Conference Call Presentation

Fourth Quarter 2017

FEBRUARY 9, 2018

Cautionary Statement Regarding Forward Looking Information

This document and the remarks made within this presentation may include, and officers and representatives of American International Group, Inc. (AIG) may from time to time make, projections, goals, assumptions and statements that may constitute “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. These projections, goals, assumptions and statements are not historical facts but instead represent only AIG’s belief regarding future events, many of which, by their nature, are inherently uncertain and outside AIG’s control. These projections, goals, assumptions and statements include statements preceded by, followed by or including words such as “will,” “believe,” “anticipate,” “expect,” “intend,” “plan,” “focused on achieving,” “view,” “target,” “goal” or “estimate.” These projections, goals, assumptions and statements may address, among other things, AIG’s: exposures to subprime mortgages, monoline insurers, the residential and commercial real estate markets, state and municipal bond issuers, sovereign bond issuers, the energy sector and currency exchange rates; exposure to European governments and European financial institutions; strategy for risk management; actual and anticipated sales, monetizations and/or acquisitions of businesses or assets, including AIG’s ability to successfully consummate the purchase of Validus Holdings, Ltd.; restructuring of business operations, including anticipated restructuring charges and annual cost savings; generation of deployable capital; strategies to increase return on equity and earnings per share; strategies to grow net investment income, efficiently manage capital, grow book value per common share, and reduce expenses; anticipated organizational, business and regulatory changes; strategies for customer retention, growth, product development, market position, financial results and reserves; management of the impact that innovation and technology changes may have on customer preferences, the frequency or severity of losses and/or the way AIG distributes and underwrites its products; segments’ revenues and combined ratios; and management succession and retention plans. It is possible that AIG’s actual results and financial condition will differ, possibly materially, from the results and financial condition indicated in these projections, goals, assumptions and statements. Factors that could cause AIG’s actual results to differ, possibly materially, from those in the specific projections, goals, assumptions and statements include: changes in market conditions; negative impacts on customers, business partners and other stakeholders; the occurrence of catastrophic events, both natural and man-made; significant legal, regulatory or governmental proceedings; the timing and applicable requirements of any regulatory framework to which AIG is subject, including as a global systemically important insurer; concentrations in AIG’s investment portfolios; actions by credit rating agencies; judgments concerning casualty insurance underwriting and insurance liabilities; AIG’s ability to successfully manage Legacy portfolios; AIG’s ability to successfully reduce costs and expenses and make business and organizational changes without negatively impacting client relationships or its competitive position; AIG’s ability to successfully dispose of, monetize and/or acquire businesses or assets, including AIG’s ability to successfully consummate the purchase of Validus Holdings, Ltd.; judgments concerning the recognition of deferred tax assets; judgments concerning estimated restructuring charges and estimated cost savings; and such other factors discussed in Part I, Item 2. Management’s Discussion and Analysis of Financial Condition and Results of Operations (MD&A) in AIG’s Quarterly Reports on Form 10-Q for the quarterly periods ended September 30, 2017, June 30, 2017 and March 31, 2017, Part II, Item 7. MD&A and Part I, Item 1A. Risk Factors in AIG’s Annual Report on Form 10-K for the year ended December 31, 2016 and Part II, Item 7. MD&A and Part I, Item 1A. Risk Factors in AIG’s Annual Report on Form 10-K for the year ended December 31, 2017 (which will be filed with the Securities and Exchange Commission).

AIG is not under any obligation (and expressly disclaims any obligation) to update or alter any projections, goals, assumptions or other statements, whether written or oral, that may be made from time to time, whether as a result of new information, future events or otherwise. This document and the remarks made orally may also contain certain non-GAAP financial measures. The reconciliation of such measures to the most comparable GAAP measures in accordance with Regulation G is included in the Fourth Quarter 2017 Financial Supplement available in the Investor Information section of AIG's corporate website, www.aig.com, as well as in the Appendix to this presentation.

Note: Amounts presented may not foot due to rounding.

Fourth Quarter and Full Year 2017 Key Themes

Consolidated

4Q17 Adjusted After-Tax Income (AATI) of $526M ($0.57/share); FY’17 AATI of $2.2B ($2.34/share)
- AATI excludes $6.7B charge ($7.36/share) to re-measure DTA for Tax Act
- Book Value Per Share of $72.49, including DTA re-measurement
- Continued focus on expense discipline

General Insurance

Higher than expected catastrophe losses
- 4Q17 pre-tax catastrophe losses of $762M includes $572M from California wildfires; FY17 of $4.2B
- Continued execution of risk selection strategy
- Improving Commercial Lines rate environment
- AYLR, as adjusted, improved by 2.3 pts from 4Q16; improvement in North America partially offset by an increase in International
- Modest net unfavorable PYD of $80M in 4Q17. Favorable for North America; Unfavorable for International
- Personal Insurance FY improvement reflects stability in the AYLR, as adjusted, and lower expense ratio

Life and Retirement

Solid Adjusted Pre-Tax Income (APTI) with Assets Under Administration and Management (AUA/M) at historical highs
- 4Q17 APTI negatively impacted by ~$90M in pre-tax adjustments due to ongoing modernization of actuarial systems and related model refinements
- AUA/M at historical highs in Individual Retirement, Group Retirement and Institutional Markets due in part to strong equity market performance
- AUA/M also benefitted from full year: positive net flows in Index Annuities for Individual Retirement, strong new group acquisitions and sales for Group Retirement, and opportunistic transactions, including pension risk transfers, for Institutional Markets
- Life sales benefiting from operational enhancements and narrowed focus

Capital & Other

Balance sheet strength and capital management
- Continue to maintain strong capital ratios and AIG Parent liquidity
- AIG Parent liquidity of $7.3B at December 31, 2017
- Validus acquisition provides platform for profitable growth and is expected to close in mid-2018, subject to obtaining the relevant regulatory approvals and other customary closing conditions
- Formed a Bermuda-domiciled legal entity named DSA Reinsurance Company, Ltd. (DSA Re) to act as AIG’s main run-off reinsurer

Consolidated Operating Financial Highlights

($ in millions, except per share amounts)	4Q16	4Q17	FY'16	FY'17
Adjusted Pre-tax Income (Loss):				
General Insurance				
North America	($4,406)	$412	($2,399)	($232)
International	(441)	(399)	348	(581)
Total General Insurance	**(4,847)**	**13**	**(2,051)**	**(813)**
Life and Retirement				
Individual Retirement	542	474	2,269	2,289
Group Retirement	261	246	931	1,004
Life Insurance	(10)	2	(37)	274
Institutional Markets	73	60	265	264
Total Life and Retirement	**866**	**782**	**3,428**	**3,831**
Other Operations[1]	(214)	(366)	(969)	(1,330)
Total Core	**(4,195)**	**429**	**408**	**1,688**
Legacy Portfolio	1,101	411	1,007	1,470
Total adjusted pre-tax income (loss)	**($3,094)**	**$840**	**$1,415**	**$3,158**
Adjusted after-tax income (loss)	**($2,787)**	**$526**	**$406**	**$2,231**
Adjusted after-tax income (loss) per diluted share	**($2.72)**	**$0.57**	**$0.36**	**$2.34**
Net loss attributable to AIG	**($3,041)**	**($6,660)**	**($849)**	**($6,084)**
Adjusted Return On Equity:				
Consolidated	**(18.2%)**	**4.2%**	**0.6%**	**4.1%**
Core	**(22.9%)**	**2.6%**	**0.8%**	**3.2%**
General Insurance	**(46.3%)**	**(1.6%)**	**(5.5%)**	**(3.3%)**
Life and Retirement	**11.2%**	**10.2%**	**10.8%**	**12.4%**
Legacy Portfolio	**4.5%**	**10.5%**	**0.2%**	**8.7%**
Book Value Per Common Share (BVPS):				
BVPS			**$76.66**	**$72.49**
BVPS, excluding AOCI			**$73.41**	**$66.41**
Adjusted BVPS[2]			**$58.57**	**$54.74**

AIG

1) Includes consolidation, eliminations and other adjustments.
2) Book value per common share, ex. AOCI and DTA.

Noteworthy Items

($ in millions)	4Q16	4Q17	FY'16	FY'17
Revenue Items:				
Better (worse) than expected alternative returns[1]	$104	$62	($548)	$465
Better (worse) than expected DIB and GCM returns	74	234	(174)	463
Fair value gain/(loss) on other securities accounted under fair value option[2]	(50)	524	295	1,484
Expense Items:				
(Better) worse than expected catastrophe losses	(4)	404	(218)	2,792
Net unfavorable prior year loss reserve development, net of reinsurance	5,574	76	5,788	978
Update of actuarial assumptions (benefit)/expense	-	-	386	(270)

1) The expected rate of return on alternative investments used was 8% for all periods presented.
2) Excludes changes in fair value of securities used to hedge guaranteed living benefits that are excluded from adjusted pre-tax income.

Prior Year Reserve Development

($ in millions) - Unfavorable (favorable)	4Q16	4Q17	FY'16	FY'17
General Insurance				
North America				
Commercial Lines	$4,881	($105)	$5,325	$357
Personal Insurance	-	8	(39)	14
Total North America	**$4,881**	**($97)**	**$5,286**	**$371**
International				
Commercial Lines	359	193	252	653
Personal Insurance	(15)	(16)	(96)	(25)
Total International	**344**	**177**	**156**	**628**
Total General Insurance	**5,225**	**80**	**5,442**	**999**
Legacy Portfolio	371	(4)	402	(21)
Other Operations	(22)	-	(56)	-
Total prior year development[1]	**$5,574**	**$76**	**$5,788**	**$978**
PYD on covered reserves ceded to NICO, net of deferred gain amortization[2]	-	($56)	-	($149)
PYD on non-covered reserves	-	132	-	1,127
Total prior year development[1]	**$-**	**$76**	**$-**	**$978**

($ in millions) - Unfavorable (favorable)	4Q16	4Q17	FY'16	FY'17
Accident Year				
2016	$-	$76	$-	$820
2011 – 2015	3,015	(23)	3,119	(61)
2010 and prior	2,559	23	2,669	219
Total prior year development[1]	**$5,574**	**$76**	**$5,788**	**$978**

