

The image shows the exterior of a modern building with a large, illuminated "AIG" logo mounted on the facade. The building has a curved entrance with glass doors and two revolving doors. The scene is captured in a blue-tinted, monochromatic style. The logo is white and stands out against the dark background of the building's upper section.

AIG



American International Group, Inc.

Quarterly Financial Supplement
Second Quarter 2020

All financial information in this document is unaudited. This supplement should be read in conjunction with AIG's Quarterly Report on Form 10-Q for the quarter ended June 30, 2020, which will be filed with the Securities and Exchange Commission.

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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 and discuss, 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 a 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 “will,” “believe,” “anticipate,” “expect,” “intend,” “plan,” “focused on achieving,” “view,” “target,” “goal” or “estimate.” These projections, goals, assumptions and statements may relate to future actions, prospective services or products, future performance or results of current and anticipated services or products, sales efforts, expenses, the outcome of contingencies such as legal proceedings, anticipated organizational, business or regulatory changes, the effect of catastrophes and macroeconomic events, such as COVID-19, anticipated dispositions, monetization and/or acquisitions of businesses or assets, or successful integration of acquired businesses, management succession and retention plans, exposure to risk, trends in operations and financial results.

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:

- the adverse impact of COVID-19, including with respect to AIG’s business, financial condition and results of operations;
- changes in market and industry conditions, including the significant global economic downturn, general market declines, prolonged economic recovery and disruptions to AIG’s operations driven by COVID-19 and responses thereto, including new or changed governmental policy and regulatory actions;
- the occurrence of catastrophic events, both natural and man-made, including COVID-19, pandemics, civil unrest and the effects of climate change;
- AIG’s ability to effectively execute on AIG 200 operational programs designed to achieve underwriting excellence, modernization of AIG’s operating infrastructure, enhanced user and customer experiences and unification of AIG;
- the impact of potential information technology, cybersecurity or data security breaches, including as a result of cyber-attacks or security vulnerabilities, the likelihood of which may increase due to extended remote business operations as a result of COVID-19;
- disruptions in the availability of AIG’s electronic data systems or those of third parties;
- the effectiveness of our risk management policies and procedures, including with respect to our business continuity and disaster recovery plans;
- changes in judgments concerning potential cost-saving opportunities;
- concentrations in AIG’s investment portfolios;
- changes to the valuation of AIG’s investments;
- actions by credit rating agencies;
- changes in judgments concerning insurance underwriting and insurance liabilities;
- the effectiveness of strategies to recruit and retain key personnel and to implement effective succession plans;
- the requirements, which may change from time to time, of the global regulatory framework to which AIG is subject;
- significant legal, regulatory or governmental proceedings;
- AIG’s ability to successfully manage Legacy Portfolios;
- AIG’s ability to successfully dispose of, monetize and/or acquire businesses or assets or successfully integrate acquired businesses;
- changes in judgments concerning the recognition of deferred tax assets and the impairment of goodwill; 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 June 30, 2020 (which will be filed with the Securities and Exchange Commission), Part I, Item 2. MD&A in AIG’s Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2020 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, 2019.

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 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.

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.

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. The reconciliation to book value per common share, the most comparable GAAP measure, is presented on page 68 herein.

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. The reconciliation to book value per common share, the most comparable GAAP measure, is presented on page 68 herein.



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

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. The reconciliation to return on common equity, the most comparable GAAP measure, is presented on page 69 herein.

AIG Return on Common Equity, Excluding Goodwill, VOBA, VODA and Other Intangible assets (Return on Tangible Common Equity) and Return on Tangible Common Equity – Adjusted After-tax Income, Excluding Goodwill, VOBA, VODA and Other Intangible assets, AOCI adjusted for the cumulative unrealized gains and losses related to Fortitude Re’s Funds Withheld Assets, and DTA (Adjusted Return on Tangible Common Equity) is used to provide the rate of return on tangible common shareholder’s equity, which is a more accurate measure of realizable shareholder value. We exclude Goodwill, VOBA, VODA and Other intangible assets from AIG common shareholders’ equity to derive tangible common shareholders’ equity (Tangible Common Shareholders’ Equity). Return on Tangible Common Equity is derived by dividing actual or annualized after-tax income attributable to AIG common shareholders by average Tangible Common Shareholders’ Equity. We further exclude AOCI adjusted for the cumulative unrealized gains and losses related to Fortitude Re’s Funds Withheld Assets and DTA in Adjusted Tangible Common Equity. Adjusted Return on Tangible Common Equity is derived by dividing actual or annualized adjusted after-tax income attributable to AIG common shareholders by average Adjusted Tangible Common Shareholders’ Equity. The reconciliation to return on common equity, the most comparable GAAP measure, is presented on page 69 herein.

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. The reconciliations to Adjusted Return on Common Equity are presented on pages 13, 25, 41 and 72 herein.

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. The reconciliations from Adjusted pre-tax income to Adjusted after-tax income attributed to General Insurance, Life and Retirement, Core and Legacy are presented on pages 13, 25, 41 and 72 herein. Attributed debt is included on page 73 herein.

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. 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



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

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.

Key Terms - Throughout this Financial Supplement, we use the following terms:

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.

Alternative investment income includes income on hedge funds, private equity funds and affordable housing partnerships. Hedge funds for which we elected the fair value option are recorded as of the balance sheet date. Private equity funds are generally reported on a one-quarter lag. Starting 1Q 2020, we use a 6% expected rate of return for the better (worse) than expected alternative investments line item. We used an 8% expected rate of return for the better (worse) than expected alternative investments line item for all periods in 2019.

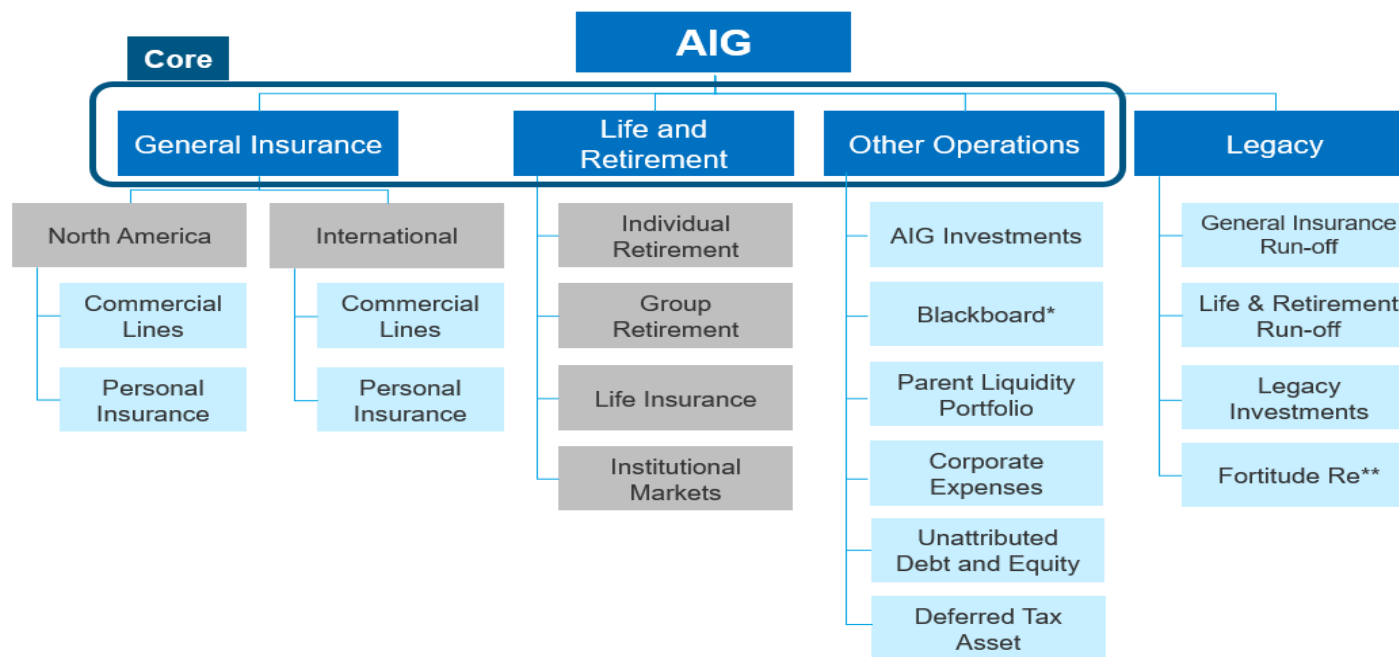


American International Group, Inc.

Overview

Segment Reporting

To align our financial reporting with the manner in which AIG's chief operating decision makers review the businesses to assess performance and make decisions about resources to be allocated, we organize our business units into General Insurance and Life and Retirement as follows:



General Insurance

Geography

North America primarily includes insurance businesses in the United States, Canada and Bermuda. International includes regional insurance businesses in Japan, the United Kingdom, Europe, Asia Pacific, Latin America and Caribbean, Middle East and Africa, and China. General Insurance underwriting results are presented before consideration of internal reinsurance transactions.

Legacy

Fortitude Re**

On June 2, 2020, AIG completed the sale of a majority of the interests in Fortitude Group Holdings, LLC (Fortitude Holdings) to Carlyle FRL, L.P. (Carlyle FRL), an investment fund advised by an affiliate of The Carlyle Group Inc. (Carlyle), and T&D United Capital Co., Ltd. (T&D), a subsidiary of T&D Holdings, Inc., under the terms of a membership interest purchase agreement entered into on November 25, 2019 by and among AIG, Fortitude Holdings, Carlyle FRL, Carlyle, T&D and T&D Holdings, Inc. (the Majority Interest Fortitude Sale). AIG retained a 3.5 percent ownership interest in Fortitude Holdings and one seat on its Board of Managers. The \$2.2 billion of proceeds received by AIG at closing include (i) the \$1.8 billion under the Majority Interest Fortitude Sale, which is subject to a post-closing purchase price adjustment pursuant to which AIG will pay Fortitude Re for certain adverse development in property casualty related reserves, based on an agreed methodology, that may occur on or prior to December 31, 2023, up to a maximum payment of \$500 million; and (ii) a \$383 million purchase price adjustment from Carlyle FRL and T&D, corresponding to their respective portions of a proposed \$500 million non-pro rata distribution from Fortitude Holdings that was not received by AIG prior to the closing. Legacy results include the impact of Fortitude Re through the date of deconsolidation, representing two and five months of operational results, respectively, for the three and six months ended June 30, 2020. As a result of the Majority Interest Fortitude Sale, AIG recorded a pre-tax loss of \$8.4 billion during the three months ended June 30, 2020.

Other Operations

Blackboard*

At the end of March 2020, Blackboard, AIG's technology-driven subsidiary, was placed into run-off. As a result of this decision, during the three months ended March 31, 2020, AIG recognized a pre-tax loss of \$210 million, primarily consisting of asset impairment charges; this charge did not impact adjusted pre-tax income.



American International Group, Inc.
Consolidated Financial Highlights

(in millions, except per share data)

	Quarterly					Six Months Ended	
	2Q20	1Q20	4Q19	3Q19	2Q19	2020	2019
Results of Operations Data (attributable to AIG common shareholders)							
Net income (loss)	\$ (7,936)	\$ 1,742	\$ 922	\$ 648	\$ 1,102	\$ (6,194)	\$ 1,756
Net income (loss) per share:							
Basic	\$ (9.15)	\$ 1.99	\$ 1.05	\$ 0.74	\$ 1.26	\$ (7.11)	\$ 2.00
Diluted (1)	\$ (9.15)	\$ 1.98	\$ 1.03	\$ 0.72	\$ 1.24	\$ (7.11)	\$ 1.99
Weighted average shares outstanding:							
Basic	867.0	874.2	878.2	877.0	876.4	870.6	875.9
Diluted (1)	867.0	878.9	896.4	895.8	888.3	870.6	882.9
Effective tax rate	19.6 %	35.3 %	20.8 %	22.8 %	24.3 %	14.0 %	22.2 %
Adjusted after-tax income	\$ 571	\$ 99	\$ 919	\$ 505	\$ 1,272	\$ 670	\$ 2,660
Adjusted after-tax income per diluted share	\$ 0.66	\$ 0.11	\$ 1.03	\$ 0.56	\$ 1.43	\$ 0.77	\$ 3.01
Weighted average diluted shares - operating	870.2	878.9	896.4	895.8	888.3	874.5	882.9
Adjusted effective tax rate	24.7 %	48.8 %	19.3 %	25.3 %	21.8 %	28.9 %	22.4 %
Selected Balance Sheet data, at period end							
Total assets	\$ 569,388	\$ 510,477	\$ 525,064	\$ 525,122	\$ 522,269	\$ 569,388	\$ 522,269
Long-term debt	29,248	25,268	25,479	25,596	26,707	29,248	26,707
Debt of consolidated investment entities	10,032	10,142	9,871	9,666	9,584	10,032	9,584
Syndicated credit facility	-	1,300	-	-	-	-	-
Preferred equity	485	485	485	485	485	485	485
AIG common shareholders' equity	61,749	59,688	65,190	65,118	64,054	61,749	64,054
AIG tangible common shareholders' equity	56,805	54,547	59,966	59,827	58,689	56,805	58,689
AIG shareholders' total equity	62,234	60,173	65,675	65,603	64,539	62,234	64,539
Adjusted common shareholders' equity	48,152	52,147	51,231	50,110	49,486	48,152	49,486
Adjusted tangible common shareholders' equity	43,208	47,006	46,007	44,819	44,121	43,208	44,121
Adjusted Attributed Common Equity *							
General Insurance	\$ 24,889	\$ 24,931	\$ 25,142	\$ 25,076	\$ 25,282	\$ 24,889	\$ 25,282
Life and Retirement	19,506	19,661	19,513	19,235	18,820	19,506	18,820
Other Operations	1,738	(287)	(442)	(976)	(1,408)	1,738	(1,408)
Total Core	46,133	44,305	44,213	43,335	42,694	46,133	42,694
Legacy	2,019	7,842	7,018	6,775	6,792	2,019	6,792
Total AIG adjusted attributed common equity	\$ 48,152	\$ 52,147	\$ 51,231	\$ 50,110	\$ 49,486	\$ 48,152	\$ 49,486
Return On Common Equity (ROCE, attributable to AIG common shareholders)							
ROCE	NM**	11.2 %	5.7 %	4.0 %	7.1 %	NM**	5.8 %
Return on tangible common equity	NM**	12.2 %	6.2 %	4.4 %	7.8 %	NM**	6.4 %
Adjusted return on common equity	4.6 %	0.8 %	7.3 %	4.1 %	10.4 %	2.7 %	11.0 %
Adjusted return on tangible common equity	5.1 %	0.9 %	8.1 %	4.5 %	11.7 %	3.0 %	12.4 %
Adjusted return on attributed common equity - Core***	3.5 %	3.4 %	7.6 %	4.4 %	11.6 %	3.4 %	12.5 %
Adjusted return on attributed common equity - General Insurance***	0.3 %	4.2 %	7.3 %	4.3 %	10.3 %	2.3 %	12.1 %
Adjusted return on attributed common equity - Life and Retirement***	13.2 %	8.4 %	13.0 %	10.1 %	17.3 %	10.8 %	16.0 %
Adjusted return on attributed common equity - Legacy Portfolio***	16.5 %	(15.6) %	8.1 %	4.4 %	5.2 %	(3.1) %	4.7 %

* Attribution of adjusted common equity is performed on an annual basis unless recalibration is needed (refer to page 73). Adjusted attributed common equity is based on our internal capital model and on the risk profile of each business.

** Not Meaningful.

*** Refer to pages 13, 25, 41 and 72 for components of calculation.

See accompanying notes on page 12 and reconciliations of Non-GAAP financial measures beginning on page 66.



American International Group, Inc.
Consolidated Financial Highlights

(in millions, except per share data)

	Quarterly					Six Months Ended	
	2Q20	1Q20	4Q19	3Q19	2Q19	2020	2019
AIG Capitalization							
Total equity	\$ 62,818	\$ 61,843	\$ 67,427	\$ 67,445	\$ 66,105	\$ 62,818	\$ 66,105
Hybrid - debt securities (2)	1,537	1,534	1,542	1,531	1,541	1,537	1,541
Total equity and hybrid debt	64,355	63,377	68,969	68,976	67,646	64,355	67,646
Financial debt (2)	25,504	21,392	21,807	21,706	22,795	25,504	22,795
Syndicated credit facility (2) (9)	-	1,300	-	-	-	-	-
Total capital	\$ 89,859	\$ 86,069	\$ 90,776	\$ 90,682	\$ 90,441	\$ 89,859	\$ 90,441
Ratios							
Hybrid - debt securities / Total capital	1.7 %	1.8 %	1.7 %	1.7 %	1.7 %	1.7 %	1.7 %
Financial debt / Total capital	28.4	24.9	24.0	23.9	25.2	28.4	25.2
Syndicated credit facility / Total capital	-	1.5	-	-	-	-	-
Total debt / Total capital	30.1	28.2	25.7	25.6	26.9	30.1	26.9
Preferred stock / Total capital	0.5	0.6	0.5	0.5	0.5	0.5	0.5
Total debt and preferred stock / Total capital	30.6 %	28.8 %	26.2 %	26.1 %	27.4 %	30.6 %	27.4 %
Common Stock Repurchases							
Aggregate repurchase of common stock	\$ -	\$ 500	\$ -	\$ -	\$ -	\$ 500	\$ -
Number of common shares repurchased	-	12.2	-	-	-	12.2	-
Average price paid per share of common stock	\$ -	\$ 41.12	\$ -	\$ -	\$ -	\$ 41.12	\$ -
Aggregate repurchase of warrants	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Number of warrants repurchased	-	-	-	-	-	-	-
Dividends							
Dividends declared per common share	\$ 0.32	\$ 0.32	\$ 0.32	\$ 0.32	\$ 0.32	\$ 0.64	\$ 0.64
Total dividends declared on common stock	\$ 275	\$ 276	\$ 279	\$ 278	\$ 279	\$ 551	\$ 557
Dividends declared per preferred share	\$ 365.63	\$ 365.63	\$ 365.63	\$ 365.63	\$ 369.70	\$ 731.26	\$ 731.26
Total dividends declared on preferred stock	\$ 8	\$ 7	\$ 7	\$ 8	\$ 7	\$ 15	\$ 7
Share Data (attributable to AIG, at period end)							
Common shares outstanding	861.4	861.3	870.0	869.9	869.9	861.4	869.9
Closing share price	\$ 31.18	\$ 24.25	\$ 51.33	\$ 55.70	\$ 53.28	\$ 31.18	\$ 53.28
Book value per common share	71.68	69.30	74.93	74.85	73.63	71.68	73.63
Tangible book value per common share	65.94	63.33	68.93	68.77	67.47	65.94	67.47
Book value per common share, excluding AOCI adjusted for the cumulative unrealized gains and losses related to Fortitude Re's Funds Withheld Assets	65.93	70.45	69.20	68.40	67.90	65.93	67.90
Tangible book value per common share, excluding AOCI adjusted for the cumulative unrealized gains and losses related to Fortitude Re's Funds Withheld Assets	60.19	64.49	63.20	62.32	61.73	60.19	61.73
Adjusted book value per common share	55.90	60.55	58.89	57.60	56.89	55.90	56.89
Adjusted tangible book value per common share	50.16	54.58	52.88	51.52	50.72	50.16	50.72

See accompanying notes on page 12 and reconciliations of Non-GAAP financial measures beginning on page 66.



American International Group, Inc.
Consolidated Financial Highlights

(in millions)

Adjusted Pre-Tax Income (Loss)

General Insurance

North America
 International
 Total General Insurance

Life and Retirement

Individual Retirement
 Group Retirement
 Life Insurance
 Institutional Markets
 Total Life and Retirement

Other Operations
 Consolidation, eliminations and other adjustments

Total Core

Total Legacy Portfolio

Total adjusted pre-tax income

	Quarterly					Six Months Ended June 30,	
	2Q20	1Q20	4Q19	3Q19	2Q19	2020	2019
\$	5	\$ 409	\$ 622	\$ 435	\$ 718	\$ 414	\$ 1,652
	170	92	156	72	262	262	596
	175	501	778	507	980	676	2,248
	550	306	501	387	588	856	1,096
	214	143	209	203	293	357	525
	(9)	55	51	(7)	86	46	202
	126	70	78	63	82	196	150
	881	574	839	646	1,049	1,455	1,973
	(559)	(451)	(453)	(454)	(415)	(1,010)	(802)
	49	(84)	(133)	(46)	(56)	(35)	(126)
	546	540	1,031	653	1,558	1,086	3,293
	257	(368)	177	93	119	(111)	231
\$	803	\$ 172	\$ 1,208	\$ 746	\$ 1,677	\$ 975	\$ 3,524

Noteworthy Profit and Loss Data

Revenue Items:

Better (worse) than expected alternative returns*
 Better (worse) than expected DIB and GCM returns**
 Better (worse) than expected fair value changes on Fixed Maturity Securities -
 Other accounted under fair value option*** (3)

Expense Items:

Catastrophe losses, net of reinsurance
 Prior year loss reserve development (favorable), net of reinsurance
 Annual Life & Retirement actuarial assumption update

	Quarterly					Six Months Ended June 30,	
	2Q20	1Q20	4Q19	3Q19	2Q19	2020	2019
\$	(246)	\$ (198)	\$ 59	\$ (43)	\$ 199	\$ (444)	\$ 435
	24	(46)	60	(9)	14	(22)	9
	303	(321)	29	8	(32)	(18)	(17)
	674	419	413	511	174	1,093	349
	(76)	(60)	(153)	(4)	(63)	(136)	(137)
	-	-	-	173	-	-	-

* Reflects alternative returns from insurance companies, excluding eliminations.

** DIB refers to Direct Investment Book and GCM refers to Global Capital Markets, primarily reflected in Legacy Portfolio.

*** Includes the fair value changes on the DIB and GCM asset portfolios.

See accompanying notes on page 12 and reconciliations of Non-GAAP financial measures beginning on page 66.



American International Group, Inc.
Consolidated Statements of Operations

(in millions)

	Quarterly					Six Months Ended	
	2Q20	1Q20	4Q19	3Q19	2Q19	2020	2019
Revenues:							
Premiums	\$ 7,407	\$ 7,443	\$ 7,444	\$ 7,617	\$ 7,430	\$ 14,850	\$ 15,500
Policy fees	749	755	778	733	769	1,504	1,504
Net investment income:							
Interest and dividends	3,087	3,121	3,235	3,192	3,210	6,208	6,371
Alternative investments	(73)	(59)	209	115	345	(132)	764
Other investment income (loss)	375	(406)	287	236	322	(31)	735
Investment expenses	(139)	(148)	(144)	(135)	(132)	(287)	(246)
Net investment income - excluding Fortitude Re funds withheld assets	3,250	2,508	3,587	3,408	3,745	5,758	7,624
Net investment income - Fortitude Re funds withheld assets*	116	-	-	-	-	116	-
Total net investment income	3,366	2,508	3,587	3,408	3,745	5,874	7,624
Net realized capital gains (losses)							
Net realized capital gains (losses) - excluding Fortitude Re funds withheld assets	(1,591)	3,519	(255)	929	404	1,928	(42)
Net realized capital gains (losses) on Fortitude Re funds withheld assets*	96	-	-	-	-	96	-
Net realized capital gains (losses) on Fortitude Re funds withheld embedded derivative*	(837)	-	-	-	-	(837)	-
Total net realized capital gains (losses)	(2,332)	3,519	(255)	929	404	1,187	(42)
Other income	206	218	261	227	213	424	431
Total revenues	9,396	14,443	11,815	12,914	12,561	23,839	25,017
Benefits, losses and expenses							
Policyholder benefits and losses incurred	6,521	6,325	6,029	6,892	5,802	12,846	12,481
Interest credited to policyholder account balances	918	957	959	966	967	1,875	1,907
Amortization of deferred policy acquisition costs	754	1,862	1,184	1,252	1,439	2,616	2,728
General operating and other expenses	2,087	2,153	2,157	2,187	2,140	4,240	4,193
Interest expense	365	355	360	348	360	720	709
(Gain) loss on extinguishment of debt	-	17	19	-	15	17	13
Net (gain) loss on sale or disposal of divested businesses	8,412	216	71	9	1	8,628	(5)
Total benefits, losses and expenses	19,057	11,885	10,779	11,654	10,724	30,942	22,026
Income (loss) from continuing operations before income taxes	(9,661)	2,558	1,036	1,260	1,837	(7,103)	2,991
Income tax (benefit) expense**	(1,896)	904	216	287	446	(992)	663
Income (loss) from continuing operations	(7,765)	1,654	820	973	1,391	(6,111)	2,328
Income (loss) from discontinued operations, net of income taxes	(1)	-	49	-	(1)	(1)	(1)
Net income (loss)	(7,766)	1,654	869	973	1,390	(6,112)	2,327
Net income (loss) attributable to noncontrolling interests (4)	162	(95)	(60)	317	281	67	564
Net income (loss) attributable to AIG	(7,928)	1,749	929	656	1,109	(6,179)	1,763
Less: Dividends on preferred stock	8	7	7	8	7	15	7
Net income (loss) attributable to AIG common shareholders	\$ (7,936)	\$ 1,742	\$ 922	\$ 648	\$ 1,102	\$ (6,194)	\$ 1,756

* Represents activity subsequent to the deconsolidation of Fortitude Re on June 2, 2020.

