

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, DC 20549

FORM 8-K

CURRENT REPORT
PURSUANT TO SECTION 13 OR 15(d) OF THE
SECURITIES AND EXCHANGE ACT OF 1934

Date of report (Date of earliest event reported): February 9, 2005

AMERICAN INTERNATIONAL GROUP, INC.
(Exact Name of Registrant as Specified in Charter)

Delaware
(State or Other
Jurisdiction of
Incorporation)

1-8787
(Commission File Number)

13-2592361
(IRS Employer
Identification No.)

70 Pine Street
New York, New York 10270
(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 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Section 2 - Financial Information

Item 2.02. Results of Operations and Financial Condition.

On February 9, 2005, American International Group, Inc. issued a press release announcing its results for the quarter and year ended December 31, 2004. A copy of the press release is attached as Exhibit 99.1 to this Form 8-K.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, 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: February 9, 2005

By /s/ KATHLEEN E. SHANNON

Name: Kathleen E. Shannon
Title: Senior Vice President
and Secretary

EXHIBIT INDEX

Exhibit No. -----	Description -----
99.1	Press Release of American International Group, Inc. dated February 9, 2005.

NEWS

[AIG LOGO]

Contact: Charlene Hamrah (Investment Community)
 (212) 770-7074
 Joe Norton (News Media)
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AIG REPORTS RECORD 2004 NET INCOME OF \$11.05 BILLION
 (\$4.19 PER SHARE), AN INCREASE OF 19.1 PERCENT OVER 2003;

NET INCOME EXCLUDING REALIZED CAPITAL GAINS AND LOSSES AND CUMULATIVE EFFECT OF
 ACCOUNTING CHANGES INCREASED 12.1
 PERCENT TO \$11.46 BILLION (\$4.35 PER SHARE);

NET INCOME EXCLUDING REALIZED CAPITAL GAINS AND LOSSES, CUMULATIVE EFFECT OF
 ACCOUNTING CHANGES,
 CATASTROPHE LOSSES AND SETTLEMENT CHARGE INCREASED
 18.8 PERCENT TO \$12.19 BILLION (\$4.63 PER SHARE)

NEW YORK, NY, February 9, 2005 - American International Group, Inc. (AIG) today reported that its net income for the full year 2004 increased 19.1 percent to a record \$11.05 billion or \$4.19 per share, compared to \$9.27 billion or \$3.52 per share in 2003. Net income excluding realized capital gains (losses) and cumulative effect of accounting changes was \$11.46 billion or \$4.35 per share, compared to \$10.22 billion or \$3.88 per share in 2003.

Full year 2004 after-tax net catastrophe losses from hurricanes, typhoons, earthquake and tsunamis were \$682.7 million or \$0.26 per share, compared to after-tax net catastrophe losses of \$46.2 million or \$0.02 per share in 2003. Full year and fourth quarter 2004 catastrophe losses include an additional \$126.9 million, or \$0.05 per share, in net after-tax catastrophe losses in connection with late reported losses from the third quarter hurricanes and typhoons. The additional charge is a result of the magnitude of damage from a rapid succession of storms and the shortages in labor and materials required for an efficient and timely rebuilding effort in Florida and other areas impacted by the storms. Fourth quarter and full year 2004 catastrophe losses also include a net after-tax charge of \$43.6 million, or \$0.02 per share, from the South Asian earthquake and tsunamis.

The final settlement with the Securities and Exchange Commission, the United States Department of Justice and the United States Attorney for the Southern District of Indiana with respect to issues arising from certain transactions with Brightpoint, Inc., The PNC Financial Services Group, Inc. and related matters resulted in an after-tax charge of \$53.0 million or \$0.02 per share for the full year of 2004. Net income for 2004 excluding realized capital gains (losses), cumulative effect of accounting changes, catastrophe losses and the settlement charge increased 18.8 percent to \$12.19 billion or \$4.63 per share, compared to \$10.26 billion or \$3.90 per share in 2003.

TWELVE MONTHS
(in millions, except per share amounts) (unaudited)

	2004	2003	Change	PER SHARE*		
				2004	2003	Change
	----	----	-----	----	----	-----
Net income	\$ 11,047.8	\$ 9,274.2	19.1%	\$ 4.19	\$ 3.52	19.0%
Realized capital gains (losses), net of tax	(226.4)	(950.9)	-	(0.09)	(0.36)	-
Cumulative effect of accounting changes, net of tax**	(181.4)	8.8	-	(0.07)	-	-
Net income, excluding realized capital gains (losses) and cumulative effect of accounting changes, net of tax	11,455.7	10,216.3	12.1	4.35	3.88	12.1
Catastrophe losses, net of tax	(682.7)	(46.2)	-	(0.26)	(0.02)	-
Settlement charge, net of tax	(53.0)	-	-	(0.02)	-	-
Net income, excluding realized capital gains (losses), cumulative effect of accounting changes, catastrophe losses and settlement charge, net of tax	\$ 12,191.4	\$ 10,262.5	18.8%	\$ 4.63	\$ 3.90	18.7%
Average shares outstanding				2,637.3	2,637.3	

* Reflects the adoption of EITF Issue No. 04-8 "Accounting Issues Related to Certain Features of Contingently Convertible Debt and the Effect on Diluted Earnings per Share." The impact on net income was \$0.01 per share for the years 2004 and 2003.

** Represents the cumulative effect of accounting changes, net of tax, related to SOP 03-1 "Accounting and Reporting by Insurance Enterprises for Certain Nontraditional Long-Duration Contracts and for Separate Accounts" in 2004 and FIN46R "Consolidation of Variable Interest Entities" in 2003.

Net income for the fourth quarter of 2004 rose 11.5 percent to \$3.02 billion or \$1.15 per share, compared to \$2.71 billion or \$1.03 per share in the fourth quarter of 2003. For the fourth quarter 2004, net income excluding realized capital gains (losses) and the cumulative effect of an accounting change increased 11.6 percent to \$3.07 billion or \$1.17 per share, compared to \$2.75 billion or \$1.05 per share in the same period of 2003.

Fourth quarter 2004 after-tax net catastrophe losses were \$170.5 million or \$0.07 per share, compared to no catastrophe losses incurred in the same period of 2003. The above mentioned settlement resulted in a fourth quarter 2004 after-tax charge of \$53.0 million or \$0.02 per share. For the fourth quarter of 2004, net income excluding realized capital gains (losses), the cumulative effect of an accounting change, catastrophe losses and the settlement charge increased 19.7 percent to \$3.29 billion or \$1.26 per share, compared to \$2.75 billion or \$1.05 per share in the same period of 2003.

FOURTH QUARTER
(in millions, except per share amounts) (unaudited)

	2004 ----	2003 ----	Change -----	2004 ----	PER SHARE*	Change -----
					2003 ----	
Net income	\$ 3,017.5	\$ 2,707.3	11.5%	\$ 1.15	\$ 1.03	11.7%
Realized capital gains (losses), net of tax	(52.9)	(53.1)	-	(0.02)	(0.02)	-
Cumulative effect of an accounting change, net of tax**	-	8.8	-	-	-	-
Net income, excluding realized capital gains (losses) and cumulative effect of an accounting change, net of tax	3,070.4	2,751.6	11.6	1.17	1.05	11.4
Catastrophe losses, net of tax	(170.5)	-	-	(0.07)	-	-
Settlement charge, net of tax	(53.0)	-	-	(0.02)	-	-
Net income, excluding realized capital gains (losses), cumulative effect of an accounting change, catastrophe losses and settlement charge, net of tax	\$ 3,293.8	\$ 2,751.6	19.7%	\$ 1.26	\$ 1.05	20.0%
Average shares outstanding				2,632.0	2,636.4	

* Reflects the adoption of EITF Issue No. 04-8 "Accounting Issues Related to Certain Features of Contingently Convertible Debt and the Effect on Diluted Earnings per Share." The impact on net income was \$0.01 per share for the years 2004 and 2003.

** Represents the cumulative effect of an accounting change, net of tax, related to FIN46R "Consolidation of Variable Interest Entities" in 2003.

