operating income from 4Q13 reflects lower returns on alternative investments.
- The decrease in net investment income was partially offset by higher fee income driven by growth in assets under management, primarily from the stable value wrap business.

Reserves & SVW Assets Under Management



- The increase in stable value wraps assets under management and reserves from 4Q13 reflects growth in new business and contracts transferred from Global Capital Markets.

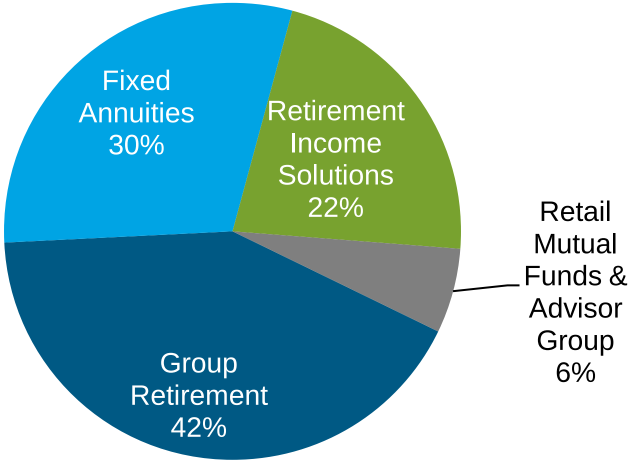
Consumer Insurance

Consumer Insurance – Retirement Financial Results

($ in millions)	4Q13	4Q14
Premiums and deposits[1]	$6,742	$6,003
Premiums	68	66
Policy fees	231	259
Net investment income	1,771	1,581
Advisory fee and other income	467	511
Total operating revenues	2,537	2,417
Benefits and expenses	1,580	1,695
Pre-tax operating income	$957	$722

- Premiums and deposits were approximately $6 billion in 4Q14, down from 4Q13, principally due to a decline in retail mutual fund sales. Deposits were also impacted by lower interest rates.
- Policy fees and other income increased as a result of higher assets under management from a year ago, offset by lower net investment income as a result of lower returns on alternative investments and a decline in base yields.
- Pre-tax operating income declined from the year ago period primarily due to the lower net investment income described above and a $35 million favorable DAC unlocking in the prior year period.

Assets Under Management

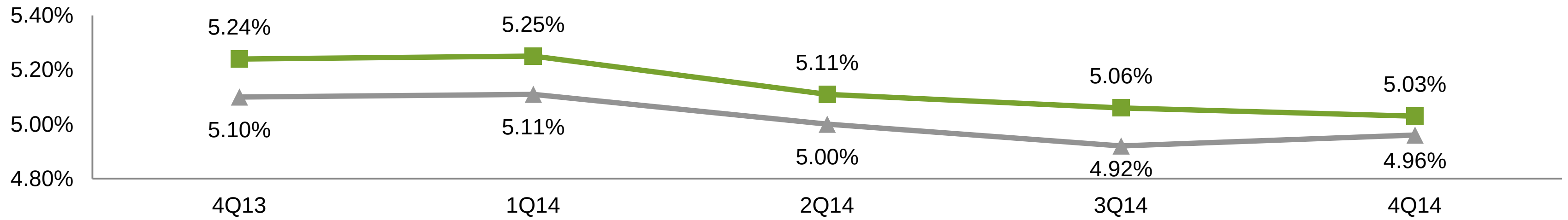


- Retirement assets under management of $224 billion increased by approximately $7 billion from year-end 2013 as a result of strong variable annuity net flows and overall separate account investment performance. This growth was partially offset by net outflows in fixed annuities and group retirement, which were negatively affected by the low interest rate environment and the loss of certain large group plans.