**U.S. valuation allowance of \$274 million and \$286 million recorded through continuing operations during the three-month period ended March 31, 2020 and six-month period ended June 30, 2020, respectively.

See accompanying notes on page 12.



American International Group, Inc.
Consolidated Balance Sheets

(in millions)	June 30, 2020	March 31, 2020	December 31, 2019	September 30, 2019	June 30, 2019
Assets					
Investments:					
Fixed maturity securities					
Bonds available for sale, at fair value	\$ 258,505	\$ 241,776	\$ 251,086	\$ 253,221	\$ 245,561
Other bond securities, at fair value	5,437	5,353	6,682	8,327	10,461
Equity securities					
Other common and preferred stock, at fair value	679	624	841	771	880
Mortgage and other loans receivable, net of allowance	46,522	46,844	46,984	45,075	43,556
Other invested assets	17,692	17,966	18,792	19,486	19,454
Short-term investments	21,316	19,773	13,230	14,113	15,016
Total investments	350,151	332,336	337,615	340,993	334,928
Cash	3,408	2,738	2,856	3,361	2,935
Accrued investment income	2,294	2,312	2,334	2,391	2,359
Premiums and other receivables, net of allowance	12,829	12,072	10,274	11,786	12,614
Reinsurance assets, net of allowance - Fortitude Re	34,556	-	-	-	-
Reinsurance assets, net of allowance - Other	40,656	39,927	37,977	39,483	40,520
Deferred income taxes	13,294	13,975	13,146	13,054	13,337
Deferred policy acquisition costs (5)	10,003	11,889	11,207	11,000	11,386
Other assets (5)	13,455	16,392	16,383	13,929	13,879
Separate account assets, at fair value	88,742	78,836	93,272	89,125	90,311
Total assets	\$ 569,388	\$ 510,477	\$ 525,064	\$ 525,122	\$ 522,269
Liabilities					
Liability for unpaid losses and loss adjustment expenses	\$ 77,853	\$ 77,747	\$ 78,328	\$ 79,883	\$ 81,057
Unearned premiums	20,103	20,128	18,269	19,959	20,621
Future policy benefits for life and accident and health insurance contracts	50,636	49,803	50,512	50,747	47,539
Policyholder contract deposits	155,852	154,067	151,869	151,964	148,521
Other policyholder funds	3,447	3,460	3,428	3,440	3,488
Fortitude Re funds withheld payable	42,033	-	-	-	-
Other liabilities	28,624	29,183	26,609	27,297	28,336
Long-term debt	29,248	25,268	25,479	25,596	26,707
Debt of consolidated investment entities	10,032	10,142	9,871	9,666	9,584
Separate account liabilities	88,742	78,836	93,272	89,125	90,311
Total liabilities	506,570	448,634	457,637	457,677	456,164
AIG shareholders' equity					
Preferred stock (6)	485	485	485	485	485
Common stock	4,766	4,766	4,766	4,766	4,766
Treasury stock, at cost	(49,327)	(49,334)	(48,987)	(48,989)	(48,991)
Additional paid-in capital	81,294	81,188	81,345	81,287	81,211
Retained earnings	15,847	24,062	23,084	22,439	22,077
Accumulated other comprehensive (loss) income	9,169	(994)	4,982	5,615	4,991
Total AIG shareholders' equity	62,234	60,173	65,675	65,603	64,539
Non-redeemable noncontrolling interests	584	1,670	1,752	1,842	1,566
Total equity	62,818	61,843	67,427	67,445	66,105
Total liabilities and equity	\$ 569,388	\$ 510,477	\$ 525,064	\$ 525,122	\$ 522,269

See accompanying notes on page 12.



American International Group, Inc.
Debt and Capital

(in millions)	Debt and Hybrid Capital			Interest Expense/ Preferred Dividends			
	June 30, 2020	June 30, 2019	December 31, 2019	Three Months Ended June 30,		Six Months Ended June 30,	
				2020	2019	2020	2019
Financial Debt							
AIG notes and bonds payable (7)	\$ 24,161	\$ 21,448	\$ 20,467	\$ 232	\$ 224	\$ 450	\$ 443
AIG Japan Holdings Kabushiki Kaisha	349	348	344	1	1	1	1
AIG Life Holdings, Inc. notes and bonds payable	282	282	282	5	5	10	10
AIG Life Holdings, Inc. junior subordinated debt	361	361	361	8	8	15	15
Validus notes and bonds payable	351	356	353	2	5	8	11
Total	25,504	22,795	21,807	248	243	484	480
Operating Debt							
Series AIGFP matched notes and bonds payable	21	21	21	-	-	-	-
Other AIG borrowings supported by assets	2,181	2,303	2,062	-	-	-	-
Other subsidiaries	5	47	47	-	1	1	2
Total	2,207	2,371	2,130	-	1	1	2
Hybrid - Debt Securities (2)							
Junior subordinated debt (8)	1,537	1,541	1,542	22	22	45	45
Total long-term debt	\$ 29,248	\$ 26,707	\$ 25,479	\$ 270	\$ 266	\$ 530	\$ 527
Syndicated credit facility (2)							
Syndicated credit facility (9)	\$ -	\$ -	\$ -	\$ 7	\$ -	\$ 7	\$ -
Debt of consolidated investment entities							
Debt of consolidated investment entities	\$ 10,032	\$ 9,584	\$ 9,871	\$ 88	\$ 94	\$ 183	\$ 182
Preferred Shares Issuance (6)							
Preferred stock	485	485	485	8	7	15	7
AIG Capitalization							
Total equity	\$ 62,818	\$ 66,105	\$ 67,427				
Hybrid - debt securities (2) (8)	1,537	1,541	1,542				
Total equity and hybrid capital	64,355	67,646	68,969				
Financial debt (2)	25,504	22,795	21,807				
Syndicated credit facility (2) (9)	-	-	-				
Total capital	\$ 89,859	\$ 90,441	\$ 90,776				
Ratios							
Hybrid - debt securities / Total capital	1.7 %	1.7 %	1.7 %				
Financial debt / Total capital	28.4	25.2	24.0				
Syndicated credit facility / Total capital	-	-	-				
Total debt / Total capital	30.1	26.9	25.7				
Preferred stock / Total capital	0.5	0.5	0.5				
Total debt and preferred stock / Total capital	30.6 %	27.4 %	26.2 %				

See accompanying notes on page 12.



American International Group, Inc.

Consolidated Notes

- (1) For the quarter ended June 30, 2020, because we reported a net loss attributable to AIG common shareholders from continuing operations, all common stock equivalents are anti-dilutive and are therefore excluded from the calculation of diluted shares and diluted per share amounts. The shares excluded from the diluted EPS calculation were 3,226,882 shares in 2Q 20.
- (2) Hybrid - debt securities, financial debt and syndicated credit facility are attributed to our reportable segments and Other Operations. See details of attributed debt on page 73.
- (3) Represents the impact of fair value changes included in APTI on the Fixed Maturity Securities – Other accounted under the fair value option, rather than their impact on the income from continuing operations before tax expense. Starting 1Q 2020, we use a 4% expected rate of return to calculate the better (worse) than expected fair value changes on the Fixed Maturity Securities – Other line item. For all periods in 2019, we used a 6% expected rate of return to calculate the better (worse) than expected fair value changes on the Fixed Maturity Securities – Other line.
- (4) Noncontrolling interests was primarily due to the 19.9 percent investment in Fortitude Holdings by an affiliate of 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's 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 is carried at cost within AIG's consolidated investments, which was \$100 million as of June 30, 2020. Fortitude Holdings' summarized financial information (standalone results) is presented below:

<i>(in millions)</i>	Quarterly										June 30,			
	2Q20		1Q20		4Q19		3Q19		2Q19		2020		2019	
	Fortitude Holdings	AIG NCI	Fortitude Holdings	AIG NCI	Fortitude Holdings	AIG NCI	Fortitude Holdings	AIG NCI	Fortitude Holdings	AIG NCI	Fortitude Holdings	AIG NCI	Fortitude Holdings	AIG NCI
Revenues	\$ 423	\$ 84	\$ 230	\$ 46	\$ 571	\$ 114	\$ 617	\$ 123	\$ 565	\$ 112	\$ 653	\$ 130	\$ 1,171	\$ 233
Expenses	244	49	458	91	410	82	559	111	449	89	702	140	921	183
Adjusted pre-tax income	179	35	(228)	(45)	161	32	58	12	116	23	(49)	(10)	250	50
Taxes (benefit) expense	38	8	(48)	(10)	34	7	12	2	24	5	(10)	(2)	52	11
Adjusted after-tax income	141	27	(180)	(35)	127	25	46	10	92	18	(39)	(8)	198	39
Net realized capital gains (losses) and other charges	872	174	(489)	(97)	(700)	(139)	1,744	347	1,599	318	383	77	3,172	631
Taxes (benefit) on net realized capital gains (losses) and other charges	184	36	(103)	(20)	(147)	(30)	367	71	336	69	81	16	666	133
Net realized capital gains (losses) and other charges - after-tax	688	138	(386)	(77)	(553)	(109)	1,377	276	1,263	249	302	61	2,506	498
Net income	\$ 829	\$ 165	\$ (566)	\$ (112)	\$ (426)	\$ (84)	\$ 1,423	\$ 286	\$ 1,355	\$ 267	\$ 263	\$ 53	\$ 2,704	\$ 537

- (5) As of June 30, 2020 and December 31, 2019, includes \$4.0 billion and \$4.0 billion of Goodwill, respectively, and other intangible assets of \$1.0 billion and \$1.2 billion, respectively, primarily relating to the acquisitions of Validus, Glatfelter Insurance Group and Ellipse.
- (6) In March 2019, we issued 20,000 shares of Series A 5.85% Non-Cumulative Preferred Stock, with a par value of \$5.00 per share and a liquidation preference of \$25,000 per share, for net proceeds of \$485 million.
- (7) In May 2020, we issued \$1.5 billion aggregate principal amount of 2.500% Notes Due 2025, \$1.6 billion aggregate principal amount of 3.400% Notes Due 2030 and \$1.0 billion aggregate principal amount of 4.375% Notes Due 2050. In February 2020, we redeemed all of our outstanding 4.35% callable Notes Due 2045.
- (8) The junior subordinated debt securities receive partial equity treatment from a major rating agency under its current policies but are recorded as long-term borrowings in the Consolidated Balance Sheets.
- (9) Syndicated credit facility represents the \$1.3 billion we borrowed under our \$4.5 billion revolving syndicated credit facility on March 20, 2020, which was recorded in Other liabilities. On June 9, 2020, AIG Parent repaid the \$1.3 billion borrowed under its \$4.5 billion committed, revolving syndicated credit facility in full with interest.



American International Group, Inc.
General Insurance Results

(in millions)	Quarterly					Six Months Ended June 30,	
	2Q20	1Q20	4Q19	3Q19	2Q19	2020	2019
Results of Operations (1)							
Gross premiums written	\$ 8,474	\$ 10,086	\$ 7,306	\$ 8,583	\$ 8,654	\$ 18,560	\$ 18,849
Ceded premiums written	(2,925)	(4,165)	(1,476)	(1,935)	(2,073)	(7,090)	(6,235)
Net premiums written	\$ 5,549	\$ 5,921	\$ 5,830	\$ 6,648	\$ 6,581	\$ 11,470	\$ 12,614
Net premiums earned	\$ 5,737	\$ 6,079	\$ 6,372	\$ 6,659	\$ 6,694	\$ 11,816	\$ 13,407
Losses and loss adjustment expenses incurred (2)	4,167	4,059	4,180	4,618	4,215	8,226	8,448
Acquisition expenses:							
Amortization of deferred policy acquisition costs	866	986	1,046	1,123	1,154	1,852	2,313
Other acquisition expenses	281	345	316	339	334	626	637
Total acquisition expenses	1,147	1,331	1,362	1,462	1,488	2,478	2,950
General operating expenses	766	776	818	828	844	1,542	1,683
Underwriting income (loss)	(343)	(87)	12	(249)	147	(430)	326
Net investment income (loss):							
Interest and dividends	593	668	680	679	715	1,261	1,483
Alternative investments	(68)	(73)	124	76	170	(141)	497
Other investment income (loss)	54	45	14	54	(6)	99	39
Investment expenses	(61)	(52)	(52)	(53)	(46)	(113)	(97)
Total net investment income	518	588	766	756	833	1,106	1,922
Adjusted pre-tax income (loss)	175	501	778	507	980	676	2,248
Interest expense on attributed financial debt	140	151	151	147	147	291	291
Adjusted pre-tax income (loss) including attributed interest expense	35	350	627	360	833	385	1,957
Income tax expense (benefit)	10	83	164	86	184	93	436
Adjusted after-tax income (loss)	\$ 25	\$ 267	\$ 463	\$ 274	\$ 649	\$ 292	\$ 1,521
Dividends declared on preferred stock	4	4	4	5	4	8	4
Adjusted after-tax income (loss) attributable to common shareholders (a)	\$ 21	\$ 263	\$ 459	\$ 269	\$ 645	\$ 284	\$ 1,517
Ending adjusted attributed common equity	\$ 24,889	\$ 24,931	\$ 25,142	\$ 25,076	\$ 25,282	\$ 24,889	\$ 25,282
Average adjusted attributed common equity (b)*	24,910	25,037	25,109	25,179	25,054	24,987	25,058
Adjusted return on attributed common equity (a÷b)	0.3 %	4.2 %	7.3 %	4.3 %	10.3 %	2.3 %	12.1 %
Underwriting Ratios							
Loss ratio (2)	72.6	66.8	65.6	69.3	63.0	69.6	63.0
Catastrophe losses and reinstatement premiums	(11.9)	(6.9)	(6.5)	(7.5)	(2.6)	(9.3)	(2.6)
Prior year development	0.8	0.9	2.2	-	0.9	0.8	1.0
Adjustments for ceded premium under reinsurance contracts and other	-	-	0.3	(0.3)	-	-	0.2
Accident year loss ratio, as adjusted	61.5	60.8	61.6	61.5	61.3	61.1	61.6
Acquisition ratio	20.0	21.9	21.4	22.0	22.2	21.0	22.0
General operating expense ratio	13.4	12.8	12.8	12.4	12.6	13.1	12.5
Expense ratio	33.4	34.7	34.2	34.4	34.8	34.1	34.5
Combined ratio (2)	106.0	101.5	99.8	103.7	97.8	103.7	97.5
Accident year combined ratio, as adjusted	94.9	95.5	95.8	95.9	96.1	95.2	96.1

* See accompanying notes to Adjusted Attributed Common Equity on page 73.

See accompanying notes on page 23 and reconciliations of Non-GAAP financial measures beginning on page 66.



American International Group, Inc.
General Insurance Operating Statistics

(in millions)

Noteworthy Items (pre-tax)

	Quarterly					Six Months Ended June 30,	
	2Q20	1Q20	4Q19	3Q19	2Q19	2020	2019
Catastrophe-related losses, net of reinsurance	\$ 674	\$ 419	\$ 411	\$ 497	\$ 174	\$ 1,093	\$ 349
Reinstatement premiums related to catastrophes	20	1	8	12	(5)	21	1
Prior year development:							
Prior year loss reserve development (favorable), net of reinsurance	(74)	(60)	(153)	(3)	(66)	(134)	(138)
Return premium related to prior year development	45	10	14	7	9	55	19
Prior year loss reserve development (favorable) unfavorable, net of reinsurance and return premium	(29)	(50)	(139)	4	(57)	(79)	(119)
Reinstatement premiums related to prior year catastrophes	(2)	(1)	5	(3)	(3)	(3)	(11)
Other premium adjustments related to prior year	-	1	(33)	26	-	1	(43)
Better (worse) than expected alternative returns	(138)	(150)	13	(42)	45	(288)	247
Fair value changes on Fixed Maturity Securities - Other accounted under fair value option	57	30	40	23	43	87	66
Net liability for unpaid losses and loss adjustment expenses (at period end)	41,887	42,395	42,901	44,099	45,307	41,887	45,307

Net Premiums Written by product line

General Insurance:

	Quarterly					Six Months Ended June 30,	
	2Q20	1Q20	4Q19	3Q19	2Q19	2020	2019
Property	\$ 1,094	\$ 119	\$ 559	\$ 773	\$ 1,004	\$ 1,213	\$ 1,303
Special Risks	1,160	1,787	963	1,231	1,012	2,947	2,493
Liability	823	948	838	1,060	910	1,771	1,907
Financial Lines	995	948	1,008	967	954	1,943	1,955
Total Commercial Lines	4,072	3,802	3,368	4,031	3,880	7,874	7,658
Personal Lines	705	1,030	1,494	1,527	1,574	1,735	2,631
Accident and Health	772	1,089	968	1,090	1,127	1,861	2,325
Total Personal Insurance	1,477	2,119	2,462	2,617	2,701	3,596	4,956
General Insurance net premiums written	\$ 5,549	\$ 5,921	\$ 5,830	\$ 6,648	\$ 6,581	\$ 11,470	\$ 12,614
Foreign exchange effect on worldwide premiums:							
Change in net premiums written							
Increase (decrease) in original currency (3)	(15.1) %	(1.5) %	(9.0) %	(2.0) %	(3.7) %	(8.6) %	(2.0) %
Foreign exchange effect	(0.6)	(0.4)	(0.2)	(0.8)	(2.0)	(0.5)	(2.1)
Increase (decrease) as reported in U.S. dollars	(15.7) %	(1.9) %	(9.2) %	(2.8) %	(5.7) %	(9.1) %	(4.1) %

See accompanying notes on page 23 and reconciliations of Non-GAAP financial measures beginning on page 66.



American International Group, Inc.
General Insurance Prior Year Development by Segment

(in millions)	Quarterly					Six Months Ended June 30,	
	2Q20	1Q20	4Q19	3Q19	2Q19	2020	2019
Prior year (favorable) unfavorable development by segment:							
North America							
Commercial Lines	\$ (46)	\$ (53)	\$ 35	\$ (42)	\$ (81)	\$ (99)	\$ (150)
Personal Insurance	7	40	(144)	25	20	47	29
Total North America	(39)	(13)	(109)	(17)	(61)	(52)	(121)
International							
Commercial Lines	(46)	(37)	17	34	(6)	(83)	35
Personal Insurance	11	(10)	(61)	(20)	1	1	(52)
Total International	(35)	(47)	(44)	14	(5)	(82)	(17)
Total General Insurance prior year (favorable) development*	(74)	(60)	(153)	(3)	(66)	(134)	(138)
Return premium related to prior year development	\$ 45	\$ 10	\$ 14	\$ 7	\$ 9	\$ 55	\$ 19

* Includes the amortization attributed to the deferred gain at inception from the National Indemnity Company (NICO) adverse development reinsurance agreements of \$53 million, \$53 million, \$58 million, \$58 million and \$58 million for the three months ended June 30, March 31, 2020, and December 31, September 30 and June 30, 2019, respectively. Consistent with our definition of APTI, prior year development excludes the portion of (favorable)/unfavorable prior year reserve development for which we have ceded the risk under the NICO reinsurance agreements of \$(2) million, \$6 million, \$(25) million, \$(129) million and \$(126) million for the three months ended June 30 and March 31, 2020, and December 31, September 30 and June 30, 2019, respectively, and related changes in amortization of the deferred gain of \$23 million, \$22 million, \$31 million, \$(71) million and \$(2) million for those same periods. See details of amortization attributed to the deferred gain at inception from the NICO adverse development reinsurance agreements on page 24.

American International Group, Inc.
General Insurance Prior Year Development by Accident Year

(in millions)

Accident Year	Quarterly					Six Months Ended June 30,	
	2Q20	1Q20	4Q19	3Q19	2Q19	2020	2019
2019	\$ 10	\$ 9	\$ -	\$ -	\$ -	\$ 19	\$ -
2018	(16)	24	165	89	84	8	6
2017	49	8	(247)	48	30	57	35
2016	(11)	2	7	16	(19)	(9)	(14)
2015	(14)	(10)	(13)	(25)	(42)	(24)	8
2014	(10)	(10)	(16)	(42)	(28)	(20)	(45)
2013	(24)	(6)	18	14	(4)	(30)	(4)
2012	(8)	(23)	6	(16)	(24)	(31)	(35)
2011	(2)	1	(10)	(19)	(9)	(1)	(11)
2010 and prior	(48)	(55)	(63)	(68)	(54)	(103)	(78)
Total General Insurance prior year unfavorable (favorable) development*	\$ (74)	\$ (60)	\$ (153)	\$ (3)	\$ (66)	\$ (134)	\$ (138)

*Favorable prior year development during the three months ended June 30, 2020 is driven by the Adverse Development Cover amortization and International Property and Special Risks, partially offset by adverse development in North America Programs and Personal Lines. Favorable prior year development during the three months ended March 31, 2020 is driven by the Adverse Development Cover amortization and International Casualty recovery, partially offset by adverse development in North America Personal Insurance. Favorable prior year development during the three months ended December 31, 2019 is driven by approximately \$290 million of favorable development on 2017 CATs consisting of \$100 million related to Hurricanes and approximately \$190 million related to California Wildfire subrogation recoverables, North America Workers Compensation favorable development, and the Adverse Development Cover amortization offset by adverse development in US Financial Lines and in the run-off construction portfolio. Favorable prior year development during the three months ended September 30, 2019 is largely driven from the Adverse Development Cover amortization with additional favorable development from North America Workers Compensation, Europe Property and Special Risks and Europe and Japan Personal Insurance offset by net adverse prior year loss reserve development from North America Financial Lines and Europe Casualty and Financial Lines. Favorable prior year development during the three months ended June 30, 2019 is largely driven from the Adverse Development Cover amortization with additional favorable development from North America Commercial Lines partially offset by net adverse prior year loss reserve development from North America Personal Insurance.

American International Group, Inc.
General Insurance – North America Results

(in millions)

Results of Operations (1)

	Quarterly					Six Months Ended June 30,	
	2Q20	1Q20	4Q19	3Q19	2Q19	2020	2019
Net premiums written	\$ 2,347	\$ 2,770	\$ 2,814	\$ 3,404	\$ 3,307	\$ 5,117	\$ 5,885
Net premiums earned	\$ 2,653	\$ 2,919	\$ 3,140	\$ 3,258	\$ 3,302	\$ 5,572	\$ 6,455
Losses and loss adjustment expenses incurred (2)	2,333	2,108	2,252	2,499	2,286	4,441	4,475
Acquisition expenses:							
Amortization of deferred policy acquisition costs	352	444	464	509	527	796	1,035
Other acquisition expenses	65	127	117	122	143	192	249
Total acquisition expenses	417	571	581	631	670	988	1,284
General operating expenses	322	326	326	313	351	648	712
Underwriting income (loss)	(419)	(86)	(19)	(185)	(5)	(505)	(16)
Net investment income (loss):							
Interest and dividends	494	568	560	562	625	1,062	1,249
Alternative investments	(69)	(71)	126	71	150	(140)	477
Other investment income (loss)	55	42	1	33	(12)	97	25
Investment expenses	(56)	(44)	(46)	(46)	(40)	(100)	(83)
Total net investment income	424	495	641	620	723	919	1,668
Adjusted pre-tax income (loss)	\$ 5	\$ 409	\$ 622	\$ 435	\$ 718	\$ 414	\$ 1,652
Underwriting Ratios							
Loss ratio (2)	87.9	72.2	71.7	76.7	69.2	79.7	69.3
Catastrophe losses and reinstatement premiums	(19.6)	(7.0)	(9.8)	(7.1)	(5.0)	(13.0)	(5.1)
Prior year development	1.2	0.2	3.1	0.5	1.7	0.7	1.8
Adjustments for ceded premium under reinsurance contracts and other	-	-	0.7	(0.6)	-	-	0.5
Accident year loss ratio, as adjusted	69.5	65.4	65.7	69.5	65.9	67.4	66.5
Acquisition ratio	15.7	19.6	18.5	19.4	20.3	17.7	19.9
General operating expense ratio	12.1	11.2	10.4	9.6	10.6	11.6	11.0
Expense ratio	27.8	30.8	28.9	29.0	30.9	29.3	30.9
Combined ratio (2)	115.7	103.0	100.6	105.7	100.1	109.0	100.2
Accident year combined ratio, as adjusted	97.3	96.2	94.6	98.5	96.8	96.7	97.4
Noteworthy Items (pre-tax)							
Catastrophe-related losses, net of reinsurance	\$ 519	\$ 205	\$ 313	\$ 230	\$ 170	\$ 724	\$ 328
Reinstatement premiums related to catastrophes	2	-	(9)	-	(5)	2	1
Prior year development:							
Prior year loss reserve development (favorable), net of reinsurance	(39)	(13)	(109)	(17)	(61)	(52)	(121)
Return premium related to prior year development on	14	10	14	7	9	24	19
Prior year loss reserve development (favorable), net of reinsurance and return premium	(25)	(3)	(95)	(10)	(52)	(28)	(102)
Reinstatement premiums related to prior year catastrophes	(2)	(1)	5	(2)	(3)	(3)	(11)
Other premium adjustments related to prior year	-	1	(33)	26	-	1	(43)

See accompanying notes on page 23 and reconciliations of Non-GAAP financial measures beginning on page 66.



