

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of The Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): November 17, 2015

**AMERICAN INTERNATIONAL GROUP, INC.**

(Exact name of registrant as specified in its charter)

Delaware

1-8787

13-2592361

(State or other jurisdiction  
of incorporation)

(Commission File Number)

(IRS Employer  
Identification No.)

175 Water Street  
New York, New York 10038  
(Address of principal executive offices)

Registrant's telephone number, including area code: (212) 770-7000

(Former name or former address, if changed since last report.)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e4(c) under the Exchange Act (17 CFR 240.13e-4(c))

## Section 7 — Regulation FD

### Item 7.01. Regulation FD Disclosure.

American International Group, Inc. (the “Company”) is furnishing the Investor Presentation, dated November 17, 2015, attached as Exhibit 99.1 to this Current Report on Form 8-K (the “Investor Presentation”), which the Company may use from time to time in presentations to investors and other stakeholders. The Investor Presentation will also be available on the Company’s website at [www.aig.com](http://www.aig.com).

## Section 9 — Financial Statements and Exhibits

### Item 9.01. Financial Statements and Exhibits.

(d)	Exhibits.
99.1	Investor Presentation dated November 17, 2015 (furnished and not filed for purposes of Item 7.01).

**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

**AMERICAN INTERNATIONAL GROUP, INC.**  
(Registrant)

Date: November 17, 2015

By:

/s/ James J. Killerlane III

Name: James J. Killerlane III

Title: Associate General Counsel and Assistant Secretary

EXHIBIT INDEX

**Exhibit No.**

**Description**

99.1 Investor Presentation dated November 17, 2015 (furnished and not filed for purposes of Item 7.01).





# American International Group, Inc.

Investor Presentation  
Third Quarter 2015

November 17, 2015

# 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 “believe,” “anticipate,” “expect,” “intend,” “plan,” “view,” “target” or “estimate.” 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; the occurrence of catastrophic events, both natural and man-made; significant legal proceedings; the timing and applicable requirements of any new regulatory framework to which AIG is subject as a nonbank systemically important financial institution and 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; 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) and Part II, Item 1A. Risk Factors in AIG’s Quarterly Report on Form 10-Q for the quarterly period ended September 30, 2015, Part I, Item 2. MD&A in AIG’s Quarterly Report on Form 10-Q for the quarterly period ended June 30, 2015, Part I, Item 2. MD&A in AIG’s Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2015 and Part I, Item 1A. Risk Factors and Part II, Item 7. MD&A in AIG’s Annual Report on Form 10-K for the year ended December 31, 2014.

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 Third Quarter 2015 Financial Supplement available in the Investor Information section of AIG’s corporate website, [www.aig.com](http://www.aig.com), as well as in the Appendix to this presentation.

Note: Information included in the presentation is as of September 30, 2015, unless otherwise indicated.



# AIG's Four Key Priorities

## Narrow Our Focus

- Focus on AIG's core operations in complex commercial insurance, retirement and savings products and differentiated niches of expertise, including longevity
- Over 50 asset sales and divestitures for proceeds in excess of \$90bn since 2008
  - AerCap, Springleaf, PICC and Central America operations actioned in 2015

## Drive Efficiency

- Achieve a more competitive cost structure through GOE, operating basis, reduction of up to \$1.5bn
  - \$500mm of restructuring charges announced in 3Q15 expected to generate \$400mm - \$500mm in run-rate savings; additional \$100mm annual savings from pension changes
- Invest in technology to automate functions, accelerate digitization to reduce costs

## Industry Innovator And Market Leader

### Commercial Insurance

- 2015 Innovation Award – Unmanned Aircraft insurance<sup>1</sup>
- U.S. clients with more than \$1 billion in revenue ranked AIG #1 in Casualty Claims Service<sup>2</sup>

### Consumer Insurance

- Ranked second in the U.S. industry for total annuity sales<sup>3</sup>
- AIG Travel named top travel insurance provider<sup>4</sup>
- AIG Private Client Group serves 40% of the Forbes Richest Americans
- AIG Japan ranked #1 in auto insurance claims satisfaction for six years<sup>5</sup>

## Return Excess Capital

- Returned over \$10bn to shareholders since 9/30/2014
  - Repurchased over 1/3 of outstanding shares since re-IPO
  - 6th largest incremental share repurchase authorization by dollar value of the Fortune 500 companies over the last two years
- Expect active capital management to continue



1) According to Business Insurance.

2) 2015 Advisen Claims Satisfaction Survey

3) According to LIMRA rankings for First Half 2015.

4) According to 2015 Travvy Awards.

5) According to JD Power Asia Pacific – Japan.

# Focused Performance Measured by Key Financial Targets

Objective	Annual Target Through 2017
Sustainable Operating Efficiency Gains	3–5% Reduction in Net Expenses <sup>1</sup>
Improving ROE	~50+ bps Increase in Normalized ROE, ex. AOCI and DTA 2016 Target – 8.4%
Growing BVPS	10+% Growth in BVPS Ex. AOCI and DTA and Including Dividend Growth

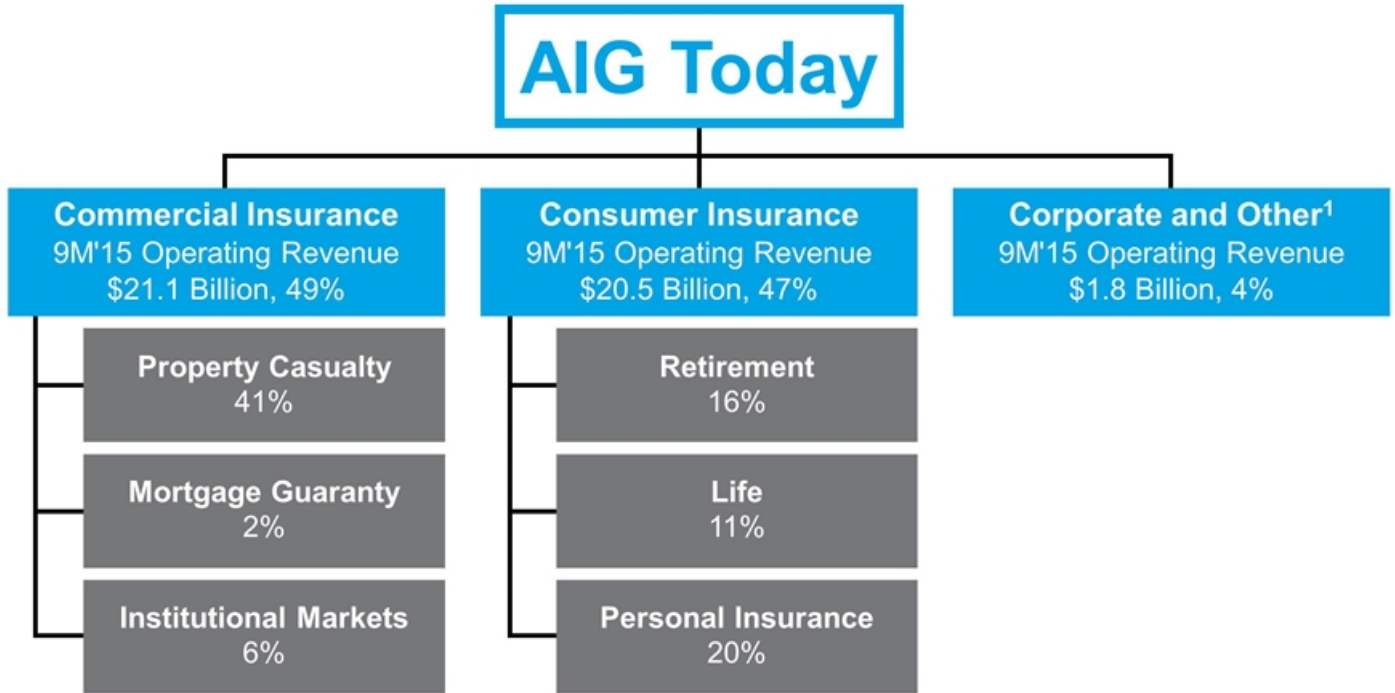


<sup>1</sup>General operating expenses, operating basis (see non-GAAP measures in appendix).



# A Diverse Customer-Focused Operating Platform

Total Operating Revenue of \$43.4 Billion for 9M'15

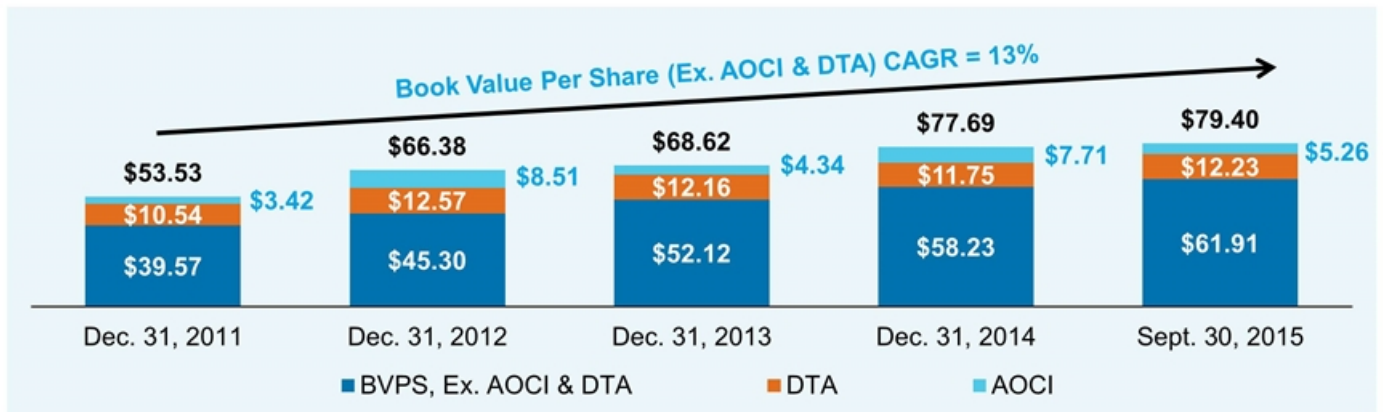


Note: Percentages computed based on total AIG operating revenues.

1) Includes results of AIG Parent, Runoff insurance lines, AIG Life Holdings (a non-operating holding company) and consolidation, eliminations and other adjustments.

# Managing Capital Wisely

Growth in BVPS has driven AIG's total shareholder return in excess of 160% since December 31, 2011 and 10% over the last 12 months.

