

2015 年第 3 四半期（7 月～9 月） 決算 短 信

会社名 アメリカン・インターナショナル・グループ・インク
 決算期 本決算：年 1 回（12 月）
 中間決算：四半期毎
 問い合わせ先 東京都港区元赤坂一丁目 2 番 7 号 赤坂 K タワー
 アンダーソン・毛利・友常法律事務所
 弁護士 北澤 正明
 電話 (03) 6888-1000

1. 本国における決算発表日 2015 年 11 月 2 日

2. 業績（注 1：下記の数字は 2015 年 9 月 30 日現在の会計方法に従い算出したものである。）

	第 3 四半期（7 月～9 月の 3 ヶ月間）		
	当年度（2015 年）	前年度（2014 年）	増減率
売上高又は営業収入	12,822 百万ドル	16,697 百万ドル	△23.2%
純利益（税引後）	△231 百万ドル	2,192 百万ドル	-
1 株当たり純利益（注 2）	△0.18 ドル	1.52 ドル	-

	今期累計額		
	当期	前年同期	増減率
売上高又は営業収入	44,496 百万ドル	48,996 百万ドル	△9.2%
純利益（税引後）	4,037 百万ドル	6,874 百万ドル	△41.3%
1 株当たり純利益（注 2）	2.97 ドル	4.71 ドル	△36.9%

	配当金の推移（注 3）		
	当年度（2015 年）	前年度（2014 年）	備考
第 1 四半期	0.125 ドル	0.125 ドル	
第 2 四半期	0.125 ドル	0.125 ドル	
第 3 四半期	0.28 ドル	0.125 ドル	
第 4 四半期		0.125 ドル	
合計		0.50 ドル	

（注 2） 1 株当たり純利益は、希薄化後である。

（注 3） 配当金は、各四半期に設定された基準日に基づき記載されている。

3. 概況・特記事項・その他

上記 2. の各数値は、会社の 2015 年 11 月 2 日付けプレス・リリースおよび Quarterly Financial Supplement Third Quarter 2015 から抜粋したものである。当該プレス・リリースおよび Quarterly Financial Supplement Third Quarter 2015 を添付する。



Press Release
 AIG
 175 Water Street
 New York, NY
 10038
 www.aig.com

Contacts:

Liz Werner (Investors): 212-770-7074; elizabeth.werner@aig.com
 Fernando Melon (Investors): 212-770-4630; fernando.melon@aig.com
 Jennifer Hendricks Sullivan (Media): 212-770-3141; jennifer.sullivan@aig.com

AIG REPORTS THIRD QUARTER 2015 RESULTS, \$0.5 BILLION IN RESTRUCTURING CHARGES TO SIMPLIFY ORGANIZATION, IMPROVE EFFICIENCY AND RATIONALIZE BUSINESSES

- After-tax operating income of \$691 million or \$0.52 per diluted share; net loss of \$231 million or \$0.18 per share on a reported basis
- Restructuring initiatives expected to result in pre-tax restructuring and other costs of approximately \$0.5 billion for organizational simplification, operational efficiency and business rationalization, and expected to generate annualized savings of approximately \$0.4 billion to \$0.5 billion when fully implemented. Results for the third quarter of 2015 include approximately \$274 million of pre-tax restructuring and other costs, with the remainder expected to be recognized through 2017
- General operating expenses, operating basis (GOE), decreased 6 percent pre-tax for the first nine months of 2015, compared to the same period in 2014
- Book value per share, excluding AOCI and DTA, of \$61.91 increased 7 percent from the prior-year quarter
- Normalized ROE, excluding AOCI and DTA, was 5.9 percent for the third quarter, and 6.9 percent for the first nine months of 2015. Operating ROE, excluding AOCI and DTA, was 3.5 percent for the third quarter, and 7.1 percent for the first nine months of 2015
- Approximately \$3.7 billion in share repurchases during the quarter; additional repurchases of approximately \$602 million through the end of October 2015
- On November 2, 2015, AIG's Board of Directors declared a quarterly dividend of \$0.28 per share
- Further strengthened the financial flexibility of AIG Parent with distributions received by AIG Parent in the quarter from its insurance company subsidiaries totaling \$2.8 billion, consisting of \$2.3 billion of dividends and loan repayments, and \$503 million of tax sharing payments

NEW YORK, November 2, 2015 – American International Group, Inc. (NYSE: AIG) today reported after-tax operating income of \$691 million, or \$0.52 per diluted share, for the third quarter of 2015, compared to \$1.7 billion, or \$1.19 per diluted share, in the prior-year quarter. Compared to the prior-year quarter, third quarter operating results decreased due to lower income on hedge fund investments, lower income on assets marked to fair value through earnings, including part of AIG's holdings in People's Insurance Company (Group) of China Limited (PICC Group) and PICC



Property & Casualty Company Limited (PICC P&C) shares and assets in Corporate and Other. Lower GOE partially offset these decreases resulting from expense management actions surrounding a freeze of U.S. retirement plans.

On a reported basis, AIG recognized a net loss of \$231 million, or \$0.18 per diluted share, for the third quarter of 2015, compared to net income of \$2.2 billion, or \$1.52 per diluted share, for the prior-year quarter. Compared to the prior-year quarter, the third quarter net loss was primarily due to lower income on hedge fund investments and assets marked to fair value through earnings, lower realized investment gains, and lower income from settlements of non-operating litigation.

The restructuring initiatives will focus on organizational simplification, operational efficiency, and business rationalization, which are expected to generate pre-tax annualized savings of approximately \$0.4 billion to \$0.5 billion when fully implemented. These initiatives are expected to result in pre-tax restructuring and other costs of approximately \$0.5 billion including approximately \$0.3 billion of employee severance and one-time termination benefits, concentrated initially among management's senior levels. Further staff reductions are anticipated in 2016. Approximately half of the remaining \$0.2 billion relates to costs associated with modernization of information technology platforms, with the balance relating to costs associated with consolidation of legal entities and exiting lower return lines of business.

"This quarter's results, while falling short of expectations due to market volatility, show signs that we are making progress to transform AIG for long-term competitiveness," said Peter D. Hancock, AIG President and Chief Executive Officer. "Our strategy focuses on four major objectives: to narrow our focus on businesses where we can grow profitably, drive for efficiency, grow through innovation and optimizing our data assets, and return excess capital."

"This quarter's restructuring actions mark the latest significant, visible steps in our transformation toward becoming more efficient, less complex, and able to respond to our clients' needs with greater agility. And they are consistent with our reorganization of our business around clients rather than products, and our efforts to streamline our footprint to focus on attractive opportunities, including the aging populations in the U.S. and Japan, International Property, travel insurance in China, and Japan."

"Over the last year, we've taken numerous actions to divest non-core assets and sculpt both our geographic presence and operating model to ensure efficient resource allocation going forward. In the third quarter, we monetized our remaining stake in AerCap, and in October we announced an agreement to sell our operations in four Central American countries, and further consolidated policy offerings in Japan. This urgent – yet disciplined – repositioning will more closely align our product expertise and distribution channels with the needs of our clients, and position AIG for future growth opportunities."

"We remain committed to achieving our three financial targets through 2017. We'll continue to make select investments in technology and innovation to build sustainable competitive advantages. And lastly, we'll continue to proactively manage our capital by using our remaining \$2.9 billion repurchase authorization to return capital to shareholders. We remain confident in our strategy," Mr. Hancock concluded.



CAPITAL AND LIQUIDITY

- In the third quarter of 2015, AIG sold its remaining approximately 10.7 million ordinary shares of AerCap by means of an underwritten public offering and received cash proceeds of approximately \$500 million
- In the third quarter of 2015, AIG repurchased approximately 61 million shares of AIG Common Stock for an aggregate purchase price of \$3.7 billion; AIG made additional repurchases of approximately \$602 million through the end of October 2015
- In the third quarter of 2015, AIG repurchased, through cash tender offers, approximately \$3.4 billion aggregate principal amount of certain debt issued or guaranteed by AIG for an aggregate purchase price of approximately \$3.7 billion. As of September 30, 2015, the weighted average coupon on AIG's financial debt is less than 5 percent and the maturity profile is significantly improved
- In the third quarter of 2015, AIG issued \$1.25 billion aggregate principal amount of 3.750% Notes due 2025, \$500 million aggregate principal amount of 4.700% Notes due 2035 and \$750 million aggregate principal amount of 4.800% Notes due 2045. Additionally, AIG issued \$290 million aggregate principal amount and \$420 million aggregate principal amount of 4.90% Callable Notes due 2045
- AIG Parent liquidity was \$11.2 billion at September 30, 2015, down from \$13.9 billion at June 30, 2015, reflecting ongoing liability and capital management initiatives

**AFTER-TAX OPERATING INCOME**

	Three Months Ended		
	September 30,		
	2015	2014	Change
<i>(\$ in millions, except per share amounts)</i>			
Pre-tax operating income (loss)			
Insurance Operations			
Commercial Insurance			
Property Casualty	\$ 569	\$ 952	(40) %
Mortgage Guaranty	162	135	20
Institutional Markets	84	153	(45)
Total Commercial Insurance	815	1,240	(34)
Consumer Insurance			
Retirement	635	1,094	(42)
Life	(40)	50	NM
Personal Insurance	62	120	(48)
Total Consumer Insurance	657	1,264	(48)
Total Insurance Operations	1,472	2,504	(41)
Corporate and Other	(613)	149	NM
Consolidations, eliminations and other adjustments	(11)	(68)	84
Pre-tax operating income	848	2,585	(67)
Income tax expense	(164)	(869)	81
Net income attributable to noncontrolling interests	7	6	17
After-tax operating income	\$ 691	\$ 1,722	(60)
After-tax operating income per diluted common share	0.52	1.19	(56)
Effective tax rate on Pre-tax operating income	19.3%	33.6%	(43)

All operating segment comparisons that follow are to the third quarter of 2014 unless otherwise noted.

COMMERCIAL INSURANCE

Commercial Insurance pre-tax operating income decreased 34 percent to \$815 million primarily due to lower net investment income from Property Casualty and Institutional Markets as a result of lower hedge fund performance and a decline in the fair value of PICC P&C holdings.

**PROPERTY CASUALTY**

(\$ in millions)	Three Months Ended		
	September 30,		
	2015	2014	Change
Net premiums written	\$ 5,202	\$ 5,509	(6) %
Net premiums earned	5,005	5,357	(7)
Underwriting income (loss)	(141)	(116)	(22)
Net investment income	710	1,068	(34)
Pre-tax operating income	\$ 569	\$ 952	(40)
Underwriting ratios:			
Loss ratio	73.2	74.2	(1.0) pts
Acquisition ratio	16.4	15.3	1.1
General operating expense ratio	13.1	12.6	0.5
Combined ratio	102.7	102.1	0.6
Accident year loss ratio, as adjusted	67.1	64.8	2.3
Accident year combined ratio, as adjusted	96.6	92.7	3.9
Catastrophe-related losses	\$ 88	\$ 262	(66) %
Severe losses	209	188	11
Prior year loss reserve development unfavorable, net of reinsurance and premium adjustments	186	226	(18)
Net reserve discount charge (benefit)	41	(16)	NM

Property Casualty pre-tax operating income decreased 40 percent to \$569 million primarily due to lower net investment income and, to a lesser extent, an increased underwriting loss. The increase in the accident year loss ratio, as adjusted, reflected higher current accident year losses in healthcare and in U.S. commercial automobile liability, as well as higher attritional and severe losses in Property, partially offset by an improvement in Specialty.

The increase in the combined ratio was due to increases in the acquisition and general operating expense ratios, which more than offset the decrease in the loss ratio.

The increase in the acquisition ratio reflected higher commission expenses in certain classes of business in Specialty, partially offset by lower amortization of previously deferred costs. The increase in the general operating expense ratio was due to a lower base of net premiums earned and the acquisition of NSM Insurance Group (the expenses of which were consolidated commencing in the second quarter of 2015), partially offset by cost efficiencies, and lower pension expenses from a pension curtailment credit.

The decrease in the loss ratio was primarily due to lower catastrophe losses and a decrease in net adverse prior year loss reserve development, partially offset by higher current accident year losses, and a net loss reserve discount charge for workers' compensation reserves compared to a benefit in the prior-year quarter.

The decrease in the net adverse prior year loss reserve development was primarily due to a decrease in Casualty net adverse prior year loss reserve development, and an increase in net favorable development in Property, partially offset by an increase in net adverse development in Specialty environmental. The movement in net reserve discount primarily reflected declines in U.S. Treasury rates used to discount workers' compensation reserves.



Net premiums written decreased 6 percent, primarily due to the strengthening of the U.S. dollar against the Euro, British pound and Japanese yen. Excluding the effects of foreign exchange, net premiums written decreased modestly primarily due to the continued execution of AIG's strategy to enhance risk selection and optimize the product portfolio in U.S. Casualty. This decrease was partially offset by an increase in all other lines of business.

MORTGAGE GUARANTY

<i>(\$ in millions)</i>	Three Months Ended		
	September 30,		
	2015	2014	Change
Net premiums written	\$ 274	\$ 271	1 %
Net premiums earned	232	227	2
Underwriting income	128	100	28
Net investment income	34	35	(3)
Pre-tax operating income	\$ 162	\$ 135	20
Underwriting ratios:			
Loss ratio	18.1	27.8	(9.7) pts
Acquisition ratio	8.6	7.9	0.7
General operating expense ratio	18.1	20.3	(2.2)
Combined ratio	44.8	56.0	(11.2)
Accident year loss ratio, as adjusted	25.9	33.0	(7.1)
Accident year combined ratio, as adjusted	52.6	61.2	(8.6)
Prior year loss reserve development (favorable)	\$ (18)	\$ (12)	50 %
New insurance written, domestic first-lien	14,483	12,643	15

Mortgage Guaranty's pre-tax operating income increased 20 percent to \$162 million primarily due to the decline in incurred losses from lower delinquency rates and higher cure rates and an increase in premiums earned as a result of growth in new insurance written. The decrease in the general operating expense ratio was primarily due to an increase in earned premiums.

Domestic first-lien new insurance written increased 15 percent, driven by an increase in mortgage originations, primarily from refinancing activity as a result of a reduction in mortgage interest rates and improvements in existing home sales due to lower down payment requirements. New business written had an average FICO score of 752 and an average loan-to-value ratio of 92 percent.

**INSTITUTIONAL MARKETS**

(\$ in millions)	Three Months Ended		
	September 30,		
	2015	2014	Change
Operating revenues:			
Premiums	\$ 115	\$ 108	6 %
Policy fees	49	49	-
Net investment income	414	469	(12)
Total operating revenues	578	626	(8)
Benefits and expenses	494	473	4
Pre-tax operating income	\$ 84	\$ 153	(45)
Premiums and deposits	159	2,840	(94)

Institutional Markets pre-tax operating income decreased 45 percent to \$84 million primarily due to lower net investment income driven by negative performance of alternative investments in hedge funds, and an increase in policyholder benefits resulting from a large claim in the third quarter of 2015. Premiums and deposits decreased due to a \$2.5 billion separate account deposit for a stable value wrap funding agreement in the prior-year quarter.

CONSUMER INSURANCE

Consumer Insurance pre-tax operating income decreased 48 percent to \$657 million primarily due to lower net investment income, which reflected negative performance of alternative investments in hedge funds, lower bond call and tender income, and lower base net investment income. The decrease in pre-tax operating income also reflected a \$17 million net negative adjustment to DAC and reserve items related to an annual review of actuarial assumptions, compared to a net positive adjustment of \$121 million in the prior-year quarter.

RETIREMENT

(\$ in millions)	Three Months Ended		
	September 30,		
	2015	2014	Change
Operating revenues:			
Premiums	\$ 37	\$ 67	(45) %
Policy fees	261	265	(2)
Net investment income	1,396	1,629	(14)
Advisory fee and other income	509	511	-
Total operating revenues	2,203	2,472	(11)
Benefits and expenses	1,568	1,378	14
Pre-tax operating income	\$ 635	\$ 1,094	(42)
Premiums and deposits ⁽¹⁾	6,625	5,863	13

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

Retirement pre-tax operating income decreased 42 percent to \$635 million primarily due to lower net investment income from negative performance of alternative investments in hedge funds, a lower net positive adjustment to DAC and reserve items related to an annual review of actuarial assumptions and higher general operating expenses. The update of actuarial assumptions resulted in a net \$140 million positive adjustment to pre-tax operating income, which reflected refinements to



assumptions for investment spread, terminations and expenses, compared to a net positive adjustment of \$256 million in the prior-year quarter.

LIFE

<i>(\$ in millions)</i>	Three Months Ended		
	September 30,		
	2015	2014	Change
Operating revenues:			
Premiums	\$ 675	\$ 655	3 %
Policy fees	392	370	6
Net investment income	496	550	(10)
Other income	15	-	NM
Total operating revenues	1,578	1,575	-
Benefits and expenses	1,618	1,525	6
Pre-tax operating income (loss)	\$ (40)	\$ 50	NM
Premiums and deposits	1,223	1,163	5
Gross life insurance in force, end of period	1,021,149	930,005	10

Life reported a pre-tax operating loss of \$40 million compared to pre-tax operating income of \$50 million in the prior-year period. The pre-tax operating loss included lower net investment income primarily from negative performance of alternative investments in hedge funds, mortality experience that was within pricing expectations but less favorable than the prior-year period, and a higher net negative adjustment to DAC and reserve items related to the annual review of actuarial assumptions. The net negative adjustment related to the update of actuarial assumptions of \$157 million, compared to \$135 million in the prior-year quarter, was primarily due to an addition to reserves for universal life with secondary guarantees, based on lower surrender rates than previously assumed for later durations.

PERSONAL INSURANCE

<i>(\$ in millions)</i>	Three Months Ended		
	September 30,		
	2015	2014	Change
Net premiums written	\$ 3,016	\$ 3,241	(7) %
Net premiums earned	2,819	3,059	(8)
Underwriting income	10	16	(38)
Net investment income	52	104	(50)
Pre-tax operating income	\$ 62	\$ 120	(48)
Underwriting ratios:			
Loss ratio	53.4	53.0	0.4 pts
Acquisition ratio	28.4	26.6	1.8
General operating expense ratio	17.8	19.8	(2.0)
Combined ratio	99.6	99.4	0.2
Accident year loss ratio, as adjusted	53.0	52.7	0.3
Accident year combined ratio, as adjusted	99.2	99.1	0.1
Catastrophe-related losses	\$ 58	\$ 22	164 %
Severe losses	-	-	NM
Prior year loss reserve development (favorable), net of reinsurance and premium adjustments	(46)	(12)	283



Personal Insurance pre-tax operating income decreased 48 percent to \$62 million primarily due to decreases in net investment income, driven by lower interest income and negative performance of alternative investments in hedge funds. The combined ratio increased due to increases in the loss ratio and acquisition ratio, partially offset by a decrease in the general operating expense ratio.

The increase in the accident year loss ratio, as adjusted, was primarily due to higher losses in automobile and personal property, partially offset by improved performance in warranty service programs. The loss ratio improvement in warranty service programs was offset by an increase in the acquisition ratio due to a related profit-sharing arrangement.

The increase in the acquisition ratio was primarily due to higher acquisition costs in warranty service programs and automobile, partially offset by lower Accident and Health direct marketing expenses.

The decrease in the general operating expense ratio primarily reflected the timing of investment in strategic initiatives together with an ongoing focus on cost efficiency.

Excluding the effects of foreign exchange, net premiums written increased by approximately 4 percent reflecting growth in all three regions, primarily driven by increases in personal property in the Americas and Asia Pacific, automobile in the Americas and EMEA, and Accident and Health business in Asia Pacific, partially offset by decreases in the warranty service programs.

CORPORATE AND OTHER

(\$ in millions)	Three Months Ended		
	September 30,		
	2015	2014	Change
Pre-tax operating income (loss):			
Equity in pre-tax operating earnings of AerCap	\$ -	\$ 196	NM %
Fair value of PICC investments	(195)	(30)	NM
Income from other assets, net ⁽¹⁾	15	214	(93)
Corporate general operating expenses	(133)	(317)	58
Interest expense	(266)	(310)	14
Direct Investment book ⁽¹⁾	-	314	NM
Global Capital Markets ⁽¹⁾	-	58	NM
Run-off insurance lines	(54)	25	NM
Consolidation and elimination	20	(1)	NM
Pre-tax operating income (loss)	\$ (613)	\$ 149	NM

(1) As a result of the progress of the wind-down and de-risking activities of the Direct Investment book (DIB) and the derivative portfolio of AIG Financial Products Corp. and related subsidiaries included within Global Capital Markets (GCM), AIG has discontinued separate reporting of the DIB and GCM. Their results are reported within Income from other assets, net, beginning with the first quarter of 2015. This reporting aligns with the manner in which AIG manages its financial resources. Prior periods are presented in historical format for informational purposes.

Corporate and Other reported a pre-tax operating loss of \$613 million compared to pre-tax operating income of \$149 million in the prior-year quarter, primarily due to lower fair value appreciation on ABS CDOs as a result of widening credit spreads, and higher fair value losses in PICC P&C and PICC Group investments. In addition, the prior-year quarter included AerCap's pre-tax operating income, which was accounted for under the equity method through the date of sale of most of AIG's AerCap common shares in the second quarter of 2015. Partially offsetting these declines were lower corporate general operating expenses resulting from a pension curtailment credit and lower interest



expense from ongoing liability management activities.

Run-off insurance lines reported a pre-tax operating loss of \$54 million compared to pre-tax operating income of \$25 million in the prior-year period, primarily due to an increase in net unfavorable prior year loss reserve development, as well as an increase in net reserve discount charge reflecting the update to the discount rates used on excess workers' compensation reserves as result of a decline in Treasury rates. During the third quarter of 2015, certain coverages no longer offered by Commercial Insurance were transferred to Run-off insurance lines.

CONFERENCE CALL

AIG will host a conference call tomorrow, Tuesday, November 3, 2015, at 8:00 a.m. ET to review these results. The call is open to the public and can be accessed via a live listen-only webcast at www.aig.com. A replay will be available after the call at the same location.

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Additional supplementary financial data is available in the Investor Information section at www.aig.com.