American International Group, Inc.
General Insurance – North America – Commercial Lines Operating Statistics

(in millions)

Results of Operations (1)

	Quarterly					Six Months Ended June 30,	
	2Q20	1Q20	4Q19	3Q19	2Q19	2020	2019
Net premiums written	\$ 2,497	\$ 2,225	\$ 1,990	\$ 2,502	\$ 2,364	\$ 4,722	\$ 4,362
Net premiums earned	\$ 2,263	\$ 2,145	\$ 2,333	\$ 2,435	\$ 2,457	\$ 4,408	\$ 4,832
Losses and loss adjustment expenses incurred (2)	2,077	1,560	1,883	1,971	1,838	3,637	3,518
Acquisition expenses:							
Amortization of deferred policy acquisition costs	269	251	259	276	289	520	590
Other acquisition expenses	44	91	48	73	89	135	149
Total acquisition expenses	313	342	307	349	378	655	739
General operating expenses	258	244	254	238	277	502	557
Underwriting income (loss)	\$ (385)	\$ (1)	\$ (111)	\$ (123)	\$ (36)	\$ (386)	\$ 18
Underwriting Ratios							
Loss ratio (2)	91.8	72.7	80.7	80.9	74.8	82.5	72.8
Catastrophe losses and reinstatement premiums	(22.6)	(6.7)	(8.0)	(6.4)	(5.4)	(14.8)	(5.3)
Prior year development	1.6	2.2	(2.1)	1.6	3.1	1.8	3.0
Adjustments for ceded premium under reinsurance contracts and other	-	-	0.7	(0.8)	-	-	0.5
Accident year loss ratio, as adjusted	70.8	68.2	71.3	75.3	72.5	69.5	71.0
Acquisition ratio	13.8	15.9	13.2	14.3	15.4	14.9	15.3
General operating expense ratio	11.4	11.4	10.9	9.8	11.3	11.4	11.5
Expense ratio	25.2	27.3	24.1	24.1	26.7	26.3	26.8
Combined ratio (2)	117.0	100.0	104.8	105.0	101.5	108.8	99.6
Accident year combined ratio, as adjusted	96.0	95.5	95.4	99.4	99.2	95.8	97.8
Noteworthy Items (pre-tax)							
Catastrophe-related losses, net of reinsurance	\$ 510	\$ 144	\$ 193	\$ 156	\$ 137	\$ 654	\$ 257
Reinstatement premiums related to catastrophes	-	-	(9)	-	(5)	-	(1)
Prior year development:							
Prior year loss reserve development (favorable) unfavorable, net of reinsurance	(46)	(53)	35	(42)	(81)	(99)	(150)
Return premium related to prior year development	17	10	14	8	9	27	18
Prior year loss reserve development (favorable) unfavorable, net of reinsurance and (additional) return premium	(29)	(43)	49	(34)	(72)	(72)	(132)
Reinstatement premiums related to prior year catastrophes	(2)	(1)	5	(2)	(3)	(3)	(11)
Other premium adjustments related to prior year	-	1	(23)	25	-	1	(32)

See accompanying notes on page 23 and reconciliations of Non-GAAP financial measures beginning on page 66.



American International Group, Inc.
General Insurance – North America – Personal Insurance Operating Statistics

(in millions)

Results of Operations

	Quarterly					Six Months Ended June 30,	
	2Q20	1Q20	4Q19	3Q19	2Q19	2020	2019
Net premiums written	\$ (150)	\$ 545	\$ 824	\$ 902	\$ 943	\$ 395	\$ 1,523
Net premiums earned	\$ 390	\$ 774	\$ 807	\$ 823	\$ 845	\$ 1,164	\$ 1,623
Losses and loss adjustment expenses incurred	256	548	369	528	448	804	957
Acquisition expenses:							
Amortization of deferred policy acquisition costs	83	193	205	233	238	276	445
Other acquisition expenses	21	36	69	49	54	57	100
Total acquisition expenses	104	229	274	282	292	333	545
General operating expenses	64	82	72	75	74	146	155
Underwriting income (loss)	\$ (34)	\$ (85)	\$ 92	\$ (62)	\$ 31	\$ (119)	\$ (34)
Underwriting Ratios							
Loss ratio	65.6	70.8	45.7	64.2	53.0	69.1	59.0
Catastrophe losses and reinstatement premiums	(2.6)	(7.9)	(14.8)	(9.0)	(3.9)	(6.1)	(4.5)
Prior year development	(1.3)	(5.1)	17.8	(3.0)	(2.4)	(3.9)	(1.8)
Adjustment for ceded premium under reinsurance contract	-	-	0.6	(0.1)	-	-	0.4
Accident year loss ratio, as adjusted	61.7	57.8	49.3	52.1	46.7	59.1	53.1
Acquisition ratio	26.7	29.6	34.0	34.3	34.6	28.6	33.6
General operating expense ratio	16.4	10.6	8.9	9.1	8.8	12.5	9.6
Expense ratio	43.1	40.2	42.9	43.4	43.4	41.1	43.2
Combined ratio	108.7	111.0	88.6	107.6	96.4	110.2	102.2
Accident year combined ratio, as adjusted	104.8	98.0	92.2	95.5	90.1	100.2	96.3
Noteworthy Items (pre-tax)							
Catastrophe-related losses, net of reinsurance	\$ 9	\$ 61	\$ 120	\$ 74	\$ 33	\$ 70	\$ 71
Reinstatement premiums related to catastrophes	2	-	-	-	-	2	2
Prior year development:							
Prior year loss reserve development (favorable) unfavorable, net of reinsurance	7	40	(144)	25	20	47	29
(Additional) return premium related to prior year development	(3)	-	-	(1)	-	(3)	1
Prior year loss reserve development (favorable) unfavorable, net of reinsurance and (additional) return premium	4	40	(144)	24	20	44	30
Other premium adjustments related to prior year	-	-	(10)	1	-	-	(11)

See accompanying notes on page 23 and reconciliations of Non-GAAP financial measures beginning on page 66.



American International Group, Inc.
General Insurance – International Results

(in millions)	Quarterly					Six Months Ended June 30,	
	2Q20	1Q20	4Q19	3Q19	2Q19	2020	2019
Results of Operations							
Net premiums written	\$ 3,202	\$ 3,151	\$ 3,016	\$ 3,244	\$ 3,274	\$ 6,353	\$ 6,729
Net premiums earned	\$ 3,084	\$ 3,160	\$ 3,232	\$ 3,401	\$ 3,392	\$ 6,244	\$ 6,952
Losses and loss adjustment expenses incurred	1,834	1,951	1,928	2,119	1,929	3,785	3,973
Acquisition expenses:							
Amortization of deferred policy acquisition costs	514	542	582	614	627	1,056	1,278
Other acquisition expenses	216	218	199	217	191	434	388
Total acquisition expenses	730	760	781	831	818	1,490	1,666
General operating expenses	444	450	492	515	493	894	971
Underwriting income (loss)	76	(1)	31	(64)	152	75	342
Net investment income (loss):							
Interest and dividends	99	100	120	117	90	199	234
Alternative investments	1	(2)	(2)	5	20	(1)	20
Other investment income (loss)	(1)	3	13	21	6	2	14
Investment expenses	(5)	(8)	(6)	(7)	(6)	(13)	(14)
Total net investment income	94	93	125	136	110	187	254
Adjusted pre-tax income (loss)	\$ 170	\$ 92	\$ 156	\$ 72	\$ 262	\$ 262	\$ 596
Underwriting Ratios							
Loss ratio	59.5	61.7	59.7	62.3	56.9	60.6	57.1
Catastrophe losses and reinstatement premiums	(5.4)	(6.7)	(3.4)	(8.0)	(0.1)	(6.1)	(0.3)
Prior year development	0.6	1.4	1.4	(0.4)	0.1	1.1	0.3
Accident year loss ratio, as adjusted	54.7	56.4	57.7	53.9	56.9	55.6	57.1
Acquisition ratio	23.7	24.1	24.2	24.4	24.1	23.9	24.0
General operating expense ratio	14.4	14.2	15.2	15.1	14.5	14.3	14.0
Expense ratio	38.1	38.3	39.4	39.5	38.6	38.2	38.0
Combined ratio	97.6	100.0	99.1	101.8	95.5	98.8	95.1
Accident year combined ratio, as adjusted	92.8	94.7	97.1	93.4	95.5	93.8	95.1
Noteworthy Items (pre-tax)							
Catastrophe-related losses, net of reinsurance	\$ 155	\$ 214	\$ 98	\$ 267	\$ 4	\$ 369	\$ 21
Reinstatement premiums related to catastrophes	18	1	17	12	-	19	-
Prior year loss reserve development (favorable) unfavorable, net of reinsurance	(35)	(47)	(44)	14	(5)	(82)	(17)
Return premium related to prior year development	31	-	-	-	-	31	-
Prior year loss reserve development (favorable) unfavorable, net of reinsurance and return premium	(4)	(47)	(44)	14	(5)	(51)	(17)
Reinstatement premiums related to prior year catastrophes	-	-	-	(1)	-	-	-

See accompanying notes on page 23 and reconciliations of Non-GAAP financial measures beginning on page 66.



American International Group, Inc.
General Insurance – International – Commercial Lines Operating Statistics

(in millions)	Quarterly					Six Months Ended June 30,	
	2Q20	1Q20	4Q19	3Q19	2Q19	2020	2019
Results of Operations							
Net premiums written	\$ 1,575	\$ 1,577	\$ 1,379	\$ 1,528	\$ 1,516	\$ 3,152	\$ 3,296
Net premiums earned	\$ 1,506	\$ 1,513	\$ 1,528	\$ 1,578	\$ 1,574	\$ 3,019	\$ 3,258
Losses and loss adjustment expenses incurred	999	1,014	1,000	1,072	968	2,013	2,029
Acquisition expenses:							
Amortization of deferred policy acquisition costs	215	233	250	255	266	448	521
Other acquisition expenses	92	96	83	94	66	188	136
Total acquisition expenses	307	329	333	349	332	636	657
General operating expenses	213	211	220	222	223	424	453
Underwriting income (loss)	\$ (13)	\$ (41)	\$ (25)	\$ (65)	\$ 51	\$ (54)	\$ 119
Underwriting Ratios							
Loss ratio	66.3	67.0	65.4	67.9	61.5	66.7	62.3
Catastrophe losses and reinstatement premiums	(11.3)	(11.3)	(3.3)	(8.0)	(0.3)	(11.3)	(0.7)
Prior year development	2.4	2.5	(1.1)	(2.1)	0.4	2.4	(1.0)
Accident year loss ratio, as adjusted	57.4	58.2	61.0	57.8	61.6	57.8	60.6
Acquisition ratio	20.4	21.7	21.8	22.1	21.1	21.1	20.2
General operating expense ratio	14.1	13.9	14.4	14.1	14.2	14.0	13.9
Expense ratio	34.5	35.6	36.2	36.2	35.3	35.1	34.1
Combined ratio	100.8	102.6	101.6	104.1	96.8	101.8	96.4
Accident year combined ratio, as adjusted	91.9	93.8	97.2	94.0	96.9	92.9	94.7
Noteworthy Items (pre-tax)							
Catastrophe-related losses, net of reinsurance	\$ 161	\$ 170	\$ 47	\$ 124	\$ 4	\$ 331	\$ 21
Reinstatement premiums related to catastrophes	18	1	7	5	-	19	-
Prior year loss reserve development (favorable) unfavorable, net of reinsurance	(46)	(37)	17	34	(6)	(83)	35
Return premium related to prior year development	16	-	-	-	-	16	-
Prior year loss reserve development (favorable) unfavorable, net of reinsurance and return premium	(30)	(37)	17	34	(6)	(67)	35
Reinstatement premiums related to prior year catastrophes	-	-	-	(1)	-	-	-

See accompanying notes on page 23 and reconciliations of Non-GAAP financial measures beginning on page 66.



American International Group, Inc.
General Insurance – International – Personal Insurance Operating Statistics

(in millions)	Quarterly					Six Months Ended June 30,	
	2Q20	1Q20	4Q19	3Q19	2Q19	2020	2019
Results of Operations							
Net premiums written	\$ 1,627	\$ 1,574	\$ 1,637	\$ 1,716	\$ 1,758	\$ 3,201	\$ 3,433
Net premiums earned	\$ 1,578	\$ 1,647	\$ 1,704	\$ 1,823	\$ 1,818	\$ 3,225	\$ 3,694
Losses and loss adjustment expenses incurred	835	937	928	1,047	961	1,772	1,944
Acquisition expenses:							
Amortization of deferred policy acquisition costs	299	309	332	359	361	608	757
Other acquisition expenses	124	122	116	123	125	246	252
Total acquisition expenses	423	431	448	482	486	854	1,009
General operating expenses	231	239	272	293	270	470	518
Underwriting income (loss)	\$ 89	\$ 40	\$ 56	\$ 1	\$ 101	\$ 129	\$ 223
Underwriting Ratios							
Loss ratio	52.9	56.9	54.5	57.4	52.9	54.9	52.6
Catastrophe losses and reinstatement premiums	0.4	(2.7)	(3.3)	(8.0)	-	(1.1)	-
Prior year development	(1.2)	0.6	3.5	1.1	(0.1)	(0.3)	1.4
Accident year loss ratio, as adjusted	52.1	54.8	54.7	50.5	52.8	53.5	54.0
Acquisition ratio	26.8	26.2	26.3	26.4	26.7	26.5	27.3
General operating expense ratio	14.6	14.5	16.0	16.1	14.9	14.6	14.0
Expense ratio	41.4	40.7	42.3	42.5	41.6	41.1	41.3
Combined ratio	94.3	97.6	96.8	99.9	94.5	96.0	93.9
Accident year combined ratio, as adjusted	93.5	95.5	97.0	93.0	94.4	94.6	95.3
Noteworthy Items (pre-tax)							
Catastrophe-related losses, net of reinsurance	\$ (6)	\$ 44	\$ 51	\$ 143	\$ -	\$ 38	\$ -
Reinstatement premiums related to catastrophes	-	-	10	7	-	-	-
Prior year loss reserve development (favorable) unfavorable, net of reinsurance	11	(10)	(61)	(20)	1	1	(52)
Return premium related to prior year development	15	-	-	-	-	15	-
Prior year loss reserve development (favorable) unfavorable, net of reinsurance and return premium	26	(10)	(61)	(20)	1	16	(52)

See reconciliations of Non-GAAP financial measures beginning on page 66.



American International Group, Inc.
General Insurance Notes

- (1) AIG participates in the market for insurance-linked securities (ILS) primarily through AlphaCat Managers, Ltd. (AlphaCat). AlphaCat is an asset manager of various funds, managed accounts and sidecars capitalized by third-party investors and Validus. Total assets under management by AlphaCat is \$4.3 billion at June 30, 2020, of which \$4.2 billion relates to third-party assets. ILS are financial instruments for which the values are determined based on insurance risk primarily related to natural catastrophes such as earthquakes and hurricanes. We report the investment in the vehicles managed by AlphaCat as Other Invested Assets. We recognized approximately \$1 million, \$8 million, and \$(1) million of Net Investment Income (Loss), as well as \$8 million each of Miscellaneous Income (reported as a component of Net Premiums Earned, and consisting of fee income), respectively, in the three months ended December 31, September 30 and June 30, 2019, respectively. Starting 1Q20, on a prospective basis, we reported the fee income as a component of Net Investment Income rather than as Miscellaneous Income, a component of Net Premiums Earned. In the three months ended June 30 and March 31, 2020, we recognized approximately \$6 million and \$10 million of Net Investment Income, respectively, of which \$8 million and \$8 million, is the fee income from asset management activities, and \$(2) million and \$2 million is the income/ (loss) from direct investment activities, respectively.
- (2) Consistent with our definition of APTI, excludes net loss reserve discount and 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.
- (3) Computed using current exchange rate for the corresponding periods in the prior year.

American International Group, Inc.
General Insurance - Adverse Development Cover

On January 20, 2017, we entered into an adverse development reinsurance agreement with NICO under which we transferred to NICO 80 percent of the reserve risk on substantially all of our U.S. Commercial long-tail exposures for accident years 2015 and prior.

The table below shows the calculation of the gain on the NICO adverse development reinsurance agreement showing the effect of discounting of loss reserves and amortization of the deferred gain. The deferred gain is amortized over the settlement period of the reinsured losses.

(in millions)	June 30, 2020	March 31, 2020	December 31, 2019	September 30, 2019	June 30, 2019	2Q20 Change
Gross Covered Losses						
Covered reserves before discount	\$ 17,927	\$ 18,473	\$ 19,064	\$ 19,944	\$ 20,989	\$ 546
Inception to date losses paid	24,095	23,552	22,954	22,103	21,220	(543)
Attachment point	(25,000)	(25,000)	(25,000)	(25,000)	(25,000)	-
Covered losses above attachment point	\$ 17,022	\$ 17,025	\$ 17,018	\$ 17,047	\$ 17,209	\$ 3
Deferred Gain Development						
Covered losses above attachment ceded to NICO (80%)	\$ 13,618	\$ 13,620	\$ 13,614	\$ 13,638	\$ 13,767	\$ 2
Consideration paid including interest	(10,188)	(10,188)	(10,188)	(10,188)	(10,188)	-
Pre-tax deferred gain before discount and amortization	3,430	3,432	3,426	3,450	3,579	2
Discount on ceded losses	(1,193)	(1,179)	(1,251)	(1,246)	(1,287)	14
Pre-tax deferred gain before amortization	2,237	2,253	2,175	2,204	2,292	16
Inception to date amortization attributed to deferred gain at inception	(799)	(746)	(693)	(635)	(577)	53
Inception to date amortization attributed to changes in deferred gain*	(127)	(115)	(101)	(76)	(153)	12
Deferred gain liability reflected in AIG's balance sheet	\$ 1,311	\$ 1,392	\$ 1,381	\$ 1,493	\$ 1,562	\$ 81

Prior Year Development, Net of Reinsurance and Deferred Gain Amortization

	Quarterly				
	2Q20	1Q20	4Q19	3Q19	2Q19
Unfavorable (favorable) prior year development on covered reserves before retroactive reinsurance and deferred gain amortization	\$ (3)	\$ 7	\$ (29)	\$ (162)	\$ (157)
Prior year development ceded to NICO	2	(6)	24	129	126
Subtotal	(1)	1	(5)	(33)	(31)
Amortization attributed to deferred gain at inception	(53)	(53)	(58)	(58)	(58)
Unfavorable (favorable) prior year development on covered reserves, net of reinsurance and deferred gain amortization	(54)	(52)	(63)	(91)	(89)
Unfavorable (favorable) prior year development on non-covered reserves	(20)	(8)	(90)	87	26
Total unfavorable (favorable) prior year development, net of reinsurance and deferred gain amortization	\$ (74)	\$ (60)	\$ (153)	\$ (4)	\$ (63)

* Excluded from our definition of APTI.

Selected Balance Sheet data for ADC

	June 30, 2020	March 31, 2020	December 31, 2019	September 30, 2019	June 30, 2019
Reinsurance recoverable reported in Reinsurance assets, net of allowance	\$ 12,425	\$ 12,441	\$ 12,363	\$ 12,392	\$ 12,480
Ceded reserves reported in Liability for unpaid losses and loss adjustment expenses	12,425	12,441	12,363	12,392	12,480
Deferred gain reported in Other liabilities	1,311	1,392	1,381	1,493	1,562



American International Group, Inc.
Life and Retirement Results

(in millions)	Quarterly					Six Months Ended June 30,	
	2Q20	1Q20	4Q19	3Q19	2Q19	2020	2019
Results of Operations							
Premiums and deposits:	\$ 5,664	\$ 6,903	\$ 7,060	\$ 7,461	\$ 7,212	\$ 12,567	\$ 15,568
Revenues:							
Premiums	\$ 1,577	\$ 1,223	\$ 947	\$ 826	\$ 598	\$ 2,800	\$ 1,827
Policy fees	720	726	748	703	735	1,446	1,442
Net investment income (loss):							
Base portfolio (1)	1,844	1,884	1,882	1,884	1,873	3,728	3,726
Alternative investments	(46)	112	97	46	193	66	259
Other yield enhancements (2)	242	7	92	148	204	249	327
Total net investment income	2,040	2,003	2,071	2,078	2,270	4,043	4,312
Advisory fee and other income	212	220	234	226	225	432	451
Total adjusted revenues	4,549	4,172	4,000	3,833	3,828	8,721	8,032
Benefits, losses and expenses:							
Policyholder benefits and losses incurred	2,007	1,720	1,365	1,576	1,021	3,727	2,587
Interest credited to policyholder account balances	879	897	903	909	900	1,776	1,787
Amortization of deferred policy acquisition costs	119	318	208	42	200	437	400
Non deferrable insurance commissions	146	141	147	141	140	287	265
Advisory fee expenses	79	76	84	81	80	155	157
General operating expenses	399	405	416	397	399	804	784
Interest expense	39	41	38	41	39	80	79
Total benefits, losses and expenses	3,668	3,598	3,161	3,187	2,779	7,266	6,059
Adjusted pre-tax income (3)	881	574	839	646	1,049	1,455	1,973
Interest expense on attributed financial debt	71	61	47	45	44	132	81
Adjusted pre-tax income including attributed interest expense	810	513	792	601	1,005	1,323	1,892
Income tax expense	160	99	158	117	201	259	377
Adjusted after-tax income	\$ 650	\$ 414	\$ 634	\$ 484	\$ 804	\$ 1,064	\$ 1,515
Dividends declared on preferred stock	3	3	3	3	3	6	3
Adjusted after-tax income attributable to common shareholders (a)	\$ 647	\$ 411	\$ 631	\$ 481	\$ 801	\$ 1,058	\$ 1,512
Ending adjusted attributed common equity	\$ 19,506	\$ 19,661	\$ 19,513	\$ 19,235	\$ 18,820	\$ 19,506	\$ 18,820
Average adjusted attributed common equity (b)*	19,584	19,587	19,374	19,028	18,550	19,560	18,932
Adjusted return on attributed common equity (a÷b)	13.2 %	8.4 %	13.0 %	10.1 %	17.3 %	10.8 %	16.0 %
Noteworthy Items:							
Annual actuarial assumption update (3)	\$ -	\$ -	\$ -	\$ (143)	\$ -	\$ -	\$ -
Better (worse) than expected alternative returns	(88)	72	47	(1)	149	(16)	172
Fair value changes on Fixed Maturity Securities - Other accounted under fair value option	42	(52)	16	32	77	(10)	141

* See accompanying notes to Adjusted Attributed Common Equity on page 73.

See accompanying notes on page 37 and reconciliations of Non-GAAP financial measures beginning on page 66.



American International Group, Inc.
Life and Retirement – Individual Retirement Results

(in millions)	Quarterly					Six Months Ended June 30,	
	2Q20	1Q20	4Q19	3Q19	2Q19	2020	2019
Results of Operations							
Premiums and deposits	\$ 1,794	\$ 3,116	\$ 3,156	\$ 3,692	\$ 3,865	\$ 4,910	\$ 8,051
Revenues:							
Premiums	\$ 38	\$ 41	\$ 39	\$ 38	\$ 16	\$ 79	\$ 27
Policy fees	205	207	209	204	205	412	398
Net investment income (loss):							
Base portfolio (1)	894	929	912	929	906	1,823	1,803
Alternative investments	(20)	51	47	22	92	31	124
Other yield enhancements (2)	83	(5)	60	70	96	78	166
Total net investment income	957	975	1,019	1,021	1,094	1,932	2,093
Advisory fee and other income	133	147	154	153	151	280	299
Total adjusted revenues	1,333	1,370	1,421	1,416	1,466	2,703	2,817
Benefits, losses and expenses:							
Policyholder benefits and losses incurred	50	138	90	237	51	188	82
Interest credited to policyholder account balances	428	444	441	429	436	872	860
Amortization of deferred policy acquisition costs	54	221	115	95	119	275	239
Non deferrable insurance commissions and other (4)	83	79	85	78	78	162	155
Advisory fee expenses	49	52	54	55	56	101	110
General operating expenses	100	110	116	115	119	210	237
Interest expense	19	20	19	20	19	39	38
Total benefits, losses and expenses	783	1,064	920	1,029	878	1,847	1,721
Adjusted pre-tax income (3)	\$ 550	\$ 306	\$ 501	\$ 387	\$ 588	\$ 856	\$ 1,096
Noteworthy Items (pre-tax)							
Annual actuarial assumption update (3)	\$ -	\$ -	\$ -	\$ (63)	\$ -	\$ -	\$ -
Better (worse) than expected alternative returns	(39)	33	24	1	71	(6)	82

See accompanying notes on page 37 and reconciliations of Non-GAAP financial measures beginning on page 66.