Key Takeaways

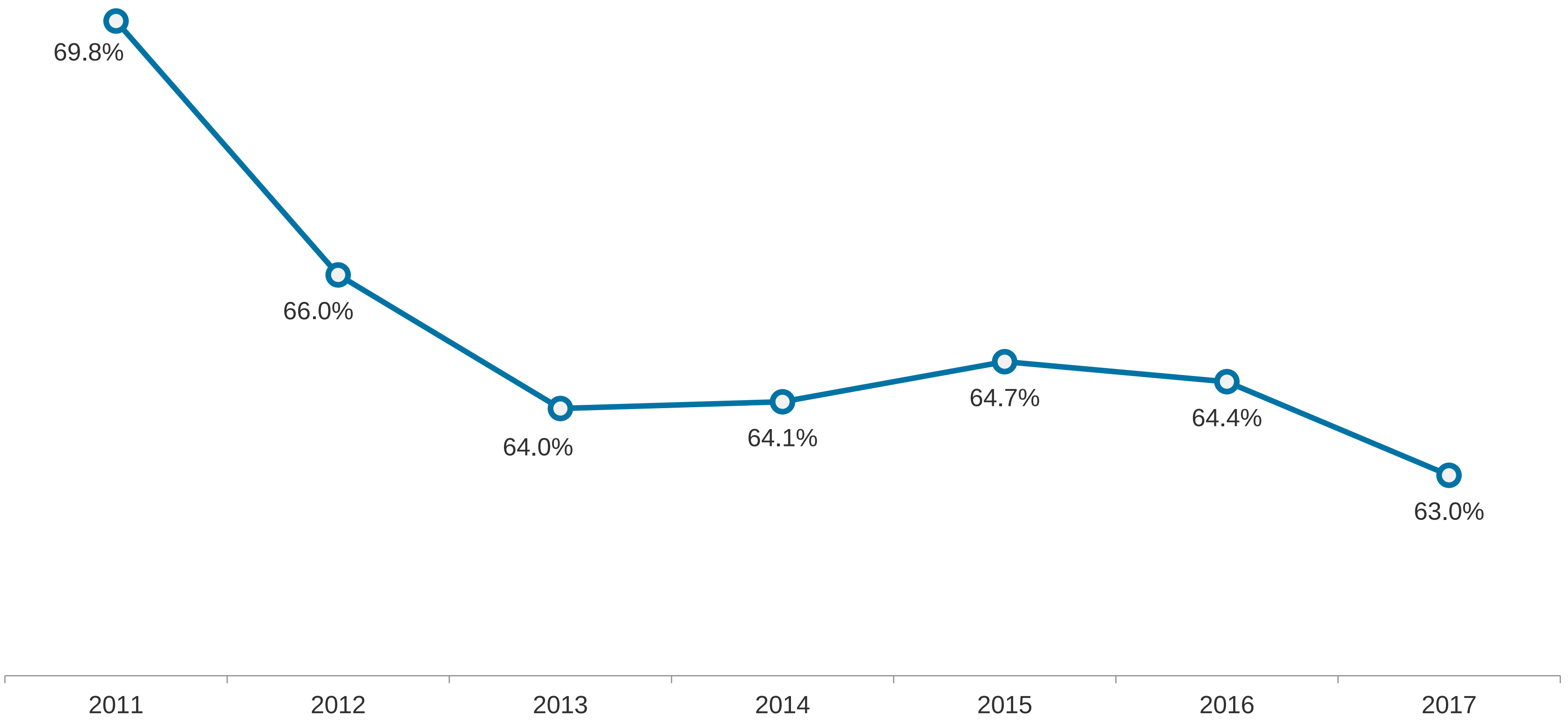
- Net adverse prior year reserve development of $76 million following the completion of detailed valuation reviews (DVRs) in 4Q17
- Favorable net reserve development in North America of $97 million as the results of our DVRs on long-tail lines were largely as expected
- Unfavorable net reserve development of $177 million for International primarily related to European Financial Lines and Property and Special Risks business

1) Consistent with our definition of APTI, excludes the portion of favorable or unfavorable prior year reserve development for which we have ceded the risk under retroactive reinsurance agreements and related changes in amortization of the deferred gain. Additionally, amounts exclude return premium on loss sensitive business.
2) On January 20, 2017, we entered into an adverse development reinsurance agreement with NICO under which we transferred to NICO 80 percent of the reserve risk on substantially all of our U.S. Commercial long-tail exposures for accident years 2015 and prior.

AIG

General Insurance Ultimate AYLR, As Adjusted, Trend

Ultimate Accident Year Loss Ratio, As Adjusted Trend[1]



1) Amounts presented reflect the impact of prior year development for 2017 and prior years in each accident year.

Diversified Operating Platform Allows for Utilization of Tax Attributes

($ in billions)	Type	As of 12/31/16 Gross Attributes	As of 12/31/16 Deferred Tax Asset	As of 12/31/17 Gross Attributes	As of 12/31/17 Deferred Tax Asset	Utilization/Expiration
Net Operating Loss Carryforwards	Non-Life	$31.8	$11.1	$33.9	$7.1	▪ Utilize against non-life companies and up to 35% of life insurance companies income ▪ 2028 – 2037 expiration
Foreign Tax Credits	General		3.7		3.3	▪ Utilize against tax liability on remaining life insurance companies income ▪ 2019–2023 expiration
Subtotal – U.S. Tax Attributes			**14.8**		**10.4**	
Other Deferred Tax Assets/(Liabilities)[1]			5.9		3.4	
Net Deferred Tax Assets			**$20.7**		**$13.8**	

Key Takeaways

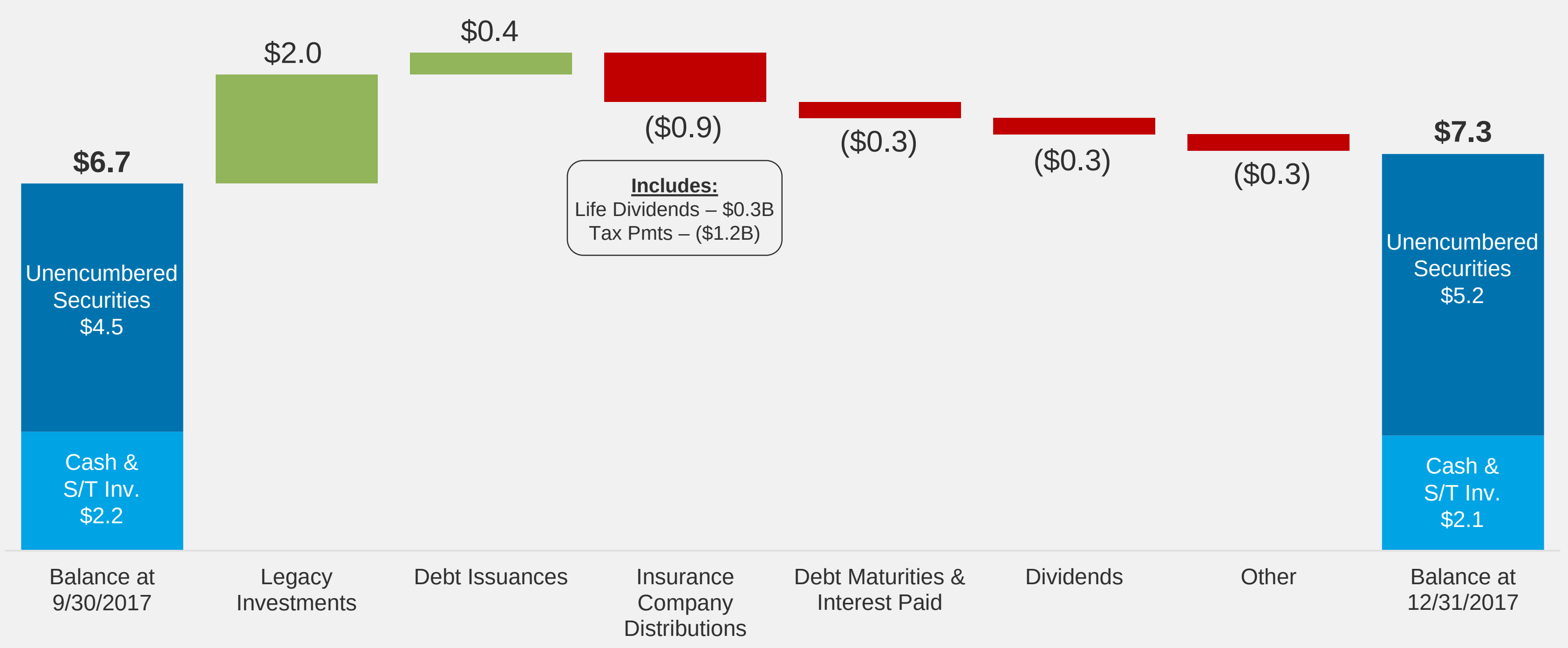
- GAAP earnings for 4Q17 included a charge of $6.7 billion to write-down our reported deferred tax assets as a result of the reduction in the U.S. statutory tax rate to 21%.
- For statutory purposes, the write-down of admitted DTA was $415 million for our U.S. non-life companies and approximately $500 million for our U.S. life insurance companies.
- We expect that our full year 2018 adjusted effective tax rate will be approximately 21%-22%.

AIG

1) Other Deferred Tax Assets (Liabilities) includes General Business Credits of $27 million and $40 million for 2016 and 2017, respectively, and Alternative Minimum Tax Credits of $69 million and $79 million for 2016 and 2017, respectively. Non-life Capital loss carryforwards of $63 million are also included in Other Deferred Tax Assets (Liabilities) for 2017.

Parent Liquidity

Changes in Parent Liquidity ($B)



AIG

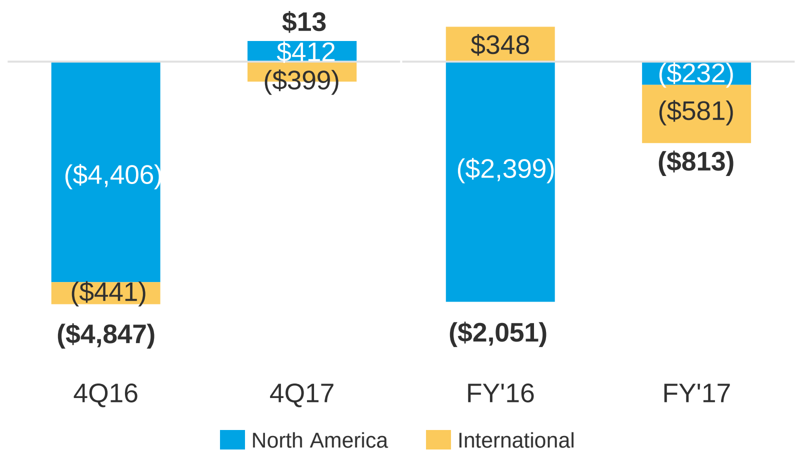
General Insurance

Peter Zaffino

Chief Executive Officer of General Insurance

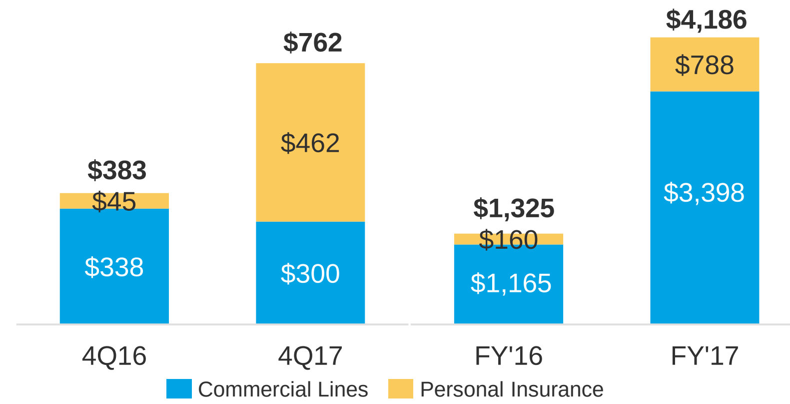
General Insurance

Adjusted Pre-Tax Income (Loss) ($M)