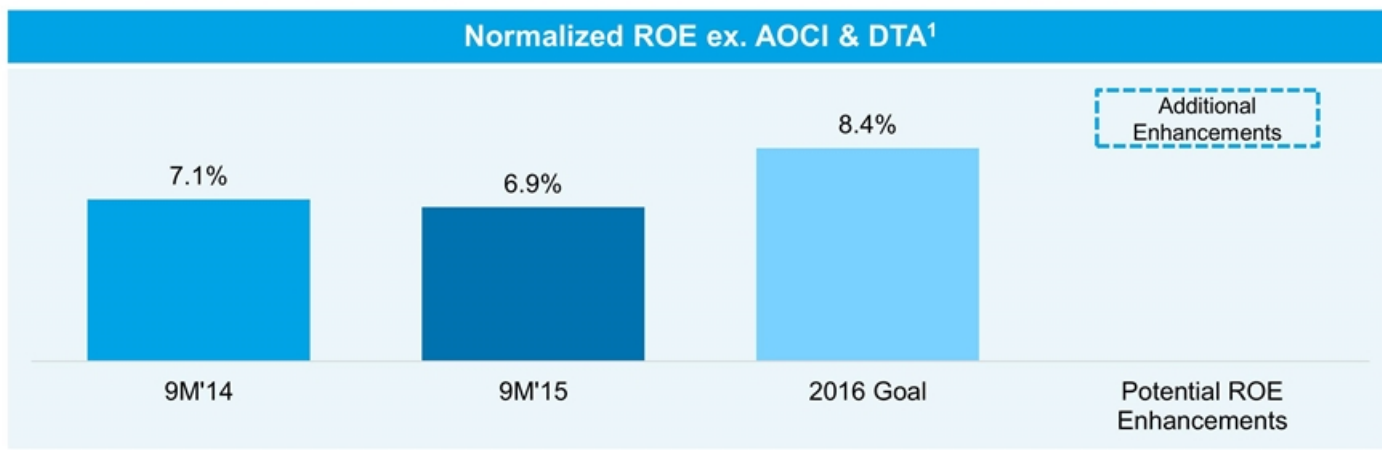


- Enhancing our operating model to efficiently deploy our human and technology resources, and investing in our infrastructure to ensure AIG's market leadership in a world of constant technological and market innovation.
- Completed \$8.1 billion in share repurchases in 2015 through October 31. Repurchased 35% of outstanding shares (over \$26 billion) since 2012.
- Strengthened financial flexibility of AIG Parent with insurance company distributions of \$10.4 billion in 2014 and \$8.8 billion in the first nine months of 2015.





# AIG's ROE and Key Drivers to Achieve 2016 Goal



- Goal to improve ROE by 50 bps each year
- ROE deterioration primarily driven by:
  - Narrowing improvements in commercial underwriting results
  - Lower level of AerCap earnings
- Key drivers to 2016 ROE goal include:
  - GOE reductions
  - Improved underwriting results
  - Capital management
- 2016 and 2017 actions currently under review for accelerating ROE enhancement
  - Increase GOE reductions
  - Divestitures
  - Increase capital management



1) Normalizing adjustments shown on page 8.

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

(\$ in Millions)	9M'14			9M'15		
	Pre-tax	After-tax	ROE	Pre-tax	After-tax	ROE
<b>As reported</b>	<b>\$7,834</b>	<b>\$5,259</b>	<b>8.9%</b>	<b>\$6,243</b>	<b>\$4,275</b>	<b>7.1%</b>
<b>Adjustments to arrive at Normalized ROE, ex. AOCI &amp; DTA:</b>						
Catastrophe losses below expectations	(503)	(327)	(0.5%)	(669)	(435)	(0.7%)
(Better) worse than expected alternative investment returns	(412)	(268)	(0.4%)	138	90	0.2%
Better than expected DIB & GCM returns	(887)	(577)	(1.0%)	(117)	(76)	(0.1%)
Fair value changes on PICC investments	46	30	0.0%	(21)	(14)	(0.0%)
Update of actuarial assumptions <sup>1</sup>	(121)	(79)	(0.1%)	17	11	0.0%
Net reserve discount charge	(90)	(58)	(0.1%)	(157)	(102)	(0.2%)
Unfavorable prior year loss reserve development	301	196	0.3%	555	361	0.6%
<b>Normalized ROE, ex. AOCI &amp; DTA</b>	<b>\$6,168</b>	<b>\$4,176</b>	<b>7.1%</b>	<b>\$5,989</b>	<b>\$4,110</b>	<b>6.9%</b>

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

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





# General Operating Expenses, Operating Basis

Targeting 3-5% of Annual Reduction Through 2017

## General Operating Expenses, Operating Basis (\$ in Millions)



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



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

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



# 2015 Expense Reduction Actions To Date

AIG Has Taken Action In 2015 That Will Generate Expense Savings



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



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

# AIG Consolidated Operating Financial Highlights

(\$ in Millions, Except per Share Amounts)	Full Year			Nine Months
	2012	2013	2014	2015
<b>Operating revenues</b>	\$65,379	\$61,524	\$61,001	\$43,404
<b>Pre-tax operating income (loss):</b>				
Commercial Insurance	2,215	4,980	5,510	3,777
Consumer Insurance	3,736	4,564	4,474	2,625
Total Insurance Operations	5,951	9,544	9,984	6,402
Corporate and Other <sup>1</sup>	3,987	(154)	(410)	(159)
<b>Total Pre-tax operating income</b>	<b>\$9,938</b>	<b>\$9,390</b>	<b>\$9,574</b>	<b>\$6,243</b>
<b>After-tax operating income attributable to AIG</b>	<b>\$6,542</b>	<b>\$6,650</b>	<b>\$6,630</b>	<b>\$4,275</b>
<b>After-tax operating income attributable to AIG per common share - diluted</b>	<b>\$3.88</b>	<b>\$4.49</b>	<b>\$4.58</b>	<b>\$3.15</b>
<b>ROE – After-tax operating income – ex. AOCI &amp; DTA</b>	<b>9.0%</b>	<b>9.3%</b>	<b>8.4%</b>	<b>7.1%</b>



1) Includes consolidations and eliminations. 2012 includes pre-tax gains of approximately \$5.0 billion on AIA and Maiden Lane III interests.

# AIG Consolidated Balance Sheet Selected Highlights

(\$ in Millions)	Dec. 31, 2012	Dec. 31, 2013	Dec. 31, 2014	Sept. 30, 2015
Cash and investments	\$376,975	\$358,669	\$357,524	\$347,970
Total assets	548,633	541,329	515,581	501,985
Net loss reserves	68,782	64,316	61,612	58,290
Life insurance companies' reserves <sup>1</sup>	159,508	160,887	165,647	167,633
Financial and hybrid debt	25,466	21,199	19,106	20,183
AIG shareholders' equity	98,002	100,470	106,898	98,999
Less: Accumulated other comprehensive income (AOCI)	(12,574)	(6,360)	(10,617)	(6,557)
Less: Deferred tax assets (DTA) <sup>2</sup>	(18,549)	(17,797)	(16,158)	(15,252)
AIG shareholders' equity – ex. AOCI & DTA	\$66,879	\$76,313	\$80,123	\$77,190



- 1) Represents Life Insurance Companies' future policy benefits and policyholder contract deposits, and excludes separate accounts.  
 2) Represents U.S. tax attributes related to net operating loss carryforwards and foreign tax credits.

# Strong Capital Position

## Capital Structure (\$ in Billions)



Ratios:	Dec. 31 2012	Dec. 31 2013	Dec. 31 2014	Sept. 30 2015
Hybrids / Total capital	7.6%	4.5%	1.9%	1.1%
Financial debt / Total capital	12.9%	12.8%	13.2%	15.7%
Total debt / Total capital	20.5%	17.3%	15.1%	16.8%

## Credit Ratings

	S&P	Moody's	Fitch	AM Best
AIG – Senior Debt	A-	Baa1	BBB+	NR
AIG Non-Life – FSR	A+	A1	A	A
AIG Life – FSR	A+	A2	A+	A

- As of the date of this presentation, all ratings have stable outlooks, except for Fitch ratings which have positive outlooks.
- For Non-Life Insurance Companies FSR and Life Insurance Companies FSR, ratings only reflect those of the core insurance companies.

## Risk Based Capital Ratios<sup>2</sup>

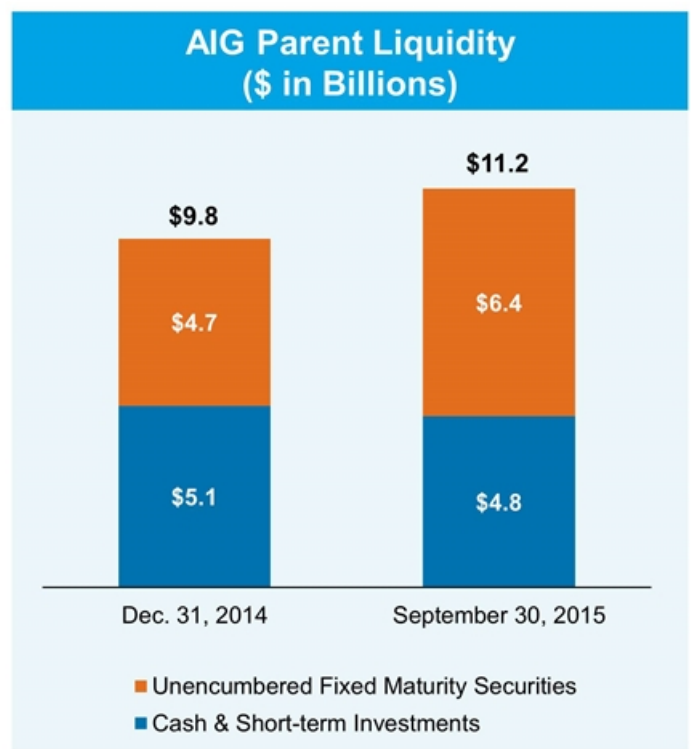
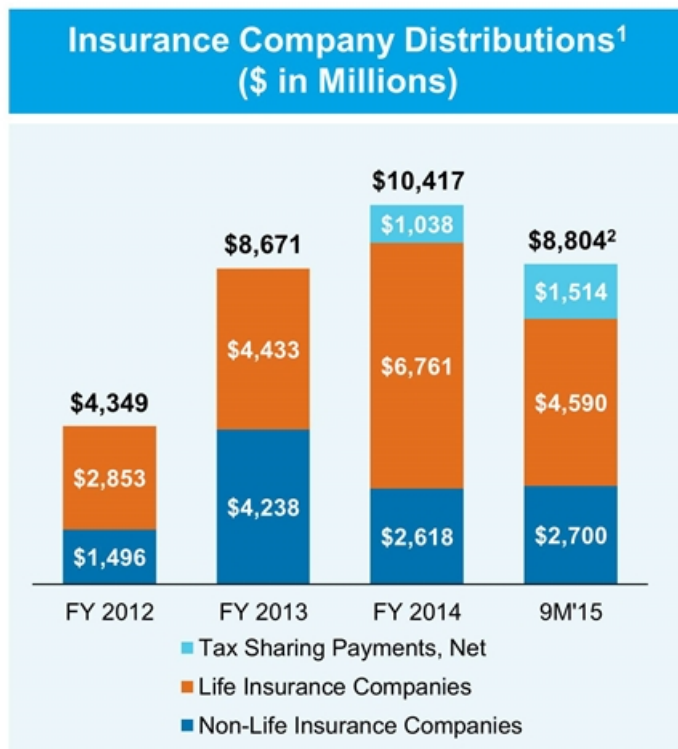
Year End	Domestic Life Insurance Companies	Domestic Non-Life Insurance Companies
2013	568% (CAL)	416% (ACL)
2014	534% (CAL)	432% (ACL)



1) Includes AIG notes, bonds, loans and mortgages payable, and AIG Life Holdings, Inc. (AIGLH) notes and bonds payable and junior subordinated debt.  
 2) 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 their holding company, AGC Life Insurance Company.