Income before income taxes, minority interest and cumulative effect of accounting changes for the full year 2004 was \$17.25 billion, a 24.0 percent increase over \$13.91 billion in 2003. Income before income taxes, minority interest and cumulative effect of an accounting change for the fourth quarter of 2004 was \$4.61 billion, a 13.9 percent increase over \$4.05 billion in the same period of 2003. The following chart provides a summary of the realized capital (gains) losses, catastrophe losses and settlement charge included in these results:

	TWELVE MONTHS			FOURTH QUARTER		
	2004	2003	Change	2004	2003	Change
	-----	-----	-----	-----	-----	-----
Income before income taxes, minority interest and cumulative effect of accounting changes	\$17,250.0	\$13,908.3	24.0%	\$ 4,612.3	\$ 4,050.5	13.9%
Realized capital (gains) losses	317.3	1,433.1		68.8	85.3	
Catastrophe Losses:						
Domestic Brokerage Group	526.6	47.5		120.8	-	
Personal Lines	24.7	5.0		-	-	
Transatlantic Holdings, Inc. (a)	215.0	3.5		50.0	-	
Foreign General	217.3	16.5		77.0	-	
Life (Home Service) (b)	4.7	-		-	-	
Minority owned companies - AIG share:						
Allied World Assurance Holdings, Ltd	39.4	-		-	-	
IPC Holdings, Ltd.	39.4	-		15.0	-	
Fuji Fire & Marine Insurance Company Limited	17.4	-		7.4	-	
Total Catastrophe Losses	1,084.5	72.5		270.2	-	
Settlement charge	38.5	-		38.5	-	
Income before income taxes, minority interest, cumulative effect of accounting changes, realized capital (gains) losses, catastrophe losses and settlement charge	\$18,690.3	\$15,413.9	21.3%	\$ 4,989.8	\$ 4,135.8	20.6%

(a) AIG's share is \$129.0 million in 2004 and \$2.1 million in 2003 and \$30.0 million in the fourth quarter 2004.

(b) Relates to minor property-casualty subsidiaries currently in runoff.

HIGHLIGHTS OF CONSOLIDATED 2004 RESULTS INCLUDE:

	2004 ----- (unaudited)	2003 -----	Change -----
CONSOLIDATED			
Revenues (a)			
Full Year	\$ 98.61 BILLION*	\$81.30 billion	21.3%
Fourth Quarter	\$ 25.76 BILLION*	\$22.18 billion	16.1%
Net Income			
Full Year	\$ 11.05 BILLION*	\$ 9.27 billion	19.1%
Fourth Quarter	\$ 3.02 BILLION*	\$ 2.71 billion	11.5%
Adjusted Net Income (b)			
Full Year	\$ 11.46 BILLION*	\$10.22 billion	12.1%
Fourth Quarter	\$ 3.07 BILLION*	\$ 2.75 billion	11.6%
Adjusted Net Income, excluding catastrophe losses and settlement charge			
Full Year	\$ 12.19 BILLION*	\$10.26 billion	18.8%
Fourth Quarter	\$ 3.29 BILLION*	\$ 2.75 billion	19.7%
Shareholders' Equity			
At December 31	\$ 83 BILLION*	\$ 71 billion	16.3%
Retained Earnings			
At December 31	\$ 71 BILLION*	\$ 61 billion	16.9%
Return on Equity (c)			
At December 31, as presented	16.5%	17.2%	
Excluding catastrophe losses and settlement charge	17.5%	17.3%	
Consolidated Assets			
At December 31	\$ 800 BILLION*	\$ 678 billion	18.0%
Insurance Cash Flow (d)			
Full Year	\$ 58.79 BILLION*	\$46.90 billion	25.4%
Fourth Quarter	\$ 14.25 BILLION	\$14.55 billion	(2.1%)

* Indicates a record.

- (a) Represents the sum of General Insurance net premiums earned, GAAP Life Insurance & Retirement Services premiums, net investment income, Financial Services interest, lease and finance charges, Asset Management advisory and management fees, net investment income with respect to Guaranteed Investment Contracts (GICs) and realized capital gains (losses).
- (b) Excludes realized capital gains (losses) and cumulative effect of accounting changes, net of tax.
- (c) See reconciliation to GAAP ROE in the supplementary earnings data.
- (d) In addition to General Insurance cash flow, includes Life Insurance & Retirement Services cash flow for investment, which generates the investment income necessary to meet policyholder obligations and to provide a profit margin to shareholders, as well as net cash flow from GICs.

Commenting on these results, AIG Chairman M. R. Greenberg said, "AIG earned record net income in 2004, even after accounting for the unprecedented devastation from the hurricanes, typhoons, earthquake and tsunamis in the second half of the year, which affected the entire industry. In addition, AIG took a charge of \$53.0 million after-tax in the fourth quarter in connection with the previously reported settlement reached concerning the Brightpoint and PNC transactions and related matters. The amount of this charge reflects the fact that part of the total cost of the settlement was borne by the AIG Financial Products Corp. incentive compensation pool.

"The diversification of AIG - with its four principal business segments, multiple profit centers and broad geographic presence throughout the world - was an especially valuable strength for AIG in 2004. When one or more businesses does not meet our expectations for reasons such as catastrophe losses, market changes or other issues, we have several other profit centers that perform at or above expectations that can enable us to meet our overall objectives. Our ability to absorb \$682.7 million in catastrophe losses, tackle challenging regulatory issues and navigate through a volatile global economic and political environment and still achieve record net income is a testament to the diversity and strength of our franchise. This diversification, coupled with our unsurpassed capital base, is also a pillar of financial security for our customers.

"AIG has also taken several steps in response to the regulatory issues that we faced in 2004. We are implementing the settlements of the Brightpoint and PNC transactions. In addition, AIG has been continuing to cooperate with state attorneys general and insurance departments in connection with their investigations of certain practices of brokers and insurers. Approximately 40 outside attorneys have assisted us in our internal review, and they have examined in excess of 850,000 emails and 30,000 documents. Based on all of the information we have today, we continue to believe that the issue that has been the primary focus of the New York Attorney General's investigation of AIG is confined to one broker relationship and one unit, the Excess Casualty Division of American Home Assurance Company.

"We will continue to do whatever it takes to assure that every one of our 92,000 employees upholds the highest ethical standards. AIG has formed a Complex Structured Finance Transaction Committee comprised of senior executives from the businesses and from the finance, legal and claims functions to review certain proposed transactions. Since April, AIG Financial Products Corp. has also had its own Transaction Review Committee.

"In order to provide the highest standards of risk management throughout the organization, we brought together our credit, market and operational risk management capabilities into one Enterprise Risk Management department, which is led by a senior executive who brings nearly 30 years of experience to the function.

"Also, we have augmented on a worldwide basis, in several different languages, our ethics education program to reinforce the standards set forth in our Code of Conduct. We have enhanced the role of the Chief Compliance Officer, who has the support of 250 compliance officers around the world. Employees have a Compliance Help Line they can contact that is accessible in more than 70 languages.

"Although we are giving these issues our full attention, they have not distracted us from managing our businesses, serving our customers and performing for our shareholders."

GENERAL INSURANCE

	TWELVE MONTHS ENDED DECEMBER 31, (in millions)			THREE MONTHS ENDED DECEMBER 31, (unaudited)		
	2004	2003	CHANGE	2004	2003	CHANGE
GENERAL INSURANCE OPERATIONS*:						
Net Premiums Written	\$ 41,902.1	\$ 35,211.8	19.0 %	\$ 10,578.9	\$ 9,159.2	15.5 %
Underwriting Profit	1,871.3	2,220.8	(15.7)	504.4	551.2	(8.5)
Net Investment Income	3,559.2	3,021.6	17.8	940.7	764.4	23.1
Operating Income before Realized Capital Gains (Losses)	5,430.5	5,242.4	3.6	1,445.2	1,315.6	9.9
OPERATING INCOME, EXCLUDING REALIZED CAPITAL GAINS (LOSSES) AND CATASTROPHE LOSSES	6,414.1	5,314.9	20.7	1,693.0	1,315.6	28.7
Cash Flow	\$ 14,191	\$ 13,631	4.1 %	\$ 3,841	\$ 4,136	(7.1)%
Combined Ratio	95.02	92.43		94.25	91.39	
Combined Ratio, excluding Catastrophe Losses	92.53	92.20		91.87	91.39	

* Reconciliation in accordance with Regulation G provided in Financial Highlights and Supplementary Earnings Data.

General Insurance had a solid year and quarter in the U.S. and around the world, in spite of record levels of catastrophe losses. The full year 2004 combined ratio of 95.02, including 2.49 points of catastrophe losses, demonstrates the strength of our underwriting discipline.

Worldwide General Insurance net investment income increased 17.8 percent for the full year 2004, and fourth quarter 2004 net investment income increased 23.1 percent. Strong cash flow as well as very strong partnership income contributed to this growth. General Insurance cash flow totaled a record \$14.19 billion in 2004.

At December 31, 2004, General Insurance net loss and loss adjustment reserves totaled \$46.26 billion, an increase of \$9.61 billion and \$2.44 billion in the full year and fourth quarter, respectively.

In the United States, the Domestic Brokerage Group did well even after accounting for the four hurricanes. Lexington, the largest excess and surplus lines carrier and a major underwriter of property insurance, was significantly impacted by catastrophe losses. Domestic property-casualty rates are generally satisfactory at this time, although in some classes of business, including property, D&O and energy, rates should be firmer. The AIG companies will maintain our standards, however, and not follow rates down to levels considered unacceptable.