American International Group, Inc.
Life and Retirement – Individual Retirement (Variable and Index Annuities) Operating Statistics

(in millions)	Quarterly					Six Months Ended June 30,	
	2Q20	1Q20	4Q19	3Q19	2Q19	2020	2019
Assets under management:							
General accounts	\$ 39,452	\$ 38,767	\$ 35,062	\$ 34,491	\$ 32,145	\$ 39,452	\$ 32,145
Separate accounts	47,857	43,184	49,664	47,529	48,043	47,857	48,043
Total assets under management	\$ 87,309	\$ 81,951	\$ 84,726	\$ 82,020	\$ 80,188	\$ 87,309	\$ 80,188
Net investment spreads:							
Total yield	4.06 %	4.01 %	4.62 %	4.67 %	5.41 %	4.04 %	5.29 %
Less: Alternative investments (5)	0.15	(0.18)	(0.17)	(0.05)	(0.45)	(0.01)	(0.29)
Less: Other yield enhancements (6)	(0.35)	0.32	(0.25)	(0.18)	(0.49)	(0.03)	(0.49)
Base yield (7)	3.86	4.15	4.20	4.44	4.47	4.00	4.51
Cost of funds (a)	1.30	1.32	1.31	1.38	1.39	1.31	1.38
Base net investment spread (b)	2.56 %	2.83 %	2.89 %	3.06 %	3.08 %	2.69 %	3.13 %
DAC rollforward:							
Balance at beginning of period	\$ 2,576	\$ 2,792	\$ 2,571	\$ 2,826	\$ 3,046	\$ 2,792	\$ 3,121
Initial allowance upon CECL adoption	-	13	-	-	-	13	-
Deferrals	75	121	126	122	109	196	213
Operating amortization	(11)	(173)	(67)	(101)	(61)	(184)	(120)
Change from realized gains (losses)	235	(543)	97	(71)	(63)	(308)	21
Change from unrealized gains (losses)	(486)	366	65	(205)	(205)	(120)	(409)
Balance at end of period	\$ 2,389	\$ 2,576	\$ 2,792	\$ 2,571	\$ 2,826	\$ 2,389	\$ 2,826
Reserve rollforward:							
Balance at beginning of period, gross	\$ 77,179	\$ 81,473	\$ 78,631	\$ 76,809	\$ 73,990	\$ 81,473	\$ 68,794
Premiums and deposits	1,222	2,205	2,207	2,220	1,998	3,427	3,918
Surrenders and withdrawals	(933)	(1,273)	(1,297)	(1,196)	(1,207)	(2,206)	(2,276)
Death and other contract benefits	(273)	(265)	(231)	(261)	(243)	(538)	(488)
Subtotal	77,195	82,140	79,310	77,572	74,538	82,156	69,948
Change in fair value of underlying assets and reserve accretion, net of policy fees	5,746	(4,824)	2,069	712	2,103	922	6,542
Cost of funds (a)	93	90	87	87	81	183	155
Other reserve changes	233	(227)	7	260	87	6	164
Balance at end of period	83,267	77,179	81,473	78,631	76,809	83,267	76,809
Reinsurance ceded	(28)	(31)	(29)	(30)	(28)	(28)	(28)
Total insurance reserves	\$ 83,239	\$ 77,148	\$ 81,444	\$ 78,601	\$ 76,781	\$ 83,239	\$ 76,781

(a) Excludes the amortization of Sales Inducement Assets (SIA).

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

See accompanying notes on page 37.



American International Group, Inc.
Life and Retirement – Individual Retirement (Fixed Annuities) Operating Statistics

(in millions)	Quarterly					Six Months Ended June 30,	
	2Q20	1Q20	4Q19	3Q19	2Q19	2020	2019
Assets under management:							
General accounts	\$ 59,323	\$ 56,396	\$ 58,992	\$ 58,873	\$ 58,072	\$ 59,323	\$ 58,072
Separate accounts	28	25	30	29	30	28	30
Total assets under management	\$ 59,351	\$ 56,421	\$ 59,022	\$ 58,902	\$ 58,102	\$ 59,351	\$ 58,102
Net investment spreads (a):							
Total yield	4.27 %	4.53 %	4.68 %	4.75 %	5.14 %	4.40 %	4.97 %
Less: Alternative investments (5)	0.15	(0.16)	(0.14)	(0.04)	(0.35)	(0.01)	(0.21)
Less: Other yield enhancements (6)	(0.21)	(0.01)	(0.13)	(0.19)	(0.22)	(0.11)	(0.14)
Base yield (7)	4.21	4.36	4.41	4.52	4.57	4.28	4.62
Cost of funds (b)	2.66	2.61	2.66	2.67	2.68	2.63	2.69
Base net investment spread (c)	1.55 %	1.75 %	1.75 %	1.85 %	1.89 %	1.65 %	1.93 %
DAC rollforward:							
Balance at beginning of period	\$ 1,063	\$ 512	\$ 504	\$ 526	\$ 788	\$ 512	\$ 1,112
Initial allowance upon CECL adoption	-	2	-	-	-	2	-
Deferrals	9	14	21	39	45	23	93
Operating amortization	(43)	(48)	(48)	6	(58)	(91)	(119)
Change from realized gains (losses)	(1)	12	(1)	-	-	11	1
Change from unrealized gains (losses)	(654)	571	36	(67)	(249)	(83)	(561)
Balance at end of period	\$ 374	\$ 1,063	\$ 512	\$ 504	\$ 526	\$ 374	\$ 526
Reserve rollforward:							
Balance at beginning of period, gross	\$ 51,060	\$ 51,468	\$ 51,740	\$ 51,467	\$ 51,185	\$ 51,468	\$ 50,615
Premiums and deposits	387	647	754	1,203	1,502	1,034	3,323
Surrenders and withdrawals	(619)	(854)	(894)	(778)	(1,006)	(1,473)	(2,030)
Death and other contract benefits	(471)	(558)	(518)	(545)	(575)	(1,029)	(1,161)
Subtotal	50,357	50,703	51,082	51,347	51,106	50,000	50,747
Change in fair value of underlying assets and reserve accretion, net of policy fees	122	76	20	1	12	198	64
Cost of funds (b)	327	322	337	338	333	649	662
Other reserve changes	6	(41)	29	54	16	(35)	(6)
Balance at end of period	50,812	51,060	51,468	51,740	51,467	50,812	51,467
Reinsurance ceded	(282)	(282)	(279)	(282)	(287)	(282)	(287)
Total insurance reserves	\$ 50,530	\$ 50,778	\$ 51,189	\$ 51,458	\$ 51,180	\$ 50,530	\$ 51,180

(a) Excludes immediate annuities.

(b) Excludes the amortization of deferred SIAs.

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

See accompanying notes on page 37.



American International Group, Inc.
Life and Retirement – Individual Retirement Investment Products Net Flows

(in millions)	Quarterly					Six Months Ended	
	2Q20	1Q20	4Q19	3Q19	2Q19	2020	2019
Premiums and deposits:							
Fixed Annuities	\$ 387	\$ 647	\$ 754	\$ 1,203	\$ 1,502	\$ 1,034	\$ 3,323
Variable Annuities	542	859	845	820	656	1,401	1,214
Index Annuities	680	1,346	1,362	1,400	1,342	2,026	2,704
Retail Mutual Funds	185	264	195	269	365	449	810
Total premiums and deposits	1,794	3,116	3,156	3,692	3,865	4,910	8,051
Surrenders and withdrawals:							
Fixed Annuities	(619)	(854)	(894)	(778)	(1,006)	(1,473)	(2,030)
Variable Annuities	(735)	(1,051)	(1,100)	(1,032)	(1,042)	(1,786)	(1,960)
Index Annuities	(198)	(222)	(197)	(164)	(165)	(420)	(316)
Retail Mutual Funds	(1,002)	(1,760)	(1,179)	(1,242)	(1,140)	(2,762)	(2,269)
Total surrenders and withdrawals	(2,554)	(3,887)	(3,370)	(3,216)	(3,353)	(6,441)	(6,575)
Death and other contract benefits:							
Fixed Annuities	(471)	(558)	(518)	(545)	(575)	(1,029)	(1,161)
Variable Annuities	(230)	(223)	(201)	(223)	(208)	(453)	(424)
Index Annuities	(43)	(42)	(30)	(38)	(35)	(85)	(64)
Total death and other contract benefits	(744)	(823)	(749)	(806)	(818)	(1,567)	(1,649)
Net flows:							
Fixed Annuities	(703)	(765)	(658)	(120)	(79)	(1,468)	132
Variable Annuities	(423)	(415)	(456)	(435)	(594)	(838)	(1,170)
Index Annuities	439	1,082	1,135	1,198	1,142	1,521	2,324
Retail Mutual Funds	(817)	(1,496)	(984)	(973)	(775)	(2,313)	(1,459)
Total net flows	\$ (1,504)	\$ (1,594)	\$ (963)	\$ (330)	\$ (306)	\$ (3,098)	\$ (173)
Surrender rates (8):							
Fixed Annuities	4.9%	6.7%	7.0%	6.1%	7.9%	5.8%	8.0%
Variable and Index Annuities	4.7%	6.4%	6.5%	6.2%	6.4%	5.5%	6.3%

See accompanying notes on page 37 and reconciliations of Non-GAAP financial measures beginning on page 66.



American International Group, Inc.
Life and Retirement – Group Retirement Results

(in millions)	Quarterly					Six Months Ended June 30,	
	2Q20	1Q20	4Q19	3Q19	2Q19	2020	2019
Results of Operations							
Premiums and deposits	\$ 1,670	\$ 1,855	\$ 2,312	\$ 1,924	\$ 2,047	\$ 3,525	\$ 4,110
Revenues:							
Premiums	\$ 3	\$ 6	\$ 2	\$ 5	\$ 5	\$ 9	\$ 9
Policy fees	100	109	112	111	106	209	206
Net investment income (loss):							
Base portfolio (1)	485	484	493	491	505	969	1,002
Alternative investments	(11)	29	28	12	54	18	72
Other yield enhancements (2)	67	4	16	41	59	71	85
Total net investment income	541	517	537	544	618	1,058	1,159
Advisory fee and other income	68	62	71	66	61	130	125
Total adjusted revenues	712	694	722	726	790	1,406	1,499
Benefits, losses and expenses:							
Policyholder benefits and losses incurred	14	33	18	20	17	47	27
Interest credited to policyholder account balances	279	281	288	292	285	560	567
Amortization of deferred policy acquisition costs	4	35	16	31	22	39	34
Non deferrable insurance commissions and other (4)	28	28	29	30	27	56	55
Advisory fee expenses	30	24	30	26	24	54	47
General operating expenses	132	139	122	112	111	271	222
Interest expense	11	11	10	12	11	22	22
Total benefits, losses and expenses	498	551	513	523	497	1,049	974
Adjusted pre-tax income (3)	\$ 214	\$ 143	\$ 209	\$ 203	\$ 293	\$ 357	\$ 525
Noteworthy items (pre-tax)							
Annual actuarial assumption update (3)	\$ -	\$ -	\$ -	\$ (17)	\$ -	\$ -	\$ -
Better (worse) than expected alternative returns	(22)	18	15	-	42	(4)	48

See accompanying notes on page 37 and reconciliations of Non-GAAP financial measures beginning on page 66.

American International Group, Inc.
Life and Retirement – Group Retirement Operating Statistics

(in millions)	Quarterly					Six Months Ended	
	2Q20	1Q20	4Q19	3Q19	2Q19	June 30, 2020	June 30, 2019
Assets under administration:							
General accounts	\$ 51,329	\$ 48,274	\$ 49,683	\$ 49,959	\$ 49,233	\$ 51,329	\$ 49,233
Separate accounts	35,311	30,190	37,782	35,659	36,232	35,311	36,232
Group Retirement mutual funds	20,989	17,784	21,672	20,307	20,375	20,989	20,375
Total assets under administration	\$ 107,629	\$ 96,248	\$ 109,137	\$ 105,925	\$ 105,840	\$ 107,629	\$ 105,840
Net investment spreads:							
Total yield	4.56 %	4.50 %	4.66 %	4.71 %	5.36 %	4.53 %	5.08 %
Less: Alternative investments (5)	0.17	(0.19)	(0.17)	(0.05)	(0.40)	-	(0.25)
Less: Other yield enhancements (6)	(0.46)	0.08	(0.02)	(0.21)	(0.36)	(0.20)	(0.24)
Base yield (7)	4.27	4.39	4.47	4.45	4.60	4.33	4.59
Cost of funds (a)	2.64	2.69	2.69	2.72	2.72	2.66	2.74
Base net investment spread (b)	1.63 %	1.70 %	1.78 %	1.73 %	1.88 %	1.67 %	1.85 %
Net flows:							
Premiums and deposits	\$ 1,670	\$ 1,855	\$ 2,312	\$ 1,924	\$ 2,047	\$ 3,525	\$ 4,110
Surrenders and withdrawals	(1,734)	(2,260)	(2,940)	(2,535)	(2,061)	(3,994)	(4,842)
Death and other contract benefits	(179)	(182)	(181)	(177)	(160)	(361)	(317)
Total net flows	\$ (243)	\$ (587)	\$ (809)	\$ (788)	\$ (174)	\$ (830)	\$ (1,049)
Surrender rates (8)	7.3 %	9.4 %	11.7 %	10.3 %	8.4 %	8.2 %	10.2 %
DAC rollforward:							
Balance at beginning of period	\$ 874	\$ 684	\$ 648	\$ 762	\$ 893	\$ 684	\$ 1,030
Initial allowance upon CECL adoption	-	1	-	-	-	1	-
Deferrals	17	16	26	20	20	33	39
Operating amortization	(4)	(35)	(16)	(31)	(22)	(39)	(34)
Change from realized gains (losses)	4	(1)	-	-	-	3	-
Change from unrealized gains (losses)	(289)	209	26	(103)	(129)	(80)	(273)
Balance at end of period	\$ 602	\$ 874	\$ 684	\$ 648	\$ 762	\$ 602	\$ 762
Reserve rollforward:							
Balance at beginning of period, gross	\$ 90,947	\$ 102,049	\$ 98,624	\$ 98,923	\$ 96,906	\$ 102,049	\$ 91,685
Premiums and deposits	1,670	1,855	2,312	1,924	2,047	3,525	4,110
Surrenders and withdrawals	(1,734)	(2,260)	(2,940)	(2,535)	(2,061)	(3,994)	(4,842)
Death and other contract benefits	(179)	(182)	(181)	(177)	(160)	(361)	(317)
Subtotal	90,704	101,462	97,815	98,135	96,732	101,219	90,636
Change in fair value of underlying assets and reserve accretion, net of policy fees	8,552	(10,705)	4,000	213	1,919	(2,153)	7,726
Cost of funds (a)	277	278	284	286	280	555	558
Other reserve changes	(10)	(88)	(50)	(10)	(8)	(98)	3
Total insurance reserves and Group Retirement mutual funds	\$ 99,523	\$ 90,947	\$ 102,049	\$ 98,624	\$ 98,923	\$ 99,523	\$ 98,923

(a) Excludes the amortization of SIAs.

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

See accompanying notes on page 37 and reconciliations of Non-GAAP financial measures beginning on page 66.



American International Group, Inc.
Life and Retirement – Individual and Group Retirement Variable Annuity Guaranteed Benefits (9)

(in millions)

	Quarterly				
	2Q20	1Q20	4Q19	3Q19	2Q19
Account value by benefit type (a)					
Guaranteed Minimum Death Benefits (GMDB) only (b)	\$ 66,660	\$ 60,483	\$ 69,316	\$ 66,978	\$ 67,651
Guaranteed Minimum Income Benefits (GMIB) (c)	2,049	1,789	2,192	2,110	2,179
Guaranteed Minimum Withdrawal Benefits (GMWB) (d)	43,733	40,558	45,228	43,637	43,996
Liability by benefit type (a)					
GMDB (b)	\$ 381	\$ 422	\$ 380	\$ 383	\$ 351
GMIB (c)	12	13	12	12	12
GMWB (d)	4,347	4,070	2,567	3,263	2,659

- (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. This benefit 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 in the contract. Contracts with a guaranteed living benefit also have a guaranteed minimum death benefit, but a policyholder can generally only receive payout from one guaranteed feature, i.e. the features are generally mutually exclusive.
(c) A guaranteed minimum income benefit guarantees a minimum level of periodic income payments upon annuitization.
(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.

The following table presents the net increase (decrease) to consolidated pre-tax income from changes in the fair value of the GMWB embedded derivatives and related hedges:

(in millions)	Quarterly					Six Months Ended June 30,	
	2Q20	1Q20	4Q19	3Q19	2Q19	2020	2019
Change in fair value of embedded derivatives, excluding update of actuarial assumptions and non-performance risk adjustment (NPA)	\$ 1,298	\$ (5,601)	\$ 1,785	\$ (1,481)	\$ (675)	\$ (4,303)	\$ (460)
Change in fair value of variable annuity hedging portfolio:							
Fixed maturity securities	11	7	7	15	76	18	172
Interest rate derivative contracts	35	2,194	(632)	826	542	2,229	835
Equity derivative contracts	(891)	1,384	(487)	(15)	(179)	493	(772)
Change in fair value of variable annuity hedging portfolio	(845)	3,585	(1,112)	826	439	2,740	235
Change in fair value of embedded derivatives, excluding update of actuarial assumptions and NPA, net of hedging portfolio	453	(2,016)	673	(655)	(236)	(1,563)	(225)
Change in fair value of embedded derivatives due to NPA spread	(1,094)	2,646	(494)	306	37	1,552	(126)
Change in fair value of embedded derivatives due to change in NPA volume	(358)	1,569	(477)	457	235	1,211	222
Change in fair value of embedded derivatives due to update of actuarial assumptions	-	-	-	219	-	-	-
Total change due to update of actuarial assumptions and NPA	(1,452)	4,215	(971)	982	272	2,763	96
Net impact on pre-tax income (loss)	\$ (999)	\$ 2,199	\$ (298)	\$ 327	\$ 36	\$ 1,200	\$ (129)

See accompanying notes on page 37.



American International Group, Inc.
Life and Retirement – Life Insurance Results

(in millions)

Results of Operations

Premiums and deposits

Revenues:

Premiums
 Policy fees
 Net investment income (loss):
 Base portfolio (1)
 Alternative investments
 Other yield enhancements (2)
 Total net investment income
 Other income (10)

Total adjusted revenues

Benefits, losses and expenses:

Policyholder benefits and losses incurred
 Interest credited to policyholder account balances
 Amortization of deferred policy acquisition costs
 Non deferrable insurance commissions and other (4)
 General operating expenses
 Interest expense

Total benefits, losses and expenses

Adjusted pre-tax income (3)

Noteworthy items (pre-tax)

Annual actuarial assumption update (3)
 Better (worse) than expected alternative returns
 Adjusted pre-tax income Domestic Life
 Adjusted pre-tax income (loss) International Life

	Quarterly					Six Months Ended	
	2Q20	1Q20	4Q19	3Q19	2Q19	2020	2019
	\$ 1,071	\$ 1,015	\$ 1,047	\$ 1,012	\$ 1,032	\$ 2,086	\$ 2,027
Premiums	\$ 447	\$ 419	\$ 405	\$ 394	\$ 425	\$ 866	\$ 820
Policy fees	375	370	386	348	381	745	754
Net investment income (loss):							
Base portfolio (1)	264	267	265	260	266	531	528
Alternative investments	(7)	18	15	9	32	11	43
Other yield enhancements (2)	23	6	8	20	37	29	55
Total net investment income	280	291	288	289	335	571	626
Other income (10)	11	11	9	6	13	22	27
Total adjusted revenues	1,113	1,091	1,088	1,037	1,154	2,204	2,227
Benefits, losses and expenses:							
Policyholder benefits and losses incurred	788	709	675	848	731	1,497	1,369
Interest credited to policyholder account balances	92	92	92	93	92	184	184
Amortization of deferred policy acquisition costs	60	61	76	(86)	58	121	125
Non deferrable insurance commissions and other (4)	28	27	26	27	28	55	40
General operating expenses	148	140	162	155	153	288	294
Interest expense	6	7	6	7	6	13	13
Total benefits, losses and expenses	1,122	1,036	1,037	1,044	1,068	2,158	2,025
Adjusted pre-tax income (3)	\$ (9)	\$ 55	\$ 51	\$ (7)	\$ 86	\$ 46	\$ 202
Noteworthy items (pre-tax)							
Annual actuarial assumption update (3)	\$ -	\$ -	\$ -	\$ (63)	\$ -	\$ -	\$ -
Better (worse) than expected alternative returns	(14)	12	7	-	25	(2)	29
Adjusted pre-tax income Domestic Life	(8)	39	49	5	84	31	180
Adjusted pre-tax income (loss) International Life	(1)	16	2	(12)	2	15	22

See accompanying notes on page 37 and reconciliations of Non-GAAP financial measures beginning on page 66.



American International Group, Inc.
Life and Retirement – Life Insurance Operating Statistics

(in millions)	Quarterly					Six Months Ended June 30,	
	2Q20	1Q20	4Q19	3Q19	2Q19	2020	2019
Gross life insurance in force, end of period:							
Domestic Life	\$ 931,874	\$ 926,251	\$ 920,942	\$ 909,389	\$ 896,193	\$ 931,874	\$ 896,193
International Life	173,413	167,203	167,304	147,807	144,384	173,413	144,384
Total	\$ 1,105,287	\$ 1,093,454	\$ 1,088,246	\$ 1,057,196	\$ 1,040,577	\$ 1,105,287	\$ 1,040,577
Life and A&H CPPE sales (11):							
Term	\$ 44	\$ 59	\$ 58	\$ 62	\$ 65	\$ 103	\$ 130
Universal life	23	27	34	33	31	50	60
Group and other life	64	33	15	33	36	97	64
Single premium and unscheduled deposits	3	3	3	2	3	6	6
Total	\$ 134	\$ 122	\$ 110	\$ 130	\$ 135	\$ 256	\$ 260
Surrender/lapse rates (12):							
Domestic Life:							
Independent distribution	3.55 %	5.44 %	4.63 %	4.69 %	4.17 %	4.49 %	4.19 %
Career distribution	2.73 %	4.80 %	4.62 %	4.69 %	4.51 %	3.78 %	4.76 %
DAC/VOBA rollforward (13):							
Balance at beginning of period	\$ 3,951	\$ 3,891	\$ 3,810	\$ 3,704	\$ 3,741	\$ 3,891	\$ 3,756
Initial allowance upon CECL adoption	-	(1)	-	-	-	(1)	-
Deferrals	92	108	101	108	117	200	267
Operating amortization	(60)	(61)	(76)	86	(58)	(121)	(125)
Change from realized gains (losses)	10	(3)	(5)	6	(5)	7	3
Change from unrealized gains (losses)	(96)	49	24	(79)	(80)	(47)	(193)
Foreign exchange translation	(2)	(32)	37	(15)	(11)	(34)	(4)
Balance at end of period	\$ 3,895	\$ 3,951	\$ 3,891	\$ 3,810	\$ 3,704	\$ 3,895	\$ 3,704
Reserve rollforward:							
Balance at beginning of period, gross	\$ 21,256	\$ 22,096	\$ 22,024	\$ 20,699	\$ 20,211	\$ 22,096	\$ 19,719
Premiums and deposits	977	926	965	922	942	1,903	1,850
Surrenders and withdrawals	(80)	(147)	(126)	(157)	(119)	(227)	(292)
Death and other contract benefits	(147)	(137)	(139)	(121)	(121)	(284)	(264)
Subtotal	22,006	22,738	22,724	21,343	20,913	23,488	21,013
Change in fair value of underlying assets and reserve accretion, net of policy fees	(275)	(383)	(282)	(305)	(289)	(658)	(551)
Cost of funds	92	92	93	92	92	184	185
Other reserve changes	17	(1,138)	(497)	916	(4)	(1,121)	54
Foreign exchange translation	(4)	(53)	58	(22)	(13)	(57)	(2)
Balance at end of period	21,836	21,256	22,096	22,024	20,699	21,836	20,699
Reinsurance ceded	(1,163)	(1,160)	(1,150)	(1,122)	(1,223)	(1,163)	(1,223)
Total insurance reserves	\$ 20,673	\$ 20,096	\$ 20,946	\$ 20,902	\$ 19,476	\$ 20,673	\$ 19,476
Domestic Life	20,136	19,614	20,477	20,487	19,068	20,136	19,068
International Life	537	482	469	415	408	537	408
Total insurance reserves	\$ 20,673	\$ 20,096	\$ 20,946	\$ 20,902	\$ 19,476	\$ 20,673	\$ 19,476

See accompanying notes on page 37.



American International Group, Inc.
Life and Retirement – Institutional Markets Results

(in millions)	Quarterly					Six Months Ended June 30,	
	2Q20	1Q20	4Q19	3Q19	2Q19	2020	2019
Results of Operations							
Premiums and deposits	\$ 1,129	\$ 917	\$ 545	\$ 833	\$ 268	\$ 2,046	\$ 1,380
Revenues:							
Premiums	\$ 1,089	\$ 757	\$ 501	\$ 389	\$ 152	\$ 1,846	\$ 971
Policy fees	40	40	41	40	43	80	84
Net investment income:							
Base portfolio (1)	201	204	212	204	196	405	393
Alternative investments	(8)	14	7	3	15	6	20
Other yield enhancements (2)	69	2	8	17	12	71	21
Total net investment income	262	220	227	224	223	482	434
Other income	-	-	-	1	-	-	-
Total adjusted revenues	1,391	1,017	769	654	418	2,408	1,489
Benefits, losses and expenses:							
Policyholder benefits and losses incurred	1,155	840	582	471	222	1,995	1,109
Interest credited to policyholder account balances	80	80	82	95	87	160	176
Amortization of deferred policy acquisition costs	1	1	1	2	1	2	2
Non deferrable insurance commissions	7	7	7	6	7	14	15
General operating expenses	19	16	16	15	16	35	31
Interest expense	3	3	3	2	3	6	6
Total benefits, losses and expenses	1,265	947	691	591	336	2,212	1,339
Adjusted pre-tax income	\$ 126	\$ 70	\$ 78	\$ 63	\$ 82	\$ 196	\$ 150
General and separate account reserves							
Future policyholder benefits	\$ 10,159	\$ 9,055	\$ 8,377	\$ 7,909	\$ 7,562	\$ 10,159	\$ 7,562
Policyholder contract deposits	10,485	10,442	10,198	10,652	10,149	10,485	10,149
Separate account reserves	2,795	2,754	2,970	3,153	3,266	2,795	3,266
Total general and separate account reserves	\$ 23,439	\$ 22,251	\$ 21,545	\$ 21,714	\$ 20,977	\$ 23,439	\$ 20,977
Noteworthy Items (pre-tax)							
Better (worse) than expected alternative returns	\$ (13)	\$ 9	\$ 1	\$ (2)	\$ 11	\$ (4)	\$ 13

See accompanying notes on page 37 and reconciliations of Non-GAAP financial measures beginning on page 66.