# Financial Flexibility – Multiple Sources of Liquidity



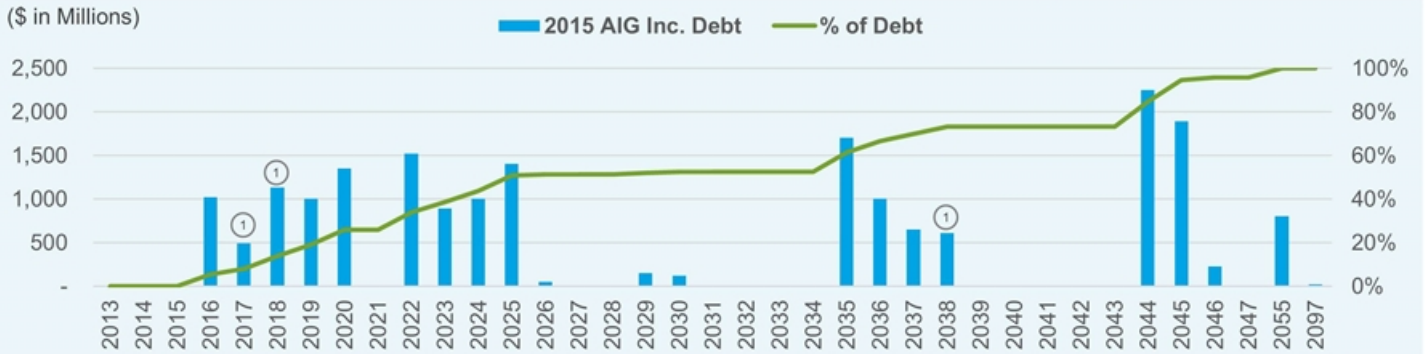
1) Includes distributions of both cash and fixed maturity securities and excludes other non-cash dividends.

2) Includes \$2.8 billion of dividends that were paid in 2015 but declared in 4Q14.

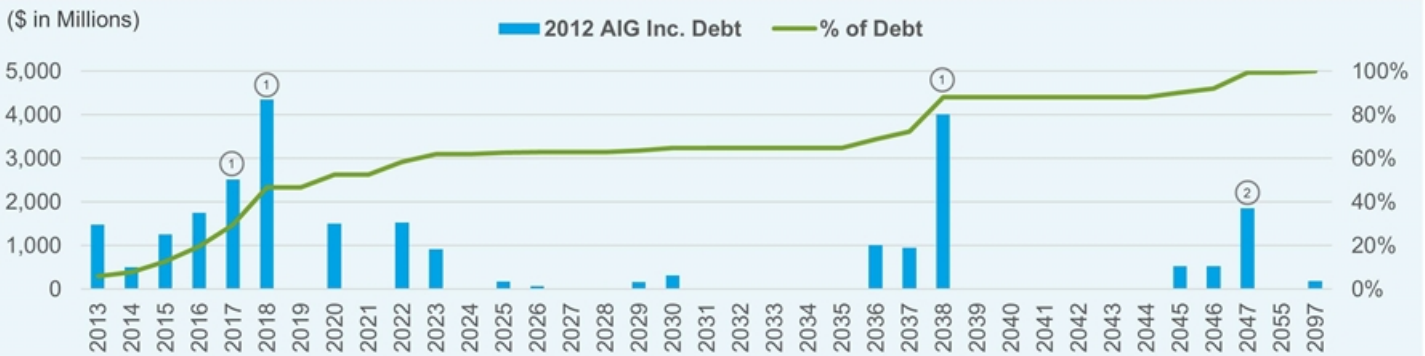
# Enhanced Debt Maturity Profile

Liability Management Actions Have Improved Maturity Profile and Reduced Weighted Average Coupon to Below 5.0%

As of 10/31/2015 – Total Notional Amount: \$19.3 Billion / Weighted Average Coupon: 4.92%



As of 12/31/2012 – Total Notional Amount: \$25.5 Billion / Weighted Average Coupon: 6.35%



1) Remaining callable hybrid notes are reflected at their call dates.  
 2) The 6.45% and 7.7% callable hybrid notes maturing in 2047 were called in 2013.



# Deferred Tax Assets

## Diversified Operating Platform Allows For Utilization of Valuable Tax Attributes

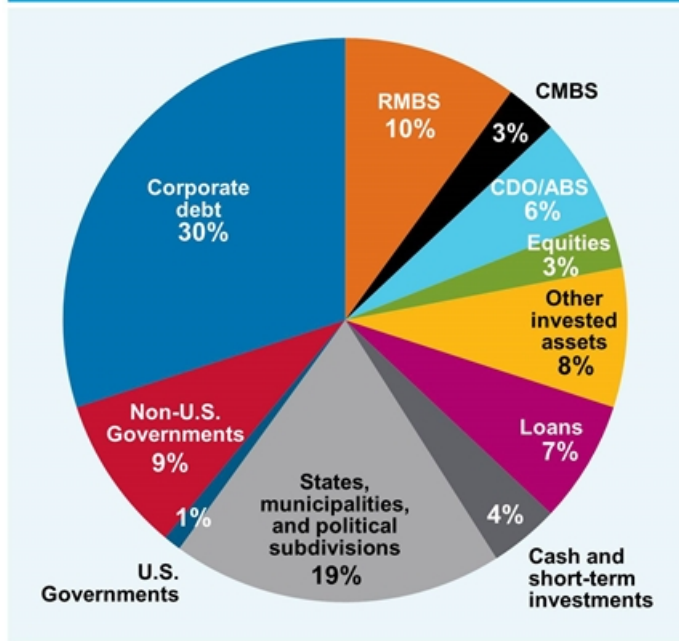
(\$ in Billions)	Type	As of 12/31/13		As of 12/31/14		Utilization/Expiration
		Gross Attributes	Deferred Tax Asset	Gross Attributes	Deferred Tax Asset	
Net Operating Loss Carryforwards	Non-Life & Life	\$35.8	\$12.5	\$29.4	\$10.3	<ul style="list-style-type: none"> <li>Utilize against Non-Life Insurance Companies, Corporate &amp; Other and 35% of Life Insurance Companies' income</li> <li>2028–2031 Expiration</li> </ul>
Capital Loss Carryforwards	Life	\$1.4	\$0.5	–	–	<ul style="list-style-type: none"> <li>Capital loss carryforward fully utilized in 2014</li> </ul>
Valuation Allowance			(\$0.5)	–	–	
Foreign Tax Credits	General		\$5.3		\$5.9	<ul style="list-style-type: none"> <li>Utilize against 65% of Life Insurance Companies income</li> <li>2016–2023 Expiration</li> </ul>
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	



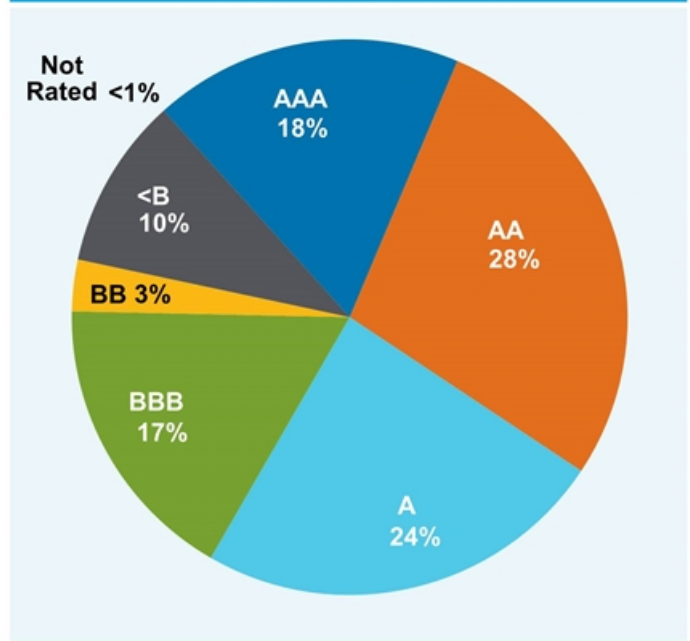
# Non-Life Insurance Companies – Invested Assets

Total Cash & Invested Assets as of September 30, 2015 – \$116.6 Billion<sup>1</sup>

Total Portfolio Composition



Bond Portfolio – \$90.5 Billion – by Agency Credit Rating

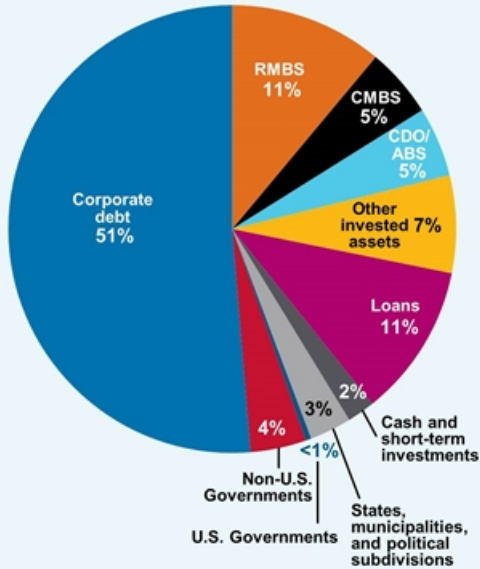


1) Includes intercompany invested assets that are eliminated in consolidation.