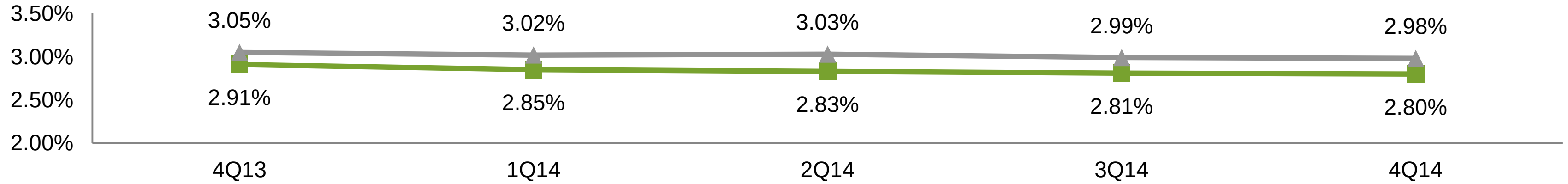
1) Amounts include activity related to closed blocks of fixed and variable annuities.

Consumer Insurance – Retirement Base Yields and Spreads

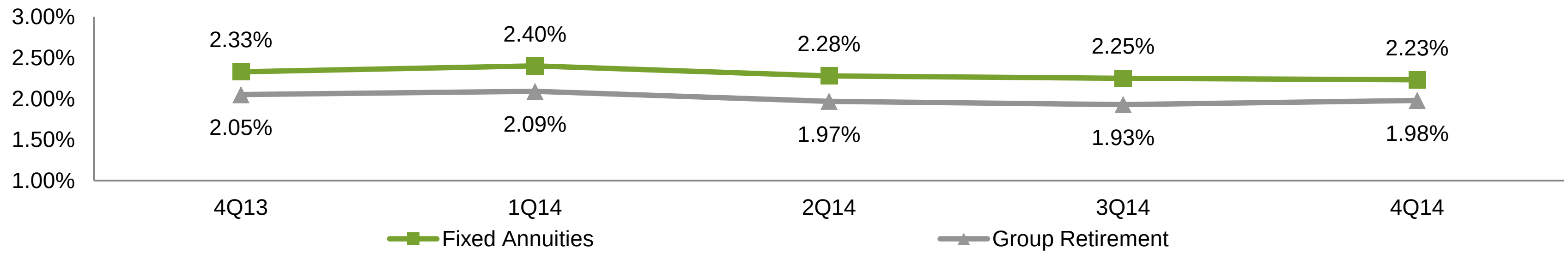
Base Yields(1)



Cost of Funds(2)



Base Net Investment Spreads(1)



- Trend in base yields reflects the reinvestment of cash flows at yields lower than the overall portfolio rate.
- Management remains focused on actions to reduce the cost of funds in order to support base spreads. In the fourth quarter, cost of funds continued to benefit from active management of crediting rates, disciplined new business pricing and the run-off of older business with crediting rates generally higher than the overall cost of funds.

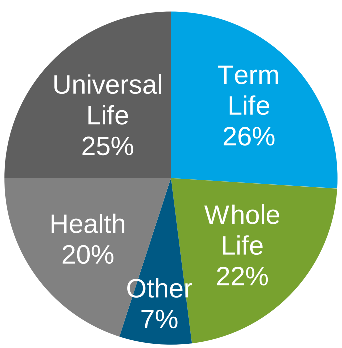
1) Includes return on base portfolio. Quarterly results are annualized.
2) Excludes the amortization of sales inducement assets.

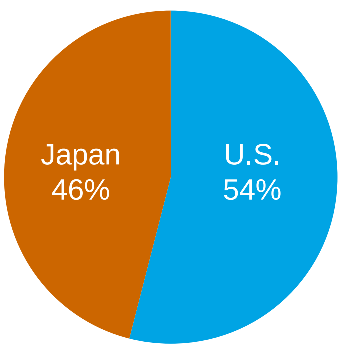
Consumer Insurance – Life Financial Results