American International Group, Inc.
Life and Retirement – Institutional Markets Operating Statistics

(in millions)	Quarterly					Six Months Ended June 30,	
	2Q20	1Q20	4Q19	3Q19	2Q19	2020	2019
Reserve rollforward:							
Balance at beginning of period, gross	\$ 22,296	\$ 21,588	\$ 21,757	\$ 21,022	\$ 20,833	\$ 21,588	\$ 19,839
Premiums and deposits	1,129	917	545	833	268	2,046	1,380
Surrenders and withdrawals	(106)	(105)	(330)	(187)	(150)	(211)	(396)
Death and other contract benefits	(235)	(294)	(624)	(154)	(166)	(529)	(324)
Subtotal	23,084	22,106	21,348	21,514	20,785	22,894	20,499
Change in fair value of underlying assets and reserve accretion, net of policy fees	231	93	160	118	122	324	327
Cost of funds	80	80	82	95	87	160	176
Other reserve changes	89	17	(2)	30	28	106	20
Balance at end of period	23,484	22,296	21,588	21,757	21,022	23,484	21,022
Reinsurance ceded	(45)	(45)	(43)	(43)	(45)	(45)	(45)
Total insurance reserves	\$ 23,439	\$ 22,251	\$ 21,545	\$ 21,714	\$ 20,977	\$ 23,439	\$ 20,977
Reserves by line of business:							
Structured settlements	\$ 3,363	\$ 3,297	\$ 3,234	\$ 3,164	\$ 3,135	\$ 3,363	\$ 3,135
Pension risk transfer	7,611	6,550	5,907	5,477	5,162	7,611	5,162
Corporate and Bank-owned life insurance	4,971	4,876	5,037	4,981	4,962	4,971	4,962
Stable value wrap	570	611	644	881	943	570	943
Guaranteed investment contracts	6,924	6,917	6,723	7,211	6,775	6,924	6,775
Total insurance reserves	\$ 23,439	\$ 22,251	\$ 21,545	\$ 21,714	\$ 20,977	\$ 23,439	\$ 20,977
Premiums and deposits by line of business:							
Structured settlements	\$ 95	\$ 97	\$ 94	\$ 55	\$ 58	\$ 192	\$ 174
Pension risk transfer	1,035	696	450	353	116	1,731	862
Corporate and Bank-owned life insurance	(1)	1	-	-	-	-	-
Stable value wrap	-	(1)	1	52	-	(1)	-
Guaranteed investment contracts	-	124	-	373	94	124	344
Total premiums and deposits	\$ 1,129	\$ 917	\$ 545	\$ 833	\$ 268	\$ 2,046	\$ 1,380
Stable value wraps (401k and bank-owned life insurance) - Assets under management (a)	\$ 41,348	\$ 40,934	\$ 39,912	\$ 39,903	\$ 39,616	\$ 41,348	\$ 39,616

(a) Comprises the notional value of stable value wrap contracts, excluding the portion included in Total insurance reserves.

See accompanying notes on page 37 and reconciliations of Non-GAAP financial measures beginning on page 66.



American International Group, Inc.
Life and Retirement Notes

- (1) Net investment income (loss) - base portfolio includes interest, dividends, and foreclosed real estate income, net of investment expenses and non-qualifying (economic) hedges.
- (2) Net investment income (loss) - other yield enhancements includes call and tender income, commercial mortgage loan prepayments, changes in market value of investments accounted for under the fair value option, interest received on defaulted investments (other than foreclosed real estate) and other miscellaneous investment income, including income of certain partnership entities that are required to be consolidated.
- (3) Life and Retirement Adjusted pre-tax income in 3Q19 included the net effect of adjustments to reflect the annual review and update of certain assumptions used to amortize DAC and related items for interest-sensitive products, including life and annuity spreads, mortality rates, lapse rates, fees and separate account long-term asset growth rates. The update of actuarial assumptions also included adjustments to reserves for universal life with secondary guarantees. Consolidated pre-tax income in these periods also included adjustments to the valuation of variable annuity GMWB features that are accounted for as embedded derivatives, primarily due to updated assumptions for lapses, mortality, risk margins and utilization of withdrawal benefits. 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 APTI. In the aggregate, the net effect of adjustments to reflect the review and update of actuarial assumptions for Life and Retirement products increased (decreased) APTI and pre-tax income as follows:

<i>(in millions)</i>	Life Insurance	Individual - Fixed Annuities	Individual Variable and Index Annuities	Group Retirement	Total Life and Retirement
	3Q19	3Q19	3Q19	3Q19	3Q19
Policy fees	\$ (32)	\$ -	\$ -	\$ -	\$ (32)
Interest credited to policyholder account balances	-	25	(5)	(1)	19
Amortization of deferred policy acquisition costs	155	58	(6)	(4)	203
Policyholder benefits and claims incurred	(186)	(1)	(134)	(12)	(333)
Adjusted pre-tax income (loss)	\$ (63)	\$ 82	\$ (145)	\$ (17)	\$ (143)
Changes in DAC related to net realized capital gains (losses)	7	-	(23)	(1)	(17)
Net realized capital gains (losses)	8	-	143	29	180
Increase (decrease) to pre-tax income (loss)	\$ (48)	\$ 82	\$ (25)	\$ 11	\$ 20

- (4) Non deferrable insurance commissions and other includes risk charges related to statutory reinsurance that became effective in 2016 of certain life insurance reserves, which resulted in the release of statutory capital. The risk charges are allocated to the Life and Retirement segments on the basis of attributed common equity, consistent with the benefit from the reduced capital requirement.
- (5) Includes incremental effect on base yield of alternative investments. Quarterly results are annualized.
- (6) Includes incremental effect on base yield of other yield enhancements. Quarterly results are annualized.
- (7) Includes returns from base portfolio including accretion and impacts from holding cash and short-term investments. Quarterly results are annualized.
- (8) Annuity surrender rates represent actual or annualized surrenders and other withdrawals as a percentage of average annuity reserves and Group Retirement mutual fund assets under administration.
- (9) Life and Retirement uses reinsurance, product design and hedging to mitigate risks related to guaranteed benefits in individual annuity contracts. See Part II, Item 7. MD&A – Enterprise Risk Management – Insurance Risks – Life and Retirement Companies’ Key Risks – Variable Annuity Risk Management and Hedging Programs in our Annual Report on Form 10-K for the year ended December 31, 2019 for a discussion of our risk management related to these product features.
- (10) Life Insurance - Other income is primarily related to Laya Healthcare commission and profit sharing revenues received from insurers for distribution of their products.
- (11) Life Insurance 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 accident and health insurance represent annualized first-year premium from new policies.
- (12) Life insurance lapse rates are reported on a 90-day lag basis to include grace period processing.
- (13) In 4Q19, an adjustment of (\$121) million was made to reflect an intercompany elimination. Prior periods have been revised to conform with the current period presentation.



American International Group, Inc.
Other Operations Results

(in millions)	Quarterly					Six Months Ended June 30,	
	2Q20	1Q20	4Q19	3Q19	2Q19	2020	2019
Results of Operations							
Revenues:							
Premiums	\$ 18	\$ 15	\$ 13	\$ 12	\$ 13	\$ 33	\$ 25
Net investment income							
Interest and dividends - Available for Sale Securities	(4)	26	21	26	30	22	57
Interest and dividends - Fair value option securities	6	(8)	4	1	(1)	(2)	3
Other investment income - Consolidated investment entities	(40)	94	49	49	42	54	95
Other investment income (loss)	17	16	24	21	36	33	55
Total Net investment income	(21)	128	98	97	107	107	210
Other Income							
Other income- Intercompany loan with legacy portfolio	17	18	18	17	19	35	38
Other income (loss) - Other	1	1	18	13	5	2	10
Total other income (3)	18	19	36	30	24	37	48
Total adjusted revenues	15	162	147	139	144	177	283
Benefits, losses and expenses:							
Policyholder benefits and losses incurred	18	11	10	13	10	29	14
Acquisition expenses - Amortization of deferred policy acquisition costs	5	4	4	5	4	9	9
General operating expenses							
Parent and Service Companies	194	244	241	241	195	438	376
Asset Management Group	8	10	(1)	1	4	18	15
Blackboard (5)	10	16	19	17	16	26	28
Amortization of intangible assets	10	10	10	10	10	20	20
Total General operating expenses (3)	222	280	269	269	225	502	439
Interest expense							
Interest - Financial Debt and Hybrids	269	259	260	259	264	528	524
Interest - Consolidated investment entities	41	46	50	33	43	87	74
Interest - Economic hedge on foreign denominated debt	9	12	8	10	10	21	19
Interest - Other	10	1	(1)	4	3	11	6
Total Interest expense	329	318	317	306	320	647	623
Total benefits, losses and expenses	574	613	600	593	559	1,187	1,085
Adjusted pre-tax loss before consolidation and eliminations	(559)	(451)	(453)	(454)	(415)	(1,010)	(802)
Consolidation, eliminations and other adjustments							
Consolidation, eliminations and other adjustments - Consolidated investment entities (1)	63	(104)	(126)	(53)	(56)	(41)	(148)
Consolidation, eliminations and other adjustments - other	(14)	20	(7)	7	-	6	22
Total consolidation, eliminations and other adjustments (2)	49	(84)	(133)	(46)	(56)	(35)	(126)
Adjusted pre-tax loss	\$ (510)	\$ (535)	\$ (586)	\$ (500)	\$ (471)	\$ (1,045)	\$ (928)

See accompanying notes on page 39 and 40 and reconciliations of Non-GAAP financial measures beginning on page 66.



American International Group, Inc.
Other Operations Results

(in millions)

	Quarterly					Six Months Ended June 30,	
	2Q20	1Q20	4Q19	3Q19	2Q19	2020	2019
Adjusted Pre-tax income (loss) by activities							
Corporate (Parent and Service Companies)							
General operating expenses	\$ (194)	\$ (244)	\$ (241)	\$ (241)	\$ (195)	\$ (438)	\$ (376)
Interest expense	(269)	(259)	(260)	(259)	(264)	(528)	(524)
All other income (expense), net (4)	(1)	20	69	53	62	19	103
Total Corporate (Parent and Service Companies)	(464)	(483)	(432)	(447)	(397)	(947)	(797)
Consolidated investment entities	(81)	48	(1)	16	(1)	(33)	21
Blackboard (5)	(14)	(16)	(20)	(23)	(17)	(30)	(26)
Consolidation, eliminations and other adjustments							
Consolidation, eliminations and other adjustments - Consolidated investment entities (1)	63	(104)	(126)	(53)	(56)	(41)	(148)
Consolidation, eliminations and other adjustments - other	(14)	20	(7)	7	-	6	22
Total consolidation, eliminations and other adjustments (2)	49	(84)	(133)	(46)	(56)	(35)	(126)
Adjusted pre-tax loss	\$ (510)	\$ (535)	\$ (586)	\$ (500)	\$ (471)	\$ (1,045)	\$ (928)

See accompanying notes on page 39 and 40 and reconciliations of Non-GAAP financial measures beginning on page 66.

- (1) Consolidation, eliminations and other adjustments - consolidated investment entities primarily represents the elimination of intercompany net investment income recorded by our General Insurance and Life and Retirement subsidiaries for their investments in consolidated investment entities within our Asset Management Group.
- (2) Total consolidation, eliminations and other adjustments primarily represents eliminations of intercompany transactions between entities in Other Operations (Parent and Asset Management Group) and our General Insurance and Life and Retirement subsidiaries.

(in millions)

	Quarterly					Six Months Ended June 30,	
	2Q20	1Q20	4Q19	3Q19	2Q19	2020	2019
Revenues:							
Net investment income	\$ 30	\$ (147)	\$ (161)	\$ (70)	\$ (78)	\$ (117)	\$ (169)
Other income	3	2	3	(11)	(1)	5	(7)
Total adjusted revenues	33	(145)	(158)	(81)	(79)	(112)	(176)
Benefits, losses and expenses:							
Policyholder benefits and losses incurred	2	(19)	3	(8)	(5)	(17)	(7)
Interest credited to policyholder account balances	7	(10)	6	(1)	4	(3)	4
General operating expenses	(4)	(14)	(15)	(12)	(13)	(18)	(27)
Interest expense	(21)	(18)	(19)	(14)	(9)	(39)	(20)
Total benefits, losses and expenses	(16)	(61)	(25)	(35)	(23)	(77)	(50)
Adjusted pre-tax loss	\$ 49	\$ (84)	\$ (133)	\$ (46)	\$ (56)	\$ (35)	\$ (126)

American International Group, Inc.
Other Operations Results

- (3) Beginning in the quarter ended March 31, 2020, intercompany asset management fees received from General Insurance and Life and Retirement subsidiaries are recorded in general operating expenses rather than other income, resulting in a reduction in other income and general operating expenses. There is no impact on adjusted pre-tax income for this presentation change. Prior periods have been revised to conform to the current period presentation. The reduction in other income and general operating expenses for each period was as follows:

	Quarterly					Six Months Ended June 30,	
	2Q20	1Q20	4Q19	3Q19	2Q19	2020	2019
Other income	\$ 77	\$ 79	\$ 73	\$ 72	\$ 67	\$ 156	\$ 131
General operating expenses	\$ 77	\$ 79	\$ 73	\$ 72	\$ 67	\$ 156	\$ 131

- (4) All other income (loss), net primarily represents interest and dividends, other investment income, other income, amortization of intangible assets, economic hedge on foreign denominated debt and net general operating expenses of our Asset Management Group.
- (5) At the end of March 2020, Blackboard, AIG's technology-driven subsidiary, was placed into run-off. As a result of this decision, AIG recognized a pre-tax loss of \$210 million, primarily consisting of asset impairment charges; this charge did not impact adjusted pre-tax income.

American International Group, Inc.
Legacy Portfolio Results

(in millions)

Results of Operations

Revenues:

	Quarterly					Six Months Ended June 30,	
	2Q20	1Q20	4Q19	3Q19	2Q19	2020	2019
Premiums	\$ 76	\$ 124	\$ 114	\$ 122	\$ 127	\$ 200	\$ 245
Policy fees	29	29	30	30	32	58	62
Net investment income	631	127	688	614	603	758	1,178
Other income (loss)	(17)	(16)	(13)	(15)	(22)	(33)	(39)
Total adjusted revenues	719	264	819	751	740	983	1,446

Benefits, losses and expenses:

Policyholder benefits and losses incurred (4)	341	507	487	516	474	848	906
Interest credited to policyholder account balances	45	51	52	53	54	96	108
Acquisition expenses:							
Amortization of deferred policy acquisition costs	11	18	17	19	14	29	32
Other acquisition expenses	-	1	2	(2)	-	1	3
Total acquisition expenses	11	19	19	17	14	30	35
Non deferrable insurance commissions	4	3	3	6	4	7	8
General operating expenses	57	48	76	62	70	105	148
Interest expense (1)	4	4	5	4	5	8	10
Total benefits, losses and expenses	462	632	642	658	621	1,094	1,215

Adjusted pre-tax income (loss) (5)

Adjusted pre-tax income (loss) by type

General Insurance run-off lines (4)	10	36	(8)	27	43	46	58
Life and Retirement run-off lines	13	(133)	103	16	38	(120)	125
Legacy investments	234	(271)	82	50	38	(37)	48
Adjusted pre-tax income (loss)	\$ 257	\$ (368)	\$ 177	\$ 93	\$ 119	\$ (111)	\$ 231

Adjusted pre-tax income (loss)

Interest expense on attributed financial debt	-	-	-	-	-	-	-
Adjusted pre-tax income (loss) including attributed interest expense	257	(368)	177	93	119	(111)	231
Income tax expense (benefit)	54	(78)	37	19	26	(24)	49

Adjusted after-tax income (loss) attributable to common shareholders (a)

Adjusted after-tax income (loss) attributable to common shareholders (a)	\$ 203	\$ (290)	\$ 140	\$ 74	\$ 93	\$ (87)	\$ 182
Ending adjusted attributed common equity	\$ 2,019	\$ 7,842	\$ 7,018	\$ 6,775	\$ 6,792	\$ 2,019	\$ 6,792
Average adjusted attributed common equity (b)*	4,931	7,430	6,897	6,784	7,121	5,626	7,709
Adjusted return on attributed common equity (a÷b)	16.5 %	(15.6) %	8.1 %	4.4 %	5.2 %	(3.1) %	4.7 %

* See accompanying notes to Adjusted Attributed Common Equity on page 73.



**American International Group, Inc.
Legacy Portfolio Results (Cont.)**

(in millions)

Noteworthy Items (pre-tax)

	Quarterly					Six Months Ended June 30,	
	2Q20	1Q20	4Q19	3Q19	2Q19	2020	2019
Catastrophe losses, net of reinsurance	\$ -	\$ -	\$ 2	\$ 14	\$ -	\$ -	\$ -
Prior year loss reserve development (favorable) unfavorable, net of reinsurance	(2)	-	-	(1)	3	(2)	1
Return premium related to prior year development	2	-	-	-	-	2	-
Prior year loss reserve development (favorable) unfavorable, net of reinsurance and return premium	-	-	-	(1)	3	-	1
Annual actuarial assumption update	-	-	-	(30)	-	-	-
Better (worse) than expected alternative returns	(20)	(120)	(1)	-	5	(140)	16
Better (worse) than expected DIB and GCM returns	24	(45)	62	(10)	14	(21)	9
Fair value changes on Fixed Maturity Securities - Other accounted under fair value option (2)	249	(235)	94	58	(63)	14	(15)
Selected Balance Sheet Data							
Legacy investments, net of related debt	\$ 1,021	\$ 1,352	\$ 2,002	\$ 2,074	\$ 2,008	\$ 1,021	\$ 2,008
Legacy General Insurance run-off reserves (3)	1,403	5,147	5,409	5,624	5,498	1,403	5,498
Legacy Life and Retirement run-off reserves	7,739	37,817	38,728	39,441	38,010	7,739	38,010

As of June 30, 2020, approximately \$30.5 billion of reserves from AIG's Legacy Life and Retirement Run-Off Lines and approximately \$4.1 billion of reserves from AIG's Legacy General Insurance Run-Off Lines, related to business written by multiple wholly-owned AIG subsidiaries, had been ceded to Fortitude Re under these reinsurance transactions. As of closing of the Majority Interest Fortitude Sale, these reinsurance transactions are no longer considered affiliated transactions and Fortitude Re is the reinsurer of the majority of AIG's Legacy Portfolio. Below lists selected pre-tax Balance Sheet data (in millions) from our life insurance and general insurance subsidiaries related to the business ceded to Fortitude:

	June 30, 2020	March 31, 2020	December 31, 2019	September 30, 2019	June 30, 2019
Funds withheld assets	\$ 41,541	\$ 39,216	\$ 39,874	\$ 41,001	\$ 39,643
Reinsurance assets - Fortitude Re	34,556	-	-	-	-
Unamortized balances prepaid insurance assets*	-	2,872	2,948	2,977	2,995
Deferred acquisition costs related to prepaid insurance assets*	-	454	454	465	484
General Insurance run-off reserves**	4,125	3,841	3,915	4,006	4,029
Life and Retirement run-off reserves	30,431	30,074	30,237	30,708	30,852

*Amounts were written-off as result of the deconsolidation of Fortitude Re.

** Includes unearned premiums ceded to Fortitude Re as a result of the Majority Interest Fortitude Sale.



American International Group, Inc.
Legacy General Insurance Run-off Lines

(in millions)	Quarterly					Six Months Ended June 30,	
	2Q20	1Q20	4Q19	3Q19	2Q19	2020	2019
Results of Operations							
Net premiums earned	\$ 1	\$ 5	\$ 11	\$ 17	\$ 17	\$ 6	\$ 21
Losses and loss adjustment expenses incurred (4)	14	12	53	33	25	26	40
Total acquisition expenses	1	-	-	1	-	1	3
General operating expenses	8	9	18	7	11	17	26
Underwriting loss	(22)	(16)	(60)	(24)	(19)	(38)	(48)
Net investment income	32	52	52	51	62	84	106
Adjusted pre-tax income (loss)	\$ 10	\$ 36	\$ (8)	\$ 27	\$ 43	\$ 46	\$ 58
Noteworthy Items (pre-tax)							
Catastrophe-related losses, net of reinsurance	\$ -	\$ -	\$ 2	\$ 14	\$ -	\$ -	\$ -
Prior year loss reserve development (favorable) unfavorable, net of reinsurance	(2)	-	-	(1)	3	(2)	1
Return premium related to prior year development	2	-	-	-	-	2	-
Prior year loss reserve development (favorable) unfavorable, net of reinsurance and return premium	-	-	-	(1)	3	-	1
Net liability for unpaid losses and loss adjustment expenses (at period end) (3)	1,403	5,147	5,409	5,624	5,498	1,403	5,498

Prior year development by accident year:	Quarterly					Six Months Ended June 30,	
	2Q20	1Q20	4Q19	3Q19	2Q19	2020	2019
Accident Year							
2019	\$ (2)	\$ -	\$ -	\$ -	\$ -	\$ (2)	\$ -
2018	-	-	(1)	-	47	-	49
2017	-	-	-	-	(8)	-	(8)
2016	-	-	-	-	(4)	-	(4)
2015	-	-	-	(1)	5	-	5
2014	-	-	-	1	(9)	-	(9)
2013	-	-	-	(1)	(4)	-	(4)
2012	-	-	-	-	(10)	-	(10)
2011	-	-	-	3	5	-	5
2010 and prior	-	-	1	(3)	(19)	-	(23)
Total Legacy General Insurance run-off prior year	\$ (2)	\$ -	\$ -	\$ (1)	\$ 3	\$ (2)	\$ 1

See accompanying notes on page 45 and reconciliations of Non-GAAP financial measures beginning on page 66.



American International Group, Inc.
Legacy Life and Retirement Run-off Lines

(in millions)	Quarterly					Six Months Ended	
	2Q20	1Q20	4Q19	3Q19	2Q19	2020	2019
Results of Operations							
Premiums and deposits	\$ 131	\$ 182	\$ 134	\$ 151	\$ 133	\$ 313	\$ 299
Revenues:							
Premiums	\$ 75	\$ 119	\$ 103	\$ 106	\$ 110	\$ 194	\$ 223
Policy fees	29	29	30	30	32	58	62
Net investment income:							
Base portfolio	312	405	405	404	414	717	820
Alternative investments	2	(95)	34	34	38	(93)	83
Other yield enhancements	27	13	80	43	20	40	55
Total net investment income	341	323	519	482	471	664	957
Other income	1	-	1	4	(4)	1	(3)
Total adjusted revenues	446	471	653	622	609	917	1,239
Benefits, losses and expenses:							
Policyholder benefits and losses incurred	327	495	434	483	448	822	866
Interest credited to policyholder account balances	45	51	52	53	54	96	108
Amortization of deferred policy acquisition costs	11	18	17	18	14	29	32
Non deferrable insurance commissions	4	3	3	6	4	7	8
General operating expenses	44	36	43	44	51	80	98
Interest expense	2	1	1	2	-	3	2
Total benefits, losses and expenses	433	604	550	606	571	1,037	1,114
Adjusted pre-tax income (loss)	\$ 13	\$ (133)	\$ 103	\$ 16	\$ 38	\$ (120)	\$ 125
Noteworthy items (pre-tax)							
Future policy benefits for life and A&H contracts (at period end)	\$ 5,418	\$ 30,786	\$ 31,646	\$ 32,367	\$ 30,867	\$ 5,418	\$ 30,867
Policyholder contract deposits	336	4,981	5,032	5,046	5,135	336	5,135
Separate account reserves	1,985	2,050	2,050	2,028	2,008	1,985	2,008
Total general and separate account reserves	\$ 7,739	\$ 37,817	\$ 38,728	\$ 39,441	\$ 38,010	\$ 7,739	\$ 38,010
Annual actuarial assumption update	\$ -	\$ -	\$ -	\$ (30)	\$ -	\$ -	\$ -

See reconciliations of Non-GAAP financial measures beginning on page 66.

American International Group, Inc.
Legacy Portfolio Notes

- (1) Includes inter-segment interest expenses.
- (2) Includes the fair value changes on DIB and GCM asset portfolios.
- (3) Includes a portion of reserves related to certain long-duration business primarily in Japan, which is recorded in other policyholder funds on our Consolidated Balance Sheets.
- (4) Consistent with our definition of APTI, excludes net loss reserve discount and the portion of favorable or unfavorable prior year reserve development for which we have ceded the risk under retroactive reinsurance agreements and related amortization of the deferred gain.
- (5) Legacy adjusted pre-tax income (loss) for the three months and six months ended June 30, 2020 includes \$96 million and (\$233) million, respectively, related to the two-month and five-month period prior to the deconsolidation of Fortitude Re.