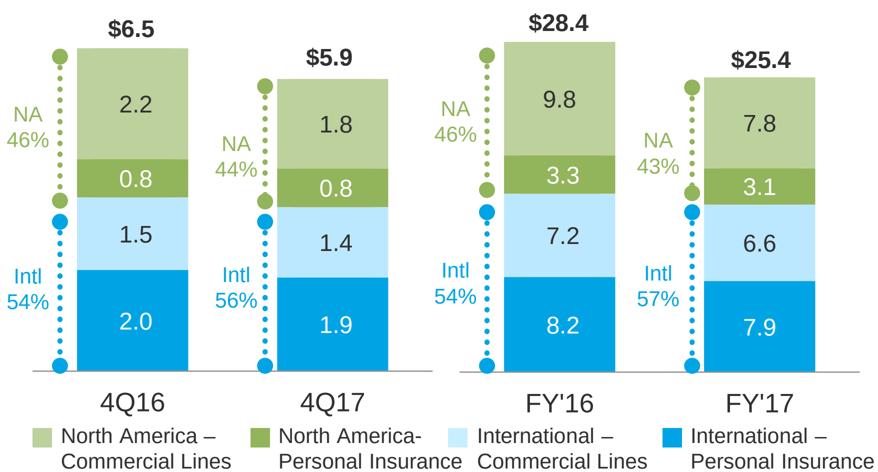


Catastrophe Losses ($M)

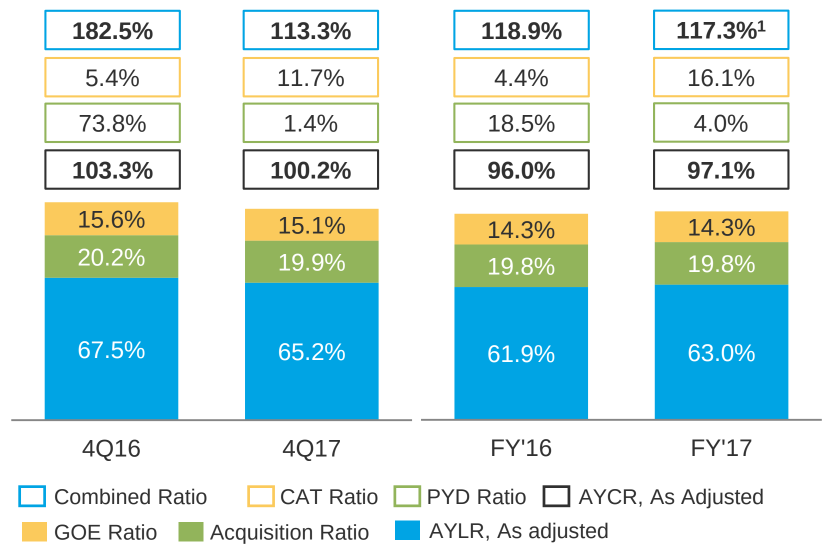
4Q17 California Wildfire Losses of $572M



Net Premiums Written ($B)



Combined Ratios



1) AYLR, as adjusted, includes an adjustment for ceded premium under reinsurance contract.

General Insurance – North America

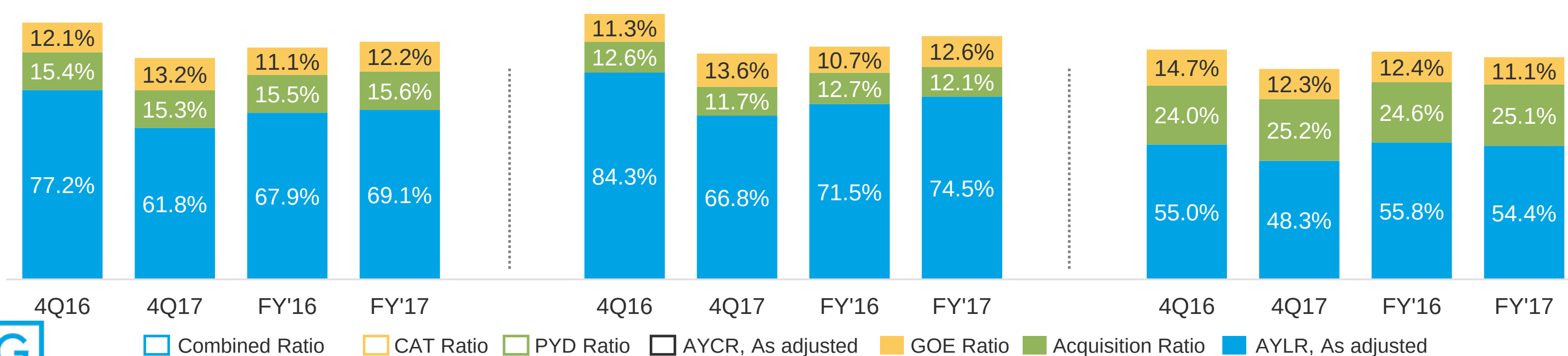
($ in millions)	4Q16	4Q17	FY’16	FY’17
Net premiums written	**$3,008**	**$2,583**	**$13,026**	**$10,973**
Commercial Lines	2,236	1,808	9,765	7,849
Personal Insurance	772	775	3,261	3,124
Net premiums earned	**$3,203**	**$2,727**	**$13,964**	**$11,455**
Commercial Lines	2,421	1,998	10,741	8,366
Personal Insurance	782	729	3,223	3,089
Underwriting loss	**($5,288)**	**($316)**	**($5,440)**	**($3,377)**
Commercial Lines	(5,294)	16	(5,621)	(2,927)
Personal Insurance	6	(332)	181	(450)
Net investment income	**$882**	**$728**	**$3,041**	**$3,145**
Adjusted pre-tax income (loss)	**($4,406)**	**$412**	**($2,399)**	**($232)**

Key Takeaways:

- NPW decline driven by strategic reductions in targeted remediation areas, including continued execution of risk selection strategies within Casualty and Property.
- Improvement in AYLR, as adjusted, vs 4Q16 primarily reflects the impact of adjustments to the loss estimates that were made in 4Q16, as well as pricing and underwriting actions, and recoveries from reinsurance on severe losses.
- GOE ratio increased vs 4Q16 driven by higher pace of premium reductions relative to expense reduction initiatives.

Combined Ratios

	Total 4Q16	Total 4Q17	Total FY'16	Total FY'17	Commercial Lines 4Q16	Commercial Lines 4Q17	Commercial Lines FY'16	Commercial Lines FY'17	Personal Insurance 4Q16	Personal Insurance 4Q17	Personal Insurance FY'16	Personal Insurance FY'17
Combined Ratio	**265.1%**	**111.5%**	**139.0%**	**129.5%**[1]	**318.7%**	**99.2%**	**152.3%**	**135.0%**[1]	**99.2%**	**145.5%**	**94.4%**	**114.5%**
CAT Ratio	7.6%	24.5%	6.6%	28.7%	8.2%	12.0%	7.7%	30.5%	5.5%	58.6%	2.9%	23.5%
PYD Ratio	152.8%	-3.3%	37.9%	3.6%	202.3%	-4.9%	49.7%	4.9%	0.0%	1.1%	-1.3%	0.4%
AYCR, As adjusted	**104.7%**	**90.3%**	**94.5%**	**96.9%**	**108.2%**	**92.1%**	**94.9%**	**99.2%**	**93.7%**	**85.8%**	**92.8%**	**90.6%**



1) Includes an adjustment for ceded premium under reinsurance contract.

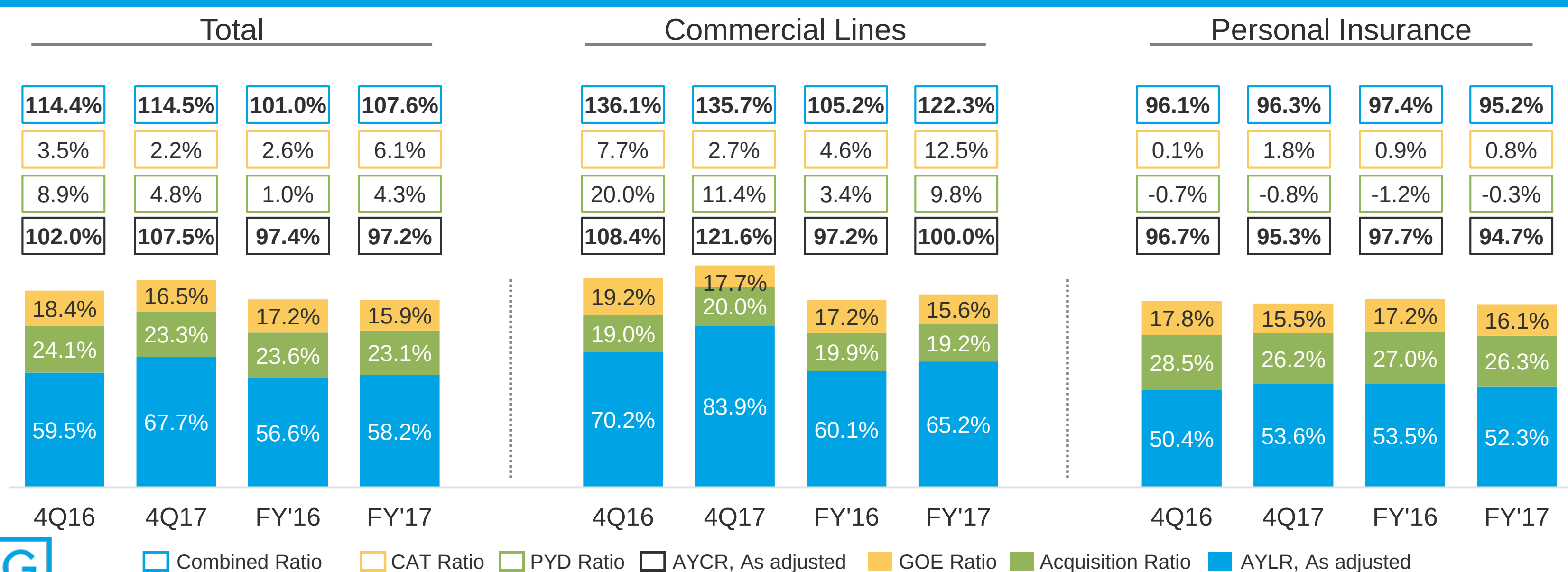
General Insurance – International

($ in millions)	4Q16	4Q17	FY'16	FY'17
Net premiums written	**$3,504**	**$3,309**	**$15,367**	**$14,465**
Commercial Lines	1,466	1,422	7,163	6,606
Personal Insurance	2,038	1,887	8,204	7,859
Net premiums earned	**$3,888**	**$3,648**	**$15,622**	**$14,571**
Commercial Lines	1,788	1,694	7,427	6,646
Personal Insurance	2,100	1,953	8,195	7,925
Underwriting loss	**($564)**	**($530)**	**($165)**	**($1,104)**
Commercial Lines	(647)	(603)	(384)	(1,480)
Personal Insurance	83	73	219	376
Net investment income	**$123**	**$131**	**$513**	**$523**
Adjusted pre-tax income (loss)	**($441)**	**($399)**	**$348**	**($581)**

Key Takeaways

- NPW decline driven primarily by divestiture of Ascot and risk selection strategy.
- Loss ratio increase driven by the remediation effort taken in 4Q17, especially in Europe Commercial business.
- Expense ratio decline driven by continued execution of our strategy to reduce costs.