The conference call (including the conference call presentation material), the earnings release and the financial supplement may include, and officers and representatives of 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." These projections, goals, assumptions and statements may address, among other things, AIG's: exposures to subprime mortgages, monoline insurers, the residential and commercial real estate markets, state and municipal bond issuers, sovereign bond issuers, the energy sector and currency exchange rates; exposure to European governments and European financial institutions; strategy for risk management; generation of deployable capital; strategies to increase return on equity and earnings per share; strategies to grow net investment income, efficiently manage capital, grow book value per share, and reduce expenses; anticipated restructuring charges and annual cost savings; strategies for customer retention, growth, product development, market position, financial results and reserves; and subsidiaries' revenues and combined ratios. 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.

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COMMENT ON REGULATION G

Throughout this press release, including the financial highlights, AIG presents its financial condition and results of operations in the way it believes will be most meaningful and representative of its business results. Some of the measurements AIG uses are "non-GAAP financial measures" under Securities and Exchange Commission rules and regulations. GAAP is the acronym for "accounting principles generally accepted in the United States." The non-GAAP financial measures AIG presents may not be comparable to similarly-named measures reported by other companies. The reconciliations of such measures to the most comparable GAAP measures in accordance with Regulation G are included within the relevant tables or in the Third Quarter 2015 Financial Supplement available in the Investor Information section of AIG's website, www.aig.com.

Book Value Per Share Excluding Accumulated Other Comprehensive Income (AOCI) and Book Value Per Share Excluding AOCI and Deferred Tax Assets (DTA) are used to show the amount of AIG's net worth on a per-share basis. AIG believes 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 AIG's 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.

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. AIG believes 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 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.

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; and prior year loss reserve development.

AIG uses the following operating performance measures because it believes they enhance the understanding of the underlying profitability of continuing operations and trends of AIG's business segments. AIG believes they also allow for more meaningful comparisons with AIG's insurance competitors. When AIG uses these measures, reconciliations to the most comparable GAAP measure are provided on a consolidated basis.

After-tax operating income attributable to AIG is derived by excluding the following items from net income attributable to AIG: 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; restructuring and other costs related to initiatives designed to reduce operating expenses, improve efficiency and simplify our organization; 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 runoff insurance lines; loss on extinguishment of debt; and net realized capital gains and losses; non-qualifying derivative hedging activities, excluding net realized capital gains and losses. See page 15 for the reconciliation of Net income attributable to AIG to After-tax operating income attributable to AIG.

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).

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. AIG uses general operating expenses, operating basis, because it believes it provides a more meaningful indication of its ordinary course of business operating costs.

AIG uses the following operating performance measures within its Commercial Insurance and Consumer Insurance reportable segments as well as Corporate and Other.

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: AIG, along with most property and casualty insurance companies, uses 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.

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

Pre-tax operating income is derived by excluding the following items from pre-tax income: non-operating litigation reserves and settlements; changes in fair values of fixed maturity securities designated to hedge living benefit liabilities (net of interest expense); net realized capital gains and losses; and changes in benefit reserves and DAC, VOBA and SIA related to net realized capital gains and losses.

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: non-operating litigation reserves and settlements; reserve development related to non-operating run-off insurance business; 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 AIG's share of AerCap's income taxes); and 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.

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American International Group, Inc. (AIG) is a leading global insurance organization serving customers in more than 100 countries and jurisdictions. AIG companies serve commercial, institutional, and individual customers through one of the most extensive worldwide property-casualty networks of any insurer. In addition, AIG companies are leading providers of life insurance and retirement services in the United States. AIG common stock is listed on the New York Stock Exchange and the Tokyo Stock Exchange.

Additional information about AIG can be found at www.aig.com | YouTube: www.youtube.com/aig | Twitter: @AIGinsurance | LinkedIn: <http://www.linkedin.com/company/aig>.

AIG is the marketing name for the worldwide property-casualty, life and retirement, and general insurance operations of American International Group, Inc. For additional information, please visit our website at www.aig.com. All products and services are written or provided by subsidiaries or affiliates of American International Group, Inc. Products or services may not be available in all countries, and coverage is subject to actual policy language. Non-insurance products and services may be provided by independent third parties. Certain property-casualty coverages may be provided by a surplus lines insurer. Surplus lines insurers do not generally participate in state guaranty funds, and insureds are therefore not protected by such funds.

American International Group, Inc.
Selected Financial Data and Non-GAAP Reconciliation
(\$ in millions, except per share data)

	Three Months Ended September 30,			Nine Months Ended September 30,		
	2015	2014	% Inc. (Dec.)	2015	2014	% Inc. (Dec.)
Reconciliations of Pre-tax and After-tax Operating Income (Loss):						
Pre-tax income (loss) from continuing operations	\$ (115)	\$ 3,019	NM%	\$ 6,213	\$ 9,772	(36.4)%
Adjustments to arrive at Pre-tax operating income:						
Changes in fair value of fixed maturity securities designated to hedge living benefit liabilities, net of interest expense	(4)	(32)	87.5	39	(162)	NM
Changes in benefit reserves and DAC, VOBA and SIA related to net realized capital gains (losses)	2	45	(95.6)	84	90	(6.7)
Loss on extinguishment of debt	346	742	(53.4)	756	1,014	(25.4)
Net realized capital (gains) losses	342	(536)	NM	(1,125)	(546)	(106.0)
(Income) loss from divested businesses	3	(17)	NM	58	(2,189)	NM
Non-operating litigation reserves and settlements	(30)	(636)	95.3	(86)	(145)	40.7
Reserve development related to non-operating run-off insurance business	30	-	NM	30	-	NM
Restructuring and other costs	274	-	NM	274	-	NM
Pre-tax operating income	<u>\$ 848</u>	<u>\$ 2,585</u>	(67.2)	<u>\$ 6,243</u>	<u>\$ 7,834</u>	(20.3)
Net income (loss) attributable to AIG	\$ (231)	\$ 2,192	NM	\$ 4,037	\$ 6,874	(41.3)
Adjustments to arrive at after-tax operating income (amounts are net of tax):						
Uncertain tax positions and other tax adjustments	233	(25)	NM	142	(14)	NM
Deferred income tax valuation allowance (releases) charges	8	(21)	NM	61	(161)	NM
Changes in fair value of fixed maturity securities designated to hedge living benefit liabilities, net of interest expense	(3)	(21)	85.7	25	(105)	NM
Changes in benefit reserves and DAC, VOBA and SIA related to net realized capital gains (losses)	2	29	(93.1)	55	59	(6.8)
Loss on extinguishment of debt	225	482	(53.3)	491	659	(25.5)
Net realized capital (gains) losses	262	(301)	NM	(691)	(365)	(89.3)
(Income) loss from discontinued operations	17	(2)	NM	-	15	NM
(Income) loss from divested businesses	1	(42)	NM	14	(1,453)	NM
Non-operating litigation reserves and settlements	(20)	(569)	96.5	(56)	(250)	77.6
Reserve development related to non-operating run-off insurance business	20	-	NM	20	-	NM
Restructuring and other costs	177	-	NM	177	-	NM
After-tax operating income attributable to AIG	<u>\$ 691</u>	<u>\$ 1,722</u>	(59.9)	<u>\$ 4,275</u>	<u>\$ 5,259</u>	(18.7)
Income (loss) per common share:						
Basic						
Income (loss) from continuing operations	\$ (0.17)	\$ 1.54	NM	\$ 3.05	\$ 4.78	(36.2)
loss from discontinued operations	(0.01)	-	NM	-	(0.01)	NM
Net income (loss) attributable to AIG	<u>\$ (0.18)</u>	<u>\$ 1.54</u>	NM	<u>\$ 3.05</u>	<u>\$ 4.77</u>	(36.1)
Diluted						
Income (loss) from continuing operations	\$ (0.17)	\$ 1.52	NM	\$ 2.97	\$ 4.72	(37.1)
loss from discontinued operations	(0.01)	-	NM	-	(0.01)	NM
Net income (loss) attributable to AIG	<u>\$ (0.18)</u>	<u>\$ 1.52</u>	NM	<u>\$ 2.97</u>	<u>\$ 4.71</u>	(36.9)
After-tax operating income attributable to AIG per diluted share (a)	\$ 0.52	\$ 1.19	(56.3)%	\$ 3.15	\$ 3.60	(12.5)
Weighted average shares outstanding:						
Basic	1,279.1	1,419.2		1,324.4	1,440.1	
Diluted (b)	1,279.1	1,442.1		1,357.1	1,459.5	
Return on equity (c)	(0.9)%	8.1 %		5.1 %	8.7 %	
Return on equity - after-tax operating income, excluding AOCI (d)	2.9 %	7.1 %		6.0 %	7.3 %	
Return on equity - after-tax operating income, excluding AOCI and DTA (e)	3.5 %	8.5 %		7.1 %	8.9 %	
As of period end:						
Book value per common share (f)				\$ 79.40	\$ 77.35	2.7
Book value per common share excluding accumulated other comprehensive income (g)				\$ 74.14	\$ 69.28	7.0
Book value per common share excluding accumulated other comprehensive income and DTA (h)				\$ 61.91	\$ 58.11	6.5 %
Total common shares outstanding				1,246.8	1,403.8	

Financial highlights - notes

(a) For the quarter ended September 30, 2015, because we reported a net loss, all common stock equivalents are anti-dilutive and are therefore excluded from the calculation of diluted shares and diluted per share amounts. However, because we reported after-tax operating income, the calculation of after-tax operating income per diluted share includes dilutive shares of 40,356,170.

(b) Diluted shares in the diluted EPS calculation represent basic shares for the three-months ended September 30, 2015 due to the net loss in that period.

(c) Computed as Annualized net income (loss) attributable to AIG divided by average AIG shareholders' equity. Equity includes AOCI and DTA.

(d) Computed as Annualized after-tax operating income attributable to AIG divided by average AIG shareholders' equity, excluding AOCI. Equity includes DTA.

(e) Computed as Annualized after-tax operating income attributable to AIG divided by average AIG shareholders' equity, excluding AOCI and DTA.

(f) Represents total AIG shareholders' equity divided by common shares outstanding.

(g) Represents total AIG shareholders' equity, excluding AOCI, divided by common shares outstanding.

(h) Represents total AIG shareholders' equity, excluding AOCI and DTA, divided by common shares outstanding.

American International Group, Inc.
Selected Financial Data and Non-GAAP Reconciliation (continued)
(\$ in millions)

	Three Months Ended September 30,			Nine Months Ended September 30,		
	2015	2014	% Inc. (Dec.)	2015	2014	% Inc. (Dec.)
Reconciliations of General Operating Expenses, Operating basis and GAAP basis						
<i>Total general operating expenses, Operating basis</i>	\$ 2,675	\$ 2,993	(10.6)%	\$ 8,401	\$ 8,924	(5.9)%
Loss adjustment expenses, reported as policyholder benefits and losses incurred	(389)	(408)	4.7	(1,240)	(1,233)	(0.6)
Advisory fee expenses	339	338	0.3	1,012	986	2.6
Non-deferrable insurance commissions	123	130	(5.4)	377	376	0.3
Direct marketing and acquisition expenses, net of deferrals	200	105	90.5	441	367	20.2
Investment expenses reported as net investment income and other	(17)	(24)	29.2	(56)	(77)	27.3
Total general operating and other expenses included in pre-tax income	2,931	3,134	(6.5)	8,935	9,343	(4.4)
Restructuring and other costs	274	-	NM	274	-	NM
Non-operating litigation reserves	(30)	17	NM	5	546	(99.1)
Total general operating and other expenses, GAAP basis	\$ 3,175	\$ 3,151	0.8 %	\$ 9,214	\$ 9,889	(6.8)%

	Three Months Ended September 30, 2015	Nine Months Ended September 30, 2015
Reconciliations of Normalized and After-tax Operating Income Return on Equity, Excluding AOCI and DTA		
<i>Return on equity - after-tax operating income, excluding AOCI and DTA</i>	3.5 %	7.1 %
<i>Adjustments to arrive at Normalized Return on Equity, Excluding AOCI and DTA:</i>		
Catastrophe losses below expectations	(1.7)	(0.7)
Worse than expected alternative returns	1.5	0.2
(Better) worse than expected DIB & GCM returns	0.8	(0.1)
Fair value changes on PICC investments	0.8	-
Update of actuarial assumptions	0.1	-
Net reserves discount charge	0.3	(0.2)
Unfavorable prior year loss reserve development	0.6	0.6
Normalized Return on Equity, excluding AOCI and DTA	5.9 %	6.9 %



American International Group, Inc.

Quarterly Financial Supplement
Third Quarter 2015

All financial information in this document is unaudited. This report should be read in conjunction with AIG's Quarterly Report on Form 10-Q for the quarter ended September 30, 2015 filed with the Securities and Exchange Commission.

American International Group, Inc. Quarterly Financial Supplement

Contacts: Investors

Liz Werner: (212) 770-7074; elizabeth.werner@aig.com
Fernando Melon: (212) 770-4630; fernando.melon@aig.com

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American International Group, Inc.
Cautionary Statement Regarding Forward-Looking Information

This Financial Supplement 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.” These projections, goals, assumptions and statements may address, among other things, AIG’s: exposures to subprime mortgages, monoline insurers, the residential and commercial real estate markets, state and municipal bond issuers, sovereign bond issuers, the energy sector and currency exchange rates; exposure to European governments and European financial institutions; strategy for risk management; generation of deployable capital; strategies to increase return on equity and earnings per share; strategies to grow net investment income, efficiently manage capital, grow book value per share, and reduce expenses; anticipated restructuring charges and annual cost savings; strategies for customer retention, growth, product development, market position, financial results and reserves; and subsidiaries’ revenues and combined ratios.

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 II, Item 7. MD&A and Part I, Item 1A. Risk Factors in AIG’s Annual Report on Form 10-K for the year ended December 31, 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.

American International Group, Inc. Non-GAAP Financial Measures

Throughout this Financial Supplement, we present our financial condition and results of operations in the way we believe will be most meaningful and representative of our business results. Some of the measurements we use are “non-GAAP financial measures” under Securities and Exchange Commission rules and regulations. GAAP is the acronym for “accounting principles generally accepted in the United States.” The non-GAAP financial measures we present may not be comparable to similarly-named measures reported by other companies.

Book Value Per Share Excluding Accumulated Other Comprehensive Income (AOCI) and Book Value Per Share Excluding AOCI and Deferred Tax Assets (DTA) 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. The reconciliation to book value per common share, the most comparable GAAP measure, is presented on page 7 herein.

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 carry-forwards 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. The reconciliation to return on equity, the most comparable GAAP measure, is presented on page 7 herein.

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.

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)
 - 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
- restructuring and other costs related to initiatives designed to reduce operating expenses, improve efficiency and simplify our organization.

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).

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.

American International Group, Inc.
Non-GAAP Financial Measures (continued)

We use the following operating performance measures within our Commercial Insurance and Consumer Insurance reportable segments as well as Corporate and Other.

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.

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.

American International Group, Inc.
Consolidated Statement of Operations

Consolidated Results

(in millions)	Quarterly					Nine Months Ended September 30,	
	3Q15	2Q15	1Q15	4Q14	3Q14	2015	2014
Revenues:							
Premiums	\$ 8,862	\$ 9,545	\$ 8,822	\$ 9,208	\$ 9,486	\$ 27,229	\$ 28,046
Policy fees	701	688	677	667	677	2,066	1,948
Net investment income:							
Interest and dividends	3,204	3,208	3,187	3,283	3,352	9,599	9,963
Alternative investments	88	694	689	516	636	1,471	2,108
Other investment income (1)	47	41	114	291	173	202	435
Investment expenses	(133)	(117)	(152)	(119)	(133)	(402)	(398)
Total net investment income	3,206	3,826	3,838	3,971	4,028	10,870	12,108
Net realized capital gains (losses) (page 53)	(342)	126	1,341	193	536	1,125	546
Aircraft leasing revenue (2)	-	-	-	-	-	-	1,602
Other income	395	1,514	1,297	1,371	1,970	3,206	4,746
Total revenues	12,822	15,699	15,975	15,410	16,697	44,496	48,996
Benefits, claims and expenses:							
Policyholder benefits and losses incurred	6,936	7,100	6,551	7,510	7,203	20,587	20,771
Interest credited to policyholder account balances	881	942	935	968	882	2,758	2,800
Amortization of deferred policy acquisition costs	1,275	1,356	1,350	1,341	1,288	3,981	3,989
General operating and other expenses (page 9)	3,175	3,090	2,949	3,249	3,151	9,214	9,889
Interest expense	321	316	340	346	430	977	1,372
Loss on extinguishment of debt	346	342	68	1,268	742	756	1,014
Aircraft leasing expenses (2)	-	-	-	-	-	-	1,585
Net (gain) loss on sale of divested businesses	3	1	6	(1)	(18)	10	(2,196)
Total benefits, claims and expenses	12,937	13,147	12,199	14,681	13,678	38,283	39,224
Income (loss) from continuing operations before income tax expense	(115)	2,552	3,776	729	3,019	6,213	9,772
Income tax expense	65	777	1,300	19	820	2,142	2,908
Income (loss) from continuing operations	(180)	1,775	2,476	710	2,199	4,071	6,864
Income (loss) from discontinued operations, net of income tax expense (benefit)	(17)	16	1	(35)	2	-	(15)
Net income (loss)	(197)	1,791	2,477	675	2,201	4,071	6,849
Net income (loss) from continuing operations attributable to noncontrolling interests	34	(9)	9	20	9	34	(25)
Net income (loss) attributable to AIG	\$ (231)	\$ 1,800	\$ 2,468	\$ 655	\$ 2,192	\$ 4,037	\$ 6,874
Effective tax rates	N/M	30.4%	34.4%	2.6%	27.2%	34.5%	29.8%

See Page 5 for the related earnings per share computations and Pages 14 to 15 for Accompanying Notes.



American International Group, Inc.
Earnings Per Share Computations

Consolidated Results

(in millions, except share data)	Quarterly					Nine Months Ended September 30,	
GAAP Basis:	3Q15	2Q15	1Q15	4Q14	3Q14	2015	2014
Numerator for EPS:							
Income (loss) from continuing operations	\$ (180)	\$ 1,775	\$ 2,476	\$ 710	\$ 2,199	\$ 4,071	\$ 6,864
Less: Net income (loss) from continuing operations attributable to noncontrolling interests	34	(9)	9	20	9	34	(25)
Income (loss) attributable to AIG common shareholders from continuing operations	(214)	1,784	2,467	690	2,190	4,037	6,889
Income (loss) from discontinued operations, net of income tax expense	(17)	16	1	(35)	2	-	(15)
Net income (loss) attributable to AIG common shareholders	\$ (231)	\$ 1,800	\$ 2,468	\$ 655	\$ 2,192	\$ 4,037	\$ 6,874
Denominator for EPS:							
Weighted average shares outstanding - basic	1,279,072,748	1,329,157,366	1,365,951,690	1,391,790,420	1,419,239,774	1,324,407,969	1,440,148,774
Dilutive shares	-	36,233,065	20,311,859	20,372,036	22,828,068	32,700,815	19,334,459
Weighted average shares outstanding - diluted (3)	1,279,072,748	1,365,390,431	1,386,263,549	1,412,162,456	1,442,067,842	1,357,108,784	1,459,483,233
Income per common share attributable to AIG:							
Basic:							
Income (loss) from continuing operations	\$ (0.17)	\$ 1.34	\$ 1.81	\$ 0.50	\$ 1.54	\$ 3.05	\$ 4.78
Income (loss) from discontinued operations	(0.01)	0.01	-	(0.03)	-	-	(0.01)
Net income (loss) attributable to AIG	\$ (0.18)	\$ 1.35	\$ 1.81	\$ 0.47	\$ 1.54	\$ 3.05	\$ 4.77
Diluted:							
Income (loss) from continuing operations	\$ (0.17)	\$ 1.31	\$ 1.78	\$ 0.49	\$ 1.52	\$ 2.97	\$ 4.72
Income (loss) from discontinued operations	(0.01)	0.01	-	(0.03)	-	-	(0.01)
Net income (loss) attributable to AIG	\$ (0.18)	\$ 1.32	\$ 1.78	\$ 0.46	\$ 1.52	\$ 2.97	\$ 4.71

See Page 6 for the related operating earnings per share and Pages 14 to 15 for Accompanying Notes.

American International Group, Inc.
Reconciliations of Pre-tax and After-tax Operating Income

Consolidated Results

(in millions, except share data)

	Quarterly					Nine Months Ended September 30,	
	3Q15	2Q15	1Q15	4Q14	3Q14	2015	2014
Pre-tax income (loss) from continuing operations	\$ (115)	\$ 2,552	\$ 3,776	\$ 729	\$ 3,019	\$ 6,213	\$ 9,772
Adjustments to arrive at Pre-tax operating income							
Changes in fair values of fixed maturity securities designated to hedge living benefit liabilities, net of interest expense	(4)	87	(44)	(98)	(32)	39	(162)
Changes in benefit reserves and DAC, VOBA and SIA related to net realized capital gains	2	28	54	127	45	84	90
Loss on extinguishment of debt	346	342	68	1,268	742	756	1,014
Net realized capital (gains) losses	342	(126)	(1,341)	(193)	(536)	(1,125)	(546)
(Income) loss from divested businesses (4)	3	34	21	20	(17)	58	(2,189)
Non-operating litigation reserves and settlements	(30)	(49)	(7)	(113)	(636)	(86)	(145)
Reserve development related to non-operating run-off insurance business	30	-	-	-	-	30	-
Restructuring and other costs (5)	274	-	-	-	-	274	-
Pre-tax operating income	\$ 848	\$ 2,868	\$ 2,527	\$ 1,740	\$ 2,585	\$ 6,243	\$ 7,834
Net income (loss) attributable to AIG	\$ (231)	\$ 1,800	\$ 2,468	\$ 655	\$ 2,192	\$ 4,037	\$ 6,874
Adjustments to arrive at After-tax operating income (amounts net of tax):							
Uncertain tax positions and other tax adjustments	233	(49)	(42)	73	(25)	142	(14)
Deferred income tax valuation allowance (releases) charges (6)	8	(40)	93	(20)	(21)	61	(161)
Changes in fair values of fixed maturity securities designated to hedge living benefit liabilities, net of interest expense	(3)	57	(29)	(64)	(21)	25	(105)
Changes in benefit reserves and DAC, VOBA and SIA related to net realized capital gains	2	18	35	82	29	55	59
Loss on extinguishment of debt	225	222	44	824	482	491	659
Net realized capital (gains) losses	262	(79)	(874)	(105)	(301)	(691)	(365)
(Income) loss from discontinued operations	17	(16)	(1)	35	(2)	-	15
(Income) loss from divested businesses (4)	1	11	2	(9)	(42)	14	(1,453)
Non-operating litigation reserves and settlements	(20)	(31)	(5)	(100)	(569)	(56)	(250)
Reserve development related to non-operating run-off insurance business	20	-	-	-	-	20	-
Restructuring and other costs (5)	177	-	-	-	-	177	-
After-tax operating income	\$ 691	\$ 1,893	\$ 1,691	\$ 1,371	\$ 1,722	\$ 4,275	\$ 5,259
After-tax operating income per diluted share (3)	\$ 0.52	\$ 1.39	\$ 1.22	\$ 0.97	\$ 1.19	\$ 3.15	\$ 3.60
Calculation of Effective tax rates:							
Pre-tax operating income	\$ 848	\$ 2,868	\$ 2,527	\$ 1,740	\$ 2,585	\$ 6,243	\$ 7,834
Income tax expense	(164)	(985)	(825)	(369)	(869)	(1,974)	(2,590)
Net income (loss) attributable to non-controlling interest	7	10	(11)	-	6	6	15
After-tax operating income	\$ 691	\$ 1,893	\$ 1,691	\$ 1,371	\$ 1,722	\$ 4,275	\$ 5,259
Effective tax rates on pre-tax operating income	19.3%	34.3%	32.6%	21.2%	33.6%	31.6%	33.1%

See Accompanying Notes on Pages 14 to 15.