HSB Group, the leader in equipment breakdown insurance, had another year of record premiums and record underwriting results. Domestic Personal Lines, including the Private Client Group, had solid underwriting results and strong premium growth in 2004. AIG United Guaranty Corporation achieved record premiums in 2004, excellent

underwriting results that are substantially better than the overall mortgage guaranty insurance industry and continued expansion of its international operations.

Transatlantic Holdings, Inc., which was substantially impacted by record catastrophes in the U.S. and around the world, had operating income of \$259.8 million in 2004 compared to \$379.6 million last year. Underlying results were strong, as operating income excluding catastrophe losses increased 23.9 percent.

Foreign General Insurance, one of AIG's crown jewels, had excellent results in 2004, and performed well in every region around the world. Despite sustaining \$217.3 million in catastrophe losses, Foreign General produced \$841.5 million in underwriting income, achieved a combined ratio of 88.78 and generated net investment income of \$647.5 million. These results are a testament to Foreign General's extensive geographic network, diverse product mix, underwriting skill and broad distribution, which are unmatched in the industry.

LIFE INSURANCE & RETIREMENT SERVICES

	TWELVE MONTHS ENDED DECEMBER 31, (in millions)			THREE MONTHS ENDED DECEMBER 31, (unaudited)		
	2004	2003 (A)	CHANGE	2004	2003 (A)	CHANGE
LIFE INSURANCE & RETIREMENT SERVICES OPERATIONS*:						
GAAP Premiums	\$ 28,396.8	\$ 23,491.5	20.9%	\$ 7,295.4	\$ 6,507.4	12.1%
Premiums, Deposits and Other Considerations	66,911.3	53,106.8	26.0	16,314.8	16,128.2	1.2
Net Investment Income	15,793.3	13,574.1	16.3	4,151.2	3,628.7	14.4
Operating Income before Realized Capital Gains (Losses)	\$ 8,686.0	\$ 7,281.4	19.3%	\$ 2,277.6	\$ 1,965.7	15.9%

* Reconciliation in accordance with Regulation G provided in Financial Highlights and Supplementary Earnings Data.

(a) Restated to conform to 2004 presentation.

Worldwide Life Insurance & Retirement Services results were very good overall. AIG's Foreign Life Insurance & Retirement Services operations continued to have outstanding results, with record operating income and strong premium growth in both the full year and fourth quarter. AIG's Domestic Life Insurance business had mixed results, while the Domestic Retirement Services business was excellent.

The Foreign Life business in Asia achieved - as it has historically - excellent growth and profitability. Japan and China had particularly strong growth and Southeast Asia overall performed satisfactorily. In China, where AIG has a 57 percent market share of the total 2004 premiums written by foreign insurers, first year life insurance premiums increased 36.6 percent in 2004 over the prior year. In addition, we had very good results in Greece, Central Europe and Russia.

The Foreign Retirement Services business continues its strong growth as we have built upon our success in Japan and Korea by expanding our extensive distribution network and leveraging our product expertise to introduce annuity products in new markets. In

January, AIG Star Life Insurance Co., Ltd. entered into an agreement with the Bank of Tokyo Mitsubishi, one of Japan's largest banks, to market a multi-currency fixed annuity.

Domestic Life Insurance results from term life, universal life and structured settlement products were strong. However, AGLA, the home services business, lagged our objectives. We are redesigning the company from the ground up, diversifying product offerings, enhancing the capabilities and quality of the sales force and broadening the markets served beyond those historically serviced by AGLA. We expect these steps will begin to show positive results toward the second half of 2005. In the meantime the company generates strong cash flow. Domestic Group Life performance also was weak in 2004, as we discussed in previous quarters. Restructuring efforts in this business are focused on new product introductions, cross selling and other growth strategies. Results should begin to be evident later in 2005.

Domestic Retirement Services had outstanding profitability in each of its three principal businesses - group retirement products, individual fixed annuities and individual variable annuities. AIG VALIC, the group retirement business, broke the billion dollar mark in operating income. Annuity and mutual fund deposits were \$6.50 billion in 2004 and general and separate account reserves were \$56.12 billion at year end, both of which increased approximately 10 percent.

The individual fixed annuity business, primarily AIG Annuity, had record operating income in 2004. Rising short-term interest rates in the latter part of 2004 and aggressive competitor pricing contributed to the difficult sales and net flow comparisons, but we have developed strategies to deal with the changing environment. The company will remain disciplined in pricing and return requirements.

AIG SunAmerica Retirement Markets, the individual variable annuity business, reported record operating income and sales in 2004. Equity market gains, along with the strong increase in sales and net flows, resulted in a significant improvement in variable annuity fee income when compared to 2003. The decrease in fourth quarter sales followed declining equity markets in the third quarter and the first half of the fourth quarter. We are continuing to increase the size of the wholesale organization as a measure to improve sales.

FINANCIAL SERVICES

	TWELVE MONTHS ENDED DECEMBER 31, (in millions)			THREE MONTHS ENDED DECEMBER 31, (unaudited)		
	2004 ----	2003 ----	CHANGE -----	2004 ----	2003 ----	CHANGE -----
FINANCIAL SERVICES OPERATIONS:						
Revenues	\$7,684.0	\$7,565.5	1.6 %	\$1,916.0	\$2,069.8	(7.4)%
Operating Income	\$2,379.0	\$2,464.2	(3.5)%	\$ 591.2	\$ 702.5	(15.8)%

Financial Services overall had a difficult year in 2004. Of the three major components, Consumer Finance, both domestically and internationally, did very well with good top and bottom line growth.

International Lease Finance Corporation (ILFC) had 2004 operating income of \$739.4 million, an increase of 1.6 percent over 2003. Excluding the impact of the securitization of approximately \$2 billion in aircraft in late 2003 and early 2004, operating income would have increased approximately 6.4 percent in 2004 and 9.2 percent in the fourth quarter 2004. The commercial aviation market showed good momentum in the fourth quarter, as ILFC continued to see net improvements in lease margins and an increasing level of interest from traditional buyers, third party investors and debt providers for the purchase of aircraft from ILFC's extensive lease portfolio. The outlook for 2005 is positive.

Capital Markets earned \$857.5 million in 2004, and although very profitable overall, these results lagged the prior year. At AIG Financial Products Corp. (AIGFP), the regulatory issue which resulted in the settlement charge had a negative impact on results. However, with the settlement completed, AIGFP is focused on its 2005 business opportunities and should do well going forward.

ASSET MANAGEMENT

	TWELVE MONTHS ENDED DECEMBER 31, (in millions)			THREE MONTHS ENDED DECEMBER 31, (unaudited)		
	2004 ----	2003 (a) -----	CHANGE -----	2004 ----	2003 (a) -----	CHANGE -----
ASSET MANAGEMENT OPERATIONS:						
Revenues	\$ 4,043.6	\$ 3,349.1	20.7%	\$ 1,116.7	\$ 890.7	25.4%
Operating Income	\$ 1,175.9	\$ 817.5	43.8%	\$ 307.2	\$ 239.4	28.3%

(a) Restated to conform to 2004 presentation.

Asset Management operating income was \$1.18 billion in 2004, compared to \$817.5 million last year. Institutional Asset Management results in 2004 include \$195 million in third party limited partner earnings from certain AIG managed private equity and real estate funds, now required to be consolidated under FIN46R. Assets under management increased to over \$53 billion at year end. From a virtual start up in 1996, AIG now ranks among the top six institutional asset managers in the world.

Guaranteed Investment Contracts (GICs) contributed \$636.3 million to operating income in 2004 compared to \$546.8 million in 2003. GICs will continue to be sold on an opportunistic basis, and we are implementing a new institutional and retail sales program that should enable us to achieve enhanced rates of return from this business.

In the Other Income/Deductions - net category, AIG reported a loss of \$104.1 million in 2004 compared to a loss of \$464.0 million a year earlier. The underlying improvement continues to be primarily attributable to increased income related to SunAmerica partnership investments.

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AIG is the world's leading international insurance and financial services organization, with operations in more than 130 countries and jurisdictions. AIG member companies serve commercial, institutional and individual customers through the most extensive worldwide property-casualty and life insurance networks of any insurer. In the United States, AIG companies are the largest underwriters of commercial and industrial insurance and AIG American General is a top-ranked life insurer. AIG's global businesses also include retirement services, financial services and asset management. AIG's financial services businesses include aircraft leasing, financial products, trading and market making. AIG's growing global consumer finance business is led in the United States by American General Finance. AIG also has one of the largest U.S. retirement services businesses through AIG SunAmerica and AIG VALIC, and is a leader in asset management for the individual and institutional markets, with specialized investment management capabilities in equities, fixed income, alternative investments and real estate. AIG's common stock is listed in the U.S. on the New York Stock Exchange and ArcaEx, as well as the stock exchanges in London, Paris, Switzerland and Tokyo.