Combined Ratios



AIG

Strategic Uses of Reinsurance

North American Catastrophe program ("NA Cat") enhanced to provide protection against single and aggregate events

Catastrophe Reinsurance

NA Cat

	2017 Program	2018 Program
Coverage Type	Occurrence (no reinstatement)	• Aggregate • Occurrence (1 reinstatement @100%) • Top and Aggregate
Attachment Point	$1.5B (1:10)	• Aggregate $750M[2] (1:4) • Occurrence $2.0B (1:15)
Limit	$3B[1]	$4.75B
International Coverage	Japan	• Japan and • New international coverage

(Pre-tax) Worldwide All-Peril PMLs, AEP

Return Period	1/1/2017	1/1/2018	% Change
1:10	$2.7B	$2.0B	-25%
1:100	$5.3B	$3.4B	-35%
1:250	$7.6B	$5.3B	-30%

Other Enhancements

- Significantly reduced attachment on Property Per Risk XOL and the net line for a single risk
- Simplified a number of treaty structures, which reduced cost, increased marketability, and enabled a reduction in overall exposure
- Introduced a number of new and enhanced market relationships

AIG

1) In addition, we purchased a $1.3B xs $4.5BTop-Up Cover for the period of September 8 to December 31, 2017
2) Subject to a per event deductible of $100M, rising to $250M once the aggregate deductible has been eroded and provided the loss from subsequent events is greater than $750M

AIG ©

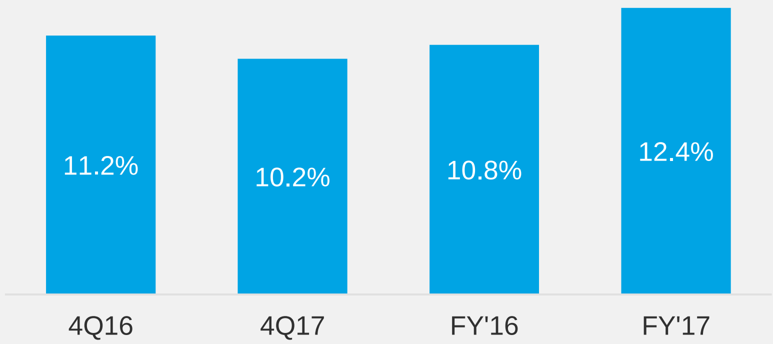
Life and Retirement

Kevin Hogan

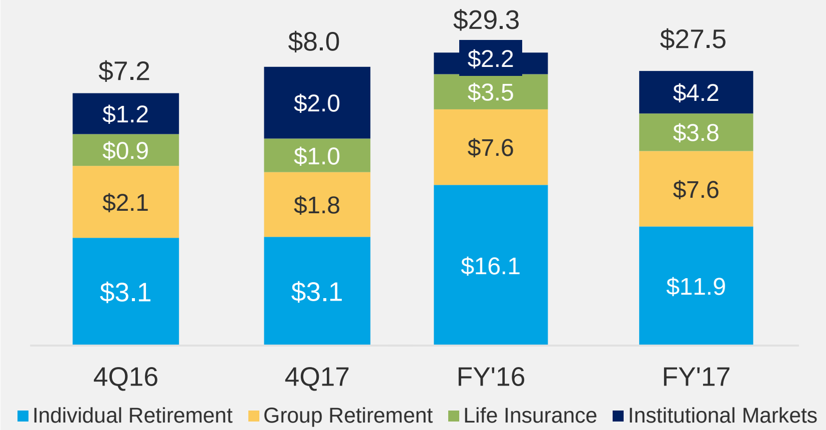
Chief Executive Officer of Life and Retirement

Life and Retirement – Select Metrics

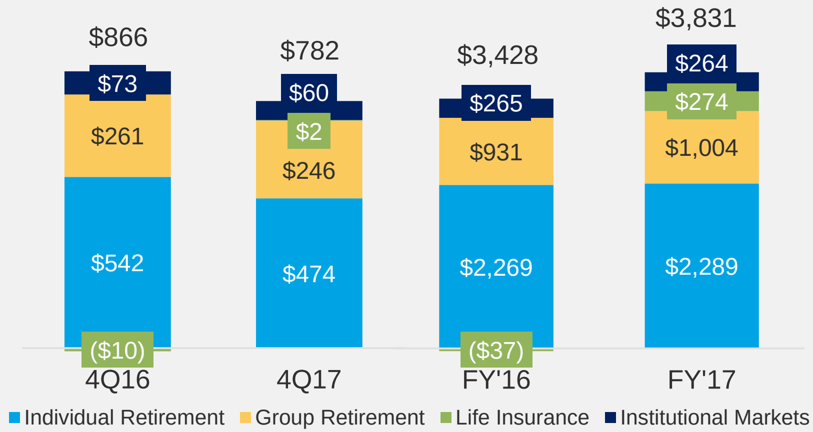
Adjusted ROE



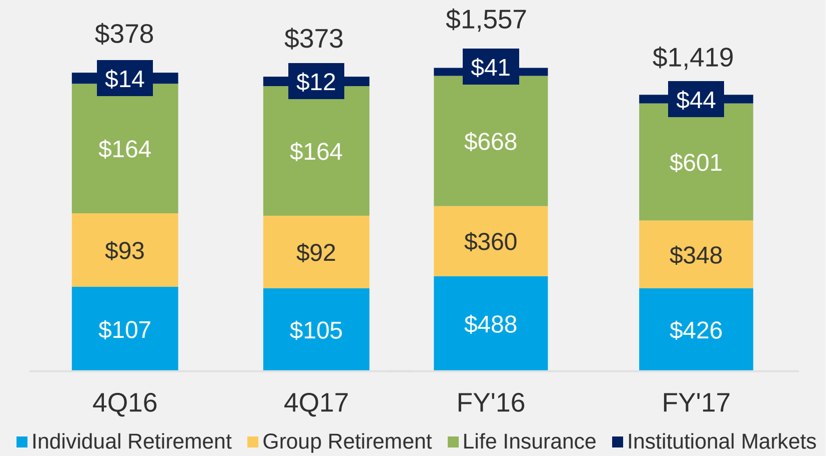
Premiums and Deposits (P&D) ($B)



Adjusted Pre-Tax Income ($M)



General Operating Expenses ($M)



AIG

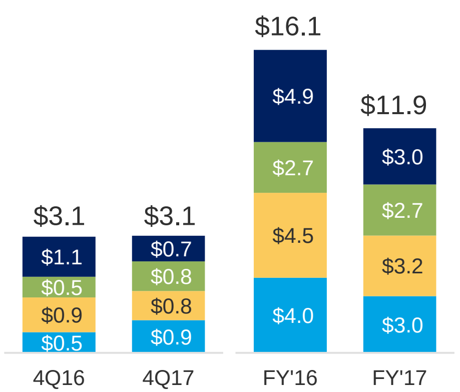
Life and Retirement – Individual Retirement

($ in millions)	4Q16	4Q17	FY'16	FY'17
Premiums and deposits	$3,078	$3,106	$16,062	$11,906
Premiums	34	10	163	91
Policy fees	181	200	709	767
Net investment income	1,010	1,030	3,878	4,013
Advisory fee and other income	151	175	1,008	643
Total adjusted revenues	1,376	1,415	5,758	5,514
Benefits, losses and expenses	834	941	3,489	3,225
Adjusted pre-tax income	**$542**	**$474**	**$2,269**	**$2,289**

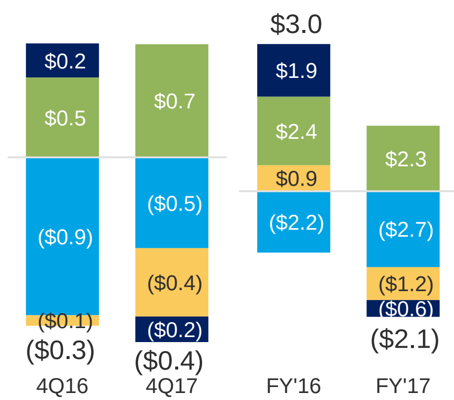
Key Takeaways

- AUA at historical highs driven by equity market performance and positive Index Annuity net flows for 4Q and FY 2017
- Net Flows negative for 4Q and FY 2017 driven by lower premiums and deposits reflecting slowdown of annuity industry sales
- Adjusted pre-tax income for 4Q17 negatively impacted by adjustments due to ongoing modernization of actuarial systems and related model refinements
- Continued active spread management with expected compression from the run-off of higher yielding assets and the low yield environment. Current quarter benefited from unexpected accretion income for Fixed Annuities and growth in Index Annuities

Premiums and Deposits ($B)



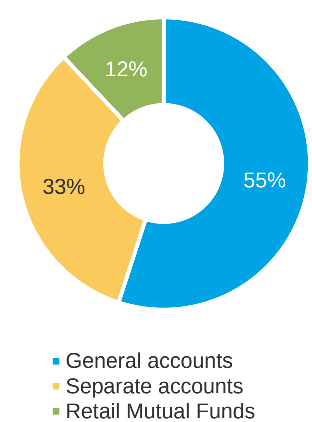
Net Flows ($B)



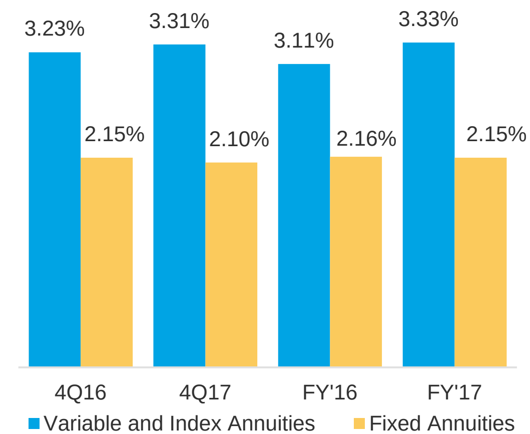
■ Fixed Annuities ■ Variable Annuities ■ Index Annuities ■ Retail Mutual Funds

