AIG

Third Quarter 2020 Financial Results Presentation

November 6, 2020

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On October 26, 2020, AIG announced its intention to separate the Life and Retirement business from AIG. This document and the remarks made within this presentation are not an offer to sell, or a solicitation of an offer to buy any securities.

AIG is not under any obligation (and expressly disclaims any obligation) to update or alter any projections, goals, assumptions or other statements, whether written or oral, that may be made from time to time, whether as a result of new information, future events or otherwise.

This document and the remarks made orally may also contain certain financial measure not calculated in accordance with generally accepted accounting principles (non-GAAP). The reconciliation of such measures to the most comparable GAAP measures in accordance with Regulation G is included in the earnings release and Third Quarter 2020 Financial Supplement available in the Investor Information section of AIG's corporate website, www.aig.com, as well as in the Appendix to this presentation.

Note: Amounts presented may not foot due to rounding.

3Q20 results reflect continued improvement in General Insurance AY, as adjusted*, underwriting profitability and strong Life and Retirement results

3Q20 Financial Results	▪ Adjusted after-tax income attributable to AIG Common Shareholders (AATI)* of $709M ($0.81/diluted share) and adjusted pre-tax income (APTI)* of $918M reflecting: − Continued improvement in General Insurance Accident Year Combined Ratio (AYCR), as adjusted*, driven by North America and International Commercial Lines − $790M of pre-tax catastrophe losses, net of reinsurance, (CATs) in General Insurance which included $605M of non-COVID-19 CATs primarily relating to windstorms and tropical cyclones in North America and Japan, as well as wildfires on the U.S. West Coast, and $185M of estimated COVID-19 losses, primarily related to Travel, Contingency and Validus Re − Increased Life and Retirement APTI across all business lines − Lower net investment income, APTI basis, (NII)* primarily driven by the completion of the sale of Fortitude on June 2, 2020; Excluding the impact of Fortitude in 3Q19, NII increased $271M over the prior year primarily reflecting higher private equity and hedge fund income ▪ Net income of $281M ($0.32 per diluted share) reflects ~$0.9B after-tax net realized capital losses primarily related to mark-to-market losses from variable annuity and interest rate hedges ▪ Adjusted book value per share* of $56.78 (adjusted tangible book value per share* of $51.01), a $0.88 per share (adjusted tangible book value per share of $0.85) increase from June 30, 2020
Strong Financial Flexibility	▪ $10.7B holding company liquidity at September 30, 2020 ▪ Ratio of total debt and preferred stock to total capital of 29.6% at September 30, 2020, decreased 1 point from June 30, 2020
General Insurance	▪ AYCR, as adjusted, was 93.3, an improvement of 2.6 pts from 3Q19 and comprised of a 60.7 accident year loss ratio (AYLR), as adjusted*, and an expense ratio of 32.6 reflecting: − Continued improvement in Commercial Lines in both North America (AYCR, as adjusted, improved 6.3 pts) and International (AYCR, as adjusted, improved 4.1 pts), benefitting from underwriting and reinsurance actions taken to improve business mix and loss performance − North America Personal Insurance AYCR, as adjusted, increase of 23.1 pts impacted by business mix changes driven by a series of quota share reinsurance agreements placed in 2Q20, including participation by our recently formed Syndicate 2019, and the impact from COVID-19 most notably in the Travel business ▪ Expense ratio improved 1.8 pts to 32.6 reflecting changes in the business mix; GOE decreased by 9% to $752M compared to the prior year ▪ Strong rate momentum and higher net retention in North America and International Commercial Lines continued into the 3Q20 and improved from 2Q20, partially offset by lower new business compared to the prior year
Life and Retirement	▪ 3Q20 APTI of $975M and adjusted return on attributed common equity* of 14.5% reflects strong equity market returns, favorable short-term impacts from lower interest rates and tighter credit spreads and favorable year-over-year annual actuarial assumption updates, partially offset by base spread compression and unfavorable COVID-19 mortality ▪ L&R recorded a $120M charge, on an APTI basis, for the annual actuarial assumption update, which was partially offset by a benefit of $98M reflected in net realized capital losses and deferred acquisition costs (DAC) related to guaranteed minimum withdrawal benefits on Variable Annuities, resulting in a net charge of $22M to pre-tax income compared to a net benefit of $20M in the prior year quarter ▪ On October 26, 2020, AIG announced its intention to separate the Life and Retirement business from AIG

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* Refers to financial measure not calculated in accordance with generally accepted accounting principles (Non-GAAP); definitions and abbreviations of Non-GAAP measures and reconciliations to their closest GAAP measures can be found in this presentation under the heading Glossary of Non-GAAP Financial Measures and Non-GAAP Reconciliations.

APTI of $918M improved, despite higher CATs, due to continued improvement in Commercial Lines AY, as adjusted, and strong Life and Retirement results

($M, except per common share amounts)	3Q19	3Q20	Variances
Adjusted Pre-tax Income (Loss):			
General Insurance	$507	$416	($91)
Life and Retirement	646	975	329
Other Operations[1]	(500)	(562)	(62)
Total Core	**653**	**829**	**176**
Legacy Portfolio	93	89	(4)
Total adjusted pre-tax income*	**$746**	**$918**	**$172**
AATI* attributable to AIG common shareholders	**$505**	**$709**	**$204**
AATI* per diluted share attributable to AIG common shareholders	**$0.56**	**$0.81**	**$0.25**
Net income attributable to AIG common shareholders	**$648**	**$281**	**($367)**
Consolidated adjusted ROCE*	**4.1%**	**5.8%**	**1.7 pts**
General Insurance Underwriting Ratios:			**B / (W)**
Loss ratio	69.3%	74.6%	(5.3) pts
Less: impact on loss ratio			
Catastrophe losses and reinstatement premiums	(7.5%)	(13.5%)	(6.0) pts
Prior year development	0.0%	(0.4%)	(0.4) pts
Adjustments for ceded premium under reinsurance contracts and other	(0.3%)	-	0.3 pts
Accident year loss ratio, as adjusted	**61.5%**	**60.7%**	**0.8 pts**
Expense ratio	34.4%	32.6%	1.8 pts
Calendar year combined ratio	**103.7%**	**107.2%**	**(3.5) pts**
Accident year combined ratio, as adjusted	**95.9%**	**93.3%**	**2.6 pts**

Key Takeaways

- General Insurance APTI declined by $91M primarily due to:
  - $293M increase in CATs primarily due to higher natural CAT frequency and the ongoing impact of COVID-19
  - Partially offset by 2.6 pts improvement in AYCR, as adjusted, and
  - $83M increase in NII, driven by higher alternative investment income
- Life and Retirement APTI increased $329M reflecting higher private equity returns and strong equity market performance, along with favorable short-term impacts from lower interest rates and tighter credit spreads, and favorable year-over-year annual actuarial assumption updates, partially offset by base spread compression and unfavorable COVID-19 mortality
- Other Operations APTL was $562M, including $136M of reductions from consolidation, eliminations and other adjustments, compared to $500M, including $46 million of reductions from consolidation, eliminations and other adjustments, in the prior year period. Before consolidation, eliminations and other adjustments, the decrease in the pre-tax loss was primarily due to lower GOE, partially offset by increased interest expense related to debt issuance in 2Q20 and lower NII associated with available for sale securities
- The $4M decrease in Legacy APTI reflects the completion of the sale of Fortitude on June 2, 2020, partially offset by higher Legacy Investments gains on fair value option portfolios compared to losses in the prior year quarter

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1) Includes GOE, certain compensation expenses, interest and other expenses not allocated to segments as well as consolidation, eliminations and other adjustments.

3Q19 and 3Q20 noteworthy items

($M, except per share amounts)	3Q19 – Income / (Loss) Pre-tax	3Q19 – Income / (Loss) After-tax[1]	3Q19 – Income / (Loss) EPS – Diluted[2]	3Q20 – Income / (Loss) Pre-tax	3Q20 – Income / (Loss) After-tax[1]	3Q20 – Income / (Loss) EPS – diluted[2]
CATs excluding General Insurance COVID-19	($511)	($404)	($0.45)	($618)	($488)	($0.56)
General Insurance – CATs related to COVID-19	-	-	-	(185)	(146)	(0.17)
Favorable/(unfavorable) prior year loss reserve development, net of reinsurance[3]	4	3	0.00	(13)	(10)	(0.01)
Charge related to annual actuarial assumption update in Life and Retirement and Legacy Life and Retirement Run-off Lines[4]	(173)	(137)	(0.15)	(107)	(85)	(0.10)
Investment Performance:						
Better/(worse) than expected alternative investment returns[5]	(43)	(34)	(0.04)	374	295	0.34
Better/(worse) than expected Direct Investment Book (DIB) and Global Capital Markets (GCM) returns primarily in Legacy Portfolio	(9)	(7)	(0.01)	51	40	0.05
Better than expected fair value changes on Fixed Maturity Securities – Other accounted under fair value option (FVO)[5]	8	6	0.01	131	103	0.12
Total noteworthy items – APTI basis	**($724)**	**($572)**	**($0.64)**	**($367)**	**($290)**	**($0.33)**

1) Computed using a U.S. statutory tax rate of 21%.
2) Computed using weighted average diluted shares on an operating basis, which is provided on page 6 of the 3Q20 Financial Supplement.
3) Includes General Insurance and Legacy General Insurance Runoff.
4) 3Q20 includes ($120M) and $13M in Life and Retirement and Legacy Life and Retirement Run-off Lines, respectively; 3Q19 includes ($143M) and ($30M) in Life and Retirement and Legacy Life and Retirement Run-off Lines, respectively
5) The annualized expected rate of return for 3Q19 and 3Q20 is 8% and 6% for alternative investments and 6% and 4% for FVO fixed maturity securities, respectively; FVO fixed maturity securities includes the fair value changes on the DIB and GCM asset portfolios.