American International Group, Inc.
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American International Group, Inc.
Investments Portfolio Results, Excluding Equity Securities

(in millions)	Quarterly					Six Months Ended June 30,	
	2Q20	1Q20	4Q19	3Q19	2Q19	2020	2019
Fixed Maturity Securities - AFS, at fair value							
Annualized yield (1)	4.37%	4.34%	4.50%	4.53%	4.71%	4.36%	4.64%
Investment income	\$ 2,461	\$ 2,537	\$ 2,624	\$ 2,623	\$ 2,701	\$ 4,998	\$ 5,295
Net realized capital gains (losses)	3	16	98	104	57	19	(57)
Ending carrying value (2)	258,505	241,776	251,086	253,221	245,561	258,505	245,561
Amortized cost	237,345	234,587	233,230	233,345	230,062	237,345	230,062
Fixed Maturity Securities - Other, at fair value (3)							
Total Return (1)	26.85%	(17.35%)	7.60%	6.21%	4.61%	3.20%	5.70%
Investment income (loss)	\$ 357	\$ (261)	\$ 142	\$ 137	\$ 110	\$ 96	\$ 276
Ending carrying value (4) (5)	5,437	5,353	6,682	8,327	8,919	5,437	8,919
Mortgage and other loans receivable							
Annualized yield (1)	4.26%	4.37%	4.51%	4.47%	4.74%	4.31%	4.67%
Investment income	\$ 485	\$ 512	\$ 519	\$ 495	\$ 518	\$ 997	\$ 1,016
Net realized capital gains (losses)	(22)	(38)	(12)	(25)	14	(60)	(18)
Ending carrying value	46,522	46,844	46,984	45,075	43,556	46,522	43,556
Other Invested Assets:							
Other invested assets - Hedge Funds (6)							
Annualized yield (1)	33.26%	(37.28%)	3.92%	(3.34%)	10.91%	(4.35%)	1.21%
Investment income (loss)	\$ 170	\$ (219)	\$ 32	\$ (29)	\$ 104	\$ (49)	\$ 381
Ending carrying value	2,187	2,241	3,314	3,464	3,866	2,187	3,866
Other invested assets - Private Equity (6)							
Annualized yield (1)	(21.20%)	9.67%	6.12%	10.08%	21.32%	(5.57%)	16.00%
Investment income (loss)	\$ (276)	\$ 131	\$ 76	\$ 117	\$ 238	\$ (145)	\$ 354
Net realized capital gains (losses)	(35)	-	(11)	16	11	(35)	10
Ending carrying value	5,521	5,635	5,199	4,731	4,551	5,521	4,551
Other invested assets - Real Estate investments							
Annualized yield (1)	2.96%	2.80%	3.43%	4.07%	2.68%	2.88%	2.87%
Investment income (loss)	\$ 61	\$ 59	\$ 77	\$ 96	\$ 62	\$ 120	\$ 131
Net realized capital gains (losses)	7	46	109	69	64	53	45
Ending carrying value	8,164	8,348	8,491	9,491	9,287	8,164	9,287
Other invested assets - All other (7)							
Investment income (loss)	\$ 34	\$ 18	\$ 25	\$ 56	\$ 18	\$ 52	\$ 59
Net realized capital gains (losses)	-	-	28	-	-	-	-
Ending carrying value	1,820	1,742	1,788	1,800	1,750	1,820	1,750
Other Invested Assets - Total	\$ 17,692	\$ 17,966	\$ 18,792	\$ 19,486	\$ 19,454	\$ 17,692	\$ 19,454
Short-term Investments							
Annualized yield (1)	0.53%	1.38%	1.99%	2.07%	1.98%	0.93%	1.89%
Investment income (loss)	\$ 27	\$ 57	\$ 68	\$ 75	\$ 64	\$ 84	\$ 112
Ending carrying value	21,316	19,773	13,230	14,113	15,016	21,316	15,016
Total AIG							
Total Investments, Excluding Equity Securities (4)	\$ 349,472	\$ 331,712	\$ 336,774	\$ 340,222	\$ 332,506	\$ 349,472	\$ 332,506
Total Investment Expenses	\$ 139	\$ 148	\$ 144	\$ 135	\$ 132	\$ 287	\$ 246
Total Gross Investment Income	\$ 3,319	\$ 2,834	\$ 3,563	\$ 3,570	\$ 3,815	\$ 6,153	\$ 7,624

See accompanying notes on page 52.



American International Group, Inc.
Investments Portfolio Results (Cont.)

Reconciliation to GAAP Net Investment Income

(in millions)

	Quarterly					Six Months Ended June 30,	
	2Q20	1Q20	4Q19	3Q19	2Q19	2020	2019
Total Gross Investment Income - APTI basis	\$ 3,319	\$ 2,834	\$ 3,563	\$ 3,570	\$ 3,815	\$ 6,153	\$ 7,624
Subtract: Investment expenses	139	148	144	135	132	287	246
Add: Net realized capital gains related to economic hedges and other	18	13	43	40	52	31	75
Total Net Investment Income - APTI Basis	\$ 3,198	\$ 2,699	\$ 3,462	\$ 3,475	\$ 3,735	\$ 5,897	\$ 7,453
Breakdown by Segment:							
General Insurance	518	588	766	756	833	1,106	1,922
Life and Retirement	2,040	2,003	2,071	2,078	2,270	4,043	4,312
Legacy Portfolio	631	127	688	614	603	758	1,178
Other Operations (8)	(21)	128	98	97	107	107	210
Consolidations and Eliminations (8)	30	(147)	(161)	(70)	(78)	(117)	(169)
Total Net Investment Income - APTI Basis	\$ 3,198	\$ 2,699	\$ 3,462	\$ 3,475	\$ 3,735	\$ 5,897	\$ 7,453
Reconciliation to GAAP Net Investment Income:							
Add: Changes in fair value of securities used to hedge guaranteed living benefits	14	13	15	24	84	27	189
Add: Changes in the fair value of equity securities	56	(191)	153	(51)	(22)	(135)	57
Add: Net investment income on Fortitude Re funds withheld assets	116	-	-	-	-	116	-
Subtract: Net realized capital gains related to economic hedges and other	18	13	43	40	52	31	75
Net Investment Income per Consolidated Statements of Operations	\$ 3,366	\$ 2,508	\$ 3,587	\$ 3,408	\$ 3,745	\$ 5,874	\$ 7,624

See accompanying notes on page 52.



**American International Group, Inc.
Investments Portfolio Results (Cont.)**

Investment Portfolio Results by Asset Category and Annualized Yields

(in millions)

Fixed Maturity Securities - AFS, at fair value

	General Insurance	Life & Retirement	Legacy Portfolio	Other Operations	Eliminations*	AIG Inc.
Annualized yield (1)	3.17%	4.87%	5.77%	1.38%	0.00%	4.37%
Investment income	\$ 484	\$ 1,665	\$ 331	\$ 20	\$ (39)	\$ 2,461
Ending carrying value	63,445	151,375	39,386	6,153	(1,854)	258,505
Amortized Cost	60,809	138,254	33,760	6,264	(1,742)	237,345

Fixed Maturity Securities - Other, at fair value

Total Return (1)	18.49%	31.64%	18.72%	21.24%	0.00%	26.85%
Investment income (loss)	\$ 57	\$ 42	\$ 249	\$ 6	\$ 3	\$ 357
Ending carrying value	1,249	542	4,427	115	(896)	5,437

Mortgage and other loans receivable

Annualized yield (1)	3.99%	4.25%	4.49%	0.00%	0.00%	4.26%
Investment income	\$ 102	\$ 346	\$ 39	\$ -	\$ (2)	\$ 485
Ending carrying value	10,227	32,469	4,651	94	(919)	46,522

Other Invested Assets:

Other invested assets - Hedge Funds

Annualized yield (1)	36.80%	26.55%	19.74%	0.00%	0.00%	33.26%
Investment income	\$ 124	\$ 37	\$ 9	\$ -	\$ -	\$ 170
Ending carrying value	1,410	575	202	-	-	2,187

Other invested assets - Private Equity

Annualized yield (1)	(23.66%)	(20.49%)	(3.46%)	(14.40%)	0.00%	(21.20%)
Investment income	\$ (192)	\$ (103)	\$ (7)	\$ (58)	\$ 84	\$ (276)
Ending carrying value	3,184	2,014	1,247	1,594	(2,518)	5,521

Other invested assets - Real Estate investments

Annualized yield (1)	(2.01%)	5.43%	1.43%	1.07%	0.00%	2.96%
Investment income	\$ (3)	\$ 50	\$ 2	\$ 8	\$ 4	\$ 61
Ending carrying value	592	3,601	573	2,981	417	8,164

Other invested assets - All other

Investment income	\$ (1)	\$ 36	\$ 8	\$ 1	\$ (10)	\$ 34
Ending carrying value	1,074	611	22	113	-	1,820

Total Other Invested Assets

	\$ 6,260	\$ 6,801	\$ 2,044	\$ 4,688	\$ (2,101)	\$ 17,692
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Short-term Investments

Annualized yield (1)	0.70%	0.62%	0.45%	0.32%	0.00%	0.53%
Investment income	\$ 7	\$ 14	\$ 1	\$ 6	\$ (1)	\$ 27
Ending carrying value	4,282	8,288	784	8,790	(828)	21,316

Total AIG

Total Investments, Excluding Equity Securities	\$ 85,463	\$ 199,475	\$ 51,292	\$ 19,840	\$ (6,598)	\$ 349,472
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Total Gross Investment Income

						3,319
Subtract: Investment expenses						139
Add: Net realized capital gains related to economic hedges and other						18

Total Net Investment Income - APTI Basis

						\$ 3,198
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*Eliminations are primarily related to intercompany investments in consolidated investment entities.

See accompanying notes on page 52.



**American International Group, Inc.
Investments Portfolio Results (Cont.)**

**Investment Income and Yield by Segment
(in millions)**

	Quarterly					Six Months Ended June 30,	
	2Q20	1Q20	4Q19	3Q19	2Q19	2020	2019
Interest and dividends (a)							
General Insurance							
Investment income	\$ 593	\$ 668	\$ 680	\$ 679	\$ 715	\$ 1,261	\$ 1,483
Invested assets	75,307	75,417	73,193	73,027	74,684	75,307	74,684
Annualized yield	3.15%	3.60%	3.72%	3.68%	3.79%	3.38%	3.93%
Life and Retirement							
Investment income	\$ 2,025	\$ 1,960	\$ 1,997	\$ 1,974	\$ 1,997	\$ 3,985	\$ 3,892
Invested assets	178,982	177,602	167,218	164,458	160,705	178,982	160,705
Annualized yield	4.54%	4.55%	4.82%	4.86%	5.02%	4.56%	4.89%
Total AIG including Legacy Portfolio and Other Operations							
Investment income	\$ 3,014	\$ 3,172	\$ 3,287	\$ 3,180	\$ 3,265	\$ 6,186	\$ 6,459
Invested assets	305,268	301,204	293,444	292,533	288,634	305,268	288,634
Annualized yield	4.14%	4.27%	4.49%	4.38%	4.56%	4.23%	4.52%
Alternative investment income (loss)							
General Insurance							
Investment income	\$ (68)	\$ (73)	\$ 124	\$ 76	\$ 170	\$ (141)	\$ 497
Invested assets	4,594	4,757	5,505	5,646	6,106	4,594	6,106
Annualized yield	(5.82%)	(5.69%)	8.90%	5.17%	10.94%	(5.69%)	15.99%
Life and Retirement							
Investment income	\$ (46)	\$ 112	\$ 97	\$ 45	\$ 193	\$ 66	\$ 260
Invested assets	2,860	2,784	2,598	2,454	2,218	2,860	2,218
Annualized yield	(6.48%)	16.57%	15.36%	7.71%	34.70%	4.79%	23.37%
Total AIG including Legacy Portfolio and Other Operations							
Investment income	\$ (170)	\$ 16	\$ 288	\$ 179	\$ 423	\$ (154)	\$ 896
Invested assets	7,987	8,184	8,845	8,532	8,760	7,987	8,760
Annualized yield	(8.89%)	0.75%	13.26%	8.28%	19.37%	(3.71%)	20.51%
Other investment income (loss)							
General Insurance							
Investment income	\$ 47	\$ 45	\$ 14	\$ 54	\$ (6)	\$ 92	\$ 39
Invested assets (b)	2,917	2,939	3,482	4,041	3,357	2,917	3,357
Life and Retirement							
Investment income	\$ 136	\$ 17	\$ 67	\$ 138	\$ 156	\$ 153	\$ 303
Invested assets (b)	4,484	4,594	4,986	5,591	7,667	4,484	7,667
Total AIG including Legacy Portfolio and Other Operations							
Investment income	\$ 463	\$ (194)	\$ 197	\$ 321	\$ 257	\$ 269	\$ 513
Invested assets (b)	15,142	15,161	16,758	19,325	21,649	15,142	21,649
Total AIG Investment Income, APTI basis	\$ 3,307	\$ 2,994	\$ 3,772	\$ 3,680	\$ 3,945	\$ 6,301	\$ 7,868
Investment expenses	139	148	144	135	132	287	246
Consolidations and eliminations	30	(147)	(166)	(70)	(78)	(117)	(169)
Total Net Investment Income - APTI Basis	\$ 3,198	\$ 2,699	\$ 3,462	\$ 3,475	\$ 3,735	\$ 5,897	\$ 7,453

(a) Interest and dividends includes the amounts below related to commercial mortgage loan prepayments and call and tender income:

	Quarterly					Six Months Ended June 30,	
	2Q20	1Q20	4Q19	3Q19	2Q19	2020	2019
General Insurance	\$ 12	\$ 11	\$ 10	\$ 14	\$ 9	\$ 23	\$ 11
Life and Retirement	33	26	94	64	84	59	103
Total Interest and dividends	\$ 45	\$ 37	\$ 104	\$ 78	\$ 93	\$ 82	\$ 114

(b) Includes Fixed Maturity Securities - Other, long term time deposits, private common stock, and Real Estate investments.

See accompanying notes on page 52.



American International Group, Inc.
Investments – Net Realized Capital Gains (Losses)

(in millions)	Quarterly					Six Months Ended June 30,	
	2Q20	1Q20	4Q19	3Q19	2Q19	2020	2019
Sales of fixed maturity securities	\$ 27	\$ 214	\$ 136	\$ 128	\$ 87	\$ 241	\$ 56
Other-than-temporary impairments	-	-	(37)	(24)	(30)	-	(113)
Change in intent	(3)	-	-	-	-	(3)	-
Change in allowance for credit losses on fixed maturity securities	(24)	(198)	-	-	-	(222)	-
Change in allowance for credit losses on loans	(22)	(38)	(11)	(25)	14	(60)	(10)
Foreign exchange transactions	44	(254)	469	(203)	(2)	(210)	(39)
Variable annuity embedded derivatives, net of related hedges	(1,010)	2,192	(304)	311	(40)	1,182	(301)
All other derivatives and hedge accounting	(568)	1,559	(623)	466	207	991	135
Fortitude Re funds withheld assets	(741)	-	-	-	-	(741)	-
Other*	(35)	44	115	276	168	9	230
Total net realized capital gains (losses)	\$ (2,332)	\$ 3,519	\$ (255)	\$ 929	\$ 404	\$ 1,187	\$ (42)

* In 3Q19, includes \$200 million from the sale and concurrent leaseback of our corporate headquarters and \$300 million as a result of sales of investment real estate properties.

American International Group, Inc.
Investments Portfolio Results Notes

- (1) Yields/Total Return are calculated using quarterly annualized investment income divided by the average quarterly asset amortized cost for the interim periods. Starting in the second quarter of 2020, for hedge fund investments, annualized yield calculations are based on the average ending carrying value with adjustments for hedge fund redemptions that occurred at the beginning of the quarter. Prior periods have been revised to reflect the annualized yield calculation change in hedge fund investments. In the second quarter of 2020, for purposes of calculating yield/total returns, average amortized cost was adjusted to excluded Fortitude Re withheld assets, consistent with the exclusion of net investment income on Fortitude Re funds withheld assets post deconsolidation of Fortitude Re.
- (2) As of June 30, 2020, our Fixed Maturity Securities - AFS portfolio was approximately 81% fixed rate and 19% variable rate.
- (3) Fixed Maturity Securities - Other are securities for which we elected the fair value option. For Fixed Maturity Securities - Other changes in the fair value of these securities are reported through investment income, which can result in significant fluctuation in the total return.
- (4) Excludes the carrying value of securities used to hedge guaranteed living benefits.
- (5) As of June 30, 2020, our Fixed Maturity Securities - Other portfolio was approximately 34% fixed rate and 66% variable rate.
- (6) Other Invested Assets - Hedge Funds/Private Equity includes investments accounted for under the equity method of accounting, where changes in our share of the net asset values are recorded through investment income or investments where we have elected the fair value option, where changes in the fair value are reported through investment income.
- (7) Other Invested Assets - All Other includes long term time deposits, private common stock, and affordable housing partnerships. Due to the mix of investments included within this line item and their varied performance, annualized yield is not meaningful and therefore is not presented.

American International Group, Inc.
AIG Invested Assets Summary

June 30, 2020

(in millions)	General Insurance		Life & Retirement		Legacy Portfolio*		Other Operations		Eliminations**		AIG Inc.	
	Fair value	% of total	Fair value	% of total	Fair value	% of total	Fair value	% of total	Fair value	% of total	Fair value	% of total
Bonds available for sale, at fair value												
Government and municipalities	\$ 16,471	19 %	\$ 12,547	6 %	\$ 6,307	12 %	\$ 81	- %	\$ -	- %	\$ 35,406	10 %
U.S. government and government sponsored entities	1,506	2	1,472	1	1,750	3	74	-	-	-	4,802	1
Obligations of states, municipalities and political subdivisions	6,170	7	6,813	3	3,013	6	-	-	-	-	15,996	5
Non-U.S. governments	8,795	10	4,262	2	1,544	3	7	-	-	-	14,608	4
Corporate debt	25,769	30	100,130	50	29,176	57	2,074	10	(384)	6	156,765	44
Residential Mortgage-Backed Securities	10,554	12	17,274	9	2,585	5	3,143	16	(444)	7	33,112	9
Commercial Mortgage-Backed Securities	3,721	4	9,352	5	1,894	4	32	-	-	-	14,999	4
Collateralized Debt Obligations (CDOs)	4,188	5	6,766	3	(1,434)	(3)	675	3	(1,026)	15	9,169	3
Asset-Backed Securities	2,742	4	5,306	3	858	2	148	1	-	-	9,054	3
Total bonds available for sale	63,445	74	151,375	76	39,386	77	6,153	30	(1,854)	28	258,505	73
Other bond securities, at fair value	1,249	1	542	-	4,427	9	115	1	(896)	14	5,437	2
Total Fixed Maturities	64,694	75	151,917	76	43,813	86	6,268	31	(2,750)	42	263,942	75
Equity securities												
Other common and preferred stock, at fair value	422	-	255	-	8	-	19	-	(25)	-	679	-
Mortgage and other loans receivable												
Residential mortgages	3,673	4	2,352	1	21	-	-	-	-	-	6,046	2
Commercial mortgages	5,079	6	27,827	14	3,629	7	-	-	-	-	36,535	9
Life insurance policy loans	-	-	1,270	1	821	1	-	-	-	-	2,091	1
Commercial loans, other loans and notes receivable	1,620	2	1,591	1	258	1	94	-	(919)	14	2,644	1
Total mortgage and other loans receivable	10,372	12	33,040	17	4,729	9	94	-	(919)	14	47,316	13
Allowance for credit losses	(145)	-	(571)	-	(78)	-	-	-	-	-	(794)	-
Total mortgage and other loans receivable, net of allowance	10,227	12	32,469	17	4,651	9	94	-	(919)	14	46,522	13
Other invested assets												
Hedge funds	1,410	2	575	-	202	-	-	-	-	-	2,187	1
Private equity	3,184	4	2,014	1	1,247	2	1,594	8	(2,518)	38	5,521	2
Real estate investments	592	1	3,601	2	573	1	2,981	15	417	(7)	8,164	2
Other invested assets - All other	1,074	1	611	-	22	-	113	1	-	-	1,820	1
Total other invested assets	6,260	8	6,801	3	2,044	3	4,688	24	(2,101)	31	17,692	6
Short-term investments	4,282	5	8,288	4	784	2	8,790	45	(828)	13	21,316	6
Total investments	\$ 85,885	100 %	\$ 199,730	100 %	\$ 51,300	100 %	\$ 19,859	100 %	\$ (6,623)	100 %	\$ 350,151	100 %

* The invested assets related to the intercompany reinsurance agreement with Fortitude are included within Legacy Portfolio.

** Eliminations are primarily related to intercompany investments in consolidated investment entities.



American International Group, Inc.
Summary of Fixed Maturity Securities, at Fair Value

	June 30, 2020					
(in millions)	General Insurance	Life & Retirement	Legacy Portfolio	Other Operations	Eliminations*	AIG Inc.
Bonds available for sale, at fair value						
U.S. government and government sponsored entities	\$ 1,506	\$ 1,472	\$ 1,750	\$ 74	\$ -	\$ 4,802
Obligations of states, municipalities and political subdivisions	6,170	6,813	3,013	-	-	15,996
Non-U.S. governments	8,795	4,262	1,544	7	-	14,608
Total Government and municipalities	16,471	12,547	6,307	81	-	35,406
Corporate debt						
Financial institutions:						
Banks	6,666	9,397	2,016	1	-	18,080
Insurance	1,064	5,985	2,251	104	-	9,404
Other securities firms and other financial institutions	2,220	10,399	1,467	111	-	14,197
Total Financial institutions	9,950	25,781	5,734	216	-	41,681
Utilities	1,733	14,082	5,703	58	-	21,576
Communications	1,462	6,992	2,097	237	-	10,788
Consumer noncyclical	3,478	14,380	4,323	312	-	22,493
Consumer cyclical	2,429	7,051	1,553	356	-	11,389
Capital goods	1,267	5,381	1,156	106	-	7,910
Energy	1,438	8,271	2,290	57	-	12,056
Basic materials	751	3,509	1,173	73	-	5,506
Other	3,261	14,683	5,147	659	(384)	23,366
Total Corporate debt	\$ 25,769	\$ 100,130	\$ 29,176	\$ 2,074	\$ (384)	\$ 156,765
Mortgage-backed, asset-backed and collateralized						
Investments in Residential Mortgage-Backed Securities						
Agency	\$ 4,956	\$ 7,843	\$ 957	\$ 3,110	\$ -	\$ 16,866
Prime jumbo non-agency	1,632	2,228	437	33	-	4,330
Other non-agency	3,966	6,759	1,191	-	-	11,916
Internal Transactions	-	444	-	-	(444)	-
Total Investments in Residential Mortgage-Backed Securities	\$ 10,554	\$ 17,274	\$ 2,585	\$ 3,143	\$ (444)	\$ 33,112
Investments in Commercial Mortgage-Backed Securities						
Agency	\$ 110	\$ 1,585	\$ 501	\$ 2	\$ -	\$ 2,198
Non-agency (CMBS traditional and other)	3,611	7,767	1,393	30	-	12,801
Total Investments in Commercial Mortgage-Backed Securities	\$ 3,721	\$ 9,352	\$ 1,894	\$ 32	\$ -	\$ 14,999
Investments in Collateralized Debt Obligations (CDOs)						
Bank loans (CLO)	\$ 2,816	\$ 5,403	\$ 243	\$ 675	\$ -	\$ 9,137
Other	1,372	1,363	(1,677)	-	(1,026)	32
Total Investments in CDOs	\$ 4,188	\$ 6,766	\$ (1,434)	\$ 675	\$ (1,026)	\$ 9,169
Investments in Asset-Backed Securities (ABS)	\$ 2,742	\$ 5,306	\$ 858	\$ 148	\$ -	\$ 9,054
Total Mortgage-backed, asset-backed and collateralized	\$ 21,205	\$ 38,698	\$ 3,903	\$ 3,998	\$ (1,470)	\$ 66,334
Total Bonds available for sale, at fair value	\$ 63,445	\$ 151,375	\$ 39,386	\$ 6,153	\$ (1,854)	\$ 258,505
Other bond securities, at fair value						
U.S. government and government sponsored entities	\$ -	\$ -	\$ 1,912	\$ -	\$ -	\$ 1,912
Corporate debt	11	-	-	-	-	11
Mortgage-backed, asset-backed and collateralized:						
RMBS	232	140	94	51	(7)	510
CMBS	62	143	98	-	-	303
CDO/ABS and other collateralized	944	259	2,323	64	(889)	2,701
Total mortgage-backed, asset-backed and collateralized	1,238	542	2,515	115	(896)	3,514
Total Other Bonds Securities at Fair value	1,249	542	4,427	115	(896)	5,437
Total Fixed Maturities	\$ 64,694	\$ 151,917	\$ 43,813	\$ 6,268	\$ (2,750)	\$ 263,942

*Eliminations are primarily related to intercompany investments in consolidated investment entities.



American International Group, Inc. Credit Ratings for Fixed Maturities

Credit Ratings

At June 30, 2020, approximately 89 percent of our fixed maturity securities were held by our domestic entities. Approximately 16 percent of these securities were rated AAA by one or more of the principal rating agencies, and approximately 12 percent were rated below investment grade or not rated. Our investment decision process relies primarily on internally generated fundamental analysis and internal risk ratings. Third-party rating services' ratings and opinions provide one source of independent perspective for consideration in the internal analysis.