American International Group, Inc.
Return On Equity and Per Share Data

Consolidated Results

(in millions, except per share data)

	Quarterly					Nine Months Ended September 30,	
	3Q15	2Q15	1Q15	4Q14	3Q14	2015	2014
Common Equity and Book Value Per Share Computations:							
<i>(as of period end)</i>							
Total AIG shareholders' equity (a)	\$ 98,999	\$ 104,258	\$ 107,979	\$ 106,898	\$ 108,581	\$ 98,999	\$ 108,581
Less: Accumulated other comprehensive income (AOCI)	6,557	7,620	10,657	10,617	11,331	6,557	11,331
Total AIG Shareholders' equity, excluding AOCI (b)	92,442	96,638	97,322	96,281	97,250	92,442	97,250
Less: Deferred tax assets (DTA)*	15,252	15,290	15,566	16,158	15,682	15,252	15,682
Total AIG Shareholders' equity, excluding AOCI and DTA (c)	\$ 77,190	\$ 81,348	\$ 81,756	\$ 80,123	\$ 81,568	\$ 77,190	\$ 81,568
Total common shares outstanding (d)	1,246.8	1,307.5	1,347.1	1,375.9	1,403.8	1,246.8	1,403.8
Book Value Per Share (a÷d)	\$ 79.40	\$ 79.74	\$ 80.16	\$ 77.69	\$ 77.35	\$ 79.40	\$ 77.35
Book Value Per Share, excluding AOCI (b÷d)	74.14	73.91	72.25	69.98	69.28	74.14	69.28
Book Value Per Share, excluding AOCI and DTA (c÷d)	\$ 61.91	\$ 62.22	\$ 60.69	\$ 58.23	\$ 58.11	\$ 61.91	\$ 58.11
Return On Equity (ROE) Computations:							
Annualized net income (loss) attributable to AIG (a)	\$ (924)	\$ 7,200	\$ 9,872	\$ 2,620	\$ 8,768	\$ 5,383	\$ 9,165
Annualized after-tax operating income attributable to AIG (b)	\$ 2,764	\$ 7,572	\$ 6,764	\$ 5,484	\$ 6,888	\$ 5,700	\$ 7,012
Average AIG Shareholders' equity (c)	\$ 101,629	\$ 106,119	\$ 107,439	\$ 107,740	\$ 108,371	\$ 104,534	\$ 105,261
Less: Average AOCI	7,089	9,139	10,637	10,974	11,421	8,863	9,571
Average AIG Shareholders' equity, excluding average AOCI (d)	94,540	96,980	96,802	96,766	96,950	95,671	95,690
Less: Average DTA	15,271	15,428	15,862	15,920	15,790	15,567	16,724
Average AIG Shareholders' equity, excluding average AOCI and DTA (e)	\$ 79,269	\$ 81,552	\$ 80,940	\$ 80,846	\$ 81,160	\$ 80,104	\$ 78,966
ROE (a÷c)	(0.9%)	6.8%	9.2%	2.4%	8.1%	5.1%	8.7%
ROE - after-tax operating income, excluding AOCI (b÷d)	2.9%	7.8%	7.0%	5.7%	7.1%	6.0%	7.3%
ROE - after-tax operating income, excluding AOCI and DTA (b÷e)	3.5%	9.3%	8.4%	6.8%	8.5%	7.1%	8.9%
Common Stock Repurchase:							
Aggregate repurchase of common stock	\$ 3,730	\$ 2,345	\$ 1,398	\$ 1,500	\$ 1,466	\$ 7,473	\$ 3,403
Total number of common shares repurchased**	61.0	39.7	28.9	27.9	24.8	129.6	60.3
Average price paid per share of common stock	\$ 61.15	\$ 59.15	\$ 55.14	\$ 54.48	\$ 54.32	\$ 57.71	\$ 52.92
Dividends Declared Per Common Share	\$ 0.280	\$ 0.125	\$ 0.125	\$ 0.125	\$ 0.125	\$ 0.530	\$ 0.375

* Represents 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.

** 1Q15 and the nine months ended September 30, 2015 exclude approximately 3.5 million shares of AIG Common Stock received in January 2015 upon the settlement of an ASR agreement executed in the fourth quarter of 2014.



American International Group, Inc.
Selected Segment Data

Consolidated Results - Operating basis

(in millions)	Quarterly					Nine Months Ended September 30,	
	3Q15	2Q15	1Q15	4Q14	3Q14	2015	2014
Total operating revenues: (7)							
Commercial Insurance							
Property Casualty	\$ 5,715	\$ 6,233	\$ 5,956	\$ 6,315	\$ 6,425	\$ 17,904	\$ 18,868
Mortgage Guaranty	266	261	264	273	262	791	769
Institutional Markets	578	1,172	624	548	626	2,374	2,028
Total Commercial Insurance	6,559	7,666	6,844	7,136	7,313	21,069	21,665
Consumer Insurance							
Retirement	2,203	2,465	2,388	2,417	2,472	7,056	7,367
Life	1,578	1,632	1,613	1,576	1,575	4,823	4,745
Personal Insurance	2,871	2,869	2,862	3,008	3,163	8,602	9,356
Total Consumer Insurance	6,652	6,966	6,863	7,001	7,210	20,481	21,468
Corporate and Other	109	1,119	1,042	988	1,121	2,270	3,218
Consolidation, eliminations and other adjustments	(141)	(116)	(159)	(119)	(168)	(416)	(356)
Total operating revenues	<u>\$ 13,179</u>	<u>\$ 15,635</u>	<u>\$ 14,590</u>	<u>\$ 15,006</u>	<u>\$ 15,476</u>	<u>\$ 43,404</u>	<u>\$ 45,995</u>
Total pre-tax operating income:							
Commercial Insurance							
Property Casualty	\$ 569	\$ 1,192	\$ 1,170	\$ 935	\$ 952	\$ 2,931	\$ 3,313
Mortgage Guaranty	162	157	145	171	135	464	421
Institutional Markets	84	151	147	118	153	382	552
Total Commercial Insurance	815	1,500	1,462	1,224	1,240	3,777	4,286
Consumer Insurance							
Retirement	635	804	800	722	1,094	2,239	2,773
Life	(40)	149	171	80	50	280	500
Personal Insurance	62	70	(26)	121	120	106	278
Total Consumer Insurance	657	1,023	945	923	1,264	2,625	3,551
Corporate and Other	(613)	372	162	(418)	149	(79)	39
Consolidation, eliminations and other adjustments	(11)	(27)	(42)	11	(68)	(80)	(42)
Total pre-tax operating income	<u>\$ 848</u>	<u>\$ 2,868</u>	<u>\$ 2,527</u>	<u>\$ 1,740</u>	<u>\$ 2,585</u>	<u>\$ 6,243</u>	<u>\$ 7,834</u>

See Accompanying Notes on Pages 14 to 15.



American International Group, Inc.
General Operating and Other Expenses

Consolidated Results

(in millions)	Quarterly					Nine Months Ended September 30,	
	3Q15	2Q15	1Q15	4Q14	3Q14	2015	2014
General operating expenses							
Commercial Insurance							
Property Casualty (8)	\$ 657	\$ 658	\$ 629	\$ 644	\$ 676	\$ 1,944	\$ 2,053
Mortgage Guaranty	42	40	39	36	46	121	120
Institutional Markets	19	20	18	19	15	57	47
Total Commercial Insurance	718	718	686	699	737	2,122	2,220
Consumer Insurance							
Retirement	262	262	244	279	233	768	701
Life (9)	248	250	231	229	233	729	656
Personal Insurance	503	535	478	550	607	1,516	1,670
Total Consumer Insurance	1,013	1,047	953	1,058	1,073	3,013	3,027
Corporate and Other	300	443	433	532	455	1,176	1,457
Consolidation, eliminations and other adjustments	(133)	(91)	(100)	(83)	(59)	(324)	(189)
Total general operating expenses	1,898	2,117	1,972	2,206	2,206	5,987	6,515
Other acquisition expenses							
Commercial Insurance							
Property Casualty	190	203	187	190	195	580	599
Mortgage Guaranty	12	13	15	11	13	40	38
Institutional Markets	9	8	7	5	8	24	25
Total Commercial Insurance	211	224	209	206	216	644	662
Consumer Insurance							
Personal Insurance	160	154	160	159	139	474	437
Total Consumer Insurance	160	154	160	159	139	474	437
Total other acquisition expenses	371	378	369	365	355	1,118	1,099
Loss adjustment expenses							
Commercial Insurance - Property Casualty	272	313	304	314	302	889	903
Consumer Insurance - Personal Insurance	117	115	119	120	106	351	330
Total loss adjustment expenses	389	428	423	434	408	1,240	1,233
Investment and other expenses	17	19	20	11	24	56	77
Total general operating expenses, operating basis (10)	2,675	2,942	2,784	3,016	2,993	8,401	8,924
Reconciliation to general operating and other expenses, GAAP basis							
Loss adjustment expenses, reported as policyholder benefits and losses incurred	(389)	(428)	(423)	(434)	(408)	(1,240)	(1,233)
Advisory fee expenses	339	341	332	329	338	1,012	986
Non-deferrable insurance commissions	123	126	128	146	130	377	376
Direct marketing and acquisition expenses, net of deferrals	200	101	140	203	105	441	367
Investment expenses reported as net investment income and other	(17)	(19)	(20)	(11)	(24)	(56)	(77)
Total general operating and other expenses included in pre-tax operating income	2,931	3,063	2,941	3,249	3,134	8,935	9,343
Restructuring and other costs (5)	274	-	-	-	-	274	-
Non-operating litigation reserves	(30)	27	8	-	17	5	546
Total general operating and other expenses, GAAP basis	\$ 3,175	\$ 3,090	\$ 2,949	\$ 3,249	\$ 3,151	\$ 9,214	\$ 9,889

See Accompanying Notes on Pages 14 to 15.



American International Group, Inc.
Condensed Consolidated Balance Sheets

Consolidated Results

(in millions)	September 30, 2015	June 30, 2015	March 31, 2015	December 31, 2014	September 30, 2014
Assets:					
Investments:					
Fixed maturity securities					
Bonds available for sale, at fair value	\$ 252,954	\$ 255,066	\$ 260,822	\$ 259,859	\$ 265,786
Other bond securities, at fair value	16,822	16,598	19,013	19,712	20,381
Equity securities					
Common and preferred stock available for sale, at fair value	3,792	4,755	3,766	4,395	4,344
Other common and preferred stock, at fair value	1,066	1,323	1,100	1,049	766
Mortgage and other loans receivable, net of allowance	28,236	27,143	25,313	24,990	23,397
Other invested assets (page 51)	31,123	29,829	34,838	34,518	33,908
Short-term investments	12,408	13,865	11,961	11,243	17,852
Total investments	346,401	348,579	356,813	355,766	366,434
Cash	1,569	1,937	1,823	1,758	1,933
Accrued investment income	2,696	2,632	2,726	2,712	2,877
Premiums and other receivables, net of allowance	12,078	13,258	13,450	12,031	13,236
Reinsurance assets, net of allowance	20,542	21,361	22,208	21,959	23,864
Deferred income taxes	19,511	18,665	18,010	19,339	19,606
Deferred policy acquisition costs	10,537	10,270	9,708	9,827	9,603
Other assets	11,515	11,150	13,824	12,153	11,827
Separate account assets, at fair value	77,136	82,135	82,139	80,036	77,810
Total assets	\$ 501,985	\$ 509,987	\$ 520,701	\$ 515,581	\$ 527,190
Liabilities:					
Liability for unpaid losses and loss adjustment expenses	\$ 71,436	\$ 72,939	\$ 74,490	\$ 77,260	\$ 78,674
Unearned premiums	22,686	22,786	22,437	21,324	23,695
Future policy benefits for life and accident and health insurance contracts	42,991	42,787	43,244	42,749	42,431
Policyholder contract deposits	126,641	124,480	124,935	124,613	123,744
Other policyholder funds	4,192	4,378	4,415	4,669	4,718
Other liabilities	26,565	25,480	28,675	26,441	30,912
Long-term debt (page 13)	30,719	30,360	31,999	31,217	36,223
Separate account liabilities	77,136	82,135	82,139	80,036	77,810
Total liabilities	402,366	405,345	412,334	408,309	418,207
AIG shareholders' equity:					
Common stock	4,766	4,766	4,766	4,766	4,766
Treasury stock, at cost	(26,881)	(23,165)	(20,820)	(19,218)	(17,720)
Additional paid-in capital	81,435	81,330	81,303	80,958	80,904
Retained earnings	33,122	33,707	32,073	29,775	29,300
Accumulated other comprehensive income	6,557	7,620	10,657	10,617	11,331
Total AIG shareholders' equity	98,999	104,258	107,979	106,898	108,581
Non-redeemable noncontrolling interests	620	384	388	374	402
Total equity	99,619	104,642	108,367	107,272	108,983
Total liabilities and equity	\$ 501,985	\$ 509,987	\$ 520,701	\$ 515,581	\$ 527,190

See Accompanying Notes on Pages 14 to 15.



American International Group, Inc.
Condensed Consolidating Balance Sheet

Consolidated Results

	September 30, 2015 (14)			
(in millions)	Life Insurance Companies (11)	Non-Life Insurance Companies (12)	Corporate and Other (13)	AIG Inc.
Assets:				
Investments:				
Fixed maturity securities				
Bonds available for sale, at fair value	\$ 158,224	\$ 88,973	\$ 5,757	\$ 252,954
Other bond securities, at fair value	2,618	1,519	12,685	16,822
Equity securities				
Common and preferred stock available for sale, at fair value	135	3,494	163	3,792
Other common and preferred stock, at fair value	-	346	720	1,066
Mortgage and other loans receivable, net of allowance	22,799	7,677	(2,240)	28,236
Other invested assets (page 51)	13,799	9,873	7,451	31,123
Short-term investments	3,732	3,701	4,975	12,408
Total investments	<u>201,307</u>	<u>115,583</u>	<u>29,511</u>	<u>346,401</u>
Cash	388	1,048	133	1,569
Accrued investment income	1,813	846	37	2,696
Premiums and other receivables, net of allowance	1,535	10,757	(214)	12,078
Reinsurance assets, net of allowance	2,320	18,210	12	20,542
Deferred income taxes	456	4,209	14,846	19,511
Deferred policy acquisition costs	7,893	2,628	16	10,537
Other assets	3,024	6,713	1,778	11,515
Separate account assets, at fair value	77,125	-	11	77,136
Total assets	<u>\$ 295,861</u>	<u>\$ 159,994</u>	<u>\$ 46,130</u>	<u>\$ 501,985</u>
Liabilities:				
Liability for unpaid losses and loss adjustment expenses	\$ -	\$ 71,436	\$ -	\$ 71,436
Unearned premiums	-	22,693	(7)	22,686
Future policy benefits for life and accident and health insurance contracts	42,286	557	148	42,991
Policyholder contract deposits	126,793	-	(152)	126,641
Other policyholder funds	2,571	1,610	11	4,192
Other liabilities	8,826	14,013	3,726	26,565
Long-term debt (page 13) (15)	2,724	707	27,288	30,719
Separate account liabilities	77,125	-	11	77,136
Total liabilities	<u>260,325</u>	<u>111,016</u>	<u>31,025</u>	<u>402,366</u>
AIG shareholders' equity:				
Accumulated other comprehensive income (loss)	4,417	2,308	(168)	6,557
Other AIG shareholders' equity	30,862	46,505	15,075	92,442
Total AIG shareholders' equity	<u>35,279</u>	<u>48,813</u>	<u>14,907</u>	<u>98,999</u>
Non-redeemable noncontrolling interests	<u>257</u>	<u>165</u>	<u>198</u>	<u>620</u>
Total equity	<u>35,536</u>	<u>48,978</u>	<u>15,105</u>	<u>99,619</u>
Total liabilities and equity	<u>\$ 295,861</u>	<u>\$ 159,994</u>	<u>\$ 46,130</u>	<u>\$ 501,985</u>

See Accompanying Notes on Pages 14 to 15.



American International Group, Inc.
Condensed Consolidating Balance Sheet

Consolidated Results

	December 31, 2014			
	Life Insurance Companies (11)	Non-Life Insurance Companies (12)	Corporate and Other (13)	AIG Inc.
(in millions)				
Assets:				
Investments:				
Fixed maturity securities				
Bonds available for sale, at fair value	\$ 164,527	\$ 92,942	\$ 2,390	\$ 259,859
Other bond securities, at fair value	2,785	1,733	15,194	19,712
Equity securities				
Common and preferred stock available for sale, at fair value	150	4,241	4	4,395
Other common and preferred stock, at fair value	-	495	554	1,049
Mortgage and other loans receivable, net of allowance	20,874	6,686	(2,570)	24,990
Other invested assets (page 51)	11,916	10,372	12,230	34,518
Short-term investments	2,131	4,154	4,958	11,243
Total investments	<u>202,383</u>	<u>120,623</u>	<u>32,760</u>	<u>355,766</u>
Cash	451	1,191	116	1,758
Accrued investment income	1,781	907	24	2,712
Premiums and other receivables, net of allowance	1,810	9,970	251	12,031
Reinsurance assets, net of allowance	1,921	20,025	13	21,959
Deferred income taxes	-	4,040	15,299	19,339
Deferred policy acquisition costs	7,258	2,551	18	9,827
Other assets	5,666	4,992	1,495	12,153
Separate account assets, at fair value	80,025	-	11	80,036
Total assets	<u>\$ 301,295</u>	<u>\$ 164,299</u>	<u>\$ 49,987</u>	<u>\$ 515,581</u>
Liabilities:				
Liability for unpaid losses and loss adjustment expenses	\$ -	\$ 77,260	\$ -	\$ 77,260
Unearned premiums	-	21,325	(1)	21,324
Future policy benefits for life and accident and health insurance contracts	42,004	579	166	42,749
Policyholder contract deposits	124,716	-	(103)	124,613
Other policyholder funds	2,656	2,003	10	4,669
Other liabilities	12,792	12,057	1,592	26,441
Long-term debt (page 13) (15)	1,574	136	29,507	31,217
Separate account liabilities	80,025	-	11	80,036
Total liabilities	<u>263,767</u>	<u>113,360</u>	<u>31,182</u>	<u>408,309</u>
AIG shareholders' equity:				
Accumulated other comprehensive income (loss)	6,545	3,951	121	10,617
Other AIG shareholders' equity	30,980	46,918	18,383	96,281
Total AIG shareholders' equity	<u>37,525</u>	<u>50,869</u>	<u>18,504</u>	<u>106,898</u>
Non-redeemable noncontrolling interests	<u>3</u>	<u>70</u>	<u>301</u>	<u>374</u>
Total equity	<u>37,528</u>	<u>50,939</u>	<u>18,805</u>	<u>107,272</u>
Total liabilities and equity	<u>\$ 301,295</u>	<u>\$ 164,299</u>	<u>\$ 49,987</u>	<u>\$ 515,581</u>

See Accompanying Notes on Page 14 to 15.



American International Group, Inc.
Debt and Capital

Consolidated Results

(in millions)	Debt and Hybrid Capital			Interest Expense			
	September 30, 2015	September 30, 2014	December 31, 2014	Three Months Ended		Nine Months Ended	
				September 30, 2015	September 30, 2014	September 30, 2015	September 30, 2014
Financial debt:							
AIG notes and bonds payable	\$ 18,025	\$ 15,804	\$ 15,570	\$ 214	\$ 204	\$ 647	\$ 590
AIG subordinated debt	-	250	250	1	2	4	5
AIG loans and mortgages payable	107	-	-	-	-	-	-
AIG Life Holdings, Inc. notes and bonds payable	284	284	284	5	5	15	16
AIG Life Holdings, Inc. junior subordinated debt	422	847	536	9	15	29	59
Total	18,838	17,185	16,640	229	226	695	670
Operating debt:							
MIP notes payable	1,391	3,418	2,870	13	46	57	187
Series AIGFP matched notes and bonds payable	36	2,133	34	-	42	-	131
Other AIG borrowings supported by assets (16)	3,985	5,667	5,466	-	-	-	-
Other subsidiaries	28	62	58	-	-	2	1
Borrowings of consolidated investments (17)	5,096	3,633	3,683	55	32	126	91
Total	10,536	14,913	12,111	68	120	185	410
Hybrid - debt securities:							
Junior subordinated debt (18)	1,345	4,126	2,466	24	84	97	292
Total (19)	\$ 30,719	\$ 36,224	\$ 31,217	\$ 321	\$ 430	\$ 977	\$ 1,372
AIG capitalization:							
Total equity	\$ 99,619	\$ 108,983	\$ 107,272				
Hybrid - debt securities (18)	1,345	4,126	2,466				
Total equity and hybrid capital	100,964	113,109	109,738				
Financial debt	18,838	17,185	16,640				
Total capital	\$ 119,802	\$ 130,294	\$ 126,378				
Ratios:							
Hybrid - debt securities / Total capital	1.1%	3.2%	1.9%				
Financial debt / Total capital	15.7%	13.2%	13.2%				
Total debt / Total capital	16.8%	16.4%	15.1%				

See Accompanying Notes on Page 14 to 15.