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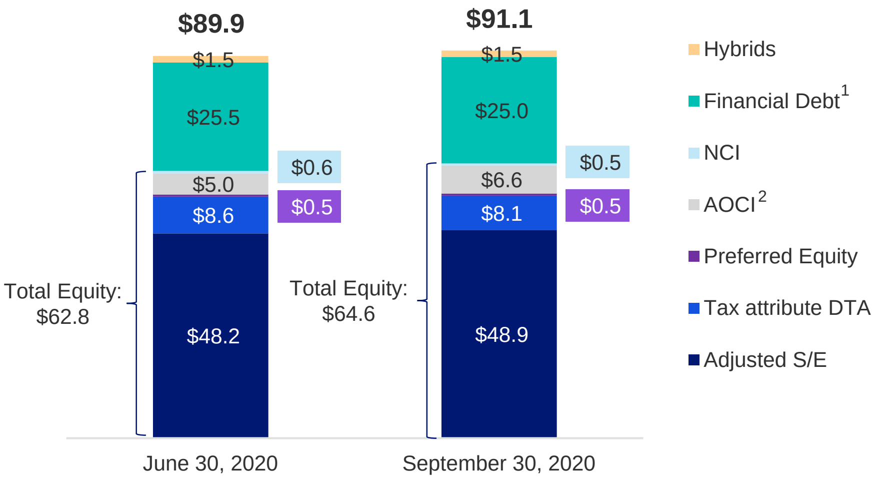
Strong capital position at the parent company and principal insurance companies; Parent debt & preferred stock leverage of 29.6%, an improvement of 1 point from June 30, 2020

Capital Structure ($B)



Ratios:	June 30, 2020	Sept. 30, 2020
Hybrids / Total capital	1.7%	1.7%
Financial debt / Total capital (incl. AOCI)	28.4%	27.4%
Total Hybrids & Financial debt / Total capital	30.1%	29.1%
Preferred stock / Total capital (incl. AOCI)	0.5%	0.5%
Total debt and preferred stock / Total capital (incl. AOCI)	30.6%	29.6%
Total debt and preferred stock / Total capital (ex. AOCI)[2]	32.4%	32.0%

Risk Based Capital (RBC) Ratios[3]

Year / Quarter End	Life and Retirement Companies	General Insurance Companies
2019	402% (CAL)	419% (ACL)
3Q20E[4]	410% - 420% (CAL)	430% - 440% (ACL)

Pending finalization of Statutory financials

Credit Ratings[5]

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

1) Includes AIG notes, bonds, loans and mortgages payable, AIG Life Holdings, Inc. (AIGLH) notes and bonds payable and junior subordinated debt, and Validus notes and bonds payable.
2) September 30, 2020 AOCI is computed as GAAP AOCI of $11.0B excluding $4.4B of cumulative unrealized gains and losses related to Fortitude Re's funds withheld assets; June 30, 2020 AOCI is computed as GAAP AOCI of $9.2B excluding $4.2B of cumulative unrealized gains and losses related to Fortitude Re's funds withheld assets.
3) The inclusion of RBC measures is intended solely for the information of investors and is not intended for the purpose of ranking any insurance company or for use in connection with any marketing, advertising or promotional activities. ACL is defined as Authorized Control Level and CAL is defined as Company Action Level. RBC ratio for Domestic Life and Retirement companies excludes holding company, AGC Life Insurance Company. 2018 RBC ratio for Life and Retirement reflects the impact of tax reform.
4) Preliminary range subject to change with completion of statutory closing process.
5) As of the date of this presentation: S&P Outlook: CreditWatch Negative, with the exception of the Life Insurance Companies, which is CreditWatch Developing; Moody's Outlook: Stable, with the exception of AIG Sr. Debt, which is Under Review Negative; Fitch Outlook: Stable, Non-Life Companies; Negative, Life Insurance Companies; Rating Watch Negative, AIG Sr. Debt; A.M. Best Outlook: Stable. For General Insurance companies FSR and Life and Retirement companies FSR, ratings only reflect those of the core insurance companies.

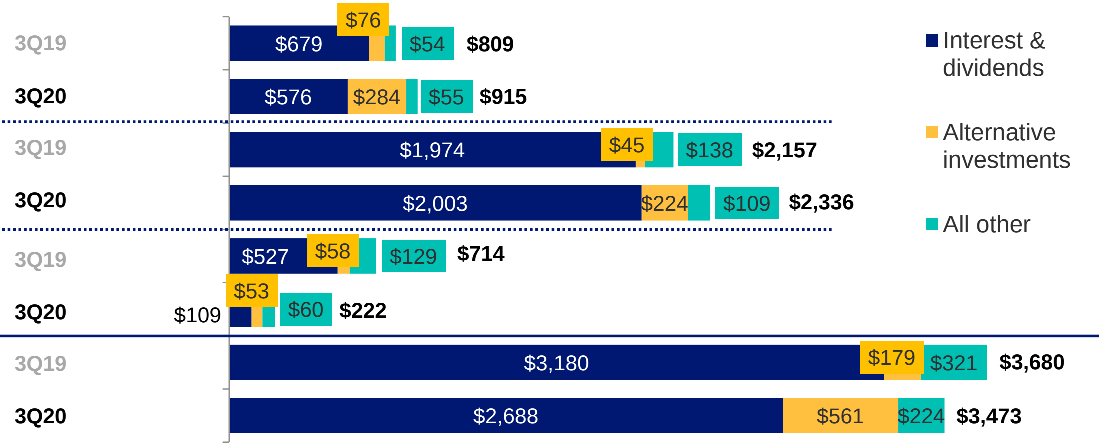
Gross investment income, APTI basis[1], decrease reflects the completion of the sale of Fortitude on June 2, 2020; Excluding Fortitude in 3Q19, gross investment income increased reflecting higher private equity and hedge fund returns

Invested Assets & Gross Investment Income, APTI Basis

3Q20 Invested Assets

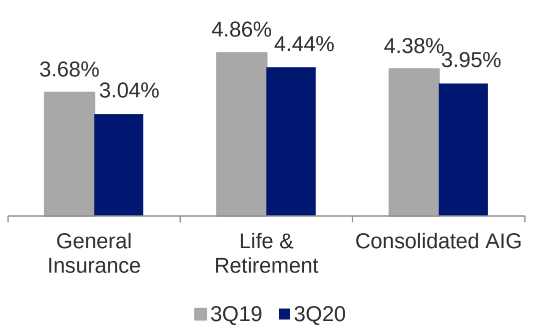
$B	Fixed Maturities	Alternatives	All Other
General Insurance	$76.3	$4.9	$2.8
Life & Retirement	$181.8	$3.4	$4.3
Other Ops & Legacy[2]	$50.6	$0.1	$7.8
Total AIG	**$308.7**	**$8.4**	**$14.9**

Gross Investment Income, APTI basis ($M)

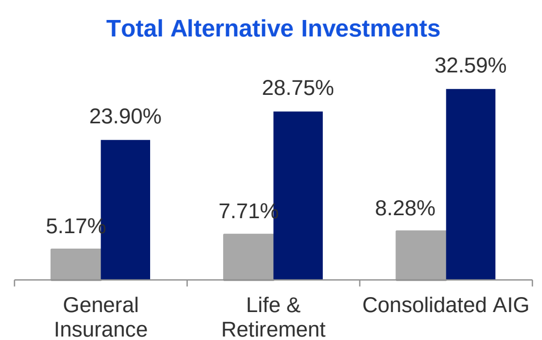


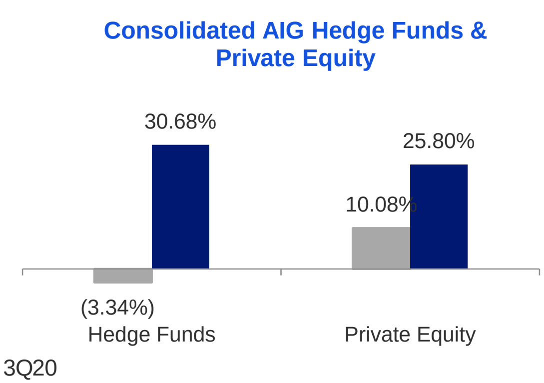
3Q20 Annualized Investment Yield

Fixed Maturities[3]



Alternative Investments

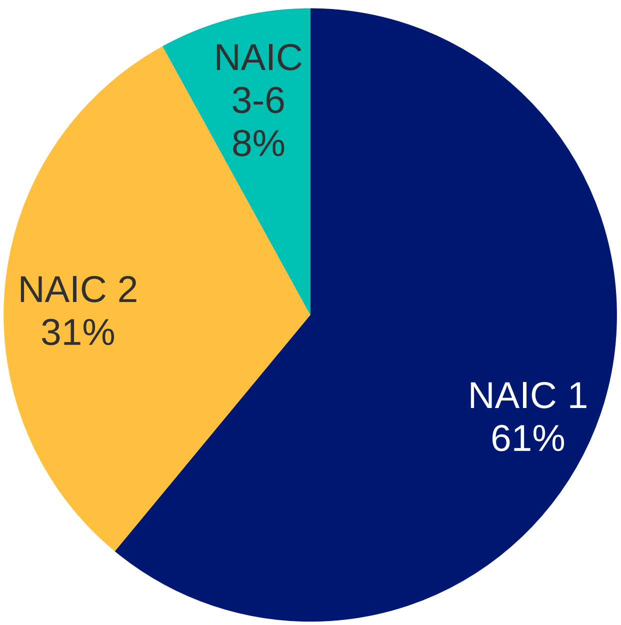




1) Refers to financial measure not calculated in accordance with generally accepted accounting principles (Non-GAAP); definitions and abbreviations of Non-GAAP measures and reconciliations to their closest GAAP measures can be found in this presentation under the heading Glossary of Non-GAAP Financial Measures and Non-GAAP Reconciliations.
2) 3Q19 includes NII of $548M related to investment income on Fortitude assets.
3) Interest and dividends include amounts related to commercial mortgage loan prepayments and call and tender income; Life and Retirement annualized yields include yield on collateral related to hedging program.

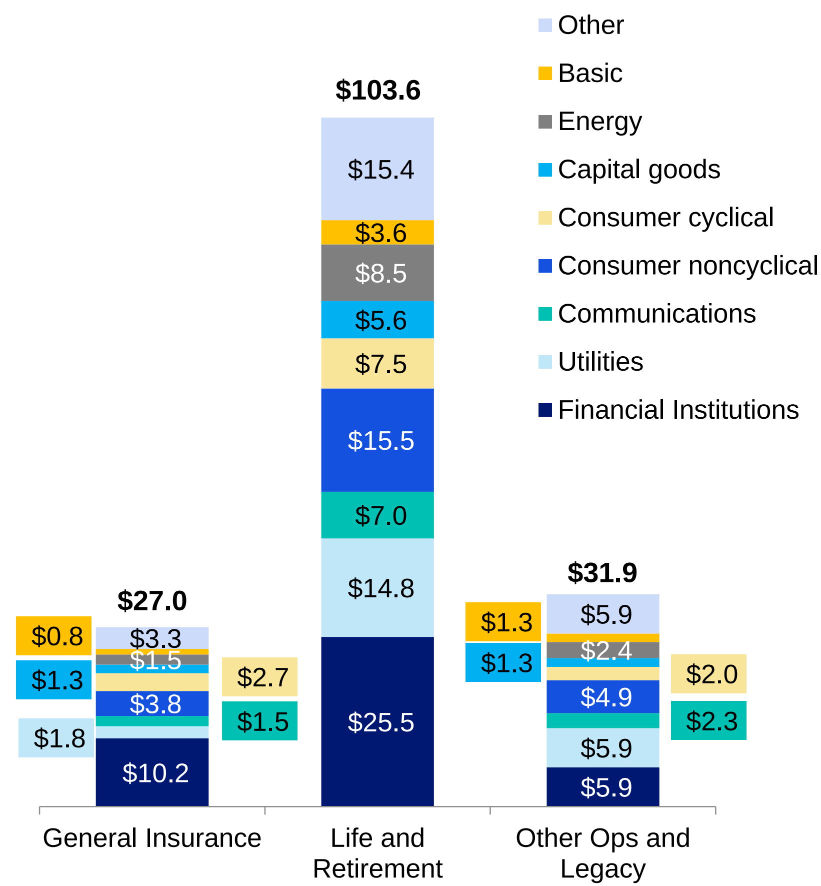
AIG's corporate debt investment portfolio is well diversified by asset class and industry sector; credit quality continues to be strong with limited impact on ratings in 3Q20

NAIC Designation
September 30, 2020 – $271.4B



Fair value of total Fixed Maturity securities increased 3% since June 30, 2020

Corporate Debt by Industry Sector
September 30, 2020 – $162.1B



Note: Amounts shown for segments are before consolidations and eliminations.