# Life Insurance Companies – Invested Assets

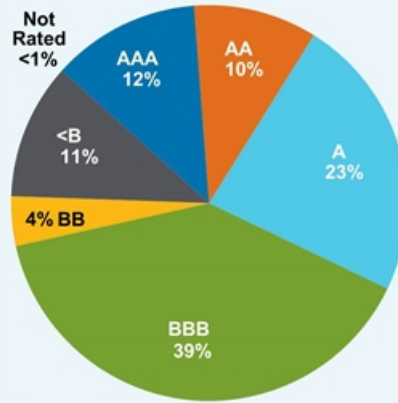
Total Cash & Invested Assets as of September 30, 2015 – \$201.7 Billion<sup>1</sup>

Total Portfolio Composition

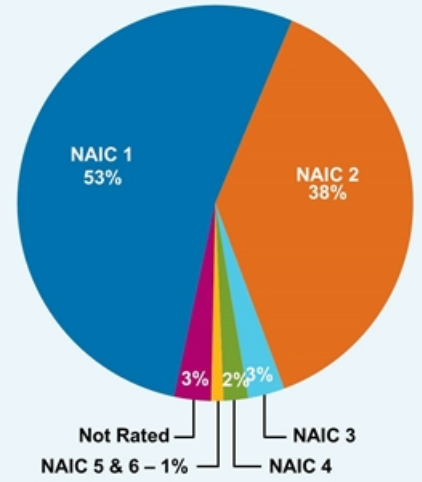


Bond Portfolio – \$160.8 Billion

By Agency Credit Rating



By NAIC Ratings



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



# Commercial Insurance



# Commercial Insurance – Strategy

## Strategic Levers to Drive Shareholder Value Creation



Customer	Strategic Growth	Underwriting Excellence	Claims Excellence	Operational Effectiveness	Capital Efficiency	Investment Strategy
Aspire to be our customers' most valued insurer by offering innovative products, excellent service and access to an extensive global network	Grow our higher-value businesses while investing in transformative opportunities	Improve our business portfolio through better pricing and risk selection by using enhanced data, analytics and the application of science to deliver superior risk-adjusted returns	Improve claims processes, analytics and tools to deliver superior customer service and decrease our loss ratio	Continue initiatives to modernize our technology and infrastructure; implement best practices to improve speed and quality of service	Increase capital fungibility and diversification, streamline our legal entity structure, optimize reinsurance and improve tax efficiency	Increase asset diversification and take advantage of yield-enhancement opportunities to meet our capital, liquidity, risk and return objectives



# Commercial Insurance – Diversified Products and Services

## Property Casualty



Casualty

- General Liability
- Commercial Automobile Liability
- Workers' Compensation
- Excess Casualty
- Crisis Management
- Risk Management
- Other Customized Structured Programs for Large Corporate and Multinational Customers



Specialty

- Aerospace
- Environmental
- Political Risk
- Trade Credit
- Marine
- Surety
- Package



Property

- Global Property covers exposures to man-made and natural disasters, includes business interruption
- Industrial, Energy and Commercial Property
- Multinational Property



Financial Lines

- Directors & Officers Liability, Errors & Omissions
- Cyber Security
- Fidelity
- Employment Practices
- Fiduciary Liability
- Kidnap and Ransom

## Mortgage Guaranty



- Protects mortgage investors against the risk of borrower default related to high loan to value mortgages
- First-Lien Mortgage Guaranty Insurance

## Institutional Markets



- Stable Wrap Products
- Structured Settlement and Terminal Funding Annuities
- High Net Worth Products
- Corporate- and Bank-owned Life Insurance
- GICs



# Commercial Insurance – A Market Leader

## Significant Market Positions

#1 commercial insurer in the U.S. with an established and growing position in Latin America<sup>1</sup>

#1 carrier in the Directors and Officers, Employment Practices Liability Insurance, Fiduciary Liability and Umbrella/Excess Liability markets<sup>2</sup>

#1 insurer of Terrorism, Medical Malpractice, Excess and Surplus, Environmental, Errors and Omissions<sup>3</sup> and Mortgage Guaranty insurance<sup>4</sup>

#2 provider of Umbrella/Excess Liability and Cyber insurance<sup>2</sup>

#2 carrier in the Property market<sup>4</sup>

Ranked **2<sup>nd</sup> largest** group in the U.S. surplus lines market in 2014<sup>5</sup>

Lexington Insurance Company was the **largest** surplus lines insurance carrier in the U.S.<sup>5</sup>

## Superior Sales & Underwriting Capabilities

Ranked among the top 10 most preferred commercial insurance carriers.<sup>2</sup>

Recognized leader in the Construction/Builders, Cyber, Directors and Officers, Employment Practices, Environmental, Errors and Omissions, Excess and Surplus, General Liability, Marine – Ocean, Medical Malpractice, Terrorism, Umbrella/Excess Liability, and Workers' Compensation markets.<sup>2</sup>

Recognized as being in the top 25% of insurers for handling of producers' global insurance needs.<sup>2</sup>

#1 in casualty claims service among insurers and TPAs by U.S. clients with more than \$1 billion in revenue.<sup>6</sup>

1) As measured by full year 2014 net premiums written. Refer to AIG 2014 10-K for further information.

2) According to the 2015 RIMS Benchmark Survey, based on both policy counts and premiums.

3) According to the 2014 Flaspöhrer Survey.

4) According to Inside Mortgage Finance as measured by new insurance written as of December 31, 2014.

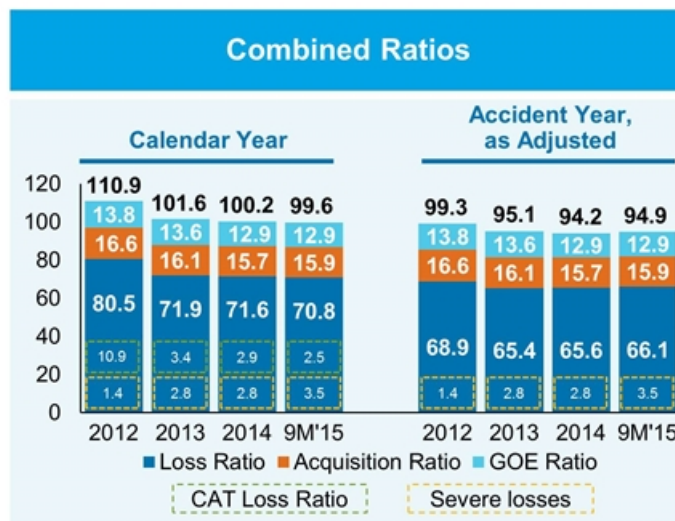
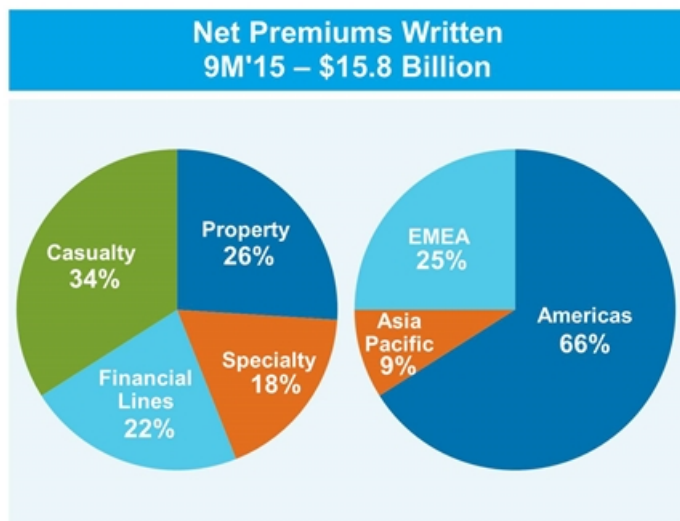
5) According to AM Best in the 2014 Best's Review Surplus Lines Report.

6) According to the 2015 Advisen Claims Satisfaction Survey.



# Commercial Insurance – Property Casualty Financial Highlights

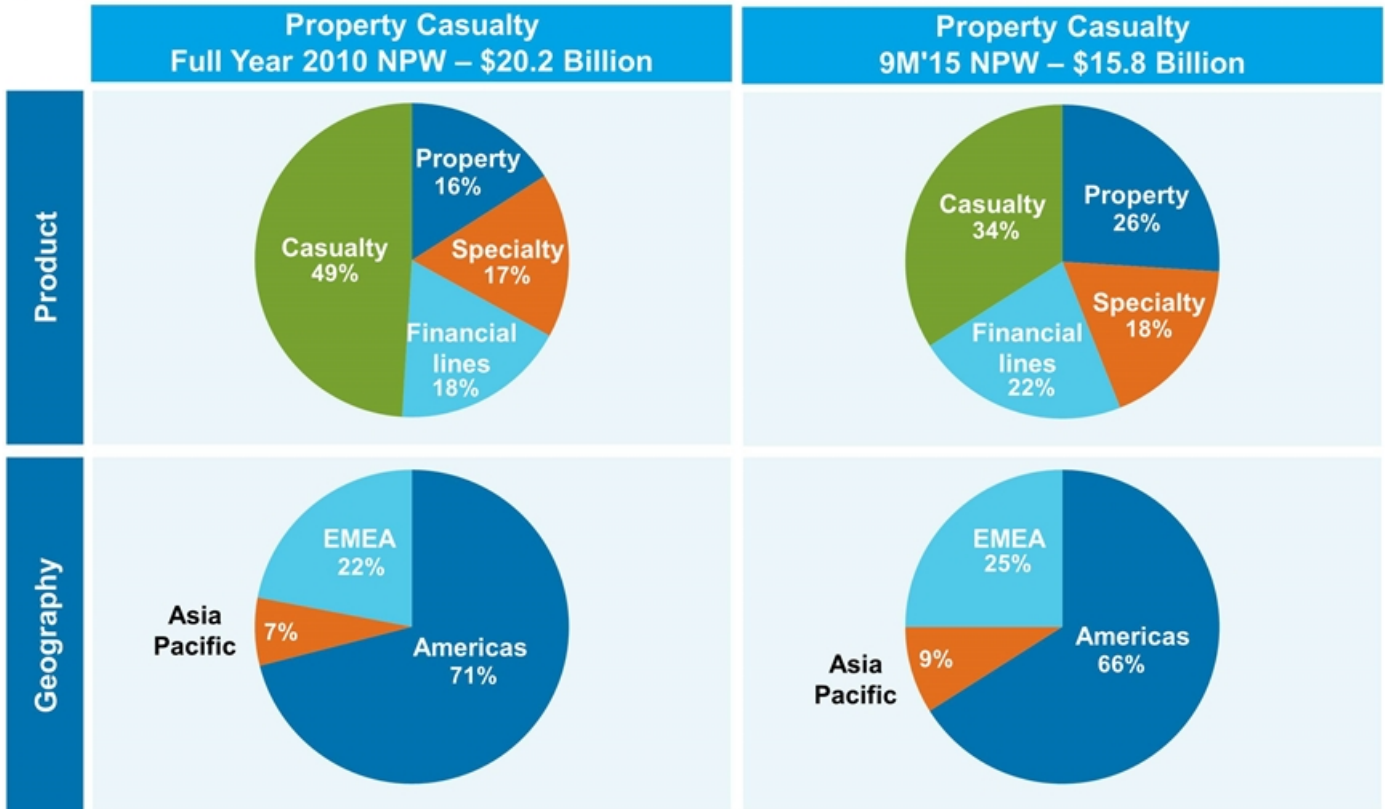
(\$ in Millions)	Full Year			Nine Months
	2012	2013	2014	2015
Net premiums written	\$20,348	\$20,880	\$21,020	\$15,832
Net premiums earned	20,848	20,677	20,885	15,038
Underwriting income (loss)	(2,270)	(336)	(50)	65
Net investment income	3,951	4,431	4,298	2,866
Pre-tax operating income	\$1,681	\$4,095	\$4,248	\$2,931





# Commercial Insurance – Property Casualty Product Mix & Geography Shift

Meaningful Remediation of Casualty Lines and Growth Outside of the U.S.