American International Group, Inc.
Notes

Consolidated Results

- (1) Includes changes in market value of investments accounted for under the fair value option (including PICC Property & Casualty Company Limited (PICC P&C) held by Non-Life Insurance Companies), real estate income and income (loss) from equity method investments.
- (2) The nine-month period ended September 30, 2014 includes the results of ILFC, which was sold on May 14, 2014.
- (3) For the quarter ended September 30, 2015, because we reported a net loss, all common stock equivalents are anti-dilutive and are therefore excluded from the calculation of diluted shares and diluted per share amounts. However, because we reported after-tax operating income, the calculation of After-tax operating income per diluted share includes dilutive shares of 40,356,170.
- (4) The nine-month period ended September 30, 2014 includes the gain on sale of ILFC. 2Q15, 1Q15 and the 2014 period also include 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.
- (5) During the third quarter of 2015, we launched broad initiatives designed to reduce operating expenses, improve efficiency and simplify our organization. These costs include employee severance and one-time termination benefits, modernization of our information technology platforms, with the balance relating to costs associated with consolidation of legal entities and exiting lower return lines of business. Pre-tax results for the third quarter of 2015 include approximately \$274 million of these costs with the remainder expected to be recognized through 2017.
- (6) Excludes valuation allowance (charge) releases of \$(49) million, \$184 million, \$582 million and \$892 million in 4Q14, 3Q14, 2Q14 and 1Q14, respectively, recorded in AOCI. There were no valuation allowance (charge) releases recorded in AOCI for 3Q15, 2Q15 or 1Q15.
- (7) Operating revenues exclude 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). The reconciliation to GAAP is as follows:

<i>(in millions)</i>	Quarterly					Nine Months Ended September 30,	
	3Q15	2Q15	1Q15	4Q14	3Q14	2015	2014
Total operating revenues	\$ 13,179	\$ 15,635	\$ 14,590	\$ 15,006	\$ 15,476	\$ 43,404	\$ 45,995
Reconciling items:							
Changes in fair values of fixed maturity securities designated to hedge living benefit liabilities, net of interest expense	4	(87)	44	98	32	(39)	162
Net realized capital gains (loss)	(342)	126	1,341	193	536	1,125	546
Net gain (loss) on sale of divested businesses	-	(33)	(15)	-	-	(48)	1,602
Non-operating litigation settlements	-	76	15	113	653	91	691
Other	(19)	(18)	-	-	-	(37)	-
Total revenues	\$ 12,822	\$ 15,699	\$ 15,975	\$ 15,410	\$ 16,697	\$ 44,496	\$ 48,996

- (8) Includes general operating expenses from NSM Insurance Group, which was acquired on March 31, 2015.
- (9) Includes general operating expenses from AIG Life Limited (formerly Ageas Protect Limited), which was acquired on December 31, 2014, and general operating expenses from Laya Healthcare, which was acquired on March 31, 2015.
- (10) Includes unallocated loss adjustment expenses, investment expenses and certain acquisition expenses (including the portion deferred for GAAP reporting). Excludes charges for non-operating litigation reserves and restructuring and other costs.
- (11) The Life Insurance Companies conduct business primarily through American General Life Insurance Company, The Variable Annuity Life Insurance Company, The United States Life Insurance Company in the City of New York, AIG Fuji Life Insurance Company Limited (Fuji Life) and AIG Life Limited.
- (12) The Non-Life Insurance Companies include property casualty and mortgage guaranty companies that conduct their business primarily through the following major operating companies: National Union Fire Insurance Company of Pittsburgh, Pa.; American Home Assurance Company; Lexington Insurance Company; Fuji Fire and Marine Insurance Company Limited; American Home Assurance Company, Ltd.; AIG Asia Pacific Insurance, Pte, Ltd.; AIG Europe Limited; and United Guaranty Residential Insurance Company.
- (13) Includes AIG Parent, other assets and investments held by AIG Parent, AIG Life Holdings, Inc. (a non-operating holding company), and consolidations, eliminations and other adjustments.
- (14) Includes debt of consolidated investment vehicles related to real estate investments of \$2.4 billion, affordable housing partnership investments and securitizations of \$2.2 billion and other securitization vehicles and investments of \$471 million.

American International Group, Inc.
Notes

Consolidated Results

- (15) The Life Insurance Companies' balance consists primarily of third-party debt related to other subsidiaries and consolidated investments in affordable housing partnerships.
- (16) Borrowings are carried at fair value with fair value adjustments reported in Other income on the Consolidated Statement of Operations. Contractual interest payments amounted to \$39 million and \$46 million for the three-month periods ended September 30, 2015 and 2014, respectively, and \$130 million and \$178 million for the nine-month periods ended September 30, 2015 and 2014, respectively.
- (17) Includes the effect of consolidating previously unconsolidated partnerships.
- (18) The junior subordinated debentures receive partial equity treatment from a major rating agency under its current policies but are recorded as long-term borrowings on the Condensed Consolidated Balance Sheets.
- (19) ILFC was sold on May 14, 2014. The nine-month period ended September 30, 2014 excludes ILFC's interest expense, which is reflected within Aircraft leasing expense on the Consolidated Statement of Operations.

American International Group, Inc.
Operating Results

Commercial Insurance

(in millions)	Quarterly					Nine Months Ended September 30,	
	3Q15	2Q15	1Q15	4Q14	3Q14	2015	2014
Revenues:							
Premiums	\$ 5,352	\$ 5,971	\$ 5,257	\$ 5,509	\$ 5,692	\$ 16,580	\$ 16,712
Policy fees	49	50	49	49	49	148	138
Net investment income	1,158	1,645	1,538	1,578	1,572	4,341	4,815
Total operating revenues	6,559	7,666	6,844	7,136	7,313	21,069	21,665
Benefits and expenses:							
Policyholder benefits and losses incurred	4,071	4,549	3,767	4,255	4,385	12,387	12,320
Interest credited to policyholder account balances	102	102	102	102	105	306	308
Amortization of deferred policy acquisition costs	580	593	596	612	648	1,769	1,900
General operating and other expenses*	991	922	917	943	935	2,830	2,851
Total benefits and expenses	5,744	6,166	5,382	5,912	6,073	17,292	17,379
Pre-tax operating income	\$ 815	\$ 1,500	\$ 1,462	\$ 1,224	\$ 1,240	\$ 3,777	\$ 4,286

* Includes general operating expenses, commissions and other acquisition expenses.

See Accompanying Notes on Pages 25 to 26.

American International Group, Inc.
Operating Statistics

Commercial Insurance - Property Casualty

(in millions)

	Quarterly					Nine Months Ended September 30,	
	3Q15	2Q15	1Q15	4Q14	3Q14	2015	2014
Net premiums written	\$ 5,202	\$ 5,583	\$ 5,047	\$ 4,692	\$ 5,509	\$ 15,832	\$ 16,328
Net premiums earned	\$ 5,005	\$ 5,102	\$ 4,931	\$ 5,207	\$ 5,357	\$ 15,038	\$ 15,678
Losses and loss adjustment expenses incurred	3,666	3,614	3,360	3,904	3,977	10,640	11,052
Acquisition expenses:							
Amortization of deferred policy acquisition costs	571	586	588	604	643	1,745	1,882
Other acquisition expenses	252	183	209	228	177	644	568
Total acquisition expenses	823	769	797	832	820	2,389	2,450
General operating expenses	657	658	629	644	676	1,944	2,053
Underwriting income (loss)	(141)	61	145	(173)	(116)	65	123
Net investment income:							
Interest and dividends	866	856	837	830	857	2,559	2,508
Alternative investments (1)	(55)	216	243	111	176	404	589
Other investment income (2)	(61)	96	(6)	189	70	29	211
Investment expenses	(40)	(37)	(49)	(22)	(35)	(126)	(118)
Total net investment income	710	1,131	1,025	1,108	1,068	2,866	3,190
Pre-tax operating income	\$ 569	\$ 1,192	\$ 1,170	\$ 935	\$ 952	\$ 2,931	\$ 3,313
Underwriting ratios: (9)							
Loss ratio	73.2	70.8	68.1	75.0	74.2	70.8	70.5
Catastrophe losses and reinstatement premiums	(1.7)	(4.1)	(1.4)	(0.7)	(4.8)	(2.5)	(3.6)
Prior year development net of premium adjustments	(3.6)	(5.3)	(0.4)	(4.0)	(4.9)	(3.1)	(2.4)
Net reserve discount	(0.8)	5.2	(1.9)	(4.4)	0.3	0.9	1.0
Accident year loss ratio, as adjusted	67.1	66.6	64.4	65.9	64.8	66.1	65.5
Acquisition ratio	16.4	15.1	16.2	16.0	15.3	15.9	15.6
General operating expense ratio	13.1	12.9	12.8	12.4	12.6	12.9	13.1
Expense ratio	29.5	28.0	29.0	28.4	27.9	28.8	28.7
Combined ratio	102.7	98.8	97.1	103.4	102.1	99.6	99.2
Catastrophe losses and reinstatement premiums	(1.7)	(4.1)	(1.4)	(0.7)	(4.8)	(2.5)	(3.6)
Prior year development net of premium adjustments	(3.6)	(5.3)	(0.4)	(4.0)	(4.9)	(3.1)	(2.4)
Net reserve discount	(0.8)	5.2	(1.9)	(4.4)	0.3	0.9	1.0
Accident year combined ratio, as adjusted	96.6	94.6	93.4	94.3	92.7	94.9	94.2
Noteworthy items (pre-tax):							
Catastrophe-related losses (3)	\$ 88	\$ 209	\$ 71	\$ 35	\$ 260	\$ 368	\$ 565
Reinstatement premiums related to catastrophes	-	-	-	-	2	-	2
Reinstatement premiums related to prior year catastrophes	2	-	(7)	(2)	(1)	(5)	-
Severe losses (4)	209	184	134	66	188	527	526
Prior year development:							
Prior year loss reserve development (favorable) unfavorable, net of reinsurance	156	267	17	175	319	440	480
(Additional) returned premium related to prior year development	30	12	11	52	(93)	53	(157)
Prior year loss reserve development (favorable) unfavorable, net of reinsurance and premium adjustments	186	279	28	227	226	493	323
Net reserve discount (benefit) charge	41	(270)	93	229	(16)	(136)	(158)
Net loss and loss expense reserve by line of business (at end of period):							
Casualty	31,228	31,753	32,658	33,065	33,730	31,228	33,730
Financial Lines	8,935	9,216	9,275	9,538	9,644	8,935	9,644
Specialty	5,685	5,861	5,750	5,786	5,660	5,685	5,660
Property	3,739	3,692	3,693	4,079	4,157	3,739	4,157
Total	\$ 49,587	\$ 50,522	\$ 51,376	\$ 52,468	\$ 53,191	\$ 49,587	\$ 53,191

See Accompanying Notes on Pages 25 to 26.



American International Group, Inc.
Net Premiums Written by Line of Business and Region

Commercial Insurance - Property Casualty

(in millions)	Quarterly					Nine Months Ended September 30,	
	3Q15	2Q15	1Q15	4Q14	3Q14	2015	2014
By Line of Business:							
Casualty	\$ 1,711	\$ 1,812	\$ 1,882	\$ 1,659	\$ 1,968	\$ 5,405	\$ 5,990
Property	1,482	1,628	1,007	992	1,482	4,117	4,144
Specialty	897	918	954	909	911	2,769	2,805
Financial lines	1,112	1,225	1,204	1,132	1,148	3,541	3,389
Total net premiums written	\$ 5,202	\$ 5,583	\$ 5,047	\$ 4,692	\$ 5,509	\$ 15,832	\$ 16,328
By Region:							
Americas	\$ 3,525	\$ 3,892	\$ 2,949	\$ 3,251	\$ 3,643	\$ 10,366	\$ 10,548
EMEA	1,158	1,231	1,616	962	1,276	4,005	4,230
Asia Pacific	519	460	482	479	590	1,461	1,550
Total net premiums written	\$ 5,202	\$ 5,583	\$ 5,047	\$ 4,692	\$ 5,509	\$ 15,832	\$ 16,328
Foreign exchange effect on worldwide premiums:							
Change in net premiums written							
Increase (decrease) in original currency over prior-year period (5)	(1.0) %	0.3 %	5.9 %	(2.2) %	5.2 %	1.6 %	2.1 %
Foreign exchange effect	(4.6)	(4.3)	(5.1)	(1.1)	0.3	(4.6)	(0.2)
Increase (decrease) as reported in U.S. dollars	(5.6) %	(4.0) %	0.8 %	(3.3) %	5.5 %	(3.0) %	1.9 %

See Accompanying Notes on Pages 25 to 26.

American International Group, Inc.
Operating Statistics

Commercial Insurance - Property Casualty North America

(in millions)	Quarterly					Nine Months Ended September 30,	
	3Q15	2Q15	1Q15	4Q14	3Q14	2015	2014
	\$	\$	\$	\$	\$	\$	\$
Net premiums written	3,367	3,742	2,828	3,087	3,503	9,937	10,132
Net premiums earned	3,202	3,258	3,197	3,308	3,426	9,657	10,024
Losses and loss adjustment expenses incurred	2,592	2,519	2,482	2,790	2,786	7,593	7,692
Acquisition expenses:							
Amortization of deferred policy acquisition costs	314	320	325	334	361	959	1,059
Other acquisition expenses	158	71	120	130	103	349	312
Total acquisition expenses	472	391	445	464	464	1,308	1,371
General operating expenses	329	335	296	322	328	960	1,006
Underwriting income (loss)	(191)	13	(26)	(268)	(152)	(204)	(45)
Net investment income:							
Interest and dividends	751	728	719	702	725	2,198	2,121
Alternative investments (1)	(63)	214	237	107	177	388	581
Other investment income (2)	(72)	82	(12)	176	56	(2)	157
Investment expenses	(29)	(24)	(38)	(10)	(28)	(91)	(92)
Total net investment income	587	1,000	906	975	930	2,493	2,767
Pre-tax operating income	\$ 396	\$ 1,013	\$ 880	\$ 707	\$ 778	\$ 2,289	\$ 2,722
Underwriting ratios: (9)							
Loss ratio	80.9	77.3	77.6	84.3	81.3	78.6	76.7
Catastrophe losses and reinstatement premiums	(0.4)	(4.9)	(2.2)	(0.8)	(5.0)	(2.5)	(4.1)
Prior year development net of premium adjustments	(8.7)	(9.1)	(2.1)	(8.3)	(7.8)	(6.7)	(3.9)
Net reserve discount	(1.2)	8.2	(2.9)	(6.8)	0.4	1.4	1.6
Accident year loss ratio, as adjusted	70.6	71.5	70.4	68.4	68.9	70.8	70.3
Acquisition ratio	14.7	12.0	13.9	14.0	13.5	13.5	13.7
General operating expense ratio	10.3	10.3	9.3	9.7	9.6	9.9	10.0
Expense ratio	25.0	22.3	23.2	23.7	23.1	23.4	23.7
Combined ratio	105.9	99.6	100.8	108.0	104.4	102.0	100.4
Catastrophe losses and reinstatement premiums	(0.4)	(4.9)	(2.2)	(0.8)	(5.0)	(2.5)	(4.1)
Prior year development net of premium adjustments	(8.7)	(9.1)	(2.1)	(8.3)	(7.8)	(6.7)	(3.9)
Net reserve discount	(1.2)	8.2	(2.9)	(6.8)	0.4	1.4	1.6
Accident year combined ratio, as adjusted	95.6	93.8	93.6	92.1	92.0	94.2	94.0
Noteworthy items (pre-tax):							
Catastrophe-related losses (3)	\$ 15	\$ 160	\$ 70	\$ 27	\$ 173	\$ 245	\$ 412
Reinstatement premiums related to prior year catastrophes	-	-	(7)	-	-	(7)	1
Severe losses (4)	53	79	87	(1)	62	219	170
Prior year development:							
Prior year loss reserve development (favorable) unfavorable, net of reinsurance	255	290	66	235	331	611	498
(Additional) returned premium related to prior year development	30	12	11	52	(93)	53	(157)
Prior year loss reserve development (favorable) unfavorable, net of reinsurance and premium adjustments	285	302	77	287	238	664	341
Net reserve discount (benefit) charge	\$ 41	\$ (270)	\$ 93	\$ 229	\$ (16)	\$ (136)	\$ (158)

See Accompanying Notes on Pages 25 to 26.



American International Group, Inc.
Operating Statistics

Commercial Insurance - Property Casualty International

(in millions)	Quarterly					Nine Months Ended September 30,	
	3Q15	2Q15	1Q15	4Q14	3Q14	2015	2014
Net premiums written	\$ 1,835	\$ 1,841	\$ 2,219	\$ 1,605	\$ 2,006	\$ 5,895	\$ 6,196
Net premiums earned	\$ 1,803	\$ 1,844	\$ 1,734	\$ 1,899	\$ 1,931	\$ 5,381	\$ 5,654
Losses and loss adjustment expenses incurred	1,074	1,095	878	1,114	1,191	3,047	3,360
Acquisition expenses:							
Amortization of deferred policy acquisition costs	257	266	263	270	282	786	823
Other acquisition expenses	94	112	89	98	74	295	256
Total acquisition expenses	351	378	352	368	356	1,081	1,079
General operating expenses	328	323	333	322	348	984	1,047
Underwriting income (loss)	50	48	171	95	36	269	168
Net investment income:							
Interest and dividends	115	128	118	128	132	361	387
Alternative investments (1)	8	2	6	4	(1)	16	8
Other investment income (2)	11	14	6	13	14	31	54
Investment expenses	(11)	(13)	(11)	(12)	(7)	(35)	(26)
Total net investment income	123	131	119	133	138	373	423
Pre-tax operating income	\$ 173	\$ 179	\$ 290	\$ 228	\$ 174	\$ 642	\$ 591
Underwriting ratios: (9)							
Loss ratio	59.6	59.4	50.6	58.7	61.7	56.6	59.4
Catastrophe losses and reinstatement premiums	(4.1)	(2.7)	-	(0.5)	(4.6)	(2.3)	(2.7)
Prior year development net of premium adjustments	5.4	1.3	2.8	3.3	0.7	3.2	0.3
Accident year loss ratio, as adjusted	60.9	58.0	53.4	61.5	57.8	57.5	57.0
Acquisition ratio	19.5	20.5	20.3	19.4	18.4	20.1	19.1
General operating expense ratio	18.2	17.5	19.2	17.0	18.0	18.3	18.5
Expense ratio	37.7	38.0	39.5	36.4	36.4	38.4	37.6
Combined ratio	97.3	97.4	90.1	95.1	98.1	95.0	97.0
Catastrophe losses and reinstatement premiums	(4.1)	(2.7)	-	(0.5)	(4.6)	(2.3)	(2.7)
Prior year development net of premium adjustments	5.4	1.3	2.8	3.3	0.7	3.2	0.3
Accident year combined ratio, as adjusted	98.6	96.0	92.9	97.9	94.2	95.9	94.6
Noteworthy items (pre-tax):							
Catastrophe-related losses (3)	\$ 73	\$ 49	\$ 1	\$ 8	\$ 87	\$ 123	\$ 153
Reinstatement premiums related to catastrophes	-	-	-	-	2	-	2
Reinstatement premiums related to prior year catastrophes	2	-	-	(2)	(1)	2	(1)
Severe losses (4)	156	105	47	67	126	308	356
Prior year loss reserve development (favorable) unfavorable, net of reinsurance	\$ (99)	\$ (23)	\$ (49)	\$ (60)	\$ (12)	\$ (171)	\$ (18)

See Accompanying Notes on Pages 25 to 26.

American International Group, Inc.
Operating Statistics

Commercial Insurance - Mortgage Guaranty

(in millions)	Quarterly					Nine Months Ended September 30,	
	3Q15	2Q15	1Q15	4Q14	3Q14	2015	2014
Net premiums written	\$ 274	\$ 277	\$ 258	\$ 273	\$ 271	\$ 809	\$ 751
Net premiums earned	\$ 232	\$ 226	\$ 230	\$ 238	\$ 227	688	666
Losses and loss adjustment expenses incurred	42	44	58	49	63	144	174
Acquisition expenses:							
Amortization of deferred policy acquisition costs	8	7	7	6	5	22	16
Other acquisition expenses	12	13	15	11	13	40	38
Total acquisition expenses	20	20	22	17	18	62	54
General operating expenses	42	40	39	36	46	121	120
Underwriting income	128	122	111	136	100	361	318
Net investment income	34	35	34	35	35	103	103
Pre-tax operating income	\$ 162	\$ 157	\$ 145	\$ 171	\$ 135	\$ 464	\$ 421
Underwriting ratios: (9)							
Loss ratio	18.1	19.5	25.2	20.6	27.8	20.9	26.1
Prior year loss development	7.8	7.5	-	12.6	5.2	5.1	11.1
Accident year loss ratio, as adjusted	25.9	27.0	25.2	33.2	33.0	26.0	37.2
Acquisition ratio	8.6	8.8	9.6	7.1	7.9	9.0	8.1
General operating expense ratio	18.1	17.7	16.9	15.1	20.3	17.6	18.0
Expense ratio	26.7	26.5	26.5	22.2	28.2	26.6	26.1
Combined ratio	44.8	46.0	51.7	42.8	56.0	47.5	52.2
Prior year loss development	7.8	7.5	-	12.6	5.2	5.1	11.1
Accident year combined ratio, as adjusted	52.6	53.5	51.7	55.4	61.2	52.6	63.3
Noteworthy Items (pre-tax):							
Prior year loss reserve development (favorable) unfavorable	\$ (18)	\$ (17)	\$ -	\$ (30)	\$ (12)	\$ (35)	\$ (74)
New insurance written	14,760	15,323	10,854	11,023	12,881	40,937	31,821
Net loss and loss expense reserve (at period end)	814	873	922	977	1,068	814	1,068
Shareholders' equity (at period end)	3,386	3,247	3,178	3,070	2,601	3,386	2,601
Shareholders' equity, excluding AOCI (at period end)	3,356	3,222	3,100	3,011	2,548	3,356	2,460
Domestic first liens:							
Number of primary paid claims	2,276	1,998	2,454	2,818	2,711	6,728	8,783
Gross paid claims	\$ 99	\$ 90	\$ 110	\$ 124	\$ 119	\$ 299	\$ 385

See Accompanying Notes on Pages 25 to 26.