Continued execution of AIG 200, a global, multi-year initiative to achieve transformational change and $1B of GOE savings

General Insurance	**1**	The **Standard Commercial Underwriting Platform** will modernize global underwriting capabilities by simplifying processes and tools to create a contemporary data architecture
	2	Transform **Japan business** into a next-generation digital insurance company with the ability to offer "anywhere, anytime, any device" experience
	3	Improve decision-making in **Private Client Group** through modernizing legacy technology and moving to digitized workloads
Shared Services	**4**	Create **AIG Global Operations**, a multifunctional, fully integrated operating model with digitally enabled end-to-end process and increased scope and scale
Information Technology	**5**	Transform **IT operating model**
	6	Build a modern, scalable and secure **technology foundation** to improve operational stability and enable faster business technology deployment
Finance	**7**	Transform **Finance operating model**
	8	Modernize infrastructure through technology solutions and simplify **finance and actuarial processes**, while materially improving **analytics capabilities**
Procurement	**9**	Create a highly efficient **global procurement and sourcing organization** to leverage our purchasing power, maximize value, minimize risk, and support sustained profitable growth
Real Estate	**10**	**Optimize portfolio** to ensure it is cost effective, resilient and reflective of global footprint

AIG 200 Costs to Achieve and GOE Benefits

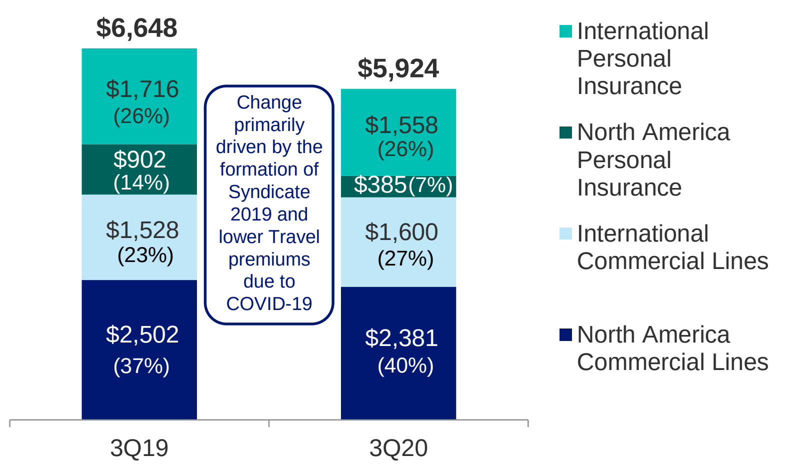
($M)	9M'20	2020E	2021E	2022E	Total	Comments
Investment / Costs to Achieve						
Capitalized assets, not in APTI initially	$51	$100	$200	$100	**$400**	Amortized / depreciated in GOE / APTI when IT or capital asset placed into service[1]
Restructuring and Other charges, in Net Income	$153	$250	$300	$350	**$900**	Modest impact to APTI; primarily related to professional, IT and other restructuring fees
Total investment	**$204**	**$350**	**$500**	**$450**	**$1,300**	
Run-rate net GOE savings, cumulative[1]	**~$196**	**$300**	**$600**	**$1,000**		9M'20 GOE savings of ~$86M, which translates to ~$196M on an exit run-rate basis; part of the planned $300M by year-end
Annual net benefit to APTI		**$150[2]**				~75% in GI; ~12.5% in L&R; ~12.5% in Other Operations

1) Includes estimated amortization / depreciation related to the capitalized assets of ~$10M-$15M and ~$25M-$30M for 2021 and 2022, respectively. The unamortized balance will be expensed at ~$50M per year from 2023-2027 and the remainder will trail off in the periods thereafter.
2) Estimate based on full year expense savings due to AIG 200 program execution that is expected to result in $300M of exit run-rate savings in 4Q20.

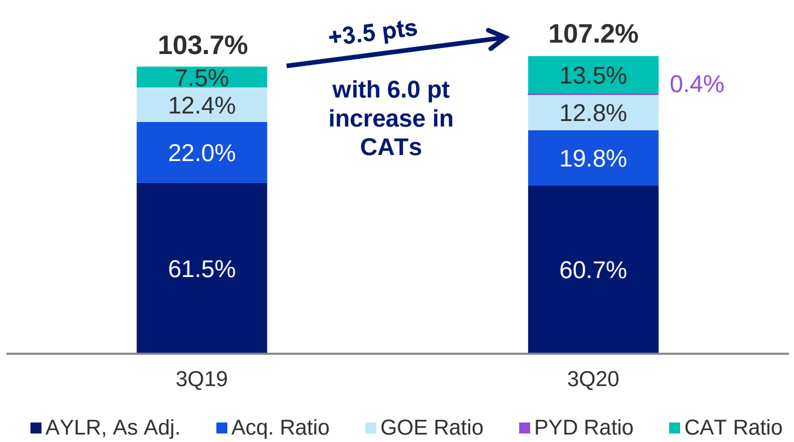
General Insurance: 2.6 pts better AYCR, as adjusted, reflects continued Commercial Lines improvement, partially offset by the impact of the formation of Lloyd's Syndicate 2019 on Personal Insurance; higher NII driven by alternative investment returns

($M)	3Q19	3Q20
Net premiums written	**$6,648**	**$5,924**
Net premiums earned	**$6,659**	**$5,853**
Loss and loss adjustment expense	4,618	4,367
Acquisition expenses	1,462	1,157
General operating expenses	828	752
Underwriting loss	**($249)**	**($423)**
Net investment income	**$756**	**$839**
Adjusted pre-tax income	**$507**	**$416**
Note: Impact of CATs[1]	**($497)**	**($790)**

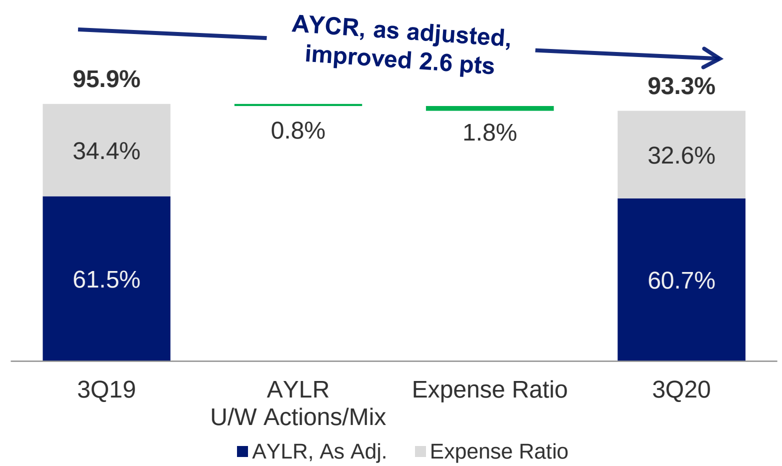
Net Premiums Written ($M)



Calendar Year Combined Ratios (CYCR)[2]



Accident Year Combined Ratios (excl. CATs) walk



1) 3Q20 includes non-COVID-19 CATs of $605M and COVID-19 losses of $185M.
2) 3Q19 calendar year combined ratio includes adjustments for ceded premium under reinsurance contracts and other of 0.3 pts.

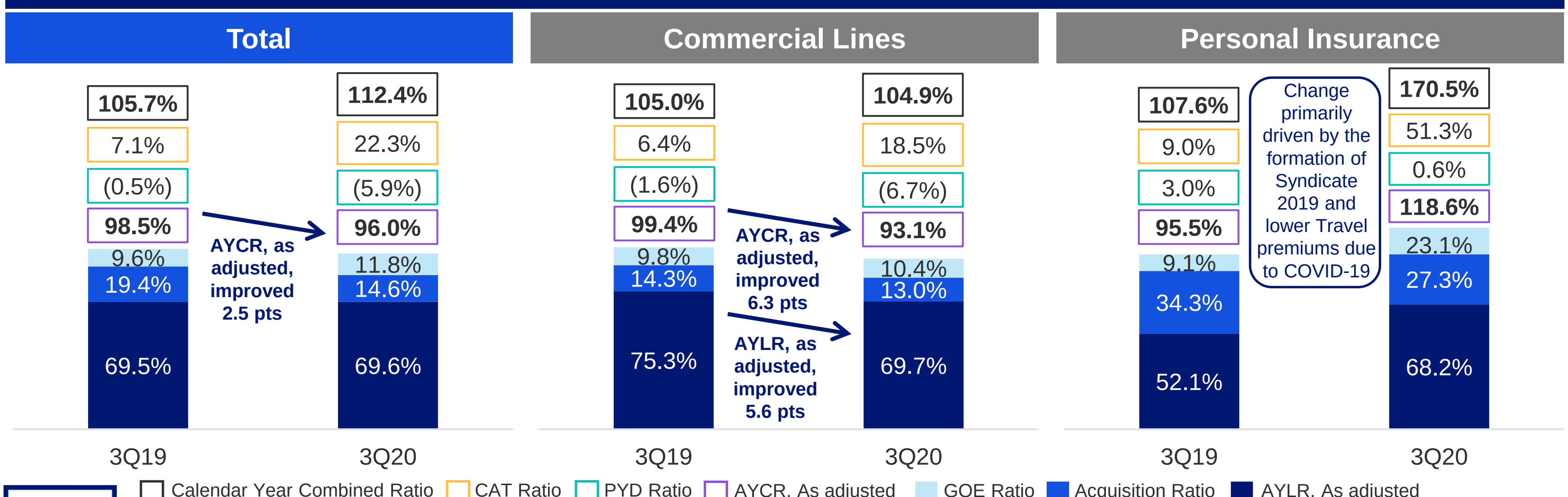
General Insurance: Strong 6.3 pt improvement in North America Commercial AYCR, as adjusted; Personal Insurance impacted by Travel and the formation of Syndicate 2019

($M)	3Q19	3Q20
Net premiums written	**$3,404**	**$2,766**
Commercial Lines	2,502	2,381
Personal Insurance	902	385
Net premiums earned	**$3,258**	**$2,684**
Commercial Lines	2,435	2,376
Personal Insurance	823	308
Underwriting loss	**($185)**	**($334)**
Commercial Lines	(123)	(117)
Personal Insurance	(62)	(217)
Note: Impact of CATs	**($230)**	**($599)**

Key Takeaways:

- North America (NA) net premiums written decreased by 19% to $2.8B principally due to Personal Insurance; Commercial Lines premiums were $2.4B, a decrease of $121M or 5%, as a result of prior portfolio management decisions, reinsurance and the impact of COVID-19, offset by strong rate increases, improving retention and new business particularly within Lexington and Retail Property. Personal Insurance premiums were $385M, a decrease of $517M, primarily as a result of ceded premium for quota share reinsurance agreements placed in 2Q20, including participation by our recently formed Syndicate 2019, and lower Travel premium due to the impact of COVID-19
- NA Commercial Lines AYCR, as adjusted, improved 6.3 pts benefiting from rate increases and underwriting actions in 2019, as well as improvement in the expense ratio due to changes in the business mix
- NA Personal Insurance AYCR, as adjusted, increased 23.1 pts driven by change in business mix due to lower Travel business and the cessions placed in 2Q20, as noted above, resulted in a higher AYLR, partially offset in part by a lower acquisition ratio. The GOE ratio was also impacted by the reduction in net premiums earned.
- CATs of $599M; $464M related to non-COVID-19 CATs and $135M related to COVID-19 CATs
- Favorable PYD of $170M was primarily related to NA Commercial Lines U.S. Workers' Compensation and Property and Special Risks and reflects $53M of favorable amortization from the ADC

North America Combined Ratios[1]



1) 3Q19 calendar year combined ratio includes adjustments for ceded premium under reinsurance contracts and other of 0.6 pts, 0.8 pts, and 0.1 pts in Total North America, North America Commercial Lines, and North America Personal Insurance, respectively.