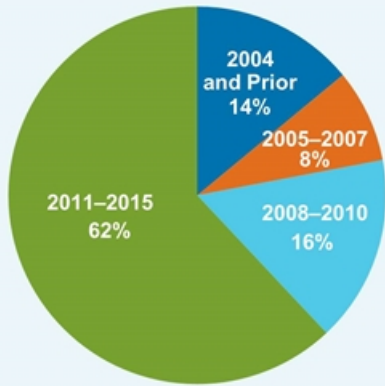


# Reserves – Non-Life Insurance Companies

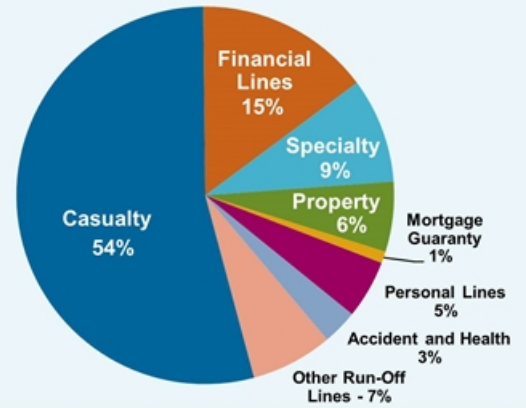
Business Mix Shift Away from Long-Tail Casualty Lines and Accelerated Commutation of Legacy Portfolios (Especially 2004 and Prior) Are Expected to Also Reduce Reserve Variability

**Total Net Reserves \$61.5 Billion at September 30, 2015**

**By Accident Year**



**By Line of Business**



- Business mix shift to shorter-tail lines expected to reduce net reserves
- Approximately 62% of reserves are from business that have been substantially re-underwritten (i.e., post 2011)
- Reduction in outstanding loss reserves for long-tail reserve segments expected to reduce reserve variability



Note: Allocation by accident year for illustration purposes only and subject to change. Net reserves presented above are shown before the effect of a \$3.2 billion loss reserve discount. Net loss reserves for the Non-Life Insurance Companies includes Property Casualty, Personal Insurance, Mortgage Guaranty and run-off Non-Life Insurance Companies' businesses.

# Commercial Insurance – Mortgage Guaranty Financial Highlights

(\$ in Millions)	Full Year			Nine Months
	2012	2013	2014	2015
Net premiums written	\$858	\$1,048	\$1,024	\$809
Underwriting income (loss)	(137)	73	454	361
Net investment income	146	132	138	103
Pre-tax operating income	\$9	\$205	\$592	\$464
Delinquency ratio <sup>1</sup>	8.8%	5.9%	4.4%	3.5%

- Strong growth in operating earnings reflects lower delinquency rates, higher cure rates, and new business growth.
- Volume and quality of new business remain strong despite competitive pressures.
  - Average FICO of new insurance written in 3Q15 was 752.
  - Average loan-to-value of new insurance written in 3Q15 was 92%.
- Mortgage Guaranty's primary insurance subsidiary, United Guaranty Residential Insurance Company, maintains an S&P rating of A and Moody's rating of Baa1 with stable outlooks.<sup>2</sup>
- Mortgage Guaranty will be compliant with the PMIER's standards on the December 31, 2015 effective date.
- On July 29, 2015, obtained \$298.9 million of indemnity reinsurance from Bellemeade Re Ltd., a Bermuda-domiciled special purpose insurer, for a portfolio of mortgage insurance policies issued from 2009 through 1Q13.

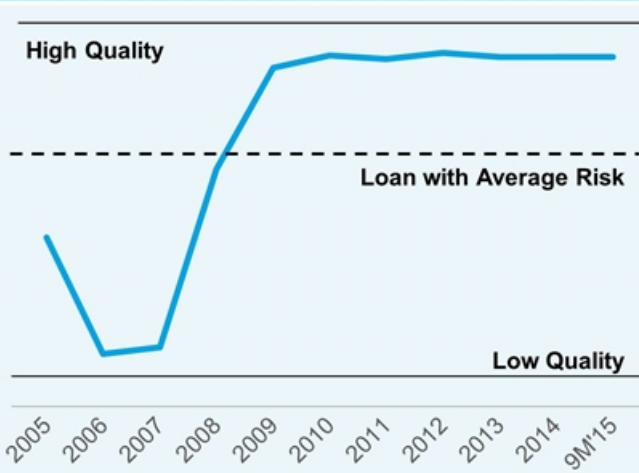


1) Domestic First-lien only.

2) As of the date of this presentation.

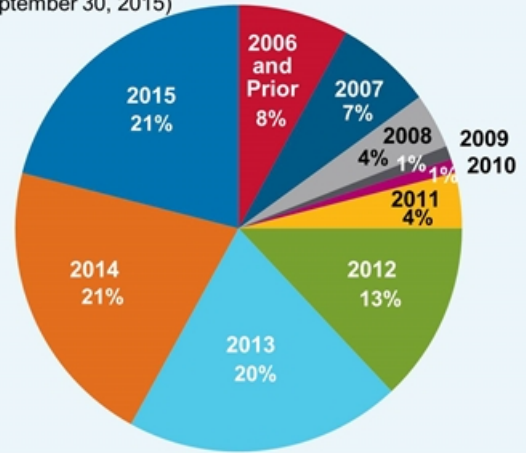
# Commercial Insurance – Mortgage Guaranty Credit Quality of Loans

## Mortgage Guaranty Risk Quality Index<sup>1</sup>



## Primary Risk-in-force (RIF) – \$46.6 Billion<sup>2</sup>

(As of September 30, 2015)



- Mortgage Guaranty's Risk Quality Index (RQI) is a proprietary model that uses over a dozen variables to estimate the potential for a mortgage to default.
- RQI is the key driver in Mortgage Guaranty's risk-based pricing plan, Performance Premium.
- Primary delinquency rate has returned to a pre-crisis level due to a combination of strong growth of new business and proactive management of the delinquent book.



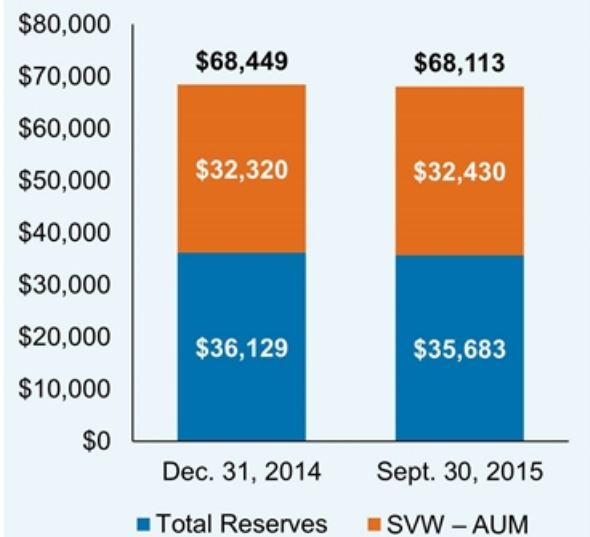
1) Internal data.

2) Based on the principal amount of loans insured.

# Commercial Insurance – Institutional Markets Financial Highlights

(\$ in Millions)	Full Year			Nine Months
	2012	2013	2014	2015
Premiums and deposits	\$774	\$991	\$3,797	\$985
Premiums	458	610	432	854
Policy fees	102	113	187	148
Net investment income	2,066	2,090	1,957	1,372
Total operating revenues	2,626	2,813	2,576	2,374
Benefits and expenses	2,101	2,133	1,906	1,992
Pre-tax operating income	\$525	\$680	\$670	\$382

## Reserves & Stable Value Wraps Assets Under Management





# Consumer Insurance





# Consumer Insurance – Strategy

**Distinguish Ourselves in the Markets and Products We Choose.  
Be the Provider of Choice Among Our Target Segments and Channels.**