American International Group, Inc.
Operating Statistics

Commercial Insurance - Mortgage Guaranty Domestic First-Lien, Delinquencies and Gross Risk in Force by Vintage

(in millions)	Quarterly					Nine Months Ended September 30,	
	3Q15	2Q15	1Q15	4Q14	3Q14	2015	2014
First-lien new insurance written	\$ 14,483	\$ 15,190	\$ 10,542	\$ 10,733	\$ 12,643	\$ 40,215	\$ 31,305
First-lien persistency (twelve months)	81.9%	82.2%	82.3%	84.1%	84.2%	81.9%	84.2%
First-lien insurance in force	\$ 184,031	\$ 178,498	\$ 169,880	\$ 167,180	\$ 162,533	\$ 184,031	\$ 162,533
Total first-lien primary risk in force - net of reinsurance and stop loss	\$ 46,559	\$ 45,022	\$ 42,839	\$ 42,106	\$ 40,782	\$ 46,559	\$ 40,782
Number of ending primary delinquent loans	31,908	32,648	34,372	38,357	39,222	31,908	39,222
In force count	907,360	899,621	877,076	867,120	850,578	907,360	850,578
Delinquency data:							
Primary delinquency ratio	3.5%	3.6%	3.9%	4.4%	4.6%	3.5%	4.6%
Aging of primary delinquent inventory:							
3 or fewer payments missed	34.6%	31.5%	29.7%	32.9%	32.0%	34.6%	32.0%
4-11 payments missed	24.8%	25.9%	27.9%	26.5%	25.0%	24.8%	25.0%
12-23 payments missed	16.1%	16.8%	16.4%	15.6%	16.9%	16.1%	16.9%
24-35 payments missed	8.0%	8.5%	8.8%	8.7%	9.6%	8.0%	9.6%
More than 35 payments missed	16.5%	17.3%	17.2%	16.3%	16.5%	16.5%	16.5%
	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Gross Risk in Force by Vintage year:							
2006 and prior	8%	9%	9%	10%	11%	8%	11%
2007	7%	7%	8%	8%	9%	7%	9%
2008	4%	4%	4%	5%	5%	4%	5%
2009	1%	1%	2%	2%	2%	1%	2%
2010	1%	2%	2%	2%	2%	1%	2%
2011	4%	5%	5%	6%	6%	4%	6%
2012	13%	15%	16%	17%	19%	13%	19%
2013	20%	22%	25%	26%	28%	20%	28%
2014	21%	22%	24%	24%	18%	21%	18%
2015	21%	13%	5%	0%	0%	21%	0%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

See Accompanying Notes on Pages 25 to 26.



American International Group, Inc.
Operating Statistics

Commercial Insurance - Institutional Markets

(in millions)	Quarterly					Nine Months Ended September 30,	
	3Q15	2Q15	1Q15	4Q14	3Q14	2015	2014
Premiums and deposits (10)	\$ 159	\$ 680	\$ 146	\$ 615	\$ 2,840	\$ 985	\$ 3,182
Revenues:							
Premiums	\$ 115	\$ 643	\$ 96	\$ 64	\$ 108	\$ 854	\$ 368
Policy fees	49	50	49	49	49	148	138
Net investment income:							
Base portfolio (6)	363	358	354	353	363	1,075	1,082
Alternative investments (1)	39	117	120	77	89	276	386
Other enhancements (7)	12	4	5	5	17	21	54
Total net investment income	414	479	479	435	469	1,372	1,522
Total operating revenues	578	1,172	624	548	626	2,374	2,028
Benefits and expenses:							
Policyholder benefits and losses incurred	363	891	349	302	345	1,603	1,094
Interest credited to policyholder account balances	102	102	102	102	105	306	308
Acquisition expenses:							
Amortization of deferred policy acquisition costs	1	-	1	2	-	2	2
Other acquisition expenses	9	8	7	5	8	24	25
Total acquisition expenses	10	8	8	7	8	26	27
General operating expenses	19	20	18	19	15	57	47
Total benefits and expenses	494	1,021	477	430	473	1,992	1,476
Pre-tax operating income	\$ 84	\$ 151	\$ 147	\$ 118	\$ 153	\$ 382	\$ 552
General and separate account reserves:							
Future policyholder benefits	\$ 19,221	\$ 19,219	\$ 19,723	\$ 19,343	\$ 19,040	\$ 19,221	\$ 19,040
Policyholder contract deposits	9,780	9,712	9,802	9,854	9,401	9,780	9,401
Separate account reserves	6,682	6,901	6,978	6,932	7,070	6,682	7,070
Total general and separate account reserves	\$ 35,683	\$ 35,832	\$ 36,503	\$ 36,129	\$ 35,511	\$ 35,683	\$ 35,511

See Accompanying Notes on Pages 25 to 26.

American International Group, Inc.
Operating Statistics

Commercial Insurance - Institutional Markets

(in millions)	Quarterly					Nine Months Ended September 30,	
	3Q15	2Q15	1Q15	4Q14	3Q14	2015	2014
Reserve rollforward:							
Balance at beginning of period, gross	\$ 35,523	\$ 35,120	\$ 35,080	\$ 34,765	\$ 32,386	\$ 35,080	\$ 32,100
Premiums and deposits	159	680	146	615	2,840	985	3,182
Surrenders and withdrawals	(133)	(227)	(29)	(338)	(343)	(389)	(428)
Death and other contract benefits	(396)	(418)	(379)	(413)	(365)	(1,193)	(1,117)
Subtotal	(370)	35	(262)	(136)	2,132	(597)	1,637
Change in fair value of underlying assets and reserve accretion, net of policy fees	206	299	258	297	184	763	833
Cost of funds	102	102	102	102	105	306	308
Other reserve changes (including loss recognition)	(61)	(33)	(58)	52	(42)	(152)	(113)
Balance at end of period	35,400	35,523	35,120	35,080	34,765	35,400	34,765
Reserves related to unrealized investment appreciation	288	314	1,388	1,054	752	288	752
Reinsurance ceded	(5)	(5)	(5)	(5)	(6)	(5)	(6)
Total insurance reserves	\$ 35,683	\$ 35,832	\$ 36,503	\$ 36,129	\$ 35,511	\$ 35,683	\$ 35,511
Reserves by line of business:							
Structured settlements	\$ 18,850	\$ 18,843	\$ 19,701	\$ 19,343	\$ 19,072	\$ 18,850	\$ 19,072
Terminal funding annuities	3,437	3,460	3,108	3,090	3,068	3,437	3,068
Corporate and bank-owned life insurance	4,734	4,814	4,810	4,816	4,803	4,734	4,803
High net worth products	2,259	2,367	2,359	2,312	2,230	2,259	2,230
Guaranteed investments contracts	4,151	4,073	4,179	4,247	3,795	4,151	3,795
Stable value wrap - separate account liability	2,252	2,275	2,346	2,321	2,543	2,252	2,543
Total insurance reserves	\$ 35,683	\$ 35,832	\$ 36,503	\$ 36,129	\$ 35,511	\$ 35,683	\$ 35,511
Stable value wraps (401k and bank-owned life insurance) - Assets under management (8)	\$ 32,430	\$ 32,588	\$ 32,422	\$ 32,320	\$ 27,656	\$ 32,430	\$ 27,656

See Accompanying Notes on Pages 25 to 26.



American International Group, Inc.

Notes

Commercial Insurance

Basis of Presentation

Commercial Insurance manages its business in three operating segments - Property Casualty, Mortgage Guaranty and Institutional Markets - and operates in three major geographic areas: the Americas (which includes the United States, Canada, Latin America, the Caribbean and Bermuda), Asia Pacific (which includes Japan and other Asia Pacific nations, including China, Korea, Singapore, Vietnam, Thailand, Australia and Indonesia), and EMEA (which includes the United Kingdom, Continental Europe, the Russian Federation, India, the Middle East and Africa). Commercial Insurance products for large and small businesses are primarily distributed through a network of independent retail and wholesale brokers, and through an independent agency network in the Asia Pacific and EMEA regions. Major lines of business include Casualty, Property, Specialty and Financial Lines.

Net investment income is attributed to the operating segments of Commercial Insurance and Consumer Insurance based on internal models consistent with the nature of the underlying businesses.

For Commercial Insurance - Property Casualty, we estimate investable funds based primarily on loss reserves, unearned premiums and a capital allocation for each operating segment. The net investment income allocation is calculated based on the estimated investable funds and risk-free yields (plus a liquidity premium) consistent with the approximate duration of the liabilities, and excludes net investment income associated with the run-off insurance lines reported in Corporate and Other. The remaining excess is attributed to Commercial Insurance - Property Casualty and Consumer Insurance - Personal Insurance based on the relative net investment income previously allocated.

For Commercial Insurance - Institutional Markets, net investment income is attributed based on invested assets from segregated product line portfolios. The fundamental investment strategy for these operating segments is to maintain primarily a diversified, high quality portfolio of fixed maturity securities and, as is practicable, to match established duration targets based on characteristics of the underlying liabilities. Invested assets in excess of liabilities are allocated to product lines based on internal capital estimates.

Net investment income for Commercial Insurance - Mortgage Guaranty is attributed based on legal entity invested assets.

Notes

- (1) Alternative investment income includes income on hedge funds, private equity funds and affordable housing partnerships and is reported on a lag basis. Hedge funds are generally on a one-month lag, while private equity funds are generally on a one-quarter lag.
- (2) Other investment income is comprised principally of real estate income, changes in market value of investments accounted for under the fair value option, and income (loss) from equity method investments.
- (3) Catastrophes (CATs) are generally weather or seismic events having a net impact in excess of \$10 million each.
- (4) Severe losses are defined as non-catastrophic individual first-party losses and surety losses greater than \$10 million, net of related reinsurance and salvage and subrogation.
- (5) Computed using a constant exchange rate for each period.
- (6) Base portfolio investment income includes interest, dividends and foreclosed real estate income, net of investment expenses.
- (7) Net investment income other enhancements include call and tender income, changes in market value of investments accounted for under the fair value option, interest received on defaulted investments and other miscellaneous investment income, including income of certain partnership entities that are required to be consolidated.
- (8) Comprises the notional value of (i) new stable value wrap contracts and (ii) stable value wrap contracts novated from AIG Global Capital Markets and rewritten as group annuity contracts. Excludes the portion of stable value wraps included in Total insurance reserves.

American International Group, Inc.
Notes (continued)

Commercial Insurance

(9) Underwriting ratios are computed as follows:

- a. Loss ratio = Loss and loss adjustment expenses incurred ÷ Net premiums earned (NPE)
- b. Catastrophe losses (CATs) and reinstatement premiums = [Loss and loss adjustment expenses incurred – (CATs)] ÷ [NPE + Reinstatement premiums (RIPs) related to catastrophes] – Loss ratio
- c. Prior year development net of premium adjustments = [Loss and loss adjustment expenses incurred – Prior year loss reserve development (favorable) unfavorable (PYD), net of reinsurance] ÷ [NPE + RIPs related to prior year catastrophes + (Additional) returned premium related to prior year development] – Loss ratio
- d. Net reserve discount = -1*[Net reserve discount (benefit) charge ÷ NPE] (Note: any rounding will go into this line since Accident year loss ratio, as adjusted is calculated independently.)
- e. Accident year loss ratio, as adjusted = [Loss and loss adjustment expenses incurred – CATs – PYD – Net reserve discount (benefit) charge] ÷ [NPE + RIPs related to catastrophes + RIPs related to prior year catastrophes + (Additional) returned premium related to PYD]
- f. Acquisition ratio = Total acquisition expenses ÷ NPE
- g. General operating expense ratio = General operating expenses ÷ NPE
- h. Expense ratio = Acquisition ratio + General operating expenses ratio
- i. Combined ratio = Loss ratio + Expense ratio
- j. Accident year combined ratio = Accident year loss ratio, as adjusted + Expense ratio

(10) Premiums and deposits is a non-GAAP financial measure.

The following table presents a reconciliation of Institutional Markets premiums and deposits to GAAP premiums:

<i>(in millions)</i>	Quarterly					Nine Months Ended September 30,	
	3Q15	2Q15	1Q15	4Q14	3Q14	2015	2014
Premiums and deposits	\$ 159	\$ 680	\$ 146	\$ 615	\$ 2,840	\$ 985	\$ 3,182
Deposits	(33)	(26)	(45)	(547)	(2,725)	(104)	(2,797)
Other	(11)	(11)	(5)	(4)	(7)	(27)	(17)
Premiums	\$ 115	\$ 643	\$ 96	\$ 64	\$ 108	\$ 854	\$ 368

American International Group, Inc.
Operating Results

Consumer Insurance

(in millions)	Quarterly					Nine Months Ended September 30,	
	3Q15	2Q15	1Q15	4Q14	3Q14	2015	2014
Revenues:							
Premiums	\$ 3,531	\$ 3,552	\$ 3,553	\$ 3,667	\$ 3,781	\$ 10,636	\$ 11,269
Policy fees	653	639	627	624	635	1,919	1,829
Net investment income	1,944	2,232	2,175	2,199	2,283	6,351	6,883
Other income	524	543	508	511	511	1,575	1,487
Total operating revenues	6,652	6,966	6,863	7,001	7,210	20,481	21,468
Benefits and expenses:							
Policyholder benefits and losses incurred	2,741	2,561	2,679	2,630	2,763	7,981	8,166
Interest credited to policyholder account balances	789	837	833	865	776	2,459	2,488
Amortization of deferred policy acquisition cost	694	737	715	726	597	2,146	2,033
General operating and other expenses*	1,771	1,808	1,691	1,857	1,810	5,270	5,230
Total benefits and expenses	5,995	5,943	5,918	6,078	5,946	17,856	17,917
Pre-tax operating income (1)	\$ 657	\$ 1,023	\$ 945	\$ 923	\$ 1,264	\$ 2,625	\$ 3,551

* Includes general operating expenses, non-deferrable commissions, other acquisition expenses and advisory fees and other expenses.

See Accompanying Notes on Pages 43 to 45.

American International Group, Inc.
Operating Results

Consumer Insurance - Retirement

(in millions)	Quarterly					Nine Months Ended September 30,	
	3Q15	2Q15	1Q15	4Q14	3Q14	2015	2014
Premiums and deposits (2)	\$ 6,639	\$ 6,083	\$ 5,522	\$ 6,003	\$ 5,876	\$ 18,244	\$ 18,074
Revenues:							
Premiums	\$ 37	\$ 44	\$ 46	\$ 66	\$ 67	\$ 127	\$ 221
Policy fees	261	277	264	259	265	802	751
Net investment income:							
Base portfolio (3)	1,348	1,360	1,351	1,378	1,397	4,059	4,245
Alternative investments (4)	(3)	214	165	125	155	376	542
Other enhancements (5)	51	44	54	78	77	149	121
Total net investment income	1,396	1,618	1,570	1,581	1,629	4,584	4,908
Advisory fee and other income	509	526	508	511	511	1,543	1,487
Total operating revenues	2,203	2,465	2,388	2,417	2,472	7,056	7,367
Benefits and expenses:							
Policyholder benefits and losses incurred	198	116	92	127	137	406	410
Interest credited to policyholder account balances	665	715	709	738	648	2,089	2,108
Amortization of deferred policy acquisition costs	32	158	142	148	(46)	332	197
Non deferrable insurance commissions	72	69	69	74	68	210	192
Advisory fee expenses	339	341	332	329	338	1,012	986
General operating expenses	262	262	244	279	233	768	701
Total benefits and expenses	1,568	1,661	1,588	1,695	1,378	4,817	4,594
Pre-tax operating income (1)	\$ 635	\$ 804	\$ 800	\$ 722	\$ 1,094	\$ 2,239	\$ 2,773
Assets under management:							
General accounts	\$ 123,848	\$ 122,169	\$ 124,460	\$ 124,755	\$ 127,178	\$ 123,848	\$ 127,178
Separate accounts	69,807	74,523	74,434	72,381	70,024	69,807	70,024
Group retirement and retail mutual funds	26,679	28,207	27,706	27,052	27,739	26,679	27,739
Total assets under management	\$ 220,334	\$ 224,899	\$ 226,600	\$ 224,188	\$ 224,941	\$ 220,334	\$ 224,941

See Accompanying Notes on Pages 43 to 45.



American International Group, Inc.
Net Flows

Consumer Insurance - Retirement

(in millions)	Quarterly					Nine Months Ended September 30,	
	3Q15	2Q15	1Q15	4Q14	3Q14	2015	2014
Investment Products Net Flows:							
Premiums and deposits: (2)							
Fixed Annuities	\$ 1,121	\$ 650	\$ 684	\$ 865	\$ 692	\$ 2,455	\$ 2,713
Retirement Income Solutions	2,758	2,936	2,457	2,695	2,887	8,151	7,630
Retail Mutual Funds	843	922	857	721	598	2,622	2,656
Group Retirement	1,903	1,562	1,511	1,709	1,686	4,976	5,034
Total premiums and deposits	6,625	6,070	5,509	5,990	5,863	18,204	18,033
Surrenders and withdrawals:							
Fixed Annuities	(842)	(946)	(883)	(1,059)	(834)	(2,671)	(2,587)
Retirement Income Solutions	(771)	(823)	(751)	(781)	(770)	(2,345)	(2,325)
Retail Mutual Funds	(651)	(581)	(714)	(800)	(913)	(1,946)	(2,578)
Group Retirement	(2,428)	(1,819)	(2,012)	(3,839)	(2,615)	(6,259)	(6,164)
Total surrenders and withdrawals	(4,692)	(4,169)	(4,360)	(6,479)	(5,132)	(13,221)	(13,654)
Death and other contract benefits:							
Fixed Annuities	(616)	(644)	(547)	(547)	(591)	(1,807)	(1,698)
Retirement Income Solutions	(163)	(191)	(181)	(174)	(165)	(535)	(479)
Group Retirement	(139)	(134)	(139)	(133)	(132)	(412)	(404)
Total death and other contract benefits	(918)	(969)	(867)	(854)	(888)	(2,754)	(2,581)
Net flows: (6)							
Fixed Annuities	(337)	(940)	(746)	(741)	(733)	(2,023)	(1,572)
Retirement Income Solutions	1,824	1,922	1,525	1,740	1,952	5,271	4,826
Retail Mutual Funds	192	341	143	(79)	(315)	676	78
Group Retirement	(664)	(391)	(640)	(2,263)	(1,061)	(1,695)	(1,534)
Total net flows	\$ 1,015	\$ 932	\$ 282	\$ (1,343)	\$ (157)	\$ 2,229	\$ 1,798

See Accompanying Notes on Pages 43 to 45.



American International Group, Inc.
Operating Statistics

Consumer Insurance - Retirement (Fixed Annuities)

(in millions)	Quarterly					Nine Months Ended September 30,	
	3Q15	2Q15	1Q15	4Q14	3Q14	2015	2014
Premiums and deposits (2)	\$ 1,132	\$ 661	\$ 695	\$ 875	\$ 703	\$ 2,488	\$ 2,748
Revenues:							
Premiums	\$ 34	\$ 43	\$ 41	\$ 61	\$ 50	\$ 118	\$ 192
Policy fees	(5)	5	4	5	3	4	16
Net investment income:							
Base portfolio (3)	718	723	733	755	772	2,174	2,361
Alternative investments (4)	1	103	84	60	72	188	270
Other enhancements (5)	24	24	30	50	41	78	70
Total net investment income	743	850	847	865	885	2,440	2,701
Total operating revenues	772	898	892	931	938	2,562	2,909
Benefits and expenses:							
Policyholder benefits and losses incurred	76	78	64	90	78	218	296
Interest credited to policyholder account balances	351	391	386	407	332	1,128	1,146
Amortization of deferred policy acquisition costs	36	72	70	76	(60)	178	83
Non deferrable insurance commissions	5	5	5	7	6	15	19
General operating expenses	42	38	40	43	37	120	111
Total benefits and expenses	510	584	565	623	393	1,659	1,655
Pre-tax operating income (1)	\$ 262	\$ 314	\$ 327	\$ 308	\$ 545	\$ 903	\$ 1,254
General and separate account reserves:							
Future policyholder benefits	\$ 2,893	\$ 2,935	\$ 3,070	\$ 3,054	\$ 3,029	\$ 2,893	\$ 3,029
Policyholder contract deposits and separate account reserves	52,076	52,080	52,718	53,138	53,577	52,076	53,577
Total general and separate account reserves	\$ 54,969	\$ 55,015	\$ 55,788	\$ 56,192	\$ 56,606	\$ 54,969	\$ 56,606

See Accompanying Notes on Pages 43 to 45.

American International Group, Inc.
Operating Statistics

Consumer Insurance - Retirement (Fixed Annuities)

(in millions)	Quarterly					Nine Months Ended September 30,	
	3Q15	2Q15	1Q15	4Q14	3Q14	2015	2014
Net investment spreads: (a)							
Base yield (7)	4.99%	4.98%	4.99%	5.03%	5.06%	4.99%	5.14%
Alternative investments (8)	(0.22)%	0.36%	0.22%	0.14%	0.21%	0.12%	0.28%
Other enhancements (9)	0.05%	0.09%	0.12%	0.27%	0.20%	0.08%	0.09%
Total yield	4.82%	5.43%	5.33%	5.44%	5.47%	5.19%	5.51%
Cost of funds (b)	2.79%	2.77%	2.78%	2.80%	2.81%	2.78%	2.83%
Net spread rate, as reported	2.03%	2.66%	2.55%	2.64%	2.66%	2.41%	2.68%
Base net investment spread (c)	2.20%	2.21%	2.21%	2.23%	2.25%	2.21%	2.31%
Surrender rates (10)	6.5%	7.2%	6.7%	8.0%	6.3%	6.8%	6.6%
DAC rollforward:							
Balance at beginning of period	\$ 869	\$ 723	\$ 817	\$ 855	\$ 645	\$ 817	\$ 1,017
Deferrals	27	15	16	20	17	58	66
Operating amortization	(36)	(72)	(70)	(77)	60	(178)	(82)
Change from realized gains (losses)	-	(2)	2	2	(8)	-	(38)
Change from unrealized gains (losses)	75	205	(42)	17	141	238	(108)
Balance at end of period	\$ 935	\$ 869	\$ 723	\$ 817	\$ 855	\$ 935	\$ 855
Reserve rollforward:							
Balance at beginning of period, gross	\$ 55,370	\$ 56,013	\$ 56,445	\$ 56,877	\$ 57,303	\$ 56,445	\$ 57,531
Premiums and deposits	1,132	661	695	875	703	2,488	2,748
Surrenders and withdrawals	(900)	(1,000)	(933)	(1,125)	(896)	(2,833)	(2,817)
Death and other contract benefits	(690)	(710)	(600)	(601)	(650)	(2,000)	(1,872)
Subtotal	(458)	(1,049)	(838)	(851)	(843)	(2,345)	(1,941)
Change in fair value of underlying assets and reserve accretion, net of policy fees	25	47	30	28	28	102	118
Cost of funds (b)	364	361	356	373	377	1,081	1,135
Other reserve changes (including loss recognition)	16	(2)	20	18	12	34	34
Balance at end of period	55,317	55,370	56,013	56,445	56,877	55,317	56,877
Reserves related to unrealized investment appreciation	15	9	139	100	85	15	85
Reinsurance ceded	(363)	(364)	(364)	(353)	(356)	(363)	(356)
Total insurance reserves	\$ 54,969	\$ 55,015	\$ 55,788	\$ 56,192	\$ 56,606	\$ 54,969	\$ 56,606

(a) Excludes immediate annuities.