Assets Under Administration

As of Dec. 31, 2017 = $150.7B



Base Net Investment Spread



Life and Retirement – Group Retirement

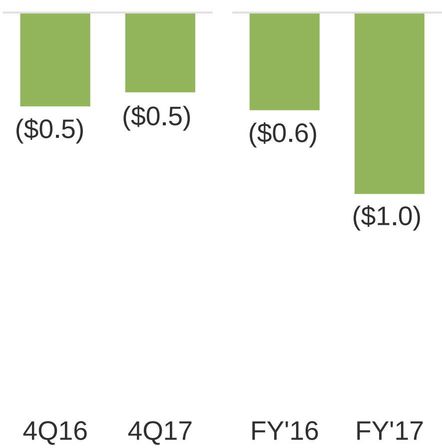
($ in millions)	4Q16	4Q17	FY'16	FY'17
Premiums and deposits	$2,056	$1,848	$7,570	$7,550
Premiums	6	6	27	27
Policy fees	98	114	383	427
Net investment income	558	550	2,146	2,164
Advisory fee and other income	54	62	213	230
Total adjusted revenues	716	732	2,769	2,848
Benefits, losses and expenses	455	486	1,838	1,844
Adjusted pre-tax income	**$261**	**$246**	**$931**	**$1,004**

Key Takeaways

- New group acquisition deposits for FY 2017 exceeded prior year by 45%
- AUA at historical highs driven by equity market performance
- Net Flows for FY 2017 reflect strong sales, more than offset by increase in participant surrenders impacted by higher account values
- Continued active spread management with expected compression from the run-off of higher yielding assets and the low yield environment. 4Q17 benefited from unexpected accretion income and a cumulative update to cost of funds

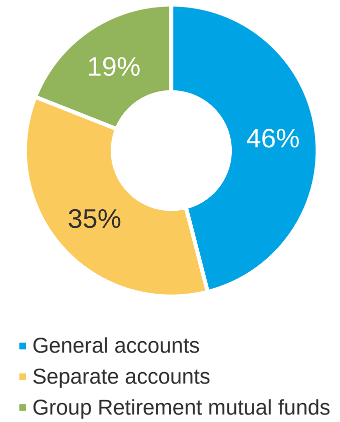
Premiums and Deposits ($B)

Net Flows ($B)

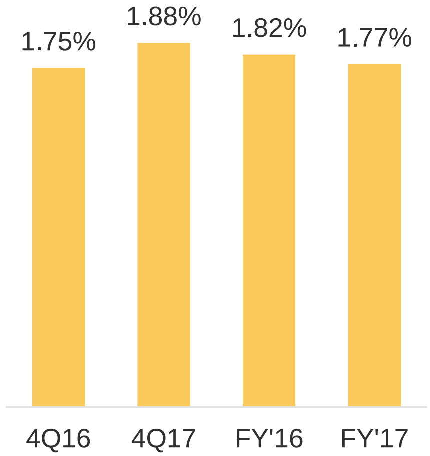


Assets Under Administration

As of Dec. 31, 2017 = $103.8B



Base Net Investment Spread



Life and Retirement – Life Insurance

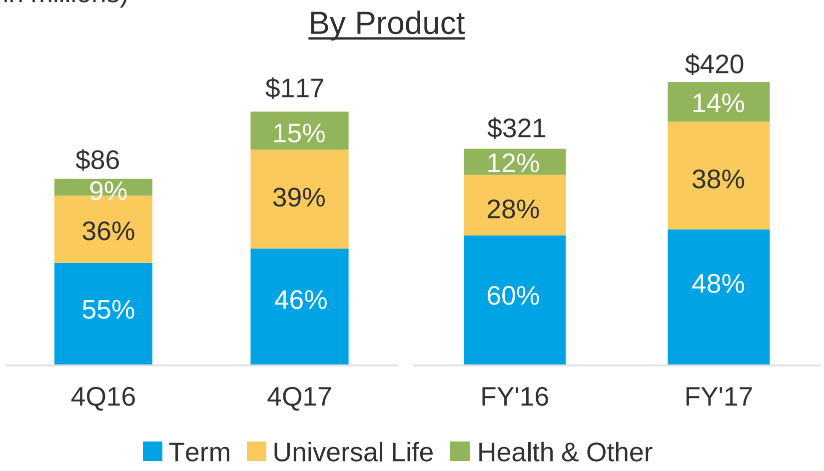
($ in millions)	4Q16	4Q17	FY'16	FY'17
Premiums and deposits	$911	$963	$3,519	$3,755
Premiums	339	362	1,407	1,530
Policy fees	340	370	1,319	1,430
Net investment income	263	263	1,035	1,044
Advisory fee and other income	14	18	57	52
Total adjusted revenues	956	1,013	3,818	4,056
Benefits, losses and expenses	966	1,011	3,855	3,782
Adjusted pre-tax income (loss)	**($10)**	**$2**	**($37)**	**$274**

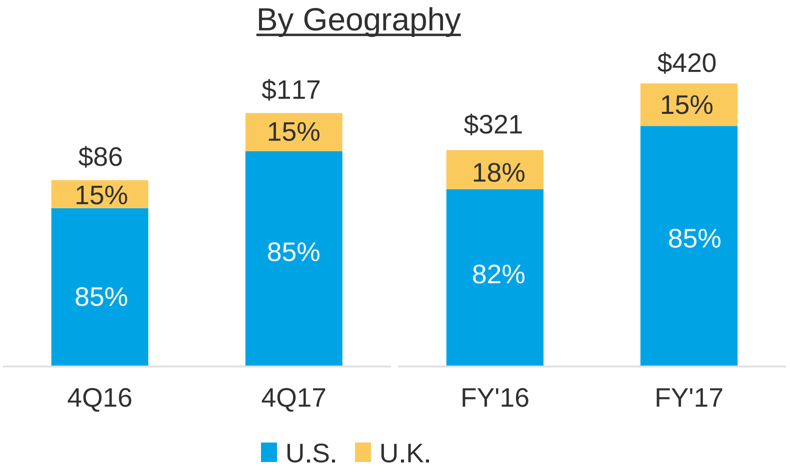
Key Takeaways

- Strong growth in sales in Term and Universal life insurance for 4Q and FY 2017
- Platform modernization, distribution simplification, and narrowed product focus supporting growth
- Adjusted pre-tax income for FY 2017 reflects improved International results, portfolio optimization, and favorable actuarial assumptions update
- 2017 mortality experience was better than prior year and within pricing expectations
- Mortality experience and GOE were elevated in 4Q17

New Business Sales

($ in millions)





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

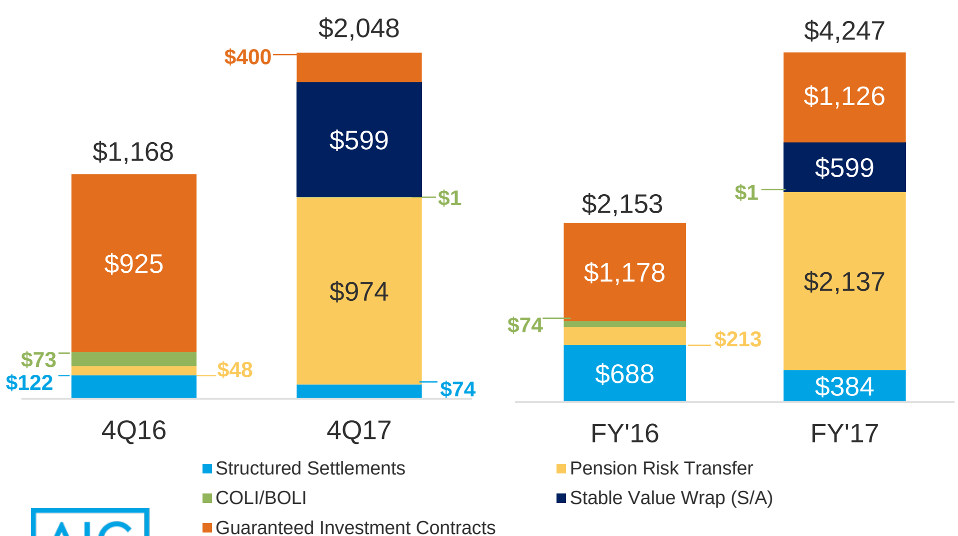
Life and Retirement – Institutional Markets

($ in millions)	4Q16	4Q17	FY'16	FY'17
Premiums and deposits	$1,168	$2,048	$2,153	$4,247
Premiums	142	1,019	691	2,398
Policy fees	46	42	179	174
Net investment income	152	160	563	595
Advisory fee and other income	-	1	-	1
Total adjusted revenues	340	1,222	1,433	3,168
Benefits, losses and expenses	267	1,162	1,168	2,904
Adjusted pre-tax income	**$73**	**$60**	**$265**	**$264**

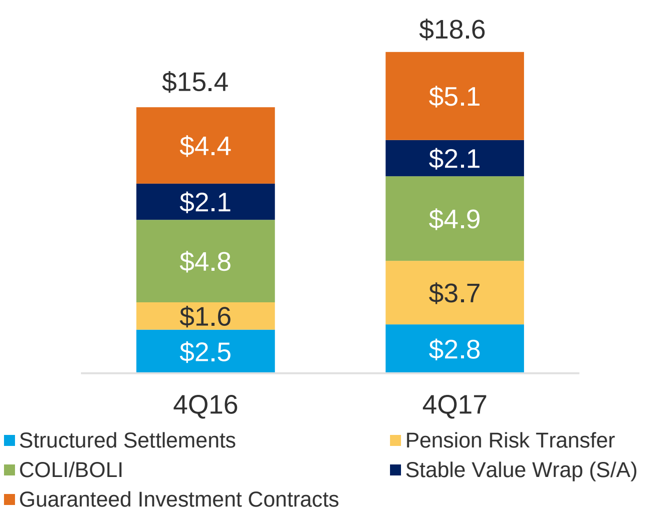
Key Takeaways

- Opportunistic strategy has led to strong growth in a number of product lines, including pension risk transfers
- Significant new sales driving increase in AUM and additional net investment spread
- Continued pricing discipline and expense management with only modest investment needed to support growth

Premiums and Deposits ($M)



Reserves by Line of Business ($B)



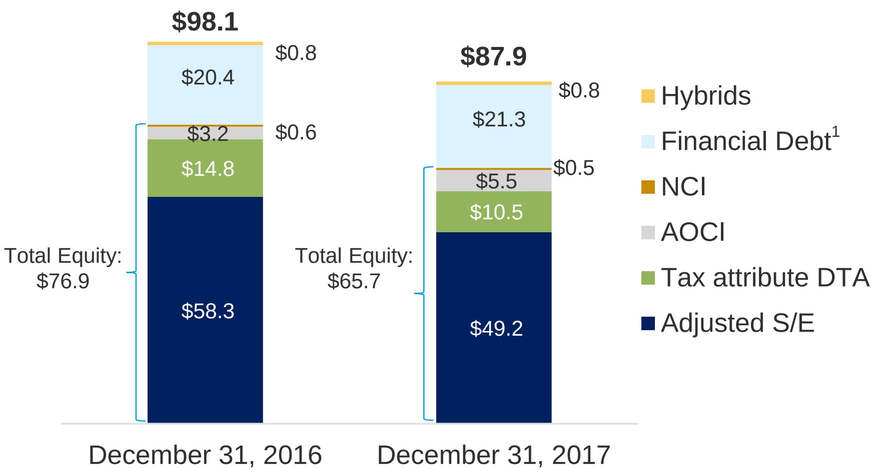
AIG

Q&A and
Closing Remarks

Appendix

Strong Capital Position

Capital Structure ($B)