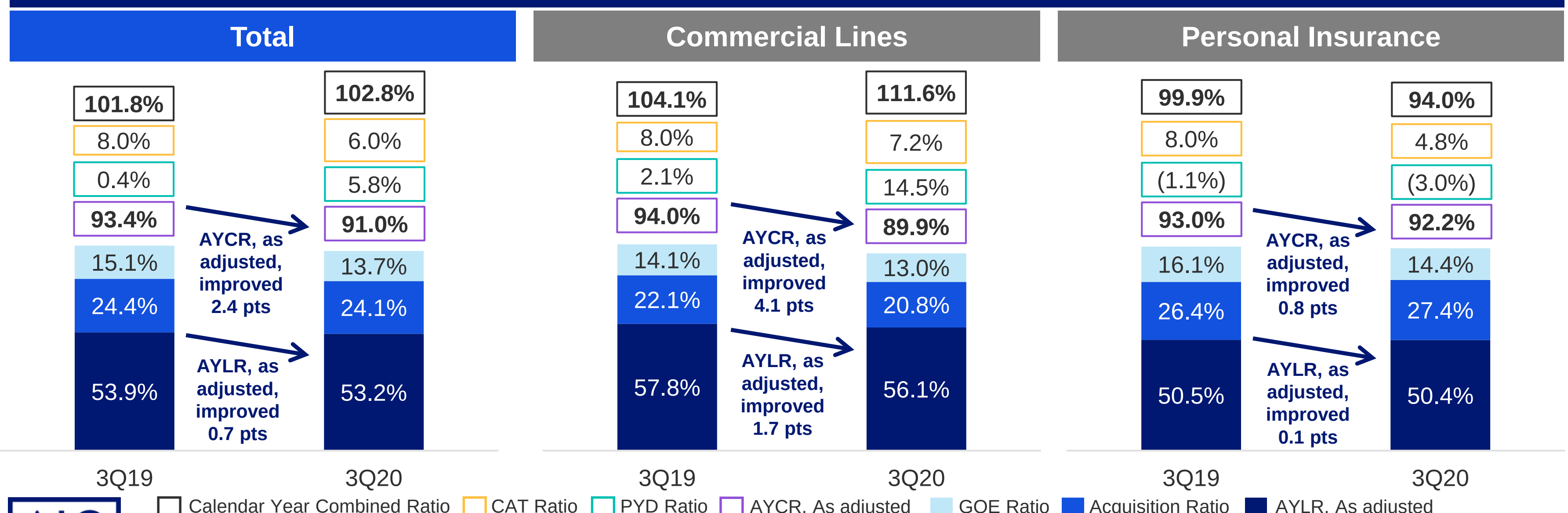
General Insurance: 2.4 pt improvement in International AYCR, as adjusted, reflects premium rate increases, benefits from underwriting actions, portfolio optimization and ongoing expense discipline

($M)	3Q19	3Q20
Net premiums written	**$3,244**	**$3,158**
Commercial Lines	1,528	1,600
Personal Insurance	1,716	1,558
Net premiums earned	**$3,401**	**$3,169**
Commercial Lines	1,578	1,580
Personal Insurance	1,823	1,589
Underwriting loss	**($64)**	**($89)**
Commercial Lines	(65)	(184)
Personal Insurance	1	95
Note: Impact of CATs	**($267)**	**($191)**

Key Takeaways:

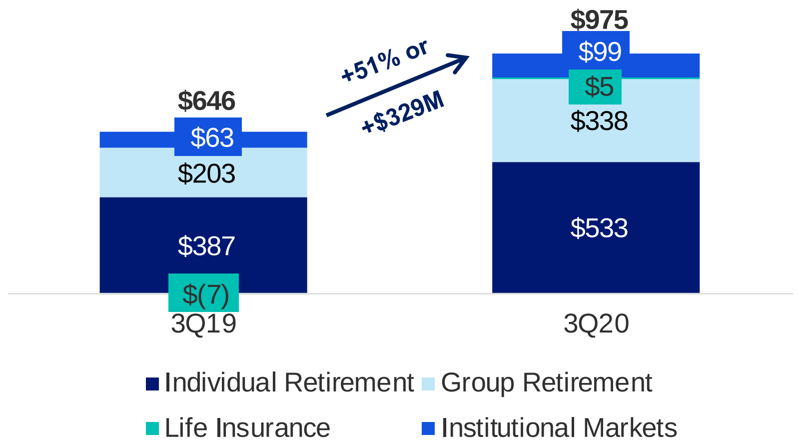
- International net premiums written decreased 3% (4% on a constant dollar basis) due to Personal Insurance decrease of 10%, on a constant dollar basis, largely due to the impact of COVID-19 on Travel and other lines of business. This was partially offset by an increase in Commercial Lines net premiums written of 3%, on a constant dollar basis, driven by rate improvement across most lines of business
- International Commercial Lines AYCR, as adjusted, improved 4.1 pts driven by premium rate increases, benefits from underwriting actions, portfolio optimization and ongoing expense discipline
- International Personal Insurance AYCR, as adjusted, improved 0.8 pts reflecting ongoing expense discipline
- CATs of $191M; $141M related to non-COVID-19 CATs and $50M related to COVID-19 CATs
- Unfavorable PYD of $183M driven by $230M of unfavorable PYD primarily in International Commercial Financial Lines, partially offset by $47M of favorable PYD in International Personal Insurance

International Combined Ratios



Life and Retirement: Strong APTI across all businesses compared to 3Q19; lower premiums and deposits from broad industry sales disruptions and the low interest rate environment; modest impact from the annual actuarial assumption update

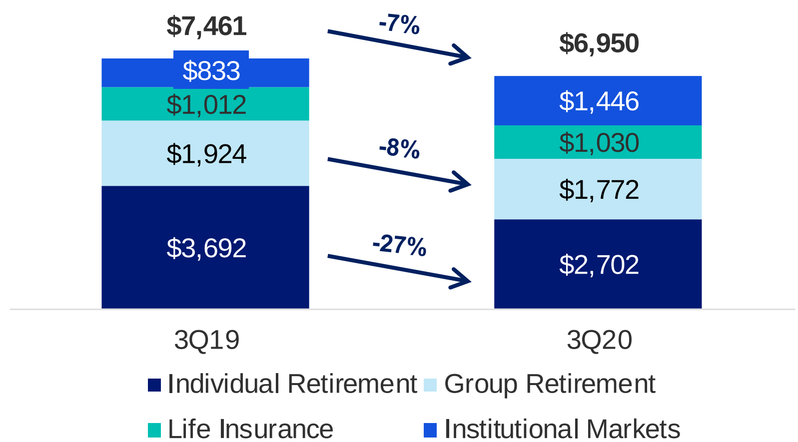
Adjusted Pre-Tax Income (APTI) ($M)



Key Takeaways

- 3Q20 APTI reflects higher private equity returns, which are reported on a one quarter lag; lower DAC and SI amortization; lower Variable Annuity reserves; higher call and tender income; and lower GOE. The increase in APTI was partially offset by the continued impact of lower reinvestment rates on base investment spreads as well as unfavorable impacts from COVID-19 mortality
- 3Q20 annual actuarial assumption update was (-$120M) compared with 3Q19 of (-$143M)
- Premiums and deposits continue to recover from the broad industry sales channel disruptions resulting from COVID-19 with continued headwinds from the low interest rate environment

Premiums and Deposits ($M)



Noteworthy Items ($M, unless noted)

	3Q19	3Q20	Variance
Adjusted ROCE (Annualized)	10.1%	14.5%	4.4%
Noteworthy Items ($M)	**3Q19**	**3Q20**	**Variance**
Annual actuarial assumption updates	($143)	($120)	$23
Return on alternative investments	$46	$224	$178
Other yield enhancements	$148	$219	$71
Includes:			
Fair value changes on Fixed Maturity Securities - Other accounted under FVO	$32	$48	$16
All other yield enhancements	$116	$171	$55

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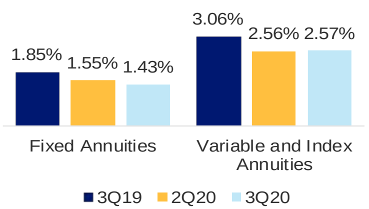
Life and Retirement: Strong Individual and Group Retirement APTI driven by strong equity market performance, favorable impacts from lower interest rates and tighter credit spreads, and the net favorable year-over-year change in annual actuarial assumption updates for both businesses combined; offset by base spread compression

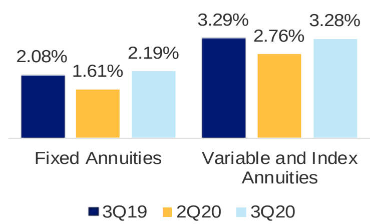
Individual Retirement

Premiums and Deposits ($M)	Net Flows ($M)	Assets Under Administration ($B)	APTI ($M)
$2,702 (-27% vs. 3Q19)	($770)	$158.3 (+3% vs. 3Q19)	$533 (+38% vs. 3Q19)

Base Net Investment Spreads



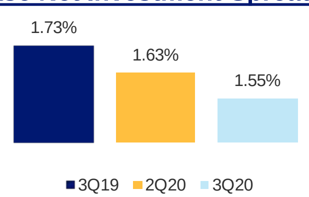
Total Net Investment Spreads



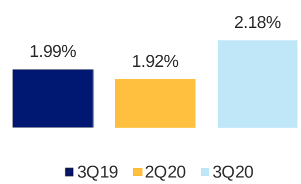
Group Retirement

Premiums and Deposits ($M)	Net Flows ($M)	Assets Under Administration ($B)	APTI ($M)
$1,772 (-8% vs. 3Q19)	($957)	$110.9 (+5% vs. 3Q19)	$338 (+67% vs. 3Q19)