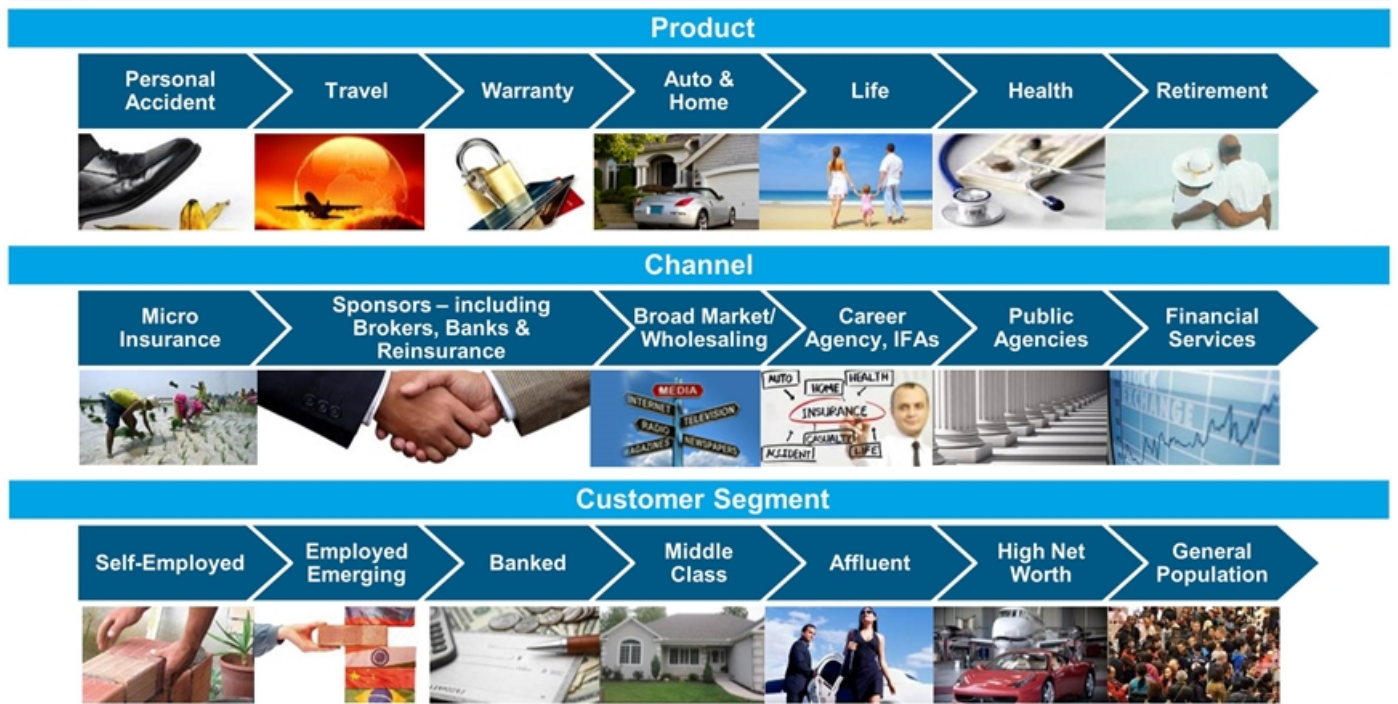
Customer	Information-Driven Strategy	Focused Growth	Operational Effectiveness	Profitability and Capital Management	Investment Strategy
<p>Aspire to be our customers' most valued insurer. Through our unique franchise, which brings together a broad portfolio of retirement, life insurance and personal insurance products offered through multiple distribution networks, Consumer Insurance aims to provide customers with the products they need, delivered through the channels they prefer.</p>	<p>Utilize customer insight, analytics and the application of science to optimize customer acquisition, product profitability, product mix, channel performance and risk management capabilities.</p>	<p>Invest in areas where Consumer Insurance can grow profitably and sustainably. Target growth in select markets according to market size, growth potential, market maturity and customer demographics.</p>	<p>Simplify processes, enhance operating environments, and leverage the best platforms and tools for multiple operating segments to increase competitiveness, improve service and product capabilities and facilitate delivery of our target customer experience.</p>	<p>Deliver solid earnings through disciplined pricing and expense management, sustainable underwriting improvements and diversification of risk, and increase capital efficiency within insurance entities to enhance return on equity.</p>	<p>Maintain a diversified, high quality portfolio of fixed maturity securities that largely matches the duration characteristics of the related insurance liabilities, and pursue yield-enhancement opportunities that meet liquidity, risk and return objectives.</p>



# Consumer Insurance – Market Maturity Model

## Focused Growth

Early Stage Market → Advanced Stage Market





# Consumer Insurance – Leading Market Positions

U.S. Life and Retirement Businesses <sup>1</sup>		
Rank		Metric
YTD 2Q15	YTD 2Q14	
2	2	Total Annuity Sales
3	1	Fixed-Rate Deferred Annuity Sales
4	4	Variable Annuity Sales
6	12	Index Annuity Sales
7	8	Total Life Issued
9	8	Term Life Sales
14	11	Universal Life Sales
2	2	Total K-12 Assets
3	3	Total 403(b) Assets

Personal Insurance
<p><b>U.S.</b></p> <ul style="list-style-type: none"> <li>Private Client Group                             <ul style="list-style-type: none"> <li>40% of the Forbes 400 Richest Americans<sup>2</sup></li> <li>47% of the Americans Listed on the ARTnews Top 200 Collectors<sup>2</sup></li> </ul> </li> </ul>
<p><b>Japan</b></p> <ul style="list-style-type: none"> <li>2<sup>nd</sup> in Personal Accident with 20% market share<sup>3</sup></li> <li>4<sup>th</sup> in Personal Property with 13% market share<sup>4</sup></li> </ul>

1) Based on LIMRA rankings for respective periods.

2) As of 2Q15.

3) Source – Non-Life Insurance Statistics, AIG internal analysis (includes Medical products sold by Non-Life Insurance Companies) as of 4Q14.

4) Source – General Insurance Rating Organization of Japan as of 4Q14.



# Consumer Insurance – Leading Businesses

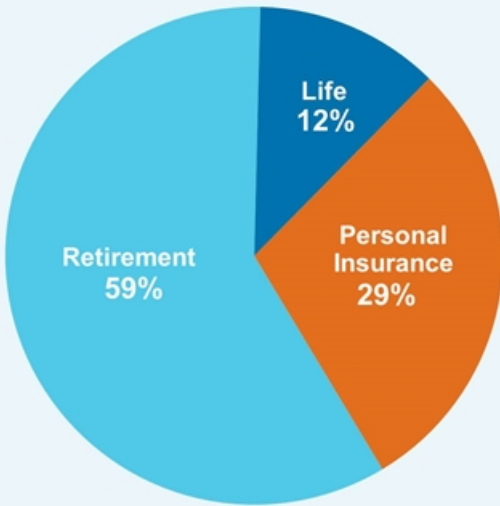
## Consumer Insurance Operations Continue to Be Recognized for Excellence Globally

- **Market Tools – U.S.**  
2015 Achievement in Customer Excellence for Life Insurance (ACE Award for 8<sup>th</sup> Consecutive Year)
- **DALBAR – U.S.**  
2014 Annuity Service Excellence Award (8<sup>th</sup> Consecutive Year)  
2014 #1 Ranking for Annuity Client Quarterly Statements (14<sup>th</sup> Consecutive Year)  
2014 Communication Seal for VALIC.com (3<sup>rd</sup> Consecutive Year)  
2014 Mobile InSIGHT – Innovations in the World of Apps Trailblazer Rating (VALIC Mobile for iPad)
- **PlanSponsor Magazine – U.S.**  
Earned 14 Best-in-Class Awards for Participant and Plan Sponsor Services for VALIC in 2014
- **International MarCom Awards – U.S.**  
2014 Platinum and Gold Awards for Retirement (34 in total)
- **Travvy Awards – U.S.**  
AIG Travel Named Top Travel Insurance Provider in 2015
- **Insurance and Financial Communications Association – U.S.**  
2015 Best in Show and Awards of Excellence for Retirement (8 in total)
- **Money Week Awards – China**  
AIG Travel – China Named Best Travel Insurance Product in 2015
- **Underwriting Services Awards – U.K.**  
AIG UK Group Travel and Personal Accident Team of the Year in 2014
- **Australian Business Awards 2014**  
ABA100 Winner for Best Technology Product in 2014
- **JD Power Asia Pacific – Japan**  
AIG Japan (AIU, FFM and American Home) ranked #1 in 2014 Auto Insurance Claims Satisfaction survey (for 6<sup>th</sup> Year)
- **Reader's Digest – Singapore**  
AIG Singapore Most Trusted Brand Award for Auto Insurance 2015
- **Indonesian Insurance Awards**  
AIG Indonesia Named Best Private General Insurance 2014
- **Gaivota de Ouro Insurance Industry Awards, Seguro Total Magazine – Brazil**  
AIG Brazil Earned Group Life Award in 2014
- **AVA Digital Awards – U.S.**  
Earned 4 Platinum Awards in 2015
- **Saigon Liberation Newspaper Awards**  
AIG Travel Named Favorite Vietnamese Brand Award (10<sup>th</sup> Consecutive Year)
- **Motordata Research Consortium – Malaysia**  
AIG Malaysia Named Insurer of the Year 2014
- **MENA Insurance Awards – EMEA**  
EMEA Consumer Named Most Innovative Insurer Product in 2015
- **Business Insurance**  
2015 Innovation Award – AIG
- **World Travel Fair**  
AIG Travel Named Best Quality Service Travel Insurance Company for Travel Accident 2015

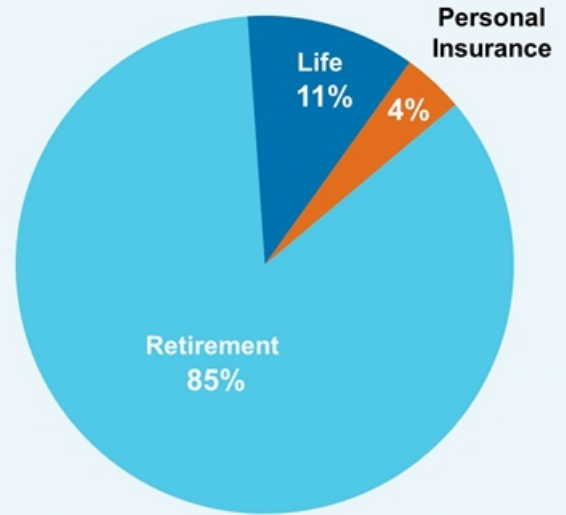


# Consumer Insurance – Overview

## Premiums and Deposits<sup>1</sup> 9M'15 – \$30.8 Billion



## Pre-Tax Operating Income 9M'15 – \$2.6 Billion



1) Premiums and deposits include net premiums written for the Personal Insurance operating segment and premiums and deposits for the Retirement and Life operating segments. Retirement premiums and deposits exclude activity related to closed blocks of fixed and variable annuities.