($ in millions)	4Q13	4Q14
Premiums and deposits	**$1,233**	**$1,249**
Premiums	**665**	**675**
Policy fees	**345**	**365**
Net investment income	**586**	**536**
Total operating revenues	**1,596**	**1,576**
Benefits and expenses	**1,381**	**1,496**
Pre-tax operating income	**$215**	**$80**

- Premiums and policy fees grew from 4Q13 primarily due to premium growth in Japan, which represents approximately one-third of overall premiums and grew approximately 7% from the prior year period.
- The premium and policy fee growth was offset by lower net investment income, which was negatively affected by lower base investment yields and lower returns on alternative investments.
- Pre-tax operating income in 4Q14 included a $104 million increase to the estimated reserves for incurred but not reported death claims, which reflected continuing efforts to identify deceased insureds and their beneficiaries, primarily in a legacy block of small face amount policies pursuant to the resolution of a multi-state audit and market conduct examination.

$461 M in New Business Annualized Sales in 2014





- Global life new product sales reflect the balance and diversification of new business from both a geographic and product portfolio perspective.
- New business in the U.S. is primarily comprised of universal and term life, while sales in Japan are predominantly whole life and health.
- Including the recent acquisition of Ageas Protect, Life insurance in force reached $1 trillion, an increase of 9% from year end 2013, with 2% growth achieved organically.

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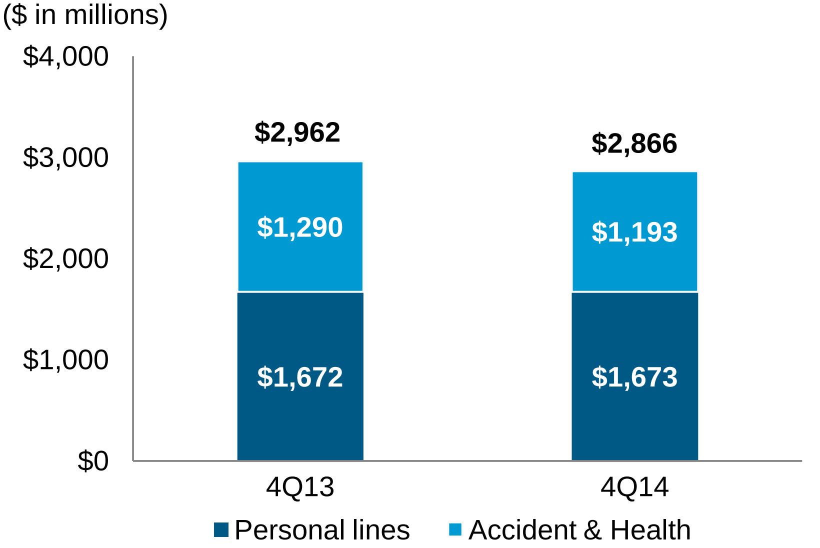
Consumer Insurance – Personal Insurance Financial Results

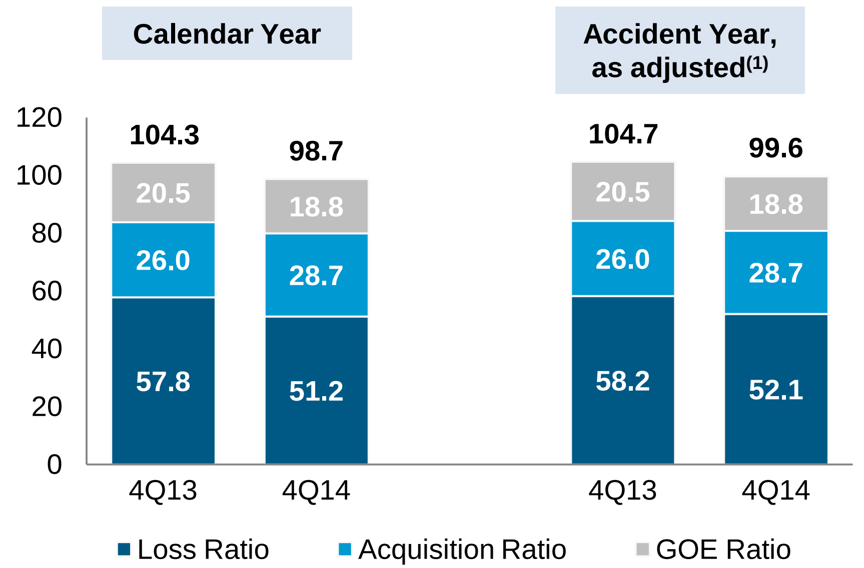
($ in millions)	4Q13	4Q14
Net premiums written	**$2,962**	**$2,866**
Net premiums earned	**3,069**	**2,926**
Underwriting income (loss)	**(132)**	**39**
Net investment income	**123**	**82**
Pre-tax operating income (loss)	**($9)**	**$121**