Ratios:	Dec. 31, 2016	Dec 31, 2017
Hybrids / Total capital	0.9%	1.0%
Financial debt / Total capital	20.8%	24.3%
Total Hybrids & Financial debt / Total capital	21.7%	25.3%

Capital Return ($M)

	FY'16	FY'17
Share repurchases	$11,460	$6,275
Warrant repurchases	309	3
Dividends declared	1,372	1,172
Total	$13,141	$7,450

Risk Based Capital Ratios[2]

Year-end	Life and Retirement Companies	General Insurance Companies
2016	509% (CAL)	411% (ACL)
2017(Est.)	468% (CAL)	394% (ACL)

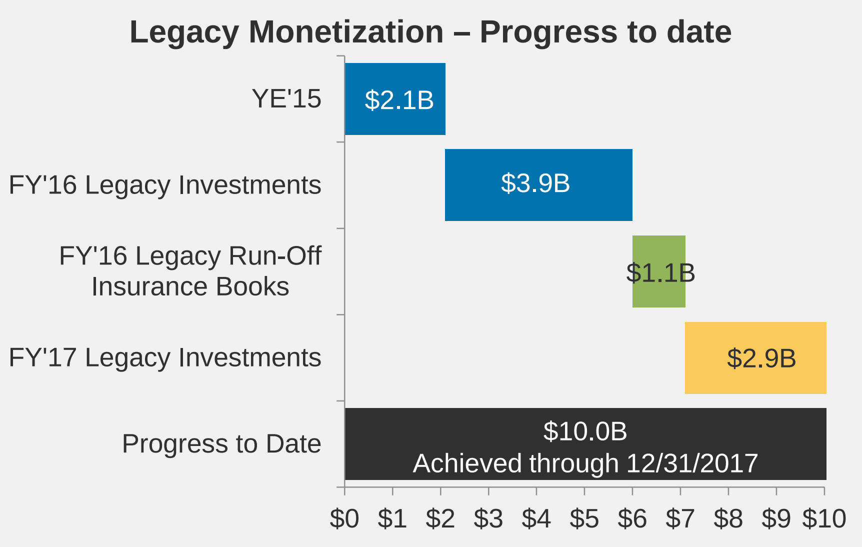
Credit Ratings[3]

	S&P	Moody's	Fitch	A.M. Best
AIG – Senior Debt	BBB+	Baa1	BBB+	NR
General Insurance – FSR	A+	A2	A	A
Life and Retirement – FSR	A+	A2	A+	A

1) Includes AIG notes, bonds, loans and mortgages payable, and AIG Life Holdings, Inc. (AIGLH) notes and bonds payable, and junior subordinated debt.
2) 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 and Retirement companies excludes holding company, AGC Life Insurance Company. 2017 amounts are estimated.
3) As of the date of this presentation, Moody's and A.M. Best have Stable outlooks; S&P and Fitch have Negative outlooks. For General Insurance companies FSR and Life and Retirement companies FSR, ratings only reflect those of the core insurance companies.

Legacy

($ in billions)

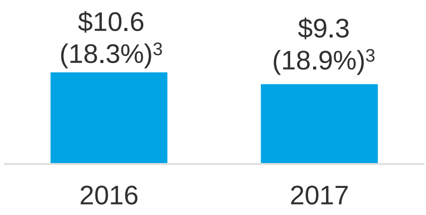


Key Takeaways

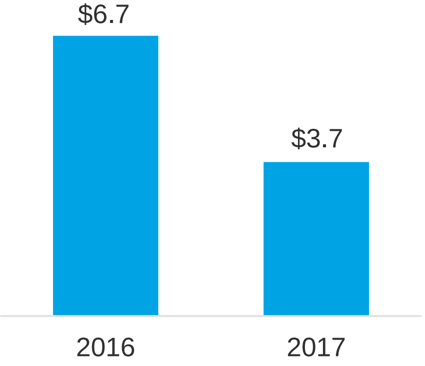
- Legacy is managed in three sub-segments: Legacy Investments, Legacy Life and Retirement run-off Lines, and Legacy GI run-off lines.
- Legacy Investments decreased as a result of significant dispositions in 2016 and 2017, including PICC, Korea real estate, and the life settlement portfolio.
- Legacy GI reserves reflect continued run-off.
- AIG formed a Bermuda-domiciled legal entity named DSA Reinsurance Company, Ltd. (DSA Re) to act as AIG's main run-off reinsurer. DSA Re's primary purpose is the reinsurance of AIG's Legacy Life and Retirement and Legacy General Insurance run-off lines. The amount expected to be reinsured upon receipt of all regulatory approvals represents ~$37 billion or over 80% of Legacy total insurance reserves and will be backed with ~$40 billion of invested assets managed by AIG Investments.
- Since the Legacy segment was established in January 2016, Legacy has returned $10.0 billion of capital, surpassing its original goal of $9.0 billion. Total book value impairments / losses on sales from Legacy investments that were sold during the period of September 1, 2015 through December 31, 2017 were $1.0 billion.

Adjusted Attributed Equity

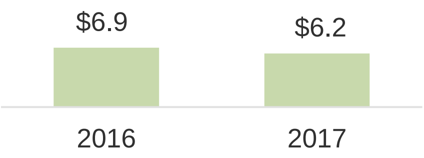
(As of December 31)



Legacy Investments[1]



Legacy GI Run-off Reserves[2]



Legacy L&R Run-off Reserves

1) Excludes assets backing run-off insurance reserves.
2) Legacy GI run-off reserves include a portion of reserves related to certain long-duration business in Japan.
3) Legacy Adjusted Attributed Equity as a percentage of AIG Adjusted Shareholders' Equity.

AIG

Glossary of Non-GAAP Financial Measures and Non-GAAP Reconciliations

Glossary of Non-GAAP Financial Measures

Glossary of Non-GAAP

Throughout this presentation, we present our financial condition and results of operations in the way we believe will be most meaningful and representative of our business results. Some of the measurements we use are "Non-GAAP financial measures" under Securities and Exchange Commission rules and regulations. GAAP is the acronym for generally accepted accounting principles in the United States. The non-GAAP financial measures we present may not be comparable to similarly-named measures reported by other companies. The reconciliations of such measures to the most comparable GAAP measures in accordance with Regulation G are included within the relevant tables or in the Fourth Quarter 2017 Financial Supplement available in the Investor Information section of AIG's website, www.aig.com.

We may use certain non-GAAP operating performance measures as forward-looking financial targets or projections. These financial targets or projections are provided based on management's estimates. The most directly comparable GAAP financial targets or projections would be heavily dependent upon results that are beyond management's control and the outcome of these items could be significantly different than management's estimates. Therefore, we do not provide quantitative reconciliations for these financial targets or projections as we cannot predict with accuracy future actual events (e.g., catastrophe losses) and impacts from changes in macro-economic market conditions, including the interest rate environment (e.g. estimate for DIB & GCM returns, net reserve discount change and returns on alternative investments).

- **Book Value per Common Share, Excluding Accumulated Other Comprehensive Income (AOCI) and Book Value per Common Share, Excluding AOCI and Deferred Tax Assets (DTA) (Adjusted Book Value per Common Share)** 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 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. These measures also eliminate the asymmetrical impact resulting from changes in fair value of our available for sale securities portfolio wherein there is largely no offsetting impact for certain related insurance liabilities. We exclude deferred tax assets representing U.S. tax attributes related to net operating loss carryforwards and foreign tax credits as they have not yet been utilized. Amounts for interim periods are estimates based on projections of full-year attribute utilization. As net operating loss carryforwards and foreign tax credits are utilized, the portion of the DTA utilized is included in these book value per common share metrics. Book value per common share, excluding AOCI, is derived by dividing Total AIG Shareholders' equity, excluding AOCI, by total common shares outstanding. Adjusted Book Value per Common Share is derived by dividing Total AIG shareholders' equity, excluding AOCI and DTA (**Adjusted Shareholders' Equity**), by total common shares outstanding.
- **AIG Return on Equity – Adjusted After-tax Income Excluding AOCI and DTA (Adjusted Return on Equity)** is used to show the rate of return on shareholders' equity. We believe this measure is useful to investors because it eliminates 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. This measure also eliminates the asymmetrical impact resulting from changes in fair value of our available for sale securities portfolio wherein there is largely no offsetting impact for certain related insurance liabilities. We exclude deferred tax assets representing U.S. tax attributes related to net operating loss carryforwards and foreign tax credits as they have not yet been utilized. Amounts for interim periods are estimates based on projections of full-year attribute utilization. As net operating loss carryforwards and foreign tax credits are utilized, the portion of the DTA utilized is included in Adjusted Return on Equity. Adjusted Return on Equity is derived by dividing actual or annualized adjusted after-tax income attributable to AIG by average Adjusted Shareholders' Equity.
- **Core, General Insurance, Life and Retirement and Legacy Adjusted Attributed Equity** is an attribution of total AIG Adjusted Shareholders' Equity to these segments based on our internal capital model, which incorporates the segments' respective risk profiles. Adjusted attributed equity represents our best estimates based on current facts and circumstances and will change over time.
- **Core, General Insurance, Life and Retirement and Legacy Return on Equity – Adjusted After-tax Income (Adjusted Return on Attributed Equity)** is used to show the rate of return on Adjusted Attributed Equity. Adjusted Return on Attributed Equity is derived by dividing actual or annualized Adjusted After-tax Income by Average Adjusted Attributed Equity.
- **Adjusted After-tax Income Attributable to Core, General Insurance, Life and Retirement and Legacy** is derived by subtracting attributed interest expense and income tax expense from APTI. Attributed debt and the related interest expense is calculated based on our internal capital model. Tax expense or benefit is calculated based on an internal attribution methodology that considers among other things the taxing jurisdiction in which the segments conduct business, as well as the deductibility of expenses in those jurisdictions.
- **Adjusted Revenues** exclude Net realized capital gains (losses), income from non-operating litigation settlements (included in Other income for GAAP purposes) and changes in fair value of securities used to hedge guaranteed living benefits (included in Net investment income for GAAP purposes). Adjusted revenues is a GAAP measure for our operating segments.

Glossary of Non-GAAP Financial Measures

Glossary of Non-GAAP

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.

- **Adjusted Pre-tax Income (APTI) (formerly known as Pre-tax operating income – PTOI)** is derived by excluding the following items from income from continuing operations before income tax. This definition is consistent across our segments. These items generally fall into one or more of the following broad categories: legacy matters having no relevance to our current businesses or operating performance; adjustments to enhance transparency to the underlying economics of transactions; and measures that we believe to be common to the industry. APTI is a GAAP measure for our operating segments.
  - changes in fair value of securities used to hedge guaranteed living benefits;
  - 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;
  - loss (gain) 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;
  - pension expense related to a one-time lump sum payment to former employees;
  - income and loss from divested businesses;
  - non-operating litigation reserves and settlements;
  - restructuring and other costs related to initiatives designed to reduce operating expenses, improve efficiency and simplify our organization;
  - the portion of favorable or unfavorable prior year reserve development for which we have ceded the risk under retroactive reinsurance agreements and related changes in amortization of the deferred gain; and
  - net loss reserve discount benefit (charge).
- **Adjusted After-tax Income attributable to AIG (AATI) (formerly known as After-tax operating income – ATOI)** is derived by excluding the tax effected adjusted pre-tax income (APTI) adjustments described above and the following tax items from net income attributable to AIG:
  - deferred income tax valuation allowance releases and charges;
  - changes in uncertain tax positions and other tax items related to legacy matters having no relevance to our current businesses or operating performance; and
  - net tax charge related to the enactment of the Tax Cuts and Jobs Act (Tax Act).
- **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 (which for General Insurance excludes net loss reserve discount), 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. Our ratios are calculated using the relevant segment information calculated under GAAP, and thus may not be comparable to similar ratios calculated for regulatory reporting purposes. 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.