Base Net Investment Spreads



Total Net Investment Spreads



Key Takeaways – Better (+) or Worse(-) vs 3Q19

3Q20 APTI results reflects	
Impact from Equity Markets	
▪ Higher fees, lower DAC amortization / lower VA reserves	(+)
▪ Favorable alternatives – mainly from private equity returns	(+)
Favorable impact from lower interest and tighter credit spreads	(+)
Impact from lower general operating expense	(+)
Unfavorable impact from annual actuarial assumption update	(-)
Base spread compression	(-)
Other Key Metrics	
Net Flows	(-)
Assets under administration growth	(+)
Maintaining pricing discipline	(+)

Key Takeaways – Better (+) or Worse(-) vs 3Q19

3Q20 APTI results reflects	
Impact from Equity Markets	
▪ Higher fees and lower DAC amortization	(+)
▪ Favorable alternatives – mainly from private equity returns	(+)
Favorable impact from lower interest and tighter credit spreads	(+)
Impact from lower general operating expense	(+)
Favorable impact from annual actuarial assumption update	(+)
Base spread compression	(-)
Other Key Metrics	
Net Flows	(-)
Assets under administration growth	(+)
Maintaining pricing discipline	(+)

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Life and Retirement: Life Insurance results reflect strong private equity returns and favorable impacts from lower interest rates and tighter credit spreads, offset by adverse mortality from COVID-19; Institutional Markets results reflect strong private equity returns and year over year growth in reserves driving higher APTI

Life Insurance Results

($M)	
New Business Sales	$95 (-27% vs. 3Q19)
Domestic US	*-29%*
International	*-26%*
Premiums and Deposits	$1,030 (+2% vs. 3Q19)
APTI	$5 (n/m vs. 3Q19)

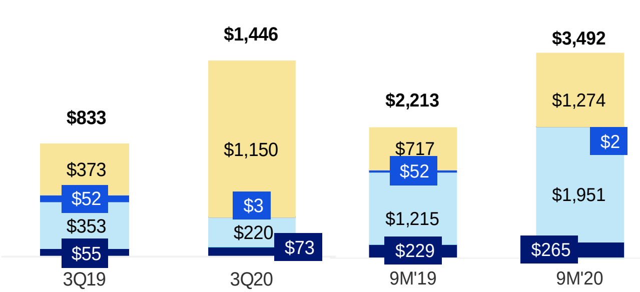
Key Takeaways – Better (+) or Worse(-) vs 3Q19

3Q20 APTI results reflects	
Impact from Equity Markets ▪ Favorable alternatives – mainly from private equity returns	(+)
Favorable impact from lower interest and tighter credit spreads	(+)
Impact from lower general operating expense	(+)
Unfavorable impact from annual actuarial assumption update	(-)
Mortality, excluding COVID-19	(+)
Base investment compression	(-)
Other Key Metrics	
New business sales impact on APTI	(-)

Institutional Markets Results

($M)	
APTI	$99 (+57% vs. 3Q19)

Premiums and Deposits ($M)



GAAP Reserves ($B)

■ Structured Settlements ■ PRT ■ COLI/BOLI ■ SVW ■ GIC

Key Takeaways – Better (+) or Worse(-) vs 3Q19

3Q20 APTI results reflects	
Impact from Equity Markets ▪ Favorable alternatives – mainly from private equity returns	(+)
Favorable impact from lower interest and tighter credit spreads	(+)
Impact from lower general operating expense	(-)
Base spread compression	(-)
Other Key Metrics	
Growth in reserves	(+)
Maintaining pricing discipline	(+)

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Definitions:
GIC = Guaranteed Investment Contracts | SVW = Stable Value Wrap | COLI/BOLI = Corporate and Bank-owned life insurance | PRT = Pension Risk Transfer

Life and Retirement: 3Q20 actuarial assumption update had a modest impact to net income; update reflects lower long-term interest rates and mortality assumptions, offset in part by refinements of select policyholder behavior assumptions

Annual Actuarial Assumption Review ($M)	3Q20
Individual Retirement	($75)
Group Retirement	$68
Life Insurance	($114)
Institutional Markets	$1
Adjusted pre-tax income (Non-GAAP)	**($120)**
Net realized capital gain (loss), net of DAC	$98
Pre-tax income (GAAP)	**($22)**

Key Takeaways

- Individual Retirement charge reflects lower long term interest rates leading to lower projected policyholder lapses and spreads causing a net write down of the DAC asset, partially offset by a refinement to the DAC amortization period reflecting lower lapses and greater business persistency
- Group Retirement benefit driven by a DAC write-up for Variable Annuities as the DAC amortization period was refined to reflect longer business persistency
- Life Insurance charge reflects adverse refinements to Universal Life mortality assumptions based on older age mortality experience on select blocks
- Net realized capital gain (loss) benefit reflects lower Variable Annuity living benefit reserves driven by updates to withdrawal assumptions, offset by Index Annuities reserve refinements

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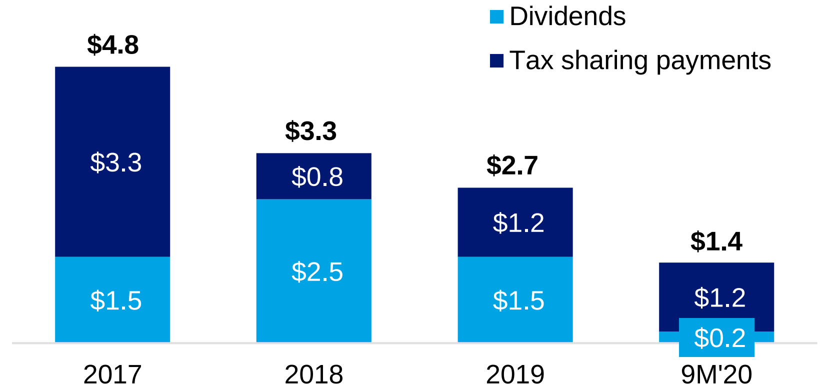
Life and Retirement: Balance sheet, capital generation and liquidity have remained strong

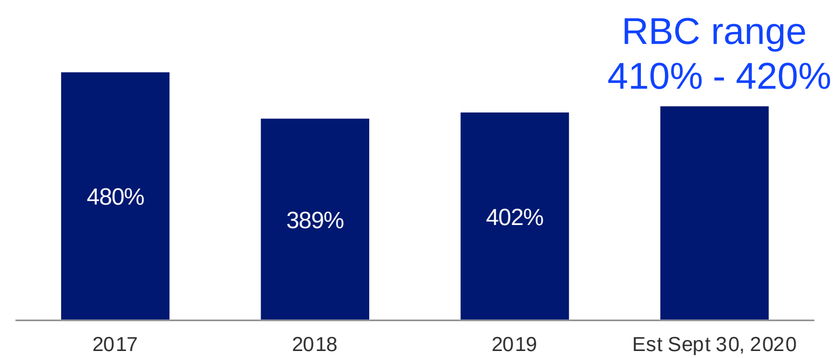
Strong Balance Sheet Fundamentals

- Post-Fortitude sale, relatively limited net exposure to legacy blocks of business. GAAP loss recognition margins continue to be healthy on the FAS60 blocks of business despite lower interest rate assumptions
- Disciplined pricing approach
- ~91% investment grade corporate debt investment portfolio, as of September 30, 2020, positioned well to navigate stress scenarios
- Capital levels remain improved from YE19 and remain above our target capital range; with modest impacts from investment downgrades and credit losses
- Highly effective hedging program which has generated a fair amount of liquidity during periods of stress

Dividends and Tax Sharing Payments ($B)[1]



Fleet RBC [2]



1) Includes US Life Companies. 9M 2020 dividends reflect the impact of lower dividends from certain subsidiaries due to $615M of proceeds from the sale of the majority interests in Fortitude Group Holdings LLC in June 2020 (Majority Interest Fortitude Sale) being retained at AIG rather than contributed to the Life and Retirement business, and a corresponding amount being retained by the Life and Retirement business rather than divdended up to AIG. Proceeds of $0.1B contributed to certain Life and Retirement subsidiaries as a result of the Majority Interest Fortitude Sale are excluded from the 9M2020 results above.

2) 3Q20 forecasted RBC ratio as of 11/03/2020. The RBC drop in 2018 due to tax reform and NYDFS additional cash flow testing requirements.

Other Operations: APTL increased principally due to May 2020 bond issuance and impact of consolidated investment entities on consolidations, eliminations, and other adjustments

($M)	3Q19	3Q20
Corporate (Parent and Service Companies):		
General operating expenses	($241)	($191)
Interest expense	(259)	(291)
All other income (expense), net	53	31
Total Corporate (Parent and Service Companies)	(447)	(451)
Consolidated investment entities	16	33
Blackboard	(23)	(8)
Adjusted pre-tax loss before consolidation and eliminations	**(454)**	**(426)**
Consolidation, eliminations and other adjustments:		
Consolidated investment entities[1]	(53)	(131)
Other[2]	7	(5)
Total consolidation, eliminations and other adjustments	(46)	(136)
Adjusted pre-tax loss	**($500)**	**($562)**

Key Takeaways:

- Other Operations APTL was $562M, including $136M of reductions from consolidation, eliminations and other adjustments, compared to $500M, including $46 million of reductions from consolidation, eliminations and other adjustments, in the prior year quarter. Before consolidation, eliminations and other adjustments, the decrease in the pre-tax loss was primarily due to lower GOE, partially offset by increased interest expense related to debt issuance in 2Q20 and lower NII associated with available for sale securities

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1) Consolidation, eliminations and other adjustments - consolidated investment entities represents the elimination of the intercompany net investment income recorded by the General Insurance and Life and Retirement subsidiaries for their investments in consolidated investment entities.
2) Consolidation, eliminations and other adjustments - Other represents eliminations of intercompany transactions other than consolidated investment entities between Parent and the General Insurance and Life and Retirement subsidiaries.

Legacy Portfolio: Sale of Fortitude in 2Q20 impacts year-over-year comparison of APTI

($M)	3Q19	3Q20
General Insurance run-off lines	$27	($16)
Life and Retirement run-off lines	16	29
Legacy Investments	50	76
Adjusted pre-tax income	**$93**	**$89**
Noteworthy Items (pre-tax):		
Catastrophe losses, net of reinsurance	**($14)**	**($7)**
Annual actuarial assumption update	**($30)**	**$13**

Key Takeaways

- The decrease in Legacy APTI compared to 3Q19 reflects the completion of the sale of Fortitude in 2Q20, partially offset by higher Legacy Investments gains on fair value option portfolios compared to losses in the prior year quarter.
- Legacy Life and Retirement Run-off Lines includes a $13M benefit for the annual actuarial assumption update compared to a $30M charge in the prior year quarter

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

Glossary of Non-GAAP Financial Measures

Glossary of Non-GAAP

Throughout this presentation, we present our financial condition and results of operations in the way we believe will be most meaningful and representative of our business results. Some of the measurements we use are "Non-GAAP financial measures" under Securities and Exchange Commission rules and regulations. GAAP is the acronym for generally accepted accounting principles in the United States. The non-GAAP financial measures we present may not be comparable to similarly-named measures reported by other companies. The reconciliations of such measures to the most comparable GAAP measures in accordance with Regulation G are included within the relevant tables or in the Third Quarter 2020 Financial Supplement available in the Investor Information section of AIG's website, www.aig.com.