- Personal Insurance NPW, excluding the effects of foreign exchange, grew by 2%, driven by increases in premium rates and the execution of our strategies in growth-targeted lines of business, partially offset by a decrease in certain classes of business in the U.S. due to continued underwriting discipline.
- Underwriting income improved from the year ago period principally driven by overall improvements in the accident year loss ratio, as adjusted, across the product portfolio and lower catastrophe losses. Lower losses from the year ago period associated with a retail warranty program resulted in an increase in the acquisition ratio due to the related profit sharing expenses.
- The GOE ratio declined from the year ago period, benefiting from efficiencies realized from organizational realignment initiatives.

Net Premiums Written



Combined Ratios



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

Q&A

Appendix

Deferred Tax Asset Overview

AIG continues to have substantial deferred tax assets that are available to offset future tax obligations.

		As of 12/31/13		As of 12/31/14		
($ in billions)	**Type**	**Gross Attributes**	**Deferred Tax Asset**	**Gross Attributes**	**Deferred Tax Asset**	**Utilization/Expiration**
Net Operating Loss Carryforwards	**Non-Life & Life**	$35.8	$12.5	$29.4	$10.3	▪ Utilize against Non-Life Insurance Companies, Corporate & Other and 35% of Life Insurance Companies' income ▪ 2028–2031 Expiration
Capital Loss Carryforwards	**Life**	$1.4	$0.5	-	-	▪ Capital loss carryforward fully utilized in 2014
Valuation Allowance			($0.5)		-	
Foreign Tax Credits	**General**		$5.3		$5.9	▪ Utilize against 65% of Life Insurance Companies income ▪ 2016–2023 Expiration
Subtotal – U.S. Tax Attributes			**17.8**		**16.2**	
Other Deferred Tax Assets/(Liabilities)			3.4		2.5	
Net Deferred Tax Assets			**$21.2**		**$18.7**	

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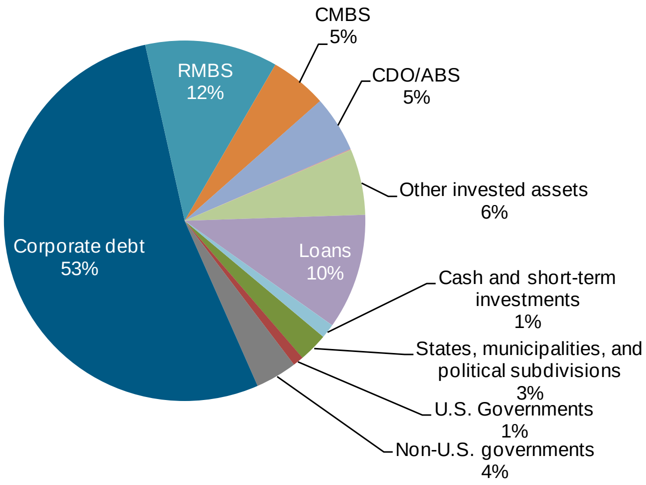
Life Insurance Companies – Invested Assets