Moody's Investors Service Inc. (Moody's), Standard & Poor's Financial Services LLC, a subsidiary of S&P Global Inc. (S&P), or similar foreign rating services rate a significant portion of our foreign entities' fixed maturity securities portfolio. Rating services are not available for some foreign-issued securities. Our Credit Risk Management department closely reviews the credit quality of the foreign portfolio's non-rated fixed maturity securities. At June 30, 2020, approximately 25 percent of such investments were either rated AAA or, on the basis of our internal analysis, were equivalent from a credit standpoint to securities rated AAA, and approximately 5 percent were below investment grade or not rated. Approximately 29 percent of the foreign entities' fixed maturity securities portfolio is comprised of sovereign fixed maturity securities supporting policy liabilities in the country of issuance.

Composite AIG Credit Ratings

With respect to our fixed maturity securities, the credit ratings in the following pages reflect: (a) a composite of the ratings of the three major rating agencies, or when agency ratings are not available, the rating assigned by the NAIC SVO (99 percent of total fixed maturity securities), or (b) our equivalent internal ratings when these investments have not been rated by any of the major rating agencies or the NAIC.

NAIC Designations of Fixed Maturity Securities

The Securities Valuation Office (SVO) of the National Association of Insurance Commissioners (NAIC) evaluates the investments of U.S. insurers for statutory reporting purposes and assigns fixed maturity securities to one of six categories called 'NAIC Designations.' In general, NAIC Designations of '1' highest quality, or '2' high quality, include fixed maturity securities considered investment grade, while NAIC Designations of '3' through '6' generally include fixed maturity securities referred to as below investment grade. The NAIC has adopted revised rating methodologies for certain structured securities, including non-agency RMBS and CMBS, which are intended to enable a more precise assessment of the value of such structured securities and increase the accuracy in assessing expected losses to better determine the appropriate capital requirement for such structured securities. These methodologies result in an improved NAIC Designation for such securities compared to the rating typically assigned by the three major rating agencies.



American International Group, Inc.
Credit Ratings for Fixed Maturities

	June 30, 2020					
(in millions)	General Insurance	Life & Retirement	Legacy Portfolio	Other Operations	Eliminations*	AIG Inc.
Bonds available for sale, at fair value						
Government and municipalities						
AAA	\$ 5,368	\$ 2,165	\$ 621	\$ 74	\$ -	\$ 8,228
AA	5,808	5,224	4,165	7	-	15,204
A	4,048	2,109	778	-	-	6,935
BBB	933	2,091	593	-	-	3,617
Below investment grade	301	501	137	-	-	939
Not Rated	13	457	13	-	-	483
Total Government and municipalities	\$ 16,471	\$ 12,547	\$ 6,307	\$ 81	\$ -	\$ 35,406
Corporate debt						
AAA	\$ 766	\$ 1,149	\$ 937	\$ -	\$ -	\$ 2,852
AA	3,041	10,134	4,448	1	-	17,624
A	8,613	30,283	9,854	3	-	48,753
BBB	9,617	49,529	12,698	51	(350)	71,545
Below investment grade**	3,445	9,035	1,239	1,906	(34)	15,591
Not Rated	287	-	-	113	-	400
Total Corporate debt	\$ 25,769	\$ 100,130	\$ 29,176	\$ 2,074	\$ (384)	\$ 156,765
Mortgage-backed, asset-backed and collateralized						
Investments in residential mortgage-backed securities						
AAA	\$ 6,028	\$ 8,762	\$ 947	\$ 3,139	\$ (337)	\$ 18,539
AA	1,337	2,648	453	4	(49)	4,393
A	196	441	14	-	(26)	625
BBB	114	287	17	-	(20)	398
Below investment grade**	2,879	5,134	1,154	-	(12)	9,155
Not Rated	-	2	-	-	-	2
Total Investments in residential mortgage-backed securities	\$ 10,554	\$ 17,274	\$ 2,585	\$ 3,143	\$ (444)	\$ 33,112
Investments in commercial mortgage-backed securities						
AAA	\$ 2,107	\$ 4,957	\$ 1,005	\$ 31	\$ -	\$ 8,100
AA	1,157	3,241	577	1	-	4,976
A	305	593	172	-	-	1,070
BBB	138	303	100	-	-	541
Below investment grade	6	243	40	-	-	289
Not Rated	8	15	-	-	-	23
Total Investments in commercial mortgage-backed securities	\$ 3,721	\$ 9,352	\$ 1,894	\$ 32	\$ -	\$ 14,999

* Eliminations are primarily related to intercompany investments in consolidated investment entities.

** These securities are mostly rated NAIC-1 and NAIC-2 by the NAIC. See NAIC designation table on page 63 herein.



American International Group, Inc.
Credit Ratings for Fixed Maturities

	June 30, 2020					
(in millions)	General Insurance	Life & Retirement	Legacy Portfolio	Other Operations	Eliminations*	AIG Inc.
Bonds available for sale, at fair value						
Investments in collateralized debt obligations (CDOs)						
AAA	\$ 1,089	\$ 1,412	\$ 58	\$ 675	\$ (10)	\$ 3,224
AA	2,367	3,943	(1,567)	-	(657)	4,086
A	606	1,128	67	-	(83)	1,718
BBB	78	177	7	-	(153)	109
Below investment grade	13	47	1	-	(50)	11
Not Rated	35	59	-	-	(73)	21
Total Investments in CDOs	\$ 4,188	\$ 6,766	\$ (1,434)	\$ 675	\$ (1,026)	\$ 9,169
Investments in asset-backed securities (ABS)						
AAA	\$ 710	\$ 247	\$ 21	\$ 148	\$ -	\$ 1,126
AA	379	1,105	164	-	-	1,648
A	868	2,057	407	-	-	3,332
BBB	738	1,826	258	-	-	2,822
Below investment grade	46	69	8	-	-	123
Not Rated	1	2	-	-	-	3
Total Investments in ABS	\$ 2,742	\$ 5,306	\$ 858	\$ 148	\$ -	\$ 9,054
Total Bonds available for sale, at fair value						
AAA	\$ 16,068	\$ 18,692	\$ 3,589	\$ 4,067	\$ (347)	\$ 42,069
AA	14,089	26,295	8,240	13	(706)	47,931
A	14,636	36,611	11,292	3	(109)	62,433
BBB	11,618	54,213	13,673	51	(523)	79,032
Below investment grade**	6,690	15,029	2,579	1,906	(96)	26,108
Not Rated	344	535	13	113	(73)	932
Total bonds available for sale, at fair value	\$ 63,445	\$ 151,375	\$ 39,386	\$ 6,153	\$ (1,854)	\$ 258,505
Other Bonds Securities at Fair value						
AAA	\$ 209	\$ 43	\$ 1,916	\$ 88	\$ (5)	\$ 2,251
AA	41	110	75	18	-	244
A	18	117	9	9	-	153
BBB	8	54	284	-	-	346
Below investment grade**	72	188	1,949	-	-	2,209
Not Rated	901	30	194	-	(891)	234
Total Other Bonds Securities at Fair value	\$ 1,249	\$ 542	\$ 4,427	\$ 115	\$ (896)	\$ 5,437
Total Fixed Maturities						
AAA	\$ 16,277	\$ 18,735	\$ 5,505	\$ 4,155	\$ (352)	\$ 44,320
AA	14,130	26,405	8,315	31	(706)	48,175
A	14,654	36,728	11,301	12	(109)	62,586
BBB	11,626	54,267	13,957	51	(523)	79,378
Below investment grade**	6,762	15,217	4,528	1,906	(96)	28,317
Not Rated	1,245	565	207	113	(964)	1,166
Total Fixed Maturities - Total AIG	\$ 64,694	\$ 151,917	\$ 43,813	\$ 6,268	\$ (2,750)	\$ 263,942

* Eliminations are primarily related to intercompany investments in consolidated investment entities.

** These securities are mostly rated NAIC-1 and NAIC-2 by the NAIC. See NAIC designation table on page 63 herein.



American International Group, Inc.
Fixed Maturity Securities, at Fair Value by Category and Ratings

June 30, 2020

(in millions)	General Insurance	Life & Retirement	Legacy Portfolio	Other Operations	Eliminations*	AIG Inc.
Bonds available for sale, at fair value						
U.S. government and government sponsored entities	\$ 1,506	\$ 1,472	\$ 1,750	\$ 74	\$ -	\$ 4,802
AAA	1,497	1,462	279	74	-	3,312
AA	9	10	1,471	-	-	1,490
Obligations of states, municipalities and political	6,170	6,813	3,013	-	-	15,996
AAA	1,287	619	171	-	-	2,077
AA	3,351	4,370	2,246	-	-	9,967
A	1,267	955	356	-	-	2,578
BBB	209	392	227	-	-	828
Below investment grade	56	20	-	-	-	76
Non-rated	-	457	13	-	-	470
Non-U.S. governments	8,795	4,262	1,544	7	-	14,608
AAA	2,584	84	171	-	-	2,839
AA	2,448	844	448	7	-	3,747
A	2,781	1,154	422	-	-	4,357
BBB	724	1,699	366	-	-	2,789
Below investment grade	245	481	137	-	-	863
Non-rated	13	-	-	-	-	13
Total Government and municipalities	\$ 16,471	\$ 12,547	\$ 6,307	\$ 81	\$ -	\$ 35,406

*Eliminations are primarily related to intercompany investments in consolidated investment entities.



American International Group, Inc.
Fixed Maturity Securities, at Fair Value by Category and Ratings (Cont.)

June 30, 2020

(in millions)	General Insurance	Life & Retirement	Legacy Portfolio	Other Operations	Eliminations*	AIG Inc.
Corporate debt						
Financial institutions:						
Banks	\$ 6,666	\$ 9,397	\$ 2,016	\$ 1	\$ -	\$ 18,080
AAA	395	1	11	-	-	407
AA	1,316	476	136	-	-	1,928
A	3,461	5,930	1,159	1	-	10,551
BBB	1,338	2,625	631	-	-	4,594
Below investment grade	130	365	79	-	-	574
Non-rated	26	-	-	-	-	26
Insurance	1,064	5,985	2,251	104	-	9,404
AAA	55	-	-	-	-	55
AA	209	1,206	485	1	-	1,901
A	330	2,442	929	-	-	3,701
BBB	363	2,272	833	-	-	3,468
Below investment grade	12	65	4	101	-	182
Non-rated	95	-	-	2	-	97
Other securities firms and other financial institutions	2,220	10,399	1,467	111	-	14,197
AAA	-	-	-	-	-	-
AA	303	1,121	225	-	-	1,649
A	422	1,706	308	-	-	2,436
BBB	1,363	7,378	907	-	-	9,648
Below investment grade	90	194	27	109	-	420
Non-rated	42	-	-	2	-	44
Utilities	1,733	14,082	5,703	58	-	21,576
AAA	-	2	-	-	-	2
AA	133	1,919	940	-	-	2,992
A	549	5,112	2,594	1	-	8,256
BBB	983	6,595	2,012	-	-	9,590
Below investment grade	56	454	157	46	-	713
Non-rated	12	-	-	11	-	23
Communications	1,462	6,992	2,097	237	-	10,788
AAA	-	-	-	-	-	-
AA	2	104	32	-	-	138
A	361	1,912	592	-	-	2,865
BBB	781	4,404	1,337	20	-	6,542
Below investment grade	305	572	136	191	-	1,204
Non-rated	13	-	-	26	-	39
Consumer noncyclical	3,478	14,380	4,323	312	-	22,493
AAA	41	188	135	-	-	364
AA	200	953	332	-	-	1,485
A	1,161	4,801	1,640	-	-	7,602
BBB	1,374	6,618	2,050	-	-	10,042
Below investment grade**	690	1,820	166	293	-	2,969
Non-rated	12	-	-	19	-	31

* Eliminations are primarily related to intercompany investments in consolidated investment entities.

** These securities are mostly rated NAIC-1 and NAIC-2 by the NAIC. See NAIC designation table on page 63 herein.



American International Group, Inc.
Fixed Maturity Securities, at Fair Value by Category and Ratings (Cont.)

June 30, 2020

(in millions)	General Insurance	Life & Retirement	Legacy Portfolio	Other Operations	Eliminations*	AIG Inc.
Corporate debt (Cont.)						
Consumer cyclical	\$ 2,429	\$ 7,051	\$ 1,553	\$ 356	\$ -	\$ 11,389
AAA	4	-	-	-	-	4
AA	293	1,305	417	-	-	2,015
A	637	1,776	544	-	-	2,957
BBB	749	2,286	411	-	-	3,446
Below investment grade	722	1,684	181	348	-	2,935
Non-rated	24	-	-	8	-	32
Capital goods	1,267	5,381	1,156	106	-	7,910
AA	4	32	-	-	-	36
A	453	1,455	388	1	-	2,297
BBB	412	2,895	644	-	-	3,951
Below investment grade	396	999	124	103	-	1,622
Non-rated	2	-	-	2	-	4
Energy	1,438	8,271	2,290	57	-	12,056
AA	241	813	460	-	-	1,514
A	277	1,091	231	-	-	1,599
BBB	623	5,061	1,444	-	-	7,128
Below investment grade	279	1,306	155	57	-	1,797
Non-rated	18	-	-	-	-	18
Basic materials	751	3,509	1,173	73	-	5,506
AA	5	-	-	-	-	5
A	132	339	163	-	-	634
BBB	467	2,867	909	-	-	4,243
Below investment grade	137	303	101	73	-	614
Non-rated	10	-	-	-	-	10
Other	3,261	14,333	5,147	659	(34)	23,366
AAA	271	958	791	-	-	2,020
AA	335	2,205	1,421	-	-	3,961
A	830	3,719	1,306	-	-	5,855
BBB	1,164	6,178	1,520	31	-	8,893
Below investment grade	628	1,273	109	585	(34)	2,561
Non-rated	33	-	-	43	-	76
Internal transactions	-	350	-	-	(350)	-
BBB	-	350	-	-	(350)	-
Total Corporate debt	\$ 25,769	\$ 100,130	\$ 29,176	\$ 2,074	\$ (384)	\$ 156,765

*Eliminations are primarily related to intercompany investments in consolidated investment entities.



American International Group, Inc.
Fixed Maturity Securities, at Fair Value by Category and Ratings (Cont.)

June 30, 2020

(in millions)	General Insurance	Life & Retirement	Legacy Portfolio	Other Operations	Eliminations*	AIG Inc.
Mortgage-backed, asset-backed and collateralized						
Investments in residential mortgage-backed securities						
Agency	\$ 4,956	\$ 7,843	\$ 957	\$ 3,110	\$ -	\$ 16,866
AAA	4,956	7,667	845	3,110	-	16,578
AA	-	176	112	-	-	288
Prime jumbo non-agency	1,632	2,228	437	33	-	4,330
AAA	454	500	78	29	-	1,061
AA	664	955	161	4	-	1,784
A	132	117	5	-	-	254
BBB	25	40	9	-	-	74
Below investment grade	357	616	184	-	-	1,157
Other non-agency	3,966	6,759	1,191	-	-	11,916
AAA	618	258	24	-	-	900
AA	673	1,468	180	-	-	2,321
A	64	298	9	-	-	371
BBB	89	227	8	-	-	324
Below investment grade**	2,522	4,506	970	-	-	7,998
Non-rated	-	2	-	-	-	2
Internal transactions	-	444	-	-	(444)	-
AAA	-	337	-	-	(337)	-
AA	-	49	-	-	(49)	-
A	-	26	-	-	(26)	-
BBB	-	20	-	-	(20)	-
Below investment grade	-	12	-	-	(12)	-
Residential mortgage-backed securities	\$ 10,554	\$ 17,274	\$ 2,585	\$ 3,143	\$ (444)	\$ 33,112

* Eliminations are primarily related to intercompany investments in consolidated investment entities.

** These securities are mostly rated NAIC-1 and NAIC-2 by the NAIC. See NAIC designation table on page 63 herein.



American International Group, Inc.
Fixed Maturity Securities, at Fair Value by Category and Ratings (Cont.)

	June 30, 2020					
(in millions)	General Insurance	Life & Retirement	Legacy Portfolio	Other Operations	Eliminations*	AIG Inc.
Mortgage-backed, asset-backed and collateralized (Cont.)						
Investments in commercial mortgage-backed securities						
Agency	\$ 110	\$ 1,585	\$ 501	\$ 2	\$ -	\$ 2,198
AAA	62	618	283	1	-	964
AA	32	953	218	1	-	1,204
A	10	-	-	-	-	10
BBB	6	14	-	-	-	20
Non-agency (CMBS traditional and other)	3,611	7,767	1,393	30	-	12,801
AAA	2,045	4,339	722	30	-	7,136
AA	1,125	2,288	359	-	-	3,772
A	295	593	172	-	-	1,060
BBB	132	289	100	-	-	521
Below investment grade	6	243	40	-	-	289
Non-rated	8	15	-	-	-	23
Investments in commercial mortgage-backed securities	3,721	9,352	1,894	32	-	14,999
Investments in collateralized debt obligations (CDOs)						
Bank loans (CLO)	2,816	5,403	243	675	-	9,137
AAA	1,087	1,404	58	675	-	3,224
AA	1,108	2,867	111	-	-	4,086
A	583	1,068	67	-	-	1,718
BBB	38	64	7	-	-	109
Other	15	16	1	-	-	32
Below investment grade	-	10	1	-	-	11
Non-rated	15	6	-	-	-	21
Internal transactions	1,357	1,347	(1,678)	-	(1,026)	-
AAA	2	8	-	-	(10)	-
AA	1,259	1,076	(1,678)	-	(657)	-
A	23	60	-	-	(83)	-
BBB	40	113	-	-	(153)	-
Below investment grade	13	37	-	-	(50)	-
Non-rated	20	53	-	-	(73)	-
Investments in collateralized debt obligations (CDOs)	4,188	6,766	(1,434)	675	(1,026)	9,169
Investments in asset-backed securities (ABS)	2,742	5,306	858	148	-	9,054
AAA	710	247	21	148	-	1,126
AA	379	1,105	164	-	-	1,648
A	868	2,057	407	-	-	3,332
BBB	738	1,826	258	-	-	2,822
Below investment grade	46	69	8	-	-	123
Non-rated	1	2	-	-	-	3
Total asset-backed securities	2,742	5,306	858	148	-	9,054
Total Bonds available for sale, at fair value	\$ 63,445	\$ 151,375	\$ 39,386	\$ 6,153	\$ (1,854)	\$ 258,505

*Eliminations are primarily related to intercompany investments in consolidated investment entities.



American International Group, Inc.

Fixed Maturity Security Portfolio by NAIC Designation and Composite AIG Credit Rating, at Fair Value

June 30, 2020

(in millions)	June 30, 2020								
NAIC Designation	1	2	Total Investment Grade	3	4	5	6	Total Below Investment Grade	Total
Other fixed maturity securities:									
General Insurance	\$ 26,841	\$ 11,688	\$ 38,529	\$ 1,790	\$ 1,461	\$ 439	\$ 31	\$ 3,721	\$ 42,250
Life & Retirement	49,735	53,116	102,851	5,794	2,948	1,000	72	9,814	112,665
Legacy Portfolio	22,072	13,922	35,994	922	419	57	3	1,401	37,395
Other Operations	84	51	135	297	1,622	95	3	2,017	2,152
Eliminations*	-	(350)	(350)	(34)	-	-	-	(34)	(384)
Total Other fixed maturity securities	\$ 98,732	\$ 78,427	\$ 177,159	\$ 8,769	\$ 6,450	\$ 1,591	\$ 109	\$ 16,919	\$ 194,078
Mortgage-backed, asset-backed and collateralized:									
General Insurance	\$ 20,409	\$ 1,843	\$ 22,252	\$ 110	\$ 5	\$ 12	\$ 65	\$ 192	\$ 22,444
Life & Retirement	36,219	2,356	38,575	246	47	96	273	662	39,237
Legacy Portfolio	3,730	749	4,479	9	12	17	1,908	1,946	6,425
Other Operations	4,111	-	4,111	-	-	-	-	-	4,111
Eliminations*	(1,190)	(1,121)	(2,311)	(54)	(2)	(2)	-	(58)	(2,369)
Total Mortgage-backed, asset-backed and collateralized	\$ 63,279	\$ 3,827	\$ 67,106	\$ 311	\$ 62	\$ 123	\$ 2,246	\$ 2,742	\$ 69,848
Total**	\$ 162,011	\$ 82,254	\$ 244,265	\$ 9,080	\$ 6,512	\$ 1,714	\$ 2,355	\$ 19,661	\$ 263,926

*Eliminations are primarily related to intercompany investments in consolidated investment entities.

**Excludes \$16 million of fixed maturity securities for which no NAIC Designation is available.

June 30, 2020

(in millions)	June 30, 2020								
Composite AIG credit rating	AAA/AA/A	BBB	Total Investment Grade	BB	B	CC and Lower	Total Below Investment Grade	Total	
Other fixed maturity securities:									
General Insurance	\$ 27,652	\$ 10,549	\$ 38,201	\$ 1,872	\$ 1,581	\$ 596	\$ 4,049	\$ 42,250	
Life & Retirement	51,068	51,623	102,691	5,581	3,141	1,252	9,974	112,665	
Legacy Portfolio	22,715	13,290	36,005	882	422	86	1,390	37,395	
Other Operations	84	51	135	298	1,508	211	2,017	2,152	
Eliminations*	-	(350)	(350)	(34)	-	-	(34)	(384)	
Total Other fixed maturity securities	\$ 101,519	\$ 75,163	\$ 176,682	\$ 8,599	\$ 6,652	\$ 2,145	\$ 17,396	\$ 194,078	
Mortgage-backed, asset-backed and collateralized:									
General Insurance	\$ 17,407	\$ 1,076	\$ 18,483	\$ 169	\$ 63	\$ 3,729	\$ 3,961	\$ 22,444	
Life & Retirement	30,806	2,643	33,449	520	254	5,014	5,788	39,237	
Legacy Portfolio	2,406	669	3,075	96	35	3,219	3,350	6,425	
Other Operations	4,111	-	4,111	-	-	-	-	4,111	
Eliminations*	(1,169)	(173)	(1,342)	(58)	(3)	(966)	(1,027)	(2,369)	
Total Mortgage-backed, asset-backed and collateralized	\$ 53,561	\$ 4,215	\$ 57,776	\$ 727	\$ 349	\$ 10,996	\$ 12,072	\$ 69,848	
Total**	\$ 155,080	\$ 79,378	\$ 234,458	\$ 9,326	\$ 7,001	\$ 13,141	\$ 29,468	\$ 263,926	

*Eliminations are primarily related to intercompany investments in consolidated investment entities.

**Excludes \$16 million of fixed maturity securities for which no NAIC Designation is available.



American International Group, Inc.

Commercial Mortgage Loan Exposure by Location and Class of Loan Based on Amortized Cost

June 30, 2020									
(dollars in millions)	Number of Loans	Class						Percent of Total	
		Apartments	Offices	Retail	Industrial	Hotel	Others	Total	Total
New York	103	\$ 2,550	\$ 5,159	\$ 463	\$ 375	\$ 98	\$ -	\$ 8,645	24 %
California	69	847	1,342	245	541	807	33	3,815	10
New Jersey	47	1,670	31	413	85	12	32	2,243	6
Texas	52	584	1,165	172	139	144	-	2,204	6
Florida	71	446	158	501	217	217	-	1,539	4
Massachusetts	12	538	230	546	25	-	-	1,339	4
Illinois	19	504	438	10	18	-	22	992	3
Washington, D.C.	14	512	297	-	-	17	-	826	2
Pennsylvania	21	80	17	520	46	25	-	688	2
Ohio	22	170	10	186	265	-	-	631	2
Other states	194	2,089	731	1,222	722	400	7	5,171	14
Foreign	90	4,274	1,218	935	1,145	529	341	8,442	23
Total Commercial Mortgages*	714	\$ 14,264	\$ 10,796	\$ 5,213	\$ 3,578	\$ 2,249	\$ 435	\$ 36,535	100 %

*Does not reflect allowance for credit losses.

June 30, 2020									
(dollars in millions)	Number of Loans	Class						Percent of Total	
		Apartments	Offices	Retail	Industrial	Hotel	Others	Total ^(c)	Total
In good standing	699	\$ 14,262	\$ 10,484	\$ 5,106	\$ 3,578	\$ 2,145	\$ 435	\$ 36,010	98 %
Restructured ^(a)	5	1	85	50	-	86	-	222	1
90 days or less delinquent	7	1	152	57	-	18	-	228	1
>90 days delinquent or in process of foreclosure	3	-	75	-	-	-	-	75	-
Total Commercial Mortgages^(b)	714	\$ 14,264	\$ 10,796	\$ 5,213	\$ 3,578	\$ 2,249	\$ 435	\$ 36,535	100 %

(a) Loans that have been modified in troubled debt restructurings and are performing according to their restructured terms.

(b) Does not reflect allowance for credit losses.

(c) As of June 30, 2020 and in all presented periods there were no significant amounts of nonperforming commercial mortgages (defined as those loans where payment of contractual principal or interest is more than 90 days past due).