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

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

- **Adjusted Pre-tax Income (APTI)** is derived by excluding the items set forth below from income from continuing operations before income tax. This definition is consistent across our segments. These items generally fall into one or more of the following broad categories: legacy matters having no relevance to our current businesses or operating performance; adjustments to enhance transparency to the underlying economics of transactions; and measures that we believe to be common to the industry. APTI is a GAAP measure for our segments. Excluded items include the following:
  - changes in fair value of securities used to hedge guaranteed living benefits;
  - changes in benefit reserves and deferred policy acquisition costs (DAC), value of business acquired (VOBA), and sales inducement assets (SIA) related to net realized capital gains and losses;
  - changes in the fair value of equity securities;
  - net investment income on Fortitude Re funds withheld assets post deconsolidation of Fortitude Re;
  - following deconsolidation of Fortitude Re, net realized capital gains and losses on Fortitude Re funds withheld assets held by AIG in support of Fortitude Re's reinsurance obligations to AIG (Fortitude Re funds withheld assets);
  - loss (gain) on extinguishment of debt;
  - all net realized capital gains and losses except earned income (periodic settlements and changes in settlement accruals) on derivative instruments used for non-qualifying (economic) hedging or for asset replication. Earned income on such economic hedges is reclassified from net realized capital gains and losses to specific APTI line items based on the economic risk being hedged (e.g. net investment income and interest credited to policyholder account balances);
  - income or loss from discontinued operations;
  - net loss reserve discount benefit (charge);
  - pension expense related to a one-time lump sum payment to former employees;
  - income and loss from divested businesses;
  - non-operating litigation reserves and settlements;
  - restructuring and other costs related to initiatives designed to reduce operating expenses, improve efficiency and simplify our organization;
  - the portion of favorable or unfavorable prior year reserve development for which we have ceded the risk under retroactive reinsurance agreements and related changes in amortization of the deferred gain;
  - integration and transaction costs associated with acquired businesses;
  - losses from the impairment of goodwill; and
  - non-recurring costs associated with the implementation of non-ordinary course legal or regulatory changes or changes to accounting principles.

- **Adjusted After-tax Income attributable to AIG Common Shareholders (AATI)** is derived by excluding the tax effected adjusted pre-tax income (APTI) adjustments described above, dividends on preferred stock, and the following tax items from net income attributable to AIG:
  - deferred income tax valuation allowance releases and charges;
  - changes in uncertain tax positions and other tax items related to legacy matters having no relevance to our current businesses or operating performance; and
  - net tax charge related to the enactment of the Tax Cuts and Jobs Act (Tax Act);

  and by excluding the net realized capital gains (losses) and other charges from noncontrolling interests.

Glossary of Non-GAAP Financial Measures

Glossary of Non-GAAP

- **Book Value per Common Share, Excluding Accumulated Other Comprehensive Income (AOCI) adjusted for the cumulative unrealized gains and losses related to Fortitude Re's Funds Withheld Assets and Book Value per Common Share, Excluding AOCI adjusted for the cumulative unrealized gains and losses related to Fortitude Re's Funds Withheld Assets and Deferred Tax Assets (DTA) (Adjusted Book Value per Common Share)** are used to show the amount of our net worth on a per-common share basis after eliminating 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. These measures also eliminate the asymmetrical impact resulting from changes in fair value of our available for sale securities portfolio wherein there is largely no offsetting impact for certain related insurance liabilities. In addition, we adjust for the cumulative unrealized gains and losses related to Fortitude Re's Funds Withheld Assets since these fair value movements are economically transferred to Fortitude Re. We exclude deferred tax assets representing U.S. tax attributes related to net operating loss carryforwards and foreign tax credits as they have not yet been utilized. Amounts for interim periods are estimates based on projections of full-year attribute utilization. As net operating loss carryforwards and foreign tax credits are utilized, the portion of the DTA utilized is included in these book value per common share metrics. Book value per common share, excluding AOCI adjusted for the cumulative unrealized gains and losses related to Fortitude Re's Funds Withheld Assets, is derived by dividing Total AIG Common Shareholders' equity, excluding AOCI adjusted for the cumulative unrealized gains and losses related to Fortitude Re's Funds Withheld Assets, by total common shares outstanding. Adjusted Book Value per Common Share is derived by dividing Total AIG common shareholders' equity, excluding AOCI adjusted for the cumulative unrealized gains and losses related to Fortitude Re's Funds Withheld Assets and DTA **(Adjusted Common Shareholders' Equity)**, by total common shares outstanding.
- **Book Value per Common Share, Excluding Goodwill, Value of Business Acquired (VOBA), Value of Distribution Channel Acquired (VODA) and Other Intangible Assets (Tangible Book Value per Common Share), Tangible Book Value per Common Share, Excluding AOCI adjusted for the cumulative unrealized gains and losses related to Fortitude Re's Funds Withheld Assets, and Tangible Book Value per Common Share, Excluding AOCI adjusted for the cumulative unrealized gains and losses related to Fortitude Re's Funds Withheld Assets and Deferred Tax Assets (DTA) (Adjusted Tangible Book Value per Common Share)** are used to provide more accurate measure of the realizable value of shareholder on a per-common share basis. Tangible Book Value per Common Share is derived by dividing Total AIG common shareholders' equity, excluding Goodwill, VOBA, VODA and Other intangible assets, by total common shares outstanding (Tangible Book Value per Common Share). Tangible Book value per common share, excluding AOCI adjusted for the cumulative unrealized gains and losses related to Fortitude Re's Funds Withheld Assets, is derived by dividing Total AIG Common Shareholders' equity, excluding intangible assets, AOCI adjusted for the cumulative unrealized gains and losses related to Fortitude Re's Funds Withheld Assets, by total common shares outstanding. Adjusted Tangible Book Value per Common Share is derived by dividing Total AIG common shareholders' equity, excluding intangible assets, AOCI adjusted for the cumulative unrealized gains and losses related to Fortitude Re's Funds Withheld Assets, and DTA **(Adjusted Tangible Common Shareholders' Equity)**, by total common shares outstanding.
- **AIG Return on Common Equity (ROCE) – Adjusted After-tax Income Excluding AOCI adjusted for the cumulative unrealized gains and losses related to Fortitude Re's Funds Withheld Assets and DTA (Adjusted Return on Common Equity)** is used to show the rate of return on common shareholders' equity. We believe this measure is useful to investors because it eliminates items that can fluctuate significantly from period to period, including changes in fair value of our available for sale securities portfolio, foreign currency translation adjustments and U.S. tax attribute deferred tax assets. This measure also eliminates the asymmetrical impact resulting from changes in fair value of our available for sale securities portfolio wherein there is largely no offsetting impact for certain related insurance liabilities. In addition, we adjust for the cumulative unrealized gains and losses related to Fortitude Re's Funds Withheld Assets since these fair value movements are economically transferred to Fortitude Re. We exclude deferred tax assets representing U.S. tax attributes related to net operating loss carryforwards and foreign tax credits as they have not yet been utilized. Amounts for interim periods are estimates based on projections of full-year attribute utilization. As net operating loss carryforwards and foreign tax credits are utilized, the portion of the DTA utilized is included in Adjusted Return on Common Equity. Adjusted Return on Common Equity is derived by dividing actual or annualized adjusted after-tax income attributable to AIG common shareholders by average Adjusted Common Shareholders' Equity.
- **Core, General Insurance, Life and Retirement and Legacy Adjusted Attributed Common Equity** is an attribution of total AIG Adjusted Common Shareholders' Equity to these segments based on our internal capital model, which incorporates the segments' respective risk profiles. Adjusted attributed common equity represents our best estimates based on current facts and circumstances and will change over time.
- **Core, General Insurance, Life and Retirement and Legacy Return on Common Equity – Adjusted After-tax Income (Adjusted Return on Attributed Common Equity)** is used to show the rate of return on Adjusted Attributed Common Equity. Adjusted Return on Attributed Common Equity is derived by dividing actual or annualized Adjusted After-tax Income by Average Adjusted Attributed Common Equity.
- **Adjusted After-tax Income Attributable to Core, General Insurance, Life and Retirement and Legacy** is derived by subtracting attributed interest expense, income tax expense and attributed dividends on preferred stock from APTI. Attributed debt and the related interest expense and dividends on preferred stock are calculated based on our internal capital model. Tax expense or benefit is calculated based on an internal attribution methodology that considers among other things the taxing jurisdiction in which the segments conduct business, as well as the deductibility of expenses in those jurisdictions.

Glossary of Non-GAAP Financial Measures

Glossary of Non-GAAP

- **Adjusted Revenues** exclude Net realized capital gains (losses), income from non-operating litigation settlements (included in Other income for GAAP purposes) and changes in fair value of securities used to hedge guaranteed living benefits (included in Net investment income for GAAP purposes). Adjusted revenues is a GAAP measure for our operating segments.
- **Ratios:** We, along with most property and casualty insurance companies, use the loss ratio, the expense ratio and the combined ratio as measures of underwriting performance. These ratios are relative measurements that describe, for every $100 of net premiums earned, the amount of losses and loss adjustment expenses (which for General Insurance excludes net loss reserve discount), and the amount of other underwriting expenses that would be incurred. A combined ratio of less than 100 indicates underwriting income and a combined ratio of over 100 indicates an underwriting loss. Our ratios are calculated using the relevant segment information calculated under GAAP, and thus may not be comparable to similar ratios calculated for regulatory reporting purposes. The underwriting environment varies across countries and products, as does the degree of litigation activity, all of which affect such ratios. In addition, investment returns, local taxes, cost of capital, regulation, product type and competition can have an effect on pricing and consequently on profitability as reflected in underwriting income and associated ratios.
- **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. Natural catastrophe losses are generally weather or seismic events having a net impact on AIG in excess of $10 million each and man-made catastrophe losses, such as terrorism and civil disorders that exceed the $10 million threshold. We believe that as adjusted ratios are meaningful measures of our underwriting results on an ongoing basis as they exclude catastrophes and the impact of reserve discounting which are outside of management's control. We also exclude prior year development to provide transparency related to current accident year results.

  Underwriting ratios are computed as follows:

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

  b) Acquisition ratio = Total acquisition expenses ÷ NPE

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

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

  e) Combined ratio = Loss ratio + Expense ratio

  f) Catastrophe losses (CATs) and reinstatement premiums = [Loss and loss adjustment expenses incurred – (CATs)] ÷ [NPE +/(-) CYRIPs] – Loss ratio

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

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

  i) Prior year development net of (additional) return premium related to PYD on loss sensitive business = [Loss and loss adjustment expenses incurred – CATs – PYD] ÷ [NPE +/(-) CYRIPs +/(-) PYRIPs + (AP)RP] – Loss ratio – CAT ratio
- **Premiums and deposits:** includes direct and assumed amounts received and earned on traditional life insurance policies, group benefit policies and life-contingent payout annuities, as well as deposits received on universal life, investment-type annuity contracts, Federal Home Loan Bank (FHLB) funding agreements and mutual funds.