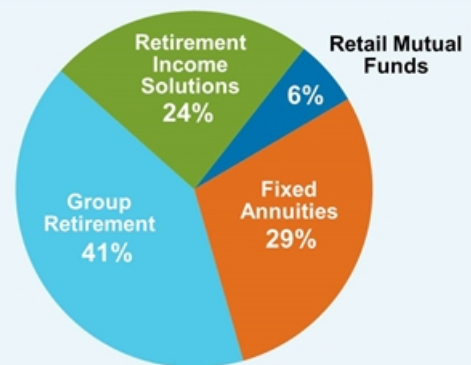
# Consumer Insurance – Retirement Financial Highlights

(\$ in Millions)	Full Year			Nine Months
	2012	2013	2014	2015
Premiums and deposits <sup>1</sup>	\$16,048	\$23,729	\$24,023	\$18,204
Premiums	120	188	287	127
Policy fees	743	861	1,010	802
Net investment income	6,502	6,628	6,489	4,584
Advisory fee and other income	1,344	1,754	1,998	1,543
Total operating revenues	8,709	9,431	9,784	7,056
Benefits and expenses	5,908	5,941	6,289	4,817
Pre-tax operating income	\$2,801	\$3,490	\$3,495	\$2,239

**Premiums and Deposits**  
9M'15 – \$18.2 Billion



**Assets Under Management**  
September 30, 2015 – \$220.3 Billion



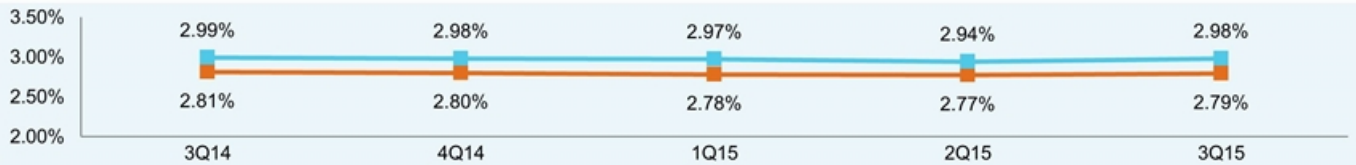
1) Excludes activity related to closed blocks of fixed and variable annuities.

# Consumer Insurance – Retirement – Base Yields and Spreads

## Base Yields<sup>1</sup>



## Cost of Funds<sup>2</sup>



## Base Net Investment Spreads<sup>1</sup>



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



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

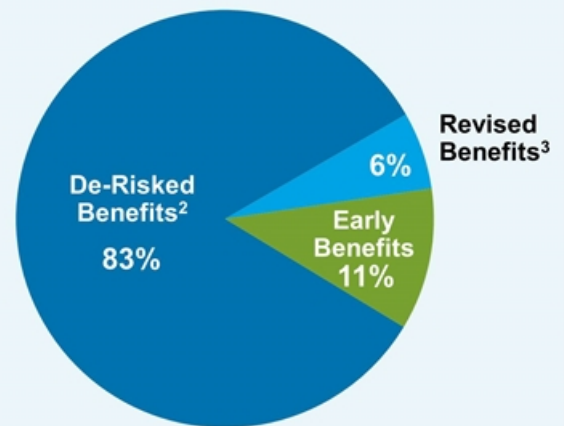


# Consumer Insurance – Retirement – Individual Variable Annuities

## Industry Retail Variable Annuity Sales\*

Company (\$ in millions)	1H15		% Change	1H14	
	Rank	Sales		Rank	Sales
Jackson National	1	11,761	(8%)	1	12,732
Lincoln Financial Group	2	5,898	(3%)	2	6,088
Prudential Financial	3	4,435	(9%)	3	4,849
Transamerica	4	4,342	(1%)	4	4,378
<b>AIG</b>	<b>5</b>	<b>4,229</b>	<b>(1%)</b>	<b>5</b>	<b>4,269</b>
AXA Equitable	6	3,486	(4%)	6	3,616
MetLife	7	2,922	13%	8	2,597
Nationwide	8	2,733	(9%)	7	2,991
Ameriprise	9	2,452	4%	9	2,362
Pacific Life	10	1,908	(12%)	10	2,169
All Others		13,201	4%		12,694
<b>Industry</b>		<b>57,367</b>	<b>(2%)</b>		<b>58,746</b>

## Account Value by GMWB Guarantee at 9/30/15<sup>1</sup> – \$33.0 Billion



## Unique Opportunity for AIG

- Individual variable annuities represented 18% of total reserves at September 30, 2015 for AIG's U.S. Life Insurance Companies.
- AIG significantly improved its industry ranking since 2009; remaining growth opportunity in variable annuities due to market share of only 7.4%.
- Disciplined pricing and de-risked benefits: VIX indexing of rider fees, volatility control funds, mandatory asset allocation to fixed accounts.
- Sales of index annuities with living benefits diversifies AIG's guaranteed income offerings.

\* Source: LIMRA VA Sales report. VA industry sales data reported herein excludes Employer Plan sales and internal exchange sales.

1) Excludes \$3.5 billion of AUM at VALIC with GMWB guarantees.

2) De-Risked Benefits: Features on contracts issued since 2010 (VIX indexing/volatility control fund in 2012).

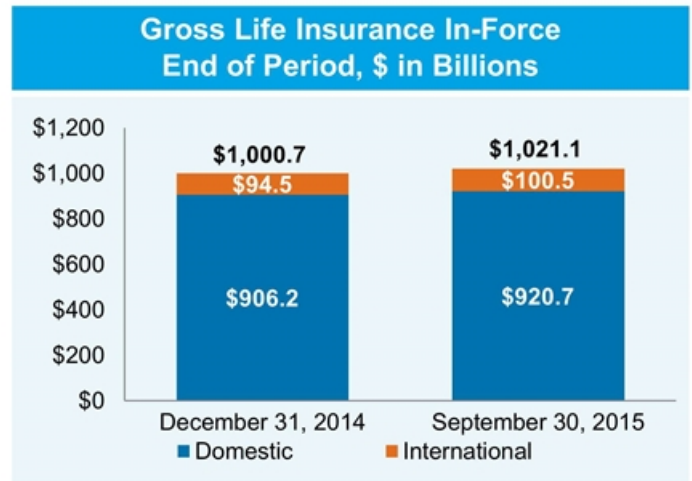
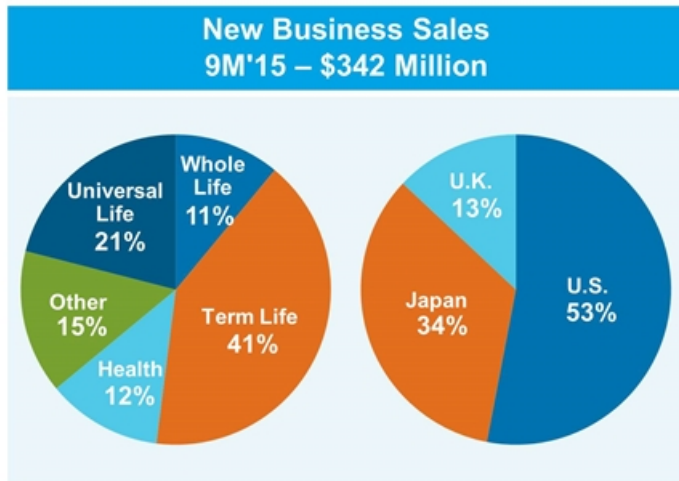
3) Pre-2010 Partially De-Risked Benefits: due to actual policyholder election of extension offers to-date.





# Consumer Insurance – Life Financial Highlights

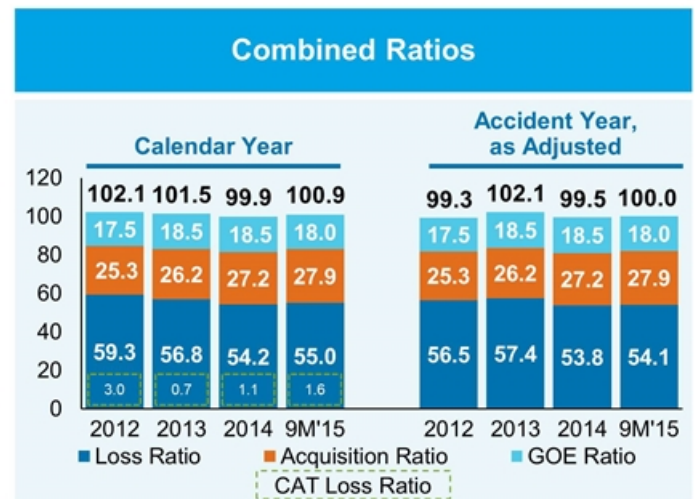
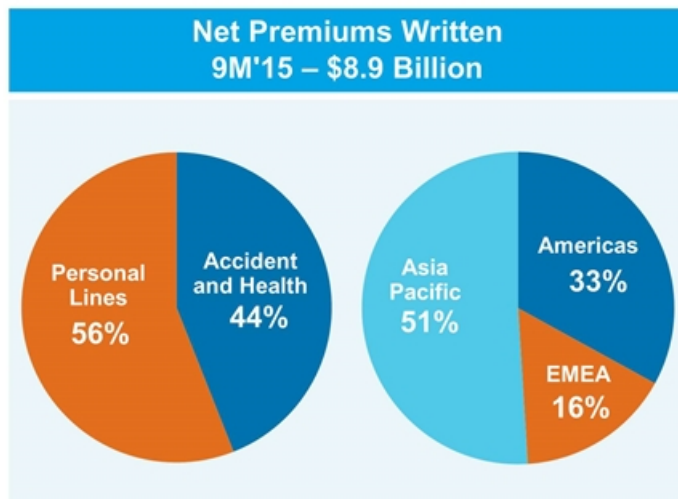
(\$ in Millions)	Full Year			Nine Months
	2012	2013	2014	2015
Premiums and deposits	\$4,864	\$4,862	\$4,806	\$3,695
Premiums	2,804	2,737	2,679	2,085
Policy fees	1,370	1,391	1,443	1,117
Net investment income	2,283	2,269	2,199	1,589
Other income <sup>1</sup>	-	-	-	32
Total operating revenues	6,457	6,397	6,321	4,823
Benefits and expenses	5,721	5,591	5,741	4,543
Pre-tax operating income	\$736	\$806	\$580 <sup>2</sup>	\$280



1) Other income primarily relates to commission and profit sharing revenues received by Laya Healthcare from the distribution of insurance products.  
 2) Decline in pre-tax operating income in 2014 primarily reflected a \$104 million addition to reserves for IBNR death claims, an \$87 million increase related to runoff Long term care reserves, and lower net investment income.