Glossary of Non-GAAP Financial Measures

Glossary of Non-GAAP

- **Accident year loss and combined ratios, as adjusted and Accident year loss and combined ratios, as adjusted, including Average Annual Loss (AAL):** 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. We believe the as adjusted ratios are meaningful measures of our underwriting results on an ongoing basis as they exclude catastrophes and the impact of reserve discounting which are outside of management's control. We also exclude prior year development to provide transparency related to current accident year results. Accident year loss and combined ratios, as adjusted, including AAL is Accident year loss and combined ratios, as adjusted, including expected catastrophe loss per year, based on our catastrophe loss model. The expected catastrophe losses represents the probabilistic loss distribution that is calculated based on our catastrophe model. The mean of this distribution is the average annual loss, which is generally allocated evenly to each quarter. Average annual loss represents our best estimate based on current facts and circumstances and will change over time.
- **Accident year loss ratio, as adjusted (Adjusted for Prior Year Development):** further adjusts the Accident Year Loss Ratio, as adjusted, to include the impact of the prior year reserve development into each respective accident year.

  Underwriting ratios are computed as follows:

  a) Loss ratio = Loss and loss adjustment expenses incurred ÷ Net premiums earned (NPE)

  b) Acquisition ratio = Total acquisition expenses ÷ NPE

  c) General operating expense ratio = General operating expenses ÷ NPE

  d) Expense ratio = Acquisition ratio + General operating expense ratio

  e) Combined ratio = Loss ratio + Expense ratio

  f) Accident year loss ratio, as adjusted (AYLR) = [Loss and loss adjustment expenses incurred – CATs – PYD] ÷ [NPE +/(-) Reinstatement premiums (RIPs) related to catastrophes +/(-) RIPs related to prior year catastrophes + (Additional) returned premium related to PYD on loss sensitive business + Adjustment for ceded premiums under reinsurance contracts related to prior accident years]

  g) Accident year loss ratio, as adjusted (AYLR), including AAL = [Loss and loss adjustment expenses incurred – CATs – PYD+AAL] ÷ [NPE +/(-) Reinstatement premiums (RIPs) related to catastrophes +/(-) RIPs related to prior year catastrophes + (Additional) returned premium related to PYD on loss sensitive business + Adjustment for ceded premiums under reinsurance contracts related to prior accident years]

  h) Accident year combined ratio, as adjusted = AYLR + Expense ratio

  i) Accident year combined ratio, as adjusted, including AAL = AYLR, including AAL + Expense ratio

  j) Catastrophe losses (CATs) and reinstatement premiums = [Loss and loss adjustment expenses incurred – (CATs)] ÷ [NPE +/(-) RIPs related to catastrophes] – Loss ratio

  k) Prior year development net of (additional) return premium related to PYD on loss sensitive business = [Loss and loss adjustment expenses incurred – Prior year loss reserve development unfavorable (favorable) (PYD), net of reinsurance] ÷ [NPE +/(-) RIPs related to prior year catastrophes + (Additional) returned premium related to PYD on loss sensitive business] – Loss ratio

- **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.

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

Non-GAAP Reconciliations

Adjusted Pre-tax and After-tax Income - Consolidated

(in millions)	Quarterly		Twelve Months Ended December 31,	
	4Q16	4Q17	2016	2017
Pre-tax income (loss) from continuing operations	$ (3,455)	$ 875	$ (74)	$ 1,466
Adjustments to arrive at Adjusted pre-tax income (loss)				
Changes in fair value of securities used to hedge guaranteed living benefits	150	(29)	(120)	(146)
Changes in benefit reserves and DAC, VOBA and SIA related to net realized capital gains (losses)	(286)	(108)	(195)	(303)
Loss (gain) on extinguishment of debt	(2)	(1)	74	(5)
Net realized capital (gains) losses	1,115	274	1,944	1,380
(Income) loss from divested businesses	(194)	(241)	(545)	(68)
Non-operating litigation reserves and settlements	2	(43)	(41)	(129)
Unfavorable (favorable) prior year development and related amortization changes ceded under retroactive reinsurance agreements	(27)	45	(42)	303
Net loss reserve discount (benefit) charge	(750)	(96)	(427)	187
Pension expense related to a one-time lump sum payment to former employees	147	10	147	60
Restructuring and other costs	206	154	694	413
Adjusted pre-tax income (loss)	$ (3,094)	$ 840	$ 1,415	$ 3,158
Net income (loss) attributable to AIG	**$ (3,041)**	**$ (6,660)**	**$ (849)**	**$ (6,084)**
Adjustments to arrive at Adjusted after-tax income (loss) (amounts net of tax, at a rate of 35%, except where noted):				
Changes in uncertain tax positions and other tax adjustments (a)	(247)	461	(63)	488
Deferred income tax valuation allowance (releases) charges (a)	87	66	83	43
Impact of Tax Act	-	6,687	-	6,687
Changes in fair value of securities used to hedge guaranteed living benefits	97	(19)	(78)	(95)
Changes in benefit reserves and DAC, VOBA and SIA related to net realized capital gains (losses)	(186)	(70)	(127)	(197)
Loss (gain) on extinguishment of debt	(2)	-	48	(3)
Net realized capital (gains) losses (b)	750	170	1,322	881
(Income) loss from discontinued operations and divested businesses (a)	28	(156)	(146)	(31)
Non-operating litigation reserves and settlements	1	(28)	(27)	(84)
Unfavorable (favorable) prior year development and related amortization changes ceded under retroactive reinsurance agreements	(17)	30	(27)	197
Net loss reserve discount (benefit) charge	(487)	(60)	(277)	122
Pension expense related to a one-time lump sum payment to former employees	96	6	96	39
Restructuring and other costs	134	99	451	268
Adjusted after-tax income (loss)	$ (2,787)	$ 526	$ 406	$ 2,231
Weighted average diluted shares outstanding (c)	1,023.9	908.1	1,091.1	930.6
Income (loss) per common share attributable to AIG (diluted)	$ (2.96)	$ (7.33)	$ (0.78)	$ (6.54)
Adjusted after-tax income (loss) per common share attributable to AIG (diluted)	(2.72)	0.57	0.36	2.34

(a) Includes the impact of tax only adjustments and the impact of non-U.S. tax rates lower than 35% applied to (income) or losses on dispositions by foreign affiliates whose tax bases in divested subsidiaries differed from U.S. GAAP carrying values.

(b) The tax effect includes the impact of non-U.S. tax rates lower than 35% applied to foreign exchange (gains) or losses attributable to those jurisdictions where foreign earnings are considered to be indefinitely reinvested.

(c) For the quarters and years ended December 31, 2017 and December 31, 2016, because we reported a net loss, all common stock equivalents are anti-dilutive and are therefore excluded from the calculation of diluted shares and diluted per share amounts. For the quarter ended December 31, 2016, we also reported an adjusted after-tax loss, therefore, all common stock equivalents are anti-dilutive and are excluded from the calculation of diluted shares and diluted per share amounts.

AIG

Non-GAAP Reconciliations

Book Value Per Share and Return on Equity

(in millions, except per share data)	Twelve Months Ended December 31, 2016	Twelve Months Ended December 31, 2017
Book Value Per Share		
Total AIG shareholders' equity (a)	$ 76,300	$ 65,171
Less: Accumulated other comprehensive income (AOCI)	3,230	5,465
Total AIG shareholders' equity, excluding AOCI (b)	73,070	59,706
Less: Deferred tax assets (DTA)	14,770	10,492
Total adjusted shareholders' equity (c)	58,300	49,214
Total common shares outstanding (d)	995.3	899.0
Book value per common share (a÷d)	$ 76.66	$ 72.49
Book value per common share, excluding AOCI (b÷d)	73.41	66.41
Adjusted book value per common share (c÷d)	58.57	54.74

(in millions)	Quarterly 4Q16	Quarterly 4Q17	Twelve Months Ended December 31, 2016	Twelve Months Ended December 31, 2017
Return On Equity (ROE) Computations				
Actual or Annualized net income (loss) attributable to AIG (a)	$ (12,164)	$ (26,640)	$ (849)	$ (6,084)
Actual or Annualized adjusted after-tax income (loss) attributable to AIG (b)	$ (11,148)	$ 2,104	$ 406	$ 2,231
Average AIG Shareholders' equity (c)	$ 82,482	$ 68,820	$ 86,617	$ 72,348
Less: Average AOCI	6,144	5,702	5,722	4,675
Less: Average DTA	15,169	12,695	15,905	13,806
Average adjusted shareholders' equity (d)	$ 61,169	$ 50,423	$ 64,990	$ 53,867
ROE (a÷c)	(14.7%)	(38.7%)	(1.0%)	(8.4%)
Adjusted return on equity (b÷d)	(18.2%)	4.2%	0.6%	4.1%

Non-GAAP Reconciliations

Return on Equity

General Insurance

(in millions)

	Quarterly		Twelve Months Ended December 31,	
	4Q16	**4Q17**	**2016**	**2017**
Adjusted pre-tax income (loss)	$ (4,847)	$ 13	$ (2,051)	$ (813)
Interest expense on attributed financial debt	124	115	457	499
Adjusted pre-tax income (loss) including attributed interest expense	(4,971)	(102)	(2,508)	(1,312)
Income tax expense (benefit)	(1,497)	(2)	(813)	(446)
Adjusted after-tax income (loss) (a)	$ (3,474)	$ (100)	$ (1,695)	$ (866)
Ending adjusted attributed equity	30,088	25,244	30,088	25,244
Average adjusted attributed equity (b)	30,038	25,112	31,082	26,339
Adjusted return on attributed equity (a÷b)	(46.3) %	(1.6) %	(5.5) %	(3.3) %

Life and Retirement

(in millions)

	Quarterly		Twelve Months Ended December 31,	
	4Q16	**4Q17**	**2016**	**2017**
Adjusted pre-tax income	**$ 866**	**$ 782**	**$ 3,428**	**$ 3,831**
Interest expense on attributed finacial debt	6	6	92	23
Adjusted pre-tax income (loss) including attributed interest expense	860	776	3,336	3,808
Income tax expense	279	252	1,041	1,242
Adjusted after-tax income (loss) (a)	**$ 581**	**$ 524**	**$ 2,295**	**$ 2,566**
Ending adjusted attributed equity	$ 20,547	$ 20,304	$ 20,547	$ 20,304
Average adjusted attributed equity (b)	20,829	20,644	21,269	20,687
Adjusted return on attributed equity (a÷b)	11.2 %	10.2 %	10.8 %	12.4 %