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

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Non-GAAP Reconciliations

Adjusted Pre-tax and After-tax Income - Consolidated

(in millions)	Quarterly 3Q19	Quarterly 3Q20
Pre-tax income from continuing operations	$ 1,260	$ 368
Adjustments to arrive at Adjusted pre-tax income (loss)		
Changes in fair value of securities used to hedge guaranteed living benefits	(12)	(15)
Changes in benefit reserves and DAC, VOBA and SIA related to net realized capital gains (losses)	65	(78)
Changes in the fair value of equity securities	51	(119)
Gain on extinguishment of debt	-	(2)
Net investment income on Fortitude Re funds withheld assets	-	(458)
Net realized capital (gains) losses on Fortitude Re funds withheld assets	-	(32)
Net realized capital (gains) losses on Fortitude Re funds withheld embedded derivative	-	656
Net realized capital (gains) losses (a)	(881)	514
Loss from divested businesses	9	24
Non-operating litigation reserves and settlements	5	1
Favorable prior year development and related amortization changes ceded under retroactive reinsurance agreements	(59)	(30)
Net loss reserve discount (benefit) charge	235	(31)
Integration and transaction costs associated with acquired businesses	3	1
Restructuring and other costs	67	100
Non-recurring costs related to regulatory or accounting changes	3	19
Adjusted pre-tax income	**$ 746**	**$ 918**

(a) Includes all net realized capital gains and losses except earned income (periodic settlements and changes in settlement accruals) on derivative instruments used for non-qualifying (economic) hedging or for asset replication and net realized gains and losses on Fortitude Re funds withheld assets.

Non-GAAP Reconciliations

Adjusted Pre-tax and After-tax Income - Consolidated

(in millions)	Quarterly 3Q19	Quarterly 3Q20
After-tax net income, including noncontrolling interests	**$ 973**	**$ 299**
Noncontrolling interests (income) loss	(317)	(11)
Net income attributable to AIG	**$ 656**	**$ 288**
Dividends on preferred stock	8	7
Net income attributable to AIG common shareholders	**$ 648**	**$ 281**
Adjustments to arrive at Adjusted after-tax income (loss) (amounts net of tax, at U.S. statutory tax rate for each respective period, except where noted):		
Changes in uncertain tax positions and other tax adjustments	8	(7)
Deferred income tax valuation allowance (releases) charges (a)	(9)	(8)
Changes in fair value of securities used to hedge guaranteed living benefits	(10)	(12)
Changes in benefit reserves and DAC, VOBA and SIA related to net realized capital gains (losses)	52	(61)
Changes in the fair value of equity securities	40	(94)
Gain on extinguishment of debt	-	(1)
Net investment income on Fortitude Re funds withheld assets	-	(362)
Net realized capital (gains) losses on Fortitude Re funds withheld assets	-	(25)
Net realized capital (gains) losses on Fortitude Re funds withheld embedded derivative	-	519
Net realized capital (gains) losses (b)(c)	(705)	424
Loss from discontinued operations and divested businesses (c)	7	5
Non-operating litigation reserves and settlements	4	1
Favorable prior year development and related amortization changes ceded under retroactive reinsurance agreements	(46)	(24)
Net loss reserve discount (benefit) charge	185	(25)
Integration and transaction costs associated with acquired businesses	3	-
Restructuring and other costs	53	79
Non-recurring costs related to regulatory or accounting changes	2	15
Noncontrolling interests primarily related to net realized capital gains (losses) of Fortitude Holdings' standalone results (d)	273	4
Adjusted after-tax income attributable to AIG common shareholders	**$ 505**	**$ 709**
Weighted average diluted shares outstanding	**895.8**	**873.1**
Income per common share attributable to AIG common shareholders (diluted)	**$ 0.72**	**$ 0.32**
Adjusted after-tax income per common share attributable to AIG common shareholders (diluted)	**0.56**	**0.81**

(a) Includes net valuation allowance release in certain foreign jurisdictions
(b) Includes all net realized capital gains and losses except earned income (periodic settlements and changes in settlement accruals) on derivative instruments used for non-qualifying (economic) hedging or for asset replication and net realized gains and losses on Fortitude Re funds withheld assets.
(c) Includes the impact of non-U.S. tax rates which differ from the applicable U.S. statutory tax rate and tax-only adjustments.
(d) Prior to June 2, 2020, noncontrolling interests was primarily due to the 19.9 percent investment in Fortitude Group Holdings, LLC (Fortitude Holdings) by an affiliate of The Carlyle Group L.P. (Carlyle), which occurred in the fourth quarter of 2018. Carlyle was allocated 19.9 percent of Fortitude Holdings' standalone financial results through the June 2, 2020 closing date of the Majority Interest Fortitude Sale. Fortitude Holdings' results were mostly eliminated in AIG's consolidated income from continuing operations given that its results arose from intercompany transactions. Noncontrolling interests was calculated based on the standalone financial results of Fortitude Holdings. The most significant component of Fortitude Holdings' standalone results was the change in fair value of the embedded derivatives which changes with movements in interest rates and credit spreads, and which was recorded in net realized capital gains and losses of Fortitude Holdings. In accordance with AIG's adjusted after-tax income definition, realized capital gains and losses are excluded from noncontrolling interests. Subsequent to the Majority Interest Fortitude Sale, AIG owns 3.5 percent of Fortitude Holdings and no longer consolidates Fortitude Holdings in its financial statements as of such date. The minority interest in Fortitude Holdings is carried at cost within AIG's Other invested assets, which was $100 million as of September 30, 2020.

AIG

Non-GAAP Reconciliations

Book Value Per Common Share

(in millions, except per common share data)	As of September 30, 2019	As of September 30, 2020	December 31, 2019	June 30, 2020
Book Value Per Common Share				
Total AIG shareholders' equity	$ 65,603	$ 64,108	$ 65,675	$ 62,234
Less: Preferred equity	485	485	485	485
Total AIG common shareholders' equity (a)	65,118	63,623	65,190	61,749
Less: Accumulated other comprehensive income (AOCI)	5,615	10,978	4,982	9,169
Add: Cumulative unrealized gains and losses related to Fortitude Re's Funds Withheld Assets	-	4,392	-	4,215
Total AIG common shareholders' equity, excluding AOCI adjusted for the cumulative unrealized gains and losses related to Fortitude Re's Funds Withheld Assets (b)	59,503	57,037	60,208	56,795
Less: Deferred tax assets (DTA)*	9,393	8,123	8,977	8,643
Total adjusted common shareholders' equity (c)	$ 50,110	$ 48,914	$ 51,231	$ 48,152
Total common shares outstanding (d)	869.9	861.4	870.0	861.4
Book value per common share (a÷d)	$ 74.85	$ 73.86	$ 74.93	$ 71.68
Book value per common share, excluding AOCI adjusted for the cumulative unrealized gains and losses related to Fortitude Re's Funds Withheld Assets (b÷d)	68.40	66.21	69.20	65.93
Adjusted book value per common share (c÷d)	57.60	56.78	58.89	55.90
Tangible Book Value Per Common Share				
Total AIG common shareholders' equity (a)	$ 65,118	$ 63,623	$ 65,190	$ 61,749
Less Intangible Assets:				
Goodwill	4,076	4,026	4,038	3,983
Value of business acquired	335	122	317	121
Value of distribution channel acquired	545	507	536	517
Other intangibles	335	322	333	323
Total intangibles assets	5,291	4,977	5,224	4,944
Total AIG tangible common shareholders' equity (e)	59,827	58,646	59,966	56,805
Less: Accumulated other comprehensive income (AOCI)	5,615	10,978	4,982	9,169
Add: Cumulative unrealized gains and losses related to Fortitude Re's Funds Withheld Assets	-	4,392	-	4,215
Total AIG tangible common shareholders' equity, excluding intangible asset, AOCI adjusted for the cumulative unrealized gains and losses related to Fortitude Re's Funds Withheld Assets (f)	54,212	52,060	54,984	51,851
Less: Deferred tax assets (DTA)*	9,393	8,123	8,977	8,643
Total adjusted tangible common shareholders' equity (g)	$ 44,819	$ 43,937	$ 46,007	$ 43,208
Total common shares outstanding (d)	869.9	861.4	870.0	861.4
Tangible book value per common share (e÷d)	$ 68.77	$ 68.08	$ 68.93	$ 65.94
Tangible book value per common share, excluding AOCI adjusted for the cumulative unrealized gains and losses related to Fortitude Re's Funds Withheld Assets (f÷d)	62.32	60.44	63.20	60.19
Adjusted tangible book value per common share (g÷d)	51.52	51.01	52.88	50.16

* Represents deferred tax assets only related to U.S. net operating loss and foreign tax credit carryforwards on a U.S. GAAP basis and excludes other balance sheet deferred tax assets and liabilities.

AIG

Non-GAAP Reconciliations
Return on Common Equity

(in millions)	Quarterly	
Return On Common Equity Computations	**3Q19**	**3Q20**
Actual or Annualized net income attributable to AIG common shareholders (a)	$ 2,592	$ 1,124
Actual or Annualized adjusted after-tax income attributable to AIG common shareholders (b)	$ 2,020	$ 2,836
Average AIG Common Shareholders' equity (c)	$ 64,586	$ 62,686
Less: Average AOCI	5,303	10,074
Add: Average cumulative unrealized gains and losses related to Fortitude Re's Funds Withheld Assets	-	4,304
Less: Average DTA*	9,485	8,383
Average adjusted common shareholders' equity (d)	$ 49,798	$ 48,533
ROCE (a÷c)	4.0%	1.8%
Adjusted return on common equity (b÷d)	4.1%	5.8%

* Represents deferred tax assets only related to U.S. net operating loss and foreign tax credit carryforwards on a U.S. GAAP basis and excludes other balance sheet deferred tax assets and liabilities.