# Consumer Insurance – Personal Insurance Financial Highlights

(\$ in Millions)	Full Year			Nine Months
	2012	2013	2014	2015
Net premiums written	\$13,302	\$12,700	\$12,412	\$8,861
Net premiums earned	13,103	12,377	11,970	8,424
Underwriting income (loss)	(278)	(187)	5	(72)
Net investment income	477	455	394	178
Pre-tax operating income	\$199	\$268	\$399	\$106





# Appendix



# Successfully Focusing AIG



Since the financial crisis, AIG has generated over \$90 billion in proceeds from over 50 asset sales and divestitures, de-risked its structure and eliminated government ownership



# Glossary of Non-GAAP Financial Measures

## AIG

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

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





# Glossary of Non-GAAP Financial Measures (continued)

AIG

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

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

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





# Glossary of Non-GAAP Financial Measures (continued)

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

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

## Corporate and Other

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

## Acronyms

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



# Non-GAAP Reconciliation – Operating Revenues and General Operating Expenses

Total Operating Revenues (In Millions)	Full Year			Nine Months
	2012	2013	2014	2015
<b>Total operating revenues</b>	<b>\$65,379</b>	<b>\$61,524</b>	<b>\$61,001</b>	<b>\$43,404</b>
Reconciling Items:				
Changes in fair values of fixed maturity securities designated to living benefit liabilities, net of interest expense	37	(161)	260	(39)
Net realized capital gains	1,086	1,939	739	1,125
Net gain (loss) on sale of divested businesses	4,502	4,420	1,602	(48)
Non-operating litigation reserves and settlements	210	1,152	804	91
Other	-	-	-	(37)
<b>Total revenues</b>	<b>\$71,214</b>	<b>\$68,874</b>	<b>\$64,406</b>	<b>\$44,496</b>

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



# Non-GAAP Reconciliation – Premiums and Deposits

(In Millions)

Retirement	Full Year			Nine Months
	2012	2013	2014	2015
Premiums and Deposits <sup>1</sup>	\$16,048	\$23,729	\$24,023	\$18,204
Deposits	(16,203)	(23,690)	(23,903)	(18,079)
Other	275	149	167	2
<b>Premiums</b>	<b>\$120</b>	<b>\$188</b>	<b>\$287</b>	<b>\$127</b>

Life	2012	2013	2014	2015
Premiums and Deposits	\$4,864	\$4,862	\$4,806	\$3,695
Deposits	(1,531)	(1,541)	(1,532)	(1,127)
Other	(529)	(584)	(595)	(483)
<b>Premiums</b>	<b>\$2,804</b>	<b>\$2,737</b>	<b>\$2,679</b>	<b>\$2,085</b>

Institutional Markets	2012	2013	2014	2015
Premiums and Deposits	\$774	\$991	\$3,797	\$985
Deposits	(289)	(354)	(3,344)	(104)
Other	(27)	(27)	(21)	(27)
<b>Premiums</b>	<b>\$458</b>	<b>\$610</b>	<b>\$432</b>	<b>\$854</b>

Total Consumer Premiums and Deposits	Nine Months 2015
Total Retirement Premiums and Deposits <sup>1</sup>	\$18,204
Total Life Premiums and Deposits	3,695
Net Premiums Written for Personal Insurance	8,861
<b>Total Premiums and Deposits</b>	<b>\$30,760</b>



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

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

Pre-tax and After-tax Operating Income (In Millions, Except Per Share Data)	Full Year			Nine Months
	2012	2013	2014	2015
Pre-tax income from continuing operations	\$2,891	\$9,368	\$10,501	\$6,213
<b>Adjustments to arrive at Pre-tax operating income:</b>				
Changes in fair values of fixed maturity securities designated to hedge living benefit liabilities, net of interest expense	(37)	161	(260)	39
Changes in benefit reserves and DAC, VOBA and SIA related to net realized capital gains (losses)	1,213	1,608	217	84
Other (income) expense – net	–	72	–	–
Loss on extinguishment of debt	32	651	2,282	756
Net realized capital (gains) losses	(1,086)	(1,939)	(739)	(1,125)
(Income) loss from divested businesses, including gain on sale of ILFC	6,411	177	(2,169)	58
Non-operating litigation reserves and settlements	544	(708)	(258)	(86)
Reserve development related to non-operating run-off insurance business	–	–	–	30
Restructuring and other costs	–	–	–	274
Non-qualifying derivative hedging gains, excluding net realized capital gains	(30)	–	–	–
<b>Pre-tax operating income</b>	<b>\$9,938</b>	<b>\$9,390</b>	<b>\$9,574</b>	<b>\$6,243</b>
<b>Net income attributable to AIG</b>	<b>\$3,438</b>	<b>\$9,085</b>	<b>\$7,529</b>	<b>\$4,037</b>
<b>Adjustments to arrive at After-tax operating income (amounts net of tax):</b>				
Uncertain tax positions and other tax adjustments	543	791	59	142
Deferred income tax valuation allowance releases	(1,911)	(3,237)	(181)	61
Changes in fair values of fixed maturity securities designated to hedge living benefit liabilities, net of interest expense	(24)	105	(169)	25
Changes in benefit reserves and DAC, VOBA and SIA related to net realized capital gains (losses)	789	1,148	141	55
Other (income) expense – net	–	47	–	–
Loss on extinguishment of debt	21	423	1,483	491
Net realized capital (gains) losses	(687)	(1,285)	(470)	(691)
(Income) loss from discontinued businesses	(1)	(84)	50	–
(Income) loss from divested businesses, including gain on sale of ILFC	4,039	117	(1,462)	14
Non-operating litigation reserves and settlements	353	(460)	(350)	(56)
Reserve development related to non-operating run-off insurance business	–	–	–	20
Restructuring and other costs	–	–	–	177
Non-qualifying derivative hedging gains, excluding net realized capital gains	(18)	–	–	–
<b>After-tax operating income</b>	<b>\$6,542</b>	<b>\$6,650</b>	<b>\$6,630</b>	<b>\$4,275</b>
<b>After-tax operating income per diluted share</b>	<b>\$3.88</b>	<b>\$4.49</b>	<b>\$4.58</b>	<b>\$3.15</b>





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

Book Value Per Common Share (\$ in Millions, Except Per Share Data)	Dec. 31, 2011	Dec. 31, 2012	Dec. 31, 2013	Dec. 31, 2014	Sept. 30, 2015
Total AIG shareholders' equity (a)	\$101,538	\$98,002	\$100,470	\$106,898	\$98,999
Less: Accumulated other comprehensive income (AOCI)	(6,481)	(12,574)	(6,360)	(10,617)	(6,557)
Total AIG shareholders' equity, excluding AOCI (b)	95,057	85,428	94,110	96,281	92,442
Less: Deferred tax assets (DTA)	(20,007)	(18,549)	(17,797)	(16,158)	(15,252)
Total AIG shareholders' equity, excluding AOCI and DTA (c)	\$75,050	\$66,879	\$76,313	\$80,123	\$77,190
<b>Total common shares outstanding (d)</b>	<b>1,896.8</b>	<b>1,476.3</b>	<b>1,464.1</b>	<b>1,375.9</b>	<b>1,246.8</b>
Book value per share (a÷d)	\$53.53	\$66.38	\$68.62	\$77.69	\$79.40
Book value per share, excluding AOCI (b÷d)	\$50.11	\$57.87	\$64.28	\$69.98	\$74.14
Book value per share, excluding AOCI and DTA (c÷d)	\$39.57	\$45.30	\$52.12	\$58.23	\$61.91
Add: Dividend growth					\$0.16
Book value per share, excluding AOCI and DTA and including dividend growth					\$62.07

Return On Equity (ROE) Computations (\$ in Millions)	Twelve Months Ended			Nine Months
	Dec. 31, 2012	Dec. 31, 2013	Dec. 31, 2014	2015
Actual or annualized net income attributable to AIG (a)	\$3,438	\$9,085	\$7,529	\$5,383
Actual or annualized after-tax operating income (b)	\$6,542	\$6,650	\$6,630	\$5,700
Average AIG shareholders' equity (c)	101,873	98,850	105,589	104,534
Less: Average AOCI	(9,718)	(8,865)	(9,781)	(8,863)
Average AIG shareholders' equity, excluding average AOCI (d)	92,155	89,985	95,808	95,671
Less: Average DTA	(19,250)	(18,150)	(16,611)	(15,567)
<b>Average AIG shareholders' equity, excluding average AOCI and DTA (e)</b>	<b>\$72,905</b>	<b>\$71,835</b>	<b>\$79,197</b>	<b>\$80,104</b>
ROE (a÷c)	3.4%	9.2%	7.1%	5.1%
ROE – after-tax operating income, excluding AOCI (b÷d)	7.1%	7.4%	6.9%	6.0%
ROE – after-tax operating income, excluding AOCI and DTA (b÷e)	9.0%	9.3%	8.4%	7.1%



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

Property Casualty Accident Year Combined Ratio, As Adjusted	Full Year			Nine Months
	2012	2013	2014	2015
Loss ratio	80.5	71.9	71.6	70.8
Catastrophe losses and reinstatement premiums	(10.9)	(3.4)	(2.9)	(2.5)
Prior year development net of premium adjustments	(1.2)	(1.5)	(2.8)	(3.1)
Net reserve discount benefit (change)	0.5	(1.6)	(0.3)	0.9
<b>Accident year loss ratio, as adjusted</b>	<b>68.9</b>	<b>65.4</b>	<b>65.6</b>	<b>66.1</b>
Acquisition ratio	16.6	16.1	15.7	15.9
General operating expense ratio	13.8	13.6	12.9	12.9
<b>Expense ratio</b>	<b>30.4</b>	<b>29.7</b>	<b>28.6</b>	<b>28.8</b>
Combined ratio	110.9	101.6	100.2	99.6
Catastrophe losses and reinstatement premiums	(10.9)	(3.4)	(2.9)	(2.5)
Prior year development net of premium adjustments	(1.2)	(1.5)	(2.8)	(3.1)
Net reserve discount benefit (charge)	0.5	(1.6)	(0.3)	0.9
<b>Accident year combined ratio, as adjusted</b>	<b>99.3</b>	<b>95.1</b>	<b>94.2</b>	<b>94.9</b>

Personal Insurance Accident Year Combined Ratio, As Adjusted	2012	2013	2014	2015
Loss ratio	59.3	56.8	54.2	55.0
Catastrophe losses and reinstatement premiums	(3.0)	(0.7)	(1.1)	(1.6)
Prior year development net of premium adjustments	0.2	1.3	0.7	0.7
<b>Accident year loss ratio, as adjusted</b>	<b>56.5</b>	<b>57.4</b>	<b>53.8</b>	<b>54.1</b>
Acquisition ratio	25.3	26.2	27.2	27.9
General operating expense ratio	17.5	18.5	18.5	18.0
<b>Expense ratio</b>	<b>42.8</b>	<b>44.7</b>	<b>45.7</b>	<b>45.9</b>
Combined ratio	102.1	101.5	99.9	100.9
Catastrophe losses and reinstatement premiums	(3.0)	(0.7)	(1.1)	(1.6)
Prior year development net of premium adjustments	0.2	1.3	0.7	0.7
<b>Accident year combined ratio, as adjusted</b>	<b>99.3</b>	<b>102.1</b>	<b>99.5</b>	<b>100.0</b>







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