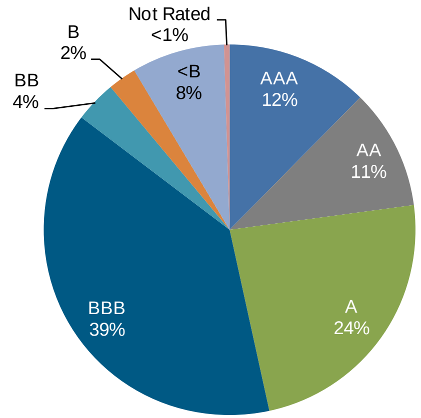
Total Cash & Invested Assets as of December 31, 2014 - $202.8 billion(1)

Total Portfolio Composition

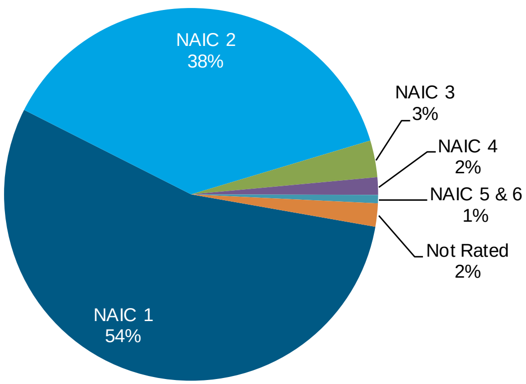


Bond Portfolio - $167.3 billion

By Agency Credit Rating



By NAIC Ratings(2)



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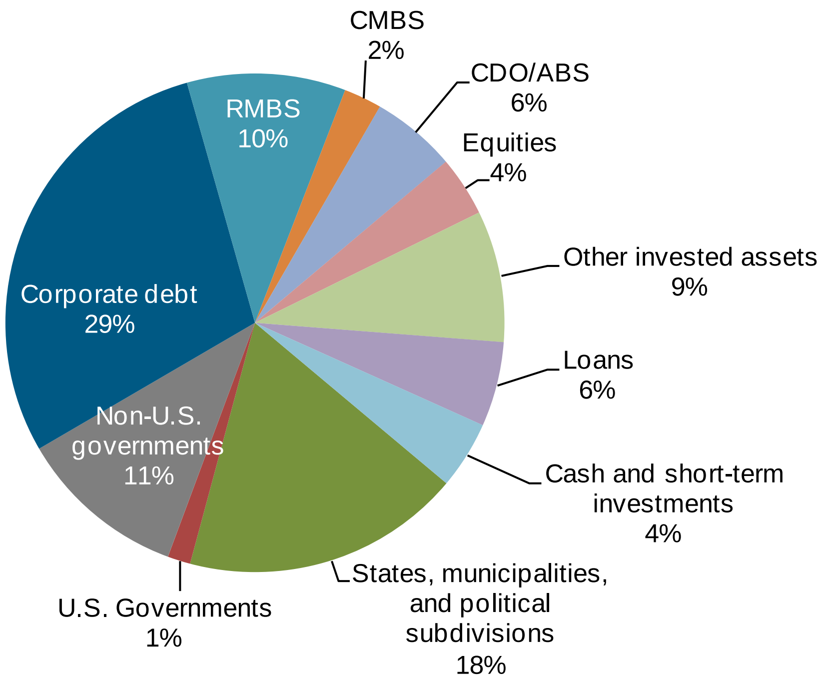
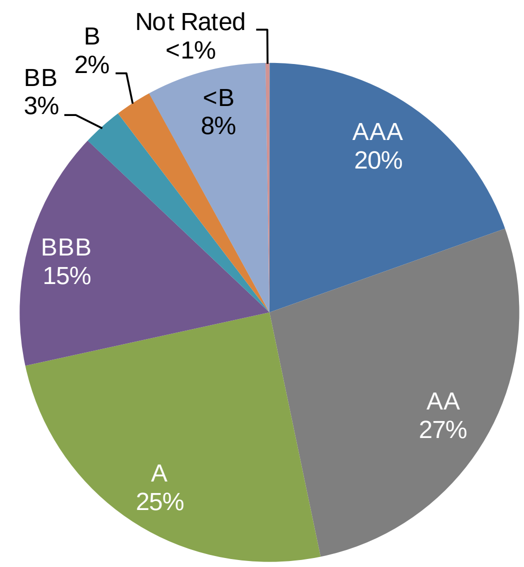
1) Includes intercompany invested assets that are eliminated in consolidation.
2) Excludes $4.3 billion of fixed maturity securities for which no NAIC Designation is available because they are not held in legal entities within Life Insurance Companies that require a statutory filing. A significant portion of instruments with below investment grade credit ratings from rating agencies are comprised of non-agency RMBS, most of which are rated higher when using the NAIC's cash flow based evaluation approach comparing book value to expected recoveries.