(b) Excludes the amortization of sales inducement assets.

(c) Excludes impact of alternative investments and other enhancements.

See Accompanying Notes on Pages 43 to 45.



American International Group, Inc.
Operating Statistics

Consumer Insurance - Retirement (Retirement Income Solutions)

(in millions)	Quarterly					Nine Months Ended September 30,	
	3Q15	2Q15	1Q15	4Q14	3Q14	2015	2014
Premiums and deposits (2)							
Variable Annuities	\$ 1,964	\$ 2,224	\$ 2,010	\$ 2,259	\$ 2,548	\$ 6,198	\$ 6,821
Index Annuities	797	714	449	439	341	1,960	815
Total Premiums and deposits	\$ 2,761	\$ 2,938	\$ 2,459	\$ 2,698	\$ 2,889	\$ 8,158	\$ 7,636
Revenues:							
Premiums	\$ (2)	\$ (2)	\$ (3)	\$ (2)	\$ (8)	\$ (7)	\$ (8)
Policy fees	166	168	158	154	155	492	426
Net investment income:							
Base portfolio (3)	138	127	117	109	110	382	314
Alternative investments (4)	(2)	41	27	20	30	66	91
Other enhancements (5)	8	5	4	5	6	17	5
Total net investment income	144	173	148	134	146	465	410
Advisory fee and other income	66	64	63	66	58	193	163
Total operating revenues	374	403	366	352	351	1,143	991
Benefits and expenses:							
Policyholder benefits and losses incurred	103	21	15	20	17	139	37
Interest credited to policyholder account balances	37	46	45	43	40	128	114
Amortization of deferred policy acquisition costs	8	61	50	51	38	119	105
Non deferrable insurance commissions	53	46	47	47	41	146	115
Advisory fee expenses	4	2	4	3	3	10	8
General operating expenses	63	68	58	63	48	189	153
Total benefits and expenses	268	244	219	227	187	731	532
Pre-tax operating income (1)	\$ 106	\$ 159	\$ 147	\$ 125	\$ 164	\$ 412	\$ 459
General and separate account reserves:							
Policyholder contract deposits and future policy benefits	\$ 13,771	\$ 11,784	\$ 11,424	\$ 10,567	\$ 9,507	\$ 13,771	\$ 9,507
Separate account reserves	39,043	40,896	40,365	38,944	37,303	39,043	37,303
Total general and separate account reserves	\$ 52,814	\$ 52,680	\$ 51,789	\$ 49,511	\$ 46,810	\$ 52,814	\$ 46,810

See Accompanying Notes on Pages 43 to 45.



American International Group, Inc.
Operating Statistics

Consumer Insurance - Retirement (Retirement Income Solutions)

(in millions)	Quarterly					Nine Months Ended September 30,	
	3Q15	2Q15	1Q15	4Q14	3Q14	2015	2014
Net investment spreads:							
Base yield (7)	4.76%	4.76%	4.75%	4.68%	5.11%	4.75%	5.10%
Alternative investments (8)	(0.50)%	0.90%	0.53%	0.32%	0.69%	0.28%	0.78%
Other enhancements (9)	0.04%	0.06%	0.04%	0.05%	0.12%	0.05%	(0.06)%
Total yield	4.30%	5.72%	5.32%	5.05%	5.92%	5.08%	5.82%
Cost of funds (a)	1.56%	1.65%	1.82%	1.74%	1.83%	1.67%	1.84%
Net spread rate, as reported	2.74%	4.07%	3.50%	3.31%	4.09%	3.41%	3.98%
Base net investment spread (b)	3.20%	3.11%	2.93%	2.94%	3.28%	3.08%	3.26%
Surrender rates (10)	6.0%	6.4%	6.0%	6.6%	6.8%	6.2%	7.3%
DAC rollforward:							
Balance at beginning of period	\$ 1,728	\$ 1,545	\$ 1,529	\$ 1,433	\$ 1,286	\$ 1,529	\$ 1,174
Deferrals	170	177	144	154	163	491	426
Operating amortization	(8)	(61)	(50)	(51)	(38)	(119)	(105)
Change from realized gains (losses)	(9)	(25)	(37)	(4)	(31)	(71)	(6)
Change from unrealized gains (losses)	30	92	(41)	(3)	53	81	(56)
Balance at end of period	\$ 1,911	\$ 1,728	\$ 1,545	\$ 1,529	\$ 1,433	\$ 1,911	\$ 1,433
Reserve rollforward:							
Balance at beginning of period, gross	\$ 52,680	\$ 51,788	\$ 49,511	\$ 46,810	\$ 45,302	\$ 49,511	\$ 40,748
Premiums and deposits	2,761	2,938	2,459	2,698	2,889	8,158	7,636
Surrenders and withdrawals	(787)	(841)	(766)	(799)	(786)	(2,394)	(2,383)
Death and other contract benefits	(168)	(197)	(188)	(181)	(171)	(553)	(499)
Subtotal	1,806	1,900	1,505	1,718	1,932	5,211	4,754
Change in fair value of underlying assets and reserve accretion, net of policy fees	(1,713)	(1,037)	705	943	(470)	(2,045)	1,178
Cost of funds (a)	44	42	43	39	37	129	103
Other reserve changes	(3)	(13)	24	1	9	8	27
Balance at end of period	52,814	52,680	51,788	49,511	46,810	52,814	46,810
Reinsurance ceded	-	-	1	-	-	-	-
Total insurance reserves	\$ 52,814	\$ 52,680	\$ 51,789	\$ 49,511	\$ 46,810	\$ 52,814	\$ 46,810

(a) Excludes the amortization of sales inducement assets.

(b) Excludes impact of alternative investments and other enhancements.

See Accompanying Notes on Pages 43 to 45.



American International Group, Inc.
Operating Statistics

Consumer Insurance - Retirement (Group Retirement)

(in millions)	Quarterly					Nine Months Ended September 30,	
	3Q15	2Q15	1Q15	4Q14	3Q14	2015	2014
Premiums and deposits (2)	\$ 1,903	\$ 1,562	\$ 1,511	\$ 1,709	\$ 1,686	\$ 4,976	\$ 5,034
Revenues:							
Premiums	\$ 5	\$ 3	\$ 8	\$ 7	\$ 24	\$ 16	\$ 37
Policy fees	99	103	101	100	105	303	305
Net investment income:							
Base portfolio (3)	492	511	500	514	515	1,503	1,570
Alternative investments (4)	(2)	70	54	44	55	122	182
Other enhancements (5)	19	15	20	24	30	54	45
Total net investment income	509	596	574	582	600	1,679	1,797
Advisory fee and other income	54	55	55	55	55	164	152
Total operating revenues	667	757	738	744	784	2,162	2,291
Benefits and expenses:							
Policyholder benefits and losses incurred	19	17	13	17	43	49	77
Interest credited to policyholder account balances	277	278	278	288	276	833	848
Amortization of deferred policy acquisition costs	(12)	25	22	20	(23)	35	11
Non deferrable insurance commissions	14	18	17	21	20	49	57
Advisory fee expenses	22	13	16	16	17	51	40
General operating expenses	89	90	90	113	87	269	261
Total benefits and expenses	409	441	436	475	420	1,286	1,294
Pre-tax operating income (1)	\$ 258	\$ 316	\$ 302	\$ 269	\$ 364	\$ 876	\$ 997
General and separate account reserves:							
Future policy benefits	\$ 479	\$ 478	\$ 483	\$ 484	\$ 485	\$ 479	\$ 485
Policyholder contract deposits	37,669	37,540	37,677	37,734	37,963	37,669	37,963
Separate account reserves	30,733	33,593	34,034	33,401	32,687	30,733	32,687
Total general and separate account reserves	68,881	71,611	72,194	71,619	71,135	68,881	71,135
Group Retirement mutual funds	14,008	15,138	14,900	14,557	15,471	14,008	15,471
Total reserves and Group Retirement mutual funds	\$ 82,889	\$ 86,749	\$ 87,094	\$ 86,176	\$ 86,606	\$ 82,889	\$ 86,606

See Accompanying Notes on Pages 43 to 45.

American International Group, Inc.
Operating Statistics

Consumer Insurance - Retirement (Group Retirement)

(in millions)	Quarterly					Nine Months Ended September 30,	
	3Q15	2Q15	1Q15	4Q14	3Q14	2015	2014
Net investment spreads:							
Base yield (7)	4.90%	5.08%	4.92%	4.96%	4.92%	4.97%	5.01%
Alternative investments (8)	(0.25)%	0.42%	0.26%	0.17%	0.25%	0.14%	0.31%
Other enhancements (9)	0.05%	0.06%	0.13%	0.15%	0.20%	0.08%	0.06%
Total yield	4.70%	5.56%	5.31%	5.28%	5.37%	5.19%	5.38%
Cost of funds (a)	2.98%	2.94%	2.97%	2.98%	2.99%	2.96%	3.01%
Net spread rate, as reported	1.72%	2.62%	2.34%	2.30%	2.38%	2.23%	2.37%
Base net investment spread (b)	1.92%	2.14%	1.95%	1.98%	1.93%	2.01%	2.00%
Surrender rates (10)	11.4%	8.4%	9.3%	17.8%	12.0%	9.9%	9.5%
DAC rollforward:							
Balance at beginning of period	\$ 885	\$ 813	\$ 839	\$ 845	\$ 758	\$ 839	\$ 900
Deferrals	23	15	15	17	16	53	49
Operating amortization	12	(25)	(22)	(20)	23	(35)	(11)
Change from realized gains (losses)	-	-	1	1	(1)	1	(6)
Change from unrealized gains (losses)	50	82	(20)	(4)	49	112	(87)
Balance at end of period	\$ 970	\$ 885	\$ 813	\$ 839	\$ 845	\$ 970	\$ 845
Reserve rollforward:							
Balance at beginning of period, gross	\$ 86,749	\$ 87,094	\$ 86,176	\$ 86,606	\$ 88,297	\$ 86,176	\$ 85,597
Premiums and deposits	1,903	1,562	1,511	1,709	1,686	4,976	5,034
Surrenders and withdrawals	(2,427)	(1,819)	(2,012)	(3,839)	(2,615)	(6,258)	(6,164)
Death and other contract benefits	(139)	(134)	(139)	(133)	(132)	(412)	(404)
Subtotal	(663)	(391)	(640)	(2,263)	(1,061)	(1,694)	(1,534)
Change in fair value of underlying assets and reserve accretion, net of policy fees	(3,477)	(227)	1,284	1,551	(914)	(2,420)	1,694
Cost of funds	280	273	274	282	284	827	849
Total reserves and Group Retirement mutual funds	\$ 82,889	\$ 86,749	\$ 87,094	\$ 86,176	\$ 86,606	\$ 82,889	\$ 86,606

(a) Excludes the amortization of sales inducement assets.

(b) Excludes the impact of alternative investments and other enhancements.

See Accompanying Notes on Pages 43 to 45.



American International Group, Inc. Variable Annuity Guaranteed Benefits (11)

Consumer Insurance - Retirement

(in millions)

Account value by benefit type (a)

Guaranteed Minimum Death Benefits (GMDB) only (b)	
Guaranteed Minimum Income Benefits (GMIB) (c)	
Guaranteed Minimum Withdrawal Benefits (GMWB) (d)	

Liability by benefit type (a)

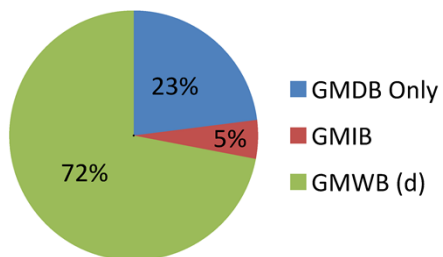
Guaranteed Minimum Death Benefits (GMDB) (b)	
Guaranteed Minimum Income Benefits (GMIB) (c)	
Guaranteed Minimum Withdrawal Benefits (GMWB) (d)	

	Quarterly				
	3Q15	2Q15	1Q15	4Q14	3Q14
\$	61,405	\$ 64,672	\$ 65,144	\$ 64,386	\$ 63,709
	2,429	2,647	2,759	2,799	2,844
	36,487	37,435	36,559	35,043	33,272
\$	471	\$ 397	\$ 393	\$ 401	\$ 395
	27	16	17	23	23
	1,398	456	1,184	957	545

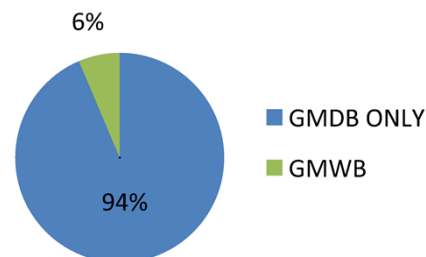
- (a) Excludes assumed reinsurance business.
- (b) A guaranteed minimum death benefit is an amount paid from a variable annuity upon the death of the owner. This benefit protects beneficiaries from market volatility and may be different than the account value. Each of these benefits may be subject to a maximum amount based on age of owner or dollar amount. "Guaranteed Minimum Death Benefits only" signifies that no other guarantees are present. Contracts with a guaranteed living benefit also have a guaranteed minimum death benefit.
- (c) A guaranteed minimum income benefit establishes a minimum amount available to be annuitized regardless of actual performance in the product. The benefit is not available until a set number of years after contract issue.
- (d) A guaranteed minimum withdrawal benefit creates a guaranteed income stream which, within certain parameters, may continue for the life of the annuitant even if the entire contract value has been reduced to zero. The fair value of GMWB embedded derivatives is based on actuarial and capital market assumptions related to projected cash flows of rider fees and claims over the expected lives of the contracts. Also includes guaranteed minimum account value (GMAV), which ensures a return of premium invested at the end of 10 years, based on premiums invested in a defined period. The liability for GMAV at September 30, 2015 was \$6 million.

Retirement Income Solutions

Group Retirement



Type of Benefit	Account Value (\$B)
GMDB Only	10.2
GMIB	2.4
GMWB (d)	33.0
Total	45.6



Type of Benefit	Account Value (\$B)
GMDB ONLY	51.2
GMWB	3.5
Total	54.7

See Accompanying Notes on Pages 43 to 45.

American International Group, Inc.
Operating Statistics

Consumer Insurance - Life

(in millions)	Quarterly					Nine Months Ended September 30,	
	3Q15	2Q15	1Q15	4Q14	3Q14	2015	2014
Premiums and deposits (2)	\$ 1,223	\$ 1,249	\$ 1,223	\$ 1,249	\$ 1,163	\$ 3,695	\$ 3,557
Revenues:							
Premiums	\$ 675	\$ 702	\$ 708	\$ 675	\$ 655	\$ 2,085	\$ 2,004
Policy fees	392	362	363	365	370	1,117	1,078
Net investment income:							
Base portfolio (3)	484	482	481	488	480	1,447	1,480
Alternative investments (4)	-	62	44	38	46	106	155
Other enhancements (5)	12	7	17	10	24	36	28
Total net investment income	496	551	542	536	550	1,589	1,663
Other income (12)	15	17	-	-	-	32	-
Total operating revenues	1,578	1,632	1,613	1,576	1,575	4,823	4,745
Benefits and expenses:							
Policyholder benefits and losses incurred	1,037	965	942	1,005	1,005	2,944	2,766
Interest credited to policyholder account balances	124	122	124	127	128	370	380
Amortization of deferred policy acquisition costs	158	89	86	63	97	333	258
Non deferrable insurance commissions	51	57	59	72	62	167	185
General operating expenses	248	250	231	229	233	729	656
Total benefits and expenses	1,618	1,483	1,442	1,496	1,525	4,543	4,245
Pre-tax operating income (1)	\$ (40)	\$ 149	\$ 171	\$ 80	\$ 50	\$ 280	\$ 500
Gross life insurance in force, end of period:							
Domestic Life	\$ 920,665	\$ 916,307	\$ 910,413	\$ 906,232	\$ 901,393	\$ 920,665	\$ 901,393
International Life	100,484	100,325	92,609	94,471	28,612	100,484	28,612
Total	\$ 1,021,149	\$ 1,016,632	\$ 1,003,022	\$ 1,000,703	\$ 930,005	\$ 1,021,149	\$ 930,005

See Accompanying Notes on Pages 43 to 45.

American International Group, Inc.
Operating Statistics

Consumer Insurance - Life

(in millions)

	Quarterly					Nine Months Ended September 30,	
	3Q15	2Q15	1Q15	4Q14	3Q14	2015	2014
Life and A&H CPPE sales: (13)							
Term	\$ 48	\$ 48	\$ 43	\$ 31	\$ 32	\$ 139	\$ 86
Whole Life	13	13	11	15	19	37	93
Universal life	25	26	23	30	26	74	86
Other life	5	7	30	5	2	42	12
Single premium and unscheduled deposits	3	3	3	3	2	9	10
A&H	16	13	12	23	28	41	67
Total	\$ 110	\$ 110	\$ 122	\$ 107	\$ 109	\$ 342	\$ 354
Life and A&H sales by distribution channel:							
Retail - Independent	\$ 87	\$ 84	\$ 102	\$ 84	\$ 84	\$ 273	\$ 273
Retail - Affiliated (Career and AIG Direct)	23	26	20	23	25	69	81
Total	\$ 110	\$ 110	\$ 122	\$ 107	\$ 109	\$ 342	\$ 354
Life and A&H sales by region:							
Domestic Life	\$ 66	\$ 62	\$ 55	\$ 64	\$ 60	\$ 183	\$ 183
International Life	44	48	67	43	49	159	171
Total	\$ 110	\$ 110	\$ 122	\$ 107	\$ 109	\$ 342	\$ 354
Surrender rates: (14)							
Domestic Life:							
Independent distribution	5.2%	5.0%	4.8%	4.7%	5.1%	5.0%	4.9%
Career distribution	7.5%	7.1%	7.5%	7.5%	7.6%	7.3%	8.1%
International Life	2.9%	2.9%	2.9%	3.0%	3.3%	2.9%	3.3%
DAC/VOBA rollforward:							
Balance at beginning of period	\$ 4,152	\$ 4,032	\$ 4,051	\$ 3,712	\$ 3,710	\$ 4,051	\$ 3,805
Deferrals	119	109	104	96	89	332	279
Operating amortization	(158)	(89)	(86)	(63)	(97)	(333)	(258)
Change from realized gains (losses)	7	(3)	-	-	(1)	4	-
Change from unrealized gains (losses)	(52)	92	(7)	(11)	7	33	(108)
Other changes	-	-	-	336	-	-	-
Foreign exchange translation	(13)	11	(30)	(19)	4	(32)	(6)
Balance at end of period	\$ 4,055	\$ 4,152	\$ 4,032	\$ 4,051	\$ 3,712	\$ 4,055	\$ 3,712
Reserve rollforward:							
Balance at beginning of period, gross	\$ 33,640	\$ 33,482	\$ 33,536	\$ 33,418	\$ 33,086	\$ 33,536	\$ 32,810
Premiums and deposits	1,223	1,249	1,223	1,249	1,163	3,695	3,557
Surrenders and withdrawals	(189)	(164)	(222)	(215)	(211)	(575)	(638)
Death and other contract benefits	(257)	(260)	(247)	(204)	(224)	(764)	(608)
Subtotal	777	825	754	830	728	2,356	2,311
Change in fair value of underlying assets and reserve accretion, net of policy fees	(266)	(186)	(142)	(161)	(195)	(594)	(530)
Cost of funds	124	122	124	129	126	370	378
Other reserve changes	(364)	(610)	(496)	(409)	(391)	(1,470)	(1,454)
Foreign exchange translation	(72)	7	(294)	(271)	64	(359)	(97)
Balance at end of period	33,839	33,640	33,482	33,536	33,418	33,839	33,418
Reinsurance ceded	(1,429)	(1,444)	(1,440)	(1,315)	(1,315)	(1,429)	(1,315)
Total insurance reserves	\$ 32,410	\$ 32,196	\$ 32,042	\$ 32,221	\$ 32,103	\$ 32,410	\$ 32,103
Domestic Life	29,037	28,899	28,879	28,761	28,647	29,037	28,647
International Life	3,373	3,297	3,163	3,460	3,456	3,373	3,456
Total insurance reserves	\$ 32,410	\$ 32,196	\$ 32,042	\$ 32,221	\$ 32,103	\$ 32,410	\$ 32,103

See Accompanying Notes on Pages 43 to 45.