Non-GAAP Reconciliations

Return on Equity

Core

(in millions)	Quarterly 4Q16	Quarterly 4Q17	Twelve Months Ended December 31, 2016	Twelve Months Ended December 31, 2017
Adjusted pre-tax income (loss)	**$ (4,195)**	**$ 429**	**$ 408**	**$ 1,688**
Interest expense (benefit) on attributed financial debt	(45)	(31)	(122)	(159)
Adjusted pre-tax income (loss) including attributed interest expenses:	(4,150)	460	530	1,847
Income tax expense (benefit)	(1,265)	198	120	466
Adjusted after-tax income (loss) (a)	**$ (2,885)**	**$ 262**	**$ 410**	**$ 1,381**
Ending adjusted attributed equity	**47,651**	**39,931**	**47,651**	**39,931**
Average adjusted attributed equity (b)	**50,302**	**40,841**	**51,319**	**43,826**
Adjusted return on attributed equity (a÷b)	**(22.9) %**	**2.6 %**	**0.8 %**	**3.2 %**

Legacy

(in millions)	Quarterly 4Q16	Quarterly 4Q17	Twelve Months Ended December 31, 2016	Twelve Months Ended December 31, 2017
Adjusted pre-tax income (loss)	**$ 1,101**	**$ 411**	**$ 1,007**	**$ 1,470**
Interest expense on attributed financial debt	43	31	120	159
Adjusted pre-tax income (loss) including attributed interest expense	**1,058**	**380**	**887**	**1,311**
Income tax expense (benefit)	404	129	330	440
Adjusted after-tax Non-controlling interest (income) loss on Korea Fund	(533)	-	(533)	-
Adjusted after-tax income (loss) (a)	**$ 121**	**$ 251**	**$ 24**	**$ 871**
Ending adjusted attributed equity	10,649	$ 9,283	$ 10,649	$ 9,283
Average adjusted attributed equity (b)	10,868	9,582	13,671	10,040
Adjusted return on attributed equity (a÷b)	4.5 %	10.5 %	0.2 %	8.7 %

AIG

Non-GAAP Reconciliations

Accident Year Loss Ratio, as adjusted, and Accident Year Combined Ratio, as adjusted

General Insurance

	Quarterly		Twelve Months Ended December 31,	
	4Q16	4Q17	2016	2017
Loss ratio	146.7	78.3	84.8	83.2
Catastrophe losses and reinstatement premiums	(5.4)	(11.7)	(4.4)	(16.1)
Prior year development	(73.8)	(1.4)	(18.5)	(4.0)
Adjustment for ceded premium under reinsurance contract	-	-	-	(0.1)
Accident year loss ratio, as adjusted	67.5	65.2	61.9	63.0
AAL ratio	5.3	5.6	5.2	5.3
Accident year loss ratio, as adjusted, including AAL	72.8	70.8	67.1	68.3
Expense ratio	35.8	35.0	34.1	34.1
Combined ratio	182.5	113.3	118.9	117.3
Accident year combined ratio, as adjusted	103.3	100.2	96.0	97.1

General Insurance - North America

	Quarterly		Twelve Months Ended December 31,	
	4Q16	4Q17	2016	2017
Loss ratio	237.6	83.0	112.4	101.7
Catastrophe losses and reinstatement premiums	(7.6)	(24.5)	(6.6)	(28.7)
Prior year development	(152.8)	3.3	(37.9)	(3.6)
Adjustment for ceded premium under reinsurance contract	-	-	-	(0.3)
Accident year loss ratio, as adjusted	77.2	61.8	67.9	69.1
Expense ratio	27.5	28.5	26.6	27.8
Combined ratio	265.1	111.5	139.0	129.5
Accident year combined ratio, as adjusted	104.7	90.3	94.5	96.9

General Insurance - North America - Commercial Lines

	Quarterly		Twelve Months Ended December 31,	
	4Q16	4Q17	2016	2017
Loss ratio	294.8	73.9	128.9	110.3
Catastrophe losses and reinstatement premiums	(8.2)	(12.0)	(7.7)	(30.5)
Prior year development	(202.3)	4.9	(49.7)	(4.9)
Adjustment for ceded premium under reinsurance contract	-	-	-	(0.4)
Accident year loss ratio, as adjusted	84.3	66.8	71.5	74.5
Expense ratio	23.9	25.3	23.4	24.7
Combined ratio	318.7	99.2	152.3	135.0
Accident year combined ratio, as adjusted	108.2	92.1	94.9	99.2

General Insurance - North America - Personal Insurance

	Quarterly		Twelve Months Ended December 31,	
	4Q16	4Q17	2016	2017
Loss ratio	60.5	108.0	57.4	78.3
Catastrophe losses and reinstatement premiums	(5.5)	(58.6)	(2.9)	(23.5)
Prior year development	-	(1.1)	1.3	(0.4)
Accident year loss ratio, as adjusted	55.0	48.3	55.8	54.4
Expense ratio	38.7	37.5	37.0	36.2
Combined ratio	99.2	145.5	94.4	114.5
Accident year combined ratio, as adjusted	93.7	85.8	92.8	90.6

AIG

Non-GAAP Reconciliations

Accident Year Loss Ratio, as adjusted, and Accident Year Combined Ratio, as adjusted

General Insurance - International

	Quarterly		Twelve Months Ended December 31,	
	4Q16	4Q17	2016	2017
Loss ratio	71.9	74.7	60.2	68.6
Catastrophe losses and reinstatement premiums	(3.5)	(2.2)	(2.6)	(6.1)
Prior year development	(8.9)	(4.8)	(1.0)	(4.3)
Accident year loss ratio, as adjusted	59.5	67.7	56.6	58.2
Expense ratio	42.5	39.8	40.8	39.0
Combined ratio	114.4	114.5	101.0	107.6
Accident year combined ratio, as adjusted	102.0	107.5	97.4	97.2

General Insurance - International - Commercial Lines

	Quarterly		Twelve Months Ended December 31,	
	4Q16	4Q17	2016	2017
Loss ratio	97.9	98.0	68.1	87.5
Catastrophe losses and reinstatement premiums	(7.7)	(2.7)	(4.6)	(12.5)
Prior year development	(20.0)	(11.4)	(3.4)	(9.8)
Accident year loss ratio, as adjusted	70.2	83.9	60.1	65.2
Expense ratio	38.2	37.7	37.1	34.8
Combined ratio	136.1	135.7	105.2	122.3
Accident year combined ratio, as adjusted	108.4	121.6	97.2	100.0

General Insurance - International - Personal Insurance

	Quarterly		Twelve Months Ended December 31,	
	4Q16	4Q17	2016	2017
Loss ratio	49.8	54.6	53.2	52.8
Catastrophe losses and reinstatement premiums	(0.1)	(1.8)	(0.9)	(0.8)
Prior year development	0.7	0.8	1.2	0.3
Accident year loss ratio, as adjusted	50.4	53.6	53.5	52.3
Expense ratio	46.3	41.7	44.2	42.4
Combined ratio	96.1	96.3	97.4	95.2
Accident year combined ratio, as adjusted	96.7	95.3	97.7	94.7

Non-GAAP Reconciliations
Accident Year Loss Ratio, as adjusted (incl. PYD)

Total General Insurance	**Full Year**						
	2011	**2012**	**2013**	**2014**	**2015**	**2016**	**2017**
Loss ratio	76.7	72.6	65.3	64.0	74.0	84.8	83.2
Catastrophe losses and reinstatement premiums	(9.3)	(7.8)	(2.5)	(2.2)	(2.4)	(4.4)	(16.1)
Prior year development net of (additional) return premium on loss sensitive business	0.9	(0.7)	(0.4)	(1.1)	(10.7)	(18.5)	(4.0)
Adjustment for ceded premiums under reinsurance contracts related to prior accident years	-	-	-	-	-	-	(0.1)
Accident year loss ratio, as adjusted	68.3	64.1	62.4	60.7	60.9	61.9	63.0
Cumulative effect of Prior Year Development	1.5	1.9	1.6	3.4	3.8	2.5	
Accident year loss ratio, as adjusted (incl. PYD)	69.8	66.0	64.0	64.1	64.7	64.4	63.0

Non-GAAP Reconciliations
Premiums

(in millions)	Quarterly		Twelve Months Ended December 31,	
Individual Retirement:	**4Q16**	**4Q17**	**2016**	**2017**
Premiums	$ 34	$ 10	$ 163	$ 91
Deposits	3,044	3,096	15,898	11,819
Other	-	-	1	(4)
Premiums and deposits	**$ 3,078**	**$ 3,106**	**$ 16,062**	**$ 11,906**
Individual Retirement (Fixed Annuities):				
Premiums	$ 36	$ 14	$ 170	$ 96
Deposits	512	856	3,820	2,925
Other	(2)	(2)	(8)	(11)
Premiums and deposits	**$ 546**	**$ 868**	**$ 3,982**	**$ 3,010**
Individual Retirement (Variable Annuities):				
Premiums	$ (1)	$ (4)	$ (7)	$ (5)
Deposits	923	771	4,507	3,207
Other	1	2	7	6
Premiums and deposits	**$ 923**	**$ 769**	**$ 4,507**	**$ 3,208**
Individual Retirement (Index Annuities):				
Premiums	$ -	$ -	$ -	$ -
Deposits	548	786	2,687	2,713
Other	-	-	-	-
Premiums and deposits	**$ 548**	**$ 786**	**$ 2,687**	**$ 2,713**
Individual Retirement (Retail Mutual Funds):				
Premiums	$ -	$ -	$ -	$ -
Deposits	1,061	683	4,886	2,975
Other	-	-	-	-
Premiums and deposits	**$ 1,061**	**$ 683**	**$ 4,886**	**$ 2,975**
Group Retirement:				
Premiums	$ 6	$ 6	$ 27	$ 27
Deposits	2,050	1,842	7,543	7,523
Other	-	-	-	-
Premiums and deposits	**$ 2,056**	**$ 1,848**	**$ 7,570**	**$ 7,550**
Life Insurance:				
Premiums	$ 339	$ 362	$ 1,407	$ 1,530
Deposits	369	398	1,419	1,518
Other	203	203	693	707
Premiums and deposits	**$ 911**	**$ 963**	**$ 3,519**	**$ 3,755**
Institutional Markets:				
Premiums	$ 142	$ 1,019	$ 691	$ 2,398
Deposits	1,019	1,022	1,434	1,821
Other	7	7	28	28
Premiums and deposits	**$ 1,168**	**$ 2,048**	**$ 2,153**	**$ 4,247**
Total Life and Retirement:				
Premiums	$ 521	$ 1,397	$ 2,288	$ 4,046
Deposits	6,482	6,358	26,294	22,681
Other	210	210	722	731
Premiums and deposits	**$ 7,213**	**$ 7,965**	**$ 29,304**	**$ 27,458**

AIG