Non-Life Insurance Companies – Invested Assets

Total Cash & Invested Assets as of December 31, 2014 - $121.8 billion(1)

Total Portfolio Composition	Bond Portfolio - $94.7 billion - by Agency Credit Rating





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

Non-GAAP Reconciliation – Pre-Tax Operating Income & After-Tax Operating Income

($ in millions)	Pre-tax 4Q13	Pre-tax 4Q14	After-tax (amounts presented net of tax) 4Q13	After-tax (amounts presented net of tax) 4Q14
Pre-tax income / Net income	**$ 2,150**	**$ 729**	**$ 1,978**	**$ 655**
Adjustments to arrive at operating income:				
(Income) loss from discontinued operations	-	-	(11)	35
(Income) loss from divested businesses	190	20	97	(9)
Uncertain tax positions and other tax adjustments	-	-	65	73
Legal reserves (settlements) related to legacy crisis matters	(615)	(113)	(399)	(100)
Deferred income tax valuation allowance releases	-	-	(540)	(20)
Changes in fair values of fixed maturity securities designated to hedge living benefit liabilities, net of interest expense	33	(98)	22	(64)
Changes in benefit reserves and DAC, VOBA and SIA related to net realized capital gains (losses)	112	127	74	82
Other (income) expense - net	72	-	47	-
Loss on extinguishment of debt	192	1,268	125	824
Net realized capital (gains) losses	346	(193)	208	(105)
Operating income	**$ 2,480**	**$ 1,740**	**$ 1,666**	**$ 1,371**

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

Book Value Per Common Share - Ex. AOCI & DTA *($ in millions, except per share data)*	December 31, 2013	December 31, 2014
Total AIG shareholders' equity (1)	$ 100,470	$ 106,898
Less: Accumulated other comprehensive income (AOCI)	6,360	10,617
Total AIG shareholders' equity, excluding AOCI (2)	94,110	96,281
Less: Deferred tax assets (DTA)*	17,797	16,158
Total AIG shareholders' equity, excluding AOCI & DTA (3)	$ 76,313	$ 80,123
Total common shares outstanding (4)	1,464.1	1,375.9
Book Value Per Share (1 ÷ 4)	$ 68.62	$ 77.69
Book Value Per Share, excluding AOCI (2 ÷ 4)	$ 64.28	$ 69.98
Book Value Per Share, excluding AOCI & DTA (3 ÷ 4)	$ 52.12	$ 58.23

Return On Equity	Fourth Quarter 2013	Fourth Quarter 2014
Annualized Net income attributable to AIG (1)	$ 7,912	$ 2,620
Annualized After-tax operating income attributable to AIG (2)	6,664	5,484
Average AIG Shareholders' equity (3)	99,632	107,740
Less: Average AOCI	6,435	10,974
Average AIG Shareholders' equity, excluding average AOCI (4)	$ 93,197	$ 96,766
Less: Average DTA*	17,885	15,920
Average AIG Shareholders' equity, excluding average AOCI & DTA (5)	$ 75,312	$ 80,846
ROE (1 ÷ 3)	7.9%	2.4%
ROE - After-tax operating income, excluding AOCI (2 ÷ 4)	7.2%	5.7%
ROE - After-tax operating income, excluding AOCI & DTA (2 ÷ 5)	8.8%	6.8%

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* Represents U.S. tax attributes related to net operating loss carryforwards and foreign tax credits.