Non-GAAP Reconciliations
Return on Common Equity

General Insurance
(in millions)

	Quarterly	
	3Q19	3Q20
Adjusted pre-tax income	**$ 507**	**$ 416**
Interest expense on attributed financial debt	147	145
Adjusted pre-tax income including attributed interest expense	360	271
Income tax expense	86	70
Adjusted after-tax income	**$ 274**	**$ 201**
Dividends declared on preferred stock	5	5
Adjusted after-tax income attributable to common shareholders (a)	**$ 269**	**$ 196**
Ending adjusted attributed common equity	$ 25,076	$ 24,709
Average adjusted attributed common equity (b)	25,179	24,799
Adjusted return on attributed common equity (a÷b)	4.3 %	3.2 %

Life and Retirement
(in millions)

	Quarterly	
	3Q19	3Q20
Adjusted pre-tax income	**$ 646**	**$ 975**
Interest expense on attributed financial debt	45	73
Adjusted pre-tax income including attributed interest expense	601	902
Income tax expense	117	183
Adjusted after-tax income	**$ 484**	**$ 719**
Dividends declared on preferred stock	3	3
Adjusted after-tax income attributable to common shareholders (a)	**$ 481**	**$ 716**
Ending adjusted attributed common equity	$ 19,235	$ 20,017
Average adjusted attributed common equity (b)	19,028	19,762
Adjusted return on attributed common equity (a÷b)	10.1 %	14.5 %

Core
(in millions)

	Quarterly	
	3Q19	3Q20
Adjusted pre-tax income	**$ 653**	**$ 829**
Interest expense on attributed financial debt	-	-
Adjusted pre-tax income including attributed interest expense	653	829
Income tax expense	170	177
Adjusted after-tax income	**$ 483**	**$ 652**
Dividends declared on preferred stock	8	7
Adjusted after-tax income attributable to common shareholders (a)	**$ 475**	**$ 645**
Ending adjusted attributed common equity	$ 43,335	$ 46,713
Average adjusted attributed common equity (b)	43,015	46,423
Adjusted return on attributed common equity (a÷b)	4.4 %	5.6 %

Legacy
(in millions)

	Quarterly	
	3Q19	3Q20
Adjusted pre-tax income	**$ 93**	**$ 89**
Interest expense on attributed financial debt	-	-
Adjusted pre-tax income including attributed interest expense	**93**	**89**
Income tax expense	19	19
Adjusted after-tax income attributable to common shareholders (a)	**$ 74**	**$ 70**
Ending adjusted attributed common equity	$ 6,775	$ 2,201
Average adjusted attributed common equity (b)	6,784	2,110
Adjusted return on attributed common equity (a÷b)	4.4 %	13.3 %

AIG

Non-GAAP Reconciliations

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

General Insurance

	Quarterly		
	3Q18	3Q19	3Q20
Loss ratio	88.6	69.3	74.6
Catastrophe losses and reinstatement premiums	(22.0)	(7.5)	(13.5)
Prior year development	(2.7)	-	(0.4)
Adjustments for ceded premium under reinsurance contracts and other	(0.3)	(0.3)	-
Accident year loss ratio, as adjusted	63.6	61.5	60.7
Acquisition ratio	21.7	22.0	19.8
General operating expense ratio	14.1	12.4	12.8
Expense ratio	35.8	34.4	32.6
Combined ratio	124.4	103.7	107.2
Accident year combined ratio, as adjusted	99.4	95.9	93.3

General Insurance - North America

	Quarterly	
	3Q19	3Q20
Loss ratio	76.7	86.0
Catastrophe losses and reinstatement premiums	(7.1)	(22.3)
Prior year development	0.5	5.9
Adjustments for ceded premium under reinsurance contracts and other	(0.6)	-
Accident year loss ratio, as adjusted	69.5	69.6
Acquisition ratio	19.4	14.6
General operating expense ratio	9.6	11.8
Expense ratio	29.0	26.4
Combined ratio	105.7	112.4
Accident year combined ratio, as adjusted	98.5	96.0

General Insurance - North America - Commercial Lines

	Quarterly	
	3Q19	3Q20
Loss ratio	80.9	81.5
Catastrophe losses and reinstatement premiums	(6.4)	(18.5)
Prior year development	1.6	6.7
Adjustments for ceded premium under reinsurance contracts and other	(0.8)	-
Accident year loss ratio, as adjusted	75.3	69.7
Acquisition ratio	14.3	13.0
General operating expense ratio	9.8	10.4
Expense ratio	24.1	23.4
Combined ratio	105.0	104.9
Accident year combined ratio, as adjusted	99.4	93.1

General Insurance - North America - Personal Insurance

	Quarterly	
	3Q19	3Q20
Loss ratio	64.2	120.1
Catastrophe losses and reinstatement premiums	(9.0)	(51.3)
Prior year development	(3.0)	(0.6)
Adjustments for ceded premium under reinsurance contract	(0.1)	-
Accident year loss ratio, as adjusted	52.1	68.2
Acquisition ratio	34.3	27.3
General operating expense ratio	9.1	23.1
Expense ratio	43.4	50.4
Combined ratio	107.6	170.5
Accident year combined ratio, as adjusted	95.5	118.6

AIG

Non-GAAP Reconciliations

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

General Insurance - International

	Quarterly 3Q19	Quarterly 3Q20
Loss ratio	62.3	65.0
Catastrophe losses and reinstatement premiums	(8.0)	(6.0)
Prior year development	(0.4)	(5.8)
Accident year loss ratio, as adjusted	53.9	53.2
Acquisition ratio	24.4	24.1
General operating expense ratio	15.1	13.7
Expense ratio	39.5	37.8
Combined ratio	101.8	102.8
Accident year combined ratio, as adjusted	93.4	91.0

General Insurance - International - Commercial Lines

	Quarterly 3Q19	Quarterly 3Q20
Loss ratio	67.9	77.8
Catastrophe losses and reinstatement premiums	(8.0)	(7.2)
Prior year development	(2.1)	(14.5)
Accident year loss ratio, as adjusted	57.8	56.1
Acquisition ratio	22.1	20.8
General operating expense ratio	14.1	13.0
Expense ratio	36.2	33.8
Combined ratio	104.1	111.6
Accident year combined ratio, as adjusted	94.0	89.9

General Insurance - International - Personal Insurance

	Quarterly 3Q19	Quarterly 3Q20
Loss ratio	57.4	52.2
Catastrophe losses and reinstatement premiums	(8.0)	(4.8)
Prior year development	1.1	3.0
Accident year loss ratio, as adjusted	50.5	50.4
Acquisition ratio	26.4	27.4
General operating expense ratio	16.1	14.4
Expense ratio	42.5	41.8
Combined ratio	99.9	94.0
Accident year combined ratio, as adjusted	93.0	92.2

General Insurance - Global Commercial Lines

	Quarterly 3Q19	Quarterly 3Q20
Loss ratio	75.8	80.1
Catastrophe losses and reinstatement premiums	(7.0)	(14.0)
Prior year development	0.1	(1.8)
Adjustments for ceded premium under reinsurance contracts and other	(0.4)	-
Accident year loss ratio, as adjusted	68.5	64.3
Acquisition ratio	17.4	16.1
General operating expense ratio	11.5	11.4
Expense ratio	28.9	27.5
Combined ratio	104.7	107.6
Accident year combined ratio, as adjusted	97.4	91.8

Gross Premiums Written – Change in Constant Dollar

General Insurance

	3Q20
Foreign exchange effect on worldwide gross premiums:	
Change in net premiums written	
Increase (decrease) in original currency	(4.2) %
Foreign exchange effect	0.3
Increase (decrease) as reported in U.S. dollars	(3.9) %

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Non-GAAP Reconciliations

Net Premiums Written – Change in Constant Dollar

General Insurance	International	International - Commercial Lines	International - Personal Insurance
Foreign exchange effect on worldwide premiums:	**3Q20**	**3Q20**	**3Q20**
Change in net premiums written			
Increase (decrease) in original currency	(3.7) %	3.1 %	(9.8) %
Foreign exchange effect	1.0	1.6	0.6
Increase (decrease) as reported in U.S. dollars	(2.7) %	4.7 %	(9.2) %

Underwriting Income, Excluding the Impact of Catastrophes and Prior Year Development

	Quarterly	
	3Q19	**3Q20**
Underwriting loss	(249)	(423)
Less: Impact of Catastrophes	497	790
Less: Prior year development	(3)	13
Underwriting income, excluding the impact of catastrophes and prior year development	245	380

Reconciliation of Net Investment Income

	Quarterly	
(in millions)	**3Q19**	**3Q20**
Net investment income per Consolidated Statements of Operations	**$ 3,408**	**$ 3,800**
Changes in fair value of securities used to hedge guaranteed living benefits	(24)	(15)
Changes in the fair value of equity securities	51	(119)
Net investment income on Fortitude Re funds withheld assets	-	(458)
Net realized capital gains related to economic hedges and other	40	(10)
Total Net investment income - APTI Basis	**3,475**	**3,198**
Investment expenses	135	125
Consolidations and Eliminations	70	150
Total AIG Investments Income, APTI basis	**$ 3,680**	**$ 3,473**
Total Net investment income - APTI Basis	**$ 3,475**	
Less: Impact of Fortitude	(548)	
Total Net investment income - APTI Basis, excluding the impact of Fortitude	**$ 2,927**	

Non-GAAP Reconciliations
Premiums

(in millions)	Quarterly		Nine Months Ended September 30,	
Individual Retirement:	**3Q19**	**3Q20**	**2019**	**2020**
Premiums	$ 38	$ 35	$ 65	$ 114
Deposits	3,656	2,670	11,683	7,507
Other	(2)	(3)	(5)	(9)
Premiums and deposits	**$ 3,692**	**$ 2,702**	**$ 11,743**	**$ 7,612**
Individual Retirement (Fixed Annuities):				
Premiums	$ 19	$ 31	$ 47	$ 95
Deposits	1,187	914	4,487	1,891
Other	(3)	(3)	(8)	(10)
Premiums and deposits	**$ 1,203**	**$ 942**	**$ 4,526**	**$ 1,976**
Individual Retirement (Variable Annuities):				
Premiums	$ 19	$ 4	$ 18	$ 19
Deposits	800	666	2,013	2,051
Other	1	-	3	1
Premiums and deposits	**$ 820**	**$ 670**	**$ 2,034**	**$ 2,071**
Individual Retirement (Index Annuities):				
Premiums	$ -	$ -	$ -	$ -
Deposits	1,400	942	4,104	2,968
Other	-	-	-	-
Premiums and deposits	**$ 1,400**	**$ 942**	**$ 4,104**	**$ 2,968**
Individual Retirement (Retail Mutual Funds):				
Premiums	$ -	$ -	$ -	$ -
Deposits	269	148	1,079	597
Other	-	-	-	-
Premiums and deposits	**$ 269**	**$ 148**	**$ 1,079**	**$ 597**
Group Retirement:				
Premiums	$ 5	$ 5	$ 14	$ 14
Deposits	1,919	1,767	6,020	5,283
Other	-	-	-	-
Premiums and deposits	**$ 1,924**	**$ 1,772**	**$ 6,034**	**$ 5,297**
Life Insurance:				
Premiums	$ 394	$ 429	$ 1,214	$ 1,295
Deposits	404	392	1,223	1,214
Other	214	209	602	607
Premiums and deposits	**$ 1,012**	**$ 1,030**	**$ 3,039**	**$ 3,116**
Institutional Markets:				
Premiums	$ 389	$ 275	$ 1,360	$ 2,121
Deposits	437	1,165	831	1,350
Other	7	6	22	21
Premiums and deposits	**$ 833**	**$ 1,446**	**$ 2,213**	**$ 3,492**
Total Life and Retirement:				
Premiums	$ 826	$ 744	$ 2,653	$ 3,544
Deposits	6,416	5,994	19,757	15,354
Other	219	212	619	619
Premiums and deposits	**$ 7,461**	**$ 6,950**	**$ 23,029**	**$ 19,517**

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