American International Group, Inc.
Operating Statistics

Consumer Insurance - Personal Insurance

(in millions)	Quarterly					Nine Months Ended September 30,	
	3Q15	2Q15	1Q15	4Q14	3Q14	2015	2014
Net premiums written	\$ 3,016	\$ 2,930	\$ 2,915	\$ 2,866	\$ 3,241	\$ 8,861	\$ 9,546
Net premiums earned	\$ 2,819	\$ 2,806	\$ 2,799	\$ 2,926	\$ 3,059	\$ 8,424	\$ 9,044
Losses and loss adjustment expenses incurred	1,506	1,480	1,645	1,498	1,621	4,631	4,990
Acquisition expenses:							
Amortization of deferred policy acquisition costs	504	490	487	514	546	1,481	1,578
Other acquisition expenses	296	294	278	325	269	868	840
Total acquisition expenses	800	784	765	839	815	2,349	2,418
General operating expenses	503	535	478	550	607	1,516	1,670
Underwriting income (loss)	10	7	(89)	39	16	(72)	(34)
Net investment income:							
Interest and dividends	55	55	56	70	91	166	265
Alternative investments	-	7	9	5	9	16	32
Other investment income	1	5	2	11	8	8	29
Investment expenses	(4)	(4)	(4)	(4)	(4)	(12)	(14)
Total net investment income	52	63	63	82	104	178	312
Pre-tax operating income (loss)	\$ 62	\$ 70	\$ (26)	\$ 121	\$ 120	\$ 106	\$ 278
Underwriting ratios: (18)							
Loss ratio	53.4	52.7	58.8	51.2	53.0	55.0	55.2
Catastrophe losses and reinstatement premiums	(2.0)	(0.5)	(2.2)	(0.3)	(0.7)	(1.6)	(1.3)
Prior year development net of premium adjustments	1.6	0.6	(0.2)	1.2	0.4	0.7	0.4
Accident year loss ratio, as adjusted	53.0	52.8	56.4	52.1	52.7	54.1	54.3
Acquisition ratio	28.4	27.9	27.3	28.7	26.6	27.9	26.7
General operating expense ratio	17.8	19.1	17.1	18.8	19.8	18.0	18.5
Expense ratio	46.2	47.0	44.4	47.5	46.4	45.9	45.2
Combined ratio	99.6	99.7	103.2	98.7	99.4	100.9	100.4
Catastrophe losses and reinstatement premiums	(2.0)	(0.5)	(2.2)	(0.3)	(0.7)	(1.6)	(1.3)
Prior year development net of premium adjustments	1.6	0.6	(0.2)	1.2	0.4	0.7	0.4
Accident year combined ratio, as adjusted	99.2	99.8	100.8	99.6	99.1	100.0	99.5
Noteworthy items (pre-tax):							
Catastrophe-related losses (15)	\$ 58	\$ 16	\$ 61	\$ 8	\$ 22	\$ 135	\$ 118
Severe losses (16)	-	-	12	13	-	12	41
Prior year loss reserve development (favorable) unfavorable, net of reinsurance and premium adjustments	(46)	(17)	4	(35)	(12)	(59)	(42)
Net loss and loss expense reserve by line of business (at period end):							
Personal Lines	2,814	2,816	2,836	2,763	2,994	2,814	2,994
Accident and Health	1,600	1,667	1,669	1,878	2,016	1,600	2,016
Total	\$ 4,414	\$ 4,483	\$ 4,505	\$ 4,641	\$ 5,010	\$ 4,414	\$ 5,010

See Accompanying Notes on Pages 43 to 45.



American International Group, Inc.
Net Premiums Written by Line of Business and Region

Consumer Insurance - Personal Insurance

(in millions)	Quarterly					Nine Months Ended September 30,	
	3Q15	2Q15	1Q15	4Q14	3Q14	2015	2014
By Line of Business:							
Personal Lines	\$ 1,696	\$ 1,692	\$ 1,567	\$ 1,673	\$ 1,815	\$ 4,955	\$ 5,298
Accident and Health	1,320	1,238	1,348	1,193	1,426	3,906	4,248
Total net premiums written	\$ 3,016	\$ 2,930	\$ 2,915	\$ 2,866	\$ 3,241	\$ 8,861	\$ 9,546
By Region:							
Americas	\$ 1,047	\$ 947	\$ 912	\$ 905	\$ 1,004	\$ 2,906	\$ 2,919
EMEA	446	444	573	456	488	1,463	1,616
Asia Pacific	1,523	1,539	1,430	1,505	1,749	4,492	5,011
Total net premiums written	\$ 3,016	\$ 2,930	\$ 2,915	\$ 2,866	\$ 3,241	\$ 8,861	\$ 9,546
Foreign exchange effect on worldwide premiums:							
Change in net premiums written							
Increase (decrease) in original currency over prior-year period (17)	3.5 %	2.0 %	1.4 %	1.7 %	1.9 %	2.3 %	1.7 %
Foreign exchange effect	(10.4)	(9.8)	(8.2)	(4.9)	(1.9)	(9.5)	(3.7)
Increase (decrease) as reported in U.S. dollars	(6.9) %	(7.8) %	(6.8) %	(3.2) %	- %	(7.2) %	(2.0) %

See Accompanying Notes on Pages 43 to 45.

American International Group, Inc.
Operating Statistics

Consumer Insurance - Personal Insurance North America

(in millions)	Quarterly					Nine Months Ended September 30,	
	3Q15	2Q15	1Q15	4Q14	3Q14	2015	2014
Net premiums written	\$ 874	\$ 800	\$ 772	\$ 749	\$ 865	\$ 2,446	\$ 2,493
Net premiums earned	\$ 795	\$ 799	\$ 780	\$ 776	\$ 817	\$ 2,374	\$ 2,448
Losses and loss adjustment expenses incurred	393	405	546	434	467	1,344	1,500
Acquisition expenses:							
Amortization of deferred policy acquisition costs	116	105	101	109	116	322	339
Other acquisition expenses	102	105	95	90	44	302	155
Total acquisition expenses	218	210	196	199	160	624	494
General operating expenses	107	121	88	120	120	316	346
Underwriting income (loss)	77	63	(50)	23	70	90	108
Net investment income:							
Interest and dividends	21	20	21	26	41	62	111
Alternative investments	(2)	6	7	4	10	11	30
Other investment income	(2)	3	-	6	3	1	8
Investment expenses	(1)	(1)	(1)	-	(2)	(3)	(5)
Total net investment income	16	28	27	36	52	71	144
Pre-tax operating income	\$ 93	\$ 91	\$ (23)	\$ 59	\$ 122	\$ 161	\$ 252
Underwriting ratios: (18)							
Loss ratio	49.4	50.7	70.0	55.9	57.2	56.6	61.3
Catastrophe losses and reinstatement premiums	(0.6)	(2.0)	(7.8)	-	(0.2)	(3.4)	(2.1)
Prior year development net of premium adjustments	4.0	3.0	2.3	3.1	0.6	3.1	1.1
Accident year loss ratio, as adjusted	52.8	51.7	64.5	59.0	57.6	56.3	60.3
Acquisition ratio	27.4	26.3	25.1	25.6	19.6	26.3	20.2
General operating expense ratio	13.5	15.1	11.3	15.5	14.7	13.3	14.1
Expense ratio	40.9	41.4	36.4	41.1	34.3	39.6	34.3
Combined ratio	90.3	92.1	106.4	97.0	91.5	96.2	95.6
Catastrophe losses and reinstatement premiums	(0.6)	(2.0)	(7.8)	-	(0.2)	(3.4)	(2.1)
Prior year development net of premium adjustments	4.0	3.0	2.3	3.1	0.6	3.1	1.1
Accident year combined ratio, as adjusted	93.7	93.1	100.9	100.1	91.9	95.9	94.6
Noteworthy items (pre-tax):							
Catastrophe-related losses (15)	\$ 5	\$ 16	\$ 61	\$ -	\$ 1	\$ 82	\$ 52
Severe losses (16)	-	-	12	13	-	12	37
Prior year loss reserve development (favorable) unfavorable, net of reinsurance and premium adjustments	\$ (32)	\$ (24)	\$ (18)	\$ (24)	\$ (5)	\$ (74)	\$ (28)

See Accompanying Notes on Pages 43 to 45.

American International Group, Inc.
Operating Statistics

Consumer Insurance - Personal Insurance International

(in millions)	Quarterly					Nine Months Ended September 30,	
	3Q15	2Q15	1Q15	4Q14	3Q14	2015	2014
	\$	\$	\$	\$	\$	\$	\$
Net premiums written	2,142	2,130	2,143	2,117	2,376	6,415	7,053
Net premiums earned	2,024	2,007	2,019	2,150	2,242	6,050	6,596
Losses and loss adjustment expenses incurred	1,113	1,075	1,099	1,064	1,154	3,287	3,490
Acquisition expenses:							
Amortization of deferred policy acquisition costs	388	385	386	405	430	1,159	1,239
Other acquisition expenses	194	189	183	235	225	566	685
Total acquisition expenses	582	574	569	640	655	1,725	1,924
General operating expenses	396	414	390	430	487	1,200	1,324
Underwriting income (loss)	(67)	(56)	(39)	16	(54)	(162)	(142)
Net investment income:							
Interest and dividends	34	35	35	44	50	104	154
Alternative investments	2	1	2	1	(1)	5	2
Other investment income	3	2	2	5	5	7	21
Investment expenses	(3)	(3)	(3)	(4)	(2)	(9)	(9)
Total net investment income	36	35	36	46	52	107	168
Pre-tax operating income (loss)	(31)	(21)	(3)	62	(2)	(55)	26
Underwriting ratios: (18)							
Loss ratio	55.0	53.6	54.4	49.5	51.5	54.3	52.9
Catastrophe losses and reinstatement premiums	(2.6)	-	-	(0.4)	(1.0)	(0.8)	(1.0)
Prior year development net of premium adjustments	0.7	(0.4)	(1.1)	0.5	0.3	(0.3)	0.2
Accident year loss ratio, as adjusted	53.1	53.2	53.3	49.6	50.8	53.2	52.1
Acquisition ratio	28.8	28.6	28.2	29.8	29.2	28.5	29.2
General operating expense ratio	19.6	20.6	19.3	20.0	21.7	19.8	20.1
Expense ratio	48.4	49.2	47.5	49.8	50.9	48.3	49.3
Combined ratio	103.4	102.8	101.9	99.3	102.4	102.6	102.2
Catastrophe losses and reinstatement premiums	(2.6)	-	-	(0.4)	(1.0)	(0.8)	(1.0)
Prior year development net of premium adjustments	0.7	(0.4)	(1.1)	0.5	0.3	(0.3)	0.2
Accident year combined ratio, as adjusted	101.5	102.4	100.8	99.4	101.7	101.5	101.4
Noteworthy items (pre-tax):							
Catastrophe-related losses (15)	\$ 53	\$ -	\$ -	\$ 8	\$ 21	\$ 53	\$ 66
Severe losses (16)	-	-	-	-	-	-	4
Prior year loss reserve development (favorable) unfavorable, net of reinsurance and premium adjustments	\$ (14)	\$ 7	\$ 22	\$ (11)	\$ (7)	\$ 15	\$ (14)

See Accompanying Notes on Pages 43 to 45.

Consumer Insurance

Basis of Presentation:

Consumer Insurance presents its results in the following operating segments:

Retirement: product lines include Fixed Annuities, with products including deferred fixed annuities and immediate annuities; Retirement Income Solutions, with products including variable and index annuities; Group Retirement, with products including retirement plans, annuity and investment products for employees of education, healthcare and other sponsoring companies; and Retail Mutual Funds and Advisory Services.

Life: includes the following product lines: Traditional Life, Universal Life, International Life, Accident & Health (A&H), Endowments and Group Benefits of the Life Insurance Companies.

Personal Insurance: Personal Insurance - North America and Personal Insurance - International include the following product lines: Automobile, Property, Warranty Service Programs, and A&H and Group Benefits of the Non-Life Insurance Companies.

Selected operating statistics are provided for the Fixed Annuities, Retirement Income Solutions, and Group Retirement product lines in the Retirement operating segment, as well as the Personal Insurance - North America and Personal Insurance - International in the Personal Insurance operating segment. Operating statistics are not separately presented for Advisory Services and Retail Mutual Funds, which are included in the Retirement operating segment.

Consumer Insurance operations are conducted through the Life Insurance Companies as well as the Non-Life Insurance Companies.

Consumer Insurance operates in three major geographic areas: the Americas (which includes the United States, Canada, Latin America, the Caribbean and Bermuda), Asia Pacific (which includes Japan, China, Korea, Singapore, Vietnam, Thailand, Australia, Indonesia and other Asia Pacific nations), and EMEA (which includes the United Kingdom, Ireland, Continental Europe, the Russian Federation, India, the Middle East and Africa).

Consumer Insurance products are distributed primarily to individual consumers or groups of consumers through strategic relationships with banks, broker-dealers, insurance agents and independent marketing organizations, as well as through affiliated distribution channels, direct marketing and the internet.

Net investment income is attributed to the operating segments of Commercial Insurance and Consumer Insurance based on internal models consistent with the nature of the underlying businesses.

For Consumer Insurance - Personal Insurance, we estimate investable funds based primarily on loss reserves, unearned premiums and a capital allocation for each operating segment. The net investment income allocation is calculated based on the estimated investable funds and risk-free yields (plus a liquidity premium) consistent with the approximate duration of the liabilities, and excludes net investment income associated with the run-off insurance lines reported in Corporate and Other. The remaining income on excess surplus is allocated to Commercial Insurance - Property Casualty and Consumer Insurance - Personal Insurance based on the relative net investment income previously allocated.

For Consumer Insurance - Retirement and Consumer Insurance - Life, net investment income is attributed based on invested assets from segregated product line portfolios. The fundamental investment strategy for these operating segments is to maintain primarily a diversified, high quality portfolio of fixed maturity securities and, as is practicable, to match established duration targets based on characteristics of the underlying liabilities. Invested assets in excess of liabilities are allocated to product lines based on internal capital estimates.

American International Group, Inc.
Notes (continued)

Consumer Insurance

Notes

- (1) Consumer pre-tax operating income and AIG consolidated pre-tax income in 3Q15, 4Q14 and 3Q14 included the net effect of adjustments to reflect 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, loss recognition for certain long-term care products, and adjustments to the valuation of variable annuity GMWB features that are accounted for as embedded derivatives. Changes in the fair value of such embedded derivatives are recorded in net realized capital gains (losses) and, together with related DAC adjustments, are excluded from pre-tax operating income. In the aggregate, the net effect of adjustments to reflect the review and updated actuarial assumptions increased (decreased) pre-tax operating income as follows:

<i>(in millions)</i>	Life		Fixed Annuities		Retirement Income Solutions			Group Retirement		Total Consumer			
	3Q15	4Q14	3Q14	3Q15	3Q14	3Q15	4Q14	3Q14	3Q15	3Q14	3Q15	4Q14	3Q14
Policy fees	\$ 21	\$ -	\$ 27	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 21	\$ -	\$ 27
Interest credited to policyholder account balances	-	-	-	47	74	19	(3)	5	8	14	74	(3)	93
Amortization of deferred policy acquisition costs	(48)	16	(13)	45	122	42	(2)	10	40	47	79	14	166
Policyholder benefits and claims incurred	(130)	-	(149)	-	-	(61)	(5)	(1)	-	(15)	(191)	(5)	(165)
Pre-tax operating income (loss)	\$ (157)	\$ 16	\$ (135)	\$ 92	\$ 196	\$ -	\$ (10)	\$ 14	\$ 48	\$ 46	\$ (17)	\$ 6	\$ 121
Changes in DAC related to net realized capital gains (losses)	-	-	-	-	-	21	(17)	5	-	-	21	(17)	5
Net realized capital gains (losses)	-	-	-	-	-	(113)	83	(32)	74	-	(39)	83	(32)
Increase (decrease) to pre-tax income (loss)	\$ (157)	\$ 16	\$ (135)	\$ 92	\$ 196	\$ (92)	\$ 56	\$ (13)	\$ 122	\$ 46	\$ (35)	\$ 72	\$ 94

- (2) Premiums and deposits is a non-GAAP financial measure.

The following table presents a reconciliation of Retirement premiums and deposits to GAAP premiums:

<i>(in millions)</i>	Quarterly					Nine Months Ended September 30,	
	3Q15	2Q15	1Q15	4Q14	3Q14	2015	2014
Premiums and deposits*	\$ 6,625	\$ 6,070	\$ 5,509	\$ 5,990	\$ 5,863	\$ 18,204	\$ 18,033
Deposits	(6,542)	(6,046)	(5,637)	(5,952)	(5,822)	(18,079)	(17,951)
Other	(46)	20	174	28	26	2	139
Premiums	\$ 37	\$ 44	\$ 46	\$ 66	\$ 67	\$ 127	\$ 221

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

The following table presents a reconciliation of Life premiums and deposits to GAAP premiums:

<i>(in millions)</i>	Quarterly					Nine Months Ended September 30,	
	3Q15	2Q15	1Q15	4Q14	3Q14	2015	2014
Premiums and deposits	\$ 1,223	\$ 1,249	\$ 1,223	\$ 1,249	\$ 1,163	\$ 3,695	\$ 3,557
Deposits	(369)	(380)	(378)	(403)	(366)	(1,127)	(1,129)
Other	(179)	(167)	(137)	(171)	(142)	(483)	(424)
Premiums	\$ 675	\$ 702	\$ 708	\$ 675	\$ 655	\$ 2,085	\$ 2,004

American International Group, Inc.
Notes (continued)

Consumer Insurance

- (3) Base portfolio investment income includes interest, dividends and foreclosed real estate income, net of investment expenses.
- (4) Alternative investment income includes income on hedge funds, private equity funds and affordable housing partnerships, and is reported on a lag basis. Hedge funds are generally on a one-month lag, while private equity funds are generally on a one-quarter lag.
- (5) Net investment income other enhancements include call and tender income, changes in market value of investments accounted for under the fair value option, interest received on defaulted investments and other miscellaneous investment income, including income of certain partnership entities that are required to be consolidated.
- (6) Net flows are provided for Fixed Annuities, Retirement Income Solutions, Retail Mutual Funds and Group Retirement. Annuity net flows represent premiums and deposits less death, surrender and other withdrawals benefits. Net flows related to mutual funds represent deposits less withdrawals. Life Insurance, Advisory Services, Group Benefits and Personal Insurance are not included in net flows. Net flows exclude activity related to closed blocks of fixed and variable annuities.
- (7) Includes return on base portfolio. Quarterly results are annualized.
- (8) Includes incremental effect on base yield of alternative investments. Quarterly results are annualized.
- (9) Includes incremental effect on base yield of other enhancements. Quarterly results are annualized.
- (10) Annuity surrender rates represent annualized surrenders and withdrawals as a percentage of average account value.
- (11) Consumer Insurance uses reinsurance and hedging to mitigate risks related to guaranteed benefits in individual annuity contracts. Certain GMDB benefits written before 2004 are reinsured. The majority of GMIB benefits, which are no longer offered, are reinsured. GMWB liabilities and GMAV liabilities (GMAV is no longer offered) are included in Consumer Insurance hedging program. The hedging program is focused on mitigating economic risk fluctuations, including additional protection against large market movements (i.e., tail-risk protection). The program manages equity market risk (delta), interest rate risk (rho) and volatility risk (vega) within specified levels. The hedge portfolio is regularly rebalanced to maintain delta and rho neutrality and to maintain vega within exposure limits established by Consumer Insurance and AIG Enterprise Risk Management. In addition, product features such as rider fees indexed to an equity market volatility index, required minimum allocations to fixed accounts and the utilization of volatility control funds reduce the overall net vega exposure.
- (12) Life Other income is primarily related to Laya Healthcare commission and profit sharing revenues received from insurers for distribution of their products. We acquired Laya Healthcare on March 31, 2015.
- (13) Life and A&H sales are shown on a continuous payment premium equivalent (CPPE) basis. Life insurance sales include periodic premiums from new business expected to be collected over a one-year period and 10 percent of unscheduled and single premiums from new and existing policyholders. Sales of A&H insurance represent annualized first-year premium from new policies.
- (14) Life insurance lapse rates are reported on a 90-day lag basis to include grace period processing. International lapse rates represent Fuji Life (Japan).
- (15) Catastrophe-related losses (CATs) are generally weather or seismic events having a net impact in excess of \$10 million each.
- (16) Severe losses are defined as non-catastrophic individual first party losses greater than \$10 million, net of related reinsurance and salvage and subrogation.
- (17) Computed using a constant exchange rate for each period.
- (18) Underwriting ratios are computed as follows:
 - a) Loss ratio = Loss and loss adjustment expenses incurred ÷ Net premiums earned (NPE)
 - b) Catastrophe losses (CATs) and reinstatement premiums = [Loss and loss adjustment expenses incurred – (CATs)] ÷ [NPE + Reinstatement premiums (RIPs) related to catastrophes] – Loss ratio
 - c) Prior year development net of premium adjustments = [Loss and loss adjustment expenses incurred – Prior year loss reserve development (favorable) unfavorable (PYD), net of reinsurance] ÷ [NPE + RIPs related to prior year catastrophes + (Additional) returned premium related to prior year development] – Loss ratio
 - d) Net reserve discount = -1*[Net reserve discount (benefit) charge ÷ NPE] (Note: any rounding will go into this line since Accident year loss ratio, as adjusted is calculated independently.)
 - e) Accident year loss ratio, as adjusted = [Loss and loss adjustment expenses incurred – CATs – PYD – Net reserve discount (benefit) charge] ÷ [NPE + RIPs related to catastrophes + RIPs related to prior year catastrophes + (Additional) returned premium related to PYD]
 - f) Acquisition ratio = Total acquisition expenses ÷ NPE
 - g) General operating expense ratio = General operating expenses ÷ NPE
 - h) Expense ratio = Acquisition ratio + General operating expenses ratio
 - i) Combined ratio = Loss ratio + Expense ratio
 - j) Accident year combined ratio = Accident year loss ratio, as adjusted + Expense ratio

American International Group, Inc.
Operating Results

Corporate and Other

(in millions)	Quarterly					Nine Months Ended September 30,	
	3Q15	2Q15	1Q15	4Q14	3Q14	2015	2014
Revenues:							
Premiums	\$ 10	\$ 24	\$ 17	\$ 21	\$ 15	\$ 51	\$ 57
Net investment income	170	111	164	181	223	445	519
Other income (loss)	(71)	984	861	786	883	1,774	2,642
Total operating revenues	109	1,119	1,042	988	1,121	2,270	3,218
Benefits and expenses:							
Policyholder benefits and losses incurred	102	(28)	95	510	61	169	281
General operating expenses (1)	300	443	433	532	455	1,176	1,457
Interest expense	320	332	352	364	456	1,004	1,441
Total benefits and expenses	722	747	880	1,406	972	2,349	3,179
Pre-tax operating income (loss)	\$ (613)	\$ 372	\$ 162	\$ (418)	\$ 149	\$ (79)	\$ 39

See Accompanying Notes on Page 49.

American International Group, Inc.
Operating Results

Corporate and Other

(in millions)	Quarterly					Nine Months Ended September 30,	
	3Q15	2Q15	1Q15	4Q14	3Q14	2015	2014
Pre-tax operating income (loss):							
Equity in pre-tax operating earnings of AerCap (2)	\$ -	\$ 127	\$ 128	\$ 185	\$ 196	\$ 255	\$ 249
Fair value of PICC investments (3)	(195)	170	47	67	(30)	22	(30)
Income from other assets, net (4)	15	509	564	110	214	1,088	263
Corporate general operating expenses (1)	(133)	(268)	(252)	(288)	(317)	(653)	(858)
Interest expense (5)	(266)	(278)	(305)	(271)	(310)	(849)	(962)
Direct Investment book (5)	-	-	-	174	314	-	1,067
Global Capital Markets (5)	-	-	-	27	58	-	332
Run-off insurance lines (page 48) (6)	(54)	110	(19)	(422)	25	37	(23)
Consolidation and elimination	20	2	(1)	-	(1)	21	1
Pre-tax operating income (loss)	\$ (613)	\$ 372	\$ 162	\$ (418)	\$ 149	\$ (79)	\$ 39

See Accompanying Notes on Page 49.