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A conference call for the investment community will be held today at 9:00 a.m. EST. The call will be broadcast live on the Internet at:

www.aigwebcast.com

The call will be archived at the same URL through Wednesday, February 23, 2005.

CAUTION CONCERNING FORWARD-LOOKING STATEMENTS

This press release contains forward-looking statements. Please refer to the AIG Quarterly Report on Form 10-Q for the quarter ended September 30, 2004 and AIG's past and future filings and reports filed with the Securities and Exchange Commission for a description of the business environment in which AIG operates and the important factors that may affect its business. AIG is not under any obligation to (and expressly disclaims any such obligation to) update or alter its forward-looking statements whether as a result of new information, future events or otherwise.

This press release, including the financial highlights and supplementary earnings data, includes certain non-GAAP financial measures. The reconciliations of such measures to the most comparable GAAP figures in accordance with Regulation G are included herein.

Throughout this press release, AIG presents its operations in the way it believes will be most meaningful and useful, as well as most transparent, to the investing public and others who use AIG's financial information in evaluating the performance of AIG. That presentation includes the use of certain non-GAAP measures. In addition to the GAAP presentations of net income and operating income, AIG shows both net income and operating income exclusive of realized capital gains (losses), catastrophe losses and the settlement charge.

Although the investment of premiums to generate investment income (or loss) and realized capital gains or losses is an integral part of both life and general insurance operations, the determination to realize capital gains or losses is independent of the insurance underwriting process. Moreover, under applicable GAAP accounting requirements, losses can be created as a result of other than temporary declines in value without actual realization. In sum, investment income and realized capital gains or losses for any particular period are not indicative of quarterly business performance.

AIG believes that a major part of the discipline of a successful general insurance company is to produce an underwriting profit, and it evaluates the performance of and manages its operations on that basis. Providing only a GAAP presentation of net income and operating income makes it much more difficult for users of AIG's financial information to evaluate AIG's success or failure in its basic business, that of insurance underwriting, and may, in AIG's opinion, lead to incorrect or misleading assumptions and conclusions. The equity analysts who follow AIG exclude the realized capital gains and losses in their analyses for the same reason, and consistently request that AIG provide the non-GAAP information.

AIG presents net income and operating income excluding catastrophe losses because those losses are deemed to be significant for the twelve months and fourth quarter 2004. AIG believes that this separate presentation is both meaningful and useful for users of AIG's financial information.

AIG presents life and retirement services production (premiums, deposits and other considerations), net premiums written and combined ratios in accordance with accounting principles prescribed or permitted by insurance regulatory authorities because these are standard measures of performance used in the insurance industry and thus allow for more meaningful comparisons with AIG's insurance competitors.

AIG presents net income and operating income excluding the charge incurred with respect to the final settlement with the Securities and Exchange Commission, the United States Department of Justice and the United States Attorney for the Southern District of Indiana with respect to issues arising from certain transactions with Brightpoint, Inc., the PNC Financial Services Group, Inc. and related matters, because AIG considers such charge an unusual and non-recurring item.

AMERICAN INTERNATIONAL GROUP, INC.
FINANCIAL HIGHLIGHTS*
(IN THOUSANDS, EXCEPT PER SHARE AMOUNTS) (UNAUDITED)

	TWELVE MONTHS ENDED DECEMBER 31, 2004	2003	CHANGE	THREE MONTHS ENDED DECEMBER 31, 2004	2003	CHANGE
GENERAL INSURANCE OPERATIONS:						
Net Premiums Written	\$ 41,902,055	\$ 35,211,785	19.0%	\$ 10,578,872	\$ 9,159,196	15.5%
Net Premiums Earned	39,455,092	31,734,307	24.3	10,406,215	8,403,206	23.8
Underwriting Profit	1,871,331	2,220,773	(15.7)	504,442	551,195	(8.5)
Net Investment Income	3,559,214	3,021,601	17.8	940,743	764,363	23.1
Income before Realized Capital Gains (Losses)	5,430,545	5,242,374	3.6	1,445,185	1,315,558	9.9
Realized Capital Gains (Losses)	31,556	(172,461)	-	12,702	158,264	-
OPERATING INCOME	5,462,101	5,069,913	7.7	1,457,887	1,473,822	(1.1)
OPERATING INCOME, EXCLUDING REALIZED CAPITAL GAINS (LOSSES) AND CATASTROPHE LOSSES	\$ 6,414,145	\$ 5,314,874	20.7%	\$ 1,692,985	\$ 1,315,558	28.7%
Loss Ratio	75.20	73.33		73.93	71.83	
Expense Ratio	19.82	19.10		20.32	19.56	
Combined Ratio	95.02	92.43		94.25	91.39	
Combined Ratio, excluding Catastrophe Losses	92.53	92.20		91.87	91.39	
LIFE INSURANCE & RETIREMENT SERVICES OPERATIONS (a):						
GAAP Premiums	\$ 28,396,845	\$ 23,491,466	20.9%	\$ 7,295,395	\$ 6,507,399	12.1%
Net Investment Income	15,793,315	13,574,121	16.3	4,151,240	3,628,711	14.4
Income before Realized Capital Gains (Losses)	8,685,966	7,281,351	19.3	2,277,564	1,965,711	15.9
Realized Capital Gains (Losses)	(9,910)	(701,718)	-	96,413	(45,200)	-
OPERATING INCOME	8,676,056	6,579,633	31.9	2,373,977	1,920,511	23.6
FINANCIAL SERVICES OPERATING INCOME	2,378,958	2,464,169	(3.5)	591,221	702,452	(15.8)
ASSET MANAGEMENT OPERATING INCOME (a)(b)	1,175,895	817,531	43.8	307,198	239,435	28.3
Other Realized Capital Gains (Losses) (a)	(338,934)	(558,927)	-	(177,920)	(198,410)	-
Other Income (Deductions) - net	(104,090)	(464,011)	-	59,948	(87,312)	-
INCOME BEFORE INCOME TAXES, MINORITY INTEREST AND CUMULATIVE EFFECT OF ACCOUNTING CHANGES	17,249,986	13,908,308	24.0	4,612,311	4,050,498	13.9
Income Taxes	5,472,691	4,263,947	-	1,436,282	1,259,459	-
INCOME BEFORE MINORITY INTEREST AND CUMULATIVE EFFECT OF ACCOUNTING CHANGES	11,777,295	9,644,361	22.1	3,176,029	2,791,039	13.8
Minority Interest, after-tax-						
Income before Realized Capital Gains (Losses)	(532,882)	(378,494)	-	(151,034)	(94,666)	-
Realized Capital Gains (Losses)	(15,152)	(440)	-	(7,531)	2,153	-
INCOME BEFORE CUMULATIVE EFFECT OF ACCOUNTING CHANGES	11,229,261	9,265,427	21.2	3,017,464	2,698,526	11.8
Cumulative Effect of Accounting Changes, net of tax (c)	(181,431)	8,778	-	0	8,778	-
NET INCOME	\$ 11,047,830	\$ 9,274,205	19.1%	\$ 3,017,464	\$ 2,707,304	11.5%

FINANCIAL HIGHLIGHTS

	TWELVE MONTHS ENDED DECEMBER 31, 2004	2003	CHANGE	THREE MONTHS ENDED DECEMBER 31, 2004	2003	CHANGE
NET INCOME	\$ 11,047,830	\$ 9,274,205	19.1%	\$ 3,017,464	\$ 2,707,304	11.5%
REALIZED CAPITAL GAINS (LOSSES), NET OF TAX	(226,439)	(950,923)	-	(52,917)	(53,088)	-
CUMULATIVE EFFECT OF ACCOUNTING CHANGES, NET OF TAX (c)	(181,431)	8,778	-	0	8,778	-
NET INCOME, EXCLUDING REALIZED CAPITAL GAINS (LOSSES) AND CUMULATIVE EFFECT OF ACCOUNTING CHANGES, NET OF TAX	11,455,700	10,216,350	12.1	3,070,381	2,751,614	11.6
CATASTROPHE LOSSES, NET OF TAX	(682,676)	(46,215)	-	(170,470)	0	-
SETTLEMENT CHARGE, NET OF TAX	(52,997)	0	-	(52,997)	0	-
NET INCOME, EXCLUDING REALIZED CAPITAL GAINS (LOSSES), CUMULATIVE EFFECT OF ACCOUNTING CHANGES, CATASTROPHE LOSSES AND SETTLEMENT CHARGE, NET OF TAX	\$ 12,191,373	\$ 10,262,565	18.8%	\$ 3,293,848	\$ 2,751,614	19.7%
PER SHARE - DILUTED (d):						
NET INCOME	\$ 4.19	\$ 3.52	19.0%	\$ 1.15	\$ 1.03	11.7%
REALIZED CAPITAL GAINS (LOSSES), NET OF TAX	(0.09)	(0.36)	-	(0.02)	(0.02)	-
CUMULATIVE EFFECT OF ACCOUNTING CHANGES, NET OF TAX (c)	(0.07)	0.00	-	0.00	0.00	-
NET INCOME, EXCLUDING REALIZED CAPITAL GAINS (LOSSES) AND CUMULATIVE EFFECT OF ACCOUNTING CHANGES, NET OF TAX	4.35	3.88	12.1	1.17	1.05	11.4
CATASTROPHE LOSSES, NET OF TAX	(0.26)	(0.02)	-	(0.07)	0.00	-
SETTLEMENT CHARGE, NET OF TAX	(0.02)	0.00	-	(0.02)	0.00	-
NET INCOME, EXCLUDING REALIZED CAPITAL GAINS (LOSSES), CUMULATIVE EFFECT OF ACCOUNTING CHANGES, CATASTROPHE LOSSES AND SETTLEMENT CHARGE, NET OF TAX	\$ 4.63	\$ 3.90	18.7%	\$ 1.26	\$ 1.05	20.0%
AVERAGE DILUTED COMMON SHARES OUTSTANDING (d)	2,637,290	2,637,280		2,632,049	2,636,437	

* Including reconciliation in accordance with Regulation G.

(a) 2003 is restated to conform to 2004 presentation.

(b) Includes the results of certain AIG managed private equity and real estate funds consolidated effective December 31, 2003 pursuant to FIN46R, "Consolidation of Variable Interest Entities". For the fourth quarter and twelve months 2004, operating income includes \$48 million and \$195 million, respectively, of third-party limited partner earnings offset in Minority Interest Expense.

(c) Represents the cumulative effect of accounting changes, net of tax, related to SOP 03-1 "Accounting and Reporting by Insurance Enterprises for Certain Nontraditional Long-Duration Contracts and for Separate Accounts" in 2004 and FIN46R "Consolidation of Variable Interest Entities" in 2003.

(d) Reflects the adoption of EITF Issue No. 04-8 "Accounting Issues Related to Certain Features of Contingently Convertible Debt and the Effect on Diluted Earnings per Share." The impact on net income was \$0.01 per share for the years 2004 and 2003.

AMERICAN INTERNATIONAL GROUP, INC.
OPERATING INCOME
(IN THOUSANDS) (UNAUDITED)

	TWELVE MONTHS ENDED DECEMBER 31,			THREE MONTHS ENDED DECEMBER 31,		
	2004	2003	CHANGE	2004	2003	CHANGE
GENERAL INSURANCE:						
Domestic Brokerage Group	\$ 2,950,712	\$ 2,728,087	8.2%	\$ 806,217	\$ 710,534	13.5%
Personal Lines	351,299	252,495	39.1	101,165	79,582	27.1
Mortgage Guaranty	379,345	406,547	(6.7)	83,119	87,380	(4.9)
Transatlantic Holdings	259,790	379,591	(31.6)	85,775	103,082	(16.8)
Foreign General (a)	1,488,925	1,468,784	1.4	368,790	333,262	10.7
Intercompany Adjustments	474	6,870	-	119	1,718	-
Realized Capital Gains (Losses)	31,556	(172,461)	-	12,702	158,264	-
LIFE INSURANCE & RETIREMENT SERVICES (B):						
Domestic						
Life Insurance	898,005	807,568	11.2	226,408	211,889	6.9
Home Service	390,237	400,126	(2.5)	90,073	101,504	(11.3)
Group Life/Health	97,424	119,957	(18.8)	26,006	32,047	(18.9)
Payout Annuities (c)	140,344	125,956	11.4	34,727	30,406	14.2
Retirement Services						
Group Retirement Products	1,087,897	901,718	20.6	282,079	226,227	24.7
Individual Fixed Annuities	928,316	708,160	31.1	265,490	216,382	22.7
Individual Variable Annuities	173,323	66,251	161.6	41,114	29,708	38.4
Individual Annuities - Runoff (d)	171,520	209,692	(18.2)	33,329	47,707	(30.1)
Intercompany Adjustments	(378)	(302)	-	(101)	(87)	-
Realized Capital Gains (Losses)	(289,374)	(419,558)	-	(118,960)	(92,616)	-
Foreign						
Life Insurance	3,133,748	2,779,749	12.7	835,562	733,693	13.9
Personal Accident & Health	1,156,337	851,902	35.7	305,325	243,553	25.4
Group Products	252,151	202,131	24.7	53,956	52,577	2.6
Retirement Services						
Individual Fixed Annuities	262,257	122,299	114.4	81,732	43,111	89.6
Individual Variable Annuities	13,167	849	-	6,788	1,261	438.3
Intercompany Adjustments	(18,382)	(14,705)	-	(4,924)	(4,267)	-
Realized Capital Gains (Losses)	279,464	(282,160)	-	215,373	47,416	-
FINANCIAL SERVICES:						
Aircraft Finance	739,410	727,956	1.6	192,533	179,599	7.2
Capital Markets	857,480	1,085,894	(21.0)	193,645	357,231	(45.8)
Consumer Finance	787,132	648,864	21.3	207,724	160,311	29.6
Other (e)	(5,064)	1,455	-	(2,681)	5,311	-
ASSET MANAGEMENT (B):						
Guaranteed Investment Contracts						
Domestic	592,780	505,451	17.3	146,496	144,872	1.1
Foreign	43,519	41,368	5.2	12,398	9,277	33.6
Institutional Asset Management (f)(g)	470,031	210,955	122.8	132,105	69,266	90.7
Brokerage Services and Mutual Funds	69,565	59,757	16.4	16,199	16,020	1.1
Other Realized Capital Gains (Losses) (b)	(338,934)	(558,927)	-	(177,920)	(198,410)	-
Other Income (Deductions) - net	(104,090)	(464,011)	-	59,948	(87,312)	-
INCOME BEFORE INCOME TAXES, MINORITY INTEREST AND CUMULATIVE EFFECT OF ACCOUNTING CHANGES	17,249,986	13,908,308	24.0	4,612,311	4,050,498	13.9
INCOME BEFORE INCOME TAXES, MINORITY INTEREST, REALIZED CAPITAL GAINS (LOSSES) AND CUMULATIVE EFFECT OF ACCOUNTING CHANGES	\$ 17,567,274	\$ 15,341,414	14.5%	\$ 4,681,116	\$ 4,135,844	13.2%

(a) Foreign General insurance excludes the foreign operations of Transatlantic Holdings, Inc.

(b) 2003 is restated to conform to 2004 presentation.

(c) Includes Structured Settlements, Single Premium Immediate Annuities and Terminal Funding Annuities.

(d) Represents runoff annuity business sold through merger related discontinued distribution relationships.

(e) Includes other financial services companies and intercompany reclassifications.

(f) Includes AIG Global Investment Group and certain smaller asset management operations.

(g) Includes the results of certain AIG managed private equity and real estate funds consolidated effective December 31, 2003 pursuant to FIN46R, "Consolidation of Variable Interest Entities". For the fourth quarter and twelve months 2004, operating income includes \$48 million and \$195 million, respectively, of third-party limited partner earnings offset in Minority Interest Expense.

AMERICAN INTERNATIONAL GROUP, INC.
SUPPLEMENTARY EARNINGS DATA*
(IN THOUSANDS) (UNAUDITED)

	TWELVE MONTHS ENDED DECEMBER 31,			THREE MONTHS ENDED DECEMBER 31,		
	2004	2003	CHANGE	2004	2003	CHANGE
GENERAL INSURANCE OPERATIONS:						
NET PREMIUMS WRITTEN						
Domestic Brokerage Group	\$ 23,752,212	\$ 20,061,153	18.4 %	\$ 6,205,755	\$ 5,327,656	16.5 %
Personal Lines	4,327,813	3,706,108	16.8	1,039,453	1,002,322	3.7
Mortgage Guaranty	607,247	531,558	14.2	154,600	141,546	9.2
Transatlantic Holdings	3,749,274	3,341,077	12.2	927,222	868,891	6.7
Foreign General (a)	9,465,509	7,571,889	25.0	2,251,842	1,818,781	23.8
TOTAL	41,902,055	35,211,785	19.0	10,578,872	9,159,196	15.5
OPERATING INCOME						
Domestic Brokerage Group (b)	2,950,712	2,728,087	8.2	806,217	710,534	13.5
Personal Lines (b)	351,299	252,495	39.1	101,165	79,582	27.1
Mortgage Guaranty	379,345	406,547	(6.7)	83,119	87,380	(4.9)
Transatlantic Holdings (b)	259,790	379,591	(31.6)	85,775	103,082	(16.8)
Foreign General (a)(b)(c)	1,488,925	1,468,784	1.4	368,790	333,262	10.7
Intercompany Adjustments	474	6,870	-	119	1,718	-
TOTAL BEFORE REALIZED CAPITAL GAINS	5,430,545	5,242,374	3.6	1,445,185	1,315,558	9.9
Realized Capital Gains (Losses)	31,556	(172,461)	-	12,702	158,264	-
OPERATING INCOME	\$ 5,462,101	\$ 5,069,913	7.7 %	\$ 1,457,887	\$ 1,473,822	(1.1)%
COMBINED RATIO:						
Domestic Brokerage Group	97.18	94.38		95.73	93.53	
Personal Lines	96.17	97.38		95.87	96.03	
Mortgage Guaranty	54.60	48.67		63.27	54.57	
Transatlantic Holdings	101.46	96.46		100.69	96.03	
Foreign General (a)	88.78	87.49		89.45	86.91	
TOTAL	95.02	92.43		94.25	91.39	
OPERATING INCOME EXCLUDING CATASTROPHE LOSSES:						
Domestic Brokerage Group (b)	\$ 3,477,312	\$ 2,775,587	25.3 %	\$ 927,017	\$ 710,534	30.5 %
Personal Lines (b)	375,999	257,495	46.0	101,165	79,582	27.1
Mortgage Guaranty	379,345	406,547	(6.7)	83,119	87,380	(4.9)
Transatlantic Holdings (b)	474,790	383,091	23.9	135,775	103,082	31.7
Foreign General (a)(b)(c)	1,706,225	1,485,284	14.9	445,790	333,262	33.8
Intercompany Adjustments	474	6,870	-	119	1,718	-
TOTAL BEFORE REALIZED CAPITAL GAINS (LOSSES) AND CATASTROPHE LOSSES	\$ 6,414,145	\$ 5,314,874	20.7 %	\$ 1,692,985	\$ 1,315,558	28.7 %
COMBINED RATIO EXCLUDING CATASTROPHE LOSSES:						
Domestic Brokerage Group	94.81	94.10		93.71	93.53	
Personal Lines	95.59	97.25		95.87	96.03	
Mortgage Guaranty	54.60	48.67		63.27	54.57	
Transatlantic Holdings	95.59	96.35		95.32	96.03	
Foreign General (a)	86.30	87.26		86.05	86.91	
TOTAL	92.53	92.20		91.87	91.39	

* Including reconciliation in accordance with Regulation G.

(a) Foreign General insurance excludes the foreign operations of Transatlantic Holdings, Inc.

(b) Pretax catastrophe losses for the fourth quarter 2004 by segment were: Domestic Brokerage Group \$120.8 million, Transatlantic Holdings \$50.0 million and Foreign General \$77.0 million. Pretax catastrophe losses for the twelve months 2004 by segment were: Domestic Brokerage Group \$526.6 million, Personal Lines \$24.7 million, Transatlantic Holdings \$215.0 million and Foreign General \$217.3 million. Pretax catastrophe losses for the fourth quarter 2003 were \$0. Pretax catastrophe losses for the twelve months 2003 by segment were: Domestic Brokerage Group \$47.5 million, Personal Lines \$5.0 million, Transatlantic Holdings \$3.5 million and Foreign General \$16.5 million.

(c) Operating income reflects lower net investment income due to timing of private equity and partnership distributions. Excluding catastrophe losses, fourth quarter and twelve months 2004 underwriting profit rose 50.1% and 32.8%, respectively, compared to the same periods in 2003.

SUPPLEMENTARY EARNINGS DATA

	TWELVE MONTHS ENDED DECEMBER 31,			THREE MONTHS ENDED DECEMBER 31,		
	2004	2003	CHANGE	2004	2003	CHANGE
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GENERAL INSURANCE OPERATIONS:						
Losses and Loss Expenses Paid (a)	\$ 20,056,298	\$ 17,363,301	15.5 %	\$ 5,251,348	\$ 4,480,244	17.2 %
Change in Loss and Loss Expense Reserve	9,614,056	5,906,211	62.8	2,442,305	1,555,551	57.0
	-----	-----		-----	-----	
Losses and Loss Expenses Incurred	29,670,354	23,269,512	27.5	7,693,653	6,035,795	27.5
Net Loss and Loss Expense Reserve	46,261,144	36,647,088	26.2			
UNDERWRITING PROFIT	1,871,331	2,220,773	(15.7)	504,442	551,195	(8.5)
UNDERWRITING PROFIT EXCLUDING CATASTROPHE LOSSES	\$ 2,854,931	\$ 2,293,273	24.5 %	\$ 752,242	\$ 551,195	36.5 %

FOREIGN EXCHANGE IMPACT ON GROWTH OF NET PREMIUMS WRITTEN WORLDWIDE

Growth in Original Currency	16.9 %	14.2 %
Foreign Exchange Impact	2.1	1.3
Growth as Reported in U.S. \$	19.0	15.5
FOREIGN GENERAL (b)		
Growth in Original Currency	17.0	19.2
Foreign Exchange Impact	8.0	4.6
Growth as Reported in U.S. \$	25.0 %	23.8 %

(a) The paid loss ratios for the three months ended December 31, 2004 and 2003 were 50.46 and 53.32, respectively. The paid loss ratios for the twelve months ended December 31, 2004 and 2003 were 50.83 and 54.72, respectively. Additionally, 2004 paid losses were impacted by the inclusion of GE personal lines business, which was acquired at the end of August 2003.

(b) Foreign General insurance excludes the foreign operations of Transatlantic Holdings, Inc.

SUPPLEMENTARY EARNINGS DATA

	TWELVE MONTHS ENDED DECEMBER 31,			THREE MONTHS ENDED DECEMBER 31,		
	2004	2003 (a)	CHANGE	2004	2003 (a)	CHANGE
LIFE INSURANCE & RETIREMENT SERVICES OPERATIONS:						
GAAP PREMIUMS						
DOMESTIC						
Life Insurance	\$ 1,881,392	\$ 1,747,954	7.6 %	\$ 474,413	\$ 433,842	9.4 %
Home Service	811,802	834,212	(2.7)	199,936	209,052	(4.4)
Group Life/Health	1,128,091	1,046,192	7.8	269,582	281,751	(4.3)
Payout Annuities (b)	1,484,314	1,272,123	16.7	358,295	263,706	35.9
Retirement Services						
Group Retirement Products	312,951	250,409	25.0	81,833	70,475	16.1
Individual Fixed Annuities	58,482	52,933	10.5	15,810	17,712	(10.7)
Individual Variable Annuities	407,443	330,795	23.2	107,370	91,171	17.8
Individual Annuities - Runoff(c)	80,344	85,440	(6.0)	21,774	24,228	(10.1)
TOTAL	6,164,819	5,620,058	9.7	1,529,013	1,391,937	9.8
FOREIGN						
Life Insurance	15,247,705	13,202,404	15.5	4,112,802	3,765,837	9.2
Personal Accident & Health	4,302,226	3,126,249	37.6	1,130,717	940,244	20.3
Group Products (d)	2,218,822	1,266,909	75.1	387,201	322,110	20.2
Retirement Services						
Individual Fixed Annuities	395,360	254,483	55.4	113,020	80,463	40.5
Individual Variable Annuities	67,913	21,363	217.9	22,642	6,808	232.6
TOTAL	22,232,026	17,871,408	24.4	5,766,382	5,115,462	12.7
TOTAL GAAP PREMIUMS	28,396,845	23,491,466	20.9	7,295,395	6,507,399	12.1
PREMIUMS, DEPOSITS AND OTHER CONSIDERATIONS (e)						
DOMESTIC						
Life Insurance	2,834,990	2,693,975	5.2	697,992	692,696	0.8
Home Service	964,889	985,403	(2.1)	234,913	253,655	(7.4)
Group Life/Health	1,117,634	1,060,254	5.4	269,582	288,133	(6.4)
Payout Annuities	2,172,019	1,750,773	24.1	534,556	465,139	14.9
Retirement Services						
Group Retirement Products	5,555,081	5,359,804	3.6	1,413,244	1,355,189	4.3
Individual Fixed Annuities	9,947,209	11,383,801	(12.6)	1,981,406	3,198,907	(38.1)
Individual Variable Annuities	4,126,321	3,412,173	20.9	869,336	926,735	(6.2)
Individual Annuities - Runoff	252,376	349,762	(27.8)	58,328	74,533	(21.7)
TOTAL	26,970,519	26,995,945	(0.1)	6,059,357	7,254,987	(16.5)
FOREIGN						
Life Insurance	18,676,702	15,354,102	21.6	5,022,857	4,419,672	13.6
Personal Accident & Health	4,329,135	3,113,370	39.0	1,124,718	927,082	21.3
Group Products (d)	3,324,325	2,047,073	62.4	617,219	499,801	23.5
Retirement Services						
Individual Fixed Annuities	11,981,097	4,376,000	173.8	3,089,070	2,710,278	14.0
Individual Variable Annuities	1,629,476	1,220,337	33.5	401,559	316,397	26.9
TOTAL	39,940,735	26,110,882	53.0	10,255,423	8,873,230	15.6
TOTAL PREMIUMS, DEPOSITS AND OTHER CONSIDERATIONS	\$ 66,911,254	\$ 53,106,827	26.0 %	\$ 16,314,780	\$16,128,217	1.2 %

(a) Restated to conform to 2004 presentation.

(b) Includes Structured Settlements, Single Premium Immediate Annuities and Terminal Funding Annuities.

(c) Represents runoff annuity business sold through merger related discontinued distribution relationships.

(d) Twelve months 2004 include approximately \$640 million of premium from a reinsurance transaction involving terminal funding business. This single premium amount is offset by a similar amount of benefits incurred.

(e) Premiums, deposits and other considerations represent aggregate business activity during the respective periods presented on a non-GAAP basis.

SUPPLEMENTARY EARNINGS DATA

	TWELVE MONTHS ENDED DECEMBER 31, 2004	2003 (a)	CHANGE	THREE MONTHS ENDED DECEMBER 31, 2004	2003 (a)	CHANGE
LIFE INSURANCE & RETIREMENT SERVICES OPERATIONS:						
NET INVESTMENT INCOME						
DOMESTIC						
Life Insurance	\$ 1,458,372	\$ 1,358,386	7.4%	\$ 364,590	\$ 392,446	(7.1)%
Home Service	686,268	689,800	(0.5)	157,826	179,079	(11.9)
Group Life/Health	123,143	121,519	1.3	30,533	34,279	(10.9)
Payout Annuities	800,731	698,628	14.6	200,861	188,102	6.8
Retirement Services						
Group Retirement Products	2,190,416	2,054,834	6.6	573,113	532,869	7.6
Individual Fixed Annuities	3,099,970	2,566,791	20.8	833,227	729,716	14.2
Individual Variable Annuities	238,828	238,877	-	59,197	66,612	(11.1)
Individual Annuities - Runoff	1,076,115	1,266,570	(15.0)	269,051	295,055	(8.8)
Intercompany Adjustments	(378)	(302)	-	(101)	(87)	-
TOTAL	9,673,465	8,995,103	7.5	2,488,297	2,418,071	2.9
FOREIGN						
Life Insurance	4,332,264	3,700,093	17.1	1,083,948	920,631	17.7
Personal Accident & Health	178,516	162,644	9.8	45,295	44,166	2.6
Group Products	433,239	338,001	28.2	122,118	89,463	36.5
Retirement Services						
Individual Fixed Annuities	1,050,777	389,120	170.0	350,547	158,210	121.6
Individual Variable Annuities	143,436	3,865	-	65,959	2,437	-
Intercompany Adjustments	(18,382)	(14,705)	-	(4,924)	(4,267)	-
TOTAL	6,119,850	4,579,018	33.6	1,662,943	1,210,640	37.4
TOTAL NET INVESTMENT INCOME	\$ 15,793,315	\$ 13,574,121	16.3%	\$ 4,151,240	\$ 3,628,711	14.4 %

(a) Restated to conform to 2004 presentation.

SUPPLEMENTARY EARNINGS DATA

	TWELVE MONTHS ENDED DECEMBER 31,			THREE MONTHS ENDED DECEMBER 31,		
	2004	2003 (a)	CHANGE	2004	2003 (a)	CHANGE
LIFE INSURANCE & RETIREMENT SERVICES OPERATIONS:						
OPERATING INCOME						
DOMESTIC						
Life Insurance	\$ 898,005	\$ 807,568	11.2%	\$ 226,408	\$ 211,889	6.9%
Home Service (b)	390,237	400,126	(2.5)	90,073	101,504	(11.3)
Group Life/Health	97,424	119,957	(18.8)	26,006	32,047	(18.9)
Payout Annuities	140,344	125,956	11.4	34,727	30,406	14.2
Retirement Services						
Group Retirement Products	1,087,897	901,718	20.6	282,079	226,227	24.7
Individual Fixed Annuities	928,316	708,160	31.1	265,490	216,382	22.7
Individual Variable Annuities	173,323	66,251	161.6	41,114	29,708	38.4
Individual Annuities - Runoff	171,520	209,692	(18.2)	33,329	47,707	(30.1)
Intercompany Adjustments	(378)	(302)	-	(101)	(87)	-
TOTAL DOMESTIC BEFORE REALIZED						
CAPITAL GAINS (LOSSES)	3,886,688	3,339,126	16.4	999,125	895,783	11.5
Realized Capital Gains (Losses)	(289,374)	(419,558)	-	(118,960)	(92,616)	-
DOMESTIC OPERATING INCOME						
	3,597,314	2,919,568	23.2	880,165	803,167	9.6
FOREIGN						
Life Insurance	3,133,748	2,779,749	12.7	835,562	733,693	13.9
Personal Accident & Health	1,156,337	851,902	35.7	305,325	243,553	25.4
Group Products	252,151	202,131	24.7	53,956	52,577	2.6
Retirement Services						
Individual Fixed Annuities	262,257	122,299	114.4	81,732	43,111	89.6
Individual Variable Annuities	13,167	849	-	6,788	1,261	438.3
Intercompany Adjustments	(18,382)	(14,705)	-	(4,924)	(4,267)	-
TOTAL FOREIGN BEFORE REALIZED						
CAPITAL GAINS (LOSSES)	4,799,278	3,942,225	21.7	1,278,439	1,069,928	19.5
Realized Capital Gains (Losses)	279,464	(282,160)	-	215,373	47,416	-
FOREIGN OPERATING INCOME						
	5,078,742	3,660,065	38.8	1,493,812	1,117,344	33.7
WORLDWIDE LIFE INSURANCE & RETIREMENT						
SERVICES BEFORE REALIZED CAPITAL						
GAINS (LOSSES)	8,685,966	7,281,351	19.3	2,277,564	1,965,711	15.9
Realized Capital Gains (Losses)	(9,910)	(701,718)	-	96,413	(45,200)	-
WORLDWIDE OPERATING INCOME						
	\$ 8,676,056	\$ 6,579,633	31.9%	\$ 2,373,977	\$ 1,920,511	23.6%

(a) Restated to conform to 2004 presentation.

(b) Twelve months 2004 include \$4.7 million of catastrophe losses relating to minor property-casualty subsidiaries currently in run-off.

SUPPLEMENTARY EARNINGS DATA

	TWELVE MONTHS ENDED DECEMBER 31, 2004	2003 (a)	31, CHANGE	THREE MONTHS ENDED DECEMBER 31, 2004	2003 (a)	CHANGE
LIFE INSURANCE & RETIREMENT SERVICES OPERATIONS:						
DOMESTIC - OTHER DATA						
LIFE INSURANCE						
Periodic Premium Sales (b):						
Individual/Retail	\$ 480,758	\$ 352,427	36.4%	\$ 128,105	\$ 95,287	34.4 %
Institutional Markets	32,931	74,263	(55.7)	7,990	16,123	(50.4)
Total Periodic Sales	513,689	426,690	20.4	136,095	111,410	22.2
Unscheduled & Single Deposits	364,939	372,340	(2.0)	62,998	80,340	(21.6)
Life Insurance Reserves	20,257,937	19,340,791	4.7			
HOME SERVICE						
Product Sales						
Life/Accident & Health (b)	111,315	111,810	(0.4)	27,379	28,361	(3.5)
Fixed Annuity	104,929	121,202	(13.4)	22,452	30,769	(27.0)
Total Insurance Reserves	7,172,692	7,054,836	1.7			
GROUP LIFE/HEALTH						
Annualized Earned Premium	1,265,764	1,236,874	2.3			
PAYOUT ANNUITIES						
Insurance Reserves	11,135,441	9,491,380	17.3			
GROUP RETIREMENT PRODUCTS						
Deposits (c)	6,501,570	5,917,633	9.9	1,571,365	1,560,396	0.7
NET FLOWS						
Group Retirement Products (c)	2,372,045	3,374,696	(29.7)	694,000	866,075	(19.9)
Individual Fixed Annuities	7,450,886	9,663,994	(22.9)	1,265,907	2,660,433	(52.4)
Individual Variable Annuities	1,494,106	1,179,306	26.7	152,285	322,172	(52.7)
Individual Annuities - Runoff	(1,306,125)	(1,135,131)	-	(359,140)	(323,039)	-
TOTAL	\$ 10,010,912	\$ 13,082,865	(23.5)%	\$ 1,753,052	\$ 3,525,641	(50.3)%
SURRENDER RATES						
Group Retirement Products (c)	8.0%(d)	5.6%		6.5%	5.7%	
Individual Fixed Annuities	5.8%	5.2%		6.3%	5.8%	
Individual Variable Annuities	10.6%	10.7%		11.1%	10.7%	
GENERAL AND SEPARATE ACCOUNT RESERVES						
Group Retirement Products (c)	\$ 56,117,590	\$ 50,965,154	10.1%			
Individual Fixed Annuities	50,546,625	42,344,932	19.4			
Individual Variable Annuities	26,846,255	23,642,407	13.6			
Individual Annuities - Runoff	20,812,250	21,857,843	(4.8)			
TOTAL	\$ 154,322,720	\$ 138,810,336	11.2%			

(a) Restated to conform to 2004 presentation.

(b) Life Insurance sales represent premiums from new sales that are expected to be collected over a one year period.

(c) Includes group retirement annuities and group mutual funds.

(d) Excluding the loss of a single account declined to be written at an inadequate profit level in first quarter 2004, the surrender rate was 6.8 percent.

SUPPLEMENTARY EARNINGS DATA

	TWELVE MONTHS ENDED DECEMBER 31, 2004			THREE MONTHS ENDED DECEMBER 31, 2004		
	2003 (a)	CHANGE	2003 (a)	CHANGE		
LIFE INSURANCE & RETIREMENT SERVICES OPERATIONS:						
FOREIGN - OTHER DATA						
FIRST YEAR PREMIUMS						
LIFE INSURANCE						
Japan	\$ 714,345	\$ 602,495	18.6%	\$ 201,128	\$ 177,698	13.2%
China	114,898	84,132	36.6	33,007	29,548	11.7
Asia excluding Japan and China	1,691,087	1,762,866	(4.1)	526,154	487,369	8.0
All Other Regions	230,037	203,030	13.3	55,127	60,222	(8.5)
TOTAL	2,750,367	2,652,523	3.7	815,416	754,837	8.0
PERSONAL ACCIDENT & HEALTH						
Japan	709,146	466,778	51.9	175,497	151,341	16.0
China	30,158	31,280	(3.6)	7,592	8,383	(9.4)
Asia excluding Japan and China	242,668	195,773	24.0	65,373	52,289	25.0
All Other Regions	106,709	95,622	11.6	27,205	26,313	3.4
TOTAL	1,088,681	789,453	37.9	275,667	238,326	15.7
GROUP PRODUCTS						
Japan	20,149	31,067	(35.1)	3,535	12,553	(71.8)
Asia excluding Japan and China	80,154	47,737	67.9	20,133	10,450	92.7
All Other Regions	606,832	516,030	17.6	121,878	108,903	11.9
TOTAL	707,135	594,834	18.9	145,546	131,906	10.3
TOTAL FIRST YEAR PREMIUMS						
Japan	1,443,640	1,100,340	31.2	380,160	341,592	11.3
China	145,056	115,412	25.7	40,599	37,931	7.0
Asia excluding Japan and China	2,013,909	2,006,376	0.4	611,660	550,108	11.2
All Other Regions	943,578	814,682	15.8	204,210	195,438	4.5
TOTAL	4,546,183	4,036,810	12.6	\$ 1,236,629	\$ 1,125,069	9.9%
RETIREMENT SERVICES RESERVES						
Individual Fixed Annuities	31,460,468	18,522,559	69.8			
Individual Variable Annuities	\$ 4,023,982	\$ 1,753,062	129.5%			
FOREIGN EXCHANGE IMPACT ON GROWTH OF:						
GAAP PREMIUMS						
WORLDWIDE						
Growth in Original Currency	17.3%			10.6%		
Foreign Exchange Impact	3.6			1.5		
Growth as Reported in U.S. \$	20.9			12.1		
FOREIGN						
Growth in Original Currency	19.6			10.8		
Foreign Exchange Impact	4.8			1.9		
Growth as Reported in U.S. \$	24.4			12.7		
PREMIUMS, DEPOSITS AND OTHER CONSIDERATIONS (b)						
WORLDWIDE						
Growth in Original Currency	23.6			0.2		
Foreign Exchange Impact	2.4			1.0		
Growth as Reported in U.S. \$	26.0			1.2		
FOREIGN						
Growth in Original Currency	48.2			13.8		
Foreign Exchange Impact	4.8			1.8		
Growth as Reported in U.S. \$	53.0%			15.6%		

(a) Restated to conform to 2004 presentation.

(b) Premiums, deposits and other considerations represent aggregate business activity during the respective periods presented on a non-GAAP basis.

SUPPLEMENTARY EARNINGS DATA

	TWELVE MONTHS ENDED DECEMBER 31,			THREE MONTHS ENDED DECEMBER 31,		
	2004	2003	CHANGE	2004	2003	CHANGE
FINANCIAL SERVICES:						
REVENUES						
Aircraft Finance	\$ 3,250,852	\$ 3,042,483	6.8%	\$ 847,149	\$ 770,591	9.9%
Capital Markets	1,424,426	1,845,312	(22.8)	263,405	602,988	(56.3)
Consumer Finance	2,977,877	2,642,074	12.7	800,128	684,592	16.9
Other (a)	30,813	35,656	(13.6)	5,347	11,643	(54.1)
TOTAL	7,683,968	7,565,525	1.6	1,916,029	2,069,814	(7.4)
OPERATING INCOME						
Aircraft Finance	739,410	727,956	1.6	192,533	179,599	7.2
Capital Markets	857,480	1,085,894	(21.0)	193,645	357,231	(45.8)
Consumer Finance	787,132	648,864	21.3	207,724	160,311	29.6
Other (a)	(5,064)	1,455	-	(2,681)	5,311	-
TOTAL	2,378,958	2,464,169	(3.5)	591,221	702,452	(15.8)
ASSET MANAGEMENT (b)(c):						
REVENUES						
Guaranteed Investment Contracts						
Domestic	2,332,634	2,088,436	11.7	602,908	548,516	9.9
Foreign	463,668	407,646	13.7	169,277	93,736	80.6
Institutional Asset Management (d)	998,454	647,154	54.3	280,943	190,839	47.2
Brokerage Services and Mutual Funds	248,797	205,905	20.8	63,529	57,624	10.2
TOTAL	4,043,553	3,349,141	20.7	1,116,657	890,715	25.4
OPERATING INCOME						
Guaranteed Investment Contracts						
Domestic	592,780	505,451	17.3	146,496	144,872	1.1
Foreign	43,519	41,368	5.2	12,398	9,277	33.6
Institutional Asset Management (d)(e)	470,031	210,955	122.8	132,105	69,266	90.7
Brokerage Services and Mutual Funds	69,565	59,757	16.4	16,199	16,020	1.1
TOTAL (e)	1,175,895	817,531	43.8	307,198	239,435	28.3
GUARANTEED INVESTMENT CONTRACTS						
DEPOSITS						
Domestic	10,722,140	9,664,295	10.9	1,951,596	3,218,496	(39.4)
Foreign	5,311,083	3,631,373	46.3	1,315,744	720,208	82.7
TOTAL	16,033,223	13,295,668	20.6	\$ 3,267,340	\$ 3,938,704	(17.0)%
RESERVES						
Domestic	44,841,740	38,986,819	15.0			
Foreign	9,238,518	7,667,517	20.5			
TOTAL	\$ 54,080,258	\$ 46,654,336	15.9%			
EFFECTIVE TAX RATES:						
Net Income	31.73%	30.66%		31.14%	31.09%	
Realized Capital Gains (Losses)	33.41%	33.68%		34.04%	35.28%	

(a) Includes other financial services companies and intercompany reclassifications.

(b) 2003 is restated to conform to 2004 presentation.

(c) At December 31, 2004, AIG's third party assets under management, including mutual funds and institutional accounts, totaled over \$53 billion.

(d) Includes AIG Global Investment Group and certain smaller asset management operations.

(e) Includes the results of certain AIG managed private equity and real estate funds consolidated effective December 31, 2003 pursuant to FIN46R, "Consolidation of Variable Interest Entities". For the fourth quarter and twelve months 2004, operating income includes \$48 million and \$195 million, respectively, of third-party limited partner earnings offset in Minority Interest Expense.

SUPPLEMENTARY EARNINGS DATA

ADDITIONAL RECONCILIATION IN ACCORDANCE WITH REGULATION G

	TWELVE MONTHS ENDED DECEMBER 31, 2004 -----	TWELVE MONTHS ENDED DECEMBER 31, 2003 -----
RETURN ON EQUITY RECONCILIATION		
Return on Equity, GAAP basis	14.4%	14.1%
Percent Related to Reconciliation	2.1 -----	3.1 -----
Return on Equity, as presented (a)	16.5	17.2
Catastrophe Losses and Settlement Charge	1.0 -----	0.1 -----
Return on Equity, as presented excluding Catastrophe Losses and Settlement Charge	17.5%	17.3%

(a) Return on Equity, as presented is net income, before realized capital gains (losses) and cumulative effect of accounting changes, expressed as a percentage of average shareholders' equity, exclusive of unrealized appreciation (depreciation) of investments, net of tax.