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

	Fourth Quarter	
Accident year combined ratio, as adjusted	**2013**	**2014**
Property Casualty		
Loss ratio	78.1	75.0
Catastrophe losses and reinstatement premiums	(3.6)	(0.7)
Prior year development net of premium adjustments	(0.9)	(4.0)
Net reserve discount benefit (charge)	(6.1)	(4.4)
Accident year loss ratio, as adjusted	**67.5**	**65.9**
Acquisition ratio	16.0	16.0
General operating expense ratio	14.6	12.4
Expense ratio	**30.6**	**28.4**
Combined ratio	108.7	103.4
Catastrophe losses and reinstatement premiums	(3.6)	(0.7)
Prior year development net of premium adjustments	(0.9)	(4.0)
Net reserve discount benefit (charge)	(6.1)	(4.4)
Accident year combined ratio, as adjusted	**98.1**	**94.3**
Mortgage Guaranty		
Loss ratio	63.1	20.6
Prior year development	(12.4)	12.6
Accident year loss ratio, as adjusted	**50.7**	**33.2**
Acquisition ratio	9.9	7.1
General operating expense ratio	19.7	15.1
Expense ratio	**29.6**	**22.2**
Combined ratio	92.7	42.8
Prior year development	(12.4)	12.6
Accident year combined ratio, as adjusted	**80.3**	**55.4**
Personal Insurance		
Loss ratio	57.8	51.2
Catastrophe losses and reinstatement premiums	(0.6)	(0.3)
Prior year development net of premium adjustments	1.0	1.2
Accident year loss ratio, as adjusted	**58.2**	**52.1**
Acquisition ratio	26.0	28.7
General operating expense ratio	20.5	18.8
Expense ratio	**46.5**	**47.5**
Combined ratio	104.3	98.7
Catastrophe losses and reinstatement premiums	(0.6)	(0.3)
Prior year development net of premium adjustments	1.0	1.2
Accident year combined ratio, as adjusted	**104.7**	**99.6**

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Non-GAAP Reconciliation – Premiums and Deposits

Premiums and Deposits *($ in millions)*	**Fourth Quarter 2013**	**Fourth Quarter 2014**
Institutional Markets		
Premiums and deposits	$ 294	$ 615
Deposits	(165)	(547)
Other	(6)	(4)
Premiums	**$ 123**	**$ 64**
Retirement		
Premiums and deposits	$ 6,739	$ 5,990
Deposits	(6,707)	(5,976)
Other	36	52
Premiums	**$ 68**	**$ 66**
Life		
Premiums and deposits	$ 1,233	$ 1,249
Deposits	(384)	(406)
Other	(184)	(168)
Premiums	**$ 665**	**$ 675**

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Non-GAAP Reconciliation – General Operating Expenses

Reconciliation to general operating and other expenses, GAAP basis *($ in millions)*	**Full Year 2013**	**Full Year 2014**
Total general operating expenses, Operating basis	**$ 12,632**	**$ 11,940**
Loss adjustment expenses, reported as policyholder benefits and losses incurred	(1,666)	(1,667)
Advisory fee expenses	1,175	1,315
Non-deferrable insurance commissions	521	522
Direct marketing and acquisition expenses, net of deferrals	513	570
Investment expenses reported as net investment income	(127)	(88)
Total general operating and other expenses included in pre-tax operating income	**13,048**	**12,592**
Legal reserves related to legacy crisis matters	444	546
Other expense related to retroactive reinsurance agreement	72	-
Total general operating and other expenses, GAAP basis	**$ 13,564**	**$ 13,138**

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