American International Group, Inc.
Commercial Mortgages - Debt Service Coverage Ratios and Loan-to-Value Ratios by Vintage Year

(in millions)

June 30, 2020

Loan-to-Value Ratios ⁽²⁾	Debt Service Coverage Ratios ⁽¹⁾			Total AIG Inc.
	>1.20x	1.00x - 1.20x	<1.00x	
Less than 65%	\$ 25,554	\$ 2,355	\$ 233	\$ 28,142
65% to 75%	6,741	548	27	7,316
76% to 80%	371	5	-	376
Greater than 80%	529	2	170	701
Total commercial mortgages*	\$ 33,195	\$ 2,910	\$ 430	\$ 36,535

(in millions)

June 30, 2020

Loan-to-Value Ratios ⁽²⁾	Vintage Year						Total AIG Inc.
	2020	2019	2018	2017	2016	Prior	
Less than 65%	\$ 923	\$ 4,461	\$ 4,615	\$ 3,549	\$ 4,067	\$ 10,527	\$ 28,142
65% to 75%	126	1,493	1,947	1,012	932	1,806	7,316
76% to 80%	-	45	-	-	26	305	376
Greater than 80%	-	-	-	137	308	256	701
Total commercial mortgages*	\$ 1,049	\$ 5,999	\$ 6,562	\$ 4,698	\$ 5,333	\$ 12,894	\$ 36,535

* Does not reflect allowance for credit losses.

(1) The debt service coverage ratio compares a property's net operating income to its debt service payments, including principal and interest. Our weighted average debt service coverage ratio was 2.1X at June 30, 2020.

(2) The loan-to-value ratio compares the current unpaid principal balance of the loan to the estimated fair value of the underlying property collateralizing the loan. Our weighted average loan-to-value ratio was 56 percent at June 30, 2020.



American International Group, Inc.
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American International Group, Inc.
Earnings Per Share Computations

(in millions)	Quarterly					Six Months Ended June 30,	
	2Q20	1Q20	4Q19	3Q19	2Q19	2020	2019
GAAP Basis:							
Numerator for EPS:							
Income from continuing operations	\$ (7,765)	\$ 1,654	\$ 820	\$ 973	\$ 1,391	\$ (6,111)	\$ 2,328
Less: Net income from continuing operations attributable to noncontrolling interests	162	(95)	(60)	317	281	67	564
Less: Dividends declared on preferred stock	8	7	7	8	7	15	7
Income attributable to AIG common shareholders from continuing operations	(7,935)	1,742	873	648	1,103	(6,193)	1,757
Income from discontinued operations, net of income tax expense	(1)	-	49	-	(1)	(1)	(1)
Net income attributable to AIG common shareholders	\$ (7,936)	\$ 1,742	\$ 922	\$ 648	\$ 1,102	\$ (6,194)	\$ 1,756
Denominator for EPS:							
Weighted average common shares outstanding - basic*	867.0	874.2	878.2	877.0	876.4	870.6	875.9
Dilutive **	-	4.7	18.2	18.8	11.9	-	7.0
Weighted average common shares outstanding - diluted	867.0	878.9	896.4	895.8	888.3	870.6	882.9
Income per common share attributable to AIG common shareholders:							
Basic:							
Income from continuing operations	\$ (9.15)	\$ 1.99	\$ 0.99	\$ 0.74	\$ 1.26	\$ (7.11)	\$ 2.00
Income from discontinued operations	-	-	0.06	-	-	-	-
Net income attributable to AIG common shareholders	\$ (9.15)	\$ 1.99	\$ 1.05	\$ 0.74	\$ 1.26	\$ (7.11)	\$ 2.00
Diluted:							
Income from continuing operations	\$ (9.15)	\$ 1.98	\$ 0.97	\$ 0.72	\$ 1.24	\$ (7.11)	\$ 1.99
Income from discontinued operations	-	-	0.06	-	-	-	-
Net income attributable to AIG common shareholders	\$ (9.15)	\$ 1.98	\$ 1.03	\$ 0.72	\$ 1.24	\$ (7.11)	\$ 1.99

* Includes vested shares under our share-based employee compensation plans.

** For 2Q20 since we reported a net loss attributable to AIG common shareholders from continuing operations, all common stock equivalents are anti-dilutive and are therefore excluded from the calculation of diluted shares and diluted per share amounts. The shares excluded from the diluted EPS calculation were 3,226,882 shares in 2Q20. Decrease in dilutive shares is primarily driven by the decrease in average share price in the three months ended March 31, 2020, resulting in all warrants being antidilutive (as the average share price is below the warrant exercise price).



American International Group, Inc.
Reconciliation of Book Value Per Common Share

(in millions, except per common share data)

	Quarterly					As of June 30,	
	2Q20	1Q20	4Q19	3Q19	2Q19	2020	2019
Book Value Per Common Share							
Total AIG shareholders' equity	\$ 62,234	\$ 60,173	\$ 65,675	\$ 65,603	\$ 64,539	\$ 62,234	\$ 64,539
Less: Preferred equity	485	485	485	485	485	485	485
Total AIG common shareholders' equity (a)	61,749	59,688	65,190	65,118	64,054	61,749	64,054
Less: Accumulated other comprehensive income (AOCI)	9,169	(994)	4,982	5,615	4,991	9,169	4,991
Add: Cumulative unrealized gains and losses related to Fortitude Re's Funds Withheld Assets	4,215	-	-	-	-	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)	56,795	60,682	60,208	59,503	59,063	56,795	59,063
Less: Deferred tax assets (DTA)*	8,643	8,535	8,977	9,393	9,577	8,643	9,577
Total adjusted common shareholders' equity (c)	\$ 48,152	\$ 52,147	\$ 51,231	\$ 50,110	\$ 49,486	\$ 48,152	\$ 49,486
Total common shares outstanding (d)	861.4	861.3	870.0	869.9	869.9	861.4	869.9
Book value per common share (a÷d)	\$ 71.68	\$ 69.30	\$ 74.93	\$ 74.85	\$ 73.63	\$ 71.68	\$ 73.63
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)	65.93	70.45	69.20	68.40	67.90	65.93	67.90
Adjusted book value per common share (c÷d)	55.90	60.55	58.89	57.60	56.89	55.90	56.89

	Quarterly					As of June 30,	
	2Q20	1Q20	4Q19	3Q19	2Q19	2020	2019
Tangible Book Value Per Common Share							
Total AIG common shareholders' equity (a)	\$ 61,749	\$ 59,688	\$ 65,190	\$ 65,118	\$ 64,054	\$ 61,749	\$ 64,054
Less Intangible Assets:							
Goodwill	3,983	3,989	4,038	4,076	4,104	3,983	4,104
Value of business acquired	121	297	317	335	369	121	369
Value of distribution channel acquired	517	526	536	545	555	517	555
Other intangibles	323	329	333	335	337	323	337
Total intangibles assets	4,944	5,141	5,224	5,291	5,365	4,944	5,365
Total AIG tangible common shareholders' equity (e)	56,805	54,547	59,966	59,827	58,689	56,805	58,689
Less: Accumulated other comprehensive income (AOCI)	9,169	(994)	4,982	5,615	4,991	9,169	4,991
Add: Cumulative unrealized gains and losses related to Fortitude Re's Funds Withheld Assets	4,215	-	-	-	-	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)	51,851	55,541	54,984	54,212	53,698	51,851	53,698
Less: Deferred tax assets (DTA)*	8,643	8,535	8,977	9,393	9,577	8,643	9,577
Total adjusted tangible common shareholders' equity (g)	\$ 43,208	\$ 47,006	\$ 46,007	\$ 44,819	\$ 44,121	\$ 43,208	\$ 44,121
Total common shares outstanding (d)	861.4	861.3	870.0	869.9	869.9	861.4	869.9
Tangible book value per common share (e÷d)	\$ 65.94	\$ 63.33	\$ 68.93	\$ 68.77	\$ 67.47	\$ 65.94	\$ 67.47
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)	60.19	64.49	63.20	62.32	61.73	60.19	61.73
Adjusted tangible book value per common share (g÷d)	50.16	54.58	52.88	51.52	50.72	50.16	50.72

* 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.



American International Group, Inc.
Reconciliation of Return On Common Equity

(in millions, except per common share data)

	Quarterly					June 30,	
	2Q20	1Q20	4Q19	3Q19	2Q19	2020	2019
Return On Common Equity Computations							
Actual or Annualized net income (loss) attributable to AIG common shareholders (a)	\$ (31,744)	\$ 6,968	\$ 3,688	\$ 2,592	\$ 4,408	\$ (12,388)	\$ 3,512
Actual or Annualized adjusted after-tax income attributable to AIG common shareholders (b)	\$ 2,284	\$ 396	\$ 3,676	\$ 2,020	\$ 5,088	\$ 1,340	\$ 5,320
Average AIG Common Shareholders' equity (c)	\$ 60,719	\$ 62,439	\$ 65,154	\$ 64,586	\$ 62,178	\$ 62,209	\$ 60,239
Less: Average AOCI	4,088	1,994	5,299	5,303	3,560	4,386	1,902
Add: Average cumulative unrealized gains and losses related to Fortitude Re's Funds Withheld Assets	2,108	-	-	-	-	1,405	-
Less: Average DTA*	8,589	8,756	9,185	9,485	9,752	8,718	9,885
Average adjusted common shareholders' equity (d)	\$ 50,150	\$ 51,689	\$ 50,670	\$ 49,798	\$ 48,866	\$ 50,510	\$ 48,452
ROCE (a÷c)	NM**	11.2%	5.7%	4.0%	7.1%	NM**	5.8%
Adjusted return on common equity (b÷d)	4.6%	0.8%	7.3%	4.1%	10.4%	2.7%	11.0%

	Quarterly					June 30,	
	2Q20	1Q20	4Q19	3Q19	2Q19	2020	2019
Return On Tangible Common Equity Computations							
Actual or Annualized net income (loss) attributable to AIG common shareholders (a)	\$ (31,744)	\$ 6,968	\$ 3,688	\$ 2,592	\$ 4,408	\$ (12,388)	\$ 3,512
Actual or Annualized adjusted after-tax income attributable to AIG common shareholders (b)	\$ 2,284	\$ 396	\$ 3,676	\$ 2,020	\$ 5,088	\$ 1,340	\$ 5,320
Average AIG Common Shareholders' equity (c)	\$ 60,719	\$ 62,439	\$ 65,154	\$ 64,586	\$ 62,178	\$ 62,209	\$ 60,239
Less: Average intangible assets	5,043	5,183	5,258	5,328	5,397	5,103	563
Average AIG tangible common shareholders' equity (d)	55,676	57,256	59,896	59,258	56,781	57,106	59,676
Less: Average AOCI	4,088	1,994	5,299	5,303	3,560	4,386	1,902
Add: Average cumulative unrealized gains and losses related to Fortitude Re's Funds Withheld Assets	2,108	-	-	-	-	1,405	-
Less: Average DTA*	8,589	8,756	9,185	9,485	9,752	8,718	9,885
Average adjusted tangible common shareholders' equity (e)	45,107	46,506	45,412	44,470	43,469	\$ 45,407	\$ 47,889
ROCE (a÷c)	NM**	11.2%	5.7%	4.0%	7.1%	NM**	5.8%
Return on tangible common equity (a÷d)	NM**	12.2%	6.2%	4.4%	7.8%	NM**	5.9%
Adjusted return on tangible common equity (b÷e)	5.1%	0.9%	8.1%	4.5%	11.7%	3.0%	11.1%

* 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.

** Not Meaningful.



American International Group, Inc.
Reconciliation of Adjusted Pre-tax and After-tax Income – Consolidated

(in millions)

	Quarterly					Six Months Ended June 30,	
	2Q20	1Q20	4Q19	3Q19	2Q19	2020	2019
Pre-tax income (loss) from continuing operations	\$ (9,661)	\$ 2,558	\$ 1,036	\$ 1,260	\$ 1,837	\$ (7,103)	\$ 2,991
Adjustments to arrive at Adjusted pre-tax income (loss)							
Changes in fair value of securities used to hedge guaranteed living benefits	(16)	7	(11)	(12)	(75)	(9)	(171)
Changes in benefit reserves and DAC, VOBA and SIA related to net realized capital gains (losses)	(255)	538	(95)	65	73	283	(26)
Changes in the fair value of equity securities	(56)	191	(152)	51	22	135	(57)
Loss (gain) on extinguishment of debt	-	17	19	-	15	17	13
Net investment income on Fortitude Re funds withheld assets (a)	(116)	-	-	-	-	(116)	-
Net realized capital (gains) losses on Fortitude Re funds withheld assets (a)	(96)	-	-	-	-	(96)	-
Net realized capital (gains) losses on Fortitude Re funds withheld embedded derivative (a)	837	-	-	-	-	837	-
Net realized capital (gains) losses (b)	1,619	(3,502)	310	(881)	(351)	(1,883)	123
(Income) loss from divested businesses	8,412	216	71	9	1	8,628	(5)
Non-operating litigation reserves and settlements	-	(6)	(8)	5	-	(6)	1
Unfavorable (favorable) prior year development and related amortization changes ceded under retroactive reinsurance agreements	(33)	(8)	(56)	(59)	(125)	(41)	(152)
Net loss reserve discount (benefit) charge	16	56	35	235	212	72	685
Integration and transaction costs associated with acquired businesses	4	2	8	3	6	6	13
Restructuring and other costs	134	90	44	67	60	224	107
Non-recurring costs related to regulatory or accounting changes	14	13	7	3	2	27	2
Adjusted pre-tax income (loss)	\$ 803	\$ 172	\$ 1,208	\$ 746	\$ 1,677	\$ 975	\$ 3,524

(a) Represents activity subsequent to the deconsolidation of Fortitude Re on June 2, 2020.

(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.



American International Group, Inc.
Reconciliation of Adjusted Pre-tax and After-tax Income – Consolidated

(in millions)	Quarterly					Six Months Ended	
	2Q20	1Q20	4Q19	3Q19	2Q19	2020	2019
After-tax net income (loss), including noncontrolling interests	\$ (7,766)	\$ 1,654	\$ 869	\$ 973	\$ 1,390	\$ (6,112)	\$ 2,327
Noncontrolling interests (income) loss	(162)	95	60	(317)	(281)	(67)	(564)
Net income (loss) attributable to AIG	\$ (7,928)	\$ 1,749	\$ 929	\$ 656	\$ 1,109	\$ (6,179)	\$ 1,763
Dividends on preferred stock	8	7	7	8	7	15	7
Net income (loss) attributable to AIG common shareholders	\$ (7,936)	\$ 1,742	\$ 922	\$ 648	\$ 1,102	\$ (6,194)	\$ 1,756
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 (a)	206	5	7	8	27	211	15
Deferred income tax valuation allowance (releases) charges (b)	(183)	283	(3)	(9)	7	100	(31)
Changes in fair value of securities used to hedge guaranteed living benefits	(12)	5	(9)	(10)	(59)	(7)	(135)
Changes in benefit reserves and DAC, VOBA and SIA related to net realized capital gains (losses)	(202)	425	(75)	52	57	223	(21)
Changes in the fair value of equity securities	(44)	151	(120)	40	17	107	(45)
Loss (gain) on extinguishment of debt	-	13	15	-	11	13	10
Net investment income on Fortitude Re funds withheld assets(c)	(92)	-	-	-	-	(92)	-
Net realized capital (gains) losses on Fortitude Re funds withheld assets(c)	(76)	-	-	-	-	(76)	-
Net realized capital (gains) losses on Fortitude Re funds withheld embedded derivative(c)	661	-	-	-	-	661	-
Net realized capital (gains) losses (d)(e)	1,250	(2,735)	254	(705)	(265)	(1,485)	100
(Income) loss from discontinued operations and divested businesses (e)	6,756	171	14	7	2	6,927	(3)
Non-operating litigation reserves and settlements	-	(5)	(7)	4	1	(5)	1
Unfavorable (favorable) prior year development and related amortization changes ceded under retroactive reinsurance agreements	(26)	(6)	(45)	(46)	(98)	(32)	(120)
Net loss reserve discount (benefit) charge	13	44	28	185	167	57	541
Integration and transaction costs associated with acquired businesses	3	2	6	3	5	5	10
Restructuring and other costs	106	71	35	53	47	177	84
Non-recurring costs related to regulatory or accounting changes	11	10	6	2	2	21	2
Noncontrolling interests primarily related to net realized capital gains (losses) of Fortitude Holdings' standalone results (f)	136	(77)	(109)	273	249	59	496
Adjusted after-tax income (loss) attributable to AIG common shareholders	\$ 571	\$ 99	\$ 919	\$ 505	\$ 1,272	\$ 670	\$ 2,660
Calculation of Effective Tax Rates							
Adjusted pre-tax income (loss)	\$ 803	\$ 172	\$ 1,208	\$ 746	\$ 1,677	\$ 975	\$ 3,524
Income tax benefit (expense)	(198)	(84)	(233)	(189)	(366)	(282)	(789)
Dividends on preferred stock	(8)	(7)	(7)	(8)	(7)	(15)	(7)
Noncontrolling interests	(26)	18	(49)	(44)	(32)	(8)	(68)
Adjusted after-tax income (loss) attributable to AIG common shareholders	\$ 571	\$ 99	\$ 919	\$ 505	\$ 1,272	\$ 670	\$ 2,660
Effective tax rates on adjusted pre-tax income (loss)	24.7%	48.8%	19.3%	25.3%	21.8%	28.9%	22.4%

(a) Includes the write-down of net operating loss deferred tax assets in certain foreign jurisdictions, which is offset by valuation allowance release.

(b) Six months ended June 30, 2020 includes valuation allowance established against a portion of foreign tax credit and net operating loss carryforwards of AIG's U.S. federal consolidated income tax group, as well as net valuation allowance release in certain foreign jurisdictions.

(c) Represents activity subsequent to the deconsolidation of Fortitude Re on June 2, 2020.

(d) 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.

(e) Includes the impact of non-U.S. tax rates which differ from the applicable U.S. statutory tax rate and tax-only adjustments.

(f) See note (4) on page 12.



American International Group, Inc.
Reconciliation of Adjusted Pre-tax and After-tax Income – Core

Total Core

(in millions)

	Quarterly					Six Months Ended June 30,	
	2Q20	1Q20	4Q19	3Q19	2Q19	2020	2019
Adjusted pre-tax income (loss)	\$ 546	\$ 540	\$ 1,031	\$ 653	\$ 1,558	\$ 1,086	\$ 3,293
Interest expense (benefit) on attributed financial debt	-	-	-	-	-	-	-
Adjusted pre-tax income (loss) including attributed interest expense	546	540	1,031	653	1,558	1,086	3,293
Income tax expense (benefit)	143	162	196	170	340	305	740
Adjusted after-tax income (loss)	\$ 403	\$ 378	\$ 835	\$ 483	\$ 1,218	\$ 781	\$ 2,553
Dividends declared on preferred stock	7	7	7	8	7	14	7
Adjusted after-tax income (loss) attributable to common shareholders (a)	\$ 396	\$ 371	\$ 828	\$ 475	\$ 1,211	\$ 767	\$ 2,546
Ending adjusted attributed common equity	\$ 46,133	\$ 44,305	\$ 44,213	\$ 43,335	\$ 42,694	\$ 46,133	\$ 42,694
Average adjusted attributed common equity (b)*	45,219	44,259	43,774	43,015	41,746	44,884	40,742
Adjusted return on attributed common equity (a÷b)	3.5 %	3.4 %	7.6 %	4.4 %	11.6 %	3.4 %	12.5 %

* See accompanying notes to Adjusted Attributed Common Equity on page 73.



American International Group, Inc.
Attributed Debt and Adjusted Attributed Common Equity by Segment

(in millions)

	Quarterly				
	2Q20	1Q20	4Q19	3Q19	2Q19
<u>Attributed Debt (a)</u>					
General Insurance	\$ 13,539	\$ 13,561	\$ 13,683	\$ 13,654	\$ 13,765
Life and Retirement	6,627	6,627	4,183	4,122	4,033
Other Operations	6,875	4,038	5,483	5,461	6,538
Total Core	27,041	24,226	23,349	23,237	24,336
Total Attributed Debt	\$ 27,041	\$ 24,226	\$ 23,349	\$ 23,237	\$ 24,336
<u>Consolidated Attributed Debt</u>					
Total Financial debt	\$ 25,504	\$ 21,392	\$ 21,807	\$ 21,706	\$ 22,795
Syndicated credit facility	-	1,300	-	-	-
Hybrid debt securities - junior subordinated debt	1,537	1,534	1,542	1,531	1,541
Total Attributed Debt	\$ 27,041	\$ 24,226	\$ 23,349	\$ 23,237	\$ 24,336
<u>Adjusted Attributed Common Equity (b)</u>					
General Insurance	\$ 24,889	\$ 24,931	\$ 25,142	\$ 25,076	\$ 25,282
Life and Retirement	19,506	19,661	19,513	19,235	18,820
Other Operations	1,738	(287)	(442)	(976)	(1,408)
Total Core	46,133	44,305	44,213	43,335	42,694
Legacy	2,019	7,842	7,018	6,775	6,792
Total Adjusted Attributed Common Equity	\$ 48,152	\$ 52,147	\$ 51,231	\$ 50,110	\$ 49,486

(a) Attribution of debt is performed on an annual basis unless recalibration is needed. Attributed debt is determined by management, informed by our internal capital model. Attributed debt is attributed on "frictional" capital requirements beyond attributed equity.

(b) Attribution of adjusted common equity is performed on an annual basis unless recalibration is needed. Adjusted attributed common equity is determined by management, informed by our internal capital model and on the model's risk profile of each business.

American International Group, Inc.
Non-GAAP Reconciliation – Premiums to Premiums and Deposits

<i>(in millions)</i>	Quarterly					Six Months Ended June 30,	
	2Q20	1Q20	4Q19	3Q19	2Q19	2020	2019
Individual Retirement:							
Premiums	\$ 38	\$ 41	\$ 39	\$ 38	\$ 16	\$ 79	\$ 27
Deposits	1,759	3,078	3,121	3,656	3,852	4,837	8,027
Other	(3)	(3)	(4)	(2)	(3)	(6)	(3)
Premiums and deposits	\$ 1,794	\$ 3,116	\$ 3,156	\$ 3,692	\$ 3,865	\$ 4,910	\$ 8,051
Individual Retirement (Fixed Annuities):							
Premiums	\$ 29	\$ 35	\$ 33	\$ 19	\$ 16	\$ 64	\$ 28
Deposits	362	616	725	1,187	1,489	978	3,300
Other	(4)	(4)	(4)	(3)	(3)	(8)	(5)
Premiums and deposits	\$ 387	\$ 647	\$ 754	\$ 1,203	\$ 1,502	\$ 1,034	\$ 3,323
Individual Retirement (Variable Annuities):							
Premiums	\$ 9	\$ 6	\$ 6	\$ 19	\$ -	\$ 15	\$ (1)
Deposits	532	853	839	800	656	1,385	1,213
Other	1	-	-	1	-	1	2
Premiums and deposits	\$ 542	\$ 859	\$ 845	\$ 820	\$ 656	\$ 1,401	\$ 1,214
Individual Retirement (Index Annuities):							
Premiums	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Deposits	680	1,346	1,362	1,400	1,342	2,026	2,704
Other	-	-	-	-	-	-	-
Premiums and deposits	\$ 680	\$ 1,346	\$ 1,362	\$ 1,400	\$ 1,342	\$ 2,026	\$ 2,704
Individual Retirement (Retail Mutual Funds):							
Premiums	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Deposits	185	264	195	269	365	449	810
Other	-	-	-	-	-	-	-
Premiums and deposits	\$ 185	\$ 264	\$ 195	\$ 269	\$ 365	\$ 449	\$ 810
Group Retirement:							
Premiums	\$ 3	\$ 6	\$ 2	\$ 5	\$ 5	\$ 9	\$ 9
Deposits	1,667	1,849	2,310	1,919	2,042	3,516	4,101
Other	-	-	-	-	-	-	-
Premiums and deposits	\$ 1,670	\$ 1,855	\$ 2,312	\$ 1,924	\$ 2,047	\$ 3,525	\$ 4,110
Life Insurance:							
Premiums	\$ 447	\$ 419	\$ 405	\$ 394	\$ 425	\$ 866	\$ 820
Deposits	420	402	436	404	413	822	819
Other	204	194	206	214	194	398	388
Premiums and deposits	\$ 1,071	\$ 1,015	\$ 1,047	\$ 1,012	\$ 1,032	\$ 2,086	\$ 2,027
Institutional Markets:							
Premiums	\$ 1,089	\$ 757	\$ 501	\$ 389	\$ 152	\$ 1,846	\$ 971
Deposits	33	152	36	437	108	185	394
Other	7	8	8	7	8	15	15
Premiums and deposits	\$ 1,129	\$ 917	\$ 545	\$ 833	\$ 268	\$ 2,046	\$ 1,380
Total Life and Retirement:							
Premiums	\$ 1,577	\$ 1,223	\$ 947	\$ 826	\$ 598	\$ 2,800	\$ 1,827
Deposits	3,879	5,481	5,903	6,416	6,415	9,360	13,341
Other	208	199	210	219	199	407	400
Premiums and deposits	\$ 5,664	\$ 6,903	\$ 7,060	\$ 7,461	\$ 7,212	\$ 12,567	\$ 15,568



American International Group, Inc. (AIG) is a leading global insurance organization. AIG member companies provide a wide range of property casualty insurance, life insurance, retirement solutions, and other financial services to customers in more than 80 countries and jurisdictions. These diverse offerings include products and services that help businesses and individuals protect their assets, manage risks and provide for retirement security. AIG common stock is listed on the New York Stock Exchange.

Additional information about AIG can be found at www.aig.com | YouTube: www.youtube.com/aig | Twitter: [@AIGinsurance](https://twitter.com/AIGinsurance) www.twitter.com/AIGinsurance | LinkedIn: www.linkedin.com/company/aig. These references with additional information about AIG have been provided as a convenience, and the information contained on such websites is not incorporated by reference into this press release.

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