American International Group, Inc.
Operating Statistics

Corporate and Other - Run-off Insurance Lines

(in millions)	Quarterly					Nine Months Ended September 30,	
	3Q15	2Q15	1Q15	4Q14	3Q14	2015	2014
Property Casualty run-off business:							
Net premiums earned	\$ 8	\$ 23	\$ 15	\$ 19	\$ 12	\$ 46	\$ 47
Losses and loss adjustment expenses incurred	118	(30)	93	514	50	181	234
General operating expenses	-	-	(1)	1	-	(1)	2
Underwriting income (loss)	(110)	53	(77)	(496)	(38)	(134)	(189)
Net investment income	59	58	58	58	59	175	173
Property Casualty run-off businesses	(51)	111	(19)	(438)	21	41	(16)
Life insurance run-off businesses, net	(3)	(1)	-	16	4	(4)	(7)
Pre-tax operating income (loss)	\$ (54)	\$ 110	\$ (19)	\$ (422)	\$ 25	\$ 37	\$ (23)
Noteworthy items (pre-tax):							
Property Casualty run-off business:							
Catastrophe-related losses	\$ 5	\$ -	\$ -	\$ -	\$ -	\$ 5	\$ -
Prior year loss reserve development (favorable) unfavorable, net of reinsurance (7)	69	84	3	135	13	156	94
Net reserve discount (benefit) charge	37	(130)	72	339	16	(21)	68
Net loss and loss expense reserve (at period end) (8)	3,475	3,215	3,340	3,526	3,095	3,475	3,095
Future policy benefits for life and A&H contracts (at period end)	\$ 1,288	\$ 1,299	\$ 1,324	\$ 1,346	\$ 1,255	\$ 1,288	\$ 1,255

See Accompanying Notes on Page 49.

American International Group, Inc.
Notes

Corporate and Other

- (1) The three- and nine-month periods ending September 30, 2015 include a \$175 million pre-tax pension curtailment gain related to freezing of the AIG Retirement Plan, the Non-Qualified Retirement Income Plan and the Supplemental Executive Retirement Plan.
- (2) Represents AIG's share of AerCap's pre-tax operating income through the June 2015 date of sale of a majority of our ordinary shares of AerCap, which excludes certain post-acquisition transaction expenses incurred by AerCap in connection with its acquisition of ILFC and the difference between expensing AerCap's maintenance rights asset over the remaining lease term as compared to the remaining economic life of the aircraft and our share of AerCap's income taxes.
- (3) During 3Q14, Consumer Insurance sold its investment in PICC Group to AIG Parent. During 1Q15, Commercial Insurance sold a portion of its investment in PICC P&C to AIG Parent. Refer to page 54 for additional information on AIG's PICC holdings.
- (4) Consists of the results of investments held by AIG Parent to support various corporate needs as well as the remaining positions of AIG Financial Products Corp. and related subsidiaries (collectively, AIGFP), life settlements, real estate, equipment leasing and lending and other secured lending investments held by AIG Parent and certain subsidiaries. 3Q14 includes higher earnings from life settlements, and \$47 million of gains from real estate sales transactions. 1Q15 includes \$174 million of gains recognized on legacy real estate portfolio investments.
- (5) As a result of the progress of the wind down and de-risking activities of the Direct Investment book (DIB) and the derivative portfolio of AIGFP included within Global Capital Markets (GCM), AIG has discontinued separate reporting of the DIB and GCM. Their results are reported within Income from other assets, net, beginning with the first quarter of 2015. This reporting aligns with the manner in which AIG manages its financial resources. Prior periods are presented in historical format for informational purposes. Interest expense for 3Q15, 2Q15 and 1Q15 includes \$13 million, \$15 million and \$29 million, respectively, of interest expense previously reported in DIB results.
- (6) Property Casualty run-off insurance lines consists primarily of excess workers' compensation, asbestos and legacy environmental (1986 and prior); certain environmental liability, certain healthcare coverage, and long-duration business in Japan and the U.S. Life Insurance run-off insurance lines include American Security Life Insurance Company Limited, AIG Life Insurance Company (Switzerland) Ltd. and a reinsurance transaction of American International Reinsurance Company, Ltd. During the third quarter of 2015, certain environmental liability and healthcare coverages that are no longer offered by Commercial Property Casualty were transferred to run-off insurance lines. See details in Notes (7) and (8) for further discussion.
- (7) The three- and nine-month periods ended September 30, 2015 include \$43 million adverse prior year loss reserve development associated with certain environmental liability and healthcare coverages, which was previously reported in Property Casualty, and exclude \$30 million of non-operating adverse prior year loss reserve development.
- (8) The three- and nine-month periods ended September 30, 2015 include \$311 million of loss reserves for certain environmental liability and healthcare coverages, which were previously reported in the Casualty and Specialty lines of business.

American International Group, Inc.

Investments - Cash and Investments

(in millions)	September 30, 2015 (3)			
	Life Insurance Companies	Non-Life Insurance Companies (1)	Corporate and Other (2)	AIG Inc.
Bonds available for sale, at fair value:				
U.S. government and government sponsored entities	\$ 793	\$ 702	\$ 387	\$ 1,882
Obligations of states, municipalities and political subdivisions	5,151	21,869	526	27,546
Non-U.S. governments	6,999	10,932	497	18,428
Corporate debt	102,528	34,537	3,057	140,122
Mortgage-backed, asset-backed and collateralized:			-	
RMBS	22,026	11,077	2,522	35,625
CMBS	10,381	3,177	159	13,717
CDO/ABS	10,346	6,679	(1,391)	15,634
Total mortgage-backed, asset-backed and collateralized	42,753	20,933	1,290	64,976
Total bonds available for sale, at fair value	158,224	88,973	5,757	252,954
Other bond securities, at fair value	2,618	1,519	12,685	16,822
Equity securities available for sale, at fair value	135	3,494	163	3,792
Other equity securities trading, at fair value	-	346	720	1,066
Mortgage and other loans receivable, net of allowance	22,799	7,677	(2,240)	28,236
Other invested assets	13,799	9,873	7,451	31,123
Cash and short-term investments	4,120	4,749	5,108	13,977
Total cash and investments	\$ 201,695	\$ 116,631	\$ 29,644	\$ 347,970

(in millions)	December 31, 2014			
	Life Insurance Companies	Non-Life Insurance Companies (1)	Corporate and Other (2)	AIG Inc.
Bonds available for sale, at fair value:				
U.S. government and government sponsored entities	\$ 794	\$ 1,812	\$ 386	\$ 2,992
Obligations of states, municipalities and political subdivisions	5,249	22,014	396	27,659
Non-U.S. governments	7,475	13,301	319	21,095
Corporate debt	107,048	35,349	2,036	144,433
Mortgage-backed, asset-backed and collateralized:			-	
RMBS	23,389	11,801	2,330	37,520
CMBS	10,042	2,712	131	12,885
CDO/ABS	10,530	5,953	(3,208)	13,275
Total mortgage-backed, asset-backed and collateralized	43,961	20,466	(747)	63,680
Total bonds available for sale, at fair value	164,527	92,942	2,390	259,859
Other bond securities, at fair value	2,785	1,733	15,194	19,712
Equity securities available for sale, at fair value	150	4,241	4	4,395
Other equity securities trading, at fair value	-	495	554	1,049
Mortgage and other loans receivable, net of allowance	20,874	6,686	(2,570)	24,990
Other invested assets	11,916	10,372	12,230	34,518
Cash and short-term investments	2,582	5,345	5,074	13,001
Total cash and investments	\$ 202,834	\$ 121,814	\$ 32,876	\$ 357,524

See Accompanying Notes on Page 55.



American International Group, Inc

Investments - Other Invested Assets

(in millions)	September 30, 2015 (3)			
	Life Insurance Companies	Non-Life Insurance Companies (1)	Corporate and Other (2)	AIG Inc.
Alternative investments	\$ 10,690	\$ 8,441	\$ 64	\$ 19,195
Investments in life settlements	-	-	3,837	3,837
Investment real estate (4)	3,046	605	2,919	6,570
Aircraft assets	-	-	583	583
All other investments (5)	63	827	48	938
	<u>\$ 13,799</u>	<u>\$ 9,873</u>	<u>\$ 7,451</u>	<u>\$ 31,123</u>

(in millions)	December 31, 2014			
	Life Insurance Companies	Non-Life Insurance Companies (1)	Corporate and Other (2)	AIG Inc.
Alternative investments	\$ 11,012	\$ 8,249	\$ 395	\$ 19,656
Investments in life settlements	-	-	3,753	3,753
Investment real estate	840	446	2,326	3,612
Aircraft assets	-	-	651	651
Investment in AerCap (6)	-	-	4,972	4,972
All other investments (5)	64	1,677	133	1,874
	<u>\$ 11,916</u>	<u>\$ 10,372</u>	<u>\$ 12,230</u>	<u>\$ 34,518</u>

See Accompanying Notes on Page 55.

American International Group, Inc.

Investments - Returns On Alternative Investments (7)

(in millions)	Quarterly					Nine Months Ended September 30,	
	3Q15	2Q15	1Q15	4Q14	3Q14	2015	2014
Alternative investment income (8)							
Private equity	\$ 229	\$ 291	\$ 278	\$ 206	\$ 213	\$ 798	\$ 858
Hedge funds	(324)	272	246	86	215	194	671
Total private equity and hedge funds	(95)	563	524	292	428	992	1,529
Affordable housing partnerships	72	45	51	72	58	168	188
Total alternative investment income	\$ (23)	\$ 608	\$ 575	\$ 364	\$ 486	\$ 1,160	\$ 1,717
Average alternative investment assets							
Private equity	\$ 7,088	\$ 7,177	\$ 7,252	\$ 7,449	\$ 7,622	\$ 7,242	\$ 7,612
Hedge funds	11,263	11,127	10,853	10,664	10,405	10,977	10,365
Total private equity and hedge funds	18,351	18,304	18,105	18,113	18,027	18,219	17,977
Affordable housing partnerships	985	1,104	1,163	1,228	1,316	1,120	1,351
Total average alternative investment assets	\$ 19,336	\$ 19,408	\$ 19,268	\$ 19,341	\$ 19,343	\$ 19,339	\$ 19,328
Annualized yields on carrying value							
Private equity	12.92 %	16.22 %	15.33 %	11.06 %	11.18 %	14.69 %	15.03 %
Hedge funds	(11.51)	9.78	9.08	3.23	8.27	2.36	8.63
Total private equity and hedge funds	(2.07)	12.30	11.58	6.45	9.50	7.26	11.34
Affordable housing partnerships	29.24	16.30	17.47	23.45	17.63	19.97	18.58
Total annualized yield	(0.48)%	12.53 %	11.94 %	7.53 %	10.05 %	8.00 %	11.85 %
Average alternative investment assets							
Life Insurance Companies	\$ 10,926	\$ 11,155	\$ 11,080	\$ 11,165	\$ 11,331	\$ 11,082	\$ 11,309
Non-Life Insurance Companies	8,410	8,253	8,188	8,176	8,012	8,257	8,020
Total average alternative investment assets	\$ 19,336	\$ 19,408	\$ 19,268	\$ 19,341	\$ 19,343	\$ 19,339	\$ 19,329

See Accompanying Notes on Page 55.

American International Group, Inc.

Investments - Net Realized Capital Gains (Losses)

(in millions)	Quarterly					Nine Months Ended September 30,	
	3Q15	2Q15	1Q15	4Q14	3Q14	2015	2014
Life Insurance Companies							
Bonds available for sale	\$ (18)	\$ 63	\$ (8)	\$ 35	\$ 53	\$ 37	\$ 228
Stocks available for sale	(1)	3	1	2	2	3	4
Other transactions	2	(50)	104	11	90	56	90
Other than temporary impairments	(146)	(55)	(83)	(51)	(32)	(284)	(111)
Foreign exchange transactions	(7)	(13)	(22)	18	48	(42)	72
Derivative instruments (9)	47	346	171	(127)	10	564	(268)
Total pre-tax net realized capital gains (losses)	(123)	294	163	(112)	171	334	15
Non-Life Insurance Companies							
Bonds available for sale	4	60	38	58	47	102	176
Stocks available for sale	3	19	663	17	27	685	88
Other transactions	(6)	(15)	429	(2)	(13)	408	2
Other than temporary impairments	(125)	(30)	(45)	(32)	(18)	(200)	(53)
Foreign exchange transactions	3	131	66	21	10	200	76
Derivative instruments	(18)	(37)	98	21	39	43	75
Total pre-tax net realized capital gains	(139)	128	1,249	83	92	1,238	364
Corporate and Other							
Bonds available for sale	(2)	12	1	29	(3)	11	59
Stocks available for sale	14	(1)	(173)	-	-	(160)	-
Other transactions (10)	(62)	(155)	(48)	(80)	(69)	(265)	(152)
Other than temporary impairments	(2)	(79)	-	-	-	(81)	-
Foreign exchange transactions	(12)	(52)	210	230	292	146	181
Derivative instruments	(16)	(21)	(61)	43	53	(98)	79
Total pre-tax net realized capital gains (losses)	(80)	(296)	(71)	222	273	(447)	167
Total AIG							
Bonds available for sale	(16)	135	31	122	97	150	463
Stocks available for sale	16	21	491	19	29	528	92
Other transactions (10)	(66)	(220)	485	(71)	8	199	(60)
Other than temporary impairments	(273)	(164)	(128)	(83)	(50)	(565)	(164)
Foreign exchange transactions	(16)	66	254	269	350	304	329
Derivative instruments	13	288	208	(63)	102	509	(114)
Total pre-tax net realized capital gains (losses)	\$ (342)	\$ 126	\$ 1,341	\$ 193	\$ 536	\$ 1,125	\$ 546
Total net realized gains (losses), net of tax	\$ (262)	\$ 79	\$ 874	\$ 105	\$ 301	\$ 691	\$ 365

See Accompanying Notes on Page 55.



American International Group, Inc.

Investments in People's Insurance Company of China (PICC)

(in millions)

	PICC Fair Value Option Assets								
	PICC Group (Ticker: 1339.HK)			PICC Property & Casualty (Ticker: 2328.HK)					
	Corporate and Other			Non-Life Insurance Companies			Corporate and Other		
	3Q15	2Q15	1Q15	3Q15	2Q15	1Q15	3Q15	2Q15	1Q15
Period end:									
Number of shares held	1,113	1,113	1,113	178	178	178	76	76	76
Fair Value	\$ 542	\$ 712	\$ 566	\$ 346	\$ 406	\$ 352	\$ 148	\$ 174	\$ 151
Quarterly activity:									
Net investment income	\$ -	\$ -	\$ -	\$ (60)	\$ 54	\$ 7	\$ -	\$ -	\$ -
Other income	(170)	147	45	-	-	-	(25)	23	2
Dividend income	2	-	-	8	-	-	3	-	-

(in millions)

	PICC Available For Sale Assets					
	PICC Property & Casualty (Ticker: 2328.HK)					
	Non-Life Insurance Companies			Corporate and Other		
	3Q15	2Q15	1Q15	3Q15	2Q15	1Q15
Period end:						
Number of shares held	849	849	849	108	108	108
Fair Value	\$ 1,650	\$ 1,935	\$ 1,678	\$ 210	\$ 246	\$ 213
Quarterly activity:						
Other comprehensive income	\$ (285)	\$ 257	\$ 22	\$ (36)	\$ 33	\$ 9
Dividend income	38	-	-	5	-	-

American International Group, Inc.
Notes

Consolidated Results

- (1) Includes Mortgage Guaranty.
- (2) Includes consolidations, eliminations and other adjustments.
- (3) Includes assets supported by debt of consolidated investment vehicles related to real estate investments of \$2.4 billion, affordable housing partnership investments and securitizations of \$2.2 billion and other securitization vehicles and investments of \$471 million.
- (4) Includes the effect of consolidating previously unconsolidated partnerships.
- (5) Consists primarily of direct private equity investments.
- (6) In June 2015, we sold 86.9 million ordinary shares of AerCap by means of an underwritten public offering of 71.2 million ordinary shares and a private sale of 15.7 million ordinary shares to AerCap. We received cash proceeds of approximately \$3.7 billion, reflecting proceeds of approximately \$3.4 billion from the underwritten offering and cash proceeds of \$250 million from the private sale of shares to AerCap. We recognized a \$463 million loss on the sale of the ordinary shares of AerCap. In connection with the closing of the private sale of shares to AerCap, we also received \$500 million of 6.50% fixed-to-floating rate junior subordinated notes issued by AerCap Global Aviation Trust and guaranteed by AerCap and certain of its subsidiaries. These notes, included in Bonds available for sale, mature in 2045 and are callable beginning in 2025. In 2Q15, we recorded an other-than-temporary impairment of \$78 million on our 10.7 million remaining shares of AerCap. We accounted for our interest in AerCap using the equity method of accounting through the date of the June 2015 sale, and as available for sale thereafter. In 3Q15, we sold our remaining shares in AerCap by means of an underwritten public offering and received proceeds of approximately \$500 million.
- (7) Alternative investments include hedge funds, private equity funds and other investment partnerships.
- (8) Alternative investment income is reported on a lag basis. Hedge funds are generally reported on a one-month lag, while private equity funds are generally reported on a one-quarter lag.
- (9) Includes changes in the fair value of embedded derivatives and a portion of associated fees for variable annuity living benefit features (primarily GMWB) and changes in fair value of hedging instruments purchased to fund the liabilities.
- (10) Includes impairments on investments in life settlements. Refer to Note (6) for additional information on the sale of ordinary shares of AerCap.

American International Group, Inc.

Supplemental Property Casualty Information*

(in millions)	Quarterly					Nine Months Ended September 30,	
	3Q15	2Q15	1Q15	4Q14	3Q14	2015	2014
Net premiums written	\$ 8,218	\$ 8,512	\$ 7,962	\$ 7,558	\$ 8,750	\$ 24,692	\$ 25,874
Net premiums earned	\$ 7,832	\$ 7,931	\$ 7,745	\$ 8,152	\$ 8,428	23,508	24,769
Loss and loss adjustment expenses incurred	5,290	5,064	5,098	5,916	5,648	15,452	16,276
Acquisition expenses	1,623	1,553	1,562	1,671	1,635	4,738	4,868
General operating expenses	1,160	1,193	1,106	1,195	1,283	3,459	3,725
Underwriting income (loss)	(241)	121	(21)	(630)	(138)	(141)	(100)
Net investment income	821	1,252	1,146	1,248	1,231	3,219	3,675
Pre-tax operating income	\$ 580	\$ 1,373	\$ 1,125	\$ 618	\$ 1,093	\$ 3,078	\$ 3,575
Underwriting ratios:							
Loss ratio	67.5	63.9	65.8	72.6	67.0	65.7	65.7
Catastrophe losses and reinstatement premiums	(1.9)	(2.9)	(1.7)	(0.6)	(3.3)	(2.1)	(2.8)
Prior year development net of premium adjustments	(2.5)	(4.3)	(0.3)	(3.7)	(3.2)	(2.4)	(1.7)
Net reserve discount	(1.0)	5.1	(2.2)	(7.0)	-	0.6	0.4
Accident year loss ratio, as adjusted	62.1	61.8	61.6	61.3	60.5	61.8	61.6
Acquisition ratio	20.7	19.6	20.2	20.5	19.4	20.2	19.7
General operating expense ratio	14.8	15.0	14.3	14.7	15.2	14.7	15.0
Expense ratio	35.5	34.6	34.5	35.2	34.6	34.9	34.7
Combined ratio	103.0	98.5	100.3	107.8	101.6	100.6	100.4
Catastrophe losses and reinstatement premiums	(1.9)	(2.9)	(1.7)	(0.6)	(3.3)	(2.1)	(2.8)
Prior year development net of premium adjustments	(2.5)	(4.3)	(0.3)	(3.7)	(3.2)	(2.4)	(1.7)
Net reserve discount	(1.0)	5.1	(2.2)	(7.0)	-	0.6	0.4
Accident year combined ratio, as adjusted	97.6	96.4	96.1	96.5	95.1	96.7	96.3
Noteworthy items (pre-tax):							
Catastrophe-related losses	\$ 151	\$ 225	\$ 132	\$ 43	\$ 282	\$ 508	\$ 683
Reinstatement premiums related to catastrophes	-	-	-	-	2	-	2
Reinstatement premiums related to prior year catastrophes	2	-	(7)	(2)	(1)	(5)	-
Severe losses	209	184	146	79	188	539	567
Prior year development:							
Prior year loss reserve development (favorable) unfavorable, net of reinsurance	179	334	24	275	320	537	532
(Additional) returned premium related to prior year development	30	12	11	52	(93)	53	(157)
Prior year loss reserve development (favorable) unfavorable, net of reinsurance and premium adjustments	209	346	35	327	227	590	375
Net reserve discount (benefit) charge	78	(400)	165	568	-	(157)	(90)
Net loss and loss expense reserve (at period end)	\$ 57,476	\$ 58,220	\$ 59,221	\$ 60,635	\$ 61,296	\$ 57,476	\$ 61,296

* Represents the aggregate operating results of Commercial Insurance - Property Casualty, Consumer Insurance - Personal Insurance, and Property Casualty run-off businesses reported in Corporate and Other.



American International Group, Inc.

Acronyms

ABS	Asset-Backed Securities
A&H	Accident and Health Insurance
AOCI	Accumulated Other Comprehensive Income
CPPE	Continuous Payment Premium Equivalent
CDO	Collateralized Debt Obligations
CMBS	Commercial Mortgage-Backed Securities
DAC	Deferred Acquisition Costs
DTA	Deferred Tax Assets
GAAP	Accounting principles generally accepted in the United States of America
GMAV	Guaranteed Minimum Account Value Benefits
GMDB	Guaranteed Minimum Death Benefits
GMIB	Guaranteed Minimum Income Benefits
GMWB	Guaranteed Minimum Withdrawal Benefits
RMBS	Residential Mortgage-Backed Securities
ROE	Return on Equity
SIA	Sales Inducement Assets
VOBA	Value of Business Acquired