American International Group, Inc.

Second Quarter 2012 Results
Conference Call Presentation

August 3rd, 2012

AIG

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Second Quarter 2012 Key Themes

Highlights	Noteworthy Items
Continued Execution of Capital Management	▪ $2.0 billion shares repurchased ($5.0 billion YTD) ▪ Through 8/2, received proceeds of $6.1 billion on ML III interest with an additional $1.9 billion expected mid-August ▪ Through 8/2, AIG purchased $7.1 billion of ML III assets ▪ Insurance company distributions of $1.3 billion ▪ Issued $1.5 billion senior unsecured notes
Chartis Underwriting Improvement	▪ Accident year loss ratio ex. CATs continues to improve ▪ Business mix shift to higher value lines ▪ Global commercial rates +5.5% (+8% in the U.S.) ▪ CAT losses of $328 million globally
SunAmerica Benefits from Diversification	▪ Base yields and net investment spreads improved ▪ Weaker returns from hedge fund investments ▪ Variable annuities sales momentum continued and increased 20% sequentially ▪ Net flows positive for 6th consecutive quarter reflecting strong variable annuity and mutual fund deposits
Improving trends at Mortgage Guaranty	▪ NIW +$1.9 billion ▪ Delinquency ratio ↓ 110 bps sequentially to 10.3%

Financial Highlights

	Second Quarter		
($ in millions, except earnings per share)	2012	2011	Change
Revenues	$17,123	$16,680	3%
Net income attributable to AIG	**2,332**	**1,836**	**27%**
After-tax operating income attributable to AIG	**$1,858**	**$1,240**	**50%**
Diluted earnings per common share:			
Net Income attributable to AIG	$1.33	$1.00	33%
After-tax operating income attributable to AIG	$1.06	$0.68	56%
Book value per common share	**$60.58**	**$45.97**	**32%**
Book value per common share - Ex. AOCI	**$56.07**	**$41.22**	**36%**

After-tax Operating Income (Loss)

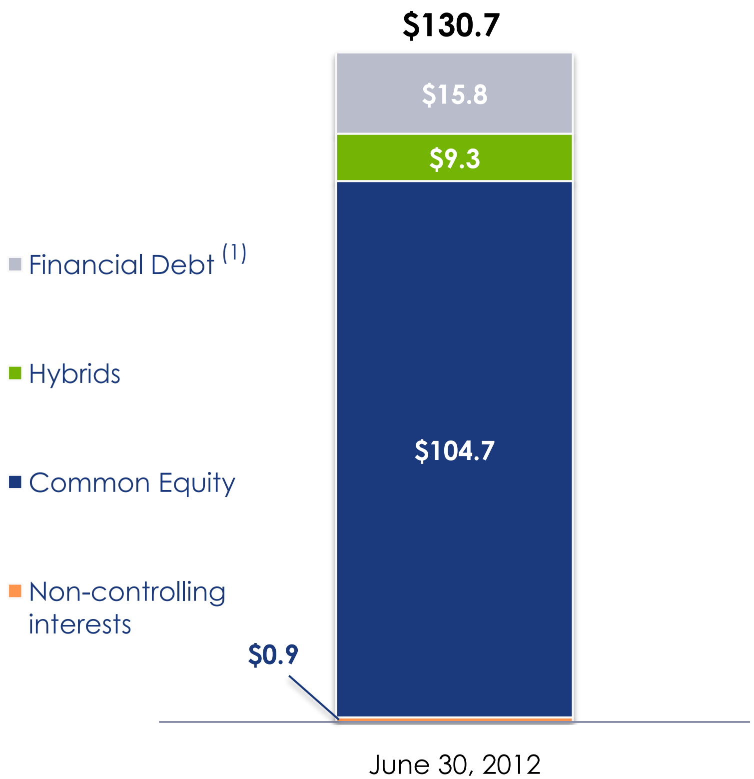
Improvement in insurance operations drives growth in operating income.

	Second Quarter	
($ in millions)	**2012**	**2011**
Insurance operations		
Chartis	$936	$783
SunAmerica	933	723
Mortgage Guaranty (reported in Other)	43	12
Total Insurance Operations	**1,912**	**1,518**
Aircraft Leasing	88	86
Direct Investment book	434	61
Global Capital Markets	(25)	(160)
Change in fair value of AIA	(493)	1,521
Change in fair value of Maiden Lane III	1,306	(667)
Interest expense	(474)	(513)
Corporate expenses and eliminations	(218)	(125)
Pre-tax operating income attributable to AIG	**2,530**	**1,721**
Income tax (expense) / benefit	(666)	(266)
Noncontrolling interest – Treasury/Fed	-	(141)
Other noncontrolling interest	(6)	(74)
After-tax operating income attributable to AIG	**$1,858**	**$1,240**
After-tax operating income per diluted common share	**$1.06**	**$0.68**

Strong Capital Position

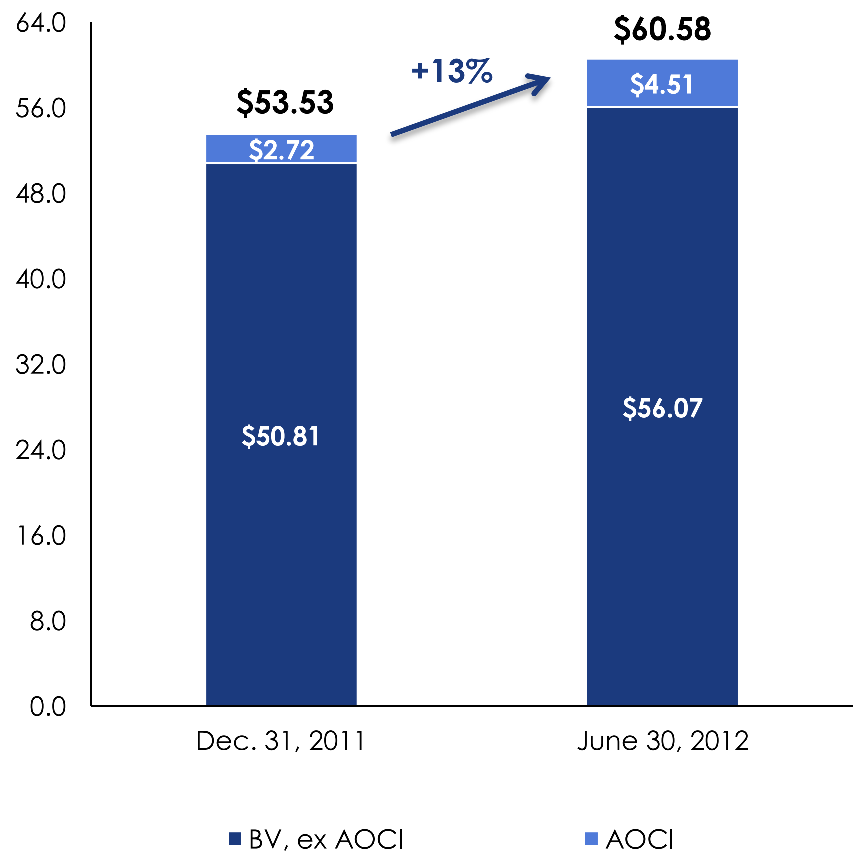
Execution of $5.0 billion share repurchases year-to-date increased BVPS by $2.34/share.

Capital Structure
($ in billions, except per share data)



Financial Debt + Hybrids / Capitalization	19.2%
Financial Debt / Capitalization	12.1%

Book Value Per Share

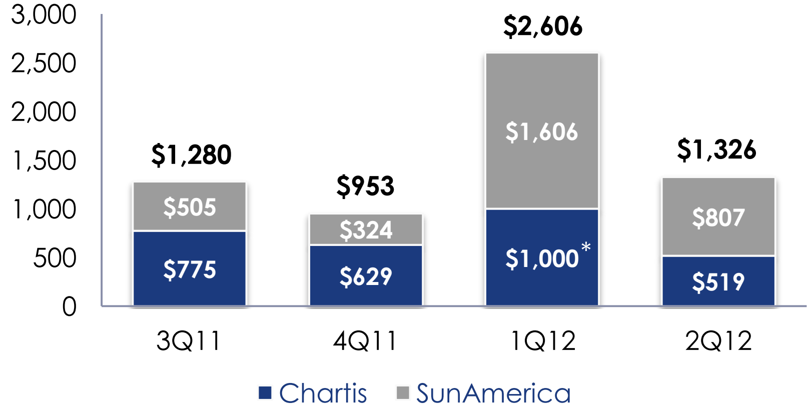


1) Includes AIG Loans, Mortgages, Notes and Bonds Payable, SAFG Inc. Notes and Bonds Payable, and Liabilities connected to the trust preferred stock.

Financial Flexibility – A Source of Strength

Insurance Company Distributions

($ in millions)

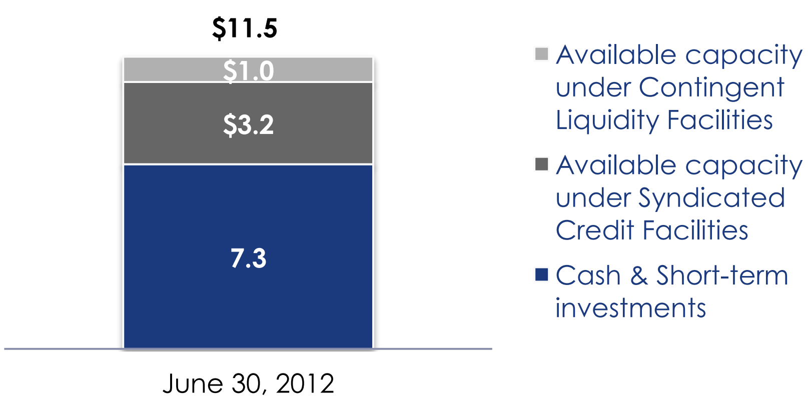


* Represents non-cash distribution of municipal securities.

- Year-to-date distributions of $3.9 billion.
- Expected annual payments of $4 – 5 billion.

Parent Liquidity

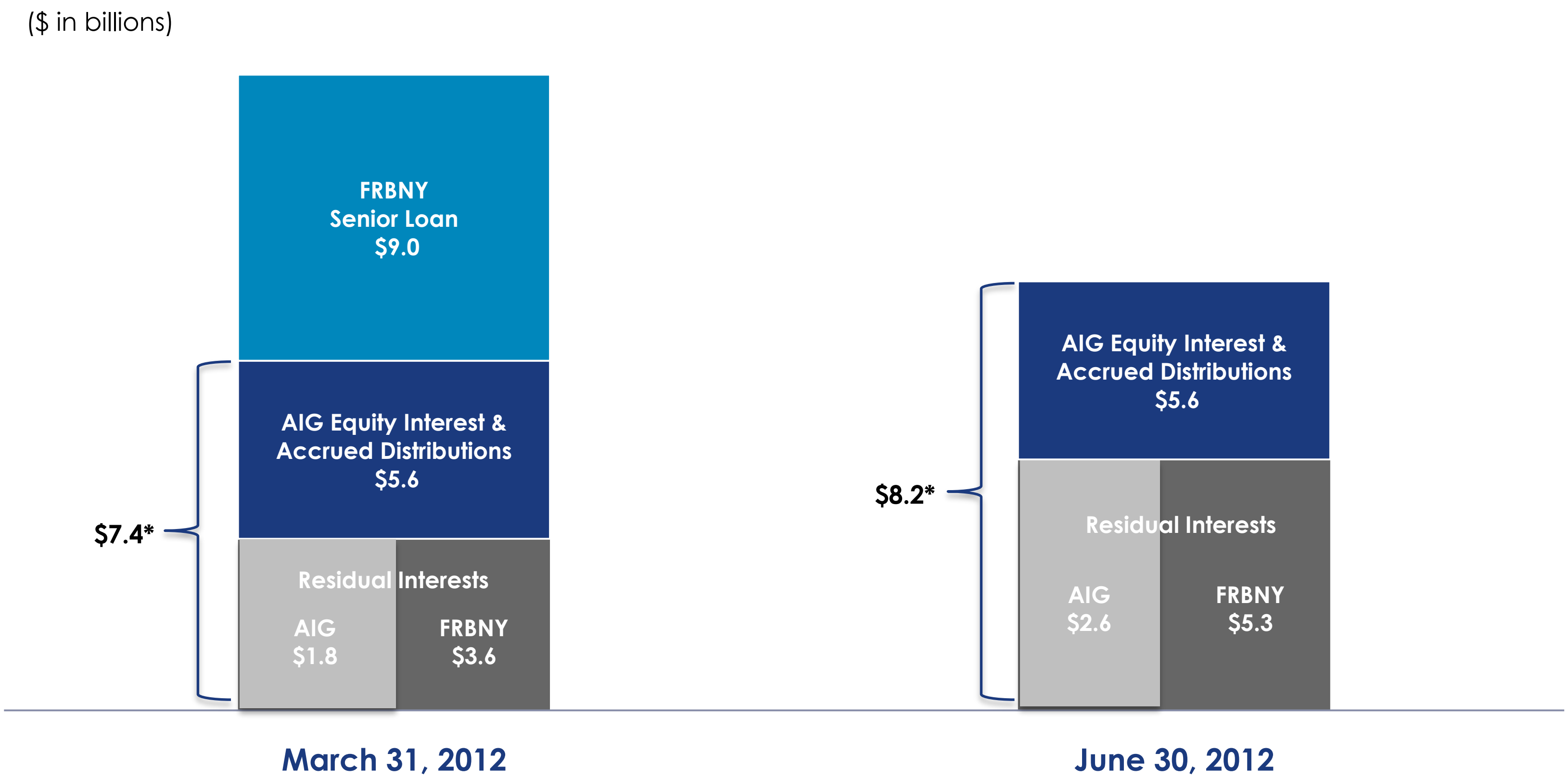
($ in billions)



- Parent liquidity sources total $11.5 billion at June 30, 2012.
- Liquidity position reflects completion of $5.0 billion of share repurchases in 2012.
- $1.5 bn senior unsecured note issuances at Parent during 2Q12.

Maiden Lane III Interest – Liquidation Value at June 30, 2012

At June 30, 2012, the FRBNY Senior Loan to Maiden Lane III has been fully repaid.



* During 2Q12, AIG modified its methodology for estimating the fair value of its remaining interest in ML III to incorporate the assumption of a current liquidation. At March 31, 2012 the carrying value was $6.9 billion and at June 30, 2012 includes $77 million of proceeds received.

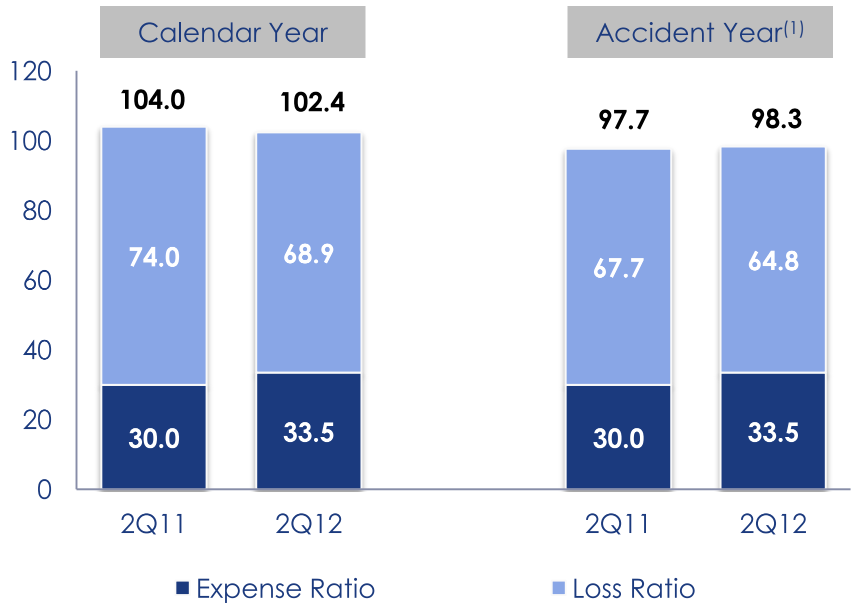
Maiden Lane II and Maiden Lane III – Purchases

AIG has received proceeds of $6.1 billion from ML III completely recovering its equity interest and accrued distributions. Additional $1.9 billion expected mid-August.

($ in billions)	Maiden Lane II	Maiden Lane III
Estimated Fair Value at Inception	$20.5	$29.3
FRBNY Original Loan Balance	$19.5	$24.3
FRBNY Loan Repayment Date	February 28, 2012	June 14, 2012
Cash Proceeds Received by AIG through 8/2/2012	$1.6	$6.1
Market Value of Securities Acquired by AIG	$2.8	$7.1
Avg. Yield of Acquired Securities	10.4%	9.7%

Chartis – Financial Highlights

Global Combined Ratios



Operating income ($ in millions)	
2Q11	**2Q12**
$783	**$936**

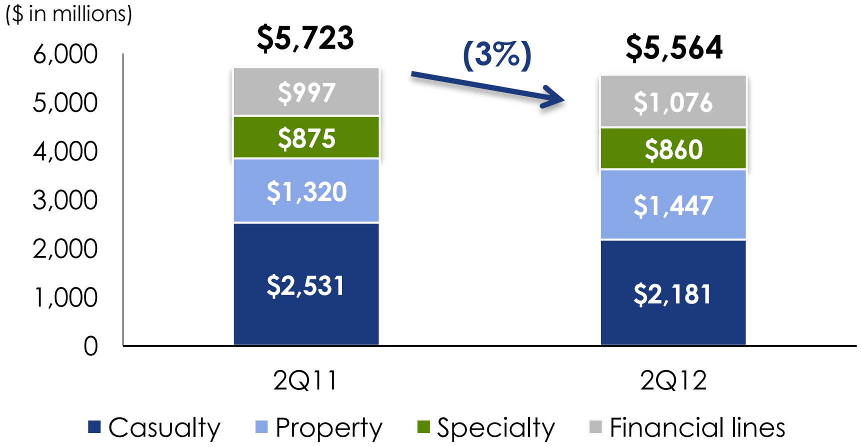
- Decrease in accident year loss ratio excluding catastrophe losses reflects shift in mix of business to higher value lines and geographies, improved pricing and enhanced risk selection tools.
- Increase in expenses was primarily driven by higher acquisition costs due to the shift to more profitable, stable lines (approximately 1.4 points) and continued strategic investments.
- Net adverse prior year reserve development of $117 million driven by Environmental, partially offset by favorable development on prior year CAT losses. The second quarter benefited from a $94 million net increase in reserve discount.
- CAT losses of $328 million globally in 2Q12.
- Operating income included net investment income of $1.2 billion in 2Q12, up slightly from the year ago quarter.

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

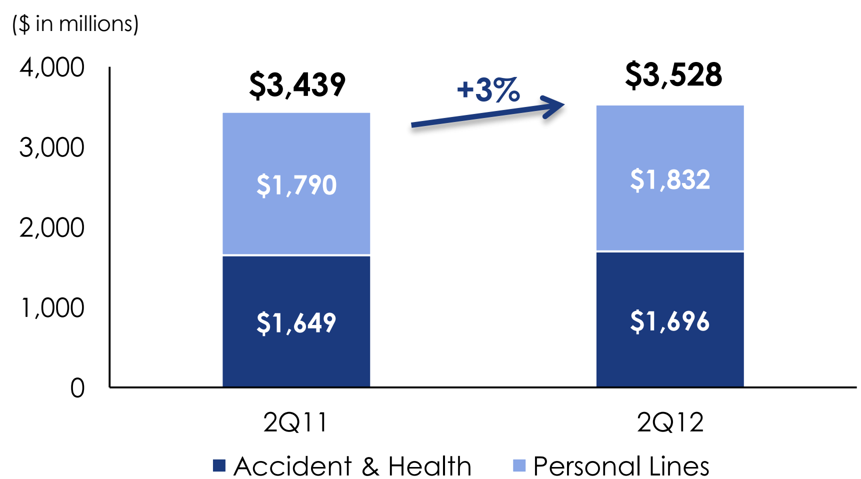
Chartis – Net Premiums Written

Net premiums written reflect continued business mix shift and enhanced risk selection.

Commercial NPW



Consumer NPW



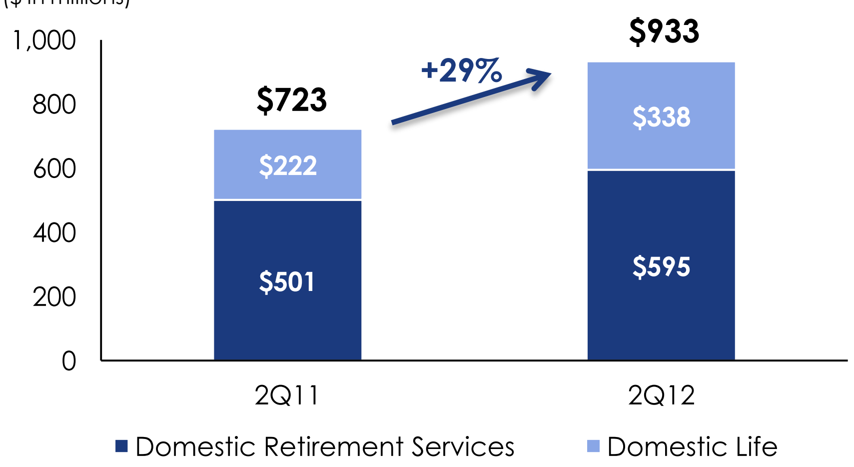
- Global commercial rates increased 5.5% over the prior year period (8% for the U.S.) led by Property and Workers' Compensation both at 9%.
- Commercial Insurance continues to practice portfolio management, focusing resources on higher value, profitable lines of business and geographies.
- Consumer Insurance NPW was 40% of total Chartis NPW in 2012, reflecting growth across the business using multiple distribution channels.

* Chartis Other NPW of $3 million in 2Q12 and $5 million in 2Q11 is not presented above.

SunAmerica – Financial Highlights

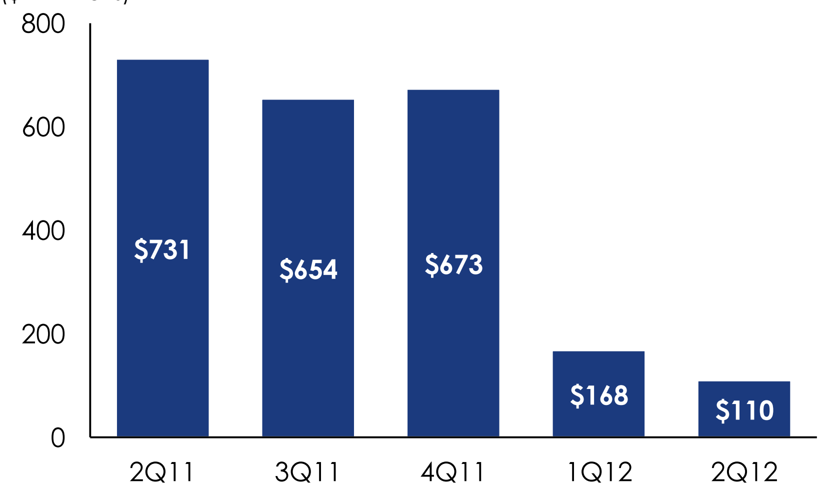
Operating Income

($ in millions)



Net flows

($ in millions)

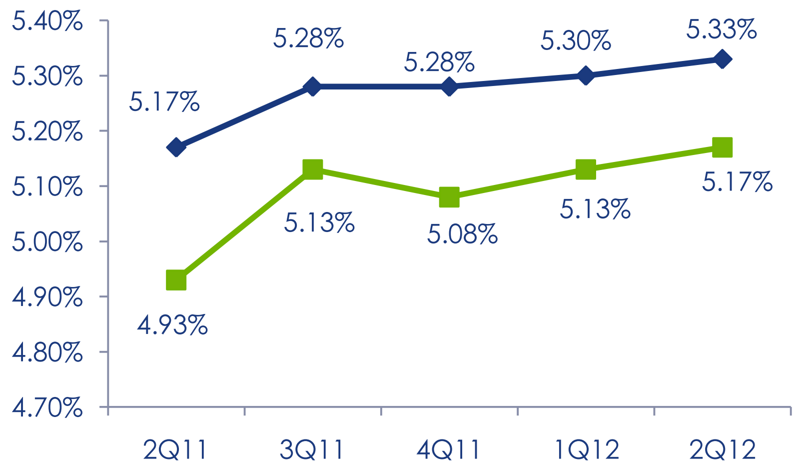


- Operating income in 2Q12 benefited from improved base net investment spreads mainly due to cash redeployment in 2011 and disciplined management of interest crediting rates.
- The year ago period included a loss from Maiden Lane II of $176 million and an IBNR reserve of $100 million for social security death master file claims.
- Lower income from hedge fund investments.
- Net flows positive for 6th consecutive quarter reflecting strong variable annuity and mutual fund deposits. Decreased fixed annuity deposits impacted by low interest rate environment.
- Retail life insurance sales increased in 2Q12 by 14% from 1Q12.

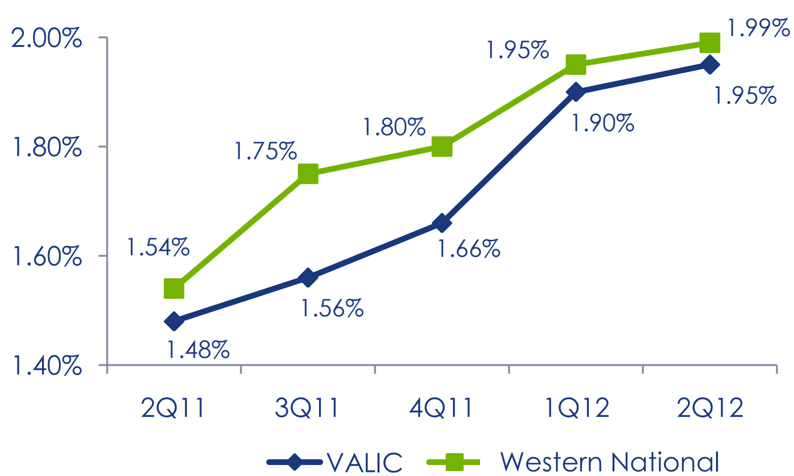
SunAmerica – Base Yields and Net Investment Spreads

Base Yields and Net spreads increased in the second quarter.

Base Yields[1]



Base Net Investment Spreads[1]



- Base yields and base net investment spreads improved in 2Q12 mainly due to cash redeployment and disciplined new and renewal crediting rate actions.
- Sustained low interest rate environment expected to pressure base yields.
- Active management of crediting rates limits spread compression.
- At June 30, 2012, a total of 56% of account values are at contractual minimum guaranteed crediting rates vs. 38% at the end of the second quarter of 2011.

1) Excludes alternatives and other enhancements.

SunAmerica – Proactively Addressing Sustained Low Interest Rates

2012 Management Actions

- Continued disciplined approach to new business pricing.
- Actively managing renewal rates.
- Re-priced life products to reflect current low rate environment.
- Re-filed certain products to continue lowering minimum rate guarantees

Effect of Low Rates on Annual Earnings[1]

$ in millions	2012	2013	2014	2015
Estimated impact on pre-tax operating income	$0 – ($10)	($50) – ($60)	($110) – ($125)	($180) – ($200)

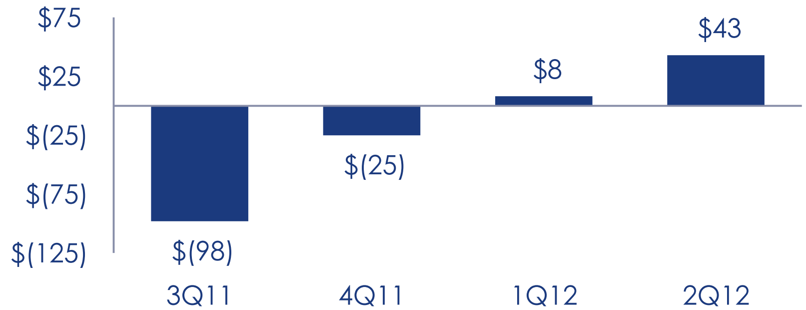
- Opportunistic investments in structured securities and redeployment of cash in 2011 have offset the impact of the low rate environment.
- Future reinvestment of portfolio cash flows at yields of 4% - 5%.
- No significant DAC unlocking or statutory capital impact anticipated.

1) Assumes 10-Year Treasury Rate remains at 1.40% through 2015. Assumes no accelerated realization of capital gains.

Mortgage Guaranty – Improving Trends

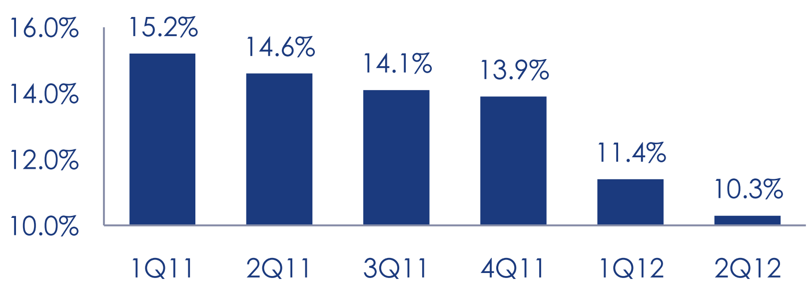
- In 2Q 2012, Mortgage Guaranty generated operating income of $43 million, driven by favorable prior year development and a decline in new delinquencies.

Operating Income
($ in millions)



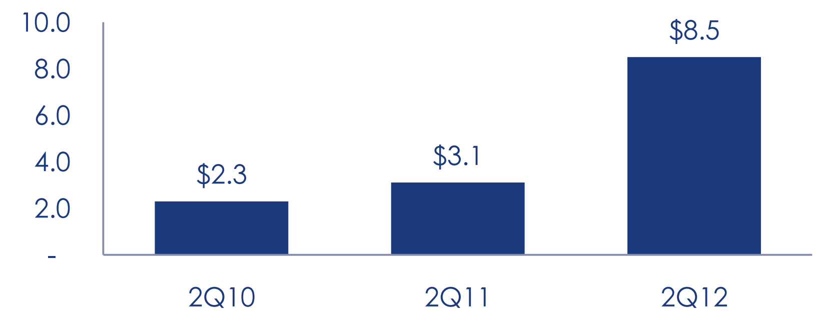
- Delinquency ratio declined to 10.3% in 2Q 2012, driven by letter campaign to lenders to file claims.

Primary Delinquency (DQ) Ratio (%)



- $8.5 billion new insurance written (NIW)[1] in 2Q 2012 with consistently high quality risks.

NIW
($ in billions)



Vintage	FICO	LTV
2010	760	90
2011	757	91
Q1'12	760	91
Q2'12	759	91

1) New insurance written – original principal balance of loans (First Lien)

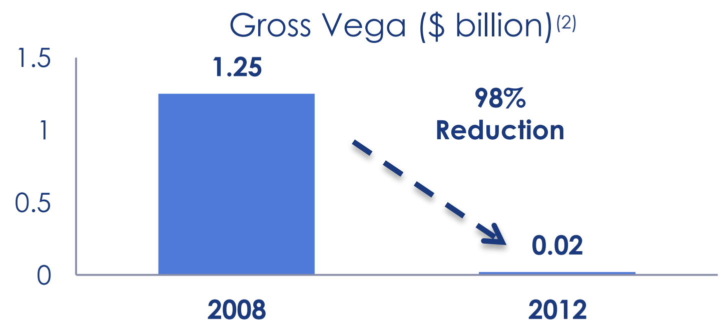
Appendix

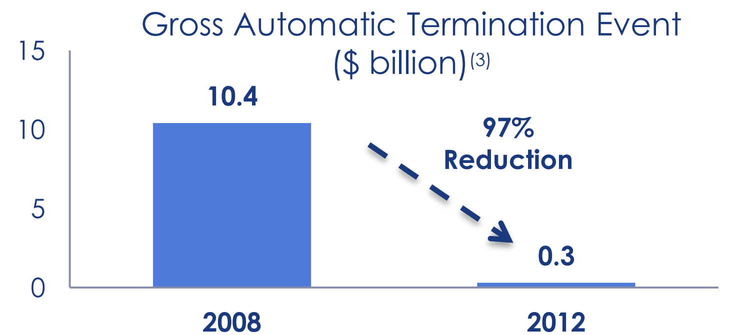
Legacy AIGFP: What We've Accomplished

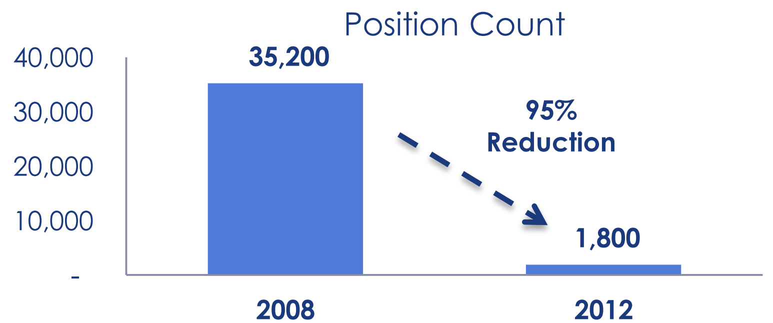
AIG will continue to reduce the risk of the legacy AIGFP portfolio with the goal of retaining the maximum economic benefit possible.

Net Notional Exposures ($ billion)

Derivatives Book	December 31, 2008 [1]	December 31, 2011	June 30, 2012	% Reduction 2008 – 2012	% Reduction 2011 – 2012
Market Derivatives	~1,450	131	118	92%	10%
Multi-sector CDS	~13	6	5	62%	17%
Corporate Arbitrage	~52	12	12	77%	0%
Regulatory Capital CDS	~245	7	3	99%	57%
Stable Value Wraps	~40	20	19	53%	5%
Total Legacy Derivatives [4]	**~$1,800**	**$176**	**$157**	**91%**	**11%**







1) 2008 net notional amounts are approximate.
2) The Gross Vega is calculated as the sum of all the individual positions' absolute vegas as if each position is not hedged. Although AIGFP's books are almost completely hedged on a net Vega basis, the Gross Vega measure will help monitor how well the volatility risk is being eliminated. The interest rate option vega denotes the change in value due to a 0.1% increase in normal volatility. For other derivatives (i.e., Equity, Commodity and FX option), vega denotes the change in value due to a 1% increase in lognormal volatility.
3) Gross Automatic Termination Event measures the impact of a three-notch downgrade. 2008 Gross Automatic Termination Event includes $1.3 billion attributable to GICs.
4) Excludes $17.4 billion and $10.2 billion of intercompany derivatives in 2012 and 2011, respectively.

Legacy AIGFP: Where We're Going

Actively managing the portfolio for maximum economic benefit and limited risk.

Type	Estimated Average Life	Description
Market Derivatives	5.4 years	**AIG Derisking Activities and portfolio hedging - ~$84 billion:** ▪ Aggregate Value at Risk on Market Derivatives is effectively zero at a 95% confidence level ▪ Derivatives primarily facilitate hedging of the assets and liabilities of the DIB program as well as affiliate companies' ordinary course risk management activity
	7.2 years	**3rd Party Client Trades - ~$34 billion:** ▪ Aggregate Value at Risk on Market Derivatives is effectively zero at a 95% confidence level ▪ Third-party trades primarily intermediated and represent ~$34 billion of total remaining notional ▪ Bulk of remaining trades expected to remain until maturity as they have been intermediated to preserve economic value or provide attractive funding
Stable Value Wraps	3.6 years	▪ No realized losses even through market stress of 2008 - Expected to be moved to regulated insurance entity during 2012
Multi-sector CDS	6.1 years	▪ $437 million profit contribution since 12/31/08 ▪ Managed to retain significant future upside - Where economics are compelling will continue to unwind trades
Corporate Arbitrage	3.7 years	▪ $1.85 billion profit contribution since 12/31/08 ▪ Vast majority of notional has been intermediated to preserve economics while eliminating contingent liquidity ▪ Third-party credit review confirms no expected losses even in stress scenarios
Regulatory Capital CDS	1.0 years	▪ $246 million profit contribution since 12/31/08 on termination of related mezzanine and hedges. ▪ Third-party credit review confirms no expected losses even in stress scenarios ▪ Expect remaining positions to be called when they lose